



## SUPPLEMENTARY FINANCIAL INFORMATION

SECOND QUARTER 2019

(unaudited)

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**For more information:**

**Ghislain Parent**, Chief Financial Officer and Executive Vice-President Finance, Tel: 514 394-6807

**Jean Dagenais**, Senior Vice-President Finance, Tel: 514 394-6233

**Linda Boulanger**, Vice-President Investor Relations, Tel: 514 394-0296

**Claude Breton**, Vice-President Public Affairs and Corporate Social Responsibility, Tel: 514 394-8644

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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) as issued by the International Accounting Standards Board (IASB), unless otherwise indicated, and should be read in conjunction with the Report to Shareholders for all quarters of 2019. This supplementary financial information (SFI) is unaudited and should be read in conjunction with the 2018 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 3 and risk disclosures required by the Enhanced Disclosure Task Force (EDTF) is provided in the document entitled *Supplementary Regulatory Capital and Pillar 3 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 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 financial 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) Like many other financial institutions, 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. This adjustment is necessary in order to perform a uniform comparison of the return on different assets regardless of their tax treatment.
- 5) 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 year beginning November 1, 2018.
  - The specified items related to the acquisitions of recent years (mainly those of the Wealth Management segment) are no longer presented as specified items as of November 1, 2018, since the amounts are not considered significant. The comparative figures reflect this change. Please refer to page 12 of the Bank's Supplementary Financial Information - Fourth Quarter 2018 for additional information on those specified items.
  - The presentation of segment disclosures is consistent with the presentation adopted by the Bank for the year beginning November 1, 2018. This presentation reflects the fact that advisor banking service activities (in partnership with non-bank financial institutions), which had previously been presented in the Wealth Management segment, are now presented in the Personal and Commercial segment. The Bank made this change to better align the monitoring of its activities with its management structure.

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# Highlights

(unaudited) (millions of Canadian dollars, except per share amounts)

	IFRS 9						IAS 39				IFRS 9		IFRS 9	IAS 39
	2019		2018				2017				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2019	2018	2018	2017
Net income	558	552	566	569	547	550	525	518	484	497	1,110	1,097	2,232	2,024
Earnings per share - Basic	1.52	1.51	1.53	1.54	1.46	1.48	1.40	1.39	1.30	1.35	3.03	2.94	6.01	5.44
- Diluted	1.51	1.50	1.52	1.52	1.44	1.46	1.39	1.37	1.28	1.34	3.01	2.90	5.94	5.38
Return on common shareholders' equity	17.8%	17.2%	17.8%	18.4%	18.6%	18.7%	17.8%	18.2%	17.9%	18.4%	17.5%	18.6%	18.4%	18.1%
Efficiency ratio on a taxable equivalent basis	55.5%	55.1%	55.3%	54.5%	54.6%	54.9%	55.5%	55.8%	57.0%	56.8%	55.3%	54.7%	54.8%	56.3%
Effective tax rate on a taxable equivalent basis	24.6%	26.2%	26.0%	25.8%	25.6%	27.1%	26.3%	27.1%	25.9%	26.5%	25.4%	26.4%	26.1%	26.5%
Total assets	269,106	263,355	262,471	257,637	256,259	251,065	245,827	240,072	239,020	234,119	269,106	256,259	262,471	245,827
Average loans and acceptances	147,139	146,083	143,699	140,644	138,095	135,925	134,601	131,976	128,883	127,997	146,602	136,992	139,603	130,882
Average assets	283,172	279,426	267,865	265,592	267,941	262,425	251,302	245,096	251,033	246,060	281,268	265,137	265,940	248,351
Average common shareholders' equity	11,758	11,685	11,518	11,255	10,939	10,746	10,660	10,377	10,155	9,886	11,721	10,841	11,115	10,268
Number of common shares outstanding ( <i>thousands</i> )	335,116	335,500	335,071	337,441	339,348	340,390	339,592	341,580	341,524	340,810	335,116	339,348	335,071	339,592
Weighted average basic number of common shares outstanding ( <i>thousands</i> )	335,478	335,716	337,508	339,160	339,885	340,950	341,108	341,555	341,107	339,476	335,599	340,426	339,372	340,809
Weighted average diluted number of common shares outstanding ( <i>thousands</i> )	338,515	338,585	341,395	343,280	343,900	345,458	345,507	345,353	345,416	343,270	338,472	344,617	343,240	344,771
Gross impaired loans <sup>(1)</sup>	627	603	630	630	586	582	380	460	422	442	627	586	630	380
Gross impaired loans <sup>(1)</sup> as a % of total loans and acceptances	0.42%	0.41%	0.43%	0.44%	0.42%	0.42%	0.28%	0.34%	0.32%	0.34%	0.42%	0.42%	0.43%	0.28%
Provisions for credit losses on impaired loans <sup>(1)</sup> as a % of average loans and acceptances	0.23%	0.21%	0.23%	0.25%	0.23%	0.21%	0.21%	0.17%	0.18%	0.19%	0.22%	0.22%	0.23%	0.19%
Provisions for credit losses as a % of average loans and acceptances	0.23%	0.24%	0.20%	0.21%	0.27%	0.25%	0.21%	0.17%	0.18%	0.19%	0.24%	0.26%	0.23%	0.19%
Net charge-off as a % of average loans and acceptances	0.18%	0.20%	0.20%	0.22%	0.22%	0.28%	0.35%	0.16%	0.25%	0.17%	0.19%	0.25%	0.23%	0.23%
Dividends declared per common share	0.65	0.65	0.62	0.62	0.60	0.60	0.58	0.58	0.56	0.56	1.30	1.20	2.44	2.28
Dividend payout ratio (trailing 4 quarters)	41.6%	41.2%	40.6%	40.8%	41.2%	41.7%	41.9%	46.6%	46.6%	55.3%	41.6%	41.2%	40.6%	41.9%
Book value per common share	35.49	34.85	34.40	33.91	32.64	31.75	31.51	30.84	29.97	29.51	35.49	32.64	34.40	31.51
Share price - High	63.82	61.80	65.63	64.29	64.08	65.35	62.74	56.44	58.75	56.60	63.82	65.35	65.63	62.74
Share price - Low	60.31	54.97	58.93	61.26	58.69	62.33	55.29	51.77	52.94	46.83	54.97	58.69	58.69	46.83
Share price - Close	63.82	61.80	59.76	63.77	60.98	63.84	62.61	56.15	53.05	56.17	63.82	60.98	59.76	62.61
Number of registered shareholders	21,072	21,245	21,325	21,391	21,470	21,564	21,542	21,608	21,683	21,776	21,072	21,470	21,325	21,542
Capital ratios under Basel III <sup>(2)</sup>														
Common Equity Tier 1 (CET1)	11.5%	11.5%	11.7%	11.6%	11.3%	11.2%	11.2%	11.2%	10.8%	10.6%	11.5%	11.3%	11.7%	11.2%
Tier 1 <sup>(3)</sup>	15.1%	15.1%	15.5%	15.4%	15.3%	15.3%	14.9%	15.2%	14.2%	14.1%	15.1%	15.3%	15.5%	14.9%
Total <sup>(3)</sup>	16.2%	16.3%	16.8%	16.7%	16.6%	15.5%	15.1%	15.5%	14.5%	15.9%	16.2%	16.6%	16.8%	15.1%
Leverage ratio under Basel III <sup>(2)</sup>	4.0%	4.1%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	3.8%	3.8%	4.0%	4.0%	4.0%	4.0%
Liquidity coverage ratio (LCR)	141%	139%	147%	147%	137%	135%	132%	134%	139%	139%	141%	137%	147%	132%

(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 (POCI) loans. 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)

Credit Rating - Long-term senior debt	2019		2018				2017			
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Moody's	Aa3	Aa3	Aa3	Aa3	A1	A1	A1	A1	Aa3	Aa3
Standard & Poor's	A	A	A	A	A	A	A	A	A	A
DBRS	AA (Low)									
Fitch	A+									

Valuation	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Market Capitalization (in millions of Canadian dollars)	21,387	20,734	20,024	21,519	20,693	21,730	21,262	19,180	18,118	19,143
P/E Ratio (trailing 4 quarters)	10.55	10.33	10.06	10.98	10.77	11.61	11.64	11.77	11.26	14.22
Share price/Book value	1.80	1.77	1.74	1.88	1.87	2.01	1.99	1.82	1.77	1.90
Dividend yield (annualized)	4.07%	4.21%	4.15%	3.89%	3.94%	3.76%	3.71%	4.13%	4.22%	3.99%

Other Information	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Number of employees										
Canada	19,136	19,247	19,103	19,275	19,105	18,949	18,967	19,074	19,023	19,265
Outside of Canada	5,001	4,713	4,347	3,754	3,254	2,919	2,668	2,452	2,267	2,030
	24,137	23,960	23,450	23,029	22,359	21,868	21,635	21,526	21,290	21,295
Number of employees (full-time equivalent)										
Canada	18,195	18,274	18,079	18,272	18,086	17,897	17,916	18,068	17,979	18,140
Outside of Canada	5,001	4,713	4,347	3,754	3,254	2,919	2,668	2,452	2,267	2,030
	23,196	22,987	22,426	22,026	21,340	20,816	20,584	20,520	20,246	20,170
Number of branches in Canada	428	428	428	428	428	429	429	443	445	448
Number of banking machines in Canada	940	938	937	934	933	932	931	932	944	941

	Ticker Symbol <sup>(1)</sup>
Common Shares	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
Series 42	NA.PR.G

(1) Listed on the TSX.

## Detailed Information on Income

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

	IFRS 9						IAS 39				IFRS 9		IFRS 9	IAS 39
	2019		2018				2017				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2019	2018	2018	2017
Net interest income	987	898	861	872	921	872	921	942	861	921	1,885	1,793	3,526	3,645
Non-interest income	863	964	1,013	982	897	993	837	798	789	784	1,827	1,890	3,885	3,208
<b>Total revenues</b>	<b>1,850</b>	<b>1,862</b>	<b>1,874</b>	<b>1,854</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>3,712</b>	<b>3,683</b>	<b>7,411</b>	<b>6,853</b>
Non-interest expenses	1,026	1,026	1,036	1,011	992	1,024	976	971	941	969	2,052	2,016	4,063	3,857
Provisions for credit losses	84	88	73	76	91	87	70	58	56	60	172	178	327	244
Income before income taxes	740	748	765	767	735	754	712	711	653	676	1,488	1,489	3,021	2,752
Income taxes	182	196	199	198	188	204	187	193	169	179	378	392	789	728
<b>Net income</b>	<b>558</b>	<b>552</b>	<b>566</b>	<b>569</b>	<b>547</b>	<b>550</b>	<b>525</b>	<b>518</b>	<b>484</b>	<b>497</b>	<b>1,110</b>	<b>1,097</b>	<b>2,232</b>	<b>2,024</b>
Non-controlling interests	19	16	16	23	25	23	19	24	22	19	35	48	87	84
Net income attributable to the Bank's shareholders	539	536	550	546	522	527	506	494	462	478	1,075	1,049	2,145	1,940
Effective tax rate	24.6%	26.2%	26.0%	25.8%	25.6%	27.1%	26.3%	27.1%	25.9%	26.5%	25.4%	26.3%	26.1%	26.5%
Dividends on preferred shares	29	29	32	25	26	22	27	19	20	19	58	48	105	85
Dividends on common shares	218	218	209	211	204	205	198	198	191	191	436	409	829	778
Number of common shares (Average-Basic) (thousands)	335,478	335,716	337,508	339,160	339,885	340,950	341,108	341,555	341,107	339,476	335,599	340,426	339,372	340,809
<b>Taxable equivalent basis</b>														
Net interest income	45	35	35	35	36	38	40	55	46	68	80	74	144	209
Non-interest income	35	28	25	27	28	21	14	10	7	4	63	49	101	35
Income taxes	80	63	60	62	64	59	54	65	53	72	143	123	245	244
<b>Net income by segment</b>														
Personal and Commercial	234	246	257	250	215	230	237	239	230	212	480	445	952	918
Wealth Management	118	125	118	120	112	114	106	99	93	95	243	226	464	393
Financial Markets	160	170	192	178	190	204	183	165	171	179	330	394	764	698
U.S. Specialty Finance and International (USSF&I)	72	60	55	54	63	50	55	51	40	38	132	113	222	184
Other	(26)	(49)	(56)	(33)	(33)	(48)	(56)	(36)	(50)	(27)	(75)	(81)	(170)	(169)

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

(unaudited) (millions of Canadian dollars, except results of operations as a % of average assets)

	IFRS 9						IAS 39				IFRS 9		IFRS 9	IAS 39
	2019		2018				2017				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2019	2018	2018	2017
<b>As a % of Average Assets</b>														
Total revenues on taxable equivalent basis	2.68	2.64	2.78	2.77	2.78	2.82	2.78	2.82	2.70	2.75	2.66	2.80	2.79	2.76
Non-interest expenses	1.49	1.46	1.53	1.51	1.52	1.55	1.54	1.57	1.54	1.56	1.47	1.54	1.53	1.55
Provisions for credit losses	0.12	0.12	0.11	0.11	0.14	0.13	0.11	0.09	0.09	0.10	0.12	0.13	0.12	0.10
Income taxes on taxable equivalent basis	0.26	0.28	0.29	0.30	0.29	0.31	0.30	0.31	0.28	0.29	0.27	0.30	0.30	0.29
Non-controlling interests	0.03	0.02	0.02	0.03	0.04	0.03	0.03	0.04	0.04	0.03	0.03	0.03	0.03	0.03
<b>Net income attributable to the Bank's shareholders</b>	<b>0.78</b>	<b>0.76</b>	<b>0.83</b>	<b>0.82</b>	<b>0.79</b>	<b>0.80</b>	<b>0.80</b>	<b>0.81</b>	<b>0.75</b>	<b>0.77</b>	<b>0.77</b>	<b>0.80</b>	<b>0.81</b>	<b>0.79</b>
Prime rate	3.95%	3.95%	3.72%	3.50%	3.45%	3.24%	3.10%	2.75%	2.70%	2.70%	3.95%	3.34%	3.48%	2.81%
CDOR	2.02%	2.18%	1.87%	1.69%	1.60%	1.40%	1.29%	0.95%	0.91%	0.91%	2.10%	1.50%	1.64%	1.01%
Spread	1.93%	1.77%	1.85%	1.81%	1.85%	1.84%	1.81%	1.81%	1.79%	1.79%	1.85%	1.84%	1.84%	1.80%

<b>Selected average Consolidated Balance Sheet items</b>														
Average Securities	81,461	76,545	74,623	76,022	78,038	75,076	64,252	63,147	70,075	69,005	78,962	76,532	75,923	66,591
Average Securities purchased under reverse repurchase agreements and securities borrowed	23,705	24,368	20,415	17,549	20,600	21,811	21,735	20,735	18,754	18,251	24,042	21,216	20,090	19,878
Average loans and acceptances	147,139	146,083	143,699	140,644	138,095	135,925	134,601	131,976	128,883	127,997	146,602	136,992	139,603	130,882
Average interest-bearing assets	261,001	255,877	247,161	244,701	245,967	243,388	231,893	225,294	228,078	222,882	258,397	244,656	245,299	227,028
Average assets	283,172	279,426	267,865	265,592	267,941	262,425	251,302	245,096	251,033	246,060	281,268	265,137	265,940	248,351
Average deposits	180,421	176,490	170,598	167,588	166,201	164,286	158,007	155,421	153,220	150,336	178,423	165,227	167,176	154,254
Average Common shareholders' equity	11,756	11,685	11,518	11,255	10,939	10,746	10,660	10,377	10,155	9,886	11,720	10,841	11,115	10,268

<b>Assets Under Administration and Under Management</b>														
<b>Assets under administration</b>	<b>473,549</b>	<b>438,385</b>	<b>416,199</b>	<b>425,299</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>Assets under management</b>														
Individual	41,435	39,396	37,007	37,056	35,104	34,487	33,349	31,168	30,831	28,879				
Mutual funds	34,407	32,255	31,874	33,741	32,911	32,838	32,192	30,909	30,939	29,431				
	<b>75,842</b>	<b>71,651</b>	<b>68,881</b>	<b>70,797</b>	<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>Assets under administration and under management</b>	<b>549,391</b>	<b>510,036</b>	<b>485,080</b>	<b>496,096</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>				

## Segment Disclosures

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

	IFRS 9						IAS 39				IFRS 9		IFRS 9	IAS 39
	2019		2018				2017				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2019	2018	2018	2017
<b>Personal and Commercial</b>														
Net interest income	577	589	588	581	547	560	552	541	510	524	1,166	1,107	2,276	2,127
Non-interest income	256	263	261	269	248	255	249	259	236	245	519	503	1,033	989
<b>Total revenues</b>	<b>833</b>	<b>852</b>	<b>849</b>	<b>850</b>	<b>795</b>	<b>815</b>	<b>801</b>	<b>800</b>	<b>746</b>	<b>769</b>	<b>1,685</b>	<b>1,610</b>	<b>3,309</b>	<b>3,116</b>
Non-interest expenses	452	458	446	448	445	443	426	428	426	427	910	888	1,782	1,707
Provisions for credit losses <sup>(1)</sup>	63	58	52	61	57	58	51	46	6	53	121	115	228	156
Income before income taxes	318	336	351	341	293	314	324	326	314	289	654	607	1,299	1,253
Income taxes	84	90	94	91	78	84	87	87	84	77	174	162	347	335
<b>Net income</b>	<b>234</b>	<b>246</b>	<b>257</b>	<b>250</b>	<b>215</b>	<b>230</b>	<b>237</b>	<b>239</b>	<b>230</b>	<b>212</b>	<b>480</b>	<b>445</b>	<b>952</b>	<b>918</b>
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net income attributable to the Bank's shareholders	234	246	257	250	215	230	237	239	230	212	480	445	952	918
Net interest margin <sup>(2)</sup>	2.23%	2.22%	2.25%	2.26%	2.23%	2.24%	2.22%	2.19%	2.16%	2.17%	2.22%	2.23%	2.24%	2.19%
Efficiency ratio	54.3%	53.8%	52.5%	52.7%	56.0%	54.4%	53.2%	53.5%	57.1%	55.5%	54.0%	55.2%	53.9%	54.8%
Average loans and acceptances - Personal	75,420	75,268	74,413	73,281	72,241	72,002	71,614	70,742	69,680	69,470	75,342	72,119	72,991	70,382
Mortgages loans	62,808	62,616	61,858	60,817	59,867	59,588	58,993	58,153	57,341	57,213	62,710	59,725	60,538	57,930
Personal loans	10,433	10,414	10,354	10,277	10,272	10,239	10,378	10,363	10,189	10,048	10,423	10,255	10,286	10,245
Credit Card	2,179	2,238	2,201	2,187	2,102	2,175	2,243	2,226	2,150	2,209	2,209	2,139	2,167	2,207
Average loans and acceptances - Commercial	36,013	35,321	34,703	33,959	33,180	32,235	31,839	31,508	31,471	30,713	35,661	32,699	33,522	31,382
Commercial (excluding Oil & Gas)	34,287	33,728	33,166	32,484	31,836	30,961	30,632	30,387	30,269	29,423	34,003	31,391	32,114	30,177
Oil & Gas	1,726	1,593	1,537	1,475	1,344	1,274	1,207	1,121	1,202	1,290	1,658	1,308	1,408	1,205
Average assets	111,910	111,145	109,490	107,539	105,751	104,612	103,776	102,674	101,543	100,543	111,521	105,172	106,857	102,139
Average interest-bearing assets	106,074	105,389	103,769	102,065	100,515	99,403	98,749	97,871	96,856	95,865	105,726	99,950	101,446	97,339
Average deposits - Personal	30,407	29,888	29,265	29,060	28,643	28,377	27,965	27,847	27,505	27,348	30,143	28,508	28,838	27,668
Average deposits - Commercial	30,423	31,505	31,803	30,180	28,003	28,142	28,987	27,745	26,398	24,723	30,973	28,074	29,545	26,968
Number of employees	9,440	9,564	9,575	9,687	9,605	9,521	9,489				9,440	9,605	9,575	9,489
<b>Wealth Management</b>														
Net interest income	112	128	115	114	109	108	103	92	88	90	240	217	446	373
Non-interest income	314	306	312	311	304	316	294	294	291	293	620	620	1,243	1,172
<b>Total revenues</b>	<b>426</b>	<b>434</b>	<b>427</b>	<b>425</b>	<b>413</b>	<b>424</b>	<b>397</b>	<b>386</b>	<b>379</b>	<b>383</b>	<b>860</b>	<b>837</b>	<b>1,689</b>	<b>1,545</b>
Non-interest expenses	266	265	267	262	260	269	254	252	252	253	531	529	1,058	1,011
Provisions for credit losses <sup>(1)</sup>	-	-	-	-	1	-	-	-	-	-	-	1	1	-
Income before income taxes	160	169	160	163	152	155	143	134	127	130	329	307	630	534
Income taxes	42	44	42	43	40	41	37	35	34	35	86	81	166	141
<b>Net income</b>	<b>118</b>	<b>125</b>	<b>118</b>	<b>120</b>	<b>112</b>	<b>114</b>	<b>106</b>	<b>99</b>	<b>93</b>	<b>95</b>	<b>243</b>	<b>226</b>	<b>464</b>	<b>393</b>
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net income attributable to the Bank's shareholders	118	125	118	120	112	114	106	99	93	95	243	226	464	393
Efficiency ratio	62.4%	61.1%	62.5%	61.6%	63.0%	63.4%	64.0%	65.3%	66.5%	66.1%	61.7%	63.2%	62.6%	65.4%
Average loans and acceptances	4,829	4,911	4,926	4,784	4,669	4,501	4,383	4,332	4,102	4,060	4,871	4,584	4,720	4,220
Average assets	6,154	6,492	6,356	6,187	6,094	6,030	6,144	6,042	5,796	5,801	6,326	6,061	6,167	5,947
Average deposits	32,486	33,129	31,833	31,065	31,134	31,006	29,741	30,651	31,661	31,408	32,813	31,069	31,261	30,859
Number of employees	2,685	2,676	2,668	2,681	2,663	2,657	2,677				2,685	2,663	2,668	2,677

(1) Under IFRS 9, the Bank accounts for provisions for credit losses within the business segments. In 2017, 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 recorded for the oil and gas producer and service company loan portfolio, presented in the Personal and Commercial segment).

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

## Segment Disclosures (continued)

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

	IFRS 9						IAS 39				IFRS 9		IFRS 9	IAS 39
	2019		2018				2017				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2019	2018	2018	2017
<b>Financial Markets</b>														
Net interest income	185	77	71	93	146	99	165	184	194	229	262	245	409	772
Non-interest income	219	333	365	323	291	355	248	205	206	187	552	646	1,334	846
<b>Total revenues</b>	<b>404</b>	<b>410</b>	<b>436</b>	<b>416</b>	<b>437</b>	<b>454</b>	<b>413</b>	<b>389</b>	<b>400</b>	<b>416</b>	<b>814</b>	<b>891</b>	<b>1,743</b>	<b>1,618</b>
Non-interest expenses	179	175	174	171	176	176	163	164	166	172	354	352	697	665
Provisions for credit losses <sup>(1)</sup>	7	3	–	2	2	–	–	–	–	–	10	2	4	–
Income before income taxes	218	232	262	243	259	278	250	225	234	244	450	537	1,042	953
Income taxes	58	62	70	65	69	74	67	60	63	65	120	143	278	255
<b>Net income</b>	<b>160</b>	<b>170</b>	<b>192</b>	<b>178</b>	<b>190</b>	<b>204</b>	<b>183</b>	<b>165</b>	<b>171</b>	<b>179</b>	<b>330</b>	<b>394</b>	<b>764</b>	<b>698</b>
Non-controlling interests	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Net income attributable to the Bank's shareholders	160	170	192	178	190	204	183	165	171	179	330	394	764	698
Efficiency ratio on a taxable equivalent basis	44.3%	42.7%	39.9%	41.1%	40.3%	38.8%	39.5%	42.2%	41.5%	41.3%	43.5%	39.5%	40.0%	41.1%
Average loans and acceptances (Corporate Banking only)	16,407	16,230	16,005	15,667	14,756	14,025	13,931	13,236	12,547	12,739	16,317	14,384	15,116	13,118
Average assets	109,485	104,545	97,976	99,067	104,131	101,816	93,030	92,046	98,189	96,781	106,974	102,954	100,721	94,991
Average deposits	28,793	27,100	25,234	23,525	22,827	22,430	21,660	20,914	20,266	20,843	27,933	22,625	23,510	20,926
Number of employees	724	712	706	722	679	687	701				724	679	706	701

<b>U.S. Specialty Finance and International (USSF&amp;I)</b>														
Net interest income	159	158	147	140	150	147	139	129	101	97	317	297	584	466
Non-interest income	19	13	11	6	24	14	15	18	21	21	32	38	55	75
<b>Total revenues</b>	<b>178</b>	<b>171</b>	<b>158</b>	<b>146</b>	<b>174</b>	<b>161</b>	<b>154</b>	<b>147</b>	<b>122</b>	<b>118</b>	<b>349</b>	<b>335</b>	<b>639</b>	<b>541</b>
Non-interest expenses	74	68	65	64	62	60	56	58	55	56	142	122	251	225
Provisions for credit losses <sup>(1)</sup>	14	27	22	12	31	29	19	12	10	7	41	60	94	48
Income before income taxes	90	76	71	70	81	72	79	77	57	55	166	153	294	268
Income taxes	18	16	16	16	18	22	24	26	17	17	34	40	72	84
<b>Net income</b>	<b>72</b>	<b>60</b>	<b>55</b>	<b>54</b>	<b>63</b>	<b>50</b>	<b>55</b>	<b>51</b>	<b>40</b>	<b>38</b>	<b>132</b>	<b>113</b>	<b>222</b>	<b>184</b>
Non-controlling interests	12	10	8	10	11	9	6	9	8	6	22	20	38	29
Net income attributable to the Bank's shareholders	60	50	47	44	52	41	49	42	32	32	110	93	184	155
Efficiency ratio	41.6%	39.8%	41.1%	43.8%	35.6%	37.3%	36.4%	39.5%	45.1%	47.5%	40.7%	36.4%	39.3%	41.6%
Average loans and receivables	8,711	8,808	8,218	7,637	7,856	7,702	7,565	6,657	5,269	4,733	8,760	7,778	7,853	6,062
Average revenue-bearing other assets	–	–	1	2	10	46	113	308	578	801	–	28	15	449
Average assets	10,600	10,448	9,957	9,233	9,104	8,777	8,658	7,940	6,799	6,655	10,523	8,938	9,270	7,519
Average deposits	3,238	2,758	2,289	2,007	1,795	1,532	1,418	1,294	1,225	1,122	2,994	1,661	1,907	1,265
Number of employees	4,858	4,572	4,202	3,612	3,125	2,794	2,543				4,858	3,125	4,202	2,543

(1) Under IFRS 9, the Bank accounts for provisions for credit losses within the business segments. In 2017, 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.

## Segment Disclosures (continued)

(unaudited) (millions of Canadian dollars)

Other	IFRS 9						IAS 39				IFRS 9		IFRS 9	IAS 39
	2019		2018				2017				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2019	2018	2018	2017
Net interest income	(91)	(89)	(95)	(91)	(67)	(80)	(78)	(59)	(78)	(87)	(180)	(147)	(333)	(302)
Non-interest income	20	21	39	46	2	32	17	12	28	34	41	34	119	91
<b>Total revenues</b>	<b>(71)</b>	<b>(68)</b>	<b>(56)</b>	<b>(45)</b>	<b>(65)</b>	<b>(48)</b>	<b>(61)</b>	<b>(47)</b>	<b>(50)</b>	<b>(53)</b>	<b>(139)</b>	<b>(113)</b>	<b>(214)</b>	<b>(211)</b>
Non-interest expenses	55	60	84	66	49	76	77	69	42	61	115	125	275	249
Provisions for credit losses <sup>(1)</sup>	-	-	(1)	1	-	-	-	-	40	-	-	-	-	40
Income before income taxes	(126)	(128)	(139)	(112)	(114)	(124)	(138)	(116)	(132)	(114)	(254)	(238)	(489)	(500)
Income taxes (recovery)	(100)	(79)	(83)	(79)	(81)	(76)	(82)	(80)	(82)	(87)	(179)	(157)	(319)	(331)
<b>Net income</b>	<b>(26)</b>	<b>(49)</b>	<b>(56)</b>	<b>(33)</b>	<b>(33)</b>	<b>(48)</b>	<b>(56)</b>	<b>(36)</b>	<b>(50)</b>	<b>(27)</b>	<b>(75)</b>	<b>(81)</b>	<b>(170)</b>	<b>(169)</b>
Non-controlling interests	7	6	8	13	14	14	13	15	14	13	13	28	49	55
Net income attributable to the Bank's shareholders	(33)	(55)	(64)	(46)	(47)	(62)	(69)	(51)	(64)	(40)	(88)	(109)	(219)	(224)
Average assets	45,023	46,796	44,086	43,566	42,861	41,190	39,694	36,394	38,706	36,280	45,924	42,012	42,925	37,755
Average deposits	55,074	52,110	50,174	51,751	53,799	52,799	48,236	46,970	46,165	44,892	53,567	53,290	52,115	46,568
Number of employees	6,430	6,436	6,299	6,327	6,287	6,209	6,225				6,430	6,287	6,299	6,225

Total	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2019	2018	2018	2017
Net interest income	942	863	826	837	885	834	881	887	815	853	1,805	1,719	3,382	3,436
Non-interest income	828	936	988	955	869	972	823	788	782	780	1,764	1,841	3,784	3,173
<b>Total revenues</b>	<b>1,770</b>	<b>1,799</b>	<b>1,814</b>	<b>1,792</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>3,569</b>	<b>3,560</b>	<b>7,166</b>	<b>6,609</b>
Non-interest expenses	1,026	1,026	1,036	1,011	992	1,024	976	971	941	969	2,052	2,016	4,063	3,857
Provisions for credit losses	84	88	73	76	91	87	70	58	56	60	172	178	327	244
Income before income taxes	660	685	705	705	671	695	658	646	600	604	1,345	1,366	2,776	2,508
Income taxes	102	133	139	136	124	145	133	128	116	107	235	269	544	484
<b>Net income</b>	<b>558</b>	<b>552</b>	<b>566</b>	<b>569</b>	<b>547</b>	<b>550</b>	<b>525</b>	<b>518</b>	<b>484</b>	<b>497</b>	<b>1,110</b>	<b>1,097</b>	<b>2,232</b>	<b>2,024</b>
Non-controlling interests	19	16	16	23	25	23	19	24	22	19	35	48	87	84
Net income attributable to the Bank's shareholders	539	536	550	546	522	527	506	494	462	478	1,075	1,049	2,145	1,940
Efficiency ratio on a taxable equivalent basis	55.5%	55.1%	55.3%	54.5%	54.6%	54.9%	55.5%	55.8%	57.0%	56.8%	55.3%	54.7%	54.8%	56.3%
Average loans and BA's	147,139	146,083	143,699	140,644	138,095	135,925	134,601	131,976	128,883	127,997	146,602	136,992	139,603	130,882
Average assets	283,172	279,426	267,865	265,592	267,941	262,425	251,302	245,096	251,033	246,060	281,268	265,137	265,940	248,351
Average deposits	180,421	176,490	170,598	167,588	166,201	164,286	158,007	155,421	153,220	150,336	178,423	165,227	167,176	154,254
Number of employees	24,137	23,960	23,450	23,029	22,359	21,868	21,635				24,137	22,359	23,450	21,635

(1) Under IFRS 9, the Bank accounts for provisions for credit losses within the business segments. In 2017, 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 recorded for the oil and gas producer and service company loan portfolio, presented in the Personal and Commercial segment).

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

(unaudited) (millions of Canadian dollars)

	IFRS 9											
	2019								YTD			
	Q2				Q1				2019			
	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	97	64	(2)	159	101	58	(1)	158	198	122	(3)	317
Non-interest income	10	5	4	19	4	7	2	13	14	12	6	32
<b>Total revenues</b>	<b>107</b>	<b>69</b>	<b>2</b>	<b>178</b>	<b>105</b>	<b>65</b>	<b>1</b>	<b>171</b>	<b>212</b>	<b>134</b>	<b>3</b>	<b>349</b>
Non-interest expenses	42	31	1	74	36	31	1	68	78	62	2	142
Provisions for credit losses <sup>(2)</sup>	12	2	–	14	23	4	–	27	35	6	–	41
Income before income taxes	53	36	1	90	46	30	–	76	99	66	1	166
Income taxes	11	7	–	18	10	6	–	16	21	13	–	34
<b>Net income</b>	<b>42</b>	<b>29</b>	<b>1</b>	<b>72</b>	<b>36</b>	<b>24</b>	<b>–</b>	<b>60</b>	<b>78</b>	<b>53</b>	<b>1</b>	<b>132</b>
Non-controlling interests	9	3	–	12	7	3	–	10	16	6	–	22
Net income attributable to the Bank's shareholders	33	26	1	60	29	21	–	50	62	47	1	110
Efficiency ratio	39.3%	44.9%	–	41.6%	34.3%	47.7%	–	39.8%	36.8%	46.3%	–	40.7%
Average loans and receivables	6,108	2,603	–	8,711	6,498	2,310	–	8,808	6,306	2,454	–	8,760
Average assets	6,329	3,897	374	10,600	6,661	3,411	376	10,448	6,498	3,650	375	10,523
Average deposits	–	3,238	–	3,238	–	2,758	–	2,758	–	2,994	–	2,994

	IFRS 9																			
	2018												Full Year							
	Q4				Q3				Q2				Q1				2018			
	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	100	49	(2)	147	97	44	(1)	140	113	38	(1)	150	114	34	(1)	147	424	165	(5)	584
Non-interest income	–	8	3	11	3	3	–	6	16	7	1	24	3	9	2	14	22	27	6	55
<b>Total revenues</b>	<b>100</b>	<b>57</b>	<b>1</b>	<b>158</b>	<b>100</b>	<b>47</b>	<b>(1)</b>	<b>146</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>446</b>	<b>192</b>	<b>1</b>	<b>639</b>
Non-interest expenses	38	27	1	65	40	24	–	64	39	22	1	62	39	20	1	60	156	93	2	251
Provisions for credit losses <sup>(2)</sup>	18	4	–	22	9	3	–	12	28	3	–	31	26	3	–	29	81	13	–	94
Income before income taxes	44	26	1	71	51	20	(1)	70	62	20	(1)	81	52	20	–	72	209	86	(1)	294
Income taxes	10	6	–	16	13	3	–	16	14	4	–	18	18	4	–	22	55	17	–	72
<b>Net income</b>	<b>34</b>	<b>20</b>	<b>1</b>	<b>55</b>	<b>38</b>	<b>17</b>	<b>(1)</b>	<b>54</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>154</b>	<b>69</b>	<b>(1)</b>	<b>222</b>
Non-controlling interests	6	2	–	8	7	3	–	10	9	2	–	11	7	2	–	9	29	9	–	38
Net income attributable to the Bank's shareholders	28	18	1	47	31	14	(1)	44	39	14	(1)	52	27	14	–	41	125	60	(1)	184
Efficiency ratio	38.0%	47.4%	–	41.1%	40.0%	51.1%	–	43.8%	30.2%	48.9%	–	35.6%	33.3%	46.5%	–	37.3%	35.0%	48.4%	–	39.3%
Average loans and receivables	6,145	2,073	–	8,218	5,744	1,893	–	7,637	6,150	1,706	–	7,856	6,197	1,487	18	7,702	6,058	1,790	5	7,853
Average assets	6,355	3,235	367	9,957	6,316	2,549	368	9,233	6,449	2,284	371	9,104	6,406	1,991	380	8,777	6,381	2,517	372	9,270
Average deposits	–	2,289	–	2,289	–	2,007	–	2,007	–	1,795	–	1,795	–	1,532	–	1,532	–	1,907	–	1,907

	IAS 39																			
	2017												Full Year							
	Q4				Q3				Q2				Q1				2017			
	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 receivables	6,202	1,335	28	7,565	5,419	1,210	28	6,657	4,111											

## Consolidated Results

(unaudited) (millions of Canadian dollars)

	IFRS 9						IAS 39				IFRS 9		IFRS 9	IAS 39
	2019		2018				2017				YTD		Full year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2019	2018	2018	2017
Net interest income	942	863	826	837	885	834	881	887	815	853	1,805	1,719	3,382	3,436
Non-interest income	828	936	988	955	869	972	823	788	782	780	1,764	1,841	3,784	3,173
<b>Total revenues</b>	<b>1,770</b>	<b>1,799</b>	<b>1,814</b>	<b>1,792</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>3,569</b>	<b>3,560</b>	<b>7,166</b>	<b>6,609</b>
Non-interest expenses	1,026	1,026	1,036	1,011	992	1,024	976	971	941	969	2,052	2,016	4,063	3,857
Provisions for credit losses	84	88	73	76	91	87	70	58	56	60	172	178	327	244
Income before income taxes	660	685	705	705	671	695	658	646	600	604	1,345	1,366	2,776	2,508
Income taxes	102	133	139	136	124	145	133	128	116	107	235	269	544	484
<b>Net income</b>	<b>558</b>	<b>552</b>	<b>566</b>	<b>569</b>	<b>547</b>	<b>550</b>	<b>525</b>	<b>518</b>	<b>484</b>	<b>497</b>	<b>1,110</b>	<b>1,097</b>	<b>2,232</b>	<b>2,024</b>
Non-controlling interests	19	16	16	23	25	23	19	24	22	19	35	48	87	84
Net income attributable to the Bank's shareholders	539	536	550	546	522	527	506	494	462	478	1,075	1,049	2,145	1,940
Average loans and acceptances	147,139	146,083	143,699	140,644	138,095	135,925	134,601	131,976	128,883	127,997	146,602	136,992	139,603	130,882
Average assets	283,172	279,426	267,865	265,592	267,941	262,425	251,302	245,096	251,033	246,060	281,268	265,137	265,940	248,351
Average deposits	180,421	176,490	170,598	167,588	166,201	164,286	158,007	155,421	153,220	150,336	178,423	165,227	167,176	154,254

## Total Revenues

(unaudited) (millions of Canadian dollars)

	IFRS 9						IAS 39				IFRS 9		IFRS 9	IAS 39
	2019		2018				2017				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2019	2018	2018	2017
<b>Net Interest Income</b>														
<b>Interest Income</b>														
Loans	1,583	1,604	1,506	1,438	1,364	1,324	1,286	1,196	1,117	1,116	3,187	2,688	5,632	4,715
Securities	404	322	280	282	307	228	223	237	245	250	726	535	1,097	955
Deposits with financial institutions	69	70	55	58	47	46	39	31	26	18	139	93	206	114
	2,056	1,996	1,841	1,778	1,718	1,598	1,548	1,464	1,388	1,384	4,052	3,316	6,935	5,784
<b>Interest expense</b>														
Deposits	831	840	748	670	595	549	502	447	431	400	1,671	1,144	2,562	1,780
Liabilities related to transferred receivables	108	106	110	105	100	99	107	99	100	97	214	199	414	403
Subordinated debt	6	6	6	6	6	-	1	-	7	8	12	6	18	16
Other	169	181	151	160	132	116	57	31	35	26	350	248	559	149
	1,114	1,133	1,015	941	833	764	667	577	573	531	2,247	1,597	3,553	2,348
Tax equivalent adjustment	45	35	35	35	36	38	40	55	46	68	80	74	144	209
<b>Net interest income on a taxable equivalent basis</b>	<b>987</b>	<b>898</b>	<b>861</b>	<b>872</b>	<b>921</b>	<b>872</b>	<b>921</b>	<b>942</b>	<b>861</b>	<b>921</b>	<b>1,885</b>	<b>1,793</b>	<b>3,526</b>	<b>3,645</b>
<b>Non-Interest Income</b>														
Underwriting and advisory fees	82	61	104	106	75	103	71	100	90	88	143	178	388	349
Securities brokerage commissions	46	44	48	46	47	54	50	51	57	58	90	101	195	216
Mutual fund revenues	112	106	110	111	106	111	105	105	101	101	218	217	438	412
Trust service revenues	149	147	150	146	146	145	136	133	126	123	296	291	587	518
Credit fees	99	102	104	105	97	97	95	99	84	83	201	194	403	361
Card revenues	48	41	39	44	36	40	33	37	29	33	89	76	159	132
Deposits and payment service charges	63	68	73	71	68	68	76	71	64	68	131	136	280	279
Trading revenues (losses)	105	228	248	200	164	228	134	70	76	94	333	392	840	374
Gains (losses) on available-for-sale securities, net							39	26	49	26				140
Gains (losses) on non-trading securities, net	25	32	9	21	19	28					57	47	77	
Insurance revenues, net	28	34	29	32	29	31	25	31	30	31	62	60	121	117
Foreign exchange revenues, other than trading	22	24	23	26	24	22	19	21	23	18	46	46	95	81
Share in the net income of associates and joint ventures	7	8	9	7	5	7	11	7	9	8	15	12	28	35
Other	42	41	42	40	53	38	29	37	44	49	83	91	173	159
	828	936	988	955	869	972	823	788	782	780	1,764	1,841	3,784	3,173
Tax equivalent adjustment	35	28	25	27	28	21	14	10	7	4	63	49	101	35
<b>Non-interest income on a taxable equivalent basis</b>	<b>863</b>	<b>964</b>	<b>1,013</b>	<b>982</b>	<b>897</b>	<b>993</b>	<b>837</b>	<b>798</b>	<b>789</b>	<b>784</b>	<b>1,827</b>	<b>1,890</b>	<b>3,885</b>	<b>3,208</b>
As a % of total revenues	46.6%	51.8%	54.1%	53.0%	49.3%	53.2%	47.6%	45.9%	47.8%	46.0%	49.2%	51.3%	52.4%	46.8%
<b>Trading Revenues</b>														
Net interest income on a taxable equivalent basis	120	17	11	45	96	56	115	144	149	187	137	152	208	595
Non-interest income on a taxable equivalent basis	140	256	273	227	192	249	148	80	83	98	396	441	941	409
	260	273	284	272	288	305	263	224	232	285	533	593	1,149	1,004
<b>Trading Revenues by Product</b>														
<b>Financial Markets</b>														
Equities	124	137	141	135	162	138	133	121	116	136	261	300	576	506
Fixed-income	65	66	65	53	67	82	76	70	72	76	131	149	267	294
Commodities and foreign exchange	29	48	29	28	36	37	21	20	24	42	77	73	130	107
	218	251	235	216	265	257	230	211	212	254	469	522	973	907
Other sectors	42	22	49	56	23	48	33	13	20	31	64	71	176	97
	260	273	284	272	288	305	263	224	232	285	533	593	1,149	1,004

## Non-Interest Expenses

(unaudited) (millions of Canadian dollars)

Non-Interest Expenses	2019		2018				2017				YTD		Full year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2019	2018	2018	2017
<b>Compensation and employee benefits</b>														
Salaries	296	307	302	295	276	280	276	272	257	265	603	556	1,153	1,070
Variable compensation	219	212	232	234	234	244	238	236	226	225	431	478	944	925
Pension plans and other post-employment benefits	92	97	82	89	91	107	87	87	91	98	189	198	369	363
	<b>607</b>	<b>616</b>	<b>616</b>	<b>618</b>	<b>601</b>	<b>631</b>	<b>601</b>	<b>595</b>	<b>574</b>	<b>588</b>	<b>1,223</b>	<b>1,232</b>	<b>2,466</b>	<b>2,358</b>
<b>Occupancy and technology</b>														
Rent	41	41	38	37	39	37	39	38	38	36	82	76	151	151
Taxes & insurance	4	3	4	3	3	3	1	4	3	3	7	6	13	11
Maintenance, lighting, heating	8	7	7	7	7	8	8	7	8	10	15	15	29	33
Technology	100	91	94	85	93	103	95	90	89	90	191	196	375	364
Amortization	82	81	74	75	71	68	64	63	61	57	163	139	288	245
	<b>235</b>	<b>223</b>	<b>217</b>	<b>207</b>	<b>213</b>	<b>219</b>	<b>207</b>	<b>202</b>	<b>199</b>	<b>196</b>	<b>458</b>	<b>432</b>	<b>856</b>	<b>804</b>
<b>Other expenses</b>														
Communications	16	16	15	15	17	16	14	16	15	16	32	33	63	61
Professional fees	57	62	65	63	56	60	64	64	60	66	119	116	244	254
Capital and payroll taxes	19	20	19	20	20	20	19	20	18	16	39	40	79	73
Travel & business development	32	31	43	30	27	28	35	29	26	32	63	55	128	122
Other	60	58	61	58	58	50	36	45	49	55	118	108	227	185
	<b>184</b>	<b>187</b>	<b>203</b>	<b>186</b>	<b>178</b>	<b>174</b>	<b>168</b>	<b>174</b>	<b>168</b>	<b>185</b>	<b>371</b>	<b>352</b>	<b>741</b>	<b>695</b>
	<b>1,026</b>	<b>1,026</b>	<b>1,036</b>	<b>1,011</b>	<b>992</b>	<b>1,024</b>	<b>976</b>	<b>971</b>	<b>941</b>	<b>969</b>	<b>2,052</b>	<b>2,016</b>	<b>4,063</b>	<b>3,857</b>

# Consolidated Balance Sheets

(unaudited) (millions of Canadian dollars)

	IFRS 9						IAS 39				
	2019		2018				2017				
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	
<b>Assets</b>											
Cash and deposits with financial institutions	10,498	12,353	12,756	11,037	10,948	11,205	8,802	10,462	9,770	8,616	
Securities	78,621	74,713	69,783	73,369	73,442	72,217	65,343	62,521	65,093	65,667	
Securities purchased under reverse repurchase agreements and securities borrowed	17,193	15,162	18,159	16,253	17,636	16,520	20,789	16,600	17,481	14,779	
<b>Loans</b>											
Residential mortgage - insured	29,538	29,780	29,911	29,997	30,025	30,386	30,763	31,450	31,709	32,226	
- uninsured	25,075	24,351	23,740	22,734	21,849	21,163	20,871	19,978	19,297	18,637	
Personal	36,738	36,698	37,357	36,459	36,155	35,556	35,590	34,724	33,614	32,752	
Credit card	2,324	2,249	2,325	2,285	2,245	2,206	2,247	2,205	2,190	2,120	
Business and government	48,896	47,469	46,606	45,358	43,604	41,117	41,690	41,241	39,481	37,149	
Customers' liability under acceptances	6,854	6,827	6,801	6,661	6,652	6,587	5,991	5,982	5,932	6,493	
Allowances for credit losses	(683)	(664)	(658)	(658)	(666)	(663)	(695)	(735)	(735)	(769)	
	<b>148,742</b>	<b>146,710</b>	<b>146,082</b>	<b>142,836</b>	<b>139,864</b>	<b>136,352</b>	<b>136,457</b>	<b>134,845</b>	<b>131,488</b>	<b>128,608</b>	
Other assets	14,052	14,417	15,691	14,142	14,369	14,771	14,436	15,644	15,188	16,449	
<b>Total assets</b>	<b>269,106</b>	<b>263,355</b>	<b>262,471</b>	<b>257,637</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>Liabilities and equity</b>											
<b>Deposits</b>											
Personal	58,170	57,726	55,688	54,277	53,969	53,329	52,175	51,301	52,409	52,407	
Business and government	116,114	110,164	110,321	107,135	104,496	97,492	99,115	95,937	93,644	86,626	
Deposit-taking institutions	5,135	5,040	4,821	5,183	6,309	5,958	5,381	5,072	5,107	5,696	
	<b>179,419</b>	<b>172,930</b>	<b>170,830</b>	<b>166,595</b>	<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>Other</b>											
Acceptances	6,854	6,827	6,801	6,661	6,652	6,587	5,991	5,982	5,932	6,493	
Obligations related to securities sold short	15,394	15,306	17,780	15,033	12,827	15,800	15,363	13,816	12,177	14,544	
Obligations related to securities sold under repurchase agreements and securities loaned	20,378	21,311	19,998	23,883	26,645	26,772	21,767	21,812	25,118	23,933	
Liabilities related to transferred receivables	20,236	19,298	20,100	19,190	19,620	19,048	20,098	19,558	20,156	19,516	
Other liabilities	11,318	12,404	11,860	11,268	10,978	12,363	12,370	13,213	11,784	11,388	
Subordinated debt	772	764	747	753	755	8	9	9	10	1,009	
	<b>74,952</b>	<b>75,910</b>	<b>77,286</b>	<b>76,788</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>Equity</b>											
<b>Equity attributable to the Bank's shareholders</b>											
Preferred shares	2,450	2,450	2,450	2,450	2,150	2,150	2,050	2,050	1,650	1,650	
Common shares	2,901	2,880	2,822	2,825	2,868	2,861	2,768	2,816	2,793	2,763	
Contributed surplus	52	53	57	53	52	52	58	58	57	57	
Retained earnings	8,889	8,695	8,472	8,404	8,018	7,785	7,706	7,540	7,164	7,065	
Accumulated other comprehensive income	50	65	175	159	139	110	168	122	221	173	
<b>Non-controlling interests</b>	393	372	379	363	781	750	808	786	798	799	
	<b>14,735</b>	<b>14,515</b>	<b>14,355</b>	<b>14,254</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>Total liabilities &amp; equity</b>	<b>269,106</b>	<b>263,355</b>	<b>262,471</b>	<b>257,637</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>	
Mortgage loan securitization (includes HELOC)	19,523	18,805	20,075	19,060	19,297	18,424	19,063	18,799	19,366	18,738	
Credit card securitization	1,779	1,737	1,810	1,806	1,757	1,740	1,771	1,747	1,619	1,584	
Covered bonds	8,339	8,331	8,285	8,461	7,482	7,160	7,010	6,724	6,875	6,497	
Mutual funds	34,407	32,255	31,874	33,741	32,911	32,838	32,192	30,909	30,939	29,431	
Debt securities - excess of market value over book value	77	32	(60)	(43)	(28)	(9)	47	18	195	107	
Equity securities - excess of market value over book value	(12)	(13)	(5)	-	(2)	2	39	65	80	89	
<b>Number of common shares outstanding (thousands)</b>	<b>335,116</b>	<b>335,500</b>	<b>335,071</b>	<b>337,441</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>	

## Consolidated Statements of Changes in Equity

(unaudited) (millions of Canadian dollars)

	IFRS 9						IAS 39				IFRS 9		IFRS 9	IAS 39
	2019		2018				2017				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2019	2018	2018	2017
<b>Balance at beginning</b>	<b>14,515</b>	<b>14,355</b>	<b>14,254</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>14,355</b>	<b>13,558</b>	<b>13,558</b>	<b>12,102</b>
Impact of adopting IFRS 15 on November 1, 2018 (IFRS 9 on November 1, 2017)	-	(4)	-	-	-	(165)	-	-	-	-	(4)	(165)	(165)	-
Net income attributable to the Bank's shareholders	539	536	550	546	522	527	506	494	462	478	1,075	1,049	2,145	1,940
Issuances of common shares pursuant to the Stock Option Plan	28	23	23	13	21	71	19	11	30	119	51	92	128	179
Issuances of preferred shares	-	-	-	300	-	300	-	400	-	-	-	300	600	400
Impact of shares purchased or sold for trading	1	44	-	(43)	(2)	35	(56)	16	-	3	45	33	(10)	(37)
Other adjustments, common shares	-	-	-	-	-	-	1	-	-	(4)	-	-	-	(3)
Repurchases of common shares for cancellation	(8)	(9)	(26)	(13)	(12)	(13)	(12)	(4)	-	-	(17)	(25)	(64)	(16)
Redemption of preferred shares for cancellation	-	-	-	-	-	(200)	-	-	-	-	-	(200)	(200)	-
Premium paid on common shares repurchased for cancellation	(54)	(51)	(162)	(82)	(81)	(78)	(77)	(22)	-	-	(105)	(159)	(403)	(99)
Dividends on common shares	(218)	(218)	(209)	(211)	(204)	(205)	(198)	(198)	(191)	(191)	(436)	(409)	(829)	(778)
Dividends on preferred shares	(29)	(29)	(32)	(25)	(26)	(22)	(27)	(19)	(20)	(19)	(58)	(48)	(105)	(85)
Share issuance expenses, net of income taxes	-	-	-	(6)	(1)	(5)	(1)	(7)	-	-	-	(6)	(12)	(8)
Remeasurements of pension plans and other post-employment benefit plans	13	(52)	(70)	140	(3)	36	(43)	101	(80)	119	(39)	33	103	97
Net gains (losses) on equity securities designated at fair value through other comprehensive income	1	(6)	(3)	1	(3)	3	-	-	-	-	(5)	-	(2)	-
Net fair value change attributable to the credit risk on financial liabilities designated at fair value through profit or loss	(58)	53	6	22	19	(26)	9	26	(41)	(15)	(5)	(7)	21	(21)
Impact of a financial liability resulting from put options written to non-controlling interests	(2)	(4)	-	-	-	-	(3)	-	(31)	-	(6)	-	-	(34)
Stock option expense	3	3	3	3	3	3	3	2	3	3	6	6	12	11
Stock options exercised	(4)	(3)	(1)	(2)	(3)	(9)	(3)	(1)	(3)	(19)	(7)	(12)	(15)	(26)
Other adjustments, contributed surplus	-	(4)	2	-	-	-	-	-	-	-	(4)	-	2	-
Change in non-controlling interests	21	(7)	16	(418)	31	(42)	22	(12)	(1)	(11)	14	(11)	(413)	(2)
Accumulated other comprehensive income	(15)	(110)	16	20	29	(48)	46	(99)	48	(45)	(125)	(19)	17	(50)
Other adjustments, retained earnings	2	(2)	(12)	1	10	(12)	-	1	-	(13)	-	(2)	(13)	(12)
<b>Balance at end</b>	<b>14,735</b>	<b>14,515</b>	<b>14,355</b>	<b>14,254</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>14,735</b>	<b>14,008</b>	<b>14,355</b>	<b>13,558</b>
<b>Equity</b>														
<b>Equity attributable to the Bank's shareholders</b>														
Preferred shares	2,450	2,450	2,450	2,450	2,150	2,150	2,050	2,050	1,650	1,650	2,450	2,150	2,450	2,050
Common shares	2,901	2,880	2,822	2,825	2,868	2,861	2,768	2,816	2,793	2,763	2,901	2,868	2,822	2,768
Contributed surplus	52	53	57	53	52	52	58	58	57	57	52	52	57	58
Retained earnings	8,889	8,695	8,472	8,404	8,018	7,785	7,706	7,540	7,164	7,065	8,889	8,018	8,472	7,706
Accumulated other comprehensive income	50	65	175	159	139	110	168	122	221	173	50	139	175	168
<b>Non-controlling Interests</b>	<b>393</b>	<b>372</b>	<b>379</b>	<b>363</b>	<b>781</b>	<b>750</b>	<b>808</b>	<b>786</b>	<b>798</b>	<b>799</b>	<b>393</b>	<b>781</b>	<b>379</b>	<b>808</b>
	<b>14,735</b>	<b>14,515</b>	<b>14,355</b>	<b>14,254</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>14,735</b>	<b>14,008</b>	<b>14,355</b>	<b>13,558</b>

## Consolidated Statements of Comprehensive Income

(unaudited) (millions of Canadian dollars)

	IFRS 9						IAS 39				IFRS 9		IFRS 9	IAS 39
	2019		2018				2017				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2019	2018	2018	2017
<b>Net income</b>	<b>558</b>	<b>552</b>	<b>566</b>	<b>569</b>	<b>547</b>	<b>550</b>	<b>525</b>	<b>518</b>	<b>484</b>	<b>497</b>	<b>1,110</b>	<b>1,097</b>	<b>2,232</b>	<b>2,024</b>
<b>Other comprehensive income, net of income taxes</b>														
Net unrealized foreign currency translation gains (losses) on investments in foreign operations	50	(8)	21	23	78	(81)	61	(162)	94	(57)	42	(3)	41	(64)
Impact of hedging net foreign currency translation gains (losses)	(14)	1	(7)	(5)	(21)	20	(18)	55	(36)	24	(13)	(1)	(13)	25
<b>Net foreign currency translation adjustments</b>	<b>36</b>	<b>(7)</b>	<b>14</b>	<b>18</b>	<b>57</b>	<b>(61)</b>	<b>43</b>	<b>(107)</b>	<b>58</b>	<b>(33)</b>	<b>29</b>	<b>(4)</b>	<b>28</b>	<b>(39)</b>
Net unrealized gains (losses) on available-for-sale securities							37	(4)	65	21				119
Net (gains) losses on available-for-sale securities reclassified to net income							(35)	(32)	(35)	(29)				(131)
<b>Net change in available-for-sale securities</b>							<b>2</b>	<b>(36)</b>	<b>30</b>	<b>(8)</b>				<b>(12)</b>
Net unrealized gains (losses) on debt securities at fair value through other comprehensive income	16	8	(9)	3	(9)	4					24	(5)	(11)	
Net (gains) losses on debt securities at fair value through other comprehensive income reclassified to net income	(13)	(10)	4	(7)	(3)	1					(23)	(2)	(5)	
<b>Net change in debt securities at fair value through other comprehensive income</b>	<b>3</b>	<b>(2)</b>	<b>(5)</b>	<b>(4)</b>	<b>(12)</b>	<b>5</b>					<b>1</b>	<b>(7)</b>	<b>(16)</b>	
Net gains (losses) on derivative financial instruments designated as cash flow hedges	(51)	(94)	27	13	-	11	20	42	(29)	-	(145)	11	51	33
Net (gains) losses on designated derivative financial instruments reclassified to net income	(3)	(9)	(14)	(11)	(11)	(10)	(8)	(5)	(7)	(6)	(12)	(21)	(46)	(26)
<b>Net change in cash flow hedges</b>	<b>(54)</b>	<b>(103)</b>	<b>13</b>	<b>2</b>	<b>(11)</b>	<b>1</b>	<b>12</b>	<b>37</b>	<b>(36)</b>	<b>(6)</b>	<b>(157)</b>	<b>(10)</b>	<b>5</b>	<b>7</b>
<b>Share in the other comprehensive income of associates and joint ventures</b>	<b>3</b>	<b>1</b>	<b>(5)</b>	<b>5</b>	<b>(1)</b>	<b>2</b>	<b>(9)</b>	<b>(1)</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>1</b>	<b>1</b>	<b>(10)</b>
<b>Remeasurements of pension plans and other post-employment benefit plans</b>	<b>13</b>	<b>(52)</b>	<b>(70)</b>	<b>140</b>	<b>(3)</b>	<b>36</b>	<b>(43)</b>	<b>101</b>	<b>(80)</b>	<b>119</b>	<b>(39)</b>	<b>33</b>	<b>103</b>	<b>97</b>
<b>Net gains (losses) on equity securities designated at fair value through other comprehensive income</b>	<b>1</b>	<b>(6)</b>	<b>(3)</b>	<b>1</b>	<b>(3)</b>	<b>3</b>					<b>(5)</b>	<b>-</b>	<b>(2)</b>	
<b>Net fair value change attributable to the credit risk on financial liabilities designated at fair value through profit or loss</b>	<b>(58)</b>	<b>53</b>	<b>6</b>	<b>22</b>	<b>19</b>	<b>(26)</b>	<b>9</b>	<b>26</b>	<b>(41)</b>	<b>(15)</b>	<b>(5)</b>	<b>(7)</b>	<b>21</b>	<b>(21)</b>
<b>Total other comprehensive income, net of income taxes</b>	<b>(56)</b>	<b>(116)</b>	<b>(50)</b>	<b>184</b>	<b>46</b>	<b>(40)</b>	<b>14</b>	<b>20</b>	<b>(69)</b>	<b>57</b>	<b>(172)</b>	<b>6</b>	<b>140</b>	<b>22</b>
<b>Comprehensive income</b>	<b>502</b>	<b>436</b>	<b>516</b>	<b>753</b>	<b>593</b>	<b>510</b>	<b>539</b>	<b>538</b>	<b>415</b>	<b>554</b>	<b>938</b>	<b>1,103</b>	<b>2,372</b>	<b>2,046</b>
<b>Comprehensive income attributable to</b>														
Bank shareholders	480	421	499	729	564	492	518	522	389	537	901	1,056	2,284	1,966
Non-controlling interests	22	15	17	24	29	18	21	16	26	17	37	47	88	80

## Gross Loans and Acceptances, Gross Impaired Loans and Allowances for Credit Losses by Borrower Category<sup>(1)</sup>

(unaudited) (millions of Canadian dollars)

	2019								2018			
	Q2				Q1				Q4			
	Gross loans	Gross impaired loans <sup>(2)</sup>	Allowances for credit losses on impaired loans <sup>(3)</sup> Stage 3	Provisions for credit losses on impaired loans	Gross loans	Gross impaired loans <sup>(2)</sup>	Allowances for credit losses on impaired loans <sup>(3)</sup> Stage 3	Provisions for credit losses on impaired loans	Gross loans	Gross impaired loans <sup>(2)</sup>	Allowances for credit losses on impaired loans <sup>(3)</sup> Stage 3	Provisions for credit losses on impaired loans
Residential mortgages <sup>(4)</sup>	71,880	190	26	2	71,197	196	24	2	70,591	190	22	2
Qualifying revolving retail	4,141	24	15	28	4,101	24	15	28	4,211	23	14	28
Other retail <sup>(5)</sup>	11,671	85	51	36	11,716	89	52	44	12,246	91	53	44
Total – Retail	87,692	299	92	66	87,014	309	91	74	87,048	304	89	74
Agriculture	5,991	65	5	(1)	5,855	49	6	–	5,759	63	7	2
Oil & Gas and Pipelines <sup>(6)</sup>	4,017	55	53	6	4,436	55	51	(2)	4,056	97	53	2
<i>Oil &amp; Gas</i>	2,680	55	53	6	2,740	55	51	(2)	2,506	97	53	2
<i>Pipelines &amp; Other</i>	1,337	–	–	–	1,696	–	–	–	1,550	–	–	–
Mining	777	–	–	–	996	–	–	–	1,032	–	–	–
Utilities	3,222	–	–	–	2,809	–	–	–	2,715	–	–	–
Construction Non-Real Estate <sup>(6)(7)</sup>	1,198	1	1	–	998	–	–	–	1,049	1	1	–
Manufacturing <sup>(6)</sup>	5,939	45	21	–	5,342	46	21	(1)	5,303	48	22	–
Wholesale	2,651	31	13	6	2,179	7	7	1	2,163	13	6	(1)
Retail	3,427	6	3	(1)	3,447	7	4	–	3,069	11	4	–
Transportation <sup>(6)</sup>	1,502	13	8	5	1,455	14	3	2	1,452	2	1	1
Communications	1,431	19	15	2	1,541	19	13	(1)	1,597	19	12	1
Finance and Insurance	4,759	15	1	–	4,756	19	1	–	4,732	19	1	–
Real Estate and Construction												
Real Estate <sup>(6)(8)</sup>	11,332	23	6	(1)	11,009	24	7	2	11,629	18	5	1
Professional Services	1,877	7	3	–	1,710	7	1	(1)	1,582	6	3	1
Education & Health Care <sup>(6)</sup>	3,376	20	7	–	3,456	20	7	2	3,284	4	4	4
Other Services	4,583	27	19	1	4,719	26	17	–	4,715	24	17	1
Government	1,145	–	–	–	1,369	–	–	–	1,445	–	–	–
Other	3,243	1	1	1	2,888	1	1	1	2,534	1	1	(3)
Total – Non-retail	60,470	328	156	18	58,965	294	139	3	58,116	326	137	9
	148,162	627	248	84	145,979	603	230	77	145,164	630	226	83
Stages 1 and 2 <sup>(9)</sup> – Retail			361	(12)			371	(11)			382	7
Stages 1, 2 and 3 <sup>(9)</sup> – Non-retail			198	9			189	18			172	(2)
Purchased or originated credit-impaired (POCI)	1,263	1,263	(60)	3	1,395	1,395	(62)	4	1,576	1,576	(66)	(15)
	149,425	1,890	747	84	147,374	1,998	728	88	146,740	2,206	714	73

(1) The distribution is made according to the categories of borrowers under the Basel asset classes.

(2) Given the adoption of IFRS 9, all loans classified in Stage 3 of the expected credit loss model are impaired loans.

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

(4) Includes residential mortgages on one-to-four dwellings (Basel definition) and home equity lines of credit.

(5) Includes consumer loans and other retail loans but excludes SME loans which are included in Non-retail portfolios.

(6) The presentation of certain borrower categories was changed in Q1 2019. Comparative figures have been revised.

(7) Includes civil engineering, public private partnership and project finance loans.

(8) Includes residential mortgages 5 units or more and SME loans.

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

## Gross Loans and Acceptances, Gross Impaired Loans and Allowances for Credit Losses by Borrower Category<sup>(1)</sup> (continued)

(unaudited) (millions of Canadian dollars)

	2018											
	Q3				Q2				Q1			
	Gross loans	Gross impaired loans <sup>(2)</sup>	Allowances for credit losses on impaired loans <sup>(3)</sup> Stage 3	Provisions for credit losses on impaired loans	Gross loans	Gross impaired loans <sup>(2)</sup>	Allowances for credit losses on impaired loans <sup>(3)</sup> Stage 3	Provisions for credit losses on impaired loans	Gross loans	Gross impaired loans <sup>(2)</sup>	Allowances for credit losses on impaired loans <sup>(3)</sup> Stage 3	Provisions for credit losses on impaired loans
Residential mortgages <sup>(4)</sup>	69,207	180	22	2	67,790	179	21	2	67,153	180	20	4
Qualifying revolving retail	4,185	23	13	26	4,145	22	14	28	4,158	22	14	26
Other retail <sup>(5)</sup>	12,055	86	50	44	12,163	84	47	41	12,042	84	43	36
<b>Total – Retail</b>	<b>85,447</b>	<b>289</b>	<b>85</b>	<b>72</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>
Agriculture	5,628	45	5	–	5,399	33	4	(1)	5,046	29	6	–
Oil & Gas and Pipelines <sup>(6)</sup>	3,872	102	53	–	3,547	104	52	4	3,290	116	47	6
<i>Oil &amp; Gas</i>	2,419	102	53	–	2,322	104	52	4	2,140	116	47	6
<i>Pipelines &amp; Other</i>	1,453	–	–	–	1,225	–	–	–	1,150	–	–	–
Mining	868	–	–	–	819	–	–	–	439	–	–	–
Utilities	2,567	–	–	–	2,201	4	4	–	2,252	4	4	–
Construction Non-Real Estate <sup>(6)(7)</sup>	1,213	–	–	–	1,311	1	1	–	1,259	1	1	–
Manufacturing <sup>(6)</sup>	5,138	53	21	11	4,702	17	11	–	4,390	17	12	–
Wholesale	2,183	9	7	–	2,154	11	8	1	2,008	13	7	–
Retail	3,053	12	9	–	3,177	14	10	1	3,183	14	10	10
Transportation <sup>(6)</sup>	1,446	1	–	–	1,478	1	–	–	1,462	3	2	–
Communications	1,655	16	10	3	1,591	9	8	–	1,463	9	8	(1)
Finance and Insurance	4,867	24	1	–	4,706	24	1	–	4,412	–	–	–
Real Estate and Construction												
Real Estate <sup>(6)(8)</sup>	10,888	23	6	–	11,069	38	7	1	10,775	27	9	(5)
Professional Services	1,559	6	3	1	1,494	4	2	–	1,322	3	2	(1)
Education & Health Care <sup>(6)</sup>	3,298	19	–	–	3,156	18	–	–	3,236	18	1	(1)
Other Services	4,820	30	16	3	4,756	21	13	1	4,577	23	12	–
Government	1,421	–	–	–	1,211	–	–	–	1,219	–	–	–
Other	2,238	1	1	–	2,186	2	1	–	1,977	19	13	(1)
<b>Total – Non-retail</b>	<b>56,714</b>	<b>341</b>	<b>132</b>	<b>18</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>142,161</b>	<b>630</b>	<b>217</b>	<b>90</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>
Stages 1 and 2 <sup>(9)</sup> – Retail			373	(16)			394	4			380	14
Stages 1, 2 and 3 <sup>(9)</sup> – Non-retail			174	11			156	9			153	5
Purchased or originated credit-impaired (POCI)	1,333	1,333	(44)	(9)	1,475	1,475	(34)	–	1,352	1,352	(28)	(5)
<b>Total</b>	<b>143,494</b>	<b>1,963</b>	<b>720</b>	<b>76</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>

(1) The distribution is made according to the categories of borrowers under the Basel asset classes.

(2) Given the adoption of IFRS 9, all loans classified in Stage 3 of the expected credit loss model are impaired loans.

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

(4) Includes residential mortgages on one-to-four dwellings (Basel definition) and home equity lines of credit.

(5) Includes consumer loans and other retail loans but excludes SME loans which are included in Non-retail portfolios.

(6) The presentation of certain borrower categories was changed in Q1 2019. Comparative figures have been revised.

(7) Includes civil engineering, public private partnership and project finance loans.

(8) Includes residential mortgages 5 units or more and SME loans.

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

## Residential Mortgages Portfolio Information

(unaudited) (millions of Canadian dollars)

Q2 2019														
	Residential Mortgages 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	12,494	18.3%	10,339	15.1%	14,203	20.8%	37,036	54.2%	71%	71%	30% or less	5.1%	0 - 20 years	24.5%
Ontario	7,401	10.8%	5,397	7.9%	5,273	7.8%	18,071	26.5%	69%	61%	31% - 60%	31.7%	20 - 25 years	51.8%
Alberta	3,554	5.2%	800	1.2%	926	1.3%	5,280	7.7%	68%	67%	61% - 70%	20.4%	25 - 30 years	22.2%
British Columbia	2,106	3.1%	1,069	1.6%	1,343	1.9%	4,518	6.6%	61%	56%	71% - 80%	25.6%	30 - 35 years	0.5%
New Brunswick	585	0.9%	295	0.4%	246	0.3%	1,126	1.6%	73%	69%	81% - 90%	9.3%	35 years and +	0.0%
Saskatchewan	705	1.0%	125	0.2%	181	0.3%	1,011	1.5%	73%	69%	91% - 95%	3.9%	Total	100.0%
Manitoba	322	0.5%	84	0.1%	140	0.2%	546	0.8%	61%	68%	96% or more	4.0%		
Other Canadian provinces <sup>(7)</sup>	469	0.7%	116	0.2%	127	0.2%	712	1.1%	73%	66%	Total	100.0%		
<b>USA, Cambodia and Others</b>	<b>27,636</b>	<b>40.5%</b>	<b>18,225</b>	<b>26.7%</b>	<b>22,439</b>	<b>32.8%</b>	<b>68,300</b>	<b>100.0%</b>	<b>70%</b>	<b>67%</b>				
Other residential mortgages <sup>(8)</sup>	1,902		3,580		3,270		3,580							
	<b>29,538</b>	<b>38.3%</b>	<b>25,075</b>	<b>32.5%</b>	<b>22,439</b>	<b>29.2%</b>	<b>77,052</b>	<b>100.0%</b>						

Q1 2019														
	Residential Mortgages 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	12,678	18.7%	10,092	14.9%	14,046	20.7%	36,816	54.3%	71%	70%	30% or less	5.2%	0 - 20 years	24.5%
Ontario	7,497	11.0%	5,244	7.7%	5,197	7.7%	17,938	26.4%	67%	62%	31% - 60%	31.4%	20 - 25 years	52.3%
Alberta	3,537	5.2%	784	1.2%	928	1.3%	5,249	7.7%	68%	66%	61% - 70%	20.0%	25 - 30 years	22.7%
British Columbia	2,151	3.2%	1,041	1.5%	1,318	1.9%	4,510	6.6%	60%	56%	71% - 80%	26.0%	30 - 35 years	0.5%
New Brunswick	592	0.9%	289	0.4%	245	0.4%	1,126	1.7%	74%	70%	81% - 90%	9.3%	35 years and +	0.0%
Saskatchewan	704	1.0%	124	0.2%	182	0.3%	1,010	1.5%	68%	74%	91% - 95%	4.0%	Total	100.0%
Manitoba	323	0.5%	83	0.1%	142	0.2%	548	0.8%	69%	71%	96% or more	4.1%		
Other Canadian provinces <sup>(7)</sup>	470	0.7%	115	0.2%	123	0.1%	708	1.0%	73%	71%	Total	100.0%		
<b>USA, Cambodia and Others</b>	<b>27,952</b>	<b>41.2%</b>	<b>17,772</b>	<b>26.2%</b>	<b>22,181</b>	<b>32.6%</b>	<b>67,905</b>	<b>100.0%</b>	<b>69%</b>	<b>67%</b>				
Other residential mortgages <sup>(8)</sup>	1,828		3,292		3,287		3,292							
	<b>29,780</b>	<b>39.0%</b>	<b>24,351</b>	<b>31.9%</b>	<b>22,181</b>	<b>29.2%</b>	<b>76,312</b>	<b>100.0%</b>						

Q4 2018														
	Residential Mortgages 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	12,795	18.9%	9,893	14.6%	14,003	20.8%	36,691	54.3%	71%	70%	30% or less	5.3%	0 - 20 years	23.1%
Ontario	7,546	11.2%	5,071	7.5%	5,179	7.6%	17,796	26.3%	68%	62%	31% - 60%	31.5%	20 - 25 years	52.4%
Alberta	3,508	5.2%	782	1.2%	937	1.3%	5,227	7.7%	69%	70%	61% - 70%	19.8%	25 - 30 years	23.8%
British Columbia	2,174	3.2%	1,010	1.5%	1,309	2.0%	4,493	6.7%	63%	55%	71% - 80%	26.1%	30 - 35 years	0.7%
New Brunswick	600	0.9%	282	0.4%	246	0.4%	1,128	1.7%	73%	72%	81% - 90%	9.4%	35 years and +	0.0%
Saskatchewan	694	1.0%	121	0.2%	182	0.3%	997	1.5%	71%	71%	91% - 95%	4.0%	Total	100.0%
Manitoba	318	0.5%	79	0.1%	142	0.2%	539	0.8%	71%	67%	96% or more	3.9%		
Other Canadian provinces <sup>(7)</sup>	463	0.7%	109	0.2%	124	0.1%	696	1.0%	72%	68%	Total	100.0%		
<b>USA, Cambodia and Others</b>	<b>28,098</b>	<b>41.6%</b>	<b>17,347</b>	<b>25.7%</b>	<b>22,122</b>	<b>32.7%</b>	<b>67,567</b>	<b>100.0%</b>	<b>69%</b>	<b>66%</b>				
Other residential mortgages <sup>(8)</sup>	1,813		3,024		3,369		3,024							
	<b>29,911</b>	<b>39.5%</b>	<b>23,740</b>	<b>31.3%</b>	<b>22,122</b>	<b>29.2%</b>	<b>75,773</b>	<b>100.0%</b>						

Q3 2018														
	Residential Mortgages 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	12,951	19.4%	9,639	14.4%	13,757	20.6%	36,347	54.4%	71%	70%	30% or less	5.4%	0 - 20 years	22.4%
Ontario	7,584	11.4%	4,822	7.2%	5,056	7.6%	17,462	26.2%	68%	62%	31% - 60%	31.6%	20 - 25 years	51.8%
Alberta	3,449	5.2%	760	1.1%	943	1.4%	5,152	7.7%	71%	71%	61% - 70%	19.8%	25 - 30 years	24.9%
British Columbia	2,199	3.3%	973	1.5%	1,275	1.9%	4,447	6.7%	63%	57%	71% - 80%	26.7%	30 - 35 years	0.9%
New Brunswick	606	0.9%	272	0.4%	240	0.4%	1,118	1.7%	75%	69%	81% - 90%	8.9%	35 years and +	0.0%
Saskatchewan	673	1.0%	115	0.2%	181	0.3%	969	1.5%	73%	73%	91% - 95%	4.0%	Total	100.0%
Manitoba	303	0.5%	73	0.1%	142	0.2%	518	0.8%	74%	68%	96% or more	3.6%		
Other Canadian provinces <sup>(7)</sup>	442	0.6%	106	0.2%	121	0.2%	669	1.0%	71%	69%	Total	100.0%		
<b>USA, Cambodia and Others</b>	<b>28,207</b>	<b>42.3%</b>	<b>16,760</b>	<b>25.1%</b>	<b>21,715</b>	<b>32.6%</b>	<b>66,682</b>	<b>100.0%</b>	<b>70%</b>	<b>66%</b>				
Other residential mortgages <sup>(8)</sup>	1,790		2,525		3,449		2,525							
	<b>29,997</b>	<b>40.3%</b>	<b>22,734</b>	<b>30.5%</b>	<b>21,715</b>	<b>29.2%</b>	<b>74,446</b>	<b>100.0%</b>						

(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.

(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.

## Residential Mortgages Portfolio Information (continued)

(unaudited) (millions of Canadian dollars)

Q2 2018														
	Residential Mortgages 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%	72%	70%	30 % or less	5.5%	0 - 20 years	21.7%
Ontario	7,620	11.7%	4,535	6.9%	4,788	7.3%	16,943	25.9%	69%	62%	31 % - 60 %	31.0%	20 - 25 years	51.7%
Alberta	3,385	5.2%	739	1.1%	936	1.4%	5,060	7.7%	73%	68%	61 % - 70 %	19.3%	25 - 30 years	25.5%
British Columbia	2,250	3.5%	936	1.4%	1,210	1.8%	4,396	6.7%	66%	56%	71 % - 80 %	26.4%	30 - 35 years	1.1%
New Brunswick	604	0.9%	266	0.4%	236	0.4%	1,106	1.7%	71%	68%	81 % - 90 %	10.0%	35 years and +	0.0%
Saskatchewan	656	1.0%	107	0.2%	175	0.3%	938	1.5%	76%	75%	91 % - 95 %	3.9%	Total	100.0%
Manitoba	286	0.4%	66	0.1%	137	0.2%	489	0.7%	75%	70%	96 % or more	3.9%		
Others Canadian provinces <sup>(7)</sup>	424	0.6%	100	0.2%	119	0.2%	643	1.0%	72%	68%	Total	100.0%		
USA, Cambodia and Others	28,257	43.2%	16,016	24.5%	21,168	32.3%	65,441	100.0%	70%	65%				
Other residential mortgages <sup>(8)</sup>	1,768		3,484				5,252							
	<b>30,025</b>	<b>41.1%</b>	<b>21,849</b>	<b>29.9%</b>	<b>21,168</b>	<b>29.0%</b>	<b>73,042</b>	<b>100.0%</b>						

  

Q1 2018														
	Residential Mortgages 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%	68%	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%		
Others Canadian provinces <sup>(7)</sup>	416	0.6%	98	0.2%	119	0.2%	633	1.0%	72%	68%	Total	100.0%		
USA, Cambodia and Others	28,654	44.0%	15,591	24.0%	20,822	32.0%	65,067	100.0%	70%	65%				
Other residential mortgages <sup>(8)</sup>	1,732		3,486				5,218							
	<b>30,386</b>	<b>42.0%</b>	<b>21,163</b>	<b>29.2%</b>	<b>20,822</b>	<b>28.8%</b>	<b>72,371</b>	<b>100.0%</b>						

  

Q4 2017														
	Residential Mortgages 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%	67%	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%	58%	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%		
Others Canadian provinces <sup>(7)</sup>	409	0.7%	94	0.1%	117	0.2%	620	1.0%	77%	69%	Total	100.0%		
USA, Cambodia and Others	28,924	44.6%	15,267	23.6%	20,617	31.8%	64,808	100.0%	69%	65%				
Other residential mortgages <sup>(8)</sup>	1,839		4,014				5,853							
	<b>30,763</b>	<b>42.6%</b>	<b>20,871</b>	<b>28.9%</b>	<b>20,617</b>	<b>28.5%</b>	<b>72,251</b>	<b>100.0%</b>						

  

Q3 2017														
	Residential Mortgages 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%	70%	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%		
Others <sup>(7)</sup>	403	0.6%	90	0.1%	113	0.2%	606	0.9%	78%	67%	Total	100.0%		
USA, Cambodia and Others	29,655	46.0%	14,630	22.7%	20,249	31.3%	64,534	100.0%	70%	66%				
Other residential mortgages <sup>(8)</sup>	1,795		3,977				5,772							
	<b>31,450</b>	<b>43.9%</b>	<b>19,978</b>	<b>27.9%</b>	<b>20,249</b>	<b>28.2%</b>	<b>71,677</b>	<b>100.0%</b>						

(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.

(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.



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

(unaudited) (millions of Canadian dollars)

	IFRS 9						IAS 39				
	2019		2018				2017				
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	
<b>Gross Impaired Loans<sup>(2)</sup></b>											
Personal and Commercial											
Personal Banking	264	274	266	257	256	259	129	133	139	142	
Commercial Banking	312	277	322	336	298	276	242	305	271	290	
Wealth Management	5	5	5	3	3	5	1	1	1	1	
Financial Markets	10	10	1	1	1	1	1	6	6	6	
U.S. Specialty Finance and International											
Credigy	16	18	18	17	16	29	–	–	–	–	
ABA Bank	20	19	18	16	12	12	7	15	5	3	
Other	–	–	–	–	–	–	–	–	–	–	
	<b>627</b>	<b>603</b>	<b>630</b>	<b>630</b>	<b>586</b>	<b>582</b>	<b>380</b>	<b>460</b>	<b>422</b>	<b>442</b>	
<b>As a % of total loans and acceptances</b>	<b>0.42%</b>	<b>0.41%</b>	<b>0.43%</b>	<b>0.44%</b>	<b>0.42%</b>	<b>0.42%</b>	<b>0.28%</b>	<b>0.34%</b>	<b>0.32%</b>	<b>0.34%</b>	

	IFRS 9						IAS 39				
	2019		2018				2017				
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	
<b>Net Impaired Loans<sup>(2)(3)</sup></b>											
Personal and Commercial											
Personal Banking	193	205	199	191	193	199	81	84	91	92	
Commercial Banking	164	142	187	207	176	156	121	144	119	131	
Wealth Management	3	3	3	1	1	3	1	1	1	1	
Financial Markets	3	7	–	–	–	–	–	–	–	–	
U.S. Specialty Finance and International											
Credigy	7	7	6	6	6	6	–	–	–	–	
ABA Bank	9	9	9	8	6	7	3	11	2	2	
Other	–	–	–	–	–	–	–	–	–	–	
	<b>379</b>	<b>373</b>	<b>404</b>	<b>413</b>	<b>382</b>	<b>371</b>	<b>206</b>	<b>240</b>	<b>213</b>	<b>226</b>	
<b>As a % of total loans and acceptances</b>	<b>0.25%</b>	<b>0.25%</b>	<b>0.28%</b>	<b>0.29%</b>	<b>0.27%</b>	<b>0.27%</b>	<b>0.15%</b>	<b>0.18%</b>	<b>0.16%</b>	<b>0.17%</b>	
Allowances for credit losses – Stages 1 and 2 <sup>(4)</sup>	(559)	(560)	(553)	(546)	(549)	(532)					
Allowances for credit losses on impaired loans - Undrawn commitments – Stage 3	–	–	(1)	(1)	(1)	(1)					
Allowances for credit losses on POCI loans	60	62	66	44	34	28					
Sectoral allowance on performing loans – Oil & Gas <sup>(5)</sup>							(139)	(141)	(147)	(204)	
Collective allowance on performing loans <sup>(6)</sup>							(406)	(406)	(406)	(366)	

(1) Given the adoption of IFRS 9, all loans classified in Stage 3 in the expected credit loss model are impaired loans and impaired loans presented in these tables do not take into account POCI loans. Under IAS 39, loans were considered impaired according to different criteria.

(2) Including acceptances and excluding POCI loans.

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

(4) Includes performing loans, other financial assets at amortized cost and off-balance-sheet commitments.

(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.

(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		IFRS 9	IAS 39
	2019		2018				2017				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2019	2018	2018	2017
<b>Formation of Gross Impaired Loans<sup>(2)</sup> (by sector)</b>														
<b>Balance at beginning</b>	603	630	630	586	582	599	460	422	442	492	630	599	599	492
<b>Write-offs</b>														
Personal and Commercial														
Personal Banking	(21)	(22)	(23)	(19)	(18)	(19)	(23)	(20)	(22)	(21)	(43)	(37)	(79)	(86)
Credit card	(25)	(25)	(24)	(24)	(25)	(25)					(50)	(50)	(98)	
Commercial Banking	(5)	(2)	(10)	(10)	(8)	(37)	(58)	(2)	(33)	(10)	(7)	(45)	(65)	(103)
Wealth Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financial Markets	-	-	-	-	-	-	(5)	-	-	-	-	-	-	(5)
U.S. Specialty Finance and International														
Credigy	(29)	(36)	(32)	(35)	(33)	(25)	-	-	-	-	(65)	(58)	(125)	-
ABA Bank	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(80)	(85)	(89)	(88)	(84)	(106)	(86)	(22)	(55)	(31)	(165)	(190)	(367)	(194)
<b>Formation</b>														
Personal and Commercial														
Personal Banking	11	30	32	20	15	24	19	14	19	23	41	39	91	75
Credit card	25	25	24	24	25	25					50	50	98	
Commercial Banking	40	(43)	(4)	48	30	8	(5)	36	14	(43)	(3)	38	82	2
Wealth Management	-	-	2	-	(2)	1	-	-	-	-	-	(1)	1	-
Financial Markets	-	9	-	-	-	-	-	-	-	-	9	-	-	-
U.S. Specialty Finance and International														
Credigy	27	36	33	36	20	27	-	-	-	-	63	47	116	-
ABA Bank	1	1	2	4	-	4	(8)	10	2	1	2	4	10	5
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	104	58	89	132	88	89	6	60	35	(19)	162	177	398	82
<b>Balance at end</b>	627	603	630	630	586	582	380	460	422	442	627	586	630	380

	IFRS 9						IAS 39				IFRS 9		IFRS 9	IAS 39
	2019		2018				2017				YTD		Full Year	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2019	2018	2018	2017
<b>Formation of Gross Impaired Loans<sup>(2)</sup> (by activity)</b>														
<b>Balance at beginning</b>	603	630	630	586	582	599	460	422	442	492	630	599	599	492
Classified as credit-impaired during the period	205	234	251	246	231	227	132	159	192	79	439	458	955	562
Transferred to performing loans during the period	(40)	(53)	(54)	(45)	(27)	(25)	(4)	(4)	(5)	(5)	(93)	(52)	(151)	(18)
Net repayments	(61)	(123)	(108)	(70)	(103)	(105)	(86)	(60)	(121)	(60)	(184)	(208)	(386)	(327)
Disposals of loans	-	-	-	-	(15)	-	-	-	-	-	-	(15)	(15)	-
Write-offs	(80)	(85)	(89)	(88)	(84)	(106)	(126)	(57)	(87)	(61)	(165)	(190)	(367)	(331)
Exchange and other movements	-	-	-	1	2	(8)	4	-	1	(3)	-	(6)	(5)	2
	627	603	630	630	586	582	380	460	422	442	627	586	630	380

(1) Given the adoption of IFRS 9, all loans classified in Stage 3 in the expected credit loss model are impaired loans and impaired loans presented in these tables do not take into account POCI loans. Under IAS 39, loans were considered impaired according to different criteria.

(2) Including acceptances and excluding POCI loans.

## Reconciliation of Allowances for Credit Losses

(unaudited) (millions of Canadian dollars)

	IFRS 9										
	2019					2018					Full Year
	Q2				Q1	Q4	Q3	Q2	Q1	2018	
	Allowances for credit losses on non-impaired loans		Allowances for credit losses on impaired loans								
	Stage 1	Stage 2	Stage 3	POCI	Total						
<b>Balance at beginning</b>	214	346	230	(62)	728	714	720	720	716	735	735
Originations or purchases	24	-	-	-	24	26	28	23	23	28	102
Transfers <sup>(1)</sup> :											
To Stage 1	52	(47)	(5)	-	-	-	-	-	-	-	-
To Stage 2	(10)	15	(5)	-	-	-	-	-	-	-	-
To Stage 3	(2)	(37)	39	-	-	-	-	-	-	-	-
Net remeasurement of loss allowances <sup>(2)</sup>	(58)	69	57	3	71	78	74	87	93	81	335
Derecognitions <sup>(3)</sup>	(5)	(4)	(2)	-	(11)	(16)	(25)	(29)	(25)	(22)	(101)
Changes to models	-	-	-	-	-	-	(4)	(5)	-	-	(9)
<b>Provisions for credit losses</b>	1	(4)	84	3	84	88	73	76	91	87	327
Write-offs	-	-	(80)	-	(80)	(85)	(89)	(88)	(84)	(106)	(367)
Disposals	-	-	-	-	-	-	(6)	-	(18)	-	(24)
Recoveries	-	-	14	-	14	12	15	11	10	9	45
Foreign exchange movements and other	2	-	-	(1)	1	(1)	1	1	5	(9)	(2)
<b>Balance at end</b>	217	342	248	(60)	747	728	714	720	720	716	714
<b>Total allowances for credit losses</b>											
Loans and acceptances at amortized cost											
Amounts drawn	173	322	248	(60)	683	664	658	658	666	663	658
Undrawn commitments <sup>(4)</sup>	38	19	-	-	57	56	49	54	47	47	49
Other <sup>(5)</sup>	6	1	-	-	7	8	7	8	7	6	7
	217	342	248	(60)	747	728	714	720	720	716	714

	IAS 39				
	2017				Full Year
	Q4	Q3	Q2	Q1	2017
<b>Allowances for Credit Losses</b>					
<b>Allowances at beginning</b>	735	735	769	769	769
Write-offs	(126)	(57)	(87)	(61)	(331)
Recoveries of amounts written off in previous years	6	5	7	6	24
Charge to income statement (provisions for credit losses) <sup>(6)</sup>	70	58	56	60	244
Disposals of loans	-	-	-	-	-
Foreign exchange movements and other <sup>(7)</sup>	10	(6)	(10)	(5)	(11)
<b>Allowances at end</b>	695	735	735	769	695

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

(2) 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.

(3) Represent reversals to loss allowances from full loan repayments (excluding write-offs and disposals).

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

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

(6) 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. 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.

(7) 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		IFRS 9	IAS 39
		2019		2018				2017				YTD		Full Year	
		Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2019	2018	2018	2017
<b>Personal and Commercial</b>															
Personal Banking:	Stage 3	20	21	22	18	19	15	18	19	17	17	41	34	74	71
	Stages 1 and 2	(2)	(2)	1	(2)	1	7					(4)	8	7	
		18	19	23	16	20	22	18	19	17	17	37	42	81	71
Credit card:	Stage 3	22	22	20	21	22	21	19	21	21	21	44	43	84	82
	Stages 1 and 2	3	–	–	(2)	2	2					3	4	2	
		25	22	20	19	24	23	19	21	21	21	47	47	86	82
Commercial Banking <sup>(1)</sup> :	Stage 3	14	1	9	17	6	8	14	6	8	15	15	14	40	43
	Stages 1 and 2	6	16	–	9	7	5			(40)		22	12	21	(40)
		20	17	9	26	13	13	14	6	(32)	15	37	26	61	3
<b>Wealth Management</b>															
	Stage 3	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	Stages 1 and 2	–	–	–	–	1	–					–	1	1	
		–	–	–	–	1	–	–	–	–	–	–	1	1	–
<b>Financial Markets</b>															
	Stage 3	5	2	–	–	–	–	–	–	–	–	7	–	–	–
	Stages 1 and 2	2	1	–	2	2	–					3	2	4	
		7	3	–	2	2	–	–	–	–	–	10	2	4	–
<b>U.S. Specialty Finance and International</b>															
Credigy:	Stage 3	22	30	30	33	30	27	18	11	9	6	52	57	120	44
	Stages 1 and 2	(13)	(11)	3	(15)	(2)	4					(24)	2	(10)	
	POCI	3	4	(15)	(9)	–	(5)					7	(5)	(29)	
		12	23	18	9	28	26	18	11	9	6	35	54	81	44
ABA Bank:	Stage 3	1	1	2	1	1	2	1	1	1	1	2	3	6	4
	Stages 1 and 2	1	3	2	2	2	1					4	3	7	
		2	4	4	3	3	3	1	1	1	1	6	6	13	4
<b>Other<sup>(2)</sup></b>															
	Stage 3	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	Stages 1 and 2	–	–	(1)	1	–	–			40		–	–	–	40
		–	–	(1)	1	–	–	–	–	40	–	–	–	–	40
		<b>84</b>	<b>88</b>	<b>73</b>	<b>76</b>	<b>91</b>	<b>87</b>	<b>70</b>	<b>58</b>	<b>56</b>	<b>60</b>	<b>172</b>	<b>178</b>	<b>327</b>	<b>244</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.

(2) 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.

## Derivatives Financial Instruments According to Basel Definition

(unaudited) (millions of Canadian dollars)

	2019		2018			
	Q2	Q1	Q4	Q3	Q2	Q1
<b>Under Basel III</b>						
<b>Foreign Exchange Related Contracts</b>						
Swaps	222,550	205,928	201,116	209,335	203,973	182,228
Options	9,518	9,635	9,516	7,664	9,324	7,258
- purchased				8,016	8,055	6,532
- sold	11,978	11,246	11,121	8,016	8,055	6,532
Exchange traded and OTC futures contracts	33,337	31,358	34,488	29,495	30,853	29,000
Total notional amount	277,383	258,167	256,241	254,510	252,205	225,018
Replacement cost - net <sup>(1)</sup>	893	834	1,994	1,804	2,181	2,302
Future credit risk	2,240	2,063	1,949	1,863	1,995	1,895
Credit equivalent <sup>(2)</sup>	4,386	4,056	3,943	3,667	4,176	4,197
Risk-weighted equivalent <sup>(3)</sup>	1,773	1,636	1,215	1,169	1,456	1,388
<b>Interest Rate Related Contracts</b>						
Swaps	513,080	493,096	558,757	519,116	487,593	460,603
Options	41,413	24,612	38,243	39,281	30,577	28,113
- purchased				22,510	14,488	10,350
- sold	17,653	2,116	8,835	22,510	14,488	10,350
Exchange traded and OTC futures contracts	5,783	3,692	5,254	5,201	4,958	5,269
Total notional amount	577,929	523,516	611,089	586,108	537,616	504,335
Replacement cost - net <sup>(1)</sup>	690	531	1,324	2,128	1,987	1,548
Future credit risk	1,313	1,400	1,672	1,841	1,859	3,318
Credit equivalent <sup>(2)</sup>	2,804	2,703	2,996	3,969	3,846	4,866
Risk-weighted equivalent <sup>(3)</sup>	993	834	406	359	405	566
<b>Financial Futures</b>						
Total notional amount	53,314	103,217	75,518	80,369	86,407	90,467
<b>Equity and Commodity Contracts</b>						
Total notional amount	92,033	68,188	79,003	63,930	64,736	69,357
Replacement cost - net <sup>(1)</sup>	610	446	3,110	1,854	1,906	1,937
Future credit risk	3,624	2,575	3,701	2,745	2,817	2,889
Credit equivalent <sup>(2)</sup>	5,928	4,229	6,811	4,599	4,723	4,826
Risk-weighted equivalent <sup>(3)</sup>	1,129	775	549	472	467	442
<b>Credit Derivatives</b>						
Total notional amount (trading only)	3,941	2,195	1,872	2,315	2,389	1,737
Total Return Swap Notional Amount <sup>(4)</sup>	162	161	162	171	173	191
Replacement cost - net <sup>(1)</sup>	-	-	11	6	7	9
Future credit risk	7	8	13	13	13	15
Credit equivalent <sup>(2)</sup>	10	11	24	19	20	24
Risk-weighted equivalent <sup>(3)</sup>	1	1	23	46	44	2
<b>Total Derivatives</b>						
Total notional amount	1,004,762	955,444	1,023,885	987,403	943,526	891,105
Replacement cost - net <sup>(1)</sup>	2,193	1,811	6,439	5,792	6,081	5,796
Future credit risk	7,184	6,046	7,335	6,462	6,684	8,117
Credit equivalent <sup>(2)</sup>	13,128	10,999	13,774	12,254	12,765	13,913
Risk-weighted equivalent <sup>(3)</sup>	3,896	3,246	2,193	2,046	2,372	2,398

(1) Net replacement cost is gross positive replacement cost with consideration of master netting agreements without consideration of collateral.

(2) Credit equivalent amounts reported are net of impact of collaterals and master netting agreements and are presented after the alpha of 1.4.

(3) Risk weighted amounts reported are net of impact of collaterals and master netting agreements.

(4) Securitised exposure recognized for capital ratio but not for consolidated balance sheet purposes due to IFRS standards.

## Over the Counter Derivatives Financial Instruments Settled by Central Counterparties<sup>(1)</sup>

(unaudited) (millions of Canadian dollars)

	2019						2018		
	Q2			Q1			Q4		
	Exchange-traded contracts	OTC-Traded		Exchange-traded contracts	OTC-Traded		Exchange-traded contracts	OTC-Traded	
Settled by central counterparties		Not settled by central counterparties	Settled by central counterparties		Not settled by central counterparties	Settled by central counterparties		Not settled by central counterparties	
Interest rate contracts	64,971	361,291	204,980	112,969	345,851	167,912	104,705	375,829	185,943
Foreign exchange contracts	124	–	277,260	36	–	258,131	540	–	253,970
Equity, commodity and credit derivative contracts	24,448	4,425	67,263	18,442	2,734	49,369	19,345	2,734	44,337

	2018								
	Q3			Q2			Q1		
	Exchange-traded contracts	OTC-Traded		Exchange-traded contracts	OTC-Traded		Exchange-traded contracts	OTC-Traded	
Settled by central counterparties		Not settled by central counterparties	Settled by central counterparties		Not settled by central counterparties	Settled by central counterparties		Not settled by central counterparties	
Interest rate contracts	117,926	349,366	156,731	122,334	316,141	156,327	143,394	359,969	153,296
Foreign exchange contracts	153	–	252,052	351	–	224,667	153	–	229,007
Equity, commodity and credit derivative contracts	21,586	2,418	43,294	22,715	2,148	46,422	21,188	8,893	32,434

(1) Notional amounts.

## Composition of Regulatory Capital

(unaudited) (millions of Canadian dollars)

	2019		2018			
	Q2	Q1	Q4	Q3	Q2	Q1
<b>Common Equity Tier 1 capital: instruments and reserves</b>						
1 Directly issued qualifying common share capital plus related contributed surplus <sup>(1)</sup>	2,953	2,933	2,879	2,878	2,920	2,913
2 Retained earnings	8,889	8,695	8,472	8,404	8,018	7,785
3 Accumulated other comprehensive income and other reserves	50	65	175	159	139	110
4 Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	-	-	-	-	-	-
5 Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	18	15	13	10	10	8
<b>6 Common Equity Tier 1 capital before regulatory adjustments</b>	<b>11,910</b>	<b>11,708</b>	<b>11,539</b>	<b>11,451</b>	<b>11,087</b>	<b>10,816</b>
<b>Regulatory adjustments to Common Equity Tier 1 capital</b>						
7 Prudential valuation adjustments	-	-	-	-	-	-
8 Goodwill (net of related tax liability)	(1,675)	(1,671)	(1,671)	(1,668)	(1,671)	(1,662)
9 Intangible assets other than mortgage-servicing rights	(1,177)	(1,139)	(1,121)	(1,099)	(1,100)	(1,073)
10 Deferred tax assets excluding those arising from temporary differences (net of related tax liability)	-	-	-	-	-	-
11 Accumulated other comprehensive income related to cash flow hedges	6	(48)	(151)	(138)	(137)	(152)
12 Shortfall of total provisions to expected losses	-	-	-	-	-	-
13 Securitisation gain on sale	-	-	-	-	-	-
14 Gains (losses) due to changes in own credit risk on fair valued liabilities	35	(23)	32	39	62	81
15 Defined benefit pension plan assets (net of related tax liability)	(7)	(5)	(11)	(93)	(4)	(3)
16 Investments in own shares (if not already netted off contributed surplus on reported balance sheet)	-	-	(9)	(3)	(1)	(5)
17 Reciprocal cross holdings in common equity	-	-	-	-	-	-
18 Non-significant investments in capital of banking, financial and insurance entities, net of eligible short positions (amount above 10% threshold)	-	-	-	-	-	-
19 Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	-	-	-	-	-	-
20 Mortgage servicing rights (amount above 10% threshold)	-	-	-	-	-	-
21 Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	-	-	-	-	-
22 Amount exceeding the 15% threshold	-	-	-	-	-	-
23 of which: significant investments in the common stock of financials	-	-	-	-	-	-
24 of which: mortgage servicing rights	-	-	-	-	-	-
25 of which: deferred tax assets arising from temporary differences	-	-	-	-	-	-
26 Other deductions or regulatory adjustments to CET1 as determined by OSFI (including regulatory adjustments in respect of own use property)	-	-	-	-	-	-
27 Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-	-	-	-	-	-
<b>28 Total regulatory adjustments to Common equity Tier 1</b>	<b>(2,818)</b>	<b>(2,886)</b>	<b>(2,931)</b>	<b>(2,962)</b>	<b>(2,851)</b>	<b>(2,814)</b>
<b>29 Common Equity Tier 1 capital (CET1)</b>	<b>9,092</b>	<b>8,822</b>	<b>8,608</b>	<b>8,489</b>	<b>8,236</b>	<b>8,002</b>
<b>Additional Tier 1 capital: instruments</b>						
30 Directly issued qualifying Additional Tier 1 instruments plus related contributed surplus <sup>(1)</sup>	2,450	2,450	2,450	2,450	2,150	2,150
31 of which: classified as equity under applicable accounting standards	2,450	2,450	2,450	2,450	2,150	2,150
32 of which: classified as liabilities under applicable accounting standards	-	-	-	-	-	-
33 Directly issued capital instruments subject to phase out from Additional Tier 1 <sup>(1)</sup>	350	350	350	350	750	750
34 Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	4	3	3	2	2	2
35 of which: instruments issued by subsidiaries subject to phase out	-	-	-	-	-	-
<b>36 Additional Tier 1 capital before regulatory adjustments</b>	<b>2,804</b>	<b>2,803</b>	<b>2,803</b>	<b>2,802</b>	<b>2,902</b>	<b>2,902</b>

(1) 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*.

## Composition of Regulatory Capital (continued)

(unaudited) (millions of Canadian dollars)

		2019		2018			
		Q2	Q1	Q4	Q3	Q2	Q1
<b>Additional Tier 1 capital: regulatory adjustments</b>							
37	Investments in own Additional Tier 1 instruments	-	-	-	-	-	-
38	Reciprocal cross holdings in Additional Tier 1 instruments	-	-	-	-	-	-
39	Non-significant investments in the capital of banking, financial and insurance entities, net of eligible short positions (amount above 10% threshold)	-	-	-	-	-	-
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	-	-	-	-	-	-
41	Other deductions from Tier 1 capital as determined by OSFI	-	(1)	(1)	(1)	(1)	(1)
41a	of which: Reverse mortgages	-	(1)	(1)	(1)	(1)	(1)
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	-	-	-	-	-
43	<b>Total regulatory adjustments to Additional Tier 1 capital</b>	-	(1)	(1)	(1)	(1)	(1)
44	<b>Additional Tier 1 capital (AT1)</b>	<b>2,804</b>	<b>2,802</b>	<b>2,802</b>	<b>2,801</b>	<b>2,901</b>	<b>2,901</b>
45	<b>Tier 1 capital (T1 = CET1 + AT1)</b>	<b>11,896</b>	<b>11,624</b>	<b>11,410</b>	<b>11,290</b>	<b>11,137</b>	<b>10,903</b>
<b>Tier 2 capital: instruments and allowances</b>							
46	Directly issued qualifying Tier 2 instruments plus related contributed surplus <sup>(1)</sup>	750	750	750	750	750	-
47	Directly issued capital instruments subject to phase out from Tier 2 <sup>(1)</sup>	9	9	9	9	9	8
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	5	4	4	3	3	2
49	of which: instruments issued by subsidiaries subject to phase out	-	-	-	-	-	-
50	Allowances for credit losses	185	188	179	155	164	154
51	<b>Tier 2 capital before regulatory adjustments</b>	<b>949</b>	<b>951</b>	<b>942</b>	<b>917</b>	<b>926</b>	<b>164</b>
<b>Tier 2 capital: regulatory adjustments</b>							
52	Investments in own Tier 2 instruments	-	-	-	-	-	-
53	Reciprocal cross holdings in Tier 2 instruments and Other TLAC-eligible instruments	-	-	-	-	-	-
54	Non-significant investments in the capital of banking, financial and insurance entities and Other TLAC-eligible instruments issued by G-SIBs and Canadian D-SIBs that are outside the scope of regulatory consolidation, where the institution does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	(55)	(28)	-	-	-	-
54a	[Reporting row for G-SIBs and D-SIBs only] Non-significant investments in the other TLAC-eligible instruments issued by G-SIBs and Canadian D-SIBs, where the institution does not own more than 10% of the issued common share capital of the entity: amount previously designated for the 5% threshold but no longer meets the conditions	(55)	(28)	-	-	-	-
55	Significant investments in the capital of banking, financial and insurance entities and Other TLAC-eligible instruments issued by G-SIBs and Canadian D-SIBs that are outside the scope of regulatory consolidation	-	-	-	-	-	-
56	Other deductions from Tier 2 capital	-	-	-	-	-	-
57	<b>Total regulatory adjustments to Tier 2 capital</b>	<b>(55)</b>	<b>(28)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
58	<b>Tier 2 capital (T2)</b>	<b>894</b>	<b>923</b>	<b>942</b>	<b>917</b>	<b>926</b>	<b>164</b>
59	<b>Total capital (TC = T1 + T2)</b>	<b>12,790</b>	<b>12,547</b>	<b>12,352</b>	<b>12,207</b>	<b>12,063</b>	<b>11,067</b>

(1) 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*.

## Composition of Regulatory Capital (continued)

(unaudited) (millions of Canadian dollars)

		2019		2018			
		Q2	Q1	Q4	Q3	Q2	Q1
60	<b>Total risk-weighted assets</b>	<b>79,008</b>	<b>77,036</b>	<b>73,685</b>	<b>73,331</b>	<b>72,895</b>	<b>71,362</b>
60a	Common Equity Tier 1 Capital RWA (CET1)	79,008	77,036	73,654	73,268	72,834	71,179
60b	Tier 1 Capital RWA	79,008	77,036	73,670	73,300	72,865	71,271
60c	Total capital RWA	79,008	77,036	73,685	73,331	72,895	71,362
<b>Capital ratios</b>							
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	11.5%	11.5%	11.7%	11.6%	11.3%	11.2%
62	Tier 1 (as a percentage of risk weighted assets)	15.1%	15.1%	15.5%	15.4%	15.3%	15.3%
63	Total capital (as a percentage of risk weighted assets)	16.2%	16.3%	16.8%	16.7%	16.6%	15.5%
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%
65	of which: capital conservation buffer requirement	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
66	of which: bank-specific countercyclical buffer	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
67	of which: G-SIB buffer requirement	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
67a	of which: D-SIBs 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)	11.5%	11.5%	11.7%	11.6%	11.3%	11.2%
<b>OSFI target (minimum + capital conservation buffer + D-SIB buffer)<sup>(1)</sup></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 and other TLAC-eligible instruments of other financial entities	551	549	311	366	481	658
73	Significant investments in the common stock of financials	301	287	270	255	241	235
74	Mortgage servicing rights (net of related tax liability)	–	–	–	–	–	–
75	Deferred tax assets arising from temporary differences (net of related tax liabilities)	37	42	38	43	58	50
<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)	71	70	67	66	68	61
77	Cap on inclusion of allowances in Tier 2 under standardised approach	102	97	90	89	90	83
78	Allowance eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	114	118	112	89	96	93
79	Cap on inclusion of allowances in Tier 2 under internal ratings-based approach	336	326	314	307	308	310
<b>Capital instruments subject to phase-out arrangements (only applicable between January 1, 2013 and January 1, 2022)</b>							
80	Current cap on CET1 instruments subject to phase out arrangements	–	–	–	–	–	–
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	–	–	–	–	–	–
82	Current cap on AT1 instruments subject to phase out arrangements	581	581	775	775	775	775
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	715	715	953	953	953	953
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	–	–	–	–	–	–

(1) Do not include the domestic stability buffer.

## Leverage Ratio

(unaudited) (millions of Canadian dollars)

	2019		2018			
	Q2	Q1	Q4	Q3	Q2	Q1
<b>Accounting assets vs. leverage ratio exposure</b>						
1 Total consolidated assets as per published financial statements	269,106	263,355	262,471	257,637	256,259	251,065
2 Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	4	(3)	(15)	(33)	(58)	(68)
3 Adjustment for securitized exposures that meet the operational requirements for the recognition of risk transference <sup>(1)</sup>	(890)	(904)	–	–	–	–
4 Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	–	–	–	–	–	–
5 Adjustment for derivative financial instruments <sup>(2)</sup>	5,814	3,808	2,684	2,939	3,090	3,635
6 Adjustment for securities financing transactions (i.e. repos and similar secured lending) <sup>(2)</sup>	3,279	1,920	1,122	3,062	2,516	(487)
7 Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	22,941	23,050	22,162	21,492	21,796	20,713
8 Other adjustments	(4,136)	(4,571)	(4,087)	(4,401)	(4,777)	(5,299)
9 <b>Leverage Ratio Exposure</b>	<b>296,118</b>	<b>286,655</b>	<b>284,337</b>	<b>280,696</b>	<b>278,826</b>	<b>269,559</b>

	2019		2018			
	Q2	Q1	Q4	Q3	Q2	Q1
<b>Leverage ratio common disclosure</b>						
<b>On-balance sheet exposures</b>						
1 On-balance sheet items (excluding derivatives, SFTs and grandfathered securitization exposures but including collateral)	242,471	238,422	234,603	232,327	228,798	223,550
2 Gross-up for derivatives collateral provided where deducted from balance sheet assets pursuant to the operative accounting framework	–	–	–	–	–	–
3 (Deductions of receivables assets for cash variation margin provided in derivative transactions)	–	–	–	–	–	–
4 (Asset amounts deducted in determining Basel III Tier 1 capital)	(2,852)	(2,865)	(3,003)	(3,003)	(2,914)	(2,897)
5 <b>Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 4)</b>	<b>239,619</b>	<b>235,557</b>	<b>231,600</b>	<b>229,324</b>	<b>225,884</b>	<b>220,653</b>
<b>Derivative exposures</b>						
6 Replacement cost associated with all derivative transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	3,007	2,483	3,897	4,034	4,270	3,991
7 Add-on amounts for PFE associated with all derivative transactions	10,058	8,463	7,373	6,502	6,725	8,166
8 (Exempted CCP leg of client-cleared trade exposures)	–	–	–	–	–	–
9 Adjusted effective notional amount of written credit derivatives	23	20	22	29	–	4
10 (Adjusted effective notional offsets and add-on deductions for written credit derivatives)	–	–	–	–	–	–
11 <b>Total derivative exposures (sum of rows 6 to 10)</b>	<b>13,088</b>	<b>10,966</b>	<b>11,292</b>	<b>10,565</b>	<b>10,995</b>	<b>12,161</b>
<b>Securities financing transaction exposures</b>						
12 Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	17,193	15,162	18,159	16,253	17,636	16,520
13 (Netted amounts of cash payables and cash receivables of gross SFT assets)	(662)	(2,063)	(2,974)	(1,127)	(2,196)	(4,637)
14 CCR exposure for SFTs assets	3,940	3,983	4,097	4,189	4,712	4,149
15 Agent transaction exposures	–	–	–	–	–	–
16 <b>Total securities financing transaction exposures (sum of rows 12 to 15)</b>	<b>20,471</b>	<b>17,082</b>	<b>19,282</b>	<b>19,315</b>	<b>20,152</b>	<b>16,032</b>
<b>Other off-balance sheet exposures</b>						
17 Off-balance sheet exposure at gross notional amount	71,962	71,491	70,091	68,195	68,811	66,194
18 (Adjustments for conversion to credit equivalent amounts)	(49,022)	(48,441)	(47,928)	(46,703)	(47,016)	(45,481)
19 <b>Off-balance sheet items (sum of rows 17 and 18)</b>	<b>22,940</b>	<b>23,050</b>	<b>22,163</b>	<b>21,492</b>	<b>21,795</b>	<b>20,713</b>
<b>Capital and Total Exposures</b>						
20 Tier 1 capital	11,896	11,624	11,410	11,290	11,137	10,903
21 <b>Total Exposures (sum of rows 5, 11, 16 and 19)</b>	<b>296,118</b>	<b>286,655</b>	<b>284,337</b>	<b>280,696</b>	<b>278,826</b>	<b>269,559</b>
<b>Leverage Ratio</b>						
22 <b>Basel III leverage ratio</b>	<b>4.0%</b>	<b>4.1%</b>	<b>4.0%</b>	<b>4.0%</b>	<b>4.0%</b>	<b>4.0%</b>

(1) OSFI's October 2018 Leverage Requirements Guideline now allows for the exclusion of securitized exposures that meet the operational requirements for risk transference. This exclusion is not applicable for prior quarters.

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