

Supplementary Regulatory Capital Information

For the Quarter Ended – July 31, 2018

For further information, contact:

JILL HOMENUK
Head, Investor Relations
416.867.4770
jill.homenuk@bmo.com

CHRISTINE VIAU
Director, Investor Relations
416.867.6956
christine.viau@bmo.com

www.bmo.com/investorrelations

BMO  **Financial Group**
We're here to help.™

Q3 | 18

	Page
Basel Regulatory Capital, Risk-Weighted Assets and Capital Ratios	1-7
Basel Equity Securities Exposures	8
Basel Credit Risk Schedules	9-16
Credit Exposures Covered by Risk Mitigants, by Geographic Region and by Industry	9
Credit Exposures by Asset Class, by Contractual Maturity and by Basel Approaches	10
Credit Exposures by Risk Weight - Standardized	11
Credit Exposure by Portfolio And Risk Rating Under AIRB Approach	12-13
Wholesale Credit Exposure by Risk Rating Under AIRB Approach	14
Retail Credit Exposure by Portfolio and Risk Rating Under AIRB Approach	14
AIRB Credit Risk Exposure: Loss Experience	15
Estimated and Actual Loss Parameters Under AIRB Approach	16
Basel Securitization and Re-Securitization Exposures	17-19
Securitization and Re-Securitization Exposures	20-21
Derivative Instruments - Basel	22
Basel Glossary	23

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

BASEL III REGULATORY CAPITAL (All-in basis) (1) (2)

	Cross reference (3)	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1
Common Equity Tier 1 Capital: instruments and reserves								
1	Directly issued qualifying common share capital plus related stock surplus	a+b	13,226	13,230	13,326	13,339	13,349	13,094
2	Retained earnings	c	24,909	24,119	23,902	23,709	22,703	22,077
3	Accumulated other comprehensive income (and other reserves)	d	2,381	2,157	1,360	3,066	2,162	3,446
6	Common Equity Tier 1 Capital before regulatory adjustments		40,516	39,506	38,588	40,114	38,694	40,573
Common Equity Tier 1 Capital: regulatory adjustments								
7	Prudential valuation adjustments		149	146	112	107	103	99
8	Goodwill (net of related tax liability)	e+p1-f	6,186	6,175	5,981	6,085	5,896	6,397
9	Other intangibles other than mortgage-servicing rights (net of related tax liability)	g-h	1,920	1,893	1,826	1,800	1,777	1,844
10	Deferred tax assets excluding those arising from temporary differences (net of related tax liability)	i-j	972	976	1,011	1,405	1,313	1,456
11	Cash flow hedge reserve	k	(885)	(768)	(746)	(182)	(191)	174
12	Shortfall of provisions to expected losses	k1	-	-	-	-	-	-
14	Gains or losses due to changes in own credit risk on fair valued liabilities (4)		(140)	(168)	(217)	(136)	(94)	(26)
15	Defined benefit pension fund net assets (net of related tax liability)	l-m	626	459	456	402	286	195
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	n	-	-	-	-	-	-
22	Amount exceeding the 15% threshold		-	-	-	-	-	-
23	of which: significant investments in the common stock financials	h1	-	-	-	-	-	-
24	of which: mortgage servicing rights	j1	-	-	-	-	-	-
25	of which: deferred tax assets arising from temporary differences	it	-	-	-	-	-	-
28	Total regulatory adjustments to Common Equity Tier 1 Capital		8,828	8,713	8,423	9,481	9,090	10,018
29	Common Equity Tier 1 Capital (CET1)		31,688	30,793	30,165	30,633	29,604	30,555
Additional Tier 1 Capital: instruments								
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	o1	3,650	3,650	3,650	3,650	3,250	2,750
33	Directly issued capital instruments subject to phase out from Additional Tier 1 (5)		740	1,040	1,040	1,040	1,040	1,540
34	Additional Tier 1 instruments (and CET1 instruments not otherwise included) issued by subsidiaries and held by third parties (amount allowed in group AT1)	s	-	-	-	-	-	-
35	of which: instruments issued by subsidiaries subject to phase out		-	-	-	-	-	-
36	Additional Tier 1 Capital before regulatory adjustments		4,390	4,690	4,690	4,690	4,290	4,290
Additional Tier 1 Capital: regulatory adjustments								
37	Investments in own Additional Tier 1 instruments	n1	140	56	39	2	4	2
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	t	213	213	213	213	213	213
41	Other deductions from Tier 1 Capital as determined by OSFI		-	-	-	-	-	-
41b	of which: Valuation adjustment for less liquid positions		-	-	-	-	-	-
43	Total regulatory adjustments applied to Additional Tier 1 Capital		353	269	252	215	217	215
44	Additional Tier 1 Capital (AT1)		4,037	4,421	4,438	4,475	4,073	4,075
45	Tier 1 Capital (T1 = CET1 + AT1)		35,725	35,214	34,603	35,108	34,081	34,628
Tier 2 Capital: instruments and provisions								
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	m1	5,468	5,511	5,442	3,976	4,011	3,258
47	Directly issued capital instruments subject to phase out from Tier 2 Capital	u	150	116	1,021	1,053	1,852	1,860
48	Tier 2 Capital instruments (and CET1 and AT1 instruments not included) issued by subsidiaries and held by third parties (amount allowed in group Tier 2 Capital)	v	-	-	-	-	-	-
49	of which: instruments issued by subsidiaries subject to phase out		-	-	-	-	-	-
50	General allowances (6)	w	231	222	273	509	476	603
51	Tier 2 Capital before regulatory adjustments		5,849	5,849	6,736	5,538	6,339	5,721
Tier 2 Capital: regulatory adjustments								
52	Investments in own Tier 2 instruments	q1	91	72	79	-	6	2
55	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	x	50	50	50	50	50	50
57	Total regulatory adjustments to Tier 2 Capital		141	122	129	50	56	52
58	Tier 2 Capital (T2)		5,708	5,727	6,607	5,488	6,283	5,671
59	Total Capital (TC = T1 + T2)		41,433	40,941	41,210	40,596	40,364	40,299
60	Total Risk-Weighted Assets							
60a	Common Equity Tier 1 (CET 1) Capital RWA (7)		277,506	273,011	270,577	269,466	264,819	270,791
60b	Tier 1 Capital RWA (7)		277,681	273,184	270,577	269,466	264,819	270,791
60c	Total Capital RWA (7)		277,857	273,357	270,577	269,466	264,819	261,299
Capital Ratios								
61	Common Equity Tier 1 ratio (as percentage of risk-weighted assets)		11.4%	11.3%	11.1%	11.4%	11.2%	11.3%
62	Tier 1 ratio (as percentage of risk-weighted assets)		12.9%	12.9%	12.8%	13.0%	12.9%	12.6%
63	Total Capital ratio (as percentage of risk-weighted assets)		14.9%	15.0%	15.2%	15.1%	15.2%	14.7%
64	Buffer requirement (minimum CET1 requirement plus capital conservation buffer plus G-SIB buffer requirement plus D-SIB buffer requirement, expressed as a percentage of risk-weighted assets)		8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
65	of which: capital conservation buffer requirement		3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
66	of which: bank specific countercyclical buffer requirement		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
68	Common Equity Tier 1 available to meet buffers (as a % of risk weighted assets)		11.4%	11.3%	11.1%	11.4%	11.2%	11.1%
OSFI all-in target								
69	Common Equity Tier 1 all-in target ratio		8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
Amounts below the thresholds for deduction								
72	Non-significant investments in the capital of other financials	y - z	534	575	411	359	325	274
73	Significant investments in the common stock of financials	a1	1,694	1,635	1,568	1,481	1,422	1,337
74	Mortgage servicing rights (net of related tax liability)	b1	51	49	47	48	46	47
75	Deferred tax assets arising from temporary differences (net of related tax liability)	c1 - d1	1,675	1,597	1,579	1,952	1,913	2,122
Applicable caps on the inclusion of provisions in Tier 2								
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)		204	204	204	221	216	245
77	Cap on inclusion of provisions in Tier 2 under standardised approach		204	204	204	221	216	245
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings based approach (prior to application of cap)		1,270	1,255	1,237	1,516	1,483	1,605
79	Cap on inclusion of provisions in Tier 2 under internal ratings-based approach		27	18	69	287	260	357
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2013 and 1 Jan 2022)								
82	Current cap on AT1 instruments subject to phase out arrangements		1,729	1,729	1,729	2,161	2,161	2,161
83	Amounts excluded from AT1 due to cap (excess over cap after redemptions and maturities)	e1 + f1	-	-	-	-	-	-
84	Current cap on T2 instruments subject to phase out arrangements		2,054	2,054	2,054	2,567	2,567	2,567
85	Amounts excluded from T2 due to cap (excess over cap after redemptions and maturities)		-	-	-	-	-	-

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

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

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

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

(5) \$450MM capital trust securities that are deconsolidated under IFRS but still qualify as Additional Tier 1 Capital are included in line 33.

(6) Prior to Q1 2018, this was Collective Allowances. OSFI uses the term General Allowances in its guidance dealing with IFRS 9.

(7) Under OSFI's Capital Adequacy Requirements (CAR) Guideline, which governs advanced approaches, the bank calculates a Basel Capital Floor and increases its risk-weighted assets to the extent such floor applies.

CONSOLIDATED BALANCE SHEET

(\$ millions except as noted)	LINE #	Balance sheet as in Report to Shareholders		Under regulatory scope of consolidation (1)	Cross Reference (2)	(\$ millions except as noted)	LINE #	Balance sheet as in Report to Shareholders		Under regulatory scope of consolidation (1)	Cross Reference (2)
		Q3 2018	Q3 2018	Q3 2018	Q3 2018			Q3 2018	Q3 2018		
Assets						Liabilities and Equity					
Cash and Cash Equivalents	1	41,072	40,933			Total Deposits	38	506,916	506,915		
Interest Bearing Deposits with Banks	2	7,637	7,637			Other Liabilities					
Securities	3	167,318	159,244			Derivative instruments	39	24,480	24,298		
Investments in own shares CET1 (if not already netted off paid-in capital on reported balance sheet)	4	-	-	n		Acceptances	40	17,874	17,874		
Investments in own Additional Tier 1 instruments not derecognized for accounting purposes	5	-	140	n1		Securities sold but not yet purchased	41	24,409	24,409		
Investments in own Tier 2 instruments not derecognized for accounting purposes	6	-	91	q1		Non-significant investments in the capital of other financials	42	-	18,090	z	
Non-significant investments in the capital of other financials below threshold (3)	7	-	18,624	y		Securities lent or sold under repurchase agreement	43	83,471	83,471		
Significant investments in deconsolidated subsidiaries and other financial institutions (4)	8	-	1,957	t+x+a1		Securitization and structured entities' liabilities	44	23,545	23,545		
Significant investments in capital of other financial institutions reflected in regulatory capital						Current tax liabilities	45	48	48		
Amount exceeding the 15% threshold	9	-	-	h1		Deferred tax liabilities (5)	46	66	66		
Significant investment in common stock of financials below threshold	10	-	476			related to goodwill	47	-	178	f	
Goodwill embedded in significant investments	11	-	89	p1		related to intangibles	48	-	287	h	
Securities Borrowed or Purchased Under Resale Agreements	12	101,679	101,679			related to deferred tax assets excluding those arising from temporary differences	49	-	136	j	
Loans						related to defined-benefit pension fund net assets	50	-	183	m	
Residential mortgages	13	118,736	118,736			related to deferred tax assets arising from temporary differences, excluding those realizable through net operating loss carryback	51	-	235	d1	
Consumer installment and other personal	14	62,485	62,485			Other	52	34,135	24,738		
Credit cards	15	8,236	8,236			of which: liabilities of subsidiaries, other than deposits	53	-	-		
Business and governments	16	187,964	187,745			Less: amount (of liabilities of subsidiaries) phased out	54	-	-		
Allowance for credit losses	17	(1,660)	(1,660)			Liabilities of subsidiaries after phase out	55	-	-	v	
Allowance reflected in Tier 2 regulatory capital	18	-	231	w		Total other liabilities	56	208,028	198,449		
Shortfall of provisions to expected loss	19	-	-	kt		Subordinated Debt					
Total net loans and acceptances	20	375,761	375,542			Subordinated debt	57	5,618	5,618		
Other Assets						Qualifying subordinated debt	58	-	5,468	m1	
Derivative instruments	21	24,810	24,805			Non qualifying subordinated debt	59	-	150		
Customers' liability under acceptances	22	17,874	17,874			of which redemption has been announced (in the last month of the quarter)	60	-	-		
Premises and equipment	23	1,924	1,772			Less: regulatory amortization	61	-	-		
Goodwill	24	6,275	6,275	e		Non qualifying subordinated debt subject to phase out	62	-	150		
Intangible assets	25	2,207	2,207	g		Less: amount phased out	63	-	-		
Current tax assets	26	1,647	1,647			Non qualifying subordinated debt after phase out	64	-	150	u	
Deferred tax assets (5)	27	2,065	2,068			Equity					
Deferred tax assets excluding those arising from temporary differences	28	-	1,108	i		Share capital	65	17,164	17,164		
Deferred tax assets arising from temporary differences	29	-	1,910	c1		Preferred shares					
of which Deferred tax assets arising from temporary differences below the threshold	30	-	1,911			Directly issued qualifying Additional Tier 1 instruments	66	-	3,650	o1	
of which amount exceeding 15% threshold	31	-	-	it		Non-qualifying preferred shares for accounting purposes	67	-	-		
Other	32	15,049	14,055			Non-qualifying preferred shares subject to phase out	68	-	290		
Defined-benefit pension fund net assets	33	-	809	l		Less amount (of preferred shares) phased out	69	-	-	e1	
Mortgage servicing rights	34	-	51			Non qualifying preferred shares after phase out	70	-	290	p	
of which Mortgage servicing rights under the threshold	35	-	51	b1		Common shares					
of which amount exceeding the 15% threshold	36	-	-	j1		Directly issued qualifying CET1	71	-	12,924	a	
Total Assets	37	765,318	755,738			Contributed surplus	72	302	302	b	
						Retained earnings	73	24,909	24,909	c	
						Accumulated other comprehensive income	74	2,381	2,381	d	
						of which: Cash flow hedges	75	-	(885)	k	
						Other AOCI	76	-	3,266		
						Total shareholders' equity	77	44,756	44,756		
						Non-controlling interests in subsidiaries	78	-	-		
						of which portion allowed for inclusion into Tier 1 capital	79	-	-		
						less amount phased out	80	-	-	f1	
						Other additional Tier 1 issued by subs after phase out	81	-	-	s	
						Total equity	82	44,756	44,756		
						Total Liabilities and Equity	83	765,318	755,738		

(1) Balance sheet under regulatory scope does not include the following entities: BMO Life Insurance Company and BMO Reinsurance Limited. BMO Life Insurance Company (\$9,245 million assets and nominal equity) covers the development and marketing of individual and group life, accident and health insurance and annuity products in Canada. BMO Reinsurance Limited (\$335 million assets and nominal equity) covers the reinsurance of life, health and disability insurance risks as well as property & casualty insurance risks, including catastrophe risks. The business reinsured is written by insurers and reinsurers principally in North America and Europe.

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

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

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

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

SUMMARY COMPARISON OF ACCOUNTING ASSETS VS. LEVERAGE RATIO EXPOSURE MEASURE (1)

(\$ millions except as noted)

Item	Q3 2018	Q2 2018	Q1 2018	Q4 2017
1 Total consolidated assets as per published financial statements	765,318	743,569	727,909	709,580
2 Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(9,480)	(9,175)	(9,094)	(8,882)
3 Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-	-	-	-
4 Adjustments for derivative financial instruments	1,506	1,775	(5,606)	(1,923)
5 Adjustment for securities financing transactions (i.e. repo assets and similar secured lending)	3,069	2,930	6,694	6,715
6 Adjustment for off balance-sheet items (i.e. credit equivalent amounts of off-balance sheet exposures)	102,792	101,147	97,832	99,327
7 Other adjustments	(9,320)	(9,152)	(8,892)	(9,832)
8 Leverage Ratio Exposure	853,885	831,094	808,843	794,985

LEVERAGE RATIO COMMON DISCLOSURE (1)

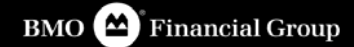
(\$ millions except as noted)

Item	Leverage ratio framework			
	Q3 2018	Q2 2018	Q1 2018	Q4 2017
On-balance sheet exposures				
1 On-balance sheet items (excluding derivatives, SFTs and grandfathered securitization exposures but including collateral)	629,354	613,128	603,873	596,701
2 (Asset amounts deducted in determining Basel III Tier 1 capital)	(9,320)	(9,152)	(8,892)	(9,832)
3 Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	620,034	603,976	594,981	586,869
Derivative exposures				
4 Replacement cost associated with all derivative transactions (i.e., net of eligible cash variation margin)	6,169	7,332	6,067	7,084
5 Add-on amounts for PFE associated with all derivative transactions	23,943	24,214	23,736	23,937
6 Gross up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-	-	-	-
7 (Deductions of receivables assets for cash variation margin provided in derivative transactions)	(3,050)	(2,436)	(3,217)	(2,700)
8 (Exempted CCP-leg of client cleared trade exposures)	(751)	(751)	(444)	(1,294)
9 Adjusted effective notional amount of written credit derivatives	142	123	116	1,638
10 (Adjusted effective notional offsets and add-on deductions for written credit derivatives)	(142)	(123)	(116)	(1,638)
11 Total derivative exposures (sum of lines 4 to 10)	26,311	28,359	26,142	27,027
Securities financing transaction exposures				
12 Gross SFT assets recognised for accounting purposes (with no recognition of netting), after adjusting for sale accounting transactions	103,311	95,313	88,298	86,037
13 (Netted amounts of cash payables and cash receivables of gross SFT assets)	(3,591)	(3,636)	(4,455)	(9,192)
14 Counterparty credit risk (CCR) exposure for SFTs	5,028	5,935	6,045	4,917
15 Agent transaction exposures	-	-	-	-
16 Total securities financing transaction exposures (sum of lines 12 to 15)	104,748	97,612	89,888	81,762
Other off-balance sheet exposures				
17 Off-balance sheet exposure at gross notional amount	326,819	322,633	312,044	314,442
18 (Adjustments for conversion to credit equivalent amounts)	(224,027)	(221,486)	(214,212)	(215,115)
19 Off-balance sheet items (sum of lines 17 and 18)	102,792	101,147	97,832	99,327
Capital and Total Exposures				
20 Tier 1 capital	35,725	35,214	34,603	35,108
21 Total Exposures (sum of lines 3, 11, 16 and 19)	853,885	831,094	808,843	794,985
Leverage Ratios				
22 Basel III leverage ratio	4.2%	4.2%	4.3%	4.4%

(1) Pursuant to revision by OSFI to the "Public Disclosure Requirements related to Basel III Leverage Ratio" published in December 2017, effective Q1 2018, the information is on all-in basis only.

RECONCILIATION OF RETAIL AND WHOLESALE DRAWN BALANCES TO BALANCE SHEET

(\$ millions except as noted)



Description	LINE #	Q3 2018						
		AIRB Credit Risk			Standardized Credit Risk	Total Credit Risk	Trading Book and other (1)	Balance Sheet
		Retail	Wholesale	Repo				
Cash, Cash Equivalents and Interest Bearing Deposits with Banks	1	-	45,328	-	116	45,444	3,266	48,709
Securities	2	-	65,249	-	59	65,308	102,011	167,318
Securities Borrowed or Purchased under Resale Agreements	3	-	-	86,682	15	86,697	14,982	101,679
Net Loans	4	126,374	202,872	2,170	29,780	361,196	14,565	375,761
Customers' Liability Under Acceptances	5	-	17,857	-	15	17,872	-	17,874
Derivative Instruments	6	-	-	-	-	-	24,810	24,810
Other	7	4	8,884	4	792	9,684	19,482	29,167
	8	126,378	340,190	88,856	30,777	586,201	179,116	765,318

RECONCILIATION OF TOTAL CREDIT RISK TO BALANCE SHEET

(\$ millions except as noted)

		Q3 2018		
		Total Credit Risk	Trading Book and other (1)	Balance Sheet
Cash, Cash Equivalents and Interest Bearing Deposits with Banks	9	45,444	3,266	48,709
Securities	10	65,308	102,011	167,318
Securities Borrowed or Purchased under Resale Agreements	11	86,697	14,982	101,679
Net Loans	12	361,196	14,565	375,761
Customers' Liability Under Acceptances	13	17,872	-	17,874
Derivative Instruments	14	-	24,810	24,810
Other	15	9,684	19,482	29,167
Total on balance sheet	16	586,201	179,116	765,318
Undrawn Commitments	17	133,012		
Other Off Balance Sheet	18	19,067		
Off Balance Sheet Derivatives	19	2,017		
Off Balance Sheet Repo	20	123,989		
Total Off Balance Sheet	21	278,085		
Total Credit Risk	22	864,286		

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

RISK-WEIGHTED ASSETS (RWA)

LINE #	Basel III Q3 2018						Basel III								
	Exposure at Default (EAD)			RWA			Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	
	Standardized approach	Advanced approach	Total	Standardized approach	Advanced approach	Total	RWA	RWA	RWA	RWA	RWA	RWA	RWA	RWA	
(\$ millions except as noted)															
Credit Risk															
Wholesale															
Corporate including specialized lending	1	20,179	306,529	326,708	20,135	86,677	106,812	104,562	98,113	100,421	96,905	106,087	101,494	104,488	101,300
Corporate small and medium enterprises (SMEs)	2	-	73,610	73,610	-	38,060	38,060	37,138	35,019	35,246	34,882	35,953	35,155	33,755	33,878
Sovereign	3	162	129,978	130,140	30	3,550	3,580	3,655	1,721	1,627	1,771	1,909	2,234	1,976	1,959
Bank	4	201	97,135	97,336	37	4,466	4,503	4,334	5,475	5,892	6,266	5,318	4,877	4,486	4,312
Retail															
Residential mortgages excluding home equity line of credits (HELOCs)	5	4,219	101,899	106,118	1,725	8,053	9,778	9,410	9,156	7,984	7,816	8,302	7,874	8,115	8,360
HELOCs	6	243	44,793	45,036	171	4,912	5,083	5,340	5,370	5,426	5,565	5,940	5,830	6,135	7,641
Qualifying revolving retail (QRR)	7	-	35,648	35,648	-	5,259	5,259	5,370	4,757	5,465	5,605	5,406	5,080	5,110	4,604
Other retail (excl. SMEs)	8	2,891	34,808	37,699	2,057	10,329	12,386	12,258	11,001	11,258	10,904	11,601	11,070	11,934	10,997
Retail SMEs	9	6,409	5,582	11,991	4,898	2,145	7,043	6,835	6,866	7,582	7,551	7,864	7,547	7,696	7,574
Equity	10	-	2,487	2,487	-	1,820	1,820	1,735	1,478	1,626	1,472	1,590	1,460	1,403	1,363
Trading book	11	133	81,677	81,810	108	9,003	9,111	9,937	10,032	9,542	9,605	10,970	10,287	9,875	9,758
Securitization	12	-	23,206	23,206	-	1,968	1,968	2,017	2,417	2,476	2,273	2,169	1,911	1,878	2,277
Other credit risk assets - non-counterparty managed assets	13	-	22,314	22,314	-	16,479	16,479	16,128	16,040	15,631	16,560	15,735	15,558	16,197	16,478
Scaling factor for credit risk assets under AIRB (1)	14	-	-	-	-	10,243	10,243	10,051	9,447	9,648	9,466	10,049	9,588	9,851	9,508
Total Credit Risk	15	34,437	959,666	994,103	29,161	202,964	232,125	228,770	216,692	219,824	216,641	228,883	219,945	222,499	220,009
Market Risk (2)	16	-	-	-	39	11,058	11,097	10,415	9,816	8,448	8,314	7,957	9,529	8,362	9,438
Operational Risk (3)	17	-	-	-	2,025	32,259	34,284	33,826	32,773	32,470	31,860	31,321	30,502	29,767	29,767
Common Equity Tier 1 (CET 1) Capital Risk-Weighted Assets before Capital floor (4)	18	34,437	959,666	994,103	31,225	246,281	277,506	273,011	259,850	261,045	257,425	268,700	260,795	261,963	259,234
Basel Capital Floor (4)	19	-	-	-	-	-	-	-	10,727	8,421	7,394	2,091	-	15,599	13,648
Common Equity Tier 1 (CET 1) Capital Risk-Weighted Assets (5)	20	-	-	-	31,225	246,281	277,506	273,011	270,577	269,466	264,819	270,791	260,795	277,562	272,882
Tier 1 Capital Risk-Weighted Assets before CVA and Capital floor	21	-	-	-	-	246,281	277,506	273,011	259,850	261,045	257,425	268,700	260,795	261,963	259,234
Additional CVA adjustment, prescribed by OSFI, for Tier 1 Capital (6)	22	-	-	-	-	175	175	173	166	290	293	296	280	380	380
Basel Capital Floor (4)	23	-	-	-	-	-	-	-	10,561	8,131	7,101	1,795	-	15,219	13,268
Tier 1 Capital Risk-Weighted Assets (5)	24	-	-	-	31,225	246,456	277,681	273,184	270,577	269,466	264,819	270,791	261,075	277,562	272,882
Total Capital Risk-Weighted Assets before CVA and Capital floor	25	-	-	-	-	246,281	277,506	273,011	259,850	261,045	257,425	268,700	260,795	261,963	259,234
Additional CVA adjustment, prescribed by OSFI, for Total Capital (6)	26	-	-	-	-	351	351	346	333	522	528	532	504	705	706
Basel Capital Floor (4)	27	-	-	-	-	-	-	-	10,394	7,899	6,866	1,559	-	14,894	12,942
Total Capital Risk Weighted Assets (RWA) (5)	28	-	-	-	31,225	246,632	277,857	273,357	270,577	269,466	264,819	270,791	261,299	277,562	272,882

RWA CVA PHASE-IN CALCULATION (6)		Q3 2018				
		CVA (A)	OSFI Scalars (B)	Total RWA Before CVA phase-in (C)	CVA phase-in Adjustments (D)=A*(100%-B)	Adjustment for Capital Floor (E)
Common Equity Tier 1 (CET 1) Capital RWA	29	5,857	80%	278,677	1,171	277,506
Tier 1 Capital RWA	30	5,857	83%	278,677	996	277,681
Total Capital RWA	31	5,857	86%	278,677	820	277,857

CAPITAL RATIOS FOR SIGNIFICANT BANK SUBSIDIARIES		2018 Q3	2018 Q2	2018 Q1	2017 Q4
Bank of Montreal Mortgage Corporation - Basel III					
All-in Basis - Basel III (7)					
Common Equity Tier 1 ratio	32	21.8%	23.5%	20.3%	20.8%
Tier 1 ratio	33	21.8%	23.5%	20.3%	20.8%
Total capital ratio	34	22.3%	24.1%	20.7%	21.3%
BMO Harris Bank N.A. - Basel I (8)					
Tier 1 ratio	35	12.5%	12.8%	12.8%	13.0%
Total capital ratio	36	13.7%	14.0%	14.0%	14.2%

- The scaling factor is applied to the risk-weighted asset amounts for credit risk under the AIRB approach.
- Standardized market risk is comprised of interest rate issuer risk.
- BMO uses the Advanced Measurement Approach (AMA), a risk sensitive model, along with the Standardized Approach under OSFI rules, to determine capital requirements for operational risk.
- Under OSFI's Capital Adequacy Requirements (CAR) Guideline, which governs advanced approaches, the bank calculates a Capital Floor and may be required to increase its risk-weighted assets if the Capital Floor applies. Effective Q2 2018, OSFI implemented the Basel II Capital Floor. Based on these requirements, there was no capital floor applicable for Q3 2018 and Q2 2018. The Basel I Floor was in effect and did apply in Q1 2018, Q4 2017, Q3 2017, Q2 2017, Q4 2016 and Q3 2016.
- During the fourth quarter of 2016, ratios and RWA were amended for Q3 2016.
- Commencing Q1 2014, a new CVA regulatory capital charge has been applied to derivatives. For Q3 2014, OSFI introduced a new three tier capital approach with different scalars for each tier. See above for calculation and scalars percentages. CET1 CVA phase-in factors are 64% in 2016, 72% in 2017 and 80% in 2018.
- "All-in" capital ratios assume that all Basel III regulatory adjustments are applied effective January 1, 2013 and that the capital value of instruments which no longer qualify as regulatory capital under Basel III rules will be phased out at a rate of 10% per year from January 1, 2013, continuing to January 1, 2022. OSFI required all institutions to have attained an "all-in" target Common Equity Tier 1 ratio of 7% by the first quarter of 2013, and "all-in" target Tier 1 and Total Capital ratios of 8.5% and 10.5%, respectively, by Q1 2014.
- Calculated using Basel I guidelines currently in effect for U.S. regulatory purposes and based on Harris N.A.'s calendar quarter-ends.

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

(\$ millions except as noted)	LINE #	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2
Personal and Commercial Banking	1	173,039	170,545	163,039	165,005	160,839	168,788
Wealth Management	2	18,560	17,538	16,778	16,276	16,170	16,275
BMO Capital Markets	3	74,663	73,875	69,296	68,131	68,023	72,168
Corporate Services, including Technology and Operations, plus excess of Basel Capital Floor RWA over Basel III RWA	4	11,244	11,053	21,464	20,054	19,787	13,560
Total Common Equity Tier 1 Capital Risk-Weighted Assets	5	277,506	273,011	270,577	269,466	264,819	270,791

FLOW STATEMENT OF BASEL III REGULATORY CAPITAL

(\$ millions except as noted)		2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2
Common Equity Tier 1 Capital							
Opening Balance	6	30,793	30,165	30,633	29,604	30,555	28,832
New capital issues	7	18	7	48	9	52	281
Redeemed capital	8	(102)	(488)	(294)	(91)	(349)	-
Gross dividends (deduction)	9	(664)	(642)	(645)	(631)	(633)	(617)
Profit for the quarter (attributable to shareholders of the parent company)	10	1,536	1,246	973	1,227	1,387	1,247
Removal of own credit spread (net of tax)	11	(28)	(48)	80	42	(53)	121
Movements in other comprehensive income							
– Currency Translation Differences	12	102	878	(959)	814	(2,158)	1,168
– Fair value through other comprehensive income securities (1)	13	9	(128)	(126)	10	(19)	118
– Other (2)	14	230	69	(2)	71	214	(211)
Goodwill and other intangible assets (deduction, net of related tax liability)	15	(37)	(262)	78	(212)	567	(368)
Other, including regulatory adjustments and transitional arrangements							
– Deferred tax assets that rely on future profitability (excluding those arising from temporary differences)	16	4	35	394	(92)	143	(83)
– Prudential Valuation Adjustments	17	(3)	(34)	(5)	(4)	(5)	10
– Other (3)	18	(170)	(5)	(10)	(114)	(97)	57
Closing Balance	19	31,688	30,793	30,165	30,633	29,604	30,555
Other non-core Tier 1 (Additional Tier 1) Capital							
Opening Balance	20	4,421	4,438	4,475	4,477	4,073	4,075
New non-core tier 1 (Additional Tier 1) eligible capital issues	21	-	-	-	-	400	500
Redeemed capital	22	(300)	-	-	-	-	(500)
Other, including regulatory adjustments and transitional arrangements (4)	23	(84)	(17)	(37)	(2)	4	(2)
Closing Balance	24	4,037	4,421	4,438	4,475	4,477	4,073
Total Tier 1 Capital	25	35,725	35,214	34,603	35,108	34,081	34,628
Tier 2 Capital							
Opening Balance	26	5,727	6,607	5,488	6,283	5,671	5,461
New Tier 2 eligible capital issues	27	-	-	1,538	-	850	-
Redeemed capital	28	-	(900)	-	(800)	-	-
Amortization adjustments	29	-	-	-	-	-	-
Other, including regulatory adjustments and transitional arrangements (5)	30	(19)	20	(419)	5	(238)	210
Closing Balance	31	5,708	5,727	6,607	5,488	6,283	5,671
Total Regulatory Capital	32	41,433	40,941	41,210	40,596	40,364	40,299

(1) Q4 2017 and prior periods represent available-for-sale securities.

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

(3) Includes: Capital deductions for expected loss in excess of allowances, defined benefit pension assets (net of related deferred tax liability) and investment in own shares, changes in contributed surplus and threshold deductions.

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

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

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

LINE #	2018 Q3		2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	
	Credit Risk	Of which counterparty credit risk (5)	Credit Risk	Credit Risk	Credit Risk	Credit Risk	Credit Risk	
(\$ millions except as noted)								
Opening Credit RWA, beginning of quarter	1	228,770	13,228	216,692	219,824	216,641	228,883	219,945
Book size (1)	2	4,540	316	6,225	3,105	735	1,816	2,902
Book quality (2)	3	(2,108)	(141)	169	(647)	(1,483)	(2,765)	(740)
Model updates (3)	4	-	-	23	(527)	(110)	(1,005)	(838)
Methodology and policy (4)	5	(487)	(487)	727	(127)	-	256	934
Acquisitions and disposals	6	-	-	-	-	-	-	-
Foreign exchange movements	7	1,410	62	4,934	(4,936)	4,041	(10,544)	6,680
Other	8	-	-	-	-	-	-	-
Closing Credit RWA, end of quarter	9	232,125	12,978	228,770	216,692	219,824	216,641	228,883

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

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

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

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

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

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

LINE #	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	
	(\$ millions except as noted)						
Market Risk RWA, beginning of quarter	10	10,415	9,816	8,448	8,314	7,957	9,529
Movement in risk levels (1)	11	1,643	569	1,208	152	350	(1,572)
Model updates (2)	12	44	-	-	-	-	-
Methodology and policy (3)	13	(1,005)	30	160	(18)	7	-
Acquisition and disposals	14	-	-	-	-	-	-
Foreign exchange movement and others	15	-	-	-	-	-	-
Market Risk RWA, end of quarter	16	11,097	10,415	9,816	8,448	8,314	7,957

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

(2) Model updates includes updates to risk models to reflect recent experience and changes in model scope.

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

EQUITY SECURITIES EXPOSURE AMOUNT (1)

(\$ millions except as noted)

LINE #	2018		2018		2017		2017	
	Q3	Q2	Q1	Q4	Q3	Q2		
Equity investments used for capital gains (Merchant Banking)	1	630	565	542	529	503	525	
Equity investments used for mutual fund seed capital	2	57	48	44	13	10	34	
Equity used for other (including strategic investments)	3	1,800	1,709	1,450	1,663	1,527	1,650	
Total Equity Exposure	4	2,487	2,322	2,036	2,205	2,040	2,209	

(1) BMO's non-trading equity exposures are at a level that represents less than the 10% of the Bank's materiality threshold of the Bank's combined Tier 1 and Tier 2 Capital. As a result, the Bank uses OSFI-prescribed risk weights to calculate RWA on non-trading equity exposures.

EQUITY INVESTMENT SECURITIES (2)

(\$ millions except as noted)

	LINE #	Q3 2018			Q2 2018			Q1 2018			Q4 2017		
		Book Value	Market Value	Unrealized Gain (Loss)	Book Value	Market Value	Unrealized Gain (Loss)	Book Value	Market Value	Unrealized Gain (Loss)	Book Value	Market Value	Unrealized Gain (Loss)
Grandfathered													
Public	5	-	-	-	-	-	-	-	-	-	6	6	-
Private													
Direct funds	6	-	-	-	-	-	-	-	-	-	124	124	-
Indirect funds	7	-	-	-	-	-	-	-	-	-	29	29	-
Total Grandfathered	8	-	-	-	-	-	-	-	-	-	159	159	-
Non-grandfathered													
Public	9	28	28	-	11	11	-	15	15	-	10	10	-
Private													
Direct funds	10	468	468	-	482	482	-	248	248	-	249	249	-
Indirect funds	11	565	565	-	494	494	-	471	471	-	436	436	-
Other	12	1,426	1,027	(399)	1,335	1,002	(333)	1,302	986	(316)	1,351	1,040	(311)
Total Non-grandfathered	13	2,487	2,088	(399)	2,322	1,989	(333)	2,036	1,720	(316)	2,046	1,735	(311)
Total Equities	14	2,487	2,088	(399)	2,322	1,989	(333)	2,036	1,720	(316)	2,205	1,894	(311)
Total realized gains or losses arising from sales or liquidations in the reporting period	15			-			(3)			35			1

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

EXPOSURE COVERED BY CREDIT RISK MITIGATION (1)

(\$ millions except as noted)

LINE #	Q3 2018				Q2 2018				Q1 2018				
	Standardized		AIRB		Standardized		AIRB		Standardized		AIRB		
	Gross Exposure (2)	Exposure Amount Covered By Guarantees Or Credit Derivatives	Adjusted EAD	Exposure Amount Covered By Guarantees Or Credit Derivatives (3)	Gross Exposure (2)	Exposure Amount Covered By Guarantees Or Credit Derivatives	Adjusted EAD	Exposure Amount Covered By Guarantees Or Credit Derivatives	Gross Exposure (2)	Exposure Amount Covered By Guarantees Or Credit Derivatives	Adjusted EAD	Exposure Amount Covered By Guarantees Or Credit Derivatives	
Corporate (incl specialized lending and SMEs treated as corporate)	1	20,179	166	382,204	10,556	20,151	121	351,079	25,821	18,649	-	344,721	24,948
Sovereign	2	162	-	177,077	47,369	155	-	173,936	50,046	161	-	161,355	51,659
Bank	3	201	-	97,214	797	234	-	92,094	2,134	367	-	86,781	2,662
Total Corporate, Sovereign and Bank	4	20,542	166	656,495	58,722	20,540	121	617,109	78,001	19,177	-	592,857	79,269
Residential mortgages excluding home equity line of credits (HELOCs)	5	4,219	13	54,694	-	4,209	26	51,728	-	4,195	29	49,268	-
HELOCs	6	243	-	44,793	-	262	-	44,065	-	271	-	43,127	-
Other retail excl. SMEs and QRR	7	2,891	435	32,770	-	3,049	439	32,146	-	2,661	425	29,421	-
Qualifying revolving retail	8	-	-	35,648	-	-	-	35,640	-	-	-	34,465	-
Retail SMEs	9	6,409	-	5,582	-	6,110	-	5,430	-	6,013	-	5,196	-
Total Retail	10	13,762	448	173,487	-	13,630	465	169,009	-	13,140	454	161,477	-
Total Bank Banking Book Portfolios	11	34,304	614	829,982	58,722	34,170	586	786,118	78,001	32,317	454	754,334	79,269

(1) Credit risk mitigants herein include only credit derivatives and guarantees. Includes \$49.2 billion NHA or other mortgage insurance guarantees.

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

(2) Gross exposure means gross of all allowance for credit losses.

(3) Effective Q3'18, only secured amount of guaranteed facility is disclosed instead of full amount as in prior periods.

CREDIT RISK EXPOSURE BY GEOGRAPHIC REGION (4)

(\$ millions except as noted)

		Q3 2018				Q2 2018				Q1 2018			
		Canada	U.S.	Other	Total	Canada	U.S.	Other	Total	Canada	U.S.	Other	Total
Corporate (incl specialized lending and SMEs treated as corporate)	12	171,697	211,076	17,545	400,318	161,289	192,523	16,181	369,993	158,651	189,749	13,281	361,681
Sovereign	13	38,780	73,275	18,085	130,140	39,345	70,132	15,094	124,571	35,564	61,141	13,597	110,302
Bank	14	22,299	42,695	32,342	97,336	18,649	42,501	30,656	91,806	20,577	37,147	28,862	86,586
Total Corporate, Sovereign and Bank	15	232,776	327,046	67,972	627,794	219,283	305,156	61,931	586,370	214,792	288,037	55,740	558,569
Residential mortgages excluding home equity line of credits (HELOCs)	16	95,155	10,963	-	106,118	94,326	10,751	-	105,077	94,302	10,404	-	104,706
HELOCs	17	38,138	6,898	-	45,036	37,368	6,959	-	44,327	36,567	6,831	-	43,398
Other retail excl. SMEs and QRR	18	28,732	8,487	480	37,699	28,542	8,288	504	37,334	28,483	5,380	441	34,304
Qualifying revolving retail	19	35,694	54	-	35,648	35,583	57	-	35,640	34,409	56	-	34,465
Retail SMEs	20	5,683	6,308	-	11,991	5,457	6,083	-	11,540	5,213	5,996	-	11,209
Total Retail	21	203,302	32,710	480	236,492	201,276	32,138	504	233,918	198,974	28,667	441	228,082
Total Bank	22	436,078	359,756	68,452	864,286	420,559	337,294	62,435	820,288	413,766	316,704	56,181	786,651

CREDIT RISK EXPOSURE BY INDUSTRY (4)

(\$ millions except as noted)

		Q3 2018					Q2 2018					Q1 2018	Q4 2017		
		Drawn	Commitments (Undrawn) (5)	OTCs	Other Off Balance Sheet Items	Repo Style Transactions	Total	Drawn	Commitments (Undrawn) (5)	OTCs	Other Off Balance Sheet Items			Repo Style Transactions	Total
Agriculture	23	11,334	1,844	-	25	-	13,203	10,887	1,770	-	18	-	12,675	12,274	12,568
Communications	24	632	1,044	-	171	-	1,847	553	998	-	296	-	1,847	1,845	1,871
Construction	25	3,775	2,577	-	1,218	-	7,570	3,918	2,887	-	1,232	-	8,037	7,157	7,619
Financial (6)	26	99,753	20,619	1,826	4,581	203,991	330,770	94,038	21,084	2,018	4,669	176,842	298,651	290,218	253,937
Government	27	42,546	2,136	-	659	8,869	54,210	40,007	2,203	-	703	6,915	49,828	43,392	50,380
Manufacturing	28	22,398	12,032	6	1,338	-	35,774	21,426	12,014	8	1,330	-	34,778	32,626	33,364
Mining	29	1,554	3,670	-	1,137	-	6,361	1,457	3,646	-	1,020	-	6,123	5,404	5,566
Other	30	6,615	180	180	404	-	7,379	7,594	108	190	253	-	8,145	8,048	10,270
Real estate	31	30,097	7,799	1	806	-	38,703	29,035	6,867	1	786	-	36,689	34,517	34,292
Retail trade	32	19,768	3,361	-	549	-	23,678	19,750	3,062	-	553	-	23,365	21,658	22,175
Service industries	33	37,395	12,118	2	2,436	-	51,951	37,037	11,393	3	2,446	-	50,879	48,617	48,762
Transportation	34	6,594	2,117	-	926	-	9,637	6,631	2,125	-	917	-	9,673	8,931	8,823
Utilities	35	3,704	3,754	-	2,409	-	9,867	3,215	4,572	-	2,178	-	9,965	9,665	9,895
Wholesale trade	36	13,067	4,326	2	416	-	17,811	12,520	4,185	1	442	-	17,148	16,476	16,597
Individual	37	189,305	47,058	-	129	-	236,492	186,961	46,829	-	130	-	233,920	228,083	223,962
Oil and Gas	38	8,134	7,968	-	1,797	-	17,899	8,025	7,660	-	1,649	-	17,334	16,578	17,387
Forest products	39	659	409	-	66	-	1,134	758	407	-	66	-	1,231	1,162	1,240
Total	40	497,330	133,012	2,017	19,067	212,860	864,286	483,812	131,810	2,221	18,688	820,288	786,651	758,708	

(4) Credit exposure excluding Equity, Securitization, Trading Book and other assets such as non-significant investments, goodwill, deferred tax assets and intangibles.

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

(6) Includes \$45.4 billion of deposits with Financial Institutions as at July 31, 2018 (\$40.5 billion as at April 30, 2018, \$45.4 billion as at January 31, 2018, and \$34.9 billion as at October 31, 2017).

CREDIT RISK EXPOSURE BY MAJOR ASSET CLASS (1)

(\$ millions except as noted)

LINE #	Q3 2018						Q2 2018						Q1 2018	Q4 2017	
	Drawn	Commitments (Undrawn)	OTCs	Other Off Balance Sheet Items	Repo Style Transactions	Total	Drawn	Commitments (Undrawn)	OTCs	Other Off Balance Sheet Items	Repo Style Transactions	Total	Total	Total	
Basel III Asset Classes															
Corporate (incl specialized lending and SMEs treated as corporate)	1	185,755	78,390	50	15,532	120,591	400,318	180,108	77,303	87	15,026	97,469	369,993	361,681	354,910
Sovereign	2	103,175	3,652	-	1,759	21,554	130,140	97,121	3,694	-	1,805	21,951	124,571	110,302	100,948
Bank	3	19,096	3,911	1,967	1,647	70,715	97,336	19,621	3,987	2,134	1,727	64,337	91,806	86,586	78,887
Total Corporate, Sovereign and Bank Exposure	4	308,026	85,953	2,017	18,938	212,860	627,794	296,850	84,984	2,221	18,558	183,757	586,370	558,569	534,745
Residential mortgages excluding home equity line of credits (HELOCs)	5	105,937	105	-	76	-	106,118	104,900	97	-	80	-	105,077	104,706	102,805
HELOCs	6	31,108	13,928	-	-	-	45,036	30,667	-	-	-	-	44,327	43,398	41,201
Other retail excl. SMEs and QRR	7	34,943	2,750	-	6	-	37,699	34,640	2,689	-	5	-	37,334	34,304	34,165
Qualifying revolving retail	8	7,756	27,892	-	-	-	35,648	-	28,025	-	-	-	35,640	34,465	34,826
Retail SMEs	9	9,560	2,384	-	47	-	11,991	9,140	2,355	-	45	-	11,540	11,209	10,966
Total Retail Exposures	10	189,304	47,059	-	129	-	236,492	186,962	46,826	-	130	-	233,918	228,082	223,963
Total Gross Credit Exposures	11	497,330	133,012	2,017	19,067	212,860	864,286	483,812	131,810	2,221	18,688	183,757	820,288	786,651	758,708

CREDIT RISK BY RESIDUAL CONTRACT MATURITY BREAKDOWN

(\$ millions except as noted)

LINE #	Q3 2018						Q2 2018						Q1 2018	Q4 2017	
	Drawn	Commitments (Undrawn)	OTCs	Other Off Balance Sheet Items	Repo Style Transactions	Total	Drawn	Commitments (Undrawn)	OTCs	Other Off Balance Sheet Items	Repo Style Transactions	Total	Total	Total	
Up to 1 year	12	168,265	76,756	271	14,225	212,860	472,377	161,156	76,679	369	13,892	183,608	435,704	422,293	387,092
1 to 5 years	13	267,272	51,310	1,357	4,681	-	324,620	259,537	49,843	1,302	4,639	149	315,470	300,617	304,560
Greater than 5 years	14	61,793	4,946	389	161	-	67,289	63,119	5,288	550	157	-	69,114	63,741	67,056
Total	15	497,330	133,012	2,017	19,067	212,860	864,286	483,812	131,810	2,221	18,688	183,757	820,288	786,651	758,708

PORTFOLIO BREAKDOWN BY BASEL APPROACHES

(\$ millions except as noted)

LINE #	Q3 2018				Q2 2018				Q1 2018				
	Standardized		AIRB		Standardized		AIRB		Standardized		AIRB		
	Drawn	Credit Equivalent Amount on Undrawn	Drawn	Credit Equivalent Amount on Undrawn	Drawn	Credit Equivalent Amount on Undrawn	Drawn	Credit Equivalent Amount on Undrawn	Drawn	Credit Equivalent Amount on Undrawn	Drawn	Credit Equivalent Amount on Undrawn	
Corporate (incl specialized lending and SMEs treated as corporate)	16	16,822	2,939	168,933	75,451	16,863	2,857	163,245	74,446	15,478	2,750	161,365	71,858
Sovereign	17	152	10	103,023	3,642	145	10	96,976	3,684	148	12	84,384	3,404
Bank	18	109	30	18,987	3,881	165	21	19,456	3,966	203	115	23,760	3,901
Total Corporate, Sovereign & Bank	19	17,083	2,979	290,943	82,974	17,173	2,888	279,677	82,096	15,829	2,877	269,509	79,163
Residential mortgages excluding home equity line of credits (HELOCs)	20	4,143	-	101,794	105	4,129	-	100,771	97	4,116	-	100,435	76
HELOCs	21	243	-	30,865	13,928	262	-	30,405	13,660	271	-	29,794	13,333
Other retail excl. SMEs and QRR	22	2,885	-	32,058	2,750	3,045	-	31,595	2,689	2,656	-	29,114	2,529
Qualifying revolving retail	23	-	-	7,756	27,892	-	-	7,615	28,025	-	-	6,803	27,662
Retail SMEs	24	6,408	-	3,152	2,384	6,111	-	3,029	2,355	6,013	-	2,923	2,231
Total Retail	25	13,679	-	175,625	47,059	13,547	-	173,415	46,826	13,056	-	169,069	45,831
Total Bank	26	30,762	2,979	466,568	130,033	30,720	2,888	453,092	128,922	28,885	2,877	438,578	124,994

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

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

(\$ millions)

Risk Weights	LINE #	Q3 2018							Total
		0%	20%	35%	50%	75%	100%	150%	
Total Wholesale portfolios									
Corporate (incl SMEs treated as Corporate)	1	-	199	-	17	-	19,582	337	20,135
Sovereign	2	13	148	-	-	-	-	-	161
Bank	3	-	186	-	-	-	-	-	186
Total Wholesale portfolios	4	13	533	-	17	-	19,582	337	20,482
Total Retail portfolios									
Retail residential mortgages (including HELOCs)	5	-	13	3,650	-	726	71	-	4,460
Other retail	6	422	12	-	-	1,826	493	128	2,881
SME treated as retail	7	-	-	-	-	6,227	73	103	6,403
Total Retail portfolios	8	422	25	3,650	-	8,779	637	231	13,744
Total	9	435	558	3,650	17	8,779	20,219	568	34,226

Risk Weights	LINE #	Q2 2018							Total
		0%	20%	35%	50%	75%	100%	150%	
Total Wholesale portfolios									
Corporate (incl SMEs treated as Corporate)	10	-	199	-	17	-	19,465	430	20,111
Sovereign	11	52	103	-	-	-	-	-	155
Bank	12	-	234	-	-	-	-	-	234
Total Wholesale portfolios	13	52	536	-	17	-	19,465	430	20,500
Total Retail portfolios									
Retail residential mortgages (including HELOCs)	14	-	26	3,555	-	798	93	-	4,472
Other retail	15	438	2	-	-	2,491	1	108	3,040
SME treated as retail	16	-	-	-	-	5,991	-	113	6,104
Total Retail portfolios	17	438	28	3,555	-	9,280	94	221	13,616
Total	18	490	564	3,555	17	9,280	19,559	651	34,116

Risk Weights	LINE #	Q1 2018							Total
		0%	20%	35%	50%	75%	100%	150%	
Total Wholesale portfolios									
Corporate (incl SMEs treated as Corporate)	19	-	76	-	16	-	18,270	250	18,612
Sovereign	20	-	-	-	156	-	4	-	160
Bank	21	-	-	-	-	-	367	-	367
Total Wholesale portfolios	22	-	76	-	172	-	18,641	250	19,139
Total Retail portfolios									
Retail residential mortgages (including HELOCs)	23	-	29	3,534	-	816	86	-	4,465
Other retail	24	424	1	-	-	2,115	1	108	2,649
SME treated as retail	25	-	-	-	-	5,894	-	111	6,005
Total Retail portfolios	26	424	30	3,534	-	8,825	87	219	13,119
Total	27	424	106	3,534	172	8,825	18,728	469	32,258

Risk Weights	LINE #	Q4 2017							Total
		0%	20%	35%	50%	75%	100%	150%	
Total Wholesale portfolios									
Corporate (incl SMEs treated as Corporate)	28	-	71	-	18	-	19,010	310	19,409
Sovereign	29	-	-	-	143	-	5	-	148
Bank	30	-	-	-	-	-	314	-	314
Total Wholesale portfolios	31	-	71	-	161	-	19,329	310	19,871
Total Retail portfolios									
Retail residential mortgages (including HELOCs)	32	-	33	1,117	-	927	94	-	2,171
Other retail	33	392	8	-	-	1,765	10	117	2,292
SME treated as retail	34	-	-	-	-	6,718	-	128	6,846
Total Retail portfolios	35	392	41	1,117	-	9,410	104	245	11,309
Total	36	392	112	1,117	161	9,410	19,433	555	31,180

Risk Weights	LINE #	Q3 2017							Total
		0%	20%	35%	50%	75%	100%	150%	
Total Wholesale portfolios									
Corporate (incl SMEs treated as Corporate)	37	-	1,125	-	18	-	18,163	291	19,597
Sovereign	38	-	-	-	113	-	5	-	118
Bank	39	-	-	-	-	-	308	-	308
Total Wholesale portfolios	40	-	1,125	-	131	-	18,476	291	20,023
Total Retail portfolios									
Retail residential mortgages (including HELOCs)	41	-	34	1,167	-	995	102	-	2,298
Other retail	42	403	40	-	-	1,635	-	126	2,204
SME treated as retail	43	-	-	-	-	6,746	-	121	6,867
Total Retail portfolios	44	403	74	1,167	-	9,376	102	247	11,369
Total	45	403	1,199	1,167	131	9,376	18,578	538	31,392

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

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

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

Corporate Sovereign Bank Exposures

Risk Profile	LINE #	Q3 2018					Q2 2018					Q1 2018					Q4 2017				
		Total		Total Exposure	Total		Total		Total Exposure	Total		Total		Total		Total		Total Exposure	Total		
		Drawn	Undrawn		Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	Drawn	Undrawn		Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	Drawn	Undrawn	Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	Drawn	Undrawn		Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	
Total investment grade	1	299,710	62,453	322,163	23.59%	16.41%	246,173	60,458	306,631	23.12%	15.99%	243,007	58,051	301,058	22.66%	15.07%	240,776	58,778	299,554	22.82%	15.54%
Non-investment grade	2	78,456	19,925	98,381	35.73%	66.99%	80,658	20,953	101,611	34.21%	64.42%	75,941	20,444	96,385	33.98%	63.25%	74,745	20,586	95,331	34.60%	64.41%
Watchlist	3	3,023	347	3,370	31.81%	117.84%	3,043	471	3,514	31.44%	117.21%	2,925	429	3,354	31.90%	120.16%	3,204	525	3,729	31.77%	119.13%
Default	4	1,001	249	1,250	39.37%	295.16%	1,082	214	1,296	39.18%	282.67%	1,101	239	1,340	39.18%	272.60%	1,096	161	1,257	40.95%	283.76%
	5	340,190	82,974	423,164			330,956	82,096	413,052			322,974	79,163	402,137			319,821	80,050	399,871		

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

Risk Profile	LINE #	Q3 2018					Q2 2018					Q1 2018					Q4 2017				
		Total		Total Exposure	Total		Total		Total Exposure	Total		Total		Total		Total		Total Exposure	Total		
		Drawn	Undrawn		Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	Drawn	Undrawn		Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	Drawn	Undrawn	Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	Drawn	Undrawn		Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	
Residential Mortgages and HELOCs																					
Exceptionally low	6	17,534	12,947	30,481	25.09%	2.76%	17,635	12,651	30,286	25.03%	2.76%	17,125	12,312	29,437	24.88%	2.74%	16,628	10,357	26,985	23.88%	2.72%
Very low	7	41,462	671	42,133	17.92%	5.07%	39,001	659	39,660	17.72%	5.03%	37,604	641	38,245	17.51%	4.98%	37,261	533	37,794	16.93%	4.88%
Low	8	12,314	136	12,450	20.75%	16.79%	11,860	143	12,003	21.00%	16.97%	10,805	141	10,946	22.10%	17.78%	10,734	147	10,881	19.93%	15.81%
Medium	9	12,864	154	13,018	19.70%	39.68%	12,137	142	12,279	19.68%	39.79%	12,019	143	12,162	19.62%	39.46%	12,073	115	12,188	18.96%	37.89%
High	10	734	123	857	29.03%	147.57%	828	160	988	30.44%	159.05%	859	170	1,029	30.61%	163.44%	879	154	1,033	30.72%	164.00%
Default	11	548	2	550	40.18%	266.97%	575	2	577	38.91%	257.18%	575	2	577	38.15%	251.05%	588	1	589	35.70%	274.01%
	12	85,456	14,033	99,489			82,036	13,757	95,793			78,987	13,409	92,396			78,163	11,307	89,470		
Qualifying Revolving Retail																					
Exceptionally low	13	379	16,074	16,453	75.13%	1.72%	255	15,945	16,200	73.14%	1.67%	117	16,003	16,120	73.38%	1.67%	267	15,811	16,078	74.31%	1.69%
Very low	14	630	5,805	6,435	70.87%	4.71%	544	5,949	6,493	70.42%	4.68%	492	5,700	6,192	69.53%	4.61%	568	5,735	6,303	69.03%	4.57%
Low	15	3,438	4,240	7,678	62.21%	10.99%	3,294	4,220	7,514	68.64%	12.07%	3,190	4,159	7,349	59.95%	10.56%	3,296	4,174	7,470	69.36%	11.28%
Medium	16	2,544	1,583	4,127	75.55%	54.73%	2,795	1,706	4,501	76.97%	52.98%	2,332	1,602	3,934	74.28%	51.25%	2,456	1,646	4,102	81.13%	53.96%
High	17	699	182	881	70.90%	152.04%	654	196	850	69.11%	148.35%	600	187	787	67.98%	145.17%	617	180	797	77.11%	157.85%
Default	18	66	8	74	53.95%	303.02%	73	9	82	51.34%	299.09%	72	11	83	50.68%	320.89%	67	9	76	61.72%	771.54%
	19	7,756	27,892	35,648			7,615	28,025	35,640			6,803	27,662	34,465			7,271	27,555	34,826		
Other Retail and Retail SME																					
Exceptionally low	20	1,491	1,563	3,054	42.03%	4.73%	1,502	1,538	3,040	42.19%	4.74%	1,461	1,497	2,958	42.33%	4.75%	1,440	1,359	2,799	41.63%	4.77%
Very low	21	11,741	1,830	13,571	31.96%	9.09%	11,381	1,790	13,171	31.53%	8.95%	10,010	1,713	11,723	31.41%	8.89%	9,608	1,403	11,011	31.41%	8.96%
Low	22	10,056	1,307	11,363	61.42%	34.08%	9,798	1,308	11,106	60.90%	33.63%	9,003	1,166	10,169	62.44%	34.27%	9,825	1,219	11,044	64.19%	36.10%
Medium	23	8,727	270	8,997	46.87%	56.42%	8,659	267	8,926	48.48%	58.81%	8,296	270	8,566	45.20%	54.31%	7,485	270	7,755	48.74%	58.52%
High	24	925	159	1,084	68.45%	135.94%	912	140	1,052	66.75%	131.77%	836	113	949	68.40%	135.37%	795	109	904	78.00%	154.42%
Default	25	225	5	231	48.95%	286.70%	233	1	234	47.34%	295.71%	208	1	209	48.00%	341.81%	187	1	188	49.07%	555.19%
	26	33,166	5,134	38,300			32,485	5,044	37,529			29,814	4,760	34,574			29,340	4,361	33,701		

Recap of AIRB and Standardized Portfolios

Total AIRB wholesale credit exposure by risk ratings	27	340,190	82,974			330,956	82,096			322,974	79,163			319,821	80,050		
Retail AIRB credit exposure by portfolio and risk ratings																	
Residential mortgages	28	85,456	14,033			82,036	13,757			78,987	13,409			78,163	11,307		
Qualifying revolving retail	29	7,756	27,892			7,615	28,025			6,803	27,662			7,271	27,555		
Other retail and Retail SME	30	33,166	5,134			32,485	5,044			29,814	4,760			29,340	4,361		
Total Standardized portfolio	31	30,762	2,979			30,720	2,888			28,885	2,877			27,368	3,087		
Total Portfolio	32	497,330	133,012			483,812	131,810			467,463	127,871			461,963	126,360		

(1) Figures are adjusted exposure at default amounts (Post Credit Risk Mitigation) and Risk Weights are prior to the application of the Basel Capital Floor.

WHOLESALE CREDIT EXPOSURE BY PORTFOLIO AND RISK CATEGORY UNDER AIRB APPROACH (1) (2)

Risk Profile (\$ millions except as noted)	LINE #				Q3 2018					Q2 2018					
		BMO Rating	PD Range	Moody's Investors Service implied equivalent	Standard & Poor's implied equivalent	Exposure at Default	Average PD (%)	Exposure Weighted Average LGD%	RWA (3)	Exposure Weighted Average Risk	Exposure at Default	Average PD (%)	Exposure Weighted Average LGD%	RWA (3)	Exposure Weighted Average Risk
Investment Grade															
	1	I-1	≤0.02%	Aaa	AAA	65,901	0.01%	0.69%	65	0.10%	63,033	0.01%	0.27%	33	0.05%
	2	I-2	>0.02% to ≤0.03%	Aaa/ Aa1	AAA/AA+	16,242	0.03%	21.75%	1,360	8.38%	14,671	0.03%	20.19%	1,205	8.21%
	3	I-3	>0.03% to ≤0.07%	Aa2/Aa3	AA/AA-	37,859	0.05%	18.45%	4,087	10.79%	31,770	0.05%	19.01%	3,507	11.04%
	4	I-4	>0.07% to ≤0.11%	A1/A2/A3	A+/A-/A-	32,282	0.07%	30.68%	4,934	15.28%	30,643	0.07%	29.18%	4,364	14.24%
	5	I-5	>0.11% to ≤0.19%	Baa1	BBB+	32,829	0.12%	34.94%	7,634	23.25%	28,617	0.12%	33.51%	6,614	23.11%
	6	I-6	>0.19% to ≤0.32%	Baa2	BBB	39,891	0.20%	36.31%	14,180	35.55%	40,618	0.20%	35.27%	13,902	34.23%
	7	I-7	>0.32% to ≤0.54%	Baa3	BBB-	47,917	0.32%	35.44%	20,260	42.28%	46,000	0.32%	35.24%	19,038	41.39%
	8					272,921			52,520		255,352			48,663	
Non-investment grade															
	9	S-1	>0.54% to ≤0.91%	Ba1	BB+	44,375	0.66%	35.20%	25,301	57.02%	47,641	0.66%	32.86%	25,533	53.59%
	10	S-2	>0.91% to ≤1.54%	Ba2	BB	32,559	1.02%	36.54%	23,279	71.50%	33,795	1.02%	35.12%	23,296	68.93%
	11	S-3	>1.54% to ≤2.74%	Ba3	BB-	13,593	1.82%	35.90%	10,950	80.56%	13,993	1.83%	37.17%	11,649	83.25%
	12	S-4	>2.74% to ≤5.16%	B1	B+	5,854	2.74%	34.78%	5,035	86.02%	6,182	2.74%	32.89%	4,978	80.51%
	13					96,381			64,565		101,611			65,456	
Watchlist															
	14	P-1	>5.16% to ≤9.70%	B2	B	1,752	6.06%	30.36%	1,732	97.67%	1,878	6.05%	31.52%	1,915	101.98%
	15	P-2	>9.70% to ≤18.23%	B3	B-	1,453	13.96%	33.22%	2,002	137.85%	1,364	13.92%	31.68%	1,807	132.51%
	16	P-3	>18.23% to <100%	Caa1/Caa2/Caa3	CCC/CC	145	20.27%	35.26%	238	163.97%	272	20.07%	29.69%	396	145.62%
	17					3,370			3,972		3,514			4,118	
Default															
	18	T-1, D-1 to D-2	100%			1,250	100.00%	39.37%	3,690	295.16%	1,296	100.00%	39.18%	3,661	282.67%
	19					1,250			3,690		1,296			3,661	
	20					373,922			124,747		361,773			121,898	

(1) Figures are adjusted exposure at default amounts.
 (2) External rating groups reflect the most predominant alignment of groups to PD Band.
 (3) Prior to the application of the Basel Capital Floor.

CREDIT QUALITY OF AIRB EXPOSURE - RETAIL PORTFOLIOS (1)

Risk Profile (\$ millions except as noted)	PD Range	EAD	Notional of undrawn commitments	Q3 2018							Q2 2018									
				Exposure weighted-average EAD %	Exposure weighted-average PD (%)	Exposure weighted-average LGD%	Exposure weighted-average risk weight %	RWA (2)	Expected Losses (EL)	EL adjusted Average Risk weight % (3)	EAD	Notional of undrawn commitments	Exposure weighted-average EAD %	Exposure weighted-average PD (%)	Exposure weighted-average LGD%	Exposure weighted-average risk weight %	RWA (2)	Expected Losses (EL)	EL adjusted Average Risk weight % (3)	
Canadian Residential Mortgages and HELOCs																				
Insured Drawn and Undrawn (4)																				
Exceptionally low	21	≤0.05%	44,691	-	100.00%	0.00%	26.68%	0.00%	-	-	0.00%	46,716	-	100.00%	0.00%	26.49%	0.00%	-	-	0.00%
Very low	22	>0.05% to ≤0.20%	3,491	-	100.00%	0.08%	38.14%	9.67%	338	-	9.97%	2,509	-	100.00%	0.08%	38.13%	14.24%	357	-	14.26%
Low	23	>0.20% to ≤0.75%	-	-	0.00%	0.00%	0.00%	0.00%	-	-	0.00%	-	-	0.00%	0.00%	0.00%	0.00%	-	-	0.00%
Medium	24	>0.75% to ≤7.0%	-	-	0.00%	>0.00%	0.00%	0.00%	-	-	0.00%	-	-	0.00%	0.00%	0.00%	0.00%	-	-	0.00%
High	25	>7.0% to ≤99.9%	-	-	0.00%	0.00%	0.00%	0.00%	-	-	0.00%	-	-	0.00%	0.00%	0.00%	0.00%	-	-	0.00%
Default	26	100%	-	-	0.00%	0.00%	0.00%	0.00%	-	-	0.00%	3	-	100.00%	100.00%	29.45%	368.15%	13	-	368.15%
	27		48,182	-	100.00%	0.01%	24.80%	0.70%	338	-	0.70%	49,228	-	100.00%	0.01%	24.99%	0.75%	370	-	0.75%
Uninsured Undrawn (5)																				
Exceptionally low	28	≤0.05%	9,635	24,568	39.22%	0.04%	16.33%	1.92%	185	1	2.00%	9,430	24,135	39.08%	0.04%	16.33%	1.92%	181	1	2.00%
Very low	29	>0.05% to ≤0.20%	604	1,752	34.45%	0.15%	19.19%	5.96%	36	-	6.30%	589	1,691	34.82%	0.15%	18.97%	5.87%	35	-	6.21%
Low	30	>0.20% to ≤0.75%	15	22	70.67%	0.61%	22.17%	19.92%	3	-	21.62%	19	25	73.85%	0.61%	21.94%	19.72%	4	-	21.40%
Medium	31	>0.75% to ≤7.0%	125	600	20.78%	1.19%	16.50%	22.31%	28	-	24.76%	116	563	20.54%	1.20%	16.46%	22.27%	26	-	24.73%
High	32	>7.0% to ≤99.9%	10	38	26.80%	16.59%	17.21%	78.31%	8	-	113.40%	9	36	24.58%	18.45%	17.57%	83.93%	7	-	122.09%
Default	33	100%	2	13	13.52%	100.00%	18.15%	169.54%	3	-	169.54%	2	12	14.62%	100.00%	18.70%	211.73%	4	-	211.73%
	34		10,391	26,993	38.50%	0.09%	16.51%	2.53%	263	1	2.69%	10,165	26,462	38.41%	0.09%	16.50%	2.52%	257	1	2.68%
Uninsured Drawn (6)																				
Exceptionally low	35	≤0.05%	16,030	-	-	0.04%	17.14%	2.18%	350	1	2.28%	16,146	-	-	0.04%	17.19%	2.19%	353	1	2.29%
Very low	36	>0.05% to ≤0.20%	36,651	-	-	0.11%	16.18%	4.26%	1,560	7	4.49%	34,715	-	-	0.11%	16.12%	4.24%	1,471	6	4.47%
Low	37	>0.20% to ≤0.75%	10,437	-	-	0.60%	15.92%	14.11%	1,472	10	15.30%	10,541	-	-	0.61%	15.05%	13.31%	1,403	9	14.44%
Medium	38	>0.75% to ≤7.0%	11,013	-	-	3.40%	15.34%	34.61%	3,812	53	40.68%	10,302	-	-	3.49%	15.06%	34.37%	3,541	50	40.44%
High	39	>7.0% to ≤99.9%	412	-	-	33.70%	15.47%	76.48%	315	19	133.39%	406	-	-	33.37%	16.64%	80.82%	328	19	140.16%
Default	40	100%	153	-	-	100.00%	14.38%	153.15%	235	11	244.26%	163	-	-	100.00%	14.34%	153.55%	250	11	240.63%
	41		74,696	-	-	1.04%	16.22%	10.37%	7,744	101	12.08%	72,273	-	-	1.06%	16.05%	10.77%	7,346	96	11.86%
Qualifying Revolving Credit																				
Exceptionally low	42	≤0.05%	16,453	30,312	53.61%	0.03%	75.13%	1.72%	283	4	2.02%	16,200	30,259	53.09%	0.03%	73.14%	1.67%	270	4	1.96%
Very low	43	>0.05% to ≤0.20%	6,435	8,500	70.48%	0.11%	70.87%	4.71%	303	5	5.71%	6,493	8,720	70.08%	0.11%	70.42%	4.68%	304	5	5.68%
Low	44	>0.20% to ≤0.75%	7,877	10,390	55.52%	0.37%	62.21%	10.99%	844	18	13.91%	7,514	10,494	54.50%	0.37%	68.64%	12.07%	907	19	15.27%
Medium	45	>0.75% to ≤7.0%	4,126	2,143	88.04%	2.45%	75.55%	54.73%	2,258	78	78.40%	4,501	2,294	88.45%	2.31%	76.97%	52.96%	2,384	81	75.36%
High	46	>7.0% to ≤99.9%	880	270	90.87%	19.50%	70.90%	152.04%	1,338	117	318.45%	850	289	90.15%	19.68%	69.11%	148.35%	1,261	110	310.72%
Default	47	100%	77	20	86.67%	100.00%	53.95%	303.02%	232	33	833.90%	82	22	85.81%	100.00%	51.34%	299.09%	544	33	800.23%
	48		35,648	51,635	60.02%	1.09%	71.48%	14.75%	5,258	255	23.69%	35,640	52,078	59.71%	1.10%	72.04%	15.07%	5,230	252	23.91%
Other Retail (7)																				
Exceptionally low	49	≤0.05%	9,893	8,880	71.18%	0.03%	50.02%	4.56%	451	1	4.74%	9,875	8,699	71.48%	0.03%	49.63%	4.51%	445	1	4.69%
Very low	50	>0.05% to ≤0.20%	18,111	2,564	96.45%	0.13%	31.54%	9.63%	1,745	8	10.17%	17,541	2,520	96.38%	0.13%	31.24%	9.53%	1,672	7	10.06%
Low	51	>0.20% to ≤0.75%	12,736	2,689	90.99%	0.41%	62.19%	35.42%	4,511	28	38.16%	12,463	2,675	90.94%	0.41%	61.73%	35.02%	4,365	27	37.73%
Medium	52	>0.75% to ≤7.0%	10,877	527	97.95%	1.99%	46.63%	58.85%	6,402	100	70.35%	10,787	512	98.01%	1.98%	47.95%	60.89%	6,568	103	72.81%
High	53	>7.0% to ≤99.9%	1,520	487	87.62%	22.22%	60.91%	159.02%	2,416	199	322.53%	1,626	526	87.39%	21.52%	57.45%	161.33%	2,623	197	312.54%
Default	54	100%	625	7	99.67%	100.00%	49.80%	302.42%	1,890	247	797.32%	643	3	99.76%	100.00%	48.31%	296.98%	1,910	251	784.30%
	55		53,762	15,154	89.39%	2.34%	46.30%	32.39%	17,415	583	45.96%	52,935	14,935	89.37%	2.43%	46.27%	33.21%	17,583	586	47.06%
	56		222,679	93,782	82.66%	1.10%	34.20%	13.93%	31,018	940	19.21%	220,241	93,475	82.52%	1.12%	34.39%	14.04%	30,926	935	19.36%

(1) Represents retail exposures under the AIRB approach. Amounts are before allowance for credit losses.
 (2) Prior to the application of the Basel Capital Floor.
 (3) EL adjusted average risk weight is calculated as (RWA + 12.5 x EL) / EAD.
 (4) Includes insured drawn and undrawn Canadian residential mortgages and home equity lines of credit (e.g. CMHC insured mortgages).
 (5) Includes only uninsured undrawn Canadian residential mortgages and home equity lines of credit.
 (6) Includes only uninsured drawn Canadian residential mortgages and home equity lines of credit.
 (7) Includes all other retail exposures, such as drawn and undrawn retail exposures.

WHOLESALE CREDIT EXPOSURE BY RISK RATING UNDER AIRB APPROACH (1)

(Canadian \$ in millions)

LINE #	Q3 2018							Q2 2018							
	Drawn			Undrawn			Total Exposures	Drawn			Undrawn			Total Exposures	
	Bank	Corporate	Sovereign	Bank	Corporate	Sovereign		Bank	Corporate	Sovereign	Bank	Corporate	Sovereign		
Total investment grade	1	15,882	95,549	148,281	3,588	55,210	3,653	322,163	15,511	86,866	143,796	3,751	52,962	3,745	306,631
Non-investment grade	2	3,044	71,624	1,787	342	19,558	26	96,381	4,282	73,833	2,544	320	20,563	69	101,611
Watchlist	3	61	2,955	7	-	346	1	3,370	11	3,023	9	-	469	2	3,514
Default	4	-	999	1	5	245	-	1,250	-	1,077	4	-	215	-	1,296
	5	18,987	171,127	150,076	3,935	75,359	3,680	423,164	19,804	164,799	146,353	4,071	74,209	3,816	413,052

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

RETAIL CREDIT EXPOSURE BY PORTFOLIO AND RISK RATING UNDER AIRB APPROACH (2)

(Canadian \$ in millions)

	LINE #	Q3 2018				Q2 2018			
		Residential mortgages and home equity lines of credit	Qualifying revolving retail	Other retail and small and medium-sized enterprises	Total exposures	Residential mortgages and home equity lines of credit	Qualifying revolving retail	Other retail and small and medium-sized enterprises	Total exposures
Risk profile (probability of default):									
Exceptionally Low ($\leq 0.05\%$)	6	30,481	16,453	3,054	49,988	30,286	16,200	3,040	49,526
Very low (> 0.05% to 0.20%)	7	42,133	6,435	13,571	62,139	39,660	6,493	13,171	59,324
Low (> 0.20% to 0.75%)	8	12,450	7,678	11,363	31,491	12,003	7,514	11,106	30,623
Medium (> 0.75% to 7.00%)	9	13,018	4,127	8,997	26,142	12,279	4,501	8,926	25,706
High (> 7.00% to 99.99%)	10	857	881	1,084	2,822	988	850	1,052	2,890
Default (100%)	11	550	74	231	855	577	82	234	893
	12	99,489	35,648	38,300	173,437	95,793	35,640	37,529	168,962

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

Basel III Asset Classes	LINE #	Q3 2018		Q2 2018		Q1 2018		Q4 2017	
		Actual loss rate (1) (2)	Expected loss rate (1) (2)	Actual loss rate (1) (2)	Expected loss rate (1) (2)	Actual loss rate (1) (2)	Expected loss rate (1) (2)	Actual loss rate (1) (2)	Expected loss rate (1) (2)
Non-retail									
Total Corporate (incl specialized lending and corporate SMEs)	1	0.09%	0.52%	0.09%	0.53%	0.12%	0.58%	0.12%	0.60%
Sovereign	2	0.00%	0.01%	0.00%	0.01%	0.00%	0.01%	0.00%	0.01%
Bank	3	0.00%	0.06%	0.00%	0.05%	0.00%	0.07%	0.00%	0.07%
Retail									
Residential retail incl. HELOCs	4	0.06%	0.23%	0.07%	0.25%	0.04%	0.26%	0.05%	0.26%
Other retail incl. SBE	5	0.37%	0.83%	0.35%	0.81%	0.33%	0.94%	0.34%	0.87%
Qualifying revolving retail	6	2.26%	2.70%	2.28%	2.79%	2.31%	2.95%	2.27%	3.09%

General

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

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

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

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

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

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

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

For residential mortgages, actual loss rate also includes changes in allowance for credit losses on impaired loans for the applicable four-quarter period.

Commentary**Non-Retail**

Corporate Portfolios – Overall EL rates are stable, reflective of a relatively benign economic environment.

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

Retail

Overall, the Expected rates are well above actual Loss rates for all retail asset classes.

Expected loss rate (EL) for Residential Mortgage, Other Retail and QRRE asset classes remain stable quarter over quarter.

ESTIMATED AND ACTUAL LOSS PARAMETERS UNDER AIRB APPROACH

Risk Profile (\$ millions except as noted)	LINE #	Q3 2018						Q2 2018					
		PD (1) (2)		LGD (3) (4)		EAD (5) (6)		PD (1) (2)		LGD (3) (4)		EAD (5) (6)	
		Average estimated %	Actual %	Average estimated %	Actual %	Estimated \$	Actual \$	Average estimated %	Actual %	Average estimated %	Actual %	Estimated \$	Actual \$
Wholesale													
Corporate including specialized lending	1	0.86%	0.57%	34.36%	18.63%	405	314	0.84%	0.42%	34.67%	18.91%	285	219
Corporate small and medium enterprises (SMEs)	2	1.30%	0.54%	38.42%	26.04%	63	63	1.29%	0.58%	39.04%	28.75%	45	45
Sovereign	3	0.10%	0.00%	15.22%	0.00%	-	-	0.10%	0.00%	13.16%	0.00%	-	-
Bank	4	0.33%	0.00%	17.27%	0.00%	-	-	0.33%	0.00%	17.87%	0.00%	-	-
Retail													
Residential mortgages excluding home equity line of credits (HELOCs) - Uninsured only (7) (8)	5	0.97%	0.65%	23.97%	13.71%	247	247	1.00%	0.69%	25.88%	13.98%	242	242
HELOCs (8)	6	0.58%	0.51%	35.41%	19.68%	193	187	0.55%	0.52%	36.10%	19.69%	195	191
Qualifying revolving retail (QRR)	7	1.33%	1.20%	84.18%	77.40%	493	475	1.29%	1.22%	84.37%	77.89%	495	480
Other retail (excl. SMEs)	8	5.10%	4.57%	84.04%	77.74%	319	318	4.85%	4.57%	83.86%	78.62%	292	292
Retail SMEs	9	1.19%	0.81%	95.50%	78.92%	44	40	1.27%	0.85%	95.57%	79.15%	31	28

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

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

(3) Wholesale LGDs are expressed as an exposure weighted average. The LGD figures include back-dated resolved facilities.

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

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

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

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

(8) Investor-owned mortgages are included in the Other Retail asset class.

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

(\$ millions)		Q3 2018		Q2 2018		Q1 2018		Q4 2017		Q3 2017	
Traditional Securitizations	LINE	Exposure	Capital	Exposure	Capital	Exposure	Capital	Exposure	Capital	Exposure	Capital
Risk Weights	#	Amount (1)	Required	Amount (1)	Required	Amount (1)	Required	Amount (1)	Required	Amount (1)	Required
Bank Assets											
7%	1	6,542	36	6,718	37	11,242	62	12,332	68	11,594	65
7.01% - 25%	2	197	2	196	2	208	3	216	3	143	2
25.01% - 50%	3	-	-	-	-	97	3	102	3	65	1
Greater than 50%	4	338	18	333	18	331	28	349	31	292	23
Less amount excluded from capital requirements for exceeding maximum KIRB capital (2)	5	-	1	-	1	-	1	-	1	-	-
Total Exposures, net of deductions	6	7,077	55	7,247	56	11,878	95	12,999	104	12,094	91
Exposures Deducted:											
From Tier 1 Capital:											
Credit Card Receivables (3)	7	-	-	-	-	-	-	-	-	-	-
Residential Mortgages	8	-	-	-	-	-	-	-	-	-	-
From Total Capital:											
Residential Mortgages	9	-	-	-	-	-	-	-	-	-	-
Total Exposures Deducted	10	-	-	-	-	-	-	-	-	-	-
Bank Assets Total Exposures	11	7,077	55	7,247	56	11,878	95	12,999	104	12,094	91
Third Party Assets											
7%	12	11,622	65	12,238	68	11,535	52	10,571	47	10,646	50
7.01% - 25%	13	4,507	36	4,548	36	5,009	41	5,631	45	5,031	41
25.01% - 50%	14	-	-	-	-	-	-	-	-	-	-
50.01% - 100%	15	-	-	-	-	-	-	-	-	-	-
Greater than 100%	16	-	-	-	-	1	-	-	-	-	-
Default	17	-	-	-	-	5	5	-	-	-	-
Total Exposures, net of deductions	18	16,129	101	16,786	104	16,550	98	16,202	92	15,677	91
Exposures Deducted:											
From Total Capital:											
Collateralized Debt Obligations (AAA/R-1 (High) Securities)	19	-	-	-	-	-	-	-	-	-	-
Montreal Accord Assets	20	-	-	-	-	-	-	-	-	-	-
Residential Mortgages (Uninsured)	21	-	-	-	-	-	-	-	-	-	-
Other Pool Type	22	-	-	-	-	-	-	-	-	-	-
Trading Securities Reclassified to Fair Value through OCI Securities (4)	23	-	-	-	-	-	-	-	-	-	-
Total Exposures Deducted	24	-	-	-	-	-	-	-	-	-	-
Third Party Assets Total Exposures	25	16,129	101	16,786	104	16,550	98	16,202	92	15,677	91
Total Exposures	26	23,206	156	24,033	160	28,428	193	29,201	196	27,771	182

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

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

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

(4) Q4 2017 and prior periods represent available-for-sale securities.

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

(\$ millions)		Q3 2018		Q2 2018		Q1 2018		Q4 2017	
Traditional Securitizations	LINE #	Exposure Amount (1)	Capital Required	Exposure Amount (1)	Capital Required	Exposure Amount (1)	Capital Required	Exposure Amount (1)	Capital Required
Risk Weights									
Bank Assets									
7%	1	-	-	-	-	-	-	-	-
7.01% - 25%	2	-	-	-	-	-	-	-	-
25.01% - 50%	3	-	-	-	-	-	-	-	-
Greater than 50%	4	-	-	-	-	-	-	-	-
Less amount excluded from capital requirements for exceeding maximum									
KIRB capital (2)	5	-	-	-	-	-	-	-	-
Total Exposures, net of deductions	6	-	-	-	-	-	-	-	-
Exposures Deducted:									
From Tier 1 Capital:									
Credit Card Receivables (3)	7	-	-	-	-	-	-	-	-
Residential Mortgages	8	-	-	-	-	-	-	-	-
From Total Capital:									
Residential Mortgages	9	-	-	-	-	-	-	-	-
Total Exposures Deducted	10	-	-	-	-	-	-	-	-
Bank Assets Total Exposures	11	-	-	-	-	-	-	-	-
Third Party Assets									
7%	12	-	-	-	-	-	-	-	-
7.01% - 25%	13	-	-	-	-	-	-	-	-
25.01% - 50%	14	-	-	-	-	-	-	-	-
50.01% - 100%	15	-	-	-	-	-	-	-	-
Greater than 100%	16	-	-	-	-	-	-	-	-
Default	17	-	-	-	-	-	-	-	-
Total Exposures, net of deductions	18	-	-	-	-	-	-	-	-
Exposures Deducted:									
From Total Capital:									
Collateralized Debt Obligations (AAA/R-1 (High) Securities)	19	-	-	-	-	-	-	-	-
Commercial Mortgages	20	-	-	-	-	-	-	-	-
Montreal Accord Assets	21	-	-	-	-	-	-	-	-
Residential Mortgages (Uninsured)	22	-	-	-	-	-	-	-	-
Other Pool Type	23	-	-	-	-	-	-	-	-
Equipment Loans/Leases	24	-	-	-	-	-	-	-	-
Total Exposures Deducted	25	-	-	-	-	-	-	-	-
Third Party Assets Total Exposures	26	-	-	-	-	-	-	-	-
Total Exposures	27	-	-	-	-	-	-	-	-

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

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

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

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

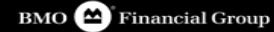
(\$ millions)	LINE #	Q3 2018		Q2 2018		Q1 2018		Q4 2017	
		RBA/Inferred Rating/IAA Exposure Exposure Amount	Capital Required	RBA/Inferred Rating/IAA Exposure Exposure Amount	Capital Required	RBA/Inferred Rating/IAA Exposure Exposure Amount	Capital Required	RBA/Inferred Rating/IAA Exposure Exposure Amount	Capital Required
Trading Securitizations Excluding Resecuritization Exposures									
Risk Weights									
Exposures Included In Risk-Weighted Assets									
7%	1	301	2	161	1	312	2	307	2
7.01% - 25%	2	135	1	152	2	93	1	37	-
25.01% - 50%	3	-	-	-	-	-	-	-	-
50.01% - 100%	4	1	-	6	-	9	-	6	-
Greater than 100%	5	-	-	-	-	-	-	8	2
Default	6	-	-	-	-	-	-	-	-
Less amount excluded from capital requirements for exceeding maximum KIRB capital	7	-	-	-	-	-	-	-	-
Total Exposures excluding Resecuritization, net of deductions (1)	8	437	3	319	3	414	3	358	4
Exposures Deducted From Tier 1 Capital:									
Auto loans/leases	9	-	-	-	-	-	-	-	-
Credit card receivables	10	-	-	-	-	-	-	-	-
Residential mortgages (insured)	11	-	-	-	-	-	-	-	-
Residential mortgages (uninsured)	12	-	-	-	-	-	-	-	-
Commercial mortgages	13	-	-	-	-	-	-	-	-
Personal line of credit	14	-	-	-	-	-	-	-	-
Equipment loans/leases	15	-	-	-	-	-	-	-	-
Trade receivables	16	-	-	-	-	-	-	-	-
Corporate loans	17	-	-	-	-	-	-	-	-
Daily auto rental	18	-	-	-	-	-	-	-	-
Floorplan finance receivables	19	-	-	-	-	-	-	-	-
Collateralized debt obligations (AAA/R-1 (high) securities)	20	-	-	-	-	-	-	-	-
Other pool type	21	-	-	-	-	-	-	-	-
Total Trading Exposures excluding Resecuritization Deducted from Tier 1 Capital	22	-	-	-	-	-	-	-	-
Exposures Deducted from Total Capital:									
Auto loans/leases	23	-	-	-	-	-	-	-	-
Credit card receivables	24	-	-	-	-	-	-	-	-
Residential mortgages (insured)	25	-	-	-	-	-	-	-	-
Residential mortgages (uninsured)	26	-	-	-	-	-	-	-	-
Commercial mortgages	27	-	-	-	-	-	-	-	-
Personal line of credit	28	-	-	-	-	-	-	-	-
Equipment loans/leases	29	-	-	-	-	-	-	-	-
Trade receivables	30	-	-	-	-	-	-	-	-
Corporate loans	31	-	-	-	-	-	-	-	-
Daily auto rental	32	-	-	-	-	-	-	-	-
Floorplan finance receivables	33	-	-	-	-	-	-	-	-
Collateralized debt obligations (AAA/R-1 (high) securities)	34	-	-	-	-	-	-	-	-
Other pool type	35	-	-	-	-	-	-	-	-
Total Trading Exposures excluding Resecuritization Deducted from Total Capital	36	-	-	-	-	-	-	-	-
Total Trading Exposures Excluding Resecuritization	37	437	3	319	3	414	3	358	4

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

(\$ millions except as noted)		Q3 2018 Exposure	Q2 2018 Exposure	Q1 2018 Exposure	Q4 2017 Exposure
Asset Classes					
Auto loans/leases	38	175	178	121	71
Credit card receivables	39	53	43	166	194
Residential mortgages (insured)	40	84	2	30	15
Residential mortgages (uninsured)	41	9	19	-	-
Commercial mortgages	42	-	-	2	-
Personal line of credit	43	56	1	5	49
Equipment loans/leases	44	11	11	9	6
Trade receivables	45	-	-	-	-
Corporate loans	46	-	-	-	-
Daily auto rental	47	6	7	-	-
Floorplan finance receivables	48	2	15	28	-
Collateralized debt obligations (AAA/R-1 (high) securities)	49	-	-	-	-
Other pool type	50	41	43	53	23
Total Trading Securitization Excluding Resecuritization (1)	51	437	319	414	358

(1) The Resecuritization exposures are nil for all the periods.

DEBT ISSUED BY BANK SPONSORED VEHICLES FOR THIRD PARTY ASSETS



LINE #	Q3 2018			Q2 2018			Q1 2018			Q4 2017		
	Canadian Conduits (1)	US Conduit (2)	Total	Canadian Conduits (1)	US Conduit (2)	Total	Canadian Conduits (1)	US Conduit (2)	Total	Canadian Conduits (1)	US Conduit (2)	Total
(S millions except as noted)												
Auto loans/leases	2,211	1,394	3,605	1,946	1,448	3,394	2,016	1,640	3,656	2,149	1,882	4,031
Credit card receivables	150	-	150	150	-	150	150	-	150	-	-	-
Residential mortgages (insured)	717	-	717	852	-	852	926	-	926	1,024	-	1,024
Residential mortgages (uninsured)	1,060	-	1,060	966	-	966	920	-	920	430	-	430
Commercial mortgages (uninsured)	-	16	16	-	15	15	-	15	15	-	16	16
Commercial mortgages (insured)	59	-	59	62	-	62	54	-	54	54	-	54
Equipment loans/leases	197	668	865	6	500	506	262	532	794	97	441	538
Trade receivables	-	249	249	-	241	241	-	237	237	-	234	234
Corporate loans	-	-	-	-	-	-	-	-	-	-	158	158
Daily auto rental	332	424	756	155	410	565	120	76	196	192	215	407
Floorplan finance receivables	314	325	639	214	323	537	294	320	614	294	316	610
Collateralized debt obligations	-	-	-	-	-	-	-	-	-	-	-	-
Other pool type	250	171	421	250	130	380	250	97	347	250	36	286
Student loans	-	773	773	-	1,270	1,270	-	398	398	-	683	683
Total	5,290	4,020	9,310	4,601	4,337	8,938	4,992	3,315	8,307	4,490	3,981	8,471

(1) Canadian Conduit totals include amounts pertaining to a conduit that has been directly funded by the Bank (\$782.8 million as at Q3, 2018, \$761.8 million as at Q2, 2018, \$801.5 million as at Q1, 2018, and \$725.6 million as at Q4, 2017). External Credit Assessment Institutions used to rate the Asset Backed Commercial Paper of the market funded conduits in Canada are DBRS and Moody's.

(2) US Conduit totals include amounts that have been directly funded by the Bank (\$23.9 million as at Q3, 2018, \$24.0 million as at Q2, 2018, \$23.0 million as at Q1, 2018, and \$24.3 million as at Q4, 2017). External Credit Assessment Institutions used to rate the Asset Backed Commercial Paper of the market funded conduit in the US are S&P and Moody's.

AGGREGATE AMOUNT OF SECURITIZATION EXPOSURES RETAINED OR PURCHASED BY EXPOSURE TYPE

LINE #	Q3 2018				Q2 2018				Q1 2018				Q4 2017			
	Undrawn Committed Facilities and Notional Amounts	Drawn Loan Facilities and Securities Held (3)	First Loss Positions (4)	Total	Undrawn Committed Facilities and Notional Amounts	Drawn Loan Facilities and Securities Held (3)	First Loss Positions (4)	Total	Undrawn Committed Facilities and Notional Amounts	Drawn Loan Facilities and Securities Held (3)	First Loss Positions (4)	Total	Undrawn Committed Facilities and Notional Amounts	Drawn Loan Facilities and Securities Held (3)	First Loss Positions (4)	Total
(S millions except as noted)																
Bank Assets																
Auto loans/leases	-	-	-	-	-	-	-	-	-	2,152	-	2,152	-	2,657	-	2,657
Corporate loans	1,727	2,187	-	3,914	1,655	2,242	-	3,897	1,689	2,069	-	3,758	1,690	2,218	-	3,908
Credit card receivables (5)	-	1,873	-	1,873	-	1,873	-	1,873	-	1,873	-	1,873	-	2,255	-	2,255
Residential mortgages (uninsured) (6)	-	1,264	-	1,264	-	1,451	-	1,451	-	1,565	-	1,565	-	1,649	-	1,649
Home equity lines of credit (7)	-	26	-	26	-	26	-	26	-	2,530	-	2,530	-	2,530	-	2,530
Total Bank Assets	1,727	5,350	-	7,077	1,655	5,592	-	7,247	1,689	10,189	-	11,878	1,690	11,309	-	12,999
Third Party Assets (8)																
Auto loans/leases	3,986	1,889	-	5,875	4,046	2,033	-	6,079	4,047	2,392	-	6,439	3,988	2,624	-	6,612
Credit card receivables	528	144	-	672	531	136	-	667	430	217	-	647	318	198	-	516
Residential mortgages (insured)	1,275	-	-	1,275	1,275	-	-	1,275	1,275	-	-	1,275	1,303	-	-	1,303
Residential mortgages (uninsured)	1,533	-	-	1,533	1,608	-	-	1,608	1,608	-	-	1,608	843	-	-	843
Commercial mortgages (uninsured)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial mortgages (insured)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equipment loans/leases	730	474	-	1,204	849	341	-	1,190	667	614	-	1,281	762	557	-	1,319
Trade receivables	48	376	-	424	55	351	-	406	49	340	-	389	48	327	-	375
Corporate loans	107	218	-	325	101	222	-	323	161	238	-	399	149	222	-	371
Daily auto rental	435	424	-	859	413	410	-	823	726	76	-	802	635	230	-	865
Floorplan finance receivables	729	756	-	1,485	719	753	-	1,472	701	727	-	1,428	755	721	-	1,476
Collateralized debt obligations	54	11	-	65	54	10	-	64	62	-	-	62	64	-	-	64
Other pool type	414	280	-	694	503	187	-	690	497	98	-	595	710	239	-	949
Student loans	944	773	-	1,717	918	1,270	-	2,188	1,227	398	-	1,625	824	683	-	1,507
Credit protection vehicle	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading securities reclassified to fair value through OCI securities (9)	-	1	-	1	-	1	-	1	-	-	-	-	-	2	-	2
Total Third Party Assets	10,783	5,346	-	16,129	11,072	5,714	-	16,786	11,450	5,100	-	16,550	10,399	5,803	-	16,202
Total	12,510	10,696	-	23,206	12,727	11,306	-	24,033	13,139	15,289	-	28,428	12,089	17,112	-	29,201

(3) External Credit Assessment Institutions (ECAIs) used for securitization notes are Fitch, S&P, Moody's and DBRS.

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

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

(6) The residential mortgage backed securities held from Bank asset securitizations represent the Bank's interest in investment grade notes issued by Bicentennial Trust. The Securitization Capital Framework is applied.

(7) The HELOC securities held from Bank asset securitizations represent the Bank's interest in investment grade notes issued by Fortified Trust. The Securitization Capital Framework is applied.

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

(9) Q4 2017 represents available-for-sale securities.

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

LINE #	Q3 2018				Q2 2018				Q1 2018				Q4 2017			
	Undrawn Committed Facilities and Notional Amounts (2)	Drawn Loan Facilities and Securities Held (3)	First Loss Positions (4)	Total	Undrawn Committed Facilities and Notional Amounts (2)	Drawn Loan Facilities and Securities Held (3)	First Loss Positions (4)	Total	Undrawn Committed Facilities and Notional Amounts (2)	Drawn Loan Facilities and Securities Held (3)	First Loss Positions (4)	Total	Undrawn Committed Facilities and Notional Amounts (2)	Drawn Loan Facilities and Securities Held (3)	First Loss Positions (4)	Total
(\$ millions except as noted)																
Bank Assets																
Credit card receivables (5)	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential mortgages (uninsured)	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Bank Assets	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Third Party Assets (6)																
Auto loans/leases	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Credit card receivables	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential mortgages (insured)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential mortgages (uninsured)	7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial mortgages	8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Personal line of credit	9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equipment loans/leases	10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade receivables	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporate loans	12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Daily auto rental	13	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Floorplan finance receivables	14	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Collateralized debt obligations (AAA/R-1 (high) securities)	15	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other pool type	16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Student loans	17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SIV assets (financial institutions debt and securitized assets)	18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Credit protection vehicle (7)	19	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading securities reclassified to fair value through OCI securities (8)	20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Montreal Accord Assets	21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Third Party Assets	22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	23	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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

(2) ECAs used for securitizations liquidity facility ratings are S&P, Moody's and Fitch.

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

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

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

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

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

(8) Q4 2017 represents available-for-sale securities.

DERIVATIVE INSTRUMENTS		As at July 31, 2018				As at April 30, 2018				As at January 31, 2018				As at October 31, 2017			
		Notional Amount	Replacement Cost	Credit risk Equivalent	AIRB Risk-weighted Assets (1)	Notional Amount	Replacement Cost	Credit risk Equivalent	AIRB Risk-weighted Assets (1)	Notional Amount	Replacement Cost	Credit risk Equivalent	AIRB Risk-weighted Assets (1)	Notional Amount	Replacement Cost	Credit risk Equivalent	AIRB Risk-weighted Assets (1)
Base	LINE #	(\$ millions)															
Interest Rate Contracts																	
Over-the-counter																	
Swaps	1	3,555,230	8,236	10,970		3,368,967	7,966	11,224		3,211,962	8,155	11,037		3,202,365	8,742	11,603	
Forward rate agreements	2	297,845	24	24		416,430	28	27		341,662	22	21		195,142	41	42	
Purchased options	3	28,684	434	331		27,640	455	330		26,573	432	326		29,107	440	381	
Written options	4	39,650	-	-		36,913	-	-		37,225	-	-		37,247	-	-	
	5	3,921,409	8,694	11,325	669	3,849,950	8,449	11,581	1,267	3,617,422	8,609	11,384	334	3,463,861	9,223	12,026	1,537
Exchange traded																	
Futures	6	142,641	-	-		120,183	-	-		106,387	-	-		89,053	-	-	
Purchased options	7	15,405	-	-		21,099	-	-		16,641	-	-		10,407	-	-	
Written options	8	17,355	-	-		15,378	-	-		12,145	-	-		9,284	-	-	
	9	175,401	-	-		156,660	-	-		135,173	-	-		108,744	-	-	
Total Interest Rate Contracts	10	4,096,810	8,694	11,325	669	4,006,610	8,449	11,581	1,267	3,752,595	8,609	11,384	334	3,572,605	9,223	12,026	1,537
Foreign Exchange Contracts																	
Over-the-counter																	
Cross-currency swaps	11	92,441	3,698	8,355		88,607	4,420	9,028		84,535	4,652	9,022		85,586	3,727	8,345	
Cross-currency interest rate swaps	12	439,846	5,049	14,434		417,905	5,918	15,073		423,868	9,512	18,531		434,210	8,157	17,210	
Forward foreign exchange contracts	13	450,962	3,661	6,818		485,881	3,831	7,978		430,289	5,148	8,233		402,708	5,062	8,389	
Purchased options	14	25,626	233	476		26,952	213	437		29,822	305	525		23,812	250	420	
Written options	15	28,138	-	-		31,674	-	-		35,928	-	-		29,101	-	-	
	16	1,037,013	12,641	30,083	2,302	1,051,019	14,382	32,516	2,618	1,004,442	19,617	36,311	2,780	975,417	17,196	34,364	2,701
Exchange traded																	
Futures	17	963	-	-		1,080	-	-		3,190	-	-		794	-	-	
Purchased options	18	2,493	-	-		4,182	-	-		5,777	-	-		6,001	-	-	
Written options	19	1,089	-	-		1,744	-	-		1,472	-	-		1,249	-	-	
	20	4,545	-	-		7,006	-	-		10,439	-	-		8,044	-	-	
Total Foreign Exchange Contracts	21	1,041,558	12,641	30,083	2,302	1,058,025	14,382	32,516	2,618	1,014,881	19,617	36,311	2,780	983,461	17,196	34,364	2,701
Commodity Contracts																	
Over-the-counter																	
Swaps	22	22,340	1,630	4,304		20,424	1,701	4,106		20,341	1,459	3,847		18,713	726	2,971	
Purchased options	23	6,143	434	1,185		6,551	496	1,279		6,508	374	1,113		7,080	120	1,034	
Written options	24	4,446	-	-		4,655	-	-		4,647	-	-		4,905	-	-	
	25	32,929	2,064	5,489	1,136	31,630	2,197	5,385	1,127	31,496	1,833	4,960	1,139	30,698	846	4,005	971
Exchange traded																	
Futures	26	31,279	-	-		29,068	-	-		28,518	-	-		28,139	-	-	
Purchased options	27	3,753	-	-		4,284	-	-		4,471	-	-		5,031	-	-	
Written options	28	5,143	-	-		5,872	-	-		6,149	-	-		6,896	-	-	
	29	40,175	-	-		39,224	-	-		39,138	-	-		40,066	-	-	
Total Commodity Contracts	30	73,104	2,064	5,489	1,136	70,854	2,197	5,385	1,127	70,634	1,833	4,960	1,139	70,764	846	4,005	971
Equity Contracts																	
Over-the-counter																	
Exchange traded	31	50,793	840	3,431		61,835	1,040	4,263		64,245	1,339	4,954		63,528	1,322	4,750	
	32	31,580	-	-		28,793	-	-		20,525	-	-		14,253	-	-	
Total Equity Contracts	33	82,373	840	3,431	442	90,628	1,040	4,263	545	84,770	1,339	4,954	525	77,781	1,322	4,750	461
Credit Default Swaps																	
Over-the-counter																	
Purchased	34	2,288	1	55		2,425	1	55		2,426	-	52		2,658	-	46	
Written	35	142	4	-		123	4	-		116	2	-		448	7	-	
Total Credit Default Swaps	36	2,430	5	55	63	2,548	5	55	38	2,542	2	52	35	3,106	7	46	27
Sub-total	37	5,296,275	24,244	50,383	4,612	5,228,665	26,073	53,800	5,595	4,925,422	31,400	57,661	4,813	4,707,717	28,594	55,191	5,697
Impact of master netting agreements	38	n.a.	(15,454)	(28,614)		n.a.	(17,130)	(31,371)		n.a.	(21,066)	(34,786)		n.a.	(19,909)	(33,025)	
Total	39	5,296,275	8,790	21,769	4,612	5,228,665	8,943	22,429	5,595	4,925,422	10,334	22,875	4,813	4,707,717	8,685	22,166	5,697

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

BASEL GLOSSARY

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

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

Basel Capital Floor: A capital floor based on the Basel standardized approach is calculated by banks using advanced approaches for credit risk or operational risk, as prescribed by OSFI in CAR.

Capital Adequacy Requirements (CAR): OSFI's Capital Adequacy Requirements guideline dated December 2016.

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

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

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

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

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

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

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

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

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

OSFI: Office of the Superintendent of Financial Institutions.

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

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

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

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

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