

# Financial Highlights

(Canadian \$ in millions, except as noted)

	2018	2017	2016
<b>Summary Income Statement</b>			
Net interest income	10,313	10,007	9,872
Non-interest revenue	12,724	12,253	11,215
Revenue	23,037	22,260	21,087
Insurance claims, commissions and changes in policy benefit liabilities (CCPB)	1,352	1,538	1,543
Revenue, net of CCPB	21,685	20,722	19,544
Provision for credit losses on impaired loans (1)	700	na	na
Provision for (recovery of) credit losses on performing loans (1)	(38)	na	na
Total provision for credit losses (1)	662	746	771
Non-interest expense	13,613	13,330	13,041
Provision for income taxes	1,960	1,296	1,101
Net income	5,450	5,350	4,631
Attributable to bank shareholders	5,450	5,348	4,622
Attributable to non-controlling interest in subsidiaries	-	2	9
Net income	5,450	5,350	4,631
Adjusted net income	5,979	5,508	5,020
<b>Common Share Data</b> (\$, except as noted)			
Earnings per share	8.17	7.92	6.92
Adjusted earnings per share	8.99	8.16	7.52
Earnings per share growth (%)	3.1	14.5	5.3
Adjusted earnings per share growth (%)	10.1	8.5	7.4
Dividends declared per share	3.78	3.56	3.40
Book value per share	64.73	61.92	59.56
Closing share price	98.43	98.83	85.36
Number of common shares outstanding (in millions)			
End of period	639.3	647.8	645.8
Average diluted	644.9	652.0	646.1
Total market value of common shares (\$ billions)	62.9	64.0	55.1
Dividend yield (%)	3.8	3.6	4.0
Dividend payout ratio (%)	46.2	44.8	49.0
Adjusted dividend payout ratio (%)	41.9	43.5	45.0
<b>Financial Measures and Ratios</b> (%)			
Return on equity	13.2	13.3	12.1
Adjusted return on equity	14.6	13.7	13.1
Return on tangible common equity	16.2	16.3	15.3
Adjusted return on tangible common equity	17.5	16.5	16.1
Net income growth	1.9	15.5	5.1
Adjusted net income growth	8.6	9.7	7.2
Revenue growth	3.5	5.6	8.8
Revenue growth, net of CCPB	4.6	6.0	7.8
Non-interest expense growth	2.1	2.2	6.5
Adjusted non-interest expense growth	3.4	3.6	5.9
Efficiency ratio, net of CCPB	62.8	64.3	66.7
Adjusted efficiency ratio, net of CCPB	62.2	62.9	64.1
Operating leverage, net of CCPB	2.5	3.8	1.3
Adjusted operating leverage, net of CCPB	1.2	2.0	2.3
Net interest margin on average earning assets	1.51	1.55	1.59
Effective tax rate	26.5	19.5	19.2
Adjusted effective tax rate	20.7	19.8	19.9
Total PCL-to-average Net Loans and acceptances (annualized)	0.17	0.20	0.22
PCL on impaired loans-to-average net loans and acceptances (annualized)	0.18	0.22	0.22
<b>Balance Sheet</b> (as at, \$ millions, except as noted)			
Assets	774,048	709,580	687,935
Gross loans and acceptances	404,215	376,886	372,464
Net loans and acceptances	402,576	375,053	370,539
Deposits	522,051	479,792	470,281
Common shareholders' equity	41,387	40,114	38,464
Cash and securities-to-total assets ratio (%)	29.9	28.5	27.1
<b>Capital Ratios</b> (%)			
Common Equity Tier 1 Ratio	11.3	11.4	10.1
Tier 1 Capital Ratio	12.9	13.0	11.6
Total Capital Ratio	15.2	15.1	13.6
Leverage Ratio	4.2	4.4	4.2
<b>Foreign Exchange Rates</b> (\$)			
As at Canadian/U.S. dollar	1.3169	1.2895	1.3411
Average Canadian/U.S. dollar	1.2878	1.3071	1.3251

(1) Effective the first quarter of 2018, the bank prospectively adopted IFRS 9, *Financial Instruments* (IFRS 9). Under IFRS 9, we refer to the provision for credit losses on impaired loans and the provision for credit losses on performing loans. Prior periods have not been restated. The provision for credit losses in prior periods is comprised of both specific and collective provisions. Refer to the Changes in Accounting Policies section on page 121 for further details.

Certain comparative figures have been reclassified to conform with the current period's presentation.

Adjusted results in this table are non-GAAP amounts or non-GAAP measures. Please see the Non-GAAP Measures section on page 27.

na - not applicable