

# TD BANK FINANCIAL GROUP

## Q2/99

### SUPPLEMENTAL FINANCIAL INFORMATION (unaudited) FOR THE QUARTER ENDED APRIL 30, 1999

#### INDEX

	<u>Page</u>		<u>Page</u>
Highlights	1	Goodwill	9
Shareholder Value	2	Net Interest Income	10
Net Income	3	Other Income	11
Business Segments:		Non-Interest Expenses	12
Net Income by Major Business Segments:		Balance Sheet	13
- Total Bank	4	Assets Under Administration	13
- Personal & Commercial	5	Analysis of Change in Shareholders' Equity	14
- Wealth Management Services	6	Risk-Weighted Assets	15
- Corporate and Investment Banking	7	Capital	15
NII, Margins, Rates and Other Statistics	8	Derivatives	16
Interest Rate Sensitivity	9	Net Impaired Loans by Sector and General Allowances	17
Securities Surplus (Deficit) Over Book	9	Cash Basis Measurements	18
Deferred Revenue	9		
Group Finance			

## HIGHLIGHTS

LINE #	QUARTER								YEAR TO DATE			
	1997			1998				1999		1998	1999	
	2	3	4	1	2	3	4	1	2			
<b>Results of operations (\$ millions)</b>												
Net income	1	\$ 240	\$ 295	\$ 289	\$ 293	\$ 307	\$ 287	\$ 234	\$ 312	\$ 348	\$ 600	\$ 660
Net interest income (TEB)	2	726	739	798	810	772	784	774	838	752	1,582	1,590
Total revenue (TEB)	3	1,291	1,396	1,686	1,517	1,600	1,789	1,431	1,775	1,796	3,117	3,571
<b>Per common share</b>												
<b>Net income - cash basis</b>	4	\$ .90	\$ .99	\$ .97	\$ 1.06	\$ 1.03	\$ .96	\$ .78	\$ 1.05	\$ 1.17	\$ 2.09	\$ 2.22
Net income - accrual basis	5	.78	.96	.95	.95	1.00	.93	.74	1.01	1.14	1.95	2.15
<b>Financial position (\$ billions)</b>												
Total assets	6	\$ 153.2	\$ 156.1	\$ 163.9	\$ 177.0	\$ 189.5	\$ 208.7	\$ 181.8	\$ 213.5	\$ 208.0	\$ 189.5	\$ 208.0
Total common equity	7	6.3	6.5	6.8	7.0	7.2	7.5	7.7	7.8	7.9	7.2	7.9
<b>Other (\$ millions)</b>												
Net interest margin	8	2.40 %	2.26 %	2.31 %	2.21 %	2.04 %	1.88 %	1.72 %	1.84 %	1.70 %	2.12 %	1.77 %
Net impaired loans	9	\$ 367	\$ 285	\$ (79)	\$ 84	\$ (78)	\$ (321)	\$ (259)	\$ (431)	\$ (427)	\$ (78)	\$ (427)
Net impaired loans as a % of net loans*	10	.4 %	.3 %	(.1)%	.1 %	(.1)%	(.3)%	(.3)%	(.4)%	(.4)%	(.1)%	(.4)%
PCL as a % of net average loans*	11	.20	.19	1.09	.27	.28	1.11	.25	.71	.31	.27	.51
PCL excluding special charge as a % of net average loans*	12	.20	.19	.18	.27	.28	.26	.25	.30	.31	.27	.31
Securities - surplus over book	13	\$ 507	\$ 893	\$ 674	\$ 753	\$ 965	\$ 770	\$ 477	\$ 900	\$ 1,534	\$ 965	\$ 1,534
Net common equity to risk-weighted assets ratio	14	5.7 %	6.1 %	6.1 %	6.2 %	6.2 %	6.4 %	6.4 %	6.2 %	6.3 %	6.2 %	6.3 %
Tier 1 capital ratio	15	6.3	6.7	6.6	7.1	7.1	7.3	7.2	7.0	7.0	7.1	7.0
Total capital ratio	16	9.4	10.0	10.2	10.8	10.7	11.2	11.0	10.6	10.6	10.7	10.6
Efficiency ratio	17	63.5	60.9	56.6	60.3	61.6	57.8	71.5	60.3	63.4	60.9	61.9
Efficiency ratio-excluding goodwill and one-time gains	18	60.7	60.4	63.8	59.7	61.0	64.3	70.6	61.7	62.7	60.4	62.2
Number of full-time equivalent staff at period end	19	27,458	27,645	28,001	28,582	29,445	29,920	29,236	29,394	30,186	29,445	30,186
Number of retail bank and brokerage outlets	20	1,104	1,115	1,115	1,147	1,146	1,153	1,185	1,188	1,177	1,146	1,177
Rating of senior debt: Moody's	21	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa3	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.

## SHAREHOLDER VALUE

LINE #	QUARTER								YEAR TO DATE			
	1997			1998				1999		1998	1999	
	2	3	4	1	2	3	4	1	2			
<b>Per common share</b>												
<b>Net income - cash basis</b>	1	\$ .90	\$ .99	\$ .97	\$ 1.06	\$ 1.03	\$ .96	\$ .78	\$ 1.05	\$ 1.17	\$ 2.09	\$ 2.22
Net income - accrual basis	2	.78	.96	.95	.95	1.00	.93	.74	1.01	1.14	1.95	2.15
Dividends	3	.28	.28	.28	.32	.32	.34	.34	.34	.34	.64	.68
Book value	4	21.39	21.92	22.75	23.62	24.12	25.19	25.87	26.26	26.51	24.12	26.51
Closing market price	5	39.50	44.55	51.65	53.60	65.30	59.65	45.90	63.00	77.85	65.30	77.85
<b>Financial ratios and statistics</b>												
<b>Return on common equity - cash basis</b>	6	19.2 %	19.8 %	18.7 %	20.2 %	19.6 %	17.3 %	13.6 %	17.8 %	20.1 %	19.9 %	19.0 %
Return on common equity - accrual basis	7	15.2	17.8	16.8	16.3	17.3	15.0	11.7	15.5	17.6	16.8	16.6
Return on assets	8	.69	.77	.73	.67	.68	.58	.45	.58	.68	.68	.63
Return on risk-weighted assets	9	1.01	1.18	1.14	1.14	1.23	1.10	.89	1.15	1.28	1.18	1.22
Dividend yield (1)	10	2.8	2.6	2.5	2.1	1.9	2.0	2.7	2.5	1.8	2.0	2.0
Common dividend payout ratio	11	36.0	28.9	29.6	33.7	32.0	36.7	45.4	33.5	30.0	32.8	31.7
Closing market price to book value	12	1.85	2.03	2.27	2.27	2.71	2.37	1.77	2.40	2.94	2.71	2.94
Price earnings ratio (2)	13	12.5	13.1	14.6	14.7	16.9	15.6	12.7	17.1	20.4	16.9	20.4
Total market return on common shareholders' investment (3)	14	71.9 %	77.9 %	68.3 %	47.6 %	68.4 %	36.7 %	(8.6)%	20.0 %	21.3 %	68.4 %	21.3 %
Number of common shares outstanding (MM)	15	296.5	296.9	296.9	297.0	297.0	297.1	297.1	297.2	297.2	297.0	297.2

(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								YEAR TO DATE			
	1997			1998				1999		1998	1999	
	2	3	4	1	2	3	4	1	2			
Net interest income (TEB)	1	\$ 726	\$ 739	\$ 798	\$ 810	\$ 772	\$ 784	\$ 774	\$ 838	\$ 752	\$ 1,582	\$ 1,590
Provision for credit losses	2	40	40	240	63	62	263	62	175	75	125	250
Other income (page 11)	3	565	657	888	707	828	1,005	657	937	1,044	1,535	1,981
Net interest and other income	4	1,251	1,356	1,446	1,454	1,538	1,526	1,369	1,600	1,721	2,992	3,321
Non-interest expenses (page 12)	5	820	850	955	914	985	1,033	1,024	1,071	1,139	1,899	2,210
Income before provision for income taxes	6	431	506	491	540	553	493	345	529	582	1,093	1,111
Provision for income taxes (TEB)	7	191	211	202	247	246	206	111	217	234	493	451
<b>Net income</b>	8	240	295	289	293	307	287	234	312	348	600	660
Preferred dividends	9	7	8	8	11	10	12	12	11	11	21	22
<b>Net income applicable to common shares</b>	10	\$ 233	\$ 287	\$ 281	\$ 282	\$ 297	\$ 275	\$ 222	\$ 301	\$ 337	\$ 579	\$ 638
Average number of common shares outstanding (millions)	11	298.7	296.8	296.9	297.0	297.0	297.1	297.1	297.2	297.2	297.0	297.2
Earnings per share	12	\$ 0.78	\$ 0.96	\$ 0.95	\$ 0.95	\$ 1.00	\$ 0.93	\$ 0.74	\$ 1.01	\$ 1.14	\$ 1.95	\$ 2.15

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

LINE #	QUARTER								YEAR TO DATE			
	1997			1998				1999		1998	1999	
	2	3	4	1	2	3	4	1	2			
<b>Net income</b>												
Personal & Commercial Banking	1	\$ 114	\$ 106	\$ 139	\$ 130	\$ 93	\$ 99	\$ 126	\$ 107	\$ 100	\$ 223	\$ 207
Wealth Management Services	2	(1)	28	36	(3)	43	42	43	49	94	40	143
Total Retail	3	113	134	175	127	136	141	169	156	194	263	350
Corporate & Investment Banking	4	147	156	238	184	184	258	51	211	163	368	374
Other	5	(20)	5	(124)	(18)	(13)	(112)	14	(55)	(9)	(31)	(64)
<b>Total Bank</b>	6	\$ 240	\$ 295	\$ 289	\$ 293	\$ 307	\$ 287	\$ 234	\$ 312	\$ 348	\$ 600	\$ 660
<b>ROE (%)</b>												
Personal & Commercial Banking	7	24 %	21 %	26 %	26 %	18 %	17 %	22 %	18 %	17 %	22 %	18 %
Wealth Management Services	8	(1)	13	16	(2)	13	13	12	14	29	6	22
Total Retail	9	17	19	23	15	16	16	18	17	21	16	19
Corporate & Investment Banking	10	17	17	27	18	18	26	4	20	16	18	18
<b>Total Bank</b>	11	15 %	18 %	17 %	16 %	17 %	15 %	12 %	16 %	18 %	17 %	17 %
<b>Percentage contribution to total net income</b>												
Personal & Commercial Banking	12	48 %	36 %	48 %	44 %	30 %	34 %	54 %	34 %	29 %	37 %	31 %
Wealth Management Services	13	-	9	12	(1)	14	15	18	16	27	7	22
Total Retail	14	48	45	60	43	44	49	72	50	56	44	53
Corporate & Investment Banking	15	61	53	82	63	60	90	22	68	47	62	57
Other	16	(9)	2	(42)	(6)	(4)	(39)	6	(18)	(3)	(6)	(10)
<b>Total Bank</b>	17	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %
<b>Percentage geographic contribution to total net income</b>												
Canada	18	75 %	71 %	63 %	82 %	58 %	48 %	64 %	50 %	52 %	70 %	51 %
USA	19	25	19	20	19	30	36	15	34	37	25	36
Offshore	20	-	10	17	(1)	12	16	21	16	11	5	13
<b>Total Bank</b>	21	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %

BASIS OF PRESENTATION OF RESULTS: Results for each segment reflect revenues, expenses, assets and deposits generated by the businesses in that segment. 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								YEAR TO DATE			
	1997			1998				1999		1998	1999	
	2	3	4	1	2	3	4	1	2			
Net interest income (TEB)	1	\$ 503	\$ 522	\$ 559	\$ 532	\$ 507	\$ 529	\$ 528	\$ 519	\$ 501	\$1,039	\$1,020
Provision for credit losses	2	33	32	(9)	42	42	37	35	44	45	84	89
Other income	3	172	194	190	201	190	203	208	212	214	391	426
Non-interest expenses	4	441	498	508	460	484	508	501	496	494	944	990
Net income before taxes	5	201	186	250	231	171	187	200	191	176	402	367
Income taxes (TEB)	6	87	80	111	101	78	88	74	84	76	179	160
<b>Net income</b>	7	\$ 114	\$ 106	\$ 139	\$ 130	\$ 93	\$ 99	\$ 126	\$ 107	\$ 100	\$ 223	\$ 207

**Selected volumes and ratios**

Average loans and customers' liability under acceptances (\$B)	8	\$ 53	\$ 54	\$ 55	\$ 56	\$ 57	\$ 59	\$ 58	\$ 59	\$ 59	\$ 57	\$ 59
Average deposits (\$B)	9	50	50	51	51	50	51	52	53	53	51	53
Assets under administration (\$B)	10	\$ 18	\$ 20	\$ 22	\$ 20	\$ 19	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20
Efficiency ratio	11	65 %	70 %	68 %	63 %	69 %	69 %	68 %	68 %	69 %	66 %	68 %
Return on common equity	12	24 %	21 %	26 %	26 %	18 %	17 %	22 %	18 %	17 %	22 %	17 %

**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								YEAR TO DATE			
	1997			1998				1999		1998	1999	
	2	3	4	1	2	3	4	1	2			
Net interest income (TEB)	1	\$ 32	\$ 35	\$ 42	\$ 56	\$ 64	\$ 70	\$ 72	\$ 68	\$ 75	\$ 120	\$ 143
Provision for credit losses	2	3	-	-	1	1	-	-	1	1	2	2
Brokerage commissions & other	3	192	190	226	216	273	290	285	354	460	489	814
Non-interest expenses	4	197	170	198	252	252	278	282	331	368	504	699
Net income before taxes	5	24	55	70	19	84	82	75	90	166	103	256
Income taxes (TEB)	6	25	27	34	22	41	40	32	41	72	63	113
<b>Net income</b>	7	\$ (1)	\$ 28	\$ 36	\$ (3)	\$ 43	\$ 42	\$ 43	\$ 49	\$ 94	\$ 40	\$ 143

**Selected volumes and ratios**

Assets under administration (\$B) as at quarter end

Retail brokerage: Canada	8	\$ 22	\$ 25	\$ 26	\$ 33	\$ 37	\$ 37	\$ 35	\$ 40	\$ 43	\$ 37	\$ 43
USA	9	26	32	35	51	59	66	68	89	117	59	117
Offshore	10	-	-	-	-	-	-	-	2	2	-	2
TD mutual funds included in retail brokerage	11	(4)	(4)	(4)	(8)	(10)	(10)	(10)	(14)	(15)	(10)	(15)
Mutual funds: Canada	12	12	13	13	13	15	15	14	15	16	15	16
USA	13	3	3	4	4	5	5	6	9	10	5	10
TD Investment Management & other brokerage	14	17	23	25	27	29	32	32	34	35	29	35
Total AUA	15	\$ 76	\$ 92	\$ 99	\$ 120	\$ 135	\$ 145	\$ 145	\$ 175	\$ 208	\$ 135	\$ 208
Efficiency ratio	16	88 %	76 %	74 %	93 %	75 %	77 %	79 %	78 %	69 %	83 %	73 %
Cash basis return on common equity	17	49 %	44 %	50 %	22 %	33 %	42 %	37 %	41 %	74 %	28 %	58 %
Return on common equity	18	(1)%	13 %	16 %	(2)%	13 %	13 %	12 %	14 %	29 %	6 %	22 %

Excluding the impact of \$41 million after tax from investment securities gains in Q2/99, Net Income, Efficiency and ROE would be \$53 million, 79% and 16% respectively.

Excluding the impact of \$25 million for acquisition of Rivkin in Q1/98, Net Income, Efficiency and ROE would be \$22 million, 83% and 7% respectively.

Excluding the impact of \$29 million for acquisition of Pont Q2/97, Net Income, Efficiency and ROE would be \$28 million, 75% and 13% respectively.

ROE reflects the capital allocated to this segment including the funding of related goodwill which totalled \$882 million at April 30, 1999.

Cash Basis ROE excludes the impact of goodwill.

**WEALTH MANAGEMENT SERVICES:**

Comprised of TD Securities' retail brokerage businesses conducted through Green Line Investor Services (Canada, Europe, Asia), and Waterhouse Investor Services (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 AND INVESTMENT BANKING**  
(\$MILLIONS)

LINE #	QUARTER								YEAR TO DATE			
	1997			1998				1999		1998	1999	
	2	3	4	1	2	3	4	1	2			
Net interest income (TEB)	1	\$ 221	\$ 187	\$ 276	\$ 263	\$ 249	\$ 253	\$ 264	\$ 282	\$ 202	\$ 512	\$ 484
Provision for credit losses	2	4	3	54	20	20	25	27	30	30	40	60
Trading, underwriting & advisory fees	3	165	269	425	264	349	491	112	353	371	613	724
Non-interest expenses	4	146	188	240	205	250	252	274	240	252	455	492
Net income before taxes	5	236	265	407	302	328	467	75	365	291	630	656
Income taxes (TEB)	6	89	109	169	118	144	209	24	154	128	262	282
<b>Net income</b>	7	\$ 147	\$ 156	\$ 238	\$ 184	\$ 184	\$ 258	\$ 51	\$ 211	\$ 163	\$ 368	\$ 374

**Selected volumes and ratios**

Securities purchased under resale agreements (\$B)	8	\$ 23	\$ 23	\$ 23	\$ 27	\$ 29	\$ 33	\$ 12	\$ 23	\$ 21	\$ 29	\$ 21
Trading securities (\$B)	9	16	18	21	25	31	44	37	47	48	31	48
Short sales of securities (\$B)	10	8	8	10	9	10	16	13	16	16	10	16
Securities sold under repurchase agreements (\$B)	11	20	19	15	19	21	24	8	16	15	21	15
Average loans and customers' liability under acceptances (\$B)	12	26	27	27	29	29	28	30	33	32	29	33
Efficiency ratio	13	38 %	41 %	34 %	39 %	42 %	34 %	73 %	38 %	44 %	41 %	41 %
Return on common equity	14	17 %	17 %	27 %	18 %	18 %	26 %	4 %	20 %	16 %	18 %	18 %

Excluding the impact of \$35 million after tax one-time security gains in Q1/99, Net Income, Efficiency and ROE would be \$176 million, 42% and 16% respectively.

Excluding the impact of \$200 million special security gains in Q3/98, Net Income, Efficiency and ROE would be \$150 million, 46%, and 15% respectively.

Excluding the impact of \$29 million after tax sale of payroll in Q1/98, Net Income, Efficiency and ROE would be \$155 million, 43%, and 16% respectively.

Excluding the impact of \$200 million special security gains in Q4/97, Net Income, Efficiency and ROE would be \$124 million, 48%, and 14% respectively.

**CORPORATE AND INVESTMENT BANKING:**

Provides a full range of investment banking, merchant banking, mergers and acquisition advisory, fixed income, foreign exchange, derivative products, high yield, money market, equities, and corporate banking services, including loan syndications, to our borrowing, investing and issuing clients in Canada, the U.S.A., Europe, Australia, Latin America and Asia. The segment also includes the results of the Bank's common and preferred share investment portfolios and certain Head Office treasury activities



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

LINE #	QUARTER								YEAR TO DATE		
	1997			1998				1999		1998	1999
	2	3	4	1	2	3	4	1	2		
<b>Net interest income</b>											
1	\$ 683	\$ 702	\$ 751	\$ 760	\$ 717	\$ 736	\$ 728	\$ 793	\$ 704	\$ 1,477	\$ 1,497
2	43	37	47	50	55	48	46	45	48	105	93
3	\$ 726	\$ 739	\$ 798	\$ 810	\$ 772	\$ 784	\$ 774	\$ 838	\$ 752	\$ 1,582	\$ 1,590
<b>Average assets</b>											
4	\$124,302	\$129,765	\$136,739	\$145,776	\$155,213	\$165,392	\$178,398	\$181,123	\$181,156	\$150,417	\$181,140
5	141,865	151,325	157,557	172,931	184,173	196,746	208,343	211,978	208,714	178,458	210,373
<b>Trading related income (TEB)*</b>											
6	\$ 37	\$ 64	\$ 98	\$ 58	\$ 121	\$ 104	\$ 113	\$ 76	\$ 142	\$ 179	\$ 218
7	21	21	20	32	24	23	33	47	35	56	82
8	44	15	23	20	43	10	(113)	55	36	63	91
9	\$ 102	\$ 100	\$ 141	\$ 110	\$ 188	\$ 137	\$ 33	\$ 178	\$ 213	\$ 298	\$ 391
<b>Impact on NII from impaired loans</b>											
Reduction/(increase) in NII from impaired loans											
10	\$ 18	\$ 17	\$ 15	\$ 11	\$ 17	\$ 9	\$ 16	\$ 15	\$ 15	\$ 28	\$ 30
11	(3)	(4)	(2)	(4)	(4)	(4)	(4)	(3)	(3)	(8)	(6)
12	\$ 15	\$ 13	\$ 13	\$ 7	\$ 13	\$ 5	\$ 12	\$ 12	\$ 12	\$ 20	\$ 24
<b>Net interest margin</b>											
13	2.40 %	2.26 %	2.31 %	2.21 %	2.04 %	1.88 %	1.72 %	1.84 %	1.70 %	2.12 %	1.77 %
14	2.10	1.94	2.01	1.86	1.72	1.58	1.47	1.57	1.48	1.79	1.52
<b>Effective tax rates</b>											
15	38.1 %	37.1 %	34.9 %	40.2 %	38.4 %	35.5 %	21.7 %	35.5 %	34.9 %	39.3 %	35.2 %
16	44.3	41.7	41.2	45.7	44.5	41.8	32.3	41.0	40.4	45.1	40.7
<b>Number of common shares outstanding (millions)</b>											
17	296.5	296.9	296.9	297.0	297.0	297.1	297.1	297.2	297.2	297.0	297.2
18	298.7	296.8	296.9	297.0	297.0	297.1	297.1	297.2	297.2	297.0	297.2
<b>Asset securitization</b>											
Securitized during the quarter											
19	353	816	799	471	498	-	582	-	-	969	-
20	-	-	-	-	-	1,140	560	-	325	-	325
21	353	1,151	1,901	2,305	2,715	3,723	4,721	4,544	4,707	2,715	4,707
Outstanding at period end											
Income statement impact											
22	\$ -	\$ (2)	\$ (3)	\$ (4)	\$ (4)	\$ (5)	\$ (33)	\$ (31)	\$ (33)	\$ (8)	\$ (64)
23	-	-	-	2	3	4	24	15	18	5	33
24	-	-	-	-	-	-	(10)	(13)	(12)	-	(25)
25	\$ -	\$ (2)	\$ (3)	\$ (2)	\$ (1)	\$ (1)	\$ 1	\$ (3)	\$ (3)	\$ (3)	\$ (6)

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

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

		AS AT QUARTER END									
LINE #	1997			1998				1999			
	2	3	4	1	2	3	4	1	2		
<b>Interest sensitive (asset) liability gap within 1 year (\$billions)</b>	1	\$ 5.5	\$ 6.7	\$ 6.9	\$ 5.1	\$ 4.9	\$ 1.0	\$ 1.5	\$ (3.8)	\$ (4.4)	
<b>After tax impact of 1% increase in interest rates on</b>											
Common shareholders' equity	2	\$ (164)	\$ (159)	\$ (173)	\$ (132)	\$ (130)	\$ (77)	\$ (74)	\$ (112)	\$ (126)	
Annual net income	3	(19)	(17)	(15)	3	(6)	13	38	5	(2)	
<b>Securities - surplus (deficit) over book</b>											
Canadian governments	4	\$ (3)	\$ (2)	\$ 17	\$ (7)	\$ (6)	\$ (6)	\$ (1)	\$ (2)	\$ (2)	
U.S. federal government	5	(17)	-	1	1	4	1	7	-	-	
Corporate bonds/debentures/commercial paper	6	23	19	(3)	(11)	(8)	(13)	(5)	3	(2)	
Preferred shares	7	33	52	59	43	43	42	17	19	17	
Common & equivalents	8	471	824	600	727	932	746	459	880	1,521	
<b>Total</b>	9	\$ 507	\$ 893	\$ 674	\$ 753	\$ 965	\$ 770	\$ 477	\$ 900	\$ 1,534	
<b>Deferred revenues</b>											
Credit fees	10	\$ 133	\$ 136	\$ 118	\$ 127	\$ 145	\$ 128	\$ 142	\$ 183	\$ 141	
Derivatives	11	123	116	111	120	130	135	133	134	142	
<b>Total</b>	12	\$ 256	\$ 252	\$ 229	\$ 247	\$ 275	\$ 263	\$ 275	\$ 317	\$ 283	
<b>Goodwill</b>											
At beginning of period	13	\$ 519	\$ 531	\$ 517	\$ 522	\$ 756	\$ 734	\$ 915	\$ 958	\$ 928	
Arising during the period	14	-	-	-	227	-	151	37	3	-	
Amortized in the period	15	(7)	(7)	(7)	(9)	(10)	(11)	(13)	(13)	(13)	
Foreign exchange adjustment	16	19	(7)	12	16	(12)	41	19	(20)	(33)	
<b>At end of period</b>	17	\$ 531	\$ 517	\$ 522	\$ 756	\$ 734	\$ 915	\$ 958	\$ 928	\$ 882	

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

LINE #	QUARTER								YEAR TO DATE			
	1997			1998				1999		1998	1999	
	2	3	4	1	2	3	4	1	2			
<b>Interest income</b>												
Loans	1	\$ 1,525	\$ 1,595	\$ 1,680	\$ 1,759	\$ 1,776	\$ 1,950	\$ 2,005	\$ 1,897	\$ 1,876	\$ 3,535	\$ 3,773
Securities	2	306	323	374	427	447	548	751	715	591	874	1,306
Deposits with banks	3	56	42	75	84	96	81	73	81	186	180	267
Total interest income	4	1,887	1,960	2,129	2,270	2,319	2,579	2,829	2,693	2,653	4,589	5,346
<b>Interest expense</b>												
Deposits	5	932	971	1,078	1,195	1,315	1,472	1,600	1,520	1,579	2,510	3,099
Subordinated notes	6	54	50	40	47	63	58	58	54	48	110	102
Other	7	218	237	260	268	224	313	443	326	322	492	648
Total interest expense	8	1,204	1,258	1,378	1,510	1,602	1,843	2,101	1,900	1,949	3,112	3,849
<b>Net interest income</b>	9	\$ 683	\$ 702	\$ 751	\$ 760	\$ 717	\$ 736	\$ 728	\$ 793	\$ 704	\$ 1,477	\$ 1,497

**OTHER INCOME**  
(\$MILLIONS)

LINE #	QUARTER								YEAR TO DATE			
	1997			1998				1999		1998	1999	
	2	3	4	1	2	3	4	1	2			
Discount brokerage	1	\$ 107	\$ 111	\$ 136	\$ 127	\$ 163	\$ 167	\$ 177	\$ 238	\$ 268	\$ 290	\$ 506
Full service brokerage and other securities services	2	59	117	92	93	128	104	54	112	116	221	228
Mutual fund management	3	36	40	44	44	48	56	56	59	64	92	123
Credit fees	4	79	101	92	82	105	119	97	100	118	187	218
Service charges	5	66	68	68	69	70	72	72	68	69	139	137
Card services	6	37	43	44	44	41	46	49	46	43	85	89
Trading income	7	63	70	91	65	153	95	(15)	99	184	218	283
Net investment securities gains	8	40	32	232	36	42	248	60	132	80	78	212
Foreign exchange - non-trading	9	21	16	27	22	20	29	24	16	12	42	28
Property rental income	10	13	12	14	18	10	17	16	13	17	28	30
Insurance	11	11	12	10	13	13	14	16	14	16	26	30
Income - asset securitizations	12	-	-	-	2	3	4	24	14	17	5	31
Other consumer services	13	12	10	13	7	9	6	6	8	8	16	16
Other commercial and corporate services	14	21	25	25	85	23	28	21	18	32	108	50
<b>Total other income - page 3 (line 3)</b>	15	\$ 565	\$ 657	\$ 888	\$ 707	\$ 828	\$ 1,005	\$ 657	\$ 937	\$ 1,044	\$ 1,535	\$ 1,981
Foreign exchange included above:												
Trading income	16	\$ 21	\$ 22	\$ 18	\$ 32	\$ 24	\$ 23	\$ 33	\$ 46	\$ 35	\$ 56	\$ 81
Non-trading	17	21	16	27	22	20	29	24	16	12	42	28
Total foreign exchange	18	\$ 42	\$ 38	\$ 45	\$ 54	\$ 44	\$ 52	\$ 57	\$ 62	\$ 47	\$ 98	\$ 109

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

LINE #	QUARTER								YEAR TO DATE			
	1997			1998				1999		1998	1999	
	2	3	4	1	2	3	4	1	2			
<b>Salaries and staff benefits</b>												
Salaries	1	\$ 390	\$ 416	\$ 494	\$ 441	\$ 509	\$ 519	\$ 523	\$ 524	\$ 549	\$ 950	\$ 1,073
Pension and other staff benefits	2	37	37	34	39	44	47	45	53	57	83	110
Total	3	427	453	528	480	553	566	568	577	606	1,033	1,183
<b>Occupancy</b>												
Rent	4	41	43	46	44	47	51	54	52	53	91	105
Depreciation	5	17	17	21	18	15	20	20	18	19	33	37
Other	6	18	18	17	18	18	18	21	20	21	36	41
Total	7	76	78	84	80	80	89	95	90	93	160	183
<b>Equipment</b>												
Rent	8	13	14	17	17	18	21	22	22	22	35	44
Depreciation	9	20	22	24	25	27	28	28	26	29	52	55
Other	10	30	31	37	34	40	37	38	45	48	74	93
Total	11	63	67	78	76	85	86	88	93	99	161	192
<b>General</b>												
Marketing and business development	12	44	46	59	52	55	58	48	57	63	107	120
Brokerage related fees	13	23	24	31	32	38	41	51	58	55	70	113
Communications	14	29	30	32	34	34	38	36	40	42	68	82
Professional and advisory services	15	27	42	40	32	31	39	38	34	41	63	75
Capital and business taxes	16	33	31	23	26	22	22	3	20	21	48	41
Postage	17	15	14	16	14	17	17	17	20	23	31	43
Deposit insurance premiums	18	16	16	16	16	16	16	15	16	17	32	33
Travel and relocation	19	8	11	11	10	11	14	10	9	11	21	20
Other	20	30	38	37	37	43	47	55	57	68	80	125
Total	21	225	252	265	253	267	292	273	311	341	520	652
Total before acquisition costs	22	791	850	955	889	985	1,033	1,024	1,071	1,139	1,874	2,210
Pont ( Q2/97) / Rivkin (Q1/98)	23	29	-	-	25	-	-	-	-	-	25	-
<b>Total non-interest expenses - page 3 (line 5)</b>	24	\$ 820	\$ 850	\$ 955	\$ 914	\$ 985	\$ 1,033	\$ 1,024	\$ 1,071	\$ 1,139	\$ 1,899	\$ 2,210

**BALANCE SHEET**  
(\$MILLIONS)

		AS AT QUARTER END								
LINE #	1997			1998				1999		
	2	3	4	1	2	3	4	1	2	
Cash resources	1	\$ 5,134	\$ 5,945	\$ 7,587	\$ 5,743	\$ 6,878	\$ 6,925	\$ 3,079	\$ 8,531	\$ 7,596
Securities purchased under resale agreements	2	22,904	23,112	23,321	26,771	28,828	33,162	12,291	23,377	20,536
Investment securities										
Issued or guaranteed by Canada or provinces	3	2,534	2,460	2,325	2,367	1,791	1,916	1,721	1,655	1,078
Issued by US federal government	4	3,938	4,213	4,371	4,846	4,718	5,037	4,522	5,168	5,598
Other securities	5	5,358	5,773	5,915	5,938	8,527	9,322	6,269	10,676	9,512
Total	6	11,830	12,446	12,611	13,151	15,036	16,275	12,512	17,499	16,188
Trading securities	7	17,167	17,826	20,811	24,695	30,637	44,454	37,207	46,928	47,635
Total	8	28,997	30,272	33,422	37,846	45,673	60,729	49,719	64,427	63,823
Loans and customers' liability under acceptances										
Residential mortgages	9	30,568	30,448	30,442	30,632	30,734	31,982	32,255	32,388	33,343
Personal	10	12,298	12,588	13,736	14,872	16,186	15,913	15,160	16,442	18,819
Business and government	11	41,837	42,285	42,560	46,996	46,198	45,859	47,459	49,278	47,096
Total	12	84,703	85,321	86,738	92,500	93,118	93,754	94,874	98,108	99,258
Other assets	13	11,468	11,477	12,784	14,179	15,022	14,176	21,868	19,042	16,828
<b>Total assets</b>	14	\$ 153,206	\$ 156,127	\$ 163,852	\$ 177,039	\$ 189,519	\$ 208,746	\$ 181,831	\$ 213,485	\$ 208,041
Deposits										
Personal non-term	15	\$ 19,553	\$ 19,811	\$ 20,517	\$ 21,460	\$ 22,416	\$ 22,573	\$ 23,335	\$ 24,070	\$ 25,084
Personal term	16	23,445	23,789	23,527	23,081	22,916	22,935	24,358	25,371	25,699
Banks and deposit taking institutions	17	15,725	14,071	16,268	21,716	26,455	27,476	17,063	28,534	30,236
Business and government	18	39,976	46,151	50,314	51,827	55,886	64,360	55,921	66,461	60,246
Total	19	98,699	103,822	110,626	118,084	127,673	137,344	120,677	144,436	141,265
Acceptances	20	7,065	6,928	7,036	7,125	8,078	9,144	9,948	10,267	8,861
Short sales of securities	21	7,772	8,267	9,640	9,153	10,116	16,429	13,034	16,482	16,034
Securities sold under repurchase agreements	22	20,100	18,708	15,199	19,055	21,241	24,144	8,421	15,849	15,207
Other liabilities	23	9,138	8,063	10,657	12,238	10,922	9,745	17,612	14,248	14,552
Subordinated notes	24	3,542	3,289	3,391	3,464	3,425	3,543	3,606	3,559	3,411
Shareholders' equity										
Preferred	25	545	541	546	905	900	915	845	839	830
Common	26	6,345	6,509	6,757	7,015	7,164	7,482	7,688	7,805	7,881
Total	27	6,890	7,050	7,303	7,920	8,064	8,397	8,533	8,644	8,711
<b>Total liabilities and shareholders' equity</b>	28	\$ 153,206	\$ 156,127	\$ 163,852	\$ 177,039	\$ 189,519	\$ 208,746	\$ 181,831	\$ 213,485	\$ 208,041
Assets under administration										
Wealth management services	29	\$ 75,581	\$ 92,324	\$ 98,478	\$ 119,775	\$ 135,090	\$ 145,369	\$ 145,402	\$ 174,684	\$ 207,761
Personal and commercial banking	30	18,320	20,480	22,089	19,659	19,645	20,291	19,656	19,993	20,169
<b>Total</b>	31	\$ 93,901	\$ 112,804	\$ 120,567	\$ 139,434	\$ 154,735	\$ 165,660	\$ 165,058	\$ 194,677	\$ 227,930

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

LINE #	QUARTER								YEAR TO DATE		
	1997			1998				1999		1998	1999
	2	3	4	1	2	3	4	1	2		
<b>Preferred shares</b>											
1	\$ 536	\$ 545	\$ 541	\$ 546	\$ 905	\$ 900	\$ 915	\$ 845	\$ 839	\$ 546	\$ 845
2	-	-	-	350	-	-	-	-	-	350	-
3	-	-	-	-	-	-	(75)	-	-	(75)	-
4	9	(4)	5	9	(5)	15	5	(6)	(9)	24	(15)
5	545	541	546	905	900	915	845	839	830	845	830
<b>Common shares</b>											
6	1,294	1,290	1,297	1,297	1,298	1,299	1,300	1,301	1,303	1,297	1,301
7	9	7	-	1	1	1	1	2	2	4	4
8	(13)	-	-	-	-	-	-	-	-	-	-
9	1,290	1,297	1,297	1,298	1,299	1,300	1,301	1,303	1,305	1,301	1,305
<b>Retained earnings</b>											
10	4,896	5,055	5,212	5,460	5,717	5,865	6,182	6,387	6,502	5,460	6,387
11	240	295	289	293	307	287	234	312	348	1,121	660
12	(84)	(83)	(83)	(95)	(95)	(101)	(101)	(101)	(101)	(392)	(202)
13	(7)	(8)	(8)	(8)	(8)	(9)	(9)	(8)	(8)	(34)	(16)
14	-	-	-	(3)	(2)	(3)	(3)	(3)	(3)	(11)	(6)
15	104	(45)	55	76	(43)	153	84	(84)	(133)	270	(217)
16	-	-	-	(3)	-	-	-	-	-	(3)	-
17	(95)	(3)	-	-	-	-	-	-	-	-	-
18	-	-	(6)	(2)	(12)	(9)	(2)	(1)	(28)	(25)	(29)
19	1	1	1	(1)	1	(1)	2	-	(1)	1	(1)
20	5,055	5,212	5,460	5,717	5,865	6,182	6,387	6,502	6,576	6,387	6,576
21	6,345	6,509	6,757	7,015	7,164	7,482	7,688	7,805	7,881	7,688	7,881
22	\$ 6,890	\$ 7,050	\$ 7,303	\$ 7,920	\$ 8,064	\$ 8,397	\$ 8,533	\$ 8,644	\$ 8,711	\$ 8,533	\$ 8,711

**NUMBER OF COMMON SHARES**

<b>Common Shares</b>											
23	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
24	425,500	389,250	13,625	17,850	67,225	36,875	50,675	64,725	65,824	172,625	130,549
25	(3,019,900)	-	-	-	-	-	-	-	-	-	-
26	296,543,324	296,932,574	296,946,199	296,964,049	297,031,274	297,068,149	297,118,824	297,183,549	297,249,373	297,118,824	297,249,373

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

LINE #	AS AT QUARTER END									
	1997			1998				1999		
	2	3	4	1	2	3	4	1	2	
<b>Balance sheet assets</b>										
Cash resources	1	\$ 917	\$ 1,070	\$ 1,414	\$ 1,043	\$ 1,261	\$ 1,247	\$ 499	\$ 1,554	\$ 1,406
Securities	2	14,737	14,242	17,949	4,916	5,084	5,627	5,101	5,784	5,727
Loans	3	49,443	47,029	46,752	48,989	48,845	47,238	47,781	51,085	53,762
Customers' liability under acceptances	4	7,065	6,928	7,036	7,103	7,922	8,963	9,706	10,003	8,641
Other assets	5	3,926	4,174	4,922	4,717	4,578	4,042	5,192	5,921	4,884
<b>Total balance sheet assets</b>	6	<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>74,420</b>
<b>Off-balance sheet assets</b>										
Credit instruments	7	22,337	21,551	22,047	22,304	24,604	23,012	22,515	21,468	21,806
Derivative financial instruments	8	2,754	2,533	2,765	2,924	3,206	3,133	5,007	4,342	3,645
<b>Total off-balance sheet assets</b>	9	<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>25,451</b>
<b>Total risk-weighted asset equivalent - Credit risk</b>	10	<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>99,871</b>
<b>Total risk-weighted asset equivalent - Market risk *</b>	11	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,845</b>	<b>8,220</b>	<b>9,652</b>	<b>9,305</b>	<b>10,451</b>	<b>11,182</b>
<b>Total risk-weighted assets</b>	12	<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>\$ 111,053</b>
<b>CAPITAL</b>										
<b>TIER 1</b>										
Common shareholders' equity	13	\$ 6,345	\$ 6,509	\$ 6,757	\$ 7,015	\$ 7,164	\$ 7,482	\$ 7,688	\$ 7,805	\$ 7,881
Qualifying preferred shares	14	545	541	546	905	901	915	845	839	830
Less: unamortized goodwill	15	(531)	(517)	(522)	(756)	(734)	(915)	(958)	(928)	(882)
<b>Total Tier 1 capital</b>	16	<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>7,829</b>
<b>TIER 2</b>										
Subordinated notes	17	3,542	3,289	3,391	3,463	3,425	3,543	3,606	3,559	3,411
Less: amortization of subordinated notes	18	(243)	(63)	(107)	(109)	(119)	(125)	(257)	(292)	(221)
Tier 2 capital in excess of 50% of Tier 1	19	(120)	-	-	-	-	-	-	-	-
General allowance for credit losses **	20	-	-	402	425	447	643	636	744	740
<b>Total Tier 2 capital</b>	21	<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>	<b>3,930</b>
Other deductions	22	-	(10)	(13)	(15)	(17)	(47)	(24)	(24)	(25)
<b>Total capital</b>	23	<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>\$ 11,734</b>
<b>Capital ratios</b>										
<b>Canadian</b>										
Tier 1 capital	24	6.3	6.7	6.6	7.1	7.1	7.3	7.2	7.0	7.0
Total capital	25	9.4	10.0	10.2	10.8	10.7	11.2	11.0	10.6	10.6
<b>U.S. basis</b>										
Tier 1 capital	26	6.1	6.5	6.4	6.9	6.9	7.1	6.9	6.7	6.7
Total capital	27	9.1	9.6	9.8	10.3	10.5	11.0	10.8	10.5	10.7

\* 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)**

LINE #	AS AT QUARTER END									
	1997			1998				1999		
	2	3	4	1	2	3	4	1	2	
<b>Interest Rate</b>										
Notional Principal	1	\$ 338,025	\$ 355,986	\$ 385,242	\$ 418,190	\$ 400,398	\$ 420,679	\$ 467,072	\$ 470,013	\$ 544,798
Replacement Cost	2	2,793	3,660	3,599	4,031	4,325	4,482	6,701	6,782	5,906
Credit Equivalent	3	3,895	4,658	4,729	5,251	5,727	5,877	8,372	8,495	7,663
Risk-Weighted	4	1,327	1,254	1,277	1,390	1,543	1,433	2,133	2,108	1,840
<b>Foreign Exchange</b>										
Notional Principal	5	188,708	207,602	242,815	240,266	256,934	202,769	351,471	308,549	325,292
Replacement Cost	6	3,504	3,074	3,616	4,349	3,374	4,368	7,386	4,931	4,949
Credit Equivalent	7	6,701	6,319	7,256	8,158	7,497	8,011	13,237	10,254	10,435
Risk-Weighted	8	1,829	1,677	2,013	2,256	2,106	2,155	4,252	3,266	3,350
<b>Other</b>										
Notional Principal	9	1,675	2,075	13,770	7,110	18,276	26,186	31,041	36,103	28,548
Replacement Cost	10	27	38	173	108	184	405	450	470	305
Credit Equivalent	11	128	187	1,112	568	1,488	2,426	2,854	2,558	2,446
Risk-Weighted	12	40	55	385	239	534	750	895	816	772
<b>Total Derivatives</b>										
Notional Principal	13	528,408	565,663	641,827	665,566	675,608	649,634	849,584	814,665	898,638
Replacement Cost	14	6,324	6,772	7,388	8,488	7,883	9,255	14,537	12,183	11,160
Credit Equivalent	15	10,724	11,164	13,097	13,977	14,712	16,314	24,463	21,307	20,544
Risk-Weighted	16	3,196	2,987	3,675	3,885	4,183	4,339	7,280	6,190	5,962
Netting & Collateral - Impact	17	(442)	(454)	(910)	(961)	(977)	(1,206)	(2,273)	(1,848)	(2,317)
Net Risk-Weighted	18	\$ 2,754	\$ 2,533	\$ 2,765	\$ 2,924	\$ 3,206	\$ 3,133	\$ 5,007	\$ 4,342	\$ 3,645

**NET IMPAIRED LOANS BY SECTOR AND GENERAL ALLOWANCES**  
(\$MILLIONS)

LINE #	AS AT QUARTER END									
	1997			1998				1999		
	2	3	4	1	2	3	4	1	2	
<b>DOMESTIC</b>										
Personal	\$ 67	\$ 35	\$ 66	\$ 87	\$ 85	\$ 83	\$ 92	\$ 71	\$ 29	
Commercial	151	172	112	88	71	77	115	143	128	
Corporate	183	176	92	107	111	83	103	41	29	
Total domestic net of specific provisions	401	383	270	282	267	243	310	255	186	
<b>INTERNATIONAL</b>										
U.S.A.	89	71	53	218	89	73	40	29	64	
Other international	-	-	-	9	13	13	11	8	39	
Total international net of specific provisions	89	71	53	227	102	86	51	37	103	
Total impaired loans net of specific provisions	490	454	323	509	369	329	361	292	289	
General allowance for credit losses	123	169	402	425	447	650	620	723	716	
<b>TOTAL NET IMPAIRED LOANS</b>	367	285	(79)	84	(78)	(321)	(259)	(431)	(427)	
Allowance for credit losses	501	535	585	644	668	900	876	1,067	1,117	
<b>TOTAL GROSS IMPAIRED LOANS</b>	\$ 868	\$ 820	\$ 506	\$ 728	\$ 590	\$ 579	\$ 617	\$ 636	\$ 690	
Allowance for credit losses as a % of gross impaired loans	57.7 %	65.2 %	115.6 %	88.5 %	113.2 %	155.5 %	142.0 %	167.8 %	161.9 %	
<b>Total Loans (Page 13, line 12)</b>	\$84,703	\$85,321	\$86,738	\$92,500	\$93,118	\$93,754	\$94,874	\$98,108	\$ 99,258	
Net impaired loans as a % of net loans	0.4 %	0.3 %	-0.1%	0.1 %	-0.1%	-0.3%	-0.3%	-0.4%	-0.4%	
<b>GENERAL ALLOWANCE FOR CREDIT LOSSES</b>										
On-balance sheet items (line 9 above)	\$ 123	\$ 169	\$ 402	\$ 425	\$ 447	\$ 650	\$ 620	\$ 723	\$ 716	
Off-balance sheet items (netted against trading derivatives)	-	-	-	-	-	-	16	21	24	
Total general allowance for regulatory capital reporting (line 20, page 15)	\$ 123	\$ 169	\$ 402	\$ 425	\$ 447	\$ 650	\$ 636	\$ 744	\$ 740	

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

LINE #	QUARTER									YEAR TO DATE		
	1997			1998				1999		1998	1999	
	2	3	4	1	2	3	4	1	2			
Net Income applicable to common shares	1	\$ 233	\$ 287	\$ 281	\$ 282	\$ 297	\$ 275	\$ 222	\$ 301	\$ 337	\$ 579	\$ 638
Impact of non-cash goodwill	2	36	7	7	34	8	10	10	11	10	42	21
Cash net income	3	\$ 269	\$ 294	\$ 288	\$ 316	\$ 305	\$ 285	\$ 232	\$ 312	\$ 347	\$ 621	\$ 659
Average common shareholders' equity	4	\$ 6,282	\$ 6,395	\$ 6,633	\$ 6,852	\$ 7,032	\$ 7,282	\$ 7,548	\$ 7,721	\$ 7,821	\$ 6,931	\$ 7,766
Impact of average non-cash goodwill	5	(531)	(517)	(522)	(647)	(644)	(747)	(792)	(773)	(745)	(646)	(759)
Average common shareholders' equity on a cash basis	6	\$ 5,751	\$ 5,878	\$ 6,111	\$ 6,205	\$ 6,388	\$ 6,535	\$ 6,756	\$ 6,948	\$ 7,076	\$ 6,285	\$ 7,007
Average number of common shares outstanding (millions)	7	298.7	296.8	296.9	297.0	297.0	297.1	297.1	297.2	297.2	297.0	297.2
Cash earnings per share	8	\$ 0.90	\$ 0.99	\$ 0.97	\$ 1.06	\$ 1.03	\$ 0.96	\$ 0.78	\$ 1.05	\$ 1.17	\$ 2.09	\$ 2.22
Cash return on common shareholders' equity (%)	9	19.2 %	19.8 %	18.7 %	20.2 %	19.6 %	17.3 %	13.6 %	17.8 %	20.1 %	19.9 %	19.0 %
Book value per share - cash basis	10	\$ 19.60	\$ 20.18	\$ 21.00	\$ 21.39	\$ 21.95	\$ 22.63	\$ 23.23	\$ 23.70	\$ 24.08	\$ 21.95	\$ 24.08

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.