

# Investor Fact Sheet

National Bank of Canada is an integrated group that provides comprehensive financial services to consumers, small and medium-sized enterprises and large corporations in its core market, while offering specialized services elsewhere in the world.

## Vision

*National Bank is one of the six systemically important banks in Canada and the leading bank in Quebec where it is the partner of choice among SMEs. It has branches in almost every province in Canada as well as numerous representative offices, subsidiaries and partnerships, through which it can serve clients in the United States, Europe and other parts of the world. Its head office is located in Montreal and its securities are listed on the Toronto Stock Exchange.*

## National Bank's Operations (four major business segments)

### Personal and Commercial Banking

The Personal and Commercial segment meets the financial needs of some 2.6 million individuals and more than 135,000 businesses across Canada. These clients entrust the Bank to manage, invest and safeguard their assets and finance their projects. Personal Banking offers everyday transaction solutions, mortgage loans, home equity lines of credit, consumer loans, payment solutions, savings options and tailored investment solutions as well as a diverse range of insurance products through specialized subsidiaries. Commercial Banking offers financial advice and a full line of services, including credit, deposit and investment solutions, international trade, foreign exchange transactions, payroll, cash management, insurance, electronic transactions and complementary services. Clients turn to the Bank's experienced advisors who take the time to understand their specific needs and help them reach their financial goals. And thanks to the Bank's convenient self-banking channels, 428 branches and 933 banking machines across Canada, clients can do their daily banking whenever and wherever they wish.

### Wealth Management

The Wealth Management segment believes that the strength of client relationships is – and will remain – the key factor in its success. Therefore, this segment focuses on hiring and retaining advisors and support staff with a passion for providing outstanding client experience and on providing category-leading products and services. Wealth Management leverages internal and third-party distribution channels as well as its product manufacturers to maintain leadership in Quebec and to continue growing its market share across Canada. The segment is differentiated by its unique business model and a culture that features a high degree of professionalism. All its investment solutions, products and specialized services are provided through 865 investment advisors working out of 101 service outlets across Canada.

### Financial Markets

The Financial Markets segment offers a full suite of financial solutions, from debt and equity underwriting to bank credit and risk management products. This segment also delivers comprehensive advisory services in the areas of mergers and acquisitions and financing. Access to the Canadian capital markets is provided through its fixed-income, equities and derivatives business lines. The segment's clients consist of large and mid-sized corporations, public sector clients and institutions across Canada.

Financial Markets is an investment banking leader across Canada and the overall top-ranked franchise in Quebec. In fixed-income and equities, it is a market leader, providing origination, underwriting, distribution and liquidity through secondary market activities as well as macroeconomic and issuer-focused research.

Through offices in New York, London (UK) and Hong Kong, this segment markets Canadian debt and equity securities to institutional investors in the United States, Europe and Asia. Through its Dublin subsidiary, it engages in trading activities with large European-based institutions in local equity and equity-linked securities exchanges.

### U.S. Specialty Finance and International

The Bank has an 80% ownership interest in Credigy, a subsidiary specialized in consumer finance investment. Credigy acquires portfolios of consumer receivables from different categories of lenders and seeks to realize the assets through collections to achieve expected returns. The company also provides financing to the consumer receivables market. Purchase and financing decisions are assessed by experienced personnel using proprietary models and analytics expertise. Based in Atlanta, U.S.A., Credigy is primarily active in performing assets covering a broad range of asset classes, mostly in the U.S. market.

The Bank has a 90% ownership interest in ABA Bank, a rapidly growing commercial bank with a diversified client base in Cambodia. ABA Bank was founded in 1996. The Bank also has minority positions in financial groups active in francophone Africa and in Africa-Asia trade. At the end of fiscal 2017, the Bank's investments in emerging markets totalled \$433 million.

## Capital Stock

*The common shares of the Bank as well as the First Preferred Shares are listed on the Toronto Stock Exchange (TSX).*

### Common Share Dividend Calendar (NA):

Record	Payment
December 27, 2017	February 1, 2018
March 26, 2018	May 1, 2018
June 26, 2018	August 1, 2018
September 24, 2018	November 1, 2018

### First Preferred Shares:

- › Series 30 (NA.PR.S)
- › Series 32 (NA.PR.W)
- › Series 34 (NA.PR.X)
- › Series 36 (NA.PRA)
- › Series 38 (NA.PRC)
- › Series 40 (NA.PRE)

### First Preferred Shares Dividend Calendar:

Record	Payment
January 5, 2018	February 15, 2018
April 9, 2018	May 15, 2018
July 9, 2018	August 15, 2018
October 9, 2018	November 15, 2018

### Credit Ratings:

Moody's:	A1
S&P:	A
DBRS:	AA (low)
Fitch:	A+

### Quarterly Earnings Release 2018 Calendar:

Q1	February 28
Q2	May 30
Q3	August 29
Q4	December 5

## National Bank in figures

Number of employees	22,359
Number of branches	428
Number of banking machines	933
Number of individual clients	2.6 million
Assets	\$256 billion
Assets under management/administration	\$495.4 billion
Common share price at closing	\$60.98
Stock market capitalization	\$20.7 billion

## Financial Performance <sup>(1)(2)</sup>

	6 months April 30, 2018	12 months October 31, 2017
Total revenues	\$3,688	\$6,864
Net income	\$1,107	\$2,049
Earnings per share (diluted)	\$2.93	\$5.45
Return on common shareholders' equity	18.8%	18.3%
Efficiency ratio	54.5%	55.9%
Common Equity Tier 1 ratio (Basel III)	11.3%	11.2%

## Quarter ended April 30, 2018 (millions of dollars)

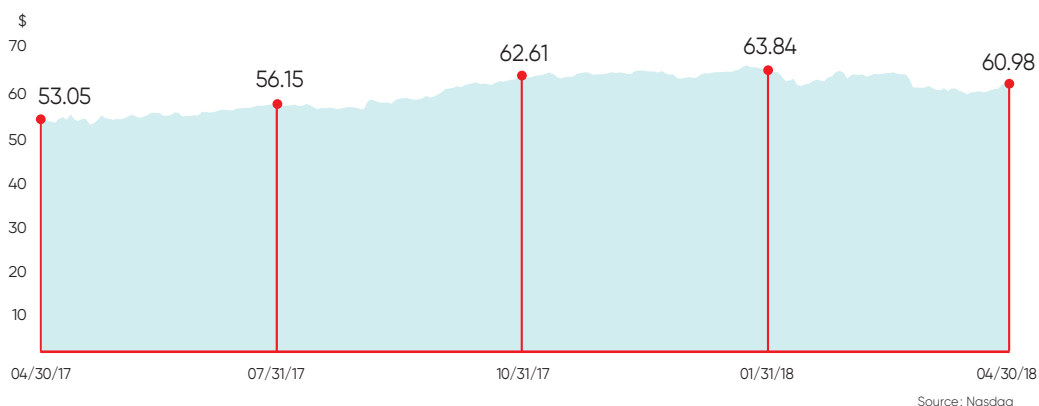
	Total Revenue
Personal and Commercial Banking <sup>(1)(2)</sup>	
Retail	\$355
Credit Cards	102
Insurance	27
Commercial	293
<b>Total</b>	<b>\$777</b>
Wealth Management <sup>(1)(2)</sup>	
Transaction and other	\$65
Fee based	243
Net interest income	125
<b>Total</b>	<b>\$433</b>
Financial markets <sup>(1)(2)</sup>	
<b>Total</b>	<b>\$437</b>
U.S. Specialty Finance and International	
<b>Total</b>	<b>\$174</b>

## Objectives and Quarterly Results (as at April 30, 2018)

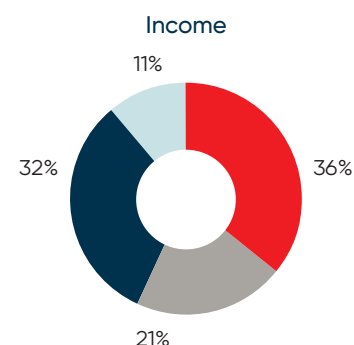
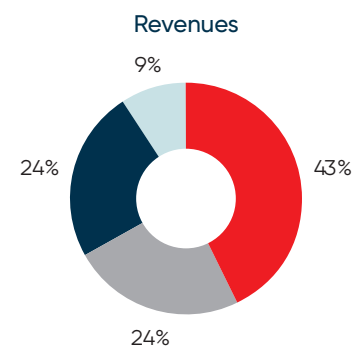
	Medium-term objectives	Results excluding specified items
Growth in diluted earnings per share <sup>(3)</sup>	5% – 10%	12%
Common Equity Tier 1 ratio	> 10%	11.3%
Leverage ratio	> 3.5%	4.0%
Dividend payout ratio	40% – 50%	41%

<sup>(1)</sup> Excluding specified items <sup>(2)</sup> Taxable equivalent basis <sup>(3)</sup> Year-over-Year percentage change

## TSX Common Stock Price Performance (NA)



## Business Mix <sup>(1)(2)</sup>



- Personal and Commercial Banking
- Wealth Management
- Financial Markets
- U.S. Specialty Finance and International

### Investor Relations

1-866-517-5455 (Toll Free)  
investorrelations@nbc.ca

### Public Affairs

514-394-8644  
pa@nbc.ca

### National Bank of Canada

Head Office  
600 De La Gauchetière Street West  
Montreal, Quebec H3B 4L2  
Canada