

# TD BANK FINANCIAL GROUP

## Q1/99

### SUPPLEMENTAL FINANCIAL INFORMATION (unaudited) FOR THE QUARTER ENDED JANUARY 31, 1999

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## HIGHLIGHTS

LINE #	QUARTER									FULL YEAR		
	1997				1998				1999	1997	1998	
	1	2	3	4	1	2	3	4	1			
<b>Results of operations (\$ millions)</b>												
Net income	1	\$264	\$240	\$295	\$289	\$293	\$307	\$287	\$234	\$312	\$1,088	\$1,121
Net interest income (TEB)	2	720	726	739	798	810	772	784	774	838	2,983	3,140
Total revenue (TEB)	3	1,260	1,291	1,396	1,686	1,517	1,600	1,789	1,431	1,775	5,633	6,337
<b>Per common share</b>												
Net income	4	\$.85	\$.78	\$.96	\$.95	\$.95	\$1.00	\$.93	\$.74	\$1.01	\$3.54	\$3.62
Net income - cash basis	5	.87	.90	.99	.97	1.06	1.03	.96	.78	1.05	3.73	3.83
<b>Financial position (\$ billions)</b>												
Total assets	6	\$136.1	\$153.2	\$156.1	\$163.9	\$177.0	\$189.5	\$208.7	\$181.8	\$213.5	\$163.9	\$181.8
Total common equity	7	6.2	6.3	6.5	6.8	7.0	7.2	7.5	7.7	7.8	6.8	7.7
<b>Other (\$ millions)</b>												
Net interest margin (TEB)	8	2.45 %	2.40 %	2.26 %	2.31 %	2.21 %	2.04 %	1.88 %	1.72 %	1.84 %	2.35 %	1.95 %
Net impaired loans	9	\$514	\$367	\$285	(\$79)	\$84	(\$78)	(\$321)	(\$259)	(\$431)	(\$79)	(\$259)
Net impaired loans as a % of net loans*	10	.6 %	.4 %	.3 %	(.1) %	.1 %	(.1) %	(.3) %	(.3) %	(.4) %	(.1) %	(.3) %
PCL as a % of net average loans*	11	.20	.20	.19	1.09	.27	.28	1.11	.25	.71	.43	.48
PCL excluding special charge as a % of net average loans*	12	.20	.20	.19	.18	.27	.28	.26	.25	.30	.19	.27
Securities - surplus over book	13	\$431	\$507	\$893	\$674	\$753	\$965	\$770	\$477	\$900	\$674	\$477
Net common equity to risk-weighted assets ratio	14	6.1 %	5.7 %	6.1 %	6.1 %	6.2 %	6.2 %	6.4 %	6.4 %	6.2 %	6.1 %	6.4 %
Tier 1 capital ratio	15	6.6	6.3	6.7	6.6	7.1	7.1	7.3	7.2	7.0	6.6	7.2
Total capital ratio	16	9.7	9.4	10.0	10.2	10.8	10.7	11.2	11.0	10.6	10.2	11.0
Efficiency ratio	17	60.1	63.5	60.9	56.6	60.3	61.6	57.8	71.5	60.3	60.0	62.4
Efficiency ratio-excluding goodwill and one-time gains	18	59.6	60.7	60.4	63.8	59.7	61.0	64.3	70.6	61.7	61.2	63.8
Number of full-time equivalent staff at period end	19	27,240	27,458	27,645	28,001	28,582	29,445	29,920	29,236	29,394	28,001	29,236
Number of banking retail outlets	20	939	928	924	919	913	911	909	922	920	919	922
Rating of senior debt: Moody's	21	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa3	Aa3	Aa2	Aa3
Standard and Poor's**	22	AA	AA	AA	AA	AA	AA	AA	AA	AA	AA	AA

\* Includes customers' liability under acceptances.

\*\* Currently on credit watch with negative implications.

## SHAREHOLDER VALUE

LINE #	QUARTER									FULL YEAR	
	1997				1998				1999	1997	1998
	1	2	3	4	1	2	3	4	1		
<b>Per common share</b>											
1	\$ .85	\$ .78	\$ .96	\$ .95	\$ .95	\$ 1.00	\$ .93	\$ .74	\$ 1.01	\$ 3.54	\$ 3.62
2	.28	.28	.28	.28	.32	.32	.34	.34	.34	1.12	1.32
3	20.69	21.39	21.92	22.75	23.62	24.12	25.19	25.87	26.26	22.75	25.87
4	37.10	39.50	44.55	51.65	53.60	65.30	59.65	45.90	63.00	51.65	45.90
<b>Financial ratios and statistics</b>											
5	16.4 %	15.2 %	17.8 %	16.8 %	16.3 %	17.3 %	15.0 %	11.7 %	15.5 %	16.6 %	15.0 %
6	18.3	19.2	19.8	18.7	20.2	19.6	17.3	13.6	17.8	19.0	17.6
7	.78	.69	.77	.73	.67	.68	.58	.45	.58	.74	.59
8	1.14	1.01	1.18	1.14	1.14	1.23	1.10	.89	1.15	1.12	1.09
9	3.0	2.8	2.6	2.5	2.1	1.9	2.0	2.7	2.5	2.7	2.4
10	33.1	36.0	28.9	29.6	33.7	32.0	36.7	45.4	33.5	31.7	36.4
11	1.79	1.85	2.03	2.27	2.27	2.71	2.37	1.77	2.40	2.27	1.77
12	12.0	12.5	13.1	14.6	14.7	16.9	15.6	12.7	17.1	14.6	12.7
13	51.7 %	71.9 %	77.9 %	68.3 %	47.6 %	68.4 %	36.7 %	(8.6) %	20.0 %	68.3 %	(8.6) %
14	299.1	296.5	296.9	296.9	297.0	297.0	297.1	297.1	297.2	296.9	297.1

(1) dividends per common share for trailing 4 quarters divided by average of high and low common share prices for the period

(2) closing common share price divided by net income per common share for trailing 4 quarters

(3) the change in market price plus dividends paid in trailing 4 quarters as a percentage of the prior year's closing market price per common share

**NET INCOME**  
(\$MILLIONS)

LINE #	QUARTER									FULL YEAR		
	1997				1998				1999	1997	1998	
	1	2	3	4	1	2	3	4	1			
Net interest income (TEB)	1	\$720	\$726	\$739	\$798	\$810	\$772	\$784	\$774	<b>\$838</b>	\$2,983	\$3,140
Provision for credit losses	2	40	40	40	240	63	62	263	62	<b>175</b>	360	450
Other income (page 12)	3	540	565	657	888	707	828	1,005	657	<b>937</b>	2,650	3,197
Net interest and other income	4	1,220	1,251	1,356	1,446	1,454	1,538	1,526	1,369	<b>1,600</b>	5,273	5,887
Non-interest expenses (page 13)	5	758	820	850	955	914	985	1,033	1,024	<b>1,071</b>	3,383	3,956
Income before provision for income taxes	6	462	431	506	491	540	553	493	345	<b>529</b>	1,890	1,931
Provision for income taxes (TEB)	7	198	191	211	202	247	246	206	111	<b>217</b>	802	810
<b>Net income</b>	8	264	240	295	289	293	307	287	234	<b>312</b>	1,088	1,121
Preferred dividends	9	8	7	8	8	11	10	12	12	<b>11</b>	31	45
<b>Net income applicable to common shares</b>	10	\$256	\$233	\$287	\$281	\$282	\$297	\$275	\$222	<b>\$301</b>	\$1,057	\$1,076
Average number of common shares outstanding (millions)	11	302.5	298.7	296.8	296.9	297.0	297.0	297.1	297.1	<b>297.2</b>	298.7	297.1
Earnings per share	12	\$0.85	\$0.78	\$0.96	\$0.95	\$0.95	\$1.00	\$0.93	\$0.74	<b>\$1.01</b>	\$3.54	\$3.62

**NET INCOME BY MAJOR BUSINESS SEGMENT - TOTAL BANK**  
(\$MILLIONS)

LINE #	QUARTER								FULL YEAR			
	1997				1998				1999	1997	1998	
	1	2	3	4	1	2	3	4	1			
<b>Net income</b>												
Personal & Commercial Banking	1	\$107	\$114	\$106	\$139	\$130	\$93	\$99	\$126	\$107	\$466	\$448
Wealth Management Services	2	22	(1)	28	36	(3)	43	42	43	49	85	125
Total Retail	3	129	113	134	175	127	136	141	169	156	551	573
Corporate Banking	4	80	100	97	70	119	94	97	87	135	347	397
Investment Banking	5	47	42	56	152	56	85	159	(36)	80	297	264
Total Wholesale	6	127	142	153	222	175	179	256	51	215	644	661
Other	7	8	(15)	8	(108)	(9)	(8)	(110)	14	(59)	(107)	(113)
<b>Total Bank</b>	8	<b>\$264</b>	<b>\$240</b>	<b>\$295</b>	<b>\$289</b>	<b>\$293</b>	<b>\$307</b>	<b>\$287</b>	<b>\$234</b>	<b>\$312</b>	<b>\$1,088</b>	<b>\$1,121</b>
<b>ROE (%)</b>												
Personal & Commercial Banking	9	21 %	24 %	21 %	26 %	26 %	18 %	17 %	22 %	18 %	23 %	20 %
Wealth Management Services	10	11	(1)	13	16	(2)	13	13	12	14	10	9
Total Retail	11	18	17	19	23	15	16	16	18	17	19	16
Corporate Banking	12	12	15	14	11	17	13	14	12	18	13	14
Investment Banking	13	22	22	27	70	20	30	49	(13)	26	36	22
Total Wholesale	14	14	17	17	26	18	18	26	4	20	17	16
<b>Total Bank</b>	15	<b>16 %</b>	<b>15 %</b>	<b>18 %</b>	<b>17 %</b>	<b>16 %</b>	<b>17 %</b>	<b>15 %</b>	<b>12 %</b>	<b>16 %</b>	<b>17 %</b>	<b>15 %</b>
<b>Percentage contribution to total net income</b>												
Personal & Commercial Banking	16	41 %	48 %	36 %	48 %	44 %	30 %	34 %	54 %	34 %	43 %	40 %
Wealth Management Services	17	8	-	9	12	(1)	14	15	18	16	8	11
Total Retail	18	49	48	45	60	43	44	49	72	50	51	51
Corporate Banking	19	30	42	33	24	41	31	34	37	43	32	35
Investment Banking	20	18	18	19	53	19	28	55	(15)	26	27	24
Total Wholesale	21	48	60	52	77	60	59	89	22	69	59	59
Other	22	3	(8)	3	(37)	(3)	(3)	(38)	6	(19)	(10)	(10)
<b>Total Bank</b>	23	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>
<b>Percentage geographic contribution to total net income</b>												
Canada	24	72 %	75 %	71 %	63 %	82 %	58 %	48 %	64 %	50 %	70 %	63 %
USA	25	18	25	19	20	19	30	36	15	34	21	25
Offshore	26	10	-	10	17	(1)	12	16	21	16	9	12
<b>Total Bank</b>	27	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>

**BASIS OF PRESENTATION OF RESULTS:** Results for each segment reflect revenues, expenses, assets and deposits generated by the businesses in that segment. Indirect expenses, such as overhead expenses, and associated revenues are allocated to business segments, using appropriate allocation formulas applied on a consistent basis. Common equity is allocated to business segments using capitalization rates applied to BIS-risk weighted assets, RAROC (Risk Adjusted Return On Capital) calculations, or based on comparable businesses.

**OTHER:** Includes Real Estate Investments and the effect of transfer pricing differences and any residual unallocated revenues and expenses. The Q3/98 and the Q4/97 general provisions for credit losses of \$200 million each are included in Other. The Q1/99 general provision for credit losses of \$100 is included in Other.

**NET INCOME BY MAJOR BUSINESS SEGMENT - PERSONAL & COMMERCIAL BANKING**  
(\$MILLIONS)

LINE #	QUARTER									FULL YEAR		
	1997				1998				1999	1997	1998	
	1	2	3	4	1	2	3	4	1			
Net interest income (TEB)	1	\$511	\$503	\$522	\$559	\$532	\$507	\$529	\$528	\$519	\$2,095	\$2,096
Provision for credit losses	2	34	33	32	(9)	42	42	37	35	44	90	156
Other income	3	177	172	194	190	201	190	203	208	212	733	802
Non-interest expenses	4	464	441	498	508	460	484	508	501	496	1,911	1,953
Net income before taxes	5	190	201	186	250	231	171	187	200	191	827	789
Income taxes (TEB)	6	83	87	80	111	101	78	88	74	84	361	341
<b>Net income</b>	7	\$107	\$114	\$106	\$139	\$130	\$93	\$99	\$126	\$107	\$466	\$448

**Selected volumes and ratios**

Average loans and customers' liability under acceptances (\$B)	8	\$51	\$53	\$54	\$55	\$56	\$57	\$59	\$58	\$59	\$53	\$58
Average deposits (\$B)	9	50	50	50	51	51	50	51	52	53	50	51
Assets under administration (\$B)	10	\$17	\$18	\$20	\$22	\$20	\$19	\$20	\$20	\$20	\$19	\$20
Efficiency ratio	11	67%	65%	70%	68%	63%	69%	69%	68%	68%	68%	67%
Return on common equity	12	21%	24%	21%	26%	26%	18%	17%	22%	18%	23%	20%

**PERSONAL AND COMMERCIAL BANKING:**

Provides financial services to consumers and small and medium-sized businesses. It encompasses retail banking, electronic banking, credit card services and insurance businesses, operating through a network of retail outlets, automated banking machines, telephones, PCs and the Internet. It also includes income from interest rate gapping.

**NET INCOME BY MAJOR BUSINESS SEGMENT - WEALTH MANAGEMENT SERVICES**  
(\$MILLIONS)

LINE #	QUARTER									FULL YEAR		
	1997				1998				1999	1997	1998	
	1	2	3	4	1	2	3	4	1			
Net interest income (TEB)	1	\$28	\$32	\$35	\$42	\$56	\$64	\$70	\$72	\$68	\$137	\$262
Provision for credit losses	2	-	3	-	-	1	1	-	-	1	3	2
Brokerage commissions & management fees	3	166	192	190	226	216	273	290	285	354	774	1,064
Non-interest expenses	4	148	197	170	198	252	252	278	282	331	713	1,064
Net income before taxes	5	46	24	55	70	19	84	82	75	90	195	260
Income taxes (TEB)	6	24	25	27	34	22	41	40	32	41	110	135
<b>Net income</b>	7	<b>\$22</b>	<b>(\$1)</b>	<b>\$28</b>	<b>\$36</b>	<b>(\$3)</b>	<b>\$43</b>	<b>\$42</b>	<b>\$43</b>	<b>\$49</b>	<b>\$85</b>	<b>\$125</b>

**Selected volumes and ratios**

Assets under administration (\$B)

Retail brokerage: Canada	8	\$21	\$22	\$25	\$26	\$33	\$37	\$37	\$35	\$40	\$24	\$36
USA	9	24	26	32	35	51	59	66	68	89	29	61
Offshore	10	-	-	-	-	-	-	-	-	2	-	-
TD mutual funds included in retail brokerage	11	(3)	(4)	(4)	(4)	(8)	(10)	(10)	(10)	(14)	(4)	(10)
Mutual funds: Canada	12	11	12	13	13	13	15	15	14	15	12	14
USA	13	3	3	3	4	4	5	5	6	9	3	5
TD Investment Management & other brokerage	14	15	17	23	25	27	29	32	32	34	20	30
Total AUA	15	\$71	\$76	\$92	\$99	\$120	\$135	\$145	\$145	\$175	\$84	\$136
Efficiency ratio	16	76%	88%	76%	74%	93%	75%	77%	79%	78%	78%	80%
Return on common equity	17	11%	-1%	13%	16%	-2%	13%	13%	12%	14%	10%	9%

ROE in Q1/98 would be 7% excluding the impact of \$25 million for acquisition of Rivkin.

ROE in Q2/97 would be 13% excluding the impact of \$29 million for acquisition of Pont.

ROE reflects the capital allocated to this segment including the funding of related goodwill which totalled \$928 million at January 31, 1999.

**WEALTH MANAGEMENT SERVICES:**

Comprised of TD Securities' retail brokerage businesses conducted through Green Line Investor Services (Canada, Europe, Asia), and Waterhouse Investor Service (discount brokerage); and TD Evergreen Investment Services (full service brokerage), TD Trust, Private Banking - as well as Mutual Funds, and TD Investments.

**NET INCOME BY MAJOR BUSINESS SEGMENT - CORPORATE BANKING**  
(\$MILLIONS)

LINE #	QUARTER									FULL YEAR		
	1997				1998				1999	1997	1998	
	1	2	3	4	1	2	3	4	1			
Net interest income (TEB)	1	\$132	\$140	\$127	\$159	\$150	\$152	\$154	\$162	\$176	\$558	\$618
Provision for credit losses	2	6	3	4	53	20	18	21	27	28	66	86
Credit and advisory fees	3	55	59	87	71	113	84	95	71	137	272	363
Non-interest expenses	4	44	40	49	57	49	49	59	62	52	190	219
Net income before taxes	5	137	156	161	120	194	169	169	144	233	574	676
Income taxes (TEB)	6	57	56	64	50	75	75	72	57	98	227	279
<b>Net income</b>	7	<b>\$80</b>	<b>\$100</b>	<b>\$97</b>	<b>\$70</b>	<b>\$119</b>	<b>\$94</b>	<b>\$97</b>	<b>\$87</b>	<b>\$135</b>	<b>\$347</b>	<b>\$397</b>
<b>Selected volumes and ratios</b>												
Average loans and customers' liability under acceptances (\$B)	8	\$25	\$26	\$27	\$27	\$29	\$29	\$28	\$30	\$33	\$26	\$29
Efficiency ratio	9	24%	20%	23%	25%	19%	21%	24%	26%	17%	23%	22%
Return on common equity	10	12%	15%	14%	11%	17%	13%	14%	12%	18%	13%	14%

**CORPORATE BANKING:**

Provides a full range of financial services to our large corporate customers. It includes corporate lending and loan syndications & agency together with deposit gathering, fee for services businesses (Trade Finance & Financial Institutions, Cash Management Services) and the Bank's preferred share investment portfolio. Q1/98 includes an after-tax gain on the sale of the payroll business of \$29MM. Q1/99 includes one-time after-tax security gains of \$35MM.



**NET INCOME BY MAJOR BUSINESS SEGMENT - INVESTMENT BANKING**  
(\$MILLIONS)

LINE #	QUARTER									FULL YEAR		
	1997				1998				1999	1997	1998	
	1	2	3	4	1	2	3	4	1			
Net interest income (TEB)	1	\$49	\$75	\$57	\$88	\$95	\$88	\$93	\$96	\$118	\$269	\$372
Provision for credit losses	2	-	1	(1)	1	-	2	4	-	2	1	6
Trading, underwriting & advisory fees	3	126	108	168	353	148	258	387	42	209	755	835
Non-interest expenses	4	97	107	128	176	148	191	182	205	186	508	726
Net income before taxes	5	78	75	98	264	95	153	294	(67)	139	515	475
Income taxes (TEB)	6	31	33	42	112	39	68	135	(31)	59	218	211
<b>Net income</b>	7	\$47	\$42	\$56	\$152	\$56	\$85	\$159	(\$36)	\$80	\$297	\$264

**Selected volumes and ratios**

Securities purchased under resale agreements (\$B)	8	\$14	\$23	\$23	\$23	\$27	\$29	\$33	\$12	\$23	\$21	\$25
Trading securities (\$B)	9	15	16	18	21	25	31	44	37	47	17	34
Short sales of securities (\$B)	10	8	8	8	10	9	10	16	13	16	8	12
Securities sold under repurchase agreements (\$B)	11	12	20	19	15	19	21	24	8	16	16	18
Efficiency ratio	12	55%	58%	57%	40%	61%	55%	38%	149%	57%	50%	60%
Return on common equity	13	22%	22%	27%	70%	20%	30%	49%	-13%	26%	36%	22%

**INVESTMENT BANKING:**

Comprised of TD Securities' businesses related to foreign exchange, interest rate derivatives, fixed income, high yield, money market , M & A advisory, equities and structured finance, merchant banking and funding - as well as head office common share investment portfolio.

**NII, MARGINS, RATES AND OTHER STATISTICS**  
(\$MILLIONS)

LINE #	QUARTER								FULL YEAR		
	1997				1998				1999	1997	1998
	1	2	3	4	1	2	3	4	1		
<b>Net interest income</b>											
1	\$686	\$683	\$702	\$751	\$760	\$717	\$736	\$728	\$793	\$2,822	\$2,941
2	34	43	37	47	50	55	48	46	45	161	199
3	\$720	\$726	\$739	\$798	\$810	\$772	\$784	\$774	\$838	\$2,983	\$3,140
<b>Average assets</b>											
4	\$116,692	\$124,302	\$129,765	\$136,739	\$145,776	\$155,213	\$165,392	\$178,398	\$181,123	\$126,897	\$161,244
5	134,698	141,865	151,325	157,557	172,931	184,173	196,746	208,343	211,978	146,397	190,600
<b>Trading related income (TEB)*</b>											
6	\$41	\$37	\$64	\$98	\$58	\$121	\$104	\$113	\$76	\$240	\$396
7	19	21	21	20	32	24	23	33	47	81	112
8	6	44	15	23	20	43	10	(113)	55	88	(40)
9	\$66	\$102	\$100	\$141	\$110	\$188	\$137	\$33	\$178	\$409	\$468
<b>Impact on NII from impaired loans</b>											
Reduction/(increase) in NII from impaired loans											
10	\$14	\$18	\$17	\$15	\$11	\$17	\$9	\$16	\$15	\$64	\$53
11	(4)	(3)	(4)	(2)	(4)	(4)	(4)	(4)	(3)	(13)	(16)
12	\$10	\$15	\$13	\$13	\$7	\$13	\$5	\$12	\$12	\$51	\$37
<b>Net interest margin</b>											
13	2.45 %	2.40 %	2.26 %	2.31 %	2.21 %	2.04 %	1.88 %	1.72 %	1.84 %	2.35 %	1.95 %
14	2.12	2.10	1.94	2.01	1.86	1.72	1.58	1.47	1.57	2.04	1.65
<b>Effective tax rates</b>											
15	38.3 %	38.1 %	37.1 %	34.9 %	40.2 %	38.4 %	35.5 %	21.7 %	35.5 %	37.1 %	35.3 %
16	42.9	44.3	41.7	41.2	45.7	44.5	41.8	32.3	41.0	42.4	42.0
<b>Number of common shares outstanding (millions)</b>											
17	299.1	296.5	296.9	296.9	297.0	297.0	297.1	297.1	297.2	296.9	297.1
18	302.5	298.7	296.8	296.9	297.0	297.0	297.1	297.1	297.2	298.7	297.0
<b>Asset securitization</b>											
Securitized during the quarter											
19	-	353	816	799	471	498	-	582	-	1,968	1,551
20	-	-	-	-	-	-	1,140	560	-	-	1,700
21	-	353	1,151	1,901	2,305	2,715	3,723	4,721	4,544	1,901	4,721
Income statement impact											
22	-	-	(\$2)	(\$3)	(\$4)	(\$4)	(\$5)	(\$33)	(\$31)	(\$5)	(\$46)
23	-	-	-	-	2	3	4	24	15	-	33
24	-	-	-	-	-	-	-	(10)	(13)	-	(10)
25	-	-	(\$2)	(\$3)	(\$2)	(\$1)	(\$1)	\$1	(\$3)	(\$5)	(\$3)

\* Includes trading-related income reported in net interest and other income.

**INTEREST RATE SENSITIVITY, SECURITIES, DEFERRED REVENUE AND GOODWILL**  
(\$MILLIONS)

LINE #	AS AT QUARTER END									
	1997				1998				1999	
	1	2	3	4	1	2	3	4	1	
<b>Interest sensitive liability gap within 1 year (\$billions)</b>	1	\$6.2	\$5.5	\$6.7	\$6.9	\$5.1	\$4.9	\$1.0	\$1.5	<b>(\$3.8)</b>
<b>After tax impact of 1% increase in interest rates on</b>										
Common shareholders' equity	2	(\$184)	(\$164)	(\$159)	(\$173)	(\$132)	(\$130)	(\$77)	(\$74)	<b>(\$112)</b>
Annual net income	3	(21)	(19)	(17)	(15)	3	(6)	13	38	<b>5</b>
<b>Securities - surplus (deficit) over book</b>										
Canadian Governments	4	\$12	(\$3)	(\$2)	\$17	(\$7)	(\$6)	(\$6)	(\$1)	<b>(\$2)</b>
U.S. Federal Government	5	(7)	(17)	-	1	1	4	1	7	<b>-</b>
Corporate Bonds/Debentures/Commercial Paper	6	5	23	19	(3)	(11)	(8)	(13)	(5)	<b>3</b>
Preferred Shares	7	40	33	52	59	43	43	42	17	<b>19</b>
Common & Equivalents	8	381	471	824	600	727	932	746	459	<b>880</b>
<b>Total</b>	9	<b>\$431</b>	<b>\$507</b>	<b>\$893</b>	<b>\$674</b>	<b>\$753</b>	<b>\$965</b>	<b>\$770</b>	<b>\$477</b>	<b>\$900</b>
<b>Deferred revenues</b>										
Credit fees	10	\$125	\$133	\$136	\$118	\$127	\$145	\$128	\$142	<b>\$183</b>
Derivatives	11	115	123	116	111	120	130	135	133	<b>134</b>
<b>Total</b>	12	<b>\$240</b>	<b>\$256</b>	<b>\$252</b>	<b>\$229</b>	<b>\$247</b>	<b>\$275</b>	<b>\$263</b>	<b>\$275</b>	<b>\$317</b>
<b>Goodwill</b>										
At beginning of period	13	\$522	\$519	\$531	\$517	\$522	\$756	\$734	\$915	<b>\$958</b>
Arising during the period	14	-	-	-	-	227	-	151	37	<b>3</b>
Amortized in the period	15	(7)	(7)	(7)	(7)	(9)	(10)	(11)	(13)	<b>(13)</b>
Foreign exchange adjustment	16	4	19	(7)	12	16	(12)	41	19	<b>(20)</b>
<b>At end of period</b>	17	<b>\$519</b>	<b>\$531</b>	<b>\$517</b>	<b>\$522</b>	<b>\$756</b>	<b>\$734</b>	<b>\$915</b>	<b>\$958</b>	<b>\$928</b>

**NET INTEREST INCOME**  
(\$MILLIONS)

LINE #	QUARTER									FULL YEAR		
	1997				1998				1999	1997	1998	
	1	2	3	4	1	2	3	4	1			
<b>Interest income</b>												
Loans	1	\$1,510	\$1,525	\$1,595	\$1,680	\$1,759	\$1,776	\$1,950	\$2,005	<b>\$1,897</b>	\$6,310	\$7,490
Securities	2	288	306	323	374	427	447	548	751	<b>715</b>	1,291	2,173
Deposits with banks	3	52	56	42	75	84	96	81	73	<b>81</b>	225	334
Total interest income	4	1,850	1,887	1,960	2,129	2,270	2,319	2,579	2,829	<b>2,693</b>	7,826	9,997
<b>Interest expense</b>												
Deposits	5	911	932	971	1,078	1,195	1,315	1,472	1,600	<b>1,520</b>	3,892	5,582
Subordinated notes	6	48	54	50	40	47	63	58	58	<b>54</b>	192	226
Other	7	205	218	237	260	268	224	313	443	<b>326</b>	920	1,248
Total interest expense	8	1,164	1,204	1,258	1,378	1,510	1,602	1,843	2,101	<b>1,900</b>	5,004	7,056
<b>Net interest income</b>	9	<b>\$686</b>	<b>\$683</b>	<b>\$702</b>	<b>\$751</b>	<b>\$760</b>	<b>\$717</b>	<b>\$736</b>	<b>\$728</b>	<b>\$793</b>	<b>\$2,822</b>	<b>\$2,941</b>

**OTHER INCOME**  
(\$MILLIONS)

LINE #	QUARTER									FULL YEAR		
	1997				1998				1999	1997	1998	
	1	2	3	4	1	2	3	4	1			
Discount brokerage	1	\$113	\$107	\$111	\$136	\$127	\$163	\$167	\$177	<b>\$238</b>	\$467	\$634
Full service brokerage and other securities services	2	65	59	117	92	93	128	104	54	<b>112</b>	333	379
Mutual fund management	3	32	36	40	44	44	48	56	56	<b>59</b>	152	204
Credit fees	4	80	79	101	92	82	105	119	97	<b>100</b>	352	403
Service charges	5	66	66	68	68	69	70	72	72	<b>68</b>	268	283
Card services	6	41	37	43	44	44	41	46	49	<b>46</b>	165	180
Trading income	7	46	63	70	91	65	153	95	(15)	<b>99</b>	270	298
Net investment securities gains	8	25	40	32	232	36	42	248	60	<b>132</b>	329	386
Foreign exchange - non-trading	9	17	21	16	27	22	20	29	24	<b>16</b>	81	95
Property rental income	10	15	13	12	14	18	10	17	16	<b>13</b>	54	61
Insurance	11	9	11	12	10	13	13	14	16	<b>14</b>	42	56
Income - asset securitizations	12	-	-	-	-	2	3	4	24	<b>14</b>	-	33
Other consumer services	13	10	12	10	13	7	9	6	6	<b>8</b>	45	28
Other commercial and corporate services	14	21	21	25	25	85	23	28	21	<b>18</b>	92	157
<b>Total other income - page 3 (line 3)</b>	15	<b>\$540</b>	<b>\$565</b>	<b>\$657</b>	<b>\$888</b>	<b>\$707</b>	<b>\$828</b>	<b>\$1,005</b>	<b>\$657</b>	<b>\$937</b>	<b>\$2,650</b>	<b>\$3,197</b>
Foreign exchange included above:												
Trading income	16	\$19	\$21	\$22	\$18	\$32	\$24	\$23	\$33	<b>\$46</b>	\$80	\$112
Non-trading	17	17	21	16	27	22	20	29	24	<b>16</b>	81	95
Total foreign exchange	18	<b>\$36</b>	<b>\$42</b>	<b>\$38</b>	<b>\$45</b>	<b>\$54</b>	<b>\$44</b>	<b>\$52</b>	<b>\$57</b>	<b>\$62</b>	<b>\$161</b>	<b>\$207</b>

**NON-INTEREST EXPENSES**  
(\$MILLIONS)

LINE #	QUARTER									FULL YEAR		
	1997				1998				1999	1997	1998	
	1	2	3	4	1	2	3	4	1			
<b>Salaries and staff benefits</b>												
Salaries	1	\$386	\$390	\$416	\$494	\$441	\$509	\$519	\$523	\$524	\$1,686	\$1,992
Pension and other staff benefits	2	32	37	37	34	39	44	47	45	53	140	175
Total	3	418	427	453	528	480	553	566	568	577	1,826	2,167
<b>Occupancy</b>												
Rent	4	41	41	43	46	44	47	51	54	52	171	196
Depreciation	5	17	17	17	21	18	15	20	20	18	72	73
Other	6	17	18	18	17	18	18	18	21	20	70	75
Total	7	75	76	78	84	80	80	89	95	90	313	344
<b>Equipment</b>												
Rent	8	14	13	14	17	17	18	21	22	22	58	78
Depreciation	9	20	20	22	24	25	27	28	28	26	86	108
Other	10	28	30	31	37	34	40	37	38	45	126	149
Total	11	62	63	67	78	76	85	86	88	93	270	335
<b>General</b>												
Marketing and business development	12	39	44	46	59	52	55	58	48	57	188	213
Brokerage related fees	13	22	23	24	31	32	38	41	51	58	100	162
Communications	14	30	29	30	32	34	34	38	36	40	121	142
Professional and advisory services	15	25	27	42	40	32	31	39	38	34	134	140
Capital and business taxes	16	23	33	31	23	26	22	22	3	20	110	73
Postage	17	14	15	14	16	14	17	17	17	20	59	65
Deposit insurance premiums	18	16	16	16	16	16	16	16	15	16	64	63
Travel and relocation	19	8	8	11	11	10	11	14	10	9	38	45
Other	20	26	30	38	37	37	43	47	55	57	131	182
Total	21	203	225	252	265	253	267	292	273	311	945	1,085
Total before acquisition costs	22	758	791	850	955	889	985	1,033	1,024	1,071	3,354	3,931
Pont ( Q2/97) / Rivkin (Q1/98)	23	-	29	-	-	25	-	-	-	-	29	25
<b>Total non-interest expenses - page 3 (line 5)</b>	24	<b>\$758</b>	<b>\$820</b>	<b>\$850</b>	<b>\$955</b>	<b>\$914</b>	<b>\$985</b>	<b>\$1,033</b>	<b>\$1,024</b>	<b>\$1,071</b>	<b>\$3,383</b>	<b>\$3,956</b>

**BALANCE SHEET**  
(\$MILLIONS)

LINE #	AS AT QUARTER END									
	1997				1998				1999	
	1	2	3	4	1	2	3	4	1	
Cash resources	1	\$4,788	\$5,134	\$5,945	\$7,587	\$5,743	\$6,878	\$6,925	\$3,079	\$8,531
Securities purchased under resale agreements	2	13,781	22,904	23,112	23,321	26,771	28,828	33,162	12,291	23,377
Investment securities										
Issued or guaranteed by Canada or provinces	3	2,524	2,534	2,460	2,325	2,367	1,791	1,916	1,721	1,655
Issued by US federal government	4	3,773	3,938	4,213	4,371	4,846	4,718	5,037	4,522	5,168
Other securities	5	4,896	5,358	5,773	5,915	5,938	8,527	9,322	6,269	10,676
Total	6	11,193	11,830	12,446	12,611	13,151	15,036	16,275	12,512	17,499
Trading securities	7	15,389	17,167	17,826	20,811	24,695	30,637	44,454	37,207	46,928
Total	8	26,582	28,997	30,272	33,422	37,846	45,673	60,729	49,719	64,427
Loans and customers' liability under acceptances										
Residential mortgages	9	29,758	30,568	30,448	30,442	30,632	30,734	31,982	32,255	32,388
Personal	10	11,212	12,298	12,588	13,736	14,872	16,186	15,913	15,160	16,442
Business and government	11	39,081	41,837	42,285	42,560	46,996	46,198	45,859	47,459	49,278
Total	12	80,051	84,703	85,321	86,738	92,500	93,118	93,754	94,874	98,108
Other assets	13	10,904	11,468	11,477	12,784	14,179	15,022	14,176	21,868	19,042
<b>Total assets</b>	14	<b>\$136,106</b>	<b>\$153,206</b>	<b>\$156,127</b>	<b>\$163,852</b>	<b>\$177,039</b>	<b>\$189,519</b>	<b>\$208,746</b>	<b>\$181,831</b>	<b>\$213,485</b>
Deposits										
Personal non-term	15	\$19,184	\$19,553	\$19,811	\$20,517	\$21,460	\$22,416	\$22,573	\$23,335	\$24,070
Personal term	16	24,323	23,445	23,789	23,527	23,081	22,916	22,935	24,358	25,371
Banks and deposit taking institutions	17	12,391	15,725	14,071	16,268	21,716	26,455	27,476	17,063	28,534
Business and government	18	35,101	39,976	46,151	50,314	51,827	55,886	64,360	55,921	66,461
Total	19	90,999	98,699	103,822	110,626	118,084	127,673	137,344	120,677	144,436
Acceptances	20	6,092	7,065	6,928	7,036	7,125	8,078	9,144	9,948	10,267
Short sales of securities	21	7,730	7,772	8,267	9,640	9,153	10,116	16,429	13,034	16,482
Securities sold under repurchase agreements	22	11,671	20,100	18,708	15,199	19,055	21,241	24,144	8,421	15,849
Other liabilities	23	9,944	9,138	8,063	10,657	12,238	10,922	9,745	17,612	14,248
Subordinated notes	24	2,944	3,542	3,289	3,391	3,464	3,425	3,543	3,606	3,559
Shareholders' equity										
Preferred	25	536	545	541	546	905	900	915	845	839
Common	26	6,190	6,345	6,509	6,757	7,015	7,164	7,482	7,688	7,805
Total	27	6,726	6,890	7,050	7,303	7,920	8,064	8,397	8,533	8,644
<b>Total liabilities and shareholders' equity</b>	28	<b>\$136,106</b>	<b>\$153,206</b>	<b>\$156,127</b>	<b>\$163,852</b>	<b>\$177,039</b>	<b>\$189,519</b>	<b>\$208,746</b>	<b>\$181,831</b>	<b>\$213,485</b>
Assets under administration										
Wealth management services	29	\$71,195	\$75,581	\$92,324	\$98,478	\$119,775	\$135,090	\$145,369	\$145,402	\$174,684
Personal and commercial banking	30	17,232	18,320	20,480	22,089	19,659	19,645	20,291	19,656	19,993
<b>Total</b>	31	<b>\$88,427</b>	<b>\$93,901</b>	<b>\$112,804</b>	<b>\$120,567</b>	<b>\$139,434</b>	<b>\$154,735</b>	<b>\$165,660</b>	<b>\$165,058</b>	<b>194,677</b>

**ANALYSIS OF CHANGE IN SHAREHOLDERS' EQUITY**  
(\$MILLIONS)

LINE #	QUARTER								FULL YEAR			
	1997				1998				1999	1997	1998	
	1	2	3	4	1	2	3	4	1			
<b>Preferred shares</b>												
Balance at beginning of period	1	\$534	\$536	\$545	\$541	\$546	\$905	\$900	\$915	\$845	\$534	\$546
Issued - TD Mortgage Investment Corp.	2	-	-	-	-	350	-	-	-	-	-	350
Redeemed	3	-	-	-	-	-	-	-	(75)	-	-	(75)
Translation on shares issued in foreign currency	4	2	9	(4)	5	9	(5)	15	5	(6)	12	24
Balance at end of period	5	536	545	541	546	905	900	915	845	839	546	845
<b>Common shares</b>												
Balance at beginning of period	6	1,305	1,294	1,290	1,297	1,297	1,298	1,299	1,300	1,301	1,305	1,297
Issued - Waterhouse	7	1	-	-	-	-	-	-	-	-	1	-
- Options	8	5	9	7	-	1	1	1	1	2	21	4
Repurchased for cancellation	9	(17)	(13)	-	-	-	-	-	-	-	(30)	-
Balance at end of period	10	1,294	1,290	1,297	1,297	1,298	1,299	1,300	1,301	1,303	1,297	1,301
<b>Retained earnings</b>												
Balance at beginning of period	11	4,840	4,896	5,055	5,212	5,460	5,717	5,865	6,182	6,387	4,840	5,460
Net Income	12	264	240	295	289	293	307	287	234	312	1,088	1,121
Dividends - common	13	(85)	(84)	(83)	(83)	(95)	(95)	(101)	(101)	(101)	(335)	(392)
- preferred	14	(8)	(7)	(8)	(8)	(8)	(8)	(9)	(9)	(8)	(31)	(34)
- preferred TDMIC tax effected	15	-	-	-	-	(3)	(2)	(3)	(3)	(3)	-	(11)
Translation adjustments - net of taxes	16	6	104	(45)	55	76	(43)	153	84	(84)	120	270
Share issue expenses - net of taxes	17	-	-	-	-	(3)	-	-	-	-	-	(3)
Shares repurchased for cancellation	18	(124)	(95)	(3)	-	-	-	-	-	-	(222)	-
Stock options settled in cash - tax effected	19	-	-	-	(6)	(2)	(12)	(9)	(2)	(1)	(6)	(25)
Other	20	3	1	1	1	(1)	1	(1)	2	-	6	1
Balance at end of period	21	4,896	5,055	5,212	5,460	5,717	5,865	6,182	6,387	6,502	5,460	6,387
<b>Total common equity</b>	22	6,190	6,345	6,509	6,757	7,015	7,164	7,482	7,688	7,805	6,757	7,688
<b>Total shareholders' equity</b>	23	\$6,726	\$6,890	\$7,050	\$7,303	\$7,920	\$8,064	\$8,397	\$8,533	\$8,644	\$7,303	\$8,533

**NUMBER OF COMMON SHARES**

<b>Common Shares</b>												
Number of common shares at beginning of period	24	302,702,896	299,137,724	296,543,324	296,932,574	296,946,199	296,964,049	297,031,274	297,068,149	297,118,824	302,702,896	296,946,199
Issued on acquisition of Waterhouse	25	28,278	-	-	-	-	-	-	-	-	28,278	-
Issue on exercise of options	26	264,150	425,500	389,250	13,625	17,850	67,225	36,875	50,675	64,725	1,092,525	172,625
Common shares repurchased	27	(3,857,600)	(3,019,900)	-	-	-	-	-	-	-	(6,877,500)	-
Number of common shares at end of period	28	299,137,724	296,543,324	296,932,574	296,946,199	296,964,049	297,031,274	297,068,149	297,118,824	297,183,549	296,946,199	297,118,824



**RISK-WEIGHTED ASSETS AND CAPITAL**  
(\$MILLIONS)

LINE #	AS AT QUARTER END									
	1997				1998				1999	
	1	2	3	4	1	2	3	4	1	
<b>Balance sheet assets</b>										
Cash resources	1	\$814	\$917	\$1,070	\$1,414	\$1,043	\$1,261	\$1,247	\$499	\$1,554
Securities	2	13,247	14,737	14,242	17,949	4,916	5,084	5,627	5,101	5,784
Loans	3	46,191	49,443	47,029	46,752	48,989	48,845	47,238	47,781	51,085
Customers' liability under acceptances	4	6,092	7,065	6,928	7,036	7,103	7,922	8,963	9,706	10,003
Other assets	5	4,131	3,926	4,174	4,922	4,717	4,578	4,042	5,192	5,921
<b>Total balance sheet assets</b>	6	<b>70,475</b>	<b>76,088</b>	<b>73,443</b>	<b>78,073</b>	<b>66,768</b>	<b>67,690</b>	<b>67,117</b>	<b>68,279</b>	<b>74,347</b>
<b>Off-balance sheet assets</b>										
Credit instruments	7	20,399	22,337	21,551	22,047	22,304	24,604	23,012	22,515	21,468
Derivative financial instruments	8	2,806	2,754	2,533	2,765	2,924	3,206	3,133	5,007	4,342
<b>Total off-balance sheet assets</b>	9	<b>23,205</b>	<b>25,091</b>	<b>24,084</b>	<b>24,812</b>	<b>25,228</b>	<b>27,810</b>	<b>26,145</b>	<b>27,522</b>	<b>25,810</b>
<b>Total risk-weighted asset equivalent - Credit risk</b>	10	<b>93,680</b>	<b>101,179</b>	<b>97,527</b>	<b>102,885</b>	<b>91,996</b>	<b>95,500</b>	<b>93,262</b>	<b>95,801</b>	<b>100,157</b>
<b>Total risk-weighted asset equivalent - Market risk *</b>	11	-	-	-	-	8,845	8,220	9,652	9,305	10,451
<b>Total risk-weighted assets</b>	12	<b>\$93,680</b>	<b>\$101,179</b>	<b>\$97,527</b>	<b>\$102,885</b>	<b>\$100,841</b>	<b>\$103,720</b>	<b>\$102,914</b>	<b>\$105,106</b>	<b>\$110,608</b>
<b>CAPITAL</b>										
<b>TIER 1</b>										
Common shareholders' equity	13	\$6,190	\$6,345	\$6,509	\$6,757	\$7,015	\$7,164	\$7,482	\$7,688	\$7,805
Qualifying preferred shares	14	537	545	541	546	905	901	915	845	839
Less: unamortized goodwill	15	(519)	(531)	(517)	(522)	(756)	(734)	(915)	(958)	(928)
<b>Total Tier 1 capital</b>	16	<b>6,208</b>	<b>6,359</b>	<b>6,533</b>	<b>6,781</b>	<b>7,164</b>	<b>7,331</b>	<b>7,482</b>	<b>7,575</b>	<b>7,716</b>
<b>TIER 2</b>										
Subordinated notes	17	2,944	3,542	3,289	3,391	3,463	3,425	3,543	3,606	3,559
Less: amortization of subordinated notes	18	(56)	(243)	(63)	(107)	(109)	(119)	(125)	(257)	(292)
Tier 2 capital in excess of 50% of Tier 1	19	-	(120)	-	-	-	-	-	-	-
General allowance for credit losses **	20	-	-	-	402	425	447	643	636	744
<b>Total Tier 2 capital</b>	21	<b>2,888</b>	<b>3,179</b>	<b>3,226</b>	<b>3,686</b>	<b>3,779</b>	<b>3,753</b>	<b>4,061</b>	<b>3,985</b>	<b>4,011</b>
Other deductions	22	-	-	(10)	(13)	(15)	(17)	(47)	(24)	(24)
<b>Total capital</b>	23	<b>\$9,096</b>	<b>\$9,538</b>	<b>\$9,749</b>	<b>\$10,454</b>	<b>\$10,928</b>	<b>\$11,067</b>	<b>\$11,496</b>	<b>\$11,536</b>	<b>\$11,703</b>
<b>Capital ratios</b>										
<b>Canadian</b>										
Tier 1 capital	24	6.6	6.3	6.7	6.6	7.1	7.1	7.3	7.2	7.0
Total capital	25	9.7	9.4	10.0	10.2	10.8	10.7	11.2	11.0	10.6
<b>U.S. basis</b>										
Tier 1 capital	26	6.5	6.1	6.5	6.4	6.9	6.9	7.1	6.9	6.7
Total capital	27	9.5	9.1	9.6	9.8	10.3	10.5	11.0	10.8	10.5

\* Market risk rules for trading securities in effect from Q1/98

\*\* Includes both the general allowance for loan losses and a general allowance for certain off-balance sheet instruments

**DERIVATIVES**  
(\$MILLIONS)

		AS AT QUARTER END								
LINE #	1997				1998				1999	
	1	2	3	4	1	2	3	4	1	
<b>Interest Rate</b>										
Notional Principal	1	\$316,242	\$338,025	\$355,986	\$385,242	\$418,190	\$400,398	\$420,679	\$467,072	<b>\$470,013</b>
Replacement Cost	2	3,102	2,793	3,660	3,599	4,031	4,325	4,482	6,701	<b>6,782</b>
Credit Equivalent	3	4,057	3,895	4,658	4,729	5,251	5,727	5,877	8,372	<b>8,495</b>
Risk-Weighted	4	1,085	1,327	1,254	1,277	1,390	1,543	1,433	2,133	<b>2,108</b>
<b>Foreign Exchange</b>										
Notional Principal	5	216,369	188,708	207,602	242,815	240,266	256,934	202,769	351,471	<b>308,549</b>
Replacement Cost	6	3,131	3,504	3,074	3,616	4,349	3,374	4,368	7,386	<b>4,931</b>
Credit Equivalent	7	6,154	6,701	6,319	7,256	8,158	7,497	8,011	13,237	<b>10,254</b>
Risk-Weighted	8	1,626	1,829	1,677	2,013	2,256	2,106	2,155	4,252	<b>3,266</b>
<b>Other</b>										
Notional Principal	9	2,740	1,675	2,075	13,770	7,110	18,276	26,186	31,041	<b>36,103</b>
Replacement Cost	10	28	27	38	173	108	184	405	450	<b>470</b>
Credit Equivalent	11	234	128	187	1,112	568	1,488	2,426	2,854	<b>2,558</b>
Risk-Weighted	12	95	40	55	385	239	534	750	895	<b>816</b>
<b>Total Derivatives</b>										
Notional Principal	13	535,351	528,408	565,663	641,827	665,566	675,608	649,634	849,584	<b>814,665</b>
Replacement Cost	14	6,261	6,324	6,772	7,388	8,488	7,883	9,255	14,537	<b>12,183</b>
Credit Equivalent	15	10,445	10,724	11,164	13,097	13,977	14,712	16,314	24,463	<b>21,307</b>
Risk-Weighted	16	2,806	3,196	2,986	3,675	3,885	4,183	4,338	7,280	<b>6,190</b>
Impact of Netting	17	-	(442)	(454)	(910)	(961)	(977)	(1,206)	(2,273)	<b>(1,848)</b>
Net Risk-Weighted	18	\$2,806	\$2,754	\$2,532	\$2,765	\$2,924	\$3,206	\$3,132	\$5,007	<b>\$4,342</b>

**NET IMPAIRED LOANS BY SECTOR**  
(\$MILLIONS)

LINE #	AS AT QUARTER END									
	1997				1998				1999	
	1	2	3	4	1	2	3	4	1	
<b>DOMESTIC</b>										
Personal	1	\$74	\$67	\$35	\$66	\$87	\$85	\$83	\$92	\$71
Commercial	2	189	151	172	112	88	71	77	115	143
Corporate	3	266	183	176	92	107	111	83	103	41
Total Domestic net of Specific Provisions	4	529	401	383	270	282	267	243	310	255
<b>INTERNATIONAL</b>										
U.S.A.	5	101	89	71	53	218	89	73	40	29
Other International	6	-	-	-	-	9	13	13	11	8
Total International net of Specific Provisions	7	101	89	71	53	227	102	86	51	37
Total Impaired Loans net of Specific Provisions	8	630	490	454	323	509	369	329	361	292
General Allowance for Credit Losses	9	116	123	169	402	425	447	650	620	723
<b>TOTAL NET IMPAIRED LOANS</b>	10	514	367	285	(79)	84	(78)	(321)	(259)	(431)
Allowance for Credit Losses	11	461	501	535	585	644	668	900	876	1,067
<b>TOTAL GROSS IMPAIRED LOANS</b>	12	\$975	\$868	\$820	\$506	\$728	\$590	\$579	\$617	\$636
Allowance for Credit Losses as a % of Gross Impaired Loans	13	47.3%	57.7%	65.2%	115.6%	88.5%	113.2%	155.5%	142.0%	167.8%
<b>Total Loans (Page 14, line 12)</b>	14	\$80,051	\$84,703	\$85,321	\$86,738	\$92,500	\$93,118	\$93,754	\$94,874	\$98,108
Net Impaired Loans as a % of Net Loans	15	0.6%	0.4%	0.3%	-0.1%	0.1%	-0.1%	-0.3%	-0.3%	-0.4%

**CASH BASIS MEASUREMENTS**  
(\$MILLIONS)

LINE #	QUARTER									FULL YEAR		
	1997				1998				1999	1997	1998	
	1	2	3	4	1	2	3	4	1			
Net Income applicable to common shares	1	\$256	\$233	\$287	\$281	\$282	\$297	\$275	\$222	\$301	\$1,057	\$1,076
Impact of non-cash goodwill	2	7	36	7	7	34	8	10	10	11	57	62
Cash net income	3	\$263	\$269	\$294	\$288	\$316	\$305	\$285	\$232	\$312	\$1,114	\$1,138
Average common shareholders' equity	4	\$6,206	\$6,282	\$6,395	\$6,633	\$6,852	\$7,032	\$7,282	\$7,548	\$7,721	6,386	\$7,169
Impact of average non-cash goodwill	5	(519)	(531)	(517)	(522)	(647)	(644)	(747)	(792)	(773)	(522)	(708)
Average common shareholders' equity on a cash basis	6	\$5,687	\$5,751	\$5,878	\$6,111	\$6,205	\$6,388	\$6,535	\$6,756	\$6,948	\$5,864	\$6,461
Average number of common shares outstanding (millions)	7	302.5	298.7	296.8	296.9	297.0	297.0	297.1	297.1	297.2	298.7	297.0
Cash earnings per share	8	\$0.87	\$0.90	\$0.99	\$0.97	\$1.06	\$1.03	\$0.96	\$0.78	\$1.05	\$3.73	\$3.83
Cash return on common shareholders' equity (%)	9	18.3%	19.2%	19.8%	18.7%	20.2%	19.6%	17.3%	13.6%	17.8%	19.0%	17.6%

Cash basis measurement is based on excluding goodwill expense from the income statement and deducting unamortized goodwill from shareholders' equity for purposes of calculating EPS and ROE. This treatment allows for a more meaningful comparison between Canada and the United States. The portion of goodwill which is deductible for tax has been tax-effected.