

# Transaction Fact Sheet

National Bank to acquire Laurentian Bank's retail and SME banking portfolios and syndicated loan portfolio



**Montreal, December 2, 2025** - National Bank has entered into definitive agreements to acquire Laurentian Bank's retail and SME banking portfolios following Laurentian Bank's decision to exit the sector (the "Retail/SME Transaction"), as well as its syndicated loan portfolio (the "Syndicated Loan Transaction"), collectively the "National Bank Transactions". See the accompanying [press release](#) for more details.

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## National Bank Transactions Highlights

- Complements National Bank's retail banking client acquisition strategy
- Significant value proposition for the acquired clients, including broader digital capabilities and products, and access to experts in financial advice
- Commitment to Quebec and opportunity to serve local customers and communities
- Accretive to adjusted EPS and adjusted ROE
- Net funding benefit to National Bank

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## Retail/SME Banking Portfolios<sup>(1)</sup>

- \$3.3B of retail banking loans:
  - ~90% mortgages and HELOCs; ~5% credit cards; and ~5% retail loans
- \$7.6B of retail banking deposits:
  - ~30% demand and ~70% term deposits
- \$0.8B of SME banking loans and \$0.6B of SME banking deposits
- Final consideration to be based on outstanding balances at closing
- National Bank will assume the distribution agreement related to \$3.4B of mutual funds
- Represents ~260,000 total clients

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## Syndicated Loan Portfolio<sup>(1)</sup>

- \$0.9B of commercial and corporate banking loans
  - Diversified portfolio with exposure across various industries
  - Significant client overlap

(1) All figures as at July 31, 2025 for illustrative purposes. Final consideration to be based on outstanding balances at closing.

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## Purchase Consideration and Capital Impact

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- Consideration for the National Bank Transactions:
  - Fully settled in cash and cash equivalents
  - Final consideration to be based on outstanding balances at closing
  - If the purchase price was calculated as at July 31, 2025, the result would approximate net book value
- Total expected CET1 ratio impact: ~25-30 bps, of which ~5 bps relate to the Syndicated Loan Transaction, with the regulatory capital treatment expected to be under the Standardized Approach at each closing

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## Financial Impact

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- Accretive to adjusted EPS by ~1.5-2% in the first year following closing of the Retail/SME Transaction and marginally accretive to adjusted ROE, before any revenue synergies, excluding:
  - Integration and conversion costs
  - Initial provision on performing loans

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## Closing Conditions and Timing

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- Retail/SME Transaction:
  - Cross-conditional with Fairstone Bank's acquisition of Laurentian Bank (see the accompanying [press release](#) for more details)
  - Anticipated closing by late 2026 subject to competition and other regulatory approvals, and customary closing conditions
- Syndicated Loan Transaction:
  - Anticipated closing in ~3 months, subject to customary closing conditions

### About National Bank of Canada

The Bank has approximately 34,000 employees in knowledge-intensive positions and operates through three business segments in Canada: Personal and Commercial Banking, Wealth Management and Capital Markets. A fourth segment, U.S. Specialty Finance and International, complements the growth of its domestic operations. Its securities are listed on the Toronto Stock Exchange (TSX: NA). Follow the Bank's activities at [nbc.ca](http://nbc.ca) or via social media.

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### **Non-GAAP financial measures**

This fact sheet contains references to certain financial measures and ratios such as “adjusted EPS”, “adjusted ROE” and “Common Equity Tier 1”, that do not have standardized meanings under GAAP and therefore should not be confused with, or used as an alternative for, performance measures calculated according to GAAP. Furthermore, these measures should not be compared with similarly titled measures provided or used by other issuers. For more information on the non-GAAP financial and other measures used by National Bank in this fact sheet, refer to the “Financial Reporting Method” section on pages 14 to 20 of National Bank’s 2024 Annual Report.

### **Caution regarding forward-looking statements**

This fact sheet contains “forward-looking information” and “forward-looking statements” (collectively, “forward-looking information”) within the meaning of applicable securities laws. In some cases, forward-looking information can be identified by the use of forward-looking terminology such as “plans”, “targets”, “expects”, “is expected”, “an opportunity exists”, “budget”, “scheduled”, “estimates”, “outlook”, “forecasts”, “projects”, “projection”, “prospects”, “strategy”, “intends”, “anticipates”, “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will”, “occur” or “be achieved”, and similar words or the negative of these terms and similar terminology. In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward-looking information. Defined terms used but not otherwise defined in this section have the meaning ascribed to them in the accompanying [press release](#).

Specifically, statements regarding the anticipated benefits of the Transactions for Laurentian Bank, Laurentian Bank Shareholders, other Laurentian Bank stakeholders, Fairstone Bank, and National Bank, including, plans, objectives, expectations and intentions of Laurentian Bank, Fairstone Bank or National Bank; statements regarding the timing and receipt of Laurentian Bank Shareholder approval in respect of the Acquisition Transaction or regulatory approvals in respect of the Transactions; anticipated timing of the Meeting; the satisfaction of the conditions precedent to the Transactions; the proposed timing and completion of the Transactions; the closing of the Transactions and the delisting from the TSX; and other statements that are not statements of historical facts are all considered to be forward-looking information.

Statements containing forward-looking information are not historical facts but instead represent expectations, estimates and projections of management of Laurentian Bank, Fairstone Bank or National Bank, as applicable, regarding future events or circumstances. This forward-looking information is based on opinions, estimates and assumptions that, while considered by Laurentian Bank, Fairstone Bank and National Bank to be appropriate and reasonable as of the date of this fact sheet, are subject to known and unknown risks, uncertainties, and other factors that may cause the actual results, levels of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information, including but not limited to: the risk that the Transactions will not be completed on the terms and conditions, or on the timing, currently contemplated; that the Transactions may not be completed at all, due to a failure to obtain or satisfy, in a timely manner or otherwise, required Laurentian Bank Shareholder (in respect of the Acquisition Transaction) and regulatory approvals and other conditions to the closing of the Transactions or for other reasons; the risk that competing offers or acquisition proposals will be made; the negative impact that the failure to complete the Transactions, for any reason, could have on the price of the Laurentian Bank Shares or on the business of Laurentian Bank; the possibility of adverse reactions or changes in business relationships resulting from the announcement or completion of the Transactions; risks relating to Laurentian Bank’s ability to retain and attract key personnel during and following the interim period; the possibility of litigation relating to the Transactions; credit, market, currency, operational, liquidity and funding risks generally and relating specifically to the Transactions, including changes in economic conditions, interest rates or tax rates; and those other risks discussed in greater detail in the Risk Management section of the 2024 Annual Report as well as in the Risk Management section of the Report to Shareholders for the third quarter of 2025, which are available under National Bank’s profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). If any of these risks or uncertainties materialize, or if the opinions, estimates or assumptions underlying the forward-looking information prove incorrect, actual results or future events might vary materially from those anticipated in the forward-looking information. Although Laurentian Bank, Fairstone Bank and National Bank have attempted to identify important risk factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other risk factors not presently known to such parties or that they presently believe are not material that could also cause actual results or future events to differ materially from those expressed in such forward-looking information.

There can be no assurance that forward-looking statements will prove to be accurate as actual outcomes and results may differ materially from those expressed in forward-looking statements included herein. Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, any forward-looking statements included herein are made as of the date of this fact sheet and, except as expressly required by applicable law, each of Laurentian Bank, National Bank and Fairstone Bank assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. All of the forward-looking information contained in this fact sheet is expressly qualified by the foregoing cautionary statements.

### **Financial impact**

Refers to incremental income or balance sheet impacts following closing of the Transactions. Results presented under this headline are not representative of Laurentian Bank’s prior reporting basis, as they reflect National Bank’s presentation methodology, including but not limited to the Purchase Price Allocation and Fund Transfer Pricing.

