



## SUPPLEMENTARY FINANCIAL INFORMATION

SECOND QUARTER 2018

(unaudited)

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## Notes to users

- 1) The quantitative information in this document has been prepared in accordance with International Financial Reporting Standards (IFRS) and should be read in conjunction with the Report to Shareholders for all quarters of 2018. This supplementary financial information (SFI) is unaudited and should be read in conjunction with the 2017 Annual Report (including audited consolidated financial statements and accompanying management's discussion and analysis). Additional financial information is also available through our quarterly investor presentations as well as the quarterly conference call webcast. All amounts are in millions of Canadian dollars, unless otherwise stated.
- 2) Information related to regulatory capital as well as Pillar III and risk disclosures required by the Enhanced Disclosure Task Force (EDTF) is provided in the document entitled *Supplementary Regulatory Capital Disclosure*, which is available on the Bank's website at [nbc.ca](http://nbc.ca).
- 3) The Bank uses a number of financial measures when assessing its results and measuring its overall performance. Some of these financial measures are not calculated in accordance with GAAP, which are based on IFRS. Presenting non-GAAP financial measures helps readers to better understand how management analyzes results, shows the impacts of specified items on the results of the reported periods, and allows readers to assess results without the specified items if they consider such items not to be reflective of the underlying performance of the Bank's operations. Securities regulators require companies to caution readers that non-GAAP measures do not have a standardized meaning under GAAP and therefore may not be comparable to similar measures used by other companies.
- 4) The Bank uses the taxable equivalent basis to calculate net interest income, non-interest income and income taxes. This calculation method consists of grossing up certain tax-exempt income (particularly dividends) by the income tax that would have been otherwise payable. An equivalent amount is added to income taxes.
- 5) As stated in Note 2 to its audited annual consolidated financial statements for the year ended October 31, 2017, the Bank early adopted IFRS 9 on November 1, 2017. As permitted by IFRS 9, the Bank did not restate comparative consolidated financial statements. Note 4 to the interim condensed consolidated financial statements presents the impact of IFRS 9 adoption on the Bank's consolidated balance sheet as at November 1, 2017. Under IFRS 9, the Bank accounts for provisions for credit losses within the business segments. In the previous periods, only provisions for credit losses on credit-impaired loans had been recognized in the business segments, whereas provisions for credit losses on non credit-impaired loans had been recognized in the Other heading (except the sectoral allowance on non credit-impaired loans established collectively for the oil and gas producer and service company loan portfolio, which was recognized in the Personal and Commercial segment).
- 6) For the comparative figures, certain amounts have been revised from those previously reported in order to be consistent with the presentation adopted by the Bank for the fiscal year beginning November 1, 2017.

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## Highlights

(unaudited) (millions of Canadian dollars, except per share amounts)	IFRS 9		IAS 39								IFRS 9	IAS 39	IAS 39	
	2018		2017				2016				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2018	2017	2017	2016
Net income	547	550	525	518	484	497	307	478	210	261	1,097	981	2,024	1,256
Earnings per share - basic	1.46	1.48	1.40	1.39	1.30	1.35	0.79	1.32	0.52	0.68	2.94	2.65	5.44	3.31
Earnings per share - diluted	1.44	1.46	1.39	1.37	1.28	1.34	0.78	1.31	0.52	0.67	2.90	2.62	5.38	3.29
Return on common shareholders' equity	18.6%	18.7%	17.8%	18.2%	17.9%	18.4%	11.0%	18.7%	7.7%	9.5%	18.6%	18.1%	18.1%	11.7%
<b>Excluding specified items</b>														
Net income	551	556	531	524	492	502	463	486	237	427	1,107	994	2,049	1,613
Earnings per share - basic	1.47	1.50	1.42	1.41	1.32	1.37	1.25	1.35	0.61	1.18	2.97	2.69	5.52	4.38
Earnings per share - diluted	1.45	1.48	1.40	1.39	1.30	1.35	1.24	1.33	0.60	1.17	2.93	2.65	5.45	4.35
Return on common shareholders' equity	18.7%	18.9%	18.0%	18.4%	18.2%	18.6%	17.4%	19.0%	8.9%	16.6%	18.8%	18.4%	18.3%	15.5%
Efficiency ratio ( <i>taxable equivalent basis</i> )	54.3%	54.6%	55.2%	55.4%	56.6%	56.5%	58.5%	57.9%	57.8%	58.6%	54.5%	56.6%	55.9%	58.2%
Effective tax rate ( <i>taxable equivalent basis</i> )	25.5%	26.9%	26.1%	27.1%	25.7%	26.4%	25.2%	23.2%	25.7%	25.2%	26.3%	26.1%	26.3%	24.7%
Total assets	256,259	251,065	245,827	240,072	239,020	234,119	232,206	229,896	220,734	219,301	256,259	239,020	245,827	232,206
Average loans and BA's	138,365	136,229	134,601	131,976	128,883	127,997	126,797	123,741	120,831	118,828	137,279	128,433	130,882	122,559
Average assets	264,407	262,180	251,302	245,096	251,033	246,060	243,284	237,447	230,593	232,213	263,275	248,505	248,351	235,913
Average common shareholders' equity	10,939	10,746	10,660	10,377	10,155	9,886	9,631	9,484	9,379	9,533	10,841	10,018	10,268	9,524
Number of common shares outstanding ( <i>thousands</i> )	339,348	340,390	339,592	341,580	341,524	340,810	338,053	336,826	337,418	337,535	339,348	341,524	339,592	338,053
Weighted average number of common shares outstanding ( <i>thousands</i> )	339,885	340,950	341,108	341,555	341,107	339,476	337,882	337,553	337,329	337,074	340,426	340,278	340,809	337,460
Weighted average diluted number of common shares outstanding ( <i>thousands</i> )	343,900	345,458	345,507	345,353	345,416	343,270	341,018	340,196	339,530	339,265	344,617	344,292	344,771	339,895
Gross impaired loans <sup>(1)</sup>	586	582	380	460	422	442	492	452	521	434	586	422	380	492
Gross impaired loans <sup>(1)</sup> as a % of total loans and BA's	0.42%	0.42%	0.28%	0.34%	0.32%	0.35%	0.39%	0.36%	0.42%	0.36%	0.42%	0.32%	0.28%	0.39%
Provisions for credit losses on impaired loans <sup>(1)</sup> as a % of average loans and BA's	0.23%	0.21%	0.21%	0.17%	0.18%	0.19%	0.19%	0.14%	0.23%	0.21%	0.22%	0.18%	0.19%	0.19%
Provisions for credit losses as a % of average loans and BA's	0.27%	0.25%	0.21%	0.17%	0.18%	0.19%	0.19%	0.14%	1.07%	0.21%	0.26%	0.19%	0.19%	0.39%
Net charge-off as a % of average loans and BA's	0.22%	0.28%	0.35%	0.16%	0.25%	0.17%	0.19%	0.33%	0.15%	0.21%	0.25%	0.21%	0.23%	0.22%
Dividends declared per common share	0.60	0.60	0.58	0.58	0.56	0.56	0.55	0.55	0.54	0.54	1.20	1.12	2.28	2.18
Dividend payout (trailing 4 quarters) excl. specified items	40.7%	41.1%	41.3%	42.1%	42.0%	48.0%	49.7%	49.9%	50.1%	43.5%	40.7%	42.0%	41.3%	49.7%
Book value per common share	32.64	31.75	31.51	30.84	29.97	29.51	28.52	28.39	27.75	27.77	32.64	29.97	31.51	28.52
Share price - High	64.08	65.35	62.74	56.44	58.75	56.60	47.88	46.65	45.56	44.11	65.35	58.75	62.74	47.88
Share price - Low	58.69	62.33	55.29	51.77	52.94	46.83	44.14	40.98	35.95	35.83	58.69	46.83	46.83	35.83
Share price - Close	60.98	63.84	62.61	56.15	53.05	56.17	47.88	44.71	44.84	39.97	60.98	53.05	62.61	47.88
Number of registered shareholders	21,470	21,564	21,542	21,608	21,683	21,776	21,966	22,019	22,110	22,120	21,470	21,683	21,542	21,966
Capital ratios under Basel III <sup>(2)</sup>														
Common Equity Tier 1 (CET1)	11.3%	11.2%	11.2%	11.2%	10.8%	10.6%	10.1%	9.9%	9.8%	9.7%	11.3%	10.8%	11.2%	10.1%
Tier 1 <sup>(3)</sup>	15.3%	15.3%	14.9%	15.2%	14.2%	14.1%	13.5%	13.3%	12.9%	12.8%	15.3%	14.2%	14.9%	13.5%
Total <sup>(3)</sup>	16.6%	15.5%	15.1%	15.5%	14.5%	15.9%	15.3%	15.1%	14.8%	14.2%	16.6%	14.5%	15.1%	15.3%
Leverage ratio under Basel III <sup>(2)</sup>	4.0%	4.0%	4.0%	4.0%	3.8%	3.8%	3.7%	3.7%	3.7%	3.8%	4.0%	3.8%	4.0%	3.7%
Liquidity coverage ratio (LCR)	137%	135%	132%	134%	139%	139%	134%	137%	135%	135%	137%	139%	132%	134%

(1) Given the adoption of IFRS 9, all loans classified in Stage 3 in the expected credit loss model are impaired loans and do not take into account purchased or originated credit-impaired loans. During the second quarter of 2018, upon refinement of the impaired loans identification process, certain loans classified in Stage 1 and 2 as at November 1, 2017 and as at January 31, 2018, were reclassified in Stage 3. Under IAS 39, loans were considered impaired according to different criteria.

(2) The ratios are calculated using the "all-in" methodology.

(3) The ratios as at October 31, 2017 include the redemption of the Series 28 preferred shares on November 15, 2017.

## Shareholders' Information

(unaudited)	2018		2017				2016			
<b>Credit Rating - Long-term senior debt</b>	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Moody's <sup>(1)</sup>	A1	A1	A1	A1	Aa3	Aa3	Aa3	Aa3	Aa3	Aa3
Standard & Poor's	A	A	A	A	A	A	A	A	A	A
DBRS <sup>(2)</sup>	AA (Low)									
Fitch	A+									

(1) On May 10, 2017, Moody's credit rating agency lowered the credit ratings for long-term debt of all Canadian D-SIBs by one notch. The Bank's credit rating for long-term senior debt therefore went to A1 from Aa3.

(2) On April 19, 2018, DBRS credit rating agency changed its outlook from "negative" to "stable" for Long-Term Deposits, Long-Term Senior Debt and non-NVCC Subordinated Debt.

<b>Valuation</b>										
Market Capitalization (in millions of Canadian dollars)	20,693	21,730	21,262	19,180	18,118	19,143	16,186	15,059	15,130	13,491
P/E Ratio (trailing 4 Quarters)	10.77	11.61	11.64	11.77	11.26	14.22	14.60	12.96	13.11	9.92
Share price/Book value	1.87	2.01	1.99	1.82	1.77	1.90	1.68	1.57	1.62	1.44
Dividend yield (annualized)	3.94%	3.76%	3.71%	4.13%	4.22%	3.99%	4.59%	4.92%	4.82%	5.40%

<b>Other Information</b>										
Number of employees										
Canada	19,105	18,949	18,967	19,074	19,023	19,265	19,790	19,860	19,597	19,582
Outside of Canada	3,254	2,919	2,668	2,452	2,267	2,030	1,980	1,871	508	532
Total	22,359	21,868	21,635	21,526	21,290	21,295	21,770	21,731	20,105	20,114
Number of employees (full-time equivalent)										
Canada	18,086	17,897	17,916	18,068	17,979	18,140	18,620	18,731	18,471	18,425
Outside of Canada	3,254	2,919	2,668	2,452	2,267	2,030	1,980	1,871	508	532
Total	21,340	20,816	20,584	20,520	20,246	20,170	20,600	20,602	18,979	18,957
Number of branches in Canada	428	429	429	443	445	448	450	453	453	453
Number of ATM'S in Canada	933	932	931	932	944	941	938	937	935	932

	Ticker Symbol
<b>Common Shares</b>	NA
First Preferred Shares	
Series 30	NA.PR.S
Series 32	NA.PR.W
Series 34	NA.PR.X
Series 36	NA.PR.A
Series 38	NA.PR.C
Series 40	NA.PR.E

The Common Shares of the Bank as well as the First Preferred Series 30, Series 32, Series 34, Series 36, Series 38 and Series 40 are listed on the TSX.

## Detailed Information on Income

(unaudited) (millions of Canadian dollars) (taxable equivalent basis)	IFRS 9		IAS 39								IFRS 9	IAS 39	IAS 39	
	2018		2017				2016				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2018	2017	2017	2016
Net interest income	921	872	921	942	861	921	880	871	838	847	1,793	1,782	3,645	3,436
Non-interest income	897	993	837	798	789	784	744	734	664	497	1,890	1,573	3,208	2,639
<b>Total revenues</b>	<b>1,818</b>	<b>1,865</b>	<b>1,758</b>	<b>1,740</b>	<b>1,650</b>	<b>1,705</b>	<b>1,624</b>	<b>1,605</b>	<b>1,502</b>	<b>1,344</b>	<b>3,683</b>	<b>3,355</b>	<b>6,853</b>	<b>6,075</b>
Non-interest expenses	992	1,024	976	971	941	969	1,159	937	876	903	2,016	1,910	3,857	3,875
Provisions for credit losses	91	87	70	58	56	60	59	45	317	63	178	116	244	484
Income before income taxes	735	754	712	711	653	676	406	623	309	378	1,489	1,329	2,752	1,716
Income taxes	188	204	187	193	169	179	99	145	99	117	392	348	728	460
<b>Net income</b>	<b>547</b>	<b>550</b>	<b>525</b>	<b>518</b>	<b>484</b>	<b>497</b>	<b>307</b>	<b>478</b>	<b>210</b>	<b>261</b>	<b>1,097</b>	<b>981</b>	<b>2,024</b>	<b>1,256</b>
Non-controlling interests	25	23	19	24	22	19	18	18	17	22	48	41	84	75
Net income attributable to the Bank's shareholders	522	527	506	494	462	478	289	460	193	239	1,049	940	1,940	1,181
Effective tax rate	25.6%	27.1%	26.3%	27.1%	25.9%	26.5%	24.4%	23.3%	32.0%	31.0%	26.3%	26.2%	26.5%	26.8%
Dividends on preferred shares	26	22	27	19	20	19	23	14	16	8	48	39	85	61
Dividends on common shares	204	205	198	198	191	191	186	186	182	182	409	382	778	736
Number of common shares (avg.) (thousands)	339,885	340,950	341,108	341,555	341,107	339,476	337,882	337,553	337,329	337,074	340,426	340,278	340,809	337,460

(unaudited) (millions of Canadian dollars)  
(taxable equivalent basis)

<b>Excluding specified items</b>														
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2018	2017	2017	2016
Net interest income	921	872	921	942	861	921	882	873	841	849	1,793	1,782	3,645	3,445
Non-interest income	899	996	839	801	793	786	750	737	666	681	1,895	1,579	3,219	2,834
<b>Total revenues</b>	<b>1,820</b>	<b>1,868</b>	<b>1,760</b>	<b>1,743</b>	<b>1,654</b>	<b>1,707</b>	<b>1,632</b>	<b>1,610</b>	<b>1,507</b>	<b>1,530</b>	<b>3,688</b>	<b>3,361</b>	<b>6,864</b>	<b>6,279</b>
Non-interest expenses	989	1,020	971	966	936	965	954	932	871	896	2,009	1,901	3,838	3,653
Provisions for credit losses	91	87	70	58	56	60	59	45	317	63	178	116	244	484
Income before income taxes	740	761	719	719	662	682	619	633	319	571	1,501	1,344	2,782	2,142
Income taxes	189	205	188	195	170	180	156	147	82	144	394	350	733	529
<b>Net income</b>	<b>551</b>	<b>556</b>	<b>531</b>	<b>524</b>	<b>492</b>	<b>502</b>	<b>463</b>	<b>486</b>	<b>237</b>	<b>427</b>	<b>1,107</b>	<b>994</b>	<b>2,049</b>	<b>1,613</b>
Non-controlling interests	25	23	19	24	22	19	18	18	17	22	48	41	84	75
Net income attributable to the Bank's shareholders	526	533	512	500	470	483	445	468	220	405	1,059	953	1,965	1,538
Effective tax rate	25.5%	26.9%	26.1%	27.1%	25.7%	26.4%	25.2%	23.2%	25.7%	25.2%	26.2%	26.0%	26.3%	24.7%
Dividends on preferred shares	26	22	27	19	20	19	23	14	16	8	48	39	85	61
Dividends on common shares	204	205	198	198	191	191	186	186	182	182	409	382	778	736
Number of common shares (avg.) (thousands)	339,885	340,950	341,108	341,555	341,107	339,476	337,882	337,553	337,329	337,074	340,426	340,278	340,809	337,460

(taxable equivalent basis)

Net interest income	36	38	40	55	46	68	53	48	75	55	74	114	209	231
Non-interest income	28	21	14	10	7	4	2	-	2	-	49	11	35	4
Income taxes	64	59	54	65	53	72	55	48	77	55	123	125	244	235

### Net income by segment

<b>Excluding specified items</b>														
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2018	2017	2017	2016
Personal and Commercial	213	230	234	235	226	208	191	199	(13)	180	443	434	903	557
Wealth Management	123	126	115	109	103	104	92	87	84	84	249	207	431	347
Financial Markets	190	204	183	165	171	179	175	155	149	149	394	350	698	628
U.S. Specialty Finance and International (USSF&I)	63	50	55	51	40	38	21	64	22	40	113	78	184	147
Other	(38)	(54)	(56)	(36)	(48)	(27)	(16)	(19)	(5)	(26)	(92)	(75)	(167)	(66)

## Results of Operations as a % of Average Assets; Selected B/S items; AUA & AUM

(unaudited) (taxable equivalent basis) (Excluding specified items)	IFRS 9		IAS 39								IFRS 9	IAS 39	IAS 39	
	2018		2017				2016				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2018	2017	2017	2016
Total revenues	2.82	2.83	2.78	2.82	2.70	2.75	2.67	2.70	2.66	2.62	2.82	2.73	2.76	2.66
Non-interest expenses	1.53	1.54	1.53	1.56	1.53	1.56	1.56	1.56	1.54	1.54	1.54	1.55	1.55	1.55
Provisions for credit losses	0.14	0.13	0.11	0.09	0.09	0.10	0.10	0.08	0.56	0.11	0.14	0.10	0.10	0.21
Income taxes	0.29	0.31	0.30	0.32	0.28	0.29	0.26	0.25	0.14	0.25	0.30	0.29	0.30	0.22
Non-controlling interests	0.04	0.03	0.03	0.04	0.04	0.03	0.03	0.03	0.03	0.04	0.05	0.03	0.04	0.03
<b>Net income attributable to the Bank's shareholders</b>	<b>0.82</b>	<b>0.81</b>	<b>0.81</b>	<b>0.81</b>	<b>0.77</b>	<b>0.78</b>	<b>0.73</b>	<b>0.78</b>	<b>0.39</b>	<b>0.69</b>	<b>0.81</b>	<b>0.78</b>	<b>0.79</b>	<b>0.65</b>

Prime rate	3.45%	3.24%	3.10%	2.75%	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	3.34%	2.70%	2.81%	2.70%
CDOR	1.60%	1.40%	1.29%	0.95%	0.91%	0.91%	0.88%	0.89%	0.88%	0.85%	1.50%	0.91%	1.01%	0.88%
Spread	1.85%	1.83%	1.81%	1.81%	1.79%	1.79%	1.82%	1.81%	1.82%	1.85%	1.84%	1.79%	1.80%	1.82%

### Selected average Consolidated balance sheet items (millions of Canadian dollars)

Securities	78,038	75,076	64,252	63,147	70,075	69,005	66,675	61,035	57,686	57,675	76,532	69,531	66,591	60,784
Securities purchased under reverse repurchase agreements and securities borrowed	17,137	21,811	21,735	20,735	18,754	18,251	18,360	18,964	19,086	19,743	19,513	18,498	19,878	19,038
Average loans and BA's	138,365	136,229	134,601	131,976	128,883	127,997	126,797	123,741	120,831	118,828	137,279	128,433	130,882	122,559
Average earnings assets	242,774	243,691	231,893	225,294	228,029	222,882	216,781	208,086	202,625	200,122	243,240	225,413	227,016	206,927
Average assets	264,407	262,180	251,302	245,096	251,033	246,060	243,284	237,447	230,593	232,213	263,275	248,505	248,351	235,913
Average deposits	166,201	164,286	158,007	155,421	153,220	150,336	147,741	142,243	139,166	142,178	165,227	151,754	154,254	142,852
Common shares (Balance)	2,868	2,861	2,768	2,816	2,793	2,763	2,645	2,592	2,620	2,623	2,868	2,793	2,768	2,645
Common shareholders' equity	10,939	10,746	10,660	10,377	10,155	9,886	9,631	9,484	9,379	9,533	10,841	10,018	10,268	9,524

### Assets under administration and under management (millions of Canadian dollars)

<b>Assets under administration</b>	<b>427,407</b>	<b>428,377</b>	<b>411,817</b>	<b>365,586</b>	<b>364,077</b>	<b>352,926</b>	<b>341,047</b>	<b>332,231</b>	<b>316,262</b>	<b>302,832</b>
<b>Assets under management</b>										
Individual	35,104	34,487	33,349	31,168	30,831	28,879	27,589	26,728	24,687	23,946
Mutual funds	32,911	32,838	32,192	30,909	30,939	29,431	28,706	28,068	26,707	25,515
	<b>68,015</b>	<b>67,325</b>	<b>65,541</b>	<b>62,077</b>	<b>61,770</b>	<b>58,310</b>	<b>56,295</b>	<b>54,796</b>	<b>51,394</b>	<b>49,461</b>
<b>Assets under administration and under management</b>	<b>495,422</b>	<b>495,702</b>	<b>477,358</b>	<b>427,663</b>	<b>425,847</b>	<b>411,236</b>	<b>397,342</b>	<b>387,027</b>	<b>367,656</b>	<b>352,293</b>

## Segment Disclosures (excluding specified items)

(unaudited) (millions of Canadian dollars) (taxable equivalent basis)	IFRS 9		IAS 39								IFRS 9		IAS 39	
	2018		2017				2016				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2018	2017	2017	2016
<b>Personal and Commercial</b>														
Net interest income	532	544	537	526	496	510	502	497	471	485	1,076	1,006	2,069	1,955
Non-interest income	245	255	249	258	236	245	237	242	227	239	500	481	988	945
<b>Total revenues</b>	<b>777</b>	<b>799</b>	<b>786</b>	<b>784</b>	<b>732</b>	<b>755</b>	<b>739</b>	<b>739</b>	<b>698</b>	<b>724</b>	<b>1,576</b>	<b>1,487</b>	<b>3,057</b>	<b>2,900</b>
Non-interest expenses	429	428	417	419	417	419	423	422	401	416	857	836	1,672	1,662
Provisions for credit losses <sup>(1)</sup>	58	57	50	45	6	52	54	44	315	62	115	58	153	475
Income before income taxes	290	314	319	320	309	284	262	273	(18)	246	604	593	1,232	763
Income taxes	77	84	85	85	83	76	71	74	(5)	66	161	159	329	206
<b>Net income</b>	<b>213</b>	<b>230</b>	<b>234</b>	<b>235</b>	<b>226</b>	<b>208</b>	<b>191</b>	<b>199</b>	<b>(13)</b>	<b>180</b>	<b>443</b>	<b>434</b>	<b>903</b>	<b>557</b>
Non-controlling interests	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Net income attributable to the Bank's shareholders</b>	<b>213</b>	<b>230</b>	<b>234</b>	<b>235</b>	<b>226</b>	<b>208</b>	<b>191</b>	<b>199</b>	<b>(13)</b>	<b>180</b>	<b>443</b>	<b>434</b>	<b>903</b>	<b>557</b>
Net interest margin <sup>(2)</sup>	2.31%	2.30%	2.30%	2.27%	2.23%	2.24%	2.24%	2.26%	2.21%	2.25%	2.31%	2.23%	2.26%	2.24%
Efficiency ratio	55.2%	53.6%	53.1%	53.4%	57.0%	55.5%	57.2%	57.1%	57.4%	57.5%	54.4%	56.2%	54.7%	57.3%
Gross average loans and BA's - Personal	66,327	66,165	65,644	64,981	64,094	63,973	62,940	61,850	60,884	60,417	66,244	64,033	64,678	61,526
Mortgages loans	55,920	55,789	55,354	54,765	54,156	54,114	53,209	52,351	51,652	51,205	55,853	54,135	54,601	52,106
Personal loans	8,172	8,083	8,047	7,990	7,788	7,650	7,568	7,346	7,163	7,085	8,127	7,718	7,870	7,291
Credit Card	2,235	2,293	2,243	2,226	2,150	2,209	2,163	2,153	2,069	2,127	2,264	2,180	2,207	2,128
Gross average loans and BA's - Commercial	33,356	32,305	31,839	31,508	31,471	30,713	30,565	30,345	30,616	30,353	32,822	31,086	31,382	30,469
Commercial (excluding Oil & Gas)	31,949	31,006	30,632	30,387	30,269	29,423	29,177	28,621	28,553	28,036	31,470	29,839	30,177	28,597
Oil & Gas	1,407	1,299	1,207	1,121	1,202	1,290	1,388	1,724	2,063	2,317	1,352	1,247	1,205	1,872
Average assets	99,807	98,132	97,805	96,911	95,956	95,044	93,851	92,532	91,844	91,147	98,956	95,493	96,433	92,347
Average interest-bearing assets	94,566	93,636	92,777	92,109	91,269	90,366	89,054	87,534	86,683	85,779	94,093	90,810	91,633	87,266
Average deposits - Personal	28,330	28,052	27,619	27,508	27,182	27,022	26,696	26,529	26,125	25,564	28,189	27,101	27,334	26,229
Average deposits - Commercial	28,003	28,142	28,987	27,745	26,398	24,723	23,863	22,789	21,299	20,857	28,074	25,547	26,968	22,207
Number of employees	9,471	9,385	9,354								9,471		9,354	
<b>Wealth Management</b>														
Net interest income	125	124	118	107	102	104	98	94	91	89	249	206	431	372
Non-interest income	308	320	296	298	293	295	277	269	264	269	628	588	1,182	1,079
<b>Total revenues</b>	<b>433</b>	<b>444</b>	<b>414</b>	<b>405</b>	<b>395</b>	<b>399</b>	<b>375</b>	<b>363</b>	<b>355</b>	<b>358</b>	<b>877</b>	<b>794</b>	<b>1,613</b>	<b>1,451</b>
Non-interest expenses	266	273	258	256	256	257	250	244	239	244	539	513	1,027	977
Provisions for credit losses <sup>(1)</sup>	–	1	1	1	–	1	1	1	2	1	1	1	3	5
Income before income taxes	167	170	155	148	139	141	124	118	114	113	337	280	583	469
Income taxes	44	44	40	39	36	37	32	31	30	29	88	73	152	122
<b>Net income</b>	<b>123</b>	<b>126</b>	<b>115</b>	<b>109</b>	<b>103</b>	<b>104</b>	<b>92</b>	<b>87</b>	<b>84</b>	<b>84</b>	<b>249</b>	<b>207</b>	<b>431</b>	<b>347</b>
Non-controlling interests	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Net income attributable to the Bank's shareholders</b>	<b>123</b>	<b>126</b>	<b>115</b>	<b>109</b>	<b>103</b>	<b>104</b>	<b>92</b>	<b>87</b>	<b>84</b>	<b>84</b>	<b>249</b>	<b>207</b>	<b>431</b>	<b>347</b>
Efficiency ratio	61.4%	61.5%	62.3%	63.2%	64.8%	64.4%	66.7%	67.2%	67.3%	68.2%	61.5%	64.6%	63.7%	67.3%
Average loans and BA's	10,887	10,570	10,353	10,093	9,687	9,557	9,448	9,413	9,391	9,266	10,726	9,621	9,924	9,379
Average assets	12,312	12,099	12,115	11,804	11,382	11,299	11,053	11,007	11,022	10,944	12,204	11,340	11,652	11,006
Average deposits	31,448	31,331	30,087	30,990	31,984	31,734	30,096	28,743	27,857	26,671	31,389	31,857	31,192	28,344
Number of employees	2,797	2,793	2,812								2,797		2,812	

(1) Under IFRS 9, the Bank accounts for provisions for credit losses within the business segments. In the previous periods, only provisions for credit losses on impaired loans had been recognized in the business segments, whereas provisions for credit losses on performing loans had been recognized in the Other heading (except the sectoral provision on performing loans established collectively for the oil and gas producer and service company loan portfolio, which was recognized in the Personal and Commercial segment).

(2) Net interest margin is calculated by dividing interest income by average interest bearing assets.

## Segment Disclosures (excluding specified items) (continued)

(unaudited) (millions of Canadian dollars)	IFRS 9		IAS 39								IFRS 9	IAS 39	IAS 39	
	2018		2017				2016				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2018	2017	2017	2016
<b>Financial Markets</b>														
Net interest income	146	99	165	184	194	229	225	231	254	228	245	423	772	938
Non-interest income	291	355	248	205	206	187	175	138	104	119	646	393	846	536
<b>Total revenues</b>	<b>437</b>	<b>454</b>	<b>413</b>	<b>389</b>	<b>400</b>	<b>416</b>	<b>400</b>	<b>369</b>	<b>358</b>	<b>347</b>	<b>891</b>	<b>816</b>	<b>1,618</b>	<b>1,474</b>
Non-interest expenses	176	176	163	164	166	172	160	156	155	143	352	338	665	614
Provisions for credit losses <sup>(1)</sup>	2	–	–	–	–	–	–	–	–	–	2	–	–	–
Income before income taxes	259	278	250	225	234	244	240	213	203	204	537	478	953	860
Income taxes	69	74	67	60	63	65	65	58	54	55	143	128	255	232
<b>Net income</b>	<b>190</b>	<b>204</b>	<b>183</b>	<b>165</b>	<b>171</b>	<b>179</b>	<b>175</b>	<b>155</b>	<b>149</b>	<b>149</b>	<b>394</b>	<b>350</b>	<b>698</b>	<b>628</b>
Non-controlling interests	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Net income attributable to the Bank's shareholders	190	204	183	165	171	179	175	155	149	149	394	350	698	628
Efficiency ratio	40.3%	38.8%	39.5%	42.2%	41.5%	41.3%	40.0%	42.3%	43.3%	41.2%	39.5%	41.4%	41.1%	41.7%
Average loans and BA's (Corporate Banking only)	14,756	14,025	13,931	13,236	12,546	12,739	13,364	13,234	11,863	11,732	14,384	12,644	13,118	12,552
Average assets	100,674	101,816	93,030	92,046	98,161	96,781	93,987	88,433	81,834	85,587	101,254	97,459	94,985	87,491
Average deposits	22,827	22,430	21,660	20,914	20,266	20,843	16,668	14,677	13,813	15,617	22,625	20,559	20,926	15,201
Number of employees	679	687	701								679		701	
<b>U.S. Specialty Finance and International (USSF&amp;I)</b>														
Net interest income	150	147	139	129	101	97	78	68	55	83	297	198	466	284
Non-interest income	24	14	15	18	21	21	24	57	21	25	38	42	75	127
<b>Total revenues</b>	<b>174</b>	<b>161</b>	<b>154</b>	<b>147</b>	<b>122</b>	<b>118</b>	<b>102</b>	<b>125</b>	<b>76</b>	<b>108</b>	<b>335</b>	<b>240</b>	<b>541</b>	<b>411</b>
Non-interest expenses	62	60	56	58	55	56	66	52	41	48	122	111	225	207
Provisions for credit losses <sup>(1)</sup>	31	29	19	12	10	7	4	–	–	–	60	17	48	4
Income before income taxes	81	72	79	77	57	55	32	73	35	60	153	112	268	200
Income taxes	18	22	24	26	17	17	11	9	13	20	40	34	84	53
<b>Net income</b>	<b>63</b>	<b>50</b>	<b>55</b>	<b>51</b>	<b>40</b>	<b>38</b>	<b>21</b>	<b>64</b>	<b>22</b>	<b>40</b>	<b>113</b>	<b>78</b>	<b>184</b>	<b>147</b>
Non-controlling interests	11	9	6	9	8	6	4	4	4	8	20	14	29	20
Net income attributable to the Bank's shareholders	52	41	49	42	32	32	17	60	18	32	93	64	155	127
Efficiency ratio	35.6%	37.3%	36.4%	39.5%	45.1%	47.5%	64.7%	41.6%	53.9%	44.4%	36.4%	46.3%	41.6%	50.4%
Average loans and BA's	7,856	7,702	7,565	6,657	5,269	4,733	4,363	3,739	3,370	2,522	7,778	4,997	6,062	3,499
Average revenue-bearing other assets	10	46	113	308	578	801	927	1,064	1,235	1,424	28	691	449	1,162
Average assets	9,104	8,777	8,658	7,940	6,799	6,655	6,312	5,586	5,010	4,360	8,938	6,726	7,519	5,319
Average deposits	1,795	1,532	1,418	1,294	1,225	1,122	1,095	843			1,661	1,173	1,265	487
Number of employees	3,125	2,794	2,543								3,125		2,543	

(1) Under IFRS 9, the Bank accounts for provisions for credit losses within the business segments. In the previous periods, only provisions for credit losses on impaired loans had been recognized in the business segments, whereas provisions for credit losses on performing loans had been recognized in the Other heading (except the sectoral provision on performing loans established collectively for the oil and gas producer and service company loan portfolio, which was recognized in the Personal and Commercial segment).

## Segment Disclosures (excluding specified items) (continued)

(unaudited) (millions of Canadian dollars)	IFRS 9		IAS 39								IFRS 9	IAS 39	IAS 39	
	2018	2017	2017		2016				YTD		Full Year			
Other	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2018	2017	2017	2016
Net interest income	(68)	(80)	(78)	(59)	(78)	(87)	(74)	(65)	(105)	(91)	(148)	(165)	(302)	(335)
Non-interest income	3	31	17	12	30	34	35	31	48	29	34	64	93	143
<b>Total revenues</b>	<b>(65)</b>	<b>(49)</b>	<b>(61)</b>	<b>(47)</b>	<b>(48)</b>	<b>(53)</b>	<b>(39)</b>	<b>(34)</b>	<b>(57)</b>	<b>(62)</b>	<b>(114)</b>	<b>(101)</b>	<b>(209)</b>	<b>(192)</b>
Non-interest expenses	56	83	77	69	42	61	55	58	35	45	139	103	249	193
Provisions for credit losses <sup>(1)</sup>	-	-	-	-	40	-	-	-	-	-	-	40	40	-
Income before income taxes	(121)	(132)	(138)	(116)	(130)	(114)	(94)	(92)	(92)	(107)	(253)	(244)	(498)	(385)
Income taxes (recovery)	(83)	(78)	(82)	(80)	(82)	(87)	(78)	(73)	(87)	(81)	(161)	(169)	(331)	(319)
<b>Net income</b>	<b>(38)</b>	<b>(54)</b>	<b>(56)</b>	<b>(36)</b>	<b>(48)</b>	<b>(27)</b>	<b>(16)</b>	<b>(19)</b>	<b>(5)</b>	<b>(26)</b>	<b>(92)</b>	<b>(75)</b>	<b>(167)</b>	<b>(66)</b>
Non-controlling interests	14	14	13	15	14	13	14	14	13	14	28	27	55	55
Net income attributable to the Bank's shareholders	(52)	(68)	(69)	(51)	(62)	(40)	(30)	(33)	(18)	(40)	(120)	(102)	(222)	(121)
Average assets	42,510	41,356	39,694	36,395	38,735	36,281	38,081	39,889	40,883	40,175	41,923	37,487	37,762	39,750
Average deposits	53,798	52,799	48,236	46,970	46,165	44,892	49,323	48,662	50,072	53,469	53,289	45,517	46,569	50,384
Number of employees	6,287	6,209	6,225								6,287		6,225	

Total	2018	2017	2017	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016
Net interest income	885	834	881	887	815	853	829	825	766	794	1,719	1,668	3,436	3,214
Non-interest income	871	975	825	791	786	782	748	737	664	681	1,846	1,568	3,184	2,830
<b>Total revenues</b>	<b>1,756</b>	<b>1,809</b>	<b>1,706</b>	<b>1,678</b>	<b>1,601</b>	<b>1,635</b>	<b>1,577</b>	<b>1,562</b>	<b>1,430</b>	<b>1,475</b>	<b>3,565</b>	<b>3,236</b>	<b>6,620</b>	<b>6,044</b>
Non-interest expenses	989	1,020	971	966	936	965	954	932	871	896	2,009	1,901	3,838	3,653
Provisions for credit losses <sup>(1)</sup>	91	87	70	58	56	60	59	45	317	63	178	116	244	484
Income before income taxes	676	702	665	654	609	610	564	585	242	516	1,378	1,219	2,538	1,907
Income taxes	125	146	134	130	117	108	101	99	5	89	271	225	489	294
<b>Net income</b>	<b>551</b>	<b>556</b>	<b>531</b>	<b>524</b>	<b>492</b>	<b>502</b>	<b>463</b>	<b>486</b>	<b>237</b>	<b>427</b>	<b>1,107</b>	<b>994</b>	<b>2,049</b>	<b>1,613</b>
Non-controlling interests	25	23	19	24	22	19	18	18	17	22	48	41	84	75
Net income attributable to the Bank's shareholders	526	533	512	500	470	483	445	468	220	405	1,059	953	1,965	1,538
Efficiency ratio (taxable equivalent basis)	54.3%	54.6%	55.2%	55.4%	56.6%	56.5%	58.5%	57.9%	57.8%	58.6%	54.5%	56.6%	55.9%	58.2%
Average loans and BA's	138,365	136,229	134,601	131,976	128,883	127,997	126,797	123,741	120,831	118,828	137,279	128,433	130,882	122,559
Average assets	264,407	262,180	251,302	245,096	251,033	246,060	243,284	237,447	230,593	232,213	263,275	248,505	248,351	235,913
Average deposits	166,201	164,286	158,007	155,421	153,220	150,336	147,741	142,243	139,166	142,178	165,227	151,754	154,254	142,852
Number of employees	22,359	21,868	21,635								22,359		21,635	

(1) Under IFRS 9, the Bank accounts for provisions for credit losses within the business segments. In the previous periods, only provisions for credit losses on impaired loans had been recognized in the business segments, whereas provisions for credit losses on performing loans had been recognized in the Other heading (except the sectoral provision on performing loans established collectively for the oil and gas producer and service company loan portfolio, which was recognized in the Personal and Commercial segment).

## U.S. Specialty Finance and International - Detailed Information

(unaudited) (millions of Canadian dollars)	IFRS 9											
	2018				2018				YTD			
	Q2		Q1		Q2		Q1		2018		2018	
U.S. Specialty Finance and International (USSF&I)	Credigy	ABA Bank	Other <sup>(1)</sup>	Total	Credigy	ABA Bank	Other <sup>(1)</sup>	Total	Credigy	ABA	Other <sup>(1)</sup>	Total
Net interest income	113	38	(1)	150	114	34	(1)	147	227	72	(2)	297
Non-interest income	16	7	1	24	3	9	2	14	19	16	3	38
<b>Total revenues</b>	<b>129</b>	<b>45</b>	<b>–</b>	<b>174</b>	<b>117</b>	<b>43</b>	<b>1</b>	<b>161</b>	<b>246</b>	<b>88</b>	<b>1</b>	<b>335</b>
Non-interest expenses	39	22	1	62	39	20	1	60	78	42	2	122
Provisions for credit losses	28	3	–	31	26	3	–	29	54	6	–	60
Income before income taxes	62	20	(1)	81	52	20	–	72	114	40	(1)	153
Income taxes (recovery)	14	4	–	18	18	4	–	22	32	8	–	40
<b>Net income</b>	<b>48</b>	<b>16</b>	<b>(1)</b>	<b>63</b>	<b>34</b>	<b>16</b>	<b>–</b>	<b>50</b>	<b>82</b>	<b>32</b>	<b>(1)</b>	<b>113</b>
Non-controlling interests	9	2	–	11	7	2	–	9	16	4	–	20
Net income attributable to the Bank's shareholders	39	14	(1)	52	27	14	–	41	66	28	(1)	93
Efficiency ratio	30.2%	48.9%	–	35.6%	33.3%	46.5%	–	37.3%	31.7%	47.7%	–	36.4%
Average loans and receivables	6,150	1,706	–	7,856	6,197	1,487	18	7,702	6,174	1,595	9	7,778
Average revenue-bearing other assets	10	–	–	10	46	–	–	46	28	–	–	28
Average assets	6,449	2,284	371	9,104	6,406	1,991	380	8,777	6,427	2,135	376	8,938
Average deposits	–	1,795	–	1,795	–	1,532	–	1,532	–	1,661	–	1,661

(unaudited) (millions of Canadian dollars)	IAS 39																			
	2017												Full Year							
	Q4			Q3			Q2			Q1			2017							
U.S. Specialty Finance and International (USSF&I)	Credigy	ABA Bank	Other <sup>(1)</sup>	Total	Credigy	ABA Bank	Other <sup>(1)</sup>	Total	Credigy	ABA Bank	Other <sup>(1)</sup>	Total	Credigy	ABA Bank	Other <sup>(1)</sup>	Total	Credigy	ABA Bank	Other <sup>(1)</sup>	Total
Net interest income	109	31	(1)	139	104	26	(1)	129	77	24	–	101	76	22	(1)	97	366	103	(3)	466
Non-interest income	2	7	6	15	13	6	(1)	18	14	3	4	21	14	6	1	21	43	22	10	75
<b>Total revenues</b>	<b>111</b>	<b>38</b>	<b>5</b>	<b>154</b>	<b>117</b>	<b>32</b>	<b>(2)</b>	<b>147</b>	<b>91</b>	<b>27</b>	<b>4</b>	<b>122</b>	<b>90</b>	<b>28</b>	<b>–</b>	<b>118</b>	<b>409</b>	<b>125</b>	<b>7</b>	<b>541</b>
Non-interest expenses	38	17	1	56	43	15	–	58	39	14	2	55	43	13	–	56	163	59	3	225
Provisions for credit losses <sup>(2)</sup>	18	1	–	19	11	1	–	12	9	1	–	10	6	1	–	7	44	4	–	48
Income before income taxes	55	20	4	79	63	16	(2)	77	43	12	2	57	41	14	–	55	202	62	4	268
Income taxes	19	4	1	24	23	3	–	26	15	2	–	17	14	3	–	17	71	12	1	84
<b>Net income</b>	<b>36</b>	<b>16</b>	<b>3</b>	<b>55</b>	<b>40</b>	<b>13</b>	<b>(2)</b>	<b>51</b>	<b>28</b>	<b>10</b>	<b>2</b>	<b>40</b>	<b>27</b>	<b>11</b>	<b>–</b>	<b>38</b>	<b>131</b>	<b>50</b>	<b>3</b>	<b>184</b>
Non-controlling interests	4	2	–	6	8	1	–	9	6	2	–	8	5	1	–	6	23	6	–	29
Net income attributable to the Bank's shareholders	32	14	3	49	32	12	(2)	42	22	8	2	32	22	10	–	32	108	44	3	155
Efficiency ratio	34.2%	44.7%	–	36.4%	36.8%	46.9%	–	39.5%	42.9%	51.9%	–	45.1%	47.8%	46.4%	–	47.5%	39.9%	47.2%	–	41.6%
Average loans and BA's	6,202	1,335	28	7,565	5,419	1,210	28	6,657	4,111	1,131	27	5,269	3,697	1,010	26	4,733	4,863	1,172	27	6,062
Average revenue-bearing other assets	113	–	–	113	308	–	–	308	578	–	–	578	801	–	–	801	449	–	–	449
Average assets	6,549	1,843	266	8,658	5,983	1,662	295	7,940	4,923	1,580	296	6,799	4,942	1,433	280	6,655	5,605	1,630	284	7,519
Average deposits	–	1,418	–	1,418	–	1,294	–	1,294	–	1,225	–	1,225	–	1,122	–	1,122	–	1,265	–	1,265

(unaudited) (millions of Canadian dollars)	IAS 39																			
	2016												Full Year							
	Q4			Q3 <sup>(3)</sup>			Q2			Q1			2016							
U.S. Specialty Finance and International (USSF&I)	Credigy	ABA Bank	Other <sup>(1)</sup>	Total	Credigy	ABA Bank	Other <sup>(1)(4)</sup>	Total	Credigy	ABA Bank	Other <sup>(1)</sup>	Total	Credigy	ABA Bank	Other <sup>(1)</sup>	Total	Credigy	ABA Bank	Other <sup>(1)</sup>	Total
Net interest income	59	20	(1)	78	56	14	(2)	68	56	–	(1)	55	84	–	(1)	83	255	34	(5)	284
Non-interest income	21	4	(1)	24	14	3	40	57	15	–	6	21	19	–	6	25	69	7	51	127
<b>Total revenues</b>	<b>80</b>	<b>24</b>	<b>(2)</b>	<b>102</b>	<b>70</b>	<b>17</b>	<b>38</b>	<b>125</b>	<b>71</b>	<b>–</b>	<b>5</b>	<b>76</b>	<b>103</b>	<b>–</b>	<b>5</b>	<b>108</b>	<b>324</b>	<b>41</b>	<b>46</b>	<b>411</b>
Non-interest expenses	53	10	3	66	42	7	3	52	40	–	1	41	47	–	1	48	182	17	8	207
Provisions for credit losses <sup>(2)</sup>	4	–	–	4	–	–	–	–	–	–	–	–	–	–	–	–	4	–	–	4
Income before income taxes	23	14	(5)	32	28	10	35	73	31	4	35	56	4	60	–	60	138	24	38	200
Income taxes (recovery)	8	3	–	11	10	2	(3)	9	11	2	13	20	–	20	–	20	49	5	(1)	53
<b>Net income</b>	<b>15</b>	<b>11</b>	<b>(5)</b>	<b>21</b>	<b>18</b>	<b>8</b>	<b>38</b>	<b>64</b>	<b>20</b>	<b>–</b>	<b>2</b>	<b>22</b>	<b>36</b>	<b>–</b>	<b>4</b>	<b>40</b>	<b>89</b>	<b>19</b>	<b>39</b>	<b>147</b>
Non-controlling interests	3	1	–	4	3	1	–	4	4	–										

## Specified Items

(unaudited) (millions of Canadian dollars)		Net interest income	Non-interest income	Total revenues	Non-interest expenses	Provisions for credit losses	Income before income taxes	Income taxes	Net income
<b>2018</b>									
Q2	Acquisition-related items		<i>Wealth Management</i>						
	Total	-	(2)	(2)	3	-	(5)	(1)	(4)
Q1	Acquisition-related items		<i>Wealth Management</i>						
	Total	-	(3)	(3)	4	-	(7)	(1)	(6)
<b>Total</b>		-	<b>(5)</b>	<b>(5)</b>	<b>7</b>	-	<b>(12)</b>	<b>(2)</b>	<b>(10)</b>
<b>2017</b>									
Q4	Acquisition-related items		<i>Wealth Management</i>						
	Total	-	(2)	(2)	5	-	(7)	(1)	(6)
Q3	Acquisition-related items		<i>Wealth Management</i>						
	Total	-	(3)	(3)	5	-	(8)	(2)	(6)
Q2	Acquisition-related items		<i>Wealth Management</i>						
	Items related to TMX Group		<i>Other</i>						
	Total	-	(4)	(4)	5	-	(9)	(1)	(8)
Q1	Acquisition-related items		<i>Wealth Management</i>						
	Total	-	(2)	(2)	4	-	(6)	(1)	(5)
<b>Total</b>		-	<b>(11)</b>	<b>(11)</b>	<b>19</b>	-	<b>(30)</b>	<b>(5)</b>	<b>(25)</b>
<b>2016</b>									
Q4	Acquisition-related items		<i>Wealth Management</i>						
	MAV restructured notes - Total		<i>Other</i>						
	Items related to TMX Group		<i>Other</i>						
	Restructuring charge		<i>Other</i>						
	Impairment losses on intangible assets		<i>Other</i>						
	Litigation charges		<i>Other</i>						
	Total	(2)	(4)	(8)	5	-	(9)	(2)	(7)
Q3	Acquisition-related items		<i>Wealth Management</i>						
	MAV restructured notes - Total		<i>Other</i>						
	Items related to TMX Group		<i>Other</i>						
	Total	(2)	(2)	(4)	5	-	(7)	(1)	(6)
Q2	Acquisition-related items		<i>Wealth Management</i>						
	MAV restructured notes - Total		<i>Other</i>						
	Impact of changes to tax measures		<i>Other</i>						
	Total	(3)	(2)	(5)	5	-	(7)	(1)	(6)
Q1	Acquisition-related items		<i>Wealth Management</i>						
	Write-off of an equity interest in an associate		<i>Financial Markets</i>						
	MAV restructured notes - Total		<i>Other</i>						
	Items related to TMX Group		<i>Other</i>						
	Total <sup>(1)</sup>	(2)	(18)	(18)	7	-	(18)	(5)	(13)
<b>Total</b>		<b>(9)</b>	<b>(195)</b>	<b>(204)</b>	<b>222</b>	-	<b>(426)</b>	<b>(69)</b>	<b>(357)</b>

(1) For the first quarter of 2016, the specified items included a premium of \$3 million, or 0.01 \$ per share on redemption of preferred shares, Series 20, for cancellation.

## Consolidated Results

(unaudited) (millions of Canadian dollars)	IFRS 9		IAS 39								IFRS 9	IAS 39	IAS 39	
	2018		2017				2016				YTD		Full year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2018	2017	2017	2016
<b>Total</b>														
Net interest income	885	834	881	887	815	853	827	823	763	792	1,719	1,668	3,436	3,205
Non-interest income	869	972	823	788	782	780	742	734	662	497	1,841	1,562	3,173	2,635
<b>Total revenues</b>	<b>1,754</b>	<b>1,806</b>	<b>1,704</b>	<b>1,675</b>	<b>1,597</b>	<b>1,633</b>	<b>1,569</b>	<b>1,557</b>	<b>1,425</b>	<b>1,289</b>	<b>3,560</b>	<b>3,230</b>	<b>6,609</b>	<b>5,840</b>
Non-interest expenses	992	1,024	976	971	941	969	1,159	937	876	903	2,016	1,910	3,857	3,875
Provisions for credit losses	91	87	70	58	56	60	59	45	317	63	178	116	244	484
Income before income taxes	671	695	658	646	600	604	351	575	232	323	1,366	1,204	2,508	1,481
Income taxes	124	145	133	128	116	107	44	97	22	62	269	223	484	225
<b>Net income</b>	<b>547</b>	<b>550</b>	<b>525</b>	<b>518</b>	<b>484</b>	<b>497</b>	<b>307</b>	<b>478</b>	<b>210</b>	<b>261</b>	<b>1,097</b>	<b>981</b>	<b>2,024</b>	<b>1,256</b>
Non-controlling interests	25	23	19	24	22	19	18	18	17	22	48	41	84	75
Net income attributable to the Bank's shareholders	522	527	506	494	462	478	289	460	193	239	1,049	940	1,940	1,181
Average loans and BA's	138,365	136,229	134,601	131,976	128,883	127,997	126,797	123,741	120,831	118,828	137,279	128,433	130,882	122,559
Average assets	264,407	262,180	251,302	245,096	251,033	246,060	243,284	237,447	230,593	232,213	263,275	248,505	248,351	235,913
Average deposits	166,201	164,286	158,007	155,421	153,220	150,336	147,741	142,243	139,166	142,178	165,227	151,754	154,254	142,852

## Total Revenues (excluding specified items)

(unaudited) (millions of Canadian dollars) (taxable equivalent basis)	IFRS 9		IAS 39								IFRS 9	IAS 39	IAS 39	
	2018		2017				2016				YTD		Full Year	
Net Interest Income	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2018	2017	2017	2016
<i>Interest Income</i>														
Loans	1,364	1,324	1,286	1,196	1,117	1,116	1,072	1,044	970	999	2,688	2,233	4,715	4,085
Securities	307	228	223	237	245	250	241	240	239	246	535	495	955	966
Deposits with financial institutions	47	46	39	31	26	18	15	18	18	14	93	44	114	65
<b>Total interest income</b>	<b>1,718</b>	<b>1,598</b>	<b>1,548</b>	<b>1,464</b>	<b>1,388</b>	<b>1,384</b>	<b>1,328</b>	<b>1,302</b>	<b>1,227</b>	<b>1,259</b>	<b>3,316</b>	<b>2,772</b>	<b>5,784</b>	<b>5,116</b>
<i>Interest expense</i>														
Deposits	595	549	502	447	431	400	395	358	345	337	1,144	831	1,780	1,435
Liabilities related to transferred receivables	100	99	107	99	100	97	100	100	102	102	199	197	403	404
Subordinated debt	6	-	1	-	7	8	8	9	8	8	6	15	16	33
Other	132	116	57	31	35	26	(4)	10	6	18	248	61	149	30
<b>Total interest expense</b>	<b>833</b>	<b>764</b>	<b>667</b>	<b>577</b>	<b>573</b>	<b>531</b>	<b>499</b>	<b>477</b>	<b>461</b>	<b>465</b>	<b>1,597</b>	<b>1,104</b>	<b>2,348</b>	<b>1,902</b>
Tax equivalent adjustment	36	38	40	55	46	68	53	48	75	55	74	114	209	231
<b>Net Interest Income</b>	<b>921</b>	<b>872</b>	<b>921</b>	<b>942</b>	<b>861</b>	<b>921</b>	<b>882</b>	<b>873</b>	<b>841</b>	<b>849</b>	<b>1,793</b>	<b>1,782</b>	<b>3,645</b>	<b>3,445</b>

<b>Non-Interest Income</b>														
Underwriting and advisory fees	75	103	71	100	90	88	91	116	94	75	178	178	349	376
Securities brokerage commissions	47	54	50	51	57	58	57	58	61	59	101	115	216	235
Mutual fund revenues	106	111	105	105	101	101	98	94	87	85	217	202	412	364
Trust service revenues	146	145	136	133	126	123	117	113	109	114	291	249	518	453
Credit fees	97	97	95	99	84	83	87	90	85	84	194	167	361	346
Card revenues	36	40	33	37	29	33	30	32	28	29	76	62	132	119
Deposits and payment service charges	68	68	76	71	64	68	68	67	61	62	136	132	279	258
Trading revenues (losses)	164	228	134	70	76	94	83	12	8	47	392	170	374	150
Gains (losses) on available-for-sale securities, net			39	26	49	26	12	18	29	11		75	140	70
Gains (losses) on non-trading securities, net	19	28									47			
Insurance revenues, net	29	31	25	31	30	31	29	31	28	26	60	61	117	114
Foreign exchange revenues, other than trading	24	22	19	21	23	18	19	19	19	24	46	41	81	81
Share in the net income of associates and joint ventures	7	10	13	10	13	10	8	9	13	16	17	23	46	46
Other	53	38	29	37	44	49	49	78	42	49	91	93	159	218
<b>Total non-interest income</b>	<b>871</b>	<b>975</b>	<b>825</b>	<b>791</b>	<b>786</b>	<b>782</b>	<b>748</b>	<b>737</b>	<b>664</b>	<b>681</b>	<b>1,846</b>	<b>1,568</b>	<b>3,184</b>	<b>2,830</b>
Tax equivalent adjustment	28	21	14	10	7	4	2	-	2	-	49	11	35	4
<b>Non-Interest Income</b>	<b>899</b>	<b>996</b>	<b>839</b>	<b>801</b>	<b>793</b>	<b>786</b>	<b>750</b>	<b>737</b>	<b>666</b>	<b>681</b>	<b>1,895</b>	<b>1,579</b>	<b>3,219</b>	<b>2,834</b>
As a % of total revenues	49.4%	53.3%	47.7%	46.0%	47.9%	46.0%	49.0%	48.3%	47.4%	49.5%	51.4%	47.0%	46.9%	45.1%

<b>Trading revenues</b>														
Net interest income	91	52	112	140	145	184	168	188	207	180	143	329	581	743
Non-interest income	192	249	148	80	83	98	85	12	10	47	441	181	409	154
<b>Total</b>	<b>283</b>	<b>301</b>	<b>260</b>	<b>220</b>	<b>228</b>	<b>282</b>	<b>253</b>	<b>200</b>	<b>217</b>	<b>227</b>	<b>584</b>	<b>510</b>	<b>990</b>	<b>897</b>

<b>Trading Revenues by Product</b>														
<i>Financial Markets</i>														
Equity	159	135	131	118	113	134	118	85	128	107	294	247	496	438
Fixed income	66	82	76	70	72	76	80	75	43	65	148	148	294	263
Commodity and foreign exchange	35	36	20	19	23	41	24	21	27	44	71	64	103	116
Trading revenues - Financial Markets	260	253	227	207	208	251	222	181	198	216	513	459	893	817
Other	23	48	33	13	20	31	31	19	19	11	71	51	97	80
<b>Total trading revenues</b>	<b>283</b>	<b>301</b>	<b>260</b>	<b>220</b>	<b>228</b>	<b>282</b>	<b>253</b>	<b>200</b>	<b>217</b>	<b>227</b>	<b>584</b>	<b>510</b>	<b>990</b>	<b>897</b>

## Non-interest expenses (excluding specified items)

(unaudited) (millions of Canadian dollars)	2018		2017				2016				YTD		Full year	
<b>Non-interest expenses</b>	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2018	2017	2017	2016
<b>Compensation and employee benefits</b>														
Salaries	276	280	276	272	257	265	275	276	255	260	556	522	1,070	1,066
Variable compensation	234	242	236	233	223	223	214	201	171	195	476	446	915	781
Pension plans and other post-employment benefits	91	107	87	87	91	98	65	76	78	85	198	189	363	304
	<b>601</b>	<b>629</b>	<b>599</b>	<b>592</b>	<b>571</b>	<b>586</b>	<b>554</b>	<b>553</b>	<b>504</b>	<b>540</b>	<b>1,230</b>	<b>1,157</b>	<b>2,348</b>	<b>2,151</b>
<b>Occupancy and technology</b>														
Rent	39	37	39	38	38	36	37	38	38	35	76	74	151	148
Taxes & insurance	3	3	1	4	3	3	3	4	3	3	6	6	11	13
Maintenance, lighting, heating	7	8	8	7	8	10	9	9	8	8	15	18	33	34
Technology	93	103	95	90	89	90	93	94	89	91	196	179	364	367
Depreciation	71	68	64	63	61	57	55	52	53	54	139	118	245	214
	<b>213</b>	<b>219</b>	<b>207</b>	<b>202</b>	<b>199</b>	<b>196</b>	<b>197</b>	<b>197</b>	<b>191</b>	<b>191</b>	<b>432</b>	<b>395</b>	<b>804</b>	<b>776</b>
<b>Other expenses</b>														
Communications	17	16	14	16	15	16	16	16	18	17	33	31	61	67
Professional fees	56	60	64	64	60	66	83	66	66	59	116	126	254	274
Taxes on capital & salaries	20	20	19	20	18	16	18	17	17	19	40	34	73	71
Travel & business development	27	28	35	29	26	32	32	30	28	30	55	58	122	120
Other	55	48	33	43	47	53	54	53	47	40	103	100	176	194
	<b>175</b>	<b>172</b>	<b>165</b>	<b>172</b>	<b>166</b>	<b>183</b>	<b>203</b>	<b>182</b>	<b>176</b>	<b>165</b>	<b>347</b>	<b>349</b>	<b>686</b>	<b>726</b>
<b>Total Non-interest expenses</b>	<b>989</b>	<b>1,020</b>	<b>971</b>	<b>966</b>	<b>936</b>	<b>965</b>	<b>954</b>	<b>932</b>	<b>871</b>	<b>896</b>	<b>2,009</b>	<b>1,901</b>	<b>3,838</b>	<b>3,653</b>

## Consolidated Balance Sheets

(unaudited) (millions of Canadian dollars)	IFRS 9		IAS 39							
	2018		2017				2016			
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>Assets</b>										
Cash and deposits with financial institutions	10,948	11,205	8,802	10,462	9,770	8,616	8,183	8,824	7,452	6,589
Securities	73,442	72,217	65,343	62,521	65,093	65,667	64,541	62,441	58,088	56,436
Securities purchased under reverse repurchase agreements and securities borrowed	17,636	16,520	20,789	16,600	17,481	14,779	13,948	14,880	13,760	15,628
<b>Loans and acceptances</b>										
Residential mortgage - insured	30,025	30,386	30,763	31,450	31,709	32,226	32,018	30,952	29,279	28,442
- uninsured	21,849	21,163	20,871	19,978	19,297	18,637	18,291	17,661	16,680	16,956
Personal	36,155	35,556	35,590	34,724	33,614	32,752	32,192	31,753	31,317	30,823
Credit card	2,245	2,206	2,247	2,205	2,190	2,120	2,177	2,140	2,080	2,028
Business and government	43,604	41,117	41,690	41,241	39,481	37,149	37,686	37,650	34,956	33,411
Customers' liability under acceptances	6,652	6,587	5,991	5,982	5,932	6,493	6,441	6,959	8,966	8,942
Allowances for credit losses	(666)	(663)	(695)	(735)	(735)	(769)	(769)	(773)	(828)	(553)
	<b>139,864</b>	<b>136,352</b>	<b>136,457</b>	<b>134,845</b>	<b>131,488</b>	<b>128,608</b>	<b>128,036</b>	<b>126,342</b>	<b>122,450</b>	<b>120,049</b>
Other	14,369	14,771	14,436	15,644	15,188	16,449	17,498	17,409	18,984	20,599
<b>Total assets</b>	<b>256,259</b>	<b>251,065</b>	<b>245,827</b>	<b>240,072</b>	<b>239,020</b>	<b>234,119</b>	<b>232,206</b>	<b>229,896</b>	<b>220,734</b>	<b>219,301</b>
<b>Liabilities and equity</b>										
<b>Deposits</b>										
Personal	55,543	54,648	53,719	52,370	53,606	53,667	52,521	51,698	50,080	49,566
Business and government	102,922	96,173	97,571	94,868	92,447	85,366	83,905	84,425	75,888	77,126
Deposit-taking institutions	6,309	5,958	5,381	5,072	5,107	5,696	5,640	4,914	6,270	6,314
	<b>164,774</b>	<b>156,779</b>	<b>156,671</b>	<b>152,310</b>	<b>151,160</b>	<b>144,729</b>	<b>142,066</b>	<b>141,037</b>	<b>132,238</b>	<b>133,006</b>
<b>Other</b>										
Acceptances	6,652	6,587	5,991	5,982	5,932	6,493	6,441	6,959	8,966	8,942
Obligations related to securities sold short	12,827	15,800	15,363	13,816	12,177	14,544	14,207	12,748	14,839	15,573
Obligations related to securities sold under repurchase agreements and securities loaned	26,645	26,772	21,767	21,812	25,118	23,933	22,636	23,548	18,295	15,371
Liabilities related to transferred receivables	19,620	19,048	20,098	19,558	20,156	19,516	20,131	19,560	19,773	19,255
Other liabilities	10,978	12,363	12,370	13,213	11,784	11,388	13,611	13,013	14,198	14,719
Subordinated debt	755	8	9	9	10	1,009	1,012	1,014	1,015	1,021
<b>Total other liabilities</b>	<b>77,477</b>	<b>80,578</b>	<b>75,598</b>	<b>74,390</b>	<b>75,177</b>	<b>76,883</b>	<b>78,038</b>	<b>76,842</b>	<b>77,086</b>	<b>74,881</b>
<b>Equity</b>										
<b>Equity attributable to the Bank's shareholders</b>										
Preferred shares	2,150	2,150	2,050	2,050	1,650	1,650	1,650	1,650	1,250	1,250
Common shares	2,868	2,861	2,768	2,816	2,793	2,763	2,645	2,592	2,620	2,623
Contributed surplus	52	52	58	58	57	57	73	71	69	68
Retained earnings	8,018	7,785	7,706	7,540	7,164	7,065	6,706	6,683	6,530	6,593
Accumulated other comprehensive income	139	110	168	122	221	173	218	217	145	91
<b>Non-controlling interests</b>	781	750	808	786	798	799	810	804	796	789
	<b>14,008</b>	<b>13,708</b>	<b>13,558</b>	<b>13,372</b>	<b>12,683</b>	<b>12,507</b>	<b>12,102</b>	<b>12,017</b>	<b>11,410</b>	<b>11,414</b>
<b>Total liabilities &amp; equity</b>	<b>256,259</b>	<b>251,065</b>	<b>245,827</b>	<b>240,072</b>	<b>239,020</b>	<b>234,119</b>	<b>232,206</b>	<b>229,896</b>	<b>220,734</b>	<b>219,301</b>
Mortgage loan securitization (includes HELOC)	19,297	18,424	19,063	18,799	19,366	18,738	19,070	17,123	17,903	16,535
Credit card securitization	1,757	1,740	1,771	1,747	1,619	1,584	1,641	1,637	1,623	1,594
Covered bonds	7,482	7,160	7,010	6,724	6,875	6,497	6,668	7,968	7,759	8,408
Mutual funds	32,911	32,838	32,192	30,909	30,939	29,431	28,706	28,068	26,707	25,515
Securities - excess of market value over book value	(28)	(9)	47	18	195	107	406	520	327	355
Equity securities - excess of market value over book value	(2)	2	39	65	80	89	56	38	41	(3)
<b>Number of common shares outstanding (thousands)</b>	<b>339,348</b>	<b>340,390</b>	<b>339,592</b>	<b>341,580</b>	<b>341,524</b>	<b>340,810</b>	<b>338,053</b>	<b>336,826</b>	<b>337,418</b>	<b>337,535</b>

## Consolidated Statements of Changes in Equity

(unaudited) (millions of Canadian dollars)	IFRS 9		IAS 39								IFRS 9	IAS 39	IAS 39	
	2018		2017				2016				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2018	2017	2017	2016
<b>Balance at beginning</b>	<b>13,708</b>	<b>13,558</b>	<b>13,372</b>	<b>12,683</b>	<b>12,507</b>	<b>12,102</b>	<b>12,017</b>	<b>11,410</b>	<b>11,414</b>	<b>11,355</b>	<b>13,558</b>	<b>12,102</b>	<b>12,102</b>	<b>11,355</b>
Impact of adopting IFRS 9 on November 1, 2017	–	(165)									(165)			
Net income attributable to the Bank's shareholders	522	527	506	494	462	478	289	460	193	239	1,049	940	1,940	1,181
Issuances of common shares	21	71	19	11	30	119	12	10	8	13	92	149	179	43
Issuances of preferred shares	–	300	–	400	–	–	–	400	–	400	300	–	400	800
Impact of shares purchased or sold for trading	(2)	35	(56)	16	–	3	41	(38)	(11)	(4)	33	3	(37)	(12)
Other adjustments common shares	–	–	1	–	–	(4)	–	–	–	–	–	(4)	(3)	–
Repurchase of common shares for cancellation	(12)	(13)	(12)	(4)	–	–	–	–	–	–	(25)	–	(16)	–
Redemption of preferred shares for cancellation	–	(200)	–	–	–	–	–	–	–	(173)	(200)	–	–	(173)
Premium paid on common shares repurchased for cancellation	(81)	(78)	(77)	(22)	–	–	–	–	–	–	(159)	–	(99)	–
Premium paid on preferred shares redeemed for cancellation	–	–	–	–	–	–	–	–	–	(3)	–	–	–	(3)
<b>Dividends</b>														
Common shares	(204)	(205)	(198)	(198)	(191)	(191)	(186)	(186)	(182)	(182)	(409)	(382)	(778)	(736)
Preferred shares	(26)	(22)	(27)	(19)	(20)	(19)	(23)	(14)	(16)	(8)	(48)	(39)	(85)	(61)
Share issuance expenses	(1)	(5)	(1)	(7)	–	–	–	(5)	–	(6)	(6)	–	(8)	(11)
Remeasurements of pension plans and other post-employment benefit plans	(3)	36	(43)	101	(80)	119	(34)	(86)	15	(152)	33	39	97	(257)
Net gains (losses) on equity securities designated at fair value through other comprehensive income	(3)	3									–			
Net fair value change attributable to the credit risk on financial liabilities designated at fair value through profit or loss	19	(26)	9	26	(41)	(15)	(22)	(4)	(40)	–	(7)	(56)	(21)	(66)
Impact of a financial liability resulting from put options written to non-controlling interests	–	–	(3)	–	(31)	–	(1)	(12)	(33)	–	–	(31)	(34)	(46)
Stock option expense	3	3	3	2	3	3	3	3	3	3	6	6	11	12
Stock options exercised	(3)	(9)	(3)	(1)	(3)	(19)	(2)	(1)	(1)	(2)	(12)	(22)	(26)	(6)
Other adjustments, contributed surplus	–	–	–	–	–	–	1	–	(1)	–	–	–	–	–
Change in non-controlling interests	31	(42)	22	(12)	(1)	(11)	6	8	7	(12)	(11)	(12)	(2)	9
Accumulated other comprehensive income, net of income taxes	29	(48)	46	(99)	48	(45)	1	72	54	(54)	(19)	3	(50)	73
Other	10	(12)	–	1	–	(13)	–	–	–	–	(2)	(13)	(12)	–
<b>Balance at end</b>	<b>14,008</b>	<b>13,708</b>	<b>13,558</b>	<b>13,372</b>	<b>12,683</b>	<b>12,507</b>	<b>12,102</b>	<b>12,017</b>	<b>11,410</b>	<b>11,414</b>	<b>14,008</b>	<b>12,683</b>	<b>13,558</b>	<b>12,102</b>
<b>Equity</b>														
<b>Equity attributable to the Bank's shareholders</b>														
Preferred shares	2,150	2,150	2,050	2,050	1,650	1,650	1,650	1,650	1,250	1,250	2,150	1,650	2,050	1,650
Common shares	2,868	2,861	2,768	2,816	2,793	2,763	2,645	2,592	2,620	2,623	2,868	2,793	2,768	2,645
Contributed surplus	52	52	58	58	57	57	73	71	69	68	52	57	58	73
Retained earnings	8,018	7,785	7,706	7,540	7,164	7,065	6,706	6,683	6,530	6,593	8,018	7,164	7,706	6,706
Accumulated other comprehensive income	139	110	168	122	221	173	218	217	145	91	139	221	168	218
<b>Non-controlling interests</b>	781	750	808	786	798	799	810	804	796	789	781	798	808	810
<b>Balance at end</b>	<b>14,008</b>	<b>13,708</b>	<b>13,558</b>	<b>13,372</b>	<b>12,683</b>	<b>12,507</b>	<b>12,102</b>	<b>12,017</b>	<b>11,410</b>	<b>11,414</b>	<b>14,008</b>	<b>12,683</b>	<b>13,558</b>	<b>12,102</b>

## Consolidated Statements of Comprehensive Income

(unaudited) (millions of Canadian dollars)	IFRS 9		IAS 39								IFRS 9	IAS 39	IAS 39	
	2018		2017				2016				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2018	2017	2017	2016
<b>Net income</b>	547	550	525	518	484	497	307	478	210	261	1,097	981	2,024	1,256
<b>Other comprehensive income, net of income taxes</b>														
Net unrealized foreign currency translation gains (losses) on investments in foreign operations	78	(81)	61	(162)	94	(57)	38	54	(140)	110	(3)	37	(64)	62
Net foreign currency translation (gains) losses on investments in foreign operations reclassified to net income	-	-	-	-	-	-	-	-	-	(12)	-	-	-	(12)
Impact of hedging net foreign currency translation gains (losses)	(21)	20	(18)	55	(36)	24	(17)	(33)	108	(91)	(1)	(12)	25	(33)
Impact of hedging net foreign currency translation (gains) losses reclassified to net income	-	-	-	-	-	-	-	-	-	5	-	-	-	5
<b>Net foreign currency translation adjustments</b>	<b>57</b>	<b>(61)</b>	<b>43</b>	<b>(107)</b>	<b>58</b>	<b>(33)</b>	<b>21</b>	<b>21</b>	<b>(32)</b>	<b>12</b>	<b>(4)</b>	<b>25</b>	<b>(39)</b>	<b>22</b>
Net unrealized gains (losses) on available-for-sale securities			37	(4)	65	21	23	74	82	(66)		86	119	113
Net (gains) losses on available-for-sale securities reclassified to net income			(35)	(32)	(35)	(29)	(13)	(27)	(30)	(4)		(64)	(131)	(74)
<b>Net change in available-for-sale securities</b>			<b>2</b>	<b>(36)</b>	<b>30</b>	<b>(8)</b>	<b>10</b>	<b>47</b>	<b>52</b>	<b>(70)</b>		<b>22</b>	<b>(12)</b>	<b>39</b>
Net unrealized gains (losses) on debt securities at fair value through other comprehensive income	(9)	4									(5)			
Net (gains) losses on debt securities at fair value through other comprehensive income reclassified to net income	(3)	1									(2)			
<b>Net change in debt securities at fair value through other comprehensive income</b>	<b>(12)</b>	<b>5</b>									<b>(7)</b>			
Net gains (losses) on derivative financial instruments designated as cash flow hedges	-	11	20	42	(29)	-	(23)	13	40	4	11	(29)	33	34
Net (gains) losses on designated derivative financial instruments reclassified to net income	(11)	(10)	(8)	(5)	(7)	(6)	(5)	(6)	(4)	(3)	(21)	(13)	(26)	(18)
<b>Net change in cash flow hedges</b>	<b>(11)</b>	<b>1</b>	<b>12</b>	<b>37</b>	<b>(36)</b>	<b>(6)</b>	<b>(28)</b>	<b>7</b>	<b>36</b>	<b>1</b>	<b>(10)</b>	<b>(42)</b>	<b>7</b>	<b>16</b>
<b>Share in the other comprehensive income of associates and joint ventures</b>	<b>(1)</b>	<b>2</b>	<b>(9)</b>	<b>(1)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3)</b>	<b>4</b>	<b>1</b>	<b>-</b>	<b>(10)</b>	<b>1</b>
<b>Remeasurements of pension plans and other post-employment benefit plans</b>	<b>(3)</b>	<b>36</b>	<b>(43)</b>	<b>101</b>	<b>(80)</b>	<b>119</b>	<b>(34)</b>	<b>(86)</b>	<b>15</b>	<b>(152)</b>	<b>33</b>	<b>39</b>	<b>97</b>	<b>(257)</b>
<b>Net gains (losses) on equity securities designated at fair value through other comprehensive income</b>	<b>(3)</b>	<b>3</b>												
<b>Net fair value change attributable to the credit risk on financial liabilities designated at fair value through profit or loss</b>	<b>19</b>	<b>(26)</b>	<b>9</b>	<b>26</b>	<b>(41)</b>	<b>(15)</b>	<b>(22)</b>	<b>(4)</b>	<b>(40)</b>	<b>-</b>	<b>(7)</b>	<b>(56)</b>	<b>(21)</b>	<b>(66)</b>
<b>Total other comprehensive income, net of income taxes</b>	<b>46</b>	<b>(40)</b>	<b>14</b>	<b>20</b>	<b>(69)</b>	<b>57</b>	<b>(53)</b>	<b>(15)</b>	<b>28</b>	<b>(205)</b>	<b>6</b>	<b>(12)</b>	<b>22</b>	<b>(245)</b>
<b>Comprehensive income</b>	<b>593</b>	<b>510</b>	<b>539</b>	<b>538</b>	<b>415</b>	<b>554</b>	<b>254</b>	<b>463</b>	<b>238</b>	<b>56</b>	<b>1,103</b>	<b>969</b>	<b>2,046</b>	<b>1,011</b>
<b>Comprehensive income attributable to:</b>														
Bank shareholders	564	492	518	522	389	537	234	442	222	33	1,056	926	1,966	931
Non-controlling interests	29	18	21	16	26	17	20	21	16	23	47	43	80	80

## Distribution of Gross Loans and Acceptances, Gross Impaired Loans and Allowances for Credit Losses by Borrower Category

(unaudited) (millions of Canadian dollars)	IFRS 9								2017							
	2018				2017				2017							
	Q2		Q1		Q2		Q1		Q3		Q2		Q1			
	Gross loans	Gross Impaired loans <sup>(1)</sup>	Allowances for credit losses on impaired loans <sup>(2)</sup> Stage 3	Provisions for credit losses on impaired loans	Gross loans	Gross Impaired loans <sup>(1)</sup>	Individual and collective allowances on impaired loans	Provisions for credit losses on impaired loans	Gross loans	Gross Impaired loans <sup>(1)</sup>	Individual and collective allowances on impaired loans	Provisions for credit losses on impaired loans	Gross loans	Gross Impaired loans <sup>(1)</sup>	Individual and collective allowances on impaired loans	Provisions for credit losses on impaired loans
Residential mortgage <sup>(3)</sup>	67,790	179	21	2	67,153	180	20	4	66,398	68	13	3	64,396	76	13	3
Qualifying revolving retail	4,145	22	14	28	4,158	22	14	26	4,217	17	10	26	4,103	18	10	26
Other retail <sup>(4)</sup>	12,163	84	47	41	12,042	84	43	36	12,150	53	29	28	10,847	53	27	17
<b>Total retail</b>	<b>84,098</b>	<b>285</b>	<b>82</b>	<b>71</b>	<b>83,353</b>	<b>286</b>	<b>77</b>	<b>66</b>	<b>82,765</b>	<b>138</b>	<b>52</b>	<b>57</b>	<b>79,346</b>	<b>147</b>	<b>50</b>	<b>46</b>
Agriculture	5,399	33	4	(1)	5,046	29	6	–	4,923	7	3	–	4,694	14	3	–
Oil & Gas	2,322	104	52	4	2,140	116	47	6	2,129	93	34	–	1,992	144	65	–
Mining	819	–	–	–	439	–	–	–	470	–	–	–	473	–	–	–
Utilities	2,201	4	4	–	2,252	4	4	–	2,347	4	4	–	1,986	4	4	–
Construction <sup>(5)</sup>	2,983	9	4	–	2,838	14	6	(4)	2,787	29	17	3	2,420	13	6	4
Manufacturing	4,918	17	11	–	4,481	17	12	–	4,341	16	14	–	3,799	26	23	1
Wholesale Trade	2,154	11	8	1	2,008	13	7	–	2,066	12	7	(1)	2,009	13	6	–
Retail Trade	3,177	14	10	1	3,183	14	10	10	3,431	32	15	9	2,856	14	9	(1)
Transportation	2,487	1	–	–	2,521	3	2	–	2,593	3	2	–	2,540	6	4	–
Communications	1,591	9	8	–	1,463	9	8	(1)	1,662	13	8	–	1,562	15	10	1
Finance and Insurance	4,706	24	–	–	4,412	–	–	–	4,932	–	–	–	3,975	–	–	–
Real Estate <sup>(6)</sup>	9,637	30	4	1	9,438	14	4	(1)	9,104	12	3	–	8,397	8	4	1
Professional Services	1,494	4	2	–	1,322	3	2	(1)	1,416	3	1	–	1,400	5	2	–
Education & Health Care	2,916	18	1	–	2,994	18	1	(1)	2,749	1	1	–	2,666	14	14	5
Other Services	4,756	21	13	1	4,577	23	12	–	4,762	15	11	1	4,664	11	8	3
Government	1,211	–	–	–	1,219	–	–	–	1,452	–	–	–	1,264	–	–	–
Other <sup>(7)</sup>	2,186	2	1	–	1,977	19	13	(1)	1,233	2	2	1	1,624	8	8	–
<b>Total – Non-retail</b>	<b>54,957</b>	<b>301</b>	<b>122</b>	<b>7</b>	<b>52,310</b>	<b>296</b>	<b>134</b>	<b>7</b>	<b>52,397</b>	<b>242</b>	<b>122</b>	<b>13</b>	<b>48,321</b>	<b>295</b>	<b>166</b>	<b>14</b>
<b>Total</b>	<b>139,055</b>	<b>586</b>	<b>204</b>	<b>78</b>	<b>135,663</b>	<b>582</b>	<b>211</b>	<b>73</b>	<b>135,162</b>	<b>380</b>	<b>174</b>	<b>70</b>	<b>127,667</b>	<b>442</b>	<b>216</b>	<b>60</b>
Stages 1 and 2 <sup>(8)</sup> - Retail			394	4			380	14								
Stages 1, 2 and 3 <sup>(8)</sup> - Non-retail			156	9			153	5								
Purchased or originated credit-impaired (POCI)	1,475	1,475	(34)	–	1,352	1,352	(28)	(5)	1,990	1,990	(24)	–	1,710	1,710	(17)	–
<b>Total</b>	<b>140,530</b>	<b>2,061</b>	<b>720</b>	<b>91</b>	<b>137,015</b>	<b>1,934</b>	<b>716</b>	<b>87</b>	<b>137,152</b>	<b>2,370</b>	<b>150</b>	<b>70</b>	<b>129,377</b>	<b>2,152</b>	<b>199</b>	<b>60</b>

  

(unaudited) (millions of Canadian dollars)	IAS 39								2017			
	Q3				Q2				Q1			
	Gross loans	Gross Impaired loans <sup>(1)</sup>	Individual and collective allowances on impaired loans	Provisions for credit losses on impaired loans	Gross loans	Gross Impaired loans <sup>(1)</sup>	Individual and collective allowances on impaired loans	Provisions for credit losses on impaired loans	Gross loans	Gross Impaired loans <sup>(1)</sup>	Individual and collective allowances on impaired loans	Provisions for credit losses on impaired loans
Residential mortgage <sup>(3)</sup>	65,905	72	13	4	64,798	76	13	3	64,396	76	13	3
Qualifying revolving retail	4,180	17	10	26	4,156	18	10	26	4,103	18	10	26
Other retail <sup>(4)</sup>	12,011	59	29	22	11,447	51	28	19	10,847	53	27	17
<b>Total retail</b>	<b>82,096</b>	<b>148</b>	<b>52</b>	<b>52</b>	<b>80,401</b>	<b>145</b>	<b>51</b>	<b>48</b>	<b>79,346</b>	<b>147</b>	<b>50</b>	<b>46</b>
Agriculture	4,821	17	2	(1)	4,672	20	3	–	4,694	14	3	–
Oil & Gas	1,963	143	68	–	1,789	109	61	(40)	1,992	144	65	–
Mining	492	–	–	–	468	–	–	–	473	–	–	–
Utilities	2,712	4	4	–	2,221	4	4	–	1,986	4	4	–
Construction <sup>(5)</sup>	2,636	34	15	3	2,566	34	12	5	2,420	13	6	4
Manufacturing	4,186	17	16	–	4,089	18	16	(1)	3,799	26	23	1
Wholesale Trade	2,277	13	7	1	2,123	13	7	–	2,009	13	6	–
Retail Trade	2,911	11	7	1	2,851	12	8	1	2,856	14	9	(1)
Transportation	2,360	5	4	–	2,551	5	4	–	2,540	6	4	–
Communications	1,696	14	8	1	1,580	15	8	1	1,562	15	10	1
Finance and Insurance	5,341	–	–	–	4,198	–	–	–	3,975	–	–	–
Real Estate <sup>(6)</sup>	8,851	14	4	–	8,676	9	4	–	8,397	8	4	1
Professional Services	1,371	3	2	–	1,572	5	2	1	1,400	5	2	–
Education & Health Care	2,810	13	13	–	2,767	13	13	–	2,666	14	14	5
Other Services	4,643	17	11	1	4,427	13	9	1	4,664	11	8	3
Government	1,316	–	–	–	1,310	–	–	–	1,264	–	–	–
Other <sup>(7)</sup>	1,452	7	7	–	2,266	7	7	40	1,624	8	8	–
<b>Total – Non-retail</b>	<b>51,838</b>	<b>312</b>	<b>168</b>	<b>6</b>	<b>50,126</b>	<b>277</b>	<b>158</b>	<b>8</b>	<b>48,</b>			

## Residential Mortgage Portfolio Information

Q2 2018														
(unaudited) (millions of Canadian dollars)	Residential Mortgage Portfolio								Average LTV for mortgages originated and acquired during the quarter <sup>(1)</sup>		Residential Mortgage <sup>(2)</sup> exposure groups by LTV buckets <sup>(3)(4)</sup>		Residential Mortgage Portfolio (remaining amortization) <sup>(5)(6)</sup>	
	Insured		Uninsured		HELOC		Total		Uninsured <sup>(7)</sup>	HELOC <sup>(8)</sup>	Canada		Canada	
Quebec	13,032	19.9%	9,267	14.2%	13,567	20.7%	35,866	54.8%	71%	70%	30 % or less	5.4%	0 - 20 years	22.2%
Ontario	7,620	11.7%	4,535	6.9%	4,788	7.3%	16,943	25.9%	68%	61%	31 % - 60 %	30.9%	20 - 25 years	51.8%
Alberta	3,385	5.2%	739	1.1%	936	1.4%	5,060	7.7%	72%	71%	61 % - 70 %	19.3%	25 - 30 years	25.1%
British Columbia	2,250	3.5%	936	1.4%	1,210	1.8%	4,396	6.7%	65%	67%	71 % - 80 %	26.1%	30 - 35 years	0.9%
New Brunswick	604	0.9%	266	0.4%	236	0.4%	1,106	1.7%	74%	70%	81 % - 90 %	10.4%	35 years and +	0.0%
Saskatchewan	656	1.0%	107	0.2%	175	0.3%	938	1.5%	73%	73%	91 % - 95 %	3.9%	Total	100.0%
Manitoba	286	0.4%	66	0.1%	137	0.2%	489	0.7%	73%	66%	96 % or more	4.0%		
Other Canadian provinces <sup>(7)</sup>	424	0.6%	100	0.2%	119	0.2%	643	1.0%	70%	70%	Total	100.0%		
<b>Total</b>	<b>28,257</b>	<b>43.2%</b>	<b>16,016</b>	<b>24.5%</b>	<b>21,168</b>	<b>32.3%</b>	<b>65,441</b>	<b>100.0%</b>	<b>70%</b>	<b>66%</b>				
USA, Cambodia and Others			2,349				2,349							
Other residential mortgages <sup>(8)</sup>	1,768		3,484				5,252							

Q1 2018														
(unaudited) (millions of Canadian dollars)	Residential Mortgage Portfolio								Average LTV for mortgages originated and acquired during the quarter <sup>(1)</sup>		Residential Mortgage <sup>(2)</sup> exposure groups by LTV buckets <sup>(3)(4)</sup>		Residential Mortgage Portfolio (remaining amortization) <sup>(5)(6)</sup>	
	Insured		Uninsured		HELOC		Total		Uninsured <sup>(7)</sup>	HELOC <sup>(8)</sup>	Canada		Canada	
Quebec	13,228	20.3%	9,077	14.0%	13,417	20.6%	35,722	54.9%	72%	70%	30 % or less	5.5%	0 - 20 years	21.7%
Ontario	7,762	11.9%	4,357	6.7%	4,617	7.1%	16,736	25.7%	69%	62%	31 % - 60 %	31.0%	20 - 25 years	51.7%
Alberta	3,386	5.2%	727	1.1%	944	1.5%	5,057	7.8%	73%	78%	61 % - 70 %	19.3%	25 - 30 years	25.5%
British Columbia	2,310	3.7%	900	1.3%	1,179	1.7%	4,389	6.7%	66%	56%	71 % - 80 %	26.4%	30 - 35 years	1.1%
New Brunswick	610	0.9%	261	0.4%	235	0.4%	1,106	1.7%	71%	68%	81 % - 90 %	10.0%	35 years and +	0.0%
Saskatchewan	654	1.0%	107	0.2%	176	0.3%	937	1.5%	76%	75%	91 % - 95 %	3.9%	Total	100.0%
Manitoba	288	0.4%	64	0.1%	135	0.2%	487	0.7%	75%	70%	96 % or more	3.9%		
Other Canadian provinces <sup>(7)</sup>	416	0.6%	98	0.2%	119	0.2%	633	1.0%	72%	68%	Total	100.0%		
<b>Total</b>	<b>28,654</b>	<b>44.0%</b>	<b>15,591</b>	<b>24.0%</b>	<b>20,822</b>	<b>32.0%</b>	<b>65,067</b>	<b>100.0%</b>	<b>70%</b>	<b>65%</b>				
USA, Cambodia and Others			2,086				2,086							
Other residential mortgages <sup>(8)</sup>	1,732		3,486				5,218							

Q4 2017														
(unaudited) (millions of Canadian dollars)	Residential Mortgage Portfolio								Average LTV for mortgages originated and acquired during the quarter <sup>(1)</sup>		Residential Mortgage <sup>(2)</sup> exposure groups by LTV buckets <sup>(3)(4)</sup>		Residential Mortgage Portfolio (remaining amortization) <sup>(5)(6)</sup>	
	Insured		Uninsured		HELOC		Total		Uninsured <sup>(7)</sup>	HELOC <sup>(8)</sup>	Canada		Canada	
Quebec	13,359	20.6%	9,000	13.9%	13,378	20.6%	35,737	55.1%	71%	70%	30 % or less	5.8%	0 - 20 years	20.9%
Ontario	7,898	12.2%	4,151	6.4%	4,490	6.9%	16,539	25.5%	68%	62%	31 % - 60 %	31.5%	20 - 25 years	51.8%
Alberta	3,368	5.2%	737	1.2%	934	1.4%	5,039	7.8%	71%	71%	61 % - 70 %	18.3%	25 - 30 years	26.0%
British Columbia	2,348	3.6%	859	1.3%	1,146	1.8%	4,353	6.7%	63%	67%	71 % - 80 %	26.3%	30 - 35 years	1.3%
New Brunswick	612	0.9%	257	0.4%	236	0.4%	1,105	1.7%	72%	71%	81 % - 90 %	10.1%	35 years and +	0.0%
Saskatchewan	644	1.0%	108	0.2%	179	0.3%	931	1.5%	76%	68%	91 % - 95 %	4.1%	Total	100.0%
Manitoba	286	0.4%	61	0.1%	137	0.2%	484	0.7%	74%	67%	96 % or more	3.9%		
Other Canadian provinces <sup>(7)</sup>	409	0.7%	94	0.1%	117	0.2%	620	1.0%	77%	69%	Total	100.0%		
<b>Total</b>	<b>28,924</b>	<b>44.6%</b>	<b>15,267</b>	<b>23.6%</b>	<b>20,617</b>	<b>31.8%</b>	<b>64,808</b>	<b>100.0%</b>	<b>69%</b>	<b>65%</b>				
USA, Cambodia and Others			1,590				1,590							
Other residential mortgages <sup>(8)</sup>	1,839		4,014				5,853							

Q3 2017														
(unaudited) (millions of Canadian dollars)	Residential Mortgage Portfolio								Average LTV for mortgages originated and acquired during the quarter <sup>(1)</sup>		Residential Mortgage <sup>(2)</sup> exposure groups by LTV buckets <sup>(3)(4)</sup>		Residential Mortgage Portfolio (remaining amortization) <sup>(5)(6)</sup>	
	Insured		Uninsured		HELOC		Total		Uninsured <sup>(7)</sup>	HELOC <sup>(8)</sup>	Canada		Canada	
Quebec	13,627	21.2%	8,730	13.5%	13,215	20.5%	35,572	55.2%	73%	70%	30 % or less	6.1%	0 - 20 years	20.4%
Ontario	8,168	12.7%	3,854	6.0%	4,338	6.7%	16,360	25.4%	68%	61%	31 % - 60 %	31.5%	20 - 25 years	50.6%
Alberta	3,450	5.3%	743	1.2%	929	1.4%	5,122	7.9%	73%	79%	61 % - 70 %	18.1%	25 - 30 years	27.3%
British Columbia	2,459	3.8%	803	1.2%	1,107	1.8%	4,369	6.8%	64%	61%	71 % - 80 %	26.7%	30 - 35 years	1.7%
New Brunswick	614	1.0%	247	0.4%	238	0.3%	1,099	1.7%	73%	70%	81 % - 90 %	9.5%	35 years and +	0.0%
Saskatchewan	645	1.0%	108	0.2%	175	0.2%	928	1.4%	75%	73%	91 % - 95 %	4.0%	Total	100.0%
Manitoba	289	0.4%	55	0.1%	134	0.2%	478	0.7%	70%	67%	96 % or more	4.1%		
Other Canadian provinces <sup>(7)</sup>	403	0.6%	90	0.1%	113	0.2%	606	0.9%	78%	67%	Total	100.0%		
<b>Total</b>	<b>29,655</b>	<b>46.0%</b>	<b>14,630</b>	<b>22.7%</b>	<b>20,249</b>	<b>31.3%</b>	<b>64,534</b>	<b>100.0%</b>	<b>70%</b>	<b>66%</b>				
USA, Cambodia and Others			1,371				1,371							
Other residential mortgages <sup>(8)</sup>	1,795		3,977				5,772							

(1) Excludes non-Canadian mortgages.

(2) Includes HELOC.

(3) Property values are updated using Teranet National Bank sub-indices by area and property type.

(4) Excludes amortization for the HELOC's amortized portion. The remaining amortization period is being disclosed.

(5) LTV is calculated using the outstanding amount and weighted by the outstanding of each loan.

(6) LTV is calculated using the authorized amount and weighted by the authorized amount of each line. Includes both revolving and amortized portions. Since Q1-2017, the acquired loans for securitization purposes by the Financial Markets segment are presented in the Residential Mortgage category.

(7) Others include: Prince Edward Island, Nova Scotia, Newfoundland and Labrador, Northwest Territories, Yukon.

(8) Includes residential mortgages of 5 units and more and non-retail residential mortgages of 1 to 4 units. Purchased or originated credit impaired loans volume has been added to this category in Q1-18 and historical information has been restated.

Also includes acquired loans for securitization purposes by the Financial Markets segment until Q4-2016. Starting Q1-2017, those loans are broken down by provinces.

## Residential Mortgage Portfolio Information (continued)

(unaudited) (millions of Canadian dollars)	Q2 2017													
	Residential Mortgage Portfolio								Average LTV for mortgages originated and acquired during the quarter <sup>(2)</sup>		Residential Mortgage <sup>(2)</sup> exposure groups by LTV buckets <sup>(3)(4)</sup>		Residential Mortgage Portfolio (remaining amortization) <sup>(5)(6)</sup>	
	Insured		Uninsured		HELOC		Total		Uninsured <sup>(2)</sup>	HELOC <sup>(2)</sup>	Canada	Canada	Canada	Canada
Quebec	13,778	21.8%	8,323	13.2%	13,037	20.5%	35,138	55.5%	71%	69%	30% or less	5.3%	0 - 20 years	20.5%
Ontario	8,329	13.1%	3,485	5.5%	4,171	6.6%	15,985	25.2%	68%	61%	31% - 60%	28.7%	20 - 25 years	49.4%
Alberta	3,372	5.3%	740	1.2%	919	1.4%	5,031	7.9%	72%	70%	61% - 70%	18.4%	25 - 30 years	28.6%
British Columbia	2,477	3.9%	753	1.2%	1,038	1.6%	4,268	6.7%	63%	57%	71% - 80%	26.1%	30 - 35 years	1.5%
New Brunswick	624	1.0%	239	0.3%	235	0.4%	1,098	1.7%	74%	71%	81% - 90%	12.4%	35 years and +	0.0%
Saskatchewan	623	1.0%	107	0.1%	171	0.3%	901	1.4%	72%	71%	91% - 95%	4.1%	Total	100.0%
Manitoba	274	0.4%	52	0.1%	130	0.2%	456	0.7%	67%	67%	96% or more	5.0%		
Others Canadian provinces <sup>(7)</sup>	392	0.6%	88	0.1%	111	0.2%	591	0.9%	73%	67%	Total	100.0%		
<b>Total</b>	<b>29,869</b>	<b>47.1%</b>	<b>13,787</b>	<b>21.7%</b>	<b>19,812</b>	<b>31.2%</b>	<b>63,468</b>	<b>100.0%</b>	<b>70%</b>	<b>66%</b>				
USA, Cambodia and Others			1,330				1,330							
Other residential mortgages <sup>(8)</sup>	1,840		4,180				6,020							

(unaudited) (millions of Canadian dollars)	Q1 2017													
	Residential Mortgage Portfolio								Average LTV for mortgages originated and acquired during the quarter <sup>(2)</sup>		Residential Mortgage <sup>(2)</sup> exposure groups by LTV <sup>(3)(4)</sup>		Residential Mortgage Portfolio (remaining amortization) <sup>(5)(6)</sup>	
	Insured		Uninsured		HELOC		Total		Uninsured <sup>(2)</sup>	HELOC <sup>(2)</sup>	Canada	Canada	Canada	Canada
Quebec	13,997	22.2%	8,097	12.8%	12,944	20.4%	35,038	55.4%	71%	69%	30% or less	5.2%	0 - 20 years	20.0%
Ontario	8,554	13.5%	3,300	5.2%	4,100	6.5%	15,954	25.2%	67%	62%	31% - 60%	27.7%	20 - 25 years	49.1%
Alberta	3,377	5.3%	747	1.2%	923	1.5%	5,047	8.0%	73%	69%	61% - 70%	18.8%	25 - 30 years	29.3%
British Columbia	2,527	4.0%	695	1.1%	1,022	1.6%	4,244	6.7%	64%	56%	71% - 80%	27.3%	30 - 35 years	1.6%
New Brunswick	635	1.0%	234	0.3%	234	0.4%	1,103	1.7%	75%	69%	81% - 90%	11.6%	35 years and +	0.0%
Saskatchewan	615	1.0%	103	0.2%	167	0.2%	885	1.4%	75%	66%	91% - 95%	4.2%	Total	100.0%
Manitoba	278	0.4%	53	0.1%	127	0.2%	458	0.7%	75%	63%	96% or more	5.2%		
Others <sup>(7)</sup>	394	0.6%	86	0.1%	111	0.2%	591	0.9%	76%	68%	Total	100.0%		
<b>Total</b>	<b>30,377</b>	<b>48.0%</b>	<b>13,315</b>	<b>21.0%</b>	<b>19,628</b>	<b>31.0%</b>	<b>63,320</b>	<b>100.0%</b>	<b>69%</b>	<b>65%</b>				
USA, Cambodia and Others			1,076				1,076							
Other residential mortgages <sup>(8)</sup>	1,849		4,246				6,095							

(unaudited) (millions of Canadian dollars)	Q4 2016													
	Residential Mortgage Portfolio								Average LTV for mortgages originated and acquired during the quarter <sup>(2)</sup>		Residential Mortgage <sup>(2)</sup> exposure groups by LTV <sup>(3)(4)</sup>		Residential Mortgage Portfolio (remaining amortization) <sup>(5)(6)</sup>	
	Insured		Uninsured		HELOC		Total		Uninsured <sup>(2)</sup>	HELOC <sup>(2)</sup>	Canada	Canada	Canada	Canada
Quebec	13,966	24.4%	8,034	14.0%	12,881	22.5%	34,881	60.9%	71%	70%	30% or less	5.7%	0 - 20 years	20.4%
Ontario	6,051	10.6%	3,199	5.5%	4,052	7.1%	13,302	23.2%	68%	62%	31% - 60%	28.7%	20 - 25 years	45.8%
Alberta	1,853	3.2%	755	1.4%	925	1.6%	3,533	6.2%	73%	67%	61% - 70%	19.6%	25 - 30 years	31.5%
British Columbia	1,524	2.7%	656	1.1%	1,000	1.7%	3,180	5.5%	63%	54%	71% - 80%	27.8%	30 - 35 years	2.3%
New Brunswick	576	1.0%	231	0.4%	233	0.4%	1,040	1.8%	74%	65%	81% - 90%	10.6%	35 years and +	0.0%
Saskatchewan	314	0.5%	103	0.2%	172	0.3%	589	1.0%	74%	70%	91% - 95%	3.9%	Total	100.0%
Manitoba	144	0.3%	53	0.1%	126	0.2%	323	0.6%	74%	65%	96% or more	3.7%		
Others <sup>(7)</sup>	254	0.4%	83	0.2%	108	0.2%	445	0.8%	77%	68%	Total	100.0%		
<b>Total</b>	<b>24,682</b>	<b>43.1%</b>	<b>13,114</b>	<b>22.9%</b>	<b>19,497</b>	<b>34.0%</b>	<b>57,293</b>	<b>100.0%</b>	<b>69%</b>	<b>66%</b>				
USA, Cambodia and Others			972				972							
Other residential mortgages <sup>(8)</sup>	7,336		4,205				11,541							

(unaudited) (millions of Canadian dollars)	Q3 2016													
	Residential Mortgage Portfolio								Average LTV for mortgages originated and acquired during the quarter <sup>(2)</sup>		Residential Mortgage <sup>(2)</sup> exposure groups by LTV <sup>(3)(4)</sup>		Residential Mortgage Portfolio (remaining amortization) <sup>(5)(6)</sup>	
	Insured		Uninsured		HELOC		Total		Uninsured <sup>(2)</sup>	HELOC <sup>(2)</sup>	Canada	Canada	Canada	Canada
Quebec	13,901	24.4%	8,164	14.3%	12,653	22.2%	34,718	60.9%	71%	69%	30% or less	5.6%	0 - 20 years	20.7%
Ontario	6,162	10.8%	3,062	5.4%	3,983	7.0%	13,207	23.2%	69%	65%	31% - 60%	27.6%	20 - 25 years	43.4%
Alberta	1,929	3.4%	763	1.3%	912	1.6%	3,604	6.3%	72%	63%	61% - 70%	20.0%	25 - 30 years	33.4%
British Columbia	1,540	2.7%	578	1.1%	981	1.7%	3,099	5.5%	63%	54%	71% - 80%	29.2%	30 - 35 years	2.5%
New Brunswick	572	1.0%	229	0.4%	234	0.4%	1,035	1.8%	73%	71%	81% - 90%	10.5%	35 years and +	0.0%
Saskatchewan	296	0.5%	101	0.2%	168	0.3%	565	1.0%	75%	70%	91% - 95%	3.9%	Total	100.0%
Manitoba	133	0.2%	50	0.1%	125	0.2%	308	0.5%	69%	69%	96% or more	3.2%		
Others <sup>(7)</sup>	245	0.5%	83	0.1%	105	0.2%	433	0.8%	76%	73%	Total	100.0%		
<b>Total</b>	<b>24,778</b>	<b>43.5%</b>	<b>13,030</b>	<b>22.9%</b>	<b>19,161</b>	<b>33.6%</b>	<b>56,969</b>	<b>100.0%</b>	<b>69%</b>	<b>67%</b>				
USA, Cambodia and Others			854				854							
Other residential mortgages <sup>(8)</sup>	6,174		3,777				9,951							

(1) Excluding non-Canadian mortgages.

(2) Includes HELOC.

(3) Property values are updated using Teranet-National Bank sub-indices by area and property type.

(4) Excludes amortization for the HELOC's amortized portion. The remaining amortization period is being disclosed.

(5) LTV is calculated using the outstanding amount and weighted by the outstanding of each loan.

(6) LTV is calculated using the authorized amount and weighted by the authorized amount of each line. Includes both revolving and amortized portions. Since Q1-2017, the acquired loans for securitization purposes by the Financial Markets segment are presented in the Residential Mortgage category.

(7) Others include: Prince Edward Island, Nova Scotia, Newfoundland and Labrador, Northwest Territories, Yukon. Before Q3 2016, Others also included US.

(8) Includes residential mortgages of 5 units and more and non-retail residential mortgages of 1 to 4 units. Purchased or originated credit impaired loans volume has been added to this category in Q1-18 and historical information has been restated.

Also includes acquired loans for securitization purposes by the Financial Markets segment until Q4-2016. Starting Q1-2017, those loans are broken down by provinces.

## Geographic Distribution of Gross Loans and Acceptances, Gross Impaired Loans and Allowances for Credit Losses<sup>(1)</sup>

(unaudited) (millions of Canadian dollars)	IFRS 9 2018						IAS 39 2017		
	Q2			Q1			Q4		
	Gross loans <sup>(2)</sup>	Gross Impaired loans <sup>(3)</sup>	Allowance for credit losses on impaired loans <sup>(4)</sup>	Gross loans <sup>(2)</sup>	Gross Impaired loans <sup>(3)</sup>	Allowance for credit losses on impaired loans <sup>(4)</sup>	Gross loans <sup>(2)</sup>	Gross Impaired loans <sup>(3)</sup>	Individual and collective allowances on Impaired loans
			Stage 3			Stage 3			
<b>Canada</b>									
Residential mortgage <sup>(5)</sup>	65,441	162	14	65,067	164	14	64,808	62	9
Qualifying revolving retail	4,145	22	14	4,158	22	14	4,217	17	10
Other retail <sup>(6)</sup>	10,632	73	38	10,521	74	34	10,375	52	29
Non Retail	49,906	297	122	47,409	277	121	47,094	242	122
	<b>130,124</b>	<b>554</b>	<b>188</b>	<b>127,155</b>	<b>537</b>	<b>183</b>	<b>126,494</b>	<b>373</b>	<b>170</b>
<b>United States</b>									
Residential mortgage <sup>(5)</sup>	625	6	1	606	5	1	223	-	-
Qualifying revolving retail	-	-	-	-	-	-	-	-	-
Other retail <sup>(6)</sup>	1,471	9	9	1,460	9	9	1,709	-	-
Non Retail	4,309	4	-	4,103	19	13	4,379	-	-
	<b>6,405</b>	<b>19</b>	<b>10</b>	<b>6,169</b>	<b>33</b>	<b>23</b>	<b>6,311</b>	<b>-</b>	<b>-</b>
<b>Europe</b>									
Non Retail	298	-	-	225	-	-	220	-	-
<b>Others</b>									
Residential mortgage <sup>(5)</sup>	1,724	11	6	1,480	11	5	1,367	6	4
Qualifying revolving retail	-	-	-	-	-	-	-	-	-
Other retail <sup>(6)</sup>	60	2	-	61	1	-	66	1	-
Non Retail	444	-	-	573	-	-	704	-	-
	<b>2,228</b>	<b>13</b>	<b>6</b>	<b>2,114</b>	<b>12</b>	<b>5</b>	<b>2,137</b>	<b>7</b>	<b>4</b>
	<b>139,055</b>	<b>586</b>	<b>204</b>	<b>135,663</b>	<b>582</b>	<b>211</b>	<b>135,162</b>	<b>380</b>	<b>174</b>
Stages 1 and 2 <sup>(7)</sup> - Retail			394			380			
Stages 1, 2 and 3 <sup>(7)</sup> - Non-retail			156			153			
Purchased or originated credit-impaired	1,475	1,475	(34)	1,352	1,352	(28)	1,990	1,990	(24)
<b>Total</b>	<b>140,530</b>	<b>2,061</b>	<b>720</b>	<b>137,015</b>	<b>1,934</b>	<b>716</b>	<b>137,152</b>	<b>2,370</b>	<b>150</b>

(unaudited) (millions of Canadian dollars)	IAS 39 2017								
	Q3			Q2			Q1		
	Gross loans <sup>(2)</sup>	Gross Impaired loans <sup>(3)</sup>	Individual and collective allowances on Impaired loans	Gross loans <sup>(2)</sup>	Gross Impaired loans <sup>(3)</sup>	Individual and collective allowances on Impaired loans	Gross loans <sup>(2)</sup>	Gross Impaired loans <sup>(3)</sup>	Individual and collective allowances on Impaired loans
<b>Canada</b>									
Residential mortgage <sup>(5)</sup>	64,534	67	10	63,468	72	11	63,320	73	12
Qualifying revolving retail	4,180	17	10	4,156	18	10	4,103	18	10
Other retail <sup>(6)</sup>	10,339	50	29	10,149	50	27	9,879	53	27
Non Retail	46,308	312	168	46,010	274	155	44,487	292	163
	<b>125,361</b>	<b>446</b>	<b>217</b>	<b>123,783</b>	<b>414</b>	<b>203</b>	<b>121,789</b>	<b>436</b>	<b>212</b>
<b>United States</b>									
Residential mortgage <sup>(5)</sup>	222	-	-	248	-	-	165	-	-
Qualifying revolving retail	-	-	-	-	-	-	-	-	-
Other retail <sup>(6)</sup>	1,592	-	-	1,214	-	-	881	-	-
Non Retail	4,480	-	-	2,873	3	3	2,606	3	3
	<b>6,294</b>	<b>-</b>	<b>-</b>	<b>4,335</b>	<b>3</b>	<b>3</b>	<b>3,652</b>	<b>3</b>	<b>3</b>
<b>Europe</b>									
Non Retail	202	-	-	203	-	-	193	-	-
<b>Others</b>									
Residential mortgage <sup>(5)</sup>	1,149	5	3	1,082	4	2	911	3	1
Qualifying revolving retail	-	-	-	-	-	-	-	-	-
Other retail <sup>(6)</sup>	80	9	-	84	1	1	87	-	-
Non Retail	848	-	-	1,040	-	-	1,035	-	-
	<b>2,077</b>	<b>14</b>	<b>3</b>	<b>2,206</b>	<b>5</b>	<b>3</b>	<b>2,033</b>	<b>3</b>	<b>1</b>
	<b>133,934</b>	<b>460</b>	<b>220</b>	<b>130,527</b>	<b>422</b>	<b>209</b>	<b>127,667</b>	<b>442</b>	<b>216</b>
Purchased or originated credit-impaired	1,646	1,646	(32)	1,696	1,696	(27)	1,710	1,710	(17)
<b>Total</b>	<b>135,580</b>	<b>2,106</b>	<b>188</b>	<b>132,223</b>	<b>2,118</b>	<b>182</b>	<b>129,377</b>	<b>2,152</b>	<b>199</b>

(1) Geographic information based on borrower address (country).

(2) Gross loans comprise securitized assets.

(3) Given the adoption of IFRS 9, all loans classified in Stage 3 in the expected credit loss model are impaired loans and do not take into account purchased or originated credit-impaired loans. During the second quarter of 2018, upon refinement of the impaired loans identification process, certain loans classified in Stage 1 and 2 as at November 1, 2017 and as at January 31, 2018, were reclassified in Stage 3. Under IAS 39, loans were considered impaired according to different criteria.

(4) Allowances for credit losses are based on drawn amounts.

(5) Includes Retail residential mortgages comprising one to four units (Basel definition) and HELOC.

(6) Includes consumer loans, and other personal loans but excludes SME retail included in Non-retail portfolios.

(7) Includes other financial assets at amortized cost and off-balance-sheet commitments.

## Impaired Loans by Business Segment<sup>(1)</sup>

(unaudited) (millions of Canadian dollars)

	IFRS 9		IAS 39								
	2018		2017				2016				
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	
<b>Gross Impaired Loans<sup>(2)</sup></b>											
Personal and Commercial											
Retail	239	245	123	127	133	136	131	134	141	140	
Commercial	298	276	242	305	271	290	343	302	362	278	
Wealth Management	20	19	7	7	7	7	10	9	12	10	
Financial Markets	1	1	1	6	6	6	6	6	6	6	
U.S. Specialty Finance and International											
Credigy	16	29	-	-	-	-	-	-	-	-	
ABA Bank <sup>(3)</sup>	12	12	7	15	5	3	2	1	-	-	
Other	-	-	-	-	-	-	-	-	-	-	
	<b>586</b>	<b>582</b>	<b>380</b>	<b>460</b>	<b>422</b>	<b>442</b>	<b>492</b>	<b>452</b>	<b>521</b>	<b>434</b>	
<b>As a % of total loans and BA's</b>	<b>0.4%</b>	<b>0.4%</b>	<b>0.3%</b>	<b>0.3%</b>	<b>0.3%</b>	<b>0.4%</b>	<b>0.4%</b>	<b>0.4%</b>	<b>0.4%</b>	<b>0.4%</b>	

	IFRS 9		IAS 39							
	2018		2017				2016			
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>Net Impaired Loans<sup>(2)(4)</sup></b>										
Personal and Commercial										
Retail	179	189	78	81	88	89	85	88	96	93
Commercial	176	156	121	144	119	131	190	157	197	134
Wealth Management	15	13	4	4	4	4	5	5	7	7
Financial Markets	-	-	-	-	-	-	-	-	-	-
U.S. Specialty Finance and International										
Credigy	6	6	-	-	-	-	-	-	-	-
ABA Bank <sup>(3)</sup>	6	7	3	11	2	2	1	1	-	-
Other	-	-	-	-	-	-	-	-	-	-
	<b>382</b>	<b>371</b>	<b>206</b>	<b>240</b>	<b>213</b>	<b>226</b>	<b>281</b>	<b>251</b>	<b>300</b>	<b>234</b>
<b>As a % of total loans and BA's</b>	<b>0.3%</b>	<b>0.3%</b>	<b>0.2%</b>							
Allowances for credit losses on performing loans – Stages 1 and 2	(549)	(532)								
Allowances for credit losses on impaired loans - Off balance sheet items – Stage 3	(1)	(1)								
Allowances for credit losses on purchased or originated credit-impaired loans (POCI)	34	28								
Sectoral allowance on performing loans - Oil & Gas <sup>(5)</sup>			(139)	(141)	(147)	(204)	(204)	(213)	(250)	
Collective allowance on performing loans <sup>(6)</sup>			(406)	(406)	(406)	(366)	(366)	(366)	(366)	(366)

(1) Given the adoption of IFRS 9, all loans classified in Stage 3 in the expected credit loss model are impaired loans and do not take into account purchased or originated credit-impaired loans. During the second quarter of 2018, upon refinement of the impaired loans identification process, certain loans classified in Stage 1 and 2 as at November 1, 2017 and as at January 31, 2018, were reclassified in Stage 3. Under IAS 39, loans were considered impaired according to different criteria.

(2) Including acceptances and excluding POCI loans.

(3) The Bank completed the acquisition of Advanced Bank of Asia Limited (ABA Bank) during the third quarter of 2016.

(4) Net impaired loans are presented net of allowances for credit losses on Stage 3 loans amount drawn.

(5) During the second quarter of 2017, the Bank reversed the sectoral provision on non-impaired loans for the oil and gas producer and service company loan portfolio by \$40 million. The sectoral provision on non-impaired loans of \$250 million was recorded during the second quarter of 2016.

(6) During the second quarter of 2017, the Bank increased the collective allowance on non-impaired loans for credit risk by \$40 million related to growth in the Bank's overall credit portfolio.

## Formation of Gross Impaired Loans<sup>(1)</sup>

(unaudited) (millions of Canadian dollars)	IFRS 9		IAS 39								IFRS 9	IAS 39	IAS 39	
	2018		2017				2016				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2018	2017	2017	2016
<b>Formation of Gross Impaired Loans<sup>(2)</sup> (by sector)</b>														
<b>Balance at beginning</b>	582	599	460	422	442	492	452	521	434	457	599	492	492	457
Write-offs														
Personal and Commercial														
Retail	(17)	(18)	(21)	(19)	(21)	(18)	(20)	(18)	(20)	(23)	(35)	(39)	(79)	(81)
Credit card	(25)	(25)									(50)			
Commercial	(8)	(37)	(58)	(2)	(33)	(10)	(19)	(66)	(5)	(20)	(45)	(43)	(103)	(110)
Wealth Management	(1)	(1)	(2)	(1)	(1)	(3)	(1)	(2)	(1)	(2)	(2)	(4)	(7)	(6)
Financial Markets	-	-	(5)	-	-	-	-	-	-	-	-	-	(5)	-
U.S. Specialty Finance and International														
Credigy	(33)	(25)	-	-	-	-	-	-	-	-	(58)	-	-	-
ABA Bank <sup>(3)</sup>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total write-offs</b>	<b>(84)</b>	<b>(106)</b>	<b>(86)</b>	<b>(22)</b>	<b>(55)</b>	<b>(31)</b>	<b>(40)</b>	<b>(86)</b>	<b>(26)</b>	<b>(45)</b>	<b>(190)</b>	<b>(86)</b>	<b>(194)</b>	<b>(197)</b>
Formation														
Personal and Commercial														
Retail	11	23	17	13	18	23	17	11	21	23	34	41	71	72
Credit card	25	25									50			
Commercial	30	8	(5)	36	14	(43)	60	6	89	(5)	38	(29)	2	150
Wealth Management	2	2	2	1	1	-	2	(1)	3	4	4	1	4	8
Financial Markets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
U.S. Specialty Finance and International														
Credigy	20	27	-	-	-	-	-	-	-	-	47	-	-	-
ABA Bank <sup>(3)</sup>	-	4	(8)	10	2	1	1	1			4	3	5	2
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total formation</b>	<b>88</b>	<b>89</b>	<b>6</b>	<b>60</b>	<b>35</b>	<b>(19)</b>	<b>80</b>	<b>17</b>	<b>113</b>	<b>22</b>	<b>177</b>	<b>16</b>	<b>82</b>	<b>232</b>
<b>Balance at end</b>	<b>586</b>	<b>582</b>	<b>380</b>	<b>460</b>	<b>422</b>	<b>442</b>	<b>492</b>	<b>452</b>	<b>521</b>	<b>434</b>	<b>586</b>	<b>422</b>	<b>380</b>	<b>492</b>

(unaudited) (millions of Canadian dollars)	IFRS 9		IAS 39								IFRS 9	IAS 39	IAS 39	
	2018		2017				2016				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2018	2017	2017	2016
<b>Formation of Gross Impaired Loans<sup>(2)</sup> (by activity)</b>														
<b>Balance at beginning</b>	582	599	460	422	442	492	452	521	434	457	599	492	492	457
Classified as credit-impaired during the period	231	227	132	159	192	79	190	204	211	145	458	271	562	750
Transferred to performing loans during the period	(27)	(25)	(4)	(4)	(5)	(5)	(4)	(6)	(6)	(3)	(52)	(10)	(18)	(19)
Net repayments	(103)	(105)	(86)	(60)	(121)	(60)	(80)	(158)	(66)	(91)	(208)	(181)	(327)	(395)
Disposals of loans	(15)	-	-	-	-	-	-	-	-	-	(15)	-	-	-
Write-offs	(84)	(106)	(126)	(57)	(87)	(61)	(66)	(110)	(50)	(68)	(190)	(148)	(331)	(294)
Recoveries of loans previously written off	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange and other movements	2	(8)	4	-	1	(3)	-	1	(2)	(6)	(6)	(2)	2	(7)
<b>Balance at end</b>	<b>586</b>	<b>582</b>	<b>380</b>	<b>460</b>	<b>422</b>	<b>442</b>	<b>492</b>	<b>452</b>	<b>521</b>	<b>434</b>	<b>586</b>	<b>422</b>	<b>380</b>	<b>492</b>

(1) Given the adoption of IFRS 9, all loans classified in Stage 3 in the expected credit loss model are impaired loans and do not take into account purchased or originated credit-impaired loans. During the second quarter of 2018, upon refinement of the impaired loans identification process, certain loans classified in Stage 1 and 2 as at November 1, 2017 and as at January 31, 2018, were reclassified in Stage 3. Under IAS 39, loans were considered impaired according to different criteria.

(2) Including acceptances and excluding POCI loans.

(3) The Bank completed the acquisition of Advanced Bank of Asia Limited (ABA Bank) during the third quarter of 2016.

## Reconciliation of Allowances for Credit Losses

(unaudited) (millions of Canadian dollars)	IFRS 9					
	2018					
	Q2				Q1	
	Allowances for credit losses on performing loans		Allowances for credit losses on impaired loans			
	Stage 1	Stage 2	Stage 3	Purchased or originated <sup>(4)</sup>	Total	Total
<b>Allowances at beginning</b>	209	323	212	(28)	716	735
<b>Provisions for credit losses</b>						
New loans originated or purchased	23	–	–	–	23	28
Transfers <sup>(2)</sup> :						
To stage 1	44	(43)	(1)	–	–	–
To stage 2	(12)	15	(3)	–	–	–
To stage 3	(2)	(45)	47	–	–	–
Net remeasurement of loss allowance <sup>(3)</sup>	(52)	107	38	–	93	81
Derecognition (excluding write-offs) <sup>(4)</sup>	(7)	(15)	(3)	–	(25)	(22)
Changes to models	–	–	–	–	–	–
	(6)	19	78	–	91	87
Write-offs	–	–	(84)	–	(84)	(106)
Disposals	–	–	(13)	(5)	(18)	–
Recoveries	–	–	10	–	10	9
Foreign exchange variations and other	2	2	2	(1)	5	(9)
<b>Allowances at end</b>	205	344	205	(34)	720	716
<b>Total allowances for credit losses</b>						
Loans and acceptances at amortized cost						
Drawn amounts	173	323	204	(34)	666	663
Undrawn commitments <sup>(5)</sup>	26	20	1	–	47	47
Other <sup>(6)</sup>	6	1	–	–	7	6
	205	344	205	(34)	720	716

	IAS 39										
	2017				2016				YTD	Full Year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2017	2017	2016
<b>Allowances for Credit Losses</b>											
<b>Allowances at beginning</b>	735	735	769	769	773	828	553	555	769	769	555
Write-offs	(126)	(57)	(87)	(61)	(66)	(110)	(50)	(68)	(61)	(331)	(294)
Recoveries of amounts written off in previous years	6	5	7	6	7	8	5	5	6	24	25
Charge to income statement (provisions for credit losses) <sup>(7)</sup>	70	58	56	60	59	45	317	63	60	244	484
Disposal of loans	–	–	–	–	–	–	–	–	–	–	–
Exchange and other movements <sup>(8)</sup>	10	(6)	(10)	(5)	(4)	2	3	(2)	(5)	(11)	(1)
<b>Allowances at end</b>	695	735	735	769	769	773	828	553	769	695	769

(1) The total amount of undiscounted expected credit losses at initial recognition on financial assets recognized during the six-month period ended April 30, 2018 is \$103 million.

(2) Represent the stage transfers which are deemed to have taken place at the beginning of the quarter in which the transfer occurred.

(3) Includes the net remeasurement of loss allowances (after transfers) attributable mainly to changes in volumes and in the credit quality of existing loans as well as to changes in risk parameters.

(4) Represent the decrease in loss allowances from full loan repayments (excluding write-offs and disposals).

(5) The allowances for credit losses on undrawn commitments are reported in the Other liabilities item of the Consolidated Balance Sheet.

(6) Includes other financial assets at amortized cost and off-balance sheet items other than undrawn commitments.

(7) During the second quarter of 2017, the Bank reversed the sectoral provision on performing loans for oil and gas producer and service company loan portfolio by \$40 million. The sectoral provision on performing loans of \$250 million was recorded during the second quarter of 2016. Moreover, during the second quarter of 2017, the Bank increased the collective allowance on performing loans for credit risk by \$40 million related to growth in the Bank's overall credit portfolio.

(8) Includes allowances for POCI loans which was recognized in Non-interest income in the Income statement.

## Provisions for Credit Losses

(unaudited) (millions of Canadian dollars)		IFRS 9		IAS 39								IFRS 9	IAS 39	IAS 39	
		2018		2017				2016				YTD		Full Year	
		Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2018	2017	2017	2016
<b>Personal and Commercial</b>															
Retail:	Stage 3	19	15	17	18	17	16	17	17	17	20	34	33	68	71
	Stages 1 and 2	2	6									8			
		21	21	17	18	17	16	17	17	17	20	42	33	68	71
Credit card :	Stage 3	22	21	19	21	21	21	19	20	21	21	43	42	82	81
	Stages 1 and 2	2	2									4			
		24	23	19	21	21	21	19	20	21	21	47	42	82	81
Commercial <sup>(1)</sup> :	Stage 3	6	8	14	6	8	15	18	7	27	21	14	23	43	73
	Stages 1 and 2	7	5			(40)				250		12	(40)	(40)	250
		13	13	14	6	(32)	15	18	7	277	21	26	(17)	3	323
<b>Wealth Management</b>															
	Stage 3	-	-	1	1	-	1	1	1	2	1	-	1	3	5
	Stages 1 and 2	-	1									1			
		-	1	1	1	-	1	1	1	2	1	1	1	3	5
<b>Financial Markets</b>															
	Stage 3	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Stages 1 and 2	2	-									2			
		2	-	-	-	-	-	-	-	-	-	2	-	-	-
<b>U.S. Specialty Finance and International</b>															
Credigy:	Stage 3	30	27	18	11	9	6	4	-	-	-	57	15	44	4
	Stages 1 and 2	(2)	4									2			
	POCI	-	(5)									(5)			
		28	26	18	11	9	6	4	-	-	-	54	15	44	4
ABA Bank <sup>(2)</sup> :	Stage 3	1	2	1	1	1	1	-	-			3	2	4	-
	Stages 1 and 2	2	1									3			
		3	3	1	1	1	1	-	-			6	2	4	-
<b>Other<sup>(3)</sup></b>															
	Stage 3	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Stages 1 and 2	-	-			40						-	40	40	
		-	-	-	-	40	-	-	-	-	-	-	40	40	-
<b>Total</b>		<b>91</b>	<b>87</b>	<b>70</b>	<b>58</b>	<b>56</b>	<b>60</b>	<b>59</b>	<b>45</b>	<b>317</b>	<b>63</b>	<b>178</b>	<b>116</b>	<b>244</b>	<b>484</b>

(1) During the second quarter of 2017, the Bank reversed the sectoral provision on performing loans for the oil and gas producer and service company loan portfolio by \$40 million. The sectoral provision on performing loans of \$250 million was recorded during the second quarter of 2016.

(2) The Bank completed the acquisition of Advanced Bank of Asia Limited (ABA Bank) during the third quarter of 2016.

(3) During the second quarter of 2017, the Bank increased the collective allowance on performing loans for credit risk by \$40 million related to growth in the Bank's overall credit portfolio.

# Regulatory Capital and Capital Ratios under Basel III<sup>(1)</sup>

	IFRS 9		IAS 39			
	2018		2017			
	Q2	Q1	Q4	Q3	Q2	Q1
(unaudited) (millions of Canadian dollars)						
<b>All-in basis</b>						
<b>Common Equity Tier 1 capital: instruments and reserves</b>						
1	2,920	2,913	2,826	2,874	2,850	2,820
2	8,018	7,785	7,706	7,540	7,164	7,065
3	139	110	168	122	221	173
5	10	8	8	7	7	7
6	<b>11,087</b>	<b>10,816</b>	<b>10,708</b>	<b>10,543</b>	<b>10,242</b>	<b>10,065</b>
<b>Regulatory adjustments to Common Equity Tier 1 capital</b>						
8	1,671	1,662	1,668	1,660	1,677	1,662
9	1,100	1,073	1,067	1,032	1,016	997
11	137	152	146	136	91	131
12	–	–	–	–	–	–
14	(62)	(81)	(39)	(32)	(25)	(17)
15	4	3	4	14	7	18
16	1	5	6	–	6	6
22	–	–	–	–	–	–
23	–	–	–	–	–	–
25	–	–	–	–	–	–
26	–	–	–	–	–	–
28	<b>2,851</b>	<b>2,814</b>	<b>2,852</b>	<b>2,810</b>	<b>2,772</b>	<b>2,797</b>
29	<b>8,236</b>	<b>8,002</b>	<b>7,856</b>	<b>7,733</b>	<b>7,470</b>	<b>7,268</b>
<b>Additional Tier 1 capital: instruments</b>						
30	2,150	2,150	1,850	1,850	1,450	1,450
31	2,150	2,150	1,850	1,850	1,450	1,450
32	–	–	–	–	–	–
33	750	750	750	950	950	950
34	2	2	2	2	2	1
36	<b>2,902</b>	<b>2,902</b>	<b>2,602</b>	<b>2,802</b>	<b>2,402</b>	<b>2,401</b>
<b>Additional Tier 1 capital: regulatory adjustments</b>						
41	1	1	1	1	1	1
41a	1	1	1	1	1	1
43	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
44	<b>2,901</b>	<b>2,901</b>	<b>2,601</b>	<b>2,801</b>	<b>2,401</b>	<b>2,400</b>
45	<b>11,137</b>	<b>10,903</b>	<b>10,457</b>	<b>10,534</b>	<b>9,871</b>	<b>9,668</b>
<b>Tier 2 capital: instruments and provisions</b>						
46	750	–	–	–	–	–
47	9	8	9	9	10	1,009
48	3	2	2	2	2	2
50	164	154	193	210	204	234
51	<b>926</b>	<b>164</b>	<b>204</b>	<b>221</b>	<b>216</b>	<b>1,245</b>
<b>Tier 2 capital: regulatory adjustments</b>						
57	–	–	–	–	–	–
58	<b>926</b>	<b>164</b>	<b>204</b>	<b>221</b>	<b>216</b>	<b>1,245</b>
59	<b>12,063</b>	<b>11,067</b>	<b>10,661</b>	<b>10,755</b>	<b>10,087</b>	<b>10,913</b>

(1) As requested by the Office of the Superintendent of Financial Institutions (Canada) (OSFI), all the Domestic Systemically Important Banks (D-SIBs) in Canada must fully apply the Basel III deductions and must disclose the all-in-ratios.

(2) A complete list of capital instruments and their main features is now available on the Bank's website at [nbc.ca](http://nbc.ca) under *Investor Relations > Capital & Debt Information > Main Features of Regulatory Capital Instruments*.

(3) Figures as at October 31, 2017 include the redemption of the Series 28 preferred shares on November 15, 2017.

## Regulatory Capital and Capital Ratios under Basel III<sup>(1)</sup> (continued)

(unaudited) (millions of Canadian dollars)		IFRS 9		IAS 39			
		2018		2017			
		Q2	Q1	Q4	Q3	Q2	Q1
		<b>All-in basis</b>					
60a	Common Equity Tier 1 Capital RWA (CET1)	72,834	71,179	70,173	69,156	69,383	68,574
60b	Tier 1 Capital RWA	72,865	71,271	70,327	69,289	69,533	68,715
60c	Total capital RWA	72,895	71,362	70,451	69,396	69,653	68,828
<b>Capital ratios</b>							
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	11.3%	11.2%	11.2%	11.2%	10.8%	10.6%
62	Tier 1 (as a percentage of risk weighted assets) <sup>(2)</sup>	15.3%	15.3%	14.9%	15.2%	14.2%	14.1%
63	Total capital (as a percentage of risk weighted assets) <sup>(2)</sup>	16.6%	15.5%	15.1%	15.5%	14.5%	15.9%
64	Institution-specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus G-SIB buffer requirement plus D-SIB buffer requirement expressed as a percentage of risk weighted assets)	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
67	of which: G-SIB buffer requirement	na	na	na	na	na	na
67a	of which: D-SIB buffer requirement	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	11.3%	11.2%	11.2%	11.2%	10.8%	10.6%
<b>OSFI all-in target</b>							
69	Common Equity Tier 1 all-in target ratio	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
70	Tier 1 capital all-in target ratio	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%
71	Total capital all-in target ratio	11.5%	11.5%	11.5%	11.5%	11.5%	11.5%
<b>Amounts below the thresholds for deduction (before risk weighting)</b>							
72	Non-significant investments in the capital of other financial institutions	481	658	466	459	317	232
73	Significant investments in the common stock of financial institutions	241	235	221	237	238	257
75	Deferred tax assets arising from temporary differences (net of related tax liabilities)	58	50	54	31	61	22
<b>Applicable caps on the inclusion of allowances in Tier 2</b>							
76	Allowance eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	68	61	59	60	55	58
77	Cap on inclusion of allowances in Tier 2 under standardised approach	90	83	79	77	72	72
78	Allowance eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	96	93	134	150	149	175
79	Cap on inclusion of allowances in Tier 2 under internal ratings-based approach	308	310	309	304	312	301
<b>Capital instruments subject to phase-out arrangements (only applicable between Jan 1, 2018 and Jan 1, 2022)</b>							
82	Current cap on AT1 instruments subject to phase out arrangements	775	775	968	968	968	968
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	-	-	-	-	-
84	Current cap on T2 instruments subject to phase out arrangements	953	953	1,191	1,191	1,191	1,191
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	-	-	-	-	-
<b>Transitional Capital Disclosure Template<sup>(3)</sup></b>				<b>Transitional basis</b>			
29	Common Equity Tier 1 capital (CET1)			8,404	8,284	8,009	7,809
45	Tier 1 capital (T1 = CET1 + AT1)			10,668	10,741	10,074	9,876
59	Total capital (TC = T1 + T2)			10,872	10,961	10,289	11,120
60	Total risk weighted assets			71,254	71,481	70,428	69,567
61	Common Equity Tier 1 (as a percentage of risk weighted assets)			11.8%	11.6%	11.4%	11.2%
62	Tier 1 (as a percentage of risk weighted assets) <sup>(2)</sup>			15.0%	15.0%	14.3%	14.2%
63	Total capital (as a percentage of risk weighted assets) <sup>(2)</sup>			15.3%	15.3%	14.6%	16.0%

(1) As requested by the Office of the Superintendent of Financial Institutions (Canada) (OSFI), all the Domestic Systemically Important Banks (D-SIBs) in Canada must fully apply the Basel III deductions and must disclose the all-in-ratios.

(2) Ratios as at October 31, 2017 include the redemption of the Series 28 preferred shares on November 15, 2017.

(3) Per CAR guidelines, transitional basis capital and ratios are not applicable subsequent to Q4 2017.

## Leverage Ratio under Basel III

(unaudited) (millions of Canadian dollars)

		IFRS 9		IAS 39			
		2018		2017			
		Q2	Q1	Q4	Q3	Q2	Q1
<b>Accounting assets vs. Leverage ratio exposure</b>		<b>Transitional basis</b>					
1	Total consolidated assets as per published financial statements	256,259	251,065	245,827	240,072	239,020	234,119
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory	(58)	(68)	(80)	(68)	(90)	(60)
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-	-	-	-	-	-
4	Adjustment for derivative financial instruments <sup>(1)</sup>	3,090	3,635	(381)	519	2,280	1,621
5	Adjustment for securities financing transactions <sup>(1)</sup>	2,516	(487)	1,714	2,086	3,408	3,062
6	Adjustment for off balance-sheet items	21,796	20,713	20,183	22,407	22,644	22,048
7	Other adjustments	(4,777)	(5,299)	(4,508)	(4,489)	(4,676)	(3,950)
8	<b>Leverage Ratio Exposure</b>	<b>278,826</b>	<b>269,559</b>	<b>262,755</b>	<b>260,527</b>	<b>262,586</b>	<b>256,840</b>
<b>Leverage ratio common disclosure</b>		<b>Transitional basis</b>					
<b>On-balance sheet exposures</b>							
1	On-balance sheet items (excluding derivatives, SFTs and grandfathered securitization exposures but including collateral)	228,798	223,550	214,702	211,909	210,621	208,226
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	(2,914)	(2,897)	(2,676)	(2,634)	(2,592)	(2,304)
3	<b>Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)</b>	<b>225,884</b>	<b>220,653</b>	<b>212,026</b>	<b>209,275</b>	<b>208,029</b>	<b>205,922</b>
<b>Derivative exposures</b>							
4	Replacement cost associated with all derivative transactions (i.e., net of eligible cash variation margin)	4,270	3,991	1,277	3,551	3,974	4,405
5	Add-on amounts for PPE associated with all derivative transactions	6,725	8,166	6,766	6,597	7,044	6,624
6	Gross up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-	-	-	-	-	-
7	(Deductions of receivables assets for cash variation margin provided in derivative transactions)	-	-	-	-	-	-
8	(Exempted CCP-leg of client cleared trade exposures)	-	-	-	-	-	-
9	Adjusted effective notional amount of written credit derivatives	-	4	-	12	7	-
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-	-	-	-	-
11	<b>Total derivative exposures (sum of lines 4 to 10)</b>	<b>10,995</b>	<b>12,161</b>	<b>8,043</b>	<b>10,160</b>	<b>11,025</b>	<b>11,029</b>
<b>Securities financing transaction exposures</b>							
12	Gross SFT assets recognised for accounting purposes (with no recognition of netting), after adjusting for sale accounting transactions	17,636	16,520	20,789	16,600	17,481	14,779
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	(2,196)	(4,637)	(1,275)	(1,211)	(583)	(815)
14	Counterparty credit risk (CCR) exposure for SFTs	4,712	4,149	2,989	3,296	3,990	3,877
15	Agent transaction exposures	-	-	-	-	-	-
16	<b>Total securities financing transaction exposures (sum of lines 12 to 15)</b>	<b>20,152</b>	<b>16,032</b>	<b>22,503</b>	<b>18,685</b>	<b>20,888</b>	<b>17,841</b>
<b>Other off-balance sheet exposures</b>							
17	Off-balance sheet exposure at gross notional amount	68,811	66,194	64,167	62,996	63,451	61,284
18	(Adjustments for conversion to credit equivalent amounts)	(47,016)	(45,481)	(43,984)	(40,589)	(40,807)	(39,236)
19	<b>Off-balance sheet items (sum of lines 17 and 18)</b>	<b>21,795</b>	<b>20,713</b>	<b>20,183</b>	<b>22,407</b>	<b>22,644</b>	<b>22,048</b>
<b>Capital and Total Exposures - Transitional Basis</b>							
20	Tier 1 capital <sup>(2)</sup>	11,137	10,903	10,668	10,741	10,074	9,876
21	<b>Total Exposures (sum of lines 3, 11, 16 and 19)</b>	<b>278,826</b>	<b>269,559</b>	<b>262,755</b>	<b>260,527</b>	<b>262,586</b>	<b>256,840</b>
<b>Leverage Ratio</b>							
22	<b>Basel III leverage ratio</b>	<b>4.0%</b>	<b>4.0%</b>	<b>4.1%</b>	<b>4.1%</b>	<b>3.8%</b>	<b>3.8%</b>
<b>Leverage ratio - All-in basis</b>		<b>4.0%</b>	<b>4.0%</b>	<b>4.0%</b>	<b>4.0%</b>	<b>3.8%</b>	<b>3.8%</b>

(1) Adjustments due to differences between accounting and regulatory netting standards.

(2) Figures as at October 31, 2017 include the redemption of the Series 28 preferred shares on November 15, 2017.

## Capital Adequacy under Basel III<sup>(1)</sup>

	IFRS 9					IAS 39					
	2018					2017					
	Q2					Q1	Q4	Q3	Q2	Q1	
	Exposure at default	Risk-weighted assets				Capital requirement <sup>(2)</sup>	Risk-weighted assets				
Standardized Approach		AIRB Approach	Other Approach	Total							
(unaudited) (millions of Canadian dollars)											
<b>Credit risk</b>											
Retail											
Residential mortgages	50,762	1,424	4,627	–	6,051	484	6,075	5,555	5,638	5,472	5,392
Qualifying revolving retail	6,130	–	1,313	–	1,313	105	1,195	1,275	1,210	1,190	1,155
Other retail	16,707	2,151	5,113	–	7,264	581	7,194	7,611	7,559	7,601	7,280
Non-retail											
Corporate	68,733	2,084	27,879	–	29,963	2,397	28,533	27,544	26,969	27,810	27,226
Sovereign	28,113	342	667	–	1,009	81	988	985	1,011	891	857
Financial institutions	5,546	472	1,030	–	1,502	120	1,444	1,531	1,531	1,639	1,473
Banking book equities <sup>(3)</sup>	977	–	977	–	977	78	912	910	932	872	886
Securitization	5,017	–	409	–	409	33	408	390	423	402	304
Other assets	25,133	–	–	2,967	2,967	237	2,826	3,645	3,455	3,232	3,137
<b>Counterparty credit risk</b>											
Corporate	17,797	123	266	–	389	31	279	197	156	238	209
Sovereign	46,575	–	84	–	84	7	57	43	50	32	33
Financial institutions	60,857	–	717	–	717	57	394	366	508	510	436
Trading portfolio	8,617	115	2,093	–	2,208	177	2,246	2,178	2,151	2,183	2,190
Credit valuation adjustment charge <sup>(4)</sup>		813	–	–	813	65	2,449	2,227	1,916	2,159	2,030
Regulatory scaling factor		–	2,711	–	2,711	217	2,625	2,580	2,557	2,624	2,540
<b>Total - Credit risk</b>	<b>340,964</b>	<b>7,524</b>	<b>47,886</b>	<b>2,967</b>	<b>58,377</b>	<b>4,670</b>	<b>57,625</b>	<b>57,037</b>	<b>56,066</b>	<b>56,855</b>	<b>55,148</b>
<b>Market risk</b>											
VaR		–	1,028	–	1,028	82	766	867	972	962	1,340
Stressed VaR		–	2,209	–	2,209	177	1,388	1,324	1,630	1,086	1,632
Interest-rate - specific risk		818	–	–	818	65	1,182	906	661	720	843
<b>Total - Market risk</b>		<b>818</b>	<b>3,237</b>	<b>–</b>	<b>4,055</b>	<b>324</b>	<b>3,336</b>	<b>3,097</b>	<b>3,263</b>	<b>2,768</b>	<b>3,815</b>
<b>Operational risk</b>		<b>10,402</b>	<b>–</b>	<b>–</b>	<b>10,402</b>	<b>832</b>	<b>10,218</b>	<b>10,039</b>	<b>9,827</b>	<b>9,760</b>	<b>9,611</b>
<b>Total</b>	<b>340,964</b>	<b>18,744</b>	<b>51,123</b>	<b>2,967</b>	<b>72,834</b>	<b>5,826</b>	<b>71,179</b>	<b>70,173</b>	<b>69,156</b>	<b>69,383</b>	<b>68,574</b>
<b>Capital ratio under Basel III</b>											
Common Equity Tier 1 (CET1)					11.3%		11.2%	11.2%	11.2%	10.8%	10.6%
Tier 1 <sup>(5)</sup>					15.3%		15.3%	14.9%	15.2%	14.2%	14.1%
Total <sup>(5)</sup>					16.6%		15.5%	15.1%	15.5%	14.5%	15.9%
<b>Leverage ratio under Basel III</b>					4.0%		4.0%	4.0%	4.0%	3.8%	3.8%

(1) Figures are presented in an "all-in" basis.

(2) The capital requirement is equal to 8% of risk-weighted assets.

(3) Calculated using the simple risk-weight method.

(4) Calculated based on CET1 risk-weighted assets.

(5) Ratios as at October 31, 2017 include the redemption of the Series 28 preferred shares on November 15, 2017.