NATIONAL BANK

Report to Shareholders — Third Quarter 2026

National Bank reports its results for the Third Quarter of 2026

The financial information reported in this document is based on the unaudited interim condensed consolidated financial statements for the quarter and the nine-month period ended July 31, 2026 and is prepared in accordance with IAS 34 – *Interim Financial Reporting* as issued by the International Accounting Standards Board (IASB). All amounts are presented in Canadian dollars.

MONTREAL, August 26, 2026 – For the third quarter of 2026, National Bank is reporting net income of $1,307 million, up 23% from $1,065 million in the third quarter of 2025. Diluted earnings per share stood at $3.25, up 26% from $2.58 a year earlier, driven by strong performance across all business segments. Excluding specified items(1) recorded in the third quarters of 2026 and 2025, related to the acquisition of Canadian Western Bank (CWB) and transactions with Laurentian Bank of Canada (LBC), adjusted net income(1) stood at $1,362 million, up 23% from $1,104 million in the corresponding quarter of 2025. Adjusted diluted earnings per share(1) stood at $3.39, up 26% from $2.68 a year earlier.

For the nine-month period ended July 31, 2026, the Bank's net income totalled $3,795 million, up 28% from $2,958 million for the corresponding period of 2025. Diluted earnings per share stood at $9.39 compared to $7.50 for the corresponding period of 2025, an increase of 25%. This growth reflected strong performance across all business segments, lower provisions for credit losses, particularly due to initial provisions for credit losses recorded in the second quarter of 2025 on acquired non-impaired CWB loans, as well as the increased contribution from CWB in 2026, which included an additional quarter of results compared with 2025. Excluding specified items(1) recorded during the nine-month periods ended July 31, 2026 and 2025, adjusted net income(1) totalled $3,985 million, up 20% from $3,320 million for the corresponding period of 2025, while adjusted diluted earnings per share(1) stood at $9.88, up 17% from $8.46 for the nine-month period ended July 31, 2025.

"We delivered strong earnings and revenue growth, as well as a high return on equity, continuing the momentum achieved since the beginning of the year. Our results also reflected positive operating leverage and resilient credit performance, while we maintained robust capital levels," said Laurent Ferreira, President and Chief Executive Officer of National Bank of Canada.

"Despite trade and geopolitical uncertainty, Canada's resilience and the retooling of its economy are creating opportunities for growth. We remain focused on supporting our clients and advancing the country's economic priorities to create long-term value for all our stakeholders," concluded Mr. Ferreira.

Highlights

(millions of Canadian dollars)	Quarter ended July 31			Nine months ended July 31		
	2026	2025	% Change	**2026**	2025	% Change
Net income	**1,307**	1,065	23	**3,795**	2,958	28
Diluted earnings per share *(dollars)*	**$ 3.25**	$ 2.58	26	**$ 9.39**	$ 7.50	25
Income before provisions for credit losses and income taxes	**1,960**	1,524	29	**5,690**	4,769	19
Return on common shareholders' equity(2)	**16.1 %**	13.6 %		**15.9 %**	13.8 %	
Dividend payout ratio(2)	**41.1 %**	44.3 %		**41.1 %**	44.3 %	
Operating results – Adjusted(1)						
Net income – Adjusted	**1,362**	1,104	23	**3,985**	3,320	20
Diluted earnings per share – Adjusted *(dollars)*	**$ 3.39**	$ 2.68	26	**$ 9.88**	$ 8.46	17
Income before provisions for credit losses and income taxes – Adjusted	**2,036**	1,643	24	**5,945**	5,103	17
Return on common shareholders' equity – Adjusted(3)	**16.8 %**	14.1 %		**16.7 %**	15.6 %	

	As at July 31, 2026	As at October 31, 2025
CET1 capital ratio under Basel III(4)	**13.5 %**	13.8 %
Leverage ratio under Basel III(4)	**4.2 %**	4.5 %

(1) See the Financial Reporting Method section on pages 5 to 12 for additional information on non-GAAP financial measures.
(2) See the Glossary section on pages 45 to 48 for details on the composition of these measures.
(3) See the Financial Reporting Method section on pages 5 to 12 for additional information on non-GAAP ratios.
(4) See the Financial Reporting Method section on pages 5 to 12 for additional information on capital management measures.

Report to Shareholders

Third quarter of 2026 versus third quarter of 2025

Personal and Commercial

- Net income totalled $421 million versus $370 million in 2025, a 14% increase.
- At $1,546 million, third-quarter total revenues rose $97 million or 7% mainly due to net interest income, in line with the growth in loan and deposit volumes, partly offset by a lower net interest margin.
- Compared to a year ago, personal lending grew 13% and commercial lending grew 4%, driven by solid organic growth.
- Net interest margin(1) stood at 2.19%, down from 2.25%.
- Non-interest expenses stood at $848 million, up 5%.
- Provisions for credit losses were down $17 million, mainly due to a decrease in provisions for credit losses on non-impaired loans.
- At 54.9%, the efficiency ratio(1) improved compared to 55.6%.

Wealth Management

- Net income totalled $296 million, a 21% increase from $244 million in 2025.
- Total revenues amounted to $955 million compared to $811 million last year, a $144 million or 18% increase driven by growth in all types of revenues, mainly fee-based revenues.
- Non-interest expenses stood at $553 million versus $477 million in 2025, a 16% increase associated with revenue growth.
- At 57.9%, the efficiency ratio(1) improved compared to 58.8%.

Capital Markets

- Net income totalled $442 million versus $334 million in 2025, a 32% increase.
- Total revenues amounted to $1,041 million, a 34% increase, driven by strong growth in global markets revenues.
- Non-interest expenses stood at $436 million compared to $347 million, an increase reflecting higher compensation and employee benefits, as well as expenses related to business growth in the segment.
- Provisions for credit losses were $50 million compared to $24 million in 2025.
- At 41.9%, the efficiency ratio(1) improved compared to 44.7%, reflecting strong revenue growth.

U.S. Specialty Finance and International (USSF&I)

- Net income totalled $184 million, up 3% from $178 million last year.
- Total revenues amounted to $441 million, a 10% increase attributable to revenue growth at the Credigy and ABA Bank subsidiaries.
- Non-interest expenses stood at $130 million, a 4% decrease mainly attributable to the Credigy subsidiary.
- Provisions for credit losses were up $37 million, an increase mainly attributable to the Credigy subsidiary.
- At 29.5%, the efficiency ratio(1) improved compared to 33.6%.

Other

- The *Other* heading reported a net loss of $36 million compared to a net loss of $61 million in 2025, owing mainly to a higher contribution from Treasury activities, higher gains on investments, as well as a decrease in non-interest expenses.

Capital Management

- As at July 31, 2026, the Common Equity Tier 1 (CET1) capital ratio under Basel III(2) stood at 13.5%, down from 13.8% as at October 31, 2025.

(1) See the Glossary section on pages 45 to 48 for details on the composition of these measures.
(2) See the Financial Reporting Method section on pages 5 to 12 for additional information on capital management measures.

Management's Discussion and Analysis

August 25, 2026

The following Management's Discussion and Analysis (MD&A) presents the financial condition and operating results of National Bank of Canada (the Bank). This analysis was prepared in accordance with the requirements set out in *National Instrument 51-102, Continuous Disclosure Obligations,* issued by the Canadian Securities Administrators (CSA). This MD&A should be read in conjunction with the unaudited interim condensed consolidated financial statements (the Consolidated Financial Statements) and accompanying notes for the quarter and nine-month period ended July 31, 2026 and with the audited annual consolidated financial statements for the year ended October 31, 2025 prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), unless otherwise indicated. IFRS represent Canadian generally accepted accounting principles (GAAP). All amounts are presented in Canadian dollars. Additional information about the Bank, including the *Annual Information Form*, can be obtained from the Bank's website at nbc.ca and SEDAR+'s website at sedarplus.ca. The information found in the various documents and reports published by the Bank or the information available on the Bank's website and mentioned herein is not and should not be considered incorporated by reference into the Report to Shareholders, the Management's Discussion and Analysis, or the consolidated financial statements, unless expressly stated otherwise.

Caution Regarding Forward-Looking Statements

Certain statements in this document are forward-looking statements. These statements are made in accordance with applicable securities legislation in Canada and the United States. The forward-looking statements in this document may include, but are not limited to, statements in the messages from management, as well as other statements about the economy, the Bank's objectives, outlook, and priorities for fiscal 2026 and beyond, the strategies or actions that the Bank will take to achieve them, expectations for the Bank's financial condition and operations, the regulatory environment in which it operates, the potential impacts of increased geopolitical uncertainty on the Bank and its clients, its environmental, social, and governance targets and commitments, the impacts and benefits of the acquisition of Canadian Western Bank (CWB), and of the proposed acquisition of certain portfolios of the Laurentian Bank of Canada (LBC), and certain risks to which the Bank is exposed. The Bank may also make forward-looking statements in other documents and regulatory filings, as well as orally. These forward-looking statements are typically identified by verbs or words such as "outlook", "believe", "foresee", "forecast", "anticipate", "estimate", "project", "expect", "intend" and "plan", the use of future or conditional forms, notably verbs such as "will", "may", "should", "could" or "would", as well as similar terms and expressions.

These forward-looking statements are intended to assist the security holders of the Bank in understanding the Bank's financial position and results of operations as at the dates indicated and for the periods then ended, as well as the Bank's vision, strategic objectives, and performance targets, and may not be appropriate for other purposes. These forward-looking statements are based on current expectations, estimates, assumptions and intentions that the Bank deems reasonable as at the date thereof and are subject to uncertainty and risks, many of which are beyond the Bank's control. There is a strong possibility that the Bank's express or implied predictions, forecasts, projections, expectations, or conclusions will not prove to be accurate, that its assumptions will not be confirmed, and that its vision, strategic objectives, and performance targets will not be achieved. The Bank cautions investors that these forward-looking statements are not guarantees of future performance and that actual events or results may differ materially from the expectations, estimates, or intentions expressed in these forward-looking statements due to a number of factors. Therefore, the Bank recommends that readers not place undue reliance on these forward-looking statements. Investors and others who rely on the Bank's forward-looking statements should carefully consider the factors listed below as well as other uncertainties and potential events and the risks they entail. Except as required by law, the Bank does not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time, by it or on its behalf.

Assumptions about the performance of the Canadian and U.S. economies in 2026 and 2027, in particular in the context of increased geopolitical uncertainty, and how that performance will affect the Bank's business are among the factors considered in setting the Bank's objectives, outlooks and priorities. These assumptions appear in the Economic Review and Outlook section and, for each business segment, in the Economic and Market Review sections of the *2025 Annual Report* and the Economic Review and Outlook section of this document, and may be updated in the quarterly reports to shareholders filed thereafter.

The forward-looking statements made in this document are based on a number of assumptions and their future outcome is subject to a variety of factors, many of which are beyond the Bank's control and the impacts of which are difficult to predict. These risk factors include, among others, the general economic environment and business and financial market conditions in Canada, the United States, and the other countries where the Bank operates, including recession risk; geopolitical and sociopolitical uncertainty; the measures affecting trade relations between Canada and its partners, including the imposition of tariffs and any measures taken in response to such tariffs, as well as the possible impacts on our clients, our operations and, more generally, the economy; exchange rate and interest rate fluctuations; inflation; global supply chain disruptions; higher funding costs and greater market volatility; changes to fiscal, monetary, and other public policies; regulatory oversight and changes to regulations that affect the Bank's business; the Bank's ability to successfully integrate CWB and the undisclosed costs or liabilities associated with the acquisition; the possibility that the acquisition of certain LBC portfolios may not happen, or not at the expected time, and that the expected benefits of the transaction may not be realized, or not within the expected timeframe; climate change, including physical risks and risks related to the transition to a low-carbon economy; stakeholders engagement and the Bank's ability to meet their expectations on environmental and social issues; the availability of comprehensive and high-quality information from customers and other third parties, including on greenhouse gas emissions; the ability of the Bank to identify climate-related opportunities as well as to assess and manage climate-related risks; significant changes in consumer behaviour; the housing situation, the real estate market, and household indebtedness in Canada; the Bank's ability to achieve its key short-term priorities and long-term strategies; the timely development and launch of new products and services; the ability of the Bank to recruit and retain key personnel; technological innovation, including open banking and the use of artificial intelligence; heightened competition from established companies and from competitors offering non-traditional services; model risk; changes in the performance and creditworthiness of the Bank's clients and counterparties; the Bank's exposure to significant regulatory issues or litigation; changes made to the accounting policies used by the Bank to report its financial position, including the uncertainty related to assumptions and significant accounting estimates; changes to tax legislation in the countries where the Bank operates; changes to capital and liquidity guidelines as well as to the instructions related to the presentation and interpretation thereof; changes to the credit ratings assigned to the Bank by financial and extra-financial rating agencies; potential disruptions to key suppliers of goods and services to the Bank; third-party risk, including failure by third parties to fulfil their obligations to the Bank; the potential impacts of disruptions to the Bank's information technology systems due to cyberattacks and theft or disclosure of data, including personal information and identity theft; the risk of fraudulent activity; the possible impacts of major events on the economy, market conditions, or the Bank's outlook, including international conflicts, natural disasters, public health crises, and the measures taken in response to these events; and the ability of the Bank to anticipate and successfully manage risks arising from all of the foregoing factors.

The foregoing list of risk factors is not exhaustive, and the forward-looking statements made in this document are also subject to risks detailed in the Risk Management section of the *2025 Annual Report* as well as in the Risk Management section of the Report to Shareholders for the third quarter of 2026 and may be updated in the quarterly reports to shareholders filed thereafter.

Economic Review and Outlook[1]

Global Economy
Tensions in the Middle East remain elevated, as the United States (U.S.) and Iran have yet to reach an agreement that would bring a lasting end to the conflict and allow the resumption of traffic through the Strait of Hormuz. As a result, oil and commodity prices remain above their pre-crisis levels, although they have fallen somewhat as progress has been made in the discussions between the various stakeholders. China has also helped ease the upward pressure on oil prices by reducing its crude oil imports since the onset of the conflict. In Europe, weather conditions during the summer have also disrupted navigation on the Rhine River, which normally provides passage to approximately 7,000 cargo vessels per day. These disruptions have forced transport companies to reduce shipping volumes and raise prices, which could weigh on economic growth in the euro area. At the same time, massive investments in artificial intelligence (AI), particularly in the U.S., are expected to support global economic activity. Increased military spending across several regions of the world is also driving stronger demand. Considering all these factors, we expect the global economy to grow by 2.9%[2] in 2026 and 3.3%[2] in 2027.

In the U.S., the gross domestic product (GDP) data suggest the emergence of a two-speed economy, in which strong investment growth in AI-related sectors stands in contrast with declining investment in other sectors. Since the commercialization of ChatGPT, investment in the sectors most exposed to AI has surged 48%, more than double the pace observed in the rest of the economy. Over the longer term, this represents a vulnerability, as the outcome will depend on the ability of this technology to generate sufficient productivity gains to ensure profitability of the current projects. In the near term, however, economic resilience will depend primarily on maintaining a robust pace of investment capable of offsetting weaknesses elsewhere in the economy and supporting sustained growth. This scenario appears plausible over the coming quarters, as companies with significant exposure to AI are expected to invest as much as $800 billion this year. Beyond business investment, the path taken by GDP will also depend heavily on consumer spending, which represents a substantial share of economic activity. In the second quarter, consumer spending grew at its fastest pace in 18 months, supported by a resilient labour market and strong equity market returns. Combined with the strength of AI-related investment, such solid consumer spending should keep economic growth close to its potential, both this year and next year. However, this outlook assumes that financial conditions do not become more restrictive, which depends in particular on the conflict in the Middle East not continuing so long that the U.S. Federal Reserve (FED) raises its key policy rate. Accordingly, we forecast U.S. economic growth of 2.2%[2] in both 2026 and 2027.

Canadian Economy
Following two consecutive quarters of economic contraction leading some observers to think that Canada may have entered a recession, economic growth resumed in the second quarter of 2026. Monthly industry-level data indicate annualized GDP growth of over 3.0% in the three months ended June 2026, driven notably by the favourable impact of the mining, oil and gas extraction sector. This performance is particularly noteworthy given the backdrop of demographic contraction, which is weighing on potential economic growth. Nevertheless, the Canadian economy continues to present a mixed picture. Economic activity remains characterized by excess supply, and part of the growth recorded in the second quarter appears to have been driven by temporary factors, including the FIFA World Cup and increased government activity tied to the census. Labour market conditions support this assessment. Despite the recent improvement, the labour market posted excess supply during the first half of the year. This excess capacity is likely helping to keep core inflation near the Bank of Canada's target, while the surge in energy prices has not yet been reflected more broadly in the other components of inflation. In this context, we continue to believe that the Bank of Canada has sufficient leeway to keep its policy rate unchanged until the end of 2026, especially since trade relations with the United States continue to pose a significant risk to the economy, as confirmed by the recent escalation. Nevertheless, we continue to believe that it is in the United States' interest for negotiations to resume soon, particularly given inflationary pressures, high long-term interest rates, and weak public support for the trade war. We forecast economic growth of only 0.8%[2] in 2026, constrained by demographic contraction, and 1.5%[2] in 2027. The unemployment rate is expected to average 6.5%[2] in 2026 and 6.3%[2] in 2027.

Quebec Economy
Quebec's economy continues to lag the Canadian average. Since the beginning of 2025, coinciding with the onset of trade tensions, the province's GDP has contracted by 0.5%, compared with growth of 1.0% nationally. Since the beginning of the trade conflict, Quebec's economy has faced the highest tariff burden in Canada. Unfortunately, the joint review of the Canada-United States-Mexico Agreement (CUSMA), held on July 1, 2026, failed to reduce the uncertainty surrounding the future of the trade agreement. Under the most recent round of tariffs, Quebec remains the most affected province These headwinds are compounded by an unfavourable demographic backdrop and growing pressure on household finances due to higher energy prices. Several factors should nevertheless continue to support economic activity. The labour market remains particularly resilient. The unemployment rate stood at 5.6% in July 2026, only 0.2 percentage points above where it was at the onset of the trade war and among the lowest in Canada. The financial position of households also provides meaningful support. Quebec households posted a savings rate of 7.5% in the first quarter of 2026, compared with 3.5% nationally, providing a significant buffer against higher energy costs. According to Léger, 72% of Quebec households consider their financial position to be good or very good, compared with 60% Canada-wide. This reflects the fact that Quebec consumers have been relatively less affected by the fight against inflation since 2022 and the resulting monetary tightening, in particular because they carry less debt and benefit from more affordable housing than elsewhere in Canada. This resilience is also evident in Quebec's housing market, particularly relative to Ontario and British Columbia, despite the current uncertainty. We forecast economic growth of 0.8%[2] in Quebec in 2026, followed by 1.3%[2] in 2027. The province is also expected to continue posting one of the lowest unemployment rates in Canada, averaging 5.6%[2] in 2026 and 5.5%[2] in 2027.

(1) The quarters used in the Economic Review and Outlook section are calendar quarters.
(2) Economic Forecasts, National Bank's Economics and Strategy Group.

Financial Reporting Method

The Bank's Consolidated Financial Statements are prepared in accordance with IFRS, as issued by the IASB, and represent Canadian GAAP.

Non-GAAP and Other Financial Measures

The Bank uses a number of financial measures when assessing its results and measuring overall performance. Some of these financial measures are not calculated in accordance with GAAP. *Regulation 52-112 Respecting Non-GAAP and Other Financial Measures Disclosure* (Regulation 52-112) prescribes disclosure requirements that apply to the following measures used by the Bank:

- non-GAAP financial measures;
- non-GAAP ratios;
- supplementary financial measures;
- capital management measures.

Non-GAAP Financial Measures
The Bank uses non-GAAP financial measures that do not have standardized meanings under GAAP and that therefore may not be comparable to similar measures used by other companies. Presenting non-GAAP financial measures helps readers to better understand how management analyzes results, shows the impacts of specified items on the results of the reported periods, and allows readers to better assess results without the specified items if they consider such items not to be reflective of the underlying performance of the Bank's operations.

The key non-GAAP financial measures used by the Bank to analyze its results are described below, and a quantitative reconciliation of these measures is presented in the tables in the Reconciliation of Non-GAAP Financial Measures section on pages 10 to 12 and in the Consolidated Results table on page 14. It should be noted that, for the quarter and nine-month period ended July 31, 2026, as part of the CWB acquisition and the LBC transactions, related items have been excluded from results since, in the opinion of management, they do not reflect the underlying performance of the Bank's operations, in particular, integration and transaction-related charges and amortization of intangible assets related to the CWB acquisition. In addition, for the nine-month period ended July 31, 2026, initial provisions for credit losses on non-impaired loans acquired from LBC were excluded from results. For the quarter and nine-month period ended July 31, 2025, several CWB acquisition-related items had been excluded from results (in particular, integration and transaction-related charges, amortization of intangible assets related to the CWB acquisition and the income tax recovery related to a change in tax treatment). In addition, for the nine-month period ended July 31, 2025, the amortization of the subscription receipt issuance costs, the gain resulting from the remeasurement at fair value of the CWB common shares already held by the Bank, the loss resulting from the impact of managing fair value changes and the initial provisions for credit losses on acquired non-impaired CWB loans were excluded from results.

Adjusted Net Interest Income
This item represents net interest income excluding specified items. Specified items are excluded so that net interest income can be better evaluated by excluding items that management believes do not reflect the underlying financial performance of the Bank's operations.

Adjusted Non-Interest Income
This item represents non-interest income excluding specified items. Specified items are excluded so that non-interest income can be better evaluated by excluding items that management believes do not reflect the underlying financial performance of the Bank's operations.

Adjusted Total Revenues
This item represents total revenues excluding specified items. It consists of adjusted net interest income and adjusted non-interest income. Specified items are excluded so that total revenues can be better evaluated by excluding items that management believes do not reflect the underlying financial performance of the Bank's operations.

Adjusted Non-Interest Expenses
This item represents non-interest expenses excluding specified items. Specified items are excluded so that non-interest expenses can be better evaluated by excluding items that management believes do not reflect the underlying financial performance of the Bank's operations.

Adjusted Income Before Provisions for Credit Losses and Income Taxes
This item represents income before provisions for credit losses and income taxes excluding specified items. It also represents the difference between adjusted total revenues and adjusted non-interest expenses. Specified items are excluded so that income before provisions for credit losses and income taxes can be better evaluated by excluding items that management believes do not reflect the underlying financial performance of the Bank's operations.

Adjusted Provisions for Credit Losses
This item represents provisions for credit losses excluding specified items. Specified items are excluded so that provisions for credit losses can be better evaluated by excluding items that management believes do not reflect the underlying financial performance of the Bank's operations.

Adjusted Income Taxes (Recovery)
This item represents income taxes excluding income taxes (recovery) on specified items.

Adjusted Net Income
This item represents net income excluding specified items. Specified items are excluded so that net income can be better evaluated by excluding items that management believes do not reflect the underlying financial performance of the Bank's operations.

Adjusted Net Income Attributable to the Bank's Shareholders and Holders of Other Equity Instruments
This item represents net income attributable to the Bank's shareholders and holders of other equity instruments excluding specified items. Specified items are excluded so that net income attributable to the Bank's shareholders and holders of other equity instruments can be better evaluated by excluding items that management believes do not reflect the underlying financial performance of the Bank's operations.

Adjusted Net Income Attributable to Common Shareholders
This item represents net income attributable to common shareholders excluding specified items. Specified items are excluded so that net income attributable to common shareholders can be better evaluated by excluding items that management believes do not reflect the underlying financial performance of the Bank's operations.

Adjusted Basic Earnings Per Share
This item represents basic earnings per share excluding specified items. Specified items are excluded so that basic earnings per share can be better evaluated by excluding items that management believes do not reflect the underlying financial performance of the Bank's operations.

Adjusted Diluted Earnings Per Share
This item represents diluted earnings per share excluding specified items. Specified items are excluded so that diluted earnings per share can be better evaluated by excluding items that management believes do not reflect the underlying financial performance of the Bank's operations.

The Bank also uses the below-described measures to assess its results, and a quantitative reconciliation of these non-GAAP financial measures is presented in the document entitled *Supplementary Financial Information – Third Quarter 2026* on page 7 available on the Bank's website at nbc.ca.

Adjusted Non-Trading Net Interest Income
This item represents non-trading net interest income excluding specified items. It includes revenues related to financial assets and financial liabilities associated with non-trading activities, interest income related to the financing of these financial assets and liabilities, net of interest expenses, and is used to calculate adjusted non-trading net interest margin. Specified items are excluded so that non-trading net interest income can be better evaluated by excluding items that management believes do not reflect the underlying financial performance of the Bank's operations.

Net Interest Income Related to Trading Activities
This item represents net interest income related to trading activities which comprises dividends related to financial assets and liabilities associated with trading activities and certain interest income related to the financing of these financial assets and liabilities, net of interest expenses.

Non-Interest Income Related to Trading Activities
This item represents non-interest income related to trading activities which consists of realized and unrealized gains and losses as well as interest income on securities measured at fair value through profit or loss, income from held-for-trading derivative financial instruments, changes in the fair value of loans at fair value through profit or loss, changes in the fair value of financial instruments designated at fair value through profit or loss, realized and unrealized gains and losses as well as interest expense on obligations related to securities sold short, certain commission income as well as other trading activity revenues, and any applicable transaction costs.

Trading Activity Revenues
This item represents trading activity revenues which comprise dividends related to financial assets and financial liabilities associated with trading activities; certain interest income related to the financing of these financial assets and liabilities, net of interest expenses; realized and unrealized gains and losses as well as interest income on securities measured at fair value through profit or loss; income from held-for-trading derivative financial instruments; changes in the fair value of loans at fair value through profit or loss; changes in the fair value of financial instruments designated at fair value through profit or loss; realized and unrealized gains and losses as well as interest expense on obligations related to securities sold short; certain commission income as well as other trading activity revenues, and any applicable transaction costs.

Given that the subsidiary Credigy Ltd. (Credigy) conducts specialized lending activities, whose business model and risk profile differ from those of the Bank's other business segments, the Bank excludes purchased or originated credit-impaired (POCI) loans of this subsidiary, as well as related items, from the following non-GAAP financial measures. These exclusions are intended to better reflect the underlying financial performance of the Bank's operations. The quantitative reconciliation of these non-GAAP financial measures is presented in the document entitled *Supplementary Financial Information – Third Quarter 2026* on pages 24, 25, 28, 29 and 32.

Provisions for credit losses on impaired loans excluding Credigy's POCI loans
This item represents the amount charged to income to bring the allowances for credit losses to a level deemed appropriate by management and is comprised of provisions for credit losses on impaired financial assets excluding the Credigy subsidiary's POCI loans.

Gross loans excluding Credigy's POCI loans
This item represents gross loans excluding the Credigy subsidiary's POCI loans.

Gross impaired loans excluding Credigy's POCI loans
This item represents all loans classified in Stage 3 of the expected credit loss model and POCI loans excluding the Credigy subsidiary's POCI loans.

Net impaired loans excluding Credigy's POCI loans
This item represents gross impaired loans excluding the Credigy subsidiary's POCI loans presented net of allowances for credit losses on amounts drawn on Stage 3 loans granted by the Bank and POCI loans excluding the Credigy subsidiary's POCI loans.

Allowances for credit losses on impaired loans excluding Credigy's POCI loans
This item represents allowances for credit losses on amounts drawn on Stage 3 loans granted by the Bank and POCI loans excluding the Credigy subsidiary's POCI loans.

Non-GAAP Ratios
The Bank uses non-GAAP ratios that do not have standardized meanings under GAAP and that may therefore not be comparable to similar measures used by other companies. A non-GAAP ratio is a ratio in which at least one component is a non-GAAP financial measure. The Bank uses non-GAAP ratios to present aspects of its financial performance or financial position.

The key non-GAAP ratios used by the Bank are described below.

Adjusted Return on Average Assets (ROA)
This item represents ROA excluding specified items. It is adjusted net income expressed as a percentage of average assets. This ratio is used to measure the Bank's efficiency in using all its assets to generate profits. Specified items are excluded so that ROA can be better evaluated by excluding items that management believes do not reflect the underlying financial performance of the Bank's operations.

Adjusted Return on Common Shareholders' Equity (ROE)
This item represents ROE excluding specified items. It is adjusted net income attributable to common shareholders expressed as a percentage of average equity attributable to common shareholders. Adjusted ROE for the business segments is calculated using adjusted net income attributable to common shareholders of the business segment expressed as a percentage of average allocated capital. It is a general measure of the Bank's and the business segments' efficiency in using equity. Specified items are excluded so that ROE can be better evaluated by excluding items that management believes do not reflect the underlying financial performance of the Bank's operations.

Adjusted Dividend Payout Ratio
This item represents the dividend payout ratio excluding specified items. It is dividends on common shares (per share amount) expressed as a percentage of adjusted basic earnings per share. This ratio is a measure of the proportion of earnings that is paid out to shareholders in the form of dividends. Specified items are excluded so that the dividend payout ratio can be better evaluated by excluding items that management believes do not reflect the underlying financial performance of the Bank's operations.

Adjusted Operating Leverage
This item represents operating leverage excluding specified items. It is the difference between the growth rate of adjusted total revenues and the growth rate of adjusted non-interest expenses, and it measures the sensitivity of the Bank's results to changes in its revenues. Specified items are excluded so that the operating leverage can be better evaluated by excluding items that management believes do not reflect the underlying financial performance of the Bank's operations.

Adjusted Efficiency Ratio
This item represents the efficiency ratio excluding specified items. The ratio represents adjusted non-interest expenses expressed as a percentage of adjusted total revenues. It measures the efficiency of the Bank's operations. Specified items are excluded so that the efficiency ratio can be better evaluated by excluding items that management believes do not reflect the underlying financial performance of the Bank's operations.

Adjusted Net Interest Margin, Non-Trading
This item represents the non-trading net interest margin excluding specified items. It is calculated by dividing adjusted non-trading net interest income by average non-trading interest-bearing assets. This ratio is a measure of the profitability of non-trading activities. Specified items are excluded so that the net interest margin, non-trading can be better evaluated by excluding items that management believes do not reflect the underlying financial performance of the Bank's operations.

Given that the subsidiary Credigy conducts specialized lending activities, whose business model and risk profile differ from those of the Bank's other business segments, the Bank excludes POCI loans of this subsidiary, as well as related items, from the following non-GAAP ratios. These exclusions are intended to better reflect the underlying financial performance of the Bank's operations, taking into account Credigy Ltd.'s distinct business model.

Provisions for credit losses on impaired loans excluding Credigy's POCI loans as a percentage of average loans or provisions for credit losses on impaired loans excluding Credigy's POCI loans ratio
This item represents the provisions for credit losses on impaired loans excluding the Credigy subsidiary's POCI loans expressed as a percentage of average loans.

Gross impaired loans excluding Credigy's POCI loans as a percentage of total loans
This item represents gross impaired loans excluding the Credigy subsidiary's POCI loans expressed as a percentage of the balance of loans.

Net impaired loans excluding Credigy's POCI loans as a percentage of total loans
This item represents net impaired loans excluding the Credigy subsidiary's POCI loans presented as a percentage of the balance of loans.

Net charge-offs excluding Credigy's POCI loans presented as a percentage of average loans
This item represents the net write-off, excluding the Credigy subsidiary's POCI loans (net of recoveries) expressed as a percentage of average loans.

Provisioning rate or coverage ratio of gross impaired loans excluding Credigy's POCI loans
This item represents the allowances for credit losses on impaired loans excluding the Credigy subsidiary's POCI loans expressed as a percentage of gross impaired loans excluding the Credigy subsidiary's POCI loans.

Supplementary Financial Measures
A supplementary financial measure is a financial measure that: (a) is not reported in the Bank's Consolidated Financial Statements, and (b) is, or is intended to be, reported periodically to represent historical or expected financial performance, financial position, or cash flows. The composition of these supplementary financial measures is presented in table footnotes or in the Glossary section on pages 45 to 48 of this MD&A.

Capital Management Measures
The financial reporting framework used to prepare the financial statements requires disclosure that helps readers assess the Bank's capital management objectives, policies, and processes, as set out in IFRS under IAS 1 – *Presentation of Financial Statements.* The Bank has its own methods for managing capital and liquidity, and IFRS does not prescribe any particular calculation method. These measures are calculated using various guidelines and advisories issued by the Office of the Superintendent of Financial Institutions (Canada) (OSFI), which are based on the standards, recommendations, and best practices of the Basel Committee on Banking Supervision (BCBS), as presented in the following table.

OSFI guideline or advisory	Measure
Capital Adequacy Requirements	Common Equity Tier 1 (CET1) capital ratio
	Tier 1 capital ratio
	Total capital ratio
	CET1 capital
	Tier 1 capital
	Tier 2 capital
	Total capital
	Risk-weighted assets
	Maximum credit risk exposure under the Basel asset classes
Leverage Requirements	Leverage ratio
	Total exposure
Total Loss Absorbing Capacity (TLAC)	Key indicators – TLAC requirements
	Available TLAC
	TLAC ratio
	TLAC leverage ratio
Liquidity Adequacy Requirements	Liquid asset portfolio
	Encumbered assets and unencumbered assets
	Liquidity coverage ratio (LCR)
	High-quality liquid assets (HQLA)
	Cash inflows/outflows and net cash outflows
	Net stable funding ratio (NSFR)
	Available stable funding items
	Required stable funding items
Global Systemically Important Banks (G-SIBs) – Public Disclosure Requirements	G-SIB indicators

Reconciliation of Non-GAAP Financial Measures

Presentation of Results – Adjusted

(millions of Canadian dollars)

						Quarter ended July 31	
						2026	2025
	Personal and Commercial	**Wealth Management**	**Capital Markets**	**USSF&I**	**Other**	**Total**	Total
Operating results							
Net interest income	**1,250**	**254**	**(655)**	**377**	**28**	**1,254**	1,172
Non-interest income	**296**	**701**	**1,696**	**64**	**42**	**2,799**	2,277
Total revenues	**1,546**	**955**	**1,041**	**441**	**70**	**4,053**	3,449
Non-interest expenses	**848**	**553**	**436**	**130**	**126**	**2,093**	1,925
Income before provisions for credit losses and income taxes	**698**	**402**	**605**	**311**	**(56)**	**1,960**	1,524
Provisions for credit losses	**117**	**–**	**50**	**79**	**–**	**246**	203
Income before income taxes (recovery)	**581**	**402**	**555**	**232**	**(56)**	**1,714**	1,321
Income taxes (recovery)	**160**	**106**	**113**	**48**	**(20)**	**407**	256
Net income	**421**	**296**	**442**	**184**	**(36)**	**1,307**	1,065
Items that have an impact on results							
Non-interest expenses							
Integration and transaction-related charges[1]	**–**	**–**	**–**	**–**	**51**	**51**	94
Amortization of intangible assets related to the CWB acquisition[2]	**21**	**4**	**–**	**–**	**–**	**25**	25
Impact on non-interest expenses	**21**	**4**	**–**	**–**	**51**	**76**	119
Income taxes							
Income taxes on the integration and transaction-related charges[1]	**–**	**–**	**–**	**–**	**(14)**	**(14)**	(26)
Income taxes on the amortization of intangible assets related to the CWB acquisition[2]	**(6)**	**(1)**	**–**	**–**	**–**	**(7)**	(7)
Income tax recovery related to a change in tax treatment[3]	**–**	**–**	**–**	**–**	**–**	**–**	(47)
Impact on income taxes	**(6)**	**(1)**	**–**	**–**	**(14)**	**(21)**	(80)
Impact on net income	**(15)**	**(3)**	**–**	**–**	**(37)**	**(55)**	(39)
Operating results – Adjusted							
Net interest income – Adjusted	**1,250**	**254**	**(655)**	**377**	**28**	**1,254**	1,172
Non-interest income – Adjusted	**296**	**701**	**1,696**	**64**	**42**	**2,799**	2,277
Total revenues – Adjusted	**1,546**	**955**	**1,041**	**441**	**70**	**4,053**	3,449
Non-interest expenses – Adjusted	**827**	**549**	**436**	**130**	**75**	**2,017**	1,806
Income before provisions for credit losses and income taxes – Adjusted	**719**	**406**	**605**	**311**	**(5)**	**2,036**	1,643
Provisions for credit losses – Adjusted	**117**	**–**	**50**	**79**	**–**	**246**	203
Income before income taxes (recovery) – Adjusted	**602**	**406**	**555**	**232**	**(5)**	**1,790**	1,440
Income taxes (recovery) – Adjusted	**166**	**107**	**113**	**48**	**(6)**	**428**	336
Net income – Adjusted	**436**	**299**	**442**	**184**	**1**	**1,362**	1,104

(1) During the quarter ended July 31, 2026, the Bank recorded integration and transaction-related charges of $24 million ($18 million net of income taxes) related to the CWB transaction (2025: $94 million, $68 million net of income taxes) and charges of $27 million ($19 million net of income taxes) related to the LBC transactions.

(2) During the quarter ended July 31, 2026, the Bank recorded an amount of $25 million ($18 million net of income taxes) to reflect the amortization of intangible assets related to the CWB acquisition (2025: $25 million, $18 million net of income taxes).

(3) During the quarter ended July 31, 2025, income tax recovery of $47 million was recorded due to a change in tax treatment related to unrealized gains recognized in fiscal 2024 and in the first quarter of 2025 from the remeasurement at fair value of the interest already held by the Bank in CWB.

(millions of Canadian dollars)						Nine-month ended July 31	
						2026	2025
	Personal and Commercial	**Wealth Management**	**Capital Markets**	**USSF&I**	**Other**	**Total**	Total
Operating results							
Net interest income	**3,702**	**735**	**(1,635)**	**1,147**	**8**	**3,957**	3,349
Non-interest income	**860**	**2,024**	**4,740**	**138**	**134**	**7,896**	6,933
Total revenues	**4,562**	**2,759**	**3,105**	**1,285**	**142**	**11,853**	10,282
Non-interest expenses	**2,477**	**1,615**	**1,287**	**381**	**403**	**6,163**	5,513
Income before provisions for credit losses and income taxes	**2,085**	**1,144**	**1,818**	**904**	**(261)**	**5,690**	4,769
Provisions for credit losses	**425**	**(1)**	**92**	**203**	**4**	**723**	1,002
Income before income taxes (recovery)	**1,660**	**1,145**	**1,726**	**701**	**(265)**	**4,967**	3,767
Income taxes (recovery)	**457**	**303**	**353**	**146**	**(87)**	**1,172**	809
Net income	**1,203**	**842**	**1,373**	**555**	**(178)**	**3,795**	2,958
Items that have an impact on results							
Net interest income							
Amortization of the subscription receipt issuance costs(1)	**–**	**–**	**–**	**–**	**–**	**–**	(28)
Impact on net interest income	**–**	**–**	**–**	**–**	**–**	**–**	(28)
Non-interest income							
Gain on the fair value remeasurement of an equity interest(2)	**–**	**–**	**–**	**–**	**–**	**–**	4
Management of the fair value changes related to the CWB acquisition(3)	**–**	**–**	**–**	**–**	**–**	**–**	(23)
Impact on non-interest income	**–**	**–**	**–**	**–**	**–**	**–**	(19)
Non-interest expenses							
Integration and transaction-related charges(4)	**–**	**–**	**–**	**–**	**182**	**182**	238
Amortization of intangible assets related to the CWB acquisition(5)	**62**	**11**	**–**	**–**	**–**	**73**	49
Impact on non-interest expenses	**62**	**11**	**–**	**–**	**182**	**255**	287
Provisions for credit losses							
Initial provisions for credit losses on non-impaired loans acquired(6)	**4**	**–**	**2**	**–**	**–**	**6**	230
Impact on provisions for credit losses	**4**	**–**	**2**	**–**	**–**	**6**	230
Income taxes							
Income taxes on the amortization of the subscription receipt issuance costs(1)	**–**	**–**	**–**	**–**	**–**	**–**	(8)
Income taxes on the gain on the fair value remeasurement of an equity interest(2)	**–**	**–**	**–**	**–**	**–**	**–**	1
Income taxes on management of the fair value changes related to the CWB acquisition(3)	**–**	**–**	**–**	**–**	**–**	**–**	(6)
Income taxes on the integration and transaction-related charges(4)	**–**	**–**	**–**	**–**	**(50)**	**(50)**	(65)
Income taxes on the amortization of intangible assets related to the CWB acquisition(5)	**(17)**	**(3)**	**–**	**–**	**–**	**(20)**	(13)
Income taxes on initial provisions for credit losses on non-impaired loans acquired(6)	**(1)**	**–**	**–**	**–**	**–**	**(1)**	(64)
Income tax recovery related to a change in tax treatment(7)	**–**	**–**	**–**	**–**	**–**	**–**	(47)
Impact on income taxes	**(18)**	**(3)**	**–**	**–**	**(50)**	**(71)**	(202)
Impact on net income	**(48)**	**(8)**	**(2)**	**–**	**(132)**	**(190)**	(362)
Operating results – Adjusted							
Net interest income – Adjusted	**3,702**	**735**	**(1,635)**	**1,147**	**8**	**3,957**	3,377
Non-interest income – Adjusted	**860**	**2,024**	**4,740**	**138**	**134**	**7,896**	6,952
Total revenues – Adjusted	**4,562**	**2,759**	**3,105**	**1,285**	**142**	**11,853**	10,329
Non-interest expenses – Adjusted	**2,415**	**1,604**	**1,287**	**381**	**221**	**5,908**	5,226
Income before provisions for credit losses and income taxes – Adjusted	**2,147**	**1,155**	**1,818**	**904**	**(79)**	**5,945**	5,103
Provisions for credit losses – Adjusted	**421**	**(1)**	**90**	**203**	**4**	**717**	772
Income before income taxes (recovery) – Adjusted	**1,726**	**1,156**	**1,728**	**701**	**(83)**	**5,228**	4,331
Income taxes (recovery) – Adjusted	**475**	**306**	**353**	**146**	**(37)**	**1,243**	1,011
Net income – Adjusted	**1,251**	**850**	**1,375**	**555**	**(46)**	**3,985**	3,320

(1) During the nine-month period ended July 31, 2025, the Bank had recorded an amount of $28 million ($20 million net of income taxes) to reflect the amortization of the issuance costs of the subscription receipts issued as part of the agreement to acquire CWB.
(2) During the nine-month period ended July 31, 2025, the Bank had recorded a gain of $4 million upon the remeasurement at fair value of the interest already held in CWB.
(3) During the nine-month period ended July 31, 2025, the Bank had recorded a mark-to-market loss of $23 million ($17 million net of income taxes) on interest rate swaps used to manage the fair value changes of CWB's assets and liabilities that resulted in volatility of goodwill and capital on closing of the transaction.
(4) During the nine-month period ended July 31, 2026, the Bank recorded integration and transaction-related charges of $146 million ($106 million net of income taxes) related to the CWB transaction (2025: $238 million, $173 million net of income taxes) and charges of $36 million ($26 million net of income taxes) related to the LBC transactions.
(5) During the nine-month period ended July 31, 2026, the Bank recorded an amount of $73 million ($53 million net of income taxes) to reflect the amortization of intangible assets related to the CWB acquisition (2025: $49 million, $36 million net of income taxes).

(6) During the nine-month period ended July 31, 2026, the Bank recorded initial provisions for credit losses on non-impaired loans acquired from LBC of $6 million ($5 million net of income taxes). During the nine-month period ended July 31, 2025, initial provisions for credit losses of $230 million ($166 million net of income taxes) were recorded on acquired non-impaired CWB loans.

(7) During the nine-month period ended July 31, 2025, income tax recovery of $47 million was recorded due to a change in tax treatment related to unrealized gains recognized in fiscal 2024 and in the first quarter of 2025 from the remeasurement at fair value of the interest already held by the Bank in CWB.

Presentation of Basic and Diluted Earnings Per Share – Adjusted

(Canadian dollars)	Quarter ended July 31			Nine months ended July 31		
	2026	2025	% Change	**2026**	2025	% Change
Basic earnings per share	**$ 3.29**	$ 2.61	26	**$ 9.51**	$ 7.58	25
Amortization of the subscription receipt issuance costs[1]	**–**	–		**–**	0.05	
Gain on the fair value remeasurement of an equity interest[2]	**–**	–		**–**	(0.01)	
Management of the fair value changes related to the CWB acquisition[3]	**–**	–		**–**	0.05	
Integration and transaction-related charges[4]	**0.09**	0.17		**0.34**	0.46	
Amortization of intangible assets related to the CWB acquisition[5]	**0.05**	0.05		**0.14**	0.10	
Initial provisions for credit losses on non-impaired loans acquired[6]	**–**	–		**0.01**	0.44	
Income tax recovery related to a change in tax treatment[7]	**–**	(0.12)		**–**	(0.12)	
Basic earnings per share – Adjusted	**$ 3.43**	$ 2.71	27	**$ 10.00**	$ 8.55	17
Diluted earnings per share	**$ 3.25**	$ 2.58	26	**$ 9.39**	$ 7.50	25
Amortization of the subscription receipt issuance costs[1]	**–**	–		**–**	0.05	
Gain on the fair value remeasurement of an equity interest[2]	**–**	–		**–**	(0.01)	
Management of the fair value changes related to the CWB acquisition[3]	**–**	–		**–**	0.05	
Integration and transaction-related charges[4]	**0.09**	0.17		**0.34**	0.46	
Amortization of intangible assets related to the CWB acquisition[5]	**0.05**	0.05		**0.14**	0.10	
Initial provisions for credit losses on non-impaired loans acquired[6]	**–**	–		**0.01**	0.44	
Income tax recovery related to a change in tax treatment[7]	**–**	(0.12)		**–**	(0.13)	
Diluted earnings per share – Adjusted	**$ 3.39**	$ 2.68	26	**$ 9.88**	$ 8.46	17

(1) During the nine-month period ended July 31, 2025, the Bank had recorded an amount of $28 million ($20 million net of income taxes) to reflect the amortization of the issuance costs of the subscription receipts issued as part of the agreement to acquire CWB.

(2) During the nine-month period ended July 31, 2025, the Bank had recorded a gain of $4 million upon the remeasurement at fair value of the interest already held in CWB.

(3) During the nine-month period ended July 31, 2025, the Bank had recorded a mark-to-market loss of $23 million ($17 million net of income taxes) on interest rate swaps used to manage the fair value changes of CWB's assets and liabilities that resulted in volatility of goodwill and capital on closing of the transaction.

(4) During the quarter ended July 31, 2026, the Bank recorded integration and transaction-related charges of $24 million ($18 million net of income taxes) related to the CWB transaction (2025: $94 million, $68 million net of income taxes) and charges of $27 million ($19 million net of income taxes) related to the LBC transactions. For the nine-month period ended July 31, 2026, charges related to the CWB transaction amounted to $146 million ($106 million net of income taxes) (2025: $238 million, $173 million net of income taxes) and charges related to the LBC transactions totalled $36 million ($26 million net of income taxes).

(5) During the quarter ended July 31, 2026, the Bank recorded an amount of $25 million ($18 million net of income taxes) to reflect the amortization of intangible assets related to the CWB acquisition (2025: $25 million, $18 million net of income taxes). For the nine-month period ended July 31, 2026, this expense was $73 million ($53 million net of income taxes) (2025: $49 million, $36 million net of income taxes).

(6) During the nine-month period ended July 31, 2026, the Bank recorded initial provisions for credit losses on non-impaired loans acquired from LBC of $6 million ($5 million net of income taxes). During the nine-month period ended July 31, 2025, initial provisions for credit losses of $230 million ($166 million net of income taxes) were recorded on acquired non-impaired CWB loans.

(7) During the nine-month period ended July 31, 2025, income tax recovery of $47 million was recorded due to a change in tax treatment related to unrealized gains recognized in fiscal 2024 and in the first quarter of 2025 from the remeasurement at fair value of the interest already held by the Bank in CWB.

Highlights

(millions of Canadian dollars, except per share amounts)	Quarter ended July 31			Nine months ended July 31		
	2026	2025	% Change	**2026**	2025	% Change
Operating results						
Total revenues	**4,053**	3,449	18	**11,853**	10,282	15
Income before provisions for credit losses and income taxes	**1,960**	1,524	29	**5,690**	4,769	19
Net income	**1,307**	1,065	23	**3,795**	2,958	28
Return on common shareholders' equity[1]	**16.1 %**	13.6 %		**15.9 %**	13.8 %	
Operating leverage[1]	**8.8 %**	(9.8) %		**3.5 %**	(2.0) %	
Efficiency ratio[1]	**51.6 %**	55.8 %		**52.0 %**	53.6 %	
Earnings per share						
Basic	**$ 3.29**	$ 2.61	26	**$ 9.51**	$ 7.58	25
Diluted	**$ 3.25**	$ 2.58	26	**$ 9.39**	$ 7.50	25
Operating results – Adjusted[2]						
Total revenues – Adjusted[2]	**4,053**	3,449	18	**11,853**	10,329	15
Income before provisions for credit losses and income taxes – Adjusted[2]	**2,036**	1,643	24	**5,945**	5,103	17
Net income – Adjusted[2]	**1,362**	1,104	23	**3,985**	3,320	20
Return on common shareholders' equity – Adjusted[3]	**16.8 %**	14.1 %		**16.7 %**	15.6 %	
Operating leverage – Adjusted[3]	**5.8 %**	1.7 %		**1.7 %**	6.4 %	
Efficiency ratio – Adjusted[3]	**49.8 %**	52.4 %		**49.8 %**	50.6 %	
Diluted earnings per share – Adjusted[2]	**$ 3.39**	$ 2.68	26	**$ 9.88**	$ 8.46	17
Common share information						
Dividends declared	**$ 1.32**	$ 1.18	12	**$ 3.80**	$ 3.46	10
Book value[1]	**$ 82.02**	$ 77.20		**$ 82.02**	$ 77.20	
Share price						
High	**$ 235.32**	$ 144.96		**$ 235.32**	$ 144.96	
Low	**$ 197.89**	$ 121.09		**$ 156.88**	$ 107.01	
Close	**$ 226.75**	$ 144.13		**$ 226.75**	$ 144.13	
Number of common shares *(thousands)*	**383,581**	391,967		**383,581**	391,967	
Market capitalization	**86,977**	56,494		**86,977**	56,494	

(millions of Canadian dollars)	**As at July 31, 2026**	As at October 31, 2025	% Change
Balance sheet and off-balance-sheet			
Total assets	**635,159**	576,919	10
Loans, net of allowances	**324,544**	302,623	7
Deposits	**464,732**	428,003	9
Equity attributable to common shareholders	**31,460**	30,655	3
Assets under administration[1]	**988,957**	874,360	13
Assets under management[1]	**217,338**	194,467	12
Regulatory ratios under Basel III[4]			
Capital ratios			
Common Equity Tier 1 (CET1)	**13.5 %**	13.8 %	
Tier 1	**15.1 %**	15.1 %	
Total	**17.2 %**	17.3 %	
Leverage ratio	**4.2 %**	4.5 %	
TLAC ratio[4]	**33.1 %**	29.7 %	
TLAC leverage ratio[4]	**9.3 %**	8.8 %	
Liquidity coverage ratio (LCR)[4]	**161 %**	173 %	
Net stable funding ratio (NSFR)[4]	**118 %**	124 %	
Other information			
Number of employees – Worldwide (full-time equivalent)	**34,816**	33,200	5
Number of branches in Canada	**354**	382	(7)
Number of banking machines in Canada	**730**	939	(22)

(1) See the Glossary section on pages 45 to 48 for details on the composition of these measures.
(2) See the Financial Reporting Method section on pages 5 to 12 for additional information on non-GAAP financial measures.
(3) See the Financial Reporting Method section on pages 5 to 12 for additional information on non-GAAP ratios.
(4) See the Financial Reporting Method section on pages 5 to 12 for additional information on capital management measures.

Financial Analysis

Consolidated Results

(millions of Canadian dollars)	Quarter ended July 31			Nine months ended July 31		
	2026	2025	% Change	**2026**	2025	% Change
Operating results						
Net interest income	**1,254**	1,172	7	**3,957**	3,349	18
Non-interest income	**2,799**	2,277	23	**7,896**	6,933	14
Total revenues	**4,053**	3,449	18	**11,853**	10,282	15
Non-interest expenses	**2,093**	1,925	9	**6,163**	5,513	12
Income before provisions for credit losses and income taxes	**1,960**	1,524	29	**5,690**	4,769	19
Provisions for credit losses	**246**	203	21	**723**	1,002	(28)
Income before income taxes	**1,714**	1,321	30	**4,967**	3,767	32
Income taxes	**407**	256	59	**1,172**	809	45
Net income	**1,307**	1,065	23	**3,795**	2,958	28
Non-controlling interests	**–**	–		**–**	–	
Net income attributable to the Bank's shareholders and holders of other equity instruments	**1,307**	1,065	23	**3,795**	2,958	28
Dividends on preferred shares and distributions on other equity instruments	**41**	42	(2)	**115**	124	(7)
Net income attributable to common shareholders	**1,266**	1,023	24	**3,680**	2,834	30
Diluted earnings per share *(dollars)*	**3.25**	2.58	26	**9.39**	7.50	25
Specified items(1)						
Amortization of the subscription receipt issuance costs	**–**	–		**–**	(28)	
Gain on the fair value remeasurement of an equity interest	**–**	–		**–**	4	
Management of the fair value changes related to the CWB acquisition	**–**	–		**–**	(23)	
Integration and transaction-related charges	**(51)**	(94)		**(182)**	(238)	
Amortization of intangible assets related to the CWB acquisition	**(25)**	(25)		**(73)**	(49)	
Initial provisions for credit losses on non-impaired loans acquired	**–**	–		**(6)**	(230)	
Specified items before income taxes	**(76)**	(119)		**(261)**	(564)	
Income tax recovery related to a change in tax treatment	**–**	(47)		**–**	(47)	
Income taxes related to specified items	**(21)**	(33)		**(71)**	(155)	
Specified items after income taxes	**(55)**	(39)		**(190)**	(362)	
Operating results – Adjusted(1)						
Net interest income – Adjusted	**1,254**	1,172	7	**3,957**	3,377	17
Non-interest income – Adjusted	**2,799**	2,277	23	**7,896**	6,952	14
Total revenues – Adjusted	**4,053**	3,449	18	**11,853**	10,329	15
Non-interest expenses – Adjusted	**2,017**	1,806	12	**5,908**	5,226	13
Income before provisions for credit losses and income taxes – Adjusted	**2,036**	1,643	24	**5,945**	5,103	17
Provisions for credit losses – Adjusted	**246**	203	21	**717**	772	(7)
Income before income taxes – Adjusted	**1,790**	1,440	24	**5,228**	4,331	21
Income taxes – Adjusted	**428**	336	27	**1,243**	1,011	23
Net income – Adjusted	**1,362**	1,104	23	**3,985**	3,320	20
Non-controlling interests	**–**	–		**–**	–	
Net income attributable to the Bank's shareholders and holders of other equity instruments – Adjusted	**1,362**	1,104	23	**3,985**	3,320	20
Dividends on preferred shares and distributions on other equity instruments	**41**	42	(2)	**115**	124	(7)
Net income attributable to common shareholders – Adjusted	**1,321**	1,062	24	**3,870**	3,196	21
Diluted earnings per share – Adjusted *(dollars)*	**3.39**	2.68	26	**9.88**	8.46	17
Average assets(2)	**643,021**	567,070	13	**626,094**	535,396	17
Average loans(2)	**318,930**	288,309	11	**309,700**	272,486	14
Average deposits(2)	**462,026**	404,700	14	**453,599**	384,304	18
Operating leverage(3)	**8.8 %**	(9.8) %		**3.5 %**	(2.0) %	
Operating leverage – Adjusted(4)	**5.8 %**	1.7 %		**1.7 %**	6.4 %	
Efficiency ratio(3)	**51.6 %**	55.8 %		**52.0 %**	53.6 %	
Efficiency ratio – Adjusted(4)	**49.8 %**	52.4 %		**49.8 %**	50.6 %	

(1) See the Financial Reporting Method section on pages 5 to 12 for additional information on non-GAAP financial measures.
(2) Represents an average of the daily balances for the period.
(3) See the Glossary section on pages 45 to 48 for details on the composition of these measures.
(4) See the Financial Reporting Method section on pages 5 to 12 for additional information on non-GAAP ratios.

Financial Results

Third quarter of 2026 versus third quarter of 2025

The Bank is reporting net income of $1,307 million, up 23% from $1,065 million last year. Diluted earnings per share stood at $3.25, up 26% compared to $2.58 a year earlier, driven by strong performance across all business segments. Excluding specified items recorded in the third quarters of 2026 and 2025, related to the acquisition of CWB and transactions with LBC, adjusted net income stood at $1,362 million, up 23% from $1,104 million a year earlier. Adjusted diluted earnings per share stood at $3.39, up 26% from $2.68.

Nine-month period of 2026 versus nine-month period of 2025

The Bank's net income totalled $3,795 million, up 28% from $2,958 million in 2025. Diluted earnings per share stood at $9.39 compared to $7.50 for the corresponding period of 2025, an increase of 25%. This growth reflected strong performance across all business segments, lower provisions for credit losses, particularly due to initial provisions for credit losses recorded in the second quarter of 2025 on acquired non-impaired CWB loans as well as the increased contribution from CWB in 2026, which included an additional quarter of results compared with 2025. Excluding specified items recorded during the nine-month periods ended July 31, 2026 and 2025, adjusted net income totalled $3,985 million, up 20% from $3,320 million, and adjusted diluted earnings per share stood at $9.88, up 17% from $8.46.

Return on common shareholders' equity was 15.9% compared to 13.8% last year. Adjusted return on common shareholders' equity was 16.7% compared to 15.6% in 2025.

Total Revenues

Third quarter of 2026 versus third quarter of 2025

The Bank's total revenues amounted to $4,053 million, up $604 million or 18%. Total revenues for the Capital Markets segment were up 34% due to the significant increase in global markets revenues. Total revenues in the Personal and Commercial segment rose 7% due to the growth in loans and deposits, which more than offset the impact of a lower net interest margin, as well as the increase in internal commission revenues related to the distribution of Wealth Management products. The 18% growth in total revenues in the Wealth Management segment was mainly attributable to increases in fee-based revenues, notably revenues from investment management and trust service fees and mutual fund revenues. The growth was also due to an increase in net interest income and securities brokerage commissions, which were driven by an increase in client activity. In the USSF&I segment, total revenues were up 10% as a result of revenue growth at the ABA Bank subsidiary, stemming from business growth, as well as an increase in revenues from the Credigy subsidiary, partly attributable to the disposal of a loan portfolio. Total revenues for the *Other* heading increased compared to last year, in particular as a result of a higher contribution from Treasury activities and gains on investments.

Nine-month period of 2026 versus nine-month period of 2025

The Bank's total revenues amounted to $11,853 million compared to $10,282 million, an increase of $1,571 million or 15%. In the Personal and Commercial segment, total revenues were up $493 million or 12%, driven by the increase in net interest income arising from growth in loans and deposits, partly offset by a decrease in net interest margin, as well as growth in internal commission revenues related to the distribution of Wealth Management products. The 16% increase in total revenues in the Wealth Management segment was mainly due to increases in fee-based revenues, notably revenues from investment management and trust service fees and mutual fund revenues as a result of growth in assets under administration and under management. The growth was also attributable to the rise in net interest income and securities brokerage commissions, which were driven by an increase in client activity. Total revenues for the Capital Markets segment were up $320 million or 11% as a result of higher corporate and investment banking revenues. In the USSF&I segment, total revenues were up 7%, which was mainly driven by revenue growth at the ABA Bank subsidiary, stemming from business growth, and an increase in Credigy's revenues. Total revenues for the *Other* heading were higher than in 2025, due to a higher contribution from Treasury activities and the unfavourable impact of specified items related to the CWB acquisition recorded in 2025. The effect of an additional quarter of CWB's revenues in 2026, given its integration beginning in the second quarter of 2025, also contributed to the increase in total revenues across the business segments. Excluding specified items, adjusted total revenues were $11,853 million, up 15% from $10,329 million in 2025.

Non-Interest Expenses

Third quarter of 2026 versus third quarter of 2025

Non-interest expenses stood at $2,093 million, up $168 million or 9%. The increase was due to higher compensation and employee benefits, notably variable compensation related to revenue growth. In addition, occupancy expenses, including depreciation expense, were up due to head office-related expenses, as well as the expansion of the banking network at the ABA Bank subsidiary. The increase in technology expenses, including depreciation expense, was attributable to significant investments made to support the Bank's technological evolution and business development plan. Communication expenses were stable compared to last year. Professional fees were down, notably due to lower expenses related to the integration of CWB compared to 2025. In addition, the increase in other expenses was partly due to litigation expenses of $11 million recorded in the third quarter of 2026. Excluding specified items, related to the CWB acquisition and transactions with LBC, adjusted non-interest expenses stood at $2,017 million, up 12% from $1,806 million last year.

Nine-month period of 2026 versus nine-month period of 2025
Non-interest expenses totalled $6,163 million, up 12%. The growth in non-interest expenses was essentially due to the same reasons provided above for the quarter as well as the impact of an additional quarter of CWB expenses in 2026, reflecting its integration beginning in the second quarter of 2025. Furthermore, the increase in occupancy expenses was also due to a $22 million reversal in the second quarter of 2025 of the provision for property taxes related to the Bank's head office building. The increase in other expenses was mainly attributable to the amortization of intangible assets related to the acquisition of CWB, which began in the second quarter of 2025, as well as litigation expenses of $26 million recorded in 2026. Adjusted non-interest expenses were $5,908 million, a 13% increase from $5,226 million.

Provisions for Credit Losses

Third quarter of 2026 versus third quarter of 2025
The Bank recorded provisions for credit losses of $246 million compared to $203 million last year. Provisions for credit losses on non-impaired loans amounted to $23 million, reflecting growth in loan portfolios and the unfavourable impact of updated macroeconomic scenarios, partly offset by the favourable effects of credit risk migration for certain portfolios. Provisions for credit losses on impaired loans totalled $223 million compared to $152 million in 2025, an increase that was mainly due to Personal Banking (including credit card receivables), the Capital Markets segment, as well as the Credigy and ABA Bank subsidiaries. Provisions for credit losses on impaired loans excluding Credigy's POCI loans(1) represented 0.28% of average loans, compared to 0.21% in 2025.

Nine-month period of 2026 versus nine-month period of 2025
The Bank's provisions for credit losses totalled $723 million compared to $1,002 million last year. This decrease was partly due to initial provisions for credit losses of $230 million recorded on acquired non-impaired CWB loans in 2025. In addition, provisions for credit losses on non-impaired loans reflect growth in the loan portfolios (including non-impaired syndicated loans acquired from LBC during the second quarter of 2026) as well as the unfavourable impact of updated macroeconomic scenarios, partly offset by the favourable effect of credit risk migration. Provisions for credit losses on impaired loans increased, mainly due to Personal Banking (including credit card receivables), Commercial Banking and the ABA Bank subsidiary. Provisions for credit losses on impaired loans excluding Credigy's POCI loans(1) represented 0.27% of average loans, compared to 0.28% in 2025. Adjusted provisions for credit losses were $717 million, down from $772 million in 2025.

Income Taxes

Third quarter of 2026 versus third quarter of 2025
Income taxes stood at $407 million compared to $256 million and the effective income tax rate was 24% compared to 19% last year. This was mainly due to the recognition of a one-time tax recovery related to a change in tax treatment in 2025 and a lower proportion of income from lower tax-rate jurisdictions in 2026.

Nine-month period of 2026 versus nine-month period of 2025
The effective income tax rate stood at 24% compared to 21% last year. The change in effective income tax rate was due to the same reasons as those mentioned for the quarter.

(1) See the Financial Reporting Method section on pages 5 to 12 for additional information on non-GAAP ratios.

Results by Segment

The Bank carries out its activities in four business segments: Personal and Commercial, Wealth Management, Capital Markets, and U.S. Specialty Finance and International, which mainly comprises the activities of the Credigy Ltd. (Credigy) and Advanced Bank of Asia Limited (ABA Bank) subsidiaries. Other operating activities, certain specified items, Treasury activities, and the operations of the Flinks Technology Inc. (Flinks) subsidiary are grouped for reporting purposes in the *Other* heading of segment results. Each reportable segment is distinguished by services offered, type of clientele, and marketing strategy.

Personal and Commercial

(millions of Canadian dollars)	Quarter ended July 31			Nine months ended July 31		
	2026	2025	% Change	**2026**	2025	% Change
Operating results						
Net interest income	**1,250**	1,180	6	**3,702**	3,270	13
Non-interest income	**296**	269	10	**860**	799	8
Total revenues	**1,546**	1,449	7	**4,562**	4,069	12
Non-interest expenses	**848**	805	5	**2,477**	2,250	10
Income before provisions for credit losses and income taxes	**698**	644	8	**2,085**	1,819	15
Provisions for credit losses	**117**	134	(13)	**425**	722	(41)
Income before income taxes	**581**	510	14	**1,660**	1,097	51
Income taxes	**160**	140	14	**457**	305	50
Net income	**421**	370	14	**1,203**	792	52
Less: Specified items after income taxes[1]	**(15)**	(16)		**(48)**	(200)	
Net income – Adjusted[1]	**436**	386	13	**1,251**	992	26
Return on common shareholders' equity[2]	**11.8 %**			**11.5 %**		
Return on common shareholders' equity – Adjusted[3]	**12.2 %**			**11.9 %**		
Net interest margin[2]	**2.19 %**	2.25 %		**2.24 %**	2.27 %	
Average interest-bearing assets[2]	**226,845**	208,107	9	**221,142**	192,266	15
Average assets[4]	**231,995**	211,499	10	**225,594**	195,193	16
Average loans[4]	**226,487**	207,887	9	**220,774**	191,648	15
Net impaired loans[2]	**1,580**	1,326	19	**1,580**	1,326	19
Net impaired loans as a % of total loans[2]	**0.7 %**	0.6 %		**0.7 %**	0.6 %	
Average deposits[4]	**114,718**	109,093	5	**112,240**	102,689	9
Efficiency ratio[2]	**54.9 %**	55.6 %		**54.3 %**	55.3 %	
Efficiency ratio – Adjusted[3]	**53.5 %**	54.0 %		**52.9 %**	54.1 %	

(1) See the Financial Reporting Method section on pages 5 to 12 for additional information on non-GAAP financial measures. During the quarter ended July 31, 2026, the Bank recorded amortization of intangible assets of $15 million net of income taxes related to the CWB acquisition ($45 million net of income taxes for the nine-month period ended July 31, 2026). In addition, for the nine-month period ended July 31, 2026, the Bank recorded initial provisions for credit losses on non-impaired loans acquired from LBC of $3 million net of income taxes. During the quarter ended July 31, 2025, the Bank had recorded amortization of intangible assets of $16 million net of income taxes ($33 million net of income taxes for the nine-month period ended July 31, 2025). In addition, for the nine-month period ended July 31, 2025, the Bank had recorded integration and transaction-related charges of $1 million and initial provisions for credit losses on acquired non-impaired CWB loans of $166 million net of income taxes.
(2) See the Glossary section on pages 45 to 48 for details on the composition of these measures.
(3) See the Financial Reporting Method section on pages 5 to 12 for additional information on non-GAAP ratios.
(4) Represents an average of the daily balances for the period.

<u>Third quarter of 2026 versus third quarter of 2025</u>
In the Personal and Commercial segment, net income totalled $421 million compared to $370 million last year, an increase of 14%. The 6% increase in net interest income was driven by growth in personal and commercial loans as well as commercial deposits, which more than offset the impact of a lower net interest margin. In addition, non-interest income increased by 10%.

Personal Banking's total revenues increased by $72 million. This increase was driven by growth in loans, partly offset by a narrower net interest margin, as well as the increase in internal commission revenues related to the distribution of Wealth Management products. Commercial Banking's total revenues grew $25 million, mainly due to an increase in net interest income, driven by loan growth and deposit growth, partly offset by a narrower net interest margin. In addition, revenues from derivative financial instruments as well as revenues from merger and acquisition activity increased.

The segment's non-interest expenses stood at $848 million, up 5%. The increase in non-interest expenses was due to higher compensation and employee benefits, technology expenses and investments, as well as professional fees related to business segment initiatives and litigation expenses of $11 million recorded during the quarter. The efficiency ratio of 54.9% improved from 55.6% in 2025 partly as a result of cost synergies achieved as part of the CWB acquisition. Adjusted non-interest expenses amounted to $827 million, compared to $782 million. The adjusted efficiency ratio stood at 53.5%, compared to 54.0%.

Provisions for credit losses stood at $117 million compared to $134 million last year, down $17 million. This decrease was mainly due to lower provisions for credit losses on non-impaired loans, reflecting the impact of macroeconomic scenarios and favourable credit risk migration in Commercial Banking loans. In addition, provisions for credit losses on impaired loans were higher due to loan portfolios of Personal Banking (including credit card receivables).

Nine-month period of 2026 versus nine-month period of 2025

The Personal and Commercial segment's net income was $1,203 million, up 52% from $792 million, partly due to initial provisions for credit losses of $230 million on acquired non-impaired CWB loans recorded last year, as well as to the impact of an additional quarter of CWB results in 2026, following its integration beginning in the second quarter of 2025. Income before provisions for credit losses and income taxes stood at $2,085 million compared to $1,819 million, up 15%. Adjusted net income was up 26%. The increase in Personal Banking's total revenues was mainly due to growth in loans partly offset by a narrower net interest margin, as well as an increase in internal commission revenues arising from the distribution of the Wealth Management segment's products. The increase in Commercial Banking's total revenues was due to the impact of an additional quarter of CWB results in 2026, as well as loan and deposit growth, partly offset by a narrower net interest margin. Revenues from derivative financial instruments and merger and acquisition activity also increased.

Non-interest expenses stood at $2,477 million, up 10% due to the same reasons provided above for the quarter, as well as the impact of an additional quarter of CWB results in 2026, following its integration beginning in the second quarter of 2025. The efficiency ratio stood at 54.3% and improved compared to the same period in 2025. Adjusted non-interest expenses of $2,415 million were up 10% from $2,203 million. The adjusted efficiency ratio, at 52.9%, improved compared to 54.1%. Provisions for credit losses amounted to $425 million, a decrease of $297 million from last year. This decrease was due to initial provisions for credit losses on acquired non-impaired CWB loans of $230 million recorded in 2025, as well as to provisions for credit losses on non-impaired loans in Commercial Banking. These decreases were partly offset by higher provisions for credit losses on impaired loans in Personal Banking (including credit card receivables) and Commercial Banking. Excluding specified items, provisions for credit losses totalled $421 million, down from $492 million.

Wealth Management

(millions of Canadian dollars)	Quarter ended July 31			Nine months ended July 31		
	2026	2025	% Change	**2026**	2025	% Change
Operating results						
Net interest income	**254**	235	8	**735**	692	6
Fee-based revenues	**575**	482	19	**1,648**	1,399	18
Transaction-based and other revenues	**126**	94	34	**376**	287	31
Total revenues	**955**	811	18	**2,759**	2,378	16
Non-interest expenses	**553**	477	16	**1,615**	1,394	16
Income before provisions for credit losses and income taxes	**402**	334	20	**1,144**	984	16
Provisions for credit losses	**–**	1	(100)	**(1)**	2	
Income before income taxes	**402**	333	21	**1,145**	982	17
Income taxes	**106**	89	19	**303**	264	15
Net income	**296**	244	21	**842**	718	17
Less: Specified items after income taxes(1)	**(3)**	(2)		**(8)**	(5)	
Net income – Adjusted(1)	**299**	246	22	**850**	723	18
Return on common shareholders' equity(2)	**63.9 %**			**59.7 %**		
Return on common shareholders' equity – Adjusted(3)	**64.5 %**			**60.2 %**		
Average assets(4)	**14,626**	11,140	31	**13,705**	10,836	26
Average loans(4)	**12,557**	9,957	26	**11,788**	9,667	22
Net impaired loans(2)	**22**	36	(39)	**22**	36	(39)
Net impaired loans as a % of total loans(2)	**0.2 %**	0.4 %		**0.2 %**	0.4 %	
Average deposits(4)	**61,458**	58,179	6	**61,144**	53,818	14
Assets under administration(2)	**988,957**	817,718	21	**988,957**	817,718	21
Assets under management(2)	**217,338**	183,182	19	**217,338**	183,182	19
Efficiency ratio(2)	**57.9 %**	58.8 %		**58.5 %**	58.6 %	
Efficiency ratio – Adjusted(3)	**57.5 %**	58.6 %		**58.1 %**	58.4 %	

(1) See the Financial Reporting Method section on pages 5 to 12 for additional information on non-GAAP financial measures. During the quarter ended July 31, 2026, the Bank recorded amortization of intangible assets related to the CWB acquisition of $3 million net of income taxes ($8 million net of income taxes for the nine-month period ended July 31, 2026). During the quarter ended July 31, 2025, the Bank had recorded amortization of intangible assets of $2 million net of income taxes ($3 million for the nine-month period ended July 31, 2025). In addition, for the nine-month period ended July 31, 2025, the Bank had recorded integration and transaction-related charges of $2 million net of income taxes.
(2) See the Glossary section on pages 45 to 48 for details on the composition of these measures.
(3) See the Financial Reporting Method section on pages 5 to 12 for additional information on non-GAAP ratios.
(4) Represents an average of the daily balances for the period.

Third quarter of 2026 versus third quarter of 2025

In the Wealth Management segment, net income totalled $296 million, a 21% increase from $244 million last year. The segment's total revenues amounted to $955 million, up $144 million or 18% from $811 million in 2025. The 8% increase in net interest income was primarily due to higher loan and deposit volumes, partly offset by an unfavourable impact of a change in the composition of deposits. The 19% increase in fee-based revenues was due to growth in assets under administration and assets under management, reflecting the rise in stock markets as well as positive net inflows for the various solutions. Transaction-based and other revenues rose 34%, due to increased client activity.

Non-interest expenses stood at $553 million, up 16% from $477 million in 2025. This increase was mainly a result of higher compensation and employee benefits, due in particular to variable compensation in line with revenue growth, as well as higher technology expenses related to the segment's initiatives. The efficiency ratio stood at 57.9%, improved from 58.8% in 2025. Provisions for credit losses were negligible, whereas $1 million in provisions for credit losses had been recorded in 2025.

Nine-month period of 2026 versus nine-month period of 2025

In the Wealth Management segment, net income totalled $842 million compared to $718 million, an increase of 17%. The segment's total revenues stood at $2,759 million, up 16% compared to $2,378 million. This increase was mainly due to the 18% increase in fee-based revenues due to growth in assets under administration and under management as a result of stronger stock markets, positive net inflows for the various solutions as well as the effect of an additional quarter of CWB's revenues in the 2026 results, given its integration beginning in the second quarter of 2025. Net interest income rose by $43 million or 6%, mainly due to higher loan and deposit volumes. In addition, transaction-based and other revenues increased by 31% due to increased client activity. Non-interest expenses stood at $1,615 million compared to $1,394 million, an increase of 16% due to the same factors provided above for the quarter, as well as the effect of an additional quarter of CWB's non-interest expenses in the 2026 results, given its integration beginning in the second quarter of 2025. The efficiency ratio stood at 58.5%, compared to 58.6%. The segment recorded recoveries of credit losses of $1 million compared to provisions for credit losses of $2 million recorded in 2025.

Capital Markets

(millions of Canadian dollars)	Quarter ended July 31			Nine months ended July 31		
	2026	2025	% Change	**2026**	2025	% Change
Operating results						
Global markets						
Equities	**363**	165	120	**1,091**	1,074	2
Interest rate and credit	**159**	147	8	**457**	497	(8)
Commodities and foreign exchange	**56**	57	(2)	**202**	177	14
	578	369	57	**1,750**	1,748	–
Corporate and investment banking	**463**	408	13	**1,355**	1,037	31
Total revenues	**1,041**	777	34	**3,105**	2,785	11
Non-interest expenses	**436**	347	26	**1,287**	1,117	15
Income before provisions for credit losses and income taxes	**605**	430	41	**1,818**	1,668	9
Provisions for credit losses	**50**	24		**92**	124	(26)
Income before income taxes	**555**	406	37	**1,726**	1,544	12
Income taxes	**113**	72	57	**353**	292	21
Net income	**442**	334	32	**1,373**	1,252	10
Less: Specified items after income taxes(1)	**–**	–		**(2)**	–	
Net income – Adjusted(1)	**442**	334	32	**1,375**	1,252	10
Return on common shareholders' equity(2)	**23.6 %**			**26.1 %**		
Return on common shareholders' equity – Adjusted(3)	**23.6 %**			**26.1 %**		
Average assets(4)	**273,785**	234,289	17	**264,414**	223,456	18
Average loans(4) (Corporate Banking only)	**34,897**	30,909	13	**33,074**	31,166	6
Net impaired loans(2)	**85**	74	15	**85**	74	15
Net impaired loans as a % of total loans(2)	**0.2 %**	0.2 %		**0.2 %**	0.2 %	
Average deposits(4)	**100,991**	78,775	28	**96,715**	76,850	26
Efficiency ratio(2)	**41.9 %**	44.7 %		**41.4 %**	40.1 %	

(1) See the Financial Reporting Method section on pages 5 to 12 for additional information on non-GAAP financial measures. During the nine-month period ended July 31, 2026, the Bank recorded initial provisions for credit losses on non-impaired loans acquired from LBC of $2 million.
(2) See the Glossary section on pages 45 to 48 for details on the composition of these measures.
(3) See the Financial Reporting Method section on pages 5 to 12 for additional information on non-GAAP ratios.
(4) Represents an average of the daily balances for the period.

Third quarter of 2026 versus third quarter of 2025

In the Capital Markets segment, net income totalled $442 million compared to $334 million last year, up 32%. Total revenues amounted to $1,041 million compared to $777 million in 2025, an increase of $264 million or 34%. Global markets revenues were up 57% primarily driven by strong growth in equities revenues. In addition, interest rate and credit revenues increased, while commodities and foreign exchange revenues declined slightly. Corporate and investment banking revenues were up 13% due to growth in banking service revenues, partly offset by lower capital markets activity revenues.

Non-interest expenses stood at $436 million, up 26%, due to higher compensation and employee benefits, in particular due to variable compensation associated with revenue growth, as well as an increase in technology investment expenses and other expenses related to the segment's business growth. The efficiency ratio stood at 41.9%, improved from 44.7% in 2025, reflecting the strong revenue growth achieved by the segment. Provisions for credit losses were up $26 million due to a $49 million increase in provisions for credit losses on impaired loans, attributable to a single file in the energy sector, partly offset by a $23 million decrease in provisions for credit losses on non-impaired loans.

Nine-month period of 2026 versus nine-month period of 2025

The Capital Markets segment's net income totalled $1,373 million, up 10% from 2025. Total revenues amounted to $3,105 million, an increase of $320 million or 11%. Global markets revenues remained relatively stable compared with the prior year. The 2% increase in equities revenues and the 14% increase in commodities and foreign exchange revenues were offset by an 8% decline in interest rate and credit revenues. In addition, corporate and investment banking revenues were up 31% as a result of growth in banking service revenues and revenues from capital markets activity, as well as revenues from merger and acquisition activity.

Non-interest expenses were up 15% due to higher compensation and employee benefits, mainly attributable to higher variable compensation driven by revenue growth, as well as an increase in technology investment expenses and other expenses related to the segment's business growth. The efficiency ratio stood at 41.4%, deteriorating by 1.3 percentage points compared to last year. Provisions for credit losses totalled $92 million compared to $124 million in 2025, a decrease mainly attributable to lower provisions for credit losses on non-impaired loans.

USSF&I

(millions of Canadian dollars)	Quarter ended July 31			Nine months ended July 31		
	2026	2025	% Change	**2026**	2025	% Change
Total revenues						
Credigy	**158**	136	16	**458**	422	9
ABA Bank	**279**	259	8	**815**	757	8
International	**4**	7		**12**	18	
	441	402	10	**1,285**	1,197	7
Non-interest expenses						
Credigy	**33**	40	(18)	**106**	119	(11)
ABA Bank	**97**	89	9	**274**	249	10
International	**–**	6		**1**	7	
	130	135	(4)	**381**	375	2
Income before provisions for credit losses and income taxes	**311**	267	16	**904**	822	10
Provisions for credit losses						
Credigy	**55**	22		**122**	82	49
ABA Bank	**24**	20	20	**81**	70	16
International	**–**	–		**–**	–	
	79	42	88	**203**	152	34
Income before income taxes	**232**	225	3	**701**	670	5
Income taxes						
Credigy	**14**	16	(13)	**48**	47	2
ABA Bank	**33**	31	6	**96**	92	4
International	**1**	–		**2**	1	
	48	47	2	**146**	140	4
Net income						
Credigy	**56**	58	(3)	**182**	174	5
ABA Bank	**125**	119	5	**364**	346	5
International	**3**	1		**9**	10	
	184	178	3	**555**	530	5
Return on common shareholders' equity[1]	**26.4 %**			**26.4 %**		
Average assets[2]	**35,166**	31,808	11	**35,126**	32,024	10
Average loans and receivables[2]	**25,835**	23,209	11	**25,460**	23,582	8
Net impaired loans[1]	**1,320**	1,152	15	**1,320**	1,152	15
Average deposits[2]	**17,560**	16,068	9	**17,628**	15,898	11
Efficiency ratio[1]	**29.5 %**	33.6 %		**29.6 %**	31.3 %	

(1) See the Glossary section on pages 45 to 48 for details on the composition of these measures.
(2) Represents an average of the daily balances for the period.

For the third quarter of 2026, net income totalled $184 million compared to $178 million in 2025, up 3%. The 10% increase in the segment's total revenues was partly offset by the increase in provisions for credit losses. For the nine-month period of 2026, net income totalled $555 million, up 5% from $530 million in 2025.

Credigy

Third quarter of 2026 versus third quarter of 2025

The Credigy subsidiary reported net income of $56 million, down $2 million or 3%. Total revenues amounted to $158 million compared to $136 million last year. This increase was mainly due to a gain recorded in the third quarter of 2026 following the disposal of a loan portfolio. Non-interest expenses were $33 million, down $7 million mainly due to a decrease in compensation and employee benefits. Provisions for credit losses were up by $33 million due to higher provisions for credit losses on impaired loans and non-impaired loans, reflecting the impact of macroeconomic scenarios, partly offset by a decrease in provisions for credit losses on POCI loans.

Nine-month period of 2026 versus nine-month period of 2025

The Credigy subsidiary reported net income of $182 million, up 5%. Total revenues amounted to $458 million, up 9% from $422 million in 2025. This increase was due to growth in loan volumes, a gain recorded in the third quarter of 2026 following the disposal of a loan portfolio and revenues recognized in the first quarter of 2026 following prepayments on credit facilities, partly offset by the impact of exchange rate fluctuations. Non-interest expenses were down $13 million, mainly due to compensation and employee benefits as well as the impact of exchange rate fluctuations. Provisions for credit losses were up $40 million due to higher provisions for credit losses on impaired loans and non-impaired loans, reflecting the impact of macroeconomic scenarios, partly offset by a decrease in provisions for credit losses on POCI loans.

ABA Bank

Third quarter of 2026 versus third quarter of 2025

The ABA Bank subsidiary recorded net income totalling $125 million, up $6 million or 5% from last year. Total revenues rose 8%, mainly attributable to sustained growth in assets, lower interest expenses on deposits and the impact of exchange rate fluctuations, partly offset by lower interest rates on assets. Non-interest expenses stood at $97 million, up 9%, an increase attributable to higher compensation and employee benefits and to occupancy expenses related to the subsidiary's business growth and the opening of new branches. The subsidiary reported provisions for credit losses totalling $24 million, up $4 million. This increase was mainly due to higher provisions for credit losses on impaired loans, partly offset by lower provisions for credit losses on non-impaired loans.

Nine-month period of 2026 versus nine-month period of 2025

The ABA Bank subsidiary recorded net income totalling $364 million, up $18 million or 5% from 2025. The increase in total revenues of 8% was due to the subsidiary's business growth, notably sustained asset growth and lower interest expenses on deposits, partly offset by lower interest rates on assets and the impact of exchange rate fluctuations. The subsidiary's non-interest expenses totalled $274 million, up 10%, due to the same factors as those mentioned for the quarter, partly offset by the impact of exchange rate fluctuations. Provisions for credit losses totalled $81 million, up $11 million, owing to higher provisions for credit losses on impaired and non-impaired loans.

Other

(millions of Canadian dollars)	Quarter ended July 31		Nine months ended July 31	
	2026	2025	**2026**	2025
Operating results				
Net interest income	**28**	(14)	**8**	(96)
Non-interest income	**42**	24	**134**	(51)
Total revenues	**70**	10	**142**	(147)
Non-interest expenses	**126**	161	**403**	377
Income before provisions for credit losses and income taxes	**(56)**	(151)	**(261)**	(524)
Provisions for credit losses	**–**	2	**4**	2
Income before income taxes (recovery)	**(56)**	(153)	**(265)**	(526)
Income taxes (recovery)	**(20)**	(92)	**(87)**	(192)
Net loss	**(36)**	(61)	**(178)**	(334)
Non-controlling interests	**–**	–	**–**	–
Net loss attributable to the Bank's shareholders and holders of other equity instruments	**(36)**	(61)	**(178)**	(334)
Less: Specified items after income taxes[1]	**(37)**	(21)	**(132)**	(157)
Net income (loss) – Adjusted[1]	**1**	(40)	**(46)**	(177)
Average assets[2]	**87,449**	78,334	**87,255**	73,887

(1) See the Financial Reporting Method section on pages 5 to 12 for additional information on non-GAAP financial measures. During the quarter ended July 31, 2026, the Bank recorded integration and transaction-related charges of $37 million net of income taxes ($132 million net of income taxes for the nine-month period ended July 31, 2026). During the quarter ended July 31, 2025, the Bank had recorded integration and transaction-related charges of $68 million net of income taxes ($170 million net of income taxes for the nine-month period ended July 31, 2025) and an income tax recovery of $47 million related to a change in tax treatment. In addition, during the nine-month period ended July 31, 2025, the Bank had recorded amortization of the subscription receipt issuance costs in the amount of $20 million net of income taxes, a gain of $4 million resulting from the remeasurement at fair value of the CWB common shares already held by the Bank and the impact of managing fair value changes, representing a loss of $17 million net of income taxes.

(2) Represents an average of the daily balances for the period.

Third quarter of 2026 versus third quarter of 2025

For the *Other* heading of segment results, a net loss of $36 million was posted compared to a net loss of $61 million last year. The change in net loss was due to a higher contribution from Treasury activities, higher gains on investments as well as lower non-interest expenses, stemming mainly from the decrease in integration charges related to the CWB acquisition. These items were partly offset by higher compensation and employee benefits as well as charges related to the transactions with LBC. The specified items, mainly related to the acquisition of CWB and the transactions with LBC, had a $37 million unfavourable impact on the net loss in 2026, compared to a $21 million unfavourable impact in 2025. Adjusted net income stood at $1 million, compared to an adjusted net loss of $40 million in 2025.

Nine-month period of 2026 versus nine-month period of 2025

The net loss stood at $178 million compared to a net loss of $334 million in 2025. The change in net loss was due to a higher contribution from Treasury activities and higher gains on investments, partly offset by the increase in non-interest expenses, mainly as a result of higher compensation and employee benefits as well as charges related to the transactions with LBC and a $22 million reversal of the provision for property taxes recorded in the second quarter of 2025. The specified items, mainly related to the acquisition of CWB and the transactions with LBC, had an unfavourable impact of $132 million on the net loss, compared to an unfavourable impact of $157 million in 2025. The adjusted net loss amounted to $46 million, compared to $177 million in 2025.

Consolidated Balance Sheet

Consolidated Balance Sheet Summary

(millions of Canadian dollars)	**As at July 31, 2026**	As at October 31, 2025	% Change
Assets			
Cash and deposits with financial institutions	**47,757**	27,916	71
Securities	**193,943**	188,747	3
Securities purchased under reverse repurchase agreements and securities borrowed	**40,355**	27,091	49
Loans, net of allowances	**324,544**	302,623	7
Other	**28,560**	30,542	(6)
	635,159	576,919	10
Liabilities and equity			
Deposits	**464,732**	428,003	9
Other	**132,324**	111,715	18
Subordinated debt	**3,429**	3,432	–
Equity attributable to the Bank's shareholders and holders of other equity instruments	**34,674**	33,769	3
Non-controlling interests	**–**	–	–
	635,159	576,919	10

As at July 31, 2026 versus as at October 31, 2025
Assets
The Bank had total assets of $635.2 billion, up $58.3 billion or 10% from $576.9 billion. Cash and deposits with financial institutions stood at $47.8 billion, up $19.9 billion, owing primarily to an increase in deposits with regulated financial institutions, including the Federal Reserve and the Bank of England.

Securities have risen $5.2 billion owing to a $6.1 billion increase in securities other than those measured at fair value through profit or loss. This increase was partly offset by a $0.9 billion or 1% decrease in securities at fair value through profit or loss, attributable to a decrease in equity securities, offset by increases in securities issued or guaranteed by the Canadian government, securities issued or guaranteed by provincial and municipal governments of Canada, securities issued or guaranteed by the U.S. Treasury and other U.S. agencies, other foreign governments, as well as other debt securities. Securities purchased under reverse repurchase agreements and securities borrowed increased by $13.3 billion, driven primarily by the Capital Markets segment and Treasury activities.

Loans, net of allowances for credit losses, totalled $324.5 billion, up $21.9 billion. The following table provides a breakdown of the main loan portfolios.

(millions of Canadian dollars)	**As at July 31, 2026**	As at October 31, 2025
Loans		
Residential mortgage and home equity lines of credit	**158,125**	145,509
Personal	**19,024**	18,593
Credit card	**3,205**	3,022
Business and government	**146,528**	137,630
	326,882	304,754
Allowances for credit losses	**(2,338)**	(2,131)
	324,544	302,623

Residential mortgages (including home equity lines of credit) rose $12.6 billion, due to sustained demand for mortgage credit in Personal Banking and at the ABA Bank subsidiary. Personal loans increased by $0.4 billion, driven by business growth in Personal Banking and the Wealth Management segment. Credit card receivables increased by $0.2 billion. Business and government loans rose $8.9 billion or 6%, mainly due to business growth in Commercial Banking, Wealth Management and Capital Markets segments.

Impaired loans include all loans classified in Stage 3 of the expected credit loss model and POCI loans. Gross impaired loans stood at $4,031 million compared to $3,712 million as at October 31, 2025. Net impaired loans totalled $3,007 million compared to $2,904 million. This increase was due to higher net impaired loans in the loan portfolios of Personal Banking and Commercial Banking, as well as the ABA Bank subsidiary, partly offset by a decrease in net impaired loans in the loan portfolios of Wealth Management and Capital Markets segments, as well as the Credigy subsidiary.

Other assets stood at $28.6 billion, down $1.9 billion or 6%, notably due to the decrease in other assets related to commodities.

Liabilities
The Bank had total liabilities of $600.5 billion compared to $543.2 billion, up $57.3 billion or 11%.

Deposits stood at $464.7 billion compared to $428.0 billion, up $36.7 billion or 9%. Personal deposits amounted to $128.8 billion, up $4.4 billion. This increase was driven primarily by the business growth in the Wealth Management and Capital Markets segments.

Business and government deposits totalled $330.2 billion, up $32.7 billion or 11%. The increase is explained by the business growth in Commercial Banking, Capital Markets segment as well as financing activities in Treasury, including a $6.0 billion increase in deposits subject to bank recapitalization (bail-in) conversion regulations. Deposits from deposit-taking institutions stood at $5.7 billion, down $0.4 billion.

Other liabilities stood at $132.3 billion, up $20.6 billion, resulting essentially from a $21.8 billion increase in obligations related to securities sold under repurchase agreements and securities loaned. This increase is offset, among other factors, by a $1.1 billion decrease in liabilities related to transferred receivables.

Equity
Equity attributable to the Bank's shareholders and holders of other equity instruments totalled $34.7 billion, up $0.9 billion. This increase was mainly attributable to the net income, net of dividends, and the $600 million issuance of Limited Recourse Capital Notes Series 4 (LRCN – Series 4). These increases were partly offset by the repurchase of common shares for cancellation and the redemption of outstanding Limited Recourse Capital Notes Series 1 (LRCN – Series 1), totalling $500 million.

Laurentian Bank of Canada (LBC) Transactions

On December 2, 2025, the Bank entered into a definitive asset purchase agreement with LBC pursuant to which it will assume certain liabilities and acquire certain assets related to LBC's retail and SME business banking portfolios (Retail/SME Transaction), and the Bank will assume LBC's distribution agreement for certain mutual funds. Consideration of cash and cash equivalents to be received from LBC will be determined in reference to the value of liabilities assumed net of assets acquired, at the closing date.

The closing of the Retail/SME Transaction, expected to occur in late 2026, is conditional on all conditions precedent to the closing of the acquisition of LBC by Fairstone Bank (Acquisition Transaction) having been satisfied or waived, and to the closing of the Acquisition Transaction immediately following the Retail/SME Transaction. The Retail/SME Transaction is subject to customary closing conditions, including receipt of key regulatory approvals.

Separately, concurrently with the execution of the Retail/SME Transaction agreement, the Bank and LBC had also entered into a definitive loan purchase agreement in respect of the purchase by the Bank of LBC's syndicated loan portfolio (Syndicated Loan Transaction). On February 17, 2026, the closing of the Syndicated Loan Transaction occurred. The purchase price of $647 million, paid in cash, was allocated between the acquired assets and the assumed liabilities based on their relative fair values as at the acquisition date, comprising loans and deposits totaling $657 million and $10 million, respectively.

Event after the Consolidated Balance Sheet Date

Acquisition of G5 Holdings Inc. (G5)
On August 5, 2026, the Bank completed the 80% acquisition of the common shares of G5, an entity that owns GFI Investment Counsel Ltd. (GFI), an independent wealth management firm based in Toronto, Ontario, that provides investment management services to individuals and corporations, as well as investment fund management services. The Bank is in the process of determining the fair values of the identifiable assets acquired and liabilities assumed.

Related Party Transactions

The Bank's policies and procedures regarding related party transactions have not significantly changed since October 31, 2025. For additional information, see Note 28 to the audited annual consolidated financial statements for the year ended October 31, 2025.

Securitization and Off-Balance-Sheet Arrangements

In the normal course of business, the Bank is party to various financial arrangements that, under IFRS, are not required to be recorded on the Consolidated Balance Sheet or are recorded under amounts other than their notional or contractual values. These arrangements include, among others, transactions with structured entities, derivative financial instruments, the issuance of guarantees, credit instruments, and financial assets received as collateral. A complete analysis of these types of arrangements, including their nature, business purpose, and importance, is provided on pages 60 and 61 of the *2025 Annual Report*.

For additional information on financial assets transferred but not derecognized, guarantees, commitments, and structured entities, see Notes 9, 26, and 27 to the audited annual consolidated financial statements for the year ended October 31, 2025.

Income Taxes

Notice of Assessment
In March 2026, the Bank was reassessed by the Canada Revenue Agency (CRA) for additional income tax and interest of approximately $120 million (including estimated provincial tax and interest) in respect of certain Canadian dividends received by the Bank during the 2021 taxation year.

In prior fiscal years, the Bank had been reassessed for additional income tax and interest of approximately $1.2 billion (including provincial tax and interest) in respect of certain Canadian dividends received by the Bank during the 2012-2020 taxation years.

In the reassessments, the CRA alleges that the dividends were received as part of a "dividend rental arrangement".

In October 2023, the Bank filed a notice of appeal with the Tax Court of Canada, and the matter is now in litigation. The CRA may issue reassessments to the Bank for taxation years subsequent to 2021 in regard to certain activities similar to those that were the subject of the above-mentioned reassessments. The Bank remains confident that its tax position was appropriate and intends to vigorously defend its position. As a result, no amount has been recognized in the Consolidated Financial Statements as at July 31, 2026.

Capital Management

Capital management has a dual role of ensuring a competitive return to the Bank's shareholders while maintaining a solid capital foundation that covers the risks inherent to the Bank's business, supports its business segments, and protects its clients. The Bank manages its capital in accordance with the capital management framework as described in the Capital Management section on pages 62 to 71 of the Bank's *2025 Annual Report.*

Basel Accord
The Bank and all other major Canadian banks have to maintain the following minimum capital ratios established by OSFI: a CET1 capital ratio of at least 11.0%, a Tier 1 capital ratio of at least 12.5%, and a Total capital ratio of at least 14.5%. For additional information on the ratio calculations, see pages 63 to 65 of the *2025 Annual Report*. All of these ratios include a capital conservation buffer of 2.5% established by the BCBS and OSFI, a 1.0% surcharge applicable solely to Domestic Systemically Important Banks (D-SIBs), and a 3.0% domestic stability buffer (DSB) established by OSFI. On June 19, 2026, OSFI announced, with immediate effect, that the DSB had been decreased from 3.5% to 3.0% and the DSB range had been reduced, setting it at 0% to 3% of risk-weighted assets (RWA) instead of the previous range of 0% to 4%. The DSB consists exclusively of CET1 capital. A D-SIB that fails to meet this buffer requirement will not be subject to automatic constraints to reduce capital distributions but will have to provide a remediation plan to OSFI. The Bank also has to meet the requirements of the capital output floor which is set at 67.5%, under which its total RWA must not be lower than the capital output floor of the total RWA as calculated under the Basel III Standardized Approaches. If the capital requirement is less than the capital output floor requirement after applying the floor factor, the difference is added to the total RWA. Lastly, OSFI requires D-SIBs to maintain a Basel III leverage ratio of at least 3.5%, which includes a Tier 1 capital buffer of 0.5% applicable only to D-SIBs. For additional information on the leverage ratio calculation, see page 64 of the *2025 Annual Report*.

In addition, OSFI requires that regulatory capital instruments other than common equity must have a non-viability contingent capital (NVCC) clause to ensure that investors bear losses before taxpayers should the government determine that rescuing a non-viable financial institution is in the public interest. The Bank's regulatory capital instruments, other than common shares, all have an NVCC clause.

OSFI requires D-SIBs to maintain a risk-based *Total Loss Absorbing Capacity* (TLAC) ratio of at least 24.5% (including the DSB) of RWA and a TLAC leverage ratio of at least 7.25%. The TLAC ratio is calculated by dividing available TLAC by RWA, and the TLAC leverage ratio is calculated by dividing available TLAC by total exposure. As at July 31, 2026, outstanding liabilities of $32.1 billion ($26.1 billion as at October 31, 2025) were subject to conversion under the bail-in regulations.

Requirements – Regulatory Capital[(1)], Leverage[(1)], and TLAC[(2)] Ratios

The following table provides the minimum capital requirements set by OSFI.

	Requirements as at July 31, 2026							
	Minimum	Capital conservation buffer	Minimum set by BCBS	D-SIB surcharge	Minimum set by OSFI	Domestic stability buffer[(3)]	Minimum set by OSFI, including the domestic stability buffer	Ratios as at July 31, 2026
Capital ratios								
CET1	4.5 %	2.5 %	7.0 %	1.0 %	8.0 %	3.0 %	11.0 %	13.5 %
Tier 1	6.0 %	2.5 %	8.5 %	1.0 %	9.5 %	3.0 %	12.5 %	15.1 %
Total	8.0 %	2.5 %	10.5 %	1.0 %	11.5 %	3.0 %	14.5 %	17.2 %
Leverage ratio	3.0 %	n.a.	3.0 %	0.5 %	3.5 %	n.a.	3.5 %	4.2 %
TLAC ratio	21.5 %	n.a.	21.5 %	n.a.	21.5 %	3.0 %	24.5 %	33.1 %
TLAC leverage ratio	6.75 %	n.a.	6.75 %	0.5 %	7.25 %	n.a.	7.25 %	9.3 %

n.a. Not applicable
(1) The capital ratios and the leverage ratio are calculated in accordance with the Basel III rules, as set out in OSFI's *Capital Adequacy Requirements Guideline* and *Leverage Requirements Guideline*.
(2) The TLAC ratio and the TLAC leverage ratio are calculated in accordance with OSFI's *Total Loss Absorbing Capacity Guideline*.
(3) On June 19, 2026, OSFI announced, with immediate effect, that the domestic stability buffer had been reduced from 3.5% to 3.0%.

Other disclosure requirements pursuant to Pillar 3 of the Basel Accord and a set of recommendations defined by the Enhanced Disclosure Task Force (EDTF) are presented in the *Supplementary Regulatory Capital and Pillar 3 Disclosure* report published quarterly and available on the Bank's website at nbc.ca. Furthermore, a complete list of capital instruments and their main features is also available on the Bank's website.

Regulatory Developments
The Bank closely monitors regulatory developments and participates actively in various consultative processes. For additional information about the regulatory context as at October 31, 2025, refer to page 65 of the Capital Management section in the *2025 Annual Report*. In addition, since November 1, 2025, the below-described regulatory developments should also be considered.

OSFI finalized the *Capital and Liquidity Treatment of Crypto-asset Exposures (Banking) Guideline*, replacing the interim advisory and establishing a comprehensive framework aligned with Basel standards and introducing differentiated capital treatment based on asset classification, conservative requirements for higher-risk exposures, exposure limits relative to regulatory capital, and enhanced risk management, notification and disclosure expectations. The guideline and the disclosure requirements pursuant to Pillar 3 became effective November 1, 2025.

In addition, OSFI's *Capital Adequacy Requirements (CAR) Guideline* (2026) came into effect on November 1, 2025, incorporating clarifications and targeted adjustments across credit, market and counterparty credit risk frameworks. These changes include refinements to the treatment of certain residential real estate and combined loan products, updates to risk weights for selected exposure classes, and technical enhancements intended to improve consistency and risk alignment, without materially altering the overall capital framework.

Management Activities
On September 25, 2025, the Bank began a normal course issuer bid to repurchase for cancellation up to 8,000,000 common shares (representing approximately 2.04% of its then outstanding common shares) over a 12-month period ending no later than September 24, 2026. On March 12, 2026, an amendment to the issuer bid took effect. This amendment increased the maximum number of issued and outstanding Bank common shares that can be redeemed for cancellation up to 14,500,000 common shares (representing approximately 3.70% of the outstanding common shares as at September 11, 2025) during the 12-month period ending September 24, 2026. During the nine-month period ended July 31, 2026, the Bank repurchased 9,266,600 common shares at a price of $1,755 million, which reduced *Common share capital* by $235 million and *Retained earnings* by $1,520 million. Under this program, the Bank repurchased a total of 10,652,000 common shares at a price of $1,968 million.

On November 17, 2025, the Bank redeemed all of the issued and outstanding LRCN – Series 1, the redemption price was $1,000 each, plus interest accrued and unpaid. The Bank redeemed 500,000 LRCN – Series 1 for a total amount of $500 million. As part of the redemption of the LRCN – Series 1, the Bank redeemed all of the issued and outstanding Non-Cumulative 5-year Fixed Rate-Reset Series 44 First Preferred Shares issued by the Bank in conjunction with the LRCN – Series 1 and which were held by an independent trustee in a consolidated limited recourse trust.

On June 11, 2026, the Bank issued $600 million of LRCN – Series 4 for which recourse of the noteholders is limited to the assets held by an independent trustee in a consolidated limited recourse trust. The trust's assets consist of $600 million of Series 51 First Preferred Shares issued by the Bank in conjunction with the LRCN – Series 4. The LRCN – Series 4 are sold for $1,000 each and bear interest at a fixed rate of 6.067% per annum until August 16, 2031 exclusively and, thereafter, at an annual rate equal to the five-year Government of Canada bond yield plus 2.95% until August 16, 2081. Given that the LRCN – Series 4 satisfy the non-viability contingent capital requirements, they qualify for the purposes of calculating regulatory capital under Basel III.

Dividends

On August 25, 2026, the Board of Directors declared regular dividends on the various series of first preferred shares and a dividend of $1.32 per common share, payable on November 1, 2026 to shareholders of record on September 28, 2026.

Shares, Other Equity Instruments, and Stock Options

	As at July 31, 2026	
	Number of shares or LRCN[1]	$ million
First preferred shares		
Series 30	14,000,000	350
Series 38	16,000,000	400
Series 40	12,000,000	300
Series 42	12,000,000	300
Series 47	5,000,000	128
Series 49	5,000,000	136
	64,000,000	1,614
Other equity instruments		
LRCN – Series 2	500,000	500
LRCN – Series 3	500,000	500
LRCN – Series 4	600,000	600
	1,600,000	1,600
	65,600,000	3,214
Common shares	383,581,030	9,775
Stock options	9,664,825	

(1) Limited Recourse Capital Notes (LRCN).

As at August 21, 2026, there were 383,166,587 common shares and 9,651,743 stock options outstanding. NVCC provisions require the conversion of capital instruments into a variable number of common shares should OSFI deem a bank to be non-viable or should the government publicly announce that a bank has accepted or agreed to accept a capital injection. If an NVCC trigger event were to occur, all of the Bank's preferred shares, LRCNs, medium-term notes and subordinated debentures which are NVCC capital instruments, would be converted into common shares of the Bank according to an automatic conversion formula at a conversion price corresponding to the greater of the following amounts: (i) a $5.00 contractual floor price; or (ii) the market price of the Bank's common shares on the date of the trigger event (10-day weighted average price). Based on a $5.00 floor price and including an estimate for accrued dividends and interest, these NVCC capital instruments would be converted into a maximum of 1,688 million Bank common shares, which would have an 81.5% dilutive effect based on the number of Bank common shares outstanding as at July 31, 2026.

Movement in Regulatory Capital[1]

(millions of Canadian dollars)	Nine months ended July 31, 2026
Common Equity Tier 1 (CET1) capital	
Balance at beginning	25,962
Issuance of common shares (including Stock Option Plan)	119
Impact of shares purchased or sold for trading	5
Repurchase of common shares	(1,755)
Other contributed surplus	85
Dividends on preferred and common shares and distributions on other equity instruments	(1,599)
Net income attributable to the Bank's shareholders and holders of other equity instruments	3,795
Removal of own credit spread (net of income taxes)	(7)
Regulatory adjustment related to contractual service margin[2]	150
Other	39
Movements in accumulated other comprehensive income	
Translation adjustments	(8)
Debt securities at fair value through other comprehensive income	27
Other	–
Change in goodwill and intangible assets (net of related tax liability)	81
Other, including regulatory adjustments	
Change in defined benefit pension plan asset (net of related tax liability)	(32)
Change in amount exceeding 15% threshold	
Deferred tax assets	–
Significant investments in common shares of financial institutions	–
Deferred tax assets, unless they result from temporary differences (net of related tax liability)	2
Other deductions or regulatory adjustments to CET1 implemented by OSFI	1
Change in other regulatory adjustments	(6)
Balance at end	26,859
Additional Tier 1 capital	
Balance at beginning	2,597
New Tier 1 eligible capital issuances	600
Redeemed capital[3]	–
Other, including regulatory adjustments	(38)
Balance at end	3,159
Total Tier 1 capital	30,018
Tier 2 capital	
Balance at beginning	4,098
New Tier 2 eligible capital issuances	–
Redeemed capital	–
Tier 2 instruments issued by subsidiaries and held by third parties	–
Change in certain allowances for credit losses	5
Other, including regulatory adjustments	(20)
Balance at end	4,083
Total regulatory capital	34,101

(1) See the Financial Reporting Method section on pages 5 to 12 for additional information on capital management measures.
(2) The contractual service margin related to our insurance company subsidiaries is included in the CET1 capital as permitted by the OSFI guideline.
(3) The redemption of LRCN – Series 1 completed on November 17, 2025, was included in the October 31, 2025 ratios.

Risk-Weighted Assets by Key Risk Drivers
Risk-weighted assets (RWA) amounted to $198.7 billion as at July 31, 2026 compared to $188.8 billion as at October 31, 2025, a $9.9 billion increase resulting from organic growth and credit migration. The changes in the Bank's RWA by risk type are presented in the following table.

Movement of Risk-Weighted Assets by Key Drivers(1)

(millions of Canadian dollars)

						Quarter ended
			July 31, 2026	April 30, 2026	January 31, 2026	October 31, 2025
	Non-counterparty credit risk	**Counterparty credit risk**	**Total**	Total	Total	Total
Credit risk – Risk-weighted assets at beginning	**156,912**	**7,986**	**164,898**	161,554	162,354	156,537
Book size	**2,210**	**175**	**2,385**	3,074	407	5,216
Book quality	**877**	**(73)**	**804**	386	116	234
Model updates	**–**	**–**	**–**	–	–	–
Methodology and policy	**–**	**–**	**–**	–	–	–
Acquisitions and disposals	**–**	**–**	**–**	–	–	–
Foreign exchange movements	**1,385**	**153**	**1,538**	(116)	(1,323)	367
Credit risk – Risk-weighted assets at end	**161,384**	**8,241**	**169,625**	164,898	161,554	162,354
Market risk – Risk-weighted assets at beginning			**10,830**	9,616	8,724	9,208
Movement in risk levels(2)			**(655)**	1,214	892	(484)
Model updates			**(158)**	–	–	–
Methodology and policy			**–**	–	–	–
Acquisitions and disposals			**–**	–	–	–
Market risk – Risk-weighted assets at end			**10,017**	10,830	9,616	8,724
Operational risk – Risk-weighted assets at beginning			**18,763**	18,184	17,678	17,365
Movement in risk levels			**341**	579	506	313
Methodology and policy			**–**	–	–	–
Acquisitions and disposals			**–**	–	–	–
Operational risk – Risk-weighted assets at end			**19,104**	18,763	18,184	17,678
Risk-weighted assets at end			**198,746**	194,491	189,354	188,756

(1) See the Financial Reporting Method section on pages 5 to 12 for additional information on capital management measures.
(2) Also includes foreign exchange rate movements and other items that are not considered material.

The table above provides risk-weighted asset movements by the key drivers underlying the different risk categories.

The *Book size* item reflects organic changes in book size and composition (including new loans and maturing loans). RWA movements attributable to book size include increases or decreases in exposures, measured by exposure at default, assuming a stable risk profile.

The *Book quality* item is the Bank's best estimate of changes in book quality related to experience, such as underlying customer behaviour or demographics, including changes resulting from model recalibrations or realignments and including risk mitigation factors.

The *Model updates* item is used to reflect implementations of new models, changes in model scope, or any other change applied to address model malfunctions.

The *Methodology and policy* item presents the impact of changes in calculation methods resulting from changes in regulatory policies or from new regulations.

Regulatory Capital Ratios, Leverage Ratio, and TLAC Ratios

As at July 31, 2026, the Bank's CET1, Tier 1, and Total capital ratios were, respectively, 13.5%, 15.1%, and 17.2% compared to ratios of 13.8%, 15.1% and 17.3%, respectively, as at October 31, 2025. The CET1 capital ratio decreased since October 31, 2025, while the Tier 1 and Total ratios remained relatively stable. The variation in the ratios was primarily driven by the repurchase of common shares for cancellation and the growth in RWA, partially offset by the net income, net of dividends. The Tier 1 and Total ratios were supported by the $600 million of LRCN – Series 4 issuance.

As at July 31, 2026, the leverage ratio was 4.2% compared to 4.5% as at October 31, 2025. The decrease in the leverage ratio was mainly attributable to an increase in total exposure, partially offset by the growth in Tier 1 capital, including the LRCN issuance noted above.

As at July 31, 2026, the Bank's TLAC ratio and TLAC leverage ratio were 33.1% and 9.3% compared to 29.7% and 8.8%, respectively, as at October 31, 2025. The TLAC ratio and the TLAC leverage ratio increased primarily due to net issuances of instruments that met all of the TLAC eligibility criteria during the period.

During the quarter and nine-month period ended July 31, 2026, the Bank was compliant with all of OSFI's regulatory capital, leverage, and TLAC requirements.

Regulatory Capital[(1)], Leverage Ratio[(1)] and TLAC[(2)]

(millions of Canadian dollars)	As at July 31, 2026	As at October 31, 2025
Capital		
CET1	**26,859**	25,962
Tier 1[(3)]	**30,018**	28,559
Total[(3)]	**34,101**	32,657
Risk-weighted assets	**198,746**	188,756
Total exposure	**706,715**	633,494
Capital ratios		
CET1	**13.5 %**	13.8 %
Tier 1[(3)]	**15.1 %**	15.1 %
Total[(3)]	**17.2 %**	17.3 %
Leverage ratio[(3)]	**4.2 %**	4.5 %
Available TLAC	**65,771**	55,993
TLAC ratio	**33.1 %**	29.7 %
TLAC leverage ratio	**9.3 %**	8.8 %

(1) Capital, risk-weighted assets, total exposure, the capital ratios, and the leverage ratio are calculated in accordance with the Basel III rules, as set out in OSFI's *Capital Adequacy Requirements Guideline* and *Leverage Requirements Guideline*.
(2) Available TLAC, the TLAC ratio, and the TLAC leverage ratio are calculated in accordance with OSFI's *Total Loss Absorbing Capacity Guideline*.
(3) Data as at October 31, 2025 included the redemption of LRCN – Series 1 completed on November 17, 2025.

Risk Management

Risk-taking is intrinsic to a financial institution's business. The Bank views risk as an integral part of its development and the diversification of its activities. It advocates a risk management approach that is consistent with its business strategy. The Bank voluntarily exposes itself to certain risk categories, particularly credit and market risk, in order to generate revenue. It also assumes certain risks that are inherent to its activities—to which it does not choose to expose itself—and that do not generate revenue, i.e., mainly operational risks.

Risks	Description
Emerging risks – Conflict in the Middle East	Further to the geopolitical risks outlined in the *2025 Annual Report*, although the Bank has no significant direct exposure to the Middle East region, the conflict could still affect it through broader macroeconomic and financial market channels, especially if it were to persist for a long period of time. Prolonged or recurring disruptions to the Strait of Hormuz and the Strait of Bab el-Mandeb could continue to restrict global supplies of key commodities, including oil, natural gas, fertilizers and helium. This, in turn, could lead to ongoing inflationary pressures across global energy, agriculture, transportation and manufacturing sectors, potentially resulting in higher interest rates and tighter funding conditions for businesses and consumers alike. The potential impact on the Bank and its clients is contingent upon the nature and duration of these evolving conditions. The Bank continues to monitor these developments closely, assessing both direct and indirect potential implications for its financial position and that of its clients.
Emerging risks – Technology and Frontier AI development	Rapid advances in generative artificial intelligence (AI), or "Frontier AI," are accelerating the discovery and exploitation of software vulnerabilities across the industry, increasing the probability and sophistication of cyber incidents. In a highly interconnected financial system, this risk could extend beyond isolated events to create more systemic impacts. To date, the Bank has not identified any breach or confirmed exploitation linked to these developments. The Bank views this as an emerging, transversal risk and is integrating it into its cybersecurity, third-party risk, and enterprise resilience practices. Its response focuses on prioritized vulnerability remediation, strengthened oversight of critical service providers, and the use of AI to support proactive risk detection, with the objective of preserving the safety of its operations and client trust.

Despite the exercise of stringent risk management and existing mitigation measures, risk cannot be eliminated entirely, and residual risks may occasionally cause losses. Certain risks are discussed hereafter. For additional information, see the Risk Management section on pages 72 to 118 of the *2025 Annual Report.* Risk management information is also provided in Note 6 to the Consolidated Financial Statements, which covers loans.

Credit Risk

Credit risk is the risk of incurring a financial loss if an obligor does not fully honour its contractual commitments to the Bank. Obligors may be borrowers, issuers, guarantors or counterparties. General economic and market conditions in Canada, the U.S. and other countries in which the Bank operates are currently difficult to predict due in part to measures affecting trade relations between Canada and its partners. The imposition of tariffs and the measures taken in response, as well as the possible impacts on our customers, could have an impact on a debtor's ability to repay. Credit risk is the most significant risk facing the Bank in the normal course of its business.

Regulatory Developments

The Bank closely monitors regulatory developments and is actively involved in the various consultation processes. For additional information about the regulatory context as at October 31, 2025, see page 87 of the Risk Management section of the *2025 Annual Report*. In addition, since November 1, 2025, there have been no new regulatory developments to consider.

The amounts in the following tables represent the Bank's maximum exposure to credit risk as at the financial reporting date without considering any collateral held or any other credit enhancements. These amounts do not include allowances for credit losses nor amounts pledged as collateral. The tables also exclude equity securities.

Maximum Credit Risk Exposure Under the Basel Asset Categories[1]

(millions of Canadian dollars)								**As at July 31, 2026**
	Drawn[2]	**Undrawn commitments**	**Repo-style transactions**[3]	**Derivative financial instruments**	**Other off-balance-sheet items**[4]	**Total**	**Standardized Approach**[5]	**IRB Approach**
Retail								
Residential mortgages	**109,838**	**10,431**	**–**	**–**	**–**	**120,269**	**18 %**	**82 %**
Qualifying revolving retail	**4,781**	**14,179**	**–**	**–**	**–**	**18,960**	**– %**	**100 %**
Other retail	**24,470**	**3,105**	**–**	**–**	**41**	**27,616**	**28 %**	**72 %**
	139,089	**27,715**	**–**	**–**	**41**	**166,845**		
Non-retail								
Corporate	**134,638**	**42,089**	**81,780**	**140**	**13,498**	**272,145**	**25 %**	**75 %**
Sovereign	**99,759**	**7,106**	**132,079**	**291**	**752**	**239,987**	**2 %**	**98 %**
Banks	**12,988**	**1,780**	**214,818**	**4,031**	**2,798**	**236,415**	**17 %**	**83 %**
	247,385	**50,975**	**428,677**	**4,462**	**17,048**	**748,547**		
Trading portfolio	**–**	**–**	**–**	**18,593**	**–**	**18,593**	**3 %**	**97 %**
Securitization	**3,874**	**–**	**–**	**–**	**7,888**	**11,762**	**100 %**	**– %**
Total – Gross credit risk	**390,348**	**78,690**	**428,677**	**23,055**	**24,977**	**945,747**	**16 %**	**84 %**
Standardized Approach[5]	**81,194**	**2,325**	**58,676**	**4,112**	**9,024**	**155,331**		
IRB Approach	**309,154**	**76,365**	**370,001**	**18,943**	**15,953**	**790,416**		
Total – Gross credit risk	**390,348**	**78,690**	**428,677**	**23,055**	**24,977**	**945,747**	**16 %**	**84 %**

(millions of Canadian dollars)								As at October 31, 2025
	Drawn[2]	Undrawn commitments	Repo-style transactions[3]	Derivative financial instruments	Other off-balance-sheet items[4]	Total	Standardized Approach[5]	IRB Approach
Retail								
Residential mortgages	97,507	9,715	–	–	–	107,222	18 %	82 %
Qualifying revolving retail	4,487	13,454	–	–	–	17,941	– %	100 %
Other retail	24,250	2,974	–	–	47	27,271	30 %	70 %
	126,244	26,143	–	–	47	152,434		
Non-retail								
Corporate	126,772	36,857	66,245	81	9,956	239,911	28 %	72 %
Sovereign	74,412	6,281	104,954	–	535	186,182	3 %	97 %
Banks	14,229	1,227	192,041	3,146	2,625	213,268	23 %	77 %
	215,413	44,365	363,240	3,227	13,116	639,361		
Trading portfolio	–	–	–	18,250	–	18,250	3 %	97 %
Securitization	3,029	–	–	–	7,561	10,590	100 %	– %
Total – Gross credit risk	344,686	70,508	363,240	21,477	20,724	820,635	19 %	81 %
Standardized Approach[5]	79,532	3,196	64,806	3,387	8,629	159,550		
IRB Approach	265,154	67,312	298,434	18,090	12,095	661,085		
Total – Gross credit risk	344,686	70,508	363,240	21,477	20,724	820,635	19 %	81 %

(1) See the Financial Reporting Method section on pages 5 to 12 for additional information on capital management measures.
(2) Excludes equity securities and certain other assets such as investments in deconsolidated subsidiaries and joint ventures, right-of-use properties and assets, goodwill, deferred tax assets, and intangible assets.
(3) Securities purchased under reverse repurchase agreements and sold under repurchase agreements as well as securities loaned and borrowed.
(4) Letters of guarantee, documentary letters of credit, and securitized assets that represent the Bank's commitment to make payments in the event that an obligor cannot meet its financial obligations to third parties.
(5) Includes exposures to qualifying central counterparties (QCCP).

To meet OSFI's mortgage loan disclosure requirements, additional information has been provided in the documents *Supplementary Financial Information – Third Quarter 2026* and *Supplementary Regulatory Capital and Pillar 3 Disclosure – Third Quarter 2026,* which are available on the Bank's website at nbc.ca.

Market Risk

Market risk is the risk of financial losses arising from movements in market prices. The Bank is exposed to market risk through its participation in trading, investment, and asset/liability management activities.

The following tables provide a breakdown of the Bank's Consolidated Balance Sheet into assets and liabilities by those that carry market risk and those that do not carry market risk, distinguishing between trading positions whose main risk measures are Value-at-Risk (VaR) and non-trading positions that use other risk measures.

Reconciliation of Market Risk with Consolidated Balance Sheet Items

(millions of Canadian dollars)					As at July 31, 2026
		Market risk measures			
	Balance sheet	Trading[1]	Non-trading[2]	Not subject to market risk	Non-traded risk primary risk sensitivity
Assets					
Cash and deposits with financial institutions	47,757	241	40,627	6,889	Interest rate[3]
Securities					
At fair value through profit or loss	147,203	144,904	2,299	–	Interest rate[3] and equity
At fair value through other comprehensive income	25,918	–	25,918	–	Interest rate[3] and equity[4]
At amortized cost	20,822	–	20,822	–	Interest rate[3]
Securities purchased under reverse repurchase agreements and securities borrowed	40,355	–	40,355	–	Interest rate[3][5]
Loans, net of allowances	324,544	14,661	309,883	–	Interest rate[3]
Derivative financial instruments	12,390	11,947	443	–	Interest rate and exchange rate
Defined benefit asset	496	–	496	–	Other
Other	15,674	1,457	–	14,217	
	635,159	173,210	440,843	21,106	
Liabilities					
Deposits	464,732	50,000	414,732	–	Interest rate[3]
Obligations related to securities sold short	12,971	12,971	–	–	
Obligations related to securities sold under repurchase agreements and securities loaned	63,242	–	63,242	–	Interest rate[3][5]
Derivative financial instruments	15,810	14,928	882	–	Interest rate and exchange rate
Liabilities related to transferred receivables	29,482	11,293	18,189	–	Interest rate[3]
Defined benefit liability	91	–	91	–	Other
Other	10,728	–	–	10,728	Interest rate[3]
Subordinated debt	3,429	–	3,429	–	Interest rate[3]
	600,485	89,192	500,565	10,728	

(1) Trading positions whose risk measure is total VaR. For additional information, see the table in the pages ahead and in the Market Risk section of the *2025 Annual Report* that shows the VaR distribution of the trading portfolios by risk category and their diversification effect.
(2) Non-trading positions that use other risk measures.
(3) For additional information, see the table in the pages ahead and in the Market Risk section of the *2025 Annual Report* that shows the VaR distribution of the trading portfolios by risk category and their diversification effect, as well as the table that shows the interest rate sensitivity.
(4) The fair value of equity securities designated at fair value through other comprehensive income is presented in Notes 3 and 5 to the Consolidated Financial Statements.
(5) These instruments are recorded at amortized cost and are subject to credit risk for capital management purposes. For trading-related transactions with maturities of more than one day, interest rate risk is included in the VaR.

(millions of Canadian dollars) As at October 31, 2025

		Market risk measures			
	Balance sheet	Trading[1]	Non-trading[2]	Not subject to market risk	Non-traded risk primary risk sensitivity
Assets					
Cash and deposits with financial institutions	27,916	627	20,274	7,015	Interest rate[3]
Securities					
At fair value through profit or loss	148,118	145,420	2,698	–	Interest rate[3] and equity[4]
At fair value through other comprehensive income	24,024	–	24,024	–	Interest rate[3] and equity[5]
At amortized cost	16,605	–	16,605	–	Interest rate[3]
Securities purchased under reverse repurchase agreements and securities borrowed	27,091	–	27,091	–	Interest rate[3][6]
Loans, net of allowances	302,623	15,097	287,526	–	Interest rate[3]
Derivative financial instruments	12,515	12,182	333	–	Interest rate[7] and exchange rate[7]
Defined benefit asset	441	–	441	–	Other[8]
Other	17,586	3,735	–	13,851	
	576,919	177,061	378,992	20,866	
Liabilities					
Deposits	428,003	39,898	388,105	–	Interest rate[3]
Obligations related to securities sold short	13,257	13,257	–	–	
Obligations related to securities sold under repurchase agreements and securities loaned	41,356	–	41,356	–	Interest rate[3][6]
Derivative financial instruments	15,984	15,138	846	–	Interest rate[7] and exchange rate[7]
Liabilities related to transferred receivables	30,577	12,713	17,864	–	Interest rate[3]
Defined benefit liability	98	–	98	–	Other[8]
Other	10,443	–	–	10,443	Interest rate[3]
Subordinated debt	3,432	–	3,432	–	Interest rate[3]
	543,150	81,006	451,701	10,443	

(1) Trading positions whose risk measure is total VaR. For additional information, see the table on the following page and in the Market Risk section of the *2025 Annual Report* that shows the VaR distribution of the trading portfolios by risk category and their diversification effect.
(2) Non-trading positions that use other risk measures.
(3) For additional information, see the table in the pages ahead and in the Market Risk section of the *2025 Annual Report* that shows the VaR distribution of the trading portfolios by risk category and their diversification effect, as well as the table that shows the interest rate sensitivity.
(4) For additional information, see Note 7 to the audited annual consolidated financial statements for the year ended October 31, 2025.
(5) The fair value of equity securities designated at fair value through other comprehensive income is presented in Notes 3 and 5 to the Consolidated Financial Statements.
(6) These instruments are recorded at amortized cost and are subject to credit risk for capital management purposes. For trading-related transactions with maturities of more than one day, interest rate risk is included in the VaR.
(7) For additional information, see Notes 17 and 18 to the audited annual consolidated financial statements for the year ended October 31, 2025.
(8) For additional information, see Note 23 to the audited annual consolidated financial statements for the year ended October 31, 2025.

Trading Activities
The table below shows the VaR distribution of trading portfolios by risk category and their diversification effect.

VaR of Trading Portfolios(1)(2)

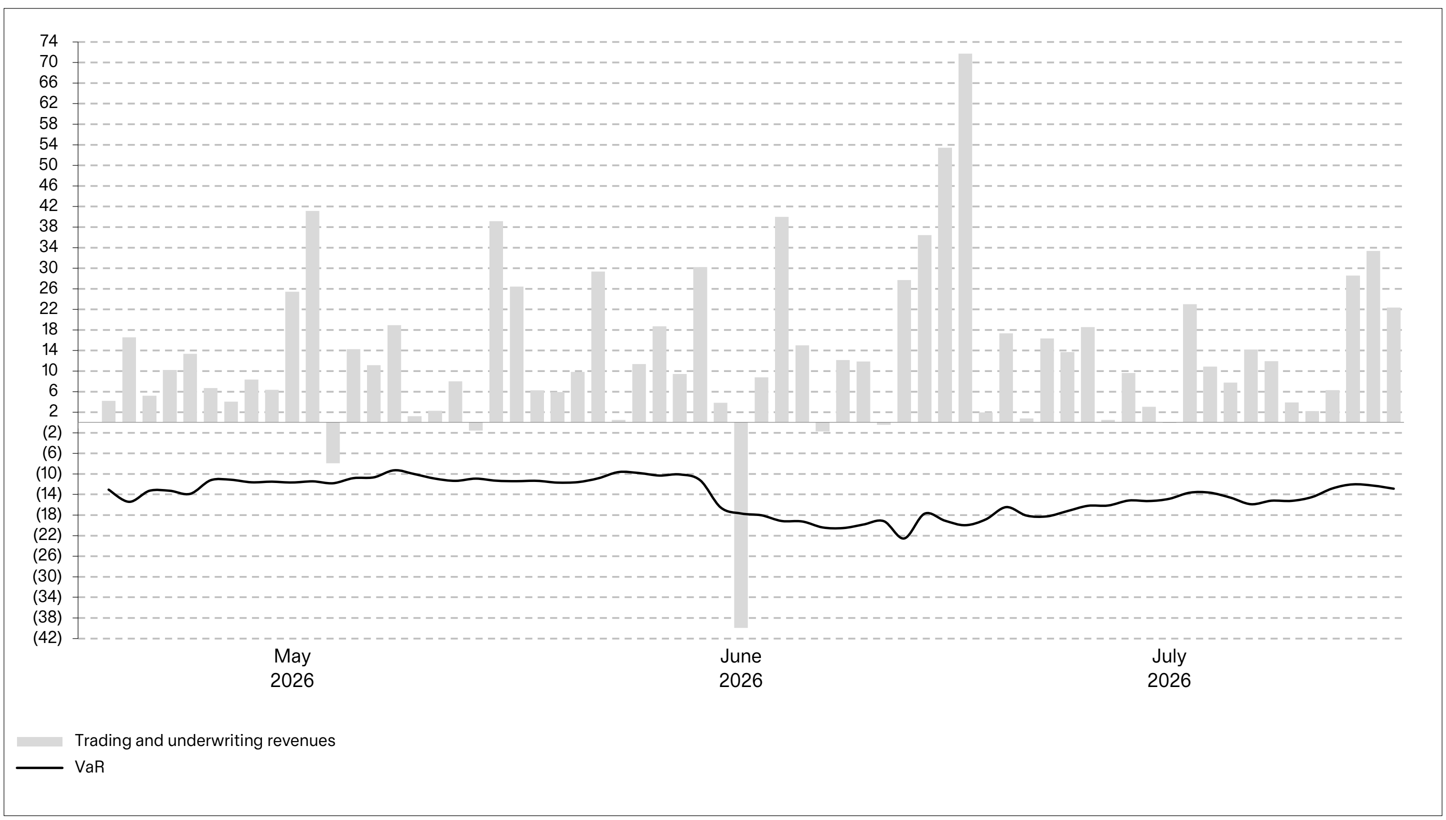
(millions of Canadian dollars)							Quarter ended		Nine months ended	
				July 31, 2026	April 30, 2026		July 31, 2025		**July 31, 2026**	July 31, 2025
	Low	**High**	**Average**	**Period end**	Average	Period end	Average	Period end	**Average**	Average
Interest rate	**(10.5)**	**(26.0)**	**(17.6)**	**(13.2)**	(15.3)	(16.3)	(14.6)	(14.7)	**(16.5)**	(13.2)
Exchange rate	**(0.9)**	**(2.7)**	**(1.5)**	**(1.6)**	(1.4)	(1.8)	(1.4)	(2.0)	**(1.7)**	(1.7)
Equity	**(4.0)**	**(7.5)**	**(5.6)**	**(6.4)**	(6.1)	(3.9)	(5.3)	(5.5)	**(5.9)**	(5.4)
Commodity	**(1.3)**	**(1.9)**	**(1.5)**	**(1.5)**	(1.8)	(1.5)	(1.9)	(2.7)	**(1.6)**	(1.6)
Diversification effect(3)	**n.m.**	**n.m.**	**12.1**	**9.8**	11.1	8.9	9.9	9.3	**11.7**	9.2
Total trading VaR	**(9.3)**	**(22.5)**	**(14.1)**	**(12.9)**	(13.5)	(14.6)	(13.3)	(15.6)	**(14.0)**	(12.7)

n.m. Computation of a diversification effect for the high and low is not meaningful, as highs and lows may occur on different days and be attributable to different types of risk.
(1) See the Glossary section on pages 45 to 48 for details on the composition of these measures.
(2) Amounts are presented on a pre-tax basis and represent one-day VaR using a 99% confidence level.
(3) The total trading VaR is less than the sum of the individual risk factor VaR results due to the diversification effect.

The average total trading VaR increased between the second and third quarter of 2026, mainly due to an increase in interest rate risk.

Daily Trading and Underwriting Revenues
The following chart shows daily trading and underwriting revenues and VaR. During the quarter ended July 31, 2026, daily trading and underwriting revenues were positive on 91% of the days. In addition, four days were marked by net daily trading and underwriting losses in excess of $1 million. One of these losses exceeded VaR.

Quarter ended July 31, 2026
(millions of Canadian dollars)



Interest Rate Sensitivity – Non-Trading Activities (Before Tax)
The following table presents the potential before-tax impact of an immediate and sustained 100-basis-point increase or of an immediate and sustained 100-basis-point decrease in interest rates on the economic value of equity and on the net interest income of the Bank's non-trading portfolios for the next 12 months, assuming no further hedging is undertaken and using a constant balance sheet.

(millions of Canadian dollars)		**As at July 31, 2026**			As at October 31, 2025[1]	
	Canadian dollar	**Other currencies**	**Total**	Canadian dollar	Other currencies	Total
Impact on equity						
100-basis-point increase in the interest rate	**(637)**	**(146)**	**(783)**	(601)	(82)	(683)
100-basis-point decrease in the interest rate	**654**	**121**	**775**	605	83	688
Impact on net interest income						
100-basis-point increase in the interest rate	**103**	**(32)**	**71**	104	(46)	58
100-basis-point decrease in the interest rate	**(106)**	**35**	**(71)**	(120)	49	(71)

(1) Certain comparative figures have been adjusted to reflect a revision to the information previously presented. This change is limited to the interest rate sensitivity table and has no impact on the audited annual consolidated financial statements as at October 31, 2025.

Liquidity and Funding Risk

Liquidity and funding risk is the risk that the Bank will be unable to honour daily cash and financial obligations without resorting to costly and untimely measures. Liquidity and funding risk arises when sources of funds become insufficient to meet scheduled payments under the Bank's commitments.

Liquidity risk refers to the possibility that an institution may not be able to meet its financial obligations as they fall due, due to a mismatch between cash inflows and outflows, without incurring unacceptable losses.

Funding risk is defined as the risk to the Bank's ongoing ability to raise sufficient funds to finance actual or proposed business activities on an unsecured or secured basis at an acceptable price. The funding management priority is to achieve an optimal balance between deposits, securitization, secured funding, and unsecured funding. This brings optimal stability to the funding and reduces vulnerability to unpredictable events.

Regulatory Developments
The Bank continues to closely monitor regulatory developments and participates actively in various consultative processes, mainly on the *Internal Liquidity Adequacy Assessment Process* (ILAAP) for Deposit-Taking Institution implementation and the 2027 *Liquidity Adequacy Requirements* (LAR) Guideline updates. For additional information about the regulatory context as at October 31, 2025, refer to page 101 of the Risk Management section in the *2025 Annual Report*. Furthermore, since November 1, 2025, the new regulatory developments below are to be considered.

The revised guidelines for Chapters 2, 3 and 4 of the *Liquidity Adequacy Requirements* were published by the OSFI on January 29, 2026 and became effective on May 1, 2026. This version clarifies which types of deposits—particularly those arising from partnerships—may be classified as retail funding and therefore benefit from preferential treatment under the liquidity standards. It also introduces two new retail structured note categories, as well as additional guidance on the assessment of the maturity of structured notes with early redemption features and on the circumstances in which contingent funding obligations must be applied.

On May 21, 2026, OSFI launched a 60-day consultation on draft 2027 revisions to the LAR Guideline, building on the version published on January 29, 2026. The proposals introduce a new level 1B high-quality liquid assets (HQLA) category and targeted net stable funding ratio (NSFR) interdependency updates for certain client gold deposits and central counterparty-related variation margin arrangements. The public consultation closed on July 20, 2026, with final guidance expected in February 2027 and effective May 1, 2027.

Liquidity Management
Liquid Assets
To protect depositors and creditors from unexpected crisis situations, the Bank holds a portfolio of unencumbered liquid assets that can be readily liquidated to meet financial obligations. The majority of the unencumbered liquid assets are held in Canadian or U.S. dollars. Moreover, all assets that can be quickly monetized are considered liquid assets. The Bank's liquidity reserves do not factor in the availability of the emergency liquidity facilities of central banks. The following tables provide information on the Bank's encumbered and unencumbered assets.

Liquid Asset Portfolio(1)

(millions of Canadian dollars)					As at July 31, 2026	As at October 31, 2025
	Bank-owned liquid assets(2)	Liquid assets received(3)	Total liquid assets	Encumbered liquid assets(4)	Unencumbered liquid assets	Unencumbered liquid assets
Cash and deposits with financial institutions	**47,757**	**–**	**47,757**	**15,373**	**32,384**	13,359
Securities						
Issued or guaranteed by the Canadian government, U.S. Treasury, other U.S. agencies and other foreign governments	**59,071**	**97,971**	**157,042**	**90,407**	**66,635**	54,180
Issued or guaranteed by Canadian provincial and municipal governments	**18,518**	**17,040**	**35,558**	**22,256**	**13,302**	14,032
Other debt securities	**8,477**	**5,822**	**14,299**	**6,487**	**7,812**	7,814
Equity securities	**107,877**	**73,984**	**181,861**	**124,171**	**57,690**	71,776
Loans						
Securities backed by insured residential mortgages	**19,841**	**–**	**19,841**	**10,690**	**9,151**	8,798
As at July 31, 2026	**261,541**	**194,817**	**456,358**	**269,384**	**186,974**	
As at October 31, 2025	234,925	164,738	399,663	229,704		169,959

(millions of Canadian dollars)	As at July 31, 2026	As at October 31, 2025
Unencumbered liquid assets by entity		
National Bank (parent)	**120,324**	117,051
Domestic subsidiaries	**12,427**	14,102
Foreign subsidiaries and branches	**54,223**	38,806
	186,974	169,959

(millions of Canadian dollars)	As at July 31, 2026	As at October 31, 2025
Unencumbered liquid assets by currency		
Canadian dollar	**84,432**	73,309
U.S. dollar	**83,828**	83,713
Other currencies	**18,714**	12,937
	186,974	169,959

Liquid Asset Portfolio(1) **– Average**(5)

(millions of Canadian dollars)						Quarter ended
					July 31, 2026	October 31, 2025
	Bank-owned liquid assets(2)	Liquid assets received(3)	Total liquid assets	Encumbered liquid assets(4)	Unencumbered liquid assets	Unencumbered liquid assets
Cash and deposits with financial institutions	**37,764**	**–**	**37,764**	**15,321**	**22,443**	17,374
Securities						
Issued or guaranteed by the Canadian government, U.S. Treasury, other U.S. agencies and other foreign governments	**60,560**	**94,315**	**154,875**	**98,298**	**56,577**	56,036
Issued or guaranteed by Canadian provincial and municipal governments	**19,314**	**16,475**	**35,789**	**24,299**	**11,490**	12,431
Other debt securities	**10,341**	**5,615**	**15,956**	**6,438**	**9,518**	8,888
Equity securities	**133,701**	**77,323**	**211,024**	**132,537**	**78,487**	67,211
Loans						
Securities backed by insured residential mortgages	**19,102**	**–**	**19,102**	**9,556**	**9,546**	9,211
	280,782	**193,728**	**474,510**	**286,449**	**188,061**	171,151

(1) See the Financial Reporting Method section on pages 5 to 12 for additional information on capital management measures.
(2) Bank-owned liquid assets include assets for which there are no legal or geographic restrictions.
(3) Securities received as collateral with respect to securities financing and derivative transactions and securities purchased under reverse repurchase agreements and securities borrowed.
(4) In the normal course of its funding activities, the Bank pledges assets as collateral in accordance with standard terms. Encumbered liquid assets include assets used to cover short sales, obligations related to securities sold under repurchase agreements and securities loaned, guarantees related to security-backed loans and borrowings, collateral related to derivative financial instrument transactions, asset-backed securities, and liquid assets legally restricted from transfers.
(5) The average is based on the sum of the end-of-period balances of the three months of the quarter divided by three.

Summary of Encumbered and Unencumbered Assets[1]

(millions of Canadian dollars)						**As at July 31, 2026**
		Encumbered assets[2]		**Unencumbered assets**	**Total**	**Encumbered assets as a % of total assets**
	Pledged as collateral	**Other[3]**	**Available as collateral**	**Other[4]**		
Cash and deposits with financial institutions	**–**	**15,373**	**32,384**	**–**	**47,757**	**2.4**
Securities	**75,888**	**–**	**118,055**	**–**	**193,943**	**12.0**
Securities purchased under reverse repurchase agreements and securities borrowed	**–**	**12,971**	**27,384**	**–**	**40,355**	**2.0**
Loans, net of allowances	**40,005**	**–**	**9,151**	**275,388**	**324,544**	**6.3**
Derivative financial instruments	**–**	**–**	**–**	**12,390**	**12,390**	**–**
Premises and equipment	**–**	**–**	**–**	**2,271**	**2,271**	**–**
Goodwill	**–**	**–**	**–**	**3,103**	**3,103**	**–**
Intangible assets	**–**	**–**	**–**	**1,643**	**1,643**	**–**
Other assets	**833**	**–**	**–**	**8,320**	**9,153**	**0.1**
	116,726	**28,344**	**186,974**	**303,115**	**635,159**	**22.8**

(millions of Canadian dollars)						As at October 31, 2025
		Encumbered assets[2]		Unencumbered assets	Total	Encumbered assets as a % of total assets
	Pledged as collateral	Other[3]	Available as collateral	Other[4]		
Cash and deposits with financial institutions	–	14,557	13,359	–	27,916	2.5
Securities	54,779	–	133,968	–	188,747	9.5
Securities purchased under reverse repurchase agreements and securities borrowed	–	13,257	13,834	–	27,091	2.3
Loans, net of allowances	40,971	–	8,798	252,854	302,623	7.1
Derivative financial instruments	–	–	–	12,515	12,515	–
Premises and equipment	–	–	–	2,162	2,162	–
Goodwill	–	–	–	3,101	3,101	–
Intangible assets	–	–	–	1,748	1,748	–
Other assets	3,158	–	–	7,858	11,016	0.5
	98,908	27,814	169,959	280,238	576,919	21.9

(1) See the Financial Reporting Method section on pages 5 to 12 for additional information on capital management measures.
(2) In the normal course of its funding activities, the Bank pledges assets as collateral in accordance with standard terms. Encumbered assets include assets used to cover short sales, obligations related to securities sold under repurchase agreements and securities loaned, guarantees related to securities lending and borrowing transactions, collateral related to derivative financial instrument transactions, asset-backed securities, residential mortgage loans securitized and transferred under the Canada Mortgage Bond program, assets held in consolidated trusts supporting the Bank's funding activities, and mortgage loans transferred under the covered bond program.
(3) Other encumbered assets include assets for which there are restrictions and that cannot therefore be used for collateral or funding purposes as well as assets used to cover short sales.
(4) Other unencumbered assets are assets that cannot be used for collateral or funding purposes in their current form. This category includes assets that are potentially eligible as funding program collateral (e.g., mortgages insured by the Canada Mortgage and Housing Corporation that can be securitized into mortgage-backed securities under the *National Housing Act* (Canada)).

Liquidity Coverage Ratio

The liquidity coverage ratio (LCR) was introduced primarily to ensure that banks could withstand periods of severe short-term stress. LCR is calculated by dividing the total amount of high-quality liquid assets (HQLA) by the total amount of net cash outflows. OSFI has been requiring Canadian banks to maintain a minimum LCR of 100%. An LCR above 100% ensures that banks are holding sufficient high-quality liquid assets to cover net cash outflows given a severe, 30-day liquidity crisis. The assumptions underlying the LCR scenario are established by the BCBS and OSFI's *Liquidity Adequacy Requirements Guideline*.

The table on the following page provides average LCR data calculated using the daily figures in the quarter. For the quarter ended July 31, 2026, the Bank's average LCR was 161%, well above the 100% regulatory requirement and demonstrating the Bank's solid short-term liquidity position.

LCR Disclosure Requirements[1][2]

(millions of Canadian dollars)			Quarter ended
		July 31, 2026	April 30, 2026
	Total unweighted value[3] (average)	Total weighted value[4] (average)	Total weighted value[4] (average)
High-quality liquid assets (HQLA)			
Total HQLA	n.a.	114,057	116,644
Cash outflows			
Retail deposits and deposits from small business customers, of which:	90,650	9,425	8,251
Stable deposits	32,277	968	952
Less stable deposits	58,373	8,457	7,299
Unsecured wholesale funding, of which:	150,690	80,587	80,522
Operational deposits (all counterparties) and deposits in networks of cooperative banks	51,817	12,729	11,482
Non-operational deposits (all counterparties)	90,296	59,281	61,228
Unsecured debt	8,577	8,577	7,812
Secured wholesale funding	n.a.	46,419	36,815
Additional requirements, of which:	103,683	28,543	26,995
Outflows related to derivative exposures and other collateral requirements	40,108	18,031	16,292
Outflows related to loss of funding on secured debt securities	1,832	1,832	2,209
Backstop liquidity and credit enhancement facilities and commitments to extend credit	61,743	8,680	8,494
Other contractual commitments to extend credit	7,960	4,098	1,876
Other contingent commitments to extend credit	233,433	3,074	2,600
Total cash outflows	n.a.	172,146	157,059
Cash inflows			
Secured lending (e.g., reverse repos)	217,688	42,911	38,731
Inflows from fully performing exposures	14,580	8,305	7,754
Other cash inflows	47,739	47,739	38,842
Total cash inflows	280,007	98,955	85,327
		Total adjusted value[5]	Total adjusted value[5]
Total HQLA		114,057	116,644
Total net cash outflows		73,191	71,732
Liquidity coverage ratio (%)[6]		161 %	170 %

n.a. Not applicable
(1) See the Financial Reporting Method section on pages 5 to 12 for additional information on capital management measures.
(2) OSFI prescribed a table format in order to standardize disclosure throughout the banking industry.
(3) Unweighted values are calculated as outstanding balances maturing or callable within 30 days (for cash inflows and outflows).
(4) Weighted values are calculated after the application of respective haircuts (for HQLA) or inflow and outflow rates.
(5) Total adjusted values are calculated after the application of both haircuts and inflow and outflow rates and any applicable caps.
(6) The data in this table is calculated using averages of the daily figures in the quarter.

As at July 31, 2026, Level 1 liquid assets represented 83% of the Bank's HQLA, which includes cash, central bank deposits, and bonds issued or guaranteed by the Canadian government and Canadian provincial governments.

Cash outflows arise from the application of OSFI-prescribed assumptions on deposits, debt, secured funding, commitments and additional collateral requirements. The cash outflows are partly offset by cash inflows, which come mainly from secured loans and performing loans. The Bank expects some quarter-over-quarter variation between reported LCRs without such variation being necessarily indicative of a trend. The variation between the quarter ended July 31, 2026 and the preceding quarter was a result of normal business operations. The Bank's liquid asset buffer is well in excess of its total net cash outflows.

The LCR assumptions differ from the assumptions used for the liquidity disclosures presented in the tables on the previous pages or those used for internal liquidity management rules. While the liquidity disclosure framework is prescribed by the EDTF, the Bank's internal liquidity metrics use assumptions that are calibrated according to its business model and experience.

Net Stable Funding Ratio

The BCBS has developed the net stable funding ratio (NSFR) to promote a more resilient banking sector. The NSFR requires institutions to maintain a stable funding profile in relation to the composition of their assets and off-balance-sheet activities. A viable funding structure is intended to reduce the likelihood that disruptions to an institution's regular sources of funding would erode its liquidity position in a way that would increase the risk of its failure and potentially lead to broader systemic stress. The NSFR is calculated by dividing available stable funding by required stable funding. OSFI has been requiring Canadian banks to maintain a minimum NSFR of 100%.

The following table provides the available stable funding and required stable funding in accordance with OSFI's *Liquidity Adequacy Requirements Guideline*. As at July 31, 2026, the Bank's NSFR was 118%, well above the 100% regulatory requirement and demonstrating the Bank's solid long-term liquidity position.

NSFR Disclosure Requirements(1)(2)

(millions of Canadian dollars)					**As at July 31, 2026**	As at April 30, 2026
	Unweighted value by residual maturity					
	No maturity	**6 months or less**	**Over 6 months to 1 year**	**Over 1 year**	**Weighted value**(3)	Weighted value(3)
Available Stable Funding (ASF) Items						
Capital:	**35,203**	**–**	**–**	**3,429**	**38,631**	37,548
Regulatory capital	**35,203**	**–**	**–**	**3,429**	**38,631**	37,548
Other capital instruments	**–**	**–**	**–**	**–**	**–**	–
Retail deposits and deposits from small business customers:	**85,631**	**15,319**	**11,374**	**36,060**	**135,049**	135,216
Stable deposits	**32,104**	**4,581**	**3,946**	**9,207**	**47,807**	48,271
Less stable deposits	**53,527**	**10,738**	**7,428**	**26,853**	**87,242**	86,945
Wholesale funding:	**103,363**	**127,356**	**52,685**	**80,048**	**181,926**	169,435
Operational deposits	**50,490**	**–**	**–**	**–**	**25,245**	24,655
Other wholesale funding	**52,873**	**127,356**	**52,685**	**80,048**	**156,681**	144,780
Liabilities with matching interdependent assets(4)	**–**	**2,829**	**2,243**	**24,410**	**–**	–
Other liabilities(5):	**18,500**		**25,843**		**1,029**	1,029
NSFR derivative liabilities(5)	**n.a.**		**11,112**		**n.a.**	n.a.
All other liabilities and equity not included in the above categories	**18,500**	**4,209**	**294**	**10,228**	**1,029**	1,029
Total ASF	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**356,635**	343,228
Required Stable Funding (RSF) Items						
Total NSFR high-quality liquid assets (HQLA)	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**34,073**	39,131
Deposits held at other financial institutions for operational purposes	**–**	**–**	**–**	**–**	**–**	–
Performing loans and securities:	**100,287**	**85,916**	**42,552**	**129,273**	**228,319**	214,319
Performing loans to financial institutions secured by Level 1 HQLA	**99**	**19,370**	**288**	**–**	**1,117**	662
Performing loans to financial institutions secured by non-Level-1 HQLA and unsecured performing loans to financial institutions	**7,061**	**13,206**	**1,456**	**1,696**	**5,911**	5,442
Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	**47,185**	**40,852**	**27,310**	**49,624**	**116,212**	109,613
With a risk weight of less than or equal to 35% under the Basel II Standardized Approach for credit risk	**641**	**3,616**	**1,280**	**790**	**3,379**	2,852
Performing residential mortgages, of which:	**9,607**	**11,198**	**12,829**	**76,183**	**71,682**	67,454
With a risk weight of less than or equal to 35% under the Basel II Standardized Approach for credit risk	**9,607**	**9,921**	**11,435**	**66,255**	**61,908**	67,454
Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	**36,335**	**1,290**	**669**	**1,770**	**33,397**	31,148
Assets with matching interdependent liabilities(4)	**–**	**2,830**	**2,242**	**24,410**	**–**	–
Other assets(5):	**10,776**		**50,236**		**33,525**	32,725
Physical traded commodities, including gold	**829**	**n.a.**	**n.a.**	**n.a.**	**704**	2,496
Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs(5)	**n.a.**		**17,285**		**14,692**	12,603
NSFR derivative assets(5)	**n.a.**		**4,132**		**–**	–
NSFR derivative liabilities before deduction of the variation margin posted(5)	**n.a.**		**20,520**		**1,026**	992
All other assets not included in the above categories	**9,947**	**2,975**	**658**	**4,666**	**17,103**	16,634
Off-balance-sheet items(5)	**n.a.**		**164,307**		**6,468**	5,836
Total RSF	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**302,385**	292,011
Net Stable Funding Ratio (%)	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**118 %**	118 %

n.a. Not applicable
(1) See the Financial Reporting Method section on pages 5 to 12 for additional information on capital management measures.
(2) OSFI prescribed a table format in order to standardize disclosure throughout the banking industry.
(3) Weighted values are calculated after application of the weightings set out in OSFI's *Liquidity Adequacy Requirements Guideline*.
(4) As per OSFI's specifications, liabilities arising from transactions involving the Canada Mortgage Bond program and their corresponding encumbered mortgages are given ASF and RSF weights of 0%, respectively.
(5) As per OSFI's specifications, there is no need to differentiate by maturity.

The NSFR represents the amount of ASF relative to the amount of RSF. ASF is defined as the portion of capital and liabilities expected to be reliable over the time horizon considered by the NSFR, which extends to one year. The amount of RSF of a specific institution is a function of the liquidity characteristics and residual maturities of the various assets held by that institution as well as those of its off-balance-sheet exposures. The amounts of ASF and RSF are calibrated to reflect the degree of stability of liabilities and liquidity of assets. The Bank expects some quarter-over-quarter variation between reported NSFRs without such variation being necessarily indicative of a trend.

The NSFR assumptions differ from the assumptions used for the liquidity disclosures provided in the tables on the preceding pages or those used for internal liquidity management rules. While the liquidity disclosure framework is prescribed by the EDTF, the Bank's internal liquidity metrics use assumptions that are calibrated according to its business model and experience.

Funding

The Bank continuously monitors and analyzes market trends as well as possibilities for accessing less expensive and more flexible funding, considering both the risks and opportunities observed. The deposit strategy remains a priority for the Bank, which continues to prefer deposits to institutional funding.

The table below presents the residual contractual maturities of the Bank's wholesale funding. The information has been presented in accordance with the categories recommended by the EDTF for comparison purposes with other banks.

Residual Contractual Maturities of Wholesale Funding

(millions of Canadian dollars)								As at July 31, 2026
	1 month or less	Over 1 month to 3 months	Over 3 months to 6 months	Over 6 months to 12 months	Subtotal 1 year or less	Over 1 year to 2 years	Over 2 years	Total
Deposits from banks[1]	568	462	85	–	1,115	–	–	1,115
Certificates of deposit and commercial paper[2]	3,693	4,965	7,289	30,898	46,845	210	–	47,055
Senior unsecured medium-term notes[3]	2,321	4,426	8,154	13,219	28,120	12,865	17,047	58,032
Senior unsecured structured notes	28	287	398	2,477	3,190	923	2,927	7,040
Covered bonds and asset-backed securities								
Mortgage securitization	–	969	1,789	2,220	4,978	3,074	21,430	29,482
Covered bonds	–	1,213	1,597	1,742	4,552	2,908	2,822	10,282
Subordinated liabilities[4]	–	–	–	–	–	–	3,429	3,429
	6,610	12,322	19,312	50,556	88,800	19,980	47,655	156,435
Secured funding	–	2,182	3,386	3,962	9,530	5,982	24,252	39,764
Unsecured funding	6,610	10,140	15,926	46,594	79,270	13,998	23,403	116,671
	6,610	12,322	19,312	50,556	88,800	19,980	47,655	156,435
As at October 31, 2025	10,285	12,964	19,895	34,712	77,856	16,811	44,955	139,622

(1) Deposits from banks include all non-negotiable term deposits from banks.
(2) Include bearer deposit notes.
(3) Include debts subject to bank recapitalization (bail-in) conversion regulations.
(4) Subordinated debt is presented in this table, but the Bank does not consider it as part of its wholesale funding.

As part of a comprehensive liquidity management framework, the Bank regularly reviews its contracts that stipulate that additional collateral could be required in the event of a downgrade of the Bank's credit rating. The Bank's liquidity position management approach already incorporates additional collateral requirements in the event of a one-notch to three-notch downgrade in credit rating. The table below presents the additional collateral requirements in the event of a one-, two-, or three-notch credit rating downgrade.

(millions of Canadian dollars)			As at July 31, 2026
	One-notch downgrade	Two-notch downgrade	Three-notch downgrade
Derivatives[1]	25	109	132

(1) Contractual requirements related to agreements known as initial margins and variation margins.

Environmental and Social Risk

Environmental and social risk is the possibility that environmental and social matters would result in a financial loss for the Bank or affect its business activities. For additional information on the ways the Bank addresses and mitigates this risk, see the Environmental and Social Risk section on pages 116 to 118 of the Bank's *2025 Annual Report.*

Regulatory Developments

The Bank continues to closely monitor regulatory developments and participates in various consultative processes. Since November 1, 2025, the new regulatory developments below are to be considered.

On January 8, 2026, OSFI announced that it was continuing its regulatory relief exercise by postponing several planned works related to policies and guidance initiatives. Consultation on the disclosure expectation for financed emissions related to off-balance-sheet assets under management under Guideline B-15 entitled *Climate Risk Management* will be revisited in due course and implemented at a future date.

On February 26, 2025, the European Commission presented a draft "Omnibus" package of legislation with the aim of easing and simplifying certain disclosure requirements related to the European's Corporate Sustainability Reporting Directive (CSRD). On February 26, 2026, the final text of the Omnibus project was published and came into force on March 18, 2026. Member states of the European Union will have until March 19, 2027, to transpose the new directive into national law. The Bank continues to monitor developments related to this regulation and its impact on its sustainability disclosures.

On April 20, 2026, the Canadian Sustainability Standards Board (CSSB) published an exposure draft Proposed Amendments to CSDS 2 – Amendments to Greenhouse Gas (GHG) Emissions Disclosures, intended to reflect the amendments made to IFRS S2 – Climate-related Disclosures in December 2025. The CSSB will collect feedback on the most appropriate path forward to serve the Canadian public interest and will make amendments to CSDS 2, as necessary, by the end of 2026.

Risk Disclosures

One of the purposes of the *2025 Annual Report,* the *Report to Shareholders – Third Quarter 2026,* and the related supplementary information documents is to provide transparent, high-quality risk disclosures in accordance with the recommendations made by the Financial Stability Board's EDTF group. The following table lists the references where users can find information that responds to the EDTF's 32 recommendations.

				Pages
		2025 Annual Report	**Report to Shareholders[1]**	**Supplementary Regulatory Capital and Pillar 3 Disclosure[1]**
General				
1	Location of risk disclosures	16	43	
	Management's Discussion and Analysis	62 to 118, 131 and 133 to 135	25 to 42	
	Consolidated Financial Statements	Notes 1, 8, 17, 23 and 29	Notes 6 and 11	
	Supplementary Financial Information			24 to 34[2]
	Supplementary Regulatory Capital and Pillar 3 Disclosure			5 to 66
2	Risk terminology and risk measures	72 to 118		
3	Top and emerging risks	28, 29 and 77 to 83	4 and 31 to 42	
4	New key regulatory ratios	63 to 65, 101 and 105 to 108	25, 26, 36 and 38 to 41	
Risk governance and risk management				
5	Risk management organization, processes and key functions	72 to 95, 101 to 103 and 108		
6	Risk management culture	72 and 73		
7	Key risks by business segment, risk management and risk appetite	71 to 73 and 77		
8	Stress testing	62, 73, 89, 99, 100 and 103		
Capital adequacy and risk-weighted assets (RWA)				
9	Minimum Pillar 1 capital requirements	63 to 65	25 and 26	
10	Reconciliation of the accounting balance sheet to the regulatory balance sheet			11 to 17, 20 and 21
11	Movements in regulatory capital	69	28	
12	Capital planning	62 to 71		
13	RWA by business segment and by risk type	71		7
14	Capital requirements by risk and the RWA calculation method	84 to 88		7
15	Banking book credit risk			7
16	Movements in RWA by risk type	70	29	7
17	Assessment of credit risk model performance	76, 85 to 88 and 94		41
Liquidity				
18	Liquidity management and components of the liquidity buffer	101 to 108	36 to 41	
Funding				
19	Summary of encumbered and unencumbered assets	104 and 105	37 and 38	
20	Residual contractual maturities of balance sheet items and off-balance-sheet commitments	240 to 244		
21	Funding strategy and funding sources	108 to 110	41	
Market risk				
22	Linkage of market risk measures to balance sheet	96 and 97	33 and 34	
23	Market risk factors	94 to 100, 228 and 229	33 to 36	
24	VaR: Assumptions, limitations and validation procedures	98		
25	Stress tests and backtesting	94 to 100		
Credit risk				
26	Credit risk exposures	93 and 187 to 199	32 and 64 to 75	22 to 50 and 24 to 32[2]
27	Policies for identifying impaired loans	90, 91, 158 and 159		
28	Movements in impaired loans and allowances for credit losses	131, 134, 135 and 187 to 199	64 to 75	29 to 32[2]
29	Counterparty credit risk relating to derivative transactions	89 to 92 and 208 to 211		42 to 50, 33[2] and 34[2]
30	Credit risk mitigation	87 to 92, 184 and 192		24, 28, 29 and 48 to 58
Other risks				
31	Other risks: Governance, measurement and management	82, 83 and 110 to 118		
32	Publicly known risk events	28, 29, 110 and 111	4 and 42	

(1) Third quarter 2026.
(2) These pages are included in the document entitled *Supplementary Financial Information — Third Quarter 2026*.

Accounting Policies and Financial Disclosure

Material Accounting Policies and Accounting Estimates

The unaudited interim condensed consolidated financial statements for the quarter and nine-month period ended July 31, 2026 were prepared in accordance with IAS 34 – *Interim Financial Reporting* as issued by the International Accounting Standards Board (IASB) and use the same accounting policies as those described in Note 1 to the audited annual consolidated financial statements for the year ended October 31, 2025.

Judgment, Estimates and Assumptions
In preparing consolidated financial statements in accordance with IFRS, management must exercise judgment and make estimates and assumptions that affect the reporting date carrying values of assets and liabilities, net income, and related information. Some accounting policies are considered critical given their importance to the presentation of the Bank's financial position and operating results and require subjective and complex judgments and estimates on matters that are inherently uncertain. Any change in these judgments and estimates could have a significant impact on the Bank's consolidated financial statements. The material accounting policies and accounting estimates are the same as those described on pages 119 to 124 of the *2025 Annual Report*.

The global economic and geopolitical landscape, notably the measures affecting international trade relations, including the imposition of tariffs and related countermeasures, the ongoing Russia-Ukraine war and conflicts in the Middle East leading to higher oil and gas prices, together with inflationary pressures and an evolving interest rate environment, continue to generate a high level of uncertainty. As a result, the establishment of reliable estimates and the use of judgment remain substantially complex. The uncertainty surrounding certain key inputs and assumptions used in the measurement of ECLs, including forward-looking macroeconomic scenarios and their associated probabilities, is described in Note 6 to these Consolidated Financial Statements.

Future Accounting Policy Changes

The Bank closely monitors both new accounting standards and amendments to existing accounting standards issued by the IASB. There have been no significant updates to the future accounting policy changes disclosed in Note 2 to the audited annual consolidated financial statements for the year ended October 31, 2025. The Bank is currently assessing the impact of applying these standards on the consolidated financial statements.

Financial Disclosure

During the third quarter of 2026, no changes were made to the policies, procedures, and other processes that comprise the Bank's internal control over financial reporting that had or could reasonably have a significant impact on the internal control over financial reporting.

Quarterly Financial Information

(millions of Canadian dollars, except per share amounts)		2026					2025	2024	2025	2024
	Q3(1)	Q2(1)	Q1(1)	Q4(1)	Q3(1)	Q2(1)	Q1	Q4	Total	Total
Total revenues	**4,053**	3,907	3,893	3,698	3,449	3,650	3,183	2,944	13,980	11,400
Net income	**1,307**	1,234	1,254	1,059	1,065	896	997	955	4,017	3,816
Earnings per share ($)										
Basic	**3.29**	3.10	3.12	2.60	2.61	2.19	2.81	2.69	10.18	10.78
Diluted	**3.25**	3.06	3.08	2.57	2.58	2.17	2.78	2.66	10.07	10.68
Dividends per common share ($)	**1.32**	1.24	1.24	1.18	1.18	1.14	1.14	1.10	4.64	4.32
Return on common shareholders' equity (%)(2)	**16.1**	15.9	15.7	13.3	13.6	11.9	16.7	16.4	13.7	17.2
Total assets	**635,159**	617,734	605,871	576,919	552,621	536,194	483,833	462,226		
Net impaired loans(2)	**3,007**	2,969	2,831	2,904	2,588	2,437	1,836	1,629		
Per common share ($)										
Book value(2)	**82.02**	80.31	78.81	78.39	77.20	76.13	68.15	65.74		
Share price										
High	**235.32**	205.04	175.57	156.70	144.96	127.44	140.76	134.23		
Low	**197.89**	163.94	156.88	143.40	121.09	107.01	128.79	111.98		

(1) On February 3, 2025, the Bank completed the acquisition of CWB. CWB's results were consolidated from the closing date, which impacted the results, balances and ratios.
(2) See the Glossary section on pages 45 to 48 for details on the composition of these measures.

Glossary

Acceptances
Acceptances and the customers' liability under acceptances constitute a guarantee of payment by a bank and can be traded in the money market. The Bank earns a "stamping fee" for providing this guarantee.

Allocated capital
Capital is allocated to business segments using an approach informed by applicable regulatory capital requirements and the capital required to support their activities (11.5%), while unallocated capital is reported in the *Other* heading of segment disclosures.

Allowances for credit losses
Allowances for credit losses represent management's unbiased estimate of expected credit losses as at the balance sheet date. These allowances are primarily related to loans and off-balance-sheet items such as loan commitments and financial guarantees.

Assets under administration
Assets in respect of which a financial institution provides administrative services on behalf of the clients who own the assets. Such services include custodial services, collection of investment income, settlement of purchase and sale transactions, and record-keeping. Assets under administration are not reported on the balance sheet of the institution offering such services.

Assets under management
Assets managed by a financial institution and that are beneficially owned by clients. Management services are more comprehensive than administrative services and include selecting investments or offering investment advice. Assets under management, which may also be administered by the financial institution, are not reported on the balance sheet of the institution offering such services.

Available TLAC
Available TLAC includes total capital as well as certain senior unsecured debt subject to the federal government's bail-in regulations that satisfy all of the eligibility criteria in OSFI's Total Loss Absorbing Capacity (TLAC) Guideline.

Average interest-bearing assets
Average interest-bearing assets include interest-bearing deposits with financial institutions and certain cash items, securities, securities purchased under reverse repurchase agreements and securities borrowed, loans, while excluding other assets. The average is calculated based on the daily balances for the period.

Average interest-bearing assets, non-trading
Average interest-bearing assets, non-trading, include interest-bearing deposits with financial institutions and certain cash items, securities purchased under reverse repurchase agreements and securities borrowed, and loans, while excluding other assets and assets related to trading activities. The average is calculated based on the daily balances for the period.

Average volumes
Average volumes represent the average of the daily balances for the period of the consolidated balance sheet items.

Basic earnings per share
Basic earnings per share is calculated by dividing net income attributable to common shareholders by the weighted average basic number of common shares outstanding.

Basis point (bps)
Unit of measure equal to one one-hundredth of a percentage point (0.01%).

Book value of a common share
The book value of a common share is calculated by dividing common shareholders' equity by the number of common shares on a given date.

Common Equity Tier 1 (CET1) capital ratio
CET1 capital consists of common shareholders' equity less goodwill, intangible assets, and other capital deductions. The CET1 capital ratio is calculated by dividing total CET1 capital by the corresponding risk-weighted assets.

Compound annual growth rate (CAGR)
CAGR is a rate of growth that shows, for a period exceeding one year, the annual change as though the growth had been constant throughout the period.

Derivative financial instruments
Derivative financial instruments are financial contracts whose value is derived from an underlying interest rate, exchange rate, equity price, commodity price, credit instrument or index. Examples of derivatives include swaps, options, forward rate agreements, and futures. The notional amount of the derivative is the contract amount used as a reference point to calculate the payments to be exchanged between the two parties, and the notional amount itself is generally not exchanged by the parties.

Diluted earnings per share
Diluted earnings per share is calculated by dividing net income attributable to common shareholders by the weighted average number of common shares outstanding after taking into account the dilution effect of stock options using the treasury stock method and any gain (loss) on the redemption of preferred shares.

Dividend payout ratio
The dividend payout ratio represents the dividends of common shares (per share amount) expressed as a percentage of basic earnings per share.

Economic capital
Economic capital is the internal measure used by the Bank to determine the capital required for its solvency and to pursue its business operations. Economic capital takes into consideration the credit, market, operational, business and other risks to which the Bank is exposed as well as the risk diversification effect among them and among the business segments. Economic capital thus helps the Bank to determine the capital required to protect itself against such risks and ensure its long-term viability.

Efficiency ratio
The efficiency ratio represents non-interest expenses expressed as a percentage of total revenues. It measures the efficiency of the Bank's operations.

Fair value
The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal market at the measurement date under current market conditions (i.e., an exit price).

Gross impaired loans as a percentage of total loans
This measure represents gross impaired loans expressed as a percentage of the balance of loans.

Hedging
The purpose of a hedging transaction is to modify the Bank's exposure to one or more risks by creating an offset between changes in the fair value of, or the cash flows attributable to, the hedged item and the hedging instrument.

Impaired loans
The Bank considers a financial asset, other than a credit card receivable, to be credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred or when contractual payments are 90 days past due. Credit card receivables are considered credit-impaired and are fully written off at the earlier of the following dates: when a notice of bankruptcy is received, a settlement proposal is made, or contractual payments are 180 days past due.

Leverage ratio
The leverage ratio is calculated by dividing Tier 1 capital by total exposure. Total exposure is defined as the sum of on-balance-sheet assets (including derivative financial instrument exposures and securities financing transaction exposures) and off-balance-sheet items.

Liquidity coverage ratio (LCR)
The LCR is a measure designed to ensure that the Bank has sufficient high-quality liquid assets to cover net cash outflows given a severe, 30-day liquidity crisis.

Loan-to-value ratio
The loan-to-value ratio is calculated according to the total facility amount for residential mortgages and home equity lines of credit divided by the value of the related residential property.

Master netting agreement
Legal agreement between two parties that have multiple derivative contracts with each other that provides for the net settlement of all contracts through a single payment, in the event of default, insolvency or bankruptcy.

Net impaired loans
Net impaired loans are gross impaired loans presented net of allowances for credit losses on impaired loans.

Net impaired loans as a percentage of total loans
This measure represents net impaired loans as a percentage of the balance of loans.

Net interest income from trading activities
Net interest income from trading activities comprises dividends related to financial assets and liabilities associated with trading activities, and certain interest income related to the financing of these financial assets and liabilities, net of interest expenses.

Net interest income, non-trading
Net interest income, non-trading, comprises revenues related to financial assets and liabilities associated with non-trading activities, net of interest expenses and interest income related to the financing of these financial assets and liabilities.

Net interest margin
Net interest margin is calculated by dividing net interest income by average interest-bearing assets.

Net stable funding ratio (NSFR)
The NSFR ratio is a measure that helps guarantee that the Bank is maintaining a stable funding profile to reduce the risk of funding stress.

Net write-offs as a percentage of average loans
This measure represents the net write-offs (net of recoveries) expressed as a percentage of average loans.

Non-interest income related to trading activities
Non-interest income related to trading activities consists of realized and unrealized gains and losses as well as interest income on securities measured at fair value through profit or loss, income from held-for-trading derivative financial instruments, changes in the fair value of loans at fair value through profit or loss, changes in the fair value of financial instruments designated at fair value through profit or loss, realized and unrealized gains and losses as well as interest expenses on obligations related to securities sold short certain commission income as well as other income related to trading activities, and any applicable transaction costs.

Office of the Superintendent of Financial Institutions (Canada) (OSFI)
The mandate of OSFI is to regulate and supervise financial institutions and private pension plans subject to federal oversight, to help minimize undue losses to depositors and policyholders and, thereby, to contribute to public confidence in the Canadian financial system.

Operating leverage
Operating leverage is the difference between the growth rate for total revenues and the growth rate for non-interest expenses.

Provisioning rate
This measure represents the allowances for credit losses on impaired loans expressed as a percentage of gross impaired loans.

Provisions for credit losses
Amount charged to income necessary to bring the allowances for credit losses to a level deemed appropriate by management and is comprised of provisions for credit losses on impaired and non-impaired financial assets.

Provisions for credit losses as a percentage of average loans
This measure represents the provisions for credit losses expressed as a percentage of average loans.

Provisions for credit losses on impaired loans as a percentage of average loans
This measure represents the provisions for credit losses on impaired loans expressed as a percentage of average loans.

Return on average assets
Return on average assets represents net income expressed as a percentage of average assets. This ratio is used to measure the Bank's efficiency in using all its assets to generate profits.

Return on common shareholders' equity (ROE)
ROE represents net income attributable to common shareholders expressed as a percentage of average equity attributable to common shareholders. ROE for the business segments is calculated using net income attributable to common shareholders of the business segment expressed as a percentage of average allocated capital. It is a general measure of the Bank's and the business segments' efficiency in using equity.

Risk-weighted assets
Assets are risk weighted according to the guidelines established by OSFI. In the Standardized calculation approach, risk factors are applied directly to the face value of certain assets in order to reflect comparable risk levels. In the Advanced Internal Ratings-Based (AIRB) Approach, risk-weighted assets are derived from the Bank's internal models, which represent the Bank's own assessment of the risks it incurs. In the Foundation Internal Ratings-Based (FIRB) Approach, the Bank can use its own estimate of probability of default but must rely on OSFI estimates for the loss given default and exposure at default risk parameters. Off-balance-sheet instruments are converted to balance sheet (or credit) equivalents by adjusting the notional values before applying the appropriate risk-weighting factors.

Securities purchased under reverse repurchase agreements
Securities purchased by the Bank from a client pursuant to an agreement under which the securities will be resold to the same client on a specified date and at a specified price. Such an agreement is a form of short-term collateralized lending.

Securities sold under repurchase agreements
Financial obligations related to securities sold pursuant to an agreement under which the securities will be repurchased on a specified date and at a specified price. Such an agreement is a form of short-term funding.

Structured entity
A structured entity is an entity created to accomplish a narrow and well-defined objective and is designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate solely to administrative tasks and the relevant activities are directed by means of contractual arrangements.

Tier 1 capital ratio
Tier 1 capital ratio consists of Common Equity Tier 1 capital and Additional Tier 1 instruments, namely, qualifying non-cumulative preferred shares and the eligible amount of innovative instruments. The Tier 1 capital ratio is calculated by dividing Tier 1 capital, less regulatory adjustments, by the corresponding risk-weighted assets.

TLAC leverage ratio
The TLAC leverage ratio is an independent risk measure that is calculated by dividing available TLAC by total exposure, as set out in OSFI's *Total Loss Absorbing Capacity (TLAC) Guideline.*

TLAC ratio
The TLAC ratio is a measure used to assess whether a non-viable Domestic Systemically Important Bank (D-SIB) has sufficient loss-absorbing capacity to support its recapitalization. It is calculated by dividing available TLAC by risk-weighted assets, as set out in OSFI's *Total Loss Absorbing Capacity (TLAC) Guideline*.

Total capital ratio
Total capital is the sum of Tier 1 and Tier 2 capital. Tier 2 capital consists of the eligible portion of subordinated debt and certain allowances for credit losses. The Total capital ratio is calculated by dividing Total capital, less regulatory adjustments, by the corresponding risk-weighted assets.

Total shareholder return (TSR)
TSR represents the average total return on an investment in the Bank's common shares. The return includes changes in share price and assumes that the dividends received were reinvested in additional common shares of the Bank.

Trading activity revenues
Trading activity revenues consist of the net interest income and the non-interest income related to trading activities. Net interest income comprises dividends related to financial assets and liabilities associated with trading activities, certain interest income related to the financing of these financial assets and liabilities, net of interest expenses. Non-interest income consists of realized and unrealized gains and losses as well as interest income on securities measured at fair value through profit or loss, income from held-for-trading derivative financial instruments, changes in the fair value of loans at fair value through profit or loss, changes in the fair value of financial instruments designated at fair value through profit or loss, realized and unrealized gains and losses as well as interest expense on obligations related to securities sold short, certain commission income as well as other trading activity revenues, and any applicable transaction costs.

Value-at-Risk (VaR)
VaR is a statistical measure of risk that is used to quantify market risks across products, per types of risks, and aggregate risk on a portfolio basis. VaR is defined as the maximum loss at a specific confidence level over a certain horizon under normal market conditions. The VaR method has the advantage of providing a uniform measurement of financial instrument-related market risks based on a single statistical confidence level and time horizon.

Interim Condensed Consolidated Financial Statements

(unaudited)

Consolidated Balance Sheets

(unaudited) (millions of Canadian dollars)

	As at July 31, 2026	As at October 31, 2025
Assets		
Cash and deposits with financial institutions	**47,757**	27,916
Securities (Notes 4 and 5)		
At fair value through profit or loss	**147,203**	148,118
At fair value through other comprehensive income	**25,918**	24,024
At amortized cost	**20,822**	16,605
	193,943	188,747
Securities purchased under reverse repurchase agreements and securities borrowed	**40,355**	27,091
Loans (Note 6)		
Residential mortgage	**123,603**	113,929
Personal	**53,546**	50,173
Credit card	**3,205**	3,022
Business and government	**146,528**	137,630
	326,882	304,754
Allowances for credit losses	**(2,338)**	(2,131)
	324,544	302,623
Other		
Derivative financial instruments	**12,390**	12,515
Premises and equipment	**2,271**	2,162
Goodwill	**3,103**	3,101
Intangible assets	**1,643**	1,748
Other assets (Note 7)	**9,153**	11,016
	28,560	30,542
	635,159	576,919
Liabilities and equity		
Deposits (Notes 4 and 8)	**464,732**	428,003
Other		
Obligations related to securities sold short	**12,971**	13,257
Obligations related to securities sold under repurchase agreements and securities loaned	**63,242**	41,356
Derivative financial instruments	**15,810**	15,984
Liabilities related to transferred receivables (Note 4)	**29,482**	30,577
Other liabilities (Note 9)	**10,819**	10,541
	132,324	111,715
Subordinated debt	**3,429**	3,432
Equity		
Equity attributable to the Bank's shareholders and holders of other equity instruments		
Preferred shares and other equity instruments (Note 10)	**3,214**	3,114
Common shares (Note 10)	**9,775**	9,865
Contributed surplus	**201**	137
Retained earnings	**21,081**	20,366
Accumulated other comprehensive income	**403**	287
	34,674	33,769
Non-controlling interests	**–**	–
	34,674	33,769
	635,159	576,919

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

Consolidated Statements of Income

(unaudited) (millions of Canadian dollars)

	Quarter ended July 31		Nine months ended July 31	
	2026	2025	**2026**	2025
Interest income				
Loans	**4,533**	4,264	**13,113**	12,256
Securities at fair value through profit or loss	**474**	504	**1,487**	1,585
Securities at fair value through other comprehensive income	**244**	226	**731**	581
Securities at amortized cost	**202**	149	**548**	430
Deposits with financial institutions	**251**	293	**759**	895
	5,704	5,436	**16,638**	15,747
Interest expense				
Deposits	**3,308**	3,281	**9,597**	9,649
Liabilities related to transferred receivables	**218**	196	**614**	589
Subordinated debt	**40**	36	**119**	89
Other	**884**	751	**2,351**	2,071
	4,450	4,264	**12,681**	12,398
Net interest income[(1)]	**1,254**	1,172	**3,957**	3,349
Non-interest income				
Underwriting and advisory fees	**183**	190	**549**	398
Securities brokerage commissions	**76**	57	**230**	169
Mutual fund revenues	**215**	187	**616**	539
Investment management and trust service fees	**424**	346	**1,220**	1,008
Credit fees	**103**	95	**289**	260
Card revenues	**61**	54	**167**	157
Deposit and payment service charges	**71**	74	**218**	220
Trading revenues (losses)	**1,427**	1,118	**3,957**	3,687
Gains (losses) on non-trading securities, net	**43**	19	**124**	68
Insurance revenues, net	**23**	19	**59**	59
Foreign exchange revenues, other than trading	**83**	69	**231**	199
Share in the net income of associates and joint ventures	**2**	2	**6**	6
Other	**88**	47	**230**	163
	2,799	2,277	**7,896**	6,933
Total revenues	**4,053**	3,449	**11,853**	10,282
Non-interest expenses				
Compensation and employee benefits	**1,273**	1,161	**3,787**	3,394
Occupancy	**120**	110	**356**	294
Technology	**376**	330	**1,057**	957
Communications	**16**	16	**50**	50
Professional fees	**111**	129	**333**	342
Other	**197**	179	**580**	476
	2,093	1,925	**6,163**	5,513
Income before provisions for credit losses and income taxes	**1,960**	1,524	**5,690**	4,769
Provisions for credit losses (Note 6)	**246**	203	**723**	1,002
Income before income taxes	**1,714**	1,321	**4,967**	3,767
Income taxes (Note 14)	**407**	256	**1,172**	809
Net income	**1,307**	1,065	**3,795**	2,958
Net income attributable to				
Preferred shareholders and holders of other equity instruments	**41**	42	**115**	124
Common shareholders	**1,266**	1,023	**3,680**	2,834
Bank shareholders and holders of other equity instruments	**1,307**	1,065	**3,795**	2,958
Non-controlling interests	**–**	–	**–**	–
	1,307	1,065	**3,795**	2,958
Earnings per share *(dollars)* (Note 15)				
Basic	**3.29**	2.61	**9.51**	7.58
Diluted	**3.25**	2.58	**9.39**	7.50
Dividends per common share *(dollars)* (Note 10)	**1.32**	1.18	**3.80**	3.46

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

(1) *Net interest income* includes dividend income. For additional information, see Note 1 to the audited annual consolidated financial statements for the year ended October 31, 2025.

Consolidated Statements of Comprehensive Income

(unaudited) (millions of Canadian dollars)

	Quarter ended July 31		Nine months ended July 31	
	2026	2025	**2026**	2025
Net income	**1,307**	1,065	**3,795**	2,958
Other comprehensive income, net of income taxes				
Items that may be subsequently reclassified to net income				
Net foreign currency translation adjustments				
Net unrealized foreign currency translation gains (losses) on investments in foreign operations	**393**	60	**11**	(76)
Impact of hedging net foreign currency translation gains (losses)	**(216)**	(29)	**(19)**	44
	177	31	**(8)**	(32)
Net change in debt securities at fair value through other comprehensive income				
Net unrealized gains (losses) on debt securities at fair value through other comprehensive income	**12**	48	**55**	56
Net (gains) losses on debt securities at fair value through other comprehensive income reclassified to net income	**3**	(13)	**(29)**	(48)
Change in allowances for credit losses on debt securities at fair value through other comprehensive income reclassified to net income	**–**	–	**1**	–
	15	35	**27**	8
Net change in cash flow hedges				
Net gains (losses) on derivative financial instruments designated as cash flow hedges	**(5)**	46	**54**	17
Net (gains) losses on designated derivative financial instruments reclassified to net income	**15**	(9)	**43**	(50)
	10	37	**97**	(33)
Items that will not be subsequently reclassified to net income				
Remeasurements of pension plans and other post-employment benefit plans	**34**	(122)	**22**	(24)
Net gains (losses) on equity securities designated at fair value through other comprehensive income	**4**	65	**14**	55
Net fair value change attributable to the credit risk on financial liabilities designated at fair value through profit or loss	**(27)**	(207)	**(7)**	(80)
	11	(264)	**29**	(49)
Total other comprehensive income, net of income taxes	**213**	(161)	**145**	(106)
Comprehensive income	**1,520**	904	**3,940**	2,852
Comprehensive income attributable to				
Bank shareholders and holders of other equity instruments	**1,520**	904	**3,940**	2,852
Non-controlling interests	**–**	–	**–**	–
	1,520	904	**3,940**	2,852

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

Consolidated Statements of Comprehensive Income (cont.)

(unaudited) (millions of Canadian dollars)

Income Taxes – Other Comprehensive Income

The following table presents the income tax expense or recovery for each component of other comprehensive income.

	Quarter ended July 31		Nine months ended July 31	
	2026	2025	**2026**	2025
Items that may be subsequently reclassified to net income				
Net foreign currency translation adjustments				
Net unrealized foreign currency translation gains (losses) on investments in foreign operations	**(3)**	(2)	**–**	1
Impact of hedging net foreign currency translation gains (losses)	**(80)**	(10)	**(9)**	16
	(83)	(12)	**(9)**	17
Net change in debt securities at fair value through other comprehensive income				
Net unrealized gains (losses) on debt securities at fair value through other comprehensive income	**3**	18	**20**	23
Net (gains) losses on debt securities at fair value through other comprehensive income reclassified to net income	**1**	(4)	**(11)**	(18)
Change in allowances for credit losses on debt securities at fair value through other comprehensive income reclassified to net income	**–**	1	**–**	1
	4	15	**9**	6
Net change in cash flow hedges				
Net gains (losses) on derivative financial instruments designated as cash flow hedges	**(3)**	18	**20**	6
Net (gains) losses on designated derivative financial instruments reclassified to net income	**7**	(3)	**17**	(19)
	4	15	**37**	(13)
Items that will not be subsequently reclassified to net income				
Remeasurements of pension plans and other post-employment benefit plans	**14**	(46)	**9**	(8)
Net gains (losses) on equity securities designated at fair value through other comprehensive income	**3**	17	**6**	14
Net fair value change attributable to the credit risk on financial liabilities designated at fair value through profit or loss	**(11)**	(79)	**(3)**	(30)
	6	(108)	**12**	(24)
	(69)	(90)	**49**	(14)

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

Consolidated Statements of Changes in Equity

(unaudited) (millions of Canadian dollars)

	Nine months ended July 31	
	2026	2025
Preferred shares and other equity instruments at beginning	**3,114**	3,150
Issuances of preferred shares, Series 47 and 49	**–**	264
Redemption of preferred shares, Series 32, for cancellation	**–**	(300)
Issuance of Limited Recourse Capital Notes, Series 4 (Note 10)	**600**	–
Redemption of Limited Recourse Capital Notes, Series 1 (Note 10)	**(500)**	–
Preferred shares and other equity instruments at end	**3,214**	3,114
Common shares at beginning	**9,865**	3,463
Issuances of common shares pursuant to the Stock Option Plan	**140**	85
Issuances of common shares related to the CWB acquisition		
Exchange of common shares	**–**	5,290
Automatic exchange of subscription receipts	**–**	1,040
Repurchases of common shares for cancellation (Note 10)	**(235)**	–
Impact of shares purchased or sold for trading	**5**	(13)
Common shares at end	**9,775**	9,865
Contributed surplus at beginning	**137**	85
Stock option expense (Note 12)	**18**	18
Stock options exercised	**(21)**	(15)
Replacement options related to the CWB acquisition	**–**	29
Other	**67**	7
Contributed surplus at end	**201**	124
Retained earnings at beginning	**20,366**	18,633
Net income attributable to the Bank's shareholders and holders of other equity instruments	**3,795**	2,958
Dividends on preferred shares and distributions on other equity instruments (Note 10)	**(129)**	(140)
Dividends on common shares (Note 10)	**(1,470)**	(1,300)
Premium paid on common shares repurchased for cancellation (Note 10)	**(1,520)**	–
Issuance expenses for shares and other equity instruments, net of income taxes	**(6)**	(10)
Remeasurements of pension plans and other post-employment benefit plans	**22**	(24)
Net gains (losses) on equity securities designated at fair value through other comprehensive income	**14**	55
Net fair value change attributable to the credit risk on financial liabilities designated at fair value through profit or loss	**(7)**	(80)
Impact of a financial liability resulting from put options written to non-controlling interests	**–**	(1)
Other	**16**	19
Retained earnings at end	**21,081**	20,110
Accumulated other comprehensive income at beginning	**287**	219
Net foreign currency translation adjustments	**(8)**	(32)
Net change in unrealized gains (losses) on debt securities at fair value through other comprehensive income	**27**	8
Net change in gains (losses) on instruments designated as cash flow hedges	**97**	(33)
Accumulated other comprehensive income at end	**403**	162
Equity attributable to the Bank's shareholders and holders of other equity instruments	**34,674**	33,375
Non-controlling interests at beginning	**–**	–
Other	**–**	1
Non-controlling interests at end	**–**	1
Equity	**34,674**	33,376

Accumulated Other Comprehensive Income

	As at July 31, 2026	As at July 31, 2025
Accumulated other comprehensive income		
Net foreign currency translation adjustments	**346**	288
Net unrealized gains (losses) on debt securities at fair value through other comprehensive income	**70**	(18)
Net gains (losses) on instruments designated as cash flow hedges	**(15)**	(110)
Share in the other comprehensive income of associates and joint ventures	**2**	2
	403	162

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

Consolidated Statements of Cash Flows

(unaudited) (millions of Canadian dollars)

	Nine months ended July 31	
	2026	2025
Cash flows from operating activities		
Net income	**3,795**	2,958
Adjustments for:		
Provisions for credit losses (Note 6)	**723**	1,002
Amortization of premises and equipment, including right-of-use assets	**231**	209
Amortization of intangible assets	**278**	230
Deferred taxes	**(189)**	(61)
Losses (gains) on sales of non-trading securities, net	**(124)**	(64)
Share in the net income of associates and joint ventures	**(6)**	(6)
Stock option expense	**18**	18
Gain on the fair value remeasurement of an equity interest (Note 16)	**–**	(4)
Change in operating assets and liabilities:		
Securities at fair value through profit or loss	**915**	(24,581)
Securities purchased under reverse repurchase agreements and securities borrowed	**(13,264)**	(7,123)
Loans, net of securitization	**(23,082)**	(12,820)
Deposits	**36,719**	35,413
Obligations related to securities sold short	**(286)**	381
Obligations related to securities sold under repurchase agreements and securities loaned	**21,886**	7,838
Derivative financial instruments, net	**(49)**	(76)
Interest and dividends receivable and interest payable	**(155)**	262
Current tax assets and liabilities	**232**	(148)
Due to clients, dealers and brokers	**54**	(145)
Commodities	**2,281**	70
Other items	**825**	268
	30,802	3,621
Cash flows from financing activities		
Issuance of Limited Recourse Capital Notes, Series 4 (Note 10)	**600**	–
Redemption of Limited Recourse Capital Notes, Series 1 (Note 10)	**(500)**	–
Redemption of preferred shares, Series 32, for cancellation	**–**	(300)
Issuances of common shares (including the impact of shares purchased for trading)	**124**	57
Repurchases of common shares for cancellation (Note 10)	**(1,755)**	–
Issuance of subordinated debt	**–**	1,750
Redemption of subordinated debt	**–**	(125)
Issuance expenses for shares and other equity instruments	**(6)**	(10)
Repayments of lease liabilities	**(75)**	(52)
Dividends paid on shares and distributions on other equity instruments	**(1,599)**	(1,443)
	(3,211)	(123)
Cash flows from investing activities		
Net change in investments in associates and joint ventures	**(1)**	(2)
Business acquisitions	**(2)**	148
Purchase of assets (Note 17)	**(647)**	–
Purchases of non-trading securities	**(28,344)**	(24,585)
Maturities of non-trading securities	**11,254**	8,952
Sales of non-trading securities	**10,363**	10,649
Net change in premises and equipment, excluding right-of-use assets	**(132)**	(168)
Net change in intangible assets	**(173)**	(150)
	(7,682)	(5,156)
Impact of currency rate movements on cash and cash equivalents	**(68)**	(330)
Increase (decrease) in cash and cash equivalents	**19,841**	(1,988)
Cash and cash equivalents at beginning	**27,916**	31,549
Cash and cash equivalents at end (1)	**47,757**	29,561
Supplementary information about cash flows from operating activities		
Interest paid	**12,852**	12,262
Interest and dividends received	**16,655**	15,873
Income taxes paid	**1,161**	754

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

(1) This item represents the balance of *Cash and deposits with financial institutions* in the Consolidated Balance Sheet. It includes an amount of $15.4 billion as at July 31, 2026 ($14.6 billion as at October 31, 2025) for which there are restrictions and of which $9.1 billion ($7.1 billion as at October 31, 2025) represents the balances that the Bank must maintain with central banks, other regulatory agencies, and certain counterparties.

Notes to the Interim Condensed Consolidated Financial Statements

(unaudited) (millions of Canadian dollars)

Note 1 – Basis of Presentation

On August 25, 2026, the Board of Directors authorized the publication of the Bank's unaudited interim condensed consolidated financial statements (the Consolidated Financial Statements) for the quarter and nine-month period ended July 31, 2026.

The Bank's Consolidated Financial Statements were prepared in accordance with IAS 34 – *Interim Financial Reporting* as issued by the International Accounting Standards Board (IASB), using the same accounting policies as those described in Note 1 to the audited annual consolidated financial statements for the year ended October 31, 2025. As the Consolidated Financial Statements do not include all of the information required for full annual financial statements, they should be read in conjunction with the audited annual consolidated financial statements for the year ended October 31, 2025.

Judgment, Estimates and Assumptions

In preparing consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as issued by the IASB, management must exercise judgment and make estimates and assumptions that affect the reporting date carrying values of assets and liabilities, net income, and related information. Some of the Bank's accounting policies, such as measurement of expected credit losses (ECLs), require particularly complex judgments and estimates. See Note 1 to the audited annual consolidated financial statements for the year ended October 31, 2025, for a summary of the most significant estimation processes used to prepare the Consolidated Financial Statements and for the valuation techniques used to determine the carrying values and fair values of assets and liabilities.

The global economic and geopolitical landscape, notably the measures affecting international trade relations, including the imposition of tariffs and related countermeasures, the ongoing Russia-Ukraine war and conflicts in the Middle East leading to higher oil and gas prices, together with inflationary pressures and an evolving interest rate environment, continue to generate a high level of uncertainty. As a result, the establishment of reliable estimates and the use of judgment remain substantially complex. The uncertainty surrounding certain key inputs and assumptions used in the measurement of ECLs, including forward-looking macroeconomic scenarios and their associated probabilities, is described in Note 6 to these Consolidated Financial Statements.

Unless otherwise indicated, all amounts are expressed in Canadian dollars, which is the Bank's functional and presentation currency.

Note 2 – Future Accounting Policy Changes

The Bank closely monitors both new accounting standards and amendments to existing accounting standards issued by the IASB. There have been no significant updates to the future accounting policy changes disclosed in Note 2 to the audited annual consolidated financial statements for the year ended October 31, 2025. The Bank is currently assessing the impact of applying these standards on the consolidated financial statements.

(unaudited) (millions of Canadian dollars)

Note 3 – Fair Value of Financial Instruments

Fair Value and Carrying Value of Financial Instruments by Category

Financial assets and financial liabilities are recognized on the Consolidated Balance Sheet at fair value or at amortized cost in accordance with the categories set out in the accounting framework for financial instruments.

								As at July 31, 2026
				Carrying value and fair value	Carrying value	Fair value		
	Financial instruments classified as at fair value through profit or loss	Financial instruments designated at fair value through profit or loss	Debt securities classified as at fair value through other comprehensive income	Equity securities designated at fair value through other comprehensive income	Financial instruments at amortized cost, net	Financial instruments at amortized cost, net	Total carrying value	Total fair value
Financial assets								
Cash and deposits with financial institutions	–	–	–	–	47,757	47,757	47,757	47,757
Securities	146,969	234	25,645	273	20,822	20,830	193,943	193,951
Securities purchased under reverse repurchase agreements and securities borrowed	–	–	–	–	40,355	40,355	40,355	40,355
Loans, net of allowances	16,571	–	–	–	307,973	311,369	324,544	327,940
Other								
Derivative financial instruments	12,390	–	–	–	–	–	12,390	12,390
Other assets	67	–	–	–	3,722	3,722	3,789	3,789
Financial liabilities								
Deposits[1]	–	40,468			424,264	425,531	464,732	465,999
Other								
Obligations related to securities sold short	12,971	–			–	–	12,971	12,971
Obligations related to securities sold under repurchase agreements and securities loaned	–	–			63,242	63,242	63,242	63,242
Derivative financial instruments	15,810	–			–	–	15,810	15,810
Liabilities related to transferred receivables	–	11,771			17,711	17,539	29,482	29,310
Other liabilities	–	3			4,540	4,540	4,543	4,543
Subordinated debt	–	–			3,429	3,461	3,429	3,461

(1) Includes embedded derivative financial instruments.

(unaudited) (millions of Canadian dollars)

Note 3 – Fair Value of Financial Instruments (cont.)

As at October 31, 2025

	Carrying value and fair value				Carrying value	Fair value		
	Financial instruments classified as at fair value through profit or loss	Financial instruments designated at fair value through profit or loss	Debt securities classified as at fair value through other comprehensive income	Equity securities designated at fair value through other comprehensive income	Financial instruments at amortized cost, net	Financial instruments at amortized cost, net	Total carrying value	Total fair value
Financial assets								
Cash and deposits with financial institutions	–	–	–	–	27,916	27,916	27,916	27,916
Securities	147,756	362	23,733	291	16,605	16,869	188,747	189,011
Securities purchased under reverse repurchase agreements and securities borrowed	–	–	–	–	27,091	27,091	27,091	27,091
Loans, net of allowances	16,662	–	–	–	285,961	289,791	302,623	306,453
Other								
Derivative financial instruments	12,515	–	–	–	–	–	12,515	12,515
Other assets	67	–	–	–	3,657	3,657	3,724	3,724
Financial liabilities								
Deposits[1]	–	32,740			395,263	395,685	428,003	428,425
Other								
Obligations related to securities sold short	13,257	–			–	–	13,257	13,257
Obligations related to securities sold under repurchase agreements and securities loaned	–	–			41,356	41,356	41,356	41,356
Derivative financial instruments	15,984	–			–	–	15,984	15,984
Liabilities related to transferred receivables	–	13,191			17,386	17,302	30,577	30,493
Other liabilities	–	5			4,814	4,814	4,819	4,819
Subordinated debt	–	–			3,432	3,529	3,432	3,529

(1) Includes embedded derivative financial instruments.

Establishing Fair Value

The fair value of a financial instrument is the price that would be received to sell a financial asset or paid to transfer a financial liability in an orderly transaction in the principal market at the measurement date under current market conditions (i.e., an exit price).

Unadjusted quoted prices in active markets provide the best evidence of fair value. When there is no quoted price in an active market, the Bank applies other valuation techniques that maximize the use of relevant observable inputs and that minimize the use of unobservable inputs. Such valuation techniques include the following: using information available from recent market transactions, referring to the current fair value of a comparable financial instrument, applying discounted cash flow analysis, applying option pricing models, or relying on any other valuation technique that is commonly used by market participants and has proven to yield reliable estimates. Judgment is required when applying many of the valuation techniques. The Bank's valuations were based on its assessment of the conditions prevailing as at July 31, 2026 and may change in the future. Furthermore, there may be measurement uncertainty resulting from the choice of valuation model used.

Fair value is established in accordance with a rigorous control framework. The Bank has policies and procedures that govern the process for determining fair value. The Bank's valuation governance structure has remained largely unchanged from that described in Note 4 to the audited annual consolidated financial statements for the year ended October 31, 2025. The valuation techniques used to determine the fair value of financial assets and financial liabilities are also described in that note, and no significant changes have been made to the valuation techniques.

(unaudited) (millions of Canadian dollars)

Financial Instruments Recorded at Fair Value in the Consolidated Balance Sheet

Hierarchy of Fair Value Measurements
IFRS establishes a fair value measurement hierarchy that classifies the inputs used in financial instrument fair value measurement techniques according to three levels. This fair value hierarchy requires observable inputs to be used whenever such inputs exist. According to the hierarchy, the highest level of inputs are unadjusted quoted prices in active markets for identical instruments and the lowest level of inputs are unobservable inputs. In some cases, the inputs used to measure the fair value of a financial instrument might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. For additional information, see Note 4 to the audited annual consolidated financial statements for the year ended October 31, 2025.

Transfers of financial instruments between Levels 1 and 2 and transfers to (or from) Level 3 are deemed to have taken place at the beginning of the quarter in which the transfer occurred. Significant transfers can occur between the fair value hierarchy levels due to new information on inputs used to determine fair value and the observable nature of those inputs.

During the quarter ended July 31, 2026, $28 million in securities classified as at fair value through profit or loss were transferred from Level 2 to Level 1 as a result of changing market conditions ($4 million in securities classified as at fair value through profit or loss during the quarter ended July 31, 2025). Also, during the quarter ended July 31, 2026, $20 million in securities classified as at fair value through profit or loss were transferred from Level 1 to Level 2 as a result of changing market conditions ($30 million in securities classified as at fair value through profit or loss and $2 million in obligations related to securities sold short during the quarter ended July 31, 2025). During the nine-month periods ended July 31, 2026 and 2025, financial instruments were transferred to (or from) Level 3 due to changes in the availability of observable market inputs as a result of changing market conditions.

The following tables show financial instruments recorded at fair value on the Consolidated Balance Sheet according to the fair value hierarchy.

				As at July 31, 2026
	Level 1	**Level 2**	**Level 3**	**Total financial assets/liabilities at fair value**
Financial assets				
Securities				
At fair value through profit or loss				
Securities issued or guaranteed by				
Canadian government	6,601	12,652	–	19,253
Canadian provincial and municipal governments	–	8,885	–	8,885
U.S. Treasury, other U.S. agencies and other foreign governments	2,428	4,047	–	6,475
Other debt securities	–	4,957	29	4,986
Equity securities	103,585	3,066	953	107,604
	112,614	33,607	982	147,203
At fair value through other comprehensive income				
Securities issued or guaranteed by				
Canadian government	2,583	6,764	–	9,347
Canadian provincial and municipal governments	–	4,695	–	4,695
U.S. Treasury, other U.S. agencies and other foreign governments	8,663	1,434	–	10,097
Other debt securities	–	1,506	–	1,506
Equity securities	–	202	71	273
	11,246	14,601	71	25,918
Loans	–	16,319	252	16,571
Other				
Derivative financial instruments	472	11,814	104	12,390
Other assets – Other items	–	–	67	67
	124,332	76,341	1,476	202,149
Financial liabilities				
Deposits[(1)]	–	50,008	–	50,008
Other				
Obligations related to securities sold short	5,210	7,761	–	12,971
Derivative financial instruments	815	14,884	111	15,810
Liabilities related to transferred receivables	–	11,771	–	11,771
Other liabilities - Accounts payable and accrued expenses	–	3	–	3
	6,025	84,427	111	90,563

(1) Includes the embedded derivative financial instruments related to deposits measured at amortized cost.

(unaudited) (millions of Canadian dollars)

Note 3 – Fair Value of Financial Instruments (cont.)

As at October 31, 2025	Level 1	Level 2	Level 3	Total financial assets/liabilities at fair value
Financial assets				
Securities				
At fair value through profit or loss				
Securities issued or guaranteed by				
Canadian government	6,019	10,959	–	16,978
Canadian provincial and municipal governments	–	7,667	–	7,667
U.S. Treasury, other U.S. agencies and other foreign governments	973	1,695	–	2,668
Other debt securities	–	3,450	105	3,555
Equity securities	114,055	2,444	751	117,250
	121,047	26,215	856	148,118
At fair value through other comprehensive income				
Securities issued or guaranteed by				
Canadian government	1,723	5,384	–	7,107
Canadian provincial and municipal governments	–	4,849	–	4,849
U.S. Treasury, other U.S. agencies and other foreign governments	10,210	428	–	10,638
Other debt securities	–	1,139	–	1,139
Equity securities	–	220	71	291
	11,933	12,020	71	24,024
Loans	–	16,421	241	16,662
Other				
Derivative financial instruments	2,052	10,359	104	12,515
Other assets – Other items	–	–	67	67
	135,032	65,015	1,339	201,386
Financial liabilities				
Deposits(1)	–	39,917	–	39,917
Other				
Obligations related to securities sold short	7,044	6,213	–	13,257
Derivative financial instruments	1,798	14,100	86	15,984
Liabilities related to transferred receivables	–	13,191	–	13,191
Other liabilities - Accounts payable and accrued expenses	–	5	–	5
	8,842	73,426	86	82,354

(1) Includes the embedded derivative financial instruments related to deposits measured at amortized cost.

Financial Instruments Classified in Level 3

The Bank classifies financial instruments in Level 3 when the valuation technique is based on at least one significant input that is not observable in the markets. The Bank maximizes the use of observable inputs to determine the fair value of financial instruments.

For a description of the valuation techniques and significant unobservable inputs used in determining the fair value of financial instruments classified in Level 3, see Note 4 to the audited annual consolidated financial statements for the year ended October 31, 2025. For the quarter and nine-month period ended July 31, 2026, no significant change was made to the valuation techniques and significant unobservable inputs used in determining fair value.

Sensitivity Analysis of Financial Instruments Classified in Level 3
The Bank performs sensitivity analyses for the fair value measurements of Level 3 financial instruments, substituting unobservable inputs with one or more reasonably possible alternative assumptions. For additional information on how a change in an unobservable input might affect the fair value measurements of Level 3 financial instruments, see Note 4 to the audited annual consolidated financial statements for the year ended October 31, 2025. For the nine-month period ended July 31, 2026, there were no significant changes in the sensitivity analyses of Level 3 financial instruments.

(unaudited) (millions of Canadian dollars)

Change in the Fair Value of Financial Instruments Classified in Level 3

The Bank may hedge the fair value of financial instruments classified in the various levels through offsetting hedge positions. Gains and losses on financial instruments classified in Level 3 presented in the following tables do not reflect the inverse gains and losses on financial instruments used for economic hedging purposes that may have been classified in Level 1 or Level 2 by the Bank. In addition, the Bank may hedge the fair value of financial instruments classified in Level 3 using other financial instruments classified in Level 3. The effect of these hedges is not included in the net amount presented in the following tables. The gains and losses presented hereafter may comprise changes in fair value based on observable and unobservable inputs.

				Nine months ended July 31, 2026
	Securities at fair value through profit or loss	**Securities at fair value through other comprehensive income**	**Loans and other assets**	**Derivative financial instruments**[1]
Fair value as at October 31, 2025	**856**	**71**	**308**	**18**
Total realized and unrealized gains (losses) included in *Net income*[2]	**74**	**–**	**10**	**(24)**
Total realized and unrealized gains (losses) included in *Other comprehensive income*	**–**	**–**	**–**	**–**
Purchases	**87**	**–**	**2**	**–**
Sales	**(35)**	**–**	**(18)**	**–**
Issuances	**–**	**–**	**44**	**–**
Settlements and other	**–**	**–**	**(27)**	**(24)**
Financial instruments transferred into Level 3	**–**	**–**	**–**	**24**
Financial instruments transferred out of Level 3	**–**	**–**	**–**	**(1)**
Fair value as at July 31, 2026	**982**	**71**	**319**	**(7)**
Change in unrealized gains and losses included in *Net income* with respect to financial assets and financial liabilities held as at July 31, 2026[3]	**62**	**–**	**9**	**(24)**

				Nine months ended July 31, 2025
	Securities at fair value through profit or loss	Securities at fair value through other comprehensive income	Loans and other assets	Derivative financial instruments[1]
Fair value as at October 31, 2024	668	307	288	71
Total realized and unrealized gains (losses) included in *Net income*[4]	81	–	10	26
Total realized and unrealized gains (losses) included in *Other comprehensive income*	–	25	–	–
Purchases	528	15	3	–
Sales	(420)	(276)	(24)	–
Issuances	–	–	69	–
Settlements and other	–	–	(46)	(26)
Financial instruments transferred into Level 3	–	–	–	(4)
Financial instruments transferred out of Level 3	–	–	–	3
Fair value as at July 31, 2025	857	71	300	70
Change in unrealized gains and losses included in *Net income* with respect to financial assets and financial liabilities held as at July 31, 2025[5]	29	–	–	26

(1) The derivative financial instruments include assets and liabilities presented on a net basis.
(2) Total gains (losses) included in *Non-interest income* was a gain of $60 million.
(3) Total unrealized gains (losses) included in *Non-interest income* was an unrealized gain of $47 million.
(4) Total gains (losses) included in *Non-interest income* was a gain of $117 million.
(5) Total unrealized gains (losses) included in *Non-interest income* was an unrealized gain of $55 million.

(unaudited) (millions of Canadian dollars)

Note 4 – Financial Instruments Designated at Fair Value Through Profit or Loss

The Bank chose to designate certain financial instruments at fair value through profit or loss according to the criteria presented in Note 1 to the audited annual consolidated financial statements for the year ended October 31, 2025. Consistent with its risk management strategy and in accordance with the fair value option, which permits the designation if it eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring financial assets and liabilities or recognizing the gains and losses thereon on different bases, the Bank designated certain securities, certain liabilities related to transferred receivables, and certain other liabilities at fair value through profit or loss. The fair value of liabilities related to transferred receivables and other liabilities does not include credit risk, as the holders of these liabilities are not exposed to the Bank's credit risk. The Bank also designated certain deposits that include embedded derivative financial instruments at fair value through profit or loss.

To determine a change in fair value arising from a change in the credit risk of deposits designated at fair value through profit or loss, the Bank calculates, at the beginning of the period, the present value of the instrument's contractual cash flows using the following rates: first, an observed discount rate for similar securities that reflects the Bank's credit spread and, then, a rate that excludes the Bank's credit spread. The difference obtained between the two values is then compared to the difference obtained using the same rates at the end of the period.

Information about the financial assets and financial liabilities designated at fair value through profit or loss is provided in the following tables.

	Carrying value as at July 31, 2026	**Unrealized gains (losses) for the quarter ended July 31, 2026**	**Unrealized gains (losses) for the nine months ended July 31, 2026**	**Unrealized gains (losses) since the initial recognition of the instrument**
Financial assets designated at fair value through profit or loss				
Securities	**234**	**–**	**–**	**–**
Financial liabilities designated at fair value through profit or loss				
Deposits[1][2]	**40,468**	**(144)**	**(1,167)**	**691**
Liabilities related to transferred receivables	**11,771**	**32**	**179**	**74**
Other liabilities	**3**	**–**	**–**	**–**
	52,242	**(112)**	**(988)**	**765**

	Carrying value as at July 31, 2025	Unrealized gains (losses) for the quarter ended July 31, 2025	Unrealized gains (losses) for the nine months ended July 31, 2025	Unrealized gains (losses) since the initial recognition of the instrument
Financial assets designated at fair value through profit or loss				
Securities	359	(4)	–	8
Financial liabilities designated at fair value through profit or loss				
Deposits[1][2]	30,521	(1,036)	(961)	1,012
Liabilities related to transferred receivables	11,487	92	(42)	56
	42,008	(944)	(1,003)	1,068

(1) For the quarter ended July 31, 2026, the change in the fair value of deposits designated at fair value through profit or loss attributable to credit risk, and recorded in *Other comprehensive income,* resulted in a loss of $38 million ($286 million loss for the quarter ended July 31, 2025). For the nine-month period ended July 31, 2026, this change resulted in a loss of $10 million ($110 million loss for the nine-month period ended July 31, 2025).

(2) The amount at maturity that the Bank will be contractually required to pay to the holders of these deposits varies and will differ from the reporting date fair value.

(unaudited) (millions of Canadian dollars)

Note 5 – Securities

Credit Quality

As at July 31, 2026 and as at October 31, 2025, securities at fair value through other comprehensive income and securities at amortized cost were mainly classified in Stage 1, with their credit quality falling mostly in the "Excellent" category according to the Bank's internal risk-rating categories. For additional information on the reconciliation of allowances for credit losses, see Note 6 to these Consolidated Financial Statements.

Gross Unrealized Gains (Losses) on Securities at Fair Value Through Other Comprehensive Income(1)

				As at July 31, 2026
	Amortized cost	**Gross unrealized gains**	**Gross unrealized losses**	**Carrying value(2)**
Securities issued or guaranteed by				
Canadian government	**9,321**	**58**	**(32)**	**9,347**
Canadian provincial and municipal governments	**4,751**	**26**	**(82)**	**4,695**
U.S. Treasury, other U.S. agencies and other foreign governments	**10,191**	**10**	**(104)**	**10,097**
Other debt securities	**1,526**	**3**	**(23)**	**1,506**
Equity securities	**220**	**53**	**–**	**273**
	26,009	**150**	**(241)**	**25,918**

				As at October 31, 2025
	Amortized cost	Gross unrealized gains	Gross unrealized losses	Carrying value(2)
Securities issued or guaranteed by				
Canadian government	6,939	172	(4)	7,107
Canadian provincial and municipal governments	4,777	100	(28)	4,849
U.S. Treasury, other U.S. agencies and other foreign governments	10,466	180	(8)	10,638
Other debt securities	1,149	13	(23)	1,139
Equity securities	246	45	–	291
	23,577	510	(63)	24,024

(1) Excludes the impact of hedging.
(2) The allowances for credit losses on securities at fair value through other comprehensive income (excluding equity securities), representing $4 million as at July 31, 2026 ($3 million as at October 31, 2025), are reported in *Other comprehensive income*. For additional information, see Note 6 to these Consolidated Financial Statements.

Equity Securities Designated at Fair Value Through Other Comprehensive Income

The Bank designated certain equity securities, the main business objective of which is to generate dividend income, at fair value through other comprehensive income without subsequent reclassification of gains and losses to net income. During the nine-month period ended July 31, 2026, a dividend income amount of $9 million was recognized for these investments ($27 million for the nine-month period ended July 31, 2025), including an amount of $1 million for investments that were sold during the nine-month period ended July 31, 2026 ($17 million for investments that were sold during the nine-month period ended July 31, 2025).

	Nine months ended July 31, 2026			Nine months ended July 31, 2025		
	Equity securities of private companies	**Equity securities of public companies**	**Total**	Equity securities of private companies	Equity securities of public companies	Total
Fair value at beginning	**71**	**220**	**291**	307	359	666
Change in fair value	**–**	**20**	**20**	25	44	69
Designated at fair value through other comprehensive income	**–**	**14**	**14**	15	89	104
Sales(1)	**–**	**(52)**	**(52)**	(276)	(238)	(514)
Fair value at end	**71**	**202**	**273**	71	254	325

(1) The Bank disposed of private and public company equity securities for economic reasons.

(unaudited) (millions of Canadian dollars)

Note 5 – Securities (cont.)

Securities at Amortized Cost

	As at July 31, 2026	As at October 31, 2025
Securities issued or guaranteed by		
Canadian government	**13,320**	10,505
Canadian provincial and municipal governments	**4,938**	4,075
U.S. Treasury, other U.S. agencies and other foreign governments	**579**	339
Other debt securities	**2,014**	1,699
Gross carrying value	**20,851**	16,618
Allowances for credit losses	**29**	13
Carrying value	**20,822**	16,605

Gains (Losses) on Disposals of Securities at Amortized Cost

During the nine-month periods ended July 31, 2026 and 2025, the Bank disposed of certain debt securities measured at amortized cost. The carrying value of these securities upon disposal was $417 million for the nine-month period ended July 31, 2026 ($305 million for the nine-month period ended July 31, 2025), and the Bank recognized gains of $2 million for the nine-month period ended July 31, 2026 ($2 million for the nine-month period ended July 31, 2025) under *Non-interest income – Gains (losses) on non-trading securities, net* in the Consolidated Statement of Income.

Note 6 – Loans and Allowances for Credit Losses

Determining and Measuring Expected Credit Losses (ECL)

Determining Expected Credit Losses
Expected credit losses are determined using a three-stage impairment approach that is based on the change in the credit quality of financial assets since initial recognition.

Non-impaired loans
Stage 1
Financial assets that have experienced no significant increase in credit risk between initial recognition and the reporting date, and for which 12-month expected credit losses are recorded at the reporting date, are classified in Stage 1.

Stage 2
Financial assets that have experienced a significant increase in credit risk between initial recognition and the reporting date, and for which lifetime expected credit losses are recorded at the reporting date, are classified in Stage 2.

Impaired loans
Loans classified as impaired loans are divided into the following two categories:

Stage 3
Financial assets for which there is objective evidence of impairment, for which one or more events have had a detrimental impact on the estimated future cash flows of these financial assets at the reporting date, and for which lifetime expected credit losses are recorded.

POCI
Financial assets that are credit-impaired when purchased or originated (POCI).

For additional information, see Notes 1 and 8 to the audited annual consolidated financial statements for the year ended October 31, 2025.

Credit Quality of Loans

The following tables present the gross carrying amounts of loans as at July 31, 2026 and as at October 31, 2025, according to credit quality and ECL impairment stage of each loan category at amortized cost, and according to credit quality for loans at fair value through profit or loss. For additional information on credit quality according to the Internal Ratings-Based (IRB) categories, see the Internal Default Risk Ratings table on page 87 in the Credit Risk section of the *2025 Annual Report*.

(unaudited) (millions of Canadian dollars)

					As at July 31, 2026
	Non-impaired loans			Loans at fair value through profit or loss[1]	
	Stage 1	Stage 2	Impaired loans		Total
Residential mortgage					
Excellent	41,271	2	–	–	41,273
Good	20,289	70	–	–	20,359
Satisfactory	17,324	4,133	–	–	21,457
Special mention	586	810	–	–	1,396
Substandard	113	280	–	–	393
Default	–	–	396	–	396
IRB Approach	79,583	5,295	396	–	85,274
Standardized Approach	20,656	2,589	1,089	13,995	38,329
Gross carrying amount	100,239	7,884	1,485	13,995	123,603
Allowances for credit losses[2]	97	66	147	–	310
Carrying amount	100,142	7,818	1,338	13,995	123,293
Personal					
Excellent	24,814	9	–	–	24,823
Good	9,882	568	–	–	10,450
Satisfactory	8,336	1,596	–	–	9,932
Special mention	2,595	1,003	–	–	3,598
Substandard	45	300	–	–	345
Default	–	–	290	–	290
IRB Approach	45,672	3,476	290	–	49,438
Standardized Approach	3,706	166	236	–	4,108
Gross carrying amount	49,378	3,642	526	–	53,546
Allowances for credit losses[2]	123	156	222	–	501
Carrying amount	49,255	3,486	304	–	53,045
Credit card					
Excellent	378	–	–	–	378
Good	531	–	–	–	531
Satisfactory	1,006	35	–	–	1,041
Special mention	592	300	–	–	892
Substandard	42	144	–	–	186
Default	–	–	–	–	–
IRB Approach	2,549	479	–	–	3,028
Standardized Approach	170	7	–	–	177
Gross carrying amount	2,719	486	–	–	3,205
Allowances for credit losses[2]	46	121	–	–	167
Carrying amount	2,673	365	–	–	3,038
Business and government					
Excellent	8,048	–	–	809	8,857
Good	31,110	4	–	32	31,146
Satisfactory	45,030	12,670	–	141	57,841
Special mention	310	1,952	–	–	2,262
Substandard	–	788	–	–	788
Default	–	–	815	–	815
IRB Approach	84,498	15,414	815	982	101,709
Standardized Approach	37,681	4,339	1,205	1,594	44,819
Gross carrying amount	122,179	19,753	2,020	2,576	146,528
Allowances for credit losses[2]	368	337	655	–	1,360
Carrying amount	121,811	19,416	1,365	2,576	145,168
Total loans					
Gross carrying amount	274,515	31,765	4,031	16,571	326,882
Allowances for credit losses[2]	634	680	1,024	–	2,338
Carrying amount	273,881	31,085	3,007	16,571	324,544

(1) Not subject to expected credit losses.
(2) The allowances for credit losses do not include the amounts related to undrawn commitments reported in the *Other liabilities* item of the Consolidated Balance Sheet.

(unaudited) (millions of Canadian dollars)

Note 6 – Loans and Allowances for Credit Losses (cont.)

As at October 31, 2025

	Non-impaired loans				
	Stage 1	Stage 2	Impaired loans	Loans at fair value through profit or loss[1]	Total
Residential mortgage					
Excellent	37,897	9	–	–	37,906
Good	18,734	104	–	–	18,838
Satisfactory	15,712	3,269	–	–	18,981
Special mention	453	719	–	–	1,172
Substandard	91	240	–	–	331
Default	–	–	223	–	223
IRB Approach	72,887	4,341	223	–	77,451
Standardized Approach	20,840	671	957	14,010	36,478
Gross carrying amount	93,727	5,012	1,180	14,010	113,929
Allowances for credit losses[2]	88	69	102	–	259
Carrying amount	93,639	4,943	1,078	14,010	113,670
Personal					
Excellent	22,936	19	–	–	22,955
Good	8,231	893	–	–	9,124
Satisfactory	8,159	1,838	–	–	9,997
Special mention	2,339	921	–	–	3,260
Substandard	51	308	–	–	359
Default	–	–	244	–	244
IRB Approach	41,716	3,979	244	–	45,939
Standardized Approach	3,845	97	292	–	4,234
Gross carrying amount	45,561	4,076	536	–	50,173
Allowances for credit losses[2]	119	141	180	–	440
Carrying amount	45,442	3,935	356	–	49,733
Credit card					
Excellent	357	–	–	–	357
Good	491	–	–	–	491
Satisfactory	909	29	–	–	938
Special mention	563	278	–	–	841
Substandard	44	156	–	–	200
Default	–	–	–	–	–
IRB Approach	2,364	463	–	–	2,827
Standardized Approach	189	6	–	–	195
Gross carrying amount	2,553	469	–	–	3,022
Allowances for credit losses[2]	43	114	–	–	157
Carrying amount	2,510	355	–	–	2,865
Business and government					
Excellent	7,116	2	–	1,251	8,369
Good	28,915	4	–	27	28,946
Satisfactory	40,097	12,453	–	146	52,696
Special mention	303	1,986	–	–	2,289
Substandard	–	550	–	–	550
Default	–	–	864	–	864
IRB Approach	76,431	14,995	864	1,424	93,714
Standardized Approach	36,650	4,906	1,132	1,228	43,916
Gross carrying amount	113,081	19,901	1,996	2,652	137,630
Allowances for credit losses[2]	365	384	526	–	1,275
Carrying amount	112,716	19,517	1,470	2,652	136,355
Total loans					
Gross carrying amount	254,922	29,458	3,712	16,662	304,754
Allowances for credit losses[2]	615	708	808	–	2,131
Carrying amount	254,307	28,750	2,904	16,662	302,623

(1) Not subject to expected credit losses.
(2) The allowances for credit losses do not include the amounts related to undrawn commitments reported in the *Other liabilities* item of the Consolidated Balance Sheet.

(unaudited) (millions of Canadian dollars)

The following table presents the credit risk exposures of off-balance-sheet commitments as at July 31, 2026 and as at October 31, 2025 according to credit quality and ECL impairment stage.

	As at July 31, 2026				As at October 31, 2025			
	Stage 1	**Stage 2**	**Impaired**	**Total**	Stage 1	Stage 2	Impaired	Total
Off-balance-sheet commitments(1)								
Retail								
Excellent	**17,355**	**17**	**–**	**17,372**	16,332	13	–	16,345
Good	**5,665**	**234**	**–**	**5,899**	5,083	321	–	5,404
Satisfactory	**1,968**	**219**	**–**	**2,187**	1,771	236	–	2,007
Special mention	**420**	**142**	**–**	**562**	468	133	–	601
Substandard	**18**	**42**	**–**	**60**	20	44	–	64
Default	**–**	**–**	**2**	**2**	–	–	2	2
Non-retail								
Excellent	**20,962**	**–**	**–**	**20,962**	13,887	–	–	13,887
Good	**30,312**	**2**	**–**	**30,314**	25,144	8	–	25,152
Satisfactory	**20,637**	**7,376**	**–**	**28,013**	17,682	6,376	–	24,058
Special mention	**36**	**356**	**–**	**392**	29	193	–	222
Substandard	**5**	**234**	**–**	**239**	8	125	–	133
Default	**–**	**–**	**30**	**30**	–	–	25	25
IRB Approach	**97,378**	**8,622**	**32**	**106,032**	80,424	7,449	27	87,900
Standardized Approach	**21,618**	**237**	**10**	**21,865**	28,306	406	83	28,795
Total exposure	**118,996**	**8,859**	**42**	**127,897**	108,730	7,855	110	116,695
Allowances for credit losses	**222**	**110**	**10**	**342**	178	84	6	268
Total exposure, net of allowances	**118,774**	**8,749**	**32**	**127,555**	108,552	7,771	104	116,427

(1) Represent letters of guarantee and documentary letters of credit, undrawn commitments, and backstop liquidity and credit enhancement facilities.

Loans Past Due But Not Impaired(1)

	As at July 31, 2026				As at October 31, 2025			
	Residential mortgage	**Personal**	**Credit card**	**Business and government**	Residential mortgage	Personal	Credit card	Business and government
Past due but not impaired								
31 to 60 days	**348**	**109**	**28**	**122**	366	126	34	194
61 to 90 days	**164**	**44**	**16**	**81**	101	52	18	68
Over 90 days(2)	**–**	**–**	**38**	**–**	–	–	41	–
	512	**153**	**82**	**203**	467	178	93	262

(1) Loans less than 31 days past due are not presented as they are not considered past due from an administrative standpoint.
(2) All loans more than 90 days past due, except for credit card receivables, are considered impaired (Stage 3).

Impaired Loans

	As at July 31, 2026			As at October 31, 2025		
	Gross	**Allowances for credit losses**	**Net**	Gross	Allowances for credit losses	Net
Residential mortgage	**1,485**	**147**	**1,338**	1,180	102	1,078
Personal	**526**	**222**	**304**	536	180	356
Credit card(1)	**–**	**–**	**–**	–	–	–
Business and government	**2,020**	**655**	**1,365**	1,996	526	1,470
	4,031	**1,024**	**3,007**	3,712	808	2,904

(1) Credit card receivables are considered impaired, at the latest, when payment is 180 days past due, and they are written off at that time.

(unaudited) (millions of Canadian dollars)

Note 6 – Loans and Allowances for Credit Losses (cont.)

Allowances for Credit Losses

The following tables present a reconciliation of the allowances for credit losses by Consolidated Balance Sheet item and by type of off-balance-sheet commitment.

						Quarter ended July 31, 2026
	Allowances for credit losses as at April 30, 2026	**Provisions for credit losses**	**Write-offs[1]**	**Disposals**	**Recoveries and other**	**Allowances for credit losses as at July 31, 2026**
Balance sheet						
Cash and deposits with financial institutions[2][3]	**13**	**1**	**–**	**–**	**–**	**14**
Securities[3]						
At fair value through other comprehensive income[4]	**4**	**–**	**–**	**–**	**–**	**4**
At amortized cost[2]	**27**	**2**	**–**	**–**	**–**	**29**
Securities purchased under reverse repurchase agreements and securities borrowed[2][3]	**–**	**–**	**–**	**–**	**–**	**–**
Loans[5]						
Residential mortgage	**285**	**33**	**(9)**	**(6)**	**7**	**310**
Personal	**486**	**59**	**(53)**	**–**	**9**	**501**
Credit card	**169**	**29**	**(36)**	**–**	**5**	**167**
Business and government	**1,323**	**78**	**(82)**	**–**	**41**	**1,360**
	2,263	**199**	**(180)**	**(6)**	**62**	**2,338**
Other assets[2][3]	**–**	**–**	**–**	**–**	**–**	**–**
Off-balance-sheet commitments[6]						
Letters of guarantee and documentary letters of credit	**33**	**7**	**–**	**–**	**–**	**40**
Undrawn commitments	**256**	**38**	**–**	**–**	**–**	**294**
Backstop liquidity and credit enhancement facilities	**9**	**(1)**	**–**	**–**	**–**	**8**
	298	**44**	**–**	**–**	**–**	**342**
	2,605	**246**	**(180)**	**(6)**	**62**	**2,727**

						Quarter ended July 31, 2025
	Allowances for credit losses as at April 30, 2025	Provisions for credit losses	Write-offs[1]	Disposals	Recoveries and other	Allowances for credit losses as at July 31, 2025
Balance sheet						
Cash and deposits with financial institutions[2][3]	9	4	–	–	–	13
Securities[3]						
At fair value through other comprehensive income[4]	3	1	–	–	–	4
At amortized cost[2]	6	6	–	–	–	12
Securities purchased under reverse repurchase agreements and securities borrowed[2][3]	–	–	–	–	–	–
Loans[5]						
Residential mortgage	249	(3)	(5)	–	2	243
Personal	408	66	(43)	–	3	434
Credit card	165	26	(32)	–	5	164
Business and government	1,116	84	(93)	–	36	1,143
	1,938	173	(173)	–	46	1,984
Other assets[2][3]	–	–	–	–	–	–
Off-balance-sheet commitments[6]						
Letters of guarantee and documentary letters of credit	23	3	–	–	–	26
Undrawn commitments	224	16	–	–	–	240
Backstop liquidity and credit enhancement facilities	6	–	–	–	–	6
	253	19	–	–	–	272
	2,209	203	(173)	–	46	2,285

(1) The contractual amount outstanding on financial assets that were written off during the quarter ended July 31, 2026 and that are still subject to enforcement activity was $78 million ($63 million for the quarter ended July 31, 2025).
(2) These financial assets are presented net of the allowances for credit losses on the Consolidated Balance Sheet.
(3) As at July 31, 2026 and 2025, these financial assets were mainly classified in Stage 1 and their credit quality fell mostly within the *Excellent* category.
(4) The allowances for credit losses are reported in the *Accumulated other comprehensive income* item of the Consolidated Balance Sheet.
(5) The allowances for credit losses are reported in the *Allowances for credit losses* item of the Consolidated Balance Sheet.
(6) The allowances for credit losses are reported in the *Other liabilities* item of the Consolidated Balance Sheet.

(unaudited) (millions of Canadian dollars)

						Nine months ended July 31, 2026
	Allowances for credit losses as at October 31, 2025	**Provisions for credit losses**	**Write-offs[1]**	**Disposals**	**Recoveries and other**	**Allowances for credit losses as at July 31, 2026**
Balance sheet						
Cash and deposits with financial institutions[2][3]	**11**	**3**	**–**	**–**	**–**	**14**
Securities[3]						
At fair value through other comprehensive income[4]	**3**	**1**	**–**	**–**	**–**	**4**
At amortized cost[2]	**13**	**16**	**–**	**–**	**–**	**29**
Securities purchased under reverse repurchase agreements and securities borrowed[2][3]	**–**	**–**	**–**	**–**	**–**	**–**
Loans[5]						
Residential mortgage	**259**	**75**	**(24)**	**(6)**	**6**	**310**
Personal	**440**	**195**	**(146)**	**–**	**12**	**501**
Credit card	**157**	**106**	**(113)**	**–**	**17**	**167**
Business and government	**1,275**	**253**	**(243)**	**–**	**75**	**1,360**
	2,131	**629**	**(526)**	**(6)**	**110**	**2,338**
Other assets[2][3]	**–**	**–**	**–**	**–**	**–**	**–**
Off-balance-sheet commitments[6]						
Letters of guarantee and documentary letters of credit	**25**	**15**	**–**	**–**	**–**	**40**
Undrawn commitments	**236**	**58**	**–**	**–**	**–**	**294**
Backstop liquidity and credit enhancement facilities	**7**	**1**	**–**	**–**	**–**	**8**
	268	**74**	**–**	**–**	**–**	**342**
	2,426	**723**	**(526)**	**(6)**	**110**	**2,727**

						Nine months ended July 31, 2025
	Allowances for credit losses as at October 31, 2024	Provisions for credit losses	Write-offs[1]	Disposals	Recoveries and other	Allowances for credit losses as at July 31, 2025
Balance sheet						
Cash and deposits with financial institutions[2][3]	9	4	–	–	–	13
Securities[3]						
At fair value through other comprehensive income[4]	3	1	–	–	–	4
At amortized cost[2]	6	6	–	–	–	12
Securities purchased under reverse repurchase agreements and securities borrowed[2][3]	–	–	–	–	–	–
Loans[5]						
Residential mortgage	197	57	(14)	–	3	243
Personal	360	189	(123)	–	8	434
Credit card	156	88	(95)	–	15	164
Business and government	628	599	(154)	–	70	1,143
	1,341	933	(386)	–	96	1,984
Other assets[2][3]	–	–	–	–	–	–
Off-balance-sheet commitments[6]						
Letters of guarantee and documentary letters of credit	21	5	–	–	–	26
Undrawn commitments	188	52	–	–	–	240
Backstop liquidity and credit enhancement facilities	5	1	–	–	–	6
	214	58	–	–	–	272
	1,573	1,002	(386)	–	96	2,285

(1) The contractual amount outstanding on financial assets that were written off during the nine-month period ended July 31, 2026 and that are still subject to enforcement activity was $221 million ($177 million for the nine-month period ended July 31, 2025).
(2) These financial assets are presented net of the allowances for credit losses on the Consolidated Balance Sheet.
(3) As at July 31, 2026 and 2025, these financial assets were mainly classified in Stage 1 and their credit quality fell mostly within the *Excellent* category.
(4) The allowances for credit losses are reported in the *Accumulated other comprehensive income* item of the Consolidated Balance Sheet.
(5) The allowances for credit losses are reported in the *Allowances for credit losses* item of the Consolidated Balance Sheet.
(6) The allowances for credit losses are reported in the *Other liabilities* item of the Consolidated Balance Sheet.

(unaudited) (millions of Canadian dollars)

Note 6 – Loans and Allowances for Credit Losses (cont.)

The following tables present a reconciliation of allowances for credit losses for each loan category at amortized cost according to ECL impairment stage.

	Quarter ended July 31, 2026				Quarter ended July 31, 2025			
	Allowances for credit losses on non-impaired loans		Allowances for credit losses on impaired loans[1]		Allowances for credit losses on non-impaired loans		Allowances for credit losses on impaired loans[1]	
	Stage 1	Stage 2		Total	Stage 1	Stage 2		Total
Residential mortgage								
Balance at beginning	95	67	123	285	81	88	80	249
Originations or purchases	7	–	–	7	4	–	–	4
Transfers[2]:								
to Stage 1	17	(15)	(2)	–	29	(17)	(12)	–
to Stage 2	(4)	11	(7)	–	(1)	7	(6)	–
to Stage 3	–	(6)	6	–	–	(3)	3	–
Net remeasurement of loss allowances[3]	(12)	9	33	30	(28)	3	24	(1)
Derecognitions[4]	(2)	–	(2)	(4)	–	(2)	(4)	(6)
Changes to models	–	–	–	–	–	–	–	–
Provisions for credit losses	6	(1)	28	33	4	(12)	5	(3)
Write-offs	–	–	(9)	(9)	–	–	(5)	(5)
Disposals	(5)	(1)	–	(6)	–	–	–	–
Recoveries	–	–	1	1	–	–	2	2
Foreign exchange movements and other	1	1	4	6	–	–	–	–
Balance at end	97	66	147	310	85	76	82	243
Includes:								
Amounts drawn	97	66	147	310	85	76	82	243
Undrawn commitments[5]	–	–	–	–	–	–	–	–
Personal								
Balance at beginning	130	151	215	496	112	140	169	421
Originations or purchases	12	–	–	12	13	–	–	13
Transfers[2]:								
to Stage 1	25	(23)	(2)	–	24	(22)	(2)	–
to Stage 2	(12)	14	(2)	–	(8)	10	(2)	–
to Stage 3	–	(24)	24	–	(1)	(20)	21	–
Net remeasurement of loss allowances[3]	(25)	44	36	55	(24)	44	38	58
Derecognitions[4]	(3)	(4)	(1)	(8)	(2)	(4)	(1)	(7)
Changes to models	–	–	–	–	–	–	–	–
Provisions for credit losses	(3)	7	55	59	2	8	54	64
Write-offs	–	–	(53)	(53)	–	–	(43)	(43)
Disposals	–	–	–	–	–	–	–	–
Recoveries	–	–	5	5	–	–	4	4
Foreign exchange movements and other	2	2	–	4	1	–	(2)	(1)
Balance at end	129	160	222	511	115	148	182	445
Includes:								
Amounts drawn	123	156	222	501	109	143	182	434
Undrawn commitments[5]	6	4	–	10	6	5	–	11

(1) No POCI loans were acquired during the quarters ended July 31, 2026 and 2025.
(2) Represent stage transfers deemed to have taken place at the beginning of the quarter in which the transfer occurred.
(3) Includes the net remeasurement of loss allowances (after transfers) attributable mainly to changes in volumes and in the credit quality of existing loans as well as to changes in risk parameters.
(4) Represent reversals to loss allowances arising from full loan repayments (excluding write-offs and disposals).
(5) The allowances for credit losses on undrawn commitments are reported in the *Other liabilities* item of the Consolidated Balance Sheet.

(unaudited) (millions of Canadian dollars)

	Quarter ended July 31, 2026				Quarter ended July 31, 2025			
	Allowances for credit losses on non-impaired loans		Allowances for credit losses on impaired loans[1]		Allowances for credit losses on non-impaired loans		Allowances for credit losses on impaired loans[1]	
	Stage 1	Stage 2		Total	Stage 1	Stage 2		Total
Credit card								
Balance at beginning	86	169	–	255	71	162	–	233
Originations or purchases	5	–	–	5	4	–	–	4
Transfers[2]:								
to Stage 1	45	(45)	–	–	36	(36)	–	–
to Stage 2	(6)	6	–	–	(5)	5	–	–
to Stage 3	–	(22)	22	–	–	(19)	19	–
Net remeasurement of loss allowances[3]	(40)	57	9	26	(28)	46	8	26
Derecognitions[4]	(1)	–	–	(1)	–	(1)	–	(1)
Changes to models	–	–	–	–	–	–	–	–
Provisions for credit losses	3	(4)	31	30	7	(5)	27	29
Write-offs	–	–	(36)	(36)	–	–	(32)	(32)
Disposals	–	–	–	–	–	–	–	–
Recoveries	–	–	5	5	–	–	5	5
Foreign exchange movements and other	–	–	–	–	–	–	–	–
Balance at end	89	165	–	254	78	157	–	235
Includes:								
Amounts drawn	46	121	–	167	43	121	–	164
Undrawn commitments[5]	43	44	–	87	35	36	–	71
Business and government								
Balance at beginning	516	369	598	1,483	436	393	430	1,259
Originations or purchases	81	–	–	81	66	–	–	66
Transfers[2]:								
to Stage 1	36	(35)	(1)	–	21	(21)	–	–
to Stage 2	(31)	38	(7)	–	(34)	42	(8)	–
to Stage 3	(3)	(4)	7	–	–	(2)	2	–
Net remeasurement of loss allowances[3]	(71)	37	109	75	(7)	18	82	93
Derecognitions[4]	(19)	(16)	(6)	(41)	(26)	(24)	(10)	(60)
Changes to models	–	–	–	–	–	–	–	–
Provisions for credit losses	(7)	20	102	115	20	13	66	99
Write-offs	–	–	(82)	(82)	–	–	(93)	(93)
Disposals	–	–	–	–	–	–	–	–
Recoveries	–	–	37	37	–	–	37	37
Foreign exchange movements and other	2	–	2	4	–	–	(1)	(1)
Balance at end	511	389	657	1,557	456	406	439	1,301
Includes:								
Amounts drawn	368	337	655	1,360	343	362	438	1,143
Undrawn commitments[5]	143	52	2	197	113	44	1	158
Total allowances for credit losses at end[6]	826	780	1,026	2,632	734	787	703	2,224
Includes:								
Amounts drawn	634	680	1,024	2,338	580	702	702	1,984
Undrawn commitments[5]	192	100	2	294	154	85	1	240

(1) No POCI loans were acquired during the quarters ended July 31, 2026 and 2025.
(2) Represent stage transfers deemed to have taken place at the beginning of the quarter in which the transfer occurred.
(3) Includes the net remeasurement of loss allowances (after transfers) attributable mainly to changes in volumes and in the credit quality of existing loans as well as to changes in risk parameters.
(4) Represent reversals to loss allowances arising from full loan repayments (excluding write-offs and disposals).
(5) The allowances for credit losses on undrawn commitments are reported in the *Other liabilities* item of the Consolidated Balance Sheet.
(6) Excludes allowances for credit losses on other financial assets at amortized cost and on off-balance-sheet commitments other than undrawn commitments.

(unaudited) (millions of Canadian dollars)

Note 6 – Loans and Allowances for Credit Losses (cont.)

	Nine months ended July 31, 2026				Nine months ended July 31, 2025			
	Allowances for credit losses on non-impaired loans		Allowances for credit losses on impaired loans[(1)]	Total	Allowances for credit losses on non-impaired loans		Allowances for credit losses on impaired loans[(1)]	Total
	Stage 1	Stage 2			Stage 1	Stage 2		
Residential mortgage								
Balance at beginning	**88**	**69**	**102**	**259**	62	85	50	197
Originations or purchases	**21**	**–**	**–**	**21**	23	–	–	23
Transfers[(2)]:								
to Stage 1	**38**	**(35)**	**(3)**	**–**	53	(39)	(14)	–
to Stage 2	**(8)**	**29**	**(21)**	**–**	(5)	21	(16)	–
to Stage 3	**–**	**(14)**	**14**	**–**	–	(12)	12	–
Net remeasurement of loss allowances[(3)]	**(33)**	**20**	**81**	**68**	(47)	25	70	48
Derecognitions[(4)]	**(4)**	**(2)**	**(8)**	**(14)**	(2)	(4)	(8)	(14)
Changes to models	**–**	**–**	**–**	**–**	–	–	–	–
Provisions for credit losses	**14**	**(2)**	**63**	**75**	22	(9)	44	57
Write-offs	**–**	**–**	**(24)**	**(24)**	–	–	(14)	(14)
Disposals	**(5)**	**(1)**	**–**	**(6)**	–	–	–	–
Recoveries	**–**	**–**	**5**	**5**	–	–	5	5
Foreign exchange movements and other	**–**	**–**	**1**	**1**	1	–	(3)	(2)
Balance at end	**97**	**66**	**147**	**310**	85	76	82	243
Includes:								
Amounts drawn	**97**	**66**	**147**	**310**	85	76	82	243
Undrawn commitments[(5)]	**–**	**–**	**–**	**–**	–	–	–	–
Personal								
Balance at beginning	**125**	**146**	**180**	**451**	107	127	135	369
Originations or purchases	**38**	**–**	**–**	**38**	33	–	–	33
Transfers[(2)]:								
to Stage 1	**78**	**(71)**	**(7)**	**–**	76	(68)	(8)	–
to Stage 2	**(32)**	**37**	**(5)**	**–**	(29)	34	(5)	–
to Stage 3	**(1)**	**(73)**	**74**	**–**	(1)	(64)	65	–
Net remeasurement of loss allowances[(3)]	**(71)**	**131**	**120**	**180**	(65)	129	115	179
Derecognitions[(4)]	**(8)**	**(11)**	**(5)**	**(24)**	(6)	(10)	(5)	(21)
Changes to models	**–**	**–**	**–**	**–**	–	–	–	–
Provisions for credit losses	**4**	**13**	**177**	**194**	8	21	162	191
Write-offs	**–**	**–**	**(146)**	**(146)**	–	–	(123)	(123)
Disposals	**–**	**–**	**–**	**–**	–	–	–	–
Recoveries	**–**	**–**	**13**	**13**	–	–	13	13
Foreign exchange movements and other	**–**	**1**	**(2)**	**(1)**	–	–	(5)	(5)
Balance at end	**129**	**160**	**222**	**511**	115	148	182	445
Includes:								
Amounts drawn	**123**	**156**	**222**	**501**	109	143	182	434
Undrawn commitments[(5)]	**6**	**4**	**–**	**10**	6	5	–	11

(1) The total amount of undiscounted initially expected credit losses on the POCI loans acquired during the nine-month period ended July 31, 2026 was $35 million ($379 million during the nine-month period ended July 31, 2025). The expected credit losses reflected in the purchase price have been discounted.
(2) Represent stage transfers deemed to have taken place at the beginning of the quarter in which the transfer occurred.
(3) Includes the net remeasurement of loss allowances (after transfers) attributable mainly to changes in volumes and in the credit quality of existing loans as well as to changes in risk parameters.
(4) Represent reversals to loss allowances arising from full loan repayments (excluding write-offs and disposals).
(5) The allowances for credit losses on undrawn commitments are reported in the *Other liabilities* item of the Consolidated Balance Sheet.

(unaudited) (millions of Canadian dollars)

	Nine months ended July 31, 2026				Nine months ended July 31, 2025			
	Allowances for credit losses on non-impaired loans		Allowances for credit losses on impaired loans[1]	Total	Allowances for credit losses on non-impaired loans		Allowances for credit losses on impaired loans[1]	Total
	Stage 1	Stage 2			Stage 1	Stage 2		
Credit card								
Balance at beginning	**81**	**154**	**–**	**235**	70	141	–	211
Originations or purchases	**17**	**–**	**–**	**17**	12	–	–	12
Transfers[2]:								
to Stage 1	**120**	**(120)**	**–**	**–**	98	(98)	–	–
to Stage 2	**(19)**	**19**	**–**	**–**	(18)	18	–	–
to Stage 3	**–**	**(66)**	**66**	**–**	–	(47)	47	–
Net remeasurement of loss allowances[3]	**(107)**	**180**	**30**	**103**	(82)	144	33	95
Derecognitions[4]	**(3)**	**(2)**	**–**	**(5)**	(2)	(1)	–	(3)
Changes to models	**–**	**–**	**–**	**–**	–	–	–	–
Provisions for credit losses	**8**	**11**	**96**	**115**	8	16	80	104
Write-offs	**–**	**–**	**(113)**	**(113)**	–	–	(95)	(95)
Disposals	**–**	**–**	**–**	**–**	–	–	–	–
Recoveries	**–**	**–**	**17**	**17**	–	–	15	15
Foreign exchange movements and other	**–**	**–**	**–**	**–**	–	–	–	–
Balance at end	**89**	**165**	**–**	**254**	78	157	–	235
Includes:								
Amounts drawn	**46**	**121**	**–**	**167**	43	121	–	164
Undrawn commitments[5]	**43**	**44**	**–**	**87**	35	36	–	71
Business and government								
Balance at beginning	**473**	**417**	**532**	**1,422**	308	215	229	752
Originations or purchases	**179**	**–**	**–**	**179**	349	–	–	349
Transfers[2]:								
to Stage 1	**73**	**(65)**	**(8)**	**–**	48	(47)	(1)	–
to Stage 2	**(79)**	**98**	**(19)**	**–**	(162)	176	(14)	–
to Stage 3	**(7)**	**(9)**	**16**	**–**	(2)	(13)	15	–
Net remeasurement of loss allowances[3]	**(82)**	**(6)**	**314**	**226**	(31)	128	306	403
Derecognitions[4]	**(47)**	**(45)**	**(10)**	**(102)**	(53)	(53)	(13)	(119)
Changes to models	**–**	**–**	**–**	**–**	–	–	–	–
Provisions for credit losses	**37**	**(27)**	**293**	**303**	149	191	293	633
Write-offs	**–**	**–**	**(243)**	**(243)**	–	–	(154)	(154)
Disposals	**–**	**–**	**–**	**–**	–	–	–	–
Recoveries	**–**	**–**	**82**	**82**	–	–	80	80
Foreign exchange movements and other	**1**	**(1)**	**(7)**	**(7)**	(1)	–	(9)	(10)
Balance at end	**511**	**389**	**657**	**1,557**	456	406	439	1,301
Includes:								
Amounts drawn	**368**	**337**	**655**	**1,360**	343	362	438	1,143
Undrawn commitments[5]	**143**	**52**	**2**	**197**	113	44	1	158
Total allowances for credit losses at end[6]	**826**	**780**	**1,026**	**2,632**	734	787	703	2,224
Includes:								
Amounts drawn	**634**	**680**	**1,024**	**2,338**	580	702	702	1,984
Undrawn commitments[5]	**192**	**100**	**2**	**294**	154	85	1	240

(1) The total amount of undiscounted initially expected credit losses on the POCI loans acquired during the nine-month period ended July 31, 2026 was $35 million ($379 million during the nine-month period ended July 31, 2025). The expected credit losses reflected in the purchase price have been discounted.
(2) Represent stage transfers deemed to have taken place at the beginning of the quarter in which the transfer occurred.
(3) Includes the net remeasurement of loss allowances (after transfers) attributable mainly to changes in volumes and in the credit quality of existing loans as well as to changes in risk parameters.
(4) Represent reversals to loss allowances arising from full loan repayments (excluding write-offs and disposals).
(5) The allowances for credit losses on undrawn commitments are reported in the *Other liabilities* item of the Consolidated Balance Sheet.
(6) Excludes allowances for credit losses on other financial assets at amortized cost and on off-balance sheet commitments other than undrawn commitments.

(unaudited) (millions of Canadian dollars)

Note 6 – Loans and Allowances for Credit Losses (cont.)

Main Macroeconomic Factors

The following tables show the main macroeconomic factors used to estimate the allowances for credit losses on loans. For each scenario, namely, the base scenario, upside scenario, and downside scenario, the average values of the macroeconomic factors over the next 12 months (used for Stage 1 credit loss calculations) and over the remaining forecast period (used for Stage 2 credit loss calculations) are presented.

						As at July 31, 2026
	Base scenario		Upside scenario		Downside scenario	
	Next 12 months	Remaining forecast period	Next 12 months	Remaining forecast period	Next 12 months	Remaining forecast period
Macroeconomic factors(1)						
GDP growth(2)	**1.4 %**	**1.7 %**	**2.0 %**	**1.9 %**	**(6.0) %**	**2.7 %**
Unemployment rate	**6.5 %**	**6.3 %**	**6.4 %**	**5.9 %**	**8.9 %**	**8.3 %**
Housing price index growth(2)	**0.7 %**	**2.1 %**	**9.7 %**	**2.4 %**	**(13.9) %**	**0.3 %**
BBB spread(3)	**1.3 %**	**1.6 %**	**1.2 %**	**1.3 %**	**3.3 %**	**2.4 %**
S&P/TSX growth(2)(4)	**6.0 %**	**3.1 %**	**8.2 %**	**3.2 %**	**(30.5) %**	**7.5 %**
WTI oil price(5) *(US$ per barrel)*	**82**	**70**	**77**	**75**	**54**	**52**

						As at April 30, 2026
	Base scenario		Upside scenario		Downside scenario	
	Next 12 months	Remaining forecast period	Next 12 months	Remaining forecast period	Next 12 months	Remaining forecast period
Macroeconomic factors(1)						
GDP growth(2)	1.4 %	1.7 %	2.0 %	1.9 %	(6.2) %	2.7 %
Unemployment rate	6.6 %	6.2 %	6.2 %	5.6 %	8.8 %	8.1 %
Housing price index growth(2)	1.1 %	2.5 %	9.7 %	2.4 %	(13.9) %	0.3 %
BBB spread(3)	1.4 %	1.5 %	1.3 %	1.3 %	3.3 %	2.4 %
S&P/TSX growth(2)(4)	(1.1) %	3.7 %	6.6 %	3.2 %	(30.5) %	7.5 %
WTI oil price(5) *(US$ per barrel)*	82	69	77	75	54	52

						As at October 31, 2025
	Base scenario		Upside scenario		Downside scenario	
	Next 12 months	Remaining forecast period	Next 12 months	Remaining forecast period	Next 12 months	Remaining forecast period
Macroeconomic factors(1)						
GDP growth(2)	1.5 %	1.9 %	1.8 %	2.1 %	(6.3) %	2.7 %
Unemployment rate	7.2 %	6.6 %	6.7 %	5.9 %	9.2 %	8.4 %
Housing price index growth(2)	0.3 %	2.4 %	9.7 %	2.4 %	(13.9) %	0.3 %
BBB spread(3)	1.6 %	1.6 %	1.4 %	1.4 %	3.3 %	2.4 %
S&P/TSX growth(2)(4)	5.0 %	2.8 %	12.1 %	3.2 %	(30.5) %	7.5 %
WTI oil price(5) *(US$ per barrel)*	62	69	74	75	39	47

(1) All macroeconomic factors are based on the Canadian economy unless otherwise indicated.
(2) Growth rate is annualized.
(3) Yield on corporate BBB bonds less yield on Canadian federal government bonds with 10-year maturity.
(4) Main stock index in Canada.
(5) The West Texas Intermediate (WTI) index is commonly used as a benchmark for the price of oil.

The main macroeconomic factors used for the personal credit portfolio are unemployment rate and growth in the housing price index, based on the economy of Canada or Quebec. The main macroeconomic factors used for the business and government credit portfolio are unemployment rate, spread on corporate BBB bonds, S&P/TSX growth, and WTI oil price. An increase in unemployment rate or BBB spread will generally lead to higher allowances for credit losses, whereas an increase in the other macroeconomic factors (GDP, S&P/TSX, housing price index, and WTI oil price) will generally lead to lower allowances for credit losses.

(unaudited) (millions of Canadian dollars)

In general, during the third quarter, macroeconomic factors evolved favourably for financial variables and have been mixed for the economy. Nevertheless, the environment remains challenging and uncertainty is still high.

Despite ongoing uncertainty surrounding trade relations with the United States, the Canadian economy was resilient. Following a difficult start to the year, labour market conditions improved supported by a return to economic growth. In an unstable geopolitical environment, our base scenario assumes that disruptions to oil supplies will be temporary; however, the shortfall in production will exert upward pressure on oil prices in the near term. In addition, limited refining capacity creates a risk of a price increase for refined energy products. As inflation was well contained prior to this shock in a subdued economic environment, the Bank of Canada is expected to maintain a cautious stance, despite temporarily higher inflation. The unemployment rate is projected to improve in the second half of 2026 as trade tensions with the United States ease.

In the base scenario, Canada's unemployment rate is expected to decline to 6.5% over the next 12 months, representing a decrease of 0.3 percentage points. As labour market conditions improve, housing prices are expected to stop falling, increasing by 0.7% year over year. The S&P/TSX sits at 36,156 points after one year, and the price of oil is at US$80.

In the upside scenario, trade tensions dissipate entirely and the geopolitical conflicts gradually subside, strengthening confidence. Inflation continues to moderate as productivity gains materialize, allowing central banks to abandon restrictive monetary policies. The Canadian and U.S. governments continue to increase their spending. Housing prices rise sharply, supported by solid economic growth and a stronger labour market, which underpins consumer spending. After one year, the unemployment rate is expected to be 0.3 percentage points lower than in the base case scenario. Housing prices rise 9.7%, the S&P/TSX sits at 36,891 points after one year, and the price of oil is at US$75.

In the downside scenario, the Americans impose much higher tariffs on Canada against a backdrop of global uncertainty. The Bank of Canada responds with significant interest rate cuts; however, weaker demand and declining confidence lead to a sharp reduction in business investment, prompting workforce reductions. Given their budgetary constraints, governments are unable to provide the same level of support to households and businesses as they did during the pandemic. The global geopolitical situation continues to cause concern. As the economy contracts, the unemployment rate rises to 9.7% after 12 months. Housing prices fall sharply (-13.9%). The S&P/TSX sits at 23,693 points after one year and the price of oil is at US$37.

Given the uncertainty surrounding key inputs used to measure credit losses, the Bank has applied expert credit judgement to adjust the modelled expected credit loss results.

Sensitivity Analysis of Allowances for Credit Losses on Non-Impaired Loans

Scenarios
The following table shows a comparison of the Bank's allowances for credit losses on non-impaired loans (Stages 1 and 2) as at July 31, 2026 based on the probability weightings of three scenarios with allowances for credit losses resulting from simulations of each scenario weighted at 100%.

	Allowances for credit losses on non-impaired loans
Balance as at July 31, 2026	**1,606**
Simulations	
100% upside scenario	**955**
100% base scenario	**1,079**
100% downside scenario	**2,285**

(unaudited) (millions of Canadian dollars)

Note 7 – Other Assets

	As at July 31, 2026	As at October 31, 2025
Receivables, prepaid expenses and other items	**2,058**	1,768
Interest and dividends receivable	**1,828**	1,844
Due from clients, dealers and brokers	**1,144**	1,168
Defined benefit asset	**496**	441
Deferred tax assets	**1,308**	1,131
Current tax assets	**758**	819
Reinsurance contract assets	**19**	20
Insurance contract assets	**33**	40
Investments in associates and joint ventures	**51**	46
Commodities(1)	**1,458**	3,739
	9,153	11,016

(1) Commodities include precious metals and other commodities that are recorded at fair value based on quoted prices in active markets and are classified in Level 1 of the fair value measurement hierarchy.

Note 8 – Deposits

				As at July 31, 2026	As at October 31, 2025
	On demand(1)	After notice(2)	Fixed term(3)	Total	Total
Personal	**6,409**	**61,679**	**60,709**	**128,797**	124,417
Business and government	**80,928**	**37,372**	**211,896**	**330,196**	297,512
Deposit-taking institutions	**1,908**	**99**	**3,732**	**5,739**	6,074
	89,245	**99,150**	**276,337**	**464,732**	428,003

(1) Demand deposits are deposits for which the Bank does not have the right to require a notice of withdrawal and consist essentially of deposits in chequing accounts.
(2) Notice deposits are deposits for which the Bank may legally require a notice of withdrawal and consist mainly of deposits in savings accounts.
(3) Fixed-term deposits are deposits that can be withdrawn by the holder on a specified date and include term deposits, guaranteed investment certificates, savings accounts and plans, covered bonds, and other similar instruments.

The *Deposits – Business and government* item includes, among other items, covered bonds for which the balance was $10.3 billion as at July 31, 2026 ($10.0 billion as at October 31, 2025). During the nine-month period ended July 31, 2026, the Bank issued an amount of 1.0 billion euros in covered bonds and an amount of 750 million pounds sterling in covered bonds matured (US$255 million and 1.0 billion euros in covered bonds matured during the nine-month period ended July 31, 2025). For additional information on covered bonds, see Note 27 to the audited annual consolidated financial statements for the year ended October 31, 2025.

In addition, as at July 31, 2026, the *Deposits – Business and government* item also includes deposits of $32.1 billion ($26.1 billion as at October 31, 2025) that are subject to the bank bail-in conversion regulations issued by the Government of Canada. These regulations provide certain powers to the Canada Deposit Insurance Corporation (CDIC), notably the power to convert certain eligible Bank shares and liabilities into common shares should the Bank become non-viable.

Note 9 – Other Liabilities

	As at July 31, 2026	As at October 31, 2025
Accounts payable and accrued expenses	**4,168**	4,192
Subsidiaries' debts to third parties	**246**	313
Interest and dividends payable	**2,304**	2,475
Lease liabilities	**783**	644
Due to clients, dealers and brokers	**1,119**	1,065
Defined benefit liability	**91**	98
Allowances for credit losses – Off-balance-sheet commitments (Note 6)	**342**	268
Deferred tax liabilities	**221**	324
Current tax liabilities	**356**	185
Insurance contract liabilities	**25**	27
Other items(1)(2)(3)	**1,164**	950
	10,819	10,541

(1) As at July 31, 2026, *Other items* included provisions for litigation of $37 million ($13 million as at October 31, 2025).
(2) As at July 31, 2026, *Other items* included provisions for onerous contracts of $7 million ($10 million as at October 31, 2025).
(3) As at July 31, 2026, *Other items* included the financial liability resulting from put options written to non-controlling interests of Flinks Technology Inc. (Flinks) for an amount of $5 million ($5 million as at October 31, 2025).

(unaudited) (millions of Canadian dollars)

Note 10 – Share Capital and Other Equity Instruments

Shares and Other Equity Instruments Outstanding

	As at July 31, 2026		As at October 31, 2025	
	Number of shares or LRCN[(1)]	**Shares or LRCN $**	Number of shares or LRCN	Shares or LRCN $
First Preferred Shares				
Series 30	**14,000,000**	**350**	14,000,000	350
Series 38	**16,000,000**	**400**	16,000,000	400
Series 40	**12,000,000**	**300**	12,000,000	300
Series 42	**12,000,000**	**300**	12,000,000	300
Series 47	**5,000,000**	**128**	5,000,000	128
Series 49	**5,000,000**	**136**	5,000,000	136
	64,000,000	**1,614**	64,000,000	1,614
Other equity instruments				
LRCN – Series 1	**–**	**–**	500,000	500
LRCN – Series 2	**500,000**	**500**	500,000	500
LRCN – Series 3	**500,000**	**500**	500,000	500
LRCN – Series 4	**600,000**	**600**	–	–
	1,600,000	**1,600**	1,500,000	1,500
Preferred shares and other equity instruments	**65,600,000**	**3,214**	65,500,000	3,114
Common shares at beginning of fiscal year	**391,065,541**	**9,865**	340,743,876	3,463
Issued pursuant to the Stock Option Plan	**1,799,033**	**140**	1,508,524	114
Issued as part of the CWB acquisition				
Exchange of common shares	**–**	**–**	41,010,378	5,290
Automatic exchange of subscription receipts	**–**	**–**	9,262,500	1,040
Repurchases of common shares for cancellation	**(9,266,600)**	**(235)**	(1,385,400)	(35)
Impact of shares purchased or sold for trading[(2)]	**(16,944)**	**5**	(74,337)	(7)
Common shares at end of period	**383,581,030**	**9,775**	391,065,541	9,865

(1) Limited Recourse Capital Notes (LRCN).
(2) As at July 31, 2026, a total of 97,090 shares were sold short for trading, representing an amount of $24 million (114,034 shares were sold short for trading, representing an amount of $19 million as at October 31, 2025).

Dividends Declared and Distributions on Other Equity Instruments

	Nine months ended July 31			
	2026		2025	
	Dividends or interest $	**Dividends per share**	Dividends or interest $	Dividends per share
First Preferred Shares				
Series 30	**16**	**1.1608**	16	1.1608
Series 32	**–**	**–**	3	0.2399
Series 38	**21**	**1.3176**	21	1.3176
Series 40	**13**	**1.0909**	13	1.0909
Series 42	**16**	**1.3230**	16	1.3230
Series 47	**6**	**1.1946**	4	0.7964
Series 49	**7**	**1.4346**	5	0.9564
	79		78	
Other equity instruments				
LRCN – Series 1[(1)]	**1**		15	
LRCN – Series 2[(2)]	**15**		15	
LRCN – Series 3[(3)]	**29**		29	
LRCN – Series 4[(4)]	**5**		–	
LRCN – Series 1 and 2 of CWB	**–**		3	
	50		62	
Preferred shares and other equity instruments	**129**		140	
Common shares	**1,470**	**3.8000**	1,300	3.4600
	1,599		1,440	

(1) The LRCN – Series 1 bore interest at a fixed rate of 4.30% per annum.
(2) The LRCN – Series 2 bear interest at a fixed rate of 4.05% per annum.
(3) The LRCN – Series 3 bear interest at a fixed rate of 7.50% per annum.
(4) The LRCN – Series 4 bear interest at a fixed rate of 6.067% per annum.

Note 10 – Share Capital and Other Equity Instruments (cont.)

Issuance of Limited Recourse Capital Notes
On June 11, 2026, the Bank issued $600 million of Series 4 Limited Recourse Capital Notes (LRCN – Series 4) for which recourse of the noteholders is limited to the assets held by an independent trustee in a consolidated limited recourse trust. The trust's assets consist of $600 million of Series 51 First Preferred Shares issued by the Bank in conjunction with the LRCN – Series 4. The LRCN – Series 4 were sold for $1,000 each and bear interest at a fixed rate of 6.067% per annum until August 16, 2031 exclusively and, thereafter, at an annual rate equal to the five-year Government of Canada bond yield plus 2.95% until August 16, 2081. The LRCN – Series 4 will mature on August 16, 2086.

In the event of (i) non-payment of interest on any of the interest payment dates, (ii) non-payment of the redemption amount upon redemption of the LRCN – Series 4, (iii) non-payment of the principal amount upon maturity of the LRCN – Series 4, or (iv) an event of default in respect of the LRCN – Series 4, the noteholders will have recourse only to the assets of the trust, and each noteholder will be entitled to its pro rata share of the assets of the trust. In such circumstances, delivery of the assets of the trust will eliminate all of the Bank's obligations with respect to the LRCN – Series 4. The LRCN – Series 4 are redeemable at maturity or earlier to the extent that the Bank redeems the Series 51 preferred shares on certain redemption dates specified in the terms and conditions of the Series 51 preferred shares, and subject to OSFI's consent and approval.

Given that the LRCN – Series 4 satisfy the non-viability contingent capital requirements, they qualify for the purposes of calculating regulatory capital under Basel III.

Redemption of Limited Recourse Capital Notes
On November 17, 2025, the first business day after the November 15, 2025 set redemption date, the Bank redeemed all of the issued and outstanding LRCN – Series 1. Pursuant to the LRCN – Series 1 conditions, the redemption price was $1,000 per LRCN plus the interest accrued and unpaid. The Bank redeemed 500,000 LRCN – Series 1 for a total amount of $500 million, which reduced *Preferred shares and other equity instruments*. In connection with the redemption of LRCN – Series 1, the Bank redeemed all of the Non-Cumulative 5-Year Fixed Rate Reset Series 44 First Preferred Shares, issued by the Bank in conjunction with the LRCN – Series 1 and held by an independent trustee in a limited recourse consolidated trust.

Repurchases of Common Shares
On September 25, 2025, the Bank began a normal course issuer bid to repurchase for cancellation up to 8,000,000 common shares (representing approximately 2.04% of its then outstanding common shares) over the 12-month period ending on September 24, 2026. On March 12, 2026, an amendment to this issuer bid took effect. This amendment increased the maximum number of the Bank's issued and outstanding common shares that may be repurchased for cancellation to up to 14,500,000 common shares (representing approximately 3.70% of the outstanding common shares as at September 11, 2025) over the 12-month period ending on September 24, 2026. Any repurchase through the Toronto Stock Exchange is done at market prices. The common shares may also be repurchased through other means authorized by the Toronto Stock Exchange and applicable regulations, including private agreements or share repurchase programs under issuer bid exemption orders issued by the securities regulators. A private purchase made under an exemption order issued by a securities regulator will be done at a discount to the prevailing market price. The amounts that are paid above the average book value of the common shares, including tax, are charged to *Retained earnings*. During the nine-month period ended July 31, 2026, the Bank repurchased 9,266,600 common shares for $1,755 million, including tax, which reduced *Common shares* by $235 million and *Retained earnings* by $1,520 million. During the nine-month period ended July 31, 2025, the Bank had not repurchased any common shares.

Note 11 – Capital Disclosure

The Bank and all other major Canadian banks have to maintain the following minimum capital ratios established by OSFI: a CET1 capital ratio of at least 11.0%, a Tier 1 capital ratio of at least 12.5%, and a Total capital ratio of at least 14.5%. All of these ratios include a capital conservation buffer of 2.5% established by the Basel Committee on Banking Supervision (BCBS) and OSFI, a 1.0% surcharge applicable solely to Domestic Systemically Important Banks (D-SIBs), and a 3.0% domestic stability buffer (DSB) established by OSFI. On June 19, 2026, OSFI announced, with immediate effect, that the DSB had been decreased from 3.5% to 3.0% and the DSB range had been reduced, setting it at 0% to 3% of risk-weighted assets (RWA) instead of the previous range of 0% to 4%. The DSB consists exclusively of CET1 capital. A D-SIB that fails to meet this buffer requirement will not be subject to automatic constraints to reduce capital distributions but must provide a remediation plan to OSFI. The Bank also has to meet the requirements of the capital output floor which is set at 67.5%, under which its total RWA must not be lower than the output floor for the total RWA as calculated under the Basel III Standardized Approaches. If the capital requirement is less than the capital output floor requirement after applying the floor factor, the difference is added to the total RWA. Lastly, OSFI requires D-SIBs to maintain a Basel III leverage ratio of at least 3.5%, which includes a Tier 1 capital buffer of 0.5% applicable only to D-SIBs.

OSFI also requires D-SIBs to maintain a risk-based total loss-absorbing capacity (TLAC) ratio of at least 24.5% (including the DSB) of RWA and a TLAC leverage ratio of at least 7.25%.

(unaudited) (millions of Canadian dollars)

During the quarter and nine-month period ended July 31, 2026, the Bank was compliant with all of OSFI's regulatory capital, leverage, and TLAC requirements.

Regulatory Capital(1), Leverage Ratio(1) and TLAC(2)

	As at July 31, 2026	As at October 31, 2025
Capital		
CET1	**26,859**	25,962
Tier 1(3)	**30,018**	28,559
Total(3)	**34,101**	32,657
Risk-weighted assets	**198,746**	188,756
Total exposure	**706,715**	633,494
Capital ratios		
CET1	**13.5 %**	13.8 %
Tier 1(3)	**15.1 %**	15.1 %
Total(3)	**17.2 %**	17.3 %
Leverage ratio(3)	**4.2 %**	4.5 %
Available TLAC	**65,771**	55,993
TLAC ratio	**33.1 %**	29.7 %
TLAC leverage ratio	**9.3 %**	8.8 %

(1) Capital, risk-weighted assets, total exposure, the capital ratios, and the leverage ratio are calculated in accordance with the Basel III rules, as set out in OSFI's *Capital Adequacy Requirements Guideline* and *Leverage Requirements Guideline*.
(2) Available TLAC, the TLAC ratio, and the TLAC leverage ratio are calculated in accordance with OSFI's *Total Loss Absorbing Capacity Guideline*.
(3) Data as at October 31, 2025 included the redemption of LRCN – Series 1 completed on November 17, 2025.

Note 12 – Share-Based Payments

Stock Option Plan

During the quarters ended July 31, 2026 and 2025, the Bank did not award any stock options. During the nine-month period ended July 31, 2026, the Bank awarded 922,520 stock options (1,004,492 stock options during the nine-month period ended July 31, 2025) with an average fair value of $28.87 per option ($23.26 in 2025).

As at July 31, 2026, there were 9,664,825 stock options outstanding (10,580,306 stock options as at October 31, 2025).

The average fair value of the options awarded was estimated on the award date using the Black-Scholes model as well as the following accounting assumptions.

	Nine months ended July 31	
	2026	2025(1)
Risk-free interest rate	**2.94%**	2.63%
Expected life of options	**7 years**	7 years
Expected volatility	**22.06%**	24.43%
Expected dividend yield	**3.36%**	3.54%

(1) Excluding replacement options issued in connection with the CWB acquisition.

During the quarter ended July 31, 2026, a $6 million compensation expense was recorded for this plan ($7 million for the quarter ended July 31, 2025). During the nine-month period ended July 31, 2026, a $18 million compensation expense was recorded for this plan ($18 million for the nine-month period ended July 31, 2025).

(unaudited) (millions of Canadian dollars)

Note 13 – Employee Benefits – Pension Plans and Other Post-Employment Benefit Plans

The Bank offers pension plans that have a defined benefit component and a defined contribution component. The Bank also offers other post-employment benefit plans to eligible retirees. The cost associated with these plans, including the remeasurements recognized in *Other comprehensive income,* is presented in the following table.

Cost for Pension Plans and Other Post-Employment Benefit Plans

Quarter ended July 31

	Pension plans		Other post-employment benefit plans	
	2026	2025	**2026**	2025
Current service cost	**27**	27		
Interest expense (income), net	**(4)**	(5)	**1**	2
Administrative costs	**1**	1		
Expense of the defined benefit component	**24**	23	**1**	2
Expense of the defined contribution component	**17**	15		
Expense recognized in *Net income*	**41**	38	**1**	2
Remeasurements[1]				
Actuarial (gains) losses on the defined benefit obligation	**(143)**	(37)	**(2)**	(1)
Return on plan assets[2]	**97**	206		
Remeasurements recognized in *Other comprehensive income*	**(46)**	169	**(2)**	(1)
	(5)	207	**(1)**	1

Nine months ended July 31

	Pension plans		Other post-employment benefit plans	
	2026	2025	**2026**	2025
Current service cost	**81**	81		
Interest expense (income), net	**(12)**	(15)	**3**	4
Administrative costs	**3**	3		
Expense of the defined benefit component	**72**	69	**3**	4
Expense of the defined contribution component	**47**	31		
Expense recognized in *Net income*	**119**	100	**3**	4
Remeasurements[1]				
Actuarial (gains) losses on the defined benefit obligation	**(368)**	(144)	**(5)**	(2)
Return on plan assets[2]	**342**	178		
Remeasurements recognized in *Other comprehensive income*	**(26)**	34	**(5)**	(2)
	93	134	**(2)**	2

(1) Changes related to the discount rate and to the return on plan assets are reviewed and updated on a quarterly basis. All other assumptions are updated annually.
(2) Excludes interest income.

Note 14 – Income Taxes

Notice of Assessment
In March 2026, the Bank was reassessed by the Canada Revenue Agency (CRA) for additional income tax and interest of approximately $120 million (including estimated provincial tax and interest) in respect of certain Canadian dividends received by the Bank during the 2021 taxation year.

In prior fiscal years, the Bank had been reassessed for additional income tax and interest of approximately $1.2 billion (including provincial tax and interest) in respect of certain Canadian dividends received by the Bank during the 2012-2020 taxation years.

In the reassessments, the CRA alleges that the dividends were received as part of a “dividend rental arrangement”.

In October 2023, the Bank filed a notice of appeal with the Tax Court of Canada, and the matter is now in litigation. The CRA may issue reassessments to the Bank for taxation years subsequent to 2021 in regard to certain activities similar to those that were the subject of the above-mentioned reassessments. The Bank remains confident that its tax position was appropriate and intends to vigorously defend its position. As a result, no amount has been recognized in the Consolidated Financial Statements as at July 31, 2026.

Note 15 – Earnings Per Share

Diluted earnings per share is calculated by dividing net income attributable to common shareholders by the weighted average number of common shares outstanding after taking into account the dilution effect of stock options using the treasury stock method and any gain (loss) on the redemption of preferred shares.

	Quarter ended July 31		Nine months ended July 31	
	2026	2025	**2026**	2025
Basic earnings per share				
Net income attributable to the Bank’s shareholders and holders of other equity instruments	**1,307**	1,065	**3,795**	2,958
Dividends on preferred shares and distributions on other equity instruments, net of income taxes	**41**	42	**115**	124
Net income attributable to common shareholders	**1,266**	1,023	**3,680**	2,834
Weighted average basic number of common shares outstanding *(thousands)*	**384,657**	391,609	**387,101**	373,982
Basic earnings per share *(dollars)*	**3.29**	2.61	**9.51**	7.58
Diluted earnings per share				
Net income attributable to common shareholders	**1,266**	1,023	**3,680**	2,834
Weighted average basic number of common shares outstanding *(thousands)*	**384,657**	391,609	**387,101**	373,982
Adjustment to average number of common shares *(thousands)*				
Stock options[1]	**5,368**	4,310	**4,794**	3,973
Weighted average diluted number of common shares outstanding *(thousands)*	**390,025**	395,919	**391,895**	377,955
Diluted earnings per share *(dollars)*	**3.25**	2.58	**9.39**	7.50

(1) For the quarter and nine-month period ended July 31, 2026, as the exercise price of the options was lower than the average price of the Bank’s common shares, no options were excluded from the diluted earnings per share calculation. For the quarter ended July 31, 2025, as the exercise price of the options was lower than the average price of the Bank’s common shares, no options were excluded from the diluted earnings per share calculation. For the nine-month period ended July 31, 2025, the calculation of diluted earnings per share excluded an average number of 860,324 options outstanding with a weighted average exercise price of $132.75, given that the exercise price of these options was greater than the average price of the Bank’s common shares.

(unaudited) (millions of Canadian dollars)

Note 16 – Segment Disclosures

The Bank carries out its activities in four business segments: Personal and Commercial, Wealth Management, Capital Markets as well as U.S. Specialty Finance and International (USSF&I), which comprises the activities of the Credigy Ltd. (Credigy) and Advanced Bank of Asia Limited (ABA Bank) subsidiaries. For presentation purposes, other activities are grouped in the *Other* heading. Each reportable segment is distinguished by services offered, type of clientele, and marketing strategy. For additional information, see Note 30 to the audited annual consolidated financial statements for the year ended October 31, 2025.

Quarter ended July 31

	Personal and Commercial		Wealth Management		Capital Markets		USSF&I		Other		Total	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025
Net interest income	**1,250**	1,180	**254**	235	**(655)**	(598)	**377**	369	**28**	(14)	**1,254**	1,172
Non-interest income	**296**	269	**701**	576	**1,696**	1,375	**64**	33	**42**	24	**2,799**	2,277
Total revenues	**1,546**	1,449	**955**	811	**1,041**	777	**441**	402	**70**	10	**4,053**	3,449
Non-interest expenses[1][2]	**848**	805	**553**	477	**436**	347	**130**	135	**126**	161	**2,093**	1,925
Income before provisions for credit losses and income taxes	**698**	644	**402**	334	**605**	430	**311**	267	**(56)**	(151)	**1,960**	1,524
Provisions for credit losses	**117**	134	**–**	1	**50**	24	**79**	42	**–**	2	**246**	203
Income before income taxes (recovery)	**581**	510	**402**	333	**555**	406	**232**	225	**(56)**	(153)	**1,714**	1,321
Income taxes (recovery)	**160**	140	**106**	89	**113**	72	**48**	47	**(20)**	(92)	**407**	256
Net income	**421**	370	**296**	244	**442**	334	**184**	178	**(36)**	(61)	**1,307**	1,065
Non-controlling interests	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–
Net income attributable to the Bank's shareholders and holders of other equity instruments	**421**	370	**296**	244	**442**	334	**184**	178	**(36)**	(61)	**1,307**	1,065
Average assets[3]	**231,995**	211,499	**14,626**	11,140	**273,785**	234,289	**35,166**	31,808	**87,449**	78,334	**643,021**	567,070
Total assets	**236,785**	215,155	**14,618**	11,523	**248,349**	222,923	**34,653**	32,365	**100,754**	70,655	**635,159**	552,621

Nine months ended July 31

	Personal and Commercial		Wealth Management		Capital Markets		USSF&I		Other		Total	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025
Net interest income[4]	**3,702**	3,270	**735**	692	**(1,635)**	(1,612)	**1,147**	1,095	**8**	(96)	**3,957**	3,349
Non-interest income[5]	**860**	799	**2,024**	1,686	**4,740**	4,397	**138**	102	**134**	(51)	**7,896**	6,933
Total revenues	**4,562**	4,069	**2,759**	2,378	**3,105**	2,785	**1,285**	1,197	**142**	(147)	**11,853**	10,282
Non-interest expenses[1][2]	**2,477**	2,250	**1,615**	1,394	**1,287**	1,117	**381**	375	**403**	377	**6,163**	5,513
Income before provisions for credit losses and income taxes	**2,085**	1,819	**1,144**	984	**1,818**	1,668	**904**	822	**(261)**	(524)	**5,690**	4,769
Provisions for credit losses[6]	**425**	722	**(1)**	2	**92**	124	**203**	152	**4**	2	**723**	1,002
Income before income taxes (recovery)	**1,660**	1,097	**1,145**	982	**1,726**	1,544	**701**	670	**(265)**	(526)	**4,967**	3,767
Income taxes (recovery)	**457**	305	**303**	264	**353**	292	**146**	140	**(87)**	(192)	**1,172**	809
Net income	**1,203**	792	**842**	718	**1,373**	1,252	**555**	530	**(178)**	(334)	**3,795**	2,958
Non-controlling interests	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–
Net income attributable to the Bank's shareholders and holders of other equity instruments	**1,203**	792	**842**	718	**1,373**	1,252	**555**	530	**(178)**	(334)	**3,795**	2,958
Average assets[3]	**225,594**	195,193	**13,705**	10,836	**264,414**	223,456	**35,126**	32,024	**87,255**	73,887	**626,094**	535,396
Total assets	**236,785**	215,155	**14,618**	11,523	**248,349**	222,923	**34,653**	32,365	**100,754**	70,655	**635,159**	552,621

(1) During the quarter ended July 31, 2026, the Bank recorded integration and transaction-related charges of $24 million ($18 million net of income taxes) related to the CWB acquisition and charges of $27 million ($19 million net of income taxes) related to the Laurentian Bank of Canada (LBC) transactions. These charges were recorded in the *Other* heading. For the quarter ended July 31, 2025, integration and transaction-related charges of $94 million ($68 million net of income taxes) had been recorded related to the CWB acquisition in the *Other* heading. For the nine-month period ended July 31, 2026, charges related to the CWB acquisition were $146 million ($106 million net of income taxes) ($238 million, $173 million net of income taxes during the nine-month ended July 31, 2025) and charges related to LBC transactions were $36 million ($26 million net of income taxes).

(2) During the quarter ended July 31, 2026, the Bank recorded an expense of $25 million ($18 million net of income taxes), allocated between the Personal and Commercial ($21 million), and the Wealth Management ($4 million) segments to reflect the amortization of intangible assets related to the CWB acquisition. For the nine-month period ended July 31, 2026, this expense amounted to $73 million ($53 million net of income taxes), allocated between the Personal and Commercial ($62 million) and the Wealth Management ($11 million) segments. For the quarter ended July 31, 2025, the expense amounted to $25 million ($18 million net of income taxes), allocated between the Personal and Commercial ($23 million) and the Wealth Management ($2 million) segments, and for the nine-month period ended July 31, 2025, the expense amounted to $49 million ($36 million net of income taxes) allocated between Personal and Commercial ($46 million) and Wealth Management ($3 million).

(3) Represents the average of the daily balances for the period, which is also the basis on which segment assets are reported in the business segments.

(4) During the nine-month period ended July 31, 2025, the Bank had recorded an amount of $28 million ($20 million net of income taxes) in the *Other* heading to reflect the amortization of the issuance costs of the subscription receipts issued as part of the agreement to acquire CWB.

(5) During the nine-month period ended July 31, 2025, the Bank had recorded a gain of $4 million upon the remeasurement at fair value of the interest already held in CWB. Also, during the nine-month period ended July 31, 2025, the Bank had recorded a mark-to-market loss of $23 million ($17 million net of income taxes) on interest rate swaps used to manage the fair value changes of CWB's assets and liabilities that resulted in volatility of goodwill and capital on closing of the transaction. All these items had been recorded in the *Other* heading.

(6) During the nine-month period ended July 31, 2026, the Bank recorded an amount of $6 million ($5 million net of income taxes) in the Personal and Commercial ($4 million) and Capital Markets ($2 million) segments to reflect the initial provisions for credit losses on non-impaired loans acquired from LBC. During the nine-month period ended July 31, 2025, the Bank had recorded an amount of $230 million ($166 million net of income taxes) in the Personal and Commercial segment to reflect the initial provisions for credit losses on acquired non-impaired CWB loans.

Note 17 – Significant Transactions

Laurentian Bank of Canada (LBC) Transactions

On December 2, 2025, the Bank entered into a definitive asset purchase agreement with LBC pursuant to which it will assume certain liabilities and acquire certain assets related to LBC's retail and SME business banking portfolios (Retail/SME Transaction), and the Bank will assume LBC's distribution agreement for certain mutual funds. Consideration of cash and cash equivalents to be received from LBC will be determined in reference to the value of liabilities assumed net of assets acquired, at the closing date.

The closing of the Retail/SME Transaction, expected to occur in late 2026, is conditional on all conditions precedent to the closing of the acquisition of LBC by Fairstone Bank (Acquisition Transaction) having been satisfied or waived, and to the closing of the Acquisition Transaction immediately following the Retail/SME Transaction. The Retail/SME Transaction is subject to customary closing conditions, including receipt of key regulatory approvals.

Separately, concurrently with the execution of the Retail/SME Transaction agreement, the Bank and LBC had also entered into a definitive loan purchase agreement in respect of the purchase by the Bank of LBC's syndicated loan portfolio (Syndicated Loan Transaction). On February 17, 2026, the closing of the Syndicated Loan Transaction occurred. The purchase price of $647 million, paid in cash, was allocated between the acquired assets and the assumed liabilities based on their relative fair values as at the acquisition date, comprising loans and deposits totaling $657 million and $10 million, respectively.

Note 18 – Event After the Consolidated Balance Sheet Date

Acquisition of G5 Holdings Inc. (G5)

On August 5, 2026, the Bank completed the 80% acquisition of the common shares of G5, an entity that owns GFI Investment Counsel Ltd. (GFI), an independent wealth management firm based in Toronto, Ontario, that provides investment management services to individuals and corporations, as well as investment fund management services. The Bank is in the process of determining the fair values of the identifiable assets acquired and liabilities assumed.

Information for Shareholders and Investors

Investor Relations
Financial analysts and investors who want to obtain financial information on the Bank may contact the Investor Relations Department.

800 Saint-Jacques Street, 33rd Floor
Montreal, Quebec H3C 1A3
Toll-free: 1-866-517-5455
Email: *investorrelations@nbc.ca*
Website: nbc.ca/investorrelations

Media Relations
800 Saint-Jacques Street, 32nd Floor
Montreal, Quebec H3C 1A3
Telephone: 514-394-6500
Email: *pa@nbc.ca*

Quarterly Report Publication Dates for Fiscal 2026
(subject to approval by the Board of Directors of the Bank)

First quarter	February 25
Second quarter	May 27
Third quarter	August 26
Fourth quarter	December 2

Disclosure of
Third Quarter 2026 Results

Conference Call
- A conference call for analysts and institutional investors will be held on Wednesday, August 26, 2026 at 11:00 a.m. EDT.
- Access by telephone in listen-only mode: 1-800-715-9871 or 647-362-9199. The access code is 3962251#.
- A recording of the conference call can be heard until November 26, 2026 by dialing 1-800-770-2030 or 647-362-9199. The access code is 3962251#.

Webcast
- The conference call will be webcast live at nbc.ca/investorrelations.
- A recording of the webcast will also be available on National Bank's website after the call.

Financial Documents
- The *Report to Shareholders* (which includes the quarterly Consolidated Financial Statements) is available at all times on National Bank's website at nbc.ca/investorrelations.
- The *Report to Shareholders*, the *Supplementary Financial Information*, the *Supplementary Regulatory Capital and Pillar 3 Disclosure*, and a slide presentation will be available on the Investor Relations page of National Bank's website on the morning of the day of the conference call.

Transfer Agent and Registrar
For information about stock transfers, address changes, dividends, lost certificates, tax forms, and estate transfers, shareholders of record may contact the transfer agent, Computershare Trust Company of Canada, at the address or telephone number below.

Computershare Trust Company of Canada
Share Ownership Management
100 University Avenue, 8th Floor
Toronto, Ontario M5J 2Y1
Telephone: 1-888-838-1407
Fax: 1-888-453-0330
Email: *service@computershare.com*
Website: computershare.com

Shareholders whose shares are held by a market intermediary are asked to contact the market intermediary concerned.

Direct Deposit Service for Dividends
Shareholders may elect to have their dividend payments deposited directly via electronic funds transfer to their bank account at any financial institution that is a member of the Canadian Payments Association. To do so, they must send a written request to the transfer agent, Computershare Trust Company of Canada.

Dividend Reinvestment and Share Purchase Plan
National Bank has a Dividend Reinvestment and Share Purchase Plan for holders of its common and preferred shares under which they can acquire common shares of the Bank without paying commissions or administration fees. Participants acquire common shares through the reinvestment of cash dividends paid on the shares they hold or through optional cash payments of at least $1 per payment, up to a maximum of $5,000 per quarter.

For additional information, shareholders may contact National Bank's registrar and transfer agent, Computershare Trust Company of Canada, at 1-888-838-1407. To participate in the plan, National Bank's beneficial or non-registered common shareholders must contact their financial institution or broker.

Dividends
Dividends paid are "eligible dividends" in accordance with the *Income Tax Act* (Canada).

NATIONAL BANK