



**NATIONAL
BANK**

FINANCIAL GROUP

SUPPLEMENTARY FINANCIAL INFORMATION

FOURTH QUARTER 2010 REPORT

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FINANCIAL HIGHLIGHTS

	2010				2009				2008				YTD		Full Year
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2010	2009	2008
Net income (\$000,000)	287.2	270.8	261.2	214.6	240.7	303.1	241.4	68.7	70.3	285.9	164.6	255.4	1,033.8	853.9	776.2
Earnings per share															
- basic	1.67	1.57	1.51	1.23	1.40	1.79	1.41	0.36	0.37	1.73	1.01	1.58	5.99	4.96	4.69
- diluted	1.66	1.56	1.50	1.22	1.39	1.78	1.41	0.36	0.37	1.73	1.00	1.58	5.94	4.94	4.67
Return on common shareholders' equity	18.0%	17.7%	18.0%	14.3%	16.7%	22.1%	18.5%	4.6%	5.0%	23.7%	14.3%	22.9%	17.0%	15.6%	16.4%
Dividend per share	0.62	0.62	0.62	0.62	0.62	0.62	0.62	0.62	0.62	0.62	0.62	0.62	2.48	2.48	2.48
Excluding specified items															
Net income (\$000,000)	282.1	272.7	261.4	268.2	242.5	304.1	261.0	252.8	228.0	252.8	228.9	237.2	1,084.4	1,060.4	946.9
Earnings per share															
- basic	1.64	1.58	1.52	1.56	1.41	1.80	1.53	1.51	1.36	1.52	1.42	1.47	6.30	6.25	5.78
- diluted	1.63	1.57	1.50	1.55	1.40	1.79	1.53	1.51	1.36	1.52	1.41	1.46	6.25	6.22	5.75
Return on common shareholders' equity	17.5%	17.7%	17.8%	18.0%	16.3%	21.3%	19.4%	19.3%	17.1%	20.9%	20.2%	21.3%	17.7%	19.0%	19.9%
Dividend per share	0.62	0.62	0.62	0.62	0.62	0.62	0.62	0.62	0.62	0.62	0.62	0.62	2.48	2.48	2.48
Net interest margin in % - Personal & Commercial Banking	2.48%	2.46%	2.49%	2.52%	2.46%	2.46%	2.53%	2.59%	2.61%	2.65%	2.68%	2.69%	2.49%	2.51%	2.66%
Productivity ratio (teb) ⁽¹⁾	60.44%	60.91%	60.33%	59.93%	62.24%	56.80%	59.36%	60.66%	61.12%	62.30%	61.71%	61.46%	60.40%	59.72%	61.65%
Effective tax rate (teb)	21.50%	29.75%	30.52%	30.37%	29.21%	31.36%	32.28%	24.49%	487.50%	33.58%	30.29%	36.74%	27.93%	30.49%	37.28%
Average loans and BA's (\$000,000)	60,393	59,102	60,246	56,532	57,317	56,302	55,643	55,662	55,178	53,322	52,821	50,884	59,059	56,236	53,053
Average assets (\$000,000)	142,755	144,913	142,605	131,234	133,219	145,931	143,262	141,573	132,912	129,537	127,974	122,843	140,358	140,978	128,319
Total assets (\$000,000)	145,301	146,333	150,705	134,321	132,138	134,589	137,935	136,989	129,332	121,931	123,608	120,124	145,301	132,138	129,332
Average common shareholders' equity (\$000,000)	5,993	5,713	5,601	5,544	5,329	5,153	4,991	4,915	4,744	4,615	4,516	4,337	5,720	5,098	4,553
Number of common shares outstanding (000's)	162,772	162,340	162,228	161,810	161,201	160,604	159,883	159,679	159,447	159,115	158,364	158,141	162,772	161,201	159,447
Number of common shares (average) (000's)	162,372	162,133	161,978	161,730	161,034	160,322	159,927	159,758	159,382	158,890	158,373	158,001	162,054	160,263	158,664
Gross impaired loans (\$000,000)	369.3	378.9	446.5	453.2	407.0	379.9	331.4	322.1	306.4	274.5	251.6	248.6	369.3	407.0	306.4
Gross impaired loans/common equity-goodwill+reserves	6.68%	7.15%	8.80%	8.89%	8.33%	8.25%	7.38%	7.56%	7.44%	6.40%	6.11%	6.19%	6.68%	8.33%	7.44%
Impaired loans, net of specific and general allowances (\$000,000) ⁽³⁾	(266.7)	(275.7)	(213.4)	(198.8)	(233.2)	(114.1)	(154.4)	(153.3)	(162.2)	(189.3)	(174.4)	(168.5)	(266.7)	(233.2)	(162.2)
as a % of net loans and bankers' acceptances	-0.4%	-0.4%	-0.3%	-0.3%	-0.4%	-0.2%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.4%	-0.4%	-0.3%
Book value of common shares	37.59	36.01	34.48	34.63	33.43	32.51	31.88	30.54	29.70	29.44	28.76	28.13	37.59	33.43	29.70
Capital ratios - BIS Tier 1 ⁽²⁾															
Total	14.0%	13.0%	12.6%	12.5%	10.7%	10.5%	10.3%	10.0%	9.4%	10.0%	9.2%	9.3%	14.0%	10.7%	9.4%
Tangible shareholders' equity / Risk weighted assets ⁽²⁾	9.84%	8.99%	8.68%	8.46%	6.92%	7.07%	6.84%	6.48%	6.43%	6.83%	6.56%	6.89%	9.84%	6.92%	6.42%

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

(2) Under AIRB Approach for periods after 2009.

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



CONSOLIDATED STATEMENT OF INCOME

2010				2009				2008				YTD		Full Year
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2010	2009	2008

(unaudited) (millions of dollars) (taxable equivalent basis)

Net Interest Income	547	556	490	525	501	485	597	512	649	478	402	449	2,118	2,095	1,978
Other Income	606	553	609	598	633	680	476	395	178	622	540	527	2,366	2,184	1,867
Gross Revenues	1,153	1,109	1,099	1,123	1,134	1,165	1,073	907	827	1,100	942	976	4,484	4,279	3,845
Provision for credit losses	37	28	36	43	54	46	41	164	49	30	34	31	144	305	144
Non-Interest Expenses	716	681	660	754	700	663	654	645	770	659	634	632	2,811	2,662	2,695
Income Before Income Taxes	400	400	403	326	380	456	378	98	8	411	274	313	1,529	1,312	1,006
Income taxes	86	119	123	99	111	143	122	24	39	138	83	115	427	400	375
Income Before Non-Controlling Interest	314	281	280	227	269	313	256	74	(31)	273	191	198	1,102	912	631
Non-Controlling Interest	27	10	19	12	28	10	15	5	(101)	(13)	26	(57)	68	58	(145)
Net Income	287	271	261	215	241	303	241	69	70	286	165	255	1,034	854	776
Effective Tax Rate	21.5%	29.8%	30.5%	30.4%	29.2%	31.4%	32.3%	24.5%	487.5%	33.6%	30.3%	36.7%	27.9%	30.5%	37.3%
Dividends on preferred shares	15	16	16	16	16	15	16	12	11	10	6	5	63	59	32
Dividends on common shares	100	101	100	101	100	100	99	99	99	99	98	98	402	398	394
Number of common shares (avg.) (in thousands)	162,372	162,133	161,978	161,730	161,034	160,322	159,927	159,758	159,382	158,890	158,373	158,001	162,054	160,263	158,663

(unaudited) (millions of dollars) (taxable equivalent basis)

Excluding specified items

Net Interest Income	550	559	492	528	502	489	601	463	663	493	417	468	2,129	2,055	2,041
Other Income	606	553	607	600	633	682	500	587	273	531	613	495	2,366	2,402	1,912
Gross Revenues	1,156	1,112	1,099	1,128	1,135	1,171	1,101	1,050	936	1,024	1,030	963	4,495	4,457	3,953
Provision for credit losses	37	28	36	43	54	46	41	38	45	7	34	31	144	179	117
Non-Interest Expenses	692	681	660	679	699	668	653	643	646	656	627	630	2,712	2,663	2,559
Income Before Income Taxes	427	403	403	406	382	457	407	369	245	361	369	302	1,639	1,615	1,277
Income taxes	118	120	123	126	111	143	131	111	118	121	114	122	487	496	475
Income Before Non-Controlling Interest	309	283	280	280	271	314	276	258	127	240	255	180	1,152	1,119	802
Non-Controlling Interest	27	10	19	12	28	10	15	5	(101)	(13)	26	(57)	68	58	(145)
Net Income	282	273	261	268	243	304	261	253	228	253	229	237	1,084	1,061	947
Effective Tax Rate	27.6%	29.8%	30.5%	31.0%	29.1%	31.3%	32.2%	30.1%	48.2%	33.5%	30.9%	40.4%	29.7%	30.7%	37.2%
Dividends on preferred shares	15	16	16	16	16	15	16	12	11	10	6	5	63	59	32
Dividends on common shares	100	101	100	101	100	100	99	99	99	99	98	98	402	398	394
Number of common shares (avg.) (in thousands)	162,372	162,133	161,978	161,730	161,034	160,322	159,927	159,758	159,382	158,890	158,373	158,001	162,054	160,263	158,663

(Tax equivalent adjustment)

Net interest income	58	55	47	46	36	32	37	24	30	32	41	23	206	129	126
Other income	-	-	-	-	6	1	5	7	32	11	14	25	-	19	82
Income taxes	58	55	47	46	42	33	42	31	62	43	55	48	206	148	208

Net income by sector of activities

Excluding specified items

Personal and Commercial Banking	145	162	141	139	108	123	115	136	122	133	116	133	587	482	504
Wealth Management	33	28	28	23	26	26	30	31	45	31	38	39	112	113	153
Financial Markets	119	98	125	144	147	170	122	74	68	108	82	72	486	513	330
Other Segments	(15)	(15)	(33)	(38)	(38)	(15)	(6)	12	(7)	(19)	(7)	(7)	(101)	(47)	(40)



RESULTS OF OPERATIONS AS A PERCENTAGE OF AVERAGE ASSETS

	2010				2009				2008				YTD		Full Year
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2010	2009	2008

in % of average assets
(Taxable equivalent basis)
Excluding specified items

Total revenues	3.32	3.15	3.16	3.41	3.38	3.18	3.15	2.94	2.80	3.14	3.27	3.12	3.20	3.16	3.08
Provision for credit losses	0.10	0.08	0.10	0.13	0.16	0.13	0.12	0.11	0.13	0.02	0.11	0.10	0.10	0.13	0.09
Non-interest expenses	1.92	1.86	1.90	2.05	2.08	1.82	1.87	1.80	1.93	2.01	1.99	2.04	1.93	1.89	1.99
Income taxes	0.33	0.33	0.35	0.38	0.33	0.39	0.38	0.31	0.35	0.37	0.36	0.40	0.35	0.35	0.37
Non-controlling interest	0.08	0.03	0.05	0.04	0.08	0.03	0.04	0.01	(0.30)	(0.04)	0.08	(0.18)	0.05	0.04	(0.11)
Net income	0.89	0.85	0.75	0.81	0.72	0.83	0.75	0.71	0.68	0.78	0.73	0.77	0.77	0.75	0.74

in % of average Risk-Weighted Assets
Excluding specified items

Total revenues	9.06%	8.53%	8.72%	8.14%	7.70%	8.08%	7.92%	7.22%	6.55%	7.36%	7.85%	7.59%	8.60%	7.73%	7.32%
Net income	2.21%	2.09%	2.07%	1.93%	1.65%	2.10%	1.88%	1.74%	1.60%	1.82%	1.74%	1.87%	2.07%	1.84%	1.75%
Average Risk-Weighted Assets (\$000,000)	50,617	51,738	51,715	54,974	58,450	57,488	56,997	57,691	56,813	55,350	53,371	50,468	52,265	57,662	54,004

Prime rate	2.89%	2.44%	2.25%	2.25%	2.25%	2.25%	2.65%	3.65%	4.61%	4.75%	5.39%	6.07%	2.46%	2.70%	5.20%
CDOR	1.08%	0.65%	0.43%	0.40%	0.40%	0.40%	0.74%	1.83%	3.12%	3.15%	3.70%	4.52%	0.64%	0.84%	3.62%
Spread	1.81%	1.79%	1.82%	1.85%	1.85%	1.85%	1.91%	1.82%	1.49%	1.60%	1.69%	1.55%	1.82%	1.86%	1.58%

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

Securities	55,513	56,848	59,252	53,800	51,982	55,812	56,925	50,932	46,495	47,485	45,226	44,844	56,329	53,888	46,017
Assets purchased under reverse repurchase agreements	10,064	9,740	8,441	8,670	8,623	6,171	10,751	15,176	12,743	10,613	11,226	6,537	9,235	10,176	10,275
Loans and BA's	60,393	59,102	60,246	56,532	57,317	56,302	55,643	55,662	55,178	53,322	52,821	50,884	59,059	56,236	53,053
Average earning assets	125,386	125,368	123,433	114,619	114,270	115,054	120,738	119,661	114,882	113,360	113,637	106,910	122,191	117,404	112,190
Average assets	142,755	144,913	142,605	131,234	133,219	145,931	143,262	141,573	132,912	129,537	127,974	122,843	140,358	140,978	128,319
Deposits	81,728	81,976	79,802	76,761	74,457	74,568	81,595	80,122	74,268	74,129	73,033	71,757	80,069	77,653	73,298
Common equity	1,799	1,783	1,773	1,762	1,723	1,683	1,667	1,660	1,644	1,619	1,597	1,575	1,779	1,683	1,609
Common shareholders' equity	5,993	5,713	5,601	5,544	5,329	5,153	4,991	4,915	4,744	4,615	4,516	4,337	5,720	5,098	4,553

Assets under administration	127,253	123,156	122,805	116,001	98,989	95,365	107,524	102,305	116,048	133,004	133,391	130,353			
Assets under management															
Institutional	27,103	26,082	26,374	26,156	26,367	26,213	24,918	22,692	23,917	28,927	31,340	31,164			
Personal	63,921	59,977	59,646	57,330	55,331	53,362	49,973	48,081	49,448	56,234	58,030	56,750			
Mutual funds	13,193	12,492	12,682	12,208	11,864	11,498	10,763	10,284	10,696	12,638	12,930	12,283			
Total assets under management	104,217	98,551	98,702	95,694	93,562	91,073	85,654	81,057	84,061	97,799	102,300	100,197			



NET INCOME BY SECTOR OF ACTIVITIES (EXCLUDING SPECIFIED ITEMS)

2010				2009				2008				YTD	
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2010	2009

(millions of dollars) (taxable equivalent basis)

Personal and Commercial Banking

Net interest income	394	380	365	372	357	351	343	356	353	351	342	344	1,511	1,407
Other income	227	241	226	221	228	235	204	213	218	217	197	210	915	880
Total Revenues	621	621	591	593	585	586	547	569	571	568	539	554	2,426	2,287
Operating expenses	365	346	335	337	358	346	329	323	344	323	321	314	1,383	1,356
Provision for credit losses	53	45	55	54	66	54	49	45	44	47	45	43	207	214
Earning before income taxes and non-controlling interest	203	230	201	202	161	186	169	201	183	198	173	197	836	717
Income taxes	58	68	60	63	53	63	54	65	61	65	57	64	249	235
Non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Income	145	162	141	139	108	123	115	136	122	133	116	133	587	482
Net interest margin in %	2.48%	2.46%	2.49%	2.52%	2.46%	2.46%	2.53%	2.59%	2.61%	2.65%	2.68%	2.69%	2.49%	2.51%
Expense ratio	58.8%	55.7%	56.7%	56.8%	61.2%	59.0%	60.1%	56.8%	60.2%	56.9%	59.6%	56.7%	57.0%	59.3%
Average loans and BA's	62,586	60,891	59,586	58,114	57,227	56,192	55,204	54,133	53,365	52,265	51,450	50,528	60,300	55,693
Average assets	62,934	61,218	59,997	58,513	57,599	56,521	55,536	54,608	53,771	52,684	51,832	50,925	60,671	56,070
Average deposits	34,687	34,901	34,078	34,105	33,725	33,639	33,294	33,594	32,656	32,180	31,223	31,045	34,446	33,565

Wealth Management

Net interest income	30	29	24	25	26	27	36	38	43	32	31	31	108	127
Other income	165	158	170	168	165	159	149	157	170	171	173	183	661	630
Total Revenues	195	187	194	193	191	186	185	195	213	203	204	214	769	757
Operating expenses	149	146	152	155	153	149	140	146	147	155	146	153	602	588
Provision for credit losses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Earning before income taxes and non-controlling interest	46	41	42	38	38	37	45	49	66	48	58	61	167	169
Income taxes	12	13	13	14	11	11	14	17	21	16	20	20	52	53
Non-controlling interest	1	-	1	1	1	-	1	1	-	1	-	2	3	3
Net Income	33	28	28	23	26	26	30	31	45	31	38	39	112	113
Expense ratio	76.4%	78.1%	78.4%	80.3%	80.1%	80.1%	75.7%	74.9%	69.0%	76.4%	71.6%	71.5%	78.3%	77.7%
Average loans and BA's	324	323	336	327	317	310	297	306	123	119	98	120	327	308
Average assets	981	948	939	894	909	895	865	822	667	704	707	694	940	873
Average deposits	11,709	11,371	11,403	11,650	11,941	11,397	12,273	10,674	10,053	9,217	8,655	8,116	11,534	11,565

Financial Markets

Net interest income	213	222	182	207	203	183	287	117	314	160	84	150	824	790
Other income	147	91	168	159	209	222	68	141	(181)	114	197	66	565	640
Total Revenues	360	313	350	366	412	405	355	258	133	274	281	216	1,389	1,430
Operating expenses	183	177	165	160	174	160	167	163	152	157	156	169	685	664
Provision for credit losses	2	(4)	(1)	5	8	8	7	4	4	-	(2)	-	2	27
Earning before income taxes and non-controlling interest	175	140	186	201	230	237	181	91	(23)	117	127	47	702	739
Income taxes	44	46	56	60	71	71	58	27	28	36	31	39	206	227
Non-controlling interest	12	(4)	5	(3)	12	(4)	1	(10)	(119)	(27)	14	(64)	10	(1)
Net Income	119	98	125	144	147	170	122	74	68	108	82	72	486	513
Expense ratio ⁽¹⁾	52.4%	55.5%	47.8%	43.1%	43.5%	39.0%	47.2%	60.8%	59.8%	51.8%	58.4%	60.8%	49.5%	46.4%
Average loans and BA's (Corporate banking only)	5,856	5,624	5,766	6,311	6,732	6,962	7,251	7,349	6,503	6,378	6,202	5,905	5,890	7,072
Average assets	93,499	96,213	95,720	86,617	88,809	102,870	100,848	98,791	89,445	87,358	87,748	84,246	92,990	97,805
Average deposits	35,631	35,911	34,438	31,245	29,624	29,530	36,050	35,784	31,696	33,092	33,357	33,199	34,305	32,720

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



NET INCOME BY SECTOR OF ACTIVITIES (EXCLUDING SPECIFIED ITEMS)

	2010				2009				2008				YTD	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2010	2009

(millions of dollars)

Other Segments

Net interest income	(145)	(127)	(126)	(122)	(120)	(104)	(102)	(72)	(77)	(82)	(81)	(80)	(520)	(398)
Other income	67	63	43	52	25	65	74	69	34	18	32	11	225	233
Total Revenues	(78)	(64)	(83)	(70)	(95)	(39)	(28)	(3)	(43)	(64)	(49)	(69)	(295)	(165)
Operating expenses	(5)	12	8	27	14	13	17	11	3	21	4	(6)	42	55
Provision for credit losses	(18)	(13)	(18)	(16)	(20)	(16)	(15)	(11)	(3)	(40)	(9)	(12)	(65)	(62)
Earning before income taxes and non-controlling interest	(55)	(63)	(73)	(81)	(89)	(36)	(30)	(3)	(43)	(45)	(44)	(51)	(272)	(158)
Income taxes	(54)	(62)	(53)	(57)	(66)	(35)	(37)	(29)	(54)	(39)	(49)	(49)	(226)	(167)
Non-controlling interest	14	14	13	14	15	14	13	14	18	13	12	5	55	56
Net Income (net loss)	(15)	(15)	(33)	(38)	(38)	(15)	(6)	12	(7)	(19)	(7)	(7)	(101)	(47)
Average loans and BA's	(13,632)	(12,644)	(12,996)	(13,164)	(12,910)	(12,862)	(13,396)	(13,245)	(11,689)	(11,825)	(12,738)	(13,800)	(13,110)	(13,101)
Average assets	(14,659)	(13,466)	(14,051)	(14,790)	(14,098)	(14,355)	(13,987)	(12,648)	(10,971)	(11,209)	(12,313)	(13,022)	(14,243)	(13,770)
Average deposits	(299)	(207)	(117)	(239)	(833)	2	(22)	70	(137)	(360)	(202)	(603)	(216)	(197)

Total

Net interest income	492	504	445	482	466	457	564	439	633	461	376	445	1,923	1,926
Other income	606	553	607	600	627	681	495	580	241	520	599	470	2,366	2,383
Total Revenues	1,098	1,057	1,052	1,082	1,093	1,138	1,059	1,019	874	981	975	915	4,289	4,309
Operating expenses	692	681	660	679	699	668	653	643	646	656	627	630	2,712	2,663
Provision for credit losses	37	28	36	43	54	46	41	38	45	7	34	31	144	179
Earning before income taxes and non-controlling interest	369	348	356	360	340	424	365	338	183	318	314	254	1,433	1,467
Income taxes	60	65	76	80	69	110	89	80	56	78	59	74	281	348
Non-controlling interest	27	10	19	12	28	10	15	5	(101)	(13)	26	(57)	68	58
Net Income	282	273	261	268	243	304	261	253	228	253	229	237	1,084	1,061
Expense ratio (teb) ⁽¹⁾	60.4%	60.9%	60.3%	59.9%	62.2%	56.8%	59.4%	60.7%	61.1%	62.3%	61.7%	61.5%	60.4%	59.7%
Average loans and BA's	60,393	59,102	60,246	56,532	57,317	56,302	55,643	55,662	55,178	53,322	52,821	50,884	59,059	56,236
Average assets	142,755	144,913	142,605	131,234	133,219	145,931	143,262	141,573	132,912	129,537	127,974	122,843	140,358	140,978
Average deposits	81,728	81,976	79,802	76,761	74,457	74,568	81,595	80,122	74,268	74,129	73,033	71,757	80,069	77,653

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



SPECIFIED ITEMS

(millions of dollars)			Net interest income	Other income	Total Revenues	Operating expenses	Provision for credit losses	Earning before income taxes and non-controlling interest	Income taxes	Non-controlling interest	Net income
2007											
Q4	Adjustment to ABCP	Financial Markets	(2)	(42)	(44)	(19)	-	(25)	(8)	-	(17)
	Adjustment to ABCP	Other	(19)	(533)	(552)	(24)	-	(528)	(164)	-	(364)
	Altamira	Wealth Management	-	-	-	13	-	(13)	(2)	-	(11)
TOTAL			(21)	(575)	(596)	(30)	-	(566)	(174)	-	(392)
2008											
Q1	MAV restructured notes	Other	(19)	-	(19)	2	-	(21)	(7)	-	(14)
	Nassau gain	Other	-	32	32	-	-	32	-	-	32
	Total		(19)	32	13	2	-	11	(7)	-	18
Q2	MAV restructured notes	Other	(15)	(73)	(88)	7	-	(95)	(31)	-	(64)
	Total		(15)	(73)	(88)	7	-	(95)	(31)	-	(64)
Q3	MAV restructured notes	Other	(15)	3	(12)	1	23	(36)	(12)	-	(24)
	Montreal Stock Exchange Gain	Financial Markets	-	88	88	2	-	86	29	-	57
	Total		(15)	91	76	3	23	50	17	-	33
Q4	MAV restructured notes	Other	(14)	(95)	(109)	4	4	(117)	(39)	-	(78)
	Write-off capitalized projects	Other	-	-	-	54	-	(54)	(18)	-	(36)
	Restructuring charges	Other	-	-	-	66	-	(66)	(22)	-	(44)
	Total		(14)	(95)	(109)	124	4	(237)	(79)	-	(158)
TOTAL			(63)	(45)	(108)	136	27	(271)	(100)	-	(171)
2009											
Q1	MAV restructured notes	Other	49	(192)	(143)	2	-	(145)	(47)	-	(98)
	Credit facilities to clients holding MAV restructured notes	Other	-	-	-	-	126	(126)	(40)	-	(86)
	Total		49	(192)	(143)	2	126	(271)	(87)	-	(184)
Q2	MAV restructured notes	Other	(4)	(24)	(28)	1	-	(29)	(9)	-	(20)
	Total		(4)	(24)	(28)	1	-	(29)	(9)	-	(20)
Q3	MAV restructured notes	Other	(4)	(2)	(6)	(5)	-	(1)	-	-	(1)
	Total		(4)	(2)	(6)	(5)	-	(1)	-	-	(1)
Q4	MAV restructured notes	Other	(1)	-	(1)	1	-	(2)	-	-	(2)
	Total		(1)	-	(1)	1	-	(2)	-	-	(2)
TOTAL			40	(218)	(178)	(1)	126	(303)	(96)	-	(207)
2010											
Q1	MAV restructured notes	Other	(3)	(2)	(5)	-	-	(5)	(2)	-	(3)
	Administrative penalty	Other	-	-	-	75	-	(75)	-	-	(75)
	Credit facilities to clients holding MAV restructured notes	Other	-	-	-	-	-	-	-	-	-
	Income tax recovery	Other	-	-	-	-	-	-	(25)	-	25
	Total		(3)	(2)	(5)	75	-	(80)	(27)	-	(53)
Q2	MAV restructured notes	Other	(2)	2	-	-	-	-	-	-	-
	Total		(2)	2	-	-	-	-	-	-	-
Q3	MAV restructured notes	Other	(3)	-	(3)	-	-	(3)	(1)	-	(2)
	Total		(3)	-	(3)	-	-	(3)	(1)	-	(2)
Q4	MAV restructured notes	Other	(3)	-	(3)	-	-	(3)	-	-	(3)
	Write-off goodwill	Wealth Management	-	-	-	2	-	(2)	-	-	(2)
	Restructuring charges	Financial Markets	-	-	-	22	-	(22)	(7)	-	(15)
	Income tax recovery	Other	-	-	-	-	-	-	(25)	-	25
	Total		(3)	-	(3)	24	-	(27)	(32)	-	5
TOTAL			(11)	-	(11)	99	-	(110)	(60)	-	(50)

 **CONSOLIDATED NET INCOME**

	2010				2009				2008				2007				YTD		Full Year	Full Year
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2010	2009	2008	2007
Total																				
Net interest income	489	501	443	479	465	453	560	488	619	446	361	426	294	304	245	273	1,912	1,966	1,852	1,116
Other income	606	553	609	598	627	679	471	388	146	611	526	502	105	704	776	716	2,366	2,165	1,785	2,301
Total Revenues	1,095	1,054	1,052	1,077	1,092	1,132	1,031	876	765	1,057	887	928	399	1,008	1,021	989	4,278	4,131	3,637	3,417
Operating expenses	716	681	660	754	700	663	654	645	770	659	634	632	637	673	660	656	2,811	2,662	2,695	2,626
Provision for credit losses	37	28	36	43	54	46	41	164	49	30	34	31	29	22	23	29	144	305	144	103
Earning before income taxes and non-controlling interest	342	345	356	280	338	423	336	67	(54)	368	219	265	(267)	313	338	304	1,323	1,164	798	688
Income taxes	28	64	76	53	69	110	80	(7)	(23)	95	28	67	(123)	71	75	56	221	252	167	79
Non-controlling interest	27	10	19	12	28	10	15	5	(101)	(13)	26	(57)	31	(1)	30	8	68	58	(145)	68
Net Income	287	271	261	215	241	303	241	69	70	286	165	255	(175)	243	233	240	1,034	854	776	541
Expense ratio (teb) ⁽¹⁾	66.1%	64.2%	63.0%	69.7%	64.8%	58.3%	63.5%	72.8%	86.9%	60.7%	72.6%	63.8%	159.7%	66.8%	64.6%	66.3%	65.8%	64.4%	74.1%	72.6%
Average loans and BA's	60,393	59,102	60,246	56,532	57,317	56,302	55,643	55,662	55,178	53,322	52,821	50,884	51,120	50,791	50,197	49,518	59,059	56,236	53,053	50,408
Average assets	142,755	144,913	142,605	131,234	133,219	145,931	143,262	141,573	132,912	129,537	127,974	122,843	125,387	128,998	129,750	119,846	140,358	140,978	128,318	125,964
Average deposits	81,728	81,976	79,802	76,761	74,457	74,568	81,595	80,122	74,268	74,129	73,033	71,757	72,967	72,695	70,753	69,732	80,069	77,653	73,298	71,543

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

**REVENUES (EXCLUDING SPECIFIED ITEMS)**

	2010				2009				2008				YTD		Full Year
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2010	2009	2008

(unaudited) (millions of dollars) (taxable equivalent basis)

Net Interest Income

<i>Interest Income</i>															
Loans	533	492	441	458	447	452	495	635	738	722	753	762	1,924	2,029	2,975
Securities	274	233	222	222	198	312	299	273	257	281	247	311	951	1,082	1,096
Deposits with regulated financial institutions	2	1	1	1	1	4	5	2	9	34	71	93	5	12	207
Total Interest Income	809	726	664	681	646	768	799	910	1,004	1,037	1,071	1,166	2,880	3,123	4,278
<i>Interest Expense</i>															
Deposits	187	134	143	135	142	168	183	316	176	392	534	539	599	809	1,641
Bank debentures	26	26	25	23	27	26	25	23	30	28	20	20	100	101	98
Other	104	62	51	41	11	117	27	132	165	156	141	162	258	287	624
Total Interest Expense	317	222	219	199	180	311	235	471	371	576	695	721	957	1,197	2,363
Tax equivalent adjustment	58	55	47	46	36	32	37	24	30	32	41	23	206	129	126
Net Interest Income	550	559	492	528	502	489	601	463	663	493	417	468	2,129	2,055	2,041

Other Income

Deposits and payment service charges	58	58	57	56	58	58	57	57	58	57	57	56	229	230	228
Commissions on loans and bankers' acceptances	78	85	76	75	76	79	56	48	49	47	42	45	314	259	183
Insurance revenues	30	32	29	30	32	31	24	30	31	31	22	35	121	117	119
Securities brokerage commissions	75	70	79	77	76	72	68	66	79	81	79	80	301	282	319
Underwriting and advisory fees	65	72	66	65	63	67	68	69	31	53	75	74	268	267	233
Foreign exchange revenues	33	27	25	24	26	27	27	30	34	30	28	29	109	110	121
Card service revenues	7	15	11	9	10	10	9	8	8	10	14	10	42	37	42
Trust services	52	50	51	50	49	47	45	48	52	51	53	40	203	189	196
Mutual funds	48	42	40	41	39	37	31	31	37	41	39	41	171	138	158
Securitization	89	69	56	75	58	95	100	98	62	60	58	46	289	351	226
Profit & Loss on trading	(6)	(90)	18	-	53	45	(64)	26	(252)	(23)	72	(43)	(78)	60	(246)
Profit & Loss other than trading	8	31	39	35	20	30	29	13	(58)	10	6	30	113	92	(12)
Other	69	92	60	63	73	84	50	63	142	83	67	53	284	270	345
Total	606	553	607	600	633	682	500	587	273	531	612	496	2,366	2,402	1,912
As a % of total revenues	52.4%	49.7%	55.2%	53.2%	55.8%	58.2%	45.4%	55.9%	29.2%	51.9%	59.4%	51.5%	52.6%	53.9%	48.4%

(unaudited) (millions of dollars)

Trading revenues

Net Interest Income	155	173	137	147	156	119	255	101	210	96	14	116	612	631	436
Other Income	(6)	(90)	18	-	53	45	(64)	26	(252)	(23)	72	(43)	(78)	60	(246)
Non-controlling interest - Innocap	(11)	6	(5)	5	(12)	5	(1)	10	121	29	(14)	62	(5)	2	198
Total	138	89	150	152	197	169	190	137	79	102	72	135	529	693	388

Trading revenues by product

Financial Markets															
Equity	73	37	75	58	68	51	42	44	43	46	72	(13)	243	205	148
Fixed income	46	40	45	68	110	92	128	58	(17)	28	(14)	95	199	388	92
Commodity and foreign exchange	22	11	28	24	18	23	18	32	39	20	11	42	85	91	112
Trading revenues - Financial Markets	141	88	148	150	196	166	188	134	65	94	69	124	527	684	352
Other	(3)	1	2	2	1	3	2	3	14	8	3	11	2	9	36
Total Trading revenues	138	89	150	152	197	169	190	137	79	102	72	135	529	693	388



SECURITIZATION REVENUES

2010				2009				YTD		Full Year
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2010	2009	2008

(unaudited) (millions of dollars)

Impact of securitization on the Consolidated Statement of income

Insured residential mortgage loans

Net interest income	(40)	(40)	(35)	(37)	(38)	(29)	(21)	(20)	(152)	(108)	(64)
Other income	52	31	36	45	29	61	68	65	164	223	99
Total revenues	12	(9)	1	8	(9)	32	47	45	12	115	35
Operating expenses	-	-	-	-	-	-	-	1	-	1	2
Provision for credit losses	-	-	-	-	-	-	-	-	-	-	-
Income before income taxes	12	(9)	1	8	(9)	32	47	44	12	114	33
Income taxes	4	(3)	-	3	(3)	10	15	14	4	36	10
Net income	8	(6)	1	5	(6)	22	32	30	8	78	23

Credit card receivables

Net interest income	(39)	(25)	(35)	(31)	(33)	(33)	(33)	(31)	(130)	(130)	(121)
Other income	20	26	6	13	12	16	17	16	65	61	71
Total revenues	(19)	1	(29)	(18)	(21)	(17)	(16)	(15)	(65)	(69)	(50)
Operating expenses	-	-	-	-	-	-	-	-	-	-	-
Provision for credit losses	(19)	(13)	(18)	(16)	(20)	(17)	(15)	(14)	(66)	(66)	(45)
Income before income taxes	-	14	(11)	(2)	(1)	-	(1)	(1)	1	(3)	(5)
Income taxes	-	4	(3)	(1)	-	-	-	-	-	-	-
Net income (loss)	-	10	(8)	(1)	(1)	-	(1)	(1)	1	(3)	(5)

Total

Net interest income	(79)	(65)	(70)	(68)	(71)	(62)	(54)	(51)	(282)	(238)	(185)
Other income ⁽¹⁾	72	57	42	58	41	77	85	81	229	284	170
Total revenues	(7)	(8)	(28)	(10)	(30)	15	31	30	(53)	46	(15)
Operating expenses	-	-	-	-	-	-	-	1	-	1	2
Provision for credit losses	(19)	(13)	(18)	(16)	(20)	(17)	(15)	(14)	(66)	(66)	(45)
Income before income taxes	12	5	(10)	6	(10)	32	46	43	13	111	28
Income taxes	4	1	(3)	2	(3)	10	15	14	4	36	10
Net income (loss)	8	4	(7)	4	(7)	22	31	29	9	75	18

(1) Securitization revenues included in Other income

Gains on sale of assets	73	55	43	62	47	84	86	85	233	302	181
Servicing revenues	12	9	11	11	11	11	10	11	43	43	42
Other	4	5	2	2	-	-	4	2	13	6	3
Total	89	69	56	75	58	95	100	98	289	351	226

NON-INTEREST EXPENSES (EXCLUDING SPECIFIED ITEMS)

	2010				2009				2008				YTD		Full Year
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2010	2009	2008
Non-Interest Expenses															
Salaries and Staff benefits															
Salaries	221	220	202	212	220	205	186	195	190	197	188	192	855	806	767
Variable compensation	142	130	131	132	139	125	136	132	112	121	121	130	535	532	484
Pension plan and other staff benefits	47	53	51	62	44	50	53	52	47	52	50	52	213	199	201
Total Compensation	410	403	384	406	403	380	375	379	349	370	359	374	1,603	1,537	1,452
Occupancy and Technology															
Rent	23	24	23	23	34	25	25	23	23	25	24	21	93	107	93
Taxes & insurance	4	4	5	4	5	4	4	4	4	4	4	4	17	17	16
Maintenance, lighting, heating	8	7	8	7	7	8	8	7	7	7	8	7	30	30	29
Technology	64	70	73	78	75	80	83	81	89	90	85	87	285	319	351
Depreciation	30	30	29	30	35	26	25	23	19	19	20	21	119	109	79
Total Occupancy and Technology	129	135	138	142	156	143	145	138	142	145	141	140	544	582	568
Other Expenses															
Professional fees	52	48	53	51	52	46	44	39	56	61	45	44	204	181	206
Communications	18	18	18	17	18	19	19	20	22	19	18	19	71	76	78
Taxes on capital & salaries	19	18	11	11	6	15	14	15	15	13	14	12	59	50	54
Travel & business development	27	22	22	17	28	20	20	16	26	19	22	17	88	84	84
Other	37	37	34	35	36	45	36	36	36	29	28	24	143	153	117
Total Other Expenses	153	143	138	131	140	145	133	126	155	141	127	116	565	544	539
TOTAL NON-INTEREST EXPENSES	692	681	660	679	699	668	653	643	646	656	627	630	2,712	2,663	2,559

(unaudited) (millions of dollars)

 **PROVISION FOR CREDIT LOSSES**

	2010				2009				2008				YTD		Full Year
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2010	2009	2008
(millions of dollars)															
Retail	15	13	14	15	19	13	13	13	14	10	10	10	57	58	44
Credit card	23	25	27	28	30	26	25	22	20	19	20	17	103	103	76
Commercial	13	6	14	9	17	15	11	10	10	18	15	16	42	53	59
Corporate	2	(4)	(1)	5	8	8	7	4	4	-	(2)	-	2	27	2
Real estate	2	1	-	2	-	-	-	-	-	-	-	-	5	-	-
Other	-	-	-	-	-	1	-	3	10	(29)	-	-	-	4	(19)
Credit card securitization	(18)	(13)	(18)	(16)	(20)	(17)	(15)	(14)	(13)	(11)	(9)	(12)	(65)	(66)	(45)
Sub-total	37	28	36	43	54	46	41	38	45	7	34	31	144	179	117
VAC notes credit loss ⁽¹⁾	-	-	-	-	-	-	-	126	4	23	-	-	-	126	27
Total	37	28	36	43	54	46	41	164	49	30	34	31	144	305	144

(1) After 2008, asset-backed commercial paper (ABCP) was replaced by master asset vehicle (MAV) restructured notes.

CONDENSED CONSOLIDATED BALANCE SHEET

	2010				2009				2008			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1

(unaudited) (millions of dollars)

Assets												
Cash and deposits with financial institutions	2,274	2,858	4,178	3,838	2,228	2,172	3,523	1,854	3,660	3,090	3,872	4,377
Securities	54,268	52,041	64,073	51,543	50,233	55,965	54,949	53,690	46,185	46,714	45,382	43,030
Securities purchased under reverse repurchase agreements	10,878	15,192	6,641	4,750	7,637	5,812	7,618	8,774	7,868	7,148	9,105	8,855
Loans												
Residential mortgages	15,802	15,782	15,235	14,775	14,958	14,723	14,351	14,701	15,363	15,500	15,096	15,042
Personal and credit cards	20,524	20,014	20,037	18,883	18,290	17,786	17,143	16,343	15,681	14,730	14,068	13,773
Business and government	20,862	20,648	20,646	21,098	19,389	19,947	19,621	20,735	20,697	19,906	20,098	18,747
Total Loans	57,188	56,444	55,918	54,756	52,637	52,456	51,115	51,779	51,741	50,136	49,262	47,562
Customers' liability under bankers' acceptances	5,946	5,984	5,259	5,344	5,733	5,305	5,617	4,444	4,274	4,760	4,770	4,533
Other assets	14,747	13,814	14,636	14,090	13,670	12,879	15,113	16,448	15,604	10,083	11,217	11,767
Total Assets	145,301	146,333	150,705	134,321	132,138	134,589	137,935	136,989	129,332	121,931	123,608	120,124
Liabilities												
Deposits												
Personal	34,112	34,072	34,014	34,093	34,609	34,539	34,871	34,676	33,098	32,777	31,760	31,522
Business and government	42,210	38,985	41,463	34,331	36,923	34,246	35,011	35,614	37,097	29,189	32,947	35,510
Deposit-taking institutions	5,463	8,569	8,169	7,468	3,638	7,451	9,988	9,285	5,827	6,702	5,663	6,090
Total Deposits	81,785	81,626	83,646	75,892	75,170	76,236	79,870	79,575	76,022	68,668	70,370	73,122
Others Liabilities												
Acceptances	5,946	5,984	5,259	5,344	5,733	5,305	5,617	4,444	4,274	4,760	4,770	4,533
Other liabilities	48,329	49,769	53,140	44,369	42,741	44,715	44,167	44,657	41,272	40,863	41,659	35,964
Subordinated debentures	2,033	2,019	1,976	2,022	2,017	2,023	2,095	2,348	2,255	2,182	1,683	1,656
Total Others Liabilities	56,308	57,772	60,375	51,735	50,491	52,043	51,879	51,449	47,801	47,805	48,112	42,153
Shareholders' equity												
Preferred shares	1,089	1,089	1,089	1,089	1,089	1,089	1,089	1,089	774	774	573	400
Common shares	1,804	1,784	1,782	1,766	1,729	1,700	1,669	1,662	1,656	1,633	1,599	1,590
Contributed surplus	66	59	53	46	48	43	40	37	31	36	34	33
Retained earnings	4,081	3,912	3,758	3,613	3,515	3,392	3,205	3,080	3,110	3,168	2,998	2,941
Accumulated other comprehensive income (loss)	168	91	2	179	96	86	183	97	(62)	(153)	(78)	(115)
Total Shareholders' equity	7,208	6,935	6,684	6,693	6,477	6,310	6,186	5,965	5,509	5,458	5,126	4,849
Total Liabilities & Shareholders' Equity	145,301	146,333	150,705	134,320	132,138	134,589	137,935	136,989	129,332	121,931	123,608	120,124
Mortgage securitization	9,141	8,591	8,238	8,214	7,751	7,856	8,004	7,809	7,293	7,156	7,526	7,534
Mortgage loans sold to third parties	478	511	550	584	543	540	541	410	386	419	382	414
Credit card securitization	1,360	1,360	773	1,223	1,223	1,223	1,223	1,223	1,223	1,223	1,223	800
Mutual funds	13,193	12,492	12,682	12,208	11,864	11,498	10,763	10,284	10,696	12,638	12,930	12,283
Securities - excess of market value over book	311	157	34	191	107	20	58	(49)	(154)	(6)	132	121
Equity Securities - excess of market value over book	32	(9)	47	72	26	(18)	(60)	135	(110)	(3)	120	122
Number of shares outstanding (000's)	162,772	162,340	162,228	161,810	161,201	160,604	159,883	159,679	159,447	159,115	158,364	158,141
Domestic Gap < 1 year	1,386	1,357	(1,108)	656	(324)	346	1,692	1,237	(464)	573	(699)	(618)
> 1 year	(355)	(1,779)	(354)	(1,091)	(1)	(586)	(1,991)	(1,391)	378	(594)	673	711



CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	2010				2009				2008				YTD		Full Year
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2010	2009	2008

(unaudited) (millions of dollars)

Opening balance	6,935	6,684	6,693	6,477	6,310	6,186	5,965	5,509	5,458	5,126	4,849	4,637	6,477	5,509	4,637
Net income	287	271	261	215	241	303	241	69	70	286	165	255	1,034	854	776
Issuance of common shares	20	2	16	37	29	31	7	6	23	34	9	15	75	73	81
Issuance of preferred shares	-	-	-	-	-	-	-	315	-	201	173	-	-	315	374
Repurchase of common shares															
Repurchase of common shares for cancellation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Premium paid on common shares purchased for cancellation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends															
Common shares	(100)	(101)	(100)	(101)	(100)	(100)	(99)	(99)	(99)	(99)	(98)	(98)	(402)	(398)	(394)
Preferred shares	(15)	(16)	(16)	(16)	(15)	(16)	(16)	(12)	(11)	(10)	(6)	(5)	(63)	(59)	(32)
Stock options expense	5	3	3	3	4	3	4	2	3	3	3	2	14	13	11
Stock options exercised	(3)	(1)	(2)	(1)	(1)	(5)	-	-	(2)	(3)	-	(1)	(7)	(6)	(6)
Impact of shares acquired / sold for trading purposes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other adjustments, net of income taxes	(3)	-	-	-	(3)	-	(1)	12	(18)	(7)	(4)	(4)	(3)	8	(33)
Other adjustment, contributed surplus	5	4	6	(4)	2	5	(1)	4	(6)	2	(2)	-	11	10	(6)
Other comprehensive income (loss), net of income taxes	77	89	(177)	83	10	(97)	86	159	91	(75)	37	48	72	158	101
Closing balance	7,208	6,935	6,684	6,693	6,477	6,310	6,186	5,965	5,509	5,458	5,126	4,849	7,208	6,477	5,509
Shareholders' equity															
Preferred shares	1,089	1,089	1,089	1,089	1,089	1,089	1,089	1,089	774	774	573	400	1,089	1,089	774
Common shares	1,804	1,784	1,782	1,766	1,729	1,700	1,669	1,662	1,656	1,633	1,599	1,590	1,804	1,729	1,656
Contributed surplus	66	59	53	46	48	43	40	37	31	36	34	33	66	48	31
Retained earnings	4,081	3,912	3,758	3,613	3,515	3,392	3,205	3,080	3,110	3,168	2,998	2,941	4,081	3,515	3,110
Accumulated other comprehensive income (loss)	168	91	2	179	96	86	183	97	(62)	(153)	(78)	(115)	168	96	(62)
Closing balance	7,208	6,935	6,684	6,693	6,477	6,310	6,186	5,965	5,509	5,458	5,126	4,849	7,208	6,477	5,509



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2010				2009				2008				YTD		Full Year
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2010	2009	2008
(unaudited) (millions of dollars)															
Net income	287	271	261	215	241	303	241	69	70	286	165	255	1,034	854	776
Other comprehensive income, net of income taxes															
Net unrealized foreign currency gains (losses) on translating financial statements of self-sustaining foreign operations	1	(1)	(104)	(20)	(11)	(176)	(37)	39	367	34	11	101	(124)	(185)	513
Reclassification to net income of foreign currency (gain) losses on translating financial statements of self-sustaining foreign operations	-	-	1	-	-	-	-	-	-	-	-	-	1	-	-
Impact of hedging net foreign currency translation gains (losses)	(2)	(10)	91	13	(2)	151	37	(30)	(294)	(31)	-	(79)	92	156	(404)
Reclassification to net income of the impact of hedging foreign currency translation (gains) losses	-	-	(2)	-	-	-	-	-	-	-	-	-	(2)	-	-
Net change in unrealized foreign currency translation gains (losses), net of hedging activities	(1)	(11)	(14)	(7)	(13)	(25)	-	9	73	3	11	22	(33)	(29)	109
Net unrealized gains (losses) on available-for-sale financial assets	64	31	(40)	116	56	73	128	8	(136)	(25)	22	(17)	171	265	(156)
Reclassification to net income of (gains) losses on available-for-sale securities	(8)	(43)	(34)	(25)	(15)	(40)	(40)	1	34	(63)	(7)	(15)	(110)	(94)	(51)
Net change in unrealized gains (losses) on available-for-sale securities, net of fair value hedge transactions	56	(12)	(74)	91	41	33	88	9	(102)	(88)	15	(32)	61	171	(207)
Net gains (losses) on derivative financial instruments designated as cash flow hedges	29	106	(96)	11	(4)	(89)	7	147	126	15	11	54	50	62	206
Reclassification to net income of (gains) losses on derivative financial instruments designated as cash flow hedges	(7)	6	7	(12)	(15)	(16)	(9)	(6)	(6)	(5)	-	4	(6)	(46)	(7)
Net change in gains (losses) on derivative financial instruments designated as cash flow hedges	22	112	(89)	(1)	(19)	(105)	(2)	141	120	10	11	58	44	16	199
Total other comprehensive income (loss), net of income taxes	77	89	(177)	83	9	(97)	86	159	91	(75)	37	48	72	158	101
TOTAL COMPREHENSIVE INCOME	364	360	84	298	250	206	327	228	161	211	202	303	1,106	1,012	877

DISTRIBUTION OF GROSS LOANS, ACCEPTANCES, IMPAIRED LOANS AND SPECIFIC ALLOWANCES BY BORROWER CATEGORY

(millions of dollars)	2010																								
	Q4					Q3					Q2					Q1									
	EAD	Gross loans	Impaired loans	Specific allowances	Specific provision for credit losses (YTD)	EAD	Gross loans	Impaired loans	Specific allowances	Specific provision for credit losses (YTD)	EAD	Gross loans	Impaired loans	Specific allowances	Specific provision for credit losses (YTD)	EAD	Gross loans	Impaired loans	Specific allowances	Specific provision for credit losses					
Residential mortgage ⁽¹⁾	-	28,245	23,609	31	5	(4)	-	27,603	23,135	29	3	(5)	-	26,356	22,157	34	2	(3)	-	25,398	21,362	37	3	(1)	
QRRE ⁽²⁾	-	5,217	2,556	15	9	63	-	5,185	2,526	17	9	52	-	7,117	3,162	17	11	36	-	5,859	2,698	19	11	20	
Other Retail ⁽³⁾	-	11,600	10,333	53	22	31	-	11,469	10,245	52	22	23	-	11,312	10,154	53	20	15	-	11,003	9,908	51	19	6	
Total Retail	-	45,062	36,498	99	36	90	-	44,257	35,906	98	34	70	-	44,785	35,473	104	33	48	-	42,260	33,968	107	33	25	
	EAD					EAD					EAD					EAD									
	Treasury ⁽⁴⁾	Loans & BAS				Treasury ⁽⁵⁾	Loans & BAS				Treasury ⁽⁵⁾	Loans & BAS				Treasury ⁽⁵⁾	Loans & BAS								
Agriculture	-	2,340	2,212	27	17	(6)	-	2,302	2,204	31	18	(5)	-	2,253	2,144	36	19	(4)	-	2,221	2,123	49	22	(1)	
Mining, Oil and Gas	33	3,645	1,728	4	2	6	28	3,647	1,760	7	5	6	20	3,627	1,856	7	5	6	18	3,017	1,923	5	3	3	
Construction and real estate ⁽⁴⁾	22	4,781	3,635	41	14	1	20	4,775	3,780	47	18	(4)	17	4,479	3,576	50	17	(4)	16	4,459	3,607	54	16	3	
Manufacturing	17	4,604	2,719	117	81	23	11	4,666	2,822	113	73	13	17	4,748	2,842	164	76	11	23	4,818	2,731	156	73	6	
Wholesale & Retail	14	4,944	3,370	15	15	4	8	4,819	3,254	16	15	4	15	4,680	3,166	16	14	3	16	4,584	2,987	16	13	1	
Transportation	115	2,069	877	1	-	-	124	2,091	891	1	-	1	129	2,179	885	1	1	-	128	2,051	1,009	1	1	-	
Communications	20	2,105	1,299	40	23	2	12	1,906	1,177	39	20	-	15	1,816	1,136	39	16	-	7	1,776	1,170	36	13	-	
Finance and Insurance	54,698	4,224	3,840	1	-	-	58,776	4,844	4,026	1	1	-	46,432	4,998	4,104	3	1	-	44,267	5,458	4,266	3	1	-	
Other Services	10	6,735	4,434	10	5	19	646	6,575	4,336	11	4	17	131	6,361	4,053	11	4	14	178	5,948	4,174	11	5	4	
Government	3,168	1,667	600	-	-	-	2,920	1,725	651	-	-	-	11,431	2,032	617	-	-	-	2,186	1,688	742	-	-	-	
Other	346	3,724	2,558	14	14	5	219	3,592	2,276	15	15	5	1,008	3,417	1,985	16	15	5	1,251	2,788	2,052	15	14	2	
Total - Wholesale	58,443	40,838	27,272	270	171	54	62,764	40,942	27,177	281	169	37	59,215	40,610	26,364	343	168	31	48,090	38,808	26,784	346	161	18	
Total	58,443	85,900	63,770	369	207	144	62,764	85,199	63,083	379	203	107	59,215	85,395	61,837	447	201	79	48,090	81,068	60,752	453	194	43	

(1) Including HELOC
(2) Including line of credit and credit card receivables
(3) Including consumer loans, credit card receivables, SME retail loans and other personal loans
(4) Including non residential mortgage
(5) Treasury excluding Trading Related, Banking Book Equities and Securitization

DISTRIBUTION OF GROSS LOANS BY BORROWER CATEGORY 2009 & 2008

	2009				2008			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
(millions of dollars)								
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 IMPAIRED LOANS BY BORROWER CATEGORY 2009 & 2008

	2009				2008			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
(millions of dollars)								
Personal	52	53	49	43	37	38	38	35
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 SPECIFIC ALLOWANCES BY BORROWER CATEGORY 2009 & 2008

	2009				2008			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
(millions of dollars)								
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



GEOGRAPHIC DISTRIBUTION OF GROSS LOANS, ACCEPTANCES, IMPAIRED LOANS AND SPECIFIC ALLOWANCES ⁽¹⁾

2010												
	Q4			Q3			Q2			Q1		
(millions of dollars)	Gross loans	Impaired loans	Specific allowances	Gross loans	Impaired loans	Specific allowances	Gross loans	Impaired loans	Specific allowances	Gross loans	Impaired loans	Specific allowances
Canada												
Residential mortgages ⁽²⁾	23,553	31	5	23,077	29	3	22,101	34	2	21 303	37	3
Qualifying revolving retail	2,556	15	9	2,526	17	9	3,162	17	11	2 698	19	11
Other retail	10,331	53	22	10,242	52	22	10,151	53	20	9 906	51	19
Non retail	25,929	269	170	26,215	279	167	25,379	292	161	25 650	293	154
	62,369	368	206	62,060	377	201	60,793	396	194	59 557	400	187
United States												
Residential mortgages	56	-	-	58	-	-	56	-	-	59	-	-
Qualifying revolving retail	-	-	-	-	-	-	-	-	-	-	-	-
Other retail	2	-	-	3	-	-	3	-	-	2	-	-
Non retail	827	1	1	740	2	2	971	51	7	1 123	53	7
	885	1	1	801	2	2	1,030	51	7	1 184	53	7
Others												
Residential mortgages	-	-	-	-	-	-	-	-	-	-	-	-
Qualifying revolving retail	-	-	-	-	-	-	-	-	-	-	-	-
Other retail	-	-	-	-	-	-	-	-	-	-	-	-
Non retail	516	-	-	222	-	-	14	-	-	11	-	-
	516	-	-	222	-	-	14	-	-	11	-	-
Total	63,770	369	207	63,083	379	203	61,837	447	201	60 752	453	194

(1) Geographic information based on borrower address (country)

(2) Including HELOC

GEOGRAPHIC DISTRIBUTION OF GROSS LOANS 2009 & 2008

	2009				2008			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
(millions of dollars)								
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	-	-	-	-	-	-	-	-
Business and government	189	191	188	198	264	226	241	249
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

GEOGRAPHIC DISTRIBUTION OF IMPAIRED LOANS 2009 & 2008

	2009				2008			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
(millions of dollars)								
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 ⁽²⁾	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

(2) Cross border

GEOGRAPHIC DISTRIBUTION OF SPECIFIC ALLOWANCES 2009 & 2008

	2009				2008			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
(millions of dollars)								
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


IMPAIRED LOANS

2010				2009				2008			
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1

(millions of dollars)

Gross Impaired Loans

Retail	76.3	75.9	82.2	89.1	82.9	80.8	68.5	71.4	65.9	61.2	62.3	58.3
Commercial	221.2	221.6	234.2	228.6	211.9	190.2	184.4	181.4	184.1	195.2	170.5	146.3
Corporate	48.8	53.5	102.2	107.7	105.1	99.1	67.0	57.1	44.0	5.7	5.4	30.6
Real estate	23.0	27.9	27.9	27.8	7.1	7.3	8.7	9.3	9.6	10.0	11.0	11.1
Treasury	-	-	-	-	-	2.5	2.8	2.9	2.8	2.4	2.4	2.3
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total Gross Impaired Loans	369.3	378.9	446.5	453.2	407.0	379.9	331.4	322.1	306.4	274.5	251.6	248.6
As a % of loans and acceptances	0.6%	0.6%	0.7%	0.8%	0.7%	0.7%	0.6%	0.6%	0.5%	0.5%	0.5%	0.5%

Net Impaired Loans

Retail	46.7	47.8	54.4	59.0	55.9	58.3	45.5	49.5	46.6	44.7	46.3	44.4
Commercial	78.9	88.2	103.2	106.6	90.3	78.4	78.1	75.4	79.8	86.4	76.4	62.2
Corporate	15.3	19.1	64.8	70.3	71.8	71.9	42.9	42.5	32.0	-	-	21.9
Real estate	21.2	21.4	23.1	23.0	5.1	5.3	6.7	7.1	7.3	7.9	8.6	8.8
Treasury	-	-	-	-	-	2.3	2.7	2.8	2.7	2.3	2.3	2.2
General allowance ⁽¹⁾	(428.8)	(452.2)	(458.9)	(457.7)	(456.3)	(330.3)	(330.3)	(330.6)	(330.6)	(330.6)	(308.0)	(308.0)
Total Impaired Loans, net of specific and general allowances	(266.7)	(275.7)	(213.4)	(198.8)	(233.2)	(114.1)	(154.4)	(153.3)	(162.2)	(189.3)	(174.4)	(168.5)
As a % of loans and acceptances	-0.4%	-0.4%	-0.3%	-0.3%	-0.4%	-0.2%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%

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



FORMATION OF GROSS IMPAIRED LOANS & ALLOWANCES FOR CREDIT LOSSES

2010				2009				2008				YTD		Full Year
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2010	2009	2008

(millions of dollars)

Formation of Gross Impaired Loans

	2010 Q4	2010 Q3	2010 Q2	2010 Q1	2009 Q4	2009 Q3	2009 Q2	2009 Q1	2008 Q4	2008 Q3	2008 Q2	2008 Q1	YTD 2010	YTD 2009	Full Year 2008
Opening balance	379	447	453	407	380	331	322	307	275	252	249	249	407	307	249
Write-offs															
Retail	(16)	(14)	(18)	(14)	(16)	(14)	(14)	(11)	(14)	(11)	(10)	(13)	(62)	(55)	(48)
Commercial	(6)	(7)	(6)	(10)	(7)	(6)	(9)	(10)	(24)	(4)	(6)	(10)	(29)	(32)	(44)
Corporate	(2)	-	(4)	-	-	(16)	-	(4)	-	-	(7)	(20)	(6)	(20)	(27)
Real estate	(5)	-	-	-	-	-	-	-	-	-	-	-	(5)	-	-
Treasury	-	-	-	-	(3)	-	-	-	-	-	-	-	-	(3)	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total write-offs	(29)	(21)	(28)	(24)	(26)	(36)	(23)	(25)	(38)	(15)	(23)	(43)	(102)	(110)	(119)
Formation															
Retail	16	7	11	20	18	27	11	17	19	10	14	18	54	73	61
Commercial	6	(6)	12	26	28	12	12	7	13	29	30	20	38	59	92
Corporate	(3)	(48)	(1)	3	7	48	10	17	39	-	(18)	(3)	(49)	82	18
Real estate	-	-	-	21	-	(2)	(1)	(1)	(1)	(1)	-	8	21	(4)	6
Treasury	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total formation	19	(47)	22	70	53	85	32	40	70	38	26	43	64	210	177
Closing balance	369	379	447	453	407	380	331	322	307	275	252	249	369	407	307

Allowances for Credit Losses

Allowances at beginning	655	660	652	640	494	486	475	469	464	426	417	428	640	469	428
Provision for credit losses ⁽¹⁾	37	28	36	43	180	46	41	38	49	29	34	32	144	305	144
Write-offs	(76)	(52)	(55)	(54)	(56)	(56)	(48)	(48)	(58)	(33)	(44)	(59)	(237)	(208)	(194)
Recoveries	20	19	27	23	22	18	18	16	14	42	19	16	89	74	91
Allowances at end	636	655	660	652	640	494	486	475	469	464	426	417	636	640	469

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

REGULATORY CAPITAL

	2010				2009				2008				2007			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
(millions of dollars)																
Tier 1 capital	AIRB Approach				Standard Basel II								Basel I			
Common shares	1,804	1,784	1,782	1,766	1,729	1,700	1,669	1,662	1,656	1,633	1,599	1,590	1,575	1,567	1,576	1,590
Contributed surplus	66	59	53	46	48	43	40	37	31	36	34	33	32	33	21	33
Retained earnings	4,081	3,912	3,758	3,613	3,515	3,392	3,205	3,080	3,110	3,168	2,998	2,941	2,793	3,070	3,021	2,941
Unrealized foreign exchange gains and losses, net of hedging activities and after tax, included in Accumulated other comprehensive income	(133)	(132)	(121)	(107)	(100)	(86)	(61)	(62)	(71)	(173)	(146)	(158)	(180)	(144)	(104)	(60)
Accumulated net after-tax unrealized losses on available for sale equity securities included in Accumulated other comprehensive income	-	(9)	-	-	(11)	(26)	(66)	(97)	(88)	-	-	-	-	-	-	-
Non-cumulative permanent preferred shares	1,089	1,089	1,089	1,089	1,089	1,089	1,089	1,089	774	774	573	400	400	400	400	400
Innovative instruments ⁽¹⁾	975	975	975	975	971	950	908	880	828	830	763	721	509	545	558	578
Non-controlling interest ⁽²⁾	25	23	22	22	19	18	17	19	18	28	15	18	17	20	17	10
Trading in short positions of own shares	(17)	(12)	(12)	(5)	(10)	(6)	-	-	-	(2)	(1)	(1)	(1)	(3)	(4)	(3)
Gross Tier 1 Capital	7,890	7,689	7,546	7,399	7,250	7,074	6,801	6,608	6,258	6,294	5,835	5,544	5,145	5,488	5,485	5,489
Less: Intangible assets in excess of limit	-	74	57	42	35	-	-	-	-	-	-	-	-	-	-	-
Less: goodwill	744	744	744	745	746	742	745	741	740	722	707	702	703	680	683	684
Net Tier 1 Capital	7,146	6,871	6,745	6,612	6,469	6,331	6,056	5,867	5,518	5,572	5,128	4,842	4,442	4,808	4,802	4,805
Gains on sales recorded upon securitization	(40)	(39)	(21)	(34)	(36)	(36)	(37)	(37)	(38)	(38)	(39)	(27)	-	-	-	-
50% Shortfall in allowance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
50% Substantial investments	(79)	(96)	(94)	(123)	(118)	(108)	(95)	(121)	-	-	-	-	-	-	-	-
Securitization deduction for unrated exposure	(57)	(54)	(45)	(50)	(50)	(52)	(83)	-	-	-	-	-	-	-	-	-
Other deductions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjusted Net Tier 1 Capital	6,970	6,682	6,585	6,405	6,265	6,136	5,841	5,709	5,480	5,534	5,089	4,815	4,442	4,808	4,802	4,805
Tier 2 Capital																
Subordinated debentures	1,894	1,895	1,894	1,897	1,897	1,897	1,902	2,153	2,153	2,144	2,144	1,644	1,641	1,947	1,949	1,949
Eligible general allowance for credit risk	79	129	126	162	456	330	330	331	331	331	308	308	308	308	308	308
Accumulated net after-tax unrealized gains on available for sale equity securities included in Accumulated other comprehensive income	13	-	40	53	-	-	-	-	-	-	51	48	80	104	121	49
Excess Tier 1 qualifying innovative instruments ⁽¹⁾	-	-	-	-	4	25	67	95	147	145	164	205	-	-	-	-
50% Shortfall in allowance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
50% Substantial investments	(79)	(96)	(94)	(123)	-	-	-	-	-	-	-	-	-	-	-	-
Securitization deduction for unrated exposure	(57)	(54)	(45)	(50)	-	-	-	-	-	-	-	-	-	-	-	-
Other deductions	(123)	(110)	(97)	(67)	(223)	(197)	(320)	(254)	(432)	(424)	(403)	(377)	(355)	(320)	(311)	(312)
Adjusted Tier 2 Capital	1,727	1,764	1,824	1,872	2,134	2,055	1,979	2,325	2,199	2,196	2,264	1,828	1,674	2,039	2,067	1,994
Total Capital	8,697	8,446	8,409	8,277	8,399	8,191	7,819	8,034	7,679	7,730	7,353	6,643	6,116	6,847	6,869	6,799

(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 225 000 NBC CapS - serie 1 issued by 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**

	2010				2009				2008				2007			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
(millions of dollars)	AIRB Approach				Standard Basel II								Basel I			
Risk-adjusted balance sheet items																
Cash resources	435	425	586	541	386	275	597	256	589	460	592	713	488	1,790	1,837	2,066
Securities	2,041	2,060	2,042	1,925	1,413	1,536	1,275	2,487	2,957	3,291	3,160	3,244	3,050	2,119	2,567	2,465
Securitization	264	275	279	236	611	593	579	-	-	-	-	-	-	-	-	-
Mortgage loans	2,107	2,289	2,165	2,019	4,326	4,226	4,018	3,941	4,307	4,293	4,159	4,106	6,205	6,311	5,943	5,734
Other loans	17,263	18,832	18,797	18,770	23,298	23,913	23,160	23,410	22,653	20,840	20,564	19,710	22,626	23,020	24,892	21,437
Other assets	5,455	5,805	6,003	6,482	7,894	7,189	7,353	6,356	6,309	6,571	6,818	6,069	5,371	6,080	5,183	6,106
Repos style transactions	1,347	1,445	1,835	1,043	-	-	-	-	-	-	-	-	-	-	-	-
Total Risk-adjusted balance sheet items	28,912	31,131	31,707	31,016	37,928	37,732	36,982	36,450	36,815	35,455	35,293	33,843	37,740	39,320	40,422	37,808
Risk-adjusted off-balance sheet items																
Letters of guarantee and documentary credit	1,076	1,120	1,025	1,011	1,476	1,620	1,634	1,564	1,674	1,622	1,563	1,409	1,107	1,078	1,176	1,110
Commitments to extend credit	5,634	5,616	5,591	5,768	4,989	4,684	4,127	4,607	4,074	4,091	3,881	4,049	5,174	4,693	4,770	5,240
Securitization	262	214	216	217	474	469	468	-	-	-	-	-	-	-	-	-
Interest rate contracts	1,118	961	798	930	424	432	539	559	364	299	278	210	96	126	106	112
Foreign exchange contracts	347	376	462	316	444	423	410	567	755	468	490	485	428	312	250	320
Equity contracts	528	469	646	604	1,668	1,645	1,372	1,606	1,597	1,290	1,359	1,340	1,155	845	687	603
Commodity contracts	64	70	94	93	1,186	877	698	540	230	480	405	124	68	33	18	12
Total Risk-adjusted off-balance sheet items	9,029	8,826	8,832	8,939	10,661	10,150	9,248	9,443	8,694	8,250	7,976	7,617	8,028	7,087	7,007	7,397
Adjustment to IRB risk-weighted assets for scaling factor	1,870	1,754	1,749	1,637	-	-	-	-	-	-	-	-	-	-	-	-
Total Risk-adjusted credit risk items	39,811	41,711	42,288	41,592	48,589	47,882	46,230	45,893	45,509	43,705	43,269	41,460	45,768	46,407	47,429	45,205
Operational Risk	6,794	6,262	6,231	6,196	6,124	5,916	5,703	5,800	5,937	5,877	5,912	5,913	-	-	-	-
Risk-adjusted market risk items	3,226	3,429	3,554	3,553	3,894	4,495	4,749	5,619	6,623	5,975	5,962	4,227	3,568	4,763	4,380	3,862
TOTAL RISK-ADJUSTED ASSETS	49,831	51,402	52,073	51,341	58,607	58,293	56,682	57,312	58,069	55,557	55,143	51,600	49,336	51,170	51,809	49,067
Risk-adjusted ratios																
Tier I	14.0%	13.0%	12.6%	12.5%	10.7%	10.5%	10.3%	10.0%	9.4%	10.0%	9.2%	9.3%	9.0%	9.4%	9.3%	9.9%
Total	17.5%	16.4%	16.2%	16.1%	14.3%	14.1%	13.8%	14.0%	13.2%	13.9%	13.3%	12.9%	12.4%	13.4%	13.3%	14.0%

SECURITIZATION EXPOSURES

(millions of dollars)	2010	2010	2010	2010
	Q4	Q3	Q2	Q1
Mortgage-backed Securities Retained ⁽¹⁾	847	731	276	346
Securitization exposures purchased	60	60	23	23

(1) Reported as *Available for sale securities* in the Consolidated Balance Sheet.

CAPITAL REQUIREMENTS FOR SECURITIZATION EXPOSURES

(millions of dollars)	2010		2010		2010		2010	
	Q4		Q3		Q2		Q1	
	RBA/Inferred Ratings Exposure amount	Risk- weighted assets	RBA/Inferred Ratings Exposure amount	Risk- weighted assets	RBA/Inferred Ratings Exposure amount	Risk- weighted assets	RBA/Inferred Ratings Exposure amount	Risk- weighted assets
Risk Weights								
Bank's own assets ⁽¹⁾								
7%	1,143	80	455	32	489	34	466	32
12%	-	-	-	-	-	-	30	3
20%	911	182	911	182	911	182	911	182
Deduction 50/50 from Tier 1 and Tier 2 Capital - Rated below BB-	-	-	-	-	-	-	-	-
	2,054	262	1,366	214	1,400	216	1,407	217
Third party assets								
12%	-	-	-	-	8	1	18	2
15%	-	-	3	1	4	1	4	1
18%	570	103	-	-	-	-	-	-
20%	436	87	1,009	202	1,010	202	1,082	216
35%	5	2	10	3	18	6	24	8
50%	-	-	-	-	-	-	-	-
75%	11	8	11	8	11	8	12	9
100%	64	64	61	61	61	61	-	-
Deduction 50/50 from Tier 1 and Tier 2 Capital - Rated below BB-	114	-	108	-	90	-	99	-
	1,200	264	1,202	275	1,202	279	1,239	236
Total exposures	3,254	526	2,568	489	2,602	495	2,646	453

(1) Since inception, no capital has been assessed for the Bank's early amortization provisions associated with the securitized credit cards portfolio because the excess spread of the underlying portfolio has remained above the threshold at which capital charge would be incurred.

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

2010								
Q4								
(unaudited) (millions of dollars)	Risk Weights							Total
	0%	20%	35%	50%	75%	100%	150%	
Retail								
Retail residential mortgages	-	-	56	-	-	-	-	56
Other retail ⁽¹⁾	-	-	-	-	1,885	-	-	1,885
Total Retail	-	-	56	-	1,885	-	-	1,941
Non-Retail								
Corporate	-	-	-	-	-	5,036	31	5,067
Sovereign	317	-	-	-	-	-	-	317
Bank	-	-	-	-	-	52	-	52
Total Non-Retail	317	-	-	-	-	5,088	31	5,436
Trading	-	-	-	-	-	2,251	-	2,251
Total	\$ 317	\$ -	\$ 56	\$ -	\$ 1,885	\$ 7,339	\$ 31	\$ 9,628

Q3								
(unaudited) (millions of dollars)	Risk Weights							Total
	0%	20%	35%	50%	75%	100%	150%	
Retail								
Retail residential mortgages	-	-	58	-	-	-	-	58
Other retail ⁽¹⁾	-	-	-	-	1,880	-	-	1,880
Total Retail	-	-	58	-	1,880	-	-	1,938
Non-Retail								
Corporate	-	-	-	-	-	9,897	31	9,928
Sovereign	322	-	-	-	-	-	-	322
Bank	-	-	-	-	-	48	-	48
Total Non-Retail	322	-	-	-	-	9,945	31	10,298
Trading	-	-	-	-	-	1,949	-	1,949
Total	\$ 322	\$ -	\$ 58	\$ -	\$ 1,880	\$ 11,894	\$ 31	\$ 14,185

Q2								
(unaudited) (millions of dollars)	Risk Weights							Total
	0%	20%	35%	50%	75%	100%	150%	
Retail								
Retail residential mortgages	-	-	56	-	-	-	-	56
Other retail ⁽¹⁾	-	-	-	-	1,824	-	-	1,824
Total Retail	-	-	56	-	1,824	-	-	1,880
Non-Retail								
Corporate	-	-	-	-	-	10,754	38	10,792
Sovereign	1,100	-	-	-	-	-	-	1,100
Bank	-	-	-	-	-	48	-	48
Total Non-Retail	1,100	-	-	-	-	10,802	38	11,940
Trading	-	-	-	-	-	1,424	-	1,424
Total	\$ 1,100	\$ -	\$ 56	\$ -	\$ 1,824	\$ 12,226	\$ 38	\$ 15,244

Q1								
(unaudited) (millions of dollars)	Risk Weights							Total
	0%	20%	35%	50%	75%	100%	150%	
Retail								
Retail residential mortgages	-	-	59	-	-	-	-	59
Other retail ⁽¹⁾	-	-	-	-	1,723	-	-	1,723
Total Retail	-	-	59	-	1,723	-	-	1,782
Non-Retail								
Corporate	-	-	-	-	-	12,400	12	12,412
Sovereign	25,429	-	-	-	-	481	-	25,910
Bank	-	-	-	-	-	34	-	34
Total Non-Retail	25,429	-	-	-	-	12,915	12	38,356
Trading	472	-	-	-	-	1,720	-	2,192
Total	25,901	-	59	-	1,723	14,635	12	42,330

(1) Under the Standardized approach, Other retail includes Qualifying revolving retail exposures.

(2) Exposure amounts are the expected gross exposure upon the default of an obligor. These amounts are before any specific allowance or partial write-offs and does not reflect the impact of credit risk mitigation and collateral held.



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

2009

(unaudited) (millions of dollars)	Q4							
	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

(unaudited) (millions of dollars)	Q3							
	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

(unaudited) (millions of dollars)	Q2							
	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

(unaudited) (millions of dollars)	Q1							
	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.



GROSS CREDIT RISK EXPOSURE AT DEFAULT ⁽¹⁾

2010							2010			2009			
Q4							Q3	Q2	Q1	Q4	Q3	Q2	Q1
(unaudited) (millions of dollars)	Drawn ⁽²⁾	Undrawn Commitments ⁽³⁾	Repo-style Transactions ⁽⁴⁾	OTC Derivatives	Other off-balance sheet items ⁽⁵⁾	Total	Total	Total	Total	Total	Total	Total	
Retail													
Retail residential mortgages	23,609	4,636	-	-	-	28,245	27,603	26,356	25,398	27,471	26,588	25,492	25,014
Qualifying revolving retail ⁽⁶⁾	2,562	2,655	-	-	-	5,217	5,185	7,117	5,859	-	-	-	-
Other retail	10,335	1,243	-	-	22	11,600	11,469	11,312	11,003	16,142	16,225	16,189	16,121
Total Retail	36,506	8,534	-	-	22	45,062	44,257	44,785	42,260	43,613	42,813	41,681	41,135
Non-Retail													
Corporate	21,986	9,416	1,468	-	1,878	34,748	35,692	35,182	33,287	39,506	38,509	36,859	38,887
Sovereign	10,181	2,753	8,921	13	86	21,954	21,274	29,115	25,909	21,063	24,517	24,093	26,124
Bank	3,248	45	38,801	182	303	42,579	46,740	35,528	27,702	21,240	18,734	20,752	17,766
Total Non-Retail	35,415	12,214	49,190	195	2,267	99,281	103,706	99,825	86,898	81,809	81,760	81,704	82,777
Trading book	-	-	-	7,141	-	7,141	6,381	5,900	6,051	6,343	5,980	5,400	6,189
Securitization	1,239	-	-	-	2,054	3,293	2,607	2,623	2,656	2,253	2,325	2,382	53
Total - Credit risk	73,160	20,748	49,190	7,336	4,343	154,777	156,951	153,133	137,865	134,018	132,878	131,167	130,154
Standardized Approach	5,358	210	1,446	2,251	363	9,628	14,184	15,244	42,330	-	-	-	-
AIRB Approach	67,802	20,538	47,744	5,085	3,980	145,149	142,767	137,889	95,535	-	-	-	-
	73,160	20,748	49,190	7,336	4,343	154,777	156,951	153,133	137,865	-	-	-	-

(1) Exposure at default is the expected gross exposure upon the default of an obligor. This amount is before any specific allowance or partial write-offs and does not reflect the impact of credit risk mitigation and collateral held. This table excludes Equity exposures.

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

(3) Undrawn commitments represent unused portions of authorized credit facilities in the form of loans and acceptances.

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

(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.

(6) Under standardized approach, Qualifying revolving retail were included in Other retail.



AIRB CREDIT RISK EXPOSURES: Retail portfolios

2010

(unaudited) (millions of dollars)

	Q4				Q3				Q2				Q1			
	EAD	Exposure weighted average PD	Exposure weighted average LGD	Exposure weighted average risk-weight	EAD	Exposure weighted average PD	Exposure weighted average LGD	Exposure weighted average risk-weight	EAD	Exposure weighted average PD	Exposure weighted average LGD	Exposure weighted average risk-weight	EAD	Exposure weighted average PD	Exposure weighted average LGD	Exposure weighted average risk-weight
Credit quality of AIRB Retail portfolios																
Retail portfolios																
Retail residential mortgages																
Low Risk	15,799	0.1%	23.1%	3.3%	15,369	0.1%	30.2%	4.2%	14,671	0.1%	30.1%	4.2%	14,902	0.1%	29.5%	4.1%
Medium Low	5,485	0.2%	20.8%	8.8%	5,236	0.2%	23.4%	9.9%	5,069	0.2%	23.0%	9.7%	4,946	0.2%	23.2%	10.1%
Medium	5,896	0.7%	15.4%	13.9%	5,997	0.7%	16.4%	14.7%	5,624	0.7%	16.4%	14.8%	4,805	0.7%	17.2%	15.1%
Medium High	514	2.5%	10.5%	23.5%	484	2.5%	12.1%	27.7%	485	2.5%	11.4%	25.8%	301	2.6%	17.5%	40.4%
High Risk	424	19.2%	11.1%	49.7%	384	18.2%	12.6%	56.9%	372	18.4%	12.1%	54.2%	310	15.4%	13.6%	60.6%
Default	71	100.0%	11.2%	108.5%	76	100.0%	11.3%	109.8%	79	100.0%	10.6%	102.5%	75	100.0%	8.8%	80.0%
Total Residential mortgages	28,189	0.8%	20.6%	7.9%	27,546	0.8%	25.3%	9.0%	26,300	0.8%	25.2%	8.9%	25,339	0.7%	25.5%	8.7%
Qualifying revolving retail																
Low Risk	2,531	0.1%	85.1%	2.9%	2,536	0.1%	85.0%	2.9%	3,452	0.1%	88.7%	3.1%	2,848	0.1%	84.9%	2.9%
Medium Low	734	0.2%	84.9%	9.9%	751	0.2%	84.8%	9.9%	1,009	0.2%	88.3%	10.3%	825	0.2%	84.6%	9.9%
Medium	1,418	0.8%	83.8%	26.4%	1,370	0.8%	83.8%	26.4%	1,786	0.8%	87.1%	27.9%	1,538	0.8%	83.6%	26.5%
Medium High	339	2.6%	86.8%	67.7%	333	2.6%	87.0%	68.0%	531	2.7%	91.4%	72.3%	400	2.7%	85.6%	67.2%
High Risk	173	12.0%	88.2%	153.3%	172	11.8%	88.5%	152.8%	316	12.4%	93.1%	162.1%	224	12.9%	86.8%	151.9%
Default	22	100.0%	80.2%	495.9%	23	100.0%	80.6%	504.6%	23	100.0%	80.4%	476.1%	24	100.0%	80.5%	459.4%
Total Qualifying revolving retail	5,217	1.3%	84.9%	21.5%	5,185	1.3%	84.9%	21.5%	7,117	1.3%	88.6%	24.1%	5,859	1.4%	84.6%	22.0%
Other Retail																
Low Risk	2,123	0.1%	36.0%	6.6%	2,108	0.1%	35.4%	6.6%	1,943	0.1%	36.2%	7.2%	2,682	0.1%	47.8%	8.9%
Medium Low	1,835	0.2%	37.5%	17.0%	1,846	0.2%	36.2%	16.3%	1,779	0.2%	39.4%	17.6%	1,563	0.2%	51.5%	22.7%
Medium	3,903	0.9%	54.8%	50.6%	3,831	0.8%	54.0%	49.4%	3,924	0.9%	50.7%	46.7%	3,301	0.9%	57.6%	53.3%
Medium High	1,206	2.5%	59.2%	79.5%	1,161	2.5%	60.5%	81.2%	1,195	2.5%	58.1%	77.8%	1,098	2.5%	58.9%	78.9%
High Risk	550	13.5%	65.3%	120.9%	542	13.2%	64.8%	119.0%	546	12.2%	60.3%	108.9%	545	11.6%	58.7%	102.5%
Default	98	100.0%	52.0%	431.3%	101	100.0%	50.0%	371.0%	100	100.0%	48.4%	361.7%	91	100.0%	51.3%	388.8%
Total Other Retail	9,715	2.5%	48.6%	46.1%	9,589	2.5%	47.8%	44.8%	9,487	2.5%	47.1%	44.0%	9,280	2.3%	53.9%	44.5%

Credit commitments - AIRB Retail portfolios	Notional undrawn commitments	EAD on undrawn commitments
Retail residential mortgages	6,441	4,636
Qualifying revolving retail	4,648	2,655
Other Retail	1,663	1,265
Total	12,752	8,556

Notional undrawn commitments	EAD on undrawn commitments (1)
6,211	4,469
4,621	2,654
1,586	1,223
12,418	8,346

Notional undrawn commitments	EAD on undrawn commitments (1)
5,858	4,199
5,928	3,956
1,588	1,157
13,374	9,312

Notional undrawn commitments	EAD on undrawn commitments (1)
5,612	4,036
5,159	3,157
1,508	1,097
12,279	8,290

(1) EAD undrawn commitments is the undrawn commitments (notional amount) that is currently undrawn but expected to be drawn in the event of a default.

AIRB CREDIT RISK EXPOSURES: Non-Retail portfolios

2010

(unaudited)
(millions of dollars)

	Q4				Q3				Q2				Q1			
	EAD	Exposure weighted average PD	Exposure weighted average LGD	Exposure weighted average risk-weight	EAD	Exposure weighted average PD	Exposure weighted average LGD	Exposure weighted average risk-weight	EAD	Exposure weighted average PD	Exposure weighted average LGD	Exposure weighted average risk-weight	EAD	Exposure weighted average PD	Exposure weighted average LGD	Exposure weighted average risk-weight
Credit quality of AIRB Non-Retail portfolios																
Non-Retail portfolios																
Sovereign ⁽¹⁾																
Investment grade	13,330	0.0%	13.1%	1.6%	12,220	0.0%	12.6%	1.5%	17,075	0.0%	13.8%	1.4%	-	0.0%	0.0%	0.0%
Non-Investment grade	18	5.7%	20.4%	62.8%	15	5.7%	20.4%	62.8%	-	0.0%	0.0%	0.0%	-	0.0%	0.0%	0.0%
Watchlist	-	0.0%	0.0%	0.0%	-	0.0%	0.0%	0.0%	-	0.0%	0.0%	0.0%	-	0.0%	0.0%	0.0%
Impaired/Default	-	0.0%	0.0%	0.0%	-	0.0%	0.0%	0.0%	-	0.0%	0.0%	0.0%	-	0.0%	0.0%	0.0%
Total Sovereign	13,348	0.0%	13.1%	1.7%	12,235	0.0%	12.6%	1.5%	17,075	0.0%	13.8%	1.4%	-	0.0%	0.0%	0.0%
Corporate																
Investment grade	15,848	0.2%	42.9%	31.6%	15,055	0.2%	43.7%	32.2%	14,088	0.2%	43.7%	31.8%	11,423	0.2%	47.8%	35.8%
Non-Investment grade	11,907	1.7%	41.1%	75.0%	9,079	1.5%	46.8%	83.8%	8,677	1.6%	47.3%	84.7%	7,925	1.6%	50.6%	93.2%
Watchlist	1,675	10.6%	46.7%	160.1%	1,383	10.6%	50.5%	176.1%	1,353	10.3%	49.9%	173.6%	1,268	10.1%	50.6%	177.9%
Impaired/Default	251	100.0%	53.2%	270.7%	246	100.0%	51.9%	257.5%	272	100.0%	52.2%	301.7%	258	100.0%	55.4%	347.9%
Total Corporate	29,681	2.3%	42.4%	58.3%	25,763	2.2%	45.3%	60.3%	24,390	2.4%	45.4%	61.5%	20,874	2.6%	49.1%	70.1%
Bank																
Investment grade	9,443	0.1%	40.1%	4.1%	10,528	0.1%	44.1%	4.3%	9,463	0.1%	45.2%	5.9%	7,159	0.1%	52.9%	6.4%
Non-Investment grade	216	1.4%	56.9%	6.6%	220	1.4%	57.4%	6.1%	211	1.3%	58.3%	7.8%	181	1.3%	57.7%	7.2%
Watchlist	40	11.8%	2.0%	9.9%	42	11.8%	2.0%	10.1%	-	0.0%	0.0%	0.0%	-	0.0%	0.0%	0.0%
Impaired/Default ⁽²⁾	-	100.0%	54.0%	675.0%	-	100.0%	54.0%	675.0%	-	100.0%	54.0%	675.0%	-	100.0%	54.0%	675.0%
Total Bank	9,699	0.2%	40.3%	4.3%	10,790	0.2%	44.2%	4.4%	9,674	0.2%	45.5%	6.0%	7,340	0.2%	53.0%	6.5%

Credit commitments - AIRB Non-Retail portfolios

	Notional undrawn commitments	EAD on undrawn commitments
Sovereign ⁽¹⁾	6,300	2,753
Corporate	20,894	9,206
Bank	91	45
Total	27,285	12,004

	Notional undrawn commitments	EAD on undrawn commitments ⁽³⁾
	6,014	2,630
	19,850	8,639
	92	46
Total	25,956	11,315

	Notional undrawn commitments	EAD on undrawn commitments ⁽³⁾
	7,398	3,252
	19,068	8,420
	90	45
Total	26,556	11,717

	Notional undrawn commitments	EAD on undrawn commitments ⁽³⁾
	-	-
	15,503	6,877
	30	15
Total	15,533	6,892

(1) Under AIRB Approach for periods after Q1 2010.

(2) The amount of EAD appears zero because it's inferior to \$500 K, but it's considered in the RWA exposure calculation.

(3) EAD undrawn commitments is the undrawn commitments (notional amount) that is currently undrawn but expected to be drawn in the event of a default.



CREDIT RISK MITIGATION

2010											
Q4			Q3			Q2			Q1		

(unaudited) (millions of dollars)

Total exposure covered by

	Standardized		AIRB ⁽¹⁾	Standardized		AIRB ⁽¹⁾	Standardized		AIRB ⁽¹⁾	Standardized		AIRB ⁽¹⁾
	Eligible financial collateral	Guarantees/credit derivatives	Guarantees/credit derivatives	Eligible financial collateral	Guarantees/credit derivatives	Guarantees/credit derivatives	Eligible financial collateral	Guarantees/credit derivatives	Guarantees/credit derivatives	Eligible financial collateral	Guarantees/credit derivatives	Guarantees/credit derivatives
Retail												
Residential mortgages	-	-	6,337	-	-	6,405	-	-	6,333	-	-	5,872
Qualifying revolving retail	-	-	-	-	-	-	-	-	-	-	-	-
Other retail	-	790	198	-	788	184	-	799	199	-	795	344
Total retail	-	790	6,535	-	788	6,589	-	799	6,532	-	795	6,216
Non-Retail												
Corporate	-	406	2,004	-	756	1,528	-	742	1,546	-	1,272	962
Sovereign	-	-	-	-	-	-	-	-	-	-	8	-
Bank	-	-	1,216	-	-	-	-	-	2	-	-	85
Total Non-retail	-	406	3,220	-	756	1,528	-	742	1,548	-	1,280	1,047
Trading book	-	-	214	-	-	182	-	-	103	-	-	97
Total	-	1,196	9,969	-	1,544	8,299	-	1,541	8,183	-	2,075	7,360

(1) For exposures under the AIRB approach, eligible financial collateral is taken into account in the Bank's Loss Given Default (LGD) models. Separate disclosure of eligible financial collateral is, therefore, not required.

2009				2008			
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1

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)

2010																
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	Protection purchased	Protection sold	Protection purchased	Protection sold	Protection purchased	Protection sold	Protection purchased	Protection sold	Protection purchased	Protection sold	Protection purchased	Protection sold	Protection purchased	Protection sold
Credit default swaps																
Indices, singles names and others	115	45	8,551	7,959	116	45	8,719	8,197	125	45	8,985	8,130	149	63	9,712	8,713
Tranches on indices	-	-	990	1,000	-	-	998	1,008	-	-	1,057	1,067	-	-	1,112	1,123
Collateralized debt obligations	-	-	30	30	-	-	31	31	-	-	30	30	-	-	32	32
Total return swap	450	-	550	808	419	-	197	221	382	-	1	25	455	-	1	22

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

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	Protection purchased	Protection sold	Protection purchased	Protection sold	Protection purchased	Protection sold	Protection purchased	Protection sold	Protection purchased	Protection sold	Protection purchased	Protection sold	Protection purchased	Protection sold
Credit default swaps																
Indices, singles names and others	131	64	9,371	8,057	88	63	12,276	10,845	115	70	12,998	11,693	119	72	11,756	11,368
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.



CREDIT EXPOSURE BY RESIDUAL CONTRACTUAL MATURITY ⁽¹⁾ ⁽²⁾

2010															
Q4				Q3				Q2				Q1			

(unaudited) (millions of dollars)

	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	Within 1 year	1 to 5 years	Over 5 years	Total
Retail																
Residential mortgages	20,764	7,151	274	28,189	19,960	7,303	283	27,546	19,246	6,709	345	26,300	18,622	6,409	308	25,339
Qualifying revolving retail	5,217	-	-	5,217	5,185	-	-	5,185	7,117	-	-	7,117	5,859	-	-	5,859
Other retail	6,408	2,418	889	9,715	6,379	2,372	838	9,589	6,372	2,345	770	9,487	6,261	2,257	762	9,280
Total retail	32,389	9,569	1,163	43,121	31,524	9,675	1,121	42,320	32,735	9,054	1,115	42,904	30,742	8,666	1,070	40,478
Non-Retail																
Corporate	20,881	8,342	458	29,681	17,913	7,495	355	25,763	16,430	7,637	323	24,390	13,773	6,649	452	20,874
Sovereign ⁽³⁾	13,425	5,194	3,017	21,636	13,680	4,962	2,310	20,952	19,204	6,344	2,467	28,015	-	-	-	-
Bank	41,986	436	106	42,528	46,097	505	90	46,692	34,850	547	84	35,481	27,037	551	80	27,668
Total Non-Retail	76,292	13,972	3,581	93,845	77,690	12,962	2,755	93,407	70,484	14,528	2,874	87,886	40,810	7,200	532	48,542
Trading book	1,276	2,259	1,355	4,890	1,104	2,225	1,104	4,433	1,408	2,162	906	4,476	1,144	2,008	707	3,859
Total	109,957	25,800	6,099	141,856	110,318	24,862	4,980	140,160	104,627	25,744	4,895	135,266	72,696	17,874	2,309	92,879

(1) This tables provides information on Exposure at default for portfolios under AIRB Approach only. It excludes also Equity and Securitization exposures.

(2) Credit exposure represents exposure at default, which is the the expected gross exposure upon the default of an obligor. This amount is before any specific allowances and does not reflect the impact of credit risk mitigation.

(3) Under AIRB Approach for periods after Q1 2010.



BANKING BOOK EQUITY EXPOSURES ⁽¹⁾

2010																			
Q4					Q3					Q2					Q1				

(unaudited) (millions of dollars)

	Total exposures	Unfunded commitments	On balance sheet exposures at carrying value	Gross unrealized gains (losses)	Realized gains (losses) in the reporting period	Total exposures	Unfunded commitments	On balance sheet exposures at carrying value	Gross unrealized gains (losses)	Realized gains (losses) in the reporting period	Total exposures	Unfunded commitments	On balance sheet exposures at carrying value	Gross unrealized gains (losses)	Realized gains (losses) in the reporting period	Total exposures	Unfunded commitments	On balance sheet exposures at carrying value	Gross unrealized gains (losses)	Realized gains (losses) in the reporting period
Public	609	-	609	22	2	641	-	641	(7)	35	663	-	663	58	40	749	-	749	85	41
Private	402	51	351	-	-	394	52	342	-	-	419	50	369	3	-	379	52	327	(6)	-
	1,011	51	960	22	2	1,035	52	983	(7)	35	1,082	50	1,032	61	40	1,128	52	1,076	79	41

(1) This table excludes insurance company subsidiaries, investments in deconsolidated subsidiaries and the substantial investments that are deducted from capital to calculate regulatory capital.

 **FINANCIAL DERIVATIVES**

	2010				2009				2008			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<i>(millions of dollars)</i>												
FOREIGN EXCHANGE RELATED CONTRACTS												
Swaps	48,882	42,511	50,870	32,977	40,603	35,019	32,308	46,249	39,631	34,691	30,838	37,689
Options - purchased	3,904	3,308	3,157	3,090	3,733	3,397	5,048	3,782	3,588	2,576	4,836	5,465
- sold	2,912	2,416	2,656	2,660	4,774	3,117	4,740	3,182	3,343	2,387	4,688	5,123
Exchange traded & OTC futures contracts	6,415	5,812	6,548	6,730	8,795	7,689	10,049	7,050	10,427	8,591	9,396	9,523
Total Notional Amount	62,113	54,047	63,231	45,457	57,905	49,222	52,145	60,263	56,989	48,245	49,758	57,801
Replacement cost - gross	803	812	951	697	1,018	1,214	949	1,332	2,147	814	938	1,126
- net ⁽¹⁾	437	427	554	421	438	479	358	602	898	383	442	512
Future credit risk	680	693	812	421	653	625	558	649	614	597	613	664
Credit equivalent ⁽²⁾	1,117	1,120	1,366	842	1,093	1,000	917	1,251	1,512	980	1,055	1,177
Risk-weighted equivalent	347	376	462	316	444	423	410	567	755	468	490	485
INTEREST RATE RELATED CONTRACTS												
Swaps	229,881	222,537	215,707	195,589	186,302	183,068	209,304	197,390	192,073	168,284	163,531	154,629
Options - purchased	24,849	24,049	25,137	58,523	34,070	27,914	19,288	19,807	31,521	60,223	51,250	32,221
- sold	34,642	17,878	23,660	32,635	25,422	18,800	7,157	15,684	11,470	19,660	30,316	32,309
Exchange traded & OTC futures contracts	28,109	42,404	25,403	23,721	29,184	29,120	23,586	19,931	18,930	16,563	16,450	9,675
Total Notional Amount	317,481	306,868	289,907	310,468	274,978	258,902	259,335	252,812	253,994	264,730	261,547	228,834
Replacement cost - gross	3,931	3,379	2,651	3,695	3,404	3,681	4,797	4,718	2,774	1,544	1,560	1,106
- net ⁽¹⁾	1,186	1,116	819	1,338	1,023	1,027	1,070	1,284	724	609	632	439
Future credit risk	1,400	1,302	1,120	1,071	494	474	450	460	441	472	464	415
Credit equivalent ⁽²⁾	2,586	2,418	1,938	2,408	1,516	1,248	1,521	1,744	1,165	1,081	1,096	853
Risk-weighted equivalent	1,118	961	798	930	424	432	539	559	364	299	278	210
FINANCIAL FUTURES												
Total Notional Amount	19,685	13,091	53,171	39,199	16,928	39,361	46,417	15,401	22,988	27,999	61,712	27,207
EQUITY AND COMMODITY CONTRACTS												
Total Notional Amount	39,458	24,606	36,669	32,213	32,538	31,524	25,730	29,385	35,631	38,513	41,048	41,220
Replacement cost - gross	2,906	2,212	1,955	2,288	2,306	1,931	2,029	2,431	2,347	1,928	1,724	1,418
- net ⁽¹⁾	2,506	2,039	1,503	1,773	1,866	1,449	1,391	1,518	1,290	1,249	1,116	974
Future credit risk	530	418	611	487	1,398	1,244	871	1,005	874	951	1,388	1,236
Credit equivalent ⁽²⁾	3,036	2,457	2,115	2,260	3,263	2,645	2,263	2,523	2,164	2,200	2,504	2,210
Risk-weighted equivalent	239	222	378	304	2,691	2,320	1,871	1,931	1,644	1,628	1,561	1,340
CREDIT DERIVATIVES												
Total Notional Amount (trading only)	19,918	19,402	19,299	20,724	19,833	25,516	27,418	27,424	23,975	15,901	23,118	13,192
Replacement cost - gross	238	293	265	358	454	590	1,070	1,410	1,250	455	369	329
- net ⁽¹⁾	40	45	69	79	72	100	79	146	86	75	66	75
Future credit risk	557	473	553	603	783	1,027	1,021	1,048	909	678	1,004	608
Credit equivalent ⁽²⁾	597	518	621	682	855	996	1,100	1,194	995	753	1,070	684
Risk-weighted equivalent	353	317	362	393	163	202	198	215	183	142	203	124
TOTAL DERIVATIVES												
Total Notional Amount	458,655	418,014	462,277	448,061	402,182	404,525	411,045	385,285	393,577	395,388	437,183	368,254
Replacement cost - gross	7,878	6,696	5,822	7,038	7,182	7,416	8,845	9,891	8,518	4,741	4,591	3,979
- net ⁽¹⁾	4,169	3,627	2,945	3,611	3,399	3,055	2,898	3,550	2,998	2,316	2,256	2,000
Future credit risk	3,167	2,886	3,096	2,582	3,328	3,371	2,900	3,162	2,838	2,698	3,469	2,924
Credit equivalent ⁽²⁾	7,336	6,513	6,040	6,192	6,727	5,889	5,801	6,712	5,836	5,014	5,725	4,924
Risk-weighted equivalent	2,057	1,876	2,000	1,943	3,722	3,378	3,019	3,272	2,946	2,537	2,532	2,159

(1) Gross positive replacement cost after permissible netting

(2) Taking into account permissible netting and collateral

SHAREHOLDERS' INFORMATION

2010				2009				2008			
Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1

Credit Rating

Moody's (Long Term Debt Senior)	Aa2	Aa2	Aa2	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	A	A	A
DBRS (Senior Debt)	AA (low)	AA (low)	AA (low)	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+	A+	A+	A+

Stock Trading Range and Other Information

High	\$ 67.87	\$ 62.69	\$ 64.01	\$ 64.62	\$ 62.08	\$ 58.11	\$ 46.43	\$ 45.95	\$ 53.66	\$ 54.63	\$ 53.73	\$ 54.25
Low	\$ 55.53	\$ 54.45	\$ 56.62	\$ 56.51	\$ 56.00	\$ 43.36	\$ 30.71	\$ 25.62	\$ 42.25	\$ 45.75	\$ 44.39	\$ 45.15
Close	\$ 67.13	\$ 58.99	\$ 62.10	\$ 56.51	\$ 56.39	\$ 58.11	\$ 43.65	\$ 34.22	\$ 45.21	\$ 50.00	\$ 53.73	\$ 50.53
Number of registered shareholders	23,598	23,663	23,806	23,943	23,970	25,677	24,172	24,248	24,354	24,419	24,544	24,629

Valuation

Market Capitalization (in millions of \$)	\$ 10,927	\$ 9,576	\$ 10,074	\$ 9,144	\$ 9,090	\$ 9,333	\$ 6,979	\$ 5,464	\$ 7,209	\$ 7,956	\$ 8,509	\$ 7,991
P/E Ratio (trailing 4 Quarters)	11.23	10.33	10.47	9.69	11.37	14.79	11.28	9.86	9.64	10.71	11.22	11.93
Market price/Book value	1.79	1.64	1.80	1.63	1.69	1.79	1.37	1.12	1.52	1.70	1.87	1.80
Dividend payout (trailing 4 quarters) excl. Specified items	39.37%	40.86%	39.43%	39.37%	39.68%	40.00%	41.89%	42.69%	42.98%	38.31%	38.03%	38.11%
Dividend yield (annualized)	3.69%	4.20%	3.99%	4.39%	4.40%	4.27%	5.68%	7.25%	5.49%	4.96%	4.62%	4.91%

Other Information

Number of employees (full-time equivalent)	15,298	15,418	15,220	15,006	14,851	14,846	14,474	14,385	14,420	14,633	14,387	14,432
Number of Branches	442	442	444	444	445	446	446	448	446	445	446	446
Number of ATM'S	869	875	869	869	866	863	861	860	858	858	852	847

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	Newspaper Abbreviations Toronto
Common Shares	NA	National Bk
First Preferred Shares		
Series 15	NA.PR.K	Natl Bk 15
Series 16	NA.PR.L	Natl Bk 16
Series 20	NA.PR.M	Natl Bk 20
Series 21	NA.PR.N	Natl Bk 21
Series 24	NA.PR.O	Natl Bk 24
Series 26	NA.PR.P	Natl Bk 26