Supplementary Financial Information

For the Quarter Ended – October 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

Q4 | 18



BMO 😩 Financial Group

Page

	Page		Page
Notes to Users	1	Credit Risk Related Schedules	18-29
		Credit Risk Financial Measures	18
Financial Highlights	2-3	Provision for Credit Losses Segmented Information	19
Income Statement Information	2	Write-Offs by Industry and Geographic Region	20
Reported Profitability Measures	2	Gross Loans and Acceptances	21
Adjusted Profitability Measures	2	Allowance for Credit Losses	22
Growth Rates	2	Net Loans and Acceptances	23
Balance Sheet Information	2	Gross Impaired Loans and Acceptances	24
Capital Measures	2	Net Impaired Loans and Acceptances	25
Dividend Information	3	Loans and Acceptances by Geographic Area	26
Share Information	3	Changes in Impairment Allowance for Credit Losses	27
Additional Bank Information	3	Changes in Impaired Loans and Acceptances	27
Other Statistical Information	3	Changes in Impairment Allowance for Credit Losses by Product Type	28
		Loans Past Due Not Impaired	29
Summer Income Statements and Unblickte (includes		Residential Mortgages, HELOC and Residential Mortgages by Remaining Term of Amortization	29
Summary Income Statements and Highlights (includes U.S. Segment Information)	4-10	Derivative Instruments - Basel	30
Total Bank Consolidated	4-10	Derivative instruments - Daser	50
Total Personal & Commercial Banking	4 5	Derivative Instruments - Fair Value	31
Canadian P&C	6		51
U.S. P&C	7	Derivative Instruments - Over-the-Counter (Notional Amounts)	32
BMO Wealth Management	8		
BMO Capital Markets	9	Asset Encumbrance, Net Unencumbered Liquid Assets and Deposits	33
Corporate Services, including Technology and Operations	10		
		Pillar 3 Disclosure Requirements Index	34-35
Non-Interest Revenue and Trading Revenue	11	Basel Regulatory Capital, Risk-Weighted Assets and Capital Ratios	36-42
Non-Interest Expense	12	Basel Credit Risk Schedules	43-48
Balance Sheets (As At and Average Daily Balances)	13-14	Basel Counterparty Credit Risk Schedules	49-53
Statement of Comprehensive Income	15	Basel Securitization and Re-Securitization Exposures	54-56
Statement of Changes in Equity	16	Backtesting Under AIRB Approach	57-58
Goodwill and Intangible Assets	17	Basel Glossary	59
Unrealized Gains (Losses) on Fair Value through Other Comprehensive Income Securities	17		
Unrealized Gains (Losses) on Available-For-Sale Securities	17		

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

Page



Use of this Document

The supplemental information contained in this package is designed to improve the readers' understanding of the financial performance of BMO Financial Group (the Bank). This information should be used in conjunction with the Bank's Q4 2018 Earnings Release and the 2018 Annual MD&A.

Additional financial information is also available in the Q4 2018 Investor Presentation as well as the Conference Call Webcast which can be accessed at our website at www.bmo.com/investorrelations.

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

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

Accounting Framework

We report our financial results under International Financial Reporting Standards (IFRS) as adopted by the International Accounting Standards Board (IASB). We use the terms IFRS and Generally Accepted Accounting Principles (GAAP) interchangeably.

Results and measures in both the Management's Discussion and Analysis (MD&A) and this document are presented on an IFRS basis. They are also presented on an adjusted basis that excludes the impact of certain items. Management assesses performance on both a GAAP basis and an adjusted basis and considers both bases to be useful in assessing underlying, ongoing business performance. Some metrics such as revenue, revenue growth, operating leverage and efficiency ratio have been presented based on revenue net of insurance claims, commissions and changes in policy benefit liabilities (CCPB). Users may find this presentation to be more useful as it reduces the variability in results associated with insurance. Insurance revenue can experience variability arising from fluctuations in fair value of insurance assets which are largely offset by the fair value changes of policy benefit liabilities reflected in CCPB. For additional discussion of CCPB, see the 2018 Annual MD&A. Adjusted results and measures are non-GAAP and are detailed in the Non-GAAP Measures section in the MD&A of the Bank's Fourth Quarter 2018 Earnings Release and 2018 Annual MD&A. For additional information about non-GAAP adjusted results and measures from prior periods included in this document, please refer to the applicable period's Report to Shareholders.

Securities regulators require that companies caution readers that earnings and other measures adjusted to a basis other than GAAP do not have standardized meanings under GAAP and are unlikely to be comparable to similar measures used by other companies.

Adjusted Results

Adjusted results exclude the following items:

Amortization of acquisition-related intangible assets (31) (28) (21) Acquisition integration costs (18) (8) (6) Cumulative accounting adjustment - - Benefit from the remeasurement of an employee benefit - - Isibility 277 - - Restructuring costs - - (26) (Increase) / decrease in collective allowance (1) - -		 - (59) 	76		-		(277 (260) -	(57) - (59) 76	(85)
Acquisition integration costs (18) (8) (/ Cumulative accounting adjustment - - Benefit from the remeasurement of an employee benefit liability 277 - Restructuring costs - (26)				-	-	-	277	- (59)	• •
Acquisition integration costs (18) (8) (Cumulative accounting adjustment Benefit from the remeasurement of an employee benefit liability 277 -	0) -	 - (59)	-	-	-	-	277	-	(85)
Acquisition integration costs (18) (8) (7 Cumulative accounting adjustment Benefit from the remeasurement of an employee benefit		· ·	-	-	-	-	-	-	
Acquisition integration costs (18) (8) (4			-	-	-	-	-	-	(104) (85)
					· /	()	(0.)	(07)	(104)
Amortization of acquisition-related intangible assets (31) (28) (29	4) (4)	4) (24)	(20)	(21)	(22)	(31)	(34)	(87)	
	9) (28)	, , ,	(35)	(43)	(37)	(37)	· · · /	(149)	(160)
(\$ millions) Q4 Q3 C	12 Q1	Q1 Q4	Q3	Q2	Q1	Q4	2018	2017	2016
ADJUSTING ITEMS (PRE TAX) 2018 2018 201									

) (82)						(389)
) -		-	-	(425)	-	-
-	54 -	-	-	-	54	-
(41)		-	-	(192)	(41)	(132)
-		-	-	203	-	-
-		-	-	-	-	(62)
) (15)	(13) (13)	(14)	(21)	(25)	(55)	(71)
) (26)	(28) (34)) (28)	(29)	(90)	(116)	(124)
I Q4	Q3 Q2	2 Q1	Q4	2018	2017	2016
	2017 2017		2016	Fiscal	Fiscal	Fiscal
3	2017	2017 2017 2017	2017 2017 2017 2017	2017 2017 2017 2017 2016	2017 2017 2017 2017 2016 Fiscal	2017 2017 2017 2017 2016 Fiscal Fiscal

(1) The Bank prospectively adopted IFRS 9, Financial Instruments for the annual period beginning on November 1, 2017. Changes in the allowance for credit losses on performing loans under this methodology will not be considered an adjusting item.

Taxable Equivalent Basis

BMO analyzes consolidated revenues on a reported basis. However, like many banks, BMO analyzes revenue of operating groups and ratios computed using revenue on a taxable equivalent basis (teb). Revenue and the provision for income taxes are increased on tax-exempt securities to an equivalent before-tax basis to facilitate comparisons of income between taxable and tax-exempt sources. The effective income tax rate is also analyzed on a teb for consistency of approach. The offset to the group teb adjustments, mostly in BMO Capital Markets, is reflected in Corporate Services.

Changes

Periodically, certain business lines and units within business lines are transferred between client and corporate support groups to more closely align BMO's organizational structure with its strategic priorities. In addition, revenue, provision for credit losses and expense allocations, as well as balances, are updated to better align with current experience. Results for prior periods are reclassified to conform to the presentation.

Effective the first quarter of 2018 the allocation of certain revenue items from Corporate Services to the Operating Groups was updated to align with the underlying business activity. Results for prior periods and related ratios have been reclassified to conform with the current presentation.

Also effective the first quarter of 2018, Ioan losses related to certain fraud costs have been reclassified from provision for credit losses to other non-interest expenses in the Canadian P&C and U.S. P&C businesses. Certain fees have been reclassified from deposit and payment service charges to card fees within non-interest revenue in Canadian P&C. Cash collateral balances were also reclassified from loans and deposits to other assets and other liabilities in BMO Capital Markets. Results for prior periods and related ratios have been reclassified to conform with the current period's presentation.

The Bank adopted IFRS 9, *Financial Instruments*, which replaces the guidance in IAS 39, *Financial Instruments: Recognition and Measurement*, for the annual period beginning on November 1, 2017. IFRS 9 does not require restatement of comparative period financial statements. The Bank has made the decision not to restate comparative period financial statements. The Bank has made the decision not to restate comparative period financial information and has recognized any measurement differences between the previous carrying amount and the new carrying amount of financial instruments on November 1, 2017, through an adjustment to opening retained earnings. On transition to IFRS 9, the Bank will prospectively record the provisions for credit losses on impaired (Stage 3) and performing (Stages 1 and 2) loans and related allowance within the respective business segment in which the underlying financial asset is held for segment reporting purposes.

For institutions using advanced approaches for credit risk or operational risk, there is a Capital Floor as prescribed in OSFI's CAR Guideline. OSFI revised its approach for calculating the Capital Floor effective Q2 2018. Changes include a shift to the Basel II standardized approach, as well as a reduction of the floor factor to 70% in Q2 2018, 72.5% in Q3 2018 and 75% in Q4 2018 onward.

On April 20, 2017, OSFI released the final version of its guideline, Pillar 3 Disclosure Requirements, setting OSFI's expectations for domestic systemically important banks (D-SIBs) for the Revised Pillar 3 Disclosure Requirements issued by the Basel Committee on Banking Supervision in January 2015. We have adopted this guidance effective October 31, 2018. The new Pillar 3 disclosures are prospective with comparative periods to be provided over future reporting periods. For prior period information, please refer to Q3 2018 and prior Supplementary Financial Information Packages.

Users may provide their comments and suggestions on the Supplementary Financial Information document by contacting Christine Viau at (416) 867-6956 or christine.viau@bmo.com

PRIADE LINE Line 2011 2014											1	вмо 😬 в	inancial	Group
Control F C4 C3 C3 C3 C3 C4 C3 C4 C3 <th< th=""><th>FINANCIAL HIGHLIGHTS</th><th></th><th>0010</th><th>0040</th><th>0040</th><th>0040</th><th>0047</th><th>0047</th><th>0047</th><th>0047</th><th></th><th></th><th></th><th></th></th<>	FINANCIAL HIGHLIGHTS		0010	0040	0040	0040	0047	0047	0047	0047				
Toder menu 1 5.622 6.617 6.618 6.606 5.41 6.605 5.41 6.605 7.41 6.605 7.41 6.605 7.41 6.605 7.41 6.605 7.41 6.605 7.41 6.605 7.41 6.605 7.41 6.605 7.41 6.605 7.41 6.605 7.41 6.605 7.41 6.605 7.41 6.605 7.41 6.605 7.41 6.605 7.41 7.45 <	(\$ millions except as noted)													
Toder menu 1 5.622 6.617 6.618 6.606 5.41 6.605 5.41 6.605 7.41 6.605 7.41 6.605 7.41 6.605 7.41 6.605 7.41 6.605 7.41 6.605 7.41 6.605 7.41 6.605 7.41 6.605 7.41 6.605 7.41 6.605 7.41 6.605 7.41 6.605 7.41 6.605 7.41 6.605 7.41 7.45 <	Income Statement Information													
$\begin{tabular}{ c c c c c c c c c c c c c c c c c c c$		1	5 922	5 820	5 617	5 678	5 655	5 4 5 9	5 741	5 405	5 278	23.037	22 260	21 087
Instance exists: contributions of charges in policy bandli isolities (CPP) 3 330 229 332 381 573 320 320 330 1531 Net income 6 1.885 1.536														
Non-internal subsets experies when have the service is a safe state service is a safe service is a safe state service is a safe service is														
Devision fusioner larges 5 448 443 317 722 270 120 128 1280														
Adjuster entrome ? 1.556 1.656 1.626	Provision for income taxes	5												-
Network Network <t< td=""><td>Net income</td><td>6</td><td>1,695</td><td>1,536</td><td>1,246</td><td>973</td><td>1,227</td><td>1,387</td><td>1,248</td><td>1,488</td><td>1,345</td><td>5,450</td><td>5,350</td><td>4,631</td></t<>	Net income	6	1,695	1,536	1,246	973	1,227	1,387	1,248	1,488	1,345	5,450	5,350	4,631
National minutable is bank standards 9 186 1.58 1.24 0.73 1.22 1.24 1.24 5.40 5.44 6.22 Back of Ministry Massies 10 2.52 15.46 51.46 52.22 52.06 51.46 52.22 52.06 51.46 52.22 52.06 51.46 52.22 52.06 51.46 52.22 52.06 51.46 52.22 52.06 51.46 52.22 52.06 51.46 52.22 52.06 51.46 52.22 52.06 51.46 52.22 52.06 51.46 52.22 52.06 51.46 52.26 52.07 51.46 52.07 51.46 52.07 52.40 52.40 52.40 52.07 52.40 52.07	Adjusted net income	7	1,529	1,565	1,463	1,422	1,309	1,374	1,295	1,530	1,395	5,979	5,508	5,020
Name Number of the series of the	Non-controlling interest in subsidiaries	8	-	-	-	-	-	-	1	1	1	-	2	9
Basic example or the state and acceptances (1) (1) (1) (1) (1) (1) (1) (1) (1) (1)	Net income attributable to Bank shareholders	9	1,695	1,536	1,246	973	1,227	1,387	1,247	1,487	1,344	5,450	5,348	4,622
Dialed semigrigues stars (1) (32.7) (32.8) (34.8) (34.4) (34.8) (34.4) (34.8) (34.4) (34.8) (34.4) (34.8) (34.4) (34.8) (34.4) (34.8) (34.4) (34.8) (34.4) (34.8) (34.4) (34.8) (34.4) (34.8) (34.4) (34.8) (34.8) (34.4) (34.8	Reported Profitability Measures													
Refur an common capity 12 101 $47.\%$ 12.2% 0.4% 1.5% 1.5% 1.4%	Basic earnings per share													
Refur on carapte common cupuly 13 [10.5 % 17.8 % 16.6 % 11.5 % 16.5 % 10.7 % 16.5 % 17.2 % 16.2 % 10.3 % 10.3 % 10.3 % 10.3 % 10.3 % 10.5 % 17.4 % 16.5 % 17.5 % 16.5 % 17.5 % 16.5 % 17.5 % 16.5 % 17.5 % 16.5 % 17.5 % 16.5 % 17.5 % 16.5 % 17.5 % 1														
Return on average assets 14 0.88 % 0.88 % 0.78 % 0.75 % 0.72 % 0.74 % 0.75 % 0.25 % 0.15 % 0.15 % 0.25 % 0.25 % 0.25 % 0.25 % 0.25 % 0.25 % 0.25 % 0.25 % 0.25 % 0.25 % 0.25 % 0.25 % 0.25 % 0.25 % 0.25 % 0.25 % 0.25 %														
Return on everage intervenipting assets 15 2.26 % 2.20 % 189 % 1.41 % 12.82 % 2.05 % 191 % 2.17 % 1.92 % 1.97 % 1.98 % 1.71 % 1.98 % 1.91 % 1.98 % 1.91 % 1.91 % 1.98 % 1.71 % 1.91 % 1														
Net integrating the average and gasets 100 140 % 1.42 % 15.2 % 1.52 % 1.55 % 1.52 % 1.55 % 1.55 % 1.57 % 1.55 % 1.57 % 1.55 % 1.57 % 1.55 % 1.57 % 1.55 % 1.57 % 1.55 % 1.57 % 1.55 % 1.57 % 1.55 % 1.55 % 1.57 % 1.55 % 1.57 % 1.55 % 1.55 % 1.57 % 1.55 \% 1.55 \% 1.														
Efficiency ratio " 19 64.4% 592.5% 63.4% 60.6% 67.7% 66.2% 67.2% 62.6% 63.1% 60.0% 67.7% 66.2% 62.1% 63.1% 60.0% 67.7% 66.2% 62.1% 60.1% 61.9% 61.9% 61.9% 62.7% 62.6% 63.1% 60.1% 61.9% 61.9% 62.7% 62.5% 62.7% 62.5% 62.7% 62.5% 62.7% 62.5% 62.7% 62.5%														
Efficiency and net of CCPB 19 63.3 % 61.0 % 67.4 % 64.7 % 64.4 % 63.1 % 65.3 % 62.7 % 64.1 % 63.8 % 62.7 % 64.1 % 64.3	Efficiency ratio													
PCL on impared bans and acceptances 20 0.18 % 0.18 % 0.18 % 0.18 % 0.18 % 0.22 % 0.22 % 0.23 % 0.18 % 0.18 % 0.22 % 0.22 % 0.24 % 0.18 % 0.18 % 0.18 % 0.22 % 0.24 % 0.18 % 0.18 % 0.22 % 0.24 % 0.18 % 0.18 % 0.22 % 0.24 % 0.27 % 0.18 % 0.18 % 0.18 % 0.22 % 0.22 % 0.24 % 0.18 % 0.18 % 0.22 % <th0.2 %<="" th=""> 0.21 % 0.21 %</th0.2>	Efficiency ratio, net of CCPB													
Effective lax rule $(16b)$ 22 (206 %) 22.37 % 22.37 % 478.3% (8.50 %) 22.40 % 10.50 % (20.54 % 20.05 %) 22.44 % 24.56 % 25.20 % 25.10 % 15.6 % 15.6 % 15.5 % 15.6 % 15.5 % 15.6 % 15.5 % 15.6 % 15.5 % 15.6 % 15.5 % 15.6 % 15.5 % 15.6 % 15.5 % 15.6 % 15.5 % 15.6 % 15.5 % 15.6 % 15.5 \% 15.5 \%	PCL on impaired loans to average net loans and acceptances											0.18 %		
Effective lax rate (leb) 23 23.01% 24.73% 23.27% 47.83% 27.07% 25.25% 27.00% 24.32% 28.48% 28.88% Adjusted Profitability Measures (7) 22.21 \$2.36 \$2.20 \$2.21 \$1.05 \$2.20 \$2.21 \$2.36 \$2.20 \$2.21 \$2.26 \$2.21 \$2.26 \$2.10 \$1.65 \$1.60 \$1.67 \$1.65 \$1.65 \$1.65 \$1.61 \$5.57 \$1.60 \$1.75 \$1.65	Total PCL to average net loans and acceptances		0.18 %				0.22 %			0.18 %	0.18 %			
Adjusted Profile Solution during per share 24 52.23 52.20 52.10 51.95 52.03 51.92 52.20 52.11 51.95 52.20 52.11 51.95 52.20 52.11 51.95 52.20 52.11 51.95 52.20 52.11 51.95 15.85 52.10 51.95 15.85 51.95 15.85 11.75	Effective tax rate													
Basic enrings per share 24 \$2.32 \$2.36 \$2.03 \$1.92 \$2.28 \$2.11 \$9.01 \$8.16 \$7.52 Return on common equity 26 \$2.32 \$2.34 \$1.36 \$1.35 \$1.45 \$1.45 \$1.50 \$1.45 \$1.50	Effective tax rate (teb)	23	23.01 %	24.73 %	23.27 %	47.63 %	27.07 %	25.25 %	27.00 %	24.32 %	26.29 %	29.44 %	25.84 %	25.80 %
Diabel examings per share equity 22 42.36 42.20 52.12 41.94 43.20 51.02 52.28 52.10 52.86 52.70 52.86 52.10 53.90 83.10 57.50 17.5 57.50 10.35 13.5 1	Adjusted Profitability Measures (1)													
Return or common equity 22 14.5% 15.0% 14.9% 13.9% 12.2% 13.3% 12.1% 15.3% 14.4% 14.6% 13.7% 13.1% 15.7% 15.5%														
Return on targble common equity 27 17.3 % 18.0 % 16.7 % 15.5 % 16.0 % 15.9 % 18.6 % 17.5 % 16.5 % 16.1 % 17.5 % 16.5 % 16.1 % 17.5 % 16.5 % 16.1 % 17.5 % 16.5 % 16.1 % 17.5 % 16.5 % 16.1 % 17.5 % 16.5 % 16.1 % 17.5 %														
Return on verage assets28 0.78 0.81 0.78 0.73 0.73 0.73 0.73 0.73 0.73 0.74 0.73 0.74														
$ \begin{array}{ c c c c c c c c c c c c c c c c c c c$														
Efficiency tax rate (reb) 30 62.4% 61.8% 61.4% 62.1% 62.0% 61.6% 62.7% 62.2%														
PCL to average net loans and acceptances 31 n.a. n.a. n.a. n.a. n.a. n.a. 0.22 % 0.22 % 0.27 % 0.18 % 0.18 % 0.18 % 0.22 % 0.22 % 0.27 % 0.18 % 0.18 % 0.18 % 0.22 % 0.22 % 0.27 % 0.18 % 0.18 % 0.18 % 0.18 % 0.22 % 0.22 % 0.27 % 0.18 % 0.18 % 0.18 % 0.18 % 0.18 % 0.18 % 0.18 % 0.18 % 0.18 % 0.18 % 0.18 % 0.18 % 0.18 % 0.18 % 0.22 % 0.22 % 0.27 % 0.14 % 0.18 % 0.18 % 0.28 % 22.0 % 23.0 %														
Effective tax rate 32 117.2% 22.36% 21.16% 19.25% 22.55% 17.12% 19.75% 21.48% 26.55% 27.0% 24.41% 26.32% 25.94% 25.94% 25.94% 25.94% 25.94% 25.95% 17.12% 19.75% 19.25% 25.94% 22.16% 27.0% 24.41% 26.32% 25.94% 25.94% 25.94% 25.94% 25.95% 17.12% 10.41% 26.32% 25.94% 25.94% 25.95% 17.12% 10.41% 26.32% 25.94% 25.94% 25.94% 25.94% 25.94% 25.94% 25.94% 25.94% 25.94% 25.94% 25.94% 10.4%%<														
Growth Rates Diluted earnings per share growth 34 41.9 % 13.0 % 0.9 % (35.6)% (10.3)% 9.8 % 27.0 % 40.2 % 10.4 % Diluted adjusted earnings per share growth 35 19.3 % 16.4 % 17.2 % (7.6)% 4.4 % 10.8 % 33.5 % (10.3)% 9.8 % 27.0 % 40.2 % 10.4 % Operating leverage 36 9.2 % 35 % (10.6)% 3.4 % 5.8 % (00.0)% 13.7 % 3.5 % (1.3)% Adjusted operating leverage, net of CCPB 38 2.9 % 2.9 % 3.5 % (1.3)% (2.1)% (1.1)% 2.4 % 3.5 % 6.5 % 5.9 % 1.2 % 0.6 % 5.6 % 6.8 % 5.0 % (1.6)% (2.2)% 5.3 % 7.2 % 12.7 % 10.2 % 4.6 % 6.6 % 5.0 % (1.6)% (2.2)% 5.3 % 7.2 % 12.7 % 10.2 % 4.6 % 6.6 % 5.0 % (1.6)% (2.2)% 5.3 % 7.2 % 12.7 % 10.2 % 4.6 % 6	Effective tax rate	32					19.29 %	22.55 %		19.76 %			19.78 %	19.92 %
$ \begin{array}{c} Diute d earnings per share growth \\ Diute d earnings per share growth \\ Operating leverage constrained earnings per share growth \\ Operating leverage and per share growth \\ Operating leverage net of CCPB \\ 36 \\ 9.2 \\ Mole stars and acceptances (CCPB \\ 38 \\ 2.9 \\ Mole stars and acceptances (CCPB \\ 38 \\ 2.9 \\ Mole stars and acceptances (CCPB \\ 38 \\ 2.9 \\ Mole stars and acceptances (CCPB \\ 38 \\ 2.9 \\ Mole stars and acceptances (CCPB \\ 38 \\ 2.9 \\ Mole stars and acceptances (CCPB \\ 38 \\ 2.9 \\ Mole stars and acceptances (CCPB \\ 38 \\ 2.9 \\ Mole stars and acceptances (CCPB \\ 38 \\ 2.9 \\ Mole stars and acceptances (CCPB \\ 40 \\ 8.9 \\ Mole stars and acceptances (CCPB \\ 40 \\ 8.9 \\ Mole stars and acceptances (CCPB \\ 40 \\ 8.9 \\ Mole stars and acceptances (CCPB \\ 40 \\ 8.9 \\ Mole stars and acceptances (CCPB \\ 40 \\ 8.9 \\ Mole stars and (CCPB \\ 40 \\ 8.9 \\ Mole stars and (CCPB \\ 41 \\ 8.9 \\ Mole stars and (CCPB \\ 42 \\ (4.5) \\ Mole stars and (CCPB \\ (1.5) \\ Mole stars and (CCPB \\ (1.5) \\ Mole stars an$	Effective tax rate (teb)	33	22.48 %	24.68 %	23.69 %	24.75 %	27.23 %	25.15 %	27.00 %	24.41 %	26.32 %	23.90 %	25.90 %	25.94 %
$ \begin{array}{ c c c c c c c c c c c c c c c c c c c$	Growth Rates													
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $	Diluted earnings per share growth													
$\begin{array}{c c c c c c c c c c c c c c c c c c c $	Diluted adjusted earnings per share growth													
Adjusted operating leverage, net of CCPB 38 2.9 % 3.5 % (4,1)% (1,1)% 2.4 % 9.4 % 3.1 % 1.2 % 2.0 % 2.3 % Revenue growth, net of CCPB 40 8.9 % 6.6 % 5.0 % (1.6)% (2.2)% 5.3 % 7.2 % 12.7 % 10.2 % 4.6 % 6.0 % 7.8 % Adjusted orwenue growth, net of CCPB 41 8.9 % 6.6 % 5.0 % (1.6)% (2.2)% 5.3 % 7.2 % 12.7 % 10.2 % 4.6 % 6.5 % 8.8 % Non-interest expense growth 42 (4.5)% 3.0 % 8.5 % 1.7 % 1.4 % 5.9 % 1.2 % 2.9 % 5.5 % 5.9 % 1.2 % 2.1 % 2.2 % 6.5 % 5.0 % 1.1 % 5.9 % 1.1 % 3.0 % 7.2 % 1.2 % 2.1 % 2.5 % 5.9 % 7.2 % 1.2 % 2.0 % 6.5 % 5.0 % 1.1 % 5.9 % 1.1 % 1.4 % 2.8 % 3.0 % 1.2 % 2.1 % 2.2 % 6.5 % 5.0 % 1.1 % 1.1 % 3.0 % 1.2 % 2.0 % 6.5 % 5														
Revenue growth3947 % 6 6 %6 6 % 6 2 (1)%5 1 % 7 2 %7 2 % 6 1 %12 5 % 7 2 %6 5 % 5 9 %5 8 % 5 8 %8 8 % 6 6 %6 6 % 5 0 %16 % (16)%(2 2)% 5 3 %5 3 % 7 2 %12 7 % 12 7 %10 2 % 10 2 %4 6 % 4 6 %6 6 % 5 0 %16 % (16)%(2 2)% 5 3 %5 3 % 7 2 %12 7 % 12 7 %10 2 % 10 2 %4 6 % 4 6 %6 6 % 5 0 %6 6 % 5 0 %16 % (16)%(2 2)% 5 3 %5 3 % 7 2 %12 7 % 12 7 %10 2 % 10 2 %4 6 % 4 6 %6 6 % 5 0 %16 % 12 %2 7 % 3 0 %12 7 % 3 0 %10 2 % 3 0 %4 6 % 5 0 %6 6 % 5 0 %11 % 5 0 %12 % 12 %3 0 % 3 3 %7 1 % 3 3 4 %3 6 % 3 0 %8 5 % 5 0 %11 % 3 0 %12 % 5 0 %12 % 3 0 %3 3 4 % 3 0 %3 6 % 5 0 %1 % 5 0 %1 % 3 0 %1 % 1 2 %1 % 3 0 %1 % 3 0 %1 % 3 0 %1 % 3 0 %1 % 1 2 %1 % 3 0 %1 % 3 0 %1 % 3 0 %1 % 1 0 % <td></td>														
Revenue growth, net of CCPB4089 %66 % 5.0 % (1.6) % (2.2) % 5.3 % 7.2 % 14.7 % 10.2 % 46 % 6.0 % 7.8 %Adjusted revenue growth, not of CCPB41 8.9 % 6.6 % 5.0 % (1.6) % (2.2) % 5.3 % 7.2 % 12.7 % 10.2 % 46 % 6.6 % 5.0 % (1.6) % (2.2) % 5.3 % 7.2 % 12.7 % 10.2 % 46 % 6.6 % 5.9 % (1.6) % (2.2) % 5.3 % 7.2 % 12.7 % 10.2 % 46 % 6.6 % 5.9 % 21.7 % 22.7 % 22.7 % 22.7 % 22.7 % 22.7 % 22.5 % 6.5 % 22.9 % 6.5 % 22.9 % 6.5 % 22.9 % 6.5 % 8.5 % 8.5 % 11.4 % 59.9 % (1.2) % 53.9 % 71.6 % 22.9 % 6.5 % 25.9 % 22.1 % 22.9 % 6.5 % 5.9 % 8.5 % 11.6 % 8.5 % 8.5 % 11.6 %<														
Adjusted \overline{v} enue growth, net of CCPB418.9 %6.6 %5.0 %(1,6)%(2,2)%5.3 %7.2 %12.7 %10.2 %4.6 %5.6 %8.2 %Non-interest expanse growth436.0 %3.0 %8.5 %1.7 %1.4 %5.9 %(1,2)%3.0 %7.2 %2.1 %2.2 %6.5 %Net income growth4438.1 %10.7 %(0,1)%6.4 %4.8 %3.3 %7.1 %3.4 %3.6 %5.9 %Net income growth4516.8 %13.9 %13.0 %(7.1)%(6.2)%6.1 %12.3 %29.9 %10.3 %1.9 %Balance Sheet InformationTotal assets46774.048765.318743.669727.909700.580725.500725.784712.975744.48700.580687.935Average assets46771.048765.318743.639721.909705.500725.784712.975754.295725.262707.122Average deposits48711.699692.906671.645655.977642.549646.612650.591647.650338.643336.896 <td></td>														
Non-interest expense growth 42 (4.5)% 3.0 % 8.5 % 1.7 % 1.4 % 5.9 % (1.2)% 3.0 % 7.2 % 2.1 % 2.2 % 6.5 % 3.4 % 3.6 % 5.9 % Net income growth 44 38.1 % 10.7 % (0.1)% (34.6)% (8.8)% 11.4 % 28.2 % 39.4 % 10.8 % 1.9 % 15.5 % 5.1 % Adjusted net income growth 45 16.8 % 13.9 % 1.0.7 % (0.1)% (34.6)% (8.8)% 11.4 % 28.2 % 39.4 % 10.8 % 1.9 % 15.5 % 5.1 % Adjusted net income growth 45 16.8 % 13.9 % 13.0 % (7.1)% (6.2)% 6.1 % 12.3 % 29.9 % 10.3 % 7.4 % 1.9 % 15.5 % 5.1 % Adjusted net income growth 45 16.8 % 13.9 % 13.0 % (7.1)% (6.2)% 6.1 % 12.3 % 29.9 % 10.3 % 7.4 % 1.9 % 15.5 % 5.1 % Adjusted net income growth 45 16.8 % 13.9 % 13.0 % (7.1)% (6.2)% 6.1 % 12.3 % 29.9 % 10.3 % 7.4 % 1.9 % 15.5 % 5.1 % Adjusted net income growth 45 16.8 % 13.9 % 13.0 % (7.1)% (6.2)% 6.1 % 12.3 % 29.9 % 10.3 % 7.4 % 19.8 % 9.7 % 7.2 % $7.4 \% 7.9 \% 7.4 \% 7.9 \% 7.4 \% 7.9 \% 7.4 \% 7.$														
Adjusted non-interest expense growth 43 6.0 % 37 % 1.5 % 2.5 % (0.1)% 6.4 % 4.8 % 3.3 % 7.1 % 1.4 % 3.3 % 7.1 % 1.4 % 3.3 % 7.1 % 1.4 % 3.4 % 3.6 % 5.9 % Net income growth 45 16.8 % 13.9 % 13.0 % (7.1)% (6.2)% 6.1 % 1.2.3 % 29.9 % 10.3 % 8.6 % 9.7 % 7.2 % Balance Sheet Information Total assets 46 774.048 765.318 743.569 727.909 709.580 708.617 718.943 692.384 687.935 774.048 709.580 687.935 774.048 709.580 687.935 774.048 709.580 687.935 774.048 709.580 687.935 774.048 709.580 687.935 774.048 709.580 687.935 774.048 709.580 687.935 774.048 709.580 687.935 774.048 709.580 687.935 774.048 709.580 687.935 774.048 709.580 687.935 774.048 708.935 774.048 709.580 687.935 774.948 707.9														
Net income growth 44 38.1 % 10.7 % (0.1)% (34.6)% (8.8)% 11.4 % 28.2 % 39.4 % 10.8 % 8.6 % 9.7 % 7.2 % Balance Sheet Information 5 6 774.048 765.318 743.569 727.909 709.580 708.617 718.943 692.384 687.935 774.048 709.580 687.935 774.048 709.580 727.909 709.580 728.500 725.784 712.975 754.295 722.262 707.128 Average earing assets 47 781.340 764.390 743.638 727.463 715.806 723.508 725.784 712.975 754.295 722.626 707.122 Average earing assets 48 711.699 692.090 671.645 655.977 642.549 646.612 650.511 647.499 622.732 Average gross bans and acceptances 50 400.112 393.002 384.589 373.379 372.498 370.423 386.436 386.613 372.792 356.496 Average deposits 51 518.107 501.836 492.718 480.659 473.899	Adjusted non-interest expense growth	43												
Balance Sheet Information Balance Sheet Information Cotal assets 46 774,048 765,318 743,569 727,909 709,580 708,617 718,943 692,384 687,935 742,058 742,509 723,508 725,784 712,975 74,048 709,580 687,935 742,058 727,909 709,580 723,508 725,784 712,975 742,058 754,295 754,295 754,295 754,295 754,295 754,295 722,626 707,124 Average earning assets 49 399,435 391,322 382,936 375,012 373,379 372,498 370,423 386,436 388,613 372,792 386,459 373,379 372,498 370,423 386,436 388,613 372,792 386,446 0,699 465,543 486,455 488,3689 476,657 498,346 480,699 465,543 Average eposits 51 518,107 40,011 38,929 39,332 38,765 39,545 39,149 38,393 37,660 39,754 38,962 <td>Net income growth</td> <td></td>	Net income growth													
Total assets 46 774,048 765,318 743,569 727,909 709,580 708,617 718,943 692,384 687,935 774,048 709,580 687,935 Average assets 47 781,340 764,390 743,638 727,463 715,806 723,508 725,784 712,975 754,295 722,626 707,122 Average earning assets 48 711,699 692,090 671,645 655,977 642,549 646,612 650,591 647,569 631,389 Average for sons and acceptances 49 398,435 391,322 382,936 375,012 373,001 371,490 370,423 388,436 486,875 488,869 475,657 Average common shareholders' equity 52 40,717 40,011 38,929 39,332 38,765 39,545 39,149 38,393 37,660 39,754 38,962 36,997 39,754 39,962 36,997 39,754 39,975 32,220 2,247 2,383 2,247 2,383 2,247 2,383 2,99.9 2,82.9 39,854 39,954 39,149 38,393 37,660 39,754 38,96	Aujusteu net incomé growth	40	10.8 %	13.9 %	13.0 %	(7.1)%	(0.2)%	0.1%	12.3 %	29.9 %	10.3 %	8.0 %	9.1 %	1.2 %
Average assets 47 781,340 764,390 743,638 727,463 715,806 723,508 725,500 725,784 712,975 754,295 722,626 707,122 Average enting assets 49 711,699 692,090 671,645 655,977 642,549 646,612 650,591 647,569 631,389 862,945 646,799 926,528 Average enting assets 50 400,112 393,002 384,588 376,620 374,859 373,379 372,498 370,423 368,436 388,613 372,792 358,496 Average deposits 51 518,107 501,836 492,718 480,539 474,190 479,136 486,875 438,869 475,637 498,346 480,969 455,43 399,766 39,745 388,959 370,423 368,456 398,476 39,76,400 399,766 39,76,400 399,764 88,099 465,543 399,764 88,099 455,543 39,97,640 39,76,760 2,122 2,149 2,220 2,154 2,439 2,247 2,383 2,285 2,271,% 39,76,60 0,64 % 0,64 %	Balance Sheet Information	40	774 040	765 040	742 500	707.000	700 500	709 047	710 040	602 204	697.005	774 040	700 500	697 005
Average earning assets 48 711,699 692,090 671,645 655,977 642,549 646,612 650,591 647,569 631,389 682,945 646,799 622,732 Average gross loans and acceptances 50 449 398,435 391,322 382,936 375,012 373,061 371,490 370,591 386,445 386,613 370,899 386,453 386,613 372,792 358,436 386,613 372,929 388,456 386,613 372,929 388,456 386,613 372,929 388,456 386,613 372,929 388,456 386,613 372,929 388,456 386,613 372,929 388,456 386,613 372,929 388,456 386,613 372,929 388,456 386,613 372,929 388,456 386,613 372,929 388,456 388,613 372,729 388,496 448,0,969 445,543 466,875 483,869 475,657 498,346 480,959 465,543 498,346 480,959 465,543 498,346 480,959 465,543 498,346 480,959 465,543 498,346 480,959 455,543 428,94 2,49,44 <td></td>														
Average net loans and acceptances 49 398,435 391,322 382,936 375,012 373,061 371,490 370,591 368,445 366,439 386,959 370,899 356,528 Average gross loans and acceptances 50 400,112 393,002 384,588 376,620 374,859 373,379 372,498 370,423 388,436 498,346 480,899 456,557 Average deposits 51 518,107 501,836 492,718 480,539 477,190 479,136 468,875 483,869 475,657 498,846 480,899 456,557 Average common shareholders' equity 52 40,717 40,011 38,929 39,332 38,765 39,545 39,149 38,393 37,609 456,543 Average common shareholders' equity 52 40,717 40,011 38,929 39,322 38,765 39,944 38,393 37,607 39,754 38,962 36,997 GlL to gross loans and acceptances (2) 55 0.48 % 0.55 % 0.56 % 0.56 % 0.56 % 0.56 % 0.64 % 0.64 % 0.48 % 0.59 % 0.58 %														
Average gross loans and acceptances 50 400,112 393,002 384,588 376,620 374,859 373,379 372,498 370,423 368,436 388,613 372,792 358,496 Average deposits 51 518,107 501,836 492,718 480,539 474,190 479,136 486,875 483,869 475,657 Average common shareholders' equity 52 40,717 40,011 38,929 393,323 38,765 39,545 39,149 38,3809 375,657 39,754 389,613 372,792 358,496 Average common shareholders' equity 52 40,717 40,011 38,929 39,332 38,765 39,374 38,764 480,959 455,43 39,76,403 39,76,403 39,76,403 39,76,403 39,76,403 39,76,403 39,76,403 39,76,403 39,76,74 38,96,13 372,792 358,496 465,543 Cash and acceptances (2) 53 1,936 2,076 2,152 2,149 2,220 2,154 2,439 2,247 2,383 39,76,403 39,76,760 2,71,% 21,1,93 1,13,6 1,1,3 % 1,1,														
Average deposits 51 518,107 501,836 492,718 480,539 474,190 479,136 486,875 483,869 475,657 498,346 480,969 455,543 Average common shareholders' equity 52 40,717 40,011 38,929 39,332 38,765 39,149 38,393 37,660 39,754		-												
Average common shareholders' equity 52 40,717 40,011 38,929 39,332 38,765 39,545 39,149 38,393 37,660 39,754 38,962 36,997 Gross impaired loans (GL) and acceptances (2) 53 1,936 2,076 2,152 2,149 2,220 2,154 2,439 2,247 2,383 1,936 2,270 2,383 Gash and securities to total assets ratio 54 29.9% 28.2% 28.1% 29.0% 0.55% 27.8% 27.7% 27.7% 27.1% 0.48 % 0.59 % 0.56 % 0.57 % 0.59 % 0.64 % 0.61 % 0.64 % 0.48 % 0.59 % 0.64 % 0.61 % 0.48 % 0.59 % 0.64 % 0.61 % 0.48 % 0.59 % 0.64 % 0.61 % 0.48 % 0.59 % 0.64 % 0.64 % 0.61 % 0.48 % 0.59 % 0.64 % 0.61 % 0.48 % 0.59 % 0.64 % 0.61 % 0.48 % 0.59 % 0.64 % 0.64 % 0.61 % 0.48 % 0.59 % 0.64 % 0.61 % 0.48 % 0.59 % 0.64 % 0.61 % 0.48 % 0.59 %	Average deposits													
Gross impaired loans (GIL) and acceptances (2) 53 1,936 2,076 2,152 2,149 2,220 2,154 2,439 2,247 2,383 1,936 2,220 2,383 Cash and securities to total assets ratio 54 29.9 % 28.2 % 28.1 % 29.0 % 28.5 % 27.7 % 27.7 % 27.7 % 27.7 % 29.9 % 28.5 % 27.1 % GIL to gross loans and acceptances (2) 55 0.48 % 0.56 % 0.57 % 0.59 % 0.58 % 0.64 % 0.64 % 0.64 % 0.48 % 0.59 % 0.64 % 0.64 % 0.48 % 0.59 % 0.64 % 0.61 % 0.48 % 0.59 % 0.64 % 0.61 % 0.48 % 0.59 % 0.64 % 0.61 % 0.48 % 0.59 % 0.64 % 0.61 % 0.48 % 0.59 % 0.64 % 0.61 % 0.48 % 0.59 % 0.64 % 0.61 % 0.48 % 0.59 % 0.64 % 0.61 % 0.48 % 0.59 % 0.64 % 0.61 % 0.48 % 0.59 % 0.64 % 0.61 % 0.64 % 0.61 % 0.64 % 0.61 % 0.64 % 0.61 % 0.64 % 0.64 % 0.	Average common shareholders' equity			40,011					39,149				38,962	36,997
GIL to gross loans and acceptances (2) 55 0.48 % 0.53 % 0.56 % 0.57 % 0.59 % 0.64 % 0.61 % 0.64 %<	Gross impaired loans (GIL) and acceptances (2)	53	1,936		2,152	2,149		2,154		2,247		1,936		2,383
Capital Measures Common Equity Tier 1 Ratio 56 11.3 % 11.4 % 11.3 % 11.4 % 11.2 % 11.3 % 11.1 % 10.1 % Tier 1 capital ratio - Basel III 57 12.9 % 13.0 % 11.6 % 12.9 % 13.0 % 11.6 % 12.9 % 13.0 % 11.6 % 15.2 % 15.1 % 15.2 % 15.1 % 15.2 % 15.1 % 15.2 % 15.1 % 15.2 % 15.1 % 15.2 % 15.1 % 15.2 % 15.2 % 15.1 % 15.2 % 15.1 % 15.2 % 15.1 % 15.2 % 15.2 % 15.1 % 15.6 % 15.2	Cash and securities to total assets ratio													
Common Equity Tier 1 Ratio 56 11.3 % 11.4 % 11.3 % 11.1 % 11.4 % 11.2 % 11.3 % 11.1 % 10.1 % Tier 1 capital ratio - Basel III 57 12.9 % 12.9 % 12.8 % 13.0 % 12.9 % 12.8 % 12.9 % 12.8 % 12.9 % 12.9 % 12.9 % 13.0 % 11.4 % 10.1 % Total capital ratio - Basel III 58 15.2 % 14.9 % 15.0 % 15.2 % 14.9 % 14.7 % 13.6 % 15.2 % 15.1 % 15.2 % 14.9 % 14.7 % 13.6 % 15.2 % 15.1 % 15.2 % 14.9 % 14.7 % 13.6 % 15.2 % 15.1 % 15.2 % 14.9 % 14.7 % 13.6 % 15.2 % 15.1 % 15.2 % 14.9 % 14.7 % 13.6 % 15.2 % 15.1 % 15.2 % 14.9 % 14.7 % 13.0 % 15.2 % 15.1 % 15.2 % 14.9 % 14.7 % 13.0 % 15.2 % 15.1 % 15.2 % 15.1 % 15.2 % 15.2 % 15.1 % 15.2 % 14.8 %	GIL to gross loans and acceptances (2)	55	0.48 %	0.53 %	0.56 %	0.57 %	0.59 %	0.58 %	0.64 %	0.61 %	0.64 %	0.48 %	0.59 %	0.64 %
Tier 1 capital ratio - Basel III 57 12.9 % 12.9 % 12.9 % 13.0 % 12.9 % 12.8 % 13.0 % 12.9 % 12.6 % 11.6 % 12.9 % 13.0 % 11.6 % 12.9 % 13.0 % 11.6 % 12.9 % 13.0 % 11.6 % 12.9 % 13.0 % 12.8 % 13.0 % 12.8 % 12.6 % 11.6 % 12.9 % 13.0 % 11.6 % 12.9 % 13.0 % 11.6 % 12.9 % 13.0 % 11.6 % 12.9 % 13.0 % 11.6 % 12.9 % 13.0 % 11.6 % 12.9 % 13.0 % 12.9 % 13.0 % 12.9 % 13.0 % 12.9 % 13.0 % 12.9 % 13.0 % 11.6 % 12.9 % 13.0 % 11.6 % 12.9 % 13.0 % 11.6 % 15.2 % 15.0 % 15.2 % 15.1 % 15.2 % 14.9 % 14.7 % 13.0 % 15.2 % 15.0 % 15.2 % 15.0 % 15.2 % 15.0 % 15.2 % 15.0 % 15.2 % 15.0 % 15.2 % 15.0 % 15.2 % 15.0 % 15.2 % 15.0 % <td>Capital Measures</td> <td></td>	Capital Measures													
Total capital ratio - Basel III 58 15.2 % 14.9 % 15.0 % 15.2 % 15.1 % 15.2 % 14.9 % 14.7 % 13.6 % 15.2 % 15.1 % 15.2 % 14.9 % 14.7 % 13.6 % 15.2 % 15.1 % 15.2 % 14.9 % 14.7 % 13.6 % 15.2 % 15.1 % 15.2 % 14.9 % 14.7 % 13.6 % 15.2 % 15.1 % 15.2 % 14.9 % 14.7 % 13.6 % 15.2 % 15.1 % 15.2 % 14.9 % 14.7 % 13.6 % 15.2 % 15.1 % 15.2 % 14.9 % 14.7 % 13.6 % 15.2 % 15.1 % 15.2 % 14.9 % 14.7 % 13.6 % 15.2 % 15.1 % 15.2 % 15.1 % 15.2 % 14.9 % 14.7 % 13.6 % 15.2 % 15.1 % 13.6 % 15.2 % 15.1 % 13.6 % 15.2 % 15.1 % 13.6 % 15.2 % 15.1 % 13.6 % 15.2 % 15.1 % 13.6 % 13.6 % 13.8 % 13.6 % 13.8 % 14.9 % 14.3 % 14.2 % 14.9 % <td>Common Equity Tier 1 Ratio</td> <td></td>	Common Equity Tier 1 Ratio													
CET1 capital RWA 59 289,237 277,506 273,011 270,577 269,466 264,819 270,791 260,795 277,562 289,237 269,466 277,562 Leverage ratio 60 4.2 % 4.2 % 4.3 % 4.4 % 4.3 % 4.2 % 4.2 % 4.2 %														
Leverage ratio 60 4.2 % 4.2 % 4.3 % 4.4 % 4.3 % 4.2 % 4.2 % 4.2 % 4.2 %														
						- f.U /0	- 7. - 7 /0	- r. - 7 /0	-7.0 /0	- 1. 2 /0	- T.2 /0	7.2 /0	- - - /0	-7. 2 /0

Adjusted Results are non-GAAP financial measures. See "Accounting Framework" section on page 1 for further information.
 Gross Impaired Loans excludes Purchased Credit Impaired Loans.

FINANCIAL HIGHLIGHTS CONTINUED											вмо 😂 🕯	Financial	Group
	LINE	2018	2018	2018	2018	2017	2017	2017	2017	2016	Fiscal	Fiscal	Fisca
(\$ millions except as noted)	#	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2018	2017	201
Dividend Information													
Dividends declared per share	1	\$0.96	\$0.96	\$0.93	\$0.93	\$0.90	\$0.90	\$0.88	\$0.88	\$0.86	\$3.78	\$3.56	\$3.40
Dividends paid per share	2	\$0.96	\$0.93	\$0.93	\$0.90	\$0.90	\$0.88	\$0.88	\$0.86	\$0.86	\$3.72	\$3.52	\$3.36
Common dividends	3	614	614	596	600	583	584	575	570	555	2,424	2,312	2,191
Preferred dividends	4	43	50	46	45	48	49	42	45	34	184	184	150
Dividend yield	5	3.90 %	3.72 %	3.81 %	3.67 %	3.64 %	3.81 %	3.64 %	3.58 %	4.03 %	3.84 %	3.60 %	3.98
Dividend payout ratio (1)	6	37.2 %	41.4 %	49.9 %	64.9 %	49.5 %	43.8 %	47.6 %	39.5 %	42.4 %	46.2 %	44.8 %	49.0 %
Adjusted dividend payout ratio (2)	7	41.3 %	40.6 %	42.2 %	43.7 %	46.2 %	44.3 %	45.8 %	38.4 %	40.8 %	41.9 %	43.5 %	45.0 %
Share Information													
Share price: high	8	\$109.00	\$104.68	\$101.35	\$105.55	\$100.32	\$97.42	\$104.15	\$101.15	\$87.92	\$109.00	\$104.15	\$87.92
low	9	\$109.00	\$96.97	\$93.60	\$97.51	\$88.63	\$90.13	\$96.10	\$83.58	\$81.62	\$93.60	\$83.58	\$68.65
close	10	\$98.43	\$103.11	\$97.51	\$101.33	\$98.83	\$94.56	\$96.66	\$98.43	\$85.36	\$98.43	\$98.83	\$85.36
Book value per share	11	\$64.73	\$63.31	\$61.67	\$59.78	\$61.92	\$59.65	\$62.22	\$59.51	\$59.56	\$64.73	\$61.92	\$59.56
Number of common shares outstanding: end of period	12	639.3	639.9	640.6	645.5	647.8	648.7	652.1	648.9	645.8	639.3	647.8	645.8
average basic	13	639.9	640.4	643.7	647.7	648.2	651.6	651.1	647.7	645.4	642.9	649.6	644.0
average diluted	14	641.8	642.4	645.6	649.9	650.3	653.7	653.6	650.3	647.7	644.9	652.0	646.1
Total market value of common shares	15	62,929	65,983	62,468	65,411	64,024	61,340	63,032	63,873	55,122	62,929	64,024	55,122
Market to book value ratio	16	1.52	1.63	1.58	1.70	1.60	1.59	1.55	1.65	1.43	1.52	1.60	1.43
Price to earnings multiple	17	12.0	13.9	13.6	14.2	12.5	11.6	12.2	13.0	12.4	12.1	12.5	12.3
Price to adjusted earnings multiple	18	11.0	12.0	11.8	12.7	12.1	11.4	11.7	12.2	11.3	11.0	12.1	11.3
Total shareholder return: twelve month	19	3.3 %	13.2 %	4.8 %	6.8 %	20.2 %	17.3 %	22.9 %	36.3 %	17.0 %	3.3 %	20.2 %	17.0 %
three-year average	20	13.3 %	16.7 %	11.7 %	16.2 %	10.9 %	9.5 %	13.0 %	17.8 %	9.9 %	13.3 %	10.9 %	9.9 %
Additional Bank Information	1												
Number of full-time equivalent employees: Canada	21	29,982	30,369	29,923	29,989	29,647	30,354	29,945	29,932	29,643	29,982	29,647	29,643
United States	22	13,943	13,811	13,673	13,663	14,071	14,334	14,350	14,339	14,147	13,943	14,071	14,147
Other	23	1,529	1,545	1,500	1,495	1,482	1,485	1,470	1,458	1,444	1,529	1,482	1,444
Total	24	45,454	45,725	45,096	45,147	45,200	46,173	45,765	45,729	45,234	45,454	45,200	45,234
Number of bank branches: Canada	25	908	914	922	925	926	937	938	941	942	908	926	942
United States	26	571	571	573	573	573	572	578	578	576	571	573	576
Other	27	4	4	4	4	4	4	4	4	4	4	4	4
Total	28	1,483	1,489	1,499	1,502	1,503	1,513	1,520	1,523	1,522	1,483	1,503	1,522
Number of automated banking machines: Canada	29	3,387	3,365	3,323	3,302	3,315	3,305	3,281	3,269	3,285	3,387	3,315	3,285
United States	30	1,441	1,428	1,427	1,421	1,416	1,406	1,391	1,388	1,314	1,441	1,416	1,314
Total	31	4,828	4,793	4,750	4,723	4,731	4,711	4,672	4,657	4,599	4,828	4,731	4,599
Long term deposits / legacy senior debt (3): DBRS	32	AA	AA	AA	AA	AA	AA	AA	AA	AA	AA	AA	AA
Fitch	33	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-
Moody's	34	Aa2	Aa2	A1	A1	A1	A1	Aa3	Aa3	Aa3	Aa2	A1	Aa3
Standard and Poor's	35	A+	A+	A+	A+	A+	A+	A+	A+	A+	A+	A+	A+
Senior debt (4): DBRS	36	AA (low)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	AA (low)	n.a.	n.a.
Fitch	37	AA-	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	AA-	n.a.	n.a.
Moody's Standard and Poor's	38 39	A2 A-	n.a. n.a.	n.a. n.a.	n.a. n.a.	n.a. n.a.	n.a. n.a.	n.a. n.a.	n.a. n.a.	n.a. n.a.	A2 A-	n.a. n.a.	n.a. n.a.
											L		
Other Statistical Information	40	3.72 %	3.50 %	3 1 5 0/	2 04 0/	3 10 0/	2 75 0/	2 70 0/	2 70 %	2 70 0/	2 40 0/	2 91 0/	2 70 0
Prime rate: average Canadian	40			3.45 %	3.24 %	3.10 %	2.75 %	2.70 %	2.70 %	2.70 %	3.48 %	2.81 %	2.70 %
average U.S.	41	5.09 %	4.88 %	4.61 %	4.38 %	4.25 %	4.13 %	3.88 %	3.63 %	3.50 %	4.74 %	3.97 %	3.47 %
Exchange rate: as at Cdn/U.S. dollar	42	1.3169	1.2997	1.2842	1.2304	1.2895	1.2453	1.3650 1.3412	1.3012	1.3411	1.3169	1.2895	1.3411 1.3251
average Cdn/U.S. dollar	43	1.3047	1.3032	1.2858	1.2575	1.2621	1.2974	1.3412	1.3288	1.3216	1.2878	1.3071	1.3231

(2) Adjusted dividend payout ratio equals dividends declared per share divided by adjusted basic earnings per share.
 (3) Long term deposits / legacy senior debt includes: (a) Senior debt issued prior to September 23, 2018; and (b) Senior debt issued on or after September 23, 2018 which is excluded from the Bank Recapitalization (Bail-In) Regime.

(4) Subject to conversion under the Bank Recapitalization (Bail-In) Regime.

TOTAL BANK CONSOLIDATED											вмо 😬	Financial	Group
SUMMARY INCOME STATEMENT AND HIGHLIGHTS (\$ millions except as noted)	LINE #	2018 Q4	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	Fiscal 2018	Fiscal 2017	Fiscal 2016
(S millions except as noted)	#	Q4	QS	QZ	QI	Q4	ୟୁ	QZ	QI	Q4	2016	2017	2016
Net interest income	1	2,669	2,607	2,491	2,546	2,535	2,533	2,409	2,530	2,498	10,313	10,007	9,872
Non-interest revenue	2	3,253	3,213	3,126	3,132	3,120	2,926	3,332	2,875	2,780	12,724	12,253	11,215
Total revenue	3	5,922	5,820	5,617	5,678	5,655	5,459	5,741	5,405	5,278	23,037	22,260	21,087
Provision for credit losses on impaired loans (1)	4	177	177	172	174						700		
Provision for (recovery of) credit losses on performing loans (1)	5	(2)	9	(12)	(33)						(38)		
Total provision for credit losses (1)	6	175	186	160	141	202	126	251	167	167	662	746	771
Net interest income and non-interest revenue, net of PCL	7	5,747	5,634	5,457	5,537	5,453	5,333	5,490	5,238	5,111	22,375	21,514	20,316
Insurance claims, commissions and changes in policy benefit liabilities (CCPB)	8	390	269	332	361	573	253	708	4	79	1,352	1,538	1,543
Non-interest expense	9	3,224	3,386	3,562	3,441	3,375	3,286	3,284	3,385	3,330	13,613	13,330	13,041
Income before taxes	10	2,133	1,979	1,563	1,735	1,505	1,794	1,498	1,849	1,702	7,410	6,646	5,732
Provision for income taxes	11	438	443	317	762	278	407	250	361	357	1,960	1,296	1,101
Net income	12	1,695	1,536	1,246	973	1,227	1,387	1,248	1,488	1,345	5,450	5,350	4,631
Non-controlling interest in subsidiaries	13	-	-	-	-	-	-	1	1	1	-	2	9
Net income attributable to Bank shareholders	14	1,695	1,536	1,246	973	1,227	1,387	1,247	1,487	1,344	5,450	5,348	4,622
Adjusted net income	15	1,529	1,565	1,463	1,422	1,309	1,374	1,295	1,530	1,395	5,979	5,508	5,020
Revenue, net of CCPB	16	5,532	5,551	5,285	5,317	5,082	5,206	5,033	5,401	5,199	21,685	20,722	19,544
Adjusted revenue	17	5,922	5,820	5,617	5,678	5,655	5,459	5,741	5,405	5,278	23,037	22,260	21,171
Adjusted revenue, net of CCPB	18	5,532	5,551	5,285	5,317	5,082	5,206	5,033	5,401	5,199	21,685	20,722 5.6 %	19,628
Adjusted revenue growth, net of CCPB	19	8.9 %	6.6 %	5.0 %	(1.6)%	(2.2)%	5.3 %	7.2 %	12.7 %	10.2 %	4.6 %		8.2 %
Adjusted non-interest expense Adjusted non-interest expense growth	20 21	3,452 6.0 %	3,350 3.7 %	3,269 1.5 %	3,409 2.5 %	3,258 (0.1)%	3,231 6.4 %	3,220 4.8 %	3,326 3.3 %	3,262 7.1 %	13,480 3.4 %	13,035 3.6 %	12,588 5.9 %
Adjusted hon-interest expense grown	21	175	186	1.5 %	2.5 %	202	202	4.0 %	3.3 %	167	662	822	5.9 %
	22	175	100	100	141	202	202	201	107	107	002	022	
U.S. Segment Information (\$CAD equivalent) Net interest income	23	1,034	1,002	960	966	967	980	966	1,007	981	3,962	3,920	3,893
Non-interest revenue	23	876	865	821	791	797	791	823	742	848	3,353	3,320	2,903
Total revenue	25	1,910	1,867	1,781	1,757	1,764	1,771	1,789	1,749	1,829	7,315	7,073	6,796
Total provision for credit losses (1)	26	80	57	43	50	84	64	110	38	87	230	296	196
Net interest income and non-interest revenue, net of PCL	27	1,830	1,810	1,738	1,707	1,680	1,707	1,679	1,711	1,742	7,085	6,777	6,600
Non-interest expense	28	1,392	1,280	1,287	1,256	1,298	1,288	1,305	1,298	1,304	5,215	5,189	5,101
Income before taxes	29	438	530	451	451	382	419	374	413	438	1,870	1,588	1,499
Provision for income taxes	30	50	107	83	531	95	94	89	100	121	771	378	394
Net income (loss)	31	388	423	368	(80)	287	325	285	313	317	1,099	1,210	1,105
Adjusted net income	32	418	444	423	361	335	340	314	329	363	1,646	1,318	1,232
Adjusted net interest margin on average earning assets	33	1.50 %	1.50 %	1.56 %	1.61 %	1.60 %	1.59 %	1.60 %	1.62 %	1.62 %	1.54 %	1.60 %	1.65 %
Adjusted non-interest expense	34	1,353	1,254	1,211	1,234	1,237	1,248	1,264	1,255	1,261	5,052	5,004	4,877
Adjusted provision for credit losses	35	80	57	43	50	71	84	110	57	62	230	322	232
Average assets	36	293,849	287,217	272,008	257,794	258,080	264,214	268,629	267,105	264,514	277,764	264,473	260,018
Average earning assets	37	272,863	265,979	251,949	238,003	239,915	244,681	247,806	246,274	241,547	257,242	244,643	236,137
Average net loans and acceptances	38	128,538	125,259	119,230	113,617	113,179	112,918	115,399	115,513	117,572	121,680	114,243	114,375
Average gross loans and acceptances	39	129,298	126,027	119,981	114,321	113,927	113,740	116,271	116,397	118,412	122,427	115,074	115,232
Average deposits	40	176,126	167,579	164,634	160,082	161,333	162,346	165,440	160,462	164,781	167,126	162,370	167,110
\$USD Equivalent													
Net interest income	41	792	769	747	768	766	756	720	758	743	3,076	3,000	2,939
Non-interest revenue	42	672	663	639	629	631	610	613	559	642	2,603	2,413	2,188
Total revenue	43	1,464	1,432	1,386	1,397	1,397	1,366	1,333	1,317	1,385	5,679	5,413	5,127
Provision for credit losses on impaired loans (1)	44	47	46	40	63						196		
Provision for (recovery of) credit losses on performing loans (1)	45	14	(2)	(7)	(23)	~7	10				(18)	005	450
Total provision for credit losses (1)	46	61	44	33	40	67	48	83	27	66	178	225	150
Net interest income and non-interest revenue, net of PCL		1,403	1,388 982	1,353	1,357	1,330 1,028	1,318	1,250	1,290	1,319	5,501 4,049	5,188	4,977
Non-interest expense Income before taxes	48 49	1,067 336	<u>982</u> 406	1,001 352	999 358	<u>1,028</u> 302	<u>992</u> 326	974 276	<u>977</u> 313	987 332	4,049	<u>3,971</u> 1,217	3,852 1,125
Provision for income taxes	49 50	336	406	352 66	422	302 75	326 76	62	77	332 93	609	290	297
Net income (loss)	51	297	324	286	(64)	227	250	214	236	239	843	927	828
Adjusted net income	52	320	340	329	288	265	261	235	248	273	1,277	1,009	927
Revenue growth	53	4.8 %	4.9 %	3.8 %	6.2 %	0.9 %	4.4 %	10.6 %	7.2 %	13.7 %	4.9 %	5.6 %	9.6 %
Non-interest expense growth	54	3.8 %	(1.0)%	2.8 %	2.2 %	4.1 %	6.1 %	(2.7)%	5.1 %	5.2 %	2.0 %	3.1 %	3.3 %
Adjusted non-interest expense	55	1,038	961	943	981	980	961	943	945	954	3,923	3,829	3,679
Adjusted non-interest expense growth	56	5.9 %	0.1 %	(0.0)%	3.8 %	2.7 %	6.2 %	2.9 %	4.5 %	4.4 %	2.5 %	4.0 %	2.1 %
Operating leverage	57	1.0 %	5.9 %	1.0 %	4.0 %	(3.2)%	(1.7)%	13.3 %	2.1 %	8.5 %	2.9 %	2.5 %	6.3 %
Adjusted operating leverage	58	(1.1)%	4.8 %	3.8 %	2.4 %	(1.8)%	(1.8)%	7.7 %	2.7 %	9.3 %	2.4 %	1.6 %	7.5 %
Net income growth	59	30.6 %	29.0 %	34.2 %	(127.2)%	(4.8)%	10.5 %	63.4 %	2.1 %	3.5 %	(9.1)%	12.1 %	12.1 %
Adjusted net income growth	60	20.3 %	29.9 %	40.5 %	16.2 %	(2.6)%	5.2 %	27.1 %	12.3 %	19.9 %	26.5 %	9.0 %	15.9 %
Adjusted provision for credit losses	61	61	44	33	40	57	64	83	42	47	178	246	175
Average assets	62	225,235	220,377	211,555	205,058	204,549	203,635	200,296	201,005	200,193	215,589	202,388	196,273
Average earning assets	63	209,151	204,083	195,953	189,312	190,151	188,584	184,772	185,327	182,813	199,655	187,229	178,262
Average net loans and acceptances	64	98,520	96,109	92,731	90,359	89,681	87,061	86,036	86,923	88,958	94,445	87,436	86,360
Average gross loans and acceptances	65	99,103	96,698	93,315	90,919	90,273	87,694	86,687	87,588	89,595	95,024	88,071	87,006
Average deposits	66	134,984	128,578	128,043	127,324	127,849	125,185	123,344	120,791	124,714	129,746	124,300	126,121

(1) 2016 and 2017 have not been restated to reflect the new IFRS standard adopted in 2018. The adoption of the new IFRS standard in 2018 has been applied prospectively.

TOTAL PERSONAL & COMMERCIAL BANKING											вмо 🔷 і	Financial	Group
SUMMARY INCOME STATEMENT AND HIGHLIGHTS	LINE	2018	2018	2018	2018	2017	2017	2017	2017	2016	Fiscal	Fiscal	Fiscal
(\$ millions except as noted)	#	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2018	2017	2016
Net interest income (teb)	1	2,431	2,396	2,274	2,283	2,263	2,229	2,122	2,198	2,192	9,384	8,812	8,571
Non-interest revenue	2	835	841	802	833	787	805	752	904	803	3,311	3,248	3,028
Total revenue (teb)	3	3,266	3,237	3,076	3,116	3,050	3,034	2,874	3,102	2,995	12,695	12,060	11,599
Provision for credit losses on impaired loans (1)	4	179	174	197	174						724		
Provision for (recovery of) credit losses on performing loans (1)	5	3	3	(15)	(26)						(35)		
Total provision for credit losses (1)	6	182	177	182	148	194	196	210	172	182	689	772	755
Net interest and non-interest revenue (teb), net of PCL	7	3,084	3,060	2,894	2,968	2,856	2,838	2,664	2,930	2,813	12,006	11,288	10,844
Non-interest expense	8	1,740	1,732	1,658	1,687	1,642	1,661	1,619	1,644	1,632	6,817	6,566	6,414
Income before taxes	9	1,344	1,328	1,236	1,281	1,214	1,177	1,045	1,286	1,181	5,189	4,722	4,430
Provision for income taxes (teb)	10	297	322	298	324	320	296	275	293	311	1,241	1,184	1,162
Net income	11	1,047	1,006	938	957	894	881	770	993	870	3,948	3,538	3,268
Adjusted net income	12	1,059	1,018	950	968	906	893	782	1,006	883	3,995	3,587	3,320
Return on equity (2)	13	19.0 %	18.5 %	18.2 %	18.5 %	17.1 %	16.7 %	14.8 %	18.1 %	16.7 %	18.6 %	16.7 %	15.8 %
Adjusted return on equity (2)	14	19.3 %	18.8 %	18.5 %	18.7 %	17.3 %	16.9 %	15.0 %	18.3 %	17.0 %	18.8 %	16.9 %	16.1 %
Net interest margin on average earning assets (teb)	15	2.98 %	2.97 %	2.97 %	2.94 %	2.94 %	2.91 %	2.86 %	2.87 %	2.87 %	2.97 %	2.90 %	2.88 %
Revenue growth	16	7.1 %	6.7 %	7.0 %	0.5 %	1.9 %	3.4 %	2.2 %	8.5 %	12.3 %	5.3 %	4.0 %	13.0 %
Non-interest expense growth	17	5.9 %	4.4 %	2.4 %	2.6 %	0.7 %	4.9 %	2.4 %	1.6 %	8.5 %	3.8 %	2.4 %	10.5 %
Adjusted non-interest expense	18	1,724	1,717	1,643	1,672	1,626	1,644	1,603	1,627	1,614	6,756	6,500	6,343
Adjusted non-interest expense growth	19	6.0 %	4.5 %	2.5 %	2.7 %	0.8 %	5.0 %	2.5 %	1.7 %	8.7 %	3.9 %	2.5 %	10.7 %
Efficiency ratio (teb)	20	53.3 %	53.5 %	53.9 %	54.2 %	53.9 %	54.7 %	56.3 %	53.0 %	54.5 %	53.7 %	54.4 %	55.3 %
Adjusted efficiency ratio (teb)	21	52.8 %	53.1 %	53.4 %	53.7 %	53.3 %	54.2 %	55.7 %	52.5 %	53.9 %	53.2 %	53.9 %	54.7 %
Operating leverage	22	1.2 %	2.3 %	4.6 %	(2.1)%	1.2 %	(1.5)%	(0.2)%	6.9 %	3.8 %	1.5 %	1.6 %	2.5 %
Adjusted operating leverage	23	1.1 %	2.2 %	4.5 %	(2.2)%	1.1 %	(1.6)%	(0.3)%	6.8 %	3.6 %	1.4 %	1.5 %	2.3 %
Net income growth	24	17.1 %	14.1 %	21.8 %	(3.6)%	2.8 %	. 5.8 [°] %	(2.3)%	27.9 %	13.2 %	11.6 %	8.3 %	11.4 %
Adjusted net income growth	25	16.9 %	13.9 %	21.3 %	(3.6)%	2.6 %	5.6 %	(2.3)%	27.2 %	12.7 %	11.4 %	8.0 %	11.0 %
Average common equity (2)	26	21,475	21,197	20,733	20,246	20,427	20,567	20,968	21,439	20,290	20,914	20,849	20,241
Average assets	27	343,352	338,497	331,806	325,862	324,058	321,451	321,158	320,886	321,449	334,904	321,894	314,129
Average earning assets	28	324,014	319,954	313,568	307,810	305,841	303,642	303,941	303,279	303,994	316,359	304,178	297,178
Average net loans and acceptances	29	328,923	323,984	316,712	310,353	309,280	306,089	305,409	304,151	303,977	320,019	306,239	296,678
Average gross loans and acceptances	30	330,502	325,545	318,262	311.731	309.413	306,193	305,560	304,332	304,220	321,537	306,381	296,932
Average deposits	31	258,602	251,671	248,013	242,525	236,309	238,998	239,063	239,326	235,399	250,221	238,419	230,013
Number of full-time equivalent employees	32	21.832	21,978	21.606	21,714	21,697	22.568	22,495	22.444	21,858	21,832	21,697	21,858
(1) 2016 and 2017 have not been restated to reflect the new IERS s	-	1		1			1	1	,		,	,	,000

(1) 2016 and 2017 have not been restated to reflect the new IFRS standard adopted in 2018. The adoption of the new IFRS standard in 2018 has been applied prospectively. (2) Operating groups have been allocated capital at a consistent level in 2018 and 2017, and at a higher level than in 2016.

CANADIAN P&C										E	вмо 😬 в	Financial	Group
SUMMARY INCOME STATEMENT AND HIGHLIGHTS	LINE	2018	2018	2018	2018	2017	2017	2017	2017	2016	Fiscal	Fiscal	Fiscal
(\$ millions except as noted)	#	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2018	2017	2016
Net interest income	1	1,421	1,402	1,338	1,380	1,369	1,335	1,254	1,303	1,304	5,541	5,261	5,080
Non-interest revenue	2	547	550	521	553	515	521	470	676	503	2,171	2,182	1,909
Total revenue	3	1,968	1,952	1,859	1,933	1,884	1,856	1,724	1,979	1,807	7,712	7,443	6,989
Provision for credit losses on impaired loans (1)	4	118	120	131	97						466		
Provision for (recovery of) credit losses on performing loans (1)	5	(15)	17	(3)	4						3		
Total provision for credit losses (1)	6	103	137	128	101	130	119	121	113	116	469	483	506
Net interest and non-interest revenue, net of PCL	7	1,865	1,815	1,731	1,832	1,754	1,737	1,603	1,866	1,691	7,243	6,960	6,483
Non-interest expense	8	954	949	936	966	917	912	888	905	893	3,805	3,622	3,500
Income before taxes	9	911	866	795	866	837	825	715	961	798	3,438	3,338	2,983
Provision for income taxes	10	236	224	205	219	213	212	185	217	207	884	827	766
Net income	11	675	642	590	647	624	613	530	744	591	2,554	2,511	2,217
Adjusted net income	12	676	642	591	647	625	614	530	745	591	2,556	2,514	2,219
Net interest margin on average earning assets	13	2.62 %	2.60 %	2.59 %	2.60 %	2.59 %	2.54 %	2.49 %	2.51 %	2.54 %	2.60 %	2.53 %	2.55 %
Revenue growth	14	4.4 %	5.2 %	7.8 %	(2.3)%	4.3 %	4.5 %	2.9 %	14.4 %	5.4 %	3.6 %	6.5 %	5.0 %
Non-interest expense growth	15	3.9 %	4.1 %	5.3 %	6.7 %	2.9 %	4.5 %	4.3 %	2.4 %	3.9 %	5.0 %	3.5 %	3.1 %
Adjusted non-interest expense	16	953	949	935	966	917	911	888	904	892	3,803	3,620	3,497
Adjusted non-interest expense growth	17	3.9 %	4.1 %	5.4 %	6.7 %	2.9 %	4.5 %	4.4 %	2.4 %	4.1 %	5.0 %	3.5 %	3.2 %
Efficiency ratio	18	48.5 %	48.6 %	50.4 %	50.0 %	48.7 %	49.1 %	51.5 %	45.7 %	49.4 %	49.3 %	48.7 %	50.1 %
Adjusted efficiency ratio	19	48.4 %	48.6 %	50.3 %	50.0 %	48.7 %	49.1 %	51.5 %	45.7 %	49.4 %	49.3 %	48.6 %	50.0 %
Operating leverage	20	0.5 %	1.1 %	2.5 %	(9.0)%	1.4 %	0.0 %	(1.4)%	12.0 %	1.5 %	(1.4)%	3.0 %	1.9 %
Adjusted operating leverage	21	0.5 %	1.1 %	2.4 %	(9.0)%	1.4 %	0.0 %	(1.5)%	12.0 %	1.3 %	(1.4)%	3.0 %	1.8 %
Net income growth	22	8.3 %	4.6 %	11.0 %	(12.8)%	5.3 %	8.8 %	0.5 %	39.4 %	5.1 %	1.7 %	13.2 %	4.8 %
Adjusted net income growth	23	8.3 %	4.6 %	11.0 %	(12.8)%	5.3 %	8.7 %	0.5 %	39.3 %	4.9 %	1.7 %	13.2 %	4.7 %
Average assets	24	227,778	225,562	223,182	221,647	220,852	218,830	216,105	214,900	212,898	224,553	217,685	208,018
Average earning assets	25	215,290	213,829	211,840	210,867	210,110	208,682	206,757	205,676	203,876	212,965	207,815	199,527
Average net loans and acceptances	26	226,070	223,936	221,296	219,347	218,909	216,878	214,139	212,692	210,715	222,673	215,667	205,813
Average gross loans and acceptances: Residential mortgages	27	99,987	99,713	99,724	100,326	100,252	99,169	98,342	98,424	97,438	99,939	99,052	94,798
Consumer instalment and other personal	28	45,662	45,248	45,114	45,386	45,504	45,163	44,893	44,913	44,631	45,355	45,120	44,286
Credit cards (2)	29	8,907	8,889	8,612	8,801	8,634	8,637	8,404	8,631	8,555	8,804	8,578	8,472
Business and government	30	72,397	70,949	68,703	65,677	64,724	64,096	62,675	60,881	60,282	69,438	63,098	58,417
Total average gross loans and acceptances	31	226,953	224,799	222,153	220,190	219,114	217,065	214,314	212,849	210,906	223,536	215,848	205,973
Average deposits: Individual	32	101,036	99,494	98,374	98,402	98,114	98,327	96,696	94,998	93,223	99,335	97,036	90,523
Business and government	33	61,444	60,324	59,658	59,150	56,221	55,775	54,662	55,138	52,766	60,148	55,456	51,609
Total average deposits	34	162,480	159,818	158,032	157,552	154,335	154,102	151,358	150,136	145,989	159,483	152,492	142,132
Number of full-time equivalent employees	35	14,644	14,836	14,595	14,722	14,559	15,160	15,074	15,099	14,803	14,644	14,559	14,803

(1) 2016 and 2017 have not been restated to reflect the new IFRS standard adopted in 2018. The adoption of the new IFRS standard in 2018 has been applied prospectively.

(2) Credit Cards include retail, small business and commercial cards.

U.S. P&C										В	MO 😂 Fi	nancial C	Group
SUMMARY INCOME STATEMENT AND HIGHLIGHTS	LINE	2018	2018	2018	2018	2017	2017	2017	2017	2016	Fiscal	Fiscal	Fiscal
(\$ millions except as noted)	#	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2018	2017	2016
Net interest income (teb)	1	1,010	994	936	903	894	894	868	895	888	3,843	3,551	3,491
Non-interest revenue	2	288	291	281	280	272	284	282	228	300	1,140	1,066	1,119
Total revenue (teb)	3	1,298	1,285	1,217	1,183	1,166	1,178	1,150	1,123	1,188	4,983	4,617	4,610
Provision for credit losses on impaired loans (1)	4	61	54	66	77						258		
Provision for (recovery of) credit losses on performing loans (1)	5	18	(14)	(12)	(30)						(38)		
Total provision for credit losses (1)	6	79	40	54	47	64	77	89	59	66	220	289	249
Net interest and non-interest revenue (teb), net of PCL	7	1,219	1,245	1,163	1,136	1,102	1,101	1,061	1,064	1,122	4,763	4,328	4,361
Non-interest expense	8	786	783	722	721	725	749	731	739	739	3,012	2,944	2,914
Income before taxes	9	433	462	441	415	377	352	330	325	383	1,751	1,384	1,447
Provision for income taxes (teb)	10 11	61 372	98 364	93 348	<u>105</u> 310	<u>107</u> 270	84 268	90 240	<u>76</u> 249	104 279	357 1.394	357 1.027	<u>396</u> 1.051
Net income Adjusted net income	12	372	304	348	321	270	208	240	249 261	279 292	1,394	1,027	1,051
Average assets	12	115,574	112,935	108,624	104,215	103,206	102,621	105,053	105,986	108,551	110,351	104,209	106,111
Average earning assets	13 14	108.724	106.125	100,024	96.943	95.731	94,960	97.184	97,603	100,551	103,394	96.363	97.651
Average net loans and acceptances (2)	15	102.853	100,123	95,416	91.006	90.371	89,211	91.270	91,459	93.262	97,346	90,505	90.865
Average gross loans and acceptances (2)	16	102,000	100,746	96,109	91,541	90,299	89,128	91,246	91,483	93,314	98,001	90,533	90,959
Average deposits	17	96,122	91,853	89,981	84,973	81,974	84,896	87,705	89,190	89,410	90,738	85,927	87,881
Number of full-time equivalent employees	18	7,188	7,142	7,011	6,992	7,138	7,408	7,421	7,345	7,055	7,188	7,138	7,055
				,	,	,		,	,	<u>, </u>	· · · · ·	,	,
\$USD Equivalent													
Net interest income (teb)	19	774	762	729	718	708	689	648	673	671	2,983	2,718	2,635
Non-interest revenue	20	222	223	218	223	216	219	210	172	227	886	817	845
Total revenue (teb)	21	996	985	947	941	924	908	858	845	898	3,869	3,535	3,480
Provision for credit losses on impaired loans (1)	22	46	42	51	62						201		
Provision for (recovery of) credit losses on performing loans (1)	23	14	(11)	(9)	(25)						(31)		
Total provision for credit losses (1)	24	60	31	42	37	52	58	67	44	50	170	221	188
Net interest and non-interest revenue (teb), net of PCL	25	936	954	905	904	872	850	791	801	848	3,699	3,314	3,292
Non-interest expense	26	602	601	562	573	574	578	545	556	560	2,338	2,253	2,199
Income before taxes	27 28	334 49	353 74	343 71	331 84	298 84	272 66	246 67	245 57	288 77	1,361 278	1,061 274	1,093 299
Provision for income taxes (teb) Net income	28 29	285	279	272	247	214	206	179	188	211	1.083	787	299 794
Adjusted net income	30	205	279	280	256	214	200	179	100	211	1,118	823	831
Net interest margin on average earning assets (teb)	31	3.69 %	3.71 %	3.77 %	3.70 %	3.70 %	3.74 %	3.66 %	3.64 %	3.53 %	3.72 %	3.69 %	3.57 %
Revenue growth	32	7.8 %	8.5 %	10.4 %	11.3 %	2.8 %	2.2 %	(1.8)%	3.0 %	24.5 %	9.4 %	1.6 %	21.1 %
Non-interest expense growth	33	4.8 %	4.1 %	3.0 %	3.0 %	2.6 %	5.8 %	(2.8)%	4.3 %	14.3 %	3.8 %	2.4 %	14.6 %
Adjusted non-interest expense	34	591	590	551	561	561	566	533	544	547	2,293	2,204	2,147
Adjusted non-interest expense growth	35	5.1 %	4.3 %	3.2 %	3.2 %	2.8 %	6.1 %	(2.7)%	4.5 %	14.9 %	4.0 %	2.6 %	15.3 %
Efficiency ratio (teb)	36	60.5 %	61.0 %	59.3 %	60.9 %	62.2 %	63.6 %	63.5 %	65.8 %	62.3 %	60.4 %	63.7 %	63.2 %
Adjusted efficiency ratio (teb)	37	59.4 %	59.9 %	58.1 %	59.7 %	60.9 %	62.2 %	62.1 %	64.4 %	60.9 %	59.3 %	62.4 %	61.7 %
Operating leverage	38	3.0 %	4.4 %	7.4 %	8.3 %	0.2 %	(3.6)%	1.0 %	(1.3)%	10.2 %	5.6 %	(0.8)%	6.5 %
Adjusted operating leverage	39	2.7 %	4.2 %	7.2 %	8.1 %	0.0 %	(3.9)%	0.9 %	(1.5)%	9.6 %	5.4 %	(1.0)%	5.8 %
Net income growth	40	32.8 %	35.3 %	52.1 %	31.4 %	1.9 %	0.1 %	(11.1)%	6.5 %	35.2 %	37.5 %	(0.8)%	21.8 %
Adjusted net income growth	41	31.4 %	33.8 %	49.5 %	29.8 %	1.6 %	(0.1)%	(10.8)%	6.0 %	32.3 %	35.8 %	(1.0)%	19.8 %
Average assets	42	88,587	86,653	84,482	82,881	81,771	79,121	78,321	79,751	82,133	85,660	79,752	80,108
Average earning assets	43	83,336	81,428	79,118	77,101	75,849	73,221	72,454	73,440	75,751	80,255	73,752	73,724
Average net loans and acceptances (2)	44	78,835	76,765	74,208	72,378	71,603	68,791	68,045	68,817	70,563	75,558	69,324	68,599
Average gross loans and acceptances: Personal Commercial	45 46	20,314 59,055	20,086 57,215	19,822 54,925	19,565 53,239	17,895 53,651	17,881 50,846	18,096 49,931	18,858 49,977	20,785 49,818	19,948	18,183	21,621 47,049
Total average gross loans and acceptances (2)	40 47	59,055 79,369	57,215 77,301	54,925 74,747	53,239 72,804	53,651 71,546	50,846 68,727	49,931 68,027	49,977 68,835	49,818 70,603	56,119 76,067	51,111 69,294	47,049 68,670
Average deposits: Personal	47	79,369 47,995	46,845	45,099	72,804 44,255	42,872	42,236	42,394	42,418	41,736	46,056	69,294 42,481	68,670 40,496
Commercial	48 49	47,995 25,673	46,845 23,633	45,099 24,883	44,255 23,328	42,872 22,080	42,236 23,188	42,394 23,002	42,418 24,695	25,924	46,056 24,375	23,243	40,496 25,847
Total average deposits	49 50	73,668	23,033 70,478	24,883 69,982	23,328 67,583	22,080 64,952	23,188 65,424	23,002 65,396	24,095 67,113	67,660	70,431	23,243 65,724	25,647 66,343
(1) 2016 and 2017 have not been restated to reflect the new IERS standard adopted in 201								55,550	57,115	01,000	70,401	00,724	00,040

(1) 2016 and 2017 have not been restated to reflect the new IFRS standard adopted in 2018. The adoption of the new IFRS standard in 2018 has been applied prospectively. (2) Excludes purchased credit impaired loans.

BMO WEALTH MANAGEMENT										I	вмо 🔷 р	inancial	Group
SUMMARY INCOME STATEMENT AND HIGHLIGHTS (\$ millions except as noted)	LINE #	2018 Q4	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	Fiscal 2018	Fiscal 2017	Fiscal 2016
Net interest income	1	210	212	204	200	194	181	175	172	167	826	722	635
Non-interest revenue	2	1,359	1,326	1,378	1,405	1,490	1,262	1,695	1,045	1,120	5,468	5,492	5,274
Total revenue	3	1,569	1,538	1,582	1,605	1,684	1,443	1,870	1,217	1,287	6,294	6,214	5,909
Provision for credit losses on impaired loans (1)	4 5	2 1	2 2	1	1 (2)						6		
Provision for (recovery of) credit losses on performing loans (1) Total provision for (recovery of) credit losses (1)	5 6	3	4	(1)	(1)		5	1	2	1	- 6	8	9
Net interest and non-interest revenue, net of PCL	7	1,566	1,534	1,582	1,606	1,684	1,438	1,869	1,215	1,286	6,288	6,206	5,900
Insurance claims, commissions and changes in policy benefit liabilities (CCPB)	8	390	269	332	361	573	253	708	4	79	1,352	1,538	1,543
Non-interest expense	9	880	875	860	894	841	833	822	855	833	3,509	3,351	3,337
Income before taxes Provision for income taxes	10	296	390	390	351	270	352	339	356	374	1,427	1,317	1,020
Net income	11 12	77 219	<u>99</u> 291	94 296	85 266	95 175	83 269	85 254	87 269	92 282	355 1,072	350 967	245 775
Traditional Wealth businesses net income	13	192	202	230	184	192	192	181	164	202	805	729	552
Insurance net income	14	27	89	69	82	(17)	77	73	105	78	267	238	223
Non-controlling interest in subsidiaries	15	-	-	-	-	-	-	1	1	1	-	2	2
Net income attributable to Bank shareholders	16	219	291	296	266	175	269	253	268	281	1,072	965	773
Adjusted net income	17	229	301	307	276	189	284	275	284 179	305	1,113	1,032	876
Traditional Wealth businesses net income Insurance net income	18 19	202 27	212 89	238 69	194 82	206 (17)	207 77	202 73	179 105	227 78	846 267	794 238	653 223
Return on equity (2)	20	14.1 %	18.9 %	20.4 %	18.3 %	11.6 %	17.8 %	17.2 %	17.0 %	18.4 %	17.8 %	15.9 %	12.7 %
Adjusted return on equity (2)	21	14.7 %	19.5 %	21.1 %	19.0 %	12.5 %	18.8 %	18.7 %	18.0 %	19.8 %	18.5 %	17.0 %	14.3 %
Revenue, net of CCPB	22	1,179	1,269	1,250	1,244	1,111	1,190	1,162	1,213	1,208	4,942	4,676	4,366
Revenue growth, net of CCPB	23	6.0 %	6.8 %	7.6 %	2.5 %	(8.0)%	9.6 %	16.7 %	12.7 %	0.9 %	5.7 %	7.1 %	(3.6)%
Non-interest expense growth	24	4.7 %	5.0 %	4.5 %	4.6 %	1.0 %	2.8 %	0.8 %	(2.5)%	(2.5)%	4.7 %	0.4 %	(0.6)%
Adjusted non-interest expense	25 26	867	862	847	881 5.4 %	823	816	796 1.1 %	836	804	3,457	3,271	3,211
Adjusted non-interest expense growth Efficiency ratio, net of CCPB	26 27	5.4 % 74.7 %	5.7 % 68.9 %	6.3 % 68.8 %	5.4 % 71.9 %	2.5 % 75.7 %	4.7 % 70.0 %	1.1 % 70.8 %	(0.5)% 70.5 %	(1.8)% 69.0 %	5.7 % 71.0 %	1.9 % 71.7 %	(0.4)% 76.4 %
Adjusted efficiency ratio, net of CCPB	28	73.6 %	67.8 %	67.7 %	70.9 %	74.1 %	68.5 %	68.6 %	68.9 %	66.5 %	70.0 %	70.0 %	73.5 %
Operating leverage, net of CCPB	29	1.3 %	1.8 %	3.1 %	(2.1)%	(9.0)%	6.8 %	15.9 %	15.2 %	3.4 %	1.0 %	6.7 %	(3.0)%
Adjusted operating leverage, net of CCPB	30	0.6 %	1.1 %	1.3 %	(2.9)%	(10.5)%	4.9 %	15.6 %	13.2 %	2.7 %	0.0 %	5.2 %	(3.2)%
Net income growth	31	25.3 %	8.3 %	16.8 %	(1.1)%	(38.1)%	31.3 %	83.6 %	77.8 %	14.8 %	11.0 %	24.5 %	(10.0)%
Adjusted net income growth	32	21.2 %	6.5 %	11.7 %	(2.9)%	(37.9)%	22.6 %	70.3 %	58.0 %	11.2 %	8.0 %	17.6 %	(9.4)%
Average common equity (2)	33 34	6,157 37,510	6,106 36,595	5,946	5,744 34,281	5,964 33,284	5,954 33,003	5,995 32,459	6,244 31,500	6,078 31,380	5,989 35,913	6,040 32,562	6,078 30,642
Average assets Average net loans and acceptances	34 35	21,531	20,706	35,246 19,752	19,032	33,284 18,533	18,323	32,459 17,932	17,459	16,952	20,260	18,063	16,458
Average gross loans and acceptances	36	21,559	20,736	19,784	19,065	18,538	18,328	17,937	17,464	16,958	20,290	18,068	16,464
Average deposits	37	33,968	34,327	34,717	34,008	33,281	33,778	33,919	32,197	30,905	34,251	33,289	29,931
Assets under administration (3)	38	382,839	394,513	386,493	379,664	359,773	465,213	490,344	463,747	469,694	382,839	359,773	469,694
Assets under management	39	438,274	451,216	439,193	435,504	429,448	413,210	430,001	401,560	405,695	438,274	429,448	405,695
Number of full-time equivalent employees	40	6,407	6,457	6,329	6,315	6,304	6,324	6,233	6,247	6,282	6,407	6,304	6,282
U.S. Segment Information (\$CAD equivalent)													
Total revenue	41	185	188	203	197	210	215	214	209	260	773	848	840
Total provision for credit losses (1)	42	-	4	3	1	-	4	-	-	-	8	4	5
Net interest and non-interest revenue, net of PCL	43	185	184	200	196	210	211	214	209	260	765	844	835
Non-interest expense	44	186	175	160	165	175	177	181	181	184	686	714	762
Income (loss) before taxes	45 46	(1)	9 6	40 9	31 9	35 10	34 5	33 9	28 6	76	79 15	130 30	73 17
Provision for (recovery of) income taxes Net income	40	(9) 8	3	31	22	25	29	24	22	21 55	64	100	56
Adjusted net income	48	11	6	34	25	29	33	28	26	60	76	116	75
\$USD Equivalent	40	07	00	00	10		07	05	05		455	4.40	105
Net interest income Non-interest revenue	49 50	37 104	39 105	39 119	40 117	39 129	37 128	35 124	35 123	34 162	155 445	146 504	135 494
Total revenue	50	104	105	158	157	129	120	124	123	196	600	650	629
Provision for (recovery of) credit losses on impaired loans (1)	52	1	1	(1)	1	100	100	100	100	100	2	000	0L0
Provision for (recovery of) credit losses on performing loans (1)	53	(1)	2	3							4		
Total provision for credit losses (1)	54	-	3	2	1	-	4	-	-	-	6	4	4
Net interest and non-interest revenue, net of PCL	55	141	141	156	156	168	161	159	158	196	594	646	625
Non-interest expense	56	142	134	125	131	138	137	134	137	139	532	546	575
Income (loss) before taxes Provision for (recovery of) income taxes	57 58	(1) (7)	7 5	31 7	25 7	30 10	24 3	25 6	21 5	57 16	62 12	100 24	50 11
Net income	58 59	6	2	24	18	20	21	19	16	41	50	76	39
Adjusted net income	60	9	4	27	20	23	24	22	10	45	60	88	54
Revenue growth	61	(14.6)%	(13.4)%	(0.8)%	(0.5)%	(14.9)%	0.1 %	74.3 %	(10.7)%	(21.3)%	(7.5)%	3.2%	(22.0)%
Non-interest expense growth	62	3.0 %	(2.0)%	(7.3)%	(4.0)%	(0.9)%	(2.3)%	(7.2)%	(9.4)%	(13.3)%	(2.5)%	(5.0)%	(11.9)%
Average net loans and acceptances	63	3,845	3,664	3,527	3,436	3,355	3,345	3,283	3,217	3,207	3,619	3,300	3,200
Average gross loans and acceptances	64 65	3,858	3,679	3,541	3,445	3,354	3,344	3,283	3,217	3,207	3,631	3,300	3,200
Average deposits (1) 2016 and 2017 have not been restarted to reflect the new JEDS standard adopt.		5,567	5,603	5,902	5,924	5,882	5,820	5,767	5,660	5,484	5,748	5,783	5,602

(1) 2016 and 2017 have not been restated to reflect the new IFRS standard adopted in 2018. The adoption of the new IFRS standard in 2018 has been applied prospectively.

(2) Operating groups have been allocated capital at a consistent level in 2018 and 2017, and at a higher level than in 2016.
 (3) We have certain assets under management that are also administered by us and included in assets under administration.

BMO CAPITAL MARKETS										1	вмо 😂 в	inancial (Group
SUMMARY INCOME STATEMENT AND HIGHLIGHTS	LINE	2018	2018	2018	2018	2017	2017	2017	2017	2016	Fiscal	Fiscal	Fiscal
(\$ millions except as noted)	#	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2018	2017	2016
Net interest income (teb)	1	147	135	144	233	315	219	363	336	332	659	1,233	1,459
Non-interest revenue	2	982	968	897	233 849	800	833	823	880	840	3,696	3,336	2,855
Total revenue (teb)	3	1,129	1,103	1,041	1,082	1,115	1,052	1,186	1,216	1,172	4,355	4,569	4,314
Provision for (recovery of) credit losses on impaired loans (1)	4	(3)	3	(16)	(1)						(17)		
Provision for (recovery of) credit losses on performing loans (1)	5	(4)	4	3	(4)						(1)		
Total provision for (recovery of) credit losses (1)	6	(7)	7	(13)	(5)	4	(2)	46	(4)	(8)	(18)	44	81
Net interest and non-interest revenue (teb), net of PCL	7	1,136	1,096	1,054	1,087	1,111	1,054	1,140	1,220	1,180	4,373	4,525	4,233
Non-interest expense Income before taxes	8	763 373	698 398	670 384	720 367	679 432	<u>691</u> 363	686 454	722 498	660 520	2,851 1,522	<u>2,778</u> 1,747	2,574 1,659
Provision for income taxes (teb)	9 10	75	398 97	98	96	432	82	143	131	133	366	472	424
Net income	11	298	301	286	271	316	281	311	367	387	1,156	1,275	1,235
Adjusted net income	12	309	303	286	271	316	282	312	367	387	1,169	1,277	1,236
Return on equity (2)	13	12.2 %	13.2 %	13.4 %	12.6 %	15.7 %	13.1 %	15.2 %	17.3 %	20.2 %	12.8 %	15.3 %	15.8 %
Adjusted return on equity (2)	14	12.6 %	13.3 %	13.4 %	12.6 %	15.7 %	13.1 %	15.3 %	17.3 %	20.2 %	13.0 %	15.4 %	15.8 %
Net interest margin on average earning assets (teb)	15	0.21 %	0.19 %	0.22 %	0.36 %	0.49 %	0.33 %	0.56 %	0.50 %	0.53 %	0.24 %	0.47 %	0.58 %
Revenue growth Non-interest expense growth	16 17	1.4 % 12.3 %	4.8 % 1.1 %	(12.3)% (2.3)%	(11.0)% (0.3)%	(4.8)% 2.9 %	(2.2)% 11.3 %	12.2 % 8.4 %	20.4 % 9.3 %	26.3 % 6.1 %	(4.7)% 2.6 %	5.9 % 7.9 %	12.7 % 3.8 %
Adjusted non-interest expense	17	749	696	(2.3)%	(0.3)%	2.9 %	690	685 o.4	9.3 % 721	660	2,834	2,775	3.8 % 2,573
Adjusted non-interest expense growth	10	10.3 %	0.8 %	(2.2)%	(0.2)%	3.0 %	11.2 %	8.3 %	9.2 %	6.1 %	2,004	7.9 %	3.8 %
Efficiency ratio (teb)	20	67.5 %	63.3 %	64.4 %	66.5 %	61.0 %	65.7 %	57.8 %	59.4 %	56.4 %	65.5 %	60.8 %	59.7 %
Adjusted efficiency ratio (teb)	21	66.3 %	63.1 %	64.4 %	66.5 %	60.9 %	65.6 %	57.7 %	59.3 %	56.3 %	65.1 %	60.8 %	59.6 %
Operating leverage	22	(10.9)%	3.7 %	(10.0)%	(10.7)%	(7.7)%	(13.5)%	3.8 %	11.1 %	20.2 %	(7.3)%	(2.0)%	8.9 %
Adjusted operating leverage	23	(8.9)%	4.0 %	(10.1)%	(10.8)%	(7.8)%	(13.4)%	3.9 %	11.2 %	20.2 %	(6.8)%	(2.0)%	8.9 %
Net income growth	24	(5.6)%	7.0 %	(7.9)%	(26.3)%	(18.4)%	(10.1)%	9.9 %	45.3 %	64.9 %	(9.4)%	3.2 %	23.1 %
Adjusted net income growth	25 26	(2.3)% 9.111	7.5 % 8,483	(8.0)% 8,244	(26.4)% 8,009	(18.4)% 7,590	(10.0)% 8,019	10.1 % 7,933	45.5 % 8,060	64.6 % 7,282	(8.5)% 8,464	3.3 % 7,900	23.0 % 7,387
Average common equity (2) Average assets	20	317,655	312,369	302,772	295,412	295,097	304,015	304,010	306,998	296,445	307,087	302,518	301,623
Average earning assets	28	284,248	276,780	266,948	259,221	257,153	263,975	266,394	265,096	251,323	271,839	263,128	251,962
Average net loans and acceptances	29	47,909	46,590	46,419	45,708	46,808	48,702	48,847	48,430	46,981	46,658	48,191	44,817
Average gross loans and acceptances	30	47,972	46,653	46,489	45,775	46,831	48,730	48,864	48,466	47,091	46,724	48,217	44,866
Average deposits	31	143,849	139,051	137,266	133,555	138,217	141,621	150,092	147,683	148,685	138,440	144,357	146,888
Number of full-time equivalent employees	32	2,700	2,618	2,528	2,543	2,502	2,484	2,393	2,375	2,353	2,700	2,502	2,353
U.S. Segment Information (\$CAD equivalent)													
Total revenue (teb)	33	437	399	380	394	423	403	445	454	417	1,610	1,725	1,499
Total provision for (recovery of) credit losses (1)	34	4	17	(6)	3	4	(1)	27	1	5	18	31	52
Net interest and non-interest revenue (teb), net of PCL	35	433	382	386	391	419	404	418	453	412	1,592	1,694	1,447
Non-interest expense	36	360	314	296	299	293	317	300	301	294	1,269	1,211	1,139
Income before taxes	37	73	68	90	92	126	87	118	152	118	323	483	308
Provision for income taxes (teb) Net income	38 39	7 66	15 53	24 66	<u>25</u> 67	38 88	22 65	33 85	40	29 89	71 252	133 350	76 232
Adjusted net income	40	77	55	66	67	88	66	86	112	89	265	352	232
\$USD Equivalent	4.4	44	(0)	1 4	40	64	60	70	04	04	65	207	270
Net interest income (teb) Non-interest revenue	41 42	11 323	(2) 308	14 281	42 272	64 270	60 250	72 260	91 251	81 235	65 1,184	287 1,031	370 762
Total revenue (teb)	42	323	308	281	314	334	250 310	332	342	316	1,184	1,031	1,132
Provision for (recovery of) credit losses on impaired loans (1)	43	2	5	(3)	-		010	002	072	010	4	1,010	1,102
Provision for (recovery of) credit losses on performing loans (1)	45	1	8	(0)	2						10		
Total provision for (recovery of) credit losses (1)	46	3	13	(4)	2	3	(1)	21	0	4	14	23	39
Net interest and non-interest revenue (teb), net of PCL	47	331	293	299	312	331	311	311	342	312	1,235	1,295	1,093
Non-interest expense	48	276	241	230	238	232	244	224	227	223	985	927	860
Income before taxes	49	55	52	69	74	99	67	87	115	89	250	368	233
Provision for income taxes (teb) Net income	50 51	4 51	<u>12</u> 40	<u>17</u> 52	<u>21</u> 53	30 69	<u>17</u> 50	23 64	31 84	22 67	54 196	101 267	58 175
Adjusted net income	51	51	40	52	53	69	50	64	84	68	205	267	175
Revenue growth	53	0.1 %	(1.3)%	(11.0)%	(8.3)%	5.8 %	11.5 %	21.3 %	29.7 %	18.7 %	(5.2)%	16.5 %	5.6 %
Non-interest expense growth	54	18.9 %	(1.4)%	3.1 %	4.6 %	4.3 %	18.1 %	3.9 %	5.6 %	(1.9)%	6.2 %	7.9 %	(3.1)%
Adjusted non-interest expense	55	266	239	229	238	232	243	224	226	222	972	925	859
Adjusted non-interest expense growth	56	14.5 %	(2.0)%	3.3 %	4.8 %	4.5 %	17.9 %	3.7 %	5.4 %	(1.8)%	5.1 %	7.7 %	(3.0)%
Average assets	57	103,312	102,260	95,587	91,815	95,133	95,201	92,047	90,591	87,569	98,265	93,253	86,137
Average earning assets	58	96,780	96,050	89,623	86,401	90,357	90,256	86,739	84,780	80,654	92,235	88,044	78,619
Average net loans and acceptances Average gross loans and acceptances	59 60	15,787 15,816	15,642	14,953	14,601 14,624	15,299	15,505 15,508	15,253 15,258	15,379 15,399	15,630 15,647	15,249 15,275	15,359 15,366	14,932
Average deposits	60 61	54,991	15,668 51,769	14,979 51,802	14,624 53,429	15,297 56,683	53,824	15,258 51,948	47,412	50,614	53,008	52,471	14,947 52,459
(1) 2016 and 2017 have not been restated to reflect the new IFRS standa										55,014	00,000	02,771	02,700

(1) 2016 and 2017 have not been restated to reflect the new IFRS standard adopted in 2018. The adoption of the new IFRS standard in 2018 has been applied prospectively. (2) Operating groups have been allocated capital at a consistent level in 2018 and 2017, and at a higher level than in 2016.

SUMMARY INCOME STATEMENT AND HIGHLIGHTS Like 2018 2018 2017 2016 2017 2017 2016 2017 2017 2016 2017 2017 2016 2017 2017 2017 2018 2017 2017 2018 2017 2017 2018 2017 2017 2018 2017 2017 2018 2017 2017 2018 2017 2017 2018 2017 2017 2017 2018 2017 2017 2018 2017 2017 2017 2017 2017 2017 2017 2017 2017 2017 2017 2018 2017 2017 2018 2017 2017 2017 2017 <th>PRATE SERVICES, INCLUDING TECHNOLOGY AND</th> <th>OPE</th> <th>RATIONS</th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th>вмо 🔷 ғ</th> <th>inancial (</th> <th>Group</th>	PRATE SERVICES, INCLUDING TECHNOLOGY AND	OPE	RATIONS									вмо 🔷 ғ	inancial (Group
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $													Fiscal 2017	Fisca 2016
Gauge be dimet (1) 2 (67) (62) (13) (17) (24) (25) (17) (14) Montimet at annue 3 (17) (18) (17) (23) (16) (25) (17) (18) (18														
Main All and Al					• • •		. ,			. ,			(193)	(283
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $													(567)	(510
Total revenue 5 (42) (55) (62) (12) (13)													(760) 177	(793 58
Provision for (recovery d) credit losses on impained loses (2) 6 (1) (2) (10) - 1 (2) (10) (10) (10) (10) (10) (10) (10) (10													(583)	(735
Provision for (eccovery of) exceed tasses or performing bans (2) 7 (2) - 1 (1) (1) (1) (1)						-	(101)	(10)	(100)	(100)	(110)		(000)	(100
Total provision for proceed model losses (2) 6 (3) (2) (9) (1) 4 (73) (68) (3) (61) Non-interist evenue 10 (152) (41) (37) (44) (198) (11) (12) (16) (12) (16) (12) (16) (12) (13) (11) (12) (13) (11) (12) (13) (11) (12) (13) (11) (12) (11) (12) (13) (11) (13) (12) (11) (12) (11) (12) (11) (12) (12) (12) (12) (12) (12) (12) (12) (12) (12) (12) (12) (13) (12) (13) (12) (12) (13) (12) (13) (1				-		(1)								
Non-Interest expense 10 (150) 13 374 140 213 101 1177 164 205 438 Provision for (recover) of hoome taxes (teb) before Group teb offset 12 556 (112) 389 (241) (231) <td< td=""><td></td><td>8</td><td></td><td>(2)</td><td>(9)</td><td></td><td>4</td><td>(73)</td><td>(6)</td><td>(3)</td><td>(8)</td><td></td><td>(78)</td><td>(74</td></td<>		8		(2)	(9)		4	(73)	(6)	(3)	(8)		(78)	(74
Income (loss) before taxes 11 120 (137) (447) (284) (240) (231) (738) (738) Group the offset (1) 13 (127) (447) (284) (212) (117) (212) (117) (212) (212) (217) (212) (217) (213) (214) (214) (214) (214) (214) (214) (214) (214) (214) (214) (214) (214) (214) (214) (214) (214) <t< td=""><td>est and non-interest revenue, net of PCL</td><td></td><td>(39)</td><td>(56)</td><td>(73)</td><td>(124)</td><td>(198)</td><td>3</td><td>(183)</td><td>(127)</td><td>(168)</td><td>(292)</td><td>(505)</td><td>(661</td></t<>	est and non-interest revenue, net of PCL		(39)	(56)	(73)	(124)	(198)	3	(183)	(127)	(168)	(292)	(505)	(661
Provision for (recovery of) norme taxes (teb) before Group teb diffect 12 66 [13] (112) 380 (77) 6 (141) (22] (117) (22] (117) (23) (78) (22] (117) (22] (117) (23) (78) (23) (78) (22] (117) (22] (117) (23) (78) (78) (78) (78) (78) (78) (78) (78													635	716
Group teo Order (1) 13 (67) (62) (17) (12) (11) (12) (13) (17) (12) (11) (12) (11) (12) (13) (12) (11) (12) (13) (12) (13) (12) (14) (16) (16) (16) (16) (16) (16) (16) (16) (16) (16) (16) (16) (16) (16) (16) (16) (16) (16) <td></td> <td>(1,140)</td> <td>(1,377</td>													(1,140)	(1,377
Provision for (recovery of) norme taxes 14 (11) (75) (173) 257 (253) (144) (273) (150) (179) Non-controlling interest in subsidiaries 16 -													(143)	(220
Net income (biss) 15 131 (62) (27.4) (25.1) (15.8) (44) (87) (14.1) (19.4) (77.8) Net income (biss) attributable to Bank abareholders 17 131 (62) (27.4) (53) (14.4) (87) (14.1) (19.4) (77.8) (14.4) (17.8) (14.4) (17.8) (14.4) (17.8) (18.7) (18.7) (17.8) </td <td></td> <td>(567)</td> <td>(510</td>													(567)	(510
Non-containing interest in subsidiaries 16 -													(710) (430)	(730 (647
Net income [obs] attributable D Bank shareholders 17 131 622 (274) (251) (158) (44) (67) (141) (194) (726) Adjusted revenue 19 (42) (58) (62) (152) (194) (70) (188) (142) (184)			131	(02)	(214)	(321)	(100)	(+++)	(07)	(141)	(134)	(720)	(+30)	(047
Adjusted review 18 (68) (67) (93) (102) (85) (74) (127) (180) (170) Adjusted review 19 (42) (58) (62) (125) (144) (70) (180) (130) (173) (130) (173) (130) (173) (130) (173) (113)			131	(62)	(274)	(521)	(158)	(44)	(87)	(141)	(194)	(726)	(430)	(654
$ \begin{array}{c} \mbox{Agusted non-interest expense} & 19 & (42) & (58) & (62) & (125) & (194) & (70) & (198) & (130) & (176) \\ \mbox{Agusted non-interest expense} & 20 & 112 & 75 & 110 & 136 & 136 & 136 & 136 & 134 & 134 \\ \mbox{Agusted non-interest expense} & 21 & (3) & (2) & (9) & (1 & 4 & 3 & (6) & (3) & (8) \\ \mbox{Average common quity} (3) & 22 & 39/4 & 4225 & 40.66 & 75.333 & 47.74 & 50.05 & 67.873 & 65.400 & 65.91 & 75.811 \\ \mbox{Average assets} & 24 & 82.823 & 75.829 & 73.814 & 71.986 & 63.807 & 67.803 & 64.793 & 65.400 & 65.91 & 75.811 \\ \mbox{Average assets} & 25 & 76.868 & 67.87 & 72.22 & 70.451 & 65.033 & 67.737 & 65.803 & 64.737 & 65.801 & 76.831 \\ \mbox{Average assets} & 26 & 14.515 & 14.672 & 14.633 & 14.575 & 14.897 & 14.644 & 14.663 & 14.741 \\ \mbox{Average assets} & 26 & 14.515 & 14.672 & 14.633 & 14.575 & 14.897 & 14.797 & 14.644 & 14.663 & 14.741 \\ \mbox{Average assets} & 26 & 14.515 & 14.672 & 14.633 & 14.575 & 14.897 & 14.797 & 14.644 & 14.663 & 14.741 \\ \mbox{Average assets} & 14.515 & 14.672 & 14.633 & 14.575 & 14.897 & 14.797 & 14.644 & 14.663 & 14.741 \\ \mbox{Average assets} & 26 & 14.515 & 14.672 & 14.633 & 14.575 & 14.897 & 14.797 & 14.644 & 14.663 & 14.741 \\ \mbox{Average assets} & 26 & 14.515 & 14.672 & 14.633 & 14.575 & 14.897 & 14.797 & 14.644 & 14.663 & 14.741 \\ \mbox{Average assets} & 27 & (7) & (5) & (19) & (17) & (55) & (25) & (20) & (37) & (36) & (55) & (16) & (17) & (16$													(388)	(412
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $			(42)										(583)	(65
Adjusted provision for (recovery of) credit losses 21 (3) (2) (9) (1) 4 3 (6) (3) (8) Average common equity (3) 22 3,7,8,4 4,225 4,006 5,33,3 63,039 67,873 66,000 63,037 65,039 67,873 66,000 63,051 62,100 46,058 63,857 65,050 65,010 63,051 62,100 46,058 66,383 64,739 65,001 65,050 65,051 62,100 46,638 60,668 75,331 14,677 14,4797 14,447 14,683 14,671 14,671 14,673 14,672 14,771 14,444 14,663 14,672 14,575 UNINTER OFFICIENT SET TO A 10,65 10,677 77,727 77,67 67 77,87 67 67 60,79 10,56 10,97 10,56 10,97 10,56 10,97 60,93 77,87 67 62 22,83 10,97 10,56 10,97 60,93 16,97 69 12,97 16,46 10,97 10,56 10,97 60,93 77,87 67 62													489	461
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	provision for (recovery of) credit losses	21	(3)	(2)	(9)	(1)	4	3	(6)	(3)	(8)	(15)	(2)	(74
Average earning assets 24 70.653 63.862 69.269 50.801 60.739 63.801 44.63 64.739 63.801 44.63 64.739 63.801 64.643 66.881 76.742 72.722 70.415 66.383 64.663 60.668 74.741 74.542 74.643 14.657 14.837 14.677 14.833 14.575 14.687 14.797 14.644 14.663 60.668 76.744 U.S. Segment Information (\$CAD equivalent 27 (10) (5) (11) (15) (12) (25) (20) (37) (36) (15) (11) (11) (16)	common equity (3)												4,173	3,291
Average deposits 25 81.688 76.787 72.722 70.451 66.383 64.739 63.801 64.663 60.668 75.434 Number of Lullene equivalent employees 26 14.675 14.672 14.633 14.575 14.697 14.797 14.644 14.663 14.741 14.575 US. Segment Information (\$CAD equivalent) 27 (10) (5) (19) (17) (13) (16) (17) (13) (16) (16) (16) (16) (16) (17) (14) (12) (13) (16) <td< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>65,652</td><td>60,728</td></td<>													65,652	60,728
Number of full-lime equivalent employees 26 14,575 14,637 14,775 14,647 14,797 14,644 14,663 14,717 U.S. Segment information (\$CAD equivalent) Total proving													51,467	47,694
U.S. Segment information (SCAD equivalent) Total revenue 27 (10) (5) (19 (17) (35) (25) (20) (37) (36) (51) (51) (52) (52) (52) (52) (52) (52) (52) (52													64,904	58,71
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $	of full-time equivalent employees	26	14,515	14,672	14,633	14,575	14,697	14,797	14,644	14,663	14,741	14,515	14,697	14,74
Total provision for (recovery of) areadt losses (2) 28 (3) (4) (6) (1) (16) (16) (16) (16) (16) (16) (16) (16) (16) (16) (16) (16) (17) (16) (11) (16) (16) (17) (16) (16) (16) (16) (17) (16) (16) (16) (17) (10) (18) (18) (18) (19) (10) (10) (11) (11) (11) (11) (11) (11) (12) (13) (11) (11) (12) (13) (11) (11) (12) (13) (11) (12) (13) (11) (11) (12) (13) (11) (12) (13) (11) (12) (13) (11) (12) (13) (11) (14) (12) (13) (11) (14) (12) (13) (11) (12) (13) (11) (14) (11) (14) (11) (14) (11) (14) (11) (14) (11) (14) (11) (14) (11) (11)	ment Information (\$CAD equivalent)													
Net interest and non-interest expense 30 60 8 109 71 105 45 93 77 87 Loss before taxes 31 (67) (9) (120) (87) (156) (54) (107) (92) (139) Provision for (recovery of) income taxes (teb) before Group teb offset 32 3 (1) (32) 410 (40) 2 (23) (3) (16) (32) 410 (40) (20) (19) (20) (19) (20) (19) (17) (43) (22) (33) 380 Provision for (recovery of) income taxes 34 (9) (12) (43) 3392 (60) (17) (43) (22) (33) Net income (loss) Non-ontrolling interest in subsidiaries 36													(117)	(153
$\begin{array}{c c c c c c c c c c c c c c c c c c c $													(28)	(110
$ \begin{array}{c} \mbox{Loss before taxies} & 31 & (67) & (9) & (120) & (87) & (156) & (54) & (107) & (92) & (139) \\ \mbox{Provision fr} (recovery of) income taxes (leb) before Group teb offset & 33 & (12) & (11) & (11) & (18) & (20) & (19) & (20) & (19) & (17) \\ \mbox{Provision fr} (recovery of) income taxes & 34 & (9) & (12) & (43) & 392 & (60) & (17) & (43) & (22) & (33) \\ \mbox{Provision fr} (recovery of) income taxes & 34 & (9) & (12) & (43) & 392 & (60) & (17) & (43) & (22) & (33) \\ \mbox{Provision fr} (recovery of) income taxes & 36 & - & - & - & - & - & - & - & - & - & $													(89) 320	(43 286
Provision for (recovery of) income taxes (teb) before Group teb offset 32 3 (1) (32) 410 (40) 2 (23) (3) (16) (380 (52) (70) (73) (64) (70) (106) (52) (52) (53) (64) (70) (106) (611) (70) (106) (611) (70) (106) (611) (70) (106) (611) (70) (70) (106) (70) (70) (70) (70) (70) (70) (70) (70													(409)	(329
Group teb offset (1) (11) (11) (13) (20) (19) (20) (19) (17) Provision for (recovery of) income taxes 34 (9) (12) (43) 392 (60) (17) (43) (22) (33) Nen-controlling interest in subsidiaries 36 (58) 3 (77) (479) (96) (37) (64) (70) (10) Adjusted net income (loss) 38 (53) 7 (36) (52) (63) (38) (52) (70) (78) Adjusted net income (loss) 38 (53) 7 (36) (52) (63) (38) (52) (70) (78) Adjusted revenue 39 (10) (5) (19) (17) (35) (25) (20) (37) (64) (31) (134) (134) (134) (134) (134) (134) (134) (134) (134) (11) (134) (134) (15) (14) (13) (14) (15) (14) (13) (14) (15) (15) (141) (14) (15)<													(64)	(28
$\begin{array}{c c c c c c c c c c c c c c c c c c c $. ,									(78)	(67
Net income (loss) 35 (58) 3 (77) (479) (96) (37) (64) (70) (106) Non-controlling interest in subsidiaries 36 -													(142)	(9
Net income (loss) attributable to Bank shareholders 37 (58) 3 (77) (479) (96) (37) (64) (70) (106) Adjusted net income (loss) 38 (53) 7 (36) (52) (63) (38) (52) (70) (78) (134) Adjusted net income (loss) 39 (10) (5) (19) (17) (35) (25) (20) (37) (84) (134) Adjusted non-interest expense 40 54 3 52 68 65 27 75 57 68 177 Adjusted non-interest expense 41 (3) (4) (8) (11) 3 4 (51) (41) (43) (40) (53) (32) (45) (30) (35) (41) (41) (41) (41) (41) (41) (41) (41) (41) (41) (42) (21) (22) (27) (30) (35) (32) (45) (30) (35) (41) (41) (41) (42) (41) (41) (42) (41)		35	(58)	3	(77)	(479)	(96)	(37)	(64)	(70)	(106)	(611)	(267)	(234
Adjusted net income (loss) 38 (53) 7 (36) (52) (63) (38) (52) (70) (78) Adjusted revenue 39 (10) (5) (19) (17) (35) (25) (20) (37) (36) Adjusted non-interest expense 40 54 3 52 68 65 27 75 57 68 61 (3) (9) (16) (13) (4) (8) (1) 3 4 (6) (3) (9) (16) (15) (14) (16) (15) (14) (16) (15) (14) (16) (15) (14) (16) (15) (14) (16) (15) (14) (16) (15) (14) (16) (15) (14) (16) (15) (14) (16) (15) (14) (14) (16) (15) (14) (14) (16) (15) (14) (14) (16) (15) (14) (14) (15) (15) (14) (14) (16) (15) (12) (12) (12) (12			-	-	-	-	-	-	-	-	-	-	-	
Adjusted revenue39(10)(5)(19)(17)(35)(25)(20)(37)(36)(51)Adjusted non-interest expense4054352686527755768(177)Adjusted provision for (recovery of) credit losses41(3)(4)(8)(1)34(6)(3)(9)(17)Adjusted provision for (recovery of) credit losses41(3)(4)(8)(1)34(6)(3)(9)(16)SUSD Equivalent5(21)(22)(26)(18)(29)(15)(20)(27)(30)(87)Group teb offset (1)43(9)(8)(9)(14)(16)(15)(14)(13)(40)Non-interest revenue44(30)(30)(35)(32)(45)(30)(35)(41)(40)Non-interest revenue4523272117161319131888Total revenue46(7)(3)(14)(15)(29)(17)(16)(28)(25)(11													(267)	(234
Adjusted non-interest expense 40 54 3 52 68 65 27 75 57 68 177 Adjusted provision for (recovery of) credit losses 41 (3) (4) (8) (1) 3 4 (6) (3) (9) (16) SUSD Equivalent													(223)	(177
Adjusted provision for (recovery of) credit losses 41 (3) (4) (8) (1) 3 4 (6) (3) (9) (16) SUSD Equivalent Net interest income (teb) before Group teb offset 42 (21) (22) (26) (18) (29) (15) (20) (27) (30) Group teb offset (1) 43 (9) (8) (9) (14) (16) (15) (14) (13) Non-interest income 44 (30) (30) (35) (32) (45) (30) (35) (41) (43) Non-interest revenue 45 23 27 21 17 16 13 19 13 18 88 Total revenue 46 (7) (3) (14) (15) (29) (17) (16) (28) (25) Provision for (recovery of) credit losses on performing loans (2) 48 - (11) - - 11 (11) (11) (11) (11) (11) (11) (11) (11) (11) (11) (1													(117)	(153
SUSD Equivalent Net interest income (teb) before Group teb offset 42 (21) (22) (26) (18) (29) (15) (20) (27) (30) Group teb offset (1) 43 (9) (8) (9) (14) (16) (15) (11) (14) (13) Non-interest income 44 (30) (30) (35) (32) (45) (30) (35) (41) (43) (43) Non-interest revenue 45 23 27 21 17 16 13 19 13 18 88 Total revenue 46 (7) (3) (14) (15) (29) (17) (16) (28) (25) (11) Provision for (recovery of) credit losses on impaired loans (2) 47 (2) (2) (7) - - (11) (11) (11) (11) (11) (11) (11) (11) (12) (12) (12) (11) (12) (12) (12) (11) (12) (12) (12) (11) (12) (12) (12)													224 (2)	159 (74
Net interest income (teb) before Group teb offset42(21)(22)(26)(18)(29)(15)(20)(27)(30)(87)Group teb offset (1)43(9)(8)(9)(14)(16)(15)(15)(14)(13)(40)Net interest income44(30)(30)(35)(32)(45)(30)(35)(41)(43)Non-interest revenue4523272117161319131888Total revenue46(7)(3)(14)(15)(29)(17)(16)(28)(25)(39)Provision for (recovery of) credit losses on performing loans (2)47(2)(2)(7)(11)(12)(12)(11)(11)(11)(11)(11)(11)(11)(11)(11)(11)(11)(11)(11)(11)(11)(12)(11)(11) <td< td=""><td></td><td>41</td><td>(3)</td><td>(4)</td><td>(0)</td><td>(1)</td><td>5</td><td>4</td><td>(0)</td><td>(3)</td><td>(9)</td><td>(10)</td><td>(2)</td><td>(/-</td></td<>		41	(3)	(4)	(0)	(1)	5	4	(0)	(3)	(9)	(10)	(2)	(/-
Group teb offset (1) 43 (9) (8) (9) (14) (16) (15) (14) (13) (40) Net interest income 44 (30) (30) (35) (32) (45) (30) (35) (41) (43) (40) Non-interest revenue 45 23 27 21 17 16 13 19 13 18 88 Total revenue 46 (7) (3) (14) (15) (29) (17) (16) (28) (25) (39) Provision for (recovery of) credit losses on impaired loans (2) 47 (2) (2) (7) - - - - (11) (12) (11) (12)														
Net interest income 44 (30) (30) (35) (32) (45) (30) (35) (41) (43) (127) Non-interest revenue 45 23 27 21 17 16 13 19 13 18 88 Provision for (recovery of) credit losses on impaired loans (2) 47 (2) (2) (7) - (11) - - (11) (12) (11) (12) (12) (12) (11) (12) (12) (12) (11) (12) (12) (11) (12) (11) (12) (11) (12)								. ,					(91)	(150
Non-interest revenue 45 23 27 21 17 16 13 19 13 18 Total revenue 46 (7) (3) (14) (15) (29) (17) (16) (28) (25) (39) Provision for (recovery of) credit losses on performing loans (2) 47 (2) (2) (7) - - - - - - - - (11) - - - - - - - - (11) - - - - - - - - (11) -													(60)	(51
Total revenue 46 (7) (3) (14) (15) (29) (17) (16) (28) (25) Provision for (recovery of) credit losses on performing loans (2) 47 (2) (2) (7) - - - (11) - - (11) (12) (12) (12) (11) (12) (12) (12) (11) (12) (12) (11) (12) (12) (12) (12) (12) (12) (12) (12) (12) (12) (12) (12) (12) (12) (12) (12) (12) (12) (13) (14) (14) (11) (11) (12) (12) (12) (12) (12) (12) (12) (12) (12) (12) (12) (12) (12) (12)													(151) 61	(201 87
Provision for (recovery of) credit losses on impaired loans (2) 47 (2) (2) (7) - (11) - (11) Provision for (recovery of) credit losses on performing loans (2) 48 - (1) - - (11) - (11) - (11) - (11) - (11) - (11) - (11) - (11) (11) (11) (11) (11) (11) (11) (12) (12) Net interest losses (2) 49 (2) (3) (7) - 12 (13) (5) (17) 12 (12) (12) Net interest expense 50 (5) - (7) (15) (41) (41) (11) (11) (13) (27) (12) Net interest expense 55 (12) (12) (25) (37) (82) (68) (102) (22) (21) (20) 324 (33) 5 (19) (22) (21) (20) 305 (30) (40) (40) (40) (41) (40) (41) (40) (41) (41) (41)													(90)	(114
Provision for (recovery of) credit losses on performing loans (2) 48 - (1) - (1) - (1) Total provision for (recovery of) credit losses (2) 49 (2) (3) (7) - 12 (13) (5) (17) 12 (12) Net interest and non-interest revenue, net of PCL 50 (5) - (7) (15) (41) (4) (11) (11) (37) (27) Non-interest expense 51 47 6 84 57 84 33 71 57 65 194 Loss before taxes 52 (52) (6) (91) (72) (125) (37) (82) (68) (102) (221) (21) (21) (21) (23) (16)<						(13)	(25)	(17)	(10)	(20)	(23)		(90)	(11.
Total provision for (recovery of) credit losses (2) 49 (2) (3) (7) - 12 (13) (5) (17) 12 (12) Net interest and non-interest revenue, net of PCL 50 (5) - (7) (15) (41) (4) (11) (11) (13) (27) Non-interest expense 51 47 6 84 57 84 33 71 57 65 194 Loss before taxes 52 (52) (6) (91) (72) (125) (37) (82) (68) (102) (221) Provision for (recovery of) income taxes (teb) before Group teb offset 53 2 (1) (20) 324 (33) 5 (19) (2) (40) Provision for (recovery of) income taxes 55 (7) (9) (29) 310 (49) (10) (34) (16) (22) 285 Ret income (loss) 56 (45) 3 (62) (382) (76) (27) (48) (52) (80) (486) Non-controlling interest in subsidiaries			(2)		(7)									
Net interest and non-interest revenue, net of PCL 50 (5) - (7) (15) (41) (4) (11) (11) (37) (27) Non-interest expense 51 47 6 84 57 84 33 71 57 65 194 Loss before taxes 52 (52) (6) (91) (72) (125) (37) (82) (68) (102) (221) Provision for (recovery of) income taxes (teb) before Group teb offset 53 2 (1) (20) 324 (33) 5 (19) (2) (9) (305 Group teb offset (1) 54 (9) (8) (9) (14) (16) (15) (14) (40) Provision for (recovery of) income taxes 55 (7) (9) (29) 310 (49) (10) (34) (16) (22) 265 Net income (loss) 56 (45) 3 (62) (382) (76) (27) (48) (486)			(2)		(7)		12	(13)	(5)	(17)	12		(23)	(8)
Non-interest expense 51 47 6 84 57 84 33 71 57 65 194 Loss before taxes 52 (52) (6) (91) (72) (125) (37) (82) (68) (102) (221) Provision for (recovery of) income taxes (teb) before Group teb offset 53 2 (1) (20) 324 (33) 5 (19) (2) (9) (305) Group teb offset (1) 54 (9) (8) (9) (14) (16) (15) (14) (13) (40) Provision for (recovery of) income taxes 55 (7) (9) (29) 310 (49) (10) (34) (16) (22) 265 Net income (loss) 56 (45) 3 (62) (382) (76) (27) (48) (52) (80) Net income (loss) 59 (42) 7 (30) (41) (50) (29) (39) (52) (80) (486) </td <td></td> <td></td> <td></td> <td></td> <td></td> <td>(15)</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>(67)</td> <td>(33</td>						(15)							(67)	(33
Provision for (recovery of) income taxes (teb) before Group teb offset 53 2 (1) (20) 324 (33) 5 (19) (2) (9) 305 Group teb offset (1) 54 (9) (8) (9) (14) (16) (15) (14) (13) (40) Provision for (recovery of) income taxes 55 (7) (9) (29) 310 (49) (10) (34) (16) (22) 265 Net income (loss) 56 (45) 3 (62) (382) (76) (27) (48) (486) Non-controlling interest in subsidiaries 57 -			47	6									245	218
Provision for (recovery of) income taxes (teb) before Group teb offset 53 2 (1) (20) 324 (33) 5 (19) (2) (9) 305 Group teb offset (1) 54 (9) (8) (9) (14) (16) (15) (14) (13) (40) Provision for (recovery of) income taxes 55 (7) (9) (29) 310 (49) (10) (34) (16) (22) 285 Net income (loss) 56 (45) 3 (62) (382) (76) (27) (48) (52) (80) Net income (loss) attributable to Bank shareholders 58 (45) 3 (62) (382) (76) (27) (48) (52) (80) (486) Adjusted net income (loss) 59 (42) 7 (30) (41) (50) (29) (39) (52) (60) (106)	ore taxes	52	(52)	(6)	(91)	(72)	(125)	(37)	(82)	(68)	(102)	(221)	(312)	(25)
Provision for (recovery of) income taxes 55 (7) (9) (29) 310 (49) (10) (34) (16) (22) 265 Net income (loss) 56 (45) 3 (62) (382) (76) (27) (48) (52) (80) (486) Non-controlling interest in subsidiaries 57 -	for (recovery of) income taxes (teb) before Group teb offset	53	2	(1)	(20)	324	(33)	5	(19)	(2)	(9)	305	(49)	(20
Net income (loss) 56 (45) 3 (62) (382) (76) (27) (48) (52) (80) (486) Non-controlling interest in subsidiaries 57 - <td< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>(60)</td><td>(5</td></td<>													(60)	(5
Non-controlling interest in subsidiaries 57 -													(109)	(71
Net income (loss) attributable to Bank shareholders 58 (45) 3 (62) (382) (76) (27) (48) (52) (80) (486) Adjusted net income (loss) 59 (42) 7 (30) (41) (50) (29) (39) (52) (60) (106)			(45)	3	(62)	(382)	(76)	(27)	(48)	(52)	(80)	(486)	(203)	(180
Adjusted net income (loss) 59 (42) 7 (30) (41) (50) (29) (39) (52) (60) (106)					-	-	-	-	-	-	-	-		
													(203)	(18)
													(170)	(134
			(7)	(3)	(14)	(15)	(29)	(17)	(16)	(28)	(25)	(39)	(90)	(114
Adjusted non-interest expense 61 43 1 41 54 53 19 57 42 51 139 Adjusted provision for (recovery of) credit losses 62 (2) (3) (7) - 2 3 (5) (2) (12)						54							171 (2)	119 (50
Adjusted provision of recovery of credit losses $02 (2) (3) (7) - 2 (3) (3) (2) (7) (12) (12) (12) (12) (12) (12) (12) (12$						26 347							(2) 25,504	25,997
Average earning assets 64 25,089 22,849 23,551 22,301 20,547 21,721 22,251 23,829 23,003 23,456													22,085	22,473

(1) See Notes to Users: Taxable Equivalent Basis on page 1. (2) 2016 and 2017 have not been restated to reflect the new IFRS standard adopted in 2018. The adoption of the new IFRS standard in 2018 has been applied prospectively. (3) Operating groups have been allocated capital at a consistent level in 2018 and 2017, and at a higher level than in 2016.

NON-INTEREST REVENUE AND										в	MO 😬 Fi	nancial G	roup
TRADING REVENUE	LINE	2018	2018	2018	2018	2017	2017	2017	2017	2016	Fiscal	Fiscal	Fiscal
(\$ millions except as noted)	#	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2018	2017	2016
Non-Interest Revenue													
Securities commissions and fees	1	257	259	251	262	234	240	244	251	239	1,029	969	924
Deposit and payment service charges	2	292	294	279	279	282	286	275	280	281	1,144	1,123	1,076
Trading revenue	3	477	503	433	417	302	376	266	408	310	1,830	1,352	1,192
Lending fees	4	266	248	236	247	230	238	226	223	213	997	917	859
Card fees	5	143	144	149	128	132	129	99	119	139	564	479	526
Investment management and custodial fees	6	438	446	435	423	416	404	402	400	404	1,742	1,622	1,556
Mutual fund revenue	7	359	372	376	366	354	360	351	346	341	1,473	1,411	1,364
Underwriting and advisory fees	8	242	262	213	219	251	226	311	248	279	936	1,036	820
Securities gains, other than trading	9	83	51	38	67	41	43	56	31	36	239	171	84
Foreign exchange gains, other than trading	10	42	41	63	36	60	29	68	34	48	182	191	162
Insurance revenue	11	485	427	460	507	629	401	844	196	233	1,879	2,070	2,023
Investments in associates and joint ventures	12	38	44	41	44	47	58	38	243	94	167	386	140
Other	13	131	122	152	137	142	136	152	96	163	542	526	489
Total Non-Interest Revenue	14	3,253	3,213	3,126	3,132	3,120	2,926	3,332	2,875	2,780	12,724	12,253	11,215
Total Non-Interest Revenue, net of CCPB	15	2,863	2,944	2,794	2,771	2,547	2,673	2,624	2,871	2,701	11,372	10,715	9,672
Total Adjusted Non-Interest Revenue (1)	16	3,253	3,213	3,126	3,132	3,120	2,926	3,332	2,875	2,780	12,724	12,253	11,299
Total Adjusted Non-Interest Revenue, net of CCPB (1)	17	2,863	2,944	2,794	2,771	2,547	2,673	2,624	2,871	2,701	11,372	10,715	9,756
Insurance revenue, net of CCPB	18	95	158	128	146	56	148	136	192	154	527	532	480
Non-interest revenue-to-total revenue, net of CCPB	19	51.8 %	53.0 %	52.9 %	52.1 %	50.1 %	51.3 %	52.1 %	53.2 %	52.0 %	52.4 %	51.7 %	49.5 %

Interest and Non-Interest Trading Revenue (teb) (2)

Interest and Non-Interest Trading Revenue (teb) (2)													
Interest rates	20	103	101	100	133	99	105	108	168	135	437	480	663
Foreign exchange	21	90	95	100	92	93	92	79	105	85	377	369	349
Equities	22	199	177	164	169	185	124	214	204	167	709	727	629
Commodities	23	10	18	15	20	17	30	16	21	20	63	84	66
Other (3)	24	26	38	(2)	20	13	21	4	9	3	82	47	25
Total (teb)	25	428	429	377	434	407	372	421	507	410	1,668	1,707	1,732
Teb offset	26	56	50	50	104	157	42	191	98	106	260	488	441
Total trading revenue	27	372	379	327	330	250	330	230	409	304	1,408	1,219	1,291
Reported as:													
Net interest income	28	(49)	(74)	(56)	17	105	(4)	155	99	100	(162)	355	540
Non-interest revenue - trading revenue	29	477	503	433	417	302	376	266	408	310	1,830	1,352	1,192
Total (teb)	30	428	429	377	434	407	372	421	507	410	1,668	1,707	1,732
Teb offset	31	56	50	50	104	157	42	191	98	106	260	488	441
Reported total trading revenue	32	372	379	327	330	250	330	230	409	304	1,408	1,219	1,291
Adjusted non-interest revenue - trading revenue	33	477	503	433	417	302	376	266	408	310	1,830	1,352	1,192
Adjusted total trading revenue	34	372	379	327	330	250	330	230	409	304	1,408	1,219	1,291

(1) Adjusted non-interest revenue excludes a cumulative accounting adjustment in the amount of \$85 million pre-tax recognized in Q1 2016 in other non-interest revenue related to foreign currency translation, largely impacting prior periods.

(2) Trading revenues presented on a tax equivalent basis.

(3) Includes the impact of run-off structured credit activities and hedging exposures in our structural balance sheet.

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

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

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

Equities includes institutional equities and equity derivatives.

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

										В	BMO 🔷 F	inancial	Group
NON-INTEREST EXPENSE	LINE	2018	2018	2018	2018	2017	2017	2017	2017	2016	Fiscal	Fiscal	Fiscal
(\$ millions except as noted)	#	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2018	2017	2016
Reported Non-Interest Expense													
Employee compensation													
Salaries	1	1,016	1,005	1,176	977	1,034	1,014	954	993	974	4,174	3,995	4,082
Performance based compensation	2	640	605	579	686	574	579	548	685	581	2,510	2,386	2,278
Employee benefits	3	(44)	263	256	300	234	271	276	305	252	775	1,086	1,022
Total employee compensation	4	1,612	1,873	2,011	1,963	1,842	1,864	1,778	1,983	1,807	7,459	7,467	7,382
Premises and equipment													
Rental of real estate	5	135	134	132	125	116	125	128	125	124	526	494	486
Premises, furniture and fixtures	6	104	65	82	94	57	63	93	69	99	345	282	337
Property taxes	7	9	10	9	10	10	9	10	10	9	38	39	42
Computer and equipment	8	497	463	449	435	445	408	420	403	420	1,844	1,676	1,528
Total premises and equipment	9	745	672	672	664	628	605	651	607	652	2,753	2,491	2,393
Amortization of intangible assets	10	125	126	129	123	127	117	122	119	111	503	485	444
Other expenses													
Travel and business development	11	186	157	173	157	183	170	179	161	189	673	693	646
Communications	12	70	70	75	67	69	74	74	69	71	282	286	294
Business and capital taxes	13	8	11	9	10	10	9	8	11	9	38	38	42
Professional fees	14	158	142	141	123	172	139	128	124	139	564	563	523
Other	15	320	335	352	334	344	308	344	311	352	1,341	1,307	1,317
Total other expenses	16	742	715	750	691	778	700	733	676	760	2,898	2,887	2,822
Reported non-interest expense	17	3,224	3,386	3,562	3,441	3,375	3,286	3,284	3,385	3,330	13,613	13,330	13,041
Adjusted Non-Interest Expense (1)													
,													
Employee compensation	10	1 0 1 1	1 000	953	976	971	1 011	950	989	970	2.042	2 0 2 4	0.077
Salaries	18	1,011	1,002				1,011				3,942	3,921	3,877
Performance based compensation	19	640 233	604 263	578	686	573	578	547 276	683	573	2,508	2,381	2,248
Employee benefits	20 21	1.884	1.869	<u>256</u> 1.787	<u> </u>	234	271	-	<u>305</u> 1.977	250 1.793	1,052	1,086	1,017
Total employee compensation	21	1,004	1,809	1,/0/	1,902	1,778	1,860	1,773	1,977	1,793	7,502	7,388	7,142
Premises and equipment	22	135	134	132	125	116	125	128	125	124	526	494	486
Rental of real estate Premises, furniture and fixtures	22	135	134 65	132 82	125 94	57	125 63	93	125 69	99	526 345	494 282	486 337
	23 24	104	65 10	82 9	94 10	57 10	63 9	93 10	69 10	99	345	282	337 42
Property taxes	24 25	9 490	459	9 447	433	428	9 394	405	388	9 405			
Computer and equipment	25	490 738	459 668	<u>447</u> 670	433	428 611	<u> </u>	405 636	<u> </u>	405 637	1,829 2,738	1,615 2,430	1,492
Total premises and equipment	26	738 94	98	100	95	93	<u> </u>	<u>636</u> 79	<u> </u>	637 74	2,738	2,430	2,357 284
Amortization of intangible assets	21	94	90	100	90	90	02	19	02	74	307	330	∠64
Other expenses	20	186	157	173	157	183	170	179	161	189	673	693	643
Travel and business development	28	70				69						693 286	643 294
Communications	29	-	70	75	67		74 9	74	69	71	282		
Business and capital taxes	30	8	11	9	10	10	-	8	11	9	38	38	42
Professional fees	31	154	142	133	123	172	138	127	124	138	552	561	514
Other	32	318	335	322	333	342	307	344	310	351	1,308	1,303	1,312
Total other expenses	33	736	715	712	690	776	698	732	675	758	2,853	2,881	2,805
Total adjusted non-interest expense	34	3,452	3,350	3,269	3,409	3,258	3,231	3,220	3,326	3,262	13,480	13,035	12,588

(1) Adjusted non-interest expense excludes acquisition-related costs (including integration of the acquired business), restructuring costs, amortization of acquisition-related intangible assets and benefit from the remeasurement of an employee benefit liability.

										вмо	Financia	l Group
BALANCE SHEET	LINE	2018	2018	2018	2018	2017	2017	2017	2017	2016	INC/(E	
(\$ millions)	#	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	VS LAST	YEAR
As At Balances												
Cash and Cash Equivalents	1	42,142	41,072	35,922	41,159	32,599	32,574	35,528	34,079	31,653	9,543	29.3 %
Interest Bearing Deposits with Banks	2	8,305	7,637	7,637	6,740	6,490	5,907	6,360	5,888	4,449	1,815	28.0 %
Securities	3	180,935	167,318	165,380	163,551	163,198	158,646	157,045	151,779	149,985	17,737	10.9 %
Securities Borrowed or Purchased Under Resale Agreements Loans	4	85,051	101,679	94,681	83,194	75,047	73,928	80,951	78,753	66,646	10,004	13.3 %
Residential mortgages	5	119,620	118,736	117,770	117,186	115,258	113,983	112,989	112,469	112,277	4,362	3.8 %
Non-residential mortgages	6	14,017	13,217	12,528	11,608	11,744	11,198	11,500	11,162	11,376	2,273	19.4 %
Consumer instalment and other personal	7	63,225	62,485	61,733	61,118	61,944	61,508	61,887	61,481	64,680	1,281	2.1 %
Credit cards	8	8,329	8,236	8,175	7,994	8,071	8,076	8,004	7,888	8,101	258	3.2 %
Business and government	9	180,439	174,747	170,342	160,380	163,323	164,078	171,027	160,313	163,009	17,116	10.5 %
	10	385,630	377,421	370,548	358,286	360,340	358,843	365,407	353,313	359,443	25,290	7.0 %
Allowance for credit losses	11	(1,639)	(1,660)	(1,647)	(1,624)	(1,833)	(1,822)	(1,937)	(1,868)	(1,925)	194	10.7 %
Total net loans	12	383,991	375,761	368,901	356,662	358,507	357,021	363,470	351,445	357,518	25,484	7.1 %
Other Assets												
Derivative instruments	13	26,204	24,810	26,588	31,756	28,951	35,003	31,943	30,161	39,183	(2,747)	(9.5)%
Customers' liability under acceptances	14	18,585	17,874	16,385	16,705	16,546	14,599	13,773	13,588	13,021	2,039	12.3 %
Premises and equipment	15	1,986	1,924	1,966	1,965	2,033	1,968	2,067	2,062	2,147	(47)	(2.3)%
Goodwill	16	6,373	6,275	6,263	6,056	6,244	6,041	6,556	6,235	6,381	129	2.1 %
Intangible assets	17	2,272	2,207	2,190	2,144	2,159	2,125	2,207	2,151	2,178	113	5.2 %
Other	18	18,204	18,761	17,656	17,977	17,806	20,805	19,043	16,243	14,774	398	2.2 %
Total Assets	19	774,048	765,318	743,569	727,909	709,580	708,617	718,943	692,384	687,935	64,468	9.1 %
Deposits												
Banks	20	27.907	28,470	32.344	28,481	28,205	28.641	30,593	28.720	31,489	(298)	(1.1)%
Business and government	20	313,300	302,064	286,370	279,550	283,276	276,429	283,686	282,073	275,905	30,024	10.6 %
Individuals	22	180,844	176,382	172,484	167,534	168,311	164,695	170,686	163,844	162,887	12,533	7.4 %
Total deposits	22	522,051	506,916	491,198	475,565	479,792	469,765	484,965	474,637	470,281	42,259	8.8 %
Other Liabilities	20	522,001	500,510	431,130	475,505	475,752	403,703	404,303	+7+,007	470,201	42,200	0.0 /0
Derivative instruments	24	24,411	24,480	24.770	31.079	27.804	37.228	32.025	31,770	38.227	(3,393)	(12.2)%
Acceptances	24	18,585	17,874	16,385	16,705	16,546	14,599	13,773	13,588	13,021	2,039	12.3 %
Securities sold but not yet purchased	26	28,804	24,409	25,414	26,367	25,163	26,311	24,018	21,965	25,106	3,641	14.5 %
Securities lent or sold under repurchase agreements	27	66,684	83,471	78.782	72,260	55,119	61,517	62,036	53,500	40.718	11,565	21.0 %
Securitization and structured entities' liabilities	28	25,051	23.545	23.565	23,503	23,054	21.689	22,262	21,794	22,377	1,997	8.7 %
Other	29	35,953	34,249	34,082	33,139	32,719	29,511	30,633	28,279	31,438	3,234	9.9 %
Subordinated Debt	30	6,782	5,618	5,627	6,463	5,029	5,063	4,318	4,370	4,439	1,753	34.8 %
Share Capital		-,	-,	-,	-,•	-,	-,0	.,	.,=.0	.,	.,. 50	2 /0
Preferred shares	31	4,340	4,240	4,240	4,240	4,240	4,240	4,340	3,840	3,840	100	2.4 %
Common shares	32	12,929	12,924	12,926	13,020	13,032	13,044	13,072	12,791	12,539	(103)	(0.8)%
Contributed surplus	33	300	302	304	306	307	305	307	303	294	(7)	(2.2)%
Retained earnings	34	25,856	24,909	24,119	23,902	23,709	23,183	22,703	22,077	21,205	2,147	9.1 %
Accumulated other comprehensive income	35	2,302	2,381	2,157	1,360	3,066	2,162	4,491	3,446	4,426	(764)	(24.9)%
Total shareholders' equity	36	45,727	44,756	43,746	42,828	44,354	42,934	44,913	42,457	42,304	1,373	3.1 %
Non-controlling interest in subsidiaries	37	-	-	, -	-	-	-	-	24	24	-	(28.1)%
Total Liabilities and Equity	38	774,048	765,318	743,569	727,909	709,580	708,617	718,943	692,384	687,935	64,468	9.1 %

											вмо	Finance	al Group
BALANCE SHEET	LINE	2018	2018	2018	2018	2017	2017	2017	2017	2016	Fiscal	Fiscal	INC/
(\$ millions)	#	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2018	2017	(DEC)
Average Daily Balances													
Cash Resources	1	53,556	48,505	49,752	43,276	42,196	40,562	40,448	41,096	44,889	48,765	41,081	18.7 %
Securities	2	177,234	169,390	165,185	169,563	159,842	161,713	160,309	158,051	148,254	170,385	159,976	6.5 %
Securities Borrowed or Purchased Under Resale Agreements	3	99,140	98,138	88,793	81,713	81,735	84,495	90,537	92,516	83,736	91,972	87,294	5.4 %
Loans													
Residential mortgages	4	118,955	118,153	117,427	117,067	114,558	113,271	112,529	112,326	110,942	117,904	113,177	4.2 %
Non-residential mortgages	5	13,615	12,914	12,132	11,622	11,372	11,230	11,274	11,216	11,084	12,574	11,273	11.5 %
Consumer instalment and other personal	6	62,710	62,117	61,507	61,565	61,652	61,610	61,657	62,369	64,383	61,978	61,823	0.3 %
Credit cards	7	8,314	8,281	8,010	8,248	8,093	8,083	7,893	8,170	8,089	8,215	8,061	1.9 %
Business and government	8	178,094	174,305	168,882	162,385	162,870	164,490	165,165	163,089	161,464	170,934	163,893	4.3 %
	9	381,688	375,770	367,958	360,887	358,545	358,684	358,518	357,170	355,962	371,605	358,227	3.7 %
Allowance for credit losses	10	(1,677)	(1,680)	(1,652)	(1,608)	(1,798)	(1,889)	(1,907)	(1,978)	(1,997)	(1,654)	(1,893)	12.6 %
Total net loans	11	380,011	374,090	366,306	359,279	356,747	356,795	356,611	355,192	353,965	369,951	356,334	3.8 %
Other Assets													
Derivative instruments	12	23,867	27,032	28,278	29,584	30,752	34,315	30,302	35,606	39,445	27,181	32,764	(17.0)%
Customers' liability under acceptances	13	18,424	17,232	16,630	15,733	16,314	14,695	13,980	13,253	12,474	17,008	14,565	16.8 %
Other	14	29,108	30,003	28,694	28,315	28,220	30,933	33,313	30,070	30,212	29,033	30,612	(5.2)%
Total Assets	15	781,340	764,390	743,638	727,463	715,806	723,508	725,500	725,784	712,975	754,295	722,626	4.4 %
Deposits													
Banks	16	30,194	29,896	31,138	28,370	28,848	29,558	31,800	32,561	33,410	29,889	30,683	(2.6)%
Business and government	17	310,516	297,309	290,537	284,368	280,250	283,045	288,070	288,106	281,834	295,725	284,841	3.8 %
Individuals	18	177,397	174,631	171,043	167,801	165,092	166,533	167,005	163,202	160,413	172,732	165,445	4.4 %
Total deposits	19	518,107	501,836	492,718	480,539	474,190	479,136	486,875	483,869	475,657	498,346	480,969	3.6 %
Other Liabilities													
Derivative instruments	20	23,352	26,479	25,932	29,042	30,897	34,656	31,411	36,892	38,850	26,204	33,481	(21.7)%
Acceptances	21	18,424	17,232	16,630	15,733	16,314	14,695	13,980	13,253	12,474	17,008	14,565	16.8 %
Securities sold but not yet purchased	22	28,457	26,508	27,829	27,524	25,636	26,903	27,304	27,960	28,119	27,578	26,948	2.3 %
Securities lent or sold under repurchase agreements	23	81,926	83,408	74,180	68,402	67,141	67,079	66,986	64,835	59,162	77,002	66,506	15.8 %
Securitization and structured entities' liabilities	24	24,344	23,622	23,478	22,670	21,875	22,045	22,110	22,115	22,254	23,529	22,036	6.8 %
Other	25	35,881	35,417	33,516	34,097	31,705	30,733	29,203	30,201	31,007	34,737	30,471	14.0 %
Subordinated Debt	26	5,912	5,637	6,186	5,884	5,043	4,602	4,330	4,405	4,456	5,902	4,597	28.4 %
Shareholders' equity	27	44,937	44,251	43,169	43,572	43,005	43,659	43,287	42,233	40,972	43,989	43,044	2.2 %
Non-controlling interest in subsidiaries	28	-	-	-	-	-	-	14	21	24	-	9	(99.9)%
Total Liabilities and Equity	29	781,340	764,390	743,638	727,463	715,806	723,508	725,500	725,784	712,975	754,295	722,626	4.4 %

											вмо 🙆 в	'inancial	Group
STATEMENT OF COMPREHENSIVE INCOME	LINE	2018	2018	2018	2018	2017	2017	2017	2017	2016	Fiscal	Fiscal	Fiscal
(\$ millions)	#	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2018	2017	2016
Net Income	1	1,695	1,536	1,246	973	1,227	1,387	1,248	1,488	1,345	5,450	5,350	4,631
Other Comprehensive Income (Loss), net of taxes													
Items that may subsequently be reclassified to net income													
Net change in unrealized gains (losses) on fair value through other comprehensive income (OCI) securities	(1)				_						_		
Unrealized gains (losses) on fair value through OCI debt securities arising during the period	2	(49)	16	(105)	(113)						(251)		
Unrealized gains (losses) on available-for-sale securities arising during the period	3					27	9	155	(96)	(31)		95	151
Reclassification to earnings of (gains) in the period	4	(22)	(7)	(23)	(13)	(17)	(28)	(37)	(5)	(6)	(65)	(87)	(28) 123
	5	(71)	9	(128)	(126)	10	(19)	118	(101)	(37)	(316)	8	123
Net change in unrealized gains (losses) on cash flow hedges													
(Losses) on derivatives designated as cash flow hedges arising during the period	6	(309)	(218)	(106)	(595)	(27)	(369)	(41)	(402)	(248)	(1,228)	(839)	(26)
Reclassification to earnings of losses on derivatives designated as cash flow hedges	7	120	101	84	31	36	3	11	11	11	336	61	10
	8	(189)	(117)	(22)	(564)	9	(366)	(30)	(391)	(237)	(892)	(778)	(16)
Net gains (losses) on translation of net foreign operations													
Unrealized gains (losses) on translation of net foreign operations	9	303	145	1,059	(1,090)	952	(2,410)	1,355	(782)	579	417	(885)	213
Unrealized gains (losses) on hedges of net foreign operations	10	(62)	(43)	(181)	131	(138)	252	(187)	96	(90)	(155)	23	41
	11	241	102	878	(959)	814	(2,158)	1,168	(686)	489	262	(862)	254
Items that will not be reclassified to net income													
Gains (losses) on remeasurement of pension and other employee future benefit plans	12	(42)	204	27	72	103	172	(96)	241	28	261	420	(422)
Gains (losses) on remeasurement of own credit risk on financial liabilities designated at fair value	13	(18)	26	42	(74)	(32)	42	(115)	(43)	(41)	(24)	(148)	(153)
	14	(60)	230	69	(2)	71	214	(211)	198	(13)	237	272	(575)
Other Comprehensive Income (Loss), net of taxes	15	(79)	224	797	(1,651)	904	(2,329)	1,045	(980)	202	(709)	(1,360)	(214)
Total Comprehensive Income (Loss)	16	1,616	1,760	2,043	(678)	2,131	(942)	2,293	508	1,547	4,741	3,990	4,417
Attributable to:											1		
Bank shareholders	17	1,616	1,760	2,043	(678)	2,131	(942)	2,292	507	1,546	4,741	3,988	4,408
Non-controlling interest in subsidiaries	18	-	-	-	-	-	-	1	1	1	-	2	9
Total Comprehensive Income (Loss)	19	1,616	1,760	2,043	(678)	2,131	(942)	2,293	508	1,547	4,741	3,990	4,417

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

	LINE #	2018 Q4	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	Fiscal 2018	Fiscal 2017	Fisca 201
(4 minors)	π	44	9	94	G. I	94	90	QZ	Q, I	Q.4	2010	2017	201
Preferred Shares													
Balance at beginning of period	1	4,240	4,240	4,240	4,240	4,240	4,340	3,840	3,840	3,240	4,240	3,840	3,240
Issued during the period	2	400	-	-	-	-	400	500	-	600	400	900	600
Redeemed during the period	3	(300)	-	-	-	-	(500)	-	-	-	(300)	(500)	2.04(
Balance at End of Period	4	4,340	4,240	4,240	4,240	4,240	4,240	4,340	3,840	3,840	4,340	4,240	3,840
Common Shares													
Balance at beginning of period	5	12,924	12,926	13,020	13,032	13,044	13,072	12,791	12,539	12,463	13,032	12,539	12,31
Issued under the Shareholder Dividend Reinvestment and Share Purchase Plan	6			-		-	47	215	186	45		448	,01
Issued under the Stock Option Plan	7	26	18	7	48	9	5	66	66	31	99	146	13
Repurchased for cancellation	8	(21)	(20)	(101)	(60)	(21)	(80)	-	-	-	(202)	(101)	
Balance at End of Period	9	12,929	12,924	12,926	13,020	13,032	13,044	13,072	12,791	12,539	12,929	13,032	12,53
Contributed Surplus													
Balance at beginning of period	10	302	304	306	307	305	307	303	294	294	307	294	29
Stock option expense, net of options exercised	11	(2)	(1)	(3)	(6)	2	(2)	(3)	9	(8)	(12)	6	(1
Other	12	-	(1)	1	5	-	-	7	-	8	5	7	00
Balance at End of Period	13	300	302	304	306	307	305	307	303	294	300	307	29
Retained Earnings													
Retained Earnings Balance at beginning of period	14	24,909	24,119	23,902	23,709	23,183	22,703	22,077	21,205	20,456	23,709	21,205	18,93
Impact from adopting IFRS 9	14	27,303	2	23,902	23,709	20,100	22,105	22,011	21,200	20,400	23,709	21,200	10,90
Net income attributable to bank shareholders	16	1,695	1,536	1,246	973	1,227	1,387	1,247	1,487	1,344	5,450	5,348	4,62
Dividends - Preferred shares	17	(43)	(50)	(46)	(45)	(48)	(49)	(42)	(45)	(34)	(184)	(184)	(15
- Common shares	18	(614)	(614)	(596)	(600)	(583)	(584)	(575)	(570)	(555)	(2,424)	(2,312)	(2,19
Share issue expense	19	(5)	-	-	-	-	(5)	(4)	-	(6)	(5)	(9)	(_,
Common shares repurchased for cancellation	20	(86)	(82)	(387)	(234)	(70)	(269)	-	-	-	(789)	(339)	
Balance at End of Period	21	25,856	24,909	24,119	23,902	23,709	23,183	22,703	22,077	21,205	25,856	23,709	21,20
Accumulated Other Comprehensive Income (Loss) on Fair Value through OCI Securities, net of taxes (1)													
Balance at beginning of period	22	(244)	(253)	(125)	56	46	65	(53)	48	85	56	48	(7
Impact from adopting IFRS 9	23	-	-	-	(55)						(55)		
Unrealized gains (losses) on fair value through OCI debt securities arising during the period	24	(49)	16	(105)	(113)		<u>,</u>	455	(0.0)	(0.4)	(251)		
Unrealized gains (losses) on available-for-sale securities arising during the period	25	(00)	(7)	(00)	(40)	27	9	155	(96)	(31)	(05)	95	15
Reclassification to earnings of (gains) in the period Balance at End of Period	26 27	(22)	(7)	(23)	(13)	(17) 56	(28)	(37) 65	(5)	(6) 48	(65) (315)	(87)	(2
	21	(313)	(244)	(200)	(123)	50	40	05	(55)	40	(313)	50	
Accumulated Other Comprehensive Income (Loss) on Cash Flow Hedges, net of taxes													
Balance at beginning of period	28	(885)	(768)	(746)	(182)	(191)	175	205	596	833	(182)	596	6
(Losses) on derivatives designated as cash flow hedges arising during the period	29	(309)	(218)	(106)	(595)	(27)	(369)	(41)	(402)	(248)	(1,228)	(839)	(2
Reclassification to earnings of losses on derivatives designated as cash flow hedges in the period	30	120	101	84	31	36	3	11	11	11	336	61	. 1
Balance at End of Period	31	(1,074)	(885)	(768)	(746)	(182)	(191)	175	205	596	(1,074)	(182)	59
Accumulated Other Comprehensive Income on Translation of Net Foreign Operations, net of taxes													
Balance at beginning of period	32	3,486	3,384	2,506	3,465	2,651	4,809	3,641	4,327	3,838	3,465	4,327	4,07
Unrealized gains (losses) on translation of net foreign operations	33	303	145	1,059	(1,090)	952	(2,410)	1,355	(782)	579	417	(885)	21
Unrealized gains (losses) on hedges of net foreign operations	34	(62)	(43)	(181)	131	(138)	252	(187)	96	(90)	(155)	23	4
Balance at End of Period	35	3,727	3,486	3,384	2,506	3,465	2,651	4,809	3,641	4,327	3,727	3,465	4,32
Accumulated Other Comprehensive Income (I cos) on Descine and Other Employee Future Descrift Discussed of	ftovoc												
Accumulated Other Comprehensive Income (Loss) on Pension and Other Employee Future Benefit Plans, net of		214	7	(20)	(00)	(105)	(267)	(074)	(610)	(640)	(02)	(610)	(0
Balance at beginning of period Gains (losses) on remeasurement of pension and other employee future benefit plans	36 37	211 (42)	7 204	(20) 27	(92) 72	(195) 103	(367) 172	(271) (96)	(512) 241	(540) 28	(92) 261	(512) 420	(9 (42
Balance at End of Period	37	(42)	204	21	(20)	(92)	(195)	(367)	(271)	(512)	169	(92)	(42
	50	109	211	1	(20)	(32)	(195)	(307)	(271)	(312)	103	(52)	(31
Accumulated Other Comprehensive Income (Loss) on Own Credit Risk on Financial Liabilities Designated													
at Fair Value, net of taxes													
Balance at beginning of period	39	(187)	(213)	(255)	(181)	(149)	(191)	(76)	(33)	8	(181)	(33)	12
Gains (losses) on remeasurement of own credit risk on financial liabilities designated at fair value	40	(18)	26	42	(74)	(32)	42	(115)	(43)	(41)	(24)	(148)	(15
Balance at End of Period	41	(205)	(187)	(213)	(255)	(181)	(149)	(191)	(76)	(33)	(205)	(181)	(3
Total Accumulated Other Comprehensive Income	42	2,302	2,381	2,157	1,360	3,066	2,162	4,491	3,446	4,426	2,302	3,066	4,42
Total Shareholders' Equity	43	45,727	44,756	43,746	42,828	44,354	42,934	44,913	42,457	42,304	45,727	44,354	42,30
Non-controlling Interest in Subsidiaries													
Balance at beginning of period	44	-	-	-	-	-	-	24	24	27	-	24	49
		-	-	-	-	-	-	1	1	1		2	
let income attributable to non-controlling interest	45	-											
Net income attributable to non-controlling interest Dividends to non-controlling interest	46	-	-	-	-	-	-	-	-	-	-	-	
Net income attributable to non-controlling interest Dividends to non-controlling interest Redemption/purchase of non-controlling interest	46 47	-	-	-	-	-	-	(25)	-	-	-	(25)	(45
Net income attributable to non-controlling interest Dividends to non-controlling interest Redemption/purchase of non-controlling interest Other	46 47 48	- - -	-	-	-	-	-	-	(1)	- (4)	-	- (25) (1)	(1 (45 (1
Net income attributable to non-controlling interest Dividends to non-controlling interest Redemption/purchase of non-controlling interest	46 47	- - - - 45,727	- - - - - 44,756	- - - - 43,746	- - - - 42,828	- - - - - 44,354	- - - - - 42,934	- (25) - - 44,913	- (1) 24 42,481	- (4) 24 42,328	- - - - - 45,727		(45

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

October 31, 2018 Supplementary Financial Information

BMO 🖄 Financial Group

												\mathbf{BN}	10 🌰 Fi	nancia	l Group
GOODWILL AND															
INTANGIBLE ASSETS	LINE	November 1	Addi	tions (disp	osals) <i>(1)</i>			Amortiza	tion		Foreign	exchange	and other (2	2)	October 31
(\$ millions)	#	2017	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2018
Intangible Assets															
Customer relationships	1	223	-	-	-	35	(11)	(12)	(12)	(11)	(5)	7	(1)	-	213
Core deposits	2	169	-	-	-	-	(13)	(13)	(12)	(13)	(7)	7	1	2	121
Branch distribution networks	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Software - amortizing	4	1,078	210	86	99	47	(94)	(99)	(98)	(96)	(7)	13	8	10	1,157
Software under development	5	398	(81)	46	46	83	-	-	-	-	(9)	6	-	7	496
Other	6	291	2	6	-	4	(5)	(5)	(4)	(5)	5	4	(10)	2	285
Total Intangible Assets	7	2,159	131	138	145	169	(123)	(129)	(126)	(125)	(23)	37	(2)	21	2,272
Total Goodwill	8	6,244	-	-	-	54	-	-	-	-	(188)	207	12	44	6,373

(1) Net additions (disposals) include intangible assets acquired through acquisitions and assets acquired through the normal course of operations.

(2) Other changes in goodwill and intangible assets include the foreign exchange effects on intangible assets and goodwill denominated in foreign currency, purchase accounting adjustments and certain other reclassifications.

UNREALIZED GAINS (LOSSES) ON FAIR VALUE THROUG	ЭH	Fair Va	lue				U	nrealized Ga	ains (Losse	s)		
OTHER COMPREHENSIVE INCOME SECURITIES (3)		2018	2018	2018	2018	2018	2018	2017	2017	2017	2017	2016
(\$ millions)		Q4	Q3	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Issued or guaranteed by:												
Canadian governments	9	19,667	18,673	(113)	(94)	(82)	(78)					
U.S. governments	10	20,478	19,140	(619)	(579)	(625)	(525)					
Other governments	11	4,790	3,354	(28)	(21)	(18)	(14)					
National Housing Act (NHA) mortgage-backed securities (MBS)	12	2,370	2,335	(12)	(12)	(7)	(9)					
U.S. agency MBS and collateralized mortgage obligations (CMO)	13	11,317	11,638	(494)	(441)	(418)	(300)					
Corporate debt	14	3,756	4,123	(27)	(42)	(38)	(19)					
Corporate equity	15	62	59	-	-	-						
Total	16	62,440	59,322	(1,293)	(1,189)	(1,188)	(945)					

(3) Unrealized gains (losses) may be offset by related (losses) gains on hedge contracts.

UNREALIZED GAINS (LOSSES)		Fair Valu	le				U	nrealized G	ains (Losse	s)		
ON AVAILABLE-FOR-SALE SECURITIES (4) (\$ millions)		2018 Q4	2018 Q3	2018 Q4	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4
Issued or guaranteed by:		1										
Canadian governments	17							(18)	(56)	89	(6)	165
U.S. governments	18							(174)	(56)	(95)	(248)	64
Other governments	19							(9)	(6)	(2)	(14)	13
National Housing Act (NHA) mortgage-backed securities (MBS)	20							(2)	(9)	17	10	34
U.S. agency MBS and collateralized mortgage obligations (CMO)	21							(141)	(95)	(109)	(139)	24
Corporate debt	22							11	9	35	6	73
Corporate equity	23							105	100	111	92	86
Total	24							(228)	(113)	46	(299)	459

(4) Unrealized gains (losses) may be offset by related (losses) gains on hedge contracts.

AND MANAGEMENT \$ millions)		2018 Q4	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4
\$ minors)		Q4	43	QZ	QI	Q4	QJ	QZ	G	Q4
Assets Under Administration (5)										
nstitutional (6)	25	317,295	303,672	296,447	284,907	286,401	387,781	417,265	413,660	414,252
Personal	26	242,811	246,712	242,080	238,618	217,757	203,842	215,198	207,277	208,495
Mutual Funds	27	29,646	34,124	33,469	33,692	33,635	32,391	33,560	31,821	31,834
Fotal	28	589,752	584,508	571,996	557,217	537,793	624,014	666,023	652,758	654,581
Assets Under Management										
nstitutional	29	160,137	162,649	162,468	159,945	160,626	154,132	164,936	155,992	163,720
Personal	30	142,552	147,277	140,496	139,533	138,842	135,405	140,212	130,158	127,193
Autual Europa	31	135,585	141,290	136,229	136.026	129,980	123.673	124,853	115,410	114,782
Mutual Funds	51									

(6) Amounts include securitized residential mortgages, including replacement pools, securitized real estate secured lines of credit and securitized credit cards.

										BM	O 😬 Finar	ncial Gr	roup
CREDIT RISK FINANCIAL MEASURES (1)	LINE #	2018 Q4	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	Fiscal F	iscal 2017	Fiscal 2016
Diversification Detion													
Diversification Ratios Gross Loans And Acceptances		T								1			
Consumer	1	47.3 %	47.9 %	48.5 %	49.7 %	49.2 %	49.2 %	48.2 %	49.6 %	49.7 %			
Business and government	2	52.7 %	52.1 %	51.5 %	50.3 %	50.8 %	50.8 %	51.8 %	50.4 %	50.3 %			
Canada	3	65.1 %	65.3 %	66.0 %	66.7 %	66.3 %	66.3 %	64.5 %	65.8 %	64.5 %			
United States	4	32.5 %	32.4 %	31.3 %	30.1 %	30.6 %	30.8 %	32.3 %	31.0 %	32.7 %			
Other Countries	5	2.4 %	2.3 %	2.7 %	3.2 %	3.1 %	2.9 %	3.2 %	3.2 %	2.8 %			
Net Loans And Acceptances (2)													
Consumer	6	47.3 %	47.9 %	48.5 %	49.7 %	49.2 %	49.2 %	48.2 %	49.6 %	49.7 %			
Business and government	7	52.7 %	52.1 %	51.5 %	50.3 %	50.8 %	50.8 %	51.8 %	50.4 %	50.3 %			
Canada	8	65.1 %	65.3 %	66.0 %	66.8 %	66.4 %	66.4 %	64.5 %	65.8 %	64.6 %			
United States	9	32.5 %	32.3 %	31.3 %	30.0 %	30.5 %	30.7 %	32.3 %	30.9 %	32.6 %			
Other Countries	10	2.4 %	2.4 %	2.7 %	3.2 %	3.1 %	2.9 %	3.2 %	3.3 %	2.8 %			
Coverage Ratios													
Allowance for Credit Losses (ACL) on Impaired Loans to Gross Impaired Loans and Ac	ceptances (GIL) (3)												
Total	11	19.1 %	19.7 %	18.5 %	18.1 %	17.7 %	19.4 %	17.3 %	17.2 %	17.0 %	19.1 % 1	7.7 %	17.0 %
Consumer	12	18.1 %	17.9 %	17.6 %	15.8 %	16.9 %	16.8 %	16.2 %	14.8 %	15.7 %		6.9 %	15.7 %
Business and government	13	20.0 %	21.1 %	19.2 %	19.8 %	18.3 %	21.4 %	18.0 %	19.0 %	17.9 %	20.0 % 18	8.3 %	17.9 %
Net write-offs to average loans and acceptances (Annualized) (2)	14	0.20 %	0.15 %	0.18 %	0.17 %	0.17 %	0.19 %	0.22 %	0.17 %	0.26 %	0.17 % 0.	19 %	0.19 %
Condition Ratios													
GIL to Gross Loans and Acceptances (3)	15	0.48 %	0.53 %	0.56 %	0.57 %	0.59 %	0.58 %	0.64 %	0.61 %	0.64 %			
Net Impaired Loans and Acceptances (NIL) to Net													
Loans and Acceptances (2) (3) (4) (5)	16	0.39 %	0.42 %	0.46 %	0.47 %	0.49 %	0.47 %	0.53 %	0.51 %	0.53 %			
NIL to segmented Net Loans and Acceptances (2) (3) (4)	17	0.00.0/	0.40.0/	0.40.0/	0.40.0/	0.40.0/	0.40.0/	0.47.0/	0.47.0/	0.45.00			
Consumer Business and government	17 18	0.38 % 0.39 %	0.40 % 0.45 %	0.42 % 0.49 %	0.43 % 0.51 %	0.43 % 0.54 %	0.43 % 0.50 %	0.47 % 0.59 %	0.47 % 0.55 %	0.45 % 0.61 %			
Canada	19	0.33 %	0.43 %	0.43 %	0.25 %	0.23 %	0.22 %	0.23 %	0.23 %	0.26 %			
United States (5)	20	0.78 %	0.84 %	0.97 %	0.98 %	1.06 %	1.03 %	1.18 %	1.16 %	1.13 %			
Other Countries	21	0.00 %	0.39 %	0.34 %	0.20 %	0.26 %	0.27 %	0.28 %	0.01 %	0.01 %			
Consumer Loans (Canada)													
90 Days & Over Delinguency Ratios													
Consumer instalment and other personal	22	0.41 %	0.45 %	0.48 %	0.45 %	0.39 %	0.38 %	0.38 %	0.38 %	0.36 %			
Credit Cards (6)	23	0.88 %	0.90 %	1.00 %	1.06 %	1.03 %	1.07 %	1.11 %	1.04 %	0.92 %			
Mortgages Total Consumer	24 25	0.19 % 0.29 %	0.18 % 0.30 %	0.19 % 0.32 %	0.20 % 0.32 %	0.20 % 0.30 %	0.20 % 0.30 %	0.23 % 0.32 %	0.24 % 0.32 %	0.24 % 0.31 %			
	25	0.29 %	0.30 %	0.32 /0	0.32 70	0.30 %	0.30 %	0.32 /0	0.32 /0	0.31 %			
Consumer Loans (U.S.)													
90 Days & Over Delinquency Ratios													
Consumer instalment and other personal	26	1.28 %	1.15 %	1.42 %	1.72 %	1.69 %	1.76 %	1.75 %	1.90 %	1.49 %			
Credit Cards (6)	27 28	1.00 % 0.57 %	1.04 % 0.59 %	1.14 % 0.62 %	1.09 % 0.68 %	1.15 % 0.80 %	1.10 % 0.94 %	0.92 % 1.01 %	1.04 % 1.05 %	1.09 % 0.94 %			
Mortgages Total Consumer	28 29	0.57 %	0.59 % 0.85 %	0.62 % 0.99 %	0.68 % 1.16 %	0.80 % 1.27 %	0.94 % 1.38 %	1.01 %	1.05 %	0.94 % 1.27 %			
	23	0.00 /0	0.00 /0	0.00 /0	1.10 /0	1.21 /0	1.00 /0	1. 10 /0	1.01 /0	1.21 /0			
Consumer Loans (Consolidated)													
90 Days & Over Delinquency Ratios		0.55.0/	0.50.0/	0.00.0/	0.04.0/	0.00.0/	0.00.0/	0.00.0/	0.04.0/	0.01.0/			
Consumer instalment and other personal Credit Cards (6)	30 31	0.55 % 0.89 %	0.56 % 0.91 %	0.63 % 1.01 %	0.64 % 1.07 %	0.60 % 1.03 %	0.60 % 1.07 %	0.62 % 1.10 %	0.64 % 1.04 %	0.61 % 0.93 %			
Mortgages	31	0.89 %	0.22 %	0.23 %	0.24 %	0.25 %	0.26 %	0.29 %	0.30 %	0.93 %			
Total Consumer	33	0.36 %	0.36 %	0.40 %	0.41 %	0.40 %	0.41 %	0.44 %	0.45 %	0.43 %			
(1) Segmented credit information by geographic area is based upon the country of ultim	ate risk.												
(2) Aggregate Net Loans and Acceptances balances are net of allowance for credit loss		mpaired loan	s (excluding th	hose related t	o off-balance	sheet instrum	nents). The C	Consumer					

(2) Aggregate Net Loans and Acceptances balances are net of allowance for credit losses on performing and impaired loans (excluding those related to off-balance sheet instruments). The Consumer and Business and government Net Loans and Acceptances balances are stated net of allowance for credit losses on impaired loans (excluding those related to off-balance sheet instruments) only.

(3) Gross Impaired Loans and Net Impaired Loans exclude Purchased Credit Impaired Loans.

(4) Net Impaired Loan balances are net of allowance for credit losses on impaired loans, excluding those related to off-balance sheet instruments.

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

(6) Excludes small business and Corporate credit cards.

PROVISION FOR CREDIT LOSSES (PCL)											вмо 😂 ғ	inancial ?	Group
SEGMENTED INFORMATION (1) (2)	LINE	2018	2018	2018	2018	2017	2017	2017	2017	2016	Fiscal	Fiscal	Fiscal
(\$ millions except as noted)	#	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2018	2017	2016
Performance Ratios (Annualized)													
PCL on impaired loans to average net loans and acceptances	1	0.18 %	0.18 %	0.18 %	0.19 %	0.22 %	0.22 %	0.27 %	0.18 %	0.18 %	0.18 %	0.22 %	0.22 %
PCL on impaired loans to segmented average net loans and	1	.											1
acceptances	1	.											1
Consumer	2	0.24 %	0.23 %	0.28 %	0.24 %	0.24 %	0.26 %	0.28 %	0.26 %	0.22 %	0.25 %	0.26 %	0.28 %
Business and Government	3	0.12 %	0.13 %	0.08 %	0.13 %	0.20 %	0.18 %	0.26 %	0.10 %	0.14 %	0.12 %	0.18 %	0.15 %
Canada	4	0.18 %	0.19 %	0.21 %	0.15 %	0.21 %	0.19 %	0.20 %	0.18 %	0.17 %	0.18 %	0.20 %	0.22 %
United States	5	0.21 %	0.19 %	0.18 %	0.28 %	0.24 %	0.29 %	0.38 %	0.19 %	0.23 %	0.21 %	0.28 %	0.23 %
Other Countries	6	(0.30)%	(0.12)%	(0.47)%	0.00 %	0.04 %	0.00 %	0.67 %	0.00 %	0.00 %	(0.22)%	0.18 %	0.00 %
Total PCL to average net loans and acceptances	7	0.18 %	0.19 %	0.17 %	0.15 %	0.22 %	0.14 %	0.27 %	0.18 %	0.18 %	0.17 %	0.20 %	0.22 %
Provision for Credit Losses on Impaired Loans by Country													
Canada	8	117	121	132	95	132	118	121	110	98	465	481	511
United States	9	67	59	53	79	69	84	110	57	69	258	320	260
Other Countries	10	(7)	(3)	(13)	-	1	-	20	-	-	(23)	21	
Total Provision For Credit Losses on Impaired Loans	11	177	177	172	174	202	202	251	167	167	700	822	771
Provision for Credit Losses on Performing Loans by Country (3)													
Canada	12	(20)	3	(2)	(3)						(22)		
United States	13	`15 [´]	5	(9)	(31)						(20)		
Other Countries	14	3	1	(1)	<u></u> 1						4		
Total Provision for Credit Losses on Performing Loans	15	(2)	9	(12)	(33)						(38)		
Total Provision for Credit Losses by Country													
Canada	16	97	124	130	92	119	62	121	129	73	443	431	547
United States	17	82	64	44	48	82	64	110	38	94	238	294	224
Other Countries	18	(4)	(2)	(14)	1	1	-	20		-	(19)	21	-
Total Provision for Credit Losses	19	175	186	160	141	202	126	251	167	167	662	746	771
Interest Income on Impaired Loans													
Total	20	16	17	18	16	15	21	16	23	17	67	75	74
PROVISION FOR CREDIT LOSSES SEGMENTED INFORMATION (2)		2018	2018	2018	2018	2017	2017	2017	2017	2016	Fiscal	Fiscal	Fiscal
(\$ millions)		Q4	Q3	Q2	Q1	Q4	03	Q2	Q1	04	2018	2017	201

(\$ millions)		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2018	2017	2016	2018	2017	201
Provision by Product and Industry																
Consumer																
Residential mortgages	21	5	7	1	6	(4)	6	2	7	(3)	19	11	24	2.7%	1.3 %	3.1
Credit cards	22	50	53	54	59	53	63	62	54	52	216	232	232	30.9%	28.2 %	30.1
Consumer instalment and other personal	23	59	49	77	46	60	49	65	58	53	231	232	246	33.0%	28.2 %	31.9 9
Total Consumer	24	114	109	132	111	109	118	129	119	102	466	475	502	66.6%	57.8 %	65.1
Business and Government																
Commercial real estate	25	(2)	-	(3)	3	5	(5)	(2)	(2)	(5)	(2)	(4)	(16)	(0.3)%	(0.5)%	(2.1)
Construction (non-real estate)	26	1	-	(2)	1	(3)	13	11	4	3	-	25	15	0.0%	3.0 %	1.9
Retail trade	27	8	-	-	2	14	12	(1)	4	2	10	29	13	1.4%	3.5 %	1.7
Wholesale trade	28	(2)	6	11	3	13	3	12	(4)	2	18	24	11	2.6%	2.9 %	1.4
Agriculture	29	6	7	18	6	1	8	17	5	10	37	31	56	5.3%	3.8 %	7.3
Communications	30	-	-	-	-	(1)	-	-	-	-	-	(1)	2	0.0%	(0.1)%	0.3
Financing products	31	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	0.0 %	0.0
Manufacturing	32	3	8	11	(2)	9	5	2	12	10	20	28	29	2.9%	3.4 %	3.8
Mining	33	-	-	-	-	-	-	-	-	3	-	-	20	0.0%	0.0 %	2.6
Oil and Gas	34	(5)	4	(25)	1	2	2	16	(11)	(6)	(25)	9	105	(3.6)%	1.1 %	13.6
Transportation	35	19	19	16	20	25	31	29	23	30	74	108	56	10.6%	13.1 %	7.3
Utilities	36	-	(2)	-	-	-	-	-	-	-	(2)	-	3	(0.3)%	0.0 %	0.4
Forest Products	37	-	1	(1)	(1)	-	-	-	-	-	(1)	-	(1)	(0.1)%	0.0 %	(0.1)
Service industries	38	29	21	16	21	21	16	47	18	19	87	102	21	12.4%	12.4 %	2.7
Financial	39	-	(2)	(1)	(1)	-	(1)	2	(4)	2	(4)	(3)	(7)	(0.6)%	(0.4)%	(0.9)
Governments	40	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	0.0 %	0.0
Other	41	6	6	-	10	7	-	(11)	3	(5)	22	(1)	(38)	3.1%	(0.1)%	(4.9)
Total Business and Government	42	63	68	40	63	93	84	122	48	65	234	347	269	33.4%	42.2 %	34.9 %
Total provision for credit losses on impaired loans	43	177	177	172	174	202	202	251	167	167	700	822	771	100.0%	100.0 %	100.0
Total provision for credit losses on performing loans (3)	44	(2)	9	(12)	(33)						(38)					
Collective provision for credit lesses	45						(76)					(76)				

160

141

202

(76)

251

126

.

167

167

662

Collective provision for credit losses Total Provision for Credit Losses 45 46 175 186

(1) Segmented credit information by geographic area is based upon the country of ultimate risk. (2) Provision for credit losses on impaired loans excludes securities borrowed or purchased under resale agreements. (3) 2016 and 2017 have not been restated to reflect the new IFRS standard adopted in 2018. The adoption of the new IFRS standard in 2018 has been applied prospectively.

Provision Mix

Fiscal

Fiscal 2016

Fiscal

(76)

746

-771

											BMO 🔷 F	inancial (Group
WRITE-OFFS BY INDUSTRY	LINE	2018	2018	2018	2018	2017	2017	2017	2017	2016	Fiscal	Fiscal	Fiscal
(\$ millions)	#	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2018	2017	2016
Consumer Write-Offs	1	164	159	162	155	165	163	161	169	155	640	658	654
Business and Government													
Commercial real estate	2	1	2	1	1	3	-	1	1	4	5	5	9
Construction (non-real estate)	3	3	2	-	1	1	1	10	4	11	6	16	18
Retail trade	4	-	1	2	7	15	1	2	1	4	10	19	17
Wholesale trade	5	2	9	1	4	6	1	7	2	5	16	16	10
Agriculture	6	13	14	3	1	10	9	9	3	28	31	31	36
Communications	7	-	-	-	-	-	-	-	-	-	-	-	9
Financing products	8	-	-	-	-	-	-	-	-	-	-	-	-
Manufacturing	9	1	9	31	8	1	3	2	4	12	49	10	39
Mining	10	-	-	-	-	1	-	-	-	4	-	1	21
Oil and Gas	11	-	-	-	2	-	5	-	1	35	2	6	57
Transportation	12	14	15	17	17	22	33	22	24	25	63	101	55
Utilities	13	1	-	-	-	-	-	-	-	-	1	-	-
Forest Products	14	1	-	-	-	-	1	-	-	-	1	1	-
Service industries	15	62	3	19	6	4	12	45	14	28	90	75	52
Financial	16	1	-	-	-	-	3	2	-	4	1	5	7
Governments	17	-	-	-	-	-	-	-	-	-	-	-	-
Other	18	8	5	6	3	2	2	3	3	6	22	10	19
Total Business and Government	19	107	60	80	50	65	71	103	57	166	297	296	349
Total Write-Offs	20	271	219	242	205	230	234	264	226	321	937	954	1,003

WRITE-OFFS BY GEOGRAPHIC REGION (1)													
(\$ millions)		2018 Q4	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	Fiscal 2018	Fiscal 2017	Fiscal 2016
Canada	21	164	142	160	133	148	136	138	127	178	599	549	585
United States	22	107	77	82	71	81	98	126	99	143	337	404	418
Other Countries	23	-	-	-	1	1	-	-	-	-	1	1	-
Total	24	271	219	242	205	230	234	264	226	321	937	954	1,003

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

PRODUCT AND INDUSTRY millions) Onsumer Residential mortgages Credit cards Consumer instalment and other personal otal Consumer usiness and Government, excluding Securities Borrowed or Purchased under Resale Agreements Commercial real estate Construction (non-real estate) Retail trade Automotive Food and beverage Other Wholesale trade Agriculture Automotive Food and beverage Construction and industrial Other Wholesale trade Agriculture Communications Other Construction and industrial Other Broadcasting Financing products Manufacturing Industrial products Consumer products Automotive	LINE # 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15	2018 Q4 119,620 8,329 63,225 191,174 31,036 3,932 20,420 12,732 1,786 5,902 14,837 1,255	2018 Q3 118,736 8,236 62,485 189,457 29,612 4,035 20,175 13,039 1,665	2018 Q2 117,770 8,175 61,733 187,678 28,508 4,132 20,153 12,952	2018 Q1 117,186 7,994 61,118 186,298 26,780 3,547 18,228	2017 Q4 115,258 8,071 61,944 185,273 26,494 3,930	2017 Q3 113,983 8,076 61,508 183,567 25,163	2017 Q2 112,989 8,004 61,887 182,880	2017 Q1 112,469 7,888 61,481 181,838	2016 Q4 112,277 8,101 64,680 185,058	29.6 2.1 15.6 47.3
onsumer Residential mortgages Credit cards Consumer instalment and other personal otal Consumer usiness and Government, excluding Securities Borrowed or Purchased under Resale Agreements Commercial real estate Construction (non-real estate) Retail trade Automotive Food and beverage Other Wholesale trade Agriculture Automotive Food and beverage Construction and industrial Other Agriculture Communications Other communications Cable Broadcasting Financing products Manufacturing Industrial products Consumer products	1 2 3 4 5 6 7 8 9 10 11 12 13 14	119,620 8,329 63,225 191,174 31,036 3,932 20,420 12,732 1,786 5,902 14,837	118,736 8,236 62,485 189,457 29,612 4,035 20,175 13,039	117,770 8,175 61,733 187,678 28,508 4,132 20,153	117,186 7,994 61,118 186,298 26,780 3,547	115,258 8,071 61,944 185,273 26,494	113,983 8,076 61,508 183,567 25,163	112,989 8,004 61,887 182,880	112,469 7,888 61,481	112,277 8,101 64,680	29.6 2.1 15.6
Residential mortgages Credit cards Consumer instalment and other personal otal Consumer usiness and Government, excluding Securities Borrowed or Purchased under Resale Agreements Commercial real estate Construction (non-real estate) Retail trade Automotive Food and beverage Other Wholesale trade Agriculture Automotive Food and beverage Construction and industrial Other Agriculture Communications Cable Broadcasting Financing products Manufacturing Industrial products Consumer products	2 3 4 5 6 7 8 9 10 11 12 13 14	8,329 63,225 191,174 31,036 3,932 20,420 12,732 1,786 5,902 14,837	8,236 62,485 189,457 29,612 4,035 20,175 13,039	8,175 61,733 187,678 28,508 4,132 20,153	7,994 61,118 186,298 26,780 3,547	8,071 61,944 185,273 26,494	8,076 61,508 183,567 25,163	8,004 61,887 182,880	7,888 61,481	8,101 64,680	2.1 15.6
Residential mortgages Credit cards Consumer instalment and other personal otal Consumer usiness and Government, excluding Securities Borrowed or Purchased under Resale Agreements Commercial real estate Construction (non-real estate) Retail trade Automotive Food and beverage Other Wholesale trade Agriculture Automotive Food and beverage Construction and industrial Other Agriculture Communications Cable Broadcasting Financing products Manufacturing Industrial products Consumer products	2 3 4 5 6 7 8 9 10 11 12 13 14	8,329 63,225 191,174 31,036 3,932 20,420 12,732 1,786 5,902 14,837	8,236 62,485 189,457 29,612 4,035 20,175 13,039	8,175 61,733 187,678 28,508 4,132 20,153	7,994 61,118 186,298 26,780 3,547	8,071 61,944 185,273 26,494	8,076 61,508 183,567 25,163	8,004 61,887 182,880	7,888 61,481	8,101 64,680	2.1 15.6
Credit cards Consumer instalment and other personal otal Consumer usiness and Government, excluding Securities Borrowed or Purchased under Resale Agreements Commercial real estate Construction (non-real estate) Retail trade Automotive Food and beverage Other Wholesale trade Agriculture Automotive Food and beverage Construction and industrial Other Agriculture Communications Cable Broadcasting Financing products Manufacturing Industrial products Consumer products	3 4 5 6 7 8 9 10 11 12 13 14	8,329 63,225 191,174 31,036 3,932 20,420 12,732 1,786 5,902 14,837	8,236 62,485 189,457 29,612 4,035 20,175 13,039	8,175 61,733 187,678 28,508 4,132 20,153	7,994 61,118 186,298 26,780 3,547	8,071 61,944 185,273 26,494	8,076 61,508 183,567 25,163	8,004 61,887 182,880	7,888 61,481	8,101 64,680	2.1 15.6
Consumer instalment and other personal otal Consumer usiness and Government, excluding Securities Borrowed or Purchased under Resale Agreements Commercial real estate Construction (non-real estate) Retail trade Automotive Food and beverage Other Wholesale trade Agriculture Automotive Food and beverage Construction and industrial Other Agriculture Communications Other communications Cable Broadcasting Financing products Manufacturing Industrial products Consumer products	3 4 5 6 7 8 9 10 11 12 13 14	63,225 191,174 31,036 3,932 20,420 12,732 1,786 5,902 14,837	62,485 189,457 29,612 4,035 20,175 13,039	61,733 187,678 28,508 4,132 20,153	61,118 186,298 26,780 3,547	61,944 185,273 26,494	61,508 183,567 25,163	61,887 182,880	61,481	64,680	15.6
otal Consumer usiness and Government, excluding Securities Borrowed or Purchased under Resale Agreements Commercial real estate Construction (non-real estate) Retail trade Automotive Food and beverage Other Wholesale trade Agriculture Automotive Food and beverage Construction and industrial Other Agriculture Communications Other communications Cable Broadcasting Financing products Manufacturing Industrial products Consumer products	5 6 7 8 9 10 11 12 13 14	191,174 31,036 3,932 20,420 12,732 1,786 5,902 14,837	189,457 29,612 4,035 20,175 13,039	187,678 28,508 4,132 20,153	186,298 26,780 3,547	185,273 26,494	183,567 25,163	182,880			
Securities Borrowed or Purchased under Resale Agreements Commercial real estate Construction (non-real estate) Retail trade Automotive Food and beverage Other Wholesale trade Agriculture Automotive Food and beverage Construction and industrial Other Agriculture Communications Other communications Cable Broadcasting Financing products Manufacturing Industrial products Consumer products	6 7 9 10 11 12 13 14	3,932 20,420 12,732 1,786 5,902 14,837	4,035 20,175 13,039	4,132 20,153	3,547	,		05 000			
Securities Borrowed or Purchased under Resale Agreements Commercial real estate Construction (non-real estate) Retail trade Automotive Food and beverage Other Wholesale trade Agriculture Automotive Food and beverage Construction and industrial Other Agriculture Communications Other communications Cable Broadcasting Financing products Manufacturing Industrial products Consumer products	6 7 9 10 11 12 13 14	3,932 20,420 12,732 1,786 5,902 14,837	4,035 20,175 13,039	4,132 20,153	3,547	,		05 000			
Commercial real estate Construction (non-real estate) Retail trade Automotive Food and beverage Other Wholesale trade Agriculture Automotive Food and beverage Construction and industrial Other Agriculture Communications Other communications Cable Broadcasting Financing products Manufacturing Industrial products Consumer products	6 7 9 10 11 12 13 14	3,932 20,420 12,732 1,786 5,902 14,837	4,035 20,175 13,039	4,132 20,153	3,547	,		05 000			
Construction (non-real estate) Retail trade Automotive Food and beverage Other Wholesale trade Agriculture Automotive Food and beverage Construction and industrial Other Agriculture Communications Other communications Cable Broadcasting Financing products Manufacturing Industrial products Consumer products	6 7 9 10 11 12 13 14	3,932 20,420 12,732 1,786 5,902 14,837	4,035 20,175 13,039	4,132 20,153	3,547	,		25,063	24,215	24,139	7.7
Retail trade Automotive Food and beverage Other Wholesale trade Agriculture Automotive Food and beverage Construction and industrial Other Agriculture Communications Other communications Cable Broadcasting Financing products Manufacturing Industrial products Consumer products	8 9 10 11 12 13 14	20,420 12,732 1,786 5,902 14,837	20,175 13,039	20,153			4,046	3,936	3,568	3,567	1.0
Food and beverage Other Wholesale trade Agriculture Automotive Food and beverage Construction and industrial Other Agriculture Communications Other communications Cable Broadcasting Financing products Manufacturing Industrial products Consumer products	9 10 11 12 13 14	12,732 1,786 5,902 14,837	13,039		18,228	18,510	17,880	18,816	17,321	16,442	5.1
Food and beverage Other Wholesale trade Agriculture Automotive Food and beverage Construction and industrial Other Agriculture Communications Other communications Cable Broadcasting Financing products Manufacturing Industrial products Consumer products	10 11 12 13 14	1,786 5,902 14,837		12,902	11,479	11,439	11,437	12,163	11,121	10,879	3.
Other Wholesale trade Agriculture Automotive Food and beverage Construction and industrial Other Agriculture Communications Other communications Cable Broadcasting Financing products Manufacturing Industrial products Consumer products	11 12 13 14	14,837		1,556	1,579	1,578	1,543	1,552	1,551	1,268	0.
Agriculture Automotive Food and beverage Construction and industrial Other Agriculture Communications Other communications Other communications Cable Broadcasting Financing products Manufacturing Industrial products Consumer products	12 13 14		5,471	5,645	5,170	5,493	4,900	5,101	4,649	4,295	1.
Automotive Food and beverage Construction and industrial Other Agriculture Communications Other communications Cable Broadcasting Financing products Manufacturing Industrial products Consumer products	13 14	1.255	13,287	12,719	11,851	11,629	11,348	12,017	11,204	12,188	3.7
Food and beverage Construction and industrial Other Agriculture Communications Other communications Cable Broadcasting Financing products Manufacturing Industrial products Consumer products	14	.,_00	1,085	1,166	942	899	797	1,067	1,070	916	0.
Construction and industrial Other Agriculture Communications Other communications Cable Broadcasting Financing products Manufacturing Industrial products Consumer products		3,796	3,124	3,001	2,941	2,715	2,642	2,768	2,532	2,670	0.
Other Agriculture Communications Other communications Cable Broadcasting Financing products Manufacturing Industrial products Consumer products	15	2,497	2,264	2,256	2,180	2,159	2,043	2,230	2,212	2,581	0.
Agriculture Communications Other communications Cable Broadcasting Financing products Manufacturing Industrial products Consumer products		3,216	3,061	2,798	2,517	2,359	2,429	2,473	2,240	2,831	0
Communications Other communications Cable Broadcasting Financing products Manufacturing Industrial products Consumer products	16	4,073	3,753	3,498	3,271	3,497	3,437	3,479	3,150	3,190	1
Other communications Cable Broadcasting Financing products Manufacturing Industrial products Consumer products	17	12,337	12,077	11,628	11,299	11,125	11,177	11,196	10,870	10,970	3.
Cable Broadcasting Financing products Manufacturing Industrial products Consumer products	18	729	643	566	568	625	695	780	872	906	0.2
Broadcasting Financing products Manufacturing Industrial products Consumer products	19	529	435	399	372	443	532	557	515	575	0
Financing products Manufacturing Industrial products Consumer products	20	65	71	27	54	33	11	63	200	181	0
Manufacturing Industrial products Consumer products	21	135	137	140	142	149	152	160	157	150	0
Industrial products Consumer products	22	4,439	4,563	4,949	4,251	5,060	5,621	6,635	6,211	6,093	1.
Consumer products	23	22,859	22,653	21,681	19,732	19,875	19,053	20,704	18,503	18,623	5.
	24	7,558	7,517	7,164	6,381	6,641	6,371	7,076	6,673	6,222	1
Automotive	25	8,937	8,873	8,351	7,927	7,865	7,386	8,046	7,164	7,810	2
	26	1,633	1,631	1,588	1,280	1,254	1,294	1,297	1,099	975	0
Other manufacturing	27	4,731	4,632	4,578	4,144	4,115	4,002	4,285	3,567	3,616	1
Mining	28	1,916	1,547	1,453	1,234	1,344	1,441	1,540	1,361	1,868	0.
Oil and Gas	29	9,185	8,179	8,061	7,592	8,209	7,505	7,046	6,960	7,975	2.
Transportation	30 21	11,004	10,780	10,593	9,963	10,509	10,137	10,788	10,196	10,704	2.
Utilities	31 32	3,911	3,097	2,660	2,670	2,778	2,675	2,785	2,539	2,700	1.
Electric power generation	32 33	2,454	1,979	1,865	1,912	2,053	1,919	2,010	1,880	2,117	0
Gas, water and other	33 34	1,457 841	1,118 759	795 852	758 845	725 836	756 792	775 809	659 830	583 890	0.
Forest products Service industries	34 35	38,394	36,636	852 36,015	845 34,147	836 33,756	792 33,993	809 34,622	830 32,529	890 32,709	0. 9.
Automotive lease and rental	35 36	36,394 2,245	2,394	2,350	34, 147 2,277	2,459	2,531	34,022 2,492	32,529 2,286	2,539	9.
Educational	30 37	2,245	2,394 2,110	2,350	2,277	2,459 2,137	2,531	2,492	2,286	2,539	0
	37 38	2,084 10,486		-		-					2
Health care Business and professional services	39	8,778	9,916 8,390	9,701 8,224	9,197 7,578	8,625 7,599	9,677 7,232	8,868 8,213	8,677 7,483	8,316 7,558	2
Hospitality and recreation	39 40	8,612	8,390 7,908	6,224 7,591	7,578	7,599 6,940	6,689	6,538	6,232	5,983	2
Other	40 41	6,189	7,908 5,918	6,027	7,200 5,743	6,940 5,996	6,669 5,742	6,536 6,412	6,232	6,278	1
Financial	42	32,464	32,458	29,713	30,791	32,267	32,840	33,315	31,580	32,086	8.
Non-bank financial services	43	26,144	26,432	29,713	22,004	23,328	24,533	24,667	23,033	24,838	6
Bank	43 44	6,320	26,432 6,026	6,971	22,004 8,787	23,328 8,939	24,533 8,307	24,667 8,648	23,033 8,547	7,248	1
Governments	44 45	1,436	1,364	1,418	1,456	1,470	1,394	0,040 1,484	0,547 1,311	1,326	0.
Other	45 46	3,301	3,973	4,154	3,739	3,196	4,115	4,764	4,993	4,220	0.
tal Business and Government	40	213,041	205,838	199,255	188,693	191,613	189,875	196,300	185,063	4,220	52.

ALLOWANCE FOR CREDIT LOSSES								BM	(O 😬 F	inancial	Group
SY PRODUCT AND INDUSTRY \$ millions)	LINE #	2018 Q4	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	Ν
Ilowance for Credit Losses on Impaired Loans											
Consumer											
Residential mortgages	1	19	20	21	22	24	29	30	31	33	1.0
Credit cards	2	-	-	-	-	-	-	-	-	-	0.0
Consumer instalment and other personal	3	143	144	146	129	136	129	135	117	123	7.7
otal Consumer	4	162	164	167	151	160	158	165	148	156	8.7
Business and Government, excluding											
Securities Borrowed or Purchased under Resale Agreements											
Commercial real estate	5	8	13	13	13	15	10	9	13	13	0.4
Construction (non-real estate)	6	16	16	17	14	14	17	5	3	4	0.9
Retail trade	7	17	10	8	8	14	18	7	11	12	0.9
Wholesale trade	8	23	23	25	16	17	29	33	30	31	1.2
Agriculture	9	16	24	32	15	11	22	27	19	19	0.9
Communications	10	-	-	-	-	-	-	-	-	1	0.0
Financing products	11	-	-	-	-	-	-	-	-	-	0.0
Manufacturing	12	20	18	20	38	51	42	42	42	36	1.1
Industrial products	13	1	4	7	25	24	14	13	14	5	0.
Consumer products	14	8	7	4	2	7	8	8	8	9	0.4
Automotive	15	1	-	-	-	-	-	-	-	-	0.1
Other manufacturing	16	10	7	9	11	20	20	21	20	22	0.
Mining	17	-	-	-	-	-	1	1	1	1	0.0
Oil and Gas	18	17	23	19	41	42	39	46	30	45	0.9
Transportation	19	31	33	18	14	13	12	18	8	9	1.7
Utilities	20	01	-	2	2	2	3	3	3	3	0.0
Forest products	20	1	_	-	-	1	1	-	1	1	0.0
Service industries	22	46	83	62	74	51	49	58	50	50	2.5
	22	40	00	02	/4	51	45	50	50	50	2.0
Automotive lease and rental	23 24	- 1	-	-	- 5	-	- 5	-	-	6	
Educational			11	5	5	-	5		13 1		0.1
Health care	25	12	5	5		2		2	-	1	0.0
Business and professional services	26	10	30	28	26	18	9	7	2	3	0.
Hospitality and recreation	27	16	28	16	16	17	9	12	3	3	0.9
Other	28	7	9	8	19	8	22	31	31	37	0.4
Financial	29	1	1	1	2	2	2	7	7	10	0.1
Non-bank financial services	30	1	1	1	2	2	2	7	7	10	0.
Bank	31	-	-	-	-	-	-	-	-	-	0.0
Governments	32	-	-	-	-	-	-	-	-	-	0.0
Other otal Business and Government	33 34	12 208	<u>1</u> 245	<u>14</u> 231	- 237	233	<u>14</u> 259	- 256	20 238	14 249	0.4
Total Allowance for Credit Losses on Impaired Loans	35	370	409	398	388	393	417	421	386	405	19.8
		570	+03	090	000	535	+17	741	000	+05	19.0
Ilowance for credit losses on performing loans - Consumer (1)	36	682	710	715	708						36.5
Ilowance for credit losses on performing loans - Business and Government (1)	37	587	541	534	528						31.4
otal Allowance for Credit Losses on Performing Loans (1)	38	1,269	1,251	1,249	1,236						67.9
ollective allowance	39					1,440	1,405	1,516	1,482	1,520	
otal Allowance for Credit Losses on Loans	40	1,639	1,660	1,647	1,624	1,833	1,822	1,937	1,868	1,925	87.6
llowance for Credit Losses related to off-balance sheet instruments (2)	41	231	239	225	224	163	171	208	205	189	12.4
Total Allowance for Credit Losses	42	1,870	1,899	1,872	1,848	1,996	1,993	2,145	2,073	2,114	100.0

(1) 2016 and 2017 have not been restated to reflect the new IFRS standard adopted in 2018. The adoption of the new IFRS standard in 2018 has been applied prospectively.

(2) Reported in Other Liabilities.

								1	вмо 🖴	Financi	al Group
NET LOANS AND ACCEPTANCES BY PRODUCT AND INDUSTRY (1)	LINE	2018	2018	2018	2018	2017	2017	2017	2017	2016	MI
(\$ millions)	#	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q
Consumer											
Residential mortgages	1	119,601	118,716	117,749	117,164	115,234	113,954	112,959	112,438	112,244	29.7 9
Credit cards	2	8,329	8,236	8,175	7,994	8,071	8,076	8,004	7,888	8,101	2.1 9
Consumer instalment and other personal	3	63,082	62,341	61,587	60,989	61,808	61,379	61,752	61,364	64,557	15.6 9
Total Consumer	4	191,012	189,293	187,511	186,147	185,113	183,409	182,715	181,690	184,902	47.4 9
Dusing and Covernment evaluation											
Business and Government, excluding Securities Borrowed or Purchased under Resale Agreements											
Commercial real estate	5	31.028	29,599	28,495	26,767	26,479	25,153	25,054	24,202	24,126	7.7 9
Construction (non-real estate)	6	3,916	4,019	4,115	3,533	3,916	4.029	3,931	3,565	3,563	1.0 9
Retail trade	7	20,403	20.165	20,145	18,220	18,496	17,862	18,809	17,310	16,430	5.1 9
Wholesale trade	8	14,814	13,264	12,694	11,835	11,612	11,319	11,984	11,174	12,157	3.7 9
Agriculture	9	12,321	12,053	11,596	11,284	11,114	11,155	11,169	10,851	10,951	3.1 9
Communications	10	729	643	566	568	625	695	780	872	905	0.2 9
Financing products	10	4,439	4,563	4,949	4,251	5,060	5,621	6,635	6,211	6,093	1.1 9
Manufacturing	12	22,839	22,635	21,661	19,694	19,824	19,011	20,662	18,461	18,587	5.7 9
	12	7,557	7,513	7,157	6,356	6,617	6,357	7,063	6,659	6,217	1.9
Industrial products	13	7,557 8,929	8,866	8,347	6,356 7,925	7,858	6,357 7,378	8,038	0,059 7,156	7,801	2.2
Consumer products	14									7,801	0.4
Automotive	-	1,632	1,631	1,588	1,280	1,254	1,294	1,297	1,099		-
Other manufacturing	16	4,721	4,625	4,569	4,133	4,095	3,982	4,264	3,547	3,594	1.2
Mining	17	1,916	1,547	1,453	1,234	1,344	1,440	1,539	1,360	1,867	0.5
Oil and Gas	18	9,168	8,156	8,042	7,551	8,167	7,466	7,000	6,930	7,930	2.3 9
Transportation	19	10,973	10,747	10,575	9,949	10,496	10,125	10,770	10,188	10,695	2.7 9
Utilities	20	3,911	3,097	2,658	2,668	2,776	2,672	2,782	2,536	2,697	1.0 9
Forest products	21	840	759	852	845	835	791	809	829	889	0.2 9
Service industries	22	38,348	36,553	35,953	34,073	33,705	33,944	34,564	32,479	32,659	9.5 9
Automotive lease and rental	23	2,245	2,394	2,350	2,277	2,459	2,531	2,492	2,286	2,539	0.6
Educational	24	2,083	2,099	2,117	2,061	2,131	2,117	2,093	1,835	2,029	0.5
Health care	25	10,474	9,911	9,696	9,189	8,623	9,673	8,866	8,676	8,315	2.6
Business and professional services	26	8,768	8,360	8,196	7,552	7,581	7,223	8,206	7,481	7,555	2.2
Hospitality and recreation	27	8,596	7,880	7,575	7,270	6,923	6,680	6,526	6,229	5,980	2.1
Other	28	6,182	5,909	6,019	5,724	5,988	5,720	6,381	5,972	6,241	1.5
Financial	29	32,463	32,457	29,712	30,789	32,265	32,838	33,308	31,573	32,076	8.1 9
Non-bank financial services	30	26,143	26,431	22,741	22,002	23,326	24,531	24,660	23,026	24,828	6.5
Bank	31	6,320	6,026	6,971	8,787	8,939	8,307	8,648	8,547	7,248	1.6
Governments	32	1,436	1,364	1,418	1,456	1,470	1,394	1,484	1,311	1,326	0.4 9
Other	33	3,289	3,972	4,140	3,739	3,196	4,101	4,764	4,973	4,206	0.6 9
Total Business and Government	34	212,833	205,593	199,024	188,456	191,380	189,616	196,044	184,825	187,157	52.9 9
Loans and Acceptances, Net of Allowance for Credit Losses on Impaired Loans	35	403,845	394,886	386,535	374,603	376,493	373,025	378,759	366,515	372,059	100.3
Allowance for credit losses on performing loans - Consumer (2)	36	(682)	(710)	(715)	(708)						(0.2)
Allowance for credit losses on performing loans - Consumer (2) Allowance for credit losses on performing loans - Business and Government (2)	30	(587)	(710)	(713)	(528)						(0.2)
Total Allowance for Credit Losses on Performing Loans (2)	38	(1,269)	(1,251)	(1,249)	(1,236)						(0.1)
č	30 39	(1,209)	(1,201)	(1,249)	(1,230)	(1.440)	(1 405)	(1 546)	(1.400)	(1 520)	(0.3)
Collective allowance Total Net Loans and Acceptances	<u> </u>	402,576	393,635	385,286	373,367	<u>(1,440)</u> 375,053	(1,405) 371,620	(1,516) 377,243	(1,482) 365,033	(1,520) 370,539	100.0

(1) Net Loans and Acceptances balances are net of allowance for credit losses, excluding those related to off-balance sheet instruments.

(2) 2016 and 2017 have not been restated to reflect the new IFRS standard adopted in 2018. The adoption of the new IFRS standard in 2018 has been applied prospectively.

GROSS IMPAIRED LOANS AND ACCEPTANCES									BMO	Finan	cial Group
BY PRODUCT AND INDUSTRY (1)	LINE	2018	2018	2018	2018	2017	2017	2017	2017	2016	GIL to Gros
\$ millions)	#	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Loar
Consumer											
Residential mortgages	1	375	380	384	397	391	392	419	416	403	0.3
Consumer instalment and other personal	2	521	534	564	558	556	549	600	581	589	0.7
Fotal Consumer	3	896	914	948	955	947	941	1,019	997	992	0.5
Business and Government, excluding											
Securities Borrowed or Purchased under Resale Agreements											
Commercial real estate	4	53	44	50	101	60	55	52	56	73	0.2
Construction (non-real estate)	5	34	42	46	38	53	38	38	41	49	0.9
Retail trade	6	67	51	35	49	50	48	25	23	25	0.3
Wholesale trade	7	65	74	73	96	114	95	119	68	82	0.5
Agriculture	8	209	212	256	209	249	268	303	257	240	1.7
Communications	9	-	-	-	-	-	-	-	-	2	0.0
Financing products	10	-	-	-	-	-	-	-	-	_	0.0
Manufacturing	11	97	90	67	113	121	138	158	164	142	0.4
Industrial products	12	14	14	22	57	55	52	52	49	31	0.2
Consumer products	13	29	23	6	6	12	11	15	23	26	0.3
Automotive	14	6		-	-	-	-	-			0.4
Other manufacturing	15	48	53	39	50	54	75	91	92	85	1.0
Mining	16	1	1	1	2	1	2	2	2	3	0.1
Oil and Gas	17	74	115	174	113	187	199	281	327	453	0.8
Transportation	18	121	151	156	152	169	150	182	110	97	1.1
Utilities	19	2	1	4	5	6	6	5	5	15	0.1
Forest products	20	1	3	3	3	3	6	6	8	8	0.1
Service industries	20	237	291	263	280	232	184	213	149	132	0.1
Automotive lease and rental	22	201	201	200	200	2.52		210		102	0.0
Educational	22	- 12	- 22	- 18	- 17	- 20	- 20	- 17	- 25	25	0.0
Health care	23	66	53	66	91	20 46	20 32	35	25 34	25 16	0.6
Business and professional services	24	90	115	113	91 109	103	52 72	35 86	34 41	31	1.0
Hospitality and recreation	25	90 49	83	45	43	41	37	80 40	41	15	0.6
Other	20	49 20	83 18	45 21	43 20	41 22	23	40 35	37	45	0.8
Financial	27	67	78	54	20 16	4	23 4	35	13	45 49	0.3
	20 29	67	70 78	54 54	16	4	4	0 8			
Non-bank financial services Bank	29 30	67	78	54	10	4	4	ð	13	15 34	0.3
Governments	30	-	-	-	-	3	3	- 5	5	³⁴	0.0 0.0
Other	31	- 12	- 9	- 22	- 17		3 17	-	5 22	15	0.0
	32	1,040			1,194	<u>21</u> 1,273		<u>23</u> 1,420	1,250		0.4
Fotal Business and Government	33	1,040	1,162	1,204	1,194	1,273	1,213	1,420	1,250	1,391	0.5
otal Gross Impaired Loans and Acceptances	34	1,936	2,076	2,152	2,149	2,220	2,154	2,439	2,247	2,383	0.5

NET IMPAIRED LOANS								E	вмо 🖴	Financia	l Group
AND ACCEPTANCES BY PRODUCT AND INDUSTRY (1) (2) (\$ millions)	LINE #	2018 Q4	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	NIL to Ne Loan
		<u> </u>			.	<u> </u>			.		
Consumer											
Residential mortgages	1	356	360	363	375	367	363	389	385	370	0.3 %
Consumer instalment and other personal	2	378	390	418	429	420	420	465	464	466	0.5 %
Total Consumer	3	734	750	781	804	787	783	854	849	836	0.4 %
Business and Government, excluding											
Securities Borrowed or Purchased under Resale Agreements											
Commercial real estate	4	45	31	37	88	45	45	43	43	60	0.1 %
Construction (non-real estate)	5	18	26	29	24	39	21	33	38	45	0.5 %
Retail trade	6	50	41	27	41	36	30	18	12	13	0.2 %
Wholesale trade	7	42	51	48	80	97	66	86	38	51	0.3 % 1.6 %
Agriculture Communications	8 9	193	188	224	194	238	246	276	238	221	1.6 %
Financing products	9 10	-	-	-	-	-	-	-	-	1	0.0 %
Manufacturing	10	- 77	72	47	- 75	- 70	- 96	- 116	- 122	106	0.0 %
Industrial products	12	13	10	47 15	32	31	38	39	35	26	0.3 7
Consumer products	13	21	16	2	4	5	3	39 7	35 15	17	0.2 %
Automotive	14	5	10	2	-	5	-	,	-		0.2 /
Other manufacturing	15	38	46	30	39	34	55	70	72	63	0.8 %
Mining	16	1	1	1	2	1	1	1	1	2	0.1 %
Oil and Gas	17	57	92	155	72	145	160	235	297	408	0.6 %
Transportation	18	90	118	138	138	156	138	164	102	88	0.8 %
Utilities	19	2	1	2	3	4	3	2	2	12	0.1 %
Forest products	20	-	3	3	3	2	5	6	7	7	0.0 %
Service industries	21	191	208	201	206	181	135	155	99	82	0.5 %
Automotive lease and rental	22	-	-	-	-	-	-	-	-	-	0.0 %
Educational	23	11	11	13	12	14	15	11	12	19	0.5 %
Health care	24	54	48	61	83	44	28	33	33	15	0.5 %
Business and professional services	25	80	85	85	83	85	63	79	39	28	0.9 %
Hospitality and recreation	26	33	55	29	27	24	28	28	9	12	0.4 %
Other	27	13	9	13	1	14	1	4	6	8	0.2 9
Financial	28	66	77	53	14	2	2	1	6	39	0.2 %
Non-bank financial services	29	66	77	53	14	2	2	1	6	5	0.3 %
Bank	30	-	-	-	-	-	-	-	-	34	0.0 %
Governments	31	-	-	-	-	3	3	5	5	6	0.0 %
Other	32	-	8	8	17	21	3	23	2	1	0.0 %
Total Business and Government	33	832	917	973	957	1,040	954	1,164	1,012	1,142	0.4 %
Total Net Impaired Loans and Acceptances Net Impaired Loans exclude Purchased Credit Impaired Loans 	34	1,566	1,667	1,754	1,761	1,827	1,737	2,018	1,861	1,978	0.4 %

(1) Net Impaired Loans exclude Purchased Credit Impaired Loans.

(2) Net Impaired Loan balances are net of allowance for credit losses on impaired loans, excluding those related to off-balance sheet instruments.

LOANS AND ACCEPTANCES									вмо	∽ Finan	cial Group
BY GEOGRAPHIC AREA (1)	LINE	2018	2018	2018	2018	2017	2017	2017	2017	2016	MIX
(\$ millions)	LINE #	2018 Q4	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	MIX Q4
Gross Loans and Acceptances	4	000.000	057.050	055 004	050.004	050.000	047 470	044.004	044.000	040 504	05.4.0/
Canada United States	1 2	263,098 131,571	257,952 128,059	255,321 121,301	250,381 112,787	250,092 115,146	247,478 115,045	244,301	241,262 113,752	240,524	65.1 % 32.5 %
Other Countries	2	9,546	9,284	10,311	11,823	115,146	10,919	122,618 12,261	11,887	121,687 10,253	32.5 % 2.4 %
Total Gross Loans and Acceptances	4	404,215	<u>9,204</u> 395,295	386,933	374,991	376,886	373,442	379,180	366,901	372,464	100.0 %
ACL on Impeired Loope (2)											
ACL on Impaired Loans (2)	5	(189)	(205)	(107)	(200)	(212)	(222)	(107)	(160)	(173)	51.1 %
United States	5 6	(189)	(205) (197)	(197) (195)	(200) (169)	(212) (161)	(222) (176)	(197) (203)	(168) (217)	(173) (231)	48.9 %
Other Countries	о 7	(101)	· · ·	. ,	(169)	· · ·	(176) (19)	. ,	. ,	• •	48.9 %
Total ACL on Impaired Loans	8	(370)	(7) (409)	(6) (398)	(388)	(20) (393)	(19) (417)	(21) (421)	(1) (386)	(1) (405)	100.0 %
	0	(370)	(409)	(396)	(300)	(393)	(417)	(421)	(360)	(405)	100.0 %
Net Loans and Acceptances											
Canada	9	262,909	257,747	255,124	250,181	249,880	247,256	244,104	241,094	240,351	65.3 %
United States	10	131,390	127,862	121,106	112,618	114,985	114,869	122,415	113,535	121,456	32.6 %
Other Countries	11	9,546	9,277	10,305	11,804	11,628	10,900	12,240	11,886	10,252	2.4 %
Total Loans and Acceptances,											
net of ACL on impaired loans	12	403,845	394,886	386,535	374,603	376,493	373,025	378,759	366,515	372,059	100.3 %
ACL on Performing Loans (2) (3)											
Canada	13	(689)	(697)	(680)	(683)						(0.2)%
United States	14	(574)	(550)	(563)	(548)						(0.1)%
Other Countries	15	(6)	(4)	(6)	(5)						(0.0)%
Collective ACL <i>(2)</i> Canada	16					(799)	(806)	(846)	(847)	(833)	
United States	10					(799) (641)	(599)	(640)	(647)	(687)	
Total Net Loans and Acceptances	18	402,576	393,635	385,286	373,367	375,053	371,620	377,243	365,033	370,539	100.0 %
	10	402,070	000,000	000,200	010,001	010,000	071,020	011,240	000,000	070,000	100.0 /0
Gross Impaired Loans and Acceptances (4)											
Canada	19	735	767	746	837	793	758	747	724	787	38.0 %
United States	20	1,201	1,266	1,365	1,269	1,377	1,348	1,637	1,521	1,594	62.0 %
Other Countries	21	-	43	41	43	50	48	55	2	2	0.0 %
Total Gross Impaired Loans and Acceptances	22	1,936	2,076	2,152	2,149	2,220	2,154	2,439	2,247	2,383	100.0 %
Net Impaired Loans and Acceptances (4)											
Canada	23	546	562	549	637	581	536	550	556	614	34.9%
United States	24	1,020	1,069	1,170	1,100	1,216	1,172	1,434	1,304	1,363	65.1%
Other Countries	25	-	36	35	24	30	29	34	1	1	0.0%
Total Impaired Loans and Acceptances,											
net of ACL on impaired loans (2)	26	1,566	1,667	1,754	1,761	1,827	1,737	2,018	1,861	1,978	100.0%
(1) Segmented credit information by geographi	c area is	based upon th	e country of u	ltimate risk.							

(1) Segmented credit information by geographic area is based upon the country of ultimate risk.(2) Excludes allowances related to off-balance sheet instruments.

(3) 2016 and 2017 have not been restated to reflect the new IFRS standard adopted in 2018. The adoption of the new IFRS standard in 2018 has been applied prospectively.
 (4) Gross Impaired Loans and Net Impaired Loans exclude Purchased Credit Impaired Loans.

CHANGES IN IMPAIRMENT ALLOWANCE										BM	IO 😁 Fir	nancial G	Froup
FOR CREDIT LOSSES (ACL)	LINE	2018	2018	2018	2018	2017	2017	2017	2017	2016	Fiscal	Fiscal	Fiscal
(\$ millions)	#	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2018	2017	2016
Impairment Allowances (Total ACL), beginning of period	1	1,899	1,872	1,848	1,918	1,993	2,145	2,073	2,114	2,182	1,918	2,114	2,052
Amounts written off	2	(271)	(219)	(242)	(205)	(230)	(234)	(264)	(226)	(321)	(937)	(954)	(1,003)
Recoveries of amounts written off in previous periods	3	68	69	74	50	71	61	64	69	80	261	265	343
Charge to income statement (PCL) (1)	4	175	185	156	141	202	126	251	167	167	657	746	771
Foreign exchange and other movements	5	(1)	(8)	36	(56)	(40)	(105)	21	(51)	6	(29)	(175)	(49)
Total ACL, at end of period	6	1,870	1,899	1,872	1,848	1,996	1,993	2,145	2,073	2,114	1,870	1,996	2,114
Total ACL comprised of : Loans	7	1,639	1,660	1,647	1,624	1,833	1,822	1,937	1,868	1,925	1,639	1,833	1,925
ACL on impaired loans for other credit instruments	8	27	28	28	27	27	25	28	28	27	27	27	27
ACL on performing loans for other credit instruments													
and undrawn commitments (2)	9	204	211	197	197						204		
Collective ACL for other credit instruments	-												
and undrawn commitments	10					136	146	180	177	162		136	162
Allocation of Recoveries of Amounts Written Off in Previous Period	11	54	55	51	42	65	45	54	51	56	202	215	189
Business and Government	12	14	14	23	8	6	16	10	18	24	59	50	154
Allocation of Amounts Written Off by Market													
Consumer	13	164	159	162	155	165	163	161	169	155	640	658	654
Business and Government	14	107	60	80	50	65	71	103	57	166	297	296	349

CHANGES IN IMPAIRED LOANS													
AND ACCEPTANCES (3)		2018	2018	2018	2018	2017	2017	2017	2017	2016	Fiscal	Fiscal	Fiscal
(\$ millions)		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2018	2017	2016
Total Impaired Loans and Acceptances													
GIL, beginning of period	15	2,076	2,152	2,149	2,220	2,154	2,439	2,247	2,383	2,358	2,220	2,383	2,004
Retail formations (4)	16	278	256	280	296	264	240	266	287	269	1,110	1,057	1,104
Retail reductions (5)	17	(209)	(210)	(206)	(215)	(177)	(240)	(170)	(193)	(167)	(840)	(780)	(728)
Business and government formations	18	165	266	298	239	263	165	486	222	286	968	1,136	1,408
Business and government reductions (5)	19	(180)	(248)	(208)	(268)	(138)	(301)	(213)	(306)	(114)	(904)	(958)	(711)
Net new additions (reductions) (4)	20	54	64	164	52	212	(136)	369	10	274	334	455	1,073
Retail write-offs (4)	21	(87)	(80)	(81)	(73)	(81)	(78)	(74)	(89)	(83)	(321)	(322)	(345)
Business and government write-offs	22	(107)	(60)	(80)	(50)	(65)	(71)	(103)	(57)	(166)	(297)	(296)	(349)
Write-offs (4)	23	(194)	(140)	(161)	(123)	(146)	(149)	(177)	(146)	(249)	(618)	(618)	(694)
GIL, end of period	24	1,936	2,076	2,152	2,149	2,220	2,154	2,439	2,247	2,383	1,936	2,220	2,383
ACL on Impaired Loans, beginning of period	25	409	398	388	393	417	421	386	405	490	393	405	357
Increase / (Decrease)	26	232	230	252	200	206	230	299	207	236	914	942	1,051
Amounts Written Off	27	(271)	(219)	(242)	(205)	(230)	(234)	(264)	(226)	(321)	(937)	(954)	(1,003)
ACL on Impaired Loans, end of period (6)	28	370	409	398	388	393	417	421	386	405	370	393	405
NIL, beginning of period	29	1.667	1.754	1.761	1.827	1.737	2,018	1.861	1.978	1.868	1.827	1,978	1,647
Change in gross impaired loans	30	(140)	(76)	3	(71)	66	(285)	192	(136)	25	(284)	(163)	379
Change in ACL on impaired loans (6)	31	39	(11)	(10)	5	24	(203)	(35)	19	85	23	12	(48)
NIL, end of period	32	1.566	1.667	1.754	1.761	1.827	1.737	2.018	1.861	1,978	1.566	1.827	1,978
(1) Evolution period	52	1,000	1,007	1,704	1,701	1,521	1,707	2,010	1,001	1,070	1,000	1,021	1,070

(1) Excludes provision for credit losses on other assets.

(2) 2016 and 2017 have not been restated to reflect the new IFRS standard adopted in 2018. The adoption of the new IFRS standard in 2018 has been applied prospectively.

(3) Gross Impaired Loans and Net Impaired Loans exclude Purchased Credit Impaired Loans.

(4) Excludes certain loans that are written off directly and not classified as new formations (Q4'18 \$77 million, Q3'18 \$79 million, Q2'18 \$81 million, Q1'18 \$82 million, Q4'17 \$84 million, Q3'17 \$85 million, Q2'17 \$87 million, Q1'17 \$80 million, Q1'17 \$80 million, Q4'16 \$72 million).

(5) Includes impaired amounts returned to performing status, loan sales, repayments, the impact of foreign exchange fluctuations and offsets for consumer write-offs which have not been recognized in formations. (6) Excludes ACL related to off-balance sheet instruments.

DR REDUIT LOSSES (AL) BY PRODUCT TYPE LNE Stage 1 Stage 1 Stage 2 Stage 3 Old 2 Stage 3 Stage 3 <thstage 3<="" th=""> Stage 3 <ths< th=""><th>R CREDIT USSES (AC.) BY PRODUCT TYPE UNE Stage 1 Stage 1 Stage 3 Call of the stage 3 Stage 4 <thstage 4<="" th=""> Stage 4</thstage></th><th>HANGES IN IMPAIRMENT ALLOWANCE</th><th></th><th></th><th></th><th></th><th>Total</th><th></th><th>вмо 🗳</th><th>Financial</th><th>Group Tot</th></ths<></thstage>	R CREDIT USSES (AC.) BY PRODUCT TYPE UNE Stage 1 Stage 1 Stage 3 Call of the stage 3 Stage 4 Stage 4 <thstage 4<="" th=""> Stage 4</thstage>	HANGES IN IMPAIRMENT ALLOWANCE					Total		вмо 🗳	Financial	Group Tot
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $	$ \begin{array}{c c c c c c c c c c c c c c c c c c c $	OR CREDIT LOSSES (ACL) BY PRODUCT TYPE millions)		Stage 1	Stage 2	Stage 3	2018	Stage 1	Stage 2	Stage 3	Fisc 201
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $	$ \begin{array}{c c c c c c c c c c c c c c c c c c c $	oans: Residential mortgages									
Transfer to Stage 1 2 9 (6) (1) (3) (3) (3) Transfer to Stage 2 4 - 1 0 0 0 0 0 Net intreasescenet of too adlowance 5 (11) 11 5 5 (37) 42 19 Loan originations 6 2 - 2 (2) (1)	$ \begin{array}{c c c c c c c c c c c c c c c c c c c $		1	21	37	45	103	16	34	49	9
Transfer to Stage 3 4 - (2) 2 - (9) 9 Instruction optimizes 6 (11) 1 5 5 (37) 42 19 Instruction optimizes 6 - - 6 6 (2) - - (2) <td< td=""><td>$\begin{array}{c c c c c c c c c c c c c c c c c c c$</td><td></td><td>2</td><td></td><td></td><td></td><td>-</td><td></td><td></td><td></td><td></td></td<>	$ \begin{array}{c c c c c c c c c c c c c c c c c c c $		2				-				
Net remeasurament of tos allowance 5 (11) 11 5 5 (37) 42 19 Derecognitions and matrifies 7 - (2) (3) (4) (2) (3) Wite-6ft 8 - (2) (3) (4) - (2) (3) Process exclusions whe offs 10 - 20 20 - - (2) (3) Transfer to Stage 1 11 (1) 1 (3) (3) - 1 (1) 1 (1) 1 (1) 1 (1) 1 (1) 1 (1) 1 (1) 1 (1) 1 (1) 1 (1) 1 (1) 1 (1) 1 (1) 1 (1) 1 (1) 1 (1) 1 (1) 1 1 (1) 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Net measurement of loss allowance 5 (11) 11 5 5 (37) 42 19 Derecognitions and maturities 7 - (2) - 2 (2) (2) (2) (2) (2) (2) (2) (2) (2) (2) (2) (3) (4) (9) - - (2) (2) (2) (2) (2) (2) (3) (4) (3) (3) - - (2) (2) (3) (4) (3) - - (2) (3) (4) (3) - - (3) (3) - - (3) (3) - - (3) (3) - - (3) (3) - - (3) (3) 1 1 - - 1 1 - - 1 1 - - 1 1 1 1 1 1 1 1 1 1 1 1 </td <td></td> <td>3</td> <td>-</td> <td></td> <td></td> <td>-</td> <td>(1)</td> <td></td> <td></td> <td></td>		3	-			-	(1)			
	$ \begin{array}{c c c c c c c c c c c c c c c c c c c $		4				-	-			
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $	$ \begin{array}{c c c c c c c c c c c c c c c c c c c $		-		11	5			42	19	2
Total PCL (r) 8 - - 5 5 Write-offs 9 - - 65 65 Recoveries of previous write-offs 10 - - 20 20 Transpere consumption and other 11 10 1 23 65 - - - 7 Transfer to Stage 1 14 43 400 - - 76 367 157 5 Transfer to Stage 3 16 01 100 - - 164 684 76 367 157 5 Transfer to Stage 3 16 01 030 - - 169 164 214 200 164 169 169 214 160 169 214 200 164 169 160 164 169 164 164 169 164 164 164 164 164 164 164 164 164 164 164 164 1	Total PCL (?) 6 - - 5 5 Recoveries of previous write-dfs 0 - - 6(5) (5) Recoveries of previous write-dfs 10 - - 20 - - 7 Total ACL, guinned of period 12 20 39 44 00 - - 7 Total ACL, builting of period 12 20 39 44 00 30 44 Total ACL, builting of period 12 20 39 44 00 30 44 - - 7 7 Total ACL, builting of period 12 40 44 694 46 694 46 694 46 694 10 10 12 20 20 38 44 3 19 7 Transfer to Stage 3 16 (10 00 13 - 12 12 12 12 12 12 12 12 13 20				-	-			-	-	
With colfs 9 - - (5) (5) Recoveries of previous write-offs 10 - - 2 2 Foreign exchange and other 11 (1) 1 33 33 Totak /CL, at and of period 12 20 38 44 10 Totak /CL, at and of period 13 90 348 146 554 Transfer to Stage 1 14 43 400 13 56 Transfer to Stage 2 15 (5) 23 (18) - (21) 16 (83) Transfer to Stage 2 15 (5) 23 (18) - (14) (16) 27 (16) (21) (16) (21) (16) (21) (16) (21) (16) (21) (16) (21) (21) (21) (21) (21) (21) (21) (21) (21) (21) (21) (21) (21) (21) (21) (21) (21) (21) <	Wite-offs 9 - - (6) (5) - - (20) Feerge exchange and other 11 (1) 1 (3) (3) - - 7 Total ALC, and other 12 20 38 44 (02) - 1 (11) Total ACL, and other personal - 14 44 (02) 38 44 (02) 20 38 44 Transfer to Stage 1 14 43 (40) (3) - 124 (200) (14) Transfer to Stage 2 16 (15) 37 43 (19) (12) (15) (12) (15) (16) (12) (15) (16) (16) (16) (16) (17) (18) (16)			-	(2)	- 5				- 10	
Recoveries of previous write offs 10 . . 2 2 . . 7 Foreign exchange and other 11 (1) 1 (3) (3) . 1 (1) 1 ans: Consume (instanded not bur personal - - - 7 7 ans: Consume (instanded not bur personal - - 7 <	Recoveries of previous write offs 10 . . 2 2 . . 7 Tordig exchange and other 11 (1) 1 (3) (3) 1 (11) Tordig exchange and other personal 13 90 348 146 594 76 357 137 Transfer to Stage 1 14 43 (40) (3) - (4) (12) 166 (16) <t< td=""><td></td><td>-</td><td></td><td></td><td></td><td></td><td>-</td><td>5</td><td></td><td>(2</td></t<>		-					-	5		(2
	$\begin{array}{c c c c c c c c c c c c c c c c c c c $			-	-			-	-		(-
Total ACL, stend of period 12 20 38 44 102 20 38 44 102 ans: Consumer instanent and other period 11 90 348 148 584 75 357 137 5 Transfer to Stage 2 15 (6) (2) (18) - (4) (162) 166 Transfer to Stage 3 16 (11) (30) 31 - (4) (162) 166 214 (20) 162 162 162 162 162 162 163 17 163 17 163 17 163 163 17 163 <td< td=""><td></td><td></td><td></td><td>(1)</td><td>1</td><td></td><td></td><td>-</td><td>1</td><td></td><td>(*</td></td<>				(1)	1			-	1		(*
ans: Consumer instalment and other personal 76 367 57 5 Total ACL, beginning of period 13 90 346 146 584 Transfer to Stage 1 14 44 (40) (3) - (21) (20) (14) Transfer to Stage 1 16 (3) (20) 31 - (21) (20) (14) Derecognitions and maturities 19 (4) (14) - (11) (12) 39 - - (22) - - (22) - - (20) 13 (15) (14) - (11) (12) 39 - - - (22) - - (22) - - (23) 1 - (23) - - (23) - - (23) - - (24) 50 - - (30) 23 - - (37) 37 - - - 13 -	Sc. Consumer instalment and other personal Tatafact. Legrining of period 13 90 348 146 584 Tatafact. Stage 1 14 43 (40) (3) 1 76 357 157 Transfer to Stage 3 14 61 (3) (3) 1 (4) (14) (14) Net reneasurement of loss allowance 17 (4) (4) - (16) (162) </td <td></td> <td></td> <td></td> <td>38</td> <td></td> <td></td> <td>20</td> <td>38</td> <td>()</td> <td>1</td>				38			20	38	()	1
	$ \begin{array}{c c c c c c c c c c c c c c c c c c c $										
$\begin{array}{c c c c c c c c c c c c c c c c c c c $	Transfer to Singe 1 14 43 (40) (3) - Transfer to Singe 2 15 (5) 23 (16) - Transfer to Singe 2 16 (1) (30) - (22) (25) (66) Net reneasurement of loss allowance 17 (43) 31 - (4) (14) (15) (22) (16) (16) (16) (17) (16)	oans: Consumer instalment and other personal									
$\begin{array}{c c c c c c c c c c c c c c c c c c c $	$\begin{array}{c c c c c c c c c c c c c c c c c c c $						584		357		5
$\begin{array}{c c c c c c c c c c c c c c c c c c c $	$\begin{array}{c c c c c c c c c c c c c c c c c c c $						-				
Net remeasurement of loss allowance 17 (46) 37 49 41 (196) 272 162 2 Loan originations 19 (4) (14) - (18) (19) - - 1 39 - - - 133 (15) 23 2 - - (26) (12) 14 4 (15) 4 (15) (17) - - (20) 14 4 (15) (17) - - 200 14 4 (15) (17) - - 020 14 4 (15) (17) - - 020 14 4 (15) 14 4 (15) 14 4 (15) 14 4 (15) 14 4 (15) 14 4 (15) 14 4 (15) 14 4 (15) 14 4 (15) 14 4 (15) 14 14 16 16 17 <td>$\begin{array}{c c c c c c c c c c c c c c c c c c c$</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>_</td> <td></td> <td></td> <td></td> <td></td>	$\begin{array}{c c c c c c c c c c c c c c c c c c c $						_				
	Loan originations 18 11 - - 11 39 - - Derecognitions and maturities 19 (4) (14) - (18) (30) - - - - - (30) (1) (14) - (11) (14) - (11) (14) - (11) (12) (11)						41				2
$\begin{array}{c c c c c c c c c c c c c c c c c c c $	$ \begin{array}{c c c c c c c c c c c c c c c c c c c $				-	-				-	
Write-offs21 <th< td=""><td>Write-offs 21 - - (62) - - (62) - - (301) (101) Recoveries of previous write-offs 23 1 2 (4) (11) 1 4 (15) Total ACL, beginning of period 24 90 326 144 560 90 326 144 Transfer to Stage 1 26 23 - 306 83 254 - 144 (15) Transfer to Stage 2 27 (5) 5 - - (37) 37 - (164) 342 20 166 144 19 - - (164) 342 20 1 (164) 342 20 1 (164) 342 20 1 113 177 177 - - 103 42 - - - 103 142 - - - - 103 103 114 11 1164 1164 <</td><td>Derecognitions and maturities</td><td>19</td><td>(4)</td><td>(14)</td><td>-</td><td>(18)</td><td>(18)</td><td>(50)</td><td>-</td><td>(</td></th<>	Write-offs 21 - - (62) - - (62) - - (301) (101) Recoveries of previous write-offs 23 1 2 (4) (11) 1 4 (15) Total ACL, beginning of period 24 90 326 144 560 90 326 144 Transfer to Stage 1 26 23 - 306 83 254 - 144 (15) Transfer to Stage 2 27 (5) 5 - - (37) 37 - (164) 342 20 166 144 19 - - (164) 342 20 1 (164) 342 20 1 (164) 342 20 1 113 177 177 - - 103 42 - - - 103 142 - - - - 103 103 114 11 1164 1164 <	Derecognitions and maturities	19	(4)	(14)	-	(18)	(18)	(50)	-	(
Recoveries of previous write-offs 22 - - 25 25 - - 92 Foreign exchange and other 23 1 2 (1) (1) 1 4 (15) 0 ranse: rotal ACL, beginning of period 25 73 233 - 306 144 560 90 326 144 560 Transfer to Stage 1 26 28 - - - 177 (177) - - 177 (177) - - 177 (177) - - (37) - - (37) - - (37) - - (11) (195) 196 - - (43) 43 - - - (11) (196) 332 2 1 (13) 50 38 (99) (35) 216 41 - - - - - 103 142 103 142 103 142 103 <t< td=""><td>$\begin{array}{c c c c c c c c c c c c c c c c c c c$</td><td>Total PCL (1)</td><td>20</td><td>(1)</td><td>(24)</td><td>59</td><td>34</td><td>13</td><td>(35)</td><td>231</td><td>2</td></t<>	$\begin{array}{c c c c c c c c c c c c c c c c c c c $	Total PCL (1)	20	(1)	(24)	59	34	13	(35)	231	2
$\begin{array}{c c c c c c c c c c c c c c c c c c c $				-	-			-	-		(3
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $	$\begin{array}{c c c c c c c c c c c c c c c c c c c $			-	-			-	-		
ars: Credit cards	$\begin{array}{ c c c c c c c c c c c c c c c c c c c$								-		(
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $	$\begin{array}{c c c c c c c c c c c c c c c c c c c $	Total ACL, at end of period	24	90	326	144	560	90	326	144	56
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $	$\begin{array}{c c c c c c c c c c c c c c c c c c c $	oans: Credit cards									
$\begin{array}{c c c c c c c c c c c c c c c c c c c $	$\begin{array}{c c c c c c c c c c c c c c c c c c c $	Total ACL, beginning of period			233	-	306		254	-	33
$\begin{array}{c c c c c c c c c c c c c c c c c c c $	$\begin{array}{c c c c c c c c c c c c c c c c c c c $					-	-			-	
$\begin{array}{c c c c c c c c c c c c c c c c c c c $	Net remeasurement of loss allowance 29 (25) 60 7 42 (164) 342 20 Loan originations 30 4 - - 4 19 - - Derecognitions and maturities 31 (1) (7) - (8) (3) (42) - Total PCL (1) 32 1 (13) 50 38 (9) (35) 216 (3) (42) - - (3) (42) - - (3) (42) - - (3) (42) - - (3) (42) - - (3) (42) - - 103 (3) - - (1) - 103 - - 103 - - 103 - - - 103 - - - 103 - - - 103 - - 103 103 103 103 103 103 103			(5)		-	-			-	
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $	$\begin{array}{c c c c c c c c c c c c c c c c c c c $			-			-				4
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $	$\begin{array}{c c c c c c c c c c c c c c c c c c c $				60	1			342	20	
$\begin{array}{c c c c c c c c c c c c c c c c c c c $	$ \begin{array}{c c c c c c c c c c c c c c c c c c c $				(7)	-			- (42)	-	
Write-offs 33 - - (77) (73) (74) (219) (23) (210)	Write-offs 33 - - - (77) (73) (71) (13) <th< td=""><td></td><td></td><td></td><td></td><td>50</td><td></td><td></td><td></td><td>216</td><td></td></th<>					50				216	
Recoveries of previous write-offs3427271031Foreign exchange and other35-(1)-(1)-(1)1031Total ACL, at end of period3674219-293742191031transfer to Stage 13874219219	Recoveries of previous write-offs 34 - - 27 27 - - 103 Foreign exchange and other 35 - (1) - (1) - (1) - - - 103 Total ACL, at end of period 36 74 219 - 103 - - - - 103 103 103 103 103 103 103 103 103 103 103 103 103 103 103 103 103 - - - <td></td> <td></td> <td>-</td> <td>(10)</td> <td></td> <td></td> <td>(3)</td> <td>(00)</td> <td></td> <td></td>			-	(10)			(3)	(00)		
Foreign exchange and other 35 - (1) - (1) - (1) -	$\begin{array}{c c c c c c c c c c c c c c c c c c c $			-	-			-	-		1
Total ACL, at end of period 36 74 219 - 293 74 219 - 2 rans: Business and government Total ACL, beginning of period 37 292 368 246 906 136 (128) (8) Transfer to Stage 1 38 41 (38) (3) - (31) 66 (35) Transfer to Stage 2 39 (10) 31 (21) - (11) (61) 62 Net remeasurement of loss allowance 41 (56) 68 76 88 (155) 203 215 22 Net remeasurement of loss allowance 41 (56) 68 76 88 (155) 203 215 22 Model changes 44 - - - - 163 - - 16 Model changes 44 - - - - - - - - - - - - - - - - - - 107 0. - - -	Total ACL, at end of period 36 74 219 293 74 219 - ms: Business and government Total ACL, beginning of period 37 292 368 246 906 Transfer to Stage 1 38 41 (38) (3) - 136 (128) (8) Transfer to Stage 2 39 (10) 31 (21) - (31) 66 (35) Transfer to Stage 3 40 - (11) 11 - (11) (61) 62 Net remeasurement of loss allowance 41 (56) 68 76 88 (163) - - (11) (61) 62 Derecognitions and maturities 43 (21) (15) - (36) (80) (86) - (163) - - (16) (163) - (16) (17) (17) (31) 66 (35) (16) (16) (16) (16) (16) (16) (16) (16)			-	(1)	-		-	-	-	
Total ACL, beginning of period 37 292 368 246 906 268 410 234 93 Transfer to Stage 1 38 41 (38) (3) - (31) 66 (35) Transfer to Stage 2 39 (10) 31 (21) - (31) 66 (35) Transfer to Stage 3 40 - (11) 11 - (11) (61) 62 Net remeasurement of loss allowance 41 (56) 68 76 88 (155) 203 215 22 Loan originations 42 46 - - 46 163 - - 11 Derecognitions and maturities 43 (21) (15) - (36) (80) (86) - (11) Model changes 44 - - - - - (7) (3) - (21) (22) Write-offs 47 - - 14 14 - - 57 (21) - - 59	Total ACL, beginning of period 37 292 368 246 906 268 410 234 Transfer to Stage 1 38 41 (38) (3) - (31) 66 (35) Transfer to Stage 2 39 (10) 31 (21) - (11) 66 (35) Transfer to Stage 3 40 - (11) 11 - (11) (61) 62 Net remeasurement of loss allowance 41 (56) 68 76 88 (155) 203 215 Loan originations 42 46 - <			74		-		74	219	-	2
Total ACL, beginning of period 37 292 368 246 906 268 410 234 93 Transfer to Stage 1 38 41 (38) (3) - (31) 66 (35) Transfer to Stage 2 39 (10) 31 (21) - (31) 66 (35) Transfer to Stage 3 40 - (11) 11 - (11) (61) 62 Net remeasurement of loss allowance 41 (56) 68 76 88 (155) 203 215 22 Loan originations 42 46 - - 46 163 - - 11 Derecognitions and maturities 43 (21) (15) - (36) (80) (86) - (11) Model changes 44 - - - - - (7) (3) - (21) (22) Write-offs 47 - - 14 14 - - 57 (21) - - 59	Total ACL, beginning of period 37 292 368 246 906 268 410 234 Transfer to Stage 1 38 41 (38) (3) - (31) 66 (35) Transfer to Stage 2 39 (10) 31 (21) - (11) 66 (35) Transfer to Stage 3 40 - (11) 11 - (11) (61) 62 Net remeasurement of loss allowance 41 (56) 68 76 88 (155) 203 215 Loan originations 42 46 - <										
Transfer to Stage 1 38 41 (38) (3) - Transfer to Stage 2 39 (10) 31 (21) - (31) 66 (35) Transfer to Stage 3 40 - (11) 11 - (31) 66 (35) Net remeasurement of loss allowance 41 (56) 68 76 88 (155) 203 215 22 Loan originations 42 46 - - 46 (163) - - 1 Model changes 44 - - - - - - 1 (77) (3) - (1 Model changes 44 - - - - - - - 1 (7) (3) - (1 (80) (86) - (1 (80) (86) - (1 (1) (1) (1) (1) (1) (1) (1) (1) (1) (1) (1) (1) (1) (1) (1) (1) (1) (1) (1)<	Transfer to Stage 1 38 41 (38) (3) - Transfer to Stage 2 39 (10) 31 (21) - (31) 66 (35) Transfer to Stage 3 40 - (11) 11 - (11) (61) 62 Net remeasurement of loss allowance 41 (56) 68 76 88 (155) 203 215 Loan originations 42 46 - - 46 (163) - - Model changes 44 - - - (7) (3) - (7) (3) - Total PCL (1) 45 - 35 63 98 25 (9) 234 Write-offs 46 - - (107) (107) - - (297) (Foreign exchange and other 48 6 5 (7) 4 5 7 (21) Total ACL, at end of period 50 482 991 397 1,870 374 895 370 1, <td></td> <td>07</td> <td>202</td> <td>200</td> <td>240</td> <td>000</td> <td>000</td> <td>440</td> <td>004</td> <td>0</td>		07	202	200	240	000	000	440	004	0
Transfer to Stage 2 39 (10) 31 (21) - (31) 66 (35) Transfer to Stage 3 40 - (11) 11 - (15) 203 215 22 Net remeasurement of loss allowance 41 (56) 68 76 88 (155) 203 215 22 Loan originations 42 46 - - 46 163 - - 11 Derecognitions and maturities 43 (21) (15) - (36) (80) (86) - (15) 203 21 24 22 46 - - 46 - - - - 11 163 - - 11 0 0 86 - 11 11 0 13 25 13 37 23 22 23 23 23 23 23 23 23 23 23 23 23 23 23 23 23 23 24 23 24 24 26 16 <	Transfer to Stage 2 39 (10) 31 (21) - Transfer to Stage 3 40 - (11) 11 - (11) (66) (35) Net remeasurement of loss allowance 41 (56) 68 76 88 (155) 203 215 Loan originations 42 46 - - 46 163 - - Derecognitions and maturities 43 (21) (15) - (36) (80) (86) - (1) (1) (2) - (1) (1) (2) - (1) (1) (2) - <t< td=""><td></td><td></td><td></td><td></td><td></td><td>906</td><td></td><td></td><td></td><td>9</td></t<>						906				9
Transfer to Stage 3 40 - (11) 11 - (1) (61) 62 Net remeasurement of loss allowance 41 (56) 68 76 88 (155) 203 215 22 Loan originations 42 46 - - 46 163 - - 11 Derecognitions and maturities 43 (21) (15) - (36) (86) - (1)	Transfer to Stage 3 40 - (11) 11 - (1) (61) 62 Net remeasurement of loss allowance 41 (56) 68 76 88 (155) 203 215 Loan originations 42 46 - - 46 (165) 203 215 Derecognitions and maturities 43 (21) (15) - (160) (80) (86) - - Total PCL (1) 45 - 35 63 98 25 (9) 234 Write-offs 47 - - 14 14 - - - (27) (1)						-				
Net remeasurement of loss allowance 41 (56) 68 76 88 (155) 203 215 22 Loan originations 42 46 - - 46 163 - - 1 Derecognitions and maturities 43 (21) (15) - (36) (80) (86) - (17) Model changes 44 - - - - (7) (3) - (17) (3) - (17) (3) - (17) (10) - (10) (107) (107) (107) (107) (107) - - (107) (107) - - (10) - - (297) (22) Write-offs 46 - - - 14 14 - - 59 - 7 (21) - - 59 - 120 - - 59 - - 59 - - 14 <td>Net remeasurement of loss allowance 41 (56) 68 76 88 (155) 203 215 Loan originations 42 46 - - 46 163 - - Derecognitions and maturities 43 (21) (15) - (36) (80) (86) - (Model changes 44 - - - - (7) (3) - (30) - (7) (3) - (207) (0) (107) (107) (107) (107) (107) (107) - - (297) (Recoveries of previous write-offs 47 - - 14 14 - - 59 59 57 (21) (21) (21) (21) (21) (21) - - 59 59 57 (21)</td> <td></td> <td></td> <td>(10)</td> <td></td> <td></td> <td>-</td> <td></td> <td></td> <td></td> <td></td>	Net remeasurement of loss allowance 41 (56) 68 76 88 (155) 203 215 Loan originations 42 46 - - 46 163 - - Derecognitions and maturities 43 (21) (15) - (36) (80) (86) - (Model changes 44 - - - - (7) (3) - (30) - (7) (3) - (207) (0) (107) (107) (107) (107) (107) (107) - - (297) (Recoveries of previous write-offs 47 - - 14 14 - - 59 59 57 (21) (21) (21) (21) (21) (21) - - 59 59 57 (21)			(10)			-				
Loan originations 42 46 - - 46 163 - - 1 Derecognitions and maturities 43 (21) (15) - (36) (80) (86) - (1 Model changes 44 - - - - - - (1) Total PCL (1) 45 - 35 63 98 25 (9) 234 22 Write-offs 46 - - - 14 14 - - 297) (2) Recoveries of previous write-offs 47 - - 14 14 - - 59 Foreign exchange and other 48 6 5 (7) 4 5 7 (21) Total ACL, at end of period 50 482 991 397 1,870 482 991 397 1,820 374 895 370 1,639 374 895 370 1,639 374 895 370 1,639 374 895 370 1,639 1,639	Loan originations 42 46 - - 46 - - 46 Derecognitions and maturities 43 (21) (15) - (36) (80) (86) - (6) Model changes 44 - - - - - - (7) (3) - (3) Total PCL (1) 45 - 35 63 98 25 (9) 234 Write-offs 46 - - (107) (107) - - (297) (107) Recoveries of previous write-offs 47 - - 14 14 - - 59 Foreign exchange and other 48 6 5 (7) 4 5 7 (21) Total ACL, at end of period 50 482 991 397 1,870 374 895 370 1,639 374 895 370 1,08 96 27 231 108 96 27 108 96 27 108 96 27 108			(56)			88				2
Model changes 44 - - - - (7) (3) - (1) Total PCL (1) 45 - 35 63 98 25 (9) 234 22 Write-offs 46 - - (107) (107) - (297) (2 Recoveries of previous write-offs 46 - - (107) (107) - - (297) (2 Recoveries of previous write-offs 47 - - 14 14 - - 59 Foreign exchange and other 48 6 5 (7) 4 5 7 (21) Total ACL, at end of period 49 298 408 209 915 298 408 209 95 Comprised of: Loans 51 374 895 370 1,639 374 895 370 1,639 374 895 370 1,63 108 96 27 231 10	Model changes 44 -	Loan originations		46	-	-	46	163	-	-	1
Model changes 44 - - - - (7) (3) - (1) Total PCL (1) 45 - 35 63 98 25 (9) 234 22 Write-offs 46 - - (107) (107) - (297) (2 Recoveries of previous write-offs 46 - - (107) (107) - - (297) (2 Recoveries of previous write-offs 46 - - 14 14 - - 59 Foreign exchange and other 48 6 5 (7) 4 5 7 (21) Total ACL, at end of period 49 298 408 209 915 298 408 209 95 Comprised of: Loans 51 374 895 370 1,639 374 895 370 1,639 Other credit instruments (2) 52 108 96 27 231 10	Model changes 44 -			(21)	(15)	-	(36)	(80)	(86)	-	
Write-offs 46 - - (107) (107) - - (297) (2 Recoveries of previous write-offs 47 - - 14 14 - - 59 Foreign exchange and other 48 6 5 (7) 4 5 7 (21) Total ACL, at end of period 49 298 408 209 915 298 408 209 5 Total ACL at end of period 50 482 991 397 1,870 482 991 397 1,639 374 895 370 1,639 374 895 370 1,639 374 895 370 1,639 374 895 370 1,639 108 96 27 231 108 96 27 231 108 96 27 231 108 96 27 231 108 96 27 231 108 96 27 231 108 96 27 231 108 96 27 231 108 96 27 <td>Write-offs 46 - - (107) (107) - - (297) (Recoveries of previous write-offs 47 - - 14 14 - - 59 (297) (Foreign exchange and other 48 6 5 (7) 4 5 7 (21) Total ACL, at end of period 49 298 408 209 915 298 408 209 Total ACL at end of period 50 482 991 397 1,870 482 991 397 1,039 Comprised of: Loans 51 374 895 370 1,639 374 895 370 1,039 374 895 370 1,018 96 27 231 108 96 27 231 108 96 27 231 108 96 27 108 96 27 231 108 96 27 108 96 27 108 96 27 108 96 27 108 96 27 108</td> <td>Model changes</td> <td></td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>(7)</td> <td>(3)</td> <td>-</td> <td></td>	Write-offs 46 - - (107) (107) - - (297) (Recoveries of previous write-offs 47 - - 14 14 - - 59 (297) (Foreign exchange and other 48 6 5 (7) 4 5 7 (21) Total ACL, at end of period 49 298 408 209 915 298 408 209 Total ACL at end of period 50 482 991 397 1,870 482 991 397 1,039 Comprised of: Loans 51 374 895 370 1,639 374 895 370 1,039 374 895 370 1,018 96 27 231 108 96 27 231 108 96 27 231 108 96 27 108 96 27 231 108 96 27 108 96 27 108 96 27 108 96 27 108 96 27 108	Model changes		-	-	-	-	(7)	(3)	-	
Recoveries of previous write-offs 47 - - 14 14 - - 59 Foreign exchange and other 48 6 5 (7) 4 5 7 (21) Total ACL, at end of period 49 298 408 209 915 298 408 209 915 Total ACL at end of period 50 482 991 397 1,870 482 991 397 1,870 Comprised of: Loans 51 374 895 370 1,639 374 895 370 1,639 Other credit instruments (2) 52 108 96 27 231 108 96 27 231	Recoveries of previous write-offs 47 - - 14 16 5 7 (21) 15 15 16 <td></td> <td></td> <td>-</td> <td>35</td> <td></td> <td></td> <td>25</td> <td>(9)</td> <td></td> <td></td>			-	35			25	(9)		
Foreign exchange and other 48 6 5 (7) 4 5 7 (21) Total ACL, at end of period 49 298 408 209 915 298 408 209 9 5 7 (21) Total ACL, at end of period 50 482 991 397 1,870 482 991 397 1,8 Comprised of: Loans 51 374 895 370 1,639 374 895 370 1,6 Other credit instruments (2) 52 108 96 27 231 108 96 27 231	Foreign exchange and other 48 6 5 (7) 4 5 7 (21) Total ACL, at end of period 49 298 408 209 915 298 408 209 Total ACL at end of period 50 482 991 397 1,870 482 991 397 1,039 Comprised of: Loans 51 374 895 370 1,639 374 895 370 1,0108 96 27 231 108 96 27 108 96 27 231 108 96 27 231 108 96 27 231 108 96 27 231 108 96 27 231 108 96 27 231 108 96 27 108 96 27 108 96 27 108 96 27 108 96 27 108 96 27 108 96 27 108 108 108			-	-			-	-		
Total ACL, at end of period 49 298 408 209 915 298 408 209 95 Total ACL at end of period 50 482 991 397 1,870 482 991 397 1,870 Comprised of: Loans 51 374 895 370 1,639 374 895 370 1,639 Other credit instruments (2) 52 108 96 27 231 108 96 27 2	Total ACL, at end of period 49 298 408 209 915 298 408 209 Total ACL, at end of period 50 482 991 397 1,870 482 991 397 1, Comprised of: Loans Other credit instruments (2) 51 374 895 370 1,639 374 895 370 1, Total PCL for period (1) 53 - (2) 177 175 33 (76) 700			-	-			-	-		
Total ACL at end of period 50 482 991 397 1,870 482 991 397 1,8 Comprised of: Loans 51 374 895 370 1,639 374 895 370 1,6 Other credit instruments (2) 52 108 96 27 231 108 96 27 2	Total ACL at end of period 50 482 991 397 1,870 Comprised of: Loans Other credit instruments (2) 51 374 895 370 1,639 374 895 370 1, 0 374 895 370 1, 0 96 27 231 108 96 27 Total PCL for period (1) 53 - (2) 177 175 33 (76) 700										
Comprised of: Loans 51 374 895 370 1,639 374 895 370 1,6 Other credit instruments (2) 52 108 96 27 231 108 96 27 231	Comprised of: Loans 51 374 895 370 1,639 374 895 370 1, Other credit instruments (2) 52 108 96 27 231 108 96 27 108 96 27 108 96 27 108 96 27 108 108 96 27 108 108 96 27 108<	I otal ACL, at end of period	49	298	408	209	915	298	408	209	ç
Comprised of: Loans 51 374 895 370 1,639 374 895 370 1,6 Other credit instruments (2) 52 108 96 27 231 108 96 27 231	Comprised of: Loans 51 374 895 370 1,639 374 895 370 1, Other credit instruments (2) 52 108 96 27 231 108 96 27 108 96 27 108 96 27 108 96 27 108 108 96 27 108 108 96 27 108<	Total ACL at end of period	50	482	991	397	1,870	482	991	397	1.8
Other credit instruments (2) 52 108 96 27 231 108 96 27 23	Other credit instruments (2) 52 108 96 27 231 108 96 27 Total PCL for period (1) 53 - (2) 177 175 33 (76) 700										1,6
											2
		T () DOI ((2)				(==)		6

(1) Excludes provision for credit losses on other assets of \$0MM and \$5MM, respectively, for the three and twelve months ended October 31, 2018.
 (2) Recorded in other liabilities on the balance sheet.

LOANS PAST DUE NOT IMPAIRED												BMO 🖀 F	'inancial Group
	LINE		1 to 29 days			30 to 89 days			90 days or more			Total	
(\$ millions except as noted)	#	Oct 31, 2018	Jul 31, 2018	Oct 31, 2017	Oct 31, 2018	Jul 31, 2018	Oct 31, 2017	Oct 31, 2018	Jul 31, 2018	Oct 31, 2017	Oct 31, 2018	Jul 31, 2018	Oct 31, 2017
Residential mortgages	1	660	757	649	513	502	438	21	17	19	1,194	1,276	1,106
Credit card, consumer loans	2	1,431	1,516	1,480	415	455	466	88	90	94	1,934	2,061	2,040
Business and government loans	3	611	573	589	268	294	297	55	78	72	934	945	958
Total	4	2,702	2,846	2,718	1,196	1,251	1,201	164	185	185	4,062	4,282	4,104

RESIDENTIAL MORTGAGES											
			A	s at October 31, 201	8			A	s at October 31, 201	7	
(\$ millions except as noted)			Outstar	ndings		New originations during the quarter		Outsta	ndings		New originations during the quarter
Region (1)		Insured (2)	Uninsured	Total	% of Total	Avg LTV (3) Uninsured	Insured (2)	Uninsured	Total	% of Total	Avg LTV (3) Uninsured
Atlantic	5	3,260	2,091	5,351	4.5%	73%	3,467	1,901	5,368	4.7%	73%
Quebec	6	8,172	7,238	15,410	12.9%	70%	8,781	6,307	15,088	13.1%	71%
Ontario	7	18,978	28,160	47,138	39.4%	67%	21,473	24,802	46,275	40.1%	67%
Alberta	8	10,460	5,495	15,955	13.3%	72%	11,003	5,131	16,134	14.0%	72%
British Columbia	9	6,030	14,277	20,307	17.0%	62%	6,886	13,077	19,963	17.3%	65%
All Other Canada	10	2,254	1,550	3,804	3.2%	71%	2,371	1,460	3,831	3.3%	73%
Total Canada	11	49,154	58,811	107,965	90.3%	67%	53,981	52,678	106,659	92.5%	68%
U.S.	12	16	11,639	11,655	9.7%	75%	22	8,577	8,599	7.5%	71%
Total	13	49,170	70,450	119,620	100.0%	68%	54,003	61,255	115,258	100.0%	68%

HOME EQUITY LINES OF CRED	IT (HELOC)				_						
	-		<i>µ</i>	s at October 31, 201	8			A	s at October 31, 201	7	
			Portfolio New originations Portfolio during the quarter								
(\$ millions except as noted) Region (1)		Outstandings	Authorizations	% of Outstandings	% of Authorizations	Average LTV (3)	Outstandings	Authorizations	% of Outstandings	% of Authorizations	Average LTV (3)
Atlantic	14	863	1,494	2.4%	2.1%	65%	900	1,507	2.5%	2.2%	65%
Quebec	15	5,826	10,996	16.2%	15.5%	70%	5,678	10,398	16.0%	15.2%	69%
Ontario	16	14,437	27,771	40.3%	39.2%	59%	13,693	26,209	38.7%	38.3%	58%
Alberta	17	3,318	6,520	9.2%	9.2%	62%	3,337	6,455	9.4%	9.4%	61%
British Columbia	18	6,482	12,294	18.1%	17.3%	54%	6,186	11,450	17.4%	16.7%	54%
All Other Canada	19	767	1,362	2.1%	1.9%	63%	797	1,369	2.2%	2.0%	65%
Total Canada (4)	20	31,693	60,437	88.3%	85.2%	60%	30,591	57,388	86.2%	83.8%	59%
U.S.	21	4,205	10,462	11.7%	14.8%	65%	4,911	11,055	13.8%	16.2%	67%
Total	22	35,898	70,899	100.0%	100.0%	61%	35,502	68,443	100.0%	100.0%	60%

RESIDENTIAL MORTGAGES BY RE	MAINING T	ERM OF AMORT	IZATION (5)														
				A	s at October 31, 201	8					As	s at October 31, 201	7				
			Amortization period							Amortization period							
(Based upon Outstandings CDE)		< 5 Years %	6-10 Years %	11-15 Years %	16-20 Years %	21-25 Years %	26-30 Years %	> 30 Years %	< 5 Years %	6-10 Years %	11-15 Years %	16-20 Years %	21-25 Years %	26-30 Years %	> 30 Years %		
Canada	23	1.1%	3.9%	7.1%	16.4%	39.2%	24.4%	7.9%	1.1%	4.2%	7.5%	15.2%	41.1%	27.0%	3.9%		
U.S. (6)	24	1.2%	<u>1.2% 4.7% 14.5% 13.7% 12.1% 53.5% 0.3</u>						1.4%	4.9%	13.1%	15.4%	16.1%	48.7%	0.4%		
Total	25	1.1%	4.0%	7.8%	16.1%	36.7%	27.1%	7.2%	1.2%	4.2%	7.9%	15.2%	39.3%	28.5%	3.7%		

(1) Region is based upon address of the property mortgaged.
 (2) Portfolio insured mortgages are defined as mortgages that are individually or bulk insured through a credited insurer (i.e. CMHC, Genworth).
 (3) Loan to Value (LTV) is based on the value of the property at mortgage origination and outstanding amount for mortgages, authorized amounts for HELOC's.
 (4) HELOC includes 45% revolving (October 31, 2017 47%) and 55% amortizing (October 31, 2017 53%) loans.
 (5) Remaining amortization is based upon current balance, interest rate, customer payment amount, and frequency in Canada and contractual payment schedule in the US.
 (6) Large proportion of U.S. based mortgages in the longer amortization band largely driven by modification programs for troubled borrowers and regulator initiated mortgage refinance program.

																вмо 🗭 ғ	inancial Group
			As at Octo	ober 31, 2018			As at Ju	ly 31, 2018			As at Ap	ril 30, 2018			As at Jan	uary 31, 2018	
DERIVATIVE INSTRUMENTS					AIRB				AIRB				AIRB				AIRB
Basel	LINE	Notional	Replacement	Credit risk	Risk-weighted	Notional	Replacement	Credit risk	Risk-weighted	Notional	Replacement	Credit risk	Risk-weighted	Notional	Replacement	Credit risk	Risk-weighted
(\$ millions)	#	Amount	Cost	Equivalent	Assets (1)	Amount	Cost	Equivalent	Assets (1)	Amount	Cost	Equivalent	Assets (1)	Amount	Cost	Equivalent	Assets (1)
Interest Rate Contracts																	
Over-the-counter																	
Swaps	1	3,831,997	8,514	10,699		3,555,230	8,236	10,970		3,368,967	7,966	11,224		3,211,962	8,155	11,037	
Forward rate agreements	2	411,573	36	34		297.845	24	24		416,430	28	27		341.662	22	21	
Purchased options	3	35,023	409	393		28,684	434	331		27,640		330		26,573	432	326	
Written options	4	48,721	-	-		39,650	-			36,913	-	-		37,225			
Whiteh options	5	4,327,314	8.959	11.126	704	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
Exchange traded	ů	1,027,011	0,000	11,120		0,021,100	0,001	11,020		0,010,000	0,110	11,001	1,201	0,011,122	0,000	11,001	
Futures	6	192,482	-	-		142,641	-	-		120,183	-	-		106,387	-	-	
Purchased options	7	26,629	-	-		15,405	-	_		21,099	-	-		16,641	-	-	
Written options	8	16,511	-	-		17,355	-	-		15,378	-	-		12,145	-	-	
	9	235,622	-	-		175,401	-	-		156,660	-	-		135,173	-	-	
Tatal Interest Data Contracts	10		8.959	11.126	704	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
Total Interest Rate Contracts Foreign Exchange Contracts	10	4,562,936	8,959	11,126	704	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
Over-the-counter		00.040	0.070	7 000		00.444	0.000	0.055		00.007	4 400	0.000		04 505	4.050	0.000	
Cross-currency swaps	11	92,916	3,270	7,832		92,441	3,698	8,355		88,607	4,420	9,028		84,535	4,652	9,022	
Cross-currency interest rate swaps	12 13	455,232	5,035	14,909		439,846	5,049	14,434		417,905		15,073		423,868	9,512	18,531	
Forward foreign exchange contracts	-	472,323	4,453	8,373		450,962	3,661	6,818		485,881	3,831	7,978		430,289	5,148	8,233	
Purchased options	14	21,468	225	424		25,626	233	476		26,952	213	437		29,822	305	525	
Written options	15	24,018	-	-	0.544	28,138	-	-		31,674	-	-		35,928	-	-	0.700
	16	1,065,957	12,983	31,538	2,544	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
Exchange traded	47	700				000				1 000				0.400			
Futures	17	739	-	-		963	-	-		1,080		-		3,190	-	-	
Purchased options	18	2,625	-	-		2,493 1.089	-	-		4,182 1,744		-		5,777	-	-	
Written options	19 20	1,420 4,784				4,545	-	-		.,	-	-		1,472 10,439		-	
								-		7,006							
Total Foreign Exchange Contracts	21	1,070,741	12,983	31,538	2,544	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
Commodity Contracts																	
Over-the-counter																	
Swaps	22	24,366	1,559	4,450		22,340	1,630	4,304		20,424		4,106		20,341	1,459	3,847	
Purchased options	23	6,182	335	1,108		6,143	434	1,185		6,551	496	1,279		6,508	374	1,113	
Written options	24	4,233	-	-		4,446	-	-		4,655	-	-		4,647	-	-	
Evolopao tradad	25	34,781	1,894	5,558	1,188	32,929	2,064	5,489	1,136	31,630	2,197	5,385	1,127	31,496	1,833	4,960	1,139
Exchange traded Futures	26	33,104	_	_		31,279	_	_		29,068	_			28,518	_	_	
Purchased options	20	3.303	-	-		3.753	-	-		4.284	-	-		4.471	-	-	
Written options	28	4,909		-		5,143	-	-		5,872	-			6,149	_		
	29	41,316	-	-		40,175	-	-		39,224	-	-		39,138	-	-	
Total Commodity Contracts	30	76,097	1.894	5.558	1.188	73,104	2.064	5.489	1.136	70,854	2,197	5,385	1.127	70,634	1.833	4.960	1,139
Equity Contracts	30	10,097	1,094	0,000	1,100	73,104	2,004	0,409	1,130	10,004	2,197	0,365	1,127	70,034	1,033	4,900	1,139
Over-the-counter	31	53,107	1,585	4,332		50,793	840	3,431		61.835	1,040	4,263		64.245	1,339	4,954	
Exchange traded	32	33,687				31,580	-	-		28,793		-,200		20,525	-,505		
Total Equity Contracts	33	86,794	1,585	4.332	431	82,373	840	3,431	442	90,628	1,040	4,263	545	84,770	1,339	4,954	525
Credit Default Swaps	33	00,794	1,000	4,332	431	02,373	040	3,431	442	90,020	1,040	4,203	545	04,770	1,339	4,904	525
Over-the-counter																	
Purchased	34	3.047	4	55		2.288	4	55		2.425	4	55		2.426		52	
Written	34 35	3,047 443	9	55		2,200	4	55		2,425		55		2,426	2	52	
	36	3,490	10	55	83	2,430	5	- 55	63	2,548		- 55	38	2,542	2	52	35
Total Credit Default Swaps	36	5,800,058	25,431	52,609	4,950	2,430	24,244	50,383	4,612	2,548		53,800	5,595	4,925,422	31,400	52	4,813
Sub-total					4,950				4,612				5,595				4,813
Impact of master netting agreements	38	n.a.	(15,575)	(29,170)		n.a.	(15,454)	(28,614)		n.a.	(17,130)	(31,371)		n.a.	(21,066)	(34,786)	
Total	39	5,800,058	9,856	23,439	4,950	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
(1) Risk-weighted assets are reported after	the impact	of master nettin	ng agreements an	nd application of	prescaling factor wi	nere applicable											

														BMO	Financia	al Group
DERIVATIVE INSTRUMENTS		As a	t October 31, 20	018	As	at July 31, 201	8	As	at April 30, 201	8	As at	t January 31, 2	018	As a	October 31, 20	017
Fair Value (\$ millions)	LINE #	Gross Assets	Gross Liabilities	Net	Gross Assets	Gross Liabilities	Net	Gross Assets	Gross Liabilities	Net	Gross Assets	Gross Liabilities	Net	Gross Assets	Gross Liabilities	Net
TRADING																
Interest Rate Contracts																
Swaps	1	7,795	(6,419)	1,376	7,535	(5,956)	1,579	7,263	(5,980)	1,283	7,547	(5,997)	1,550	8,390	(7,027)	1,363
Forward rate agreements	2	36	(10)	26	24	(8)	16	28	(5)	23	22	(12)	10	41	-	4
Futures	3	2	(3)	(1)	-	-	-	-	-	-	-	-	-	-	-	
Purchased options	4	425	-	425	441	-	441	470	-	470	446	-	446	444	-	444
Written options	5	-	(273)	(273)	-	(294)	(294)	-	(311)	(311)	-	(303)	(303)	-	(329)	(329
	6	8.258	(6,705)	1,553	8.000	(6,258)	1,742	7,761	(6,296)	1,465	8.015	(6,312)	1,703	8,875	(7,356)	1,519
Foreign Exchange Contracts				1		(,			,			1		(1)	1-
Cross-currency swaps	7	2,362	(1,678)	684	2,443	(1,588)	855	2,585	(1,649)	936	2,605	(1,564)	1,041	2,687	(1,752)	93
Cross-currency interest rate swaps	8	4,977	(6,057)	(1,080)	4,953	(6,545)	(1,592)	5,738	(6,972)	(1,234)	9,368	(10,182)	(814)	8,103	(9,051)	(948
Forward foreign exchange contracts	9	4,335	(2,817)	1,518	3,548	(2,886)	662	3,702	(2,967)	735	4,926	(5,394)	(468)	4,954	(3,178)	1,770
Purchased options	10	241	(2,017)	241	245	(2,000)	245	229	(2,007)	229	371	(0,004)	371	267	(0,170)	26
Written options	10	241	(228)	(228)	240	(223)	(223)	-	(213)	(213)	0/1	(399)	(399)	201	(270)	(27)
whiteh options	12	11,915	(10,780)	1,135	11,189	(11,242)	(223)	12,254	(11,801)	453	17,270	(17,539)	(269)	- 16,011	(14,251)	1,76
Commodity Contracts	12	11,915	(10,780)	1,155	11,109	(11,242)	(55)	12,234	(11,001)	400	17,270	(17,559)	(209)	10,011	(14,231)	1,700
Swaps	13	1,559	(1,084)	475	1.630	(1,216)	414	1.701	(1,525)	176	1,459	(1,408)	51	726	(717)	9
Futures	13	1,559	(1,004)	473	1,030	(1,210)	414		(1,525)	170	1,435	(1,400)	51	720	(717)	
	14	484	-	484	- 587	-	- 587	- 663	-	- 663	- 517	-	- 517	352	-	352
Purchased options	15 16	484	(372)	(372)	587	- (461)	587 (461)	003	- (573)	(573)	517	- (471)	(471)	352	- (357)	(35)
Written options		-	(1,456)	(372) 604	-		(461) 540	-		. ,	-		(471) 97	-		(35)
Faults Contracts	17 18	2,060	(1,456)		2,217	(1,677)		2,364	(2,098)	266 (1.290)	1,976 1,452	(1,879)	(2,007)	1,078	(1,074)	(1,998
Equity Contracts	18	2,158	(2,402)	(244)	1,219	(2,829)	(1,610)	1,353	(2,643)	(1,290)	1,452	(3,459)	(2,007)	1,388	(3,386)	(1,996
Credit Default Swaps																
Purchased	19	1	(36)	(35)	1	(39)	(38)	1	(40)	(39)	-	(49)	(49)	-	(54)	(54
Written	20	9	(1)	8	4	(1)	3	4	-	4	2	(1)	1	7	(1)	(
	21	10	(37)	(27)	5	(40)	(35)	5	(40)	(35)	2	(50)	(48)	7	(55)	(48
Total fair value - trading derivatives	22	24,401	(21,380)	3,021	22,630	(22,046)	584	23,737	(22,878)	859	28,715	(29,239)	(524)	27,359	(26,122)	1,23
Average fair value (1)	23	25,368	(24,333)	1,035	27,179	(27,159)	20	28,858	(28,661)	197	29,896	(29,933)	(37)	31,707	(31,311)	396
HEDGING																
Interest Rate Contracts																
Cash flow hedges - swaps	24	18	(1,261)	(1,243)	10	(1,117)	(1,107)	9	(866)	(857)	7	(926)	(919)	78	(558)	(480
Fair value hedges - swaps	25	701	(668)	33	691	(619)	72	694	(615)	79	601	(774)	(173)	274	(402)	(128
Total swaps	26	719	(1,929)	(1,210)	701	(1,736)	(1,035)	703	(1,481)	(778)	608	(1,700)	(1,092)	352	(960)	(608
Foreign Exchange Contracts																
Cash flow hedges - Forward foreign exchange contracts	27	1,084	(1,074)	10	1,464	(698)	766	2,144	(411)	1,733	2,413	(140)	2,273	1,202	(722)	480
Total foreign exchange contracts	28	1,084	(1,074)	10	1,464	(698)	766	2,144	(411)	1,733	2,413	(140)	2,273	1,202	(722)	480
Equity Contracts																
Cash flow hedges - Equity contracts	29	-	(28)	(28)	15	-	15	4	-	4	20	-	20	38	-	38
Total equity contracts	30	-	(28)	(28)	15	-	15	4	-	4	20	-	20	38	-	38
Total fair value - hedging derivatives	31	1,803	(3,031)	(1,228)	2,180	(2,434)	(254)	2,851	(1,892)	959	3,041	(1,840)	1,201	1,592	(1,682)	(90
Average fair value (1)	32	2,293	(2,176)	117	2,243	(1,913)	330	1,990	(1,921)	69	1,666	(2,049)	(383)	1,341	(2,100)	(75
Total fair value	33	26,204	(24,411)	1,793	24,810	(24,480)	330	26,588	(24,770)	1,818	31,756	(31,079)	677	28,951	(27,804)	1,14
Less: Net impact of master netting agreements	34	(15,575)	15,575	-	(15,454)	15,454	-	(17,130)	17,130	-	(21,066)	21,066	-	(19,909)	19,909	
Total	35	10.629	(8.836)	1.793	9.356		330	9.458					677	9.042		1.14

OVER-THE-COUNTER DERIVATIVES (NOTIONAL AMOUNTS)									BMO 😭 Fina	ancial Group			
		As at 0	October 31, 20 [.]	18	As a	t July 31, 2018		As at	April 30, 2018		As at .	January 31, 20 [.]	18
(\$ millions)	LINE #	Non-centrally cleared	Centrally cleared	Total	Non-centrally cleared	Centrally cleared	Total	Non-centrally cleared	Centrally cleared	Total	Non-centrally cleared	Centrally cleared	Total
Interest Rate Contracts													
Swaps	1	453,976	3,378,021	3,831,997	447,764	3,107,466	3,555,230	458,076	2,910,891	3,368,967	452,751	2,759,211	3,211,962
Forward rate agreements	2	10,031	401,542	411,573	870	296,975	297,845	1,791	414,639	416,430	1,396	340,266	341,662
Purchased options	3	35,023	-	35,023	28,684	, -	28,684	27,640	-	27,640	26,573	, -	26,573
Written options	4	48,721	-	48,721	39,650	-	39,650	36,913	-	36,913	37,225	-	37,225
Total interest rate contracts	5	547,751	3,779,563	4,327,314	516,968	3,404,441	3,921,409	524,420	3,325,530	3,849,950	517,945	3,099,477	3,617,422
Foreign Exchange Contracts													
Cross-currency swaps	6	92,916	-	92,916	92,441	-	92,441	88,607	-	88,607	84,535	-	84,535
Cross-currency interest rate swaps	7	455,232	-	455,232	439,846	-	439,846	417,905	-	417,905	423,868	-	423,868
Forward foreign exchange contracts	8	438,754	33,569	472,323	404,228	46,734	450,962	448,867	37,014	485,881	396,212	34,077	430,289
Purchased options	9	21,093	375	21,468	25,341	285	25,626	26,753	199	26,952	29,747	75	29,822
Written options	10	23,622	396	24,018	27,888	250	28,138	31,439	235	31,674	35,710	218	35,928
Total foreign exchange contracts	11	1,031,617	34,340	1,065,957	989,744	47,269	1,037,013	1,013,571	37,448	1,051,019	970,072	34,370	1,004,442
Commodity Contracts													
Swaps	12	24,366	-	24,366	22,340	-	22,340	20,424	-	20,424	20,341	-	20,341
Purchased options	13	6,182	-	6,182	6,143	-	6,143	6,551	-	6,551	6,508	-	6,508
Written options	14	4,233	-	4,233	4,446	-	4,446	4,655	-	4,655	4,647	-	4,647
Total commodity contracts	15	34,781	-	34,781	32,929	-	32,929	31,630	-	31,630	31,496	-	31,496
Equity Contracts	16	53,107	-	53,107	50,793	-	50,793	61,835	-	61,835	64,245	-	64,245
Credit Default Swaps													
Purchased	17	1,448	1,599	3,047	1,527	761	2,288	1,615	810	2,425	1,637	789	2,426
Written	18	23	420	443	26	116	142	19	104	123	23	93	116
Total credit default swaps	19	1,471	2,019	3,490	1,553	877	2,430	1,634	914	2,548	1,660	882	2,542
Total	20	1,668,727	3,815,922	5,484,649	1,591,987	3,452,587	5,044,574	1,633,090	3,363,892	4,996,982	1,585,418	3,134,729	4,720,147

OVER-THE-COUNTER DERIVATIVES (NOTIONAL AMOUNTS)

ASSET ENCUMBRANCE													
				Q4	2018					Q3	2018		
			Other Cash &						Other Cash &				
		On-Balance	Securities					On-Balance	Securities				
		Sheet Assets	Received	Encumb	ered (1)	Net Unenc	umbered	Sheet Assets	Received	Encumb	ered (1)	Net Unenc	umbered
						Other						Other	
	LINE			Pledged as	Other	Unencumbered	Available as			Pledged as	Other	Unencumbered	Available as
(\$ millions except as noted)	#			Collateral	Encumbered	(2)	collateral (3)			Collateral	Encumbered	(2)	collateral (3)
Asset Liquidity													
Canadian Dollar Cash and Securities		1											
Cash and cash equivalents	1	7.822	_	_	_	_	7.822	10.230	_	_	_	_	10.230
Interest bearing deposits with banks	2	1,475	-	-	-	_	1.475	1.430	-	-	-	-	1.430
Securities and securities borrowed or purchased under resale agreements (4)	2	1,475	-	-	-	-	1,475	1,430	-	-	-	-	1,430
Issued or guaranteed by governments	3	77,799	22,762	35.088	16.892	1.870	46.711	73.065	19.768	35.227	12.930	1.748	42.928
NHA mortgage-backed securities	4	4,664	83	1.415	10,002	7	3.325	4,943	88	1.493	12,000	7	3.531
Corporate and other debt	5	13.266	7.048	394	919	6.792	12.209	13.006	6.250	371	749	6.641	11.495
Corporate equity	6	25,975	4.521	19.092	1.641	1.357	8,406	25,788	4,784	18,922	1.367	1.362	8.921
Total securities and securities borrowed or purchased under resale agreement	7	121,704	34.414	55,989	19.452	10.026	70.651	116.802	30,890	56.013	15.046	9,758	66.875
Total Canadian dollar	8	131.001	34,414	55,989	19,452	10,026	79,948	128,462	30,890	56.013	15.046	9,758	78,535
U.S. Dollar and Other Currency Cash and Securities													
Cash and cash equivalents	9	34,320	-	-	1,655	-	32,665	30.842	-	-	1,377	-	29,465
Interest bearing deposits with banks	10	6,830	-	-	-		6,830	6,207	-	-	-	-	6,207
Securities and securities borrowed or purchased under resale agreements (4)													
Issued or guaranteed by governments	11	68,715	3,768	38,098	4,808		29,577	90,487	3,519	59,173	5,944	-	28,889
US agency mortgage-backed securities and collateralized mortgage obligations	12	27,302	231	11,098	-	-	16,435	18,620	258	4,188		-	14,690
Corporate and other debt	13	10,405	3,725	4,456	703	-	8,971	9,159	3,469	3,825	463	-	8,340
Corporate equity	14	37,860	16,895	17,045	4,668	554	32,488	33,929	15,471	20,477	3,807	551	24,565
Total securities and securities borrowed or purchased under resale agreement	15	144,282	24,619	70,697	10,179	554	87,471	152,195	22,717	87,663	10,214	551	76,484
Total U.S. dollar and other currency	16	185,432	24,619	70,697	11,834	554	126,966	189,244	22,717	87,663	11,591	551	112,156
NHA mortgage-backed securities (reported as loans at amortized cost) (5)	17	27,865	-	525	2,222	-	25,118	27,779	-	581	1,532	-	25,666
Total Liquid Assets	18	344,298	59,033	127,211	33,508	10,580	232,032	345,485	53,607	144,257	28,169	10,309	216,357
L serve	10	050 400		70 550		040 544	00.000	0.47.000		70 504	101	007.070	05.040
Loans Other assets	19 20	356,126 73.624	-	73,553 2,509	660	218,544 71,115	63,369	347,982 71.851	-	73,564	491	207,978 68,535	65,949
Other assets Total Loans and Other Assets	20	73,624 429,750	-	2,509	- 660	289.659	63.369	71,851 419,833	-	3,316 76.880	491	276.513	65.949
	21	429,750	-	70,062	660	209,659	03,369	419,633	-	70,880	491	2/0,513	65,949
Total	22	774.048	59.033	203.273	34.168	300.239	295.401	765.318	53.607	221,137	28.660	286.822	282.306
			55,500	200,210	51,100	000,200	200,401	100,010	55,501	,101	20,000	200,022	202,000

NET UNENCUMBERED LIQUID ASSETS BY LEGAL ENTITY	AND LIQUIDITY	COVERAGE RA	TIO							
		2018	2018	2018	2018	2017	2017	2017	2017	2016
(\$ millions except as noted)		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
BMO	23	177,401	171,460	165,312	163,251	161,034	150,574	156,518	154,006	146,014
BMO Harris Bank	24	40,740	35,986	31,346	32,183	33,238	29,271	33,663	35,371	34,413
Broker Dealers	25	24,471	19,220	23,343	18,049	19,485	19,229	19,512	18,599	17,295
Total Net Unencumbered Liquid Assets by Legal Entity	26	242,612	226,666	220,001	213,483	213,757	199,074	209,693	207,976	197,722
Liquidity Coverage Ratio (6)	27	145%	146%	150%	153%	152%	148%	136%	131%	131%

(1) Pledged as collateral refers to the portion of on-balance sheet assets and other cash and securities that is pledged through repurchase agreements, securities lent, derivative contracts, minimum required deposits at central banks and requirements associated with participation in clearing houses and payment systems. Other encumbered assets include assets that are restricted for legal or other reasons, such as restricted cash and short sales. (2) Other unencumbered assets include select liquid asset holdings that management believes are not readily available to support BMO's liquidity requirements. These include cash and securities of \$10.6 billion as at October 31, 2018,

which include securities held at BMO's insurance subsidiary, significant equity investments, and certain investments held at our merchant banking business. Other unencumbered assets also include mortgages and loans that may be securitized to access secured funding.

(3) Loans included as available as collateral represent loans currently lodged at central banks that could potentially be used to access central bank funding. Loans available for pledging as collateral do not include other sources of additional liquidity that may be realized from the loan portfolio, such as incremental securitization, covered bond issuances and FHLB advances.

(4) Average securities balances are shown on page 14.

(5) Under IFRS, National Housing Authority (NHA) mortgage-backed securities that include mortgages owned by BMO as the underlying collateral are classified as loans. Unencumbered NHA mortgage-backed securities that include mortgages owned by BMO as the underlying collateral are classified as loans. Unencumbered NHA mortgage-backed securities that include mortgages owned by BMO as the underlying collateral are classified as loans. are included as liquid assets under BMO's Liquidity and Funding Management Framework. This amount is shown as a separate line item, NHA mortgage-backed securities.

317.837

37

(6) Liquidity Coverage Ratio (LCR) calculated based on daily average balance beginning Q1 2017. LCR in prior periods is based on the average month-end values during the quarter. DEPOSITS MIX Q4 2018 Q4 2018 Q3 2018 Q2 2018 Q1 2017 Q4 2017 Q3 2017 Q2 2017 Q1 2016 Q4 millions except as note Canadian Dollar Deposits 3,968 4,157 4,250 2,673 3,877 5,131 6,631 7,601 28 6.942 0.8 % Banks Business and government 29 106,581 106,337 103,082 99,140 101,408 99,018 101,228 101,931 101,461 20.4 % Individuals 30 114,328 112,762 111,257 110,610 109,694 109,812 110,795 107,602 105,808 21.9 % Total 31 224.877 223.256 218.589 212.423 214,979 213,961 218.965 216.164 214,870 43.1 % U.S. Dollar and Other Currency Deposits 32 23,939 24,313 28,094 25,808 24,328 23,510 23,651 22,089 23,888 4.6 % Banks Business and government 33 206,719 195,727 183,288 180,410 181,868 177,411 182,458 180,142 174,444 39.6 % Individuals 34 66,516 63,620 61,227 56,924 58,617 54,883 59,891 56,242 57,079 12.7 % Total 35 297,174 283,660 272,609 263.142 264.813 255,804 266.000 258,473 255.411 56.9 % 36 522,051 506,916 491,198 475,565 479,792 469,765 484,965 474,637 470,281 100.0 % Total Deposits

310.043

302.716

303.095

295.987

302.767

295.844

295,103

Customer Deposits (7) (7) Customer deposits are operating and savings deposits, including term investment certificates and retail structured deposits, primarily sourced through our retail, commercial, wealth and corporate banking businesses.

329.215

2.3 %

5.1 %

4.2 %

4.6 %

(1.6)%

13.7 %

13.5 %

12.2 %

8.8 %

INC/(DEC) VS LAST YEAR

91

5,173

4,634

9,898

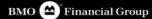
(389)

24,851

7,899

32,361

42,259



PILLAR 3 DISCLOSURE REQUIREMENTS

	ally important banks (D-SIBs) for the Revised Pillar 3 Disclosure Requirements issued by the Basel Committee on Banking Supervision in January 2015. We have adopted this guidance
	October 31, 2018.
	Pillar 3 disclosures are prospective with comparative periods to be provided over future reporting periods. For prior period information, please refer to Q3 2018 and prior Supplementary
	I Information Packages.
Disclosui	res related to the Revised Basel Pillar 3 standard are detailed below.
Overview	w of risk management and risk-weighted assets (RWA)
	Describe the bank's strategy and how senior management and the board of directors assess and manage risks, enabling users to gain a clear understanding of the bank's risk tolerance/appetite in
	relation to its main activities and all significant risks.
OVA	2018 Annual Report: A description of the bank's risk management objectives and policies can be found in the Enterprise-Wide Capital Management and Enterprise-Wide Risk Management
	sections starting on pages 69 and 78 respectively, of the MD&A.
OV1	Provide an overview of total RWA forming the denominator of the risk-based capital requirements.
001	Q4 2018 Supplementary Financial Information: A table showing the risk-weighted assets and capital requirements is provided on page 40.
	s between financial statements and regulatory exposures
	Identify differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories.
LI1	Q4 2018 Supplementary Financial Information: A reconciliation of the accounting balance sheet to the regulatory balance sheet is provided on page 41.
	Provide information on the main sources of differences between the financial statements' carrying value amounts and the exposure amounts used for regulatory purposes.
LI2	Q4 2018 Supplementary Financial Information: A table showing the main sources of differences between regulatory exposure amounts and carrying values in the financial statements is provided
	on page 42.
	Provide qualitative explanations on the differences observed between accounting carrying value and amounts considered for regulatory purposes under each regulatory framework.
1.1.4	2018 Annual Report: A description of systems and controls to ensure that the valuation estimates are prudent and reliable can be found on page 118 of the MD&A and in Note 17 on pages 184 to
LIA	190 of the consolidated financial statements.
	Q4 2018 Supplementary Financial Information: Explanations of differences between accounting and regulatory exposure amounts are provided on pages 41 and 42.
Credit R	isk
	Describe the main characteristics and elements of credit risk management (business model and credit risk profile, organization and functions involved in credit risk management, risk management
CRA	reporting).
	2018 Annual Report: A description of the bank's risk management objectives and policies for credit risk can be found on pages 81 to 87 of the MD&A.
CR1	Provide a comprehensive picture of the credit quality of the bank's on- and off-balance sheet assets.
UNI	Q4 2018 Supplementary Financial Information: A table showing credit quality of assets is provided on page 43.
	Identify the changes in the bank's stock of defaulted exposures, the flows between non-defaulted and defaulted exposure categories and reductions in the stock of defaulted exposures due to write-
CR2	offs.
	Q4 2018 Supplementary Financial Information: A table showing changes in stock of defaulted loans and debt securities is provided on page 43.
	Supplement the quantitative templates with information on the credit quality of the bank's assets.
	2018 Annual Report: Additional qualitative disclosure related to the credit quality of assets, including information on our renegotiated loans, is provided in Note 4 on pages 157 to 164 of the
CRB	consolidated financial statements.
	Q4 2018 Supplementary Financial Information: Exposures by geographic area, industry and residual maturity are provided on pages 47 and 48.
	Impaired exposures and related allowances and write-offs are provided on pages 20 to 26.
	An ageing analysis of accounting past due exposures is provided on page 29.
	Provide qualitative information on the mitigation of credit risk.
CRC	2018 Annual Report: Credit risk mitigation (CRM) is described on pages 88 to 89 of the MD&A and in Notes 8 and 17 on pages 173 and 185, respectively, of the consolidated financial
	statements.
CR3	Disclose the extent of use of CRM techniques.
	Q4 2018 Supplementary Financial Information: A table showing an overview of CRM techniques is provided on page 43.
CRD	Supplement the information on the bank's use of the standardized approach with qualitative data on the use of external ratings.
	Q4 2018 Supplementary Financial Information: Qualitative disclosures on the bank's use of external credit ratings under the standardized approach for credit risk is provided on page 44.
CR4	Illustrate the effect of CRM on the standardized approach capital requirements' calculations.
	Q4 2018 Supplementary Financial Information: A table showing standardized approach credit risk exposure and CRM effects is provided on page 44.
CR5	Present the breakdown of credit risk exposures under the standardized approach by asset class and risk weight.
	Q4 2018 Supplementary Financial Information: A table showing standardized approach credit risk exposures by asset class and risk weight is provided on page 44.
CRE	Provide additional information on internal rating based (IRB) models used to compute RWA.
	2018 Annual Report: Qualitative disclosures on the bank's use of IRB models are provided on pages 89 to 90 and pages 111 to 112 of the MD&A.
CR6	Provide main parameters used for the calculation of capital requirements for IRB models.
1	Q4 2018 Supplementary Financial Information: A table showing IRB credit risk exposures by portfolio and PD (Probability of Default) range is provided on page 45.

On April 20, 2017, the Office of the Superintendent of Financial Institutions (OSFI) released the final version of its guideline, Pillar 3 Disclosure Requirements, setting OSFI's expectations for domestic

PILLAR 3 DISCLOSURE REQUIREMENTS CONTINUED

Credit R	tisk (continued)
	Illustrate the effect of credit derivatives on the IRB approach capital requirements' calculations.
CR7	Q4 2018 Supplementary Financial Information: A table showing the effect on RWA under the IRB approach of credit derivatives used for CRM is provided on page 46.
	Present a flow statement explaining variations in the credit risk-weighted assets determined under an IRB approach.
CR8	Q4 2018 Supplementary Financial Information: A table showing a RWA flow statements of credit risk exposures under IRB is provided on page 46.
	Provide backtesting data to validate the reliability of probability of default (PD) calculations.
CR9	2018 Annual Report: Qualitative information regarding the backtesting of IRB models is provided on pages 88 to 90 and page 112 of the MD&A.
	Q4 2018 Supplementary Financial Information: A table showing the results of the IRB backtesting of PD per portfolio is provided on page 58.
0.040	Provide quantitative disclosures of the bank's specialized lending and equity exposures using the simple risk-weight approach.
CR10	BMO does not use the simple risk-weight method for specialized lending and equity exposures.
Counter	party Credit Risk (CCR)
	Describe the main characteristics of CCR management.
CCRA	2018 Annual Report: Qualitative disclosure related to CCR is provided on pages 87 to 88.
	The amount of collateral to be posted in the event of a downgrade to the bank's current credit rating is provided on page 106 of the MD&A.
CCR1	Provide a comprehensive view of the methods used to calculate CCR regulatory requirements and the main parameters used within each method.
CORT	Q4 2018 Supplementary Financial Information: An analysis of CCR exposures by approach is provided on page 49.
CCR2	Provide the credit valuation adjustment (CVA) regulatory calculations with a breakdown by standardized and advanced approaches.
00112	Q4 2018 Supplementary Financial Information: A table showing the CVA capital charge is provided on page 49.
CCR3	Provide a breakdown of CCR exposures calculated according to the standardized approach: by portfolio and by risk weight.
00110	Q4 2018 Supplementary Financial Information: A table showing standardized approach CCR exposures by regulatory portfolio and risk weight is provided on page 50.
CCR4	Provide all relevant parameters used for the calculation of CCR capital requirements for IRB models.
	Q4 2018 Supplementary Financial Information: A table showing IRB CCR exposures by portfolio and PD scale is provided on page 51.
	Provide a breakdown of all types of collateral posted or received by the bank to support or reduce the CCR exposures related to derivative transactions or to securities financing transactions (SFTs),
CCR5	including transactions cleared through a CCP.
	Q4 2018 Supplementary Financial Information: Composition of collateral for CCR exposures is provided on page 52.
CCR6	Illustrate the extent of the bank's exposures to credit derivative transactions broken down between derivatives bought or sold.
	Q4 2018 Supplementary Financial Information: A table showing credit derivatives exposures is provided on page 52.
CCR7	Present a flow statement explaining changes in CCR RWA determined under the Internal Model Method (IMM) for CCR.
	BMO does not use the IMM for measuring exposure at default for exposures subject to the CCR framework.
CCR8	Provide a comprehensive picture of the bank's exposures to central counterparties. Q4 2018 Supplementary Financial Information: A table showing exposures to central counterparties is provided on page 53.
Securitiz	
Securiti	Provide qualitative information on the bank's strategy and risk management with respect to its securitization activities.
SECA	2018 Annual Report: Qualitative disclosures related to securitization exposures are provided on pages 76 and 89 of the MD&A and in Note 1 on page 148 and in Note 7 on pages 165 to 167 of the
OLOA	consolidated financial statements.
	Present the bank's securitization exposures in its banking book, including securitizations where the risk transference criteria has not been met.
SEC1	Q4 2018 Supplementary Financial Information: A table showing securitization exposures in the banking book, including those that did not achieve risk transference, is provided on page 54.
	Present the bank's securitization exposures in its trading book.
SEC2	Q4 2018 Supplementary Financial Information: A table showing securitization exposures in the trading book is provided on page 55.
	Present securitization exposures in the banking book when the bank acts as originator or sponsor and the associated capital requirements.
SEC3	Q4 2018 Supplementary Financial Information: A table showing securitization exposures in the banking book and associated regulatory capital requirements (bank acting as originator or as
	sponsor) is provided on page 56.
	Present securitization exposures in the banking book when the bank acts as investor and the associated capital requirements.
SEC4	Q4 2018 Supplementary Financial Information: A table showing securitization exposures in the banking book and associated regulatory capital requirements (bank acting as investor) is provided
	on page 56.
Market F	
	OSFI revised Pillar 3 market risk disclosure requirements allow for a continuation of the existing Basel 2.5 market risk disclosures until the implementation of the next phase of Pillar 3 disclosures in
	Canada. As a result, the bank's market risk disclosures continue to be based on Basel 2.5 disclosure requirements.
Operatio	onal Risk
	Provide qualitative information on operational risk.
	2018 Annual Report: Qualitative disclosures related to operational risk are provided on pages 109 to 110 of the MD&A.
Interest	Rate Risk in the Banking Book (IRRBB)
	Provide qualitative information on IRRBB and include quantitative disclosure on the structural balance sheet's interest rate sensitivity.
	2018 Annual Report: Qualitative disclosures related to IRRBB are provided on pages 98 to 99 of the MD&A.
	Quantitative disclosures related to IRRBB are provided on page 99 of the MD&A.

			_					
BASEL III REGULATORY CAPITAL (All-in basis) (1) (2)						BMC	Finane	cial Group
	Cross	2018	2018	2018	2018	2017	2017	2017
(S millions except as noted) Common Equity Tier 1 Capital: instruments and reserves	reference (3)	Q4	Q3	Q2	Q1	Q4	Q3	Q2
1 Directly issued qualifying common share capital plus related stock surplus	a+b	13,229	13,226	13,230	13,326	13,339	13,349	13,379
2 Retained earnings 3 Accumulated other comprehensive income (and other reserves)	c d	25,856 2,302	24,909 2,381	24,119 2,157	23,902 1,360	23,709	23,183 2 162	22,703 4 491
6 Common Equity Tier 1 Capital before regulatory adjustments	ŭ	41,387	40,516	39,506	38,588	40,114	38,694	40,573
Common Equity Tier 1 Capital: regulatory adjustments								
7 Prudential valuation adjustments 8 Goodwill (net of related tax liability)	e+p1-f	203 6.283	149 6,186	146 6,175	112 5.981	107 6,085	103 5.896	99 6,397
9 Other intangibles other than mortgage-servicing rights (net of related tax liability)	g-h	1,978	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) 11 Cash flow hedge reserve	i-j	907 (1.074)	972 (885)	976 (768)	1,011	1,405 (182)	1,313 (191)	1,456 174
12 Shortfall of provisions to expected losses	к k1	(1,074)	(885)	(768)	(746)	(182)	(191)	1/4
14 Gains or losses due to changes in own credit risk on fair valued liabilities (4)		(153)	(140)	(168)	(217)	(136)	(94)	(147)
15 Defined benefit pension fund net assets (net of related tax liability) 16 Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	I-m	522	626	459	456	402	286	195
22 Amount exceeding the 15% threshold	n	-	-	-	-	-	-	-
23 of which: significant investments in the common stock financials	h1	-	-	-	-	-	-	-
 of which: mortgage servicing rights of which: deferred tax assets arising from temporary differences 	j1 i1	-	-	-	-	-	-	-
28 Total regulatory adjustments to Common Equity Tier 1 Capital		8.666	8,828	8,713	8,423	9,481	9.090	- 10,018
29 Common Equity Tier 1 Capital (CET1)		32,721	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	01	4,050	3,650	3,650	3 650	3 650	3 650	3,250
33 Directly issued capital instruments subject to phase out from Additional Tier 1 (5)	p	740	740	1,040	1,040	1,040	1,040	1,040
34 Additional Tier 1 instruments (and CET1 instruments not otherwise included) issued by subsidiaries and held by third								
parties (amount allowed in group AT1) 35 of which: instruments issued by subsidiaries subject to phase out	s	-	-	-	-	-	1	-
36 Additional Tier 1 Capital before regulatory adjustments		4,790	4,390	4,690	4,690	4,690	4,690	4,290
Additional Tier 1 Capital: regulatory adjustments 37 Investments in own Additional Tier 1 instruments	n1	78	140	56	39	2		
40 Significant investments in the capital of banking, financial and insurance entities that are		70	140	00	28	2	-	4
outside the scope of regulatory consolidation, net of eligible short positions	t	213	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		291	353	269	252	215	213	217
44 Additional Tier 1 Capital (AT1)		4,499	4,037	4,421	4,438	4,475	4,477	4,073
45 Tier 1 Capital (T1 = CET1 + AT1) Tier 2 Capital: instruments and provisions		37,220	35,725	35,214	34,603	35,108	34,081	34,628
46 Directly issued qualifying Tier 2 instruments plus related stock surplus	m1	6,639	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	143	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) 51 Tier 2 Capital before regulatory adjustments	w	235	231	222 5.849	273	509 5.538	476	603
51 Tier 2 Capital before regulatory adjustments Tier 2 Capital: regulatory adjustments		7,017	5,849	5,849	6,736	5,538	6,339	5,721
52 Investments in own Tier 2 instruments	q1	71	91	72	79	-	6	-
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		50	50	50	50	50	50	50
57 Total regulatory adjustments to Tier 2 Capital	x	121	50 141	122	50 129	50	50	50 50
58 Tier 2 Capital (T2)		6,896	5,708	5,727	6,607	5,488	6,283	5,671
59 Total Capital (TC = T1 + T2) 60 Total Risk-Weighted Assets		44,116	41,433	40,941	41,210	40,596	40,364	40,299
60a Common Equity Tier 1 (CET 1) Capital RWA (7)		289,237	277,506	273,011	270,577	269,466	264,819	270,791
60b Tier 1 Capital RWA (7)		289,420	277,681	273,184	270,577	269,466	264,819	270,791
60c Total Capital RWA (7) Capital Ratios		289,604	277,857	273,357	270,577	269,466	264,819	270,791
61 Common Equity Tier 1 ratio (as percentage of risk-weighted assets)		11.3%	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%	12.9%	12.8%	13.0%	12.9%	12.8%
Total Capital ratio (as percentage of risk-weighted assets) Buffer requirement (minimum CET1 requirement plus capital conservation buffer plus G-SIB buffer requirement plus D-		15.2%	14.9%	15.0%	15.2%	15.1%	15.2%	14.9%
SIB buffer requirement, expressed as a percentage of risk-weighted assets)		8.0%	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%	3.5%
 of which: bank specific countercyclical buffer requirement Common Equity Tier 1 available to meet buffers (as a % of risk weighted assets) 		0.0% 11.3%	0.0% 11.4%	0.0% 11.3%	0.0% 11.1%	0.0% 11.4%	0.0% 11.2%	0.0% 11.3%
OSFI all-in target	1							
69 Common Equity Tier 1 all-in target ratio Amounts below the thresholds for deduction		8.0%	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	642	534	575	411	359	325	274
73 Significant investments in the common stock of financials	a1	1,660	1,694	1,635	1,568	1,481	1,461	1,422
74 Mortgage servicing rights (net of related tax liability) 75 Defended to service and the service from the service of the ser	b1	52	51	49	47	48	46	49
75 Deferred tax assets arising from temporary differences (net of related tax liability) Applicable caps on the inclusion of provisions in Tier 2	c1 - d1	1,677	1,675	1,597	1,579	1,952	1,913	2,122
76 Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardized approach (prior to								
application of cap) 77 Cap on inclusion of provisions in Tier 2 under standardized approach		208 208	204 204	204 204	204 204	221 221	216 216	245 245
 Cap on inclusion of provisions in Tier 2 under standardized approach Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings based approach (prior to 		208	204	204	204	221	216	245
application of cap)		1,277	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	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	1,729	2,161	2,161	2,161
 Amounts excluded from AT1 due to cap (excess over cap after redemptions and maturities) Current cap on T2 instruments subject to phase out arrangements 	e1 + f1	- 2.054	- 2,054	- 2.054	- 2.054	- 2.567	- 2.567	- 2,567
Amounts excluded from T2 due to cap (excess over cap after redemptions and maturities)		2,054	2,004	2,004	2,004	2,007	2,007	2,00/
(1) "All-in" regulatory capital assumes that all Basel III regulatory adjustments are applied effective January 1, 2013 and that the c	anital value of instrum	mente which no longe	er qualify as requiat	ory canital under Bas	ol III rulee			

 [ab]
 Amounts excluded from T2 due to cap (excess over cap after redemptions and maturities)
 -

CONSOLIDATED BALANCE SHEET

(\$ millions except as noted)	LINE #	Balance sheet as in Report to Shareholders Q4 2018	Under regulatory scope of consolidation <i>(1)</i> Q4 2018	Cross Reference (2)
Assets				
Cash and Cash Equivalents	1	42,142	42,113	
Interest Bearing Deposits with Banks	2	8,305	8,299	
Securities	3	180,935	172,612	
Investments in own shares CET1 (if not already netted off paid-in capital on reported balance sheet)	4		-	n
Investments in own Additional Tier 1 instruments not derecognized for accounting purposes	5		78	n1
Investments in own Tier 2 instruments not derecognized for accounting purposes	6		71	q1
Non-significant investments in the capital of other financials below threshold (3)	7		21,771	У
Significant investments in deconsolidated subsidiaries and other financial institutions (4)	8		1,923	t+x+a1
Significant investments in capital of other financial institutions reflected in regulatory capital				
Amount exceeding the 15% threshold	9		-	h1
Significant investment in common stock of financials below threshold	10		462	
Goodwill embedded in significant investments	11		89	p1
Securities Borrowed or Purchased Under Resale Agreements	12	85,051	85,051	
Loans				
Residential mortgages	13	119,620	119,620	
Consumer installment and other personal	14	63,225	63,225	
Credit cards	15	8,329	8,329	
Business and governments	16	194,456	194,239	
Allowance for credit losses	17	(1,639)	(1,638)	
Allowance reflected in Tier 2 regulatory capital	18		235	w
Shortfall of provisions to expected loss	19		-	k1
Total net loans and acceptances	20	383,991	383,775	
Other Assets				
Derivative instruments	21	26,204	26,201	
Customers' liability under acceptances	22	18,585	18,585	
Premises and equipment	23	1,986	1,834	
Goodwill	24	6,373	6,373	e
Intangible assets	25	2,272	2,272	g
Current tax assets	26	1,515	1,483	
Deferred tax assets (5)	27	2,037	2,037	
Deferred tax assets excluding those arising from temporary differences	28		1,050	i i
Deferred tax assets arising from temporary differences	29		1.942	c1
of which Deferred tax assets arising from temporary differences below the threshold	30		1,942	
of which amount exceeding 15% threshold	31		-	i1
Other	32	14,652	13.651	
Defined-benefit pension fund net assets	33	,002	669	1
Mortgage servicing rights	34		52	
	34		52	h1
of which Mortgage servicing rights under the threshold			52	b1
of which amount exceeding the 15% threshold	36		-	j1
Total Assets	37	774,048	764,286	

(1) Balance sheet under regulatory scope does not include the following entities: BMO Life Insurance Company and BMO Reinsurance Limited.

BMO Life Insurance Company (\$9,385 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 (\$377 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 36).

(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.

		Balance sheet as in Report to Shareholders	Under regulatory scope of consolidation (1)	Cross Reference (2)
	LINE #	Q4 2018	Q4 2018	(=)
(\$ millions except as noted) Liabilities and Equity	#	Q4 2010	Q4 2010	
Total Deposits	38	522.051	522.051	
Other Liabilities	30	522,051	322,031	
Derivative instruments	39	24,411	24,230	
Acceptances	40	18,585	18,585	
Securities sold but not yet purchased	40	28.804	28.804	
Non-significant investments in the capital of other financials	41	20,004	21,129	z
Securities lent or sold under repurchase agreement	43	66,684	66,684	2
Securitization and structured entities' liabilities	44	25.051	25.051	
Current tax liabilities	45	50	50	
Deferred tax liabilities (5)	46	74	71	
related to goodwill	47		179	f
related to intangibles	48		294	h
related to deferred tax assets excluding those arising from temporary differences	49		143	j
related to defined-benefit pension fund net assets	50		147	m
related to deferred tax assets arising from temporary differences.				
excluding those realizable through net operating loss carryback	51		265	d1
Other	52	35,829	26,251	
of which: liabilities of subsidiaries, other than deposits	53		-	
Less: amount (of liabilities of subsidiaries) phased out	54		-	
Liabilities of subsidiaries after phase out	55		-	v
Total other liabilities	56	199,488	189,726	
Subordinated Debt				
Subordinated debt	57	6,782	6,782	
Qualifying subordinated debt	58		6,639	m1
Non qualifying subordinated debt	59		143	
of which redemption has been announced (in the last month of the quarter)	60		-	
Less: regulatory amortization	61		-	
Non qualifying subordinated debt subject to phase out	62		143	
Less: amount phased out	63		-	
Non qualifying subordinated debt after phase out	64		143	u
Equity				
Preferred shares	65	4.340	4.340	
Directly issued gualifying Additional Tier 1 instruments	66	.,= .=	4.050	01
Non-qualifying preferred shares for accounting purposes	67		1,000	01
Non-qualifying preferred shares subject to phase out	68		290	
Less amount (of preferred shares) phased out	69		250	e1
Non qualifying preferred shares after phase out	70		290	p
	70	40.000		þ
Common shares		12,929	12,929	
Directly issued qualifying CET1	72		12,929	a
Contributed surplus	73	300	300	b
Retained earnings	74	25,856	25,856	с
Accumulated other comprehensive income	75	2,302	2,302	d
of which: Cash flow hedges	76		(1,074)	k
Other AOCI	77		3,376	
Total shareholders' equity	78	45,727	45,727	
Total Liabilities and Equity	79	774,048	764,286	

SUMMARY COMPARISON OF ACCOUNTING ASSETS VS. LEVERAGE RATIO EXPOSURE MEASURE (1)		BM	0 😬 Financia	al Group
(\$ millions except as noted)	2018	2018	2018	2018
Item	2018 Q4	Q3	Q2	2018 Q1
Total consolidated assets as per published financial statements	774,048	765,318	743,569	727,909
Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(9,757)	(9,480)	(9,175)	(9,094)
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	3,761	1,506	1,775	(5,606)
5 Adjustment for securities financing transactions (i.e. repo assets and similar secured lending)	8,347	3,069	2,930	6,694
6 Adjustment for off-balance sheet items (i.e. credit equivalent amounts of off-balance sheet exposures)	108,817	102,792	101,147	97,832
7 Other adjustments	(9,110)	(9,320)	(9,152)	(8,892)
8 Leverage Ratio Exposure	876,106	853,885	831,094	808,843
LEVERAGE RATIO COMMON DISCLOSURE (1)				
(\$ millions except as noted)		Leverage ratio	framework	
	2018	2018	2018	2018
Item	Q4	Q3	Q2	Q1
On-balance sheet exposures				
1 On-balance sheet items (excluding derivatives, SFTs and grandfathered securitization exposures but including collateral)	653,039	629,354	613,128	603,873
2 (Asset amounts deducted in determining Basel III Tier 1 capital)	(9,110)	(9,320)	(9,152)	(8,892)
3 Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	643,929	620,034	603,976	594,981
Derivative exposures				
4 Replacement cost associated with all derivative transactions (i.e., net of eligible cash variation margin)	6,515	6,169	7,332	6,067
5 Add-on amounts for PFE associated with all derivative transactions	27,114	23,943	24,214	23,736
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)	-	-	-	-
 7 (Deductions of receivables assets for cash variation margin provided in derivative transactions) 8 (Exempted CCP-leg of client cleared trade exposures) 	(2,624)	(3,050)	(2,436)	(3,217)
9 Adjusted effective notional amount of written credit derivatives	(1,044) 1,200	(751) 142	(751) 123	(444) 116
10 (Adjusted effective notional amount of whiten credit derivatives)	(1,200)	(142)	(123)	(116)
To [Adjusted elective induction disets and advertised decided in the relative exposures (sum of lines 4 to 10)	29,961	26,311	28,359	26,142
Securities financing transaction exposures	23,301	20,311	20,333	20,142
12 Gross SFT assets recognised for accounting purposes (with no recognition of netting), after adjusting for sale accounting transactions	95.159	103,311	95.313	88.298
12 chose of about social may be and cash receivables of gross SFT assets)	(7,675)	(3,591)	(3,636)	(4,455)
14 (Counterparty credit risk (CCR) exposure for SFTs	5,914	5,028	5,935	6,045
15 Agent transaction exposures		-	-,	-
16 Total securities financing transaction exposures (sum of lines 12 to 15)	93,398	104,748	97,612	89,888
Other off-balance sheet exposures		, , , , , , , , , , , , , , , , , , , ,		
17 Off-balance sheet exposure at gross notional amount	343,144	326,819	322,633	312,044
18 (Adjustments for conversion to credit equivalent amounts)	(234,326)	(224,027)	(221,486)	(214,212)
19 Off-balance sheet items (sum of lines 17 and 18)	108,818	102,792	101,147	97,832
Capital and Total Exposures				
20 Tier 1 capital	37,220	35,725	35,214	34,603
21 Total Exposures (sum of lines 3, 11, 16 and 19)	876,106	853,885	831,094	808,843
Leverage Ratios				
22 Basel III leverage ratio	4.2%	4.2%	4.2%	4.3%

(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 an all-in basis only.

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

BMO 🖄 Financial Group

(\$ millions except as noted)	LINE #	2018 Q4	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3
Personal and Commercial Banking	1	178,313	173,039	170,545	163,039	165,005	160,839
Wealth Management	2	19,069	18,560	17,538	16,778	16,276	16,170
BMO Capital Markets	3	80,606	74,663	73,875	69,296	68,131	68,023
Corporate Services, including Technology and Operations, plus excess of Basel Capital Floor RWA over Basel III RWA	4	11,249	11,244	11,053	21,464	20,054	19,787
Total Common Equity Tier 1 Capital Risk-Weighted Assets	5	289,237	277,506	273,011	270,577	269,466	264,819

2018 2018 2018 2018 2018 2018 2017 Genmon Equity Tier 1 Capital 0 <td< th=""><th>FLOW STATEMENT OF BASEL III REGULATORY CAPITAL</th><th></th><th></th><th></th><th></th><th></th><th></th><th></th></td<>	FLOW STATEMENT OF BASEL III REGULATORY CAPITAL							
Common Equity Tier 1 Capital 6 31.688 30.793 30.165 30.633 29,604 New capital issues 6 31.688 30.793 30.165 30.633 29,604 New capital issues 7 26 1071 (102) (488) (294) (91) Gross dividends (deduction) 9 (657) (6644) (642) (645) (631) Profit for the quarter (attributable to shareholders of the parent company) 10 1.695 1.538 1.246 973 1.227 Removal of own credit spread (net of tax) 11 13 (28) (449) 80 42 - Currency Translation Differences 12 241 102 878 (959) 814 - Other (2) 14 (60) 230 69 (2) 71 - Other (2) 78 (212) 78 (212) 78 (212) Other, including regulatory adjustments and transitional arrangements 15 (155) (3) (34) (5) (4)	FLOW STATEMENT OF DASEL III REGULATORY CAPITAL		2018	2018	2018	2018	2017	2017
Opening Balance 6 31,688 30,793 30,165 30,633 29,604 New capital issues 7 32,68 18 7 4,89 (91) Gross dividends (deduction) 9 (657) (664) (642) (645) (631) Profit for the quater (attributable to shareholders of the parent company) 10 1,695 1,536 1,246 973 1,227 Removal of own credit spread (net of tax) 11 13 (28) (48) 80 42 - Currency Translation Differences 12 241 102 878 (959) 814 Fair value through other comprehensive income securities (1) 13 (71) 9 (128) (126) 10 - Other (2) Creat stassets that through other comprehensive income securities (1) 13 (71) 9 (128) (126) 10 - Other (2) Creat stassets that the rule of uther portability (actuding through other comprehensive income securities (1) 15 (157) (27) (21) Other, including regulatory adjustments and transitional a	(\$ millions except as noted)		Q4	Q3	Q2	Q1	Q4	Q3
Opening Balance 6 31,688 30,793 30,165 30,633 29,604 Redeemed capital 8 (107) (102) (488) (294) (91) Gross dividends (deduction) 9 (657) (664) (642) (645) (631) Profit for the quater (attributable to shareholders of the parent company) 10 1,695 1,536 1,246 973 1,227 Removal of own credit spread (net of tax) 11 13 (28) (48) 80 42 - Currency Translation Differences 12 241 102 878 (959) 814 - Fair value through other comprehensive income securities (1) 13 (11) 9 (128) (126) 10 - Other (2) CPE (65) 4 35 394 (92) - Poler value through other comprehensive income securities (1) 15 (137) (22) 71 Goodwill and other intangible assets (deduction, net of related tax liability) 15 (15) (37) (22) 71 <td< td=""><td>Common Equity Tier 1 Canital</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></td<>	Common Equity Tier 1 Canital							
New Capital issues 7 26 18 7 48 9 Redeemed capital 8 (107) (102) (488) (294) (91) Gross dividends (deduction) 9 (657) (664) (642) (645) (631) Profit for the quarter (attributable to shareholders of the parent company) 10 1,685 1,536 1,246 973 1,227 Removal of own credit spread (net of tax) 11 13 (22) (48) 80 42 Movements in other comprehensive income 12 241 102 878 (959) 814 - Furry Transistion Jifterneces 12 241 102 878 (952) 10 - Other (2) 14 (60) 230 68 (212) 71 Goodwill and other intangible assets (deduction, net or leated tax liability) 15 (155) (37) (262) 78 (212) Other, including regulatory adjustiments and transitional arrangements 17 (55) (3) (34) (5) (4)		6	31,688	30,793	30,165	30.633	29.604	30,555
Redeemed capital 8 (107) (102) (488) (294) (91) Gross dividends (deduction) 9 (657) (664) (642) (645) (631) Profit for the quarter (attributable to shareholders of the parent company) 10 1.695 1.536 1.246 973 1.227 Removal of own credit spread (not of tax) 11 13 (28) (48) 80 42 - Currency Translation Differences 12 241 102 878 (959) 814 - Fair value through other comprehensive income 13 (71) 9 (122) 10 - Other (2) 04 14 (60) 230 69 (2) 71 Goodwill and other intangible assets (deduction, net of related tax liability) 15 (155) (37) (262) 78 (212) Other (3) Cherr (3) (44) (45) (44) (45) (44) Closing Balance 20 4,037 4,421 4,438 4,475 4,477 <t< td=""><td></td><td>-</td><td></td><td>,</td><td>7</td><td>,</td><td>9</td><td>52</td></t<>		-		,	7	,	9	52
Profit for the quarter (attributable to shareholders of the parent company) 10 1.695 1.536 1.246 973 1.227 Removal of own credit spread (net of tax) 11 13 (28) (44) 80 42 Movements in other comprehensive income 12 241 102 878 (959) 814 - Four value through other comprehensive income securities (1) 13 (71) 9 (128) (126) 10 - Other (2) Goodwill and other intangible assets (deduction, net of related tax liability) 15 (155) (37) (262) 78 (212) Other, including regulatory adjustments and transitional arrangements - - - - - - - 6(5) 4 35 394 (92) - <		8	(107)	(102)	(488)	(294)	(91)	(349)
Removal of own credit spread (net of tax) 11 13 (28) (48) 80 42 Movements in other comprehensive income 12 241 102 878 (959) 814 - Fair value through other comprehensive income securities (1) 13 (71) 9 (128) (126) 10 - Other (2) Condwill and other intangible assets (deduction, net of related tax liability) 15 (155) (37) (262) 78 (212) Other, including regulatory adjustments and transitional arrangements 15 (155) (37) (262) 78 (212) - Prudential Valuation Adjustments 17 (55) (3) (34) (5) (4) - Other (3) Cast 19 32.721 31.688 30.733 30.165 30.633 Other non-core Tier 1 (Additional Tier 1) Capital 22 - - - - - - Opening Balance 20 4.037 4.421 4.438 4.475 4.477 New non-core Tier 1 (Additional Tier 1) eligible capital issues </td <td>Gross dividends (deduction)</td> <td>9</td> <td>(657)</td> <td>(664)</td> <td>(642)</td> <td>(645)</td> <td>(631)</td> <td>(633)</td>	Gross dividends (deduction)	9	(657)	(664)	(642)	(645)	(631)	(633)
Removal of own credit spread (net of tax) 11 13 (28) (48) 80 42 Movements in other comprehensive income 12 241 102 878 (959) 814 - Fair value through other comprehensive income securities (1) 13 (71) 9 (128) (126) 10 - Other (2) Coddwill and other intangible assets (deduction, net of related tax liability) 15 (155) (37) (262) 78 (212) Other, including regulatory adjustments and transitional arrangements - <td>Profit for the quarter (attributable to shareholders of the parent company)</td> <td>10</td> <td>1.695</td> <td>1.536</td> <td>1.246</td> <td>973</td> <td>1.227</td> <td>1,387</td>	Profit for the quarter (attributable to shareholders of the parent company)	10	1.695	1.536	1.246	973	1.227	1,387
Movements in other comprehensive income 12 241 102 878 (959) 814 - Fair value through other comprehensive income securities (1) 13 (71) 9 (128) (126) 10 - Other (2) -0ther (2) 14 (60) 230 69 (2) 71 Goodwill and other intangible assets (deduction, net of related tax liability) 15 (155) (37) (262) 78 (212) - Deferred tax assets that rely on future profitability (excluding those arising from temporary differences) 16 (65) 4 35 394 (62) - Prudential Valuation Adjustments 17 (55) (3) (34) (5) (4) - Other (3) 18 228 (170) (5) (10) (114) Closing Balance 19 32,721 31,688 30,793 30,165 30,633 Other non-core tier 1 (Additional Tier 1) Capital 20 4,037 4,421 4,438 4,475 4,477 New non-core tier 1 (Additional Tier 1) eligible capital issues 21								(53)
- Currency Translation Differences 12 241 102 878 (959) 814 - Fair value through other comprehensive income securities (1) 13 (71) 9 (128) (126) 10 - Other (2) 0dodwill and other intangible assets (deduction, net of related tax liability) 15 (155) (37) (262) 78 (212) Other, including regulatory adjustments and transitional arrangements -				()	()			()
- Fair value through other comprehensive income securities (1) 13 (71) 9 (128) (126) 10 - Other (2) 14 (60) 230 69 (2) 71 Goodwill and other intangible assets (deduction, net of related tax liability) 15 (155) (37) (262) 78 (212) Other, including regulatory adjustments and transitional arrangements - - 76 (212) - Deferred tax assets that rely on future profitability (excluding those arising from temporary differences) 16 (65) 4 35 394 (92) - Prudential Valuation Adjustments 17 (55) (3) (34) (5) (4) - Other (3) Closing Balance 18 228 (170) (5) (10) (114) Closing Balance 20 4,037 4,421 4,438 4,475 4,477 Opening Balance 20 4,037 4,421 4,438 4,475 - - Other including regulatory adjustments and transitional arrangements (4) 23 62 (84) (17) (37) (2) Other, including regu		12	241	102	878	(959)	814	(2,158)
- Other (2) 14 (60) 230 69 (2) 71 Goodwill and other ingible assets (deduction, net of related tax liability) 15 (155) (37) (262) 78 (212) Other, including regulatory adjustments and transitional arrangements - - - - - - Other (3) - Other (3) (34) (5) (4) (5) (10) (114) Closing Balance 19 32,721 31,688 30,793 30,165 30,633 - Opening Balance 20 4,037 4,421 4,438 4,475 4,477 New non-core tier 1 (Additional Tier 1) eligible capital issues 21 400 - - - Redeemed capital 22 - (300) - - - - - Other, including regulatory adjustments and transitional arrangements (4) 23 62 (84) (17) (37) (22) Other non-core tier 1 (Additional Tier 1) eligible capital issues 21 400 - - - - - - - - - - - <td>- Fair value through other comprehensive income securities (1)</td> <td>13</td> <td>(71)</td> <td></td> <td>(128)</td> <td></td> <td>10</td> <td>(19)</td>	- Fair value through other comprehensive income securities (1)	13	(71)		(128)		10	(19)
Goodwill and other intangible assets (deduction, net of related tax liability) 15 (155) (37) (262) 78 (212) Other, including regulatory adjustments and transitional arrangements - <td< td=""><td>– Other (2)</td><td></td><td></td><td>230</td><td>· /</td><td>· · ·</td><td>71</td><td>214</td></td<>	– Other (2)			230	· /	· · ·	71	214
Other, including regulatory adjustments and transitional arrangements Image: Constraint of the series	Goodwill and other intangible assets (deduction, net of related tax liability)	15			(262)		(212)	567
- Prudential Valuation Adjustments 17 (55) (3) (34) (5) (4) - Other (3) 18 228 (170) (5) (10) (114) Closing Balance 19 32,721 31,688 30,793 30,165 30,633 Other non-core Tier 1 (Additional Tier 1) Capital - - - - - Opening Balance 20 4,037 4,421 4,438 4,475 4,477 New non-core tier 1 (Additional Tier 1) eligible capital issues 21 400 - - - Redeemed capital 22 - (300) - - - - Other, including regulatory adjustments and transitional arrangements (4) 23 62 (84) (17) (37) (2) Closing Balance 24 4,499 4,037 4,421 4,438 4,475 Total Tier 1 Capital 25 37,220 35,725 35,214 34,603 35,108 Tier 2 Capital 26 5,708 5,727 6,607 5,488 6,283 New Tier 2 eligible capital issues<			(/	(-)	(-)		· · · · ·	
- Prudential Valuation Adjustments 17 (55) (3) (34) (5) (4) - Other (3) 18 228 (170) (5) (10) (114) Closing Balance 19 32,721 31,688 30,793 30,165 30,633 Other non-core Tier 1 (Additional Tier 1) Capital - - - - - Opening Balance 20 4,037 4,421 4,438 4,475 4,477 New non-core tier 1 (Additional Tier 1) eligible capital issues 21 400 - - - Redeemed capital 22 - (300) - - - - Other, including regulatory adjustments and transitional arrangements (4) 23 62 (84) (17) (37) (2) Closing Balance 24 4,499 4,037 4,421 4,438 4,475 Total Tier 1 Capital 25 37,220 35,725 35,214 34,603 35,108 Tier 2 Capital 26 5,708 5,727 6,607 5,488 6,283 New Tier 2 eligible capital issues<	- Deferred tax assets that rely on future profitability (excluding those arising from temporary differences)	16	(65)	4	35	394	(92)	143
- Other (3) 18 228 (170) (5) (10) (114) Closing Balance 19 32,721 31,688 30,793 30,165 30,633 Other non-core Tier 1 (Additional Tier 1) Capital 20 4,037 4,421 4,438 4,475 4,477 New non-core tier 1 (Additional Tier 1) eligible capital issues 21 400 - - - - Redeemed capital 22 - (300) - <t< td=""><td></td><td></td><td></td><td>(3)</td><td></td><td></td><td>(4)</td><td>(5)</td></t<>				(3)			(4)	(5)
Closing Balance 19 32,721 31,688 30,793 30,165 30,633 Other non-core Tier 1 (Additional Tier 1) Capital 20 4,037 4,421 4,438 4,475 4,477 New non-core tier 1 (Additional Tier 1) eligible capital issues 21 400 - - - - Redeemed capital 22 - (300) - - - - Other, including regulatory adjustments and transitional arrangements (4) 23 62 (84) (17) (37) (2) Closing Balance 24 4,499 4,037 4,421 4,438 4,475 Total Tier 1 Capital 25 37,220 35,725 35,214 34,603 35,108 Tier 2 Capital 26 5,708 5,727 6,607 5,488 6,283 New Tier 2 eligible capital issues 27 1,119 - - 1,538 -	– Other (3)	18					(114)	(97)
Opening Balance 20 4,037 4,421 4,438 4,475 4,477 New non-core tier 1 (Additional Tier 1) eligible capital issues 21 400 -	Closing Balance			1 1	(-7			29,604
Opening Balance 20 4,037 4,421 4,438 4,475 4,477 New non-core tier 1 (Additional Tier 1) eligible capital issues 21 400 -	Other non-core Tier 1 (Additional Tier 1) Capital							
New non-core tier 1 (Additional Tier 1) eligible capital issues 21 400 -		20	4.027	4 4 2 1	4 429	4 475	4 477	4,073
Redeemed capital 22 - (300) -				4,421	4,430	4,475	4,477	4,073
Other, including regulatory adjustments and transitional arrangements (4) 23 62 (84) (17) (37) (2) Closing Balance 24 4,499 4,037 4,421 4,438 4,475 Total Tier 1 Capital 25 37,220 35,725 35,214 34,603 35,108 Tier 2 Capital 26 5,708 5,727 6,607 5,488 6,283 New Tier 2 eligible capital issues 27 1,119 - - 1,538 -			-00	(300)	_	_	_	
Closing Balance 24 4,499 4,037 4,421 4,438 4,475 Total Tier 1 Capital 25 37,220 35,725 35,214 34,603 35,108 Tier 2 Capital 26 5,708 5,727 6,607 5,488 6,283 New Tier 2 eligible capital issues 27 1,119 - - 1,538 -			62		(17)	(37)	(2)	4
Total Tier 1 Capital 25 37,220 35,725 35,214 34,603 35,108 Tier 2 Capital 26 5,708 5,727 6,607 5,488 6,283 Opening Balance 27 1,119 - - 1,538 -		-			· · · ·	· · · · ·	4.475	4,477
Opening Balance 26 5,708 5,727 6,607 5,488 6,283 New Tier 2 eligible capital issues 27 1,119 - - 1,538 -								34,081
Opening Balance 26 5,708 5,727 6,607 5,488 6,283 New Tier 2 eligible capital issues 27 1,119 - - 1,538 -	Tier 2 Capital							
New Tier 2 eligible capital issues 27 1,119 - 1,538 -	•	26	5 708	5 727	6 607	5 488	6 283	5,671
				5,727	0,007	,	0,200	850
	Redeemed capital	28	1,119	-	(900)	1,000	- (800)	- 350
Amortization adjustments 29			-	-	(900)	-	(300)	-
Other, including regulatory adjustments and transitional arrangements (5) 30 69 (19) 20 (419) 5			69	(10)	20	(410)	5	(238)
Closing Balance 31 6.896 5.708 5.727 6.607 5.488				(- /			5 488	6.283
Total Regulatory Capital 31 0,000 0,700 0,007 <th0,007< th=""> 0,007 <th0,007< t<="" td=""><td>•</td><td></td><td></td><td>-,</td><td>- /</td><td>.,</td><td>-,</td><td>40,364</td></th0,007<></th0,007<>	•			-,	- /	.,	-,	40,364

(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.

		вмо 😬 ғ	'inancial Group
DV1 - OVERVIEW OF RWA	RWA	(1)	Minimum capital requirements
	Q4 2018	Q3 2018	Q4 2018
\$ millions)	а	b	С
1 Credit risk (excluding counterparty credit risk (CCR))	215,193	207,683	17,215
2 Of which standardized approach (SA)	39,288	38,071	3,143
3 Of which internal rating-based (IRB) approach	175,905	169,612	14,072
4 Counterparty credit risk	13,481	12,978	1,079
5 Of which standardized approach for counterparty credit risk (SA-CCR)	-	-	-
6 Of which internal model method (IMM)	-	-	-
Calor Of which current exposure method (CEM)	4,746	4,439	380
Of which comprehensive approach for credit risk mitigation (for SFTs)	3,171	3,236	254
6c Of which CVA capital charge	4,900	4,684	392
6d Of which exposures to QCCP	664	619	53
7 Equity positions in banking book under market-based approach	-	-	-
8 Equity investments in funds – look-through approach	87	98	7
9 Equity investments in funds – mandate-based approach	731	619	58
10 Equity investments in funds – fall-back approach	118	110	9
11 Settlement risk	15	12	1
12 Securitization exposures in banking book	2,404	2,072	192
13 Of which IRB ratings-based approach (RBA)	544	279	44
0f which IRB Supervisory Formula Approach (SFA)	1,860	1,793	148
15 Of which SA/simplified supervisory formula approach (SSFA)	-	-	-
16 Market risk	13,532	11,097	1,083
17 Of which standardized approach (SA) (2)	258	39	21
18 Of which internal model approaches (IMM)	13,274	11,058	1,062
19 Operational risk	35,205	34,284	2,817
20 Of which Basic Indicator Approach	49	48	4
21 Of which Standardized Approach	2,019	1,977	162
22 Of which Advanced Measurement Approach	33,137	32,259	2,651
23 Amounts below the thresholds for deduction (subject to 250% risk weight)	8,471	8,553	678
24 Floor adjustment (3)	-	-	-
25 Total	289,237	277,506	23,139

RWA increased \$11.7B due to business growth, including the acquisition of KGS-ALPHA and the impact of foreign exchange movements, partially offset by positive book quality changes.

	Ī			Q4 20	18		
RWA CVA PHASE-IN CALCULATION (4)	LINE #	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)	RWA Net CVA phase-in (F)=C-D+E
Common Equity Tier 1 (CET 1) Capital RWA	1	6,124	80%	290,462	1,225	-	289,237
Tier 1 Capital RWA	2	6,124	83%	290,462	1,042	-	289,420
Total Capital RWA	3	6,124	86%	290,462	858	-	289,604

CAPITAL RATIOS FOR SIGNIFICANT BANK SUBSIDIARIES		2018	2018	2018	2018
		Q4	Q3	Q2	Q1
Bank of Montreal Mortgage Corporation - Basel III					
All-in Basis - Basel III (5)					
Common Equity Tier 1 ratio	4	21.6%	21.8%	23.5%	20.3%
Tier 1 ratio	5	21.6%	21.8%	23.5%	20.3%
Total capital ratio	6	22.1%	22.3%	24.1%	20.7%
BMO Harris Bank N.A Basel III (6)					
Tier 1 ratio	7	12.5%	12.5%	12.8%	12.8%
Total capital ratio	8	13.7%	13.7%	14.0%	14.0%

(1) The scaling factor is applied to the risk-weighted asset amounts as applicable.

(2) Standardized approach market risk RWA reflects specific interest rate risk on securitization positions.

(3) 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 Q4 2018 and Q3 2018.

(4) 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.

(5) 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.

(6) Calculated using U.S. Basel III guidelines currently in effect for U.S. regulatory purposes and based on BMO Harris N.A.'s calendar quarter ends: September 2018, June 2018, March 2018, and December 2017.

BMO 🖄 Financial Group

LI1 - DIFFERENCES BETWEEN ACCOUNTING AND REGULATORY SCOPES OF CONSOLIDATION AND MAPPING OF FINANCIAL

STATEMENTS WITH REGULATORY RISK CATEGORIES

STATEMENTS WITH REGULATORY RISK CATEGORIES		Q4 2018							
		Carrying values of items:							
			Carrying values					Not subject to capital	
		Carrying values as	under scope of		Subject to	Subject to the	Subject to the	requirements or	
		reported in published		Subject to credit	counterparty credit	securitization	market risk	subject to deduction	
		financial statements	consolidation (1)	risk framework	risk framework	framework	framework	from capital	
(\$ millions)	#	а	b	С	d	e	f	g	
ASSETS									
Cash and Cash Equivalents	1	42,142	42,113	40,939	1,174	-	-	-	
Interest Bearing Deposits with Banks	2	8,305	8,299	8,218	-	-	81	-	
Securities	3	180,935	172,612	71,806	-	872	99,544	390	
Securities Borrowed or Purchased Under Resale Agreements	4	85,051	85,051	-	85,051	-	-	-	
Loans	5								
Residential mortgages	6	119,620	119,620	118,508	-	1,079	-	33	
Consumer instalment and other personal	7	63,225	63,225	61,219	-	48	-	1,958	
Credit cards	8	8,329	8,329	2,470	-	1,873	-	3,986	
Businesses and governments	9	194,456	194,239	184,968	2,341	6,930	-	-	
Allowance for credit losses	10	(1,639)	(1,638)	(1,465)	-	(173)	-	-	
Other Assets									
Derivative instruments	11	26,204	26,201	-	26,201	-	24,401	-	
Customers' liability under acceptances	12	18,585	18,585	18,585	-	-	-	-	
Premises and equipment	13	1,986	1,834	1,834	-	-	-	-	
Goodwill	14	6,373	6,373	-	-	-	-	6,373	
Intangible assets	15	2,272	2,272	-	-	-	-	2,272	
Current tax assets	16	1,515	1,483	1,483	-	-	-	-	
Deferred tax assets	17	2,037	2,037	1,677	-	-	-	360	
Other Total	18	14,652	13,651	12,829	-	-	153	669	
Total assets	19	774,048	764,286	523,071	114,767	10,629	124,179	16,041	
LIABILITIES									
Deposits	20	522,051	522,051	-	-	-	15,309	506,742	
Other Liabilities							,	,	
Derivative instruments	21	24,411	24,230	-	24,230	-	21,380		
Acceptances	22	18,585	18,585	-	-	-	· -	18,585	
Securities sold but not yet purchased	23	28,804	28,804	-	-	-	28,804		
Securities lent or sold under repurchase agreements	24	66,684	66,684	-	66,684	-	-		
Securitization and liabilities related to structured entities	25	25,051	25,051	-	-	-	-	25,051	
Current tax liabilities	26	50	50	-	-	-	-	50	
Deferred tax liabilities	27	74	71	-	-	-	-	71	
Other	28	35,829	26,251	-	-	-	-	26,251	
Subordinated Debt	29	6,782	6,782	-	-	-	-	6,782	
Total liabilities	30	728,321	718,559	-	90,914	-	65,493	583,532	

(1) Balance sheet under regulatory scope does not include the following entities: BMO Life Insurance Company and BMO Reinsurance Limited. BMO Life Insurance Company (\$9,385 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 (\$377 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.

BMO 🍅 Financial Group

04 2046

LI2 - MAIN SOURCES OF DIFFERENCES BETWEEN REGULATORY EXPOSURE AMOUNTS AND CARRYING VALUES IN FINANCIAL STATEMENTS

VALUES IN FINANCIAL STATEMENTS	Q4 2016							
			ltems su	bject to:				
			Counterparty					
		Credit risk	credit risk	Securitization	Market risk			
	Total	framework	framework	framework	framework			
(\$ millions)	а	b	С	d	е			
1 Asset carrying value amount under scope of regulatory consolidation (as per template LI1) (1)	748,245	523,071	114,767	10,629	124,179			
2 Liabilities carrying value amount under regulatory scope of consolidation (as per template LI1) (1)	135,027	-	90,914	-	65,493			
3 Total net amount under regulatory scope of consolidation	613,218	523,071	23,853	10,629	58,686			
4 Off-balance sheet amounts	232,812	162,545	57,019	13,248	-			
5 Differences due to different netting rules, other than those already included in row 2	8,162	-	8,162	-	-			
6 Differences due to consideration of provisions	1,922	1,749	-	173	-			
7 Exposures related to liability repo-style transactions	133,367	-	133,367	-	-			
8 Potential future exposure on derivatives	26,958	-	26,958	-	-			
9 Differences due to consideration of CRM	(186,443)	(64)	(185,923)	(456)	-			
10 Exposure amounts considered for regulatory purposes (2)	829,996	687,301	63,436	23,594	58,686			

(1) Carrying value under scope of regulatory consolidation (column b from LI1) less amounts not subject to capital requirements or subject to capital deduction from capital (column g from LI1).

(2) Exposure amounts considered for regulatory purposes represent the exposure at default amounts post-CRM and post-CCF, with the exception of the Market Risk framework that is reported at accounting carrying value.

Commentary

The table above illustrates the main sources of differences between the financial statements' carrying value amounts and the exposure at default post-CRM and post-CCF used for regulatory purposes.

Off-balance sheet amounts include credit exposures on committed undrawn amounts of loans and other off-balance sheet arrangements, other than derivatives, such as undrawn commitments related to Standby Letters of Credit and Documentary Credits.

Differences due to different netting rules relate to the grossing up of derivatives to reflect legally enforceable bilateral netting arrangement recognized for regulatory capital purposes.

Differences due to consideration of provisions relate to the re-inclusion of general and specific provisions in the carrying amount of exposures in the AIRB approach.

Exposures related to liability repo-style transactions relate to the grossing up of liability repo-style transactions.

Potential future exposure consists of the add-on factors for the expected volatility of the price, rate or index underlying derivative instruments.

Differences due to consideration of CRM consist of the application of credit risk mitigation techniques to arrive at the net exposure at default in accordance with OSFI's Capital Adequacy Requirements Guidelines, Chapter 5, Credit Risk Mitigation.

				BM	O 🖄 Financial Group
CR1 - CREDIT QUALITY OF ASSETS (1)			Q4	2018	
		Gross carryi	ng values of		
		Defaulted exposures	Non-defaulted	Allowances /	Net values
	LINE	(2) (3)	exposures	impairments	(a + b - c)
(\$ millions)	#	а	b	С	d
Loans	1	2,038	383,712	1,465	384,285
Debt securities	2	-	67,599	2	67,597
Off-balance sheet exposures	3	241	154,558	229	154,570
Total	4	2,279	605,869	1,696	606,452

CF	R2 - CHANGES IN STOCK OF DEFAULTED LOANS AND DEBT SECURITIES (3) (4)	Q4 2018
(\$ n	nillions)	а
1	Defaulted loans and debt securities at end of the previous financial reporting period	2,169
2	Loans and debt securities that have defaulted since the last reporting period	417
3	Returned to non-defaulted status	(174)
4	Amounts written off	(191)
5	Other charges	(183)
6	Defaulted loans and debt securities at end of the reporting period	2,038

			Q4 2018		
CR3 - CREDIT RISK MITIGATION TECHNIQUES - OVERVIEW (1) (3) (5) (6) (7)	Unsecured		Exposures		
	exposures: carrying	Exposures to be	secured by	Exposures secured by	Exposures secured by
	amount	secured	collateral	financial guarantees	credit derivatives
(\$ millions)	а	b1	b	d	f
1 Loans	325,209	59,076	-	50,801	22
2 Debt securities	67,597	-	-	-	-
3 Total	392,806	59,076	-	50,801	22
4 Of which: defaulted	1.513	155	-	149	-

(1) Excludes positions subject to counterparty credit risk and securitization regulatory frameworks.

(2) Exposures are considered to be in default when they are 90 days past due with the following exceptions: (i) credit card loans which are immediately written off when principal or interest payments

are 180 days past due; and (ii) residential mortgages guaranteed by the Government of Canada that are less than one year past due.

(3) There are no defaulted debt securities.

(4) Defaulted balances exclude off-balance sheet exposures.

(5) Secured exposures include exposures where credit risk mitigation techniques are used to reduce capital requirement in accordance with OSFI's Capital Adequacy Requirements Guideline, Chapter 5, Credit Risk Mitigation. Where collateral is reflected in the risk parameters (PDs and LGDs) for AIRB exposures and risk weights for exposures under standardized approach, the carrying amount is reported as an unsecured exposure.

(6) Loans and Debt Securities balances are net of allowance for credit losses on performing loans and impaired loans (excluding those related to off-balance sheet instruments and undrawn commitments).

(7) Defaulted balances are net of allowance for credit losses on impaired loans, excluding off-balance sheet instruments and undrawn commitments.

CR4 - STANDARDIZED APPROACH - CREDIT RISK EXPOSURE AND CREDIT RISK

BMO 🔷 Financial Group

MITIGATION	CRM) EFFECTS	(1) (2)

(\$ n	nillions)			Q4 2	2018		
		Exposures befo	re CCF and CRM	Exposures pos	t CCF and CRM	RWA and R	WA density
		On-balance sheet	Off-balance sheet	On-balance sheet	Off-balance sheet		
		amount	amount	amount	amount	RWA	RWA density
	Asset classes	а	b	С	d	е	f
1	Sovereigns and their central banks	12	7	12	3	-	0.00%
2	Non-central government public sector entities	150	23	150	12	32	20.00%
3	Multilateral development banks	-	-	-	-	-	0.00%
4	Banks	59	207	59	80	28	20.00%
5	Securities firms	7	51	7	18	5	20.00%
6	Corporates	16,450	8,850	16,450	3,450	19,722	99.11%
7	Regulatory retail portfolios	9,131	3,923	9,131	4	6,687	73.19%
8	Secured by residential property	4,408	192	4,408	74	1,728	38.54%
9	Secured by commercial real estate	694	128	694	62	756	100.00%
10	Equity	1,749	290	1,749	145	1,153	60.88%
11	Defaulted exposures	468	26	468	11	647	135.12%
12	Higher-risk categories (3)	96	129	96	65	241	150.00%
13	Other assets	8,800	-	8,800	-	8,289	94.20%
14	Total	42,024	13,826	42,024	3,924	39,288	85.51%

CR5 - STANDARDIZED APPROACH - EXPOSURES BY ASSET CLASSES AND RISK WEIGHTS (1) (2) (4)

		02,00020,110												
(\$ millions)					Q4	2018								
										Total credit				
		Risk Weight												
	0%	10%	20%	35%	50%	75%	100%	150%	Others	(post CCF and post-CRM)				
Asset classes	а	b	С	d	e	f	g	h	i	j				
1 Sovereigns and their central banks	15	-	-	-	-	-	-	-	-	15				
2 Non-central government public sector entities	-	-	162	-	-	-	-	-	-	162				
3 Multilateral development banks	-	-	-	-	-	-	-	-	-	-				
4 Banks	-	-	139	-	-	-	-	-	-	139				
5 Securities firms	-	-	25	-	-	-	-	-	-	25				
6 Corporates	-	-	212	-	17	-	19,671	-	-	19,900				
7 Regulatory retail portfolios	409	-	-	-	-	8,165	561	-	-	9,135				
8 Secured by residential property	-	-	10	4,072	-	398	2	-	-	4,482				
9 Secured by commercial real estate	-	-	-	-	-	-	756	-	-	756				
10 Equity	476	-	413	-	-	-	1,005	-	-	1,894				
11 Defaulted exposures	-	-	16	-	-	-	102	361	-	479				
12 Higher-risk categories (3)	-	-	-	-	-	-	-	161	-	161				
13 Other assets	2,430	-	1,404	-	-	-	4,701	-	265	8,800				
14 Total	3,330	-	2,381	4,072	17	8,563	26,798	522	265	45,948				

 14 Total
 3,330
 2,381
 4,072
 17
 8,563

 (1) Credit risk excludes Counterparty Credit Risk, Securitization, Equity Investment in Funds, Settlement risk and amounts below the thresholds for deduction subject to 250% risk weight.

(2) Exposure amounts are net of stage 3 allowance for credit losses.

(3) Non-defaulted exposures with risk weights equal to 150% (e.g. rated BB- or lower).

(4) 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.

														B	MO 😬 Fi	nancial Group
CR6 - IRB - CREDIT EXPOSURE BY PC (\$ millions except as noted)	ORTFOLIO AND PD R	ANGE (1) (2) (8)									Q4 2018					
			Moody's Investors Service implied	Standard & Poor's		balance sheet sh	Off-balance leet exposures		EAD post CRM	Average PD (4)	Number of obligors (5)	Average LGD	Average maturity	RWA	RWA density	Provisions EL (9)
Risk Profile	BMO Rating	PD Scale (%)	equivalent	implied equivalent	#	gross exposure a	pre-CCF b	(3) c	and post-CCF d	(4) 0	(5) f	(6) g	(years) (7) h	i	j	EL (9) k l
Canadian insured residential Exceptionally low to Very low		0 00 to <0 15				33,381		0.00 %	47.203	0.00 %	150.223	25.24 %		339	0.72 %	
Exceptionally low to very low Very low to Low		0.00 to <0.15 0.15 to <0.25			2	33,381	-	0.00 %	47,203	0.00 %	150,223	25.24 %		339	0.72 %	
Low		0.25 to <0.50			3	-	-	0.00 %	-	0.00 %	-	0.00 %		-	0.00 %	-
Low Medium		0.50 to <0.75 0.75 to <2.50			4 5	8,616 2,660	-	0.00 %	-	0.00 %	18,313 7,200	0.00 % 0.00 %			0.00 %	
Medium to High		2.50 to <10.00			6	2,218	-	0.00 %	-	0.00 %	6,803	0.00 %		-	0.00 %	-
High Default		10.00 to <100.00 100.00 (Default)			7	186 142	-	0.00 %	-	0.00 %	894 729	0.00 % 0.00 %		-	0.00 %	-
Sub-total		TUU.UU (Delault)			9	47,203	-	0.00 %	47,203	0.00 %	184,162	0.00 %		339	0.00 %	
Canadian uninsured residential																
Exceptionally low to Very low Very low to Low		0.00 to <0.15 0.15 to <0.25			10	46,826 7,407	25,187 1,461	39.75 % 25.23 %	56,839 7,776	0.07 %	385,333 50,398	16.20 % 17.31 %		1,758 529	3.09 % 6.81 %	7
Low		0.25 to <0.50			11 12	-	-	0.00 %	-	0.00 %	-	0.00 %		-	0.00 %	-
Low Medium		0.50 to <0.75 0.75 to <2.50			13 14	10,309 6.848	23 576	71.83 % 20 29 %	10,326	0.60 %	40,602 34 761	14.75 % 15 71 %		1,419 1,654	13.74 % 23.75 %	9
Medium Medium to High		2.50 to <2.50			14	6,848	29	20.29 %	6,965	1.24 %	34,761	15.71 %		1,654 2,247	23.75 % 53.43 %	38
High		10.00 to <100.00			16	379	32	21.21 %	386	38.20 %	2,510	14.18 %		302	78.20 %	20
Default Sub total		100.00 (Default)			17	149	10 27,318	13.44 %	150 86,647	100.00 %	1,098	14.11 %		246 8,155	163.71 %	8 97 8
Sub-total Non-Canadian residential	1	1	1	1	18	76,116				II		1				9/ 8
Exceptionally low to Very low		0.00 to <0.15			19	1,481	5,764	58.41 %	4,847	0.03 %	45,447	68.48 %		324	6.69 %	1
Very low to Low		0.15 to <0.25 0.25 to <0.50			20	4,526 791	80 253	100.00 % 49.64 %	4,606 917	0.18 %	15,256 9,093	30.18 % 71.67 %		547 361	11.87 % 39.37 %	3 2
Low		0.25 to <0.50 0.50 to <0.75			21 22 23	511	-	0.00 %	511	0.28 %	7,910	71.67 % 62.40 %		346	67.67 %	2
Medium		0.75 to <2.50			23	1,713	44	87.38 %	1,751	1.13 %	10,025	44.62 %		1,125	64.25 %	9
Medium to High High		2.50 to <10.00 10 00 to <100 00			24 25	172	1 116	93.62 % 61.20 %	173 297	4.66 % 23.25 %	1,657	54.50 % 43.62 %		321 719	186.24 % 241.95 %	5
Default		100.00 (Default)			26	415	-	0.00 %	415	23.25 % 100.00 %	18,630	43.62 % 50.01 %		1,369	330.13 %	160
Sub-total					27	9,835	6,258		13,517		110,539			5,112		211 160
Qualifying revolving retail Exceptionally low to Very low		0.00 to <0.15			28	1,032	36,428	56.28 %	21,533	0.05 %	2,841,494	72.52 %		488	2.27 %	7
Very low to Low		0.15 to <0.25			29	179	2,558	68.02 %	1,919	0.17 %	353,928	89.17 %		166	8.65 %	3
Low		0.25 to <0.50			30	3,342	9,451	36.17 %	6,761	0.35 %	545,514	58.01 %		691	10.22 %	14
Low Medium		0.50 to <0.75 0.75 to <2.50			31 32	194 1.976	926 1,504	76.16 % 64 73 %	900 2,949	0.55 %	195,495 315 003	90.00 % 74 25 %		205 1,238	22.80 % 41.98 %	4
Medium to High		2.50 to <10.00			32 33 34	1,177	709	92.65 %	1.833	5.08 %	379,920	79.95 %		1,807	98.56 %	34 72
High		10.00 to <100.00				396	207	64.94 %	531	26.36 %	106,424	71.43 %		962	181.26 %	96
Default Sub-total		100.00 (Default)			35 36	65 8,361	19 51,802	41.50 %	73 36,499	100.00 %	4,202	53.93 %		222 5.779	303.14 %	33 263 33
Retail small-and-medium-sized entities												· ·			· ·	200 33
Exceptionally low to Very low		0.00 to <0.15 0.15 to <0.25			37 38	1,281 17	2,586 76	73.87 % 77.05 %	3,194 75	0.09 %	74,336 5,508	60.97 % 85.86 %		437 28	13.69 % 37.60 %	2
Very low to Low Low		0.15 to <0.25 0.25 to <0.50			38 39	17	76	77.05 % 75.04 %	75	0.21 % 0.35 %	5,508 51,076	85.86 % 98.00 %		28 93	37.60 % 59.93 %	1
Low		0.50 to <0.75			40	851	270	80.39 %	1,065	0.56 %	27,945	52.10 %		454	42.60 %	3
Medium Medium to High		0.75 to <2.50 2.50 to <10.00			41 42	537 440	98 118	79.11 % 78.50 %	614 532	1.49 % 4 80 %	11,941 13.808	58.89 % 72.26 %		449 601	73.13 % 112.95 %	5 19
Medium to High High		2.50 to <10.00 10.00 to <100.00			42 43	440 64	118 10	78.50 % 78.50 %	532	4.80 % 26.47 %	13,808 2,692	72.26 % 68.80 %		601 113	112.95 % 156.30 %	19
Default		100.00 (Default)			44	30	4	82.90 %	33	100.00 %	5,939	57.21 %		196	595.53 %	5
Sub-total Other retail	I	I	I	1	45	3,276	3,294		5,741		193,245	L		2,371		49 5
Exceptionally low to Very low		0.00 to <0.15			46	9,742	3,188	49.26 %	11,685	0.07 %	367,834	22.07 %		471	4.03 %	2
Very low to Low		0.15 to <0.25			47	6.944	561	91.53 %	7.458	0.18 %	173,682	65.16 %		2,034	27.28 %	9
Low		0.25 to <0.50 0.50 to <0.75			48 49	3,275 3,331	1,460 40	30.04 % 47.52 %	3,713 3,138	0.38 % 0.61 %	558,953 108,859	53.94 % 30.02 %		1,297 799	34.93 % 25.45 %	8
Medium		0.75 to <2.50			50	6,544	271	37.67 %	6,561	1.44 %	421,025	45.34 %		3,624	55.23 %	44
Medium to High		2.50 to <10.00			51	1,545	10	41.01 %	1,484	6.13 %	192,380	38.40 %		911	61.35 %	34
High Default		10.00 to <100.00 100.00 (Default)			52 53	474 199	330 2	50.33 % 35.02 %	635 193	28.52 % 100.00 %	247,542 83,821	79.71 % 47.43 %		1,154 501	181.72 % 259.21 %	126 83
Sub-total					54	32,054	5,862	00.02 /0	34,867		2,154,096	11.10 //		10,791		312 83
Total (all retail portfolios)					55	176,845	94,534		224,474		7,910,829			32,547		932 289
Corporate Investment grade	-1, -2, -3, -4, -5	0.00 to <0.15	Aaa to Baa1	AAA to BBB+	56	33.904	71.858	49.85 %	76.384	0.08 %	5.499	35.28 %	2.21	16.097	21.07 %	22
Investment grade	I-5, I-6	0.15 to <0.25	Baa1 to Baa2	BBB+ to BBB	56 57	24,088	35,589	49.47 %	40,204	0.20 %	4,902	37.73 %	2.48	15,836	39.39 %	31
Investment grade Investment grade to Non-investment grade	I-6, I-7 I-7, S-1	0.25 to <0.50 0.50 to <0.75	Baa2 to Baa3 Baa3 to Ba1	BBB to BBB- BBB- to BB+	58 59	35,523 35,093	33,948 27,744	49.16 % 46.75 %	50,999 46,631	0.32 % 0.66 %	8,852 8,034	36.39 % 36.10 %	2.47 2.46	23,659 29,290	46.39 % 62.81 %	60 112
Investment grade to Non-investment grade Non-investment grade	I-7, S-1 S-1, S-2, S-3	0.50 to <0.75 0.75 to <2.50	Baa3 to Ba1 Ba1 to Ba3	BBB- to BB+ BB+ to BB-	60	35,093 37,629	27,744 27.247	46.75 % 46.83 %	46,631 49.010	0.66 %	8,034 12,227	36.10 % 36.83 %	2.46	29,290 39.077	62.81 % 79.73 %	112 225
Non-investment grade to Watchlist	S-3, S-4, P-1, P-2	2.50 to <10.00	Ba3 to Caa1	BB- to B-	61	5,533	5,501	48.42 %	7,203	3.65 %	3,119	32.66 %	2.07	6,583	91.39 %	87
Watchlist Default	P-2, P-3 Default	10.00 to <100.00 100.00 (Default)	Caa1 to Ca	B- to CC C to D	62 63	1,462 907	793 266	51.95 % 99.99 %	1,736 1,161	14.29 % 100.00 %	825 451	32.06 % 39.21 %	1.62 2.64	2,483 3,459	143.06 % 298.05 %	81 270
Sub-total	Deiault	TOO.OU (Delault)	0	0.00	64	174,139	202,946	99.99 %	273,328	100.00 %	451 43,909	39.21%	2.64	3,459	298.00 %	888 270
Sovereign	T									· · ·		· · ·			· · · · ·	
Investment grade Investment grade	I-1, I-2, I-3, I-4, I-5 I-5, I-6	0.00 to <0.15 0.15 to <0.25	Aaa to Baa1 Baa1 to Baa2	AAA to BBB+ BBB+ to BBB	65 66	105,767 672	7,799 389	59.56 % 73.83 %	110,569 926	0.02 % 0.20 %	2,956 307	3.99 % 21.15 %	2.49 1.18	2,980 149	2.70 % 16.07 %	2
Investment grade	I-0, I-0 I-6, I-7	0.25 to <0.25	Baa2 to Baa3	BBB to BBB-	67	218	367	73.83 % 53.86 %	335	0.20 %	126	21.15 %	1.10	88	26.39 %	
Investment grade to Non-investment grade	I-7, S-1	0.50 to <0.75	Baa3 to Ba1	BBB- to BB+	68 69	1,520	30 35	32.85 %	1,514	0.63 %	83	2.19 %	1.31	44	2.92 %	
Non-investment grade Non-investment grade to Watchlist	S-1, S-2, S-3 S-3, S-4, P-1, P-2	0.75 to <2.50 2.50 to <10.00	Ba1 to Ba3 Ba3 to Caa1	BB+ to BB- BB- to B-	69 70	124 41	35	42.93 % 42.71 %	117 39	1.09 % 4.33 %	93 42	39.28 % 31.03 %	1.80 1.58	93 39	79.92 % 99.26 %	1
Watchlist	P-2, P-3	10.00 to <100.00	Caa1 to Ca	B- to CC	71	-	-	0.00 %		0.00 %	1	0.00 %		-	0.00 %	-
Default	Default	100.00 (Default)	С	C to D	72	-	-	0.00 %	-	0.00 %		0.00 %		-	0.00 %	- 4 -
Sub-total Bank	1	1	1	1	73	108,342	8,624		113,500	ı l	3,608	ı – – – I		3,393	ı	4 -
Investment grade	I-1, I-2, I-3, I-4, I-5	0.00 to <0.15	Aaa to Baa1	AAA to BBB+	74	12,226	3,918	77.60 %	15,705	0.07 %	189	24.64 %	1.11	1,833	11.67 %	2
Investment grade	1-5, 1-6	0.15 to <0.25	Baa1 to Baa2	BBB+ to BBB	75	2,813	2,692	62.46 %	4,494	0.19 %	82	16.42 %	0.73	519	11.55 %	1
Investment grade Investment grade to Non-investment grade	I-6, I-7 I-7, S-1	0.25 to <0.50 0.50 to <0.75	Baa2 to Baa3 Baa3 to Ba1	BBB to BBB- BBB- to BB+	76 77	1,151 1,390	2,131 634	61.37 % 62.17 %	2,429 1,765	0.32 %	72 56	16.23 % 13.73 %	0.61 0.53	394 292	16.24 % 16.52 %	1
Non-investment grade	S-1, S-2, S-3	0.75 to <2.50	Ba1 to Ba3	BB+ to BB-	78	1,832	32	98.38 %	1,479	1.16 %	47	15.20 %	0.34	421	28.49 %	3
Non-investment grade to Watchlist	S-3, S-4, P-1, P-2	2.50 to <10.00 10.00 to <100.00	Ba3 to Caa1	BB- to B-	79 80	63	3	91.03 %	61	3.31 %	13	14.91 %	0.17	22	35.91 %	-
Watchlist Default	P-2, P-3 Default	10.00 to <100.00 100.00 (Default)	Caa1 to Ca C	B- to CC C to D	80 81	1	-	0.00 %	-	0.00 %	-	0.00 %	-		0.00 %	
Sub-total			-		82	19,475	9,410	0.00 %	25,933		459	0.00 %		3,481	5.00 /0	8 -
Total (all wholesale portfolios)	Securitization Equity Invest	terrent in Friends, Cattlemen	t dels and announts halour	the strength of the star of starts	83	301,956 ct to 250% risk weight	220,980		412,761		47,976			143,358		900 270

 Total (all wholesale portfolios)
 83
 301.956

 (1) Credit risk excludes Counterparty Credit Risk, Securitization, Equily Investment in Funds, Settlement risk and amounts below the thresholds for deduction subject to 250% risk weight.
 (2) Columns 'a' and 'b' are grouped by the obligor's PD and columns 'd' onwards are grouped by the guarantor, where applicable.
 (3) Calculated as EAD post-conversion factor for off-balance sheet exposure drybe to 250% risk weight.

 (3) Calculated as the obligor PD or guarantor PD, where applicable.
 (5) Calculated as the obligor PD or guarantor PD, where applicable.

 (5) Calculated as the obligor OD or guarantor PD, where applicable.
 (6) Calculated as the obligor OD or guarantor PD, where applicable.

 (6) Calculated as the obligor OD or guarantor PD, where applicable.
 (7) Calculated as the obligor OD or guarantor PD, where applicable.

 (6) Calculated as the obligor OD or guarantor PD, where applicable postfolios is at the borrower level.
 (6) Calculated as the obligor OD guarantor More applicable.

 (7) Calculated as the effective maturity in years weighted by EAD.
 (8) PD bands in the table are as prescribed in revisioned Plillar S guidance and used for comparative purposes across banks.

 (9) Includes stage 3 allowances and partial write-offs.
 (9) Includes stage 3 allowances and partial write-offs.

		BMO 😂 Fi	nancial Group
	R7 - IRB - EFFECT ON RWA OF CREDIT DERIVATIVES		2018
US	SED AS CRM TECHNIQUES	Pre-credit	
		Derivatives RWA	Actual RWA
(\$ r	nillions)	а	b
	Portfolio		
1	Corporate - AIRB	43	26
2	Sovereign - AIRB	-	-
3	Bank - AIRB	-	-
4	Total	43	26

			Q4 2018					
	R8 - RWA FLOW STATEMENTS OF CREDIT RISK AND OUNTERPARTY CREDIT RISK EXPOSURES	Credit risk	Credit risk, of which					
		AIRB	Standardized	Counterparty credit risk <i>(6)</i>				
(\$ r	nillions)	а	b	С				
1	RWA as at beginning of reporting period (1)	169,612	38,071	12,978				
2	Asset size (2)	6,497	911	28				
3	Asset quality (3)	(2,206)	(96)	(301)				
4	Model updates (4)	(29)	-	-				
5	Methodology and policy (5)	866	-	135				
6	Acquisitions and disposals	-	49	572				
7	Foreign exchange movements	1,165	353	69				
8	Other	-	-	-				
9	RWA as at end of reporting period	175,905	39,288	13,481				

(1) Credit risk excludes Securitization, Equity Investment in Funds, Settlement risk and amounts below the thresholds for deduction subject to 250% risk weight.

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

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

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

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

(6) Counterparty credit risk includes RWA for derivatives, SFTs, trades cleared through central counterparties and CVA adjustment.

	LINE	2018	2018	2018	2018	2017	201
(\$ millions except as noted)	#	Q4	Q3	Q2	Q1	Q4	Q
Market Risk RWA, beginning of quarter	1	11,097	10,415	9,816	8,448	8,314	7,957
Movement in risk levels (1)	2	(980)	1,643	569	1,208	152	350
Model updates (2)	3	399	44	-	-	-	-
Methodology and policy (3)	4	(178)	(1,005)	30	160	(18)	7
Acquisition and disposals	5	3,194	-	-	-	-	-
Foreign exchange movement and others	6	-	-	-	-	-	-
Market Risk RWA, end of quarter	7	13,532	11,097	10,415	9,816	8,448	8,314

(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 methodology changes to the calculations driven by regulatory policy changes, such as new or revised regulation.

BMO 🔷 Financial Group

EXPOSURE COVERED BY CREDIT RISK MITIGATION (1) (3)			Q4	2018			Q3	2018		Q2 2018				
		Stand	lardized		AIRB	Stand	ardized		Standardized AIRB					
	LINE		Of which exposure amount covered by guarantees or		Of which exposure amount covered by guarantees or credit		Of which exposure amount covered by guarantees or		Of which exposure amount covered by guarantees or credit		Of which exposure amount covered by guarantees or		Of which exposure amount covered by guarantees or credit	
(\$ millions except as noted)	#	and post-CCF			derivatives (2)	and post-CCF	credit derivatives	and post-CCF	derivatives (2)	and post-CCF	credit derivatives		derivatives	
Corporate (incl specialized lending and SMEs treated as corporate)	1	21,002	178	273,328	9,592	20,134	166	259,499	8,487	20,110	121	252,287	24,584	
Sovereign	2	178	-	113,500	330	162	-	108,424	270	155	-	102,464	526	
Bank	3	164	-	25,933	660	185	-	24,468	717	233	-	25,100	1,612	
Total Wholesale	4	21,344	178	412,761	10,582	20,481	166	392,391	9,474	20,498	121	379,851	26,722	
Residential mortgages excluding home equity line of credits (HELOCs)	5	4,376	10	102,209	46,233	4,218	13	101,899	47,205	4,208	26	100,868	49,140	
HELOCs	6	225	-	45,158	-	243	-	44,793	-	262	-	44,065	-	
Other retail	7	2,724	422	34,867	1,952	2,881	435	34,808	2,038	3,039	439	34,285	2,139	
Qualifying revolving retail	8	-	-	36,499	-	-	-	35,648	-	-	-	35,640	-	
Retail SMEs	9	6,585	-	5,741	6	6,403	-	5,582	5	6,104	-	5,430	-	
Total Retail	10	13,910	432	224,474	48,191	13,745	448	222,730	49,248	13,613	465	220,288	51,279	
Other assets	11	8,800	-	-	-	8,867	-	-	-	8,252	-	-	-	
Equity	12	1,894	-	-	-	1,836	-	-	-	1,749	-	-	-	
Total Bank	13	45,948	610	637,235	58,773	44,929	614	615,121	58,722	44,112	586	600,139	78,001	
Equity		1,894	610	637,235		1,836	614	- - 615,121	58,722	1,749		- - 600,139	78,00	

CREDIT RISK EXPOSURE BY GEOGRAPHIC REGION (3)			Q4	2018			Q3 2	018		Q2 2018				
(\$ millions except as noted)		Canada	U.S.	Other	Total	Canada	U.S.	Other	Total	Canada	U.S.	Other	Total	
Corporate (incl specialized lending and SMEs treated as corporate)	14	128,517	158,498	7,315	294,330	123,331	148,236	8,066	279,633	124,633	140,562	7,202	272,397	
Sovereign	15	31,795	71,150	10,733	113,678	33,621	64,301	10,664	108,586	30,300	62,330	9,989	102,619	
Bank	16	1,613	9,106	15,378	26,097	4,049	6,220	14,384	24,653	3,393	6,620	15,320	25,333	
Total Wholesale	17	161,925	238,754	33,426	434,105	161,001	218,757	33,114	412,872	158,326	209,512	32,511	400,349	
Residential mortgages excluding home equity line of credits (HELOCs)	18	95,338	11,247	-	106,585	95,155	10,962	-	106,117	94,326	10,750	-	105,076	
HELOCs	19	38,533	6,850	-	45,383	38,137	6,899	-	45,036	37,368	6,959	-	44,327	
Other retail	20	29,098	8,035	458	37,591	28,732	8,477	480	37,689	28,543	8,277	504	37,324	
Qualifying revolving retail	21	36,443	56	-	36,499	35,594	54	-	35,648	35,583	57	-	35,640	
Retail SMEs	22	5,882	6,444	-	12,326	5,682	6,303	-	11,985	5,457	6,077	-	11,534	
Total Retail	23	205,294	32,632	458	238,384	203,300	32,695	480	236,475	201,277	32,120	504	233,901	
Other assets	24	4,537	4,001	262	8,800	5,218	3,596	53	8,867	5,026	3,146	80	8,252	
Equity	25	68	1,582	244	1,894	58	1,549	229	1,836	68	1,460	221	1,749	
Total Bank	26	371,824	276,969	34,390	683,183	369,577	256,597	33,876	660,050	364,697	246,238	33,316	644,251	

CREDIT RISK EXPOSURE BY INDUSTRY (3)			Q4	2018			Q3	2018		Q2 2018	Q1 2018
				Other off-				Other off-			
			Commitments	balance			Commitments	balance			
(\$ millions except as noted)		Drawn	(undrawn) (4)	sheet items (5)	Total	Drawn	(undrawn) (4)	sheet items (5)	Total	Total	Total
Agriculture	27	11,589	1,781	28	13,398	11,331	1,844	25	13,200	12,675	12,272
Communications	28	718	966	298	1,982	632	1,044	171	1,847	1,848	1,845
Construction	29	3,693	2,660	1,180	7,533	3,795	2,577	1,218	7,590	8,056	7,178
Financial	30	102,461	21,741	5,016	129,218	96,771	20,619	4,579	121,969	119,748	122,661
Forest products	31	737	438	66	1,241	659	409	66	1,134	1,231	1,162
Government	32	44,552	2,118	667	47,337	42,546	2,136	659	45,341	42,914	38,302
Individual	33	190,672	47,586	126	238,384	189,287	47,058	129	236,474	233,901	228,059
Manufacturing	34	22,729	13,490	1,396	37,615	22,548	12,032	1,338	35,918	34,929	32,768
Mining	35	1,907	3,666	1,181	6,754	1,556	3,670	1,137	6,363	6,126	5,407
Oil and Gas	36	9,145	10,410	1,804	21,359	8,147	7,968	1,797	17,912	17,346	16,590
Other	37	15,850	2,493	534	18,877	19,609	328	406	20,343	17,443	16,474
Real estate	38	31,537	8,170	820	40,527	30,101	7,799	806	38,706	36,692	34,521
Retail trade	39	19,980	3,617	559	24,156	19,785	3,361	549	23,695	23,381	21,674
Service industries	40	39,108	12,666	2,389	54,163	37,437	12,118	2,436	51,991	50,914	48,650
Transportation	41	6,899	2,287	708	9,894	6,764	2,117	926	9,807	9,852	9,124
Utilities	42	4,543	4,051	2,479	11,073	3,737	3,754	2,409	9,900	9,995	9,697
Wholesale trade	43	14,705	4,531	436	19,672	13,118	4,326	416	17,860	17,200	16,521
Total Bank	44	520,825	142,671	19,687	683,183	507,823	133,160	19,067	660,050	644,251	622,905

(1) Credit barlik (1) Credit risk miligants herein include only credit derivatives and guarantees. Collateral is reflected in the risk parameters (PDs, LGDs) for AIRB exposures and risk weights for exposures under the Standardized approach. (2) Effective Q3'18, only secured amount of guaranteed facility is disclosed instead of full amount as in prior periods.

(3) Prior periods have been restated to conform with Revised Pillar 3 scope for credit risk: Credit risk excludes Securitization, Counterparty credit risk, Equity Investment in Funds, Settlement risk and amounts below the thresholds for deduction subject to 250% risk weight.

(4) The EAD on the difference between the authorized and drawn amounts (e.g. the unused portion of a line of credit).

(5) All other off-balance sheet arrangements, other than derivatives and undrawn commitments, such as Standby Letters of Credit and Documentary Credits.

BMO 🖄 Financial Group

CREDIT RISK EXPOSURE BY MAJOR ASSET CLASS (1)	Г		Q4 2	2018			03 3	2018		Q2 2018	Q1 2018
			442	Other off-			40	Other off-		Q2 2010	312010
	LINE		Commitments	balance			Commitments	balance			
(\$ millions except as noted)	#	Drawn	(undrawn) (2)	sheet items (3)	Total	Drawn	(undrawn) (2)	sheet items (3)	Total	Total	Total
Basel III Asset Classes	1										
Corporate (incl specialized lending and SMEs treated as corporate)	1	191,556	86,914	15,860	294,330	185,712	78,389	15,532	279,633	272,397	266,373
Sovereign	2	108,505	3,700	1,473	113,678	103,174	3,652	1,760	108,586	102,619	89,702
Bank	3	19,541	4,326	2,230	26,097	19,096	3,912	1,645	24,653	25,333	29,743
Total Wholesale	4	319,602	94,940	19,563	434,105	307,982	85,953	18,937	412,872	400,349	385,818
Residential mortgages excluding home equity line of credits (HELOCs)	5	106,392	119	74	106,585	105,935	105	77	106,117	105,076	104,704
HELOCs	6	31,290	14,093	-	45,383	31,108	13,928	-	45,036	44,327	43,398
Other retail	7	34,772	2,815	4	37,591	34,933	2,750	6	37,689	37,324	34,292
Qualifying revolving retail	8	8,361	28,138	-	36,499	7,756	27,892	-	35,648	35,640	34,465
Retail SMEs	9	9,859	2,421	46	12,326	9,554	2,384	47	11,985	11,534	11,200
Total Retail	10	190,674	47,586	124	238,384	189,286	47,059	130	236,475	233,901	228,059
Other assets	11	8,800	-	-	8,800	8,867	-	-	8,867	8,252	7,551
Equity	12	1,749	145	-	1,894	1,688	148	-	1,836	1,749	1,477
Total Bank	13	520,825	142,671	19,687	683,183	507,823	133,160	19,067	660,050	644,251	622,905

CREDIT RISK BY RESIDUAL CONTRACT MATURITY BREAKDOWN (1)												
			Q4 2	018			Q3 2	2018		Q2 2018	Q1 2018	
				Other off-				Other off-				
			Commitments	balance			Commitments	balance				
(\$ millions except as noted)		Drawn	(undrawn) (2)	sheet items (3)	Total	Drawn	(undrawn) (2)	sheet items (3)	Total	Total	Total	
Up to 1 year	4.4	400 740										
op to i year	14	180,710	81,804	14,614	277,128	178,778	76,756	14,225	269,759	261,538	260,101	
1 to 5 years	14	278,208	81,804 55,396	14,614 4,919	277,128 338,523	178,778 267,254	76,756 51,310	14,225 4,681	269,759 323,245	261,538 314,002	260,101 299,515	
	14 15 16											

PORTFOLIO BREAKDOWN BY BASEL APPROACHES (1)											00.00	40	
PORTFOLIO BREARDOWN BT BASEL APPROACHES (1)			Q4 2				Q3 2		_		Q2 20		
		Standa		AI	RB	Stand	ardized	AIF		Standa		Al	RB
			Commitments		Commitments		Commitments		Commitments		Commitments		Commitments
(\$ millions except as noted)		Drawn	(undrawn) (2)	Drawn	(undrawn) (2)	Drawn	(undrawn) (2)	Drawn	(undrawn) (2)	Drawn	(undrawn) (2)	Drawn	(undrawn) (2)
Corporate (incl specialized lending and SMEs treated as corporate)	18	17,417	3,157	174,139	83,757	16,779	2,938	168,933	75,451	16,824	2,857	163,245	74,446
Sovereign	19	163	13	108,342	3,687	151	10	103,023	3,642	145	9	96,976	3,684
Bank	20	66	40	19,475	4,286	109	31	18,987	3,881	165	21	19,456	3,965
Total Wholesale	21	17,646	3,210	301,956	91,730	17,039	2,979	290,943	82,974	17,134	2,887	279,677	82,095
Residential mortgages excluding home equity line of credits (HELOCs)	22	4,301	-	102,091	119	4,141	-	101,794	105	4,129	-	100,771	98
HELOCs	23	227	-	31,063	14,093	243	-	30,865	13,928	262	-	30,405	13,660
Other retail	24	2,718	-	32,054	2,815	2,875	-	32,058	2,750	3,034	-	31,595	2,690
Qualifying revolving retail	25	-	-	8,361	28,138	-	-	7,756	27,892	-	-	7,615	28,025
Retail SMEs	26	6,583	-	3,276	2,421	6,403	-	3,151	2,384	6,104	-	3,029	2,355
Total Retail	27	13,829	-	176,845	47,586	13,662	-	175,624	47,059	13,529	-	173,415	46,828
Other assets	28	8,800	-	-	-	8,867	-	-	-	8,252	-	-	-
Equity	29	1,749	145	-	-	1,688	148	-	-	1,602	148	-	-
Total Bank	30	42,024	3,355	478,801	139,316	41,256	3,127	466,567	130,033	40,517	3,035	453,092	128,923

(1) Prior periods have been restated to conform with Revised Pillar 3 scope for credit risk. Credit risk excludes Scutitization, Counterparty credit risk, Equity Investment in Funds, Settlement risk and amounts below the thresholds for deduction subject to 250% risk weight. (2) The EAD on the difference between the authorized and drawn amounts (e.g. the unused portion of a line of credit). (3) All other off-balance sheet arrangements, other than derivatives and undrawn commitments, such as Standby Letters of Credit and Documentary Credits.

					вмо 🗠	Financial Group				
CCR1 - ANALYSIS OF COUNTERPARTY CREDIT	Q4 2018									
RISK (CCR) EXPOSURE BY APPROACH (1)	Replacement cost	Potential future exposure	Effective Expected Positive Exposure (EEPE)	Alpha used for computing regulatory EAD	EAD post-CRM	RWA				
(\$ millions)	а	b	С	d	e	f				
1 Current exposure method (CEM) (for derivatives)	9,112	17,855			26,370	4,746				
2 Internal Model Method (for derivatives and SFTs)			-	-	-	-				
3 Simple Approach for credit risk mitigation (for SFTs)					-	-				
4 Comprehensive Approach for credit risk mitigation (for SFTs)					22,212	3,171				
5 VaR for SFTs					-	-				
6 Total						7,917				

(1) Excludes credit valuation adjustment charges and exposures cleared through a central counterparty.

CC	CR2 - CREDIT VALUATION ADJUSTMENT (CVA)	Q4 20	018
CA	APITAL CHARGE	EAD post-CRM	RWA
(\$ m	nillions)	а	b
	Total portfolios subject to the Advanced CVA capital charge	-	-
1	(i) VaR component (including the 3×multiplier)		-
2	(ii) Stressed VaR component (including the 3×multiplier)		-
3	All portfolios subject to the Standardized CVA capital charge (1)	22,272	4,900
4	Total subject to the CVA capital charge	22,272	4,900

(1) RWA reflects CET1 scalar of 80% adjustment for CVA phase-in.

								BMO	Fina	ancial Group
CCR3 - STANDARDIZED APPROACH – CCR B	EXPOSU	RES BY	REGUL	ATORY P	ORTFOL	IO AND I	RISK WE	IGHTS (1		
(\$ millions)						Q4 20)18			
						Risk W	eight			
										Total credit
	LINE	0%	10%	20%	50%	75%	100%	150%	Others	exposure
Regulatory portfolio	#	а	b	С	d	е	f	g	h	Î
Sovereigns	1	-	-	-	-	-	-	-	-	-
Non-central government public sector entities (PSEs)	2	-	-	2	-	-	-	-	-	2
Multilateral development banks (MDBs)	3	-	-	-	-	-	-	-	-	-
Banks	4	-	-	296	-	-	-	-	-	296
Securities firms	5	-	-	-	-	-	-	-	-	-
Corporates	6	-	-	-	-	-	581	-	-	581
Regulatory retail portfolios	7	-	-	-	-	-	-	-	-	-
Secured by residential property	8	-	-	-	-	-	-	-	-	-
Secured by commercial real estate	9	-	-	-	-	-	1	-	-	1
Equity	10	-	-	-	-	-	-	-	-	-
Defaulted exposures	11	-	-	-	-	-	-	-	-	-
Higher-risk categories (2)	12	-	-	-	-	-	-	1	-	1
Other assets	13	-	-	-	-	-	-	-	-	-
Total	14	-	-	298	-	-	582	1	-	881

(1) Excludes credit valuation adjustment charges and exposures cleared through a central counterparty.
(2) Non-defaulted exposures with risk weights equal to 150% (e.g. rated BB- or lower).

CCR4 - IRB - CCR EXPOSURES BY PO	RTFOLIO AND PD SCA	LE								BMO	Financ	cial Group
(\$ millions except as noted)									Q4 2018			
Risk Profile	BMO Rating	PD scale (%)	Moody's Investors Service implied equivalent	Standard & Poor's implied equivalent	LINE #	EAD post- CRM a	Average PD (1) b	Number of obligors (2) c	Average LGD <i>(3)</i> d	Average maturity (years) (4) e	RWA	RWA density
Corporate			oquitatoni	impriou oquirurone			~	Ŭ.		Ŭ		9
Investment grade	I-1, I-2, I-3, I-4, I-5	0.00 to <0.15	Aaa to Baa1	AAA to BBB+	1	9,747	0.05%	2,790	29.58%	0.99	854	8.76%
Investment grade	I-5. I-6	0.15 to <0.25	Baa1 to Baa2	BBB+ to BBB	2	2.074	0.19%	375	19.77%	1.16	339	16.32%
Investment grade	I-6, I-7	0.25 to <0.50	Baa2 to Baa3	BBB to BBB-	3	1,169	0.32%	526	30.64%	2.05	723	61.86%
Investment grade to Non-investment grade	I-7. S-1	0.50 to <0.75	Baa3 to Ba1	BBB- to BB+	4	1,103	0.66%	475	28,16%	1.33	764	69.27%
Non-investment grade	S-1, S-2, S-3	0.75 to <2.50	Ba1 to Ba3	BB+ to BB-	5	1,328	1.43%	606	18.93%	0.94	912	68.71%
Non-investment grade to Watchlist	S-3, S-4, P-1, P-2	2.50 to <10.00	Ba3 to Caa1	BB- to B-	6	321	2.81%	212	42.25%	0.79	356	110.99%
Watchlist	P-2, P-3	10.00 to <100.00	Caa1 to Ca	B- to CC	7	23	12.96%	9	19.14%	1.00	20	87.70%
Default	Default	100.00 (Default)	С	C to D	8	0	100.00%	1	45.00%	2.99	0	533.33%
Sub-total					9	15,765		4,994			3,968	
Sovereign												
Investment grade	I-1, I-2, I-3, I-4, I-5	0.00 to <0.15	Aaa to Baa1	AAA to BBB+	10	9,904	0.04%	219	6.67%	2.38	268	2.71%
Investment grade	I-5, I-6	0.15 to <0.25	Baa1 to Baa2	BBB+ to BBB	11	15	0.20%	5	11.57%	1.97	2	12.21%
Investment grade	I-6, I-7	0.25 to <0.50	Baa2 to Baa3	BBB to BBB-	12	104	0.33%	6	39.96%	0.51	28	26.81%
Investment grade to Non-investment grade	I-7, S-1	0.50 to <0.75	Baa3 to Ba1	BBB- to BB+	13	3	0.63%	1	55.00%	1.00	2	76.38%
Non-investment grade	S-1, S-2, S-3	0.75 to <2.50	Ba1 to Ba3	BB+ to BB-	14	7	1.21%	2	40.00%	0.90	4	67.37%
Non-investment grade to Watchlist	S-3, S-4, P-1, P-2	2.50 to <10.00	Ba3 to Caa1	BB- to B-	15	1	2.74%	2	65.00%	4.29	2	225.33%
Watchlist	P-2, P-3	10.00 to <100.00	Caa1 to Ca	B- to CC	16	-	0.00%	-	0.00%	0.00	-	0.00%
Default	Default	100.00 (Default)	С	C to D	17	-	0.00%	-	0.00%	0.00	-	0.00%
Sub-total					18	10,034		235			306	
Bank												
Investment grade	I-1, I-2, I-3, I-4, I-5	0.00 to <0.15	Aaa to Baa1	AAA to BBB+	19	20,382	0.07%	253	29.25%	1.16	2,614	12.82%
Investment grade	I-5, I-6	0.15 to <0.25	Baa1 to Baa2	BBB+ to BBB	20	983	0.19%	85	28.33%	0.98	201	20.44%
Investment grade	I-6, I-7	0.25 to <0.50	Baa2 to Baa3	BBB to BBB-	21	101	0.32%	59	22.28%	1.86	14	13.86%
Investment grade to Non-investment grade	I-7, S-1	0.50 to <0.75	Baa3 to Ba1	BBB- to BB+	22	415	0.54%	28	29.17%	0.13	150	36.20%
Non-investment grade	S-1, S-2, S-3	0.75 to <2.50	Ba1 to Ba3	BB+ to BB-	23	16	0.91%	10	54.12%	0.67	15	96.06%
Non-investment grade to Watchlist	S-3, S-4, P-1, P-2	2.50 to <10.00	Ba3 to Caa1	BB- to B-	24	6	2.74%	7	35.00%	0.98	5	88.58%
Watchlist	P-2, P-3	10.00 to <100.00	Caa1 to Ca	B- to CC	25	-	0.00%	-	0.00%	0.00	-	0.00%
Default	Default	100.00 (Default)	C	C to D	26	-	0.00%	-	0.00%	0.00	-	0.00%
Sub-total					27	21,903		442			2,999	
Total (all wholesale portfolios)					28	47,702		5,671			7,273	

Calculated as obligor PD weighted by EAD.
 Calculated as obligor PD weighted by EAD.
 Obligor count for Wholesale portfolios is at the borrower level.
 Calculated as the obligor LGD net of CRM weighted by EAD.
 Calculated as the obligor effective maturity in years weighted by EAD.

BMO 🍅 Financial Group

CCR5 - COMPOSITION OF COLLATERAL		Q4 2018											
FOR CCR EXPOSURE (1)			Collateral used in derivative transactions Collateral used in SFTs										
		Fair value of col	lateral received	Fair value of po	sted collateral	Fair value of	Fair value of						
	LINE	Segregated	Unsegregated	Segregated	Unsegregated	collateral received	posted collateral						
(\$ millions)	#	а	b	C	d	е	f						
Cash – domestic currency	1	-	1,487	-	908	20,636	40,936						
Cash – other currencies	2	-	3,276	-	1,261	54,761	48,215						
Domestic sovereign debt	3	-	164	-	636	54,622	28,312						
Other sovereign debt	4	-	108	-	345	33,739	34,079						
Government agency debt	5	-	640	-	350	1,909	8,921						
Corporate bonds	6	-	33	-	-	7,735	16,459						
Equity securities	7	-	-	-	-	23,106	39,832						
Other collateral	8	-	-	-	-	1,074	-						
Total	9	-	5,708	-	3,500	197,582	216,754						

(1) Segregated refers to collateral which is held in a bankruptcy-remote manner whereas unsegregated refers to collateral that is not held in bankruptcy-remote manner.

CCR6 - CREDIT DERIVATIVES EXPOSUR	ES	Q4 2018					
		Protection bought	Protection sold				
(\$ millions)		а	b				
Notionals							
Single-name credit default swaps	10	1,858	24				
Index credit default swaps	11	1,977	797				
Total return swaps	12	1,318	379				
Credit options	13	-	-				
Other credit derivatives	14	-	-				
Total notionals	15	5,153	1,200				
Fair values							
Positive fair value (asset)	16	33	15				
Negative fair value (liability)	17	53	1				

		BMO 🔗 Fi	nancial Group
CC	R8 - EXPOSURES TO CENTRAL COUNTERPARTIES	Q4 2	018
		EAD (post-CRM)	RWA
(\$ mi	llions)	а	b
1	Exposures to QCCPs (total)		664
	Exposures for trades at QCCPs (excluding initial margin and default fund		
2	contributions); of which	11,327	230
3	(i) OTC derivatives	5,547	114
4	(ii) Exchange-traded derivatives	4,534	91
5	(iii) Securities financing transactions	1,246	25
6	(iv) Netting sets where cross-product netting has been approved	-	-
7	Segregated initial margin	-	
8	Non-segregated initial margin	2,832	57
9	Pre-funded default fund contributions	695	377
10	Unfunded default fund contributions	-	-
11	Exposures to non-QCCPs (total)		-
	Exposures for trades at non-QCCPs (excluding initial margin and default		
	fund contributions); of which	-	-
13	(i) OTC derivatives	-	-
14	(ii) Exchange-traded derivatives	-	-
15	(iii) Securities financing transactions	-	-
16	(iv) Netting sets where cross-product netting has been approved	-	-
17	Segregated initial margin	-	
	Non-segregated initial margin	-	-
	Pre-funded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

DEBT ISSUED BY BANK SPONSORED VEHICLES FOR THIRD PARTY ASSETS

			Q4 2018			Q3 2018			Q2 2018		Q1 2018		
	LINE	Canadian	US										
(\$ millions except as noted)	#	Conduits (1)	Conduit (2)	Total									
Auto loans/leases	1	2,021	1,263	3,284	2,211	1,394	3,605	1,946	1,448	3,394	2,016	1,640	3,656
Credit card receivables	2	200	-	200	150	-	150	150	-	150	150	-	150
Residential mortgages (insured)	3	616	-	616	717	-	717	852	-	852	926	-	926
Residential mortgages (uninsured)	4	962	-	962	1,060	-	1,060	966	-	966	920	-	920
Commercial mortgages (uninsured)	5	-	16	16	-	16	16	-	15	15	-	15	15
Commercial mortgages (insured)	6	72	-	72	59	-	59	62	-	62	54	-	54
Equipment loans/leases	7	323	616	939	197	668	865	6	500	506	262	532	794
Trade receivables	8	-	250	250	-	249	249	-	241	241	-	237	237
Corporate loans	9	-	-	-	-	-	-	-	-	-	-	-	-
Daily auto rental	10	170	304	474	332	424	756	155	410	565	120	76	196
Floorplan finance receivables	11	332	351	683	314	325	639	214	323	537	294	320	614
Collateralized debt obligations	12	-	-	-	-	-	-	-	-	-	-	-	-
Other pool type	13	250	111	361	250	171	421	250	130	380	250	97	347
Student loans	14	-	898	898	-	773	773	-	1,270	1,270	-	398	398
Total	15	4,946	3,809	8,755	5,290	4,020	9,310	4,601	4,337	8,938	4,992	3,315	8,307

(1) Canadian Conduit totals include amounts pertaining to a conduit that has been directly funded by the Bank (\$824.7 million as at Q4, 2018, \$782.8 million as at Q3, 2018, \$761.8 million as at Q2, 2018, and \$801.5 million as at Q1, 2018). 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 (\$24.1 million as at Q4, 2018, \$23.9 million as at Q3, 2018, \$24.0 million as at Q2, 2018, and \$23.0 million as at Q1, 2018). 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.

SE	C1 - SECURITIZATION EXPOSURES IN BANKI	NG BOOK (1)				Q4 2018				
		Bar	nk acts as origina	tor	B	ank acts as spons	or	Ba	ink acts as invest	or
		Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
(\$ millions)		а	b	С	е	f	g	i	j	k
1	Total retail, of which:	4,110	-	4,110	10,298	-	10,298	-	-	-
2	Residential mortgage (2)	1,079	-	1,079	2,803	-	2,803	-	-	-
3	Credit card	1,873	-	1,873	731	-	731	-	-	-
4	Other retail exposures	1,158	-	1,158	6,764	-	6,764	-	-	-
5	Re-securitization	-	-	-	-	-	-	-	-	-
6	Total wholesale, of which:	49	4,417	4,466	6,273	-	6,273	8	-	8
7	Loans to corporates	49	4,417	4,466	207	-	207	-	-	-
8	Commercial mortgage	-	-	-	-	-	-	-	-	-
9	Lease and receivables	-	-	-	5,578	-	5,578	-	-	-
10	Other wholesale	-	-	-	488	-	488	8	-	8
11	Re-securitization	-	-	-	-	-	-	-	-	-

(1) The amounts disclosed represent the carrying value of securitization exposures in the banking book, including securitization exposures where the criteria for recognition of risk transference are not met. As at October 31, 2018, \$1,106 million of securitization exposures did not qualify for risk transference. The table excludes securitization-related assets of \$5,977 million not subject to capital requirements but consolidated on the balance sheet for accounting purposes.

(2) Excludes mortgage-backed securities that do not involve the tranching of credit risk (e.g. NHA MBS) which are not considered securitizations as per OSFI's Capital Adequacy Requirements Guideline, Chapter 7, Structured Credit Products.

BMO 🖄 Financial Group

										end endup					
SE	C2 - SECURITIZATION EXPOSURES IN THE		Q4 2018												
TR	ADING BOOK	Ban	k acts as origir	nator	Bar	nk acts as spor	isor	Bank acts as investor							
		Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total					
(\$ m	illions)	а	b	С	е	f	g	i	j	k					
1	Total retail, of which:	-	-	-	-	-	-	282	-	282					
2	Residential mortgage	-	-	-	-	-	-	32	-	32					
3	Credit card	-	-	-	-	-	-	126	-	126					
4	Auto loans/leases	-	-	-	-	-	-	113	-	113					
5	Student loans	-	-	-	-	-	-	10	-	10					
6	Other retail exposures	-	-	-	-	-	-	1	-	1					
7	Re-securitization	-	-	-	-	-	-	-	-	-					
8	Total wholesale, of which:	-	-	-	-	-	-	87	-	87					
9	Loans to corporates	-	-	-	-	-	-	15	-	15					
10	Commercial mortgage	-	-	-	-	-	-	-	-	-					
11	Lease and receivables	-	-	-	-	-	-	35	-	35					
12	Auto floorplan	-	-	-	-	-	-	24	-	24					
13	Insurance premium	-	-	-	-	-	-	7	-	7					
14	Other wholesale	-	-	-	-	-	-	6	-	6					
15	Re-securitization	-	-	-	-	-	-	-	-	-					

SE	C3 - SECURITIZATION EXPOSURES	IN THE BAN	KING BOOK	AND ASSO	CIATED CAP	ITAL REQUI	REMENTS -	BANK ACTII	NG AS ORIGI	NATOR OR	AS SPONSO	R (1)				вмо 🎦	Financia	al Group	
			Q4 2018																
			Exposure	values by RW	bands (2)		Exposu	re values by re	gulatory appro	oach (2)	RV	RWA by regulatory approach (3)				Capital charge after cap			
					IRB RBA				IRB RBA				IRB RBA						
				>50% to	>100% to		(including				(including				(including				
		≤20%	>20% to 50%	100%	<1250%	1250% RW	IAA)	IRB SFA	SA/SSFA	1250%	IAA)	IRB SFA	SA/SSFA	1250%	IAA)	IRB SFA	SA/SSFA	1250%	
(\$ m	illions)	а	b	С	d	е	f	g	h		j	k		m	n	0	р	q	
1	Total exposures	23,487	55	2	3	39	3,004	20,582	-	-	529	1,775	-	-	43	148	-	-	
2	Traditional securitization	19,571	20	2	3	29	3,004	16,621	-	-	529	1,364	-	-	43	115	-	-	
3	Of which securitization	19,571	20	2	3	29	3,004	16,621	-	-	529	1,364	-	-	43	115	-	-	
4	Of which retail underlying	13,254	20	2	2	24	3,004	10,298	-	-	529	803	-	-	43	68	-	-	
5	Of which wholesale	6,317	-	-	1	5	-	6,323	-	-	-	561	-	-	-	47	-	-	
6	Of which re-securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7	Of which senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
8	Of which non-senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
9	Synthetic securitization	3,916	35	-	-	10	-	3,961	-	-	-	411	-	-	-	33	-	-	
10	Of which securitization	3,916	35	-	-	10	-	3,961	-	-	-	411	-	-	-	33	-	-	
11	Of which retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
12	Of which wholesale	3,916	35	-	-	10	-	3,961	-	-	-	411	-	-	-	33	-	-	
13	Of which re-securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

SEC4 - SECURITIZATION EXPOSURES IN THE BANKING BOOK AND ASSOCIATED CAPITAL REQUIREMENTS - BANK ACTING AS INVESTOR (1)

		Q4 2018																
			Exposure	values by RW	bands (2)		Exposu	re values by re	gulatory appro	oach (2)	R	NA by regulato	tory approach (3) Capital charge after cap				ge after cap	
							IRB RBA				IRB RBA				IRB RBA			
				>50% to	>100% to		(including				(including				(including			
		≤20%	>20% to 50%	100%	<1250%	1250% RW	IAA)	IRB SFA	SA/SSFA	1250%	IAA)	IRB SFA	SA/SSFA	1250%	IAA)	IRB SFA	SA/SSFA	1250%
(\$ m	llions)	а	b	с	d	е	f	g	h	i	j	k		m	n	0	р	q
1	Total exposures	8	-	-	-	-	8	-	-	-	1	-	-	-	1	-	-	-
2	Traditional securitization	8	-	-	-	-	8	-	-	-	1	-	-	-	1	-	-	-
3	Of which securitization	8	-	-	-	-	8	-	-	-	1	-	-	-	1	-	-	-
4	Of which retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Of which wholesale	8	-	-	-	-	8	-	-	-	1	-	-	-	1	-	-	-
6	Of which re-securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Of which senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Of which non-senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Synthetic securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Of which securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Of which retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Of which wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Of which re-securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(1) On windom re-securitization exposures where the risk transference recognition criteria are met in accordance with OSFI's Capital Adequacy Requirements Guidelines, Chapter 7, Structured Credit Products.
 (2) Exposure amounts are net of collateral.
 (3) RWA before application of the KIRB cap and scaling factor.

											вмо	🖀 Financi	ial Group
ESTIMATED AND ACTUAL LOSS PARAMETERS UNDER AIRB APPROACH				Q4 20	18					Q3 20	18		
(\$ millions except as noted)		PD (1)	(2)	LGD (3) (4)	EAD (5) (6)		PD (1)	(2)	LGD (3) (4)		EAD (5) (6)
Risk Profile	LINE #	Average estimated	Actual	Average estimated	Actual	Estimated	Actual	Average estimated	Actual	Average estimated	Actual	Estimated	Actual
Wholesale													
Corporate including specialized lending	1	0.83%	0.44%	35.31%	19.59%	268	228	0.86%	0.57%	34.36%	18.63%	405	314
Corporate small and medium enterprises (SMEs)	2	1.26%	0.53%	38.43%	22.58%	68	65	1.30%	0.54%	38.42%	26.04%	63	63
Sovereign	3	0.11%	0.00%	14.93%	0.00%	-	-	0.10%	0.00%	15.22%	0.00%	-	-
Bank	4	0.31%	0.00%	17.30%	0.00%	-	-	0.33%	0.00%	17.27%	0.00%	-	-
Retail													
Residential mortgages excluding home equity line of credits (HELOCs) - Uninsured only (7) (8)	5	0.97%	0.64%	25.67%	14.34%	250	250	0.97%	0.65%	23.97%	13.71%	247	247
HELOCs (8)	6	0.57%	0.47%	34.60%	20.04%	190	184	0.58%	0.51%	35.41%	19.68%	193	187
Qualifying revolving retail (QRR)	7	1.30%	1.15%	84.12%	79.00%	484	468	1.33%	1.20%	84.18%	77.40%	493	475
Other retail (excl. SMEs)	8	4.97%	4.53%	84.04%	77.44%	328	328	5.10%	4.57%	84.04%	77.74%	319	318
Retail SMEs	9	1.17%	0.83%	95.86%	78.51%	47	42	1.19%	0.81%	95.50%	78.92%	44	40

(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.

(a) 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.

CR9 - IRB - BACKTESTING OF I	PROBABILIT	Y OF DEFAULT (PD)	PER PORTFOLIO (1)			BMO D'Finance								
(\$ millions except as noted)						Weighted		Number of	Q4 2018 obligors (3)		Of which: new	Average historical		
			Moody's Investors Service implied	Standard & Poor's	LINE	average PD (2)	Arithmetic average PD by obligors	End of previous year	End of the year	the year	defaulted obligors in the year (4)	annual default rate (5)		
Risk Profile Residential mortgages and HELOCs	BMO Rating	PD Range (%)	equivalent	implied equivalent	#	а	b			d	e	f		
Exceptionally low Very low		≤ 0.05 > 0.05 to 0.20			1	0.04% 0.11%	0.04% 0.11%	271,241 375,704	277,877 368,780	120 365	4	0.03%		
Low Medium		> 0.20 to 0.75 > 0.75 to 7.00			3 4	0.60%	0.58% 2.77%	75,439 71,973	75,918 72,266	256 1,468	8 13	0.47% 2.25%		
High		> 7.00 to 99.99			5	30.22%	26.88%	9,037	6,210	1,468	13	19.72%		
Default Sub-total		100.00 (Default)			6	100.00%	100.00%	- 803,394	- 801,051	4,159	- 39	100.00%		
Other retail Exceptionally low		≤ 0.05			8	0.04%	0.04%	32,629	32,525	17	1	0.03%		
Very low		> 0.05 to 0.20			9	0.12%	0.12%	517,997	498,906	791	103	0.10%		
Low Medium		> 0.20 to 0.75 > 0.75 to 7.00			10 11	0.40% 2.01%	0.40% 2.00%	678,502 534,086	677,897 533,355	2,871 10,629	537 620	0.31% 1.53%		
High		> 7.00 to 99.99 100.00 (Default)			12 13	20.96% 100.00%	27.62%	325,054	327,592	81,676	94	24.29%		
Default Sub-total		100.00 (Default)			13	100.00%	100.00%	2,088,268	2,070,275	95,984	1,355	100.00%		
Qualifying revolving retail Exceptionally low		≤ 0.05			15	0.03%	0.03%	2,056,957	2,114,174	450	-	0.02%		
Very low		> 0.05 to 0.20			16	0.11%	0.11%	975,401	1,045,849	928	3	0.09%		
Low Medium		> 0.20 to 0.75 > 0.75 to 7.00			17 18	0.37% 2.68%	0.39%	775,731 612,593	776,408 663,324	3,253 16,102	364 888	0.29%		
High Default		> 7.00 to 99.99 100.00 (Default)			19 20	23.72% 100.00%	25.40% 100.00%	147,782	138,023	33,540	409	22.48% 100.00%		
Sub-total		100.00 (Deladit)			20	100.0078	100.00 %	4,568,464	4,737,778	54,273	1,664	100.00%		
Retail small-and-medium-sized entit Exceptionally low	ies	≤ 0.05			22	0.03%	0.02%	39,687	40,258	8	-	0.01%		
Very low		> 0.05 to 0.20			23	0.10%	0.10% 0.39%	37,157	34,078	26 159		0.05%		
Low Medium		> 0.20 to 0.75 > 0.75 to 7.00			24 25	3.04%	2.93%	87,835 26,097	84,529 23,164	612	1	0.20%		
High Default		> 7.00 to 99.99 100.00 (Default)			26 27	18.95% 100.00%	20.46% 100.00%	5,602	5,277	825	5	16.20% 100.00%		
Sub-total		Too.oo (Deladit)			28	100.0070	100.00%	196,378	187,306	1,630	7	100.007		
Total (all retail portfolios) Corporate					29			7,656,504	7,796,410	156,046	3,065			
Investment grade	I-1 I-2	≤ 0.02 >0.02 to ≤ 0.03	- Aaa/Aa1	- AAA/AA+	30 31	0.00%	0.00% 0.03%	- 100	- 79	-	-	0.00% 0.00%		
Investment grade Investment grade	1-3	>0.03 to ≤ 0.07	Aa2/Aa3	AA/AA-	32	0.05%	0.06%	671	566	-	-	0.07%		
Investment grade	I-4 I-5	>0.07 to ≤ 0.11 >0.11 to ≤ 0.19	A1/A2/A3 Baa1	A+/A/A- BBB+	33 34	0.07% 0.12%	0.09% 0.13%	1,674 3,044	1,600 3,257	- 1	-	0.04%		
Investment grade	I-6	>0.19 to ≤ 0.32	Baa2	BBB	35	0.20%	0.23%	4,763	4,910	2	-	0.16%		
Investment grade Non-investment grade	I-7 S-1	>0.32 to ≤ 0.54 >0.54 to ≤ 0.91	Baa3 Ba1	BBB- BB+	36 37	0.32%	0.33% 0.67%	8,176 8,004	8,833 8,027	5	- 1	0.22%		
Non-investment grade	S-2	>0.91 to ≤ 1.54	Ba2	BB	38	1.02%	1.10%	8,100	8,313	24	1	0.97%		
Non-investment grade Non-investment grade	S-3 S-4	>1.54 to ≤ 2.74 >2.74 to ≤ 5.16	Ba3 B1	BB- B+	39 40	1.83% 2.74%	1.79% 2.74%	3,984 3,067	3,925 2,686	31 22	2 -	1.68% 2.28%		
Watchlist Watchlist	P-1 P-2	>5.16 to ≤ 9.70 >9.70 to ≤ 18.23	B2 B3	B B-	41 42	6.05% 13.76%	7.30% 14.96%	502 772	437 673	20 76	1	6.25% 13.43%		
Watchlist	P-3	>18.23 to < 100.00	Caa/Ca	CCC/CC	43	20.18%	21.62%	159	152	17	-	17.57%		
Default Sub-total	Default	100.00 (Default)	С	C/D	44 45	100.00%	100.00%	- 43,016	- 43,458	- 215	- 5	0.00%		
Sovereign	li a	1.0.00	Aaa			0.049/	0.049/				1			
Investment grade Investment grade	I-1 I-2	≤ 0.02 >0.02 to ≤ 0.03	Aa1/Aa2/Aa3	AAA AA+/AA/AA-	46 47	0.01% 0.03%	0.01% 0.03%	476	21 512	-	-	0.00%		
Investment grade Investment grade	I-3 I-4	>0.03 to ≤ 0.07 >0.07 to ≤ 0.11	A1/A2 A3	A+/A A-	48 49	0.04%	0.05% 0.08%	721 834	906 1,020	-	-	0.00%		
Investment grade	1-5	>0.11 to ≤ 0.19	Baa1	BBB+	50	0.12%	0.13%	445	496	-	-	0.00%		
Investment grade Investment grade	I-6 I-7	>0.19 to ≤ 0.32 >0.32 to ≤ 0.54	Baa2 Baa3	BBB BBB-	51 52	0.21% 0.34%	0.21% 0.34%	290 138	307 126			0.00%		
Non-investment grade	S-1 S-2	>0.54 to ≤ 0.91 >0.91 to ≤ 1.54	Ba1 Ba2	BB+ BB	53 54	0.67% 1.08%	0.67% 1.10%	83 76	83 68	-	-	0.00%		
Non-investment grade Non-investment grade	S-3	>1.54 to ≤ 2.74	Ba3	BB-	55	1.79%	1.78%	50	26	-	-	0.00%		
Non-investment grade Watchlist	S-4 P-1	>2.74 to ≤ 5.16 >5.16 to ≤ 9.70	B1 B2	B+ B	56 57	3.25% 0.00%	2.93% 0.00%	32	33	-	-	0.00%		
Watchlist	P-2	>9.70 to ≤ 18.23	B3	B-	58	15.15%	15.15%	2	1	-	-	0.00%		
Watchlist Default	P-3 Default	>18.23 to < 100.00 100.00 (Default)	Caa/Ca C	CCC/CC C/D	59 60	0.00% 100.00%	0.00% 100.00%	-	-		-	0.00%		
Sub-total Bank					61			3,181	3,608	-	-			
Investment grade	I-1	≤ 0.02	-	-	62	0.00%	0.00%	-	-	-	-	0.00%		
Investment grade Investment grade	I-2 I-3	>0.02 to ≤ 0.03 >0.03 to ≤ 0.07	Aaa/Aa1/Aa2/Aa3 A1/A2	AAA/AA+/AA/AA- A+/A	63 64	0.03% 0.06%	0.03%	7 94	15 46	1	-	0.00%		
Investment grade	1-4	>0.07 to ≤ 0.11	A3 Baal	A- BBB+	65 66	0.07%	0.08%	4	66 62	-	-	0.00%		
Investment grade Investment grade	I-5 I-6	>0.11 to ≤ 0.19 >0.19 to ≤ 0.32	Baa1 Baa2	BBB	67	0.11% 0.19%	0.11% 0.19%	77	82	1	-	0.08%		
Investment grade Non-investment grade	I-7 S-1	>0.32 to ≤ 0.54 >0.54 to ≤ 0.91	Baa3 Ba1	BBB- BB+	68 69	0.32% 0.55%	0.32% 0.58%	70 77	72 56		-	0.10% 0.12%		
Non-investment grade	S-2	>0.91 to ≤ 1.54	Ba2	BB	70	0.91%	0.93%	26	23		1	0.48%		
Non-investment grade Non-investment grade	S-3 S-4	>1.54 to ≤ 2.74 >2.74 to ≤ 5.16	Ba3 B1	BB- B+	71 72	1.59% 2.74%	1.65% 2.74%	18 14	24 9	1	-	0.22%		
Watchlist	P-1 P-2	>5.16 to ≤ 9.70	B2	- В В-	73	5.34%	5.34%	1	3	-	-	0.00%		
Watchlist Watchlist	P-3	>9.70 to ≤ 18.23 >18.23 to < 100.00	B3 Caa/Ca	CCC/CC	74 75	0.00% 0.00%	0.00% 0.00%	-	- 1	1	-	4.17% 0.00%		
Default Sub-total	Default	100.00 (Default)	С	C/D	76 77	100.00%	100.00%		- 459	-	-	0.00%		
Total (all wholesale portfolios)		in these asset classes.			78			456	439		5			

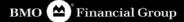
 Total (all wholesale portfolios)
 78

 (1) The results shown in the table cover all models within these asset classes.
 (2) Calculated as the obligor PD weighted by EAD.

 (3) Obligor count for Retail portfolios is at the account level, excluding defaulted accounts. Obligor count for Wholesale portfolios is at the borrower level, excluding defaulted obligors.

 (4) Calculated as the number of obligors having defaulted during the last 12-month period that were not funded at the end of the previous year.

 (5) Wholesale portfolios use 12 year average of the annual default rate. Retail portfolios use 6-15 year average of the annual default rate.



BASEL GLOSSARY

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 is measured based on the Basel standardized approach for credit risk and internal model market risk, as prescribed by OSFI in CAR.

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

Credit Conversion Factor (CCF) converts an off balance sheet exposure to its credit exposure equivalent.

Credit Risk Mitigation (CRM) are techniques under the CAR that banks use to mitigate credit risk and applicable capital, including exposures collateralized by first priority claims, in whole or in part with cash or securities, a loan exposure guaranteed by a third party, or a credit derivative to offset various forms of credit risk.

Credit valuation adjustment (CVA) is the adjustment that a bank must add as capital charge to cover the risk of mark-to-market losses on the expected counterparty risk to OTC derivatives.

The Current exposure method (CEM) is a method to calculate the exposure at default for OTC derivatives when the Internal Models Method (IMM) is not used.

Drawn: The amount of funds invested or advanced to a customer.

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 undrawn and other off-balance sheet are estimated using CCFs.

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

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.

Pillar 3: OSFI prescribed regulatory disclosures to promote market discipline.

Qualifying central counterparty (QCCP) is an entity that is licensed to operate as a central counterparty (CCP) and is permitted by the appropriate regulator/overseer to operate as such with respect to the products offered.

RWA Density is the ratio of Σ risk weighted assets / (total exposures post CCF and post CRM). It provides a synthetic metric on riskiness of each portfolio.

Scaling Factor: Regulatory requirement of an incremental multiplier of 1.06 applied to AIRB credit risk RWA.

Securities Financing Transactions (SFT): transactions such as repurchase agreements, reverse repurchase agreements, security lending and borrowing, and wholesale margin lending transactions.

Standardized Approach: This option allows banks to measure capital requirements by multiplying exposures by defined percentages based on the exposures product type and external credit rating (if applicable).

Value at risk (VaR) is a measure of how much a set of investments might lose (with a given probability), given normal market conditions, in a set time period.