

Supplementary Regulatory Capital Information

For the Quarter Ended – April 30, 2016

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This report is unaudited and all amounts are in millions of Canadian dollars, unless otherwise indicated.

	Cross reference (3)	2016 Q2	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1	2014 Q4
Common Equity Tier 1 Capital: instruments and reserves								
1	Directly issued qualifying common share capital plus related stock surplus	a+b	12,668	12,650	12,612	12,598	12,676	12,661
2	Retained earnings	c	19,806	19,409	18,930	18,281	17,489	17,237
3	Accumulated other comprehensive income (and other reserves)	d	3,287	6,286	4,640	4,681	2,878	4,112
6	Common Equity Tier 1 Capital before regulatory adjustments		35,761	38,345	36,182	35,560	33,276	34,273
Common Equity Tier 1 Capital: regulatory adjustments								
7	Prudential valuation adjustments		122	85	85	53	65	58
8	Goodwill (net of related tax liability)	e+p1-f	6,036	6,660	5,960	6,005	5,558	5,284
9	Other intangibles other than mortgage-servicing rights (net of related tax liability)	g-h	1,788	1,874	1,792	1,757	1,702	1,591
10	Deferred tax assets excluding those arising from temporary differences (net of related tax liability)	i-j	1,306	1,539	1,506	1,668	1,579	1,528
11	Cash flow hedge reserve	k	583	867	612	575	421	711
12	Shortfall of provisions to expected losses	k1	-	-	-	-	-	22
14	Gains or losses due to changes in own credit risk on fair valued liabilities (4)		84	342	216	133	64	84
15	Defined benefit pension fund net assets (net of related tax liability) (5)	l-m	100	212	359	367	247	115
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	n	-	-	24	-	-	23
22	Amount exceeding the 15% threshold		-	-	-	-	-	-
23	of which: significant investments in the common stock financials	h1	-	-	-	-	-	10
24	of which: mortgage servicing rights	j1	-	-	-	-	-	-
25	of which: deferred tax assets arising from temporary differences	i1	-	-	-	-	-	13
28	Total regulatory adjustments to Common Equity Tier 1 Capital		10,019	11,579	10,554	10,558	9,636	10,335
29	Common Equity Tier 1 Capital (CET1)		25,742	26,766	25,628	25,002	23,640	22,421
Additional Tier 1 Capital: instruments								
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	o1	2,150	2,150	2,150	1,550	1,200	1,200
33	Directly issued capital instruments subject to phase out from Additional Tier 1 (6)	p	1,540	1,540	1,987	1,987	1,987	3,332
34	Additional Tier 1 instruments (and CET1 instruments not otherwise included) issued by subsidiaries and held by third parties (amount allowed in group AT1)	s	6	10	9	9	10	7
35	of which: instruments issued by subsidiaries subject to phase out		6	10	9	9	10	7
36	Additional Tier 1 Capital before regulatory adjustments		3,696	3,700	4,146	3,546	3,197	3,546
Additional Tier 1 Capital: regulatory adjustments								
37	Investments in own Additional Tier 1 instruments	n1	2	1	-	-	-	-
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	t	213	213	358	358	358	358
41	Other deductions from Tier 1 Capital as determined by OSFI		-	-	-	-	-	-
41b	of which: Valuation adjustment for less liquid positions		-	-	-	-	-	-
43	Total regulatory adjustments applied to Additional Tier 1 Capital		215	214	358	358	358	358
44	Additional Tier 1 Capital (AT1)		3,481	3,486	3,788	3,188	2,839	4,181
45	Tier 1 Capital (T1 = CET1 + AT1)		29,223	30,252	29,416	28,190	26,479	27,130
Tier 2 Capital: instruments and provisions								
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	m1	2,023	2,050	1,034	1,034	1,026	1,002
47	Directly issued capital instruments subject to phase out from Tier 2 Capital (7)	u	3,080	3,080	3,548	3,548	3,551	4,027
48	Tier 2 Capital instruments (and CET1 and AT1 instruments not included) issued by subsidiaries and held by third parties (amount allowed in group Tier 2 Capital)	v	-	-	46	46	43	80
49	of which: instruments issued by subsidiaries subject to phase out		-	-	46	46	43	80
50	Collective allowances	w	486	559	590	300	272	266
51	Tier 2 Capital before regulatory adjustments		5,589	5,689	5,218	4,928	4,892	5,375
Tier 2 Capital: regulatory adjustments								
52	Investments in own Tier 2 instruments	q1	5	-	-	-	-	-
55	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	x	50	50	50	50	50	50
57	Total regulatory adjustments to Tier 2 Capital		55	50	50	50	50	50
58	Tier 2 Capital (T2)		5,534	5,639	5,168	4,878	4,842	5,325
59	Total Capital (TC = T1 + T2)		34,757	35,891	34,584	33,068	31,321	31,922
60	Total Risk-Weighted Assets							
60a	Common Equity Tier 1 (CET1) Capital RWA		256,184	265,043	239,185	239,934	231,243	237,529
60b	Tier 1 Capital RWA		256,553	265,381	239,471	240,265	231,584	237,940
60c	Total Capital RWA		256,869	265,671	239,716	240,549	231,876	238,292
Capital Ratios								
61	Common Equity Tier 1 ratio (as percentage of risk-weighted assets)		10.0%	10.1%	10.7%	10.4%	10.2%	10.1%
62	Tier 1 ratio (as percentage of risk-weighted assets)		11.4%	11.4%	12.3%	11.7%	11.4%	12.0%
63	Total Capital ratio (as percentage of risk-weighted assets)		13.5%	13.5%	14.4%	13.7%	13.5%	14.3%
64	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%	7.0%	7.0%	7.0%	7.0%
65	of which: capital conservation buffer requirement		3.5%	3.5%	2.5%	2.5%	2.5%	2.5%
68	Common Equity Tier 1 available to meet buffers (as a % of risk weighted assets)		10.0%	10.1%	10.7%	10.4%	10.2%	10.1%
OSFI all-in target								
69	Common Equity Tier 1 all-in target ratio		8.0%	8.0%	7.0%	7.0%	7.0%	7.0%
Amounts below the thresholds for deduction								
72	Non-significant investments in the capital of other financials	y - z	243	293	443	385	221	339
73	Significant investments in the common stock of financials	a1	1,473	1,595	1,492	1,477	1,410	1,356
74	Mortgage servicing rights (net of related tax liability)	b1	43	50	48	49	42	41
75	Deferred tax assets arising from temporary differences (net of related tax liability)	c1 - d1	2,174	2,286	2,114	2,188	2,091	1,989
Applicable caps on the inclusion of provisions in Tier 2								
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)		260	291	217	214	203	197
77	Cap on inclusion of provisions in Tier 2 under standardised approach		260	291	217	214	203	197
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings based approach (prior to application of cap)		1,453	1,500	1,518	1,509	1,454	1,382
79	Cap on inclusion of provisions in Tier 2 under internal ratings-based approach		226	268	374	86	69	69
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2013 and 1 Jan 2022)								
82	Current cap on AT1 instruments subject to phase out arrangements		2,593	2,593	3,025	3,025	3,025	3,457
83	Amounts excluded from AT1 due to cap (excess over cap after redemptions and maturities)	e1 + f1	-	-	-	-	-	-
84	Current cap on T2 instruments subject to phase out arrangements		3,080	3,080	3,594	3,594	3,594	4,107
85	Amounts excluded from T2 due to cap (excess over cap after redemptions and maturities)		240	840	561	579	584	636

(1) "All-in" regulatory capital assumes that all Basel III regulatory adjustments are applied effective January 1, 2013 and that the capital value of instruments which no longer qualify as regulatory capital under Basel III rules will be phased out at a rate of 10% per year from January 1, 2013 and continuing to January 1, 2022.

(2) Row numbering, as per OSFI July 2013 advisory, is provided for consistency and comparability in the disclosure of elements of capital among banks and across jurisdictions. Banks are required to maintain the same row numbering per OSFI advisory, however certain rows are removed because there are no values in such rows.

(3) Cross reference to Consolidated Balance Sheet under regulatory scope (page 2).

(4) For regulatory capital purposes only. Not included in consolidated balance sheet.

(5) Net amount after deducting defined benefit pension assets to which the bank has unrestricted and unfettered access.

(6) \$450MM capital trust securities that are deconsolidated under IFRS 10 but still qualify as Additional Tier 1 Capital are included in line 33.

(7) \$742MM (after phase-out) Trust Subordinate note that is deconsolidated under IFRS but still qualifies as Tier 2 Capital is included in line 47.

CONSOLIDATED BALANCE SHEET

LINE	Balance sheet as in Report to Shareholders		Under regulatory scope of consolidation (1)	Cross Reference (2)
	#	Q2 2016	Q2 2016	
(\$ millions except as noted)				
Assets				
Cash and Cash Equivalents	1	36,111	35,946	
Interest Bearing Deposits with Banks	2	7,386	7,354	
Securities	3	138,196	131,622	
Investments in own shares CET1 (if not already netted off paid-in capital on reported balance sheet)	4	-	-	n
Investments in own Additional Tier 1 instruments not derecognized for accounting purposes	5	-	2	n1
Investments in own Tier 2 instruments not derecognized for accounting purposes	6	-	5	q1
Non-significant investments in the capital of other financials below threshold (3)	7	-	15,607	y
Significant investments in deconsolidated subsidiaries and other financial institutions (4)	8	-	1,736	t+x+a1
Significant investments in capital of other financial institutions reflected in regulatory capital				
Amount exceeding the 15% threshold	9	-	-	h1
Significant investment in common stock of financials below threshold	10	-	578	
Goodwill embedded in significant investments	11	-	89	p1
Securities Borrowed or Purchased Under Resale Agreements	12	81,890	81,890	
Loans				
Residential mortgages	13	106,641	106,641	
Consumer installment and other personal	14	63,831	63,831	
Credit cards	15	7,918	7,918	
Business and governments	16	165,192	165,019	
Allowance for credit losses	17	(1,894)	(1,894)	w
Allowance reflected in Tier 2 regulatory capital	18	-	486	
Shortfall of provisions to expected loss	19	-	-	kt
Total net loans and acceptances	20	341,688	341,515	
Other Assets				
Derivative instruments	21	40,585	40,585	
Customers' liability under acceptances	22	12,091	12,091	
Premises and equipment	23	2,230	2,056	
Goodwill	24	6,149	6,149	e
Intangible assets	25	2,178	2,178	g
Current tax assets	26	736	736	
Deferred tax assets (5)	27	3,115	3,118	
Deferred tax assets excluding those arising from temporary differences	28	-	1,542	i
Deferred tax assets arising from temporary differences	29	-	2,565	c1
of which Deferred tax assets arising from temporary differences below the threshold	30	-	2,565	
of which amount exceeding 15% threshold	31	-	-	it
Other	32	9,103	8,543	
Defined-benefit pension fund net assets	33	-	125	l
Mortgage servicing rights	34	-	43	
of which Mortgage servicing rights under the threshold	35	-	43	b1
of which amount exceeding the 15% threshold	36	-	-	j1
Total Assets	37	681,458	673,783	

(1) Balance sheet under regulatory scope does not include the following entities: BMO Life Insurance Company and BMO Reinsurance Limited. BMO Life Insurance Company (\$7,483 million assets and nominal equity) covers the development and marketing of individual and group life, accident and health insurance and annuity products in Canada. BMO Reinsurance Limited (\$192 million assets and nominal equity) covers the reinsurance of life, health and disability insurance risks as well as property & casualty insurance risks, including catastrophe risks. The business reinsured is written by insurers and reinsurers principally in North America and Europe.

(2) Cross Reference to Basel III Regulatory Capital (All-in basis) (page 1).

(3) Includes synthetic holdings of non-significant capital investments in banking, financial and insurance entities.

(4) Under Basel III, significant investments in financial services entities that are outside the scope of regulatory consolidation are deducted from a bank's capital using the corresponding deduction approach (e.g. investments in non-common Tier 1 are deducted from a bank's non-common Tier 1 capital) except that investments in common equity capital of a significant investment which represents less than 10% of the bank's CET1 are risk weighted at 250% and are not deducted provided the sum of such investments, deferred tax assets related to timing differences and mortgage servicing rights are less than 15% of the Bank's CET1. Goodwill embedded in significant investments is separated and is shown in the corresponding line below.

(5) Deferred tax assets and liabilities are presented on the balance sheet net by legal jurisdiction.

LINE	Balance sheet as in Report to Shareholders		Under regulatory scope of consolidation (1)	Cross Reference (2)
	#	Q2 2016	Q2 2016	
(\$ millions except as noted)				
Liabilities and Equity				
Deposits				
Banks	38	35,132	35,132	
Business and governments	39	255,026	255,026	
Individuals	40	154,635	154,635	
Total deposits	41	444,793	444,793	
Other Liabilities				
Derivative instruments	42	45,979	45,741	
Acceptances	43	12,091	12,091	
Securities sold but not yet purchased	44	27,071	27,071	
Non-significant investments in the capital of other financials	45	-	15,364	z
Securities lent or sold under repurchase agreement	46	59,193	59,193	
Current tax liabilities	47	45	45	
Deferred tax liabilities (5)	48	253	253	
related to goodwill	49	-	202	f
related to intangibles	50	-	390	h
related to deferred tax assets excluding those arising from temporary differences	51	-	236	j
related to defined-benefit pension fund net assets	52	-	25	m
related to deferred tax assets arising from temporary differences, excluding those realizable through net operating loss carryback	53	-	391	d1
Other	54	48,358	40,921	
of which: liabilities of subsidiaries, other than deposits	55	-	-	
Less: amount (of liabilities of subsidiaries) phased out	56	-	-	
Liabilities of subsidiaries after phase out	57	-	-	v
Total other liabilities	58	192,990	185,315	
Subordinated Debt				
Subordinated debt	59	4,643	4,643	
Qualifying subordinated debt	60	-	2,023	m1
Non qualifying subordinated debt	61	-	2,620	
of which redemption has been announced (in the last month of the quarter)	62	-	-	
Less: regulatory amortization	63	-	(100)	
Non qualifying subordinated debt subject to phase out	64	-	2,520	
Less: amount phased out	65	-	(182)	
Non qualifying subordinated debt after phase out	66	-	2,338	u
Equity				
Share capital	67	15,610	15,610	
Preferred shares	68	-	-	
Directly issued qualifying Additional Tier 1 instruments	69	-	2,150	o1
Non-qualifying preferred shares for accounting purposes	70	-	-	
Non-qualifying preferred shares subject to phase out	71	-	1,090	
Less amount (of preferred shares) phased out	72	-	-	e1
Non qualifying preferred shares after phase out	73	-	1,090	p
Common shares	74	-	-	
Directly issued qualifying CET1	75	-	12,370	a
Contributed surplus	76	298	298	b
Retained earnings	77	19,806	19,806	c
Accumulated other comprehensive income	78	3,287	3,287	d
of which: Cash flow hedges	79	-	583	k
Other AOCI	80	-	2,704	
Total shareholders' equity	81	39,001	39,001	
Non-controlling interests in subsidiaries	82	31	31	
of which portion allowed for inclusion into Tier 1 capital	83	-	-	
less amount phased out	84	-	-	f1
Other additional Tier 1 issued by subs after phase out	85	-	6	s
Total equity	86	39,032	39,032	
Total Liabilities and Equity	87	681,458	673,783	

SUMMARY COMPARISON OF ACCOUNTING ASSETS VS. LEVERAGE RATIO EXPOSURE MEASURE

(\$ millions except as noted)

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Item	Q2 2016	Q1 2016	Q4 2016	Q3 2016
1 Total consolidated assets as per published financial statements	681,458	699,293	641,881	672,442
2 Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(7,495)	(7,377)	(7,297)	(7,805)
3 Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-	-	-	-
4 Adjustments for derivative financial instruments	(13,329)	(20,295)	(12,892)	(18,727)
5 Adjustment for securities financing transactions (i.e. repo assets and similar secured lending)	5,190	6,140	5,411	3,940
6 Adjustment for off balance-sheet items (i.e. credit equivalent amounts of off-balance sheet exposures)	90,520	95,741	89,161	86,475
7 Other adjustments	(6,107)	(7,324)	(5,297)	(5,081)
8 Leverage Ratio Exposure (transitional basis)	750,237	766,178	710,967	731,244

LEVERAGE RATIO COMMON DISCLOSURE

(\$ millions except as noted)

Leverage ratio framework

Item	Q2 2016	Q1 2016	Q4 2016	Q3 2016
On-balance sheet exposures				
1 On-balance sheet items (excluding derivatives, SFTs and grandfathered securitization exposures but including collateral)	553,632	560,869	530,677	544,557
2 (Asset amounts deducted in determining Basel III transitional Tier 1 capital)	(8,251)	(9,114)	(7,694)	(7,751)
3 Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	545,381	551,755	522,983	536,806
Derivative exposures				
4 Replacement cost associated with all derivative transactions (i.e., net of eligible cash variation margin)	8,880	10,111	7,515	10,546
5 Add-on amounts for PFE associated with all derivative transactions	19,861	20,303	19,466	19,761
6 Gross up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-	-	-	-
7 (Deductions of receivables assets for cash variation margin provided in derivative transactions)	(1,329)	(1,243)	(990)	(669)
8 (Exempted CCP-leg of client cleared trade exposures)	(156)	(232)	(646)	(298)
9 Adjusted effective notional amount of written credit derivatives	952	1,362	2,255	1,343
10 (Adjusted effective notional offsets and add-on deductions for written credit derivatives)	(952)	(1,362)	(2,255)	(1,343)
11 Total derivative exposures (sum of lines 4 to 10)	27,256	28,939	25,345	29,340
Securities financing transaction exposures				
12 Gross SFT assets recognised for accounting purposes (with no recognition of netting), after adjusting for sale accounting transactions	83,476	87,212	71,604	77,693
13 (Netted amounts of cash payables and cash receivables of gross SFT assets)	(1,486)	(3,580)	(3,292)	(2,941)
14 Counterparty credit risk (CCR) exposure for SFT assets	5,090	6,111	5,166	3,871
15 Agent transaction exposures	-	-	-	-
16 Total securities financing transaction exposures (sum of lines 12 to 15)	87,080	89,743	73,478	78,623
Other off-balance sheet exposures				
17 Off-balance sheet exposure at gross notional amount	270,640	284,982	268,646	261,672
18 (Adjustments for conversion to credit equivalent amounts)	(180,120)	(189,241)	(179,485)	(175,197)
19 Off-balance sheet items (sum of lines 17 and 18)	90,520	95,741	89,161	86,475
Capital and Total Exposures - Transitional Basis				
20 Tier 1 capital	30,803	31,988	32,006	30,847
21 Total Exposures (sum of lines 3, 11, 16 and 19)	750,237	766,178	710,967	731,244
Leverage Ratios - Transitional Basis				
22 Basel III leverage ratio	4.1%	4.2%	4.5%	4.2%
All-in basis (Required by OSFI)				
23 Tier 1 capital – All-in basis	29,223	30,252	29,416	28,190
24 (Regulatory adjustments)	(10,150)	(11,452)	(10,696)	(10,783)
25 Total Exposures (sum of lines 21 and 24, less the amount reported in line 2) – All-in basis	748,338	763,840	707,965	728,212
26 Leverage ratio – All-in basis	3.9%	4.0%	4.2%	3.9%

RECONCILIATION OF RETAIL AND WHOLESALE DRAWN BALANCES TO BALANCE SHEET

(\$ millions except as noted)

Description	LINE #	Q2 2016						
		AIRB Credit Risk			Standardized Credit Risk	Total Credit Risk	Trading Book and other (1)	Balance Sheet
		Retail (2)	Wholesale (2)	Repo				
Cash and due from Banks	1	-	40,478	-	48	40,526	2,971	43,497
Securities	2	-	55,544	-	60	55,604	82,592	138,196
Assets Purchased under REPO	3	-	-	44,594	-	44,594	37,296	81,890
Loans	4	107,248	189,117	-	30,189	326,554	15,134	341,688
Customer Liability Under Acceptance	5	-	12,091	-	-	12,091	-	12,091
Derivatives	6	-	-	-	-	-	40,585	40,585
Other	7	-	5,633	-	1,023	6,656	16,855	23,511
	8	107,248	302,863	44,594	31,320	486,025	195,433	681,458

RECONCILIATION OF TOTAL CREDIT RISK TO BALANCE SHEET

(\$ millions except as noted)

		Q2 2016		
		Total Credit Risk (2)	Trading Book and other	Balance Sheet
Cash and due from Banks	9	40,526	2,971	43,497
Securities	10	55,604	82,592	138,196
Assets Purchased under REPO	11	44,594	37,296	81,890
Loans	12	326,554	15,134	341,688
Customer Liability Under Acceptance	13	12,091	-	12,091
Derivatives	14	-	40,585	40,585
Other	15	6,656	16,855	23,511
Total on balance sheet	16	486,025	195,433	681,458
Undrawn Commitments	17	116,968		
Other Off Balance Sheet	18	17,266		
Off Balance Sheet Derivatives	19	50		
Off Balance Sheet Repo	20	44,200		
Total Off Balance Sheet	21	178,484		
Total Credit Risk	22	664,509		

(1) Includes trading book assets, securitized assets and other assets such as non significant investments, goodwill, deferred tax assets and intangibles.

(2) Figures are adjusted exposures at default amounts (Post Credit Risk Mitigation).

RISK-WEIGHTED ASSETS (RWA)

LINE #	Basel III Q2 2016						Basel III								
	Exposure at Default (EAD)			RWA			Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	
	Standardized approach	Advanced approach	Total	Standardized approach	Advanced approach	Total	RWA	RWA	RWA	RWA	RWA	RWA	RWA	RWA	
(\$ millions except as noted)															
Credit Risk															
Wholesale															
Corporate including specialized lending	1	22,365	224,929	247,294	22,394	76,370	98,764	106,399	91,489	91,458	85,757	88,895	81,340	80,777	81,037
Corporate small and medium enterprises (SMEs)	2	-	64,303	64,303	-	33,731	33,731	33,834	31,954	30,743	30,921	32,794	33,644	35,730	37,427
Sovereign	3	123	93,908	94,031	68	1,720	1,788	1,822	1,765	1,866	1,749	1,818	1,612	1,270	1,510
Bank	4	375	41,052	41,427	373	4,082	4,455	3,940	3,902	4,407	4,352	4,442	4,186	4,285	4,798
Retail															
Residential mortgages excluding home equity line of credits (HELOCs)	5	2,829	105,140	107,969	1,410	6,767	8,177	8,706	8,427	8,275	8,193	8,240	7,618	8,127	8,607
HELOCs	6	474	43,223	43,697	338	7,310	7,648	8,374	7,889	7,017	7,119	6,946	6,541	6,603	6,841
Qualifying revolving retail (QRR)	7	-	31,928	31,928	-	4,571	4,571	4,660	4,569	4,232	4,233	3,977	4,000	3,925	4,033
Other retail (excl. SMEs)	8	2,269	20,761	23,030	1,421	9,458	10,879	11,221	11,053	11,090	10,693	10,390	9,826	11,778	12,759
Retail SMEs	9	6,814	4,016	10,830	5,196	2,240	7,436	7,195	1,968	1,927	1,895	1,676	1,604	1,606	1,628
Equity	10	-	2,010	2,010	-	1,325	1,325	1,331	1,369	1,332	1,440	1,490	1,362	1,305	1,456
Trading book	11	232	157,518	157,750	232	9,522	9,754	9,436	8,415	9,763	9,198	10,556	7,359	6,877	8,477
Securitization	12	-	28,470	28,470	-	2,362	2,362	2,549	2,456	2,463	2,526	3,087	3,098	2,247	3,155
Other credit risk assets - non-counterparty managed assets	13	-	21,476	21,476	-	16,291	16,291	16,902	16,255	16,870	16,183	15,532	14,946	15,190	16,046
Scaling factor for credit risk assets under AIRB (2)	14	-	-	-	-	9,319	9,319	9,628	8,874	8,830	8,530	8,774	8,251	8,437	8,738
Total Credit Risk	15	35,481	838,734	874,215	31,432	185,068	216,500	225,997	200,385	200,273	192,789	198,617	185,387	188,157	196,512
Market Risk (3)	16	-	-	-	1,200	8,965	10,165	9,519	10,262	11,414	10,435	11,030	9,002	10,372	11,431
Operational Risk (4)	17	-	-	-	4,869	24,650	29,519	29,527	28,538	28,247	28,019	27,882	27,703	27,432	26,831
Common Equity Tier 1 (CET 1) Capital Risk-Weighted Assets (5) (6)	18	35,481	838,734	874,215	37,501	218,683	256,184	265,043	239,185	239,934	231,243	237,529	222,092	225,961	234,774
Additional CVA adjustment, prescribed by OSFI, for Tier 1 Capital (7)	19	-	-	-	-	369	369	338	286	331	341	411	336	328	-
Tier 1 Capital Risk-Weighted Assets	20	-	-	-	37,501	219,052	256,553	265,381	239,471	240,265	231,584	237,940	222,428	226,289	234,774
Additional CVA adjustment, prescribed by OSFI, for Total Capital (7)	21	-	-	-	-	316	290	290	245	284	292	352	503	493	-
Total Capital Risk Weighted Assets (RWA)	22	-	-	-	37,501	219,368	256,869	265,671	239,716	240,549	231,876	238,292	222,931	226,782	234,774

RWA CVA PHASE-IN CALCULATION (7)	LINE #	Q2 2016				
		CVA (A)	OSFI Scalars (B)	Total RWA Before CVA phase-in (C)	CVA phase-in Adjustments (D)=A*(100%-B)	RWA Net CVA phase-in (E)=C-D
Common Equity Tier 1 (CET 1) Capital RWA	23	5,275	64%	258,083	1,899	256,184
Tier 1 Capital RWA	24	5,275	71%	258,083	1,530	256,553
Total Capital RWA	25	5,275	77%	258,083	1,214	256,869

TRANSITIONAL CAPITAL DISCLOSURE	2016 Q2	2016 Q1	2015 Q4	2015 Q3
Transitional Basis - Basel III (8)				
Common Equity Tier 1 capital (CET1)	26	29,699	31,115	31,629
Tier 1 capital (T1 = CET1 + AT1)	27	30,803	31,988	32,005
Total capital (TC = T1 + T2)	28	36,359	37,648	37,204
Total risk-weighted assets (5)	29	267,218	272,758	258,800
Common Equity Tier 1 ratio (as percentage of risk weighted assets)	30	11.1%	11.4%	12.2%
Tier 1 ratio (as percentage of risk weighted assets)	31	11.5%	11.7%	12.3%
Total capital ratio (as percentage of risk weighted assets)	32	13.6%	13.8%	14.4%

CAPITAL RATIOS FOR SIGNIFICANT BANK SUBSIDIARIES	LINE #	2016 Q2	2016 Q1	2015 Q4	2015 Q3
Bank of Montreal Mortgage Corporation - Basel III					
Transitional Basis - Basel III (8)					
Common Equity Tier 1 ratio	33	18.4%	17.9%	16.9%	20.9%
Tier 1 ratio	34	18.4%	17.9%	16.9%	20.9%
Total capital ratio	35	18.9%	18.4%	17.4%	21.5%
All-in Basis - Basel III (1)					
Common Equity Tier 1 ratio	36	18.4%	17.8%	16.8%	20.8%
Tier 1 ratio	37	18.4%	17.8%	16.8%	20.8%
Total capital ratio	38	18.9%	18.4%	17.4%	21.5%
BMO Harris Bank N.A. - Basel I (9)					
Tier 1 ratio	39	13.6%	13.8%	15.7%	15.8%
Total capital ratio	40	14.5%	14.8%	16.8%	17.0%

(1) "All-in" capital ratios assume that all Basel III regulatory adjustments are applied effective January 1, 2013 and that the capital value of instruments which no longer qualify as regulatory capital under Basel III rules will be phased out at a rate of 10% per year from January 1, 2013, continuing to January 1, 2022. OSFI required all institutions to have attained an "all-in" target Common Equity Tier 1 ratio of 7% by the first quarter of 2013, and "all-in" target Tier 1 and Total Capital ratios of 8.5% and 10.5%, respectively, by Q1/14.

(2) The scaling factor is applied to the risk-weighted asset amounts for credit risk under the AIRB approach.

(3) Standardized market risk is comprised of interest rate issuer risk.

(4) BMO uses the Advanced Measurement Approach (AMA), a risk sensitive model, along with the Standardized Approach under OSFI rules, to determine capital requirements for operational risk.

(5) Under OSFI's Capital Adequacy Requirements (CAR) Guideline, which governs advanced approaches, the bank calculates a transitional Capital Floor based on Basel I and may be required to increase its risk weighted assets if the Capital Floor or any other minimum Basel III transitional requirements apply. The Capital Floor did not apply in any quarter shown above on an "all-in" basis but did apply to transitional RWA in certain prior quarters.

(6) In calculating the AIRB credit risk RWA for certain portfolios in BMO Financial Corp, a transitional floor based on the Standardized approach was applied until Q3 2015.

(7) Commencing Q1/14, a new CVA regulatory capital charge has been applied to derivatives. For Q3/14, OSFI introduced a new three tier capital approach with different scalars for each tier. See above for calculation and scalars percentages. CET1 CVA phase-in factors are 57% in 2014, 64% in 2015 and 64% in 2016.

(8) Transitional capital ratios assume that all Basel III regulatory capital adjustments are phased in from January 1, 2014 to January 1, 2018 and that the capital value of instruments which no longer qualify as regulatory capital under Basel III rules will be phased out at a rate of 10% per year from January 1, 2013 and continuing to January 1, 2022.

(9) Calculated using Basel I guidelines currently in effect for U.S. regulatory purposes and based on Harris N.A.'s calendar quarter-ends.

COMMON EQUITY TIER 1 (CET 1) CAPITAL RISK-WEIGHTED ASSETS BY OPERATING GROUPS

(\$ millions except as noted)	LINE #	2016 Q2	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1
Personal and Commercial Banking	1	162,003	170,113	148,942	146,636	141,320	144,278
Wealth Management	2	15,680	16,115	15,620	15,081	14,510	14,230
BMO Capital Markets	3	67,885	68,733	65,311	68,420	61,504	63,135
Corporate Services, including Technology and Operations	4	10,616	10,082	9,312	9,797	13,909	15,886
Total Common Equity Tier 1 Capital Risk-Weighted Assets	5	256,184	265,043	239,185	239,934	231,243	237,529

FLOW STATEMENT OF REGULATORY CAPITAL

(\$ millions except as noted)		2016 Q2	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1
Common Equity Tier 1 Capital							
Opening Balance	6	26,766	25,628	25,002	23,640	23,942	22,421
New capital issues	7	18	39	17	4	15	73
Redeemed capital	8	-	-	-	(149)	(229)	(240)
Gross dividends (deduction)	9	(576)	(581)	(557)	(550)	(546)	(551)
Profit for the quarter (attributable to shareholders of the parent company)	10	973	1,060	1,206	1,185	993	986
Removal of own credit spread (net of tax)	11	258	(126)	(83)	(69)	20	(83)
Movements in other comprehensive income							
– Currency Translation Differences	12	(2,448)	1,499	(93)	1,517	(1,025)	2,306
– Available-for-sale securities	13	82	(23)	(166)	(21)	(28)	(16)
– Other (1)	14	(349)	(85)	181	152	110	(123)
Goodwill and other intangible assets (deduction, net of related tax liability)	15	710	(782)	10	(502)	320	(706)
Other, including regulatory adjustments and transitional arrangements							
– Deferred tax assets that rely on future profitability (excluding those arising from temporary differences)	16	233	(32)	161	(89)	179	(229)
– Prudential Valuation Adjustments (2)	17	(36)	-	(32)	12	-	(7)
– Other (3)	18	111	169	(18)	(128)	(111)	111
Closing Balance	19	25,742	26,766	25,628	25,002	23,640	23,942
Other non-core Tier 1 (Additional Tier 1) Capital							
Opening Balance	20	3,486	3,788	3,188	2,839	3,188	4,181
New 'non-core' tier 1 (Additional Tier 1) eligible capital issues	21	-	-	600	350	-	-
Redeemed capital	22	-	(450)	-	-	(350)	(995)
Other, including regulatory adjustments and transitional arrangements (4)	23	(5)	148	-	(1)	1	2
Closing Balance	24	3,481	3,486	3,788	3,188	2,839	3,188
Total Tier 1 Capital	25	29,223	30,252	29,416	28,190	26,479	27,130
Tier 2 Capital							
Opening Balance	26	5,639	5,168	4,878	4,842	4,792	5,325
New Tier 2 eligible capital issues	27	-	1,000	-	-	-	-
Redeemed capital	28	(700)	-	-	-	(500)	-
Amortization adjustments	29	-	-	-	-	-	-
Other, including regulatory adjustments and transitional arrangements (5)	30	595	(529)	290	36	550	(533)
Closing Balance	31	5,534	5,639	5,168	4,878	4,842	4,792
Total Regulatory Capital	32	34,757	35,891	34,584	33,068	31,321	31,922

(1) Includes: AOCI on pension and other post-employment benefits and on own credit risk financial liabilities designated at fair value.

(2) Valuation adjustment for illiquid positions is now deducted from CET1 capital and was previously deducted from Tier 1 capital.

(3) Includes: Expected Loss in excess of allowances, defined benefit pension assets (net of related deferred tax liability) deductions, changes in contributed surplus and threshold deductions.

(4) Includes: Corresponding deductions from Additional Tier 1 Capital and transitional arrangements (phased-out amount).

(5) Includes: Eligible allowances, transitional arrangements (phased-out amount) and corresponding deductions from Tier 2 Capital.

CREDIT RISK RISK-WEIGHTED ASSETS (RWA) MOVEMENT BY KEY DRIVERS

LINE #	2016 Q2		2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1
	Credit Risk	Of which counterparty credit risk (5)	Credit Risk	Credit Risk	Credit Risk	Credit Risk	Credit Risk
(\$ millions except as noted)							
Opening Credit RWA, beginning of quarter	1	225,997	11,255	200,385	200,273	192,789	185,387
Book size (1)	2	4,753	1,064	5,753	1,493	4,596	4,826
Book quality (2)	3	1,636	31	803	(5,470)	(1,191)	(758)
Model Updates (3)	4	(1,198)	-	168	611	-	(242)
Methodology and Policy (4)	5	(177)	-	(303)	3,521	(4,977)	(4,163)
Acquisitions and disposals	6	-	-	10,605	-	-	-
Foreign exchange movements	7	(14,511)	(983)	8,586	(43)	9,056	13,567
Other	8	-	-	-	-	-	-
Closing Credit RWA, end of quarter	9	216,500	11,367	225,997	200,385	192,789	198,617

(1) Book size includes organic changes in book size and composition (including new business and maturing loans).

(2) Book quality captures the quality of book changes caused by experience such as underlying customer behaviour or demographics, including changes through model calibrations/realignments.

(3) Model updates includes model implementation, change in model scope or any change to address model malfunctions.

(4) Methodology and policy includes methodology changes to the calculations driven by regulatory policy changes, such as new regulation.

(5) Counterparty credit risk includes RWA for derivatives, repo-style transactions, trades cleared through central counterparties and CVA adjustment.

MARKET RISK RISK-WEIGHTED ASSETS (RWA) MOVEMENT BY KEY DRIVERS

LINE #	2016 Q2	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1
	(\$ millions except as noted)					
Market Risk RWA, beginning of quarter	10	9,519	10,262	11,414	10,435	9,002
Movement in risk levels (1)	11	825	(570)	697	1,163	898
Model updates (2)	12	-	-	-	(184)	1,130
Methodology and policy (3)	13	(179)	(173)	(1,849)	-	-
Acquisition and disposals	14	-	-	-	-	-
Foreign exchange movement and others	15	-	-	-	-	-
Market Risk RWA, end of quarter	16	10,165	9,519	10,262	11,414	11,030

(1) Movement in risks levels includes changes in exposures and market movements.

(2) Model updates includes updates to the model to reflect recent experience, change in model scope.

(3) Methodology and policy includes changes to the calculations driven by regulatory guidance and/or policy changes.

EQUITY SECURITIES EXPOSURE AMOUNT

(\$ millions except as noted)

LINE #	2016		2016		2015		2015	
	Q2	Q1	Q4	Q3	Q2	Q1	Q2	Q1
Equity investments used for capital gains (Merchant Banking)	1	459	440	436	430	567	559	
Equity investments used for mutual fund seed capital	2	27	21	34	27	26	22	
Equity used for other (including strategic investments)	3	1,524	1,509	1,495	1,471	1,447	1,543	
Total Equity Exposure	4	2,010	1,970	1,965	1,928	2,040	2,124	

EQUITY INVESTMENT SECURITIES (1)

(\$ millions except as noted)

	LINE #	Q2 2016			Q1 2016			Q4 2015			Q3 2015		
		Book Value	Market Value	Unrealized Gain (Loss)	Book Value	Market Value	Unrealized Gain (Loss)	Book Value	Market Value	Unrealized Gain (Loss)	Book Value	Market Value	Unrealized Gain (Loss)
Grandfathered													
Public	5	4	4	-	4	4	-	12	12	-	27	27	-
Private													
Direct funds	6	112	112	-	108	108	-	110	110	-	132	132	-
Indirect funds	7	41	41	-	53	53	-	54	54	-	58	58	-
Total Grandfathered	8	157	157	-	165	165	-	176	176	-	217	217	-
Non-grandfathered													
Public	9	49	49	-	52	52	-	57	57	-	46	46	-
Private													
Direct funds	10	225	225	-	222	222	-	221	221	-	205	205	-
Indirect funds	11	352	352	-	345	345	-	339	339	-	339	339	-
Other	12	1,227	1,015	(212)	1,186	967	(219)	1,172	981	(191)	1,121	942	(179)
Total Non-grandfathered	13	1,853	1,641	(212)	1,805	1,586	(219)	1,789	1,598	(191)	1,711	1,532	(179)
Total Equities	14	2,010	1,798	(212)	1,970	1,751	(219)	1,965	1,774	(191)	1,928	1,749	(179)
Total realized gains or losses arising from sales or liquidations in the reporting period	15			(1)			37			(2)			3

(1) The schedule consists of corporate equity securities in the banking book only. Excluded are investments in deconsolidated subsidiaries and substantial investments, which are deducted (voluntarily in the case of merchant banking specialized financing entity investments) from capital for regulatory capital calculation purposes.

EXPOSURE COVERED BY CREDIT RISK MITIGATION (1)

(\$ millions except as noted)

LINE #	Q2 2016				Q1 2016				Q4 2015				
	Standardized		AIRB		Standardized		AIRB		Standardized		AIRB		
	Gross Exposure (2)	Exposure Amount Covered By Guarantees Or Credit Derivatives	Adjusted EAD	Exposure Amount Covered By Guarantees Or Credit Derivatives	Gross Exposure (2)	Exposure Amount Covered By Guarantees Or Credit Derivatives	Adjusted EAD	Exposure Amount Covered By Guarantees Or Credit Derivatives	Gross Exposure (2)	Exposure Amount Covered By Guarantees Or Credit Derivatives	Adjusted EAD	Exposure Amount Covered By Guarantees Or Credit Derivatives	
Corporate (incl specialized lending and SMEs treated as corporate)	1	22,365	-	290,477	25,691	25,534	-	325,744	28,370	19,583	-	283,376	25,814
Sovereign	2	123	-	150,066	56,428	146	-	135,238	55,901	172	-	130,407	55,368
Bank	3	375	-	41,645	1,699	410	-	39,356	1,837	344	-	35,588	1,948
Total Corporate, Sovereign and Bank	4	22,863	-	482,188	83,818	26,090	-	500,338	86,108	20,099	-	449,371	83,120
Residential mortgages excluding home equity line of credits (HELOCs)	5	2,829	45	47,144	-	3,499	51	47,760	-	3,425	48	47,882	-
HELOCs	6	474	-	43,223	-	571	-	43,676	-	592	-	42,665	-
Other retail excl. SMEs and QRR	7	2,269	511	20,761	-	2,554	498	21,174	-	2,557	467	20,638	-
Qualifying revolving retail	8	-	-	31,928	-	-	-	32,356	-	-	-	32,109	-
Retail SMEs	9	6,814	-	4,016	-	7,462	-	2,724	-	277	-	2,890	-
Total Retail	10	12,386	556	147,072	-	14,086	549	147,690	-	6,851	515	146,184	-
Total Bank Banking Book Portfolios	11	35,249	556	629,260	83,818	40,176	549	648,028	86,108	26,950	515	595,555	83,120

(1) Credit risk mitigants herein include only credit derivatives and guarantees. Includes \$58 billion NHA or other mortgage insurance guarantees.

Commercial collateral is reflected in the risk parameters (PDs, LGDs) for AIRB exposures and risk weights for exposures under the Standardized approach. None of the Standardized exposures have eligible financial collateral.

(2) Gross exposure means gross of all allowances for credit loss.

CREDIT RISK EXPOSURE BY GEOGRAPHIC REGION (3)

(\$ millions except as noted)

	LINE #	Q2 2016				Q1 2016				Q4 2015			
		Canada	U.S.	Other	Total	Canada	U.S.	Other	Total	Canada	U.S.	Other	Total
Corporate (incl specialized lending and SMEs treated as corporate)	12	144,733	157,582	9,282	311,597	165,139	173,723	11,237	350,099	145,152	148,043	9,322	302,517
Sovereign	13	45,854	44,108	4,069	94,031	25,364	50,503	3,876	79,743	22,057	49,547	3,892	75,496
Bank	14	10,038	15,207	16,182	41,427	9,339	14,205	15,645	39,189	8,422	11,164	15,722	35,308
Total Corporate, Sovereign and Bank	15	200,625	216,897	29,533	447,055	199,842	238,431	30,758	469,031	175,631	208,754	28,936	413,321
Residential mortgages excluding home equity line of credits (HELOCs)	16	98,001	9,968	-	107,969	97,153	11,503	-	108,656	96,586	10,870	-	107,456
HELOCs	17	35,227	8,470	-	43,697	34,790	9,457	-	44,247	34,476	8,781	-	43,257
Other retail excl. SMEs and QRR	18	16,402	6,419	209	23,030	16,277	7,239	212	23,728	16,398	6,590	207	23,195
Qualifying revolving retail	19	31,858	70	-	31,928	32,283	73	-	32,356	32,041	68	-	32,109
Retail SMEs	20	4,047	6,783	-	10,830	2,766	7,420	-	10,186	2,412	755	-	3,167
Total Retail	21	185,535	31,710	209	217,454	183,269	35,692	212	219,173	181,913	27,064	207	209,184
Total Bank	22	386,160	248,607	29,742	664,509	383,111	274,123	30,970	688,204	357,544	235,818	29,143	622,505

CREDIT RISK EXPOSURE BY INDUSTRY (3)

(\$ millions except as noted)

	LINE #	Q2 2016					Q1 2016					Q4 2015 Total	Q3 2015 Total
		Drawn	Commitments (Undrawn) (4)	OTCs	Other Off Balance Sheet Items	Repo Style Transactions	Total	Drawn	Commitments (Undrawn) (4)	OTCs	Other Off Balance Sheet Items		
Agriculture	23	10,060	2,029	-	18	-	12,107	10,446	1,955	-	22	12,423	11,747
Communications	24	771	904	-	271	-	1,946	889	1,131	-	274	2,126	2,154
Construction	25	3,643	2,874	-	1,024	-	7,541	3,589	3,618	-	1,096	8,303	7,862
Financial (5)	26	90,239	18,914	24	3,312	84,961	197,450	87,665	21,509	8	3,271	193,594	158,843
Government	27	37,522	2,067	-	811	3,833	44,233	45,639	2,147	-	891	53,459	52,050
Manufacturing	28	17,382	11,798	23	1,259	-	30,462	17,263	15,569	23	1,304	34,159	30,504
Mining	29	1,625	2,521	-	853	-	4,999	1,858	2,980	-	866	5,704	4,649
Other (6)	30	7,054	91	-	1,053	-	8,198	7,873	116	-	1,165	9,154	8,805
Real estate	31	23,119	5,594	-	794	-	29,507	22,345	6,745	-	823	29,913	27,780
Retail trade	32	16,806	3,795	-	430	-	21,031	17,053	5,094	-	524	22,671	18,424
Service industries	33	30,188	9,355	2	2,908	-	42,453	31,652	11,443	2	2,937	46,034	39,559
Transportation	34	5,402	1,707	-	828	-	7,937	5,947	1,861	1	897	8,706	6,407
Utilities	35	3,052	3,896	-	1,982	-	8,930	3,059	4,533	-	2,045	9,637	8,244
Wholesale trade	36	9,381	4,451	1	354	-	14,187	9,546	5,540	-	376	15,462	14,113
Individual (6)	37	177,415	39,789	-	158	-	217,362	178,861	40,017	-	153	219,031	209,146
Oil and Gas	38	7,094	6,784	-	1,137	-	15,015	7,184	8,238	-	906	16,328	15,240
Forest products	39	678	399	-	74	-	1,151	757	493	-	82	1,332	1,469
Total	40	441,431	116,968	50	17,266	88,794	664,509	451,626	132,989	34	17,632	688,204	622,505

(3) Credit exposure excluding Equity, Securitization, Trading Book and other.

(4) This includes credit exposures on committed undrawn amounts of loans, derived as estimated drawdown under the Advanced Internal Rating Based approach or by application of Credit Conversion Factors under the Standardized approach.

(5) Includes \$40.1 billion of deposits with Financial Institutions as at April 30, 2016 (\$43.6 billion as at January 31 2016, \$43.6 billion as at October 31, 2015, and \$53.0 billion as at July 31, 2015).

(6) Prior period numbers have been restated to conform with the current period's presentation.

CREDIT RISK EXPOSURE BY MAJOR ASSET CLASS (1)

(\$ millions except as noted)

LINE #	Q2 2016						Q1 2016						Q4 2015	Q3 2015	
	Drawn	Commitments (Undrawn)	OTCs	Other Off Balance Sheet Items	Repo Style Transactions	Total	Drawn	Commitments (Undrawn)	OTCs	Other Off Balance Sheet Items	Repo Style Transactions	Total	Total	Total	
Basel III Asset Classes															
Corporate (incl specialized lending and SMEs treated as corporate)	1	166,881	70,514	50	14,518	59,634	311,597	182,675	85,528	34	14,722	67,140	350,099	302,517	300,665
Sovereign	2	72,658	2,442	-	1,567	17,364	94,031	65,882	2,732	-	1,674	9,455	79,743	75,496	86,950
Bank	3	24,382	4,225	-	1,024	11,796	41,427	24,064	4,714	-	1,083	9,328	39,189	35,308	41,763
Total Corporate, Sovereign and Bank Exposure	4	263,921	77,181	50	17,109	88,794	447,055	272,621	92,974	34	17,479	85,923	469,031	413,321	429,378
Residential mortgages excluding home equity line of credits (HELOCs)	5	107,742	107	-	120	-	107,969	108,405	115	-	136	-	108,656	107,456	99,469
HELOCs	6	32,662	11,035	-	-	-	43,697	33,027	11,219	-	1	-	44,247	43,257	44,106
Other retail excl. SMEs and QRR	7	21,244	1,786	-	-	-	23,030	21,978	1,750	-	-	-	23,728	23,195	23,521
Qualifying revolving retail	8	6,859	25,069	-	-	-	31,928	6,922	25,434	-	-	-	32,356	32,109	31,946
Retail SMEs	9	9,003	1,790	-	37	-	10,830	8,673	1,497	-	16	-	10,186	3,167	3,236
Total Retail Exposures	10	177,510	39,787	-	157	-	217,454	179,005	40,015	-	153	-	219,173	209,184	202,278
Total Gross Credit Exposures	11	441,431	116,968	50	17,266	88,794	664,509	451,626	132,989	34	17,632	85,923	688,204	622,505	631,656

CREDIT RISK BY RESIDUAL CONTRACT MATURITY BREAKDOWN

(\$ millions except as noted)

LINE #	Q2 2016						Q1 2016						Q4 2015	Q3 2015	
	Drawn	Commitments (Undrawn)	OTCs	Other Off Balance Sheet Items	Repo Style Transactions	Total	Drawn	Commitments (Undrawn)	OTCs	Other Off Balance Sheet Items	Repo Style Transactions	Total	Total	Total	
Up to 1 year	12	171,490	67,495	29	10,583	88,794	338,391	175,035	74,875	25	10,407	85,923	346,265	302,650	331,523
1 to 5 years	13	220,994	44,861	20	6,532	-	272,407	224,427	53,360	8	7,055	-	284,850	265,519	246,752
Greater than 5 years	14	48,947	4,612	1	151	-	53,711	52,164	4,754	1	170	-	57,089	54,336	53,381
Total	15	441,431	116,968	50	17,266	88,794	664,509	451,626	132,989	34	17,632	85,923	688,204	622,505	631,656

PORTFOLIO BREAKDOWN BY BASEL APPROACHES

(\$ millions except as noted)

LINE #	Q2 2016				Q1 2016				Q4 2015				
	Standardized		AIRB		Standardized		AIRB		Standardized		AIRB		
	Drawn	Credit Equivalent Amount on Undrawn	Drawn	Credit Equivalent Amount on Undrawn	Drawn	Credit Equivalent Amount on Undrawn	Drawn	Credit Equivalent Amount on Undrawn	Drawn	Credit Equivalent Amount on Undrawn	Drawn	Credit Equivalent Amount on Undrawn	
Corporate (incl specialized lending and SMEs treated as corporate)	16	18,694	2,813	148,187	67,701	21,510	3,278	161,165	82,250	15,834	2,915	148,973	76,679
Sovereign	17	75	47	72,583	2,395	83	61	65,799	2,671	70	101	64,875	2,409
Bank	18	284	71	24,098	4,154	353	38	23,711	4,676	291	34	24,162	3,820
Total Corporate, Sovereign & Bank	19	19,053	2,931	244,868	74,250	21,946	3,377	250,675	89,597	16,195	3,050	238,010	82,908
Residential mortgages excluding home equity line of credits (HELOCs)	20	2,709	-	105,033	107	3,362	-	105,043	115	3,293	-	103,926	105
HELOCs	21	474	-	32,188	11,035	571	-	32,456	11,219	592	-	32,133	10,532
Other retail excl. SMEs and QRR	22	2,269	-	18,975	1,786	2,554	-	19,424	1,750	2,557	-	19,022	1,616
Qualifying revolving retail	23	-	-	6,859	25,069	-	-	6,922	25,434	-	-	7,209	24,900
Retail SMEs	24	6,815	-	2,188	1,790	7,463	-	1,210	1,497	276	-	1,356	1,518
Total Retail	25	12,267	-	165,243	39,787	13,950	-	165,055	40,015	6,718	-	163,646	38,671
Total Bank	26	31,320	2,931	410,111	114,037	35,896	3,377	415,730	129,612	22,913	3,050	401,656	121,579

(1) Credit exposure excluding Equity, Securitization, Trading Book and other.

CREDIT EXPOSURE OF PORTFOLIOS UNDER STANDARDIZED APPROACH BY RISK WEIGHT (1) (2)

(\$ millions)

Risk Weights	LINE #	Q2 2016								Total
		0%	20%	35%	50%	75%	100%	150%		
Total Wholesale portfolios										
Corporate (incl SMEs treated as Corporate)	1	-	97	-	45	-	21,804	365	-	22,311
Sovereign	2	-	-	-	113	-	5	5	-	123
Bank	3	-	-	-	5	-	369	1	-	375
Total Wholesale portfolios	4	-	97	-	163	-	22,178	371	-	22,809
Total Retail portfolios										
Retail residential mortgages (including HELOCs)	5	-	45	1,539	-	1,457	108	-	-	3,149
Other retail	6	407	104	-	-	1,599	-	134	-	2,244
SME treated as retail	7	-	-	-	-	6,701	-	113	-	6,814
Total Retail portfolios	8	407	149	1,539	-	9,757	108	247	-	12,207
Total	9	407	246	1,539	163	9,757	22,286	618	-	35,016

Risk Weights	LINE #	Q1 2016								Total
		0%	20%	35%	50%	75%	100%	150%		
Total Wholesale portfolios										
Corporate (incl SMEs treated as Corporate)	10	-	103	-	52	-	24,390	485	-	25,030
Sovereign	11	-	-	-	136	-	4	5	-	145
Bank	12	-	-	-	7	-	401	1	-	409
Total Wholesale portfolios	13	-	103	-	195	-	24,795	491	-	25,584
Total Retail portfolios										
Retail residential mortgages (including HELOCs)	14	-	51	1,851	-	1,713	117	-	-	3,732
Other retail	15	394	104	-	-	1,755	-	155	-	2,408
SME treated as retail	16	-	-	-	-	7,365	28	70	-	7,463
Total Retail portfolios	17	394	155	1,851	-	10,833	145	225	-	13,603
Total	18	394	258	1,851	195	10,833	24,940	716	-	39,187

Risk Weights	LINE #	Q4 2015								Total
		0%	20%	35%	50%	75%	100%	150%		
Total Wholesale portfolios										
Corporate (incl SMEs treated as Corporate)	19	-	113	-	73	-	18,505	464	-	19,155
Sovereign	20	-	-	-	162	-	4	6	-	172
Bank	21	-	-	-	7	-	336	1	-	344
Total Wholesale portfolios	22	-	113	-	242	-	18,845	471	-	19,671
Total Retail portfolios										
Retail residential mortgages (including HELOCs)	23	-	48	1,972	-	1,616	244	-	-	3,880
Other retail	24	364	103	-	-	1,841	-	148	-	2,456
SME treated as retail	25	-	-	-	-	273	-	4	-	277
Total Retail portfolios	26	364	151	1,972	-	3,730	244	152	-	6,613
Total	27	364	264	1,972	242	3,730	19,089	623	-	26,284

Risk Weights	LINE #	Q3 2015								Total
		0%	20%	35%	50%	75%	100%	150%		
Total Wholesale portfolios										
Corporate (incl SMEs treated as Corporate)	28	-	189	-	68	-	17,769	433	-	18,459
Sovereign	29	-	18	-	140	-	2	-	-	160
Bank	30	-	-	-	8	-	332	5	-	345
Total Wholesale portfolios	31	-	207	-	216	-	18,103	438	-	18,964
Total Retail portfolios										
Retail residential mortgages (including HELOCs)	32	-	49	2,127	-	1,739	472	-	-	4,387
Other retail	33	373	102	-	-	1,851	226	382	-	2,934
SME treated as retail	34	-	-	-	-	280	-	11	-	291
Total Retail portfolios	35	373	151	2,127	-	3,870	698	393	-	7,612
Total	36	373	358	2,127	216	3,870	18,801	831	-	26,576

Risk Weights	LINE #	Q2 2015								Total
		0%	20%	35%	50%	75%	100%	150%		
Total Wholesale portfolios										
Corporate (incl SMEs treated as Corporate)	37	-	182	-	64	-	16,714	458	-	17,418
Sovereign	38	-	-	-	129	-	26	-	-	155
Bank	39	-	-	-	8	-	360	1	-	369
Total Wholesale portfolios	40	-	182	-	201	-	17,100	459	-	17,942
Total Retail portfolios										
Retail residential mortgages (including HELOCs)	41	-	49	2,013	-	1,534	467	-	-	4,063
Other retail	42	387	108	-	-	1,749	227	367	-	2,838
SME treated as retail	43	-	-	-	-	275	-	13	-	288
Total Retail portfolios	44	387	157	2,013	-	3,558	694	380	-	7,189
Total	45	387	339	2,013	201	3,558	17,794	839	-	25,131

(1) Exposure amounts are net of all allowances for credit losses. Exposures reflect the risk weights of the guarantors, where applicable.

(2) Credit assessments by external credit rating agencies, including S&P and Moody's, are used to determine standardized risk weights based on guidelines issued by OSFI.

CORPORATE, SOVEREIGN AND BANK CREDIT EXPOSURE BY RISK CATEGORY UNDER AIRB APPROACH (1)

Corporate Sovereign Bank Exposures

Risk Profile	LINE #	Q2 2016					Q1 2016					Q4 2015					Q3 2015				
		Total		Total Exposure	Total		Total		Total Exposure	Total		Total		Total		Total		Total Exposure	Total		
		Drawn	Undrawn		Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	Drawn	Undrawn		Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	Drawn	Undrawn	Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	Drawn	Undrawn		Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	
Total investment grade	1	235,332	53,732	289,064	23.27%	15.51%	241,773	64,136	305,909	20.75%	15.27%	232,919	59,875	292,794	20.11%	14.81%	234,910	58,823	293,733	19.78%	15.31%
Non-investment grade	2	62,904	19,599	82,503	35.34%	68.43%	62,308	24,683	86,991	35.04%	69.00%	57,525	22,310	79,835	34.43%	67.01%	55,373	20,183	75,556	34.41%	69.37%
Watchlist	3	3,462	805	4,267	33.37%	136.10%	3,020	673	3,693	31.79%	128.26%	2,745	581	3,326	33.04%	134.44%	2,892	697	3,589	33.88%	141.68%
Default	4	1,165	114	1,279	36.59%	253.11%	971	105	1,076	41.78%	280.70%	970	142	1,112	43.97%	287.45%	968	165	1,133	40.24%	167.47%
	5	302,863	74,250	377,113			308,072	89,597	397,669			294,159	82,908	377,067			294,143	79,868	374,011		

RETAIL CREDIT EXPOSURE BY PORTFOLIO AND RISK CATEGORY UNDER AIRB APPROACH (1)

Risk Profile	LINE #	Q2 2016					Q1 2016					Q4 2015					Q3 2015				
		Total		Total Exposure	Total		Total		Total Exposure	Total		Total		Total		Total		Total Exposure	Total		
		Drawn	Undrawn		Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	Drawn	Undrawn		Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	Drawn	Undrawn	Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	Drawn	Undrawn		Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	
Residential Mortgages and HELOCs																					
Exceptionally low	6	15,743	9,999	25,742	25.53%	3.23%	15,573	10,163	25,736	26.17%	3.32%	15,261	9,524	24,785	25.31%	3.21%	1,397	5,143	6,540	59.40%	5.67%
Very low	7	37,255	472	37,727	14.75%	4.29%	37,534	466	38,000	14.77%	4.31%	38,264	477	38,741	14.58%	4.22%	50,141	6,025	56,166	14.78%	3.35%
Low	8	9,742	480	10,222	22.39%	16.49%	9,970	504	10,474	23.27%	16.97%	9,711	452	10,163	22.65%	16.63%	10,737	520	11,257	27.01%	18.39%
Medium	9	15,248	182	15,430	21.73%	41.27%	15,638	179	15,817	22.45%	42.76%	15,391	170	15,561	22.14%	41.85%	10,548	177	10,725	26.41%	44.23%
High	10	594	8	602	38.92%	179.73%	685	21	706	39.73%	182.13%	658	13	671	39.67%	182.22%	3,645	10	3,655	15.75%	65.90%
Default	11	644	1	645	48.87%	386.14%	702	1	703	47.52%	384.65%	625	1	626	46.23%	368.25%	939	3	942	52.49%	131.62%
	12	79,226	11,142	90,368			80,102	11,334	91,436			79,910	10,637	90,547			77,407	11,878	89,285		
Qualifying Revolving Retail																					
Exceptionally low	13	162	14,124	14,286	86.25%	2.15%	167	14,464	14,631	86.04%	2.15%	236	14,111	14,347	86.01%	2.15%	123	12,864	12,987	85.32%	1.94%
Very low	14	599	4,831	5,430	76.97%	4.79%	613	4,872	5,485	77.44%	4.82%	659	4,739	5,398	77.14%	4.81%	575	5,772	6,347	78.90%	4.41%
Low	15	3,004	4,527	7,531	75.71%	10.86%	2,984	4,525	7,509	75.71%	10.89%	3,263	4,518	7,781	76.14%	10.89%	3,128	4,882	8,010	78.11%	10.30%
Medium	16	2,748	1,431	4,179	88.27%	52.89%	2,789	1,416	4,205	88.41%	53.17%	2,676	1,380	4,056	88.52%	52.97%	2,469	1,631	4,100	89.41%	48.42%
High	17	294	149	443	80.95%	176.26%	319	149	468	79.59%	174.94%	330	145	475	79.26%	174.36%	267	183	450	81.00%	173.44%
Default	18	52	7	59	63.31%	330.52%	50	8	58	62.31%	362.63%	45	7	52	62.57%	341.77%	45	7	52	64.83%	211.45%
	19	6,859	25,069	31,928			6,922	25,434	32,356			7,209	24,900	32,109			6,607	25,339	31,946		
Other Retail and Retail SME																					
Exceptionally low	20	85	521	606	89.77%	10.09%	77	524	601	89.94%	10.10%	83	502	585	89.90%	10.05%	83	442	525	89.56%	9.17%
Very low	21	5,304	1,673	6,977	55.06%	15.69%	4,858	1,243	6,001	55.11%	16.00%	4,722	1,018	5,740	55.56%	16.25%	6,096	1,629	7,725	69.21%	21.68%
Low	22	8,585	1,059	9,644	72.24%	41.23%	8,488	1,243	9,731	71.63%	41.19%	8,471	1,277	9,748	71.65%	41.18%	7,299	889	8,188	66.52%	40.67%
Medium	23	6,753	279	7,032	64.16%	74.95%	6,791	282	7,073	64.03%	74.58%	6,686	281	6,967	64.68%	75.67%	6,374	233	6,607	65.76%	76.25%
High	24	337	43	380	121.86%	252.07%	316	53	369	69.09%	135.65%	319	55	374	69.77%	136.13%	310	56	366	71.18%	136.43%
Default	25	99	1	100	59.35%	324.60%	104	2	106	59.28%	357.74%	97	1	98	61.08%	397.22%	107	2	109	62.27%	135.69%
	26	21,163	3,576	24,739			20,634	3,247	23,881			20,378	3,134	23,512			20,269	3,251	23,520		

Recap of AIRB and Standardized Portfolios

Total AIRB wholesale credit exposure by risk ratings	27	302,863	74,250			308,072	89,597			294,159	82,908			294,143	79,868					
Retail AIRB credit exposure by portfolio and risk ratings																				
Residential mortgages	28	79,226	11,142			80,102	11,334			79,910	10,637			77,407	11,878					
Qualifying revolving retail	29	6,859	25,069			6,922	25,434			7,209	24,900			6,607	25,339					
Other retail and Retail SME	30	21,163	3,576			20,634	3,247			20,378	3,134			20,269	3,251					
Total Standardized portfolio	31	31,320	2,931			35,896	3,377			22,913	3,050			22,778	3,111					
Total Portfolio	32	441,431	116,968			451,626	132,969			424,569	124,629			421,204	123,447					

(1) Figures are adjusted exposure at default amounts (Post Credit Risk Mitigation).

WHOLESALE CREDIT EXPOSURE BY RISK RATING (1)

(Canadian \$ in millions)

LINE #	Q2 2016							Q1 2016							
	Drawn			Undrawn			Total Exposures	Drawn			Undrawn			Total Exposures	
	Bank	Corporate	Sovereign	Bank	Corporate	Sovereign		Bank	Corporate	Sovereign	Bank	Corporate	Sovereign		
Total investment grade	1	19,060	87,714	128,558	3,930	47,395	2,407	289,064	21,178	99,416	121,179	4,567	56,877	2,692	305,909
Non-investment grade	2	5,325	57,441	137	439	19,146	15	82,503	2,773	59,323	212	377	24,290	16	86,991
Watchlist	3	21	3,435	6	7	798	-	4,267	14	3,000	6	4	669	-	3,693
Default	4	2	1,158	6	-	107	6	1,279	2	965	4	-	104	1	1,076
	5	24,408	149,748	128,707	4,376	67,446	2,428	377,113	23,967	162,704	121,401	4,948	81,940	2,709	397,669

(1) Figures are adjusted exposures at default amounts (Post Credit Risk Mitigation)

RETAIL CREDIT EXPOSURE BY PORTFOLIO AND RISK RATING (2)

(Canadian \$ in millions)

	LINE #	Q2 2016				Q1 2016			
		Residential mortgages and home equity lines of credit	Qualifying revolving retail	Other retail and retail small and medium-sized enterprises	Total exposures	Residential mortgages and home equity lines of credit	Qualifying revolving retail	Other retail and retail small and medium-sized enterprises	Total exposures
Risk profile (probability of default):									
Exceptionally Low (\leq 0.05%)	6	25,742	14,286	606	40,634	25,736	14,631	601	40,968
Very low (> 0.05% to 0.20%)	7	37,727	5,430	6,977	50,134	38,000	5,485	6,001	49,486
Low (> 0.20% to 0.75%)	8	10,222	7,531	9,644	27,397	10,474	7,509	9,731	27,714
Medium (> 0.75% to 7.00%)	9	15,430	4,179	7,032	26,641	15,817	4,205	7,073	27,095
High (> 7.00% to 99.99%)	10	602	443	380	1,425	706	468	369	1,543
Default (100%)	11	645	59	100	804	703	58	106	867
	12	90,368	31,928	24,739	147,035	91,436	32,356	23,881	147,673

(2) Figures are adjusted exposures at default amounts (Post Credit Risk Mitigation)

Basel III Asset Classes	LINE #	Q2 2016		Q1 2016		Q4 2015		Q3 2015	
		Actual loss rate (1) (2)	Expected loss rate (1) (2)	Actual loss rate (1) (2)	Expected loss rate (1) (2)	Actual loss rate (1) (2)	Expected loss rate (1) (2)	Actual loss rate (1) (2)	Expected loss rate (1) (2)
Non-retail									
Total Corporate (incl specialized lending and corporate SMEs)	1	0.13%	0.59%	0.08%	0.62%	0.08%	0.62%	0.10%	0.65%
Sovereign	2	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Bank	3	0.00%	0.04%	0.00%	0.10%	0.00%	0.04%	0.00%	0.07%
Retail									
Residential retail incl. HELOCs	4	0.07%	0.44%	0.06%	0.53%	0.07%	0.47%	0.05%	0.47%
Other retail incl. SBE	5	0.48%	1.20%	0.49%	1.30%	0.50%	1.30%	0.48%	1.14%
Qualifying revolving retail	6	2.39%	3.26%	2.43%	3.50%	2.43%	3.29%	2.42%	3.30%

General

Expected Loss (EL) rates which represent the loss rate predicted at the beginning of the most recent four quarter period are calculated using "through the cycle" risk parameters while actual loss rates are determined at a "point in time" and reflect more current economic conditions. "Through the cycle" parameters are conservatively estimated to include a long time horizon and as a result, actual losses may exceed expected losses during an economic downturn and may fall below expected losses during times of economic growth.

1. Non-retail actual and expected loss rates are measured as follows:

Actual loss rate represents the 'point in time' credit losses (change in specific allowance plus write-offs) less recoveries for the current and last three quarters divided by the quarterly average of outstandings for the same period beginning 15 months ago.

Expected loss rate is calculated using Basel III 'through the business cycle' parameters (PDxLGDxEAD) plus Best Estimate of Expected Loss for defaulted assets (BEEL), divided by outstanding balances at the beginning of the applicable four-quarter period.

2. Retail actual and expected loss rates are measured as follows:

Actual loss rate represents write-offs net of recoveries for the current and prior three quarters divided by the quarterly average of outstanding balances for the same period beginning 15 months ago.

Expected loss rate is calculated using Basel III parameters PDxLGDxEAD plus Best Estimate of Expected Losses for defaulted assets (BEEL) divided by outstanding balances at the beginning of the applicable four-quarter period.

For residential mortgages, actual loss rate also includes changes in specific allowances for the applicable four-quarter period.

Commentary**Non-Retail**

Corporate Portfolios – Actual Losses for Q2 2016 continued to be low. EL remained stable reflecting overall benign environment.

Bank and Sovereign – Actual Losses continued to be \$nil. EL remained stable.

Retail

Overall, the Actual Loss rates for all retail asset classes are well below Expected Loss rates. Actual loss rates remain relatively stable for all asset classes. Moderate variation in Expected Loss (EL) quarter over quarter is mainly due to 1) new BEEL approach implemented during Q2 2015 and 2) volume change.

Prior period numbers have been restated to conform with the current period's presentation.

ESTIMATED AND ACTUAL LOSS PARAMETERS UNDER AIRB APPROACH

Risk Profile (\$ millions except as noted)	LINE #	Q2 2016						Q1 2016					
		PD (1) (2)		LGD (3) (4)		EAD (5) (6)		PD (1) (2)		LGD (3) (4)		EAD (5) (6)	
		Average estimated %	Actual %	Average estimated %	Actual %	Estimated \$	Actual \$	Average estimated %	Actual %	Average estimated %	Actual %	Estimated \$	Actual \$
Wholesale													
Corporate including specialized lending	1	0.95%	0.82%	34.20%	8.09%	358	271	1.00%	0.59%	34.18%	1.79%	299	231
Corporate small and medium enterprises (SMEs)	2	1.57%	0.24%	35.90%	32.55%	114	74	1.53%	0.78%	35.90%	35.88%	111	60
Sovereign	3	0.14%	0.00%	13.53%	0.00%	-	-	0.14%	0.00%	14.18%	0.00%	-	-
Bank	4	0.40%	0.00%	16.19%	0.00%	-	-	0.38%	0.00%	16.58%	0.00%	-	-
Retail													
Residential mortgages excluding home equity line of credits (HELOCs) - Uninsured only (7)	5	0.96%	0.83%	30.31%	19.00%	288	288	1.01%	0.84%	30.65%	20.23%	299	299
HELOCs	6	0.53%	0.65%	55.06%	27.87%	265	255	0.56%	0.63%	54.77%	31.16%	253	247
Qualifying revolving retail (QRR)	7	1.24%	1.22%	97.34%	79.65%	431	417	1.32%	1.23%	97.38%	79.99%	431	414
Other retail (excl. SMEs)	8	4.28%	4.39%	90.06%	83.50%	209	208	4.71%	4.81%	90.82%	85.08%	213	212
Retail SMEs	9	1.15%	0.97%	97.41%	80.04%	18	17	1.14%	0.91%	97.39%	80.19%	18	17

(1) Wholesale PDs are based on a borrower weighted average. There have been no Bank or Sovereign defaults in the past 12 months.

(2) Retail PD is based on account weighted average.

(3) Wholesale LGDs are expressed as an exposure weighted average.

(4) Retail LGD is based on weighted average of LGD eligible accounts.

(5) Wholesale EAD represented predicted vs. realized comparison for defaults in the previous 12 months. Term products are not included. No defaults in the Bank and Sovereign asset classes within the past 12 months.

(6) Retail EAD represents predicted vs. realized comparison for defaults in the previous 12 months.

(7) Mortgages insured by Canada Mortgage And Housing Corporation and private mortgage insurers are primarily included in Sovereign.

REGULATORY CAPITAL CHARGES FOR SECURITIZATION EXPOSURES RETAINED OR PURCHASED BY RISK WEIGHTS

(\$ millions)											
Traditional Securitizations Risk Weights	LINE #	Q2 2016		Q1 2016		Q4 2015		Q3 2015		Q2 2015	
		Exposure Amount (1)	Capital Required	Exposure Amount (1)	Capital Required	Exposure Amount (1)	Capital Required	Exposure Amount (1)	Capital Required	Exposure Amount (1)	Capital Required
Bank Assets											
7%	1	5,055	28	5,905	33	6,124	34	1,460	8	1,673	9
7.01% - 25%	2	-	-	-	-	-	-	4,841	28	5,129	31
25.01% - 50%	3	54	2	71	2	76	2	89	3	95	3
Greater than 50%	4	14	14	18	18	20	20	22	22	22	22
Less amount excluded from capital requirements for exceeding maximum KIRB capital (2)	5	-	-	-	-	-	-	-	-	-	-
Total Exposures, net of deductions	6	5,123	44	5,994	53	6,220	56	6,412	61	6,919	65
Exposures Deducted:											
From Tier 1 Capital:											
Credit Card Receivables (3)	7	-	-	-	-	-	-	-	-	-	-
Residential Mortgages	8	-	-	-	-	-	-	-	-	-	-
From Total Capital:											
Residential Mortgages	9	-	-	-	-	-	-	-	-	-	-
Total Exposures Deducted	10	-	-	-	-	-	-	-	-	-	-
Bank Assets Total Exposures	11	5,123	44	5,994	53	6,220	56	6,412	61	6,919	65
Third Party Assets											
7%	12	18,261	102	18,125	101	16,859	94	16,421	92	16,164	91
7.01% - 25%	13	4,877	39	5,716	46	5,873	47	5,456	44	3,924	33
25.01% - 50%	14	2	-	2	-	2	-	35	1	36	1
50.01% - 100%	15	118	9	134	10	126	10	127	10	120	9
Greater than 100%	16	-	-	-	-	-	-	-	-	-	-
Default	17	-	-	-	-	-	-	-	-	-	-
Total Exposures, net of deductions	18	23,258	150	23,977	157	22,860	151	22,039	147	20,244	134
Exposures Deducted:											
From Total Capital:											
Collateralized Debt Obligations (AAA/R-1 (High) Securities)	19	-	-	-	-	-	-	-	-	-	-
Montreal Accord Assets	20	-	-	-	-	-	-	-	-	-	-
Residential Mortgages (Uninsured)	21	-	-	-	-	-	-	-	-	-	-
Other Pool Type	22	-	-	-	-	-	-	-	-	-	-
Trading Securities Reclassified to AFS	23	-	-	-	-	-	-	-	-	-	-
Total Exposures Deducted	24	-	-	-	-	-	-	-	-	-	-
Third Party Assets Total Exposures	25	23,258	150	23,977	157	22,860	151	22,039	147	20,244	134
Total Exposures	26	28,381	194	29,971	210	29,080	207	28,451	208	27,163	199

(1) Exposure amounts are on balance sheet values and the credit equivalent amount for off-balance sheet exposures.

(2) KIRB - IRB capital of underlying assets as though they had not been securitized.

(3) Since inception, no capital has been assessed for the Bank's early amortization provisions associated with the investors' interest in Master Credit Card Trust II because the excess spread of the underlying portfolio has remained above the threshold at which capital charges would be incurred.

REGULATORY CAPITAL CHARGES FOR RESECURITIZATION EXPOSURES RETAINED OR PURCHASED BY RISK WEIGHTS

(\$ millions)		Q2 2016		Q1 2016		Q4 2015		Q3 2015	
Traditional Securitizations	LINE #	Exposure Amount (1)	Capital Required	Exposure Amount (1)	Capital Required	Exposure Amount (1)	Capital Required	Exposure Amount (1)	Capital Required
Risk Weights									
Bank Assets									
7%	1	-	-	-	-	-	-	-	-
7.01% - 25%	2	-	-	-	-	-	-	-	-
25.01% - 50%	3	-	-	-	-	-	-	-	-
Greater than 50%	4	-	-	-	-	-	-	-	-
Less amount excluded from capital requirements for exceeding maximum KIRB capital (2)	5	-	-	-	-	-	-	-	-
Total Exposures, net of deductions	6	-	-	-	-	-	-	-	-
Exposures Deducted:									
From Tier 1 Capital:									
Credit Card Receivables (3)	7	-	-	-	-	-	-	-	-
Residential Mortgages	8	-	-	-	-	-	-	-	-
From Total Capital:									
Residential Mortgages	9	-	-	-	-	-	-	-	-
Total Exposures Deducted	10	-	-	-	-	-	-	-	-
Bank Assets Total Exposures	11	-	-	-	-	-	-	-	-
Third Party Assets									
7%	12	-	-	-	-	-	-	-	-
7.01% - 25%	13	57	1	57	1	57	1	64	1
25.01% - 50%	14	-	-	-	-	-	-	-	-
50.01% - 100%	15	-	-	-	-	-	-	-	-
Greater than 100%	16	32	10	44	14	41	13	50	16
Default	17	-	-	-	-	-	-	-	-
Total Exposures, net of deductions	18	89	11	101	15	98	14	114	17
Exposures Deducted:									
From Total Capital:									
Collateralized Debt Obligations (AAA/R-1 (High) Securities)	19	-	-	-	-	-	-	-	-
Commercial Mortgages	20	-	-	-	-	-	-	-	-
Montreal Accord Assets	21	-	-	-	-	-	-	-	-
Residential Mortgages (Uninsured)	22	-	-	-	-	-	-	-	-
Other Pool Type	23	-	-	-	-	-	-	-	-
Equipment Loans/Leases	24	-	-	-	-	-	-	-	-
Total Exposures Deducted	25	-	-	-	-	-	-	-	-
Third Party Assets Total Exposures	26	89	11	101	15	98	14	114	17
Total Exposures	27	89	11	101	15	98	14	114	17

(1) Exposure amounts are on balance sheet values and the credit equivalent amount for off-balance sheet exposures. Unrated positions and positions with ratings below investment-grade are deducted from capital.

(2) KIRB - IRB capital of underlying assets as though they had not been securitized.

(3) Since inception, no capital has been assessed for the Bank's early amortization provisions associated with the investors' interest in Master Credit Card Trust II because the excess spread of the underlying portfolio has remained above the threshold at which capital charges would be incurred.

**REGULATORY CAPITAL CHARGES FOR TRADING SECURITIZATION EXCLUDING RESECURITIZATION EXPOSURES
RETAINED OR PURCHASED BY RISK WEIGHTS**

(\$ millions)	LINE #	Q2 2016		Q1 2016		Q4 2015		Q3 2015	
		RBA/Inferred Rating/IAA Exposure Amount	Capital Required	RBA/Inferred Rating/IAA Exposure Amount	Capital Required	RBA/Inferred Rating/IAA Exposure Amount	Capital Required	RBA/Inferred Rating/IAA Exposure Amount	Capital Required
Trading Securitizations Excluding Resecuritization Exposures									
Risk Weights									
Exposures Included In Risk-Weighted Assets									
7%	1	128	1	236	1	128	1	99	1
7.01% - 25%	2	44	-	44	1	16	-	47	-
25.01% - 50%	3	-	-	-	-	-	-	-	-
50.01% - 100%	4	-	-	1	-	-	-	1	-
Greater than 100%	5	-	-	-	-	-	-	-	1
Default	6	-	-	-	-	-	-	-	-
Less amount excluded from capital requirements for exceeding maximum KIRB capital	7	-	-	-	-	-	-	-	-
Total Exposures excluding Resecuritization, net of deductions (1)	8	172	1	281	2	144	1	147	2
Exposures Deducted From Tier 1 Capital:									
Auto loans/leases	9	-	-	-	-	-	-	-	-
Credit card receivables	10	-	-	-	-	-	-	-	-
Residential mortgages (insured)	11	-	-	-	-	-	-	-	-
Residential mortgages (uninsured)	12	-	-	-	-	-	-	-	-
Commercial mortgages	13	-	-	-	-	-	-	-	-
Personal line of credit	14	-	-	-	-	-	-	-	-
Equipment loans/leases	15	-	-	-	-	-	-	-	-
Trade receivables	16	-	-	-	-	-	-	-	-
Corporate loans	17	-	-	-	-	-	-	-	-
Daily auto rental	18	-	-	-	-	-	-	-	-
Floorplan finance receivables	19	-	-	-	-	-	-	-	-
Collateralized debt obligations (AAA/R-1 (high) securities)	20	-	-	-	-	-	-	-	-
Other pool type	21	-	-	-	-	-	-	-	-
Total Trading Exposures excluding Resecuritization Deducted from Tier 1 Capital	22	-	-	-	-	-	-	-	-
Exposures Deducted from Total Capital:									
Auto loans/leases	23	-	-	-	-	-	-	-	-
Credit card receivables	24	-	-	-	-	-	-	-	-
Residential mortgages (insured)	25	-	-	-	-	-	-	-	-
Residential mortgages (uninsured)	26	-	-	-	-	-	-	-	-
Commercial mortgages	27	-	-	-	-	-	-	-	-
Personal line of credit	28	-	-	-	-	-	-	-	-
Equipment loans/leases	29	-	-	-	-	-	-	-	-
Trade receivables	30	-	-	-	-	-	-	-	-
Corporate loans	31	-	-	-	-	-	-	-	-
Daily auto rental	32	-	-	-	-	-	-	-	-
Floorplan finance receivables	33	-	-	-	-	-	-	-	-
Collateralized debt obligations (AAA/R-1 (high) securities)	34	-	-	-	-	-	-	-	-
Other pool type	35	-	-	-	-	-	-	-	-
Total Trading Exposures excluding Resecuritization Deducted from Total Capital	36	-	-	-	-	-	-	-	-
Total Trading Exposures Excluding Resecuritization	37	172	1	281	2	144	1	147	2

**AGGREGATE AMOUNT OF TRADING SECURITIZATION EXCLUDING RESECURITIZATION EXPOSURES RETAINED
OR PURCHASED BY EXPOSURE TYPE**

(\$ millions except as noted)		Q2 2016 Exposure	Q1 2016 Exposure	Q4 2015 Exposure	Q3 2015 Exposure
Asset Classes					
Auto loans/leases	38	2	56	-	-
Credit card receivables	39	89	91	77	72
Residential mortgages (insured)	40	-	-	-	-
Residential mortgages (uninsured)	41	-	-	-	-
Commercial mortgages	42	-	-	-	-
Personal line of credit	43	28	43	13	27
Equipment loans/leases	44	3	-	1	1
Trade receivables	45	-	-	-	-
Corporate loans	46	-	-	-	-
Daily auto rental	47	36	68	13	2
Floorplan finance receivables	48	4	8	4	10
Collateralized debt obligations (AAA/R-1 (high) securities)	49	-	-	-	-
Other pool type	50	10	15	36	35
Total Trading Securitization Excluding Resecuritization (1)	51	172	281	144	147

(1) Excluding Resecuritization Exposures of \$134 million in Q2 2016 (\$170 million Q1 2016, \$166 million Q4 2015, and \$193 million in Q3 2015).

DEBT ISSUED BY BANK SPONSORED VEHICLES FOR THIRD PARTY ASSETS

LINE #	Q2 2016				Q1 2016				Q4 2015				Q3 2015			
	Canadian Conduits (1)	US Conduit (2)	SIVs/Credit Protection Vehicles	Total	Canadian Conduits (1)	US Conduit (2)	SIVs/Credit Protection Vehicles	Total	Canadian Conduits (1)	US Conduit (2)	SIVs/Credit Protection Vehicles	Total	Canadian Conduits (1)	US Conduit (2)	SIVs/Credit Protection Vehicles	Total
(\$ millions except as noted)																
Auto loans/leases	2,421	1,526	-	3,947	2,010	1,824	-	3,834	1,630	1,651	-	3,281	1,822	1,539	-	3,361
Credit card receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential mortgages (insured)	1,662	-	-	1,662	1,361	-	-	1,361	1,518	-	-	1,518	1,458	-	-	1,458
Residential mortgages (uninsured)	287	-	-	287	53	1	-	54	173	2	-	175	245	2	-	247
Commercial mortgages (uninsured)	-	54	-	54	-	66	-	66	-	69	-	69	-	78	-	78
Commercial mortgages (insured)	112	-	-	112	-	96	-	96	89	-	-	89	96	-	-	96
Equipment loans/leases	400	247	-	647	318	243	-	561	171	369	-	540	400	351	-	751
Trade receivables	-	255	-	255	-	275	-	275	-	272	-	272	-	298	-	298
Corporate loans	-	3	-	3	-	8	-	8	-	16	-	16	-	32	-	32
Daily auto rental	110	310	-	420	103	279	-	382	130	240	-	370	355	333	-	688
Floorplan finance receivables	284	638	-	922	279	636	-	915	285	558	-	843	321	531	-	852
Collateralized debt obligations	-	29	-	29	-	47	-	47	-	47	-	47	-	59	-	59
Other pool type (10)	250	412	-	662	250	594	-	844	250	549	-	799	250	542	-	792
Student loans	-	1,412	-	1,412	-	1,638	-	1,638	-	1,716	-	1,716	-	1,775	-	1,775
Credit protection vehicle	-	-	396	396	-	396	-	396	-	-	396	396	-	-	396	396
Total	5,526	4,886	-	10,808	4,470	5,611	-	10,477	4,246	5,489	-	10,131	4,947	5,540	-	10,883

(1) Canadian Conduit totals include amounts pertaining to a conduit that has been directly funded by the Bank (\$626.3 million as at Q2, 2016, \$573.1 million as at Q1, 2016, \$573.2 million as at Q4, 2015, and \$564.7 million as at Q3, 2015).

(2) US Conduit totals include amounts that have been directly funded by the Bank (\$92.7 million as at Q2, 2016, \$123.5 million as at Q1, 2016, \$125.9 million as at Q4, 2015, and \$146.7 million as at Q3, 2015).

AGGREGATE AMOUNT OF SECURITIZATION EXPOSURES RETAINED OR PURCHASED BY EXPOSURE TYPE

LINE #	Q2 2016				Q1 2016				Q4 2015				Q3 2015			
	Undrawn Committed Facilities and Notional Amounts (3)	Drawn Loan Facilities and Securities Held (4)	First Loss Positions (5)	Total	Undrawn Committed Facilities and Notional Amounts (3)	Drawn Loan Facilities and Securities Held (4)	First Loss Positions (5)	Total	Undrawn Committed Facilities and Notional Amounts (3)	Drawn Loan Facilities and Securities Held (4)	First Loss Positions (5)	Total	Undrawn Committed Facilities and Notional Amounts (3)	Drawn Loan Facilities and Securities Held (4)	First Loss Positions (5)	Total
(\$ millions except as noted)																
Bank Assets (6)																
Auto loans/leases	-	3,004	-	3,004	-	3,947	-	3,947	-	4,265	-	4,265	-	4,932	-	4,932
Credit card receivables (7)	-	2,119	-	2,119	-	2,047	-	2,047	-	1,955	-	1,955	-	1,480	-	1,480
Total Bank Assets	-	5,123	-	5,123	-	5,994	-	5,994	-	6,220	-	6,220	-	6,412	-	6,412
Third Party Assets (8)																
Auto loans/leases	3,199	2,764	-	5,963	3,499	2,910	-	6,409	3,118	2,148	-	5,266	2,698	2,014	-	4,712
Credit card receivables	187	365	-	552	224	386	-	610	310	263	-	573	248	325	-	573
Residential mortgages (insured)	2,040	-	-	2,040	2,040	-	-	2,040	2,040	-	-	2,040	2,040	-	-	2,040
Residential mortgages (uninsured)	255	-	-	255	51	1	-	52	255	2	-	257	255	2	-	257
Commercial mortgages (uninsured)	79	29	-	108	76	47	-	123	69	47	-	116	59	58	-	117
Commercial mortgages (insured)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equipment loans/leases	781	756	-	1,537	729	461	-	1,190	872	663	-	1,535	740	646	-	1,386
Trade receivables	215	458	-	673	259	491	-	750	203	498	-	701	175	396	-	571
Corporate loans	162	369	-	531	194	420	-	614	148	343	-	491	138	353	-	491
Daily auto rental	501	337	-	838	588	306	-	894	591	267	-	858	601	359	-	960
Floorplan finance receivables	746	760	-	1,506	736	746	-	1,482	747	668	-	1,415	780	636	-	1,416
Collateralized debt obligations	63	-	-	63	66	4	-	70	47	18	-	65	36	30	-	66
Other pool type (10)	414	582	-	996	445	537	-	982	473	464	-	937	456	388	-	844
Student loans	380	1,412	-	1,792	719	1,638	-	2,357	485	1,716	-	2,201	426	1,775	-	2,201
Credit protection vehicle (9)	6,400	-	-	6,400	6,400	-	-	6,400	6,400	-	-	6,400	6,400	-	-	6,400
Trading securities reclassified to AFS	-	4	-	4	-	4	-	4	-	5	-	5	-	5	-	5
Total Third Party Assets	15,422	7,836	-	23,258	16,026	7,951	-	23,977	15,758	7,102	-	22,860	15,052	6,987	-	22,039
Total	15,422	12,959	-	28,381	16,026	13,945	-	29,971	15,758	13,322	-	29,080	15,052	13,399	-	28,451

(3) External Credit Assessment Institutions (ECAIs) used for securitizations liquidity facility ratings are S&P, Moody's and Fitch.

(4) ECAIs used for securitization notes are S&P & Moody's.

(5) First Loss Positions reflect deferred purchase price amounts for securitization of the Bank's own credit cards and conventional mortgages net of servicing liabilities and tax impacts.

(6) The exposures for the Residential Mortgages (uninsured) are treated under the lending AIRB Framework as if the securitized assets remained on the Bank's balance sheet.

(7) The credit card receivable securities held from Bank asset securitizations represent the Bank's seller's interest in investment grade subordinated notes issued by Master Credit Card Trust and Master Credit Card Trust II. The Securitization Framework is applied.

(8) Third party asset securitizations that are externally rated and Montreal Accord assets are assessed under the RBA, with unrated and below BB- positions being deducted from capital. The Supervisory Formula (SF) has been applied for all other positions.

(9) Amounts reported for credit protection vehicle assets under Undrawn Committed Facilities and Notional Amounts represent aggregate notional amounts of the credit default swap exposures and do not represent committed funding obligations.

(10) Prior period numbers have been restated to conform with the current period's presentation.

AGGREGATE AMOUNT OF RESECURITIZATION EXPOSURES RETAINED OR PURCHASED BY EXPOSURE TYPE (1)

	LINE #	Q2 2016				Q1 2016				Q4 2015				Q3 2015			
		Undrawn Committed Facilities and Notional Amounts (2)	Drawn Loan Facilities and Securities Held (3)	First Loss Positions (4)	Total	Undrawn Committed Facilities and Notional Amounts (2)	Drawn Loan Facilities and Securities Held (3)	First Loss Positions (4)	Total	Undrawn Committed Facilities and Notional Amounts (2)	Drawn Loan Facilities and Securities Held (3)	First Loss Positions (4)	Total	Undrawn Committed Facilities and Notional Amounts (2)	Drawn Loan Facilities and Securities Held (3)	First Loss Positions (4)	Total
<i>(\$ millions except as noted)</i>																	
Bank Assets (5)																	
Credit card receivables (6)	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential mortgages (uninsured)	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Bank Assets	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Third Party Assets (7)																	
Auto loans/leases	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Credit card receivables	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential mortgages (insured)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential mortgages (uninsured)	7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial mortgages	8	2	30	-	32	8	36	-	44	-	41	-	41	-	50	-	50
Personal line of credit	9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equipment loans/leases	10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade receivables	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporate loans	12	-	-	-	-	-	-	-	-	-	-	-	-	-	7	-	7
Daily auto rental	13	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Floorplan finance receivables	14	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Collateralized debt obligations (AAA/R-1 (high) securities)	15	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other pool type	16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Student loans	17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SIV assets (financial institutions debt and securitized assets)	18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Credit protection vehicle (8)	19	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading securities reclassified to AFS	20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Montreal Accord Assets	21	57	-	-	57	57	-	-	57	57	-	-	57	57	-	-	57
Total Third Party Assets	22	59	30	-	89	65	36	-	101	57	41	-	98	57	57	-	114
Total	23	59	30	-	89	65	36	-	101	57	41	-	98	57	57	-	114

(1) No credit risk mitigations are applied to securitization exposures.

(2) External Credit Assessment Institutions (ECAIs) used for securitizations liquidity facility ratings are S&P, Moody's and Fitch.

(3) ECAIs used for securitization notes are S&P & Moody's.

(4) First Loss Positions reflect deferred purchase price amounts for securitization of the Bank's own credit cards and conventional mortgages net of servicing liabilities and tax impacts.

(5) The exposures for the Residential Mortgages (uninsured) are treated under the lending AIRB Framework as if the securitized assets remained on the Bank's balance sheet.

(6) The credit card receivable securities held from Bank asset securitizations represent the Bank's seller's interest in investment grade subordinated notes issued by Master Credit Card Trust and Master Credit Card Trust II. The Securitization Framework is applied.

(7) Third party asset securitizations that are externally rated and Montreal Accord assets are assessed under the RBA, with unrated and below BB- positions being deducted from capital. The Supervisory Formula (SF) has been applied for all other positions.

(8) Amounts reported for credit protection vehicle assets under Undrawn Committed Facilities and Notional Amounts represent aggregate notional amounts of the credit default swap exposures and do not represent committed funding obligations.

DERIVATIVE INSTRUMENTS (\$ millions)	LINE #	As at April 30, 2016				As at January 31, 2016				As at October 31, 2015				As at July 31, 2015			
		Notional Amount	Replacement Cost	Credit risk Equivalent	Basel Risk-weighted Assets (1)	Notional Amount	Replacement Cost	Credit risk Equivalent	Basel Risk-weighted Assets (1)	Notional Amount	Replacement Cost	Credit risk Equivalent	Basel Risk-weighted Assets (1)	Notional Amount	Replacement Cost	Credit risk Equivalent	Basel Risk-weighted Assets (1)
Interest Rate Contracts																	
Over-the-counter																	
Swaps	1	2,941,776	17,415	20,642		2,926,892	20,875	23,689		2,959,787	18,590	22,037		2,994,725	20,110	22,891	
Forward rate agreements	2	392,330	40	41		334,055	64	61		432,744	25	24		468,229	57	45	
Purchased options	3	18,448	647	671		19,722	734	771		21,344	633	651		18,730	725	733	
Written options	4	24,640	-	-		26,677	-	-		24,154	-	-		23,251	-	-	
	5	3,377,194	18,102	21,354	1,596	3,307,346	21,673	24,521	1,720	3,438,029	19,248	22,712	1,461	3,504,935	20,892	23,669	1,646
Exchange traded																	
Futures	6	144,093	-	-		129,308	-	-		137,583	-	-		145,840	-	-	
Purchased options	7	20,618	-	-		28,876	-	-		26,598	-	-		20,430	-	-	
Written options	8	21,073	-	-		32,764	-	-		25,038	-	-		14,502	-	-	
	9	185,784	-	-		190,948	-	-		189,219	-	-		180,772	-	-	
Total Interest Rate Contracts	10	3,562,978	18,102	21,354	1,596	3,498,294	21,673	24,521	1,720	3,627,248	19,248	22,712	1,461	3,685,707	20,892	23,669	1,646
Foreign Exchange Contracts																	
Over-the-counter																	
Cross-currency swaps	11	87,590	4,293	8,546		76,910	6,563	10,316		76,083	5,128	8,602		71,517	3,949	8,319	
Cross-currency interest rate swaps	12	353,910	10,625	18,348		376,932	11,100	19,159		339,467	6,847	13,696		332,553	11,510	18,317	
Forward foreign exchange contracts	13	383,523	4,976	8,232		436,842	6,525	10,399		393,098	4,191	7,838		403,838	8,943	11,335	
Purchased options	14	33,283	205	1,134		33,472	245	1,080		28,297	115	768		30,812	342	1,043	
Written options	15	36,723	-	-		37,020	-	-		28,960	-	-		31,248	-	-	
	16	895,029	20,099	36,260	2,337	961,176	24,433	40,954	2,576	865,905	16,281	30,904	2,034	869,968	24,744	39,014	2,904
Exchange traded																	
Futures	17	2,735	-	-		790	-	-		677	-	-		316	-	-	
Purchased options	18	5,949	-	-		5,000	-	-		2,562	-	-		1,658	-	-	
Written options	19	3,892	-	-		2,085	-	-		2,012	-	-		1,964	-	-	
	20	12,576	-	-		7,875	-	-		5,251	-	-		3,938	-	-	
Total Foreign Exchange Contracts	21	907,605	20,099	36,260	2,337	969,051	24,433	40,954	2,576	871,156	16,281	30,904	2,034	873,906	24,744	39,014	2,904
Commodity Contracts																	
Over-the-counter																	
Swaps	22	11,670	879	2,265		12,271	1,038	2,471		11,929	993	2,472		12,322	761	2,225	
Purchased options	23	5,752	100	1,002		5,737	76	1,055		6,172	69	1,043		6,359	58	1,028	
Written options	24	3,886	-	-		3,869	-	-		4,103	-	-		4,186	-	-	
	25	21,308	979	3,267	525	21,877	1,114	3,526	497	22,204	1,062	3,515	496	22,867	819	3,253	413
Exchange traded																	
Futures	26	16,423	-	-		17,097	-	-		16,803	-	-		17,100	-	-	
Purchased options	27	6,603	-	-		7,614	-	-		7,614	-	-		7,512	-	-	
Written options	28	8,426	-	-		9,522	-	-		9,720	-	-		9,481	-	-	
	29	31,452	-	-		34,233	-	-		34,137	-	-		34,093	-	-	
Total Commodity Contracts	30	52,760	979	3,267	525	56,110	1,114	3,526	497	56,341	1,062	3,515	496	56,960	819	3,253	413
Equity Contracts																	
Over-the-counter																	
Swaps	31	45,506	627	2,977		45,596	929	3,302		47,114	892	3,366		53,679	888	3,769	
Exchange traded	32	4,999	-	-		5,041	-	-		4,371	-	-		4,183	-	-	
Total Equity Contracts	33	50,505	627	2,977	198	50,637	929	3,302	213	51,485	892	3,366	214	57,862	888	3,769	326
Credit Default Swaps																	
Over-the-counter																	
Purchased (2)	34	4,907	27	111		5,934	87	162		5,419	36	146		5,666	29	163	
Written (2)	35	8,862	-	-		9,260	-	-		9,154	-	-		9,245	-	-	
Total Credit Default Swaps	36	13,769	27	111	21	15,194	87	162	21	14,573	36	146	34	14,911	29	163	30
Sub-total	37	4,587,617	39,834	63,969	4,677	4,589,286	48,236	72,465	5,027	4,620,803	37,519	60,643	4,239	4,689,346	47,372	69,868	5,319
Impact of master netting agreements	38	n.a.	(30,659)	(43,930)		n.a.	(34,455)	(47,729)		n.a.	(27,415)	(40,140)		n.a.	(40,338)	(46,780)	
Total	39	4,587,617	9,175	20,039	4,677	4,589,286	13,781	24,736	5,027	4,620,803	10,104	20,503	4,239	4,689,346	7,034	23,088	5,319

(1) Risk-weighted Assets are reported after the impact of master netting agreements.

(2) Prior period numbers have been restated to conform with the current period's presentation.

BASEL GLOSSARY

Adjusted EAD: Represents EAD that has been redistributed to a more favourable PD band or a different Basel Asset Class as a result of collateral (Credit Risk Mitigation - CRM). All AIRB disclosures aggregated into PD (probability of default) bands use Adjusted EAD values.

AIRB (Advanced Internal Ratings Based approach): The AIRB approach is the most advanced of the range of options for determining the capital requirements for credit risk. This option allows banks to use their own internal model to measure credit risk capital requirements, subject to regulatory approval. OSFI has indicated that it expects the largest Canadian Banks to adopt the AIRB approach.

Capital Adequacy Requirements (CAR): OSFI's Capital Adequacy Requirements guideline dated December 2014.

Capital Floor: A capital floor based on Basel I is calculated by banks which use the AIRB approach to credit risk, as required by our regulator.

Commitments (Undrawn): The EAD on the difference between the authorized and drawn amounts (e.g., the unused portion of a line of credit) before adjustments for credit risk mitigation.

Credit Equivalent Amount (CEA) on Undrawn: An estimate of the amount of credit risk exposure on off-balance items under the Standardized Approach for credit risk.

Drawn: The amount of funds invested or advanced to a customer. Does not include adjustments for credit risk mitigation.

Exposure at Default (EAD): EAD for on-balance sheet amounts represents outstandings, grossed up by specific provisions and write-offs. EAD for Off balance sheet and Undrawn are estimates.

Exposure at Default OTC Derivatives: Represent the net gross positive replacement costs plus the potential credit exposure amount.

Exposure Weighted Average LGD represents the $(\sum (\text{Adjusted EAD of each exposure} \times \text{its LGD}))$ divided by the total Adjusted EAD.

Exposure Weighted Average Risk Weight is the $(\sum \text{pre-scaled RWA for each exposure} / \text{Total Adjusted EAD})$.

Grandfathered Equity Securities in the Banking Book: Under Basel II, OSFI exempts equity investments held as of October 31, 2007 from the AIRB approach for a period of 10 years starting November 1, 2007 to October 31, 2017. During that time, these "grandfathered" holdings will be risk weighted at 100%.

HELOCs: Home Equity Lines of Credit comprise lines of credit secured by equity in a residential property.

OSFI: Office of the Superintendent of Financial Institutions.

Other Off Balance Sheet Items: All off-balance sheet arrangements other than derivatives and undrawn commitments such as Standby Letters of Credit and Documentary Credits.

QRR (Qualifying Revolving Retail): Includes exposures that are revolving, unsecured and uncommitted to individuals up to a maximum amount of \$125,000 to a single individual.

Repo Style Transactions: Includes repurchase and reverse repurchase agreements and securities lending and borrowing.

Scaling Factor: The scaling factor is applied to the risk weighted assets amount for credit risk assessed under the AIRB approach. The objective of the scaling factor is to broadly maintain the aggregate level of Basel I minimum capital requirements, while also providing incentives to adopt the more advanced risk-sensitive approaches.

Standardized Approach: This approach is the least complicated of the range of options available to banks to measure credit risk capital requirements. This option allows banks to measure credit risk capital requirements by multiplying exposures by defined percentages based on the exposures product type and external credit rating (if applicable).