



**Q306**

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## **SUPPLEMENTARY FINANCIAL INFORMATION**

FOR THE QUARTER ENDED  
JULY 31 • 06

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

**Restatement of Prior Periods****Changes**

Periodically, certain business lines or units within business lines are transferred between client groups to more closely align BMO's organizational structure and its strategic priorities. All comparative figures are reclassified to reflect these transfers.

**Use of this Document**

Information in this document is supplementary to the Bank's third quarter Press Release, MD&A, Financial Statements, and the 2005 Annual Report and should be read in conjunction with those documents.

Additional financial information is also available throughout the slide presentations for the Strategic Update, Financial Review and Risk Review, as well as the Conference Call Webcast. These can be accessed at our website at [www.bmo.com/investorrelations](http://www.bmo.com/investorrelations). This report is unaudited and all amounts are in millions of Canadian dollars, unless indicated otherwise.

Items indicated N.A. were not available.  
Items indicated n.a. were not applicable.

Refer to the "GAAP and Related Non-GAAP Measures used in the MD&A" section of the "Financial Performance Review" included in the Management's Discussion and Analysis for an explanation of cash results, reporting on a taxable equivalent basis (teb) and net economic profit. Securities regulators require that companies caution readers that earnings and other measures adjusted to a basis other than generally accepted accounting principles (GAAP) do not have standardized meanings under GAAP and are unlikely to be comparable to similar measures used by other companies.

**Changes in Accounting Policy**

During Fiscal 2006, we adopted new accounting requirements of the Canadian Institute of Chartered Accountants. Refer to Note 2 of the Consolidated Financial Statements.

**Settlement Date Accounting**

During the quarter ended July 31, 2006, we changed our accounting policy for securities transactions from the trade date basis of accounting to the settlement date basis of accounting for the Consolidated Balance Sheet. We have restated prior periods' financial statements for this change.

**Stock-Based Compensation**

During the quarter ended July 31, 2006, we adopted the Canadian Institute of Chartered Accountants' ("CICA") new accounting requirements on stock-based compensation. The new rules require that stock-based compensation granted to employees eligible to retire should be expensed at the time of grant. Previously, we amortized the cost over the vesting period. We have restated prior periods' financial statements for this change.

**Variable Interest Entities**

On November 1, 2004, we adopted the CICA new accounting requirements on the consolidation of variable interest entities ("VIEs"). As a result, we consolidated our customer securitization vehicles as of November 1, 2004. The impact on our Consolidated Balance Sheet on November 1, 2004 was an increase in other assets of \$21,160 million, a decrease in derivative financial instrument assets of \$67 million, an increase in other liabilities of \$21,150 million, a decrease in derivative financial instrument liabilities of \$15 million and a decrease in opening retained earnings of \$42 million.

The impact on opening retained earnings arose because interest rate swaps held by our VIEs to hedge their exposure to interest rate risk did not qualify for hedge accounting prior to consolidation. Since the new rules required us to reflect the results of the consolidated VIEs as if they had always been consolidated, without restatement of prior periods, the amount of mark to market losses prior to November 1, 2004 was recognized through our opening retained earnings. These derivatives qualified for hedge accounting while the VIEs were consolidated.

On April 29, 2005, we completed the restructuring of our customer securitization VIEs and as a result they no longer met the criteria for consolidation. The impact on the Consolidated Statement of Income of deconsolidating these entities on April 29, 2005, was an increase in non-interest revenue, other, of \$44 million, an increase in income taxes of \$7 million and an increase in net income of \$37 million, representing the reversal of the unamortized mark to market losses on swaps that had been charged against retained earnings.

Our involvement with these and other VIEs is summarized in Note 8 to our consolidated financial statements for the year ended October 31, 2005, as set out on pages 105 and 106 of our 2005 Annual Report.

For information on future accounting changes, please see the section of our third quarter Press Release entitled "Future Accounting Changes."

**FINANCIAL HIGHLIGHTS**

(\$ millions except as noted)

	2006	2006	2006	2005	2005	2005	2005	2004	2004	YTD	YTD	Fiscal	Fiscal
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2006	2005	2005	2004

**Income Statement Information**

Total revenues (teb)	2,603	2,503	2,512	2,650	2,441	2,428	2,439	2,279	2,393	7,618	7,308	9,958	9,488
Provision for credit losses (PCL)	42	66	52	57	73	6	43	(13)	(110)	160	122	179	(103)
Non-interest expense	1,600	1,560	1,580	1,626	1,569	1,570	1,567	1,486	1,532	4,740	4,706	6,332	6,169
Net income	710	651	606	664	547	607	578	554	647	1,967	1,732	2,396	2,295
Net economic profit	349	302	254	328	218	303	267	247	343	905	788	1,116	1,112

**Total revenues per Consolidated**

Statement of Income	2,570	2,473	2,481	2,620	2,411	2,397	2,411	2,249	2,361	7,524	7,219	9,839	9,349
Total revenues (teb)	2,603	2,503	2,512	2,650	2,441	2,428	2,439	2,279	2,393	7,618	7,308	9,958	9,488
Provision for income taxes per Consolidated Statement of Income	199	177	224	257	208	200	209	217	288	600	617	874	971
Provision for income taxes (teb)	232	207	255	287	238	231	237	247	320	694	706	993	1,110
Taxable equivalent basis (teb) adjustment	33	30	31	30	30	31	28	30	32	94	89	119	139

**Profitability Measures**

Basic earnings per share	\$1.41	\$1.28	\$1.19	\$1.31	\$1.08	\$1.20	\$1.14	\$1.09	\$1.27	\$3.88	\$3.42	\$4.73	\$4.51
Diluted earnings per share	\$1.38	\$1.25	\$1.17	\$1.28	\$1.07	\$1.17	\$1.11	\$1.07	\$1.24	\$3.80	\$3.35	\$4.63	\$4.40
Return on equity	20.3 %	19.3 %	17.8 %	20.0 %	16.8 %	19.8 %	18.6 %	18.0 %	21.2 %	19.2 %	18.4 %	18.8 %	19.4 %
Return on average assets	0.90 %	0.88 %	0.81 %	0.88 %	0.74 %	0.82 %	0.79 %	0.85 %	0.98 %	0.86 %	0.78 %	0.81 %	0.87 %
Return on average risk-weighted assets	1.78 %	1.71 %	1.55 %	1.74 %	1.43 %	1.70 %	1.64 %	1.59 %	1.85 %	1.70 %	1.59 %	1.63 %	1.69 %
Non-interest expense-to-revenue ratio	62.3 %	63.1 %	63.7 %	62.1 %	65.1 %	65.4 %	65.0 %	66.1 %	64.9 %	63.0 %	65.2 %	64.4 %	66.0 %
Non-interest expense-to-revenue ratio (teb)	61.5 %	62.3 %	62.9 %	61.4 %	64.3 %	64.6 %	64.3 %	65.2 %	64.1 %	62.2 %	64.4 %	63.6 %	65.0 %
Net interest margin													
on average assets	1.56 %	1.51 %	1.57 %	1.58 %	1.65 %	1.59 %	1.64 %	1.81 %	1.87 %	1.54 %	1.63 %	1.61 %	1.82 %
on average earning assets	1.84 %	1.78 %	1.86 %	1.91 %	1.91 %	1.99 %	2.08 %	2.10 %	2.14 %	1.83 %	1.99 %	1.97 %	2.13 %
Net interest margin (teb)													
on average assets	1.60 %	1.55 %	1.61 %	1.62 %	1.68 %	1.64 %	1.68 %	1.86 %	1.92 %	1.59 %	1.67 %	1.65 %	1.88 %
on average earning assets	1.89 %	1.82 %	1.91 %	1.95 %	1.96 %	2.04 %	2.13 %	2.15 %	2.20 %	1.87 %	2.04 %	2.02 %	2.19 %
PCL-to-average net loans and acceptances	0.09 %	0.14 %	0.12 %	0.13 %	0.17 %	0.01 %	0.11 %	(0.03)%	(0.28)%	0.12 %	0.10 %	0.11 %	(0.07)%
Effective tax rate	21.41 %	20.90 %	26.40 %	27.48 %	26.92 %	24.47 %	26.10 %	27.84 %	30.66 %	22.86 %	25.80 %	26.28 %	29.52 %
Effective tax rate (teb)	24.07 %	23.62 %	28.99 %	29.75 %	29.61 %	27.26 %	28.60 %	30.60 %	32.90 %	25.52 %	28.46 %	28.82 %	32.39 %

**Balance Sheet Information**

Total assets	311,609	306,307	299,223	293,862	286,059	287,220	289,953	260,906	258,768	311,609	286,059	293,862	260,906
Average assets	314,657	302,821	298,798	300,071	292,825	303,654	289,721	258,110	263,193	305,454	295,300	296,502	262,898
Average earning assets	266,174	256,977	252,246	248,470	251,548	243,869	228,920	222,779	230,350	258,482	241,419	243,196	225,718
Average common shareholders' equity	13,735	13,634	13,358	12,994	12,779	12,392	12,134	12,123	11,982	13,575	12,435	12,577	11,696
Gross impaired loans (GIL) and acceptances	663	771	745	804	932	1,052	1,089	1,119	1,303	663	932	804	1,119
Allowance for credit losses (ACL)	1,107	1,117	1,115	1,128	1,200	1,237	1,314	1,308	1,487	1,107	1,200	1,128	1,308

**Balance Sheet Measures**

Cash and securities-to-total assets ratio	25.2%	25.0%	26.8%	26.5%	27.0%	27.8%	25.7%	26.0%	27.2%	25.2%	27.0%	26.5%	26.0%
GIL-to-gross loans and acceptances	0.35%	0.41%	0.41%	0.46%	0.54%	0.61%	0.67%	0.71%	0.82%	0.35%	0.54%	0.46%	0.71%
GIL-to-equity and allowance for credit losses	3.86%	4.58%	4.48%	4.92%	5.93%	6.79%	7.12%	7.48%	8.92%	3.86%	5.93%	4.92%	7.48%
Tier 1 capital ratio	10.07%	10.20%	10.41%	10.30%	9.41%	9.39%	9.76%	9.84%	9.46%	10.07%	9.41%	10.30%	9.84%
Total capital ratio	11.59%	11.76%	11.89%	11.82%	11.12%	11.32%	11.55%	11.35%	11.22%	11.59%	11.12%	11.82%	11.35%

**Cash-Based Statistical Information**

Basic earnings per share	\$1.42	\$1.30	\$1.21	\$1.35	\$1.12	\$1.24	\$1.17	\$1.13	\$1.32	\$3.93	\$3.53	\$4.88	\$4.67
Diluted earnings per share	\$1.40	\$1.27	\$1.19	\$1.32	\$1.10	\$1.21	\$1.15	\$1.11	\$1.28	\$3.86	\$3.46	\$4.78	\$4.55
Return on equity	20.6%	19.6%	18.1%	20.6%	17.3%	20.5%	19.2%	18.7%	21.9%	19.4%	19.0%	19.4%	20.0%
Non-interest expense-to-revenue ratio (teb)	61.1%	61.9%	62.4%	60.5%	63.4%	63.6%	63.3%	64.1%	62.9%	61.8%	63.4%	62.6%	63.9%
Return on average assets	0.91%	0.89%	0.82%	0.90%	0.76%	0.85%	0.82%	0.88%	1.01%	0.87%	0.81%	0.83%	0.90%
Net income	719	660	615	681	564	628	597	573	668	1,994	1,789	2,470	2,373

**FINANCIAL HIGHLIGHTS**

(\$ millions except as noted)

	2006	2006	2006	2005	2005	2005	2005	2004	2004	YTD	YTD	Fiscal	Fiscal
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2006	2005	2005	2004
<b>Dividend Information</b>													
Dividends declared per share	\$0.62	\$0.53	\$0.49	\$0.49	\$0.46	\$0.46	\$0.44	\$0.44	\$0.40	\$1.64	\$1.36	\$1.85	\$1.59
Dividends paid per share	\$0.53	\$0.49	\$0.49	\$0.46	\$0.46	\$0.44	\$0.44	\$0.40	\$0.40	\$1.51	\$1.34	\$1.80	\$1.50
Common dividends	310	266	246	245	230	230	220	221	200	822	680	925	797
Preferred dividends	6	8	8	8	6	8	8	5	9	22	22	30	31
Dividend yield	3.88%	3.28%	2.87%	3.39%	3.01%	3.25%	3.18%	3.06%	2.89%	3.42%	2.97%	3.20%	2.76%
Dividend payout ratio	44.0%	41.4%	41.2%	37.4%	42.5%	38.3%	38.7%	40.1%	31.4%	42.3%	39.8%	39.1%	35.2%
<b>Share Information</b>													
Share price													
high	\$65.00	\$70.18	\$70.24	\$62.44	\$62.05	\$57.13	\$58.59	\$59.63	\$55.50	\$70.24	\$62.05	\$62.44	\$59.65
low	\$58.58	\$63.22	\$56.86	\$56.00	\$55.04	\$53.05	\$54.38	\$52.05	\$49.50	\$56.86	\$53.05	\$53.05	\$49.28
close	\$63.95	\$64.67	\$68.30	\$57.81	\$61.10	\$56.65	\$55.28	\$57.55	\$55.40	\$63.95	\$61.10	\$57.81	\$57.55
Book value per share	\$28.21	\$27.47	\$26.95	\$26.48	\$25.94	\$25.53	\$24.85	\$24.20	\$24.25	\$28.21	\$25.94	\$26.48	\$24.20
Number of common shares outstanding (000's)													
end of period	500,107	501,652	502,676	500,219	500,076	498,585	500,648	500,897	501,025	500,107	500,076	500,219	500,897
average basic	500,762	502,502	501,374	500,383	499,152	499,415	501,268	500,635	502,177	501,536	499,951	500,060	501,656
average diluted	509,991	512,743	511,600	510,378	509,384	510,237	512,941	513,355	514,800	511,513	510,858	510,736	515,045
Total market value of common shares	31,982	32,442	34,333	28,918	30,555	28,245	27,676	28,827	27,757	31,982	30,555	28,918	28,827
Market-to-book value ratio	2.27	2.35	2.53	2.18	2.35	2.21	2.22	2.37	2.28	2.27	2.35	2.18	2.37
Price-to-earnings multiple	12.6	13.6	14.6	12.5	13.8	12.3	12.1	13.1	12.9	12.6	13.8	12.5	13.1
Total shareholder return													
twelve month	8.0 %	17.7 %	27.5 %	3.7 %	13.8 %	12.6 %	(1.5)%	20.0 %	27.5 %	8.0 %	13.8 %	3.7 %	20.0 %
five-year average	12.8 %	16.4 %	14.2 %	13.8 %	17.4 %	19.6 %	21.8 %	18.9 %	18.7 %	12.8 %	17.4 %	13.8 %	18.9 %
<b>Growth-Based Statistical Information</b>													
Diluted earnings per share growth	29.0 %	6.8 %	5.4 %	19.6 %	(13.7)%	2.6 %	16.8 %	10.3 %	30.5 %	13.4 %	0.6 %	5.2 %	27.9 %
Diluted cash earnings per share growth	27.3 %	5.0 %	3.5 %	18.9 %	(14.1)%	3.4 %	16.2 %	11.0 %	29.3 %	11.6 %	0.6 %	5.1 %	26.7 %
Net economic profit growth	59.3 %	0.0 %	(4.5)%	32.0 %	(36.3)%	(1.2)%	23.3 %	12.5 %	55.9 %	15.0 %	(9.0)%	0.1 %	58.4 %
Revenue growth	6.7 %	3.1 %	2.9 %	16.5 %	2.1 %	(0.4)%	3.4 %	(3.9)%	3.8 %	4.2 %	1.7 %	5.2 %	3.9 %
Revenue growth (teb)	6.7 %	3.0 %	3.0 %	16.3 %	2.0 %	(0.7)%	2.9 %	(4.3)%	4.0 %	4.3 %	1.4 %	5.0 %	3.7 %
Non-interest expense growth	2.0 %	(0.6)%	0.8 %	9.4 %	2.4 %	0.7 %	(1.5)%	(3.8)%	3.2 %	0.7 %	0.5 %	2.6 %	1.4 %
Net income growth	29.8 %	7.2 %	5.0 %	19.8 %	(15.5)%	2.0 %	15.7 %	10.4 %	31.4 %	13.6 %	(0.6)%	4.4 %	28.9 %
<b>Other Statistical Information</b>													
Cost of equity	10.5 %	10.5 %	10.5 %	10.5 %	10.5 %	10.5 %	10.6 %	10.5 %	10.5 %	10.5 %	10.5 %	10.5 %	10.5 %
Prime rate													
average Canadian	5.94 %	5.41 %	4.92 %	4.43 %	4.25 %	4.25 %	4.25 %	3.93 %	3.75 %	5.42 %	4.25 %	4.30 %	4.05 %
average U.S.	8.06 %	7.59 %	7.14 %	6.59 %	6.08 %	5.61 %	5.11 %	4.58 %	4.09 %	7.60 %	5.60 %	5.85 %	4.17 %
Exchange rate													
as at Cdn/U.S. dollar	1.1316	1.1180	1.1390	1.1812	1.2241	1.2585	1.2412	1.2180	1.3295	1.1316	1.2241	1.1812	1.2180
average Cdn/U.S. dollar	1.1164	1.1413	1.1562	1.1772	1.2350	1.2336	1.2100	1.2642	1.3423	1.1379	1.2261	1.2138	1.3131
<b>Additional Bank Information</b>													
Number of full-time equivalent employees													
Canada	28,332	27,443	27,144	26,684	26,882	26,278	26,428	26,494	26,960	28,332	26,882	26,684	26,494
United States	6,723	6,685	6,581	6,901	7,003	7,080	6,842	6,900	6,994	6,723	7,003	6,901	6,900
Other	220	215	202	200	202	188	195	199	191	220	202	200	199
Total	35,275	34,343	33,927	33,785	34,087	33,546	33,465	33,593	34,145	35,275	34,087	33,785	33,593
Number of bank branches													
Canada	966	969	972	968	973	980	983	988	985	966	973	968	988
United States	213	213	212	208	204	204	203	182	177	213	204	208	182
Other	4	4	4	4	4	4	4	4	4	4	4	4	4
Total	1,183	1,186	1,188	1,180	1,181	1,188	1,190	1,174	1,166	1,183	1,181	1,180	1,174
Number of automated banking machines													
Canada	1,952	1,956	1,957	1,952	1,972	1,977	1,984	1,993	2,024	1,952	1,972	1,952	1,993
United States	544	543	549	539	532	543	544	479	452	544	532	539	479
Total	2,496	2,499	2,506	2,491	2,504	2,520	2,528	2,472	2,476	2,496	2,504	2,491	2,472
Credit rating													
Standard and Poor's	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-
Moody's	Aa3	Aa3	Aa3	Aa3	Aa3	Aa3	Aa3	Aa3	Aa3	Aa3	Aa3	Aa3	Aa3

**TOTAL BANK CONSOLIDATED  
SUMMARY INCOME STATEMENTS  
AND HIGHLIGHTS**



(\$ millions except as noted)

	2006	2006	2006	2005	2005	2005	2005	2004	2004	YTD	YTD	Fiscal	Fiscal
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2006	2005	2005	2004

Net interest income (teb) (1)	1,267	1,143	1,213	1,224	1,244	1,212	1,226	1,206	1,272	3,623	3,682	4,906	4,937
Non-interest revenue	1,336	1,360	1,299	1,426	1,197	1,216	1,213	1,073	1,121	3,995	3,626	5,052	4,551
Total revenues (teb)	2,603	2,503	2,512	2,650	2,441	2,428	2,439	2,279	2,393	7,618	7,308	9,958	9,488
Provision for credit losses	42	66	52	57	73	6	43	(13)	(110)	160	122	179	(103)
Net interest income and non-interest revenue (teb)	2,561	2,437	2,460	2,593	2,368	2,422	2,396	2,292	2,503	7,458	7,186	9,779	9,591
Non-interest expense	1,600	1,560	1,580	1,626	1,569	1,570	1,567	1,486	1,532	4,740	4,706	6,332	6,169
Income before taxes, non-controlling interest in subsidiaries and goodwill	961	877	880	967	799	852	829	806	971	2,718	2,480	3,447	3,422
Provision for income taxes (teb) (1)	232	207	255	287	238	231	237	247	320	694	706	993	1,110
Non-controlling interest in subsidiaries	19	19	19	16	14	14	14	5	4	57	42	58	17
Net income	710	651	606	664	547	607	578	554	647	1,967	1,732	2,396	2,295
Amortization of intangible assets, net of income tax	9	9	9	17	17	21	19	19	21	27	57	74	78
Cash net income	719	660	615	681	564	628	597	573	668	1,994	1,789	2,470	2,373

(1) Refer to page 2 for details of teb adjustment.

**U.S. Segment Information (Canadian GAAP / \$CAD equivalent)**

Net interest income (teb)	303	296	309	300	323	331	312	336	375	908	966	1,266	1,437
Non-interest revenue	286	319	314	386	298	326	334	244	311	919	958	1,344	1,200
Total revenues (teb)	589	615	623	686	621	657	646	580	686	1,827	1,924	2,610	2,637
Provision for credit losses	(14)	11	3	6	25	(15)	(2)	(1)	(122)	-	8	14	(46)
Net interest income and non-interest revenue (teb)	603	604	620	680	596	672	648	581	808	1,827	1,916	2,596	2,683
Non-interest expense	439	417	422	484	463	491	417	487	496	1,278	1,371	1,855	1,960
Income before taxes, non-controlling interest in subsidiaries and goodwill	164	187	198	196	133	181	231	94	312	549	545	741	723
Provision for income taxes (teb)	46	69	66	89	42	47	69	28	118	181	158	247	278
Non-controlling interest in subsidiaries	5	6	5	5	6	5	6	4	4	16	17	22	15
Net income	113	112	127	102	85	129	156	62	190	352	370	472	430
Cash net income	119	119	134	118	97	147	171	78	208	372	415	533	495
Average assets	83,083	77,501	79,539	83,321	72,409	75,576	71,219	64,002	68,665	80,069	73,040	75,632	68,743
Net interest margin (teb)	1.45%	1.57%	1.54%	1.43%	1.76%	1.80%	1.74%	2.09%	2.17%	1.52%	1.77%	1.67%	2.09%
Non-interest expense-to-revenue ratio (teb)	74.5%	67.8%	67.7%	70.4%	74.6%	74.6%	64.6%	84.0%	72.4%	70.0%	71.3%	71.0%	74.4%
Cash non-interest expense-to-revenue ratio (teb)	73.1%	66.5%	66.3%	67.6%	71.3%	71.5%	61.4%	80.3%	68.9%	68.6%	68.1%	67.9%	70.9%

**\$USD Equivalent (Canadian GAAP)**

Net interest income (teb)	271	260	267	256	261	269	257	266	279	798	787	1,043	1,094
Non-interest revenue	256	281	271	328	241	264	274	192	231	808	779	1,107	909
Total revenues (teb)	527	541	538	584	502	533	531	458	510	1,606	1,566	2,150	2,003
Provision for credit losses	(12)	10	2	5	21	(13)	(1)	(2)	(92)	-	7	12	(35)
Net interest income and non-interest revenue (teb)	539	531	536	579	481	546	532	460	602	1,606	1,559	2,138	2,038
Non-interest expense	393	366	365	411	375	397	345	386	369	1,124	1,117	1,528	1,494
Income before taxes, non-controlling interest in subsidiaries and goodwill	146	165	171	168	106	149	187	74	233	482	442	610	544
Provision for income taxes (teb)	40	62	57	77	33	39	56	22	88	159	128	205	209
Non-controlling interest in subsidiaries	5	4	5	4	5	4	5	3	3	14	14	18	12
Net income	101	99	109	87	68	106	126	49	142	309	300	387	323
Cash net income	107	104	116	99	79	119	140	62	156	327	338	437	374
Average assets	74,395	67,935	68,795	70,806	58,640	61,240	58,872	50,630	51,153	70,402	59,566	62,399	52,338

**NET INCOME BY OPERATING GROUP  
AND GEOGRAPHIC AREA**

	2006	2006	2006	2005	2005	2005	2005	2004	2004	YTD	YTD	Fiscal	Fiscal
(\$ millions except as noted)	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2006	2005	2005	2004
<b>Personal &amp; Commercial Client Group</b>													
Canada	284	237	243	241	256	224	242	222	224	764	722	963	816
United States	31	27	34	34	30	30	31	31	28	92	91	125	110
Other	61	22	23	30	21	39	21	14	16	106	81	111	56
<b>Total</b>	<b>376</b>	<b>286</b>	<b>300</b>	<b>305</b>	<b>307</b>	<b>293</b>	<b>294</b>	<b>267</b>	<b>268</b>	<b>962</b>	<b>894</b>	<b>1,199</b>	<b>982</b>
<b>Private Client Group</b>													
Canada	84	93	89	94	69	73	69	63	60	266	211	305	237
United States	(1)	1	4	12	(8)	3	3	(12)	(3)	4	(2)	10	(17)
Other	2	2	1	1	2	1	1	2	1	5	4	5	7
<b>Total</b>	<b>85</b>	<b>96</b>	<b>94</b>	<b>107</b>	<b>63</b>	<b>77</b>	<b>73</b>	<b>53</b>	<b>58</b>	<b>275</b>	<b>213</b>	<b>320</b>	<b>227</b>
<b>Investment Banking Group</b>													
Canada	142	151	126	159	96	94	85	141	104	419	275	434	449
United States	68	89	92	61	72	101	112	50	115	249	285	346	333
Other	(9)	5	10	6	16	11	40	(1)	11	6	67	73	48
<b>Total</b>	<b>201</b>	<b>245</b>	<b>228</b>	<b>226</b>	<b>184</b>	<b>206</b>	<b>237</b>	<b>190</b>	<b>230</b>	<b>674</b>	<b>627</b>	<b>853</b>	<b>830</b>
<b>Corporate Support, including Technology and Solutions</b>													
Canada	19	13	(28)	18	(25)	31	(52)	29	25	4	(46)	(28)	166
United States	15	(5)	(3)	(5)	(9)	(5)	10	(7)	50	7	(4)	(9)	4
Other	14	16	15	13	27	5	16	22	16	45	48	61	86
<b>Total</b>	<b>48</b>	<b>24</b>	<b>(16)</b>	<b>26</b>	<b>(7)</b>	<b>31</b>	<b>(26)</b>	<b>44</b>	<b>91</b>	<b>56</b>	<b>(2)</b>	<b>24</b>	<b>256</b>
<b>Total Consolidated</b>													
Canada	529	494	430	512	396	422	344	455	413	1,453	1,162	1,674	1,668
United States	113	112	127	102	85	129	156	62	190	352	370	472	430
Other	68	45	49	50	66	56	78	37	44	162	200	250	197
<b>Total</b>	<b>710</b>	<b>651</b>	<b>606</b>	<b>664</b>	<b>547</b>	<b>607</b>	<b>578</b>	<b>554</b>	<b>647</b>	<b>1,967</b>	<b>1,732</b>	<b>2,396</b>	<b>2,295</b>
U.S. to North America net income	17.5 %	18.5 %	22.8 %	16.6 %	17.6 %	23.5 %	31.2 %	11.9 %	31.6 %	19.5 %	24.1 %	22.0 %	20.5 %
Outside Canada to total net income	25.5 %	24.1 %	29.0 %	22.9 %	27.6 %	30.5 %	40.4 %	17.9 %	36.2 %	26.1 %	32.9 %	30.1 %	27.3 %
U.S. to total net income	15.9 %	17.2 %	21.0 %	15.3 %	15.5 %	21.3 %	27.0 %	11.1 %	29.4 %	17.9 %	21.4 %	19.7 %	18.7 %

**Net Income by Operating Group**
**Basis of Presentation**

The results of these operating groups are based on our internal financial reporting systems. The accounting policies used in these groups are generally consistent with those followed in the preparation of the consolidated financial statements as disclosed in Notes 1 and 2 to the unaudited interim consolidated financial statements for the quarter ended July 31, 2006.

Notable accounting measurement differences are the taxable equivalent basis adjustment and the provision for credit losses, as described below.

**Taxable Equivalent Basis**

We analyze net interest income on a taxable equivalent basis ("teb"). This basis includes an adjustment which increases GAAP revenues and the GAAP provision for income taxes by an amount that would raise revenues on certain tax-exempt securities to a level that would incur tax at the statutory rate.

**Provisions for Credit Losses**

Provisions for credit losses are generally allocated to each group based on expected losses for that group over an economic cycle. Differences between expected loss provisions and provisions required under GAAP are included in Corporate Support.

**Inter-Group Allocations**

Various estimates and allocation methodologies are used in the preparation of the operating groups' financial information. We allocate expenses directly related to earning revenue to the groups that earned the related revenue. Expenses not directly related to earning revenue, such as overhead expenses, are allocated to operating groups using allocation formulas applied on a consistent basis. Operating group net interest income reflects internal funding changes and credits on the groups' assets, liabilities and capital, at market rates, taking into account relevant terms and currency considerations. The offset of the net impact of these charges and credits is reflected in Corporate Support.

**Geographic Information**

We operate primarily in Canada and the United States but also have operations in the United Kingdom, Europe, the Caribbean and Asia, which are grouped in Other Countries. We allocate our results by geographic region based on the location of the unit responsible for managing the related assets, liabilities, revenues and expenses, except for the consolidated provision for credit losses, which is allocated based upon the country of ultimate risk.

Prior periods have been restated to give effect to the current period's organization structure and presentation changes.

**TOTAL PERSONAL & COMMERCIAL CLIENT GROUP**  
**SUMMARY INCOME**  
**STATEMENT AND HIGHLIGHTS**

	2006	2006	2006	2005	2005	2005	2005	2004	2004	YTD	YTD	Fiscal	Fiscal
(\$ millions except as noted)	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2006	2005	2005	2004
Net interest income (teb)	943	887	911	925	906	857	873	859	864	2,741	2,636	3,561	3,352
Non-interest revenue	514	437	410	407	422	414	412	400	401	1,361	1,248	1,655	1,525
Total revenues (teb)	1,457	1,324	1,321	1,332	1,328	1,271	1,285	1,259	1,265	4,102	3,884	5,216	4,877
Provision for credit losses	86	86	86	74	75	76	74	74	76	258	225	299	299
Net interest and non-interest revenue (teb)	1,371	1,238	1,235	1,258	1,253	1,195	1,211	1,185	1,189	3,844	3,659	4,917	4,578
Non-interest expense	845	802	778	815	784	781	762	776	780	2,425	2,327	3,142	3,077
Income before taxes, and non-controlling interest in subsidiaries	526	436	457	443	469	414	449	409	409	1,419	1,332	1,775	1,501
Provision for income taxes (teb)	150	150	157	138	162	121	155	142	141	457	438	576	518
Non-controlling interest in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	1
Net income	376	286	300	305	307	293	294	267	268	962	894	1,199	982
Cash net income	383	294	308	312	317	302	302	276	277	985	921	1,233	1,015
Net economic profit	218	134	143	170	174	164	159	169	171	495	497	667	592
Cash return on equity	25.0 %	19.6 %	19.9 %	23.4 %	23.8 %	23.5 %	22.7 %	27.7 %	27.8 %	21.5 %	23.3 %	23.3 %	25.6 %
Net interest margin (teb)	2.72 %	2.68 %	2.71 %	2.81 %	2.79 %	2.79 %	2.82 %	2.81 %	2.89 %	2.70 %	2.80 %	2.80 %	2.86 %
Net interest margin on earning assets (teb)	2.84 %	2.80 %	2.83 %	2.93 %	2.92 %	2.92 %	2.94 %	2.92 %	3.00 %	2.82 %	2.93 %	2.93 %	2.98 %
Non-interest expense-to-revenue ratio (teb)	58.0 %	60.6 %	58.9 %	61.2 %	59.1 %	61.4 %	59.3 %	61.6 %	61.7 %	59.1 %	59.9 %	60.2 %	63.1 %
Cash non-interest expense-to-revenue ratio (teb)	57.4 %	59.9 %	58.2 %	60.4 %	58.3 %	60.6 %	58.5 %	60.8 %	60.9 %	58.5 %	59.1 %	59.4 %	62.3 %
Average common equity	5,985	6,007	6,003	5,203	5,192	5,184	5,184	3,912	3,913	5,998	5,187	5,191	3,912
Average assets	137,656	135,814	133,092	130,719	128,676	125,695	122,939	121,533	119,022	135,518	125,771	127,018	117,126
Average earning assets	131,966	129,984	127,515	125,097	123,133	120,205	117,731	117,015	114,524	129,820	120,358	121,552	112,576
Average current loans excl. securities purchased under resale agreements	130,409	128,369	125,709	123,019	120,954	118,016	115,855	115,006	112,746	128,160	118,278	119,473	111,052
Average loans and acceptances	132,457	130,395	127,640	124,894	122,837	119,722	117,458	116,619	114,399	130,161	120,009	121,240	112,693
Average deposits	62,172	61,562	62,180	61,851	62,461	60,595	59,872	59,806	59,661	61,976	60,980	61,200	58,210
Total as at risk-weighted assets	88,485	88,534	86,062	85,011	83,950	82,199	78,842	76,841	77,904	88,485	83,950	85,011	76,841
Assets under administration	12,814	12,287	11,460	11,415	10,906	11,082	10,727	10,955	10,834	12,814	10,906	11,415	10,955
Number of full-time equivalent employees	19,673	19,145	18,924	18,551	18,637	18,276	18,064	18,050	18,288	19,673	18,637	18,551	18,050
<b>U.S. Segment Information (Canadian GAAP / \$CAD equivalent)</b>													
Net interest income (teb)	184	187	185	184	189	185	174	174	176	556	548	732	678
Non-interest revenue	45	40	40	40	40	43	42	44	45	125	125	165	175
Total revenues (teb)	229	227	225	224	229	228	216	218	221	681	673	897	853
Provision for credit losses	8	7	8	7	8	8	7	7	7	23	23	30	28
Net interest and non-interest revenue (teb)	221	220	217	217	221	220	209	211	214	658	650	867	825
Non-interest expense	169	174	160	163	170	170	156	159	167	503	496	659	638
Income before taxes, and non-controlling interest in subsidiaries	52	46	57	54	51	50	53	52	47	155	154	208	187
Provision for income taxes (teb)	21	19	23	20	21	20	22	21	19	63	63	83	77
Net income	31	27	34	34	30	30	31	31	28	92	91	125	110
Cash net income	38	33	39	38	38	37	36	37	34	110	111	149	133
Average assets	21,879	21,936	21,625	21,700	21,911	21,287	19,330	19,347	18,829	21,812	20,838	21,055	17,895
Net interest margin (teb)	3.34%	3.49%	3.40%	3.36%	3.43%	3.55%	3.58%	3.58%	3.72%	3.41%	3.52%	3.48%	3.79%
Non-interest expense-to-revenue ratio (teb)	73.9%	76.6%	71.1%	72.7%	73.9%	74.7%	72.1%	73.0%	75.3%	73.9%	73.6%	73.4%	74.8%
Cash non-interest expense-to-revenue ratio (teb)	70.7%	73.4%	67.8%	69.3%	70.5%	71.2%	68.7%	69.6%	71.9%	70.6%	70.2%	69.9%	71.4%
<b>\$USD Equivalent (Canadian GAAP)</b>													
Net interest income (teb)	165	164	160	156	153	150	144	138	131	489	447	603	516
Non-interest revenue	40	36	34	33	33	36	34	35	33	110	103	136	134
Total revenues (teb)	205	200	194	189	186	186	178	173	164	599	550	739	650
Provision for credit losses	7	6	7	7	6	6	6	5	6	20	18	25	21
Net interest and non-interest revenue (teb)	198	194	187	182	180	180	172	168	158	579	532	714	629
Non-interest expense	151	153	138	137	138	138	129	126	124	442	405	542	486
Income before taxes, and non-controlling interest in subsidiaries	47	41	49	45	42	42	43	42	34	137	127	172	143
Provision for income taxes (teb)	19	17	20	17	17	16	19	17	14	56	52	69	58
Net income	28	24	29	28	25	26	24	25	20	81	75	103	85
Cash net income	34	28	35	32	31	30	30	30	25	97	91	123	103
Average assets	19,596	19,222	18,707	18,435	17,743	17,254	15,972	15,306	14,032	19,174	16,987	17,352	13,643



**P&C CANADA**  
**SUMMARY INCOME**  
**STATEMENT AND HIGHLIGHTS**



(\$ millions except as noted)

	2006	2006	2006	2005	2005	2005	2005	2004	2004	YTD	YTD	Fiscal	Fiscal
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2006	2005	2005	2004
Net interest income (teb)	759	700	726	741	717	672	699	685	688	2,185	2,088	2,829	2,674
Non-interest revenue	469	397	370	367	382	371	370	356	356	1,236	1,123	1,490	1,350
Total revenues (teb)	1,228	1,097	1,096	1,108	1,099	1,043	1,069	1,041	1,044	3,421	3,211	4,319	4,024
Provision for credit losses	78	79	78	67	67	68	67	67	69	235	202	269	271
Net interest and non-interest revenue (teb)	1,150	1,018	1,018	1,041	1,032	975	1,002	974	975	3,186	3,009	4,050	3,753
Non-interest expense	676	628	618	652	614	611	606	617	613	1,922	1,831	2,483	2,439
Income before taxes, and non-controlling interest in subsidiaries	474	390	400	389	418	364	396	357	362	1,264	1,178	1,567	1,314
Provision for income taxes (teb)	129	131	134	118	141	101	133	121	122	394	375	493	441
Non-controlling interest in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	1
Net income	345	259	266	271	277	263	263	236	240	870	803	1,074	872
Cash net income	345	261	269	274	279	265	266	239	243	875	810	1,084	882
Net interest margin (teb)	2.60 %	2.52 %	2.58 %	2.70 %	2.66 %	2.64 %	2.68 %	2.67 %	2.73 %	2.57 %	2.66 %	2.67 %	2.69 %
Net interest margin on earning assets (teb)	2.69 %	2.62 %	2.67 %	2.79 %	2.76 %	2.73 %	2.77 %	2.75 %	2.82 %	2.66 %	2.75 %	2.76 %	2.79 %
Non-interest expense-to-revenue ratio (teb)	55.1 %	57.3 %	56.4 %	58.9 %	56.0 %	58.5 %	56.7 %	59.2 %	58.8 %	56.2 %	57.0 %	57.5 %	60.6 %
Cash non-interest expense-to-revenue ratio (teb)	54.9 %	57.1 %	56.2 %	58.7 %	55.8 %	58.3 %	56.4 %	59.0 %	58.5 %	56.0 %	56.8 %	57.3 %	60.4 %
Average assets	115,777	113,878	111,467	109,019	106,765	104,408	103,609	102,186	100,193	113,706	104,933	105,963	99,231
Average earning assets	111,825	109,825	107,652	105,253	103,086	100,844	100,074	99,016	97,026	109,767	101,340	102,326	96,011
Average current loans excl. securities purchased under resale agreements	110,903	108,889	106,758	104,329	102,140	99,864	99,160	98,118	96,095	108,849	100,394	101,386	95,072
Average loans and acceptances	112,948	110,915	108,688	106,203	104,023	101,570	100,763	99,731	97,748	110,849	102,125	103,153	96,712
Average deposits	44,318	43,543	44,092	43,486	43,086	41,580	42,030	41,167	40,652	43,989	42,239	42,554	39,764
Total as at risk-weighted assets	68,892	69,311	66,902	65,642	64,924	63,099	61,203	60,611	59,986	68,892	64,924	65,642	60,611
Assets under administration	10,774	10,284	9,404	9,346	8,834	8,535	8,134	8,420	8,110	10,774	8,834	9,346	8,420
Number of full-time equivalent employees	16,170	15,655	15,442	15,117	15,185	14,828	14,890	14,865	15,112	16,170	15,185	15,117	14,865

**P&C CHICAGOLAND BANKING**  
**SUMMARY INCOME**  
**STATEMENT AND HIGHLIGHTS**



(\$ millions except as noted)

	2006	2006	2006	2005	2005	2005	2005	2004	2004	YTD	YTD	Fiscal	Fiscal
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2006	2005	2005	2004
Net interest income (teb)	184	187	185	184	189	185	174	174	176	556	548	732	678
Non-interest revenue	45	40	40	40	40	43	42	44	45	125	125	165	175
Total revenues (teb)	229	227	225	224	229	228	216	218	221	681	673	897	853
Provision for credit losses	8	7	8	7	8	8	7	7	7	23	23	30	28
Net interest and non-interest revenue (teb)	221	220	217	217	221	220	209	211	214	658	650	867	825
Non-interest expense	169	174	160	163	170	170	156	159	167	503	496	659	638
Income before taxes, and non-controlling interest in subsidiaries	52	46	57	54	51	50	53	52	47	155	154	208	187
Provision for income taxes (teb)	21	19	23	20	21	20	22	21	19	63	63	83	77
Net income	31	27	34	34	30	30	31	31	28	92	91	125	110
Cash net income	38	33	39	38	38	37	36	37	34	110	111	149	133
Net interest margin (teb)	3.38 %	3.45 %	3.40 %	3.36 %	3.43 %	3.55 %	3.58 %	3.58 %	3.72 %	3.41 %	3.52 %	3.48 %	3.79 %
Net interest margin on earning assets (teb)	3.67 %	3.75 %	3.70 %	3.68 %	3.74 %	3.91 %	3.92 %	3.85 %	4.01 %	3.71 %	3.85 %	3.81 %	4.09 %
Non-interest expense-to-revenue ratio (teb)	73.9 %	76.6 %	71.1 %	72.7 %	73.9 %	74.7 %	72.1 %	73.0 %	75.3 %	73.9 %	73.6 %	73.4 %	74.8 %
Cash non-interest expense-to-revenue ratio (teb)	70.7 %	73.4 %	67.8 %	69.3 %	70.5 %	71.2 %	68.7 %	69.6 %	71.9 %	70.6 %	70.2 %	69.9 %	71.4 %
Average assets	21,879	21,936	21,625	21,700	21,911	21,287	19,330	19,347	18,829	21,812	20,838	21,055	17,895
Average earning assets	20,141	20,159	19,863	19,844	20,047	19,361	17,657	17,999	17,498	20,053	19,018	19,226	16,565
Average current loans excl. securities purchased under resale agreements	19,506	19,480	18,951	18,690	18,814	18,152	16,695	16,888	16,651	19,311	17,884	18,087	15,980
Average loans and acceptances	19,508	19,480	18,952	18,691	18,814	18,152	16,695	16,888	16,651	19,312	17,884	18,087	15,980
Average deposits	17,854	18,019	18,088	18,365	19,375	19,015	17,842	18,639	19,009	17,987	18,741	18,646	18,446
Total as at risk-weighted assets	19,593	19,223	19,160	19,369	19,026	19,100	17,639	16,230	17,918	19,593	19,026	19,369	16,230
Assets under administration	2,040	2,003	2,056	2,069	2,072	2,547	2,593	2,535	2,724	2,040	2,072	2,069	2,535
Number of full-time equivalent employees	3,503	3,490	3,482	3,434	3,452	3,448	3,174	3,185	3,176	3,503	3,452	3,434	3,185

**\$USD Equivalent (Canadian GAAP)**

Net interest income (teb)	165	164	160	156	153	150	144	138	131	489	447	603	516
Non-interest revenue	40	36	34	33	33	36	34	35	33	110	103	136	134
Total revenues (teb)	205	200	194	189	186	186	178	173	164	599	550	739	650
Provision for credit losses	7	6	7	7	6	6	6	5	6	20	18	25	21
Net interest and non-interest revenue (teb)	198	194	187	182	180	180	172	168	158	579	532	714	629
Non-interest expense	151	153	138	137	138	138	129	126	124	442	405	542	486
Income before taxes, and non-controlling interest in subsidiaries	47	41	49	45	42	42	43	42	34	137	127	172	143
Provision for income taxes (teb)	19	17	20	17	17	16	19	17	14	56	52	69	58
Net income	28	24	29	28	25	26	24	25	20	81	75	103	85
Cash net income	34	28	35	32	31	30	30	30	25	97	91	123	103
Average assets	19,596	19,222	18,707	18,435	17,743	17,254	15,972	15,306	14,032	19,174	16,987	17,352	13,643
Average loans and acceptances	17,471	17,069	16,393	15,878	15,235	14,714	13,795	13,361	12,409	16,977	14,580	14,907	12,182
Average deposits	15,993	15,790	15,646	15,601	15,688	15,412	14,744	14,743	14,164	15,810	15,280	15,361	14,055

**TOTAL PRIVATE CLIENT GROUP  
SUMMARY INCOME  
STATEMENT AND HIGHLIGHTS**



(\$ millions except as noted)

	2006	2006	2006	2005	2005	2005	2005	2004	2004	YTD	YTD	Fiscal	Fiscal
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2006	2005	2005	2004
Net interest income (teb)	148	138	138	147	147	143	140	132	130	424	430	577	533
Non-interest revenue	329	349	326	425	332	360	342	312	316	1,004	1,034	1,459	1,318
Total revenues (teb)	477	487	464	572	479	503	482	444	446	1,428	1,464	2,036	1,851
Provision for credit losses	1	-	1	1	1	1	1	1	1	2	3	4	5
Net interest and non-interest revenue (teb)	476	487	463	571	478	502	481	443	445	1,426	1,461	2,032	1,846
Non-interest expense	341	337	322	389	381	382	368	362	357	1,000	1,131	1,520	1,504
Income before taxes	135	150	141	182	97	120	113	81	88	426	330	512	342
Provision for income taxes (teb)	50	54	47	75	34	43	40	28	30	151	117	192	115
Net income	85	96	94	107	63	77	73	53	58	275	213	320	227
Cash net income	86	98	95	116	71	87	83	63	69	279	241	357	270
Net economic profit	54	67	64	73	29	46	40	21	28	185	115	188	104
Cash return on equity	29.2 %	34.5 %	32.6 %	28.8 %	17.6 %	22.5 %	20.5 %	16.0 %	17.6 %	32.1 %	20.2 %	22.4 %	17.2 %
Net interest margin (teb)	8.87 %	8.82 %	8.53 %	8.49 %	8.06 %	8.33 %	7.87 %	7.32 %	7.05 %	8.74 %	8.09 %	8.19 %	7.46 %
Net interest margin on earning assets (teb)	10.23 %	10.06 %	9.88 %	10.48 %	10.23 %	10.59 %	10.35 %	9.72 %	9.43 %	10.06 %	10.39 %	10.41 %	9.98 %
Non-interest expense-to-revenue ratio (teb)	71.6 %	69.2 %	69.4 %	67.9 %	79.6 %	75.8 %	76.5 %	81.5 %	80.3 %	70.0 %	77.3 %	74.6 %	81.3 %
Cash non-interest expense-to-revenue ratio (teb)	71.3 %	68.8 %	69.1 %	65.8 %	76.9 %	73.3 %	73.6 %	78.2 %	76.8 %	69.7 %	74.6 %	72.1 %	77.9 %
Average common equity	1,148	1,148	1,148	1,583	1,583	1,582	1,582	1,557	1,558	1,148	1,582	1,582	1,557
Average assets	6,611	6,428	6,428	6,912	7,223	7,068	7,042	7,204	7,289	6,490	7,112	7,061	7,145
Average earning assets	5,731	5,635	5,549	5,601	5,695	5,560	5,353	5,421	5,453	5,638	5,536	5,552	5,339
Average current loans excl. securities purchased under resale agreements	5,181	5,065	5,010	4,973	5,021	4,869	4,713	4,710	4,758	5,086	4,868	4,894	4,671
Average loans and acceptances	5,190	5,075	5,019	4,984	5,035	4,883	4,727	4,721	4,769	5,095	4,882	4,907	4,682
Average deposits	43,471	42,985	42,503	42,261	42,885	42,956	42,571	42,592	42,837	42,987	42,802	42,666	43,003
Total as at risk-weighted assets	4,198	4,345	4,250	4,326	5,624	5,786	5,758	5,518	6,223	4,198	5,624	4,326	5,518
Assets under administration	149,647	147,332	142,949	134,093	173,513	169,987	165,258	156,650	163,989	149,647	173,513	134,093	156,650
Assets under management	94,330	90,101	93,594	87,382	87,453	85,505	84,914	79,939	83,718	94,330	87,453	87,382	79,939
Number of full-time equivalent employees	4,246	4,155	4,112	4,645	4,735	4,719	4,742	4,757	4,890	4,246	4,735	4,645	4,757

**U.S. Segment Information (Canadian GAAP / \$CAD equivalent)**

Net interest income (teb)	18	19	21	36	37	36	35	37	38	58	108	144	151
Non-interest revenue	53	47	52	130	86	93	91	88	103	152	270	400	407
Total revenues (teb)	71	66	73	166	123	129	126	125	141	210	378	544	558
Provision for credit losses	1	-	-	-	-	1	-	-	-	1	1	1	1
Net interest and non-interest revenue (teb)	70	66	73	166	123	128	126	125	141	209	377	543	557
Non-interest expense	73	64	69	128	134	123	121	142	146	206	378	506	582
Income before taxes, and non-controlling interest in subsidiaries	(3)	2	4	38	(11)	5	5	(17)	(5)	3	(1)	37	(25)
Provision for income taxes (teb)	(2)	1	-	26	(3)	2	2	(5)	(2)	(1)	1	27	(8)
Net income	(1)	1	4	12	(8)	3	3	(12)	(3)	4	(2)	10	(17)
Cash net income	-	1	5	20	-	13	12	(2)	8	6	25	45	24
Average assets	2,339	2,399	2,480	3,062	3,473	3,381	3,464	3,622	3,746	2,406	3,440	3,345	3,671
Net interest margin (teb)	3.12%	3.20%	3.38%	4.79%	4.14%	4.41%	4.01%	4.14%	4.10%	3.24%	4.18%	4.32%	4.14%
Non-interest expense-to-revenue ratio (teb)	101.4%	98.1%	94.1%	77.1%	109.7%	95.1%	95.9%	114.4%	102.9%	97.9%	100.1%	93.1%	104.4%
Cash non-interest expense-to-revenue ratio (teb)	100.2%	96.9%	93.0%	70.2%	99.8%	85.6%	85.6%	103.3%	92.3%	96.7%	90.2%	84.1%	93.6%

**\$USD Equivalent (Canadian GAAP)**

Net interest income (teb)	16	17	18	31	30	29	29	30	29	51	88	119	117
Non-interest revenue	48	41	45	110	70	74	76	69	76	134	220	330	309
Total revenues (teb)	64	58	63	141	100	103	105	99	105	185	308	449	426
Provision for credit losses	-	-	-	-	-	1	-	-	-	-	1	1	-
Net interest and non-interest revenue (teb)	64	58	63	141	100	102	105	99	105	185	307	448	426
Non-interest expense	65	57	59	109	108	100	100	113	108	181	308	417	443
Income before taxes, and non-controlling interest in subsidiaries	(1)	1	4	32	(8)	2	5	(14)	(3)	4	(1)	31	(17)
Provision for income taxes (teb)	1	-	-	22	(1)	-	2	(5)	(1)	1	1	23	(7)
Net income	(2)	1	4	10	(7)	2	3	(9)	(2)	3	(2)	8	(10)
Cash net income	(1)	2	4	17	-	10	10	(1)	6	5	20	37	21
Average assets	2,095	2,102	2,145	2,602	2,812	2,741	2,862	2,866	2,791	2,114	2,806	2,754	2,796

**TOTAL INVESTMENT BANKING GROUP  
SUMMARY INCOME  
STATEMENT AND HIGHLIGHTS**



	2006	2006	2006	2005	2005	2005	2005	2004	2004	YTD	YTD	Fiscal	Fiscal
(\$ millions except as noted)	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2006	2005	2005	2004
Net interest income (teb)	201	174	207	186	232	272	276	279	355	582	780	966	1,259
Non-interest revenue	477	552	536	520	415	408	432	322	355	1,565	1,255	1,775	1,508
Total revenues (teb)	678	726	743	706	647	680	708	601	710	2,147	2,035	2,741	2,767
Provision for credit losses	20	20	20	24	24	25	25	44	5	60	74	98	138
Net interest and non-interest revenue (teb)	658	706	723	682	623	655	683	557	705	2,087	1,961	2,643	2,629
Non-interest expense	387	409	411	372	374	359	372	290	354	1,207	1,105	1,477	1,405
Income before taxes	271	297	312	310	249	296	311	267	351	880	856	1,166	1,224
Provision for income taxes (teb)	70	52	84	84	65	90	74	77	121	206	229	313	394
Net income	201	245	228	226	184	206	237	190	230	674	627	853	830
Cash net income	201	245	229	225	184	207	237	190	232	675	628	853	832
Net economic profit	77	125	104	115	75	100	127	69	113	306	302	417	356
Cash return on equity	17.3 %	21.9 %	19.7 %	22.0 %	18.0 %	20.9 %	23.2 %	16.9 %	20.7 %	19.6 %	20.7 %	21.0 %	18.7 %
Net interest margin (teb)	0.48 %	0.46 %	0.53 %	0.47 %	0.61 %	0.67 %	0.71 %	0.88 %	1.06 %	0.49 %	0.66 %	0.61 %	0.93 %
Net interest margin on earning assets (teb)	0.62 %	0.59 %	0.70 %	0.63 %	0.76 %	0.96 %	1.04 %	1.11 %	1.31 %	0.64 %	0.91 %	0.84 %	1.18 %
Non-interest expense-to-revenue ratio (teb)	57.1 %	56.3 %	55.3 %	52.8 %	57.6 %	52.9 %	52.5 %	48.3 %	50.0 %	56.2 %	54.3 %	53.9 %	50.8 %
Cash non-interest expense-to-revenue ratio (teb)	57.1 %	56.2 %	55.3 %	52.7 %	57.6 %	52.8 %	52.5 %	48.2 %	49.7 %	56.2 %	54.2 %	53.9 %	50.7 %
Average common equity	4,481	4,482	4,480	3,968	3,967	3,967	3,967	4,382	4,382	4,481	3,967	3,967	4,382
Average assets	165,473	155,833	154,745	156,586	152,087	165,810	154,732	126,448	132,602	158,715	157,452	157,234	134,820
Average earning assets	128,286	120,405	118,272	116,216	121,788	116,812	104,711	99,655	107,916	122,342	114,411	114,866	106,565
Average current loans excl. securities purchased under resale agreements	17,619	16,987	16,025	14,800	15,241	15,141	14,402	14,770	16,003	16,876	14,926	14,894	15,475
Average loans and acceptances	57,575	52,972	49,288	48,538	51,132	48,383	45,337	42,367	44,386	53,282	48,282	48,347	43,454
Average securities purchased under resale agreements	34,647	31,477	29,181	29,676	32,121	29,694	27,263	23,772	24,631	31,772	29,692	29,688	24,071
Average deposits	79,530	75,003	75,127	75,139	73,801	72,625	65,991	64,567	69,816	76,570	70,786	71,883	67,369
Total as at risk-weighted assets	65,215	59,873	57,497	56,745	56,985	55,608	51,000	50,175	52,584	65,215	56,985	56,745	50,175
Assets under administration	55,617	56,794	52,062	57,694	56,706	59,696	56,255	58,026	74,229	55,617	56,706	57,694	58,026
Assets under management	25,587	24,026	21,940	21,871	22,293	22,028	20,516	18,761	19,726	25,587	22,293	21,871	18,761
Number of full-time equivalent employees	2,183	2,114	2,152	2,156	2,154	2,083	2,109	2,129	2,119	2,183	2,154	2,156	2,129
<b>U.S. Segment Information (Canadian GAAP / \$CAD equivalent)</b>													
Net interest income (teb)	125	114	127	101	123	141	142	157	205	366	406	507	751
Non-interest revenue	188	223	228	206	170	189	187	115	145	639	546	752	533
Total revenues (teb)	313	337	355	307	293	330	329	272	350	1,005	952	1,259	1,284
Provision for credit losses	15	15	15	20	18	20	19	23	(15)	45	57	77	56
Net interest and non-interest revenue (teb)	298	322	340	287	275	310	310	249	365	960	895	1,182	1,228
Non-interest expense	185	175	191	179	163	157	129	168	173	551	449	628	678
Income before taxes, and non-controlling interest in subsidiaries	113	147	149	108	112	153	181	81	192	409	446	554	550
Provision for income taxes (teb)	45	58	57	47	40	52	69	31	77	160	161	208	217
Net income	68	89	92	61	72	101	112	50	115	249	285	346	333
Cash net income	68	90	92	61	72	102	112	50	118	250	286	347	335
Average assets	54,370	48,019	50,240	52,404	41,619	45,222	42,398	34,882	38,498	50,908	43,056	45,413	40,000
Net interest margin (teb)	0.92%	0.97%	1.00%	0.76%	1.17%	1.28%	1.33%	1.80%	2.10%	0.96%	1.26%	1.12%	1.88%
Non-interest expense-to-revenue ratio (teb)	59.0%	51.8%	54.0%	58.2%	55.4%	48.1%	38.9%	61.5%	49.6%	54.8%	47.1%	49.8%	52.8%
Cash non-interest expense-to-revenue ratio (teb)	58.9%	51.7%	53.9%	58.1%	55.3%	48.0%	38.8%	61.4%	49.1%	54.7%	47.1%	49.8%	52.6%
<b>\$USD Equivalent (Canadian GAAP)</b>													
Net interest income (teb)	112	100	110	86	99	114	118	125	152	322	331	417	571
Non-interest revenue	168	197	197	175	139	152	154	91	108	562	445	620	405
Total revenues (teb)	280	297	307	261	238	266	272	216	260	884	776	1,037	976
Provision for credit losses	13	13	13	16	15	16	16	18	(11)	39	47	63	43
Net interest and non-interest revenue (teb)	267	284	294	245	223	250	256	198	271	845	729	974	933
Non-interest expense	166	153	166	152	132	128	106	134	129	485	366	518	518
Income before taxes, and non-controlling interest in subsidiaries	101	131	128	93	91	122	150	64	142	360	363	456	415
Provision for income taxes (teb)	40	52	49	41	33	40	58	25	56	141	131	172	164
Net income	61	79	79	52	58	82	92	39	86	219	232	284	251
Cash net income	61	78	80	52	58	82	92	39	87	219	232	284	252
Average assets	48,678	42,106	43,454	44,542	33,709	36,633	35,059	27,593	28,677	44,775	35,117	37,493	30,440

**TOTAL CORPORATE SUPPORT, INCLUDING TECHNOLOGY AND SOLUTIONS  
SUMMARY INCOME  
STATEMENT AND HIGHLIGHTS**



(\$ millions except as noted)

	2006	2006	2006	2005	2005	2005	2005	2004	2004	YTD	YTD	Fiscal	Fiscal
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2006	2005	2005	2004

Net interest income (teb)	(25)	(56)	(43)	(34)	(41)	(60)	(63)	(64)	(77)	(124)	(164)	(198)	(207)
Non-interest revenue	16	22	27	74	28	34	27	39	49	65	89	163	200
Total revenues (teb)	(9)	(34)	(16)	40	(13)	(26)	(36)	(25)	(28)	(59)	(75)	(35)	(7)
Provision for credit losses	(65)	(40)	(55)	(42)	(27)	(96)	(57)	(132)	(192)	(160)	(180)	(222)	(545)
Net interest and non-interest revenue (teb)	56	6	39	82	14	70	21	107	164	101	105	187	538
Non-interest expense	27	12	69	50	30	48	65	58	41	108	143	193	183
Income before taxes, and non-controlling interest in subsidiaries	29	(6)	(30)	32	(16)	22	(44)	49	123	(7)	(38)	(6)	355
Provision for income taxes (teb)	(38)	(49)	(33)	(10)	(23)	(23)	(32)	-	28	(120)	(78)	(88)	83
Non-controlling interest in subsidiaries	19	19	19	16	14	14	14	5	4	57	42	58	16
Net income	48	24	(16)	26	(7)	31	(26)	44	91	56	(2)	24	256
Cash net income	49	23	(17)	28	(8)	32	(25)	44	90	55	(1)	27	256
Average common equity	2,121	1,997	1,727	2,240	2,037	1,659	1,401	2,272	2,129	1,948	1,699	1,837	1,845
Average assets	4,917	4,746	4,533	5,854	4,839	5,081	5,008	2,925	4,280	4,731	4,965	5,189	3,807
Average earning assets	191	953	910	1,556	932	1,292	1,125	688	2,457	682	1,114	1,226	1,238
Average current loans excl. securities purchased under resale agreements	(5,031)	(5,020)	(4,977)	(4,978)	(4,984)	(5,011)	(5,483)	(5,729)	(5,624)	(5,010)	(5,161)	(5,115)	(5,740)
Average loans and acceptances	(5,031)	(4,814)	(4,601)	(4,270)	(4,976)	(4,406)	(5,115)	(5,631)	(5,283)	(4,816)	(4,837)	(4,694)	(5,589)
Average securities purchased under resale agreements	-	206	376	708	8	605	368	98	341	194	324	421	151
Average deposits	15,780	13,949	12,369	11,982	11,329	10,503	9,928	9,119	9,539	14,033	10,588	10,938	9,358
Total as at risk-weighted assets	3,850	3,642	3,060	3,773	4,287	4,763	4,517	4,127	2,937	3,850	4,287	3,773	4,127
Number of full-time equivalent employees	9,173	8,929	8,739	8,433	8,561	8,468	8,550	8,657	8,848	9,173	8,561	8,433	8,657

**U.S. Segment Information (Canadian GAAP / \$CAD equivalent)**

Net interest income (teb)	(24)	(24)	(24)	(21)	(26)	(31)	(39)	(32)	(44)	(72)	(96)	(117)	(143)
Non-interest revenue	-	9	(6)	10	2	1	14	(3)	18	3	17	27	85
Total revenues (teb)	(24)	(15)	(30)	(11)	(24)	(30)	(25)	(35)	(26)	(69)	(79)	(90)	(58)
Provision for credit losses	(38)	(11)	(20)	(21)	(1)	(44)	(28)	(31)	(114)	(69)	(73)	(94)	(131)
Net interest and non-interest revenue (teb)	14	(4)	(10)	10	(23)	14	3	(4)	88	-	(6)	4	73
Non-interest expense	12	4	2	14	(4)	41	11	18	10	18	48	62	62
Income before taxes, and non-controlling interest in subsidiaries	2	(8)	(12)	(4)	(19)	(27)	(8)	(22)	78	(18)	(54)	(58)	11
Provision for income taxes (teb)	(18)	(9)	(14)	(4)	(16)	(27)	(24)	(19)	24	(41)	(67)	(71)	(8)
Non-controlling interest in subsidiaries	5	6	5	5	6	5	6	4	4	16	17	22	15
Net income	15	(5)	(3)	(5)	(9)	(5)	10	(7)	50	7	(4)	(9)	4
Cash net income	13	(5)	(2)	(1)	(13)	(5)	11	(7)	48	6	(7)	(8)	3
Average assets	4,495	5,147	5,194	6,155	5,406	5,686	6,027	6,151	7,592	4,943	5,706	5,819	7,177

**\$USD Equivalent (Canadian GAAP)**

Net interest income (teb)	(22)	(21)	(21)	(17)	(21)	(24)	(34)	(27)	(33)	(64)	(79)	(96)	(110)
Non-interest revenue	-	7	(5)	10	(1)	2	10	(3)	14	2	11	21	61
Total revenues (teb)	(22)	(14)	(26)	(7)	(22)	(22)	(24)	(30)	(19)	(62)	(68)	(75)	(49)
Provision for credit losses	(32)	(9)	(18)	(18)	-	(36)	(23)	(25)	(87)	(59)	(59)	(77)	(99)
Net interest and non-interest revenue (teb)	10	(5)	(8)	11	(22)	14	(1)	(5)	68	(3)	(9)	2	50
Non-interest expense	11	3	2	13	(3)	31	10	13	8	16	38	51	47
Income before taxes, and non-controlling interest in subsidiaries	(1)	(8)	(10)	(2)	(19)	(17)	(11)	(18)	60	(19)	(47)	(49)	3
Provision for income taxes (teb)	(20)	(7)	(12)	(3)	(16)	(17)	(23)	(15)	19	(39)	(56)	(59)	(6)
Non-controlling interest in subsidiaries	5	4	5	4	5	4	5	3	3	14	14	18	12
Net income	14	(5)	(3)	(3)	(8)	(4)	7	(6)	38	6	(5)	(8)	(3)
Cash net income	13	(4)	(3)	(2)	(10)	(3)	8	(6)	38	6	(5)	(7)	(2)
Average assets	4,026	4,505	4,489	5,227	4,376	4,612	4,979	4,865	5,653	4,339	4,656	4,800	5,458

**NON-INTEREST REVENUE AND TRADING REVENUE**

(\$ millions except as noted)

**Non-Interest Revenue**

	2006 Q3	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2005 Q1	2004 Q4	2004 Q3	YTD 2006	YTD 2005	Fiscal 2005	Fiscal 2004
Securities commissions and fees	260	292	252	272	255	299	266	241	242	804	820	1,092	1,055
Deposit and payment service charges	187	179	180	187	188	180	179	187	188	546	547	734	746
Trading revenues	163	180	221	169	83	60	101	22	59	564	244	413	200
Lending fees	92	77	78	76	89	73	75	81	89	247	237	313	317
Card fees <sup>(1)</sup>	106	94	91	60	98	88	88	73	81	291	274	334	261
Investment management and custodial fees	77	69	76	77	79	74	75	75	81	222	228	305	307
Mutual fund revenues	128	126	115	116	113	106	102	96	98	369	321	437	378
Securitization revenues	21	4	20	34	26	33	20	43	46	45	79	113	177
Underwriting and advisory fees	92	113	98	101	92	77	87	79	73	303	256	357	343
Investment securities gains	51	30	18	79	37	12	37	37	5	99	86	165	175
Foreign exchange, other than trading	47	49	43	48	42	45	45	45	39	139	132	180	177
Insurance income	58	51	46	38	44	39	41	37	37	155	124	162	139
Other	54	96	61	169	51	130	97	57	83	211	278	447	276
<b>Total Non-Interest Revenue</b>	<b>1,336</b>	<b>1,360</b>	<b>1,299</b>	<b>1,426</b>	<b>1,197</b>	<b>1,216</b>	<b>1,213</b>	<b>1,073</b>	<b>1,121</b>	<b>3,995</b>	<b>3,626</b>	<b>5,052</b>	<b>4,551</b>
Non-interest revenue-to-total revenue	52.0 %	55.0 %	52.3 %	54.4 %	49.6 %	50.7 %	50.3 %	47.7 %	47.5 %	53.1 %	50.2 %	51.3 %	48.7 %
Non-interest revenue-to-total revenue (teb)	51.3 %	54.3 %	51.7 %	53.8 %	49.0 %	50.1 %	49.7 %	47.1 %	46.9 %	52.4 %	49.6 %	50.7 %	48.0 %

(1) Card fees includes a \$14 adjustment in Q4, 2004 and a \$40 adjustment in Q4, 2005 that increased the liability associated with our customer loyalty program.

**Interest and Non-Interest Trading Revenue**

Interest rates	52	59	82	62	52	71	62	29	51	193	185	247	204
Foreign exchange	30	24	29	16	26	22	26	15	18	83	74	89	85
Equities	49	35	55	41	36	17	51	30	42	139	104	145	152
Other	41	61	65	43	17	21	25	9	14	167	63	107	31
<b>Total</b>	<b>172</b>	<b>179</b>	<b>231</b>	<b>162</b>	<b>131</b>	<b>131</b>	<b>164</b>	<b>83</b>	<b>125</b>	<b>582</b>	<b>426</b>	<b>588</b>	<b>472</b>
Reported as:													
Net interest income	9	(1)	10	(7)	48	71	63	61	66	18	182	175	272
Non-interest revenue - trading revenues	163	180	221	169	83	60	101	22	59	564	244	413	200
<b>Total</b>	<b>172</b>	<b>179</b>	<b>231</b>	<b>162</b>	<b>131</b>	<b>131</b>	<b>164</b>	<b>83</b>	<b>125</b>	<b>582</b>	<b>426</b>	<b>588</b>	<b>472</b>

Trading revenues include interest earned on trading securities and other cash instruments held in trading portfolios, less internal and external funding costs associated with trading-related derivatives and cash instruments, and realized and unrealized gains and losses on trading securities, other cash instruments, derivatives and foreign exchange activities.

Interest rates includes Canadian government securities, corporate debt instruments and interest rate derivatives.

Foreign exchange includes foreign exchange spot and foreign exchange derivatives contracts from our wholesale banking business.

Equities includes institutional equities, equity derivatives and proprietary trading.

Other includes commodities, managed futures, credit investment management, Harris trading and global distribution loan trading and sales.

**NON-INTEREST EXPENSE**

(\$ millions except as noted)

2006	2006	2006	2005	2005	2005	2005	2004	2004	YTD	YTD	Fiscal	Fiscal
Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2006	2005	2005	2004

**Non-Interest Expense**

Employee compensation													
Salaries	506	452	463	506	473	472	452	489	487	1,421	1,397	1,903	1,901
Performance based compensation	306	326	372	313	302	306	356	196	282	1,004	964	1,277	1,160
Employee benefits	146	154	165	133	148	138	152	133	144	465	438	571	583
<b>Total employee compensation</b>	<b>958</b>	<b>932</b>	<b>1,000</b>	<b>952</b>	<b>923</b>	<b>916</b>	<b>960</b>	<b>818</b>	<b>913</b>	<b>2,890</b>	<b>2,799</b>	<b>3,751</b>	<b>3,644</b>
Premises and equipment													
Rental of real estate	62	61	61	54	55	50	39	44	47	184	144	198	182
Premises, furniture and fixtures	57	57	54	65	60	66	62	66	66	168	188	253	263
Property taxes	7	6	7	10	10	12	13	13	13	20	35	45	52
Computer and equipment	173	172	166	205	190	184	189	201	185	511	563	768	755
<b>Total premises and equipment</b>	<b>299</b>	<b>296</b>	<b>288</b>	<b>334</b>	<b>315</b>	<b>312</b>	<b>303</b>	<b>324</b>	<b>311</b>	<b>883</b>	<b>930</b>	<b>1,264</b>	<b>1,252</b>
Amortization of intangible assets	10	12	11	22	24	24	24	25	27	33	72	94	104
Other expenses													
Communications	36	31	25	33	29	32	28	35	33	92	89	122	138
Business and capital taxes	23	25	27	28	29	26	24	29	23	75	79	107	99
Professional fees	65	72	58	65	58	59	61	71	58	195	178	243	262
Travel and business development	64	63	50	69	68	60	50	69	60	177	178	247	239
Other	145	129	121	123	123	141	117	115	107	395	381	504	431
<b>Total other expenses</b>	<b>333</b>	<b>320</b>	<b>281</b>	<b>318</b>	<b>307</b>	<b>318</b>	<b>280</b>	<b>319</b>	<b>281</b>	<b>934</b>	<b>905</b>	<b>1,223</b>	<b>1,169</b>
<b>Total Non-Interest Expense</b>	<b>1,600</b>	<b>1,560</b>	<b>1,580</b>	<b>1,626</b>	<b>1,569</b>	<b>1,570</b>	<b>1,567</b>	<b>1,486</b>	<b>1,532</b>	<b>4,740</b>	<b>4,706</b>	<b>6,332</b>	<b>6,169</b>

**BALANCE SHEET**

(\$ millions)	2006 Q3	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2005 Q1	2004 Q4	2004 Q3	MIX Q3	INC/(DEC) VS LAST YEAR
<b>As At Balances</b>											
Cash resources	20,160	19,560	19,933	20,721	20,402	21,141	20,292	18,045	20,788	6.5 %	(242) (1.2)%
Securities	58,250	57,165	60,117	57,034	56,895	58,681	54,150	49,849	49,571	18.7 %	1,355 2.4 %
Loans											
Residential mortgages <sup>(1)</sup>	63,591	63,055	62,652	60,871	59,737	57,703	57,038	56,444	55,969	20.4 %	3,854 6.5 %
Non-residential mortgages	5,504	5,393	5,120	5,135	5,107	5,182	5,051	4,775	4,762	1.8 %	397 7.8 %
Consumer instalment and other personal	29,693	28,873	28,206	27,929	27,241	26,714	25,728	24,887	24,568	9.5 %	2,452 9.0 %
Credit cards	5,049	4,874	4,709	4,648	4,717	4,557	4,525	3,702	3,530	1.6 %	332 7.0 %
Businesses and governments	47,929	46,728	43,169	42,668	43,074	42,534	40,835	39,784	42,479	15.4 %	4,855 11.3 %
Securities borrowed or purchased under resale agreements	31,865	33,116	29,853	28,280	27,259	31,357	24,487	22,609	22,727	10.2 %	4,606 16.9 %
Customers' liability under acceptances	183,631	182,039	173,709	169,531	167,135	168,047	157,664	152,201	154,035	58.9 %	16,496 9.9 %
Allowance for credit losses	7,369	6,639	5,988	5,934	5,683	5,814	4,475	5,355	5,498	2.4 %	1,686 29.7 %
Total net loans and acceptances	(1,107)	(1,117)	(1,115)	(1,128)	(1,200)	(1,220)	(1,314)	(1,308)	(1,487)	(0.4)%	93 7.8 %
Other assets	189,893	187,561	178,582	174,337	171,618	172,641	160,825	156,248	158,046	60.9 %	18,275 10.6 %
Derivative financial instruments	32,247	31,523	30,664	31,517	26,174	23,031	22,778	25,448	19,325	10.3 %	6,073 23.2 %
Premises and equipment	1,942	1,841	1,818	1,847	1,863	1,875	2,012	2,020	2,021	0.6 %	79 4.2 %
Goodwill	1,104	1,098	1,109	1,091	1,604	1,632	1,602	1,507	1,589	0.4 %	(500) (31.2)%
Intangible assets	163	172	186	196	426	462	486	480	549	0.1 %	(263) (61.7)%
Other	7,850	7,387	6,814	7,119	7,077	7,757	27,808	7,309	6,879	2.5 %	773 10.9 %
<b>Total Assets</b>	<b>311,609</b>	<b>306,307</b>	<b>299,223</b>	<b>293,862</b>	<b>286,059</b>	<b>287,220</b>	<b>289,953</b>	<b>260,906</b>	<b>258,768</b>	<b>100.0 %</b>	<b>25,550 8.9 %</b>
Deposits											
Banks	26,362	23,394	25,940	25,473	25,265	23,536	24,488	20,654	22,320	8.5 %	1,097 4.3 %
Businesses and governments	99,821	94,234	90,783	92,437	87,462	89,698	81,306	79,614	81,678	32.0 %	12,359 14.1 %
Individuals	75,911	76,860	76,536	75,883	76,023	77,811	76,538	74,922	77,061	24.4 %	(112) (0.1)%
<b>Total deposits</b>	<b>202,094</b>	<b>194,488</b>	<b>193,259</b>	<b>193,793</b>	<b>188,750</b>	<b>191,045</b>	<b>182,332</b>	<b>175,190</b>	<b>181,059</b>	<b>64.9 %</b>	<b>13,344 7.1 %</b>
Other liabilities											
Derivative financial instruments	31,418	30,413	28,810	28,868	24,972	21,862	21,913	23,973	18,081	10.1 %	6,446 25.8 %
Acceptances	7,369	6,639	5,988	5,934	5,683	5,814	4,475	5,355	5,498	2.4 %	1,686 29.7 %
Securities sold but not yet purchased	14,271	15,653	14,161	16,142	14,703	13,674	11,783	10,441	10,295	4.6 %	(432) (2.9)%
Securities lent or sold under repurchase agreements	28,148	31,467	31,005	22,657	26,159	28,694	23,425	21,345	21,307	9.0 %	1,989 7.6 %
Other	9,277	8,647	7,800	8,557	7,527	7,787	28,479	7,891	5,318	3.0 %	1,750 23.2 %
Subordinated debt	2,729	3,025	2,456	2,469	3,099	3,420	2,909	2,395	2,462	0.9 %	(370) (11.9)%
Preferred share liability	450	450	450	450	450	450	450	450	850	0.1 %	- 0.0 %
Capital trust securities	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	0.4 %	- 0.0 %
Share capital											
Preferred shares	596	596	596	596	596	596	596	596	596	0.2 %	- 0.0 %
Common shares	4,169	4,145	4,120	4,022	3,989	3,916	3,896	3,857	3,818	1.3 %	180 4.5 %
Contributed surplus	47	45	43	35	33	31	30	22	20	0.0 %	14 41.8 %
Net unrealized foreign exchange loss	(762)	(806)	(740)	(612)	(483)	(380)	(432)	(497)	(173)	(0.2)%	(279) 57.8 %
Retained earnings	10,653	10,395	10,125	9,801	9,431	9,161	8,947	8,738	8,487	3.3 %	1,222 13.0 %
<b>Total Liabilities and Shareholders' Equity</b>	<b>311,609</b>	<b>306,307</b>	<b>299,223</b>	<b>293,862</b>	<b>286,059</b>	<b>287,220</b>	<b>289,953</b>	<b>260,906</b>	<b>258,768</b>	<b>100.0 %</b>	<b>25,550 8.9 %</b>

(1) Residential mortgages include both consumer and commercial residential mortgages. The latter is included in the commercial mortgages category in the loan schedules by product and industry.



**BALANCE SHEET**

	2006	2006	2006	2005	2005	2005	2005	2004	2004	YTD	YTD	INC/
(\$ millions)	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2006	2005	(DEC)
<b>Average Daily Balances</b>												
Cash resources	22,926	20,971	20,634	20,083	21,794	22,217	17,442	17,861	21,238	21,516	20,455	5.2 %
Securities	60,721	58,804	60,020	60,317	61,169	58,104	54,108	50,732	54,217	59,860	57,790	3.6 %
Loans												
Residential mortgages <sup>(1)</sup>	63,307	62,892	61,810	60,081	58,381	57,030	56,729	56,158	55,224	62,668	57,384	9.2 %
Non-residential mortgages	5,431	5,277	5,116	5,050	5,105	5,063	4,797	4,753	4,662	5,275	4,987	5.8 %
Consumer instalment and other personal	29,336	28,729	27,946	27,435	26,933	26,047	25,053	24,664	23,925	28,669	26,011	10.2 %
Credit cards	4,986	4,690	4,802	4,655	4,647	4,462	4,193	3,635	3,497	4,827	4,434	8.9 %
Businesses and governments	45,814	44,626	42,872	41,480	42,146	41,422	39,762	40,507	41,729	44,436	41,107	8.1 %
Securities borrowed or purchased under resale agreements	34,647	31,684	29,558	30,385	32,129	30,298	27,631	23,870	24,972	31,966	30,016	6.5 %
	183,521	177,898	172,104	169,086	169,341	164,322	158,165	153,587	154,009	177,841	163,939	8.5 %
Customers' liability under acceptances	7,366	6,544	6,022	5,948	5,666	5,269	5,288	5,449	5,416	6,645	5,409	22.8 %
Allowance for credit losses	(1,118)	(1,113)	(1,119)	(1,189)	(1,210)	(1,313)	(1,320)	(1,451)	(1,633)	(1,117)	(1,281)	(12.9)%
<b>Total net loans and acceptances</b>	<b>189,769</b>	<b>183,329</b>	<b>177,007</b>	<b>173,845</b>	<b>173,797</b>	<b>168,278</b>	<b>162,133</b>	<b>157,585</b>	<b>157,792</b>	<b>183,369</b>	<b>168,067</b>	<b>9.1 %</b>
Other assets												
Derivative financial instruments	30,079	29,600	30,995	35,018	24,983	22,274	23,591	21,382	19,249	30,232	23,631	27.9 %
Other	11,162	10,117	10,142	10,808	11,082	32,781	32,447	10,550	10,697	10,477	25,357	(58.7)%
<b>Total Assets</b>	<b>314,657</b>	<b>302,821</b>	<b>298,798</b>	<b>300,071</b>	<b>292,825</b>	<b>303,654</b>	<b>289,721</b>	<b>258,110</b>	<b>263,193</b>	<b>305,454</b>	<b>295,300</b>	<b>3.4 %</b>
Deposits												
Banks	26,590	24,932	26,517	26,655	25,619	25,490	21,171	20,395	23,630	26,025	24,078	8.1 %
Businesses and governments	98,738	93,084	90,330	89,392	88,540	85,107	82,281	80,431	82,257	94,061	85,312	10.3 %
Individuals	75,625	75,483	75,331	75,187	76,317	76,082	74,910	75,258	75,967	75,480	75,766	(0.4)%
<b>Total deposits</b>	<b>200,953</b>	<b>193,499</b>	<b>192,178</b>	<b>191,234</b>	<b>190,476</b>	<b>186,679</b>	<b>178,362</b>	<b>176,084</b>	<b>181,854</b>	<b>195,566</b>	<b>185,156</b>	<b>5.6 %</b>
Other liabilities												
Derivative financial instruments	29,318	29,093	29,452	33,167	24,246	21,335	22,800	19,579	17,082	29,290	22,810	28.4 %
Other	65,704	61,983	59,185	57,765	59,924	78,122	71,801	45,460	47,203	62,294	69,849	(10.8)%
Subordinated debt	2,751	2,468	2,461	2,757	3,229	2,955	2,450	2,423	2,470	2,561	2,877	(11.0)%
Preferred share liability	450	450	450	450	450	450	450	715	850	450	450	0.0 %
Capital trust securities	1,150	1,150	1,150	1,150	1,150	1,150	1,149	1,150	1,150	1,150	1,150	0.0 %
Shareholders' equity	14,331	14,178	13,922	13,548	13,350	12,963	12,709	12,699	12,584	14,143	13,008	8.7 %
<b>Total Liabilities and Shareholders' Equity</b>	<b>314,657</b>	<b>302,821</b>	<b>298,798</b>	<b>300,071</b>	<b>292,825</b>	<b>303,654</b>	<b>289,721</b>	<b>258,110</b>	<b>263,193</b>	<b>305,454</b>	<b>295,300</b>	<b>3.4 %</b>

(1) Residential mortgages include both consumer and commercial residential mortgages. The latter is included in the commercial mortgages category in the loan schedules by product and industry.

**STATEMENT OF CHANGES IN  
SHAREHOLDERS' EQUITY**

(\$ millions)	2006 Q3	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2005 Q1	2004 Q4	2004 Q3	YTD 2006	YTD 2005	Fiscal 2005	Fiscal 2004
<b>Preferred Shares</b>													
Balance at beginning of period	596	596	596	596	596	596	596	596	596	596	596	596	596
Balance at End of Period	596	596	596	596	596	596	596	596	596	596	596	596	596
<b>Common Shares</b>													
Balance at beginning of period	4,145	4,120	4,022	3,989	3,916	3,896	3,857	3,818	3,783	4,022	3,857	3,857	3,662
Issued under the Shareholder Dividend Reinvestment and Share Purchase Plan	22	21	19	18	18	17	18	16	15	62	53	71	60
Issued under the Stock Option Plan	24	19	83	21	62	28	35	35	43	126	125	146	180
Issued on the exchange of shares of a subsidiary corporation	-	-	-	-	-	-	2	-	1	-	2	2	2
Repurchased for cancellation	(22)	(15)	(4)	(6)	(7)	(25)	(16)	(12)	(24)	(41)	(48)	(54)	(47)
Balance at End of Period	4,169	4,145	4,120	4,022	3,989	3,916	3,896	3,857	3,818	4,169	3,989	4,022	3,857
<b>Contributed Surplus</b>													
Balance at beginning of period	45	43	35	33	31	30	22	20	34	35	22	22	3
Cumulative impact of new accounting requirements for Stock-Based Compensation	-	-	-	-	-	-	-	-	-	-	-	-	7
Stock option expense	2	2	8	2	2	1	8	2	1	12	11	13	12
Gain on treasury shares, net of applicable income taxes	-	-	-	-	-	-	-	-	-	-	-	-	15
Common shares repurchased for cancellation	-	-	-	-	-	-	-	-	(15)	-	-	-	(15)
Balance at End of Period	47	45	43	35	33	31	30	22	20	47	33	35	22
<b>Net Unrealized Foreign Exchange Loss</b>													
Balance at beginning of period	(806)	(740)	(612)	(483)	(380)	(432)	(497)	(173)	(57)	(612)	(497)	(497)	(195)
Unrealized gain (loss) on translation of net investments in foreign operations	124	(177)	(347)	(348)	(280)	137	180	(840)	(312)	(400)	37	(311)	(758)
Hedging gain (loss)	(121)	169	335	334	270	(131)	(176)	803	301	383	(37)	297	710
Income taxes	41	(58)	(116)	(115)	(93)	46	61	(287)	(105)	(133)	14	(101)	(254)
Balance at End of Period	(762)	(806)	(740)	(612)	(483)	(380)	(432)	(497)	(173)	(762)	(483)	(612)	(497)
<b>Retained Earnings</b>													
Balance at beginning of period	10,395	10,125	9,801	9,431	9,161	8,947	8,738	8,487	8,173	9,801	8,738	8,738	7,566
Cumulative impact of adopting new accounting requirements for Variable Interest Entities, net of applicable income taxes	-	-	-	-	-	-	(42)	-	-	-	(42)	(42)	-
Cumulative impact of new accounting requirements for Stock-Based Compensation, net of applicable income taxes	-	-	-	-	-	-	-	-	-	-	-	-	(24)
Net income	710	651	606	664	547	607	578	554	647	1,967	1,732	2,396	2,295
Dividends - Preferred shares	(6)	(8)	(8)	(8)	(6)	(8)	(8)	(5)	(9)	(22)	(22)	(30)	(31)
- Common shares	(310)	(266)	(246)	(245)	(230)	(230)	(220)	(221)	(200)	(822)	(680)	(925)	(797)
Common shares repurchased for cancellation	(136)	(107)	(28)	(41)	(41)	(155)	(99)	(77)	(124)	(271)	(295)	(336)	(271)
Balance at End of Period	10,653	10,395	10,125	9,801	9,431	9,161	8,947	8,738	8,487	10,653	9,431	9,801	8,738
<b>Total Shareholders' Equity</b>	<b>14,703</b>	<b>14,375</b>	<b>14,144</b>	<b>13,842</b>	<b>13,566</b>	<b>13,324</b>	<b>13,037</b>	<b>12,716</b>	<b>12,748</b>	<b>14,703</b>	<b>13,566</b>	<b>13,842</b>	<b>12,716</b>

**AVERAGE ASSETS BY OPERATING GROUP AND GEOGRAPHIC AREA**

	2006	2006	2006	2005	2005	2005	2005	2004	2004	YTD	YTD	Fiscal	Fiscal
(\$ millions)	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2006	2005	2005	2004
<b>Personal &amp; Commercial Client Group</b>													
Canada	115,323	113,415	111,016	108,596	106,332	103,911	103,176	101,806	99,813	113,250	104,479	105,517	98,787
United States	21,879	21,936	21,625	21,700	21,911	21,287	19,330	19,347	18,829	21,812	20,838	21,055	17,895
Other	454	463	451	423	433	497	433	380	380	456	454	446	444
<b>Total</b>	<b>137,656</b>	<b>135,814</b>	<b>133,092</b>	<b>130,719</b>	<b>128,676</b>	<b>125,695</b>	<b>122,939</b>	<b>121,533</b>	<b>119,022</b>	<b>135,518</b>	<b>125,771</b>	<b>127,018</b>	<b>117,126</b>
<b>Private Client Group</b>													
Canada	4,267	4,023	3,942	3,843	3,742	3,678	3,570	3,575	3,532	4,078	3,664	3,708	3,465
United States	2,339	2,399	2,480	3,062	3,473	3,381	3,464	3,622	3,746	2,406	3,440	3,345	3,671
Other	5	6	6	7	8	9	8	7	11	6	8	8	9
<b>Total</b>	<b>6,611</b>	<b>6,428</b>	<b>6,428</b>	<b>6,912</b>	<b>7,223</b>	<b>7,068</b>	<b>7,042</b>	<b>7,204</b>	<b>7,289</b>	<b>6,490</b>	<b>7,112</b>	<b>7,061</b>	<b>7,145</b>
<b>Investment Banking Group</b>													
Canada	83,407	83,526	79,346	79,495	84,137	95,028	92,104	70,618	69,670	82,077	90,372	87,630	71,687
United States	54,370	48,019	50,240	52,404	41,619	45,222	42,398	34,882	38,498	50,908	43,056	45,413	40,000
Other	27,696	24,288	25,159	24,687	26,331	25,560	20,230	20,948	24,434	25,730	24,024	24,191	23,133
<b>Total</b>	<b>165,473</b>	<b>155,833</b>	<b>154,745</b>	<b>156,586</b>	<b>152,087</b>	<b>165,810</b>	<b>154,732</b>	<b>126,448</b>	<b>132,602</b>	<b>158,715</b>	<b>157,452</b>	<b>157,234</b>	<b>134,820</b>
<b>Corporate Support, including Technology and Solutions</b>													
Canada	370	(450)	(951)	(1,115)	(1,754)	(1,511)	(1,888)	(3,277)	(3,366)	(343)	(1,729)	(1,574)	(3,421)
United States	4,495	5,147	5,194	6,155	5,406	5,686	6,027	6,151	7,592	4,943	5,706	5,819	7,177
Other	52	49	290	814	1,187	906	869	51	54	131	988	944	51
<b>Total</b>	<b>4,917</b>	<b>4,746</b>	<b>4,533</b>	<b>5,854</b>	<b>4,839</b>	<b>5,081</b>	<b>5,008</b>	<b>2,925</b>	<b>4,280</b>	<b>4,731</b>	<b>4,965</b>	<b>5,189</b>	<b>3,807</b>
<b>Total Consolidated</b>													
Canada	203,367	200,514	193,353	190,819	192,457	201,106	196,962	172,722	169,649	199,062	196,786	195,281	170,518
United States	83,083	77,501	79,539	83,321	72,409	75,576	71,219	64,002	68,665	80,069	73,040	75,632	68,743
Other	28,207	24,806	25,906	25,931	27,959	26,972	21,540	21,386	24,879	26,323	25,474	25,589	23,637
<b>Total</b>	<b>314,657</b>	<b>302,821</b>	<b>298,798</b>	<b>300,071</b>	<b>292,825</b>	<b>303,654</b>	<b>289,721</b>	<b>258,110</b>	<b>263,193</b>	<b>305,454</b>	<b>295,300</b>	<b>296,502</b>	<b>262,898</b>

**ASSET SECURITIZATION**      2006      2006      2006      2005      2005      2005      2005      2004      2004      YTD      YTD      Fiscal      Fiscal  
(\$ millions)      Q3      Q2      Q1      Q4      Q3      Q2      Q1      Q4      Q3      2006      2005      2005      2004

**Securitized Balances**

Credit card loans	250	250	250	250	250	250	250	1,050	1,050	250	250	250	1,050
Residential mortgages	10,526	10,009	9,076	8,930	8,306	7,884	7,392	6,783	6,366	10,526	8,306	8,930	6,783
Consumer instalment and other personal loans	24	50	103	189	300	422	512	607	716	24	300	189	607
<b>Total</b>	<b>10,800</b>	<b>10,309</b>	<b>9,429</b>	<b>9,369</b>	<b>8,856</b>	<b>8,556</b>	<b>8,154</b>	<b>8,440</b>	<b>8,132</b>	<b>10,800</b>	<b>8,856</b>	<b>9,369</b>	<b>8,440</b>

**Impact of Securitization on  
Consolidated Statement of Income**

Credit card loans	8	9	7	8	7	7	(1)	20	27	24	13	21	100
Residential mortgages	9	(7)	12	25	18	25	20	23	18	14	63	88	78
Consumer instalment and other personal loans	4	2	1	1	1	1	1	-	1	7	3	4	(1)
<b>Total Securitization Revenues</b>	<b>21</b>	<b>4</b>	<b>20</b>	<b>34</b>	<b>26</b>	<b>33</b>	<b>20</b>	<b>43</b>	<b>46</b>	<b>45</b>	<b>79</b>	<b>113</b>	<b>177</b>

**CAPITAL AND  
RISK-WEIGHTED ASSETS**

(\$ millions except as noted)

	2006	2006	2006	2005	2005	2005	2005	2004	2004	MIX	INC/(DEC)
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q3	VS LAST YEAR
<b>Qualifying Capital</b>											
Common shareholders' equity	14,107	13,779	13,548	13,246	12,970	12,728	12,441	12,120	12,152	75.3 %	1,137 8.8 %
Non-cumulative preferred shares	1,046	1,046	1,046	1,046	1,046	1,046	1,046	1,046	1,446	5.6 %	- 0.0 %
Innovative Tier 1 preferred shares	2,192	2,192	2,192	2,192	1,745	1,746	1,746	1,745	1,150	11.7 %	447 25.6 %
Non-controlling interest	40	40	36	37	40	45	45	44	46	0.2 %	- 0.0 %
Goodwill and excess intangible assets (1)	(1,104)	(1,098)	(1,109)	(1,091)	(1,604)	(1,632)	(1,602)	(1,507)	(1,589)	(5.9)%	500 31.2 %
Total tier 1 capital	16,281	15,959	15,713	15,430	14,197	13,933	13,676	13,448	13,205	86.9 %	2,084 14.7 %
Subsidiary preferred shares (2)	275	272	277	287	298	306	302	296	323	1.5 %	(23) (7.7)%
Subordinated debt	2,306	2,306	2,099	2,130	2,382	2,684	2,258	1,783	1,876	12.3 %	(76) (3.2)%
General allowance for credit losses (3)	943	939	945	958	972	983	1,017	1,010	1,060	5.0 %	(29) (3.0)%
Total tier 2 capital	3,524	3,517	3,321	3,375	3,652	3,973	3,577	3,089	3,259	18.8 %	(128) (3.5)%
Total tier 1 and tier 2 capital	19,805	19,476	19,034	18,805	17,849	17,906	17,253	16,537	16,464	105.7 %	1,956 11.0 %
Less : First loss protection	108	114	120	123	126	131	130	128	140	0.6 %	(18) (14.3)%
Less : Investment in non-consolidated subsidiaries/substantial investments	952	969	976	963	952	982	940	901	660	(6.3)%	- 0.0 %
Total Capital	18,745	18,393	17,938	17,719	16,771	16,793	16,183	15,508	15,664	100.0 %	1,974 11.8 %
<b>Risk-Weighted Assets</b>											
Balance Sheet Items:											
Cash resources	3,838	3,724	3,815	3,945	3,895	4,005	3,844	3,426	3,917	2.4 %	(57) (1.5)%
Securities	3,949	3,721	4,118	4,237	4,782	4,601	4,699	4,722	4,882	2.4 %	(833) (17.4)%
Mortgages	25,247	24,507	23,699	22,997	22,426	21,617	20,949	20,117	19,871	15.6 %	2,821 12.6 %
Other loans and acceptances	82,856	81,677	77,391	76,368	75,853	74,759	70,794	69,188	72,063	51.2 %	7,003 9.2 %
Other assets	7,575	6,787	6,261	6,742	7,316	8,034	7,868	8,422	7,771	4.7 %	259 3.5 %
Total	123,465	120,416	115,284	114,289	114,272	113,016	108,154	105,875	108,504	76.3 %	9,193 8.0 %
Off-Balance Sheet:											
Guarantees and standby letters of credit	7,788	7,733	8,056	8,782	9,950	10,555	9,901	9,454	9,329	4.8 %	(2,162) (21.7)%
Securities lending	6	5	18	51	7	3	21	20	28	0.0 %	(1) (14.3)%
Commitments	13,174	12,654	11,978	11,909	11,663	10,642	9,479	9,103	10,696	8.2 %	1,511 13.0 %
Derivative financial instruments	9,038	8,865	8,335	8,666	7,482	6,809	6,432	6,886	5,884	5.6 %	1,556 20.8 %
Total	30,006	29,257	28,387	29,408	29,102	28,009	25,833	25,463	25,937	18.6 %	904 3.1 %
Total risk-weighted assets - credit risk	153,471	149,673	143,671	143,697	143,374	141,025	133,987	131,338	134,441	94.9 %	10,097 7.0 %
Total risk-weighted assets - market risk	8,277	6,721	7,198	6,158	7,472	7,331	6,130	5,323	5,207	5.1 %	805 10.8 %
Total	161,748	156,394	150,869	149,855	150,846	148,356	140,117	136,661	139,648	100.0 %	10,902 7.2 %
Tangible common equity-to-risk weighted assets	7.94	7.98	8.10	7.94	7.24	7.16	7.37	7.40	7.16		
<b>Risk-Weighted Capital Ratios</b>											
Tier 1	10.07 %	10.20 %	10.41 %	10.30 %	9.41 %	9.39 %	9.76 %	9.84 %	9.46 %		66 BP
Total	11.59 %	11.76 %	11.89 %	11.82 %	11.12 %	11.32 %	11.55 %	11.35 %	11.22 %		47 BP
U.S. basis tier 1	9.78 %	9.89 %	10.12 %	10.01 %	9.02 %	8.94 %	9.31 %	9.47 %	9.11 %		76 BP
Total U.S. basis	11.74 %	11.91 %	12.09 %	12.02 %	11.20 %	11.35 %	11.60 %	11.48 %	11.19 %		54 BP

(1) Intangible assets in excess of 5% of gross tier 1 capital are deducted from tier 1 capital as required by OSFI guidelines.

(2) Reflects the qualification of existing preferred shares of a subsidiary as tier 2 capital.

(3) OSFI permits the inclusion of the lesser of the balance of the general allowance for credit losses and 0.875% of risk-weighted assets.

**GOODWILL AND  
INTANGIBLE ASSETS**

(\$ millions)	November 1	Additions/Purchases				Amortization				Other: Includes FX <sup>(1)</sup>				July 31
	2005	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2006
<b>Intangible Assets</b>														
Customer relationships	34	-	-	-		(2)	(3)	(2)		(1)	-	-		26
Core deposit intangibles	86	7	-	-		(5)	(5)	(4)		(3)	(1)	-		75
Branch distribution networks	66	-	-	-		(3)	(3)	(3)		(2)	(1)	1		55
Other	10	-	-	-		(1)	(1)	(1)		-	-	-		7
<b>Total Intangible Assets</b>	<b>196</b>	<b>7</b>	<b>-</b>	<b>-</b>		<b>(11)</b>	<b>(12)</b>			<b>(6)</b>	<b>(2)</b>			<b>163</b>
<b>Goodwill</b>														
Harris Bankcorp, Inc. and subsidiaries	201	-	-	-		-	-	-		(8)	(3)	2		192
First National Bank of Joliet	120	-	-	-		-	-	-		(4)	(2)	1		115
Bank of Montreal Securities Canada Limited	129	-	-	-		-	-	-		-	-	-		129
Moneris Solutions Corporation	61	-	-	-		-	-	-		-	-	-		61
Guardian Group of Funds Ltd.	187	-	-	-		-	-	-		-	-	-		187
myCFO	33	-	-	-		-	-	-		(1)	(1)	-		31
Gerard Klauer Mattison	43	-	-	-		-	-	-		(2)	(1)	-		40
Lakeland Community Bank	24	-	-	-		-	-	-		(1)	-	-		23
New Lenox State Bank	172	-	-	-		-	-	-		(6)	(3)	1		164
Mercantile Bancorp, Inc.	87	-	-	-		-	-	-		(3)	(2)	2		84
Villa Park Trust and Savings Bank	-	43	-	-		-	-	-		-	1	-		44
Other	34	-	-	-		-	-	-		-	-	-		34
<b>Total Goodwill</b>	<b>1,091</b>	<b>43</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>			<b>(25)</b>	<b>(11)</b>			<b>1,104</b>

(1) Other changes in goodwill and intangible assets includes the foreign exchange effects of U.S. dollar denominated intangible assets and goodwill, purchase accounting adjustments and certain other reclassifications.

**UNREALIZED GAINS (LOSSES)  
ON INVESTMENT SECURITIES**

(\$ millions)	Book Value		Unrealized Gains (Losses)								
	2006 Q3	2006 Q2	2006 Q3	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2005 Q1	2004 Q4	2004 Q3
Investment Securities											
Canadian governments	27	1,013	-	-	-	-	-	-	-	-	1
U.S. governments	7,796	7,399	(61)	(48)	(37)	(23)	(17)	(14)	(22)	-	(16)
Mortgage-backed securities	418	421	(20)	(16)	(13)	(7)	-	(7)	(1)	4	(14)
Corporate debt <sup>(2)</sup>	2,179	1,803	-	1	6	6	19	4	19	21	20
Corporate equity <sup>(2)</sup>	2,258	2,328	56	17	25	20	74	66	62	60	96
Other governments	106	111	-	-	1	1	2	1	4	1	2
<b>Total Investment Securities</b>	<b>12,784</b>	<b>13,075</b>	<b>(25)</b>	<b>(46)</b>	<b>(18)</b>	<b>(3)</b>	<b>78</b>	<b>50</b>	<b>62</b>	<b>86</b>	<b>89</b>
Fair Value of Hedging Derivatives	n.a.	n.a.	30	31	22	15	(10)	(15)	(25)	(48)	(50)
Unrealized Gains (Losses) Net of Fair Value of Hedging Derivatives	n.a.	n.a.	5	(15)	4	12	68	35	37	38	39

(2) Corporate debt and corporate equity include merchant banking investments, which have been recorded at fair value since November 1, 2004, when we adopted new accounting rules applicable to our merchant banking subsidiaries.

**DERIVATIVE  
FINANCIAL INSTRUMENTS**

As at July 31, 2006

As at October 31, 2005

(\$ millions)	Notional Amount	Replacement Cost	Credit risk Equivalent	Risk-weighted Balance	Notional Amount	Replacement Cost	Credit risk Equivalent	Risk-weighted Balance
<b>Interest Rate Contracts</b>								
Over-the-counter								
Swaps	960,721	7,781	13,253	3,038	749,499	8,724	12,955	2,995
Forward rate agreements	366,284	110	121	25	218,475	101	160	33
Purchased options	95,121	1,206	1,515	345	103,113	1,501	1,844	414
Written options	117,499	-	-	-	125,163	-	-	-
	1,539,625	9,097	14,889	3,408	1,196,250	10,326	14,959	3,442
Exchange traded								
Futures	270,519	-	-	-	181,506	-	-	-
Purchased options	92,289	-	-	-	76,481	-	-	-
Written options	58,385	-	-	-	57,850	-	-	-
	421,193	-	-	-	315,837	-	-	-
<b>Total Interest Rate Contracts</b>	<b>1,960,818</b>	<b>9,097</b>	<b>14,889</b>	<b>3,408</b>	<b>1,512,087</b>	<b>10,326</b>	<b>14,959</b>	<b>3,442</b>
<b>Foreign Exchange Contracts</b>								
Over-the-counter								
Cross-currency swaps	10,058	1,398	1,997	531	9,644	1,342	1,911	574
Cross-currency interest rate swaps	70,892	3,138	6,771	1,156	58,634	3,240	6,142	1,068
Forward foreign exchange contracts	114,735	868	2,235	598	95,002	874	1,997	586
Purchased options	7,953	103	185	71	5,790	88	159	58
Written options	9,330	-	-	-	6,306	-	-	-
	212,968	5,507	11,188	2,356	175,376	5,544	10,209	2,286
Exchange traded								
Futures (1)	986	-	-	-	4,015	-	-	-
Purchased options	4,407	-	-	-	2,016	-	-	-
Written options	1,119	-	-	-	675	-	-	-
	6,512	-	-	-	6,706	-	-	-
<b>Total Foreign Exchange Contracts</b>	<b>219,480</b>	<b>5,507</b>	<b>11,188</b>	<b>2,356</b>	<b>182,082</b>	<b>5,544</b>	<b>10,209</b>	<b>2,286</b>
<b>Commodity Contracts</b>								
Over-the-counter								
Swaps	59,246	3,856	11,460	4,209	41,977	6,221	11,969	4,706
Purchased options	84,367	7,889	16,900	6,177	46,746	6,316	11,123	4,465
Written options	77,123	-	-	-	47,619	-	-	-
	220,736	11,745	28,360	10,386	136,342	12,537	23,092	9,171
Exchange traded								
Futures	43,187	-	-	-	24,329	-	-	-
Purchased options	100,485	-	-	-	38,140	-	-	-
Written options	99,158	-	-	-	40,610	-	-	-
	242,830	-	-	-	103,079	-	-	-
<b>Total Commodity Contracts</b>	<b>463,566</b>	<b>11,745</b>	<b>28,360</b>	<b>10,386</b>	<b>239,421</b>	<b>12,537</b>	<b>23,092</b>	<b>9,171</b>
<b>Equity Contracts</b>								
Over-the-counter	21,259	433	1,880	666	19,969	328	1,776	604
Exchange traded	8,973	-	-	-	8,212	-	-	-
<b>Total Equity Contracts</b>	<b>30,232</b>	<b>433</b>	<b>1,880</b>	<b>666</b>	<b>28,181</b>	<b>328</b>	<b>1,776</b>	<b>604</b>
<b>Credit Contracts</b>								
Over-the-counter	50,932	154	2,299	525	39,781	129	1,740	377
<b>Sub-total</b>	<b>2,725,028</b>	<b>26,936</b>	<b>58,616</b>	<b>17,341</b>	<b>2,001,552</b>	<b>28,864</b>	<b>51,776</b>	<b>15,880</b>
Impact of master netting agreements	n.a.	(18,066)	(28,737)	(8,303)	n.a.	(16,937) <sup>(2)</sup>	(24,693)	(7,214)
<b>Total</b>	<b>2,725,028</b>	<b>8,870</b>	<b>29,879</b>	<b>9,038</b>	<b>2,001,552</b>	<b>11,927</b>	<b>27,083</b>	<b>8,666</b>

(1) Included in the notional amounts is \$1 million as at July 31, 2006 (\$4 million as at October 31, 2005) related to Gold trading contracts.

(2) Impact of master netting agreements has been reduced by \$2,895 million for October 31, 2005.

**U.S. GAAP RECONCILIATION**

(\$ millions except as noted)

	2006	2006	2006	2005	2005	2005	2005	2004	2004	YTD	YTD	Fiscal	Fiscal
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2006	2005	2005	2004
Net Income-Canadian GAAP	710	651	606	664	547	607	578	554	647	1,967	1,732	2,396	2,295
Increase (Decrease) net of tax:													
Derivative instruments and hedging activities	-	-	(18)	(6)	(6)	(11)	(20)	(12)	(19)	(18)	(37)	(43)	(4)
Securitization revenue	-	-	-	-	-	-	-	-	-	-	-	-	(2)
Pension and related benefits expense	1	-	-	-	-	-	1	1	1	1	1	1	3
Stock-based compensation (1)	(6)	(5)	(5)	(9)	(9)	(10)	21	(9)	(10)	(16)	2	(7)	(18)
Merchant banking investments (2)	4	1	(13)	(7)	(10)	(8)	(29)	-	-	(8)	(47)	(54)	-
Software development expense	(7)	(6)	(7)	(7)	(7)	(6)	(7)	(7)	(7)	(20)	(20)	(27)	(27)
Mortgage prepayment fees	-	-	-	-	-	-	-	-	-	-	-	-	(27)
Variable interest entities	-	-	-	-	-	(13)	-	-	-	-	(13)	(13)	81
Liabilities and equity	4	6	5	6	2	5	5	12	11	15	12	18	45
Other	1	2	1	1	1	2	1	2	1	4	4	5	6
Income-U.S. GAAP before cumulative effect of accounting change	707	649	569	642	518	566	550	541	709	1,925	1,634	2,276	2,352
Cumulative effect of accounting change, net of tax	-	-	-	-	-	-	-	-	-	-	-	-	(111)
Net Income-U.S. GAAP	707	649	569	642	518	566	550	541	709	1,925	1,634	2,276	2,241
U.S. GAAP:													
Basic Earnings Per Share													
Income before cumulative effect of accounting change	\$1.39	\$1.28	\$1.12	\$1.27	\$1.02	\$1.12	\$1.08	\$1.04	\$1.37	\$3.79	\$3.22	\$4.49	\$4.54
Cumulative effect of accounting change	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.23)
Net Income	\$1.39	\$1.28	\$1.12	\$1.27	\$1.02	\$1.12	\$1.08	\$1.04	\$1.37	\$3.79	\$3.22	\$4.49	\$4.31
Diluted Earnings Per Share													
Income before cumulative effect of accounting change	\$1.37	\$1.25	\$1.10	\$1.24	\$1.01	\$1.09	\$1.06	\$1.02	\$1.33	\$3.72	\$3.16	\$4.40	\$4.42
Cumulative effect of accounting change	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.22)
Net Income	\$1.37	\$1.25	\$1.10	\$1.24	\$1.01	\$1.09	\$1.06	\$1.02	\$1.33	\$3.72	\$3.16	\$4.40	\$4.20

(1) On November 1, 2005, we prospectively adopted the new accounting standard on Stock-Based Compensation (see Note 9 to the unaudited interim consolidated financial statements for the quarter ended July 31, 2006).

Under United States GAAP, Stock-Based Compensation granted to employees eligible to retire should be expensed at the time of grant. During the quarter ended July 31, 2006, we retroactively adopted new Canadian accounting guidance on Stock-Based Compensation, which is harmonized with United States GAAP. Due to the differences in method of adoption, there will continue to be an adjustment to the Consolidated Statement of Income until the Stock Based Compensation granted prior to November 1, 2005 has been fully amortized.

(2) On November 1, 2004, we adopted fair value accounting for our merchant banking investments for Canadian GAAP purposes (see Note 2 to the unaudited interim consolidated financial statements for the quarter ended October 31, 2005).

Under United States GAAP, we have not adopted fair value accounting for these investments.

**ASSETS UNDER ADMINISTRATION AND MANAGEMENT**

(\$ millions)

	2006	2006	2006	2005	2005	2005	2005	2004	2004
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
<b>Assets Under Administration</b>									
Institutional	64,182	64,803	59,299	64,605	63,225	65,856	62,063	65,600	82,985
Personal	153,749	151,455	147,017	138,442	177,743	174,765	170,044	159,908	166,067
Mutual Funds	147	155	155	155	157	144	133	123	-
Mortgage backed securities	-	-	-	-	-	-	-	-	-
Total	218,078	216,413	206,471	203,202	241,125	240,765	232,240	225,631	249,052
<b>Assets Under Management</b>									
Institutional	52,112	39,191	37,446	36,336	37,487	36,715	34,593	32,098	33,535
Personal	41,147	36,663	36,267	34,668	34,608	34,321	34,456	32,252	32,750
Mutual Funds	26,658	38,273	41,821	38,249	37,651	36,497	36,381	34,350	37,159
Total	119,917	114,127	115,534	109,253	109,746	107,533	105,430	98,700	103,444
Total Assets under Administration and Management	337,995	330,540	322,005	312,455	350,871	348,298	337,670	324,331	352,496



**COMMITMENTS AND  
CONTINGENT LIABILITIES**

(\$ millions)

	As at July 31, 2006		As at October 31, 2005	
	Contract	Risk- Weighted	Contract	Risk- Weighted
	Amount	Equivalent	Amount	Equivalent

<b>Total Bank Consolidated</b>				
Credit Instruments				
Guarantees and standby letters of credit	11,070	7,677	12,755	8,695
Securities lending	114	6	810	51
Documentary and commercial letters of credit	1,087	111	974	87
Commitments to extend credit :				
Original maturity of 1 year and under	78,238	-	70,695	-
Original maturity of more than 1 year	27,252	13,174	24,411	11,909
<b>Total</b>	<b>117,761</b>	<b>20,968</b>	<b>109,645</b>	<b>20,742</b>
<b>Personal &amp; Commercial Client Group</b>				
Credit Instruments				
Guarantees and standby letters of credit	2,077	1,499	2,587	1,774
Securities lending	-	-	-	-
Documentary and commercial letters of credit	223	44	197	38
Commitments to extend credit :				
Original maturity of 1 year and under	22,976	-	22,131	-
Original maturity of more than 1 year	1,797	898	1,878	939
<b>Total</b>	<b>27,073</b>	<b>2,441</b>	<b>26,793</b>	<b>2,751</b>
<b>Private Client Group</b>				
Credit Instruments				
Guarantees and standby letters of credit	35	29	182	130
Securities lending	-	-	-	-
Documentary and commercial letters of credit	4	1	6	1
Commitments to extend credit :				
Original maturity of 1 year and under	503	-	570	-
Original maturity of more than 1 year	103	52	148	74
<b>Total</b>	<b>645</b>	<b>82</b>	<b>906</b>	<b>205</b>
<b>Investment Banking Group</b>				
Credit Instruments				
Guarantees and standby letters of credit	8,152	5,385	9,102	5,987
Securities lending	114	6	810	51
Documentary and commercial letters of credit	857	65	768	47
Commitments to extend credit :				
Original maturity of 1 year and under	54,720	-	47,987	-
Original maturity of more than 1 year	25,351	12,224	22,385	10,896
<b>Total</b>	<b>89,194</b>	<b>17,680</b>	<b>81,052</b>	<b>16,981</b>
<b>Corporate Support, including Technology and Solutions</b>				
Credit Instruments				
Guarantees and standby letters of credit	806	764	884	804
Securities lending	-	-	-	-
Documentary and commercial letters of credit	3	1	3	1
Commitments to extend credit :				
Original maturity of 1 year and under	39	-	7	-
Original maturity of more than 1 year	1	-	-	-
<b>Total</b>	<b>849</b>	<b>765</b>	<b>894</b>	<b>805</b>

**CREDIT RISK FINANCIAL MEASURES <sup>(1)</sup>**

	2006	2006	2006	2005	2005	2005	2005	2004	2004	YTD	YTD	Fiscal	Fiscal
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2006	2005	2005	2004

**Diversification Ratios**
**Gross Loans And Acceptances**

Consumer	49.9 %	49.7 %	51.5 %	51.5 %	51.3 %	49.4 %	51.9 %	52.0 %	50.7 %
Commercial and Corporate	50.1 %	50.3 %	48.5 %	48.5 %	48.7 %	50.6 %	48.1 %	48.0 %	49.3 %
Canada	73.0 %	73.9 %	73.6 %	73.1 %	73.3 %	73.2 %	74.7 %	74.2 %	71.6 %
United States	25.6 %	24.8 %	25.4 %	25.8 %	25.5 %	25.5 %	24.2 %	24.7 %	27.1 %
Other Countries	1.4 %	1.3 %	1.0 %	1.1 %	1.2 %	1.3 %	1.1 %	1.1 %	1.3 %

**Net Loans And Acceptances <sup>(2)</sup>**

Consumer	50.0 %	49.7 %	51.5 %	51.5 %	51.3 %	49.4 %	52.0 %	52.0 %	50.8 %
Commercial and Corporate	50.0 %	50.3 %	48.5 %	48.5 %	48.7 %	50.6 %	48.0 %	48.0 %	49.2 %
Canada	73.1 %	74.0 %	73.7 %	73.2 %	73.4 %	73.3 %	74.9 %	74.3 %	71.7 %
United States	25.5 %	24.7 %	25.3 %	25.7 %	25.4 %	25.4 %	24.0 %	24.6 %	27.0 %
Other Countries	1.4 %	1.3 %	1.0 %	1.1 %	1.2 %	1.3 %	1.1 %	1.1 %	1.3 %

**Coverage Ratios**
**Allowance for Credit Losses (ACL)-to-Gross Impaired Loans and Acceptances (GIL)**

Total	167.0 %	144.8 %	149.6 %	140.2 %	128.8 %	116.0 %	120.7 %	116.9 %	114.1 %
Consumer	5.0 %	4.2 %	5.2 %	4.6 %	5.3 %	3.9 %	3.6 %	4.3 %	3.9 %
Commercial and Corporate, excluding Securities Borrowed or Purchased under Resale Agreements	30.1 %	27.3 %	27.4 %	24.2 %	27.6 %	26.3 %	31.6 %	30.4 %	36.6 %
Net write-offs-to-average loans and Acceptances	0.0 %	0.0 %	0.0 %	0.1 %	0.1 %	0.1 %	0.0 %	0.1 %	0.0 %

167.0 %	128.8 %	140.2 %	116.9 %
5.0 %	5.3 %	4.6 %	4.3 %
30.1 %	27.6 %	24.2 %	30.4 %
0.1 %	0.1 %	0.2 %	0.2 %

**Condition Ratios**

GIL-to-Gross Loans and Acceptances	0.35 %	0.41 %	0.41 %	0.46 %	0.54 %	0.61 %	0.67 %	0.71 %	0.82 %
GIL-to-Equity and Allowance for Credit Losses	3.86 %	4.58 %	4.48 %	4.92 %	5.93 %	6.79 %	7.12 %	7.48 %	8.92 %
Net Impaired Loans and Acceptances (NIL)-to-Net Loans and Acceptances <sup>(2)</sup>	(0.23)%	(0.18)%	(0.21)%	(0.19)%	(0.16)%	(0.10)%	(0.14)%	(0.12)%	(0.12)%
NIL-to-segmented Net Loans and Acceptances <sup>(2)</sup>									
Consumer	0.14 %	0.15 %	0.16 %	0.14 %	0.14 %	0.20 %	0.19 %	0.19 %	0.18 %
Commercial and Corporate, excluding Securities Borrowed or Purchased under Resale Agreements	0.57 %	0.74 %	0.75 %	0.90 %	1.02 %	1.14 %	1.18 %	1.26 %	1.31 %
Canada	(0.23)%	(0.19)%	(0.23)%	(0.24)%	(0.24)%	(0.18)%	(0.23)%	(0.26)%	(0.29)%
United States	(0.28)%	(0.20)%	(0.18)%	(0.08)%	(0.02)%	0.04 %	(0.02)%	0.12 %	0.17 %
Other Countries	0.50 %	0.52 %	0.86 %	0.91 %	2.38 %	2.00 %	3.51 %	3.60 %	3.51 %

**Consumer Loans (Canada)**
**90 Days & Over Delinquency Ratios**

Personal Loans	0.16 %	0.16 %	0.18 %	0.16 %	0.15 %	0.16 %	0.17 %	0.15 %	0.15 %
Credit Card	0.50 %	0.53 %	0.54 %	0.49 %	0.46 %	0.50 %	0.51 %	0.45 %	0.47 %
Mortgages <sup>(3)</sup>	0.20 %	0.21 %	0.21 %	0.20 %	0.21 %	0.23 %	0.22 %	0.21 %	0.21 %
Total Consumer (excluding Government Guaranteed Student Loans) <sup>(3)</sup>	0.21 %	0.21 %	0.22 %	0.21 %	0.21 %	0.23 %	0.22 %	0.21 %	0.21 %
Total Consumer	0.24 %	0.24 %	0.24 %	0.24 %	0.23 %	0.25 %	0.25 %	0.23 %	0.24 %

**Consumer Loans (U.S.)**
**90 Days & Over Delinquency Ratios**

Personal Loans	0.12 %	0.15 %	0.16 %	0.15 %	0.12 %	0.11 %	0.13 %	0.11 %	0.10 %
Credit Card	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Mortgages <sup>(3)</sup>	0.10 %	0.09 %	0.13 %	0.11 %	0.16 %	0.20 %	0.19 %	0.24 %	0.32 %
Total Consumer	0.11 %	0.13 %	0.15 %	0.13 %	0.14 %	0.15 %	0.16 %	0.17 %	0.19 %

**Consumer Loans (Consolidated)**
**90 Days & Over Delinquency Ratios**

Personal Loans	0.13 %	0.13 %	0.16 %	0.15 %	0.14 %	0.15 %	0.16 %	0.14 %	0.13 %
Credit Card	0.50 %	0.53 %	0.54 %	0.49 %	0.46 %	0.50 %	0.51 %	0.45 %	0.47 %
Mortgages <sup>(3)</sup>	0.19 %	0.20 %	0.21 %	0.19 %	0.20 %	0.22 %	0.21 %	0.21 %	0.22 %
Total Consumer (excluding Government Guaranteed Student Loans) <sup>(3)</sup>	0.19 %	0.20 %	0.21 %	0.20 %	0.20 %	0.21 %	0.21 %	0.20 %	0.21 %
Total Consumer	0.22 %	0.23 %	0.23 %	0.22 %	0.22 %	0.24 %	0.23 %	0.22 %	0.23 %

<sup>(1)</sup> Segmented credit information by geographic area is based upon the country of ultimate risk.

<sup>(2)</sup> Aggregate balances are net of specific and general allowances; the consumer, commercial and corporate categories are stated net of specific allowances only.

<sup>(3)</sup> The Mortgages and Total Consumer (excluding Government Guaranteed Student Loans) delinquency ratios include Household Mortgage balances, previously excluded from the ratio calculations.

**PROVISION FOR CREDIT LOSSES  
SEGMENTED INFORMATION (1)**

(\$ millions except as noted)

	2006	2006	2006	2005	2005	2005	2005	2004	2004	YTD	YTD	Fiscal	Fiscal
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	2006	2005	2005	2004

**Performance Ratios (Annualized)**

PCL-to-average net loans and acceptances	0.09 %	0.14 %	0.12 %	0.13 %	0.17 %	0.01 %	0.11 %	(0.03)%	(0.28)%	0.12 %	0.10 %	0.11 %	(0.07)%
PCL-to-segmented average net loans and acceptances													
Consumer	0.20 %	0.25 %	0.20 %	0.20 %	0.23 %	0.30 %	0.19 %	0.21 %	0.22 %	0.22 %	0.24 %	0.23 %	0.22 %
Commercial and Corporate	(0.03)%	0.04 %	0.03 %	0.06 %	0.11 %	(0.09)%	0.02 %	(0.03)%	(0.58)%	0.01 %	0.01 %	0.03 %	(0.13)%
Canada	0.16 %	0.16 %	0.15 %	0.16 %	0.17 %	0.10 %	0.17 %	0.03 %	0.05 %	0.16 %	0.15 %	0.15 %	0.00 %
United States	(0.12)%	0.10 %	0.03 %	0.06 %	0.24 %	(0.15)%	(0.02)%	(0.01)%	(1.13)%	0.00 %	0.03 %	0.03 %	(0.11)%
Other Countries	0.00 %	(0.19)%	0.00 %	(0.18)%	(0.70)%	(1.13)%	(1.62)%	(4.77)%	(0.19)%	(0.06)%	(2.08)%	(1.38)%	(2.81)%

**Provision for Credit Losses by Country**

Canada	56	56	49	52	56	32	52	10	13	161	140	192	(1)
United States	(14)	11	3	6	25	(15)	(2)	(1)	(122)	-	8	14	(46)
Other Countries	-	(1)	-	(1)	(8)	(11)	(7)	(22)	(1)	(1)	(26)	(27)	(56)
Total Provision For Credit Losses	42	66	52	57	73	6	43	(13)	(110)	160	122	179	(103)

**Interest Income on Impaired Loans**

Total	12	11	18	10	6	9	13	12	33	41	28	38	66
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(1) Segmented credit information by geographic area is based upon the country of ultimate risk.

**PROVISION FOR CREDIT LOSSES  
SEGMENTED INFORMATION**

(\$ millions)

 YTD Fiscal Fiscal  
2006 2005 2004

**Provision by Product and Industry**

Consumer			
Residential mortgages	6	3	3
Cards	93	141	106
Personal Loans	53	53	60
Total Loans to Consumers	152	197	169
Commercial and Corporate			
Commercial mortgages	(1)	4	2
Commercial real estate	(3)	2	6
Construction (non-real estate)	(3)	9	9
Retail trade	(6)	15	2
Wholesale trade	10	13	9
Agriculture	3	4	20
Communications	(6)	(34)	(12)
Manufacturing	9	23	(37)
Mining	-	-	(1)
Oil and Gas	-	-	(4)
Transportation	6	13	(17)
Utilities	(19)	(26)	(87)
Forest Products	(1)	-	(7)
Service industries	9	5	13
Financial institutions - excluding securities borrowed or purchased under resale agreements	-	(1)	13
Other	10	(5)	(11)
Total Commercial and Corporate, excluding Securities Borrowed or Purchased under Resale Agreements	8	22	(102)
Securities Borrowed or Purchased under Resale Agreements	-	-	-
Total Commercial and Corporate	8	22	(102)
Total specific provision for credit losses	160	219	67
General provision	-	(40)	(170)
Total Provision for Credit Losses	160	179	(103)

 YTD Fiscal Fiscal  
2006 2005 2004

	3.8%	1.4%	4.5%
	58.1%	64.4%	158.2%
	33.1%	24.2%	89.5%
	95.0%	90.0%	252.2%
	(0.6)%	1.8%	3.0%
	(1.9)%	0.9%	9.0%
	(1.9)%	4.1%	13.4%
	(3.8)%	6.8%	3.0%
	6.3%	5.9%	13.4%
	1.9%	1.8%	29.9%
	(3.8)%	(15.5)%	(17.9)%
	5.6%	10.5%	(55.2)%
	0.0%	0.0%	(1.5)%
	0.0%	0.0%	(6.0)%
	3.8%	5.9%	(25.4)%
	(11.9)%	(11.9)%	(129.9)%
	(0.6)%	0.0%	(10.4)%
	5.6%	2.3%	19.4%
	0.0%		
	(0.1)%	(0.4)%	19.4%
	6.3%	(2.3)%	(16.4)%
	5.0%	10.0%	(152.2)%
	0.0%	0.0%	0.0%
	5.0%	10.0%	(152.2)%
	100.0%	100.0%	100.0%

**GROSS LOANS AND ACCEPTANCES  
BY PRODUCT AND INDUSTRY**

	2006	2006	2006	2005	2005	2005	2005	2004	2004			
(\$ millions)	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	MIX	INC/(DEC)	
										Q3	VS LAST YEAR	
<b>Consumer</b>												
Residential mortgages (1)	60,651	60,011	59,558	57,760	56,612	54,580	53,885	53,266	52,800	31.8 %	4,039	7.1 %
Cards	5,049	4,874	4,709	4,648	4,717	4,557	4,525	3,702	3,530	2.6 %	332	7.0 %
Personal loans	29,693	28,873	28,206	27,929	27,241	26,714	25,728	24,887	24,568	15.5 %	2,452	9.0 %
<b>Total Consumer</b>	<b>95,393</b>	<b>93,758</b>	<b>92,473</b>	<b>90,337</b>	<b>88,570</b>	<b>85,851</b>	<b>84,138</b>	<b>81,855</b>	<b>80,898</b>	<b>49.9 %</b>	<b>6,823</b>	<b>7.7 %</b>
<b>Commercial and Corporate, excluding Securities Borrowed or Purchased under Resale Agreements</b>												
Commercial mortgages	8,444	8,437	8,214	8,246	8,231	8,305	8,204	7,954	7,931	4.4 %	213	2.6 %
Commercial real estate	5,252	4,745	4,293	4,248	4,178	3,857	3,699	3,521	3,715	2.7 %	1,074	25.7 %
Construction (non-real estate)	1,072	1,043	963	940	963	907	873	959	994	0.6 %	109	11.3 %
Retail trade	3,862	3,945	3,661	3,512	3,541	3,670	3,376	3,249	3,359	2.0 %	321	9.1 %
Automotive	2,181	2,255	2,091	1,953	1,998	2,055	1,900	1,749	1,804	1.1 %	183	9.2 %
Food and beverage	419	453	458	399	369	344	417	277	318	0.2 %	50	13.6 %
Other	1,262	1,237	1,112	1,160	1,174	1,271	1,059	1,223	1,237	0.6 %	88	7.5 %
Wholesale trade	2,858	2,945	2,768	2,824	2,993	3,030	2,761	2,572	2,662	1.5 %	(135)	(4.5)%
Agriculture	271	324	296	305	269	320	304	253	231	0.1 %	2	0.7 %
Automotive	261	268	239	247	270	224	219	186	163	0.1 %	(9)	(3.3)%
Food and beverage	610	594	641	627	641	677	671	601	693	0.3 %	(31)	(4.8)%
Construction and industrial	785	776	667	738	827	782	664	695	744	0.3 %	(42)	(5.1)%
Other	931	983	925	907	986	1,027	903	837	831	0.4 %	(55)	(5.6)%
Agriculture	3,058	3,063	3,032	2,855	2,757	2,787	2,691	2,548	2,528	1.6 %	301	10.9 %
Communications	1,810	1,320	1,312	1,181	1,244	1,133	1,109	1,461	1,295	0.9 %	566	45.5 %
Long haul fibre	-	-	1	1	42	43	43	43	48	0.0 %	(42)	(100.0)%
Wireless	-	-	6	15	22	16	16	15	44	0.0 %	(22)	(100.0)%
Towers	-	-	-	-	-	-	16	16	17	0.0 %	-	0.0 %
CLECs	-	-	-	-	-	-	1	1	1	0.0 %	-	0.0 %
Other communications	357	84	33	41	134	101	113	213	238	0.2 %	223	+100.0%
Total Telecom	357	84	40	57	198	160	189	288	348	0.2 %	159	80.3 %
Cable	678	433	524	507	482	495	482	782	530	0.4 %	196	40.7 %
Broadcasting	775	803	748	617	564	478	438	391	417	0.4 %	211	37.4 %
Manufacturing	7,395	7,526	6,685	7,030	7,792	7,551	6,739	6,574	7,118	3.9 %	(397)	(5.1)%
Industrial products	2,436	2,666	2,334	2,355	2,488	2,574	2,319	2,126	2,446	1.3 %	(52)	(2.1)%
Consumer products	2,212	2,222	1,957	2,012	2,348	2,218	1,852	2,032	2,167	1.2 %	(136)	(5.8)%
Automotive	423	433	447	551	579	630	658	616	640	0.2 %	(156)	(26.9)%
Other manufacturing	2,324	2,205	1,947	2,112	2,377	2,129	1,910	1,800	1,865	1.2 %	(53)	(2.2)%
Mining	492	432	404	375	387	267	245	290	332	0.3 %	105	27.1 %
Oil and Gas	3,680	3,207	2,775	2,830	2,733	2,856	2,872	2,863	2,898	1.9 %	947	34.7 %
Transportation	1,213	1,098	990	935	1,127	918	995	957	1,325	0.6 %	86	7.6 %
Utilities	858	900	1,080	916	850	839	904	817	917	0.4 %	8	0.9 %
Electric power generation	475	531	601	657	646	638	685	609	725	0.2 %	(171)	(26.5)%
Gas, water and other	383	369	479	259	204	201	219	208	192	0.2 %	179	87.7 %
Forest products	644	871	657	646	605	601	604	552	645	0.3 %	39	6.4 %
Service industries	6,891	6,929	6,934	7,069	6,818	6,938	6,778	6,474	7,255	3.6 %	73	1.1 %
Automotive lease and rental	748	683	740	720	798	786	773	757	834	0.4 %	(50)	(6.3)%
Educational	1,135	1,122	1,132	1,068	1,190	1,166	1,048	1,084	1,243	0.6 %	(55)	(4.6)%
Health care	964	996	964	1,296	926	926	931	941	988	0.5 %	38	4.1 %
Business and professional services	1,318	1,525	1,381	1,268	1,064	1,201	1,213	999	983	0.7 %	254	23.9 %
Hospitality and recreation	1,359	1,328	1,363	1,394	1,450	1,421	1,394	1,395	1,428	0.7 %	(91)	(6.3)%
Other	1,367	1,275	1,354	1,323	1,390	1,438	1,419	1,298	1,779	0.7 %	(23)	(1.7)%
Financial institutions	9,510	8,716	6,326	6,355	6,122	6,629	5,958	5,885	7,094	5.0 %	3,388	55.3 %
Other	6,703	6,627	7,277	6,886	6,648	6,365	5,706	6,416	5,840	3.7 %	55	0.8 %
<b>Total Commercial and Corporate, excluding Securities Borrowed or Purchased under Resale Agreements</b>	<b>63,742</b>	<b>61,804</b>	<b>57,371</b>	<b>56,848</b>	<b>56,989</b>	<b>56,653</b>	<b>53,514</b>	<b>53,092</b>	<b>55,908</b>	<b>33.4 %</b>	<b>6,753</b>	<b>11.8 %</b>
Securities Borrowed or Purchased under Resale Agreements	31,865	33,116	29,853	28,280	27,259	31,357	24,487	22,609	22,727	16.7 %	4,606	16.9 %
<b>Total Commercial and Corporate</b>	<b>95,607</b>	<b>94,920</b>	<b>87,224</b>	<b>85,128</b>	<b>84,248</b>	<b>88,010</b>	<b>78,001</b>	<b>75,701</b>	<b>78,635</b>	<b>50.1 %</b>	<b>11,359</b>	<b>13.5 %</b>
<b>Total Gross Loans and Acceptances</b>	<b>191,000</b>	<b>188,678</b>	<b>179,697</b>	<b>175,465</b>	<b>172,818</b>	<b>173,861</b>	<b>162,139</b>	<b>157,556</b>	<b>159,533</b>	<b>100.0 %</b>	<b>18,182</b>	<b>10.5 %</b>

(1) Certain residential mortgages have been classified as Commercial and Corporate.

**ALLOWANCES FOR CREDIT LOSSES  
BY PRODUCT AND INDUSTRY**

	2006	2006	2006	2005	2005	2005	2005	2004	2004	MIX	INC/(DEC)
(\$ millions)	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q3	VS LAST YEAR
<b>Specific Allowances</b>											
Consumer											
Residential mortgages	6	5	7	5	6	6	5	5	5	0.5 %	-
Cards	-	-	-	-	-	-	-	-	-	0.0 %	-
Consumer instalments & other personal loans	1	1	1	1	1	1	1	2	1	0.1 %	-
<b>Total Consumer</b>	<b>7</b>	<b>6</b>	<b>8</b>	<b>6</b>	<b>7</b>	<b>7</b>	<b>6</b>	<b>7</b>	<b>6</b>	<b>0.6 %</b>	<b>-</b>
Commercial and Corporate, excluding											
Securities Borrowed or Purchased under Resale Agreements											
Commercial mortgages	-	-	-	-	-	-	-	-	-	0.0 %	-
Commercial real estate	8	8	8	6	6	5	5	4	6	0.7 %	2
Construction (non-real estate)	3	3	4	4	6	5	24	20	6	0.3 %	(3)
Retail trade	8	18	19	18	20	14	7	7	4	0.7 %	(12)
Automotive	-	1	1	1	1	1	1	1	2	0.0 %	(1)
Food and beverage	5	13	15	14	15	11	5	4	-	0.5 %	(10)
Other	3	4	3	3	4	2	1	2	2	0.3 %	(1)
Wholesale trade	29	22	19	20	23	21	17	14	46	2.6 %	6
Agriculture	18	10	10	10	10	10	5	-	-	1.6 %	8
Automotive	-	-	1	2	2	1	1	-	1	0.0 %	(2)
Food and beverage	8	8	6	6	5	4	5	5	35	0.7 %	3
Construction and industrial	-	-	-	-	1	1	2	3	3	0.0 %	(1)
Other	3	4	2	2	5	5	4	6	7	0.3 %	(2)
Agriculture	13	9	11	13	12	13	13	12	15	1.2 %	1
Communications	1	1	2	2	26	27	44	46	51	0.1 %	(25)
Long haul fibre	-	-	1	1	26	26	26	25	28	0.0 %	(26)
Wireless	-	-	-	-	-	-	-	-	-	0.0 %	-
Towers	-	-	-	-	-	-	-	-	-	0.0 %	-
CLECs	-	-	-	-	-	-	1	1	1	0.0 %	-
Other communications	1	1	1	1	-	1	-	4	4	0.1 %	1
Total Telecom	1	1	2	2	26	27	27	30	33	0.1 %	(25)
Cable	-	-	-	-	-	-	17	16	18	0.0 %	-
Broadcasting	-	-	-	-	-	-	-	-	-	0.0 %	-
Manufacturing	44	51	46	53	77	70	80	79	107	4.0 %	(33)
Industrial products	14	15	15	19	30	35	37	38	48	1.3 %	(16)
Consumer products	14	16	10	5	22	17	19	21	32	1.3 %	(8)
Automotive	5	5	6	11	11	12	11	1	3	0.5 %	(6)
Other manufacturing	11	15	15	18	14	6	13	19	24	1.0 %	(3)
Mining	-	-	-	-	-	-	-	-	-	0.0 %	-
Oil and Gas	1	-	1	1	-	-	-	-	-	0.1 %	1
Transportation	11	10	2	3	4	5	7	6	32	1.0 %	7
Utilities	-	-	-	-	-	22	38	46	56	0.0 %	-
Electric power generation	-	-	-	-	-	22	38	46	56	0.0 %	-
Gas, water and other	-	-	-	-	-	-	-	-	-	0.0 %	-
Forest products	2	6	1	2	2	4	4	8	8	0.2 %	-
Service industries	28	28	27	26	27	24	25	23	31	2.5 %	1
Automotive lease and rental	-	3	3	3	4	4	5	3	2	0.0 %	(4)
Educational	-	-	-	-	-	-	-	-	-	0.0 %	-
Health care	-	-	-	-	-	-	-	-	-	0.0 %	-
Business and professional services	8	7	7	6	6	6	5	8	10	0.7 %	2
Hospitality and recreation	6	5	3	3	3	3	3	4	5	0.5 %	3
Other	14	13	14	14	14	11	12	8	14	1.3 %	-
Financial institutions	2	2	4	7	7	7	8	10	39	0.2 %	(5)
Other	7	14	18	8	11	13	19	16	20	0.6 %	(4)
<b>Total Commercial and Corporate, excluding</b>											
Securities Borrowed or Purchased under Resale Agreements	157	172	162	163	221	230	291	291	421	14.2 %	(64)
Securities Borrowed or Purchased under Resale Agreements	-	-	-	-	-	-	-	-	-	0.0 %	-
<b>Total Commercial and Corporate</b>	<b>157</b>	<b>172</b>	<b>162</b>	<b>163</b>	<b>221</b>	<b>230</b>	<b>291</b>	<b>291</b>	<b>421</b>	<b>14.2 %</b>	<b>(64)</b>
<b>Total Specific Allowances (1)</b>	<b>164</b>	<b>178</b>	<b>170</b>	<b>169</b>	<b>228</b>	<b>237</b>	<b>297</b>	<b>298</b>	<b>427</b>	<b>14.8 %</b>	<b>(64)</b>
General allowance	943	939	945	959	972	983	1,017	1,010	1,060	85.2 %	(29)
<b>Total Allowance for Credit Losses</b>	<b>1,107</b>	<b>1,117</b>	<b>1,115</b>	<b>1,128</b>	<b>1,200</b>	<b>1,220</b>	<b>1,314</b>	<b>1,308</b>	<b>1,487</b>	<b>100.0 %</b>	<b>(93)</b>

(1) Excludes specific allowances related to other credit instruments.

**NET LOANS AND ACCEPTANCES  
BY PRODUCT AND INDUSTRY**

	2006	2006	2006	2005	2005	2005	2005	2004	2004			
(\$ millions)	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	MIX	INC/(DEC)	
										Q3	VS LAST YEAR	
<b>Consumer</b>												
Residential mortgages	60,645	60,006	59,551	57,755	56,606	54,574	53,880	53,261	52,795	31.9 %	4,039	7.1 %
Cards	5,049	4,874	4,709	4,648	4,717	4,557	4,525	3,702	3,530	2.7 %	332	7.0 %
Consumer instalments & other personal loans	29,692	28,872	28,205	27,928	27,240	26,713	25,727	24,885	24,567	15.6 %	2,452	9.0 %
<b>Total Consumer</b>	<b>95,386</b>	<b>93,752</b>	<b>92,465</b>	<b>90,331</b>	<b>88,563</b>	<b>85,844</b>	<b>84,132</b>	<b>81,848</b>	<b>80,892</b>	<b>50.2 %</b>	<b>6,823</b>	<b>7.7 %</b>
<b>Commercial and Corporate, excluding</b>												
Securities Borrowed or Purchased under Resale Agreements												
Commercial mortgages	8,444	8,437	8,214	8,246	8,231	8,305	8,204	7,954	7,931	4.4 %	213	2.6 %
Commercial real estate	5,244	4,737	4,285	4,242	4,172	3,852	3,694	3,517	3,709	2.8 %	1,072	25.7 %
Construction (non-real estate)	1,069	1,040	959	936	957	902	849	939	988	0.6 %	112	11.7 %
Retail trade	3,854	3,927	3,642	3,494	3,521	3,656	3,369	3,242	3,355	2.0 %	333	9.5 %
Automotive	2,181	2,254	2,090	1,952	1,997	2,054	1,899	1,748	1,802	1.1 %	184	9.2 %
Food and beverage	414	440	443	385	354	333	412	273	318	0.2 %	60	16.9 %
Other	1,259	1,233	1,109	1,157	1,170	1,269	1,058	1,221	1,235	0.7 %	89	7.6 %
Wholesale trade	2,829	2,923	2,749	2,804	2,970	3,009	2,744	2,558	2,616	1.5 %	(141)	(4.7)%
Agriculture	253	314	286	295	259	310	299	253	231	0.1 %	(6)	(2.3)%
Automotive	261	268	238	245	268	223	218	186	162	0.1 %	(7)	(2.6)%
Food and beverage	602	586	635	621	636	673	666	596	658	0.3 %	(34)	(5.3)%
Construction and industrial	785	776	667	738	826	781	662	692	741	0.3 %	(41)	(5.0)%
Other	928	979	923	905	981	1,022	899	831	824	0.4 %	(53)	(5.4)%
Agriculture	3,045	3,054	3,021	2,842	2,745	2,774	2,678	2,536	2,513	1.6 %	300	10.9 %
Communications	1,809	1,319	1,310	1,179	1,218	1,106	1,065	1,415	1,244	1.0 %	591	48.5 %
Long haul fibre	-	-	-	-	16	17	17	18	20	0.0 %	(16)	(100.0)%
Wireless	-	-	6	15	22	16	16	15	44	0.0 %	(22)	(100.0)%
Towers	-	-	-	-	-	-	16	16	17	0.0 %	-	0.0 %
CLECs	-	-	-	-	-	-	-	-	-	0.0 %	-	0.0 %
Other communications	356	83	32	40	134	100	113	209	234	0.2 %	222	+100.0%
Total Telecom	356	83	38	55	172	133	162	258	315	0.2 %	184	+100.0%
Cable	678	433	524	507	482	495	465	766	512	0.4 %	196	40.7 %
Broadcasting	775	803	748	617	564	478	438	391	417	0.4 %	211	37.4 %
<b>Manufacturing</b>	<b>7,351</b>	<b>7,475</b>	<b>6,639</b>	<b>6,977</b>	<b>7,715</b>	<b>7,481</b>	<b>6,659</b>	<b>6,495</b>	<b>7,011</b>	<b>3.9 %</b>	<b>(364)</b>	<b>(4.7)%</b>
Industrial products	2,422	2,651	2,319	2,336	2,458	2,539	2,282	2,088	2,398	1.3 %	(36)	(1.5)%
Consumer products	2,198	2,206	1,947	2,007	2,326	2,201	1,833	2,011	2,135	1.2 %	(128)	(5.5)%
Automotive	418	428	441	540	568	618	647	615	637	0.2 %	(150)	(26.4)%
Other manufacturing	2,313	2,190	1,932	2,094	2,363	2,123	1,897	1,781	1,841	1.2 %	(50)	(2.1)%
Mining	492	432	404	375	387	267	245	290	332	0.3 %	105	27.1 %
Oil and Gas	3,679	3,207	2,774	2,829	2,733	2,856	2,872	2,863	2,898	1.9 %	946	34.6 %
Transportation	1,202	1,088	988	932	1,123	913	988	951	1,293	0.6 %	79	7.0 %
Utilities	858	900	1,080	916	850	817	866	771	861	0.5 %	8	0.9 %
Electric power generation	475	531	601	657	646	616	647	563	669	0.3 %	(171)	(26.5)%
Gas, water and other	383	369	479	259	204	201	219	208	192	0.2 %	179	87.7 %
Forest products	642	865	656	644	603	597	600	544	637	0.3 %	39	6.5 %
Service industries	6,863	6,901	6,907	7,043	6,791	6,914	6,753	6,451	7,224	3.6 %	72	1.1 %
Automotive lease and rental	748	680	737	717	794	782	768	754	832	0.4 %	(46)	(5.8)%
Educational	1,135	1,122	1,132	1,068	1,190	1,166	1,048	1,084	1,243	0.6 %	(55)	(4.6)%
Health care	964	996	964	1,296	926	926	931	941	988	0.5 %	38	4.1 %
Business and professional services	1,310	1,518	1,374	1,262	1,058	1,195	1,208	991	973	0.7 %	252	23.8 %
Hospitality and recreation	1,353	1,323	1,360	1,391	1,447	1,418	1,391	1,391	1,423	0.7 %	(94)	(6.5)%
Other	1,353	1,262	1,340	1,309	1,376	1,427	1,407	1,290	1,765	0.8 %	(23)	(1.7)%
Financial institutions	9,508	8,714	6,322	6,348	6,115	6,622	5,950	5,875	7,055	5.0 %	3,393	55.5 %
Other	6,696	6,613	7,259	6,878	6,637	6,352	5,687	6,400	5,820	3.5 %	59	0.9 %
<b>Total Commercial and Corporate, excluding</b>												
Securities Borrowed or Purchased under Resale Agreements	63,585	61,632	57,209	56,685	56,768	56,423	53,223	52,801	55,487	33.5 %	6,817	12.0 %
Securities Borrowed or Purchased under Resale Agreements	31,865	33,116	29,853	28,280	27,259	31,357	24,487	22,609	22,727	16.8 %	4,606	16.9 %
<b>Total Commercial and Corporate</b>	<b>95,450</b>	<b>94,748</b>	<b>87,062</b>	<b>84,965</b>	<b>84,027</b>	<b>87,780</b>	<b>77,710</b>	<b>75,410</b>	<b>78,214</b>	<b>50.3 %</b>	<b>11,423</b>	<b>13.6 %</b>
<b>Loans and Acceptances, Net of Specific Allowances</b>	<b>190,836</b>	<b>188,500</b>	<b>179,527</b>	<b>175,296</b>	<b>172,590</b>	<b>173,624</b>	<b>161,842</b>	<b>157,258</b>	<b>159,106</b>	<b>100.5 %</b>	<b>18,246</b>	<b>10.6 %</b>
General allowance	(943)	(939)	(945)	(959)	(972)	(983)	(1,017)	(1,010)	(1,060)	(0.5)%	(29)	(3.0)%
<b>Total Net Loans and Acceptances</b>	<b>189,893</b>	<b>187,561</b>	<b>178,582</b>	<b>174,337</b>	<b>171,618</b>	<b>172,641</b>	<b>160,825</b>	<b>156,248</b>	<b>158,046</b>	<b>100.0 %</b>	<b>18,275</b>	<b>10.6 %</b>

**GROSS IMPAIRED LOANS  
AND ACCEPTANCES  
BY PRODUCT AND INDUSTRY**

	2006	2006	2006	2005	2005	2005	2005	2004	2004	% (1)	INC/(DEC)
(\$ millions)	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q3	VS LAST YEAR
<b>Consumer</b>											
Residential mortgages	97	100	110	92	93	139	129	125	118	0.2 %	4 4.3 %
Consumer instalments & other personal loans	44	42	44	39	39	39	39	37	35	0.1 %	5 12.8 %
<b>Total Consumer</b>	<b>141</b>	<b>142</b>	<b>154</b>	<b>131</b>	<b>132</b>	<b>178</b>	<b>168</b>	<b>162</b>	<b>153</b>	<b>0.1 %</b>	<b>9 6.8 %</b>
<b>Commercial and Corporate, excluding</b>											
Securities Borrowed or Purchased under Resale Agreements											
Commercial mortgages	24	19	23	36	26	32	43	32	37	0.3 %	(2) (7.7)%
Commercial real estate	21	29	31	28	28	32	37	40	54	0.4 %	(7) (25.0)%
Construction (non-real estate)	9	6	10	11	13	17	35	37	37	0.8 %	(4) (30.8)%
Retail trade	27	52	56	57	59	64	37	44	15	0.7 %	(32) (54.2)%
Automotive	2	4	5	4	4	4	7	4	5	0.1 %	(2) (50.0)%
Food and beverage	16	39	42	43	45	47	18	18	1	3.8 %	(29) (64.4)%
Other	9	9	9	10	10	13	12	22	9	0.7 %	(1) (10.0)%
Wholesale trade	58	47	40	44	64	54	53	33	68	2.0 %	(6) (9.4)%
Agriculture	28	17	16	16	16	20	18	-	2	10.3 %	12 75.0 %
Automotive	1	1	2	5	6	6	6	2	2	0.4 %	(5) (83.3)%
Food and beverage	22	23	16	16	18	18	20	20	49	3.6 %	4 22.2 %
Construction and industrial	1	-	1	1	1	2	2	3	4	0.1 %	- 0.0 %
Other	6	6	5	6	23	8	7	8	11	0.6 %	(17) (73.9)%
Agriculture	34	37	26	28	30	30	28	30	34	1.1 %	4 13.3 %
Communications	90	89	108	118	154	163	188	195	217	5.0 %	(64) (41.6)%
Long haul fibre	-	-	1	1	34	35	43	43	48	0.0 %	(34) (100.0)%
Wireless	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Towers	-	-	-	-	-	-	16	16	17	0.0 %	- 0.0 %
CLECs	-	-	-	-	-	-	1	1	1	0.0 %	- 0.0 %
Other communications	2	2	1	1	1	2	1	5	6	0.6 %	1 100.0 %
Total Telecom	2	2	2	2	35	37	61	65	72	0.6 %	(33) (94.3)%
Cable	88	87	106	116	119	126	127	130	145	13.0 %	(31) (26.1)%
Broadcasting	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Manufacturing	134	143	136	170	198	197	185	202	263	1.8 %	(64) (32.3)%
Industrial products	40	27	41	57	61	62	75	79	86	1.6 %	(21) (34.4)%
Consumer products	39	46	26	14	35	36	35	56	73	1.8 %	4 11.4 %
Automotive	35	35	32	38	44	54	48	34	42	8.3 %	(9) (20.5)%
Other manufacturing	20	35	37	61	58	45	27	33	62	0.9 %	(38) (65.5)%
Mining	-	1	-	-	-	-	-	-	20	0.0 %	- +100.0 %
Oil and Gas	2	2	1	2	-	-	-	-	-	0.1 %	2 0.0 %
Transportation	20	18	19	21	13	21	34	34	50	1.6 %	7 53.8 %
Utilities	-	-	23	24	75	105	122	121	141	0.0 %	(75) (100.0)%
Electric power generation	-	-	23	24	75	105	122	121	141	0.0 %	(75) (100.0)%
Gas, water and other	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Forest products	5	51	1	7	6	7	8	13	14	0.8 %	(1) (16.7)%
Service industries	74	80	74	80	77	81	94	91	95	1.1 %	(3) (3.9)%
Automotive lease and rental	-	5	6	10	6	7	8	8	10	0.0 %	(6) (100.0)%
Educational	1	1	1	-	-	-	-	-	1	0.1 %	1 0.0 %
Health care	2	2	2	2	2	3	12	13	14	0.2 %	- 0.0 %
Business and professional services	9	8	9	9	11	11	9	10	13	0.7 %	(2) (18.2)%
Hospitality and recreation	22	22	18	15	16	17	19	19	20	1.6 %	6 37.5 %
Other	40	42	38	44	42	43	46	41	37	2.9 %	(2) (4.8)%
Financial institutions	7	5	12	18	19	19	26	33	63	0.1 %	(12) (63.2)%
Other	17	50	31	29	38	52	31	52	42	0.3 %	(21) (55.3)%
<b>Total Commercial and Corporate, excluding</b>											
Securities Borrowed or Purchased under Resale Agreements	522	629	591	673	800	874	921	957	1,150	0.8 %	(278) (34.8)%
Securities Borrowed or Purchased under Resale Agreements	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
<b>Total Commercial and Corporate</b>	<b>522</b>	<b>629</b>	<b>591</b>	<b>673</b>	<b>800</b>	<b>874</b>	<b>921</b>	<b>957</b>	<b>1,150</b>	<b>0.5 %</b>	<b>(278) (34.8)%</b>
<b>Total Gross Impaired Loans and Acceptances</b>	<b>663</b>	<b>771</b>	<b>745</b>	<b>804</b>	<b>932</b>	<b>1,052</b>	<b>1,089</b>	<b>1,119</b>	<b>1,303</b>	<b>0.3 %</b>	<b>(269.0) (28.9)%</b>

(1) Based on Gross Loans & Acceptances by Product and Industry.

**NET IMPAIRED LOANS  
AND ACCEPTANCES  
BY PRODUCT AND INDUSTRY**

	2006	2006	2006	2005	2005	2005	2005	2004	2004	% (1)	INC/(DEC)
(\$ millions)	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q3	VS LAST YEAR
<b>Consumer</b>											
Residential mortgages	91	95	103	87	87	133	124	120	113	0.2 %	4 4.6 %
Consumer instalments & other personal loans	43	41	43	38	38	38	38	35	34	0.1 %	5 13.2 %
<b>Total Consumer</b>	<b>134</b>	<b>136</b>	<b>146</b>	<b>125</b>	<b>125</b>	<b>171</b>	<b>162</b>	<b>155</b>	<b>147</b>	<b>0.1 %</b>	<b>9 7.2 %</b>
<b>Commercial and Corporate, excluding</b>											
<b>Securities Borrowed or Purchased under Resale Agreements</b>											
Commercial mortgages	24	19	23	36	26	32	43	32	37	0.3 %	(2) (7.7)%
Commercial real estate	13	21	23	22	22	27	32	36	48	0.2 %	(9) (40.9)%
Construction (non-real estate)	6	3	6	7	7	12	11	17	31	0.6 %	(1) (14.3)%
Retail trade	19	34	37	39	39	50	30	37	11	0.5 %	(20) (51.3)%
Automotive	2	3	4	3	3	3	6	3	3	0.1 %	(1) (33.3)%
Food and beverage	11	26	27	29	30	36	13	14	1	2.7 %	(19) (63.3)%
Other	6	5	6	7	6	11	11	20	7	0.5 %	- 0.0 %
Wholesale trade	29	25	21	24	41	33	36	19	22	1.0 %	(12) (29.3)%
Agriculture	10	7	6	6	6	10	13	-	2	4.0 %	4 66.7 %
Automotive	1	1	1	3	4	5	5	2	1	0.4 %	(3) (75.0)%
Food and beverage	14	15	10	10	13	14	15	15	14	2.3 %	1 7.7 %
Construction and industrial	1	-	1	1	-	1	-	-	1	0.1 %	1 0.0 %
Other	3	2	3	4	18	3	3	2	4	0.3 %	(15) (83.3)%
Agriculture	21	28	15	15	18	17	15	18	19	0.7 %	3 16.7 %
Communications	89	88	106	116	128	136	144	149	166	4.9 %	(39) (30.5)%
Long haul fibre	-	-	-	-	8	9	17	18	20	0.0 %	(8) (100.0)%
Wireless	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Towers	-	-	-	-	-	-	16	16	17	0.0 %	- 0.0 %
CLECs	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Other communications	1	1	-	-	1	1	1	1	2	0.3 %	- 0.0 %
Total Telecom	1	1	-	-	9	10	34	35	39	0.3 %	(8) (88.9)%
Cable	88	87	106	116	119	126	110	114	127	13.0 %	(31) (26.1)%
Broadcasting	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Manufacturing	90	92	90	117	121	127	105	123	156	1.2 %	(31) (25.6)%
Industrial products	26	12	26	38	31	27	38	41	38	1.1 %	(5) (16.1)%
Consumer products	25	30	16	9	13	19	16	35	41	1.1 %	12 92.3 %
Automotive	30	30	26	27	33	42	37	33	39	7.2 %	(3) (9.1)%
Other manufacturing	9	20	22	43	44	39	14	14	38	0.4 %	(35) (79.5)%
Mining	-	1	-	-	-	-	-	-	20	0.0 %	- +100.0%
Oil and Gas	1	2	-	1	-	-	-	-	-	0.0 %	1 0.0 %
Transportation	9	8	17	18	9	16	27	28	18	0.7 %	- 0.0 %
Utilities	-	-	23	24	75	83	84	75	85	0.0 %	(75) (100.0)%
Electric power generation	-	-	23	24	75	83	84	75	85	0.0 %	(75) (100.0)%
Gas, water and other	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Forest products	3	45	-	5	4	3	4	5	6	0.5 %	(1) (25.0)%
Service industries	46	52	47	54	50	57	69	68	64	0.7 %	(4) (8.0)%
Automotive lease and rental	-	2	3	7	2	3	3	5	8	0.0 %	(2) (100.0)%
Educational	1	1	1	-	-	-	-	-	1	0.1 %	1 0.0 %
Health care	2	2	2	2	2	3	12	13	14	0.2 %	- 0.0 %
Business and professional services	1	1	2	3	5	5	4	2	3	0.1 %	(4) (80.0)%
Hospitality and recreation	16	17	15	12	13	14	16	15	15	1.2 %	3 23.1 %
Other	26	29	24	30	28	32	34	33	23	1.9 %	(2) (7.1)%
Financial institutions	5	3	8	11	12	12	18	23	24	0.1 %	(7) (58.3)%
Other	10	36	13	21	27	39	12	36	22	0.1 %	(17) (63.0)%
<b>Total Commercial and Corporate, excluding</b>											
Securities Borrowed or Purchased under Resale Agreements	365	457	429	510	579	644	630	666	729	0.6 %	(214) (37.0)%
Securities Borrowed or Purchased under Resale Agreements	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
<b>Total Commercial and Corporate</b>	<b>365</b>	<b>457</b>	<b>429</b>	<b>510</b>	<b>579</b>	<b>644</b>	<b>630</b>	<b>666</b>	<b>729</b>	<b>0.4 %</b>	<b>(214) (37.0)%</b>
<b>Total Impaired Loans and Acceptances,</b>											
Net of Specific Allowances	499	593	575	635	704	815	792	821	876	0.3 %	(205) (29.1)%
General allowance	(943)	(939)	(945)	(959)	(972)	(983)	(1,017)	(1,010)	(1,060)	100.0 %	(29) (3.0)%
<b>Total Net Impaired Loans and Acceptances</b>	<b>(444)</b>	<b>(346)</b>	<b>(370)</b>	<b>(324)</b>	<b>(268)</b>	<b>(168)</b>	<b>(225)</b>	<b>(189)</b>	<b>(184)</b>	<b>(0.2)%</b>	<b>(176) (65.7)%</b>

(1) Based on Net Loans & Acceptances by Product and Industry.



**LOANS AND ACCEPTANCES  
BY GEOGRAPHIC AREA <sup>(1)</sup>**

	2006	2006	2006	2005	2005	2005	2005	2004	2004			
(\$ millions)	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	MIX	INC/(DEC)	
										Q3	VS LAST YEAR	

**Gross Loans and Acceptances**

Canada	139,483	139,366	132,170	128,184	126,673	127,190	121,163	116,867	114,125	73.0 %	12,810	10.1 %
United States	48,928	46,807	45,662	45,287	44,040	44,353	39,157	38,934	43,292	25.6 %	4,888	11.1 %
Other Countries	2,589	2,505	1,865	1,994	2,105	2,318	1,819	1,755	2,116	1.4 %	484	23.0 %
Africa & Middle East	229	310	375	351	385	349	319	300	287	0.1 %	(156)	(40.5)%
Asia	669	357	273	561	326	362	330	314	478	0.4 %	343	+100.0%
Europe	1,125	1,197	565	475	820	942	460	465	492	0.6 %	305	37.2 %
Latin America & Caribbean	566	641	652	607	574	665	710	676	859	0.3 %	(8)	(1.4)%
<b>Total Gross Loans and Acceptances</b>	<b>191,000</b>	<b>188,678</b>	<b>179,697</b>	<b>175,465</b>	<b>172,818</b>	<b>173,861</b>	<b>162,139</b>	<b>157,556</b>	<b>159,533</b>	<b>100.0 %</b>	<b>18,182</b>	<b>10.5 %</b>

**Net Loans and Acceptances**

Canada	139,384	139,267	132,074	128,087	126,567	127,085	121,034	116,735	113,995	73.4 %	12,817	10.1 %
United States	48,868	46,733	45,594	45,221	43,925	44,237	39,015	38,800	43,086	25.7 %	4,943	11.3 %
Other Countries	2,584	2,500	1,859	1,988	2,098	2,302	1,793	1,723	2,025	1.4 %	486	23.2 %
Africa & Middle East	227	308	373	349	382	345	315	296	283	0.1 %	(155)	(40.6)%
Asia	669	357	273	561	326	362	330	314	467	0.4 %	343	+100.0%
Europe	1,125	1,197	565	475	820	942	449	449	435	0.6 %	305	37.2 %
Latin America & Caribbean	563	638	648	603	570	653	699	664	840	0.3 %	(7)	(1.2)%
<b>Total Loans and Acceptances, net of specific allowances</b>	<b>190,836</b>	<b>188,500</b>	<b>179,527</b>	<b>175,296</b>	<b>172,590</b>	<b>173,624</b>	<b>161,842</b>	<b>157,258</b>	<b>159,106</b>	<b>100.5 %</b>	<b>18,246</b>	<b>10.6 %</b>
<b>General Allowance</b>												
Canada	(590)	(590)	(590)	(590)	(590)	(590)	(630)	(630)	(680)	(0.3)%	-	0.0 %
United States	(353)	(349)	(355)	(369)	(382)	(393)	(387)	(380)	(380)	(0.2)%	29	7.6 %
<b>Total Net Loans and Acceptances</b>	<b>189,893</b>	<b>187,561</b>	<b>178,582</b>	<b>174,337</b>	<b>171,618</b>	<b>172,641</b>	<b>160,825</b>	<b>156,248</b>	<b>158,046</b>	<b>100.0 %</b>	<b>18,275</b>	<b>10.6 %</b>

**Net Impaired Loans and Acceptances**

Canada	271	323	284	286	282	358	348	333	353
United States	215	257	275	331	372	411	381	426	452
Other Countries	13	13	16	18	50	46	63	62	71
Africa & Middle East	2	2	4	4	3	3	4	4	4
Asia	4	4	4	5	5	6	9	13	-
Europe	-	-	-	-	18	21	25	19	22
Latin America & Caribbean	7	7	8	9	24	16	25	26	45
<b>Total Impaired Loans and Acceptances, net of specific allowances</b>	<b>499</b>	<b>593</b>	<b>575</b>	<b>635</b>	<b>704</b>	<b>815</b>	<b>792</b>	<b>821</b>	<b>876</b>
<b>General Allowance</b>									
Canada	(590)	(590)	(590)	(590)	(590)	(590)	(630)	(630)	(680)
United States	(353)	(349)	(355)	(369)	(382)	(393)	(387)	(380)	(380)
<b>Total Net Impaired Loans and Acceptances</b>	<b>(444)</b>	<b>(346)</b>	<b>(370)</b>	<b>(324)</b>	<b>(268)</b>	<b>(168)</b>	<b>(225)</b>	<b>(189)</b>	<b>(184)</b>

**Gross Loans and Acceptances in  
Canada by Province**

Atlantic Provinces	6,186	5,921	5,791	5,843	6,301	6,120	5,830	5,941	5,945	4.4 %	(115)	(1.8)%
Quebec	17,288	17,150	16,965	16,708	17,519	16,335	15,895	15,725	16,601	12.4 %	(231)	(1.3)%
Ontario	78,340	80,200	74,632	72,369	69,898	72,312	67,503	63,580	59,926	56.2 %	8,442	12.1 %
Prairie Provinces	19,380	18,353	17,796	16,842	16,582	16,727	16,259	16,112	16,069	13.9 %	2,798	16.9 %
British Columbia and Territories	18,289	17,742	16,986	16,422	16,373	15,696	15,676	15,509	15,584	13.1 %	1,916	11.7 %
<b>Total Gross Loans and Acceptances</b>	<b>139,483</b>	<b>139,366</b>	<b>132,170</b>	<b>128,184</b>	<b>126,673</b>	<b>127,190</b>	<b>121,163</b>	<b>116,867</b>	<b>114,125</b>	<b>100.0 %</b>	<b>12,810</b>	<b>10.1 %</b>

**Net Loans and Acceptances in Canada  
by Province**

Atlantic Provinces	6,182	5,917	5,787	5,839	6,296	6,115	5,824	5,934	5,938	4.5 %	(114)	(1.8)%
Quebec	17,276	17,138	16,953	16,695	17,504	16,322	15,878	15,707	16,582	12.4 %	(228)	(1.3)%
Ontario	78,284	80,143	74,577	72,314	69,840	72,252	67,431	63,509	59,858	56.4 %	8,444	12.1 %
Prairie Provinces	19,366	18,340	17,783	16,829	16,568	16,713	16,242	16,094	16,051	14.0 %	2,798	16.9 %
British Columbia and Territories	18,276	17,729	16,974	16,410	16,359	15,683	15,659	15,491	15,566	13.2 %	1,917	11.7 %
<b>Total Loans and Acceptances, net of specific allowances</b>	<b>139,384</b>	<b>139,267</b>	<b>132,074</b>	<b>128,087</b>	<b>126,567</b>	<b>127,085</b>	<b>121,034</b>	<b>116,735</b>	<b>113,995</b>	<b>100.5 %</b>	<b>12,817</b>	<b>10.1 %</b>
<b>General Allowance</b>												
Canada	(590)	(590)	(590)	(590)	(590)	(590)	(630)	(630)	(680)	(0.5)%	-	0.0 %
<b>Total Net Loans and Acceptances</b>	<b>138,794</b>	<b>138,677</b>	<b>131,484</b>	<b>127,497</b>	<b>125,977</b>	<b>126,495</b>	<b>120,404</b>	<b>116,105</b>	<b>113,315</b>	<b>100.0 %</b>	<b>12,817</b>	<b>10.2 %</b>

(1) Segmented credit information by geographic area is based upon the country of ultimate risk.

**CHANGES IN ALLOWANCES  
FOR CREDIT LOSSES**

(\$ millions)	2006 Q3	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2005 Q1	2004 Q4	2004 Q3	YTD 2006	YTD 2005	Fiscal 2005	Fiscal 2004
Balance at beginning of period	1,117	1,115	1,128	1,200	1,237	1,314	1,308	1,487	1,667	1,128	1,308	1,308	1,791
Provision for credit losses	42	66	52	57	73	6	43	(13)	(110)	160	122	179	(103)
Recoveries	33	35	20	15	21	15	16	25	60	88	52	67	131
Write-offs	(90)	(91)	(71)	(125)	(115)	(107)	(72)	(131)	(109)	(252)	(294)	(419)	(470)
Other, including foreign exchange rate changes	5	(8)	(14)	(19)	(16)	9	19	(60)	(21)	(17)	12	(7)	(41)
Allowances at end of period	1,107	1,117	1,115	1,128	1,200	1,237	1,314	1,308	1,487	1,107	1,200	1,128	1,308

**Allocation of Recoveries by Market**

Consumer	19	13	14	13	13	11	12	10	12	46	36	49	41
Commercial and Corporate	14	22	6	2	8	4	4	15	48	42	16	18	90

**Allocation of Write-offs by Market**

Consumer	66	72	60	57	77	57	55	48	54	198	189	246	206
Commercial and Corporate	24	19	11	68	38	50	17	83	55	54	105	173	264

**CHANGES IN IMPAIRED LOANS  
AND ACCEPTANCES**

(\$ millions)	2006 Q3	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2005 Q1	2004 Q4	2004 Q3	YTD 2006	YTD 2005	Fiscal 2005	Fiscal 2004
<b>Total Impaired Loans and Acceptances</b>													
GIL, Beginning of Period	771	745	804	932	1,052	1,089	1,119	1,303	1,503	804	1,119	1,119	1,918
Additions to impaired loans & acceptances (formations)	83	173	78	105	91	138	89	109	66	334	318	423	607
Reductions in impaired loans & acceptances <sup>(1)</sup>	(101)	(56)	(66)	(108)	(96)	(68)	(47)	(162)	(157)	(223)	(211)	(319)	(936)
Net new additions (reductions)	(18)	117	12	(3)	(5)	70	42	(53)	(91)	111	107	104	(329)
Write-offs	(90)	(91)	(71)	(125)	(115)	(107)	(72)	(131)	(109)	(252)	(294)	(419)	(470)
GIL, End of Period	663	771	745	804	932	1,052	1,089	1,119	1,303	663	932	804	1,119
ACL <sup>(2)</sup> , Beginning of Period	1,117	1,115	1,128	1,200	1,220	1,314	1,308	1,487	1,667	1,128	1,308	1,308	1,785
Increase / (Decrease) - specific allowance <sup>(2)</sup>	76	99	72	66	106	47	71	2	(31)	247	224	290	163
Increase / (Decrease) - general allowance	4	(6)	(14)	(13)	(11)	(34)	7	(50)	(40)	(16)	(38)	(51)	(170)
Write - offs	(90)	(91)	(71)	(125)	(115)	(107)	(72)	(131)	(109)	(252)	(294)	(419)	(470)
ACL <sup>(2)</sup> , End of Period	1,107	1,117	1,115	1,128	1,200	1,220	1,314	1,308	1,487	1,107	1,200	1,128	1,308
NIL, Beginning of Period	(346)	(370)	(324)	(268)	(168)	(225)	(189)	(184)	(164)	(324)	(189)	(189)	133
Change in gross impaired loans	(108)	26	(59)	(128)	(120)	(37)	(30)	(184)	(200)	(141)	(187)	(315)	(799)
Change in allowance for credit losses	10	(2)	13	72	20	94	(6)	179	180	21	108	180	477
NIL, End of Period	(444)	(346)	(370)	(324)	(268)	(168)	(225)	(189)	(184)	(444)	(268)	(324)	(189)

(1) Loans and acceptances returning to performing status, sales and repayments.

(2) Excludes specific allowances related to other credit instruments.

**INTEREST RATE GAP POSITION**
**As at July 31, 2006**

(\$ millions)

	0 to 3 months	4 to 6 months	7 to 12 months	Total within 1 year	1 to 5 years	Over 5 years	Non-interest sensitive	Total
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	0 to 3 months	4 to 6 months	7 to 12 months	Total within 1 year	1 to 5 years	Over 5 years	Non-interest sensitive	Total
<b>Canadian Dollars</b>								
Assets	120,765	7,570	9,649	137,984	44,148	3,745	7,210	193,087
Liabilities and Capital Off-Balance Sheet	107,071 (18,097)	5,978 2,710	10,321 7,104	123,370 (8,283)	43,415 5,658	4,985 2,625	21,317 -	193,087 -
Gap - July 31, 2006	(4,403)	4,302	6,432	6,331	6,391	1,385	(14,107)	-
Gap - April 30, 2006	(1,014)	1,061	5,047	5,094	6,554	2,168	(13,816)	-
Gap - January 31, 2006	1,846	528	2,505	4,879	7,483	1,229	(13,591)	-
Gap - October 31, 2005	3,936	901	(379)	4,458	7,023	1,789	(13,270)	-
Gap - July 31, 2005	2,576	1,312	775	4,663	6,940	1,398	(13,001)	-
<b>U.S. Dollar and Other Currencies</b>								
Assets	82,324	11,188	7,182	100,694	14,185	2,341	1,302	118,522
Liabilities and Capital Off-Balance Sheet	97,904 1,307	3,674 -	3,343 226	104,921 1,533	12,416 (967)	378 (566)	807 -	118,522 -
Gap - July 31, 2006	(14,273)	7,514	4,065	(2,694)	802	1,397	495	-
Gap - April 30, 2006	(11,165)	1,811	6,226	(3,128)	1,875	806	447	-
Gap - January 31, 2006	(13,772)	3,491	6,068	(4,213)	3,186	587	440	-
Gap - October 31, 2005	(11,886)	3,748	5,056	(3,082)	2,303	393	386	-
Gap - July 31, 2005	(11,190)	3,476	5,186	(2,528)	673	1,401	454	-

**Gap Position Major Assumptions - Deposits/**
**Liabilities**

- Fixed rate, fixed term liabilities, such as investment certificates, are reported at scheduled maturity with estimated redemptions that reflect expected depositor behaviour.
  - Interest bearing deposits on which the customer interest rate changes with the prime rate or other short-term market rates are reported in the 0 to 3 months category.
  - Fixed rate and non-interest bearing liabilities with no defined maturity are reported based upon expected account balance behaviour.
- Capital
- Common shareholders' equity is reported as non-interest sensitive.

**Gap Position Major Assumptions - Assets**

- Fixed rate, fixed term assets, such as residential mortgage loans and consumer loans, are reported based upon the scheduled repayments and estimated prepayments that reflect expected borrower behaviour.
- Trading and Underwriting (mark-to-market) assets and interest bearing assets on which the customer interest rate changes with the prime rate or other short-term market rates are reported in the 0 to 3 months category.
- Fixed rate and non-interest bearing assets with no defined maturity are reported based upon expected account balance behaviour.

INTEREST RATE RISK SENSITIVITY (After tax) (\$ millions)	100 Basis Point Increase								100 Basis Point Decrease							
	Earnings Sensitivity				Economic Value Sensitivity				Earnings Sensitivity				Economic Value Sensitivity			
	Money		Market / Mark to		Money		Market / Mark to		Money		Market / Mark to		Money		Market / Mark to	
	Structural	Accrual	Market	Total	Structural	Accrual	Market	Total	Structural	Accrual	Market	Total	Structural	Accrual	Market	Total
July 31, 2006	21.6	(41.9)	(1.1)	(21.4)	(222.6)	(101.8)	(1.1)	(325.5)	(17.2)	41.9	66.1	90.8	184.0	101.8	66.1	351.9
April 30, 2006	20.4	(51.0)	(22.6)	(53.2)	(235.3)	(61.3)	(22.6)	(319.2)	(19.9)	51.0	(11.5)	19.6	200.3	61.3	(11.5)	250.1
January 31, 2006	24.0	(54.7)	(30.2)	(60.9)	(234.3)	(73.5)	(30.2)	(338.0)	(27.1)	54.7	24.8	52.4	188.7	73.5	24.8	287.0
October 31, 2005	25.1	(44.4)	(8.7)	(28.0)	(228.8)	(58.7)	(8.7)	(296.2)	(22.4)	44.4	15.4	37.4	191.9	58.7	15.4	266.0
July 31, 2005	13.4	(53.9)	(2.9)	(43.4)	(232.5)	(63.6)	(2.9)	(299.0)	(15.7)	53.9	25.6	63.8	188.9	63.6	25.6	278.1

INTEREST RATE RISK SENSITIVITY (After tax) (\$ millions)	200 Basis Point Increase								200 Basis Point Decrease							
	Earnings Sensitivity				Economic Value Sensitivity				Earnings Sensitivity				Economic Value Sensitivity			
	Money		Market / Mark to		Money		Market / Mark to		Money		Market / Mark to		Money		Market / Mark to	
	Structural	Accrual	Market	Total	Structural	Accrual	Market	Total	Structural	Accrual	Market	Total	Structural	Accrual	Market	Total
July 31, 2006	30.2	(83.7)	(17.2)	(70.7)	(468.7)	(203.6)	(17.2)	(689.5)	(16.2)	83.7	228.6	296.1	322.7	203.6	228.6	754.9
April 30, 2006	33.9	(102.0)	(86.6)	(154.7)	(487.3)	(122.7)	(86.6)	(696.6)	(28.1)	102.0	45.7	119.6	351.7	122.7	45.7	520.1
January 31, 2006	42.2	(109.4)	(111.1)	(178.3)	(490.9)	(147.1)	(111.1)	(749.1)	(43.5)	109.4	61.1	127.0	327.5	147.1	61.1	535.7
October 31, 2005	44.1	(88.9)	(45.8)	(90.6)	(478.0)	(117.4)	(45.8)	(641.2)	(45.8)	88.9	7.0	50.1	347.3	117.4	7.0	471.7
July 31, 2005	30.4	(107.7)	(6.6)	(83.9)	(490.3)	(127.2)	(6.6)	(624.1)	(60.9)	107.7	53.7	100.5	356.8	127.2	53.7	537.7

**Earnings Sensitivity/Economic Value Sensitivity - Interest Rate Risk**

"Earnings Sensitivity" is the impact of change in interest rates on twelve month net income, while, "Economic Value Sensitivity" is the impact of a change in interest rates on the value of our assets and liabilities.

"100/200 Basis Point Increase/Decrease" is the impact on earnings and economic value of a one time increase/decrease of 100/200 basis points in interest rates, applied to our position at the period end. In all cases, Interest Rate scenarios did not fall below 0%. Calculations do not reflect the effect of actions which the bank may take to reduce risk.

Losses are in brackets and benefits are presented as positive amounts.

Structural portfolios are CAD/U.S. consumer, commercial and corporate instruments and securitization structures. For these portfolios, risk measures reflect asset/liability interest rate mismatches, embedded options, including the expected impact of customer behaviour, and the impact of minimum rates on deposits.

Earnings Sensitivity and Economic Value Sensitivity for money market / accrual and mark to market portfolios are for major currency, interest rate exposures only. Money market/accrual exposures are bank placements and acceptances, repos and reverse repos, international loans and certain investment securities.

**EARNINGS  
VOLATILITY  
(After tax)**

(\$ millions)	Trading and Underwriting								Structural	Total
	Mark to Market							Accrual		
	Equities	Commodities	Interest Rate	Foreign Exchange	Correlation	Credit Spread	Total Mark to Market	Money Market		
July 31, 2006	(3.0)	(9.0)	(1.7)	(1.7)	5.7	(2.8)	(12.5)	(2.1)	(23.5)	(38.1)
April 30, 2006	(3.1)	(3.7)	(3.3)	(0.3)	4.4	(2.8)	(8.8)	(2.4)	(26.1)	(37.3)
January 31, 2006	(2.2)	(4.6)	(3.0)	(0.4)	4.7	(3.0)	(8.5)	(3.1)	(29.7)	(41.3)
October 31, 2005	(2.5)	(2.1)	(2.4)	(0.3)	3.6	(2.7)	(6.4)	(2.7)	(28.1)	(37.2)
July 31, 2005	(3.7)	(7.8)	(2.1)	(0.6)	5.5	(3.1)	(11.8)	(4.7)	(33.1)	(49.6)

**MARKET VALUE  
EXPOSURE  
(After tax)**

(\$ millions)	Trading and Underwriting								Structural	Total
	Mark to Market							Accrual		
	Equities	Commodities	Interest Rate	Foreign Exchange	Correlation	Credit Spread	Total Mark to Market	Money Market		
July 31, 2006	(3.0)	(9.0)	(1.7)	(1.7)	5.7	(2.8)	(12.5)	(11.0)	(251.9)	(275.4)
April 30, 2006	(3.1)	(3.7)	(3.3)	(0.3)	4.4	(2.8)	(8.8)	(3.7)	(267.1)	(279.6)
January 31, 2006	(2.2)	(4.6)	(3.0)	(0.4)	4.7	(3.0)	(8.5)	(5.4)	(260.2)	(274.1)
October 31, 2005	(2.5)	(2.1)	(2.4)	(0.3)	3.6	(2.7)	(6.4)	(5.2)	(326.3)	(337.9)
July 31, 2005	(3.7)	(7.8)	(2.1)	(0.6)	5.5	(3.1)	(11.8)	(6.0)	(331.4)	(349.2)

**Earnings Volatility and Market Value Exposure**

"Earnings Volatility and Market Value Exposure" are the impact on twelve month earnings and economic value, respectively, of a one time change in market rates/prices applied to our positions at the period end. Calculations are based upon the estimated maximum adverse rates/price change that can occur within the time period required to neutralize the risks in a portfolio. Calculations are also based upon a statistical analysis of history using a 99% confidence level, and do not reflect the effect of actions which the bank may take to reduce risk.

Losses are in brackets and benefits are presented as positive amounts.

In the fourth quarter of Fiscal 2005, enhancements were made to the measurement of commodity risk.

In the third quarter of 2006, enhancements were made to the measurement of credit spread risk.

Money market / accrual portfolios comprise bank placements and acceptances, repos and reverse repos, international loans and certain investment securities.

While categorized as trading and underwriting, these portfolios are accounted for using accrual accounting rules under GAAP.

Interest rate risk is the primary driver of market risk in the money market / accrual portfolios.

Mark to market portfolios are all trading and underwriting portfolios where accounting rules mandate mark to market treatment.

Structural portfolios are CAD/U.S. consumer, commercial and corporate instruments and securitization structures. For these portfolios, risk measures reflect asset/liability interest rate mismatches, embedded options, including the expected impact of customer behaviour, the impact of minimum rates on deposits and foreign exchange transaction risk affecting net income.

Structural MVE declined in Q1 Fiscal 2006 owing to lower modeled interest rate volatility. Interest rate volatility is derived from 10 years of historical data, which starting in Q1 excluded the high volatility associated with Fiscal 1995.

The Total Bank earnings volatility and market value exposure measures are conservative as they do not include the benefit of correlation between the mark to market, money market / accrual, and structural portfolios.

**LIQUID ASSETS AND DEPOSITS**

(\$ millions except as noted)

<b>2006</b>	<b>2006</b>	<b>2006</b>	<b>2005</b>	<b>2005</b>	<b>2005</b>	<b>2005</b>	<b>2004</b>	<b>2004</b>	<b>MIX</b>	<b>INC/(DEC)</b>
<b>Q3</b>	<b>Q2</b>	<b>Q1</b>	<b>Q4</b>	<b>Q3</b>	<b>Q2</b>	<b>Q1</b>	<b>Q4</b>	<b>Q3</b>	<b>Q3</b>	<b>VS LAST YEAR</b>

**Liquid Assets**

<b>Canadian Dollar Liquid Assets</b>												
Deposits with other banks	2,456	2,680	1,745	1,855	1,484	1,480	2,577	2,270	1,313	3.1 %	972	65.5 %
Other cash resources	661	424	432	586	900	(18)	648	(5)	(185)	0.8 %	(239)	(26.6)%
Securities	26,880	27,918	30,860	28,723	26,193	28,693	26,886	25,383	23,686	34.4 %	687	2.6 %
<b>Total</b>	<b>29,997</b>	<b>31,022</b>	<b>33,037</b>	<b>31,164</b>	<b>28,577</b>	<b>30,155</b>	<b>30,111</b>	<b>27,648</b>	<b>24,814</b>	<b>38.3 %</b>	<b>1,420</b>	<b>5.0 %</b>
<b>U.S. Dollar and Other Currency Liquid Assets</b>												
Deposits with other banks	15,577	14,839	16,088	17,232	16,975	17,865	16,035	14,256	18,687	19.9 %	(1,398)	(8.2)%
Other cash resources	1,466	1,617	1,668	1,048	1,043	1,814	1,032	1,524	973	1.9 %	423	40.6 %
Securities	31,370	29,247	29,257	28,311	30,702	29,988	27,264	24,466	25,885	39.9 %	668	2.2 %
<b>Total</b>	<b>48,413</b>	<b>45,703</b>	<b>47,013</b>	<b>46,591</b>	<b>48,720</b>	<b>49,667</b>	<b>44,331</b>	<b>40,246</b>	<b>45,545</b>	<b>61.7 %</b>	<b>(307)</b>	<b>(0.6)%</b>
<b>Total Liquid Assets <sup>(1)</sup></b>	<b>78,410</b>	<b>76,725</b>	<b>80,050</b>	<b>77,755</b>	<b>77,297</b>	<b>79,822</b>	<b>74,442</b>	<b>67,894</b>	<b>70,359</b>	<b>100.0 %</b>	<b>1,113</b>	<b>1.4 %</b>
<b>Cash and Securities-to-Total Assets Ratio</b>	<b>25.2 %</b>	<b>25.0 %</b>	<b>26.8 %</b>	<b>26.5 %</b>	<b>27.0 %</b>	<b>27.8 %</b>	<b>25.7 %</b>	<b>26.0 %</b>	<b>27.2 %</b>		<b>(1.9)%</b>	
Pledged liquid assets <sup>(2)</sup>	25,707	28,431	28,235	27,760	30,120	29,196	25,405	18,812	20,588	49.7 %	(4,413)	(14.7)%
Pledged other assets	26,035	28,091	18,975	16,764	21,082	23,399	21,880	21,559	22,019	50.3 %	4,953	23.5 %
<b>Total Pledged Assets</b>	<b>51,742</b>	<b>56,522</b>	<b>47,210</b>	<b>44,524</b>	<b>51,202</b>	<b>52,595</b>	<b>47,285</b>	<b>40,371</b>	<b>42,607</b>	<b>100.0 %</b>	<b>540</b>	<b>1.1 %</b>

(1) Includes liquid assets pledged as security for securities borrowed, securities lent, securities sold under repurchase agreements and other secured liabilities.

(2) Includes reserves or minimum balances which some of our subsidiaries are required to maintain with central banks in their respective countries of operation.

**Deposits**

<b>Canadian Dollar Deposits</b>												
Banks	2,664	2,163	2,091	2,597	1,692	1,954	1,826	1,766	1,202	1.3 %	972	57.4 %
Businesses and governments	56,980	55,704	53,787	52,757	48,497	49,859	49,189	47,415	45,358	28.2 %	8,483	17.5 %
Individuals	58,804	59,287	58,547	58,105	58,173	58,665	57,850	57,266	57,718	29.1 %	631	1.1 %
<b>Total</b>	<b>118,448</b>	<b>117,154</b>	<b>114,425</b>	<b>113,459</b>	<b>108,362</b>	<b>110,478</b>	<b>108,865</b>	<b>106,447</b>	<b>104,278</b>	<b>58.6 %</b>	<b>10,086</b>	<b>9.3 %</b>
<b>U.S. Dollar and Other Currency Deposits</b>												
Banks	23,698	21,231	23,849	22,876	23,573	21,582	22,662	18,888	21,118	11.7 %	125	0.5 %
Businesses and governments	42,841	38,530	36,996	39,680	38,965	39,839	32,117	32,199	36,320	21.2 %	3,876	9.9 %
Individuals	17,107	17,573	17,989	17,778	17,850	19,146	18,688	17,656	19,343	8.5 %	(743)	(4.2)%
<b>Total</b>	<b>83,646</b>	<b>77,334</b>	<b>78,834</b>	<b>80,334</b>	<b>80,388</b>	<b>80,567</b>	<b>73,467</b>	<b>68,743</b>	<b>76,781</b>	<b>41.4 %</b>	<b>3,258</b>	<b>4.1 %</b>
<b>Total Deposits</b>	<b>202,094</b>	<b>194,488</b>	<b>193,259</b>	<b>193,793</b>	<b>188,750</b>	<b>191,045</b>	<b>182,332</b>	<b>175,190</b>	<b>181,059</b>	<b>100.0 %</b>	<b>13,344</b>	<b>7.1 %</b>
<b>Core deposits <sup>(3)</sup></b>	<b>100,102</b>	<b>98,122</b>	<b>98,472</b>	<b>98,953</b>	<b>98,734</b>	<b>105,930</b>	<b>103,192</b>	<b>101,917</b>	<b>104,303</b>		<b>1,368</b>	<b>1.4 %</b>
<b>Core Deposits-to-Total Deposits Ratio</b>	<b>49.5 %</b>	<b>50.5 %</b>	<b>51.0 %</b>	<b>51.1 %</b>	<b>52.3 %</b>	<b>55.4 %</b>	<b>56.6 %</b>	<b>58.2 %</b>	<b>57.6 %</b>		<b>(2.8)%</b>	

(3) Core deposits are equal to total deposits less fixed-date deposits greater than 100,000 units of any currency.