



**NATIONAL
BANK**

FINANCIAL GROUP

SUPPLEMENTARY FINANCIAL INFORMATION

FOURTH QUARTER 2009 REPORT

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FINANCIAL HIGHLIGHTS

	2009				2008				2007	YTD		Full Year
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2009	2008	2007

Net income (\$000,000)	\$240.7	\$303.1	\$241.4	\$68.7	\$70.3	\$285.9	\$164.6	\$255.4	(\$175.2)	\$853.9	\$776.2	\$540.8
Earnings per share												
- basic	\$1.40	\$1.79	\$1.41	\$0.36	\$0.37	\$1.73	\$1.01	\$1.58	(\$1.14)	\$4.96	\$4.69	\$3.25
- diluted	\$1.39	\$1.78	\$1.41	\$0.36	\$0.37	\$1.73	\$1.00	\$1.58	(\$1.14)	\$4.94	\$4.67	\$3.22
Return on common shareholders' equity	16.7%	22.1%	18.5%	4.6%	5.0%	23.7%	14.3%	22.9%	-16.0%	15.6%	16.4%	11.5%
Dividend per share	\$0.62	\$0.62	\$0.62	\$0.62	\$0.62	\$0.62	\$0.62	\$0.62	\$0.60	\$2.48	\$2.48	\$2.28

Excluding specified items

Net income (\$000,000)	\$242.4	\$304.1	\$261.0	\$252.8	\$228.0	\$252.8	\$228.9	\$237.2	\$217.3	\$1 060.3	\$946.9	\$933.3
Earnings per share												
- basic	\$1.41	\$1.80	\$1.53	\$1.51	\$1.36	\$1.52	\$1.42	\$1.47	\$1.34	\$6.25	\$5.77	\$5.71
- diluted	\$1.40	\$1.79	\$1.53	\$1.51	\$1.36	\$1.52	\$1.41	\$1.46	\$1.34	\$6.22	\$5.75	\$5.65
Return on common shareholders' equity	16.3%	21.3%	19.4%	19.3%	17.1%	20.9%	20.2%	21.3%	18.4%	19.0%	19.7%	20.0%
Dividend per share	\$0.62	\$0.62	\$0.62	\$0.62	\$0.62	\$0.62	\$0.62	\$0.62	\$0.60	\$2.48	\$2.48	\$2.28

Net interest margin in % - Personal & Commercial Banking	2.46%	2.47%	2.53%	2.59%	2.61%	2.65%	2.68%	2.69%	2.72%	2.51%	2.66%	2.80%
Productivity ratio (teb) ⁽¹⁾	62.21%	56.78%	59.40%	60.58%	61.15%	62.24%	61.73%	61.33%	65.31%	59.70%	61.61%	63.65%
Effective tax rate (teb)	29.55%	31.28%	31.99%	25.63%	480.70%	33.66%	30.31%	36.52%	32.01%	30.55%	37.25%	31.80%
Average loans and BA's (\$000,000)	\$57 317	\$56 302	\$55 643	\$55 662	\$55 178	\$53 322	\$52 821	\$50 884	\$51 120	\$56 236	\$53 053	\$50 408
Average assets (\$000,000)	\$133 219	\$145 931	\$143 261	\$141 573	\$132 912	\$129 537	\$127 974	\$122 844	\$125 387	\$140 978	\$128 319	\$125 964
Total assets (\$000,000)	\$132 138	\$134 589	\$137 935	\$136 989	\$129 332	\$121 931	\$123 608	\$120 124	\$113 085	\$132 138	\$129 332	\$113 085
Average common shareholders' equity (\$000,000)	\$5 329	\$5 153	\$4 991	\$4 915	\$4 744	\$4 615	\$4 516	\$4 337	\$4 486	\$5 098	\$4 553	\$4 530
Number of common shares outstanding (000's)	161 201	160 604	159 883	159 679	159 447	159 115	158 364	158 141	157 806	161 201	159 447	157 806
Number of common shares (average) (000's)	161 034	160 322	159 927	159 758	159 382	158 890	158 373	158 001	157 790	160 263	158 663	159 811
Gross impaired loans (\$000,000)	407.0	379.9	331.4	322.1	306.4	274.5	251.6	248.6	249.2	407.0	306.4	249.2
Gross impaired loans/common equity-goodwill+reserves	8.33%	8.28%	7.44%	7.63%	7.50%	6.46%	6.14%	6.22%	6.57%	8.33%	7.50%	6.57%
Impaired loans, net of specific and general allowances (\$000,000) ⁽³⁾	(233.2)	(114.1)	(154.4)	(153.3)	(162.2)	(189.3)	(174.4)	(168.5)	(178.9)	(233.2)	(162.2)	(178.9)
as a % of net loans and bankers' acceptances	-0.4%	-0.2%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%
Book value	\$33.43	\$32.51	\$31.88	\$30.54	\$29.70	\$29.44	\$28.76	\$28.13	\$26.85	\$33.43	\$29.70	\$26.85
Capital ratios - BIS Tier 1 ⁽²⁾	10.7%	10.5%	10.3%	10.0%	9.4%	10.0%	9.2%	9.3%	9.0%	10.7%	9.4%	9.0%
Total	14.3%	14.1%	13.8%	14.0%	13.2%	13.9%	13.3%	12.9%	12.4%	14.3%	13.2%	12.4%
Tangible shareholders' equity / Risk weighted assets	6.92%	7.07%	6.84%	6.48%	6.43%	6.83%	6.56%	6.89%	6.77%	6.92%	6.43%	6.77%

(1) Excluding specified items and adjusted for gains or losses attributable to third parties using the Innocap platform.

(2) Under Basel II for periods after 2007.

(3) \$126 M of allowances for loans guaranteed by ABCP in Q1-2009 added to the general allowance in Q4-2009.

CONSOLIDATED STATEMENT OF INCOME

2009				2008				2007	YTD		Full Year
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2009	2008	2007

(unaudited) (thousands) (taxable equivalent basis)

Net Interest Income	501 654	485 485	596 804	511 534	649 165	477 367	402 677	448 603	336 185	2 095 477	1 977 812	1 243 921
Other Income	633 338	679 199	475 440	396 195	177 927	621 539	539 551	528 039	118 255	2 184 172	1 867 056	2 377 705
Gross Revenues	1 134 992	1 164 684	1 072 244	907 729	827 092	1 098 906	942 228	976 642	454 440	4 279 649	3 844 868	3 621 626
Provision for credit losses	54 298	45 890	40 785	163 985	48 667	28 948	34 114	32 060	29 154	304 958	143 789	103 142
Non-Interest Expenses	700 105	663 123	653 816	644 832	770 307	658 231	634 554	631 906	636 691	2 661 876	2 694 998	2 625 740
Income Before Income Taxes	380 589	455 671	377 643	98 912	8 118	411 727	273 560	312 676	(211 405)	1 312 815	1 006 081	892 744
Income taxes	112 447	142 522	120 796	25 351	39 023	138 605	82 913	114 201	(67 673)	401 116	374 742	283 921
Income Before Non-Controlling Interest	268 142	313 149	256 847	73 561	(30 905)	273 122	190 647	198 475	(143 732)	911 699	631 339	608 823
Non-Controlling Interest	27 456	10 023	15 459	4 854	(101 179)	(12 728)	26 010	(56 945)	31 442	57 792	(144 842)	68 017
Net Income	\$ 240 686	\$ 303 126	\$ 241 388	\$ 68 707	\$ 70 274	\$ 285 850	\$ 164 637	\$ 255 420	\$(175 174)	\$ 853 907	\$ 776 181	\$ 540 806
Effective Tax Rate	29.5%	31.3%	32.0%	25.6%	480.7%	33.7%	30.3%	36.5%	32.0%	30.6%	37.2%	31.8%
Dividends on preferred shares	\$ 15 839	\$ 15 839	\$ 16 234	\$ 11 579	\$ 10 640	\$ 10 562	\$ 5 350	\$ 5 350	\$ 5 350	\$ 59 491	\$ 31 902	\$ 21 400
Dividends on common shares	\$ 99 898	\$ 99 874	\$ 99 178	\$ 99 083	\$ 98 882	\$ 98 649	\$ 98 220	\$ 97 969	\$ 94 702	\$ 398 033	\$ 393 720	\$ 363 421
Number of common shares (avg.) (in thousands)	161 034	160 322	159 927	159 758	159 382	158 890	158 373	158 001	157 790	160 263	158 663	159 811

(unaudited) (thousands) (taxable equivalent basis)

Excluding specified items

Net Interest Income	502 944	489 380	600 560	462 285	663 498	492 024	417 700	467 488	357 385	2 055 169	2 040 710	1 265 121
Other Income	633 371	681 242	499 433	587 817	272 648	530 750	612 200	496 097	693 254	2 401 863	1 911 695	2 952 704
Gross Revenues	1 136 315	1 170 622	1 099 993	1 050 102	936 146	1 022 774	1 029 900	963 585	1 050 639	4 457 032	3 952 405	4 217 825
Provision for credit losses	54 298	45 890	40 785	37 985	44 667	6 318	34 114	32 060	29 154	178 958	117 159	103 142
Non-Interest Expenses	699 381	667 655	652 792	642 418	646 350	654 446	627 054	629 049	666 365	2 662 246	2 556 899	2 655 414
Income Before Income Taxes	382 636	457 077	406 416	369 699	245 129	362 010	368 732	302 476	355 120	1 615 828	1 278 347	1 459 269
Income taxes	112 802	142 972	130 003	112 003	118 302	121 974	113 844	121 192	106 342	497 780	475 312	457 936
Income Before Non-Controlling Interest	269 834	314 105	276 413	257 696	126 827	240 036	254 888	181 284	248 778	1 118 048	803 035	1 001 333
Non-Controlling Interest	27 456	10 023	15 459	4 854	(101 179)	(12 728)	26 010	(56 945)	31 442	57 792	(144 842)	68 017
Net Income	\$ 242 378	\$ 304 082	\$ 260 954	\$ 252 842	\$ 228 006	\$ 252 764	\$ 228 878	\$ 238 229	\$ 217 336	\$ 1 060 256	\$ 947 877	\$ 933 316
Effective Tax Rate	29.5%	31.3%	32.0%	30.3%	48.3%	33.7%	30.9%	40.1%	29.9%	30.8%	37.2%	31.4%
Dividends on preferred shares	\$ 15 839	\$ 15 839	\$ 16 234	\$ 11 579	\$ 10 640	\$ 10 562	\$ 5 350	\$ 5 350	\$ 5 350	\$ 59 491	\$ 31 902	\$ 21 400
Dividends on common shares	\$ 99 898	\$ 99 874	\$ 99 178	\$ 99 083	\$ 98 882	\$ 98 649	\$ 98 220	\$ 97 969	\$ 94 702	\$ 398 033	\$ 393 720	\$ 363 421
Number of common shares (avg.) (in thousands)	161 034	160 322	159 927	159 758	159 382	158 890	158 373	158 001	157 790	160 263	158 663	159 811

(Tax equivalent adjustment)

Net interest income	35 915	31 948	36 880	24 282	30 223	31 871	41 395	22 817	39 331	129 025	126 306	127 505
Other income	6 178	616	4 579	7 490	31 877	11 859	13 254	24 780	15 874	18 863	81 770	77 378
Income taxes	42 093	32 564	41 459	31 772	62 100	43 730	54 649	47 597	55 205	147 888	208 076	204 883

Net income by sector of activities

Excluding specified items

Personal and Commercial Banking	112 378	133 345	117 887	140 272	122 380	132 491	116 230	133 246	123 724	503 882	504 347	482 898
Wealth Management	25 929	26 129	31 858	31 184	44 814	30 901	37 689	39 337	29 594	115 100	152 741	160 750
Financial Markets	139 947	166 321	123 360	72 730	67 789	108 232	81 661	72 005	89 909	502 358	329 687	352 500
Other Segments	(35 876)	(21 713)	(12 151)	8 656	(6 977)	(18 860)	(6 702)	(7 259)	(25 891)	(61 084)	(39 798)	(62 832)

RESULTS OF OPERATIONS AS A PERCENTAGE OF AVERAGE ASSETS

2009				2008				2007	YTD		Full Year
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2009	2008	2007

(Taxable equivalent basis)
in % of average assets

Excluding specified items

Total revenues	3.38	3.18	3.15	2.94	2.80	3.14	3.27	3.12	3.32	3.16	3.08	3.35
Provision for credit losses	0.16	0.12	0.12	0.11	0.13	0.02	0.11	0.10	0.09	0.13	0.09	0.08
Non-interest expenses	2.08	1.82	1.87	1.80	1.93	2.01	1.99	2.04	2.11	1.89	1.99	2.11
Income taxes	0.34	0.39	0.37	0.31	0.35	0.37	0.36	0.39	0.34	0.35	0.37	0.36
Non-controlling interest	0.08	0.03	0.04	0.01	(0.30)	(0.04)	0.08	(0.18)	0.10	0.41	(0.11)	0.05
Net income	0.72	0.83	0.75	0.71	0.69	0.78	0.73	0.77	0.68	1.01	0.74	0.74

in % of Average Risk-Weighted Assets

Excluding specified items

Total revenues	7.71%	8.08%	7.91%	7.22%	6.56%	7.35%	7.85%	7.60%	8.29%	7.73%	7.32%	8.42%
Net income	1.65%	2.10%	1.88%	1.74%	1.60%	1.82%	1.74%	1.88%	1.72%	1.84%	1.76%	1.86%
Average Risk-Weighted Assets (\$000,000)	\$ 58 450	\$ 57 488	\$ 56 997	\$ 57 691	\$ 56 813	\$ 55 350	\$ 53 371	\$ 50 468	\$ 50 253	\$ 57 662	\$ 54 004	\$ 50 079

Prime rate	2.25%	2.25%	2.65%	3.65%	4.61%	4.75%	5.39%	6.07%	6.25%	2.70%	5.20%	6.08%
CDOR	0.40%	0.40%	0.74%	1.83%	3.12%	3.15%	3.70%	4.52%	4.86%	0.84%	3.62%	4.50%
Spread	1.85%	1.85%	1.91%	1.82%	1.49%	1.60%	1.69%	1.55%	1.39%	1.86%	1.58%	1.58%

Selected average balance sheet items (\$000,000)

Securities	\$ 51 982	\$ 55 812	\$ 56 925	\$ 50 932	\$ 46 495	\$ 47 485	\$ 45 226	\$ 44 844	\$ 44 188	\$ 53 888	\$ 46 017	\$ 35 521
Assets purchased under reverse repurchase agreements	\$ 8 623	\$ 6 171	\$ 10 751	\$ 15 176	\$ 12 743	\$ 10 613	\$ 11 226	\$ 6 537	\$ 7 759	\$ 10 176	\$ 10 275	\$ 6 417
Loans and BA's	\$ 57 317	\$ 56 302	\$ 55 643	\$ 55 662	\$ 55 178	\$ 53 322	\$ 52 821	\$ 50 884	\$ 51 120	\$ 56 236	\$ 53 053	\$ 50 408
Average earning assets	\$114 270	\$115 054	\$120 738	\$119 661	\$114 882	\$113 360	\$113 637	\$106 910	\$109 191	\$117 404	\$112 189	\$111 436
Average assets	\$133 219	\$145 931	\$143 261	\$141 573	\$132 912	\$129 537	\$127 974	\$122 844	\$125 387	\$140 978	\$128 319	\$125 964
Deposits	\$ 74 457	\$ 74 567	\$ 81 595	\$ 80 122	\$ 74 268	\$ 74 129	\$ 73 033	\$ 71 757	\$ 72 967	\$ 77 653	\$ 73 298	\$ 71 542
Common equity	\$ 1 723	\$ 1 683	\$ 1 667	\$ 1 660	\$ 1 644	\$ 1 619	\$ 1 597	\$ 1 575	\$ 2 116	\$ 1 683	\$ 1 609	\$ 1 553
Common shareholders' equity	\$ 5 329	\$ 5 153	\$ 4 991	\$ 4 915	\$ 4 744	\$ 4 615	\$ 4 516	\$ 4 337	\$ 4 486	\$ 5 098	\$ 4 553	\$ 4 530

NET INCOME BY SECTOR OF ACTIVITIES (EXCLUDING SPECIFIED ITEMS)

2009				2008				2007	YTD	
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2009	2008

(millions of dollars) (taxable equivalent basis)

Personal and Commercial Banking

Net interest income	359	353	344	358	353	351	342	344	345	1 414	1 390
Other income	228	235	204	213	218	217	197	210	212	880	842
Total Revenues	587	588	548	571	571	568	539	554	557	2 294	2 232
Operating expenses	356	337	326	320	344	323	321	314	344	1 339	1 302
Provision for credit losses	66	54	49	46	44	47	45	43	40	215	179
Earning before income taxes and non-controlling interest	165	197	173	205	183	198	173	197	173	740	751
Income taxes	53	63	55	65	61	65	57	64	56	236	247
Non-controlling interest	-	-	-	-	-	-	-	-	-	-	-
Net Income	112	134	118	140	122	133	116	133	117	504	504
Net interest margin in %	2.46%	2.47%	2.53%	2.59%	2.61%	2.65%	2.68%	2.69%	2.72%	2.51%	2.66%
Expense ratio	60.6%	57.3%	59.5%	56.0%	60.2%	56.9%	59.6%	56.7%	61.8%	58.4%	58.3%
Average loans and BA's	57 414	56 390	55 405	54 342	53 365	52 265	51 450	50 528	49 590	55 892	51 904
Average assets	57 787	56 718	55 736	54 817	53 771	52 684	51 832	50 925	50 288	56 269	52 306
Average deposits	33 725	33 639	33 294	33 594	32 656	32 180	31 223	31 045	30 485	33 565	31 779

Wealth Management

Net interest income	25	27	35	37	43	32	31	31	30	124	137
Other income	166	160	149	158	170	171	173	183	176	633	697
Total Revenues	191	187	184	195	213	203	204	214	206	757	834
Operating expenses	153	149	140	146	147	155	146	153	151	588	601
Provision for credit losses	-	-	-	-	-	-	-	-	-	-	-
Earning before income taxes and non-controlling interest	38	38	44	49	66	48	58	61	55	169	233
Income taxes	11	12	12	16	21	16	20	20	17	51	77
Non-controlling interest	1	1	-	1	-	1	-	2	1	3	3
Net Income	26	25	32	32	45	31	38	39	37	115	153
Expense ratio	80.1%	79.7%	76.1%	74.9%	69.0%	76.4%	71.6%	71.5%	73.3%	77.7%	72.1%
Average loans and BA's	129	113	96	97	123	119	98	120	119	109	115
Average assets	721	698	664	614	667	704	707	694	676	674	693
Average deposits	11 941	11 396	12 273	10 674	10 053	9 217	8 655	8 116	7 733	11 565	9 012

Financial Markets

Net interest income	202	183	287	118	314	160	84	150	32	790	708
Other income	209	221	68	141	(181)	114	197	66	300	639	196
Total Revenues	411	404	355	259	133	274	281	216	332	1 429	904
Operating expenses	179	163	171	168	152	157	156	169	184	681	634
Provision for credit losses	8	8	7	3	4	-	(2)	-	-	26	2
Earning before income taxes and non-controlling interest	224	233	177	88	(23)	117	127	47	148	722	268
Income taxes	71	71	53	25	28	36	31	39	34	220	134
Non-controlling interest	13	(5)	1	(10)	(119)	(27)	14	(64)	26	(1)	(196)
Net Income	140	167	123	73	68	108	82	72	88	503	330
Expense ratio ⁽¹⁾	44.9%	39.8%	48.3%	62.4%	59.9%	51.9%	58.5%	60.8%	61.0%	47.6%	57.6%
Average loans and BA's (Corporate banking only)	6 601	6 983	7 302	7 409	6 503	6 378	6 202	5 905	5 844	7 072	6 247
Average assets	88 678	102 890	100 900	98 851	89 445	87 358	87 748	84 246	88 068	97 805	87 196
Average deposits	29 019	29 727	36 263	35 985	31 696	33 092	33 357	33 199	34 860	32 720	32 833

(1) Adjusted for gains or losses attributable to third parties using the Innocap platform.

NET INCOME BY SECTOR OF ACTIVITIES (EXCLUDING SPECIFIED ITEMS)

2009				2008				2007	YTD	
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2009	2008

(millions of dollars)

Other Segments

Net interest income	(120)	(105)	(102)	(75)	(77)	(82)	(81)	(80)	(92)	(402)	(320)
Other income	24	64	74	69	34	18	32	11	(8)	231	95
Total Revenues	(96)	(41)	(28)	(6)	(43)	(64)	(49)	(69)	(100)	(171)	(225)
Operating expenses	11	19	16	9	3	21	4	(6)	(12)	55	22
Provision for credit losses	(20)	(16)	(15)	(11)	(3)	(40)	(9)	(12)	(11)	(62)	(64)
Earning before income taxes and non-controlling interest	(87)	(44)	(29)	(4)	(43)	(45)	(44)	(51)	(77)	(164)	(183)
Income taxes	(66)	(36)	(31)	(26)	(54)	(39)	(49)	(49)	(56)	(159)	(191)
Non-controlling interest	14	14	14	14	18	13	12	5	4	56	48
Net Income (net loss)	(35)	(22)	(12)	8	(7)	(19)	(7)	(7)	(25)	(61)	(40)
Average loans and BA's	(12 779)	(12 882)	(13 448)	(13 305)	(11 689)	(11 825)	(12 738)	(13 800)	(13 687)	(13 101)	(12 512)
Average assets	(13 967)	(14 375)	(14 039)	(12 709)	(10 971)	(11 209)	(12 313)	(13 021)	(13 645)	(13 770)	(11 876)
Average deposits	(228)	(195)	(235)	(131)	(137)	(360)	(202)	(603)	(110)	(197)	(326)

Total

Net interest income	466	458	564	438	633	461	376	445	315	1 926	1 915
Other income	627	680	495	581	241	520	599	470	680	2 383	1 830
Total Revenues	1 093	1 138	1 059	1 019	874	981	975	915	995	4 309	3 745
Operating expenses	699	668	653	643	646	656	627	630	667	2 663	2 559
Provision for credit losses	54	46	41	38	45	7	34	31	29	179	117
Earning before income taxes and non-controlling interest	340	424	365	338	183	318	314	254	299	1 467	1 069
Income taxes	69	110	89	80	56	78	59	74	51	348	267
Non-controlling interest	28	10	15	5	(101)	(13)	26	(57)	31	58	(145)
Net Income	243	304	261	253	228	253	229	237	217	1 061	947
Expense ratio (teb) ⁽¹⁾	62.2%	56.8%	59.4%	60.6%	61.2%	62.2%	61.7%	61.3%	65.3%	59.7%	61.6%
Average loans and BA's	57 317	56 302	55 643	55 662	55 178	53 322	52 821	50 884	51 120	56 236	53 053
Average assets	133 219	145 931	143 261	141 573	132 912	129 537	127 974	122 844	125 387	140 978	128 319
Average deposits	74 457	74 567	81 595	80 122	74 268	74 129	73 033	71 757	72 967	77 653	73 298

(1) Adjusted for gains or losses attributable to third parties using the Innocap platform.

NET INCOME BY SECTOR OF ACTIVITIES

Specified Items	Q4 2009		Q3 2009		Q2 2009		Q1 2009			Q4 2008				Q3 2008			Q2 2008		Q1 2008			
	Adjustment to ABCP	Other	Adjustment to ABCP	Other	Adjustment to ABCP	Other	Adjustment to ABCP	Credit facilities to clients holding ABCP	Total	Adjustment to ABCP	Write-off - capitalized projects	Restructuring charge	Total	Adjustment to ABCP	Montreal Stock Exchange Gain	Total	Adjustment to ABCP	Adjustment to ABCP	Nassau gain	Total		
															Financial Markets							
(millions of dollars)																						
Net interest income	(1)		(4)		(4)		49	-	49	(14)	-	-	(14)	(15)	-	(15)	(15)			(19)	-	(19)
Other income	-	(2)	(24)		(24)		(192)	-	(192)	(95)	-	-	(95)	3	88	91	(73)			-	32	32
Total Revenues	(1)		(6)		(28)		(143)	-	(143)	(109)	-	-	(109)	(12)	88	76	(88)			(19)	32	13
Operating expenses	1		(5)		1		2	-	2	4	54	66	124	1	2	3	7			2	-	2
Provision for credit losses	-		-		-		126	-	126	4	-	-	4	23	-	23	-			-	-	-
Earning before income taxes and non-controlling interest	(2)		(1)		(29)		(145)	(126)	(271)	(117)	(54)	(66)	(237)	(36)	86	50	(95)			(21)	32	11
Income taxes	-		-		(9)		(47)	(40)	(87)	(39)	(18)	(22)	(79)	(12)	29	17	(31)			(7)	-	(7)
Non-controlling interest	-		-		-		-	-	-	-	-	-	-	-	-	-	-			-	-	-
Net income	(2)		(1)		(20)		(98)	(86)	(184)	(78)	(36)	(44)	(158)	(24)	57	33	(64)			(14)	32	18

Notes: Net interest impact on ABCP represents funding cost.

Specified Items	FULL YEAR 2009			FULL YEAR 2008					FULL YEAR 2007					
	Adjustment to ABCP	Credit facilities to clients holding ABCP	Total	Adjustment to ABCP	Write-off - capitalized projects	Restructuring charge	Nassau gain	Montreal Stock Exchange Gain	Total	Adjustment to ABCP			Altamira	Total
	Other	Other		Other	Other	Other	Other	Financial Markets		Financial Markets	Other	Sub-total	Wealth Management	
(millions of dollars)														
Net interest income	40	-	40	(63)	-	-	-	-	(63)	(2)	(19)	(21)	-	(21)
Other income	(218)	-	(218)	(165)	-	-	32	88	(45)	(42)	(533)	(575)	-	(575)
Total Revenues	(178)	-	(178)	(228)	-	-	32	88	(108)	(44)	(552)	(596)	-	(596)
Operating expenses	(1)	-	(1)	14	54	66	-	2	136	(19)	(24)	(43)	13	(30)
Provision for credit losses	-	126	126	27	-	-	-	-	27	-	-	-	-	-
Earning before income taxes and non-controlling interest	(177)	(126)	(303)	(269)	(54)	(66)	32	86	(271)	(25)	(528)	(553)	(13)	(566)
Income taxes	(56)	(40)	(96)	(89)	(18)	(22)	-	29	(100)	(8)	(164)	(172)	(2)	(174)
Non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net income	(121)	(86)	(207)	(180)	(36)	(44)	32	57	(171)	(17)	(364)	(381)	(11)	(392)

Specified Items	2009				2008				2007				YTD		Full Year
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2009	2008	2007
(millions of dollars)															
Total															
Net interest income	465	454	560	487	619	446	361	426	294	304	245	273	1 966	1 852	1 116
Other income	627	678	471	389	146	611	526	502	105	704	776	716	2 165	1 785	2 301
Total Revenues	1 092	1 132	1 031	876	765	1 057	887	928	399	1 008	1 021	989	4 131	3 637	4 438
Operating expenses	700	663	654	645	770	659	634	632	637	673	660	656	2 662	2 695	3 286
Provision for credit losses	54	46	41	164	49	30	34	31	29	22	23	29	305	144	103
Earning before income taxes and non-controlling interest	338	423	336	67	(54)	368	219	265	(267)	313	338	304	1 164	798	688
Income taxes	69	110	80	(7)	(23)	95	28	67	(123)	71	75	56	252	167	79
Non-controlling interest	28	10	15	5	(101)	(13)	26	(57)	31	(1)	30	8	58	(145)	68
Net Income	241	303	241	69	70	286	165	255	(175)	243	233	240	854	776	541
Expense ratio (teb) ⁽¹⁾	64.1%	58.3%	63.5%	72.8%	86.9%	60.7%	72.6%	63.8%	172.8%	66.2%	66.1%	66.4%	64.4%	70.3%	70.9%
Average loans and BA's	57 317	56 302	55 643	55 662	55 178	53 322	52 821	50 884	51 120	50 791	50 197	49 518	56 236	53 053	50 408
Average assets	133 219	145 931	143 261	141 573	132 912	129 537	127 974	122 844	125 387	128 998	129 750	119 846	140 977	128 319	125 964
Average deposits	74 457	74 567	81 595	80 122	74 268	74 129	73 033	71 757	72 967	72 695	70 753	69 732	77 653	73 298	71 543

(1) Adjusted for gains or losses attributable to third parties using the Innocap platform.

REVENUES (EXCLUDING SPECIFIED ITEMS)

2009				2008				2007	YTD		Full Year
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2009	2008	2007

(unaudited) (thousands) (taxable equivalent basis)

Net Interest Income

<i>Interest Income</i>												
Loans	\$ 446 445	\$ 452 085	\$ 494 973	\$ 635 568	\$ 737 782	\$ 721 908	\$ 752 832	\$ 762 164	\$ 767 867	\$ 2 029 071	\$ 2 974 686	\$ 3 020 830
Securities	197 971	312 037	297 890	273 484	256 712	281 257	247 455	311 315	285 967	1 081 382	1 096 739	1 355 887
Deposits with regulated financial institutions	1 310	4 035	4 908	1 623	8 775	34 231	70 602	93 295	101 867	11 876	206 903	422 929
Total Interest Income	645 726	768 157	797 771	910 675	1 003 269	1 037 396	1 070 889	1 166 774	1 155 701	3 122 329	4 278 328	4 799 646
<i>Interest Expense</i>												
Deposits	142 344	167 119	181 985	317 333	175 440	391 612	534 125	539 553	654 774	808 781	1 640 730	2 611 771
Bank debentures	26 199	26 725	25 360	23 422	30 019	28 187	19 724	20 363	24 875	101 706	98 293	99 834
Other	10 154	116 881	26 746	131 917	164 535	157 444	140 735	162 187	157 998	285 698	624 901	950 425
Total Interest Expense	178 697	310 725	234 091	472 672	369 994	577 243	694 584	722 103	837 647	1 196 185	2 363 924	3 662 030
Tax equivalent adjustment	35 915	31 948	36 880	24 282	30 223	31 871	41 395	22 817	39 331	129 025	126 306	127 505
Net Interest Income	\$ 502 944	\$ 489 380	\$ 600 560	\$ 462 285	\$ 663 498	\$ 492 024	\$ 417 700	\$ 467 488	\$ 357 385	\$ 2 055 169	\$ 2 040 710	\$ 1 265 121

Other Income

Deposits and payment service charges	\$ 58 043	\$ 58 155	\$ 56 618	\$ 57 518	\$ 58 388	\$ 57 214	\$ 56 584	\$ 55 938	\$ 54 207	\$ 230 334	\$ 228 124	\$ 213 446
Commissions on loans and bankers' acceptances	76 040	79 537	56 409	47 997	48 933	46 835	42 401	44 858	46 962	259 983	183 027	189 937
Insurance revenues	31 506	30 751	23 379	30 383	31 082	31 000	22 111	34 477	30 094	116 019	118 670	114 498
Securities brokerage commissions	58 471	55 763	53 240	53 238	60 247	60 633	60 710	58 886	59 972	220 712	240 476	266 772
Underwriting and advisory fees	81 081	83 587	83 000	81 792	49 633	73 620	93 620	95 123	75 589	329 460	311 996	380 645
Foreign exchange revenues	25 591	27 131	26 696	29 743	34 152	29 908	27 977	29 407	27 972	109 161	121 444	102 846
Card service revenues	10 476	10 033	9 272	7 702	8 109	10 163	13 544	9 743	3 025	37 483	41 559	33 879
Trust services	49 123	47 157	45 372	47 690	52 453	51 383	52 539	40 491	48 439	189 342	196 866	201 934
Mutual funds	38 887	36 303	31 275	31 022	36 731	40 732	39 352	40 648	39 302	137 487	157 463	154 693
Securitization	58 430	94 442	100 709	97 567	61 803	59 469	58 263	46 030	44 463	351 148	225 565	179 232
Profit & Loss on trading	52 841	44 181	(63 759)	25 370	(252 531)	(22 933)	72 420	(42 985)	155 639	58 633	(246 029)	628 530
Profit & Loss other than trading	20 171	30 426	28 462	13 162	(58 626)	9 947	5 471	30 467	32 743	92 221	(12 741)	125 726
Other	72 711	83 776	48 760	64 633	142 274	82 779	67 208	53 014	74 847	269 880	345 275	360 566
Total	\$ 633 371	\$ 681 242	\$ 499 433	\$ 587 817	\$ 272 648	\$ 530 750	\$ 612 200	\$ 496 097	\$ 693 254	\$ 2 401 863	\$ 1 911 695	\$ 2 952 704
As a % of total revenues	55.7%	58.2%	45.4%	56.0%	29.1%	51.9%	59.4%	51.5%	66.0%	53.9%	48.4%	70.0%

(unaudited) (thousands)

Trading revenues

Net Interest Income	\$ 155 936	\$ 119 058	\$ 255 179	\$ 100 672	\$ 209 931	\$ 96 444	\$ 13 766	\$ 115 923	\$ (4 121)	\$ 630 845	\$ 436 064	\$ (144 652)
Other Income	52 841	44 181	(63 759)	25 370	(252 531)	(22 933)	72 420	(42 985)	155 639	58 633	(246 029)	628 530
Non-controlling interest - Innocap	(12 039)	5 206	(1 067)	10 285	120 806	28 658	(14 178)	62 151	(30 317)	2 385	197 437	(46 136)
Total	\$ 196 738	\$ 168 445	\$ 190 353	\$ 136 327	\$ 78 206	\$ 102 169	\$ 72 008	\$ 135 089	\$ 121 201	\$ 691 863	\$ 387 472	\$ 437 742

Trading revenues by product

Financial Markets												
Equity	\$ 68 396	\$ 51 422	\$ 42 273	\$ 44 038	\$ 43 324	\$ 45 398	\$ 71 617	\$ (13 192)	\$ 84 946	\$ 206 129	\$ 147 147	\$ 343 070
Fixed income	109 669	91 250	127 815	57 836	(17 665)	28 141	(13 968)	95 013	51 356	386 570	91 521	88 289
Commodity and foreign exchange	17 659	22 291	18 405	32 052	39 018	20 393	11 301	42 777	(20 697)	90 407	113 489	(7 355)
Trading revenues - Financial Markets	195 724	164 963	188 493	133 926	64 677	93 932	68 950	124 598	115 605	683 106	352 157	424 004
Other	1 014	3 482	1 860	2 401	13 529	8 237	3 058	10 491	5 596	8 757	35 315	13 738
Total Trading revenues	\$ 196 738	\$ 168 445	\$ 190 353	\$ 136 327	\$ 78 206	\$ 102 169	\$ 72 008	\$ 135 089	\$ 121 201	\$ 691 863	\$ 387 472	\$ 437 742

NON-INTEREST EXPENSES (EXCLUDING SPECIFIED ITEMS)

2009				2008				2007	YTD		Full Year
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2009	2008	2007

(unaudited) (thousands)

Non-Interest Expenses

Salaries and Staff benefits												
Salaries	\$ 217 837	204 027	185 358	194 682	\$ 189 678	\$ 197 179	\$ 188 241	\$ 192 433	226 941	801 904	767 531	793 540
Variable compensation	141 299	125 657	136 590	131 721	111 903	120 776	121 392	129 556	102 073	535 267	483 627	524 706
Pension plan and other staff benefits	43 994	50 512	53 079	51 318	46 935	52 030	49 748	52 275	52 713	198 903	200 988	225 182
Total Compensation	\$ 403 130	\$ 380 196	\$ 375 027	\$ 377 721	\$ 348 516	\$ 369 985	\$ 359 381	\$ 374 264	\$ 381 727	\$ 1 536 074	\$ 1 452 146	\$ 1 543 428
Occupancy and Technology												
Rent	\$ 33 590	25 130	25 452	23 099	\$ 22 785	\$ 24 788	\$ 23 901	\$ 21 311	19 110	107 271	92 785	83 369
Taxes & insurance	4 294	4 366	4 238	4 318	4 018	4 176	4 378	3 624	3 845	17 216	16 196	15 621
Maintenance, lighting, heating	7 345	7 781	7 797	7 133	7 554	6 815	7 692	6 870	7 575	30 056	28 931	28 607
Technology	75 650	79 778	82 810	81 198	89 055	90 047	85 068	87 490	97 016	319 436	351 660	377 834
Depreciation	34 790	25 689	24 629	23 293	20 329	18 996	19 910	19 846	22 772	108 401	79 081	78 031
Total Occupancy and Technology	\$ 155 669	\$ 142 744	\$ 144 926	\$ 139 041	\$ 143 741	\$ 144 822	\$ 140 949	\$ 139 141	\$ 150 318	\$ 582 380	\$ 568 653	\$ 583 462
Other Expenses												
Professional fees	\$ 50 179	46 694	44 644	38 962	\$ 55 368	\$ 61 200	\$ 44 775	\$ 44 489	50 173	180 479	205 832	177 973
Taxes on capital & salaries	6 225	14 707	13 810	15 113	15 710	12 799	13 556	11 885	2 066	49 855	53 950	50 341
Travel & business development	28 034	19 664	20 440	15 513	26 394	18 881	22 382	17 466	27 973	83 651	85 123	97 781
Other	56 144	63 650	53 945	56 068	56 621	46 759	46 011	42 704	54 108	229 807	192 095	202 429
Total Other Expenses	\$ 140 582	\$ 144 715	\$ 132 839	\$ 125 656	\$ 154 093	\$ 139 639	\$ 126 724	\$ 116 544	\$ 134 320	\$ 543 792	\$ 537 000	\$ 528 524
TOTAL NON-INTEREST EXPENSES	\$ 699 381	\$ 667 655	\$ 652 792	\$ 642 418	\$ 646 350	\$ 654 446	\$ 627 054	\$ 629 949	\$ 666 365	\$ 2 662 246	\$ 2 557 799	\$ 2 655 414

SECURITIZATION REVENUES

2009				2008				YTD		Full Year
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2009	2008	2007

(unaudited) (millions of dollars)

Impact of securitization on the Consolidated Statement of income

Insured residential mortgage loans

Net interest income	(38)	(29)	(21)	(20)	(14)	(15)	(15)	(20)	(108)	(64)	(64)
Other income	29	61	68	65	26	23	26	24	223	99	45
Total revenues	(9)	32	47	45	12	8	11	4	115	35	(19)
Operating expenses	-	-	-	1	-	1	1	-	1	2	1
Provision for credit losses	-	-	-	-	-	-	-	-	-	-	-
Income before income taxes	(9)	32	47	44	12	7	10	4	114	33	(20)
Income taxes	(3)	10	15	14	4	2	3	1	36	10	(6)
Net income	(6)	22	32	30	8	5	7	3	78	23	(14)

Credit card receivables

Net interest income	(33)	(33)	(33)	(31)	(32)	(32)	(24)	(33)	(130)	(121)	(135)
Other income	12	16	17	16	18	19	23	11	61	71	94
Total revenues	(21)	(17)	(16)	(15)	(14)	(13)	(1)	(22)	(69)	(50)	(41)
Operating expenses	-	-	-	-	-	-	-	-	-	-	-
Provision for credit losses	(20)	(17)	(15)	(14)	(13)	(11)	(9)	(12)	(66)	(45)	(44)
Income before income taxes	(1)	-	(1)	(1)	(1)	(2)	8	(10)	(3)	(5)	3
Income taxes	-	-	-	-	-	(1)	3	(2)	-	-	1
Net income (loss)	(1)	-	(1)	(1)	(1)	(1)	5	(8)	(3)	(5)	2

Total

Net interest income	(71)	(62)	(54)	(51)	(46)	(47)	(39)	(53)	(238)	(185)	(199)
Other income(1)	41	77	85	81	44	42	49	35	284	170	139
Total revenues	(30)	15	31	30	(2)	(5)	10	(18)	46	(15)	(60)
Operating expenses	-	-	-	1	-	1	1	-	1	2	1
Provision for credit losses	(20)	(17)	(15)	(14)	(13)	(11)	(9)	(12)	(66)	(45)	(44)
Income before income taxes	(10)	32	46	43	11	5	18	(6)	111	28	(17)
Income taxes	(3)	10	15	14	4	1	6	(1)	36	10	(5)
Net income (loss)	(7)	22	31	29	7	4	12	(5)	75	18	(12)

(1) Securitization revenues included in Other income

Gains on sale of assets	47	84	86	85	50	50	50	31	302	181	113
Servicing revenues	11	11	10	11	11	12	8	11	43	42	35
Other	-	-	4	2	1	(2)	-	4	6	3	31
Total	58	95	100	98	62	60	58	46	351	226	179

PROVISION FOR CREDIT LOSSES

2009				2008				2007	YTD		Full Year
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2009	2008	2007

(millions of dollars)

Retail	19	13	13	13	14	10	10	10	10	58	44	41
Credit card	30	26	25	23	20	19	20	17	16	104	76	66
Commercial	17	15	11	10	10	18	15	16	13	53	59	43
Corporate	8	8	7	3	4	-	(2)	-	-	26	2	-
Real estate	-	-	-	-	-	-	-	-	1	-	-	1
Other	-	1	-	3	10	(29)	-	-	-	4	(19)	(3)
Credit card securitization	(20)	(17)	(15)	(14)	(13)	(11)	(9)	(12)	(11)	(66)	(45)	(45)
Sub-total	54	46	41	38	45	7	34	31	29	179	117	103
ABCP credit loss	-	-	-	126	4	23	-	-	-	126	27	-
Total	\$ 54	\$ 46	\$ 41	\$ 164	\$ 49	\$ 30	\$ 34	\$ 31	\$ 29	\$ 305	\$ 144	\$ 103

CONDENSED CONSOLIDATED BALANCE SHEET

	2009				2008				2007
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
(unaudited) (millions of dollars)									
Assets									
Cash and deposits with financial institutions	2 228	2 172	3 523	1 854	3 660	3 090	3 872	4 377	3 328
Securities	50 233	55 965	54 949	53 690	46 185	46 714	45 382	43 030	39 270
Securities purchased under reverse repurchase agreements	7 637	5 812	7 618	8 774	7 868	7 148	9 105	8 855	5 966
Loans									
Residential mortgages	14 958	14 723	14 351	14 701	15 363	15 500	15 096	15 042	15 893
Personal and credit cards	18 290	17 786	17 143	16 343	15 681	14 730	14 068	13 773	13 104
Business and government	19 389	19 947	19 621	20 735	20 697	19 906	20 098	18 747	18 963
Total Loans	\$ 52 637	\$ 52 456	\$ 51 115	\$ 51 779	\$ 51 741	\$ 50 136	\$ 49 262	\$ 47 562	\$ 47 960
Customers' liability under bankers' acceptances	5 733	5 305	5 617	4 444	4 274	4 760	4 770	4 533	4 085
Other assets	13 670	12 879	15 113	16 448	15 604	10 083	11 217	11 767	12 476
Total Assets	\$ 132 138	\$ 134 589	\$ 137 935	\$ 136 989	\$ 129 332	\$ 121 931	\$ 123 608	\$ 120 124	\$ 113 085
Liabilities									
Deposits									
Personal	34 609	34 539	34 871	34 676	33 098	32 777	31 760	31 522	30 215
Business and government	36 923	34 246	35 011	35 614	37 097	29 189	32 947	35 510	34 022
Deposit-taking institutions	3 638	7 451	9 988	9 285	5 827	6 702	5 663	6 090	6 561
Total Deposits	\$ 75 170	\$ 76 236	\$ 79 870	\$ 79 575	\$ 76 022	\$ 68 668	\$ 70 370	\$ 73 122	\$ 70 798
Others									
Acceptances	5 733	5 305	5 617	4 444	4 274	4 760	4 770	4 533	4 085
Other liabilities	42 741	44 715	44 167	44 657	41 272	40 863	41 659	35 964	31 960
Subordinated debentures	2 017	2 023	2 095	2 348	2 255	2 182	1 683	1 656	1 605
Total Others	\$ 50 491	\$ 52 043	\$ 51 879	\$ 51 449	\$ 47 801	\$ 47 805	\$ 48 112	\$ 42 153	\$ 37 650
Shareholders' equity									
Preferred shares	1 089	1 089	1 089	1 089	774	774	573	400	400
Common shares	1 729	1 700	1 669	1 662	1 656	1 633	1 599	1 590	1 575
Contributed surplus	48	43	40	37	31	36	34	33	32
Retained earnings	3 515	3 392	3 205	3 080	3 110	3 168	2 998	2 941	2 793
Accumulated other comprehensive income (loss)	96	86	183	97	(62)	(153)	(78)	(115)	(163)
Total Shareholders' equity	\$ 6 477	\$ 6 310	\$ 6 186	\$ 5 965	\$ 5 509	\$ 5 458	\$ 5 126	\$ 4 849	\$ 4 637
Total Liabilities & Shareholders' Equity	\$ 132 138	\$ 134 589	\$ 137 935	\$ 136 989	\$ 129 332	\$ 121 931	\$ 123 608	\$ 120 124	\$ 113 085
Mortgage securitization	7 751	7 856	8 004	7 809	7 313	7 156	7 526	7 534	6 624
Mortgage loans sold to third parties	543	540	541	410	387	419	382	414	450
Credit card securitization	1 223	1 223	1 223	1 223	1 223	1 223	1 223	800	1 200
Mutual funds	11 864	10 936	10 256	9 810	10 750	12 721	13 034	12 381	12 955
Securities - excess of market value over book	107	20	58	(49)	(154)	(6)	132	121	148
Equity Securities - excess of market value over book	26	(18)	(60)	135	(110)	(3)	120	122	161
Number of shares outstanding (000's)	161 201	160 604	159 883	159 679	159 447	159 115	158 364	158 141	157 806
Domestic Gap < 1 year	(324)	346	1 692	1 237	(464)	573	(699)	(618)	(984)
> 1 year	(1)	(586)	(1 991)	(1 391)	378	(594)	673	711	988

 **CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**

	2009				2008				2007	YTD		Full Year
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2009	2008	2007
(unaudited) (millions of dollars)												
Opening balance	6 310	6 186	5 965	5 509	5 458	5 126	4 849	4 637	4 930	5 509	4 637	4 788
Net income	241	303	241	69	70	286	165	255	(175)	854	776	541
Issuance of common shares	29	31	7	6	23	34	9	15	10	73	81	58
Issuance of preferred shares	-	-	-	315	-	201	173	-	-	315	374	-
Repurchase of common shares												
Repurchase of common shares for cancellation	-	-	-	-	-	-	-	-	(2)	-	-	(49)
Premium paid on common shares purchased for cancellation	-	-	-	-	-	-	-	-	(13)	-	-	(266)
Repurchase of preferred shares	-	-	-	-	-	-	-	-	-	-	-	-
Dividends												
Common shares	(100)	(100)	(99)	(99)	(99)	(99)	(98)	(98)	(95)	(398)	(394)	(364)
Preferred shares	(15)	(16)	(16)	(12)	(11)	(10)	(6)	(5)	(5)	(59)	(32)	(21)
Impact of initial adoption on retained earnings of new accounting standards on financial instruments	-	-	-	-	-	-	-	-	1	-	-	2
Stock options expense	4	3	4	2	3	3	3	2	2	13	11	16
Stock options exercised	(1)	(5)	-	-	(2)	(3)	-	(1)	(2)	(6)	(6)	(5)
Impact of shares acquired / sold for trading purposes	-	-	-	-	-	-	-	-	-	-	-	-
Other adjustments, net of income taxes	(3)	-	(1)	12	(18)	(7)	(4)	(4)	9	8	(33)	8
Other adjustment, contributed surplus	2	5	(1)	4	(6)	2	(2)	-	-	10	(6)	-
Reclassification of unrealized foreign CTA to AOCI	-	-	-	-	-	-	-	-	-	-	-	92
Impact of initial adoption of financial instruments standards	-	-	-	-	-	-	-	-	1	-	-	(71)
Other comprehensive income (loss), net of income taxes	10	(97)	86	159	91	(75)	37	48	(24)	158	101	(92)
Closing balance	\$ 6 477	\$ 6 310	\$ 6 186	\$ 5 965	\$ 5 509	\$ 5 458	\$ 5 126	\$ 4 849	\$ 4 637	\$ 6 477	\$ 5 509	\$ 4 637
Shareholders' equity												
Preferred shares	1 089	1 089	1 089	1 089	774	774	573	400	400	1 089	774	400
Common shares	1 729	1 700	1 669	1 662	1 656	1 633	1 599	1 590	1 575	1 729	1 656	1 575
Contributed surplus	48	43	40	37	31	36	34	33	32	48	31	32
Unrealized foreign currency translation adjustment	-	-	-	-	-	-	-	-	-	-	-	-
Retained earnings	3 515	3 392	3 205	3 080	3 110	3 168	2 998	2 941	2 793	3 515	3 110	2 793
Accumulated other comprehensive income (loss)	96	86	183	97	(62)	(153)	(78)	(115)	(163)	96	(62)	(163)
Closing balance	\$ 6 477	\$ 6 310	\$ 6 186	\$ 5 965	\$ 5 509	\$ 5 458	\$ 5 126	\$ 4 849	\$ 4 637	\$ 6 477	\$ 5 509	\$ 4 637

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

(unaudited) (millions of dollars)

	2009				2008				2007	YTD		Full Year
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2009	2008	2007
Net income	\$ 241	\$ 303	\$ 241	\$ 69	\$ 70	\$ 286	\$ 165	\$ 255	\$ (175)	\$ 854	\$ 776	\$ 541
Other comprehensive income (loss), net of income taxes												
Net unrealized gains (losses) on translating financial statements of self-sustaining foreign operations	(11)	(176)	(37)	39	367	34	11	101	(195)	(185)	513	(299)
Impact of hedging net foreign currency translation gains or losses	(2)	151	37	(30)	(294)	(31)	-	(79)	159	156	(404)	211
Net change in unrealized foreign currency translation and losses, net of hedging activities	(13)	(25)	-	9	73	3	11	22	(36)	(29)	109	(88)
Net unrealized gains (losses) on available for sale financial assets	56	73	128	8	(136)	(25)	22	(17)	(18)	265	(156)	51
Reclassification to net income of (gains) losses on available for sale financial assets	(15)	(40)	(40)	1	34	(63)	(7)	(15)	10	(94)	(51)	(11)
Net change in unrealized gains and losses on available for sale financial assets	41	33	88	9	(102)	(88)	15	(32)	(8)	171	(207)	40
Net gains (losses) on derivatives designated as cash flow hedges	(4)	(89)	8	147	126	15	11	54	15	62	206	(54)
Reclassification to net income of (gains) losses on derivatives designated as cash flow hedges	(15)	(16)	(9)	(6)	(6)	(5)	-	4	5	(46)	(7)	10
Net change in gains and losses on derivatives designated as cash flow hedges	(19)	(105)	(1)	141	120	10	11	58	20	16	199	(44)
Total other comprehensive income (loss), net of income taxes	9	(97)	87	159	91	(75)	37	48	(24)	158	101	(92)
COMPREHENSIVE INCOME	\$ 250	\$ 206	\$ 328	\$ 228	\$ 161	\$ 211	\$ 202	\$ 303	\$ (199)	\$ 1 012	\$ 877	\$ 449

ASSETS UNDER ADMINISTRATION / MANAGEMENT

	National Bank Trust Inc.	National Bank Financial & Cie.	National Bank Securities Inc.	Natcan Investment Management Inc.	National Bank Direct Brokerage	Innocap Investment Management Inc.	Bank excluding subsidiaries	Total	
								2009	2008

(millions of dollars)

as at October 31, 2009

Assets under administration									
Institutional	32 315	8 381	-	-	-	-	-	40 696	45 497
Personal	-	70 899	-	-	11 626	-	-	82 525	92 867
Mutual funds	21 525	-	11 864	-	-	-	-	33 389	29 575
Mortgage loans sold to third parties	-	-	-	-	-	-	8 294	8 294	7 700
Total assets under administration	\$ 53 840	\$ 79 280	\$ 11 864	\$ -	\$ 11 626	\$ -	\$ 8 294	\$ 164 904	\$ 175 639
Assets under management									
Personal	5 365	-	-	-	-	-	-	5 365	5 279
Managed portfolios	-	4 209	-	8 156	-	1 976	-	14 341	14 204
Mutual funds	-	-	-	16 235	-	-	-	16 235	12 962
Total assets under management	\$ 5 365	\$ 4 209	\$ -	\$ 24 391	\$ -	\$ 1 976	\$ -	\$ 35 941	\$ 32 445
Total assets under administration / management	\$ 59 205	\$ 83 489	\$ 11 864	\$ 24 391	\$ 11 626	\$ 1 976	\$ 8 294	\$ 200 845	\$ 208 084

(millions of dollars)

as at October 31, 2008

	National Bank Trust Inc.	National Bank Financial & Cie.	National Bank Securities Inc.	Natcan Investment Management Inc.	National Bank Direct Brokerage	Innocap Investment Management Inc.	Bank excluding subsidiaries	Total	
								2008	2007
Assets under administration									
Institutional	35 273	10 224	-	-	-	-	-	45 497	53 967
Personal	-	82 692	-	-	10 175	-	-	92 867	108 992
Mutual funds	18 825	-	10 750	-	-	-	-	29 575	36 408
Mortgage loans sold to third parties	-	-	-	-	-	-	7 700	7 700	7 088
Total assets under administration	\$ 54 098	\$ 92 916	\$ 10 750	\$ -	\$ 10 175	\$ -	\$ 7 700	\$ 175 639	\$ 206 455
Assets under management									
Personal	5 279	-	-	-	-	-	-	5 279	6 590
Managed portfolios	-	3 248	-	8 277	-	2 679	-	14 204	20 146
Mutual funds	-	-	-	12 962	-	-	-	12 962	16 099
Total assets under management	\$ 5 279	\$ 3 248	\$ -	\$ 21 239	\$ -	\$ 2 679	\$ -	\$ 32 445	\$ 42 835
Total assets under administration / management	\$ 59 377	\$ 96 164	\$ 10 750	\$ 21 239	\$ 10 175	\$ 2 679	\$ 7 700	\$ 208 084	\$ 249 290

GROSS LOANS

2009				2008			
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1

(millions of dollars)

DISTRIBUTION OF GROSS LOANS BY BORROWER CATEGORY

Personal	\$ 18 313	\$ 17 805	\$ 17 163	\$ 16 361	\$ 15 695	\$ 14 522	\$ 14 074	\$ 13 784
Residential mortgage	\$ 14 961	\$ 14 726	\$ 14 354	\$ 14 704	\$ 15 366	\$ 15 725	\$ 15 106	\$ 15 044
Non-residential mortgage	1 318	1 322	1 363	1 330	1 350	1 364	1 375	1 379
Agricultural, fishing and trapping	1 911	1 857	1 901	1 895	1 952	1 927	2 000	1 980
Financial institutions	3 022	2 716	2 818	3 095	3 428	4 115	4 449	3 844
Manufacturing	2 153	2 247	2 310	2 215	2 219	2 231	2 263	2 064
Construction and real estate	1 686	1 828	1 588	1 540	1 264	1 451	1 298	1 161
Transportation and communications	834	866	748	782	890	734	500	494
Mines, quarries and energy	1 109	1 169	1 259	1 381	1 456	1 226	1 313	1 233
Forestry	75	81	131	122	115	138	169	151
Government	1 262	1 309	1 217	1 506	1 171	1 198	1 234	1 278
Wholesale	585	551	564	515	570	603	552	546
Retail	1 534	1 467	1 445	1 425	1 362	1 329	1 340	1 209
Services	1 991	2 533	2 734	2 986	3 019	1 138	1 310	951
Other	2 523	2 473	2 006	2 397	2 353	2 899	2 705	2 861
Total – Business and government	\$ 20 003	\$ 20 419	\$ 20 084	\$ 21 189	\$ 21 149	\$ 20 353	\$ 20 508	\$ 19 151
Total	\$ 53 277	\$ 52 950	\$ 51 601	\$ 52 254	\$ 52 210	\$ 50 600	\$ 49 688	\$ 47 979

DISTRIBUTION OF GROSS LOANS BY GEOGRAPHY

Canada								
Residential mortgage	14 901	14 660	14 278	14 632	15 702	15 667	15 051	14 989
Personal and credit card	18 120	17 611	16 971	16 162	15 029	14 310	13 840	13 547
Business and government	18 796	19 445	19 132	19 937	19 266	18 059	17 540	16 444
Total	\$ 51 817	\$ 51 716	\$ 50 381	\$ 50 731	\$ 49 997	\$ 48 036	\$ 46 431	\$ 44 980
United States								
Residential mortgage	60	66	76	72	70	58	55	55
Personal and credit card	4	4	5	3	2	1	4	2
Business and government	1 207 ⁽¹⁾	973	951	1 250	1 877	2 279	2 957	2 693
Total	\$ 1 271	\$ 1 043	\$ 1 032	\$ 1 325	\$ 1 949	\$ 2 338	\$ 3 016	\$ 2 750
Others								
Residential mortgage	-	-	-	-	-	-	-	-
Personal and credit card	189	190	187	196	258	211	230	235
Business and government	-	1	1	2	6	15	11	14
Total	\$ 189	\$ 191	\$ 188	\$ 198	\$ 264	\$ 226	\$ 241	\$ 249
Total Gross Loans	\$ 53 277	\$ 52 950	\$ 51 601	\$ 52 254	\$ 52 210	\$ 50 600	\$ 49 688	\$ 47 979

(1) Includes \$730 million in guaranteed loans to financial institutions

IMPAIRED LOANS

2009				2008				2007
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4

(millions of dollars)

Gross Impaired Loans

Retail	82.9	80.8	68.5	71.4	65.9	61.2	62.3	58.3	53.6
Commercial	211.9	190.2	184.4	181.4	184.1	195.2	170.5	146.3	136.1
Corporate	105.1	99.1	67.0	57.1	44.0	5.7	5.4	30.6	53.6
Real estate	7.1	7.3	8.7	9.3	9.6	10.0	11.0	11.1	3.7
Treasury	-	2.5	2.8	2.9	2.8	2.4	2.4	2.3	2.2
Other	-	-	-	-	-	-	-	-	-
Total Gross Impaired Loans	\$ 407.0	\$ 379.9	\$ 331.4	\$ 322.1	\$ 306.4	\$ 274.5	\$ 251.6	\$ 248.6	\$ 249.2
As a % of loans and acceptances	0.7%	0.7%	0.6%	0.6%	0.5%	0.5%	0.5%	0.5%	0.5%

Net Impaired Loans

Retail	55.9	58.3	45.5	49.5	46.6	44.7	46.3	44.4	39.2
Commercial	90.3	78.4	78.1	75.4	79.8	86.4	76.4	62.2	65.5
Corporate	71.8	71.9	42.9	42.5	32.0	-	-	21.9	19.4
Real estate	5.1	5.3	6.7	7.1	7.3	7.9	8.6	8.8	2.9
Treasury	-	2.3	2.7	2.8	2.7	2.3	2.3	2.2	2.1
General allowance ⁽¹⁾	(456.3)	(330.3)	(330.3)	(330.6)	(330.6)	(330.6)	(308.0)	(308.0)	(308.0)
Total Impaired Loans, net of specific and general allowances	\$ (233.2)	\$ (114.1)	\$ (154.4)	\$ (153.3)	\$ (162.2)	\$ (189.3)	\$ (174.4)	\$ (168.5)	\$ (178.9)
As a % of loans and acceptances	-0.4%	-0.2%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%

(1) \$126 M of allowances for loans guaranteed by ABCP in Q1-2009 added to the general allowance in Q4-2009.

FORMATION OF GROSS IMPAIRED LOANS & ALLOWANCE FOR CREDIT LOSSES

2009				2008				2007	YTD		Full Year
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2009	2008	2007

(millions of dollars)

Formation of Gross Impaired Loans

Opening balance	\$ 380	\$ 331	\$ 322	\$ 307	\$ 275	\$ 252	\$ 249	\$ 249	\$ 232	\$ 307	\$ 249	\$ 234
Write-off												
Retail	(16)	(14)	(14)	(11)	(14)	(11)	(10)	(13)	(12)	(55)	(48)	(49)
Commercial	(7)	(6)	(9)	(10)	(24)	(4)	(6)	(10)	(16)	(32)	(44)	(39)
Corporate	-	(16)	-	(4)	-	-	(7)	(20)	-	(20)	(27)	-
Real estate	-	-	-	-	-	-	-	-	-	-	-	-
Treasury	(3)	-	-	-	-	-	-	-	-	(3)	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total write-off	\$ (26)	\$ (36)	\$ (23)	\$ (25)	\$ (38)	\$ (15)	\$ (23)	\$ (43)	\$ (28)	\$ (110)	\$ (119)	\$ (88)
Formation												
Retail	18	27	11	17	19	10	14	18	16	73	61	54
Commercial	28	12	12	7	13	29	30	20	26	59	92	48
Corporate	7	48	10	17	39	-	(18)	(3)	(1)	82	18	(3)
Real estate	-	(2)	(1)	(1)	(1)	(1)	-	8	4	(4)	6	4
Treasury	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total formation	\$ 53	\$ 85	\$ 32	\$ 40	\$ 70	\$ 38	\$ 26	\$ 43	\$ 45	\$ 210	\$ 177	\$ 103
Closing balance	\$ 407	\$ 380	\$ 331	\$ 322	\$ 307	\$ 275	\$ 252	\$ 249	\$ 249	\$ 407	\$ 307	\$ 249

Allowance for Credit Losses

Allowances at beginning	494	486	475	469	464	426	417	428	430	469	428	426
Provision for credit losses	180	46	41	38	49	29	34	32	29	305	144	103
Write-offs	(56)	(56)	(48)	(48)	(58)	(33)	(44)	(59)	(44)	(208)	(194)	(154)
Recoveries	22	18	18	16	14	42	19	16	13	74	91	53
Allowances at end	\$ 640	\$ 494	\$ 486	\$ 475	\$ 469	\$ 464	\$ 426	\$ 417	\$ 428	\$ 640	\$ 469	\$ 428

REGULATORY CAPITAL UNDER BASEL

	2009				2008				2007
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
(millions of dollars)									
Tier I capital	Basel II								Basel I
Common shares	1 729	1 700	1 669	1 662	1 656	1 633	1 599	1 590	1 575
Contributed surplus	48	43	40	37	31	36	34	33	32
Retained earnings	3 515	3 392	3 205	3 080	3 110	3 168	2 998	2 941	2 793
Unrealized foreign exchange gains and losses, net of hedging activities and after tax, included in Accumulated other comprehensive income	(100)	(86)	(61)	(62)	(71)	(173)	(146)	(158)	(180)
Accumulated net after-tax unrealized losses on available for sale equity securities included in Accumulated other comprehensive income	(11)	(26)	(66)	(97)	(88)	-	-	-	-
Non-cumulative permanent preferred shares	1 089	1 089	1 089	1 089	774	774	573	400	400
Innovative instruments ⁽¹⁾	971	950	908	880	828	830	763	721	509
Non-controlling interest ⁽²⁾	19	18	17	19	18	28	15	18	17
Trading in short positions of own shares	(10)	(6)	-	-	-	(2)	(1)	(1)	(1)
Gross Tier 1 Capital	\$ 7 250	\$ 7 074	\$ 6 801	\$ 6 608	\$ 6 258	\$ 6 294	\$ 5 835	\$ 5 544	\$ 5 145
Less: Intangible assets in excess of limit	35	-	-	-	-	-	-	-	-
Less: goodwill	746	742	745	741	740	722	707	702	703
Net Tier 1 Capital	\$ 6 469	\$ 6 331	\$ 6 056	\$ 5 867	\$ 5 518	\$ 5 572	\$ 5 128	\$ 4 842	\$ 4 442
Gains on sales recorded upon securitization	(36)	(36)	(37)	(37)	(38)	(38)	(39)	(27)	-
Investments in compagnies subject to significant influence	(118)	(108)	(95)	(121)	-	-	-	-	-
Securitization deduction for unrated exposure	(50)	(52)	(83)	-	-	-	-	-	-
Adjusted Net Tier 1 Capital	6 265	\$ 6 136	\$ 5 841	\$ 5 709	\$ 5 480	\$ 5 534	\$ 5 089	\$ 4 815	\$ 4 442
Tier 2 Capital									
Subordinated debentures	1 897	1 897	1 902	2 153	2 153	2 144	2 144	1 644	1 641
Eligible general allowance for credit risk	456	330	330	331	331	331	308	308	308
Accumulated net after-tax unrealized gains on available for sale equity securities included in Accumulated other comprehensive income	-	-	-	-	-	-	51	48	80
Excess Tier 1 qualifying innovative instruments ⁽¹⁾	4	25	67	95	147	145	164	205	-
Other deductions	(223)	(197)	(320)	(254)	(432)	(424)	(403)	(377)	(355)
Adjusted Tier 2 Capital	\$ 2 134	\$ 2 055	\$ 1 979	\$ 2 325	\$ 2 199	\$ 2 196	\$ 2 264	\$ 1 828	\$ 1 674
Total Capital	\$ 8 399	\$ 8 191	\$ 7 820	\$ 8 034	\$ 7 679	\$ 7 730	\$ 7 353	\$ 6 643	\$ 6 116

(1) 400,000 NBC CapS II - Series 1 and 350,000 NBC CapS II - Series 2 issued by NBC Asset Trust presented in Non-controlling interest and the \$225 million deposit from NBC Capital Trust.

(2) Excluding 400 000 NBC CapS II - serie 1 and 350 000 NBC CapS II - serie 2 issued by NBC Asset Trust, Mutuals funds and other entities consolidated in accordance with AcG-15.

RISK-ADJUSTED CAPITAL RATIOS

2009				2008				2007
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4

(millions of dollars)

	Basel II								Basel I
--	----------	--	--	--	--	--	--	--	---------

Risk-adjusted balance sheet items									
Cash resources	386	275	597	256	589	460	592	713	488
Securities	1 413	1 536	1 275	2 487	2 957	3 291	3 160	3 244	3 050
Securitization	611	593	579	-	-	-	-	-	-
Mortgage loans	4 326	4 226	4 018	3 941	4 307	4 293	4 159	4 106	6 205
Other loans	23 298	23 913	23 160	23 410	22 653	20 840	20 564	19 710	22 626
Other assets	7 894	7 189	7 353	6 356	6 309	6 571	6 818	6 069	5 371
Total Risk-adjusted balance sheet items	\$ 37 928	\$ 37 732	\$ 36 982	\$ 36 450	\$ 36 815	\$ 35 455	\$ 35 293	\$ 33 843	\$ 37 740
Risk-adjusted off-balance sheet items									
Letters of guarantee and documentary credit	1 476	1 620	1 634	1 564	1 674	1 622	1 563	1 409	1 107
Commitments to extend credit	4 989	4 684	4 127	4 607	4 074	4 091	3 881	4 049	5 174
Securitization	474	469	468	-	-	-	-	-	-
Interest rate contracts	424	432	539	559	364	299	278	210	96
Foreign exchange contracts	444	423	410	567	755	468	490	485	428
Equity contracts	1 668	1 645	1 372	1 606	1 597	1 290	1 359	1 340	1 155
Commodity contracts	1 186	877	698	540	230	480	405	124	68
Total Risk-adjusted off-balance sheet items	\$ 10 661	\$ 10 150	\$ 9 248	\$ 9 443	\$ 8 694	\$ 8 250	\$ 7 976	\$ 7 617	\$ 8 028
Operational Risk (1)	6 124	5 916	5 703	5 800	5 937	5 877	5 912	5 913	-
Risk-adjusted market risk items	3 894	4 495	4 749	5 619	6 623	5 975	5 962	4 227	3 568
TOTAL RISK-ADJUSTED ASSETS	\$ 58 607	\$ 58 293	\$ 56 682	\$ 57 312	\$ 58 069	\$ 55 557	\$ 55 143	\$ 51 600	\$ 49 336
Risk-adjusted ratios									
Tier I	10.7%	10.5%	10.3%	10.0%	9.4%	10.0%	9.2%	9.3%	9.0%
Total	14.3%	14.1%	13.8%	14.0%	13.2%	13.9%	13.3%	12.9%	12.4%

(1) Basel II beginning in Q1-2008 (for informational purpose with Basel I methodology Tier 1 ratio is 11.5% and Total capital ratio is 15.2% for Q4-09)

CREDIT RISK EXPOSURE ⁽¹⁾ UNDER THE BASEL ASSET CATEGORIES AND BY RISK WEIGHT ⁽²⁾

2009								
Q4								
(unaudited) (millions of dollars)	Risk Weights							Total
	0%	20%	35%	50%	75%	100%	150%	
Retail residential mortgages	8 795	-	12 359	-	-	-	-	21 154
Other retail	863	-	-	-	10 471	-	-	11 334
Corporate	2 729	121	-	-	-	26 532	-	29 382
Sovereign	20 123	-	-	-	-	-	-	20 123
Bank	11 192	8 484	-	-	-	-	-	19 676
Total	\$ 43 702	\$ 8 605	\$ 12 359	\$ -	\$ 10 471	\$ 26 532	\$ -	\$ 101 669

Q3								
(unaudited) (millions of dollars)	Risk Weights							Total
	0%	20%	35%	50%	75%	100%	150%	
Retail residential mortgages	8 472	-	12 073	-	-	-	-	20 545
Other retail	889	-	-	-	10 320	-	-	11 209
Corporate	1 801	79	-	-	-	26 879	-	28 759
Sovereign	23 625	-	-	-	-	-	-	23 625
Bank	9 664	7 751	-	-	-	-	-	17 415
Total	\$ 44 451	\$ 7 830	\$ 12 073	\$ -	\$ 10 320	\$ 26 879	\$ -	\$ 101 553

Q2								
(unaudited) (millions of dollars)	Risk Weights							Total
	0%	20%	35%	50%	75%	100%	150%	
Retail residential mortgages	8 340	-	11 479	-	-	-	-	19 819
Other retail	1 105	-	-	-	9 871	-	-	10 976
Corporate	2 359	106	-	-	-	25 845	-	28 310
Sovereign	23 083	-	-	-	-	-	-	23 083
Bank	9 658	9 730	-	-	-	-	-	19 388
Total	\$ 44 545	\$ 9 836	\$ 11 479	\$ -	\$ 9 871	\$ 25 845	\$ -	\$ 101 576

Q1								
(unaudited) (millions of dollars)	Risk Weights							Total
	0%	20%	35%	50%	75%	100%	150%	
Retail residential mortgages	8 768	-	10 832	-	-	-	-	19 600
Other retail	1 081	-	-	-	9 558	-	-	10 639
Corporate	2 729	109	-	-	-	26 559	-	29 397
Sovereign	25 088	-	-	-	-	-	-	25 088
Bank	8 731	7 820	-	-	-	-	-	16 551
Total	\$ 46 397	\$ 7 929	\$ 10 832	\$ -	\$ 9 558	\$ 26 559	\$ -	\$ 101 275

(1) Excluding the Trading portfolio, Securitization, Equity securities and Other assets

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



MAXIMUM CREDIT RISK EXPOSURE

2009

(unaudited) (millions of dollars)	Q4					Total
	Drawn ⁽¹⁾	Undrawn Commitments ⁽²⁾	Repo-style Transactions ⁽³⁾	OTC ⁽⁴⁾ Derivatives	Other off-balance sheet items ⁽⁵⁾	
Retail residential mortgages	21 154	6 317	-	-	-	27 471
Other retail	11 334	4 808	-	-	-	16 142
Corporate	21 727	14 785	1 457	40	1 497	39 506
Sovereign	11 646	1 331	7 808	63	215	21 063
Bank	7 023	2 116	11 108	281	712	21 240
Trading portfolio	-	-	-	6 343	-	6 343
Securitization	1 250	1 003	-	-	-	2 253
Total - Credit risk	\$ 74 134	\$ 30 360	\$ 20 373	\$ 6 727	\$ 2 424	\$ 134 018

(unaudited) (millions of dollars)	Q3					Total
	Drawn ⁽¹⁾	Undrawn Commitments ⁽²⁾	Repo-style Transactions ⁽³⁾	OTC ⁽⁴⁾ Derivatives	Other off-balance sheet items ⁽⁵⁾	
Retail residential mortgages	20 545	6 043	-	-	-	26 588
Other retail	11 209	5 016	-	-	-	16 225
Corporate	22 091	14 026	544	99	1 749	38 509
Sovereign	13 766	1 344	9 226	70	111	24 517
Bank	6 421	1 778	9 564	277	694	18 734
Trading portfolio	-	-	-	5 980	-	5 980
Securitization	1 269	982	-	-	74	2 325
Total - Credit risk	\$ 75 301	\$ 29 189	\$ 19 334	\$ 6 426	\$ 2 628	\$ 132 878

(unaudited) (millions of dollars)	Q2					Total
	Drawn ⁽¹⁾	Undrawn Commitments ⁽²⁾	Repo-style Transactions ⁽³⁾	OTC ⁽⁴⁾ Derivatives	Other off-balance sheet items ⁽⁵⁾	
Retail residential mortgages	19 819	5 673	-	-	-	25 492
Other retail	10 976	5 213	-	-	-	16 189
Corporate	21 676	12 324	1 113	70	1 676	36 859
Sovereign	15 609	1 519	6 779	67	119	24 093
Bank	8 096	1 802	9 726	265	863	20 752
Trading portfolio	-	-	-	5 400	-	5 400
Securitization	1 307	1 007	-	-	68	2 382
Total - Credit risk	\$ 77 483	\$ 27 538	\$ 17 618	\$ 5 802	\$ 2 726	\$ 131 167

(unaudited) (millions of dollars)	Q1					Total
	Drawn ⁽¹⁾	Undrawn Commitments ⁽²⁾	Repo-style Transactions ⁽³⁾	OTC ⁽⁴⁾ Derivatives	Other off-balance sheet items ⁽⁵⁾	
Retail residential mortgages	19 600	5 414	-	-	-	25 014
Other retail	10 639	5 482	-	-	-	16 121
Corporate	22 519	13 234	1 452	80	1 602	38 887
Sovereign	16 073	1 557	8 335	42	117	26 124
Bank	6 378	1 542	8 637	401	808	17 766
Trading portfolio	-	-	-	6 189	-	6 189
Securitization	23	-	-	-	30	53
Total - Credit risk	\$ 75 232	\$ 27 229	\$ 18 424	\$ 6 712	\$ 2 557	\$ 130 154

(1) The amounts drawn represent certain deposits with financial institutions, available-for-sale debt securities, gross loans, customer's liability under acceptances and certain other assets.

(2) Undrawn commitments represent unused portions of authorized credit facilities in the form of loans, acceptances, letters of guarantee and documentary letters of credit.

(3) Represents securities purchased under reverse repurchase agreements and sold under repurchase agreements.

(4) Represent forwards, futures, swaps and options.

(5) Letters of guarantee and credit that represent the Bank's commitment to make payments in the event that a client cannot meet its financial obligations to third parties.

IMPAIRED LOANS BY BORROWER CATEGORY AND GEOGRAPHY

2009				2008			
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1

(millions of dollars)

DISTRIBUTION OF IMPAIRED LOANS BY BORROWER CATEGORY

	\$ 52	\$ 53	\$ 49	\$ 43	\$ 37	\$ 38	\$ 38	\$ 35
Personal								
Residential mortgage	\$ 32	\$ 29	\$ 21	\$ 30	\$ 31	\$ 25	\$ 27	\$ 26
Non-residential mortgage	14	15	15	16	18	17	17	-
Agricultural, fishing and trapping	55	41	48	43	47	55	51	-
Financial institutions	2	5	5	2	-	-	2	-
Manufacturing	91	84	53	44	20	24	25	-
Construction and real estate	15	14	13	14	15	19	19	-
Transportation and communications	2	3	3	3	2	3	4	-
Mines, quarries and energy	4	1	1	1	7	2	2	-
Forestry	3	4	25	4	5	32	6	-
Government	-	-	-	-	-	-	-	-
Wholesale	9	9	10	7	6	5	3	-
Retail	38	38	18	40	38	15	15	-
Services	62	67	55	54	54	21	22	-
Other	28	17	15	21	27	19	21	-
Total – Business and government	\$ 323	\$ 298	\$ 261	\$ 249	\$ 239	\$ 212	\$ 187	\$ 188
Total	\$ 407	\$ 380	\$ 331	\$ 322	\$ 307	\$ 275	\$ 252	\$ 249

DISTRIBUTION OF IMPAIRED LOANS BY GEOGRAPHY

Canada								
Residential mortgage	32	29	21	30	31	25	27	26
Personal and credit card	52	53	49	43	37	38	38	35
Business and government	269	244	261	249	239	212	187	171
Total	\$ 353	\$ 326	\$ 331	\$ 322	\$ 307	\$ 275	\$ 252	\$ 232
United States								
Residential mortgage	-	-	-	-	-	-	-	-
Personal and credit card	-	-	-	-	-	-	-	-
Business and government ⁽¹⁾	54	54	-	-	-	-	-	17
Total	\$ 54	\$ 54	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17
Others								
Residential mortgage	-	-	-	-	-	-	-	-
Personal and credit card	-	-	-	-	-	-	-	-
Business and government	-	-	-	-	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Impaired Loans	\$ 407	\$ 380	\$ 331	\$ 322	\$ 307	\$ 275	\$ 252	\$ 249

(1) Cross border

SPECIFIC ALLOWANCES BY BORROWER CATEGORY AND GEOGRAPHY

2009				2008			
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1

(millions of dollars)

DISTRIBUTION OF SPECIFIC ALLOWANCES BY BORROWER CATEGORY

Personal	\$ 23	\$ 19	\$ 20	\$ 18	\$ 14	\$ 13	\$ 13	\$ 12
Residential mortgage	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 2	\$ 2
Non-residential mortgage	4	5	5	5	6	6	5	-
Agricultural, fishing and trapping	25	24	22	18	20	23	22	-
Financial institutions	2	2	2	-	-	-	2	-
Manufacturing	37	33	34	19	10	16	13	-
Construction and real estate	8	9	6	9	9	10	11	-
Transportation and communications	1	1	1	1	2	2	2	-
Mines, quarries and energy	1	1	1	1	6	3	2	-
Forestry	2	2	18	3	3	15	3	-
Government	-	-	-	-	-	-	-	-
Wholesale	6	6	6	4	3	3	1	-
Retail	26	25	11	27	21	11	12	-
Services	24	20	14	15	14	10	10	-
Other	22	14	13	21	27	18	20	-
Total – Business and government	\$ 158	\$ 142	\$ 133	\$ 123	\$ 121	\$ 117	\$ 103	\$ 95
Total	\$ 184	\$ 164	\$ 156	\$ 144	\$ 138	\$ 133	\$ 118	\$ 109

DISTRIBUTION OF SPECIFIC ALLOWANCES BY GEOGRAPHY

Canada								
Residential mortgage	3	3	3	3	3	3	2	1
Personal and credit card	23	19	20	18	14	13	13	12
Business and government	150	134	133	123	121	117	103	94
Total	\$ 176	\$ 156	\$ 156	\$ 144	\$ 138	\$ 133	\$ 118	\$ 107
United States								
Residential mortgage	-	-	-	-	-	-	-	1
Personal and credit card	-	-	-	-	-	-	-	-
Business and government	8	8	-	-	-	-	-	1
Total	\$ 8	\$ 8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2
Others								
Residential mortgage	-	-	-	-	-	-	-	-
Personal and credit card	-	-	-	-	-	-	-	-
Business and government	-	-	-	-	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Specific Allowances	\$ 184	\$ 164	\$ 156	\$ 144	\$ 138	\$ 133	\$ 118	\$ 109

CREDIT RISK MITIGATION

	2009				2008			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
(unaudited) (millions of dollars)								
Balance sheet exposures								
Securities purchased under reverse repurchase agreements and securities sold under repurchase agreements								
Eligible financial collateral	12 401	9 990	10 649	9 961	10 847	12 295	13 509	10 772
Guarantees	-	-	-	-	-	-	-	-
Credit derivatives	-	-	-	-	-	-	-	-
Loans								
Residential mortgage								
Eligible financial collateral	-	-	-	-	-	-	-	-
Guarantees	8 795	8 472	8 340	8 766	8 712	8 390	8 048	8 804
Credit derivatives	-	-	-	-	-	-	-	-
Personal and credit card								
Eligible financial collateral	352	367	322	328	-	-	-	-
Guarantees	511	522	783	753	885	877	907	907
Credit derivatives	-	-	-	-	-	-	-	-
Business and government								
Eligible financial collateral	196	174	62	116	1 013	1 302	1 973	1 197
Guarantees	1 275	1 260	1 255	1 282	1 457	1 256	1 325	1 377
Credit derivatives	67	25	45	47	46	56	74	66
Derivative financial instruments - OTC								
Eligible financial collateral	579	539	476	780	566	392	491	416
Guarantees	-	-	-	-	-	-	-	-
Credit derivatives	-	-	-	-	-	-	-	-

CREDIT DERIVATIVE POSITIONS (NOTIONAL AMOUNTS)

2009															
Q4				Q3				Q2				Q1			

(unaudited) (millions of dollars)

	Credit portfolio ⁽¹⁾		Trading		Credit portfolio ⁽¹⁾		Trading		Credit portfolio ⁽¹⁾		Trading		Credit portfolio ⁽¹⁾		Trading	
	Protection purchased	Protection sold short	Protection purchased	Protection sold short	Protection purchased	Protection sold short	Protection purchased	Protection sold short	Protection purchased	Protection sold short	Protection purchased	Protection sold short	Protection purchased	Protection sold short	Protection purchased	Protection sold short
Credit default swaps																
Indices and singles names	131	64	9 370	8 056	88	63	12 291	10 860	115	70	13 005	11 700	119	72	11 751	11 363
Tranches on indices	-	-	1 165	1 176	-	-	1 160	1 171	-	-	1 281	1 374	-	-	2 172	2 054
Collateralized debt obligations	-	-	32	32	-	-	32	32	-	-	36	36	-	-	37	37
Total return swap	531	-	-	21	545	-	-	3	507	-	15	13	-	-	-	13

(1) Protection sold is solely for the purpose of reducing protection purchased

RESIDUAL CONTRACTUAL MATURITY BREAKDOWN OF THE CREDIT PORTEFOLIO

2009																
Q4					Q3					Q2					Q1	

(unaudited) (millions of dollars)

	Within 1 year	1 to 5 years	Over 5 years	Without settlement date	Total	Within 1 year	1 to 5 years	Over 5 years	Total	Within 1 year	1 to 5 years	Over 5 years	Total	Within 1 year	1 to 5 years	Over 5 years	Total
Deposits with financial institutions	\$ 1 932	\$ -	\$ -	\$ -	\$ 1 932	\$ 1 501	\$ -	\$ -	\$ 1 501	\$ 2 798	\$ 415	\$ -	\$ 3 213	\$ 1 610	\$ -	\$ -	\$ 1 610
Available-for-sale- securities																	
Securities issued and guaranteed by																	
Canada	5 811	3 123	80	-	9 014	6 128	4 264	380	10 772	7 301	3 813	930	12 044	10 546	1 375	1 375	13 296
Provinces	-	452	1 424	-	1 876	-	727	1 035	1 762	101	985	1 457	2 543	190	883	787	1 860
Municipalities and school boards	-	62	212	-	274	-	61	164	225	-	65	98	163	-	31	1	32
U.S. Treasury and other U.S. agencies	91	1	-	-	92	25	1	-	26	18	1	-	19	10	50	-	60
Other debt	63	287	249	348	947	436	428	253	1 117	404	432	265	1 101	358	286	362	1 006
Total available-for-sale securities⁽¹⁾	\$ 5 965	\$ 3 925	\$ 1 965	\$ 348	\$ 12 203	\$ 6 589	\$ 5 481	\$ 1 832	\$ 13 902	\$ 7 824	\$ 5 296	\$ 2 750	\$ 15 870	\$ 11 104	\$ 2 625	\$ 2 525	\$ 16 254
Securities purchased under reverse repurchase agreements	\$ 7 637				\$ 7 637	\$ 5 812	\$ -	\$ -	\$ 5 812	\$ 7 618	\$ -	\$ -	\$ 7 618	\$ 8 774	\$ -	\$ -	\$ 8 774
Loans																	
Residential mortgage	8 183	6 387	388	-	14 958	7 861	6 233	629	14 723	8 066	5 439	846	14 351	7 061	7 087	553	14 701
Personal and credit card	17 035	1 055	200	-	18 290	16 524	1 039	223	17 786	16 108	845	190	17 143	15 350	870	123	16 343
Business and government	16 630	2 552	207	-	19 389	16 851	2 863	233	19 947	17 068	2 438	115	19 621	18 270	2 329	136	20 735
Total loans	\$ 41 848	\$ 9 994	\$ 795	\$ -	\$ 52 637	\$ 41 236	\$ 10 135	\$ 1 085	\$ 52 456	\$ 41 242	\$ 8 722	\$ 1 151	\$ 51 115	\$ 40 681	\$ 10 286	\$ 812	\$ 51 779
Derivative financial instruments - OTC	\$ 1 385	\$ 3 933	\$ 1 864	\$ -	\$ 7 182	\$ 1 449	\$ 4 102	\$ 1 865	\$ 7 416	\$ 1 529	\$ 5 041	\$ 2 275	\$ 8 845	\$ 2 190	\$ 5 167	\$ 2 534	\$ 9 891

(1) Available-for-sale securities except equity securities

FINANCIAL DERIVATIVES

	2009				2008				2007
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
(millions of dollars)									
FOREIGN EXCHANGE RELATED CONTRACTS									
Swaps	40 603	35 019	32 308	46 249	39 631	34 691	30 838	37 689	32 542
Options - purchased	3 733	3 397	5 048	3 782	3 588	2 576	4 836	5 465	7 345
- sold	4 774	3 117	4 740	3 182	3 343	2 387	4 688	5 123	7 063
Futures	8 795	7 689	10 049	7 050	10 427	8 591	9 396	9 523	6 395
Total Notional Amount	57 905	49 222	52 145	60 263	56 989	48 245	49 758	57 801	53 345
Replacement cost (1)	438	479	358	602	898	383	442	512	1 094
Future credit risk	653	625	558	649	614	597	613	664	649
Credit equivalent (2)	1 093	1 000	917	1 251	1 512	980	1 055	1 177	1 744
Risk-weighted equivalent	444	423	410	567	755	468	490	485	428
INTEREST RATE RELATED CONTRACTS									
Swaps	186 302	183 068	209 304	197 390	192 073	168 284	163 531	154 629	126 792
Options - purchased	34 070	27 914	19 288	19 807	31 521	60 223	51 250	32 221	33 425
- sold	25 422	18 800	7 157	15 684	11 470	19 660	30 316	32 309	34 111
Futures	29 184	29 120	23 586	19 931	18 930	16 563	16 450	9 675	6 909
Total Notional Amount	274 978	258 902	259 335	252 812	253 994	264 730	261 547	228 834	201 237
Replacement cost (1)	1 023	1 027	1 070	1 284	724	609	632	439	193
Future credit risk	494	474	450	460	441	472	464	415	398
Credit equivalent (2)	1 516	1 248	1 521	1 744	1 165	1 081	1 096	853	591
Risk-weighted equivalent	424	432	539	559	364	299	278	210	96
FINANCIAL FUTURES									
Total Notional Amount	16 928	39 361	46 417	15 401	22 988	27 999	61 712	27 207	36 697
EQUITY AND COMMODITY CONTRACTS									
Total Notional Amount	32 538	31 524	25 730	29 385	35 631	38 513	41 048	41 220	51 640
Replacement cost (1)	1 866	1 449	1 391	1 518	1 290	1 249	1 116	974	1 439
Future credit risk	1 398	1 244	871	1 005	874	951	1 388	1 236	1 767
Credit equivalent (2)	3 263	2 645	2 263	2 523	2 164	2 200	2 504	2 210	3 205
Risk-weighted equivalent	2 691	2 320	1 871	1 931	1 644	1 628	1 561	1 340	1 128
CREDIT DEFAULT SWAPS (3)									
Total Notional Amount (trading only)	19 833	25 516	27 418	27 424	23 975	15 901	23 118	13 192	8 929
Replacement cost (1)	72	100	79	146	86	75	66	75	48
Future credit risk	783	1 027	1 021	1 048	909	678	1 004	608	466
Credit equivalent (2)	855	996	1 100	1 194	995	753	1 070	684	514
Risk-weighted equivalent	163	202	198	215	183	142	203	124	95
TOTAL DERIVATIVES									
Total Notional Amount	402 182	404 525	411 045	385 285	393 577	395 388	437 183	368 254	351 848
Replacement cost (1)	3 399	3 055	2 898	3 550	2 998	2 316	2 256	2 000	2 774
Future credit risk	3 328	3 371	2 900	3 162	2 838	2 698	3 469	2 924	3 280
Credit equivalent (2)	6 727	5 889	5 801	6 712	5 836	5 014	5 725	4 924	6 054
Risk-weighted equivalent	3 722	3 377	3 019	3 272	2 946	2 537	2 532	2 159	1 747

(1) Gross positive replacement cost after permissible netting

(2) Taking into account permissible netting and collateral

(3) Before Q4-07 credit default swaps were included in Equity and commodity contracts

SHAREHOLDERS' INFORMATION

2009				2008				2007
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4

Credit Rating

Moody's (Long Term Debt Senior)	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2
Standard & Poor's/CBRS (Long Term Debt)	A	A	A	A	A	A	A	A	A
DBRS (Senior Debt)	AA (low)	AA (low)	AA (low)	AA (low)	AA (low)	AA (low)	AA (low)	AA (low)	AA (low)
Fitch (Long-Term)	A+	A+	A+	A+	A+	A+	A+	A+	A+

Stock Trading Range and Other Information

High	\$ 62.08	\$ 58.11	\$ 46.43	\$ 45.95	\$ 53.66	\$ 54.63	\$ 53.73	\$ 54.25	\$ 60.28
Low	\$ 56.00	\$ 43.36	\$ 30.71	\$ 25.62	\$ 42.25	\$ 45.75	\$ 44.39	\$ 45.15	\$ 50.50
Close	\$ 56.39	\$ 58.11	\$ 43.65	\$ 34.22	\$ 45.21	\$ 50.00	\$ 53.73	\$ 50.53	\$ 54.65
Number of registered shareholders	23 970	25 677	24 172	24 248	24 354	24 419	24 544	24 629	24 780

Valuation

Market Capitalization (in millions of \$)	\$ 9 090	\$ 9 333	\$ 6 979	\$ 5 464	\$ 7 209	\$ 7 956	\$ 8 509	\$ 7 991	\$ 8 624
P/E Ratio (trailing 4 Quarters)	11.37	14.79	11.28	9.86	9.64	15.72	18.28	15.08	16.97
Market price/Book value	1.69	1.79	1.37	1.12	1.52	1.70	1.87	1.80	2.04
Dividend payout (trailing 4 quarters)	39.68%	40.00%	41.89%	42.69%	42.98%	42.78%	42.66%	41.26%	40.00%
Dividend yield (annualized)	4.40%	4.27%	5.68%	7.25%	5.49%	4.96%	4.62%	4.91%	4.39%

Other Information

Number of employees (full-time equivalent)	14 851	14 846	14 474	14 385	14 420	14 633	14 387	14 432	14 484
Number of Branches	445	446	446	448	446	445	446	446	447
Number of ATM'S	855	855	856	857	857	857	851	846	835

The Common Shares of the Bank as well as the First Preferred Series 15, Series 16, Series 20, Series 21, Series 24 and Series 26 are listed on the TSX.

The ticker symbols and newspaper abbreviations for the Bank's shares listed are as follows:

	Ticker Symbol
Common Shares	NA
First Preferred Shares	
Series 15	NA.PR.K
Series 16	NA.PR.L
Series 20	NA.PR.M
Series 21	NA.PR.N
Series 24	NA.PR.O
Series 26	NA.PR.P

Newspaper Abbreviations Toronto
National Bk
Nat'l Bk 15
Nat'l Bk 16
Nat'l Bk 20
Nat'l Bk 21
Nat'l Bk 24
Nat'l Bk 26