

# Supplementary Financial Information

For the Quarter Ended – January 31, 2013

# Q1 | 13

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*This report is unaudited and all amounts are in millions of Canadian dollars, unless otherwise indicated.*

**Use of this Document**

The supplemental information contained in this package is designed to improve the readers' understanding of the financial performance of BMO Financial Group (the bank). This information should be used in conjunction with the bank's Q1 2013 Press Release, the 2012 Management's Discussion and Analysis (MD&A) and Investor Presentation, as well as the 2012 Annual Report.

Additional financial information is also available throughout the Q1 2013 slide presentations for the Strategic Update, Financial Review and Risk Review, as well as the Conference Call Webcast.

These can be accessed at our website at [www.bmo.com/investorrelations](http://www.bmo.com/investorrelations).

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Items indicated N.A. were not available.

Items indicated n.a. were not applicable.

**Provision for Credit Losses**

Commencing in the first quarter of 2013, we changed the way in which we evaluate our operating segments to reflect the provisions for credit losses on an actual credit loss basis. Previously, we had charged the groups with credit losses based on an expected loss provisioning methodology whereby Corporate Services was charged (or credited) with differences between the periodic provisions for credit losses charged to the operating group segments under our expected loss provisioning methodology and the periodic provisions required under GAAP. Prior period results have been restated accordingly. The change in allocation methodology enhances the assessment of performance against our peer group. Provisions for the purchased performing and purchased credit impaired loan portfolios continue to be evaluated and reported in Corporate Services.

**Basel III**

Effective January 2013, the Office of the Superintendent of Financial Institutions (OSFI) issued a revised Capital Adequacy Requirements (CAR) Guideline that incorporated the provisions of the Basel Committee on Banking Supervision's *Basel III: A global regulatory framework for more resilient banks and banking systems*. CAR continues to incorporate *Basel II: International Convergence of Capital Measurements and Capital Standards*, as amended by Basel III. Basel III introduces a new framework for determining capital adequacy, including the Common Equity Tier 1 Ratio, and substantially amends the rules concerning capital eligibility and capital levels, including regulatory adjustments to financial statement capital. These changes are being transitioned in over several years but OSFI has requested banks to determine capital adequacy on an "all-in" basis under which substantially all of the Basel III changes are effective immediately for capital targets and other capital adequacy measures. Basel III also introduces certain changes to the risk weighted asset calculations which are, generally speaking, effective immediately. As Basel III represents a different capital adequacy framework, we have not restated historical Basel II information and caution should be exercised when comparing Basel II and Basel III information. We have, in these materials, indicated when regulatory capital information may be affected by the Basel III transition by labelling it as "transitional" (when it is subject to the transition arrangements) and "all-in" (when it is not).

**International Financial Reporting Standards**

The bank commenced reporting under IFRS effective November 1, 2011. Fiscal 2011 comparative figures presented in this document have been restated to reflect our adoption of IFRS with the exception of our Basel measures.

Results and measures for Q1, 2013 in both the Management's Discussion and Analysis (MD&A) and this document are presented on an IFRS basis except that the bank's 2012 Basel regulatory capital ratios reflect the five quarters IFRS transition permitted under OSFI guidance. They are also presented on an adjusted basis that excludes the impact of certain items. Management assesses performance on both a Generally Accepted Accounting Principles (GAAP) basis and adjusted basis and considers both bases to be useful in assessing underlying, ongoing business performance. Adjusted results and measures are non-GAAP and are detailed in the Adjusted Net Income section and in the Non-GAAP Measures section at the end of the MD&A.

Securities regulators require that companies caution readers that earnings and other measures adjusted to a basis other than GAAP do not have standardized meanings under GAAP and are unlikely to be comparable to similar measures used by other companies.

**Adjusted Results**

Adjusted results for Q1 2013 and Fiscal 2012 exclude the following items:

(Canadian \$ in millions)	Adjusting Items (After tax)						
	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	Fiscal 2013	Fiscal 2012
Amortization of acquisition-related intangible assets	(22)	(24)	(24)	(24)	(24)	(22)	(96)
M&I integration costs	(57)	(95)	(65)	(47)	(43)	(57)	(250)
Restructuring costs	-	(53)	-	(23)	(46)	-	(122)
(Increase) / decrease in collective allowance	-	27	14	12	-	-	53
Credit-related items on the acquired M&I performing loan portfolio	79	35	47	55	114	79	251
Run-off structured credit activities	7	67	(15)	73	136	7	261
<b>Total</b>	<b>7</b>	<b>(43)</b>	<b>(43)</b>	<b>46</b>	<b>137</b>	<b>7</b>	<b>97</b>

**Credit Risk Ratios**

As a result of the addition of purchased loans acquired on the M&I transaction, certain credit quality ratios become less comparable to prior periods or peer group data, as the ratios now include the impact of the purchased loans and certain adjusting items related to the acquired loans. The ratios most affected are the provision for credit losses (PCL)-to-average net loans and acceptances, allowance for credit losses (ACL)-to-gross impaired loans (GIL), GIL to gross loans and acceptances and delinquency ratios. We have presented these ratios in the supplemental information in this package, including and excluding the impact of the purchased portfolios to provide for better comparison to prior quarters and the ratios of our peers.

**Taxable Equivalent Basis**

BMO analyzes consolidated revenues on a reported basis. However, like many banks, BMO analyzes revenue of operating groups and ratios computed using revenue, on a taxable equivalent basis (teb). This basis includes an adjustment that increases GAAP revenues and the GAAP provision for income taxes by an amount that would raise revenues on certain tax-exempt securities to a level equivalent to amounts that would incur tax at the statutory rate. The effective income tax rate is also analyzed on a teb for consistency of approach. The offset to the group teb adjustments, mostly in BMO Capital Markets, is reflected in Corporate Services.

**Changes**

Periodically, certain business lines or units within business lines are transferred between client groups to more closely align BMO's organizational structure and its strategic priorities. In addition, revenue and expense allocations are updated to more accurately align with current experience. Prior periods were restated to conform to the current allocation method.

# FINANCIAL HIGHLIGHTS

	2013	2012	2012	2012	2012	2011	2011	2011	2011		YTD	YTD	Fiscal	Fiscal
(\$ millions except as noted)	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		2013	2012	2012	2011

## Income Statement Information

Total revenues	4,081	4,176	3,878	3,959	4,117	3,822	3,320	3,333	3,468		4,081	4,117	16,130	13,943
Provision for credit losses (PCL)	178	192	237	195	141	362	230	297	323		178	141	765	1,212
Non-interest expense	2,590	2,701	2,484	2,499	2,554	2,432	2,221	2,030	2,058		2,590	2,554	10,238	8,741
Provision for income taxes	265	201	187	237	313	260	161	193	262		265	313	938	876
Reported net income	1,048	1,082	970	1,028	1,109	768	708	813	825		1,048	1,109	4,189	3,114
Non-controlling interest in subsidiaries	18	18	19	18	19	19	18	18	18		18	19	74	73
Net income attributable to Bank shareholders	1,030	1,064	951	1,010	1,090	749	690	795	807		1,030	1,090	4,115	3,041
Adjusted net income	1,041	1,125	1,013	982	972	832	856	770	817		1,041	972	4,092	3,275
Net economic profit	318	361	278	366	434	150	151	315	325		318	434	1,439	941

## Profitability Measures

Basic earnings per share	\$1.53	\$1.59	\$1.42	\$1.52	\$1.65	\$1.12	\$1.10	\$1.34	\$1.36		\$1.53	\$1.65	\$6.18	\$4.90
Diluted earnings per share	\$1.53	\$1.59	\$1.42	\$1.51	\$1.63	\$1.11	\$1.09	\$1.32	\$1.34		\$1.53	\$1.63	\$6.15	\$4.84
Return on equity	14.9 %	15.6 %	14.5 %	16.2 %	17.2 %	12.7 %	13.3 %	17.5 %	17.8 %		14.9 %	17.2 %	15.9 %	15.1 %
Return on average assets	0.74 %	0.77 %	0.68 %	0.76 %	0.81 %	0.56 %	0.59 %	0.74 %	0.72 %		0.74 %	0.81 %	0.76 %	0.65 %
Return on average risk-weighted assets (1)	1.94 %	2.08 %	1.81 %	1.97 %	2.06 %	1.40 %	1.54 %	2.04 %	1.94 %		1.94 %	2.06 %	1.98 %	1.70 %
Efficiency ratio	63.5 %	64.7 %	64.1 %	63.1 %	62.0 %	63.7 %	66.9 %	60.9 %	59.3 %		63.5 %	62.0 %	63.5 %	62.7 %
Net interest margin														
on average assets	1.59 %	1.56 %	1.60 %	1.60 %	1.71 %	1.69 %	1.53 %	1.59 %	1.53 %		1.59 %	1.71 %	1.62 %	1.59 %
on average earning assets	1.85 %	1.83 %	1.88 %	1.89 %	2.05 %	2.01 %	1.76 %	1.82 %	1.78 %		1.85 %	2.05 %	1.91 %	1.85 %
PCL-to-average net loans and acceptances (2)	0.28 %	0.31 %	0.38 %	0.32 %	0.23 %	0.60 %	0.43 %	0.58 %	0.63 %		0.28 %	0.23 %	0.31 %	0.56 %
Effective tax rate	20.17 %	15.68 %	16.16 %	18.72 %	22.02 %	25.31 %	18.52 %	19.18 %	24.11 %		20.17 %	22.02 %	18.30 %	21.96 %

## Adjusted Results Statistical Information (3)

Basic earnings per share	\$1.52	\$1.65	\$1.49	\$1.45	\$1.43	\$1.22	\$1.35	\$1.26	\$1.35		\$1.52	\$1.43	\$6.02	\$5.17
Diluted earnings per share	\$1.52	\$1.65	\$1.49	\$1.44	\$1.42	\$1.20	\$1.34	\$1.25	\$1.32		\$1.52	\$1.42	\$6.00	\$5.10
Return on equity	14.8 %	16.3 %	15.2 %	15.4 %	15.0 %	13.9 %	16.4 %	16.6 %	17.6 %		14.8 %	15.0 %	15.5 %	16.0 %
Operating leverage	(0.4)%	2.7 %	(4.4)%	(3.3)%	(7.6)%	(2.6)%	6.9 %	(2.9)%	2.2 %		(0.4)%	(7.6)%	(2.8)%	0.8 %
Revenue growth	3.2 %	6.8 %	8.8 %	14.9 %	8.5 %	13.4 %	16.0 %	6.1 %	13.7 %		3.2 %	8.5 %	9.7 %	12.3 %
Net interest margin on average earning assets	1.67 %	1.67 %	1.70 %	1.76 %	1.85 %	1.78 %	1.78 %	1.83 %	1.79 %		1.67 %	1.85 %	1.74 %	1.79 %
Efficiency ratio	63.8 %	62.2 %	63.7 %	63.2 %	63.5 %	63.8 %	61.2 %	61.5 %	59.4 %		63.8 %	63.5 %	63.1 %	61.5 %
Non-interest expense growth	3.6 %	4.1 %	13.2 %	18.2 %	16.1 %	16.0 %	9.1 %	9.0 %	11.5 %		3.6 %	16.1 %	12.5 %	11.5 %
Return on average assets	0.73 %	0.81 %	0.71 %	0.73 %	0.70 %	0.61 %	0.71 %	0.71 %	0.71 %		0.73 %	0.70 %	0.74 %	0.68 %
Adjusted net income	1,041	1,125	1,013	982	972	832	856	770	817		1,041	972	4,092	3,275
Adjusted effective tax rate	19.95 %	17.93 %	16.94 %	19.52 %	23.69 %	20.70 %	19.66 %	21.74 %	24.50 %		19.95 %	23.69 %	19.52 %	21.66 %

## Balance Sheet Information

Total assets	542,265	525,449	542,248	525,503	538,260	500,575	502,036	439,548	438,450		542,265	538,260	525,449	500,575
Average assets (4)	554,356	546,377	554,222	538,191	538,134	529,732	466,983	437,573	444,395		554,356	538,134	544,264	469,934
Average earning assets	474,818	465,668	471,087	455,130	448,827	445,455	406,191	381,661	382,738		474,818	448,827	460,205	404,195
Average common shareholders' equity	26,528	26,267	25,208	24,571	24,364	22,212	19,360	17,746	17,215		26,528	24,364	25,106	19,145
Gross impaired loans (GIL) and acceptances (5)	2,912	2,976	2,867	2,837	2,657	2,685	2,290	2,465	2,739		2,912	2,657	2,976	2,685
Allowance for credit losses (ACL)	1,925	1,936	1,973	2,003	1,976	2,011	1,882	1,925	1,985		1,925	1,976	1,936	2,011

## Balance Sheet Measures

Cash and securities-to-total assets ratio	30.6 %	29.4 %	31.3 %	32.0 %	32.2 %	29.5 %	32.0 %	32.9 %	33.1 %		30.6 %	32.2 %	29.4 %	29.5 %
GIL-to-gross loans and acceptances (2) (5)	1.12 %	1.17 %	1.14 %	1.16 %	1.10 %	1.12 %	0.98 %	1.19 %	1.33 %		1.12 %	1.10 %	1.17 %	1.12 %
GIL-to-equity and allowance for credit losses (2) (5)	8.98 %	9.30 %	9.15 %	9.34 %	8.74 %	8.98 %	7.94 %	10.18 %	11.46 %		8.98 %	8.74 %	9.30 %	8.98 %
Common equity ratio - Basel III (6)	9.4 %	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a		9.4 %	n.a	n.a	n.a
Common equity ratio - Basel II (7)	n.a.	10.5 %	10.3 %	9.9 %	9.7 %	9.6 %	9.1 %	10.7 %	10.2 %		n.a.	9.7 %	10.5 %	9.6 %
Tier 1 capital ratio (6) (7)	11.1 %	12.6 %	12.4 %	12.0 %	11.7 %	12.0 %	11.5 %	13.8 %	13.0 %		11.1 %	11.7 %	12.6 %	12.0 %
Total capital ratio (6) (7)	13.4 %	14.9 %	14.8 %	14.9 %	14.6 %	14.9 %	14.2 %	17.0 %	15.2 %		13.4 %	14.6 %	14.9 %	14.9 %

## Cash-Based Statistical Information (3)

Adjusted diluted earnings per share	\$1.52	\$1.65	\$1.49	\$1.44	\$1.42	\$1.20	\$1.34	\$1.25	\$1.32		\$1.52	\$1.42	\$6.00	\$5.10
Cash diluted earnings per share	\$1.56	\$1.62	\$1.46	\$1.55	\$1.67	\$1.15	\$1.11	\$1.33	\$1.35		\$1.56	\$1.67	\$6.30	\$4.93
Return on equity	15.3 %	16.0 %	14.9 %	16.6 %	17.6 %	13.2 %	13.6 %	17.7 %	18.0 %		15.3 %	17.6 %	16.2 %	15.4 %

(1) Ratio uses January 2013 risk weighted assets as Basel III is only effective January 1, 2013.

(2) This ratio is calculated including purchased portfolios.


(3) Adjusted Results and Cash-Based Statistical Information are non-GAAP financial measures. See "Use of this Document" section on page 1 for further information.

(4) In Q3, 2011, M&I contributed \$10.5 billion to growth as its assets were included in the average for only 26 days.

(5) GIL excludes Purchased Credit Impaired Loans.

(6) Effective Q1 2013, ratios are calculated under Basel III rules on an "all-in" basis.

(7) Prior to Q1 2013, ratios are calculated on a Basel II basis. The Common Equity Tier 1 ratio on a Basel II basis is not a prescribed regulatory capital ratio and has been calculated by BMO as gross regulatory common equity less Basel II capital deductions divided by RWA. The fiscal 2011 comparative figures have not been restated to reflect the adoption of IFRS.

<div> <div></div> <div>BMO  Financial Group</div> </div>													
FINANCIAL HIGHLIGHTS													
	2013	2012	2012	2012	2012	2011	2011	2011	2011		YTD	YTD	Fiscal
(\$ millions except as noted)	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		2013	2012	2012
Dividend Information													
Dividends declared per share	\$0.72	\$0.72	\$0.70	\$0.70	\$0.70	\$0.70	\$0.70	\$0.70	\$0.70		\$0.72	\$0.70	\$2.82
Dividends paid per share	\$0.72	\$0.70	\$0.70	\$0.70	\$0.70	\$0.70	\$0.70	\$0.70	\$0.70		\$0.72	\$0.70	\$2.80
Common dividends	469	468	454	450	448	448	446	398	398		469	448	1,820
Preferred dividends	33	33	32	34	37	37	39	36	34		33	37	136
Dividend yield	4.57%	4.88%	4.87%	4.77%	4.80%	4.75%	4.66%	4.51%	4.85%		4.57%	4.80%	4.78%
Dividend payout ratio (1)	47.1%	45.3%	49.3%	46.1%	42.4%	62.5%	63.6%	52.2%	51.5%		47.1%	42.4%	45.6%
													57.1%
Share Information													
Share price													
high	\$64.70	\$59.96	\$58.73	\$59.91	\$61.29	\$61.40	\$62.74	\$63.94	\$62.44		\$64.70	\$61.29	\$61.29
low	\$56.74	\$56.72	\$53.15	\$56.54	\$54.38	\$55.02	\$59.31	\$57.81	\$56.17		\$56.74	\$54.38	\$53.15
close	\$62.99	\$59.02	\$57.44	\$58.67	\$58.29	\$58.89	\$60.03	\$62.14	\$57.78		\$62.99	\$58.29	\$59.02
Book value per share	\$40.87	\$40.25	\$39.43	\$38.06	\$37.85	\$36.76	\$35.38	\$31.38	\$31.38		\$40.87	\$37.85	\$40.25
Number of common shares outstanding													
end of period	652.0	650.7	646.9	643.4	640.4	639.0	637.4	569.7	567.8		652.0	640.4	650.7
average basic	651.4	649.3	645.7	642.5	640.0	638.5	590.0	569.0	567.5		651.4	640.0	644.4
average diluted	652.6	650.4	646.8	645.7	651.5	652.1	603.7	584.0	587.0		652.6	651.5	648.6
Total market value of common shares	41,070	38,406	37,160	37,746	37,328	37,631	38,260	35,400	32,806		41,070	37,328	38,406
Market-to-book value ratio	1.54	1.47	1.46	1.54	1.54	1.49	1.58	1.82	1.69		1.54	1.54	1.47
Price-to-earnings multiple	10.4	9.6	10.1	11.0	11.3	12.1	12.0	12.4	11.6		10.4	11.3	9.6
Total shareholder return													
twelve month	13.5 %	5.2 %	0.5 %	(1.0)%	5.7 %	2.4 %	0.0 %	3.2 %	16.6 %		13.5 %	5.7 %	5.2 %
five-year average	7.8 %	4.2 %	2.5 %	2.0 %	1.6 %	1.9 %	3.9 %	4.4 %	1.7 %		7.8 %	1.6 %	4.2 %
													1.9 %
Growth-Based Statistical Information													
Diluted adjusted earnings per share growth	7.0 %	37.5 %	11.2 %	15.2 %	7.6 %	(4.8)%	17.5 %	(2.3)%	16.8 %		7.0 %	7.6 %	17.6 %
Diluted earnings per share growth	(6.1)%	43.2 %	30.3 %	14.4 %	21.6 %	(10.5)%	(3.5)%	4.8 %	19.6 %		(6.1)%	21.6 %	27.1 %
Diluted cash earnings per share growth	(6.6)%	40.9 %	31.5 %	16.5 %	23.7 %	(8.7)%	(2.6)%	3.9 %	19.5 %		(6.6)%	23.7 %	27.8 %
Net economic profit growth	(26.8)%	100+	84.5 %	16.2 %	33.4 %	(21.1)%	31.0 %	30.9 %	100+		(26.8)%	33.4 %	53.0 %
Adjusted operating leverage	(0.4)%	2.7 %	(4.4)%	(3.3)%	(7.6)%	(2.6)%	6.9 %	(2.9)%	2.2 %		(0.4)%	(7.6)%	(2.8)%
Operating leverage	(2.3)%	(1.7)%	4.9 %	(4.4)%	(5.4)%	(1.8)%	(2.6)%	(1.4)%	2.9 %		(2.3)%	(5.4)%	(1.4)%
Adjusted revenue growth	3.2 %	6.8 %	8.8 %	14.9 %	8.5 %	13.4 %	16.0 %	6.1 %	13.7 %		3.2 %	8.5 %	9.7 %
Revenue growth	(0.9)%	9.3 %	16.8 %	18.8 %	18.7 %	18.1 %	13.9 %	9.0 %	14.4 %		(0.9)%	18.7 %	15.7 %
Adjusted non-interest expense growth	3.6 %	4.1 %	13.2 %	18.2 %	16.1 %	16.0 %	9.1 %	9.0 %	11.5 %		3.6 %	16.1 %	12.5 %
Non-interest expense growth	1.4 %	11.0 %	11.9 %	23.2 %	24.1 %	19.9 %	16.5 %	10.4 %	11.5 %		1.4 %	24.1 %	17.1 %
Adjusted net income growth	7.1 %	35.1 %	18.4 %	27.5 %	18.9 %	8.6 %	22.9 %	0.0 %	19.7 %		7.1 %	18.9 %	24.9 %
Reported net income growth	(5.5)%	40.8 %	36.9 %	26.5 %	34.4 %	1.4 %	3.0 %	6.5 %	22.1 %		(5.5)%	34.4 %	34.5 %
Net income attributable to Bank shareholders growth	(5.5)%	41.9 %	37.8 %	27.1 %	35.1 %	1.4 %	3.1 %	6.7 %	22.9 %		(5.5)%	35.1 %	35.3 %
													8.2 %
Other Statistical Information													
Cost of equity	10.5 %	10.5 %	10.5 %	10.5 %	10.5 %	10.5 %	10.5 %	10.5 %	10.5 %		10.5 %	10.5 %	10.5 %
Prime rate													
average Canadian	3.00 %	3.00 %	3.00 %	3.00 %	3.00 %	3.00 %	3.00 %	3.00 %	3.00 %		3.00 %	3.00 %	3.00 %
average U.S.	3.25 %	3.25 %	3.25 %	3.25 %	3.25 %	3.25 %	3.25 %	3.25 %	3.25 %		3.25 %	3.25 %	3.25 %
Exchange rate													
as at Cdn/U.S. dollar	0.9973	0.9990	1.0029	0.9879	1.0028	0.9967	0.9555	0.9464	1.0015		0.9973	1.0028	0.9990
average Cdn/U.S. dollar	0.9953	0.9894	1.0180	0.9917	1.0133	1.0077	0.9628	0.9623	1.0074		0.9953	1.0133	1.0032
													0.9852
Additional Bank Information													
Number of full-time equivalent employees													
Canada	30,990	30,797	31,163	31,140	31,640	31,351	31,700	30,887	30,270		30,990	31,640	30,797
United States	14,963	14,963	14,929	14,918	14,992	15,184	15,239	7,191	7,197		14,963	14,992	14,963
Other	547	512	502	508	428	440	483	390	371		547	428	512
Total	46,500	46,272	46,594	46,566	47,060	46,975	47,422	38,468	37,838		46,500	47,060	46,272
Number of bank branches													
Canada	933	930	925	924	922	920	914	910	908		933	922	930
United States	638	638	664	672	675	688	688	319	319		638	675	638
Other	4	3	3	3	3	3	3	3	3		4	3	3
Total	1,575	1,571	1,592	1,599	1,600	1,611	1,605	1,232	1,230		1,575	1,600	1,571
Number of automated banking machines													
Canada	2,658	2,596	2,503	2,384	2,268	2,235	2,139	2,125	2,099		2,658	2,268	2,596
United States	1,364	1,375	1,384	1,369	1,365	1,366	1,353	886	895		1,364	1,365	1,375
Total	4,022	3,971	3,887	3,753	3,633	3,601	3,492	3,011	2,994		4,022	3,633	3,971
Credit rating													
DBRS	AA	AA	AA	AA	AA	AA	AA	AA	AA		AA	AA	AA
Fitch	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-		AA-	AA-	AA-
Moody's (2)	Aa3	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2		Aa3	Aa2	Aa2
Standard and Poor's	A+	A+	A+	A+	A+	A+	A+	A+	A+		A+	A+	A+

(1) Dividend payout ratio equals dividends declared per share divided by basic earnings per share, in both cases for the quarter.

(2) On January 28, 2013, Moody's Investor Service completed its review of 6 Canadian banks, including Bank of Montreal and lowered the senior long-term debt rating for each of the banks on review by one notch.

At that time, Moody's also lowered the subordinated debt ratings of BMO and all of our Canadian peers. Moody's affirmed BMO's short-term rating.

**TOTAL BANK CONSOLIDATED  
SUMMARY INCOME STATEMENTS  
AND HIGHLIGHTS**

(\$ millions except as noted)

	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1	YTD 2013	YTD 2012	Fiscal 2012	Fiscal 2011
Net interest income	2,216	2,145	2,225	2,120	2,318	2,262	1,803	1,692	1,717	2,216	2,318	8,808	7,474
Non-interest revenue	1,865	2,031	1,653	1,839	1,799	1,560	1,517	1,641	1,751	1,865	1,799	7,322	6,469
Total revenues	4,081	4,176	3,878	3,959	4,117	3,822	3,320	3,333	3,468	4,081	4,117	16,130	13,943
Provision for credit losses	178	192	237	195	141	362	230	297	323	178	141	765	1,212
Net interest income and non-interest revenue	3,903	3,984	3,641	3,764	3,976	3,460	3,090	3,036	3,145	3,903	3,976	15,365	12,731
Non-interest expense	2,590	2,701	2,484	2,499	2,554	2,432	2,221	2,030	2,058	2,590	2,554	10,238	8,741
Income before taxes	1,313	1,283	1,157	1,265	1,422	1,028	869	1,006	1,087	1,313	1,422	5,127	3,990
Provision for income taxes	265	201	187	237	313	260	161	193	262	265	313	938	876
Reported net income	1,048	1,082	970	1,028	1,109	768	708	813	825	1,048	1,109	4,189	3,114
Non-controlling interest in subsidiaries	18	18	19	18	19	19	18	18	18	18	19	74	73
Net income attributable to Bank shareholders	1,030	1,064	951	1,010	1,090	749	690	795	807	1,030	1,090	4,115	3,041
Adjusted net income	1,041	1,125	1,013	982	972	832	856	770	817	1,041	972	4,092	3,275
Adjusted operating leverage	(0.4)%	2.7%	(4.4)%	(3.3)%	(7.6)%	(2.6)%	6.9%	(2.9)%	2.2%	(0.4)%	(7.6)%	(2.8)%	0.8%
Adjusted total revenue	3,861	3,920	3,677	3,727	3,743	3,670	3,380	3,244	3,448	3,861	3,743	15,067	13,742
Adjusted revenue growth	3.2%	6.8%	8.8%	14.9%	8.5%	13.4%	16.0%	6.1%	13.7%	3.2%	8.5%	9.7%	12.3%
Adjusted non-interest expense	2,464	2,436	2,342	2,357	2,378	2,341	2,069	1,994	2,049	2,464	2,378	9,513	8,453
Adjusted non-interest expense growth	3.6%	4.1%	13.2%	18.2%	16.1%	16.0%	9.1%	9.0%	11.5%	3.6%	16.1%	12.5%	11.5%
Adjusted provision for credit losses	96	113	116	151	91	281	245	265	317	96	91	471	1,108

**U.S. Segment Information (\$CAD equivalent)**

Net interest income	890	819	869	815	992	981	427	349	363	890	992	3,495	2,120
Non-interest revenue	460	548	494	446	473	479	329	308	329	460	473	1,961	1,445
Total revenues	1,350	1,367	1,363	1,261	1,465	1,460	756	657	692	1,350	1,465	5,456	3,565
Provision for credit losses	46	15	134	28	(43)	202	93	95	144	46	(43)	134	534
Net interest income and non-interest revenue	1,304	1,352	1,229	1,233	1,508	1,258	663	562	548	1,304	1,508	5,322	3,031
Non-interest expense	959	1,037	960	950	962	920	716	537	527	959	962	3,909	2,700
Income before taxes	345	315	269	283	546	338	(53)	25	21	345	546	1,413	331
Provision for income taxes	69	72	54	80	161	94	(37)	(19)	26	69	161	367	64
Reported net income	276	243	215	203	385	244	(16)	44	(5)	276	385	1,046	267
Non-controlling interest in subsidiaries	5	4	5	5	5	5	5	4	5	5	5	19	19
Net income attributable to Bank shareholders	271	239	210	198	380	239	(21)	40	(10)	271	380	1,027	248
Adjusted net income	272	280	268	210	336	202	88	69	(1)	272	336	1,094	358
Adjusted operating leverage	(8.6)%	(2.1)%	5.1%	(1.5)%	18.5%	21.0%	5.7%	(3.4)%	(15.1)%	(8.6)%	18.5%	3.0%	1.3%
Adjusted total revenue	1,140	1,182	1,151	1,109	1,231	1,189	765	668	692	1,140	1,231	4,673	3,314
Adjusted revenue growth	(7.4)%	(0.6)%	50.4%	65.8%	78.1%	74.1%	21.9%	3.4%	1.4%	(7.4)%	78.1%	41.0%	25.6%
Adjusted non-interest expense	838	842	824	845	830	830	567	504	520	838	830	3,341	2,421
Adjusted non-interest expense growth	1.2%	1.5%	45.3%	67.3%	59.6%	53.1%	16.2%	6.8%	16.5%	1.2%	59.6%	38.0%	24.3%
Adjusted provision for credit losses	(32)	(32)	(23)	(25)	(63)	101	94	106	147	(32)	(63)	(143)	448
Average assets (1)	185,808	183,706	195,293	187,905	196,238	192,885	143,543	120,296	124,972	185,808	196,238	190,801	145,630
Average earning assets	153,934	151,754	162,259	154,409	155,274	157,673	121,730	101,675	105,055	153,934	155,274	155,932	121,697
Average current loans and acceptances	62,468	61,126	63,073	61,590	63,157	63,084	42,058	32,669	35,064	62,468	63,157	62,178	43,305
Average deposits	125,244	117,709	118,011	113,571	110,097	106,872	77,320	64,562	67,203	125,244	110,097	114,854	79,108
Adjusted net interest margin on average earning assets	1.75%	1.66%	1.61%	1.75%	1.94%	1.79%	1.42%	1.45%	1.37%	1.75%	1.94%	1.74%	1.54%

**\$USD Equivalent**

Net interest income	894	828	854	822	980	977	445	363	360	894	980	3,484	2,145
Non-interest revenue	462	553	484	450	467	475	343	322	325	462	467	1,954	1,465
Total revenues	1,356	1,381	1,338	1,272	1,447	1,452	788	685	685	1,356	1,447	5,438	3,610
Provision for credit losses	46	16	133	29	(43)	202	96	99	144	46	(43)	135	541
Net interest income and non-interest revenue	1,310	1,365	1,205	1,243	1,490	1,250	692	586	541	1,310	1,490	5,303	3,069
Non-interest expense	964	1,048	943	959	949	912	745	559	523	964	949	3,899	2,739
Income before taxes	346	317	262	284	541	338	(53)	27	18	346	541	1,404	330
Provision for income taxes	70	72	52	82	160	93	(36)	(18)	24	70	160	366	63
Reported net income	276	245	210	202	381	245	(17)	45	(6)	276	381	1,038	267
Non-controlling interest in subsidiaries	5	4	5	5	5	5	5	4	5	5	5	19	19
Net income attributable to Bank shareholders	271	241	205	197	376	240	(22)	41	(11)	271	376	1,019	248
Adjusted net income	271	283	261	209	332	201	91	71	(2)	271	332	1,085	361
Adjusted total revenue	1,144	1,195	1,130	1,119	1,215	1,180	797	696	685	1,144	1,215	4,659	3,358
Adjusted non-interest expense	843	852	809	852	818	823	590	525	516	843	818	3,331	2,454
Adjusted provision for credit losses	(33)	(31)	(20)	(24)	(63)	101	97	110	147	(33)	(63)	(138)	455
Average assets (1)	186,687	185,712	191,843	189,469	193,655	191,368	149,170	125,043	124,035	186,687	193,655	190,173	147,588
Average earning assets	154,661	153,415	159,389	155,697	153,246	156,451	126,507	105,686	104,283	154,661	153,246	155,435	123,376
Average current loans and acceptances	62,770	61,784	61,962	62,105	62,338	62,602	43,759	33,944	34,807	62,770	62,338	61,982	43,860
Average deposits	125,833	118,983	115,944	114,520	108,677	105,993	80,378	67,112	66,736	125,833	108,677	114,531	80,161

(1) In Q3, 2011, M&I contributed \$10.5 billion (\$11 billion USD) to growth as its assets were included in the average for only 26 days

# **ADJUSTED NET INCOME BY OPERATING GROUP AND GEOGRAPHIC AREA <sup>(1)</sup>**

(\$ millions except as noted)

	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1	YTD 2013	YTD 2012	Fiscal 2012	Fiscal 2011
Personal & Commercial Banking													
Canada	458	449	464	440	444	423	433	399	457	458	444	1,797	1,713
United States	198	151	153	153	175	178	103	28	(4)	198	175	632	305
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	656	600	617	593	619	601	536	427	453	656	619	2,429	2,018
Private Client Group													
Canada	91	115	39	90	29	70	47	95	99	91	29	273	311
United States	24	17	26	22	36	25	17	5	4	24	36	101	51
Other	54	37	49	41	44	48	47	(8)	41	54	44	171	128
Total	169	169	114	153	109	143	111	92	144	169	109	545	490
BMO Capital Markets													
Canada	220	277	195	191	167	137	241	194	251	220	167	830	823
United States	83	30	52	23	42	15	40	36	10	83	42	147	101
Other	7	8	3	19	15	4	8	20	20	7	15	45	52
Total	310	315	250	233	224	156	289	250	281	310	224	1,022	976
Corporate Services, including Technology and Operations													
Canada	(53)	(32)	8	4	(53)	(59)	-	17	(32)	(53)	(53)	(73)	(75)
United States	(33)	82	37	12	83	(16)	(72)	-	(11)	(33)	83	214	(99)
Other	(8)	(9)	(13)	(13)	(10)	7	(8)	(16)	(18)	(8)	(10)	(45)	(35)
Total	(94)	41	32	3	20	(68)	(80)	1	(61)	(94)	20	96	(209)
Total Consolidated													
Canada	716	809	706	725	587	571	721	705	775	716	587	2,827	2,772
United States	272	280	268	210	336	202	88	69	(1)	272	336	1,094	358
Other	53	36	39	47	49	59	47	(4)	43	53	49	171	145
Total	1,041	1,125	1,013	982	972	832	856	770	817	1,041	972	4,092	3,275

## **REPORTED NET INCOME BY GEOGRAPHIC AREA**

(\$ millions except as noted)

	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1	YTD 2013	YTD 2012	Fiscal 2012	Fiscal 2011
Total Consolidated													
Canada	721	790	709	738	626	532	726	712	801	721	626	2,863	2,771
United States	276	243	215	203	385	244	(16)	44	(5)	276	385	1,046	267
Other	51	49	46	87	98	(8)	(2)	57	29	51	98	280	76
Total	1,048	1,082	970	1,028	1,109	768	708	813	825	1,048	1,109	4,189	3,114

(1) Adjusted results in this section are non-GAAP and are discussed in the Non-GAAP measures section on page 32 of Management's Discussion and Analysis in the 2012 Annual Report. A breakdown of Reported Net Income by Operating Group and Geographic area is outlined in Note 17 to the unaudited interim consolidated financial statements for the quarter ended January 31, 2013.

### **Net Income by Operating Group**

#### **Basis of Presentation**

The results of these operating groups are based on our internal financial reporting systems. The accounting policies used in these groups are generally consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1 to the unaudited interim consolidated financial statements for the quarter ended January 31, 2013. Significant changes in the accounting policies used in these groups under IFRS in Fiscal 2012 and 2011 are outlined in Notes 1 and 30 to the audited annual consolidated financial statements for the year ended October 31, 2012. A notable accounting measurement difference is the taxable equivalent basis, as described below.

#### **Taxable Equivalent Basis**

We analyze net interest income on a taxable equivalent basis ("teb") at the operating group level. This basis includes an adjustment which increases IFRS revenues and the IFRS provision for income taxes by an amount that would raise revenues on certain tax-exempt securities to a level that would incur tax at the statutory rate. The operating groups' teb adjustments are eliminated in Corporate Services.

#### **Provisions for Credit Losses**

During the quarter ended January 31, 2013, we changed the way in which we evaluate our operating segments to reflect the provision for credit losses on a actual loss basis. Previously, provisions for credit losses were allocated to each group based on an expected loss basis for that group, with the difference between expected losses and actual losses reported in Corporate Services. Prior period results have been restated to reflect this change.

#### **Inter-Group Allocations**

Various estimates and allocation methodologies are used in the preparation of the operating groups' financial information. We allocate expenses directly related to earning revenue to the groups that earned the related revenue. Expenses not directly related to earning revenue, such as overhead expenses, are allocated to operating groups using allocation formulas applied on a consistent basis. Operating group net interest income reflects internal funding charges and credits on the groups' assets, liabilities and capital, at market rates, taking into account relevant terms and currency considerations. The offset of the net impact of these charges and credits is reflected in Corporate Services.

#### **Geographic Information**

We operate primarily in Canada and the United States but also have operations in the United Kingdom, Europe, the Caribbean and Asia, which are grouped in Other countries. We allocate our results by geographic region based on the location of the unit responsible for managing the related assets, liabilities, revenues and expenses, except for the consolidated provision for credit losses, which is allocated based upon the country of ultimate risk.

During the quarter, we refined our methodology for the allocation of revenues in Corporate Services by geographic region. As a consequence, we have reallocated certain revenue of prior periods from Canada to the United States.

Prior periods have been restated to give effect to the current period's organization structure and presentation changes.

**TOTAL PERSONAL & COMMERCIAL BANKING  
SUMMARY INCOME**



**STATEMENT AND HIGHLIGHTS**

(\$ millions except as noted)

	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1	YTD 2013	YTD 2012	Fiscal 2012	Fiscal 2011
Net interest income (teb)	1,702	1,684	1,711	1,672	1,754	1,758	1,502	1,355	1,419	1,702	1,754	6,821	6,034
Non-interest revenue	613	616	608	595	596	597	535	488	535	613	596	2,415	2,155
Total revenues (teb)	2,315	2,300	2,319	2,267	2,350	2,355	2,037	1,843	1,954	2,315	2,350	9,236	8,189
Provision for credit losses	160	221	223	227	218	249	214	251	309	160	218	889	1,023
Net interest and non-interest revenue (teb)	2,155	2,079	2,096	2,040	2,132	2,106	1,823	1,592	1,645	2,155	2,132	8,347	7,166
Non-interest expense	1,262	1,272	1,267	1,244	1,301	1,276	1,076	997	1,016	1,262	1,301	5,084	4,365
Income before taxes	893	807	829	796	831	830	747	595	629	893	831	3,263	2,801
Provision for income taxes (teb)	253	225	231	221	231	249	221	174	183	253	231	908	827
Reported net income	640	582	598	575	600	581	526	421	446	640	600	2,355	1,974
Adjusted net income	656	600	617	593	619	601	536	427	453	656	619	2,429	2,018
Net economic profit	287	250	267	249	260	264	289	227	239	287	260	1,026	1,019
Adjusted return on equity	19.1 %	18.4 %	19.0 %	18.6 %	18.5 %	19.4 %	24.0 %	23.5 %	23.5 %	19.1 %	18.5 %	18.6 %	22.2 %
Return on equity	18.7 %	17.9 %	18.4 %	18.0 %	15.8 %	18.8 %	23.5 %	23.1 %	23.1 %	18.7 %	15.8 %	18.1 %	21.7 %
Net interest margin on average earning assets (teb)	3.05 %	3.10 %	3.18 %	3.25 %	3.34 %	3.35 %	3.22 %	3.20 %	3.24 %	3.05 %	3.34 %	3.22 %	3.26 %
Adjusted Efficiency ratio (teb)	53.6 %	54.2 %	53.5 %	53.7 %	54.2 %	53.0 %	52.1 %	53.7 %	51.6 %	53.6 %	54.2 %	53.9 %	52.6 %
Efficiency ratio (teb)	54.5 %	55.3 %	54.7 %	54.8 %	55.4 %	54.2 %	52.8 %	54.1 %	52.0 %	54.5 %	55.4 %	55.0 %	53.3 %
Operating leverage	1.5 %	(1.9)%	(4.1)%	(1.7)%	(7.8)%	2.4 %	3.4 %	(0.9)%	1.8 %	1.5 %	(7.8)%	(3.7)%	1.7 %
Revenue growth	(1.5)%	(2.3)%	13.8 %	23.0 %	20.3 %	23.7 %	9.8 %	5.4 %	10.7 %	(1.5)%	20.3 %	12.8 %	12.6 %
Non-interest expense growth	(3.0)%	(0.4)%	17.9 %	24.7 %	28.1 %	21.3 %	6.4 %	6.3 %	8.9 %	(3.0)%	28.1 %	16.5 %	10.9 %
Average common equity	13,206	12,538	12,536	12,512	12,858	11,744	8,506	7,135	7,330	13,206	12,858	12,611	8,692
Average assets (1)	233,825	228,506	225,635	220,013	219,982	219,552	193,495	180,830	181,488	233,825	219,982	223,553	193,948
Average earning assets	221,181	216,442	213,903	208,991	208,950	208,343	185,029	173,595	173,876	221,181	208,950	212,088	185,306
Average current loans and acceptances	219,342	214,792	212,209	206,974	206,741	206,214	184,281	172,964	173,061	219,342	206,741	210,195	184,223
Average deposits	169,340	166,877	166,385	163,414	164,892	161,659	138,065	125,604	127,096	169,340	164,892	165,403	138,209
Assets under administration	77,450	74,839	85,405	80,481	75,478	78,822	75,121	72,799	76,923	77,450	75,478	74,839	78,822
Number of full-time equivalent employees	24,554	24,103	24,191	24,264	24,714	24,287	24,848	20,638	20,367	24,554	24,714	24,103	24,287

(1) In Q3, 2011, M&I contributed \$10.8 billion to growth as its assets were included in the average for only 26 days.



**P&C CANADA  
SUMMARY INCOME  
STATEMENT AND HIGHLIGHTS**

(\$ millions except as noted)



	2013	2012	2012	2012	2012	2011	2011	2011	2011	YTD	YTD	Fiscal	Fiscal
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2013	2012	2012	2011
Net interest income (teb)	1,102	1,088	1,093	1,068	1,116	1,104	1,098	1,064	1,115	1,102	1,116	4,365	4,381
Non-interest revenue	461	470	469	461	447	461	446	430	470	461	447	1,847	1,807
Total revenues (teb)	1,563	1,558	1,562	1,529	1,563	1,565	1,544	1,494	1,585	1,563	1,563	6,212	6,188
Provision for credit losses	128	146	147	167	155	178	154	166	166	128	155	615	664
Net interest and non-interest revenue (teb)	1,435	1,412	1,415	1,362	1,408	1,387	1,390	1,328	1,419	1,435	1,408	5,597	5,524
Non-interest expense	813	810	790	775	808	802	782	772	777	813	808	3,183	3,133
Income before taxes	622	602	625	587	600	585	608	556	642	622	600	2,414	2,391
Provision for income taxes (teb)	164	160	166	154	159	166	172	156	182	164	159	639	676
Reported net income	458	442	459	433	441	419	436	400	460	458	441	1,775	1,715
Adjusted net income	461	444	462	436	443	422	437	401	463	461	443	1,785	1,724
Net interest margin on average earning assets (teb)	2.65 %	2.68 %	2.76 %	2.83 %	2.92 %	2.90 %	2.91 %	2.95 %	3.02 %	2.65 %	2.92 %	2.79 %	2.94 %
Adjusted Efficiency ratio (teb)	51.9 %	51.8 %	50.5 %	50.5 %	51.6 %	51.2 %	50.5 %	51.5 %	48.9 %	51.9 %	51.6 %	51.1 %	50.5 %
Efficiency ratio (teb)	52.0 %	51.9 %	50.7 %	50.6 %	51.7 %	51.3 %	50.6 %	51.7 %	49.0 %	52.0 %	51.7 %	51.2 %	50.6 %
Operating leverage	(0.7)%	(1.2)%	(0.2)%	2.1 %	(5.4)%	(0.2)%	0.8 %	(1.7)%	2.3 %	(0.7)%	(5.4)%	(1.2)%	0.3 %
Revenue growth	0.0 %	(0.4)%	1.1 %	2.4 %	(1.4)%	2.2 %	3.3 %	5.7 %	11.7 %	0.0 %	(1.4)%	0.4 %	5.6 %
Non-interest expense growth	0.7 %	0.8 %	1.3 %	0.3 %	4.0 %	2.4 %	2.5 %	7.4 %	9.4 %	0.7 %	4.0 %	1.6 %	5.3 %
Average assets	171,437	167,711	163,648	159,127	157,528	156,725	154,542	152,580	151,242	171,437	157,528	162,019	153,782
Average earning assets	164,704	161,347	157,678	153,636	152,209	151,271	149,600	147,986	146,455	164,704	152,209	156,231	148,835
Average current loans and acceptances	168,601	165,143	161,089	156,615	155,028	153,935	152,158	150,413	148,785	168,601	155,028	159,484	151,331
Average deposits	109,912	108,169	106,377	104,724	105,721	103,798	102,463	100,434	100,397	109,912	105,721	106,256	101,784
Assets under administration <sup>(1)</sup>	14,565	15,521	18,526	21,302	22,569	22,421	22,332	22,939	21,814	14,565	22,569	15,521	22,421
Number of full-time equivalent employees	16,583	16,197	16,355	16,452	16,883	16,723	17,185	16,827	16,495	16,583	16,883	16,197	16,723

(1) Amounts include securitized residential mortgages and credit cards.

P&C Canada's operating results include a portion of our US geographic operations which is reported in Net Income by Operating Group and Geographic Area (page 5) and Note 26, Operating and Geographic Segmentation in our annual consolidated financial statements.

**P&C U.S.**  
**SUMMARY INCOME**  
**STATEMENT AND HIGHLIGHTS**



(\$ millions except as noted)	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1	YTD 2013	YTD 2012	Fiscal 2012	Fiscal 2011
Net interest income (teb)	600	596	618	604	638	654	404	291	304	600	638	2,456	1,653
Non-interest revenue	152	146	139	134	149	136	89	58	65	152	149	568	348
Total revenues (teb)	752	742	757	738	787	790	493	349	369	752	787	3,024	2,001
Provision for credit losses	32	75	76	60	63	71	60	85	143	32	63	274	359
Net interest and non-interest revenue (teb)	720	667	681	678	724	719	433	264	226	720	724	2,750	1,642
Non-interest expense	449	462	477	469	493	474	294	225	239	449	493	1,901	1,232
Income before taxes	271	205	204	209	231	245	139	39	(13)	271	231	849	410
Provision for income taxes (teb)	89	65	65	67	72	83	49	18	1	89	72	269	151
Reported net income	182	140	139	142	159	162	90	21	(14)	182	159	580	259
Adjusted net income	195	156	155	157	176	179	99	26	(10)	195	176	644	294
Net interest margin on average earning assets (teb)	4.21 %	4.30 %	4.42 %	4.39 %	4.47 %	4.55 %	4.57 %	4.61 %	4.40 %	4.21 %	4.47 %	4.40 %	4.53 %
Adjusted Efficiency ratio (teb)	57.1 %	59.2 %	59.8 %	60.4 %	59.6 %	56.7 %	57.3 %	62.9 %	63.1 %	57.1 %	59.6 %	59.8 %	59.1 %
Efficiency ratio (teb)	59.8 %	62.3 %	62.9 %	63.6 %	62.7 %	60.0 %	59.7 %	64.5 %	64.7 %	59.8 %	62.7 %	62.9 %	61.6 %
Adjusted operating leverage	3.9 %	(4.1)%	(6.6)%	8.1 %	11.9 %	41.6 %	20.5 %	1.5 %	(0.5)%	3.9 %	11.9 %	(1.6)%	15.2 %
Operating leverage	4.3 %	(3.7)%	(8.3)%	2.9 %	6.8 %	36.2 %	18.6 %	1.4 %	(0.5)%	4.3 %	6.8 %	(3.2)%	13.2 %
Revenue growth	(4.6)%	(6.2)%	54.0 %	111.3 %	113.1 %	112.2 %	37.2 %	3.9 %	6.5 %	(4.6)%	113.1 %	51.1 %	41.5 %
Adjusted non-interest expense growth	(8.5)%	(2.1)%	60.6 %	103.2 %	101.2 %	70.6 %	16.7 %	2.4 %	7.0 %	(8.5)%	101.2 %	52.7 %	26.3 %
Non-interest expense growth	(8.9)%	(2.5)%	62.3 %	108.4 %	106.3 %	76.0 %	18.6 %	2.5 %	7.0 %	(8.9)%	106.3 %	54.3 %	28.3 %
Average assets <sup>(1)</sup>	62,388	60,795	61,987	60,886	62,454	62,827	38,953	28,250	30,246	62,388	62,454	61,534	40,166
Average earning assets	56,477	55,095	56,225	55,355	56,741	57,072	35,429	25,609	27,421	56,477	56,741	55,857	36,471
Average current loans and acceptances <sup>(2)</sup>	50,741	49,649	51,120	50,359	51,713	52,279	32,123	22,551	24,276	50,741	51,713	50,711	32,892
Average deposits	59,428	58,708	60,008	58,690	59,171	57,861	35,602	25,170	26,699	59,428	59,171	59,147	36,425
Assets under administration	62,885	59,318	66,879	59,179	52,909	56,401	52,789	49,860	55,109	62,885	52,909	59,318	56,401
Number of full-time equivalent employees	7,971	7,906	7,836	7,812	7,831	7,564	7,663	3,811	3,872	7,971	7,831	7,906	7,564

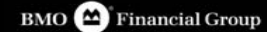
**\$USD Equivalent**

Net interest income (teb)	603	603	607	609	630	649	420	302	302	603	630	2,449	1,673
Non-interest revenue	152	147	137	134	148	135	92	60	65	152	148	566	352
Total revenues (teb)	755	750	744	743	778	784	512	362	367	755	778	3,015	2,025
Provision for credit losses	33	76	74	61	62	71	62	91	142	33	62	273	366
Net interest and non-interest revenue (teb)	722	674	670	682	716	713	450	271	225	722	716	2,742	1,659
Non-interest expense	451	467	468	473	487	471	305	234	237	451	487	1,895	1,247
Income before taxes	271	207	202	209	229	242	145	37	(12)	271	229	847	412
Provision for income taxes (teb)	88	66	65	66	72	81	52	16	3	88	72	269	152
Reported net income	183	141	137	143	157	161	93	21	(15)	183	157	578	260
Adjusted net income	197	156	153	158	174	179	101	26	(10)	197	174	641	296
Average assets <sup>(1)</sup>	62,683	61,447	60,893	61,394	61,634	62,340	40,542	29,354	30,025	62,683	61,634	61,342	40,657
Average earning assets	56,744	55,685	55,233	55,817	55,996	56,629	36,876	26,610	27,220	56,744	55,996	55,682	36,918
Average current loans and acceptances <sup>(2)</sup>	50,988	50,183	50,219	50,779	51,018	51,852	33,440	23,432	24,097	50,988	51,018	50,549	33,286
Average deposits	59,710	59,337	58,944	59,181	58,400	57,402	37,047	26,158	26,506	59,710	58,400	58,964	36,866

(1) In Q3, 2011, M&I contributed \$10.8 billion (\$11.3 billion USD) to growth as its assets were included in the average for only 26 days.

(2) Excludes M&I purchased credit impaired loans.

**TOTAL PRIVATE CLIENT GROUP  
SUMMARY INCOME  
STATEMENT AND HIGHLIGHTS**



(\$ millions except as noted)

	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1	YTD 2013	YTD 2012	Fiscal 2012	Fiscal 2011
Net interest income (teb)	137	133	133	129	166	124	116	114	108	137	166	561	462
Non-interest revenue	642	652	546	615	531	584	508	476	562	642	531	2,344	2,130
Total revenues (teb)	779	785	679	744	697	708	624	590	670	779	697	2,905	2,592
Provision for credit losses	2	11	5	1	5	2	(1)	5	4	2	5	22	10
Net interest and non-interest revenue (teb)	777	774	674	743	692	706	625	585	666	777	692	2,883	2,582
Non-interest expense	569	562	546	553	558	534	486	456	480	569	558	2,219	1,956
Income before taxes	208	212	128	190	134	172	139	129	186	208	134	664	626
Provision for income taxes (teb)	45	48	19	43	30	34	30	39	43	45	30	140	146
Reported net income	163	164	109	147	104	138	109	90	143	163	104	524	480
PCG excluding Insurance net income	99	88	91	96	92	98	91	90	72	99	92	367	351
Insurance net income	64	76	18	51	12	40	18	-	71	64	12	157	129
Non-controlling interest in subsidiaries	-	1	-	-	-	-	-	-	-	-	-	1	-
Net income attributable to Bank shareholders	163	163	109	147	104	138	109	90	143	163	104	523	480
Adjusted net income	169	169	114	153	109	143	111	92	144	169	109	545	490
Net economic profit	95	109	55	95	53	94	71	58	110	95	53	312	333
Adjusted return on equity	24.1 %	30.3 %	20.7 %	28.6 %	20.5 %	31.5 %	29.7 %	29.2 %	45.7 %	24.1 %	20.5 %	25.0 %	33.6 %
Return on equity	23.2 %	29.4 %	19.7 %	27.6 %	19.6 %	30.3 %	29.2 %	28.8 %	45.2 %	23.2 %	19.6 %	24.1 %	32.9 %
Net interest margin on average earning assets (teb)	2.90 %	2.85 %	2.91 %	3.00 %	3.83 %	2.94 %	2.99 %	3.19 %	3.03 %	2.90 %	3.83 %	3.14 %	3.03 %
Adjusted Efficiency ratio (teb)	71.9 %	70.7 %	79.2 %	73.4 %	79.1 %	74.6 %	77.2 %	77.2 %	71.4 %	71.9 %	79.1 %	75.4 %	75.0 %
Efficiency ratio (teb)	73.0 %	71.6 %	80.3 %	74.4 %	80.1 %	75.5 %	77.7 %	77.4 %	71.6 %	73.0 %	80.1 %	76.4 %	75.5 %
Operating leverage	9.8 %	5.8 %	(3.7)%	5.0 %	(12.2)%	(5.1)%	(2.3)%	(5.4)%	5.2 %	9.8 %	(12.2)%	(1.3)%	(1.9)%
Revenue growth	11.9 %	11.0 %	8.6 %	26.4 %	3.9 %	19.1 %	13.8 %	4.5 %	20.7 %	11.9 %	3.9 %	12.1 %	14.6 %
Non-interest expense growth	2.1 %	5.2 %	12.3 %	21.4 %	16.1 %	24.2 %	16.1 %	9.9 %	15.5 %	2.1 %	16.1 %	13.4 %	16.5 %
Average common equity	2,764	2,184	2,164	2,135	2,088	1,780	1,463	1,252	1,245	2,764	2,088	2,143	1,436
Average earning assets	18,783	18,576	18,158	17,551	17,209	16,669	15,411	14,571	14,221	18,783	17,209	17,875	15,223
Average current loans and acceptances	11,376	11,142	11,057	10,597	10,531	10,382	9,369	8,816	8,614	11,376	10,531	10,833	9,299
Average deposits	21,838	21,353	21,881	21,998	21,785	20,960	19,087	18,389	18,085	21,838	21,785	21,753	19,136
Assets under administration	311,831	300,816	286,978	286,741	279,658	274,435	279,163	171,533	169,939	311,831	279,658	300,816	274,435
Assets under management	166,956	164,293	157,627	158,123	154,862	150,176	152,000	114,750	108,471	166,956	154,862	164,293	150,176
Number of full-time equivalent employees	6,108	6,108	6,261	6,240	6,297	6,518	6,576	4,933	4,891	6,108	6,297	6,108	6,518

**U.S. Segment Information (\$CAD equivalent)**

Net interest income (teb)	37	36	37	37	68	30	26	20	21	37	68	178	97
Non-interest revenue	135	133	138	127	126	139	82	53	54	135	126	524	328
Total revenues (teb)	172	169	175	164	194	169	108	73	75	172	194	702	425
Provision for credit losses	1	10	3	1	4	1	(1)	5	4	1	4	18	9
Net interest and non-interest revenue (teb)	171	159	172	163	190	168	109	68	71	171	190	684	416
Non-interest expense	142	140	138	135	141	134	84	61	65	142	141	554	344
Income before taxes	29	19	34	28	49	34	25	7	6	29	49	130	72
Provision for income taxes (teb)	10	6	12	10	17	13	8	3	2	10	17	45	26
Reported net income	19	13	22	18	32	21	17	4	4	19	32	85	46
Non-controlling interest in subsidiaries	-	1	-	-	-	-	-	-	-	-	-	1	-
Net income attributable to Bank shareholders	19	12	22	18	32	21	17	4	4	19	32	84	46
Adjusted net income	24	17	26	22	36	25	17	5	4	24	36	101	51
Revenue growth	(11.3)%	(0.6)%	63.1 %	121.6 %	160.5 %	153.2 %	62.0 %	13.5 %	7.7 %	(11.3)%	160.5%	65.0%	59.0%
Non-interest expense growth	1.0 %	3.4 %	65.8 %	121.5 %	115.8 %	121.4 %	43.6 %	0.5 %	5.6 %	1.0%	115.8%	60.8%	42.6%
Average assets	3,363	3,534	3,734	3,662	3,783	3,852	2,682	2,203	2,337	3,363	3,783	3,678	2,773
Average earning assets	2,608	2,783	2,966	2,936	3,011	3,094	2,354	2,049	2,166	2,608	3,011	2,924	2,419
Average current loans and acceptances	2,465	2,526	2,690	2,661	2,760	2,842	2,180	1,887	1,996	2,465	2,760	2,659	2,229
Average deposits	4,966	4,750	5,116	5,185	4,854	4,723	3,163	2,443	2,276	4,966	4,854	4,975	3,157

**\$USD Equivalent**

Net interest income (teb)	37	36	36	38	67	31	26	21	21	37	67	177	99
Non-interest revenue	135	134	136	128	124	137	85	56	53	135	124	522	331
Total revenues (teb)	172	170	172	166	191	168	111	77	74	172	191	699	430
Provision for credit losses	1	10	3	1	4	2	(2)	6	4	1	4	18	10
Net interest and non-interest revenue (teb)	171	160	169	165	187	166	113	71	70	171	187	681	420
Non-interest expense	143	141	136	136	139	134	87	63	65	143	139	552	349
Income before taxes	28	19	33	29	48	32	26	8	5	28	48	129	71
Provision for income taxes (teb)	9	6	11	11	17	11	8	3	2	9	17	45	24
Reported net income	19	13	22	18	31	21	18	5	3	19	31	84	47
Non-controlling interest in subsidiaries	-	1	-	-	-	-	-	-	-	-	-	1	-
Net income attributable to Bank shareholders	19	12	22	18	31	21	18	5	3	19	31	83	47
Adjusted net income	24	16	26	23	34	26	18	6	3	24	34	99	53
Average assets	3,379	3,572	3,668	3,692	3,734	3,822	2,789	2,289	2,320	3,379	3,734	3,666	2,809
Average earning assets	2,620	2,813	2,913	2,960	2,971	3,070	2,448	2,129	2,150	2,620	2,971	2,914	2,452
Average current loans and acceptances	2,477	2,553	2,643	2,683	2,724	2,820	2,266	1,961	1,982	2,477	2,724	2,650	2,260
Average deposits	4,990	4,801	5,024	5,229	4,791	4,687	3,290	2,539	2,260	4,990	4,791	4,960	3,199

**TOTAL BMO CAPITAL MARKETS  
SUMMARY INCOME  
STATEMENT AND HIGHLIGHTS**



(\$ millions except as noted)

	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1	YTD 2013	YTD 2012	Fiscal 2012	Fiscal 2011
Net interest income (teb)	298	271	319	311	290	259	322	302	346	298	290	1,191	1,229
Non-interest revenue	606	630	489	481	485	435	506	527	618	606	485	2,085	2,086
Total revenues (teb)	904	901	808	792	775	694	828	829	964	904	775	3,276	3,315
Provision for credit losses	(15)	(4)	-	19	(9)	12	10	4	6	(15)	(9)	6	32
Net interest and non-interest revenue (teb)	919	905	808	773	784	682	818	825	958	919	784	3,270	3,283
Non-interest expense	515	521	482	469	484	487	453	466	490	515	484	1,956	1,896
Income before taxes	404	384	326	304	300	195	365	359	468	404	300	1,314	1,387
Provision for income taxes (teb)	94	70	76	71	76	39	77	109	187	94	76	293	412
Reported net income	310	314	250	233	224	156	288	250	281	310	224	1,021	975
Adjusted net income	310	315	250	233	224	156	289	250	281	310	224	1,022	976
Return on equity	21.3 %	27.2 %	20.9 %	19.2 %	19.8 %	15.3 %	30.4 %	26.6 %	28.0 %	21.3 %	19.8 %	21.7 %	25.0 %
Net interest margin on average earning assets (teb)	0.59 %	0.55 %	0.63 %	0.66 %	0.62 %	0.58 %	0.74 %	0.78 %	0.84 %	0.59 %	0.62 %	0.61 %	0.73 %
Efficiency ratio (teb)	56.9 %	57.8 %	59.6 %	59.3 %	62.4 %	70.1 %	54.9 %	56.2 %	50.8 %	56.9 %	62.4 %	59.7 %	57.2 %
Operating leverage	10.3 %	22.8 %	(8.5)%	(5.3)%	(18.4)%	(21.9)%	15.2 %	(8.7)%	8.3 %	10.3 %	(18.4)%	(4.3)%	(3.0)%
Revenue growth	16.7 %	29.6 %	(2.2)%	(4.6)%	(19.6)%	(15.9)%	23.4 %	(8.8)%	13.2 %	16.7 %	(19.6)%	(1.2)%	1.7 %
Non-interest expense growth	6.4 %	6.8 %	6.3 %	0.7 %	(1.2)%	6.0 %	8.2 %	(0.1)%	4.9 %	6.4 %	(1.2)%	3.1 %	4.7 %
Average common equity	5,573	4,474	4,591	4,734	4,313	3,756	3,620	3,689	3,825	5,573	4,313	4,527	3,723
Average assets	252,907	250,114	259,055	248,283	248,724	239,343	215,648	202,702	207,089	252,907	248,724	251,562	216,306
Average earning assets	200,549	195,819	200,712	192,550	186,446	176,750	171,028	159,830	163,440	200,549	186,446	193,889	167,827
Average current loans and acceptances	24,001	24,055	23,919	22,815	22,963	21,884	20,965	21,224	21,327	24,001	22,963	23,441	21,351
Average deposits	118,122	109,955	106,003	100,556	98,758	98,369	92,198	87,678	89,886	118,122	98,758	103,836	92,068
Assets under administration	33,675	37,485	35,714	37,099	39,046	33,784	34,973	27,307	25,191	33,675	39,046	37,485	33,784
Number of full-time equivalent employees	2,205	2,176	2,162	2,125	2,174	2,286	2,161	2,016	1,957	2,205	2,174	2,176	2,286

**U.S. Segment Information (\$CAD equivalent)**

Net interest income (teb)	112	63	87	99	96	98	100	107	111	112	96	345	416
Non-interest revenue	176	199	192	141	154	137	154	137	176	176	154	686	604
Total revenues (teb)	288	262	279	240	250	235	254	244	287	288	250	1,031	1,020
Provision for credit losses	(15)	(6)	1	1	(10)	6	7	4	(5)	(15)	(10)	(14)	12
Net interest and non-interest revenue (teb)	303	268	278	239	260	229	247	240	292	303	260	1,045	1,008
Non-interest expense	211	218	206	203	203	213	189	188	196	211	203	830	786
Income before taxes	92	50	72	36	57	16	58	52	96	92	57	215	222
Provision for income taxes (teb)	9	21	20	13	15	1	18	16	86	9	15	69	121
Reported net income	83	29	52	23	42	15	40	36	10	83	42	146	101
Revenue growth	15.4%	11.3%	9.9%	(1.7)%	(12.8)%	(9.0)%	5.6%	0.3%	(1.7)%	15.4 %	(12.8)%	1.1 %	(1.4)%
Non-interest expense growth	4.0%	3.0%	9.0%	7.6%	3.6%	(1.4)%	5.9%	(1.7)%	14.6%	4.0 %	3.6 %	5.7 %	3.9 %
Average assets	93,683	92,873	98,699	92,485	94,658	92,968	82,116	70,841	74,916	93,683	94,658	94,691	80,287
Average earning assets	73,615	72,252	77,175	70,223	70,131	69,496	64,842	55,936	59,365	73,615	70,131	72,457	62,463
Average current loans and acceptances	8,594	8,194	8,413	7,874	7,964	7,260	7,004	7,521	7,980	8,594	7,964	8,112	7,440
Average deposits	59,928	53,264	51,305	47,579	43,390	41,165	38,611	34,931	35,396	59,928	43,390	48,892	37,547

**\$USD Equivalent**

Net interest income (teb)	113	64	85	100	95	97	104	112	110	113	95	344	423
Non-interest revenue	177	201	188	143	152	138	159	143	175	177	152	684	615
Total revenues (teb)	290	265	273	243	247	235	263	255	285	290	247	1,028	1,038
Provision for credit losses	(15)	(6)	1	1	(10)	6	8	4	(5)	(15)	(10)	(14)	13
Net interest and non-interest revenue (teb)	305	271	272	242	257	229	255	251	290	305	257	1,042	1,025
Non-interest expense	212	221	202	204	201	210	196	196	195	212	201	828	797
Income before taxes	93	50	70	38	56	19	59	55	95	93	56	214	228
Provision for income taxes (teb)	9	21	19	14	15	3	18	17	86	9	15	69	124
Reported net income	84	29	51	24	41	16	41	38	9	84	41	145	104
Average assets	94,127	93,902	96,965	93,251	93,423	92,176	85,291	73,649	74,339	94,127	93,423	94,391	81,427
Average earning assets	73,962	73,057	75,820	70,807	69,217	68,968	67,348	58,151	58,920	73,962	69,217	72,233	63,389
Average current loans and acceptances	8,634	8,283	8,267	7,940	7,863	7,204	7,273	7,813	7,922	8,634	7,863	8,089	7,552
Average deposits	60,207	53,846	50,425	47,976	42,842	40,809	40,110	36,318	35,153	60,207	42,842	48,776	38,112

**TOTAL CORPORATE SERVICES, INCLUDING TECHNOLOGY AND OPERATIONS**
**SUMMARY INCOME**
**STATEMENT AND HIGHLIGHTS**

(\$ millions except as noted)

	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1	YTD 2013	YTD 2012	Fiscal 2012	Fiscal 2011
Net interest income (teb) before Group teb offset	143	149	128	64	160	172	(82)	(26)	(95)	143	160	501	(31)
Group teb offset (1)	(64)	(92)	(66)	(56)	(52)	(51)	(55)	(53)	(61)	(64)	(52)	(266)	(220)
Net interest income	79	57	62	8	108	121	(137)	(79)	(156)	79	108	235	(251)
Non-interest revenue	4	133	10	148	187	(56)	(32)	150	36	4	187	478	98
Total revenues	83	190	72	156	295	65	(169)	71	(120)	83	295	713	(153)
Provision for credit losses	31	(36)	9	(52)	(73)	99	7	37	4	31	(73)	(152)	147
Net interest and non-interest revenue	52	226	63	208	368	(34)	(176)	34	(124)	52	368	865	(300)
Non-interest expense	244	346	189	233	211	135	206	111	72	244	211	979	524
Income before taxes	(192)	(120)	(126)	(25)	157	(169)	(382)	(77)	(196)	(192)	157	(114)	(824)
Provision for income taxes (teb) before Group teb offset	(63)	(50)	(73)	(42)	28	(11)	(112)	(76)	(90)	(63)	28	(137)	(289)
Group teb offset (1)	(64)	(92)	(66)	(56)	(52)	(51)	(55)	(53)	(61)	(64)	(52)	(266)	(220)
Provision for income taxes	(127)	(142)	(139)	(98)	(24)	(62)	(167)	(129)	(151)	(127)	(24)	(403)	(509)
Reported net Income	(65)	22	13	73	181	(107)	(215)	52	(45)	(65)	181	289	(315)
Non-controlling interest in subsidiaries	18	17	19	18	19	19	18	18	18	18	19	73	73
Net income attributable to Bank shareholders	(83)	5	(6)	55	162	(126)	(233)	34	(63)	(83)	162	216	(388)
Adjusted net income	(94)	41	32	3	20	(68)	(80)	1	(61)	(94)	20	96	(209)
Adjusted total revenue	(137)	(66)	(129)	(76)	(79)	(87)	(109)	(18)	(140)	(137)	(79)	(350)	(354)
Adjusted non-interest expense	149	115	80	124	69	77	71	86	72	149	69	388	306
Adjusted provision for credit losses	(51)	(115)	(112)	(96)	(123)	18	22	5	(2)	(51)	(123)	(446)	43
Average common equity	4,985	7,071	5,917	5,190	5,105	4,932	5,771	5,670	4,815	4,985	5,105	5,825	5,294
Average assets (2)	46,376	46,657	48,813	49,790	49,940	51,484	40,067	37,397	39,682	46,376	49,940	48,795	42,197
Average earning assets	34,305	34,831	38,314	36,038	36,220	38,662	30,330	28,864	27,788	34,305	36,220	36,353	31,433
Average current loans and acceptances (3)	87	139	257	90	187	161	204	205	149	87	187	169	179
Average deposits	34,265	30,530	30,750	31,290	29,153	26,117	20,999	21,627	20,615	34,265	29,153	30,425	22,346
Assets under management	1,065	1,597	1,902	2,105	2,342	2,942	3,253	3,680	4,433	1,065	2,342	1,597	2,942
Number of full-time equivalent employees	13,633	13,885	13,980	13,937	13,875	13,884	13,837	10,881	10,623	13,633	13,875	13,885	13,884

**U.S. Segment Information (\$CAD equivalent)**

Net interest income (teb) before Group teb offset	150	132	137	83	199	208	(94)	(60)	(64)	150	199	551	(10)
Group teb offset (1)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(7)	(6)	(6)	(24)	(25)
Net interest income	144	126	131	77	193	202	(100)	(66)	(71)	144	193	527	(35)
Non-interest revenue	(28)	50	-	23	16	39	(27)	26	(7)	(28)	16	89	31
Total revenues	116	176	131	100	209	241	(127)	(40)	(78)	116	209	616	(4)
Provision for credit losses	24	(69)	44	(41)	(104)	117	21	(6)	(4)	24	(104)	(170)	128
Net interest and non-interest revenue	92	245	87	141	313	124	(148)	(34)	(74)	92	313	786	(132)
Non-interest expense	138	195	120	123	101	78	130	41	2	138	101	539	251
Income before taxes	(46)	50	(33)	18	212	46	(278)	(75)	(76)	(46)	212	247	(383)
Provision for income taxes (teb) before Group teb offset	(31)	(12)	(33)	(2)	64	3	(106)	(50)	(60)	(31)	64	17	(213)
Group teb offset (1)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(7)	(6)	(6)	(24)	(25)
Provision for income taxes	(37)	(18)	(39)	(8)	58	(3)	(112)	(56)	(67)	(37)	58	(7)	(238)
Reported net Income	(9)	68	6	26	154	49	(166)	(19)	(9)	(9)	154	254	(145)
Non-controlling interest in subsidiaries	5	3	5	5	5	5	5	4	5	5	5	18	19
Net income attributable to Bank shareholders	(14)	65	1	21	149	44	(171)	(23)	(14)	(14)	149	236	(164)
Adjusted net income	(33)	82	37	12	83	(16)	(72)	-	(11)	(33)	83	214	(99)
Adjusted total revenue	(94)	(9)	(81)	(52)	(25)	(30)	(118)	(29)	(78)	(94)	(25)	(167)	(255)
Adjusted non-interest expense	46	32	15	49	-	20	(5)	16	2	46	-	96	33
Adjusted provision for credit losses	(54)	(116)	(113)	(94)	(124)	16	22	5	(1)	(54)	(124)	(447)	42
Average assets (2)	25,748	25,879	30,148	30,195	34,633	32,555	19,070	18,307	16,654	25,748	34,633	30,214	21,674
Average earning assets	20,655	21,051	25,226	25,278	24,747	27,381	18,436	17,441	15,349	20,655	24,747	24,069	19,671
Average current loans and acceptances (3)	33	91	98	36	76	83	162	71	58	33	91	75	73
Average deposits	907	973	1,566	2,099	2,664	3,105	(74)	2,004	2,824	907	2,664	1,824	1,965

**\$USD Equivalent**

Net interest income (teb) before Group teb offset	150	134	135	83	197	210	(97)	(63)	(64)	150	197	549	(14)
Group teb offset (1)	(6)	(6)	(6)	(6)	(6)	(7)	(6)	(6)	(7)	(6)	(6)	(24)	(26)
Net interest income	144	128	129	77	191	203	(103)	(69)	(71)	144	191	525	(40)
Non-interest revenue	(28)	51	(2)	22	17	37	(25)	28	(9)	(28)	17	88	31
Total revenues	116	179	127	99	208	240	(128)	(41)	(80)	116	208	613	(9)
Provision for credit losses	24	(69)	45	(41)	(103)	116	22	(10)	(3)	24	(103)	(168)	125
Net interest and non-interest revenue	92	248	82	140	311	124	(150)	(31)	(77)	92	311	781	(134)
Non-interest expense	139	196	118	126	98	76	136	44	1	139	98	538	257
Income before taxes	(47)	52	(36)	14	213	48	(286)	(75)	(78)	(47)	213	243	(391)
Provision for income taxes (teb) before Group teb offset	(30)	(10)	(34)	(3)	65	5	(108)	(49)	(63)	(30)	65	18	(215)
Group teb offset (1)	(6)	(6)	(6)	(6)	(6)	(7)	(6)	(6)	(7)	(6)	(6)	(24)	(26)
Provision for income taxes	(36)	(16)	(40)	(9)	59	(2)	(114)	(55)	(70)	(36)	59	(6)	(241)
Reported net Income	(11)	68	4	23	154	50	(172)	(20)	(8)	(11)	154	249	(150)
Non-controlling interest in subsidiaries	5	3	5	5	5	5	5	4	5	5	5	18	19
Net income attributable to Bank shareholders	(16)	65	(1)	18	149	45	(177)	(24)	(13)	(16)	149	231	(169)
Adjusted net income	(36)	84	34	8	84	(17)	(74)	(1)	(10)	(36)	84	210	(102)
Adjusted total revenue	(96)	(7)	(81)	(54)	(24)	(32)	(119)	(30)	(80)	(96)	(24)	(166)	(261)
Adjusted non-interest expense	47	31	15	50	(2)	19	(4)	18	1	47	(2)	94	34
Adjusted provision for credit losses	(55)	(116)	(108)	(94)	(123)	15	23	1	-	(55)	(123)	(441)	39
Average assets (2)	25,869	26,160	29,604	30,449	34,163	32,352	19,798	19,029	16,538	25,869	34,163	30,092	21,954
Average earning assets	20,754	21,280	24,768	25,491	24,426	27,159	19,141	18,131	15,245	20,754	24,426	23,983	19,934
Average current loans and acceptances (3)	34	91	96	37	75	83	85	73	58	34	91	75	75
Average deposits	911	984	1,536	2,116	2,626	3,077	(88)	2,082	2,809	911	2,626	1,814	1,970

(1) See Notes to Users: Taxable Equivalent Basis.

(2) In Q3, 2011, the acquired M&amp;I business contributed -\$0.9 billion (-\$0.9 billion USD) to growth as its assets and adjustments recorded on the purchase in respect of credit valuations and market interest rates were included in the average for only 26 days.

(3) Excludes M&amp;I purchased credit impaired loans.

**NON-INTEREST REVENUE AND  
TRADING REVENUE**

(\$ millions except as noted)

	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1	YTD 2013	YTD 2012	Fiscal 2012	Fiscal 2011
<b>Non-Interest Revenue</b>													
Securities commissions and fees	280	282	276	303	285	292	297	317	309	280	285	1,146	1,215
Deposit and payment service charges	225	230	232	227	240	246	205	188	195	225	240	929	834
Trading revenues (losses)	223	312	140	228	345	(15)	100	220	244	223	345	1,025	549
Lending fees	188	175	169	137	160	152	146	142	153	188	160	641	593
Card fees	177	181	186	174	167	188	171	159	171	177	167	708	689
Investment management and custodial fees	172	186	188	179	172	176	131	94	95	172	172	725	496
Mutual fund revenues	187	168	161	159	159	157	164	158	154	187	159	647	633
Underwriting and advisory fees	166	111	123	130	78	76	141	143	152	166	78	442	512
Securities gains, other than trading	26	56	14	40	42	61	31	47	50	26	42	152	189
Foreign exchange, other than trading	37	35	28	51	39	11	38	52	29	37	39	153	130
Insurance income	107	144	40	105	46	74	47	40	122	107	46	335	283
Other	77	151	96	106	66	142	46	81	77	77	66	419	346
<b>Total Non-Interest Revenue</b>	<b>1,865</b>	<b>2,031</b>	<b>1,653</b>	<b>1,839</b>	<b>1,799</b>	<b>1,560</b>	<b>1,517</b>	<b>1,641</b>	<b>1,751</b>	<b>1,865</b>	<b>1,799</b>	<b>7,322</b>	<b>6,469</b>
<b>Non-interest revenue-to-total revenue</b>	<b>45.7 %</b>	<b>48.6 %</b>	<b>42.6 %</b>	<b>46.4 %</b>	<b>43.7 %</b>	<b>40.8 %</b>	<b>45.7 %</b>	<b>49.2 %</b>	<b>50.5 %</b>	<b>45.7 %</b>	<b>43.7 %</b>	<b>45.4 %</b>	<b>46.4 %</b>

**Interest and Non-Interest Trading Revenue (teb) (1)**

Interest rates	125	159	95	87	108	56	80	107	145	125	108	449	388
Foreign exchange	57	64	64	63	78	71	69	71	77	57	78	269	288
Equities	137	140	92	98	83	41	103	66	112	137	83	413	322
Commodities	11	17	21	12	16	15	12	6	7	11	16	66	40
Other (2)	8	59	(1)	74	135	(138)	(62)	58	16	8	135	267	(126)
<b>Total (teb)</b>	<b>338</b>	<b>439</b>	<b>271</b>	<b>334</b>	<b>420</b>	<b>45</b>	<b>202</b>	<b>308</b>	<b>357</b>	<b>338</b>	<b>420</b>	<b>1,464</b>	<b>912</b>
Teb offset	57	85	58	49	42	42	48	46	54	57	42	234	190
<b>Total trading revenue</b>	<b>281</b>	<b>354</b>	<b>213</b>	<b>285</b>	<b>378</b>	<b>3</b>	<b>154</b>	<b>262</b>	<b>303</b>	<b>281</b>	<b>378</b>	<b>1,230</b>	<b>722</b>
Reported as:													
Net interest income	115	127	131	106	75	60	102	88	113	115	75	439	363
Non-interest revenue - trading revenues	223	312	140	228	345	(15)	100	220	244	223	345	1,025	549
<b>Total (teb)</b>	<b>338</b>	<b>439</b>	<b>271</b>	<b>334</b>	<b>420</b>	<b>45</b>	<b>202</b>	<b>308</b>	<b>357</b>	<b>338</b>	<b>420</b>	<b>1,464</b>	<b>912</b>
Teb offset	57	85	58	49	42	42	48	46	54	57	42	234	190
<b>Reported total trading revenue</b>	<b>281</b>	<b>354</b>	<b>213</b>	<b>285</b>	<b>378</b>	<b>3</b>	<b>154</b>	<b>262</b>	<b>303</b>	<b>281</b>	<b>378</b>	<b>1,230</b>	<b>722</b>
<b>Adjusted non-interest revenue - trading revenues</b>	<b>215</b>	<b>245</b>	<b>152</b>	<b>147</b>	<b>197</b>	<b>99</b>	<b>144</b>	<b>115</b>	<b>215</b>	<b>215</b>	<b>197</b>	<b>741</b>	<b>573</b>
<b>Adjusted total trading revenue</b>	<b>271</b>	<b>283</b>	<b>224</b>	<b>205</b>	<b>238</b>	<b>122</b>	<b>205</b>	<b>162</b>	<b>283</b>	<b>271</b>	<b>238</b>	<b>950</b>	<b>772</b>

(1) Trading revenues presented on a tax equivalent basis.

(2) Includes the impact of run-off structured credit activities and hedging exposures in our structural balance sheet.

Trading revenues include interest earned on trading securities and other cash instruments held in trading portfolios, less internal and external funding costs associated with trading-related derivatives and cash instruments, and realized and unrealized gains and losses on trading securities, other cash instruments, derivatives and foreign exchange activities.

Interest rates includes Canadian government securities, corporate debt instruments and interest rate derivatives.

Foreign exchange includes foreign exchange spot and foreign exchange derivatives contracts from our wholesale banking business.

Equities includes institutional equities, equity derivatives and proprietary trading.

Other includes managed futures, credit investment management, Harris trading and global distribution loan trading and sales.

**NON-INTEREST EXPENSE**

(\$ millions except as noted)

	2013	2012	2012	2012	2012	2011	2011	2011	2011	YTD	YTD	Fiscal	Fiscal
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2013	2012	2012	2011

**Adjusted Non-Interest Expense (1)**

Employee compensation													
Salaries	772	748	739	745	737	766	670	589	607	772	737	2,969	2,632
Performance based compensation	473	431	386	389	435	384	373	369	434	473	435	1,641	1,560
Employee benefits	211	168	188	209	191	153	164	151	153	211	191	756	621
Total employee compensation	1,456	1,347	1,313	1,343	1,363	1,303	1,207	1,109	1,194	1,456	1,363	5,366	4,813
Premises and equipment													
Rental of real estate	100	98	93	99	99	98	87	88	84	100	99	389	357
Premises, furniture and fixtures	91	98	88	88	91	91	75	72	70	91	91	365	308
Property taxes	9	9	9	10	8	9	7	7	7	9	8	36	30
Computer and equipment	229	264	240	230	236	249	215	213	185	229	236	970	862
Total premises and equipment	429	469	430	427	434	447	384	380	346	429	434	1,760	1,557
Amortization of intangible assets	56	54	53	49	49	48	41	31	41	56	49	205	161
Other expenses													
Communications	68	76	79	73	72	75	63	61	60	68	72	300	259
Business and capital taxes	9	13	10	11	12	14	12	14	11	9	12	46	51
Professional fees	110	139	128	124	111	139	200	123	106	110	111	502	568
Travel and business development	109	119	109	113	113	99	98	88	86	109	113	454	371
Other	227	219	220	217	224	216	64	188	205	227	224	880	673
Total other expenses	523	566	546	538	532	543	437	474	468	523	532	2,182	1,922
Total adjusted non-interest expense	2,464	2,436	2,342	2,357	2,378	2,341	2,069	1,994	2,049	2,464	2,378	9,513	8,453
Reported non-interest expense	2,590	2,701	2,484	2,499	2,554	2,432	2,221	2,030	2,058	2,590	2,554	10,238	8,741

(1) Adjusted non-interest expense excludes M&amp;I acquisition-related costs (including integration of the acquired business), restructuring costs, and amortization of acquisition-related intangible assets.

**BALANCE SHEET**

(\$ millions)	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1	MIX Q1	INC/(DEC) VS LAST YEAR
<b>As At Balances</b>											
Cash and Cash Equivalents	31,519	19,941	33,592	34,117	39,553	19,676	33,126	24,500	20,769	5.8 %	(8,034) (20.3)%
Interest Bearing Deposits with Banks	6,149	6,341	5,995	7,010	7,603	5,980	7,049	5,309	5,493	1.1 %	(1,454) (19.1)%
Securities	128,362	128,324	130,219	127,119	126,388	122,115	120,622	114,939	118,745	23.7 %	1,974 1.6 %
Securities borrowed or purchased under resale agreements	52,957	47,011	47,453	43,349	43,236	37,970	38,301	33,040	35,887	9.8 %	9,721 22.5 %
Loans											
Residential mortgages <sup>(1)</sup>	89,025	87,870	85,595	82,260	81,317	81,075	80,977	74,507	74,825	16.4 %	7,708 9.5 %
Non-residential mortgages	6,414	6,053	6,360	6,380	6,452	6,430	6,219	6,961	7,357	1.2 %	(38) (0.6)%
Consumer instalment and other personal	61,531	61,436	60,792	60,002	59,688	59,445	58,035	52,189	51,751	11.3 %	1,843 3.1 %
Credit cards	7,683	7,814	7,837	7,861	7,871	8,038	8,026	7,688	7,690	1.4 %	(188) (2.4)%
Businesses and governments	87,551	84,349	84,592	82,324	81,639	78,453	76,776	58,719	57,783	16.2 %	5,912 7.2 %
Customers' liability under acceptances	252,204	247,522	245,176	238,827	236,967	233,441	230,033	200,064	199,406	46.5 %	15,237 6.4 %
Allowance for credit losses	8,626	8,019	8,013	7,406	6,782	7,227	7,000	6,620	7,194	1.6 %	1,844 27.2 %
Allowance for credit losses	(1,672)	(1,706)	(1,755)	(1,807)	(1,756)	(1,783)	(1,706)	(1,763)	(1,836)	(0.3)%	84 4.8 %
<b>Total net loans and acceptances</b>	<b>259,158</b>	<b>253,835</b>	<b>251,434</b>	<b>244,426</b>	<b>241,993</b>	<b>238,885</b>	<b>235,327</b>	<b>204,921</b>	<b>204,764</b>	<b>47.8 %</b>	<b>17,165 7.1 %</b>
Other assets											
Derivative instruments	42,548	48,071	52,263	46,760	58,219	55,113	47,359	43,901	38,845	7.8 %	(15,671) (26.9)%
Premises and equipment	2,165	2,120	2,059	2,033	2,020	2,061	1,921	1,465	1,484	0.4 %	145 7.2 %
Goodwill	3,728	3,717	3,732	3,702	3,656	3,649	3,442	1,592	1,598	0.7 %	72 2.0 %
Intangible assets	1,534	1,552	1,572	1,541	1,558	1,562	1,511	848	822	0.3 %	(24) (1.6)%
Other	14,145	14,537	13,929	15,446	14,034	13,564	13,378	9,033	10,043	2.6 %	111 0.8 %
<b>Total Assets</b>	<b>542,265</b>	<b>525,449</b>	<b>542,248</b>	<b>525,503</b>	<b>538,260</b>	<b>500,575</b>	<b>502,036</b>	<b>439,548</b>	<b>438,450</b>	<b>100.0 %</b>	<b>4,005 0.7 %</b>
Deposits											
Banks	21,959	17,290	23,314	22,508	20,150	20,877	22,950	18,944	19,882	4.0 %	1,809 9.0 %
Businesses and governments	202,267	185,182	183,698	171,539	173,852	159,209	148,848	136,130	134,228	37.3 %	28,415 16.3 %
Individuals	126,699	121,230	121,956	122,020	122,555	122,287	120,249	99,197	98,634	23.4 %	4,144 3.4 %
<b>Total deposits</b>	<b>350,925</b>	<b>323,702</b>	<b>328,968</b>	<b>316,067</b>	<b>316,557</b>	<b>302,373</b>	<b>292,047</b>	<b>254,271</b>	<b>252,744</b>	<b>64.7 %</b>	<b>34,368 10.9 %</b>
Other liabilities											
Derivative instruments	43,516	48,736	53,132	46,472	55,157	50,934	43,596	40,978	37,153	8.0 %	(11,641) (21.1)%
Acceptances	8,626	8,019	8,013	7,406	6,782	7,227	7,000	6,620	7,194	1.6 %	1,844 27.2 %
Securities sold but not yet purchased	21,439	23,439	22,523	23,834	21,269	20,207	21,892	20,693	18,414	4.0 %	170 0.8 %
Securities lent or sold under repurchase agreements	37,709	39,737	47,145	46,076	51,952	32,078	48,426	38,954	46,788	7.0 %	(14,243) (27.4)%
Other	45,002	47,171	48,514	51,519	52,201	53,751	56,096	49,800	49,785	8.3 %	(7,199) (13.8)%
Subordinated debt	4,064	4,093	4,107	5,276	5,362	5,348	5,284	5,208	3,713	0.7 %	(1,298) (24.2)%
Capital trust securities	451	462	450	462	450	821	821	809	808	0.1 %	1 0.1 %
Share capital											
Preferred shares	2,465	2,465	2,465	2,465	2,861	2,861	2,861	2,861	2,571	0.5 %	(396) (13.8)%
Common shares	12,027	11,957	11,748	11,568	11,399	11,332	11,253	7,090	7,001	2.2 %	628 5.5 %
Contributed surplus	214	213	216	215	119	113	111	101	100	0.0 %	95 79.0 %
Retained earnings	14,068	13,540	12,977	12,512	11,986	11,381	11,117	10,913	10,556	2.9 %	2,082 17.4 %
Accumulated other comprehensive income (loss)	340	480	568	190	734	666	68	(230)	158	0.1 %	(394) (53.7)%
<b>Total shareholder's equity</b>	<b>29,114</b>	<b>28,655</b>	<b>27,974</b>	<b>26,950</b>	<b>27,099</b>	<b>26,353</b>	<b>25,410</b>	<b>20,735</b>	<b>20,386</b>		<b>2,015</b>
<b>Non-controlling interest in subsidiaries</b>	<b>1,419</b>	<b>1,435</b>	<b>1,422</b>	<b>1,441</b>	<b>1,431</b>	<b>1,483</b>	<b>1,464</b>	<b>1,480</b>	<b>1,465</b>	<b>0.3 %</b>	<b>(12) (0.8)%</b>
<b>Total Liabilities and Equity</b>	<b>542,265</b>	<b>525,449</b>	<b>542,248</b>	<b>525,503</b>	<b>538,260</b>	<b>500,575</b>	<b>502,036</b>	<b>439,548</b>	<b>438,450</b>	<b>100.0 %</b>	<b>4,005 0.7 %</b>

(1) Certain commercial residential mortgages have been classified as residential mortgages. These are included in the commercial mortgages category in the loan schedules by product and industry.



**BALANCE SHEET**

(\$ millions)	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1	YTD 2013	YTD 2012	INC/ (DEC)
<b>Average Daily Balances</b>												
Cash resources	36,652	38,035	45,605	46,479	42,836	44,807	39,142	32,256	26,997	36,652	42,836	(14.4)%
Securities	135,964	132,418	133,299	127,882	120,478	118,787	117,210	116,481	121,817	135,964	120,478	12.9 %
Securities borrowed or purchased under resale agreements	53,187	50,637	49,152	44,368	50,965	45,113	38,871	31,033	33,973	53,187	50,965	4.4 %
Loans												
Residential mortgages (1)	86,828	85,226	82,716	79,979	79,574	79,342	75,743	74,447	74,695	86,828	79,574	9.1 %
Non-residential mortgages	8,081	6,275	6,615	6,621	6,786	8,345	6,785	7,082	7,462	8,081	6,786	19.1 %
Consumer instalment and other personal	61,470	61,000	60,674	59,744	59,839	59,257	54,411	51,790	51,481	61,470	59,839	2.7 %
Credit cards	7,911	7,906	7,907	7,790	8,129	8,056	7,794	7,543	7,826	7,911	8,129	(2.7)%
Businesses and governments	85,291	84,734	85,337	82,497	81,800	79,078	63,681	57,934	57,251	85,291	81,800	4.3 %
Customers' liability under acceptances	249,581	245,141	243,249	236,631	236,128	234,078	208,414	198,796	198,715	249,581	236,128	5.7 %
Allowance for credit losses	8,544	8,370	7,792	7,335	7,326	7,247	7,037	7,088	7,273	8,544	7,326	16.6 %
	(1,719)	(1,738)	(1,950)	(1,822)	(2,074)	(1,807)	(1,809)	(1,872)	(1,877)	(1,719)	(2,074)	17.1 %
<b>Total net loans and acceptances</b>	<b>256,406</b>	<b>251,773</b>	<b>249,091</b>	<b>242,144</b>	<b>241,380</b>	<b>239,518</b>	<b>213,642</b>	<b>204,012</b>	<b>204,111</b>	<b>256,406</b>	<b>241,380</b>	<b>6.2 %</b>
Other assets												
Derivative instruments	45,354	50,534	54,031	52,663	58,531	59,756	42,782	40,956	40,729	45,354	58,531	(22.5)%
Other	26,793	22,980	23,044	24,655	23,944	21,751	15,336	12,835	16,768	26,793	23,944	11.9 %
<b>Total Assets (2)</b>	<b>554,356</b>	<b>546,377</b>	<b>554,222</b>	<b>538,191</b>	<b>538,134</b>	<b>529,732</b>	<b>466,983</b>	<b>437,573</b>	<b>444,395</b>	<b>554,356</b>	<b>538,134</b>	<b>3.0 %</b>
Deposits												
Banks	21,616	20,774	21,971	21,492	21,223	23,102	22,105	20,165	19,714	21,616	21,223	1.9 %
Businesses and governments	198,221	187,512	180,704	174,727	171,050	162,525	143,579	135,515	137,828	198,221	171,050	15.9 %
Individuals	123,728	120,428	122,344	121,039	122,315	121,478	104,665	97,618	98,139	123,728	122,315	1.2 %
<b>Total deposits</b>	<b>343,565</b>	<b>328,714</b>	<b>325,019</b>	<b>317,258</b>	<b>314,588</b>	<b>307,105</b>	<b>270,349</b>	<b>253,298</b>	<b>255,681</b>	<b>343,565</b>	<b>314,588</b>	<b>9.2 %</b>
Other liabilities												
Derivative instruments	46,424	50,959	54,392	50,389	54,771	55,406	38,701	37,912	38,710	46,424	54,771	(15.2)%
Acceptances	8,544	8,370	7,792	7,335	7,326	7,247	7,037	7,088	7,273	8,544	7,326	16.6 %
Securities sold but not yet purchased	30,294	29,052	28,518	25,778	21,706	26,024	22,866	18,479	17,342	30,294	21,706	39.6 %
Securities lent or sold under repurchase agreements	43,723	48,316	53,124	50,775	52,905	45,832	46,836	44,703	49,668	43,723	52,905	(17.4)%
Other	46,846	46,259	51,028	52,265	52,005	55,424	51,801	49,014	49,725	46,846	52,005	(9.9)%
Subordinated debt	4,082	4,093	4,782	5,348	5,441	5,318	5,227	4,558	3,661	4,082	5,441	(25.0)%
Capital trust securities	456	456	458	455	717	861	861	861	1,122	456	717	(36.5)%
Shareholders' equity	28,993	28,732	27,673	27,154	27,225	25,068	21,865	20,227	19,768	28,993	27,225	6.5 %
Non-controlling interest in subsidiaries	1,429	1,426	1,436	1,434	1,450	1,447	1,440	1,433	1,445	1,429	1,450	(1.5)%
<b>Total Liabilities and Equity</b>	<b>554,356</b>	<b>546,377</b>	<b>554,222</b>	<b>538,191</b>	<b>538,134</b>	<b>529,732</b>	<b>466,983</b>	<b>437,573</b>	<b>444,395</b>	<b>554,356</b>	<b>538,134</b>	<b>3.0 %</b>

(1) Certain commercial residential mortgages have been classified as residential mortgages. These are included in the commercial mortgages category in the loan schedules by product and industry.

(2) In Q3, 2011, M&I contributed \$10.5 billion to growth as its assets were included in the average for only 26 days.

<div> <div>STATEMENT OF COMPREHENSIVE INCOME</div> <div> <div>BMO</div> <div>Financial Group</div> </div> </div>													
(\$ millions)	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1	YTD 2013	YTD 2012	Fiscal 2012	Fiscal 2011
Net income	1,048	1,082	970	1,028	1,109	768	708	813	825	1,048	1,109	4,189	3,114
Other comprehensive income (loss)													
Net change in unrealized gains (losses) on available-for-sale securities													
Unrealized gains (losses) on available-for-sale securities arising during the period	(18)	22	26	6	(30)	23	54	(33)	(26)	(18)	(30)	24	18
Reclassification to earnings of (gains) losses in the period	(15)	(39)	14	(23)	(33)	(67)	(7)	7	(37)	(15)	(33)	(81)	(104)
	(33)	(17)	40	(17)	(63)	(44)	47	(26)	(63)	(33)	(63)	(57)	(86)
Net change in unrealized gains (losses) on cash flow hedges													
Gains (losses) on cash flow hedges arising during the period	(58)	15	177	(300)	46	230	208	40	(150)	(58)	46	(62)	328
Reclassification to earnings of (gains) losses on cash flow hedges	(34)	(40)	(29)	(38)	-	(30)	2	(22)	29	(34)	-	(107)	(21)
	(92)	(25)	148	(338)	46	200	210	18	(121)	(92)	46	(169)	307
Net gain (loss) on translation of net foreign operations													
Unrealized gains (loss) on translation of net foreign operations	(34)	(63)	260	(255)	133	759	64	(679)	(234)	(34)	133	75	(90)
Impact of hedging unrealized gains (loss) on translation of net foreign operations	19	17	(70)	66	(48)	(317)	(23)	299	164	19	(48)	(35)	123
	(15)	(46)	190	(189)	85	442	41	(380)	(70)	(15)	85	40	33
Other comprehensive income (loss)	(140)	(88)	378	(544)	68	598	298	(388)	(254)	(140)	68	(186)	254
Total comprehensive income	908	994	1,348	484	1,177	1,366	1,006	425	571	908	1,177	4,003	3,368
Attributable to:													
Bank shareholders	890	976	1,329	466	1,158	1,347	988	407	553	890	1,158	3,929	3,295
Non-controlling interest in subsidiaries	18	18	19	18	19	19	18	18	18	18	19	74	73
Total comprehensive income	908	994	1,348	484	1,177	1,366	1,006	425	571	908	1,177	4,003	3,368

<div> <div>STATEMENT OF CHANGES IN EQUITY</div> </div>													
(\$ millions)	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1	YTD 2013	YTD 2012	Fiscal 2012	Fiscal 2011
Preferred Shares													
Balance at beginning of period	2,465	2,465	2,465	2,861	2,861	2,861	2,861	2,571	2,571	2,465	2,861	2,861	2,571
Issued during the period	-	-	-	-	-	-	-	290	-	-	-	-	290
Redeemed during the period	-	-	-	(396)	-	-	-	-	-	-	-	(396)	-
Balance at End of Period	2,465	2,465	2,465	2,465	2,861	2,861	2,861	2,861	2,571	2,465	2,861	2,465	2,861
Common Shares													
Balance at beginning of period	11,957	11,748	11,568	11,399	11,332	11,253	7,090	7,001	6,927	11,957	11,332	11,332	6,927
Issued under the Shareholder Dividend Reinvestment and Share Purchase Plan	37	176	169	152	46	44	43	42	50	37	46	543	179
Issued under the Stock Option Plan	33	33	9	17	21	34	17	47	24	33	21	80	122
Issued on the exchange of shares of a subsidiary corporation	-	-	2	-	-	1	-	-	-	-	-	2	1
Issued on the acquisition of a business	-	-	-	-	-	-	4,103	-	-	-	-	-	4,103
Balance at End of Period	12,027	11,957	11,748	11,568	11,399	11,332	11,253	7,090	7,001	12,027	11,399	11,957	11,332
Contributed Surplus													
Balance at beginning of period	213	216	215	119	113	111	101	100	91	213	113	113	91
Stock option expense / exercised	1	(3)	1	-	6	2	10	1	9	1	6	4	22
Foreign exchange on redemption of preferred shares	-	-	-	96	-	-	-	-	-	-	-	96	-
Balance at End of Period	214	213	216	215	119	113	111	101	100	214	119	213	113
Retained Earnings													
Balance at beginning of period	13,540	12,977	12,512	11,986	11,381	11,117	10,913	10,556	10,181	13,540	11,381	11,381	10,181
Net income attributable to Bank shareholders	1,030	1,064	951	1,010	1,090	749	690	795	807	1,030	1,090	4,115	3,041
Dividends - Preferred shares	(33)	(33)	(32)	(34)	(37)	(37)	(39)	(36)	(34)	(33)	(37)	(136)	(146)
- Common shares	(469)	(468)	(454)	(450)	(448)	(448)	(446)	(398)	(398)	(469)	(448)	(1,820)	(1,690)
Share issue expense	-	-	-	-	-	-	(1)	(4)	-	-	-	-	(5)
Balance at End of Period	14,068	13,540	12,977	12,512	11,986	11,381	11,117	10,913	10,556	14,068	11,986	13,540	11,381
Accumulated Other Comprehensive Income on available-for-sale securities													
Balance at beginning of period	265	282	242	259	322	366	319	345	408	265	322	322	408
Unrealized gains (losses) on available-for-sale securities arising during the period	(18)	22	26	6	(30)	23	54	(33)	(26)	(18)	(30)	24	18
Reclassification to earnings of (gains) losses in the period	(15)	(39)	14	(23)	(33)	(67)	(7)	7	(37)	(15)	(33)	(81)	(104)
Balance at End of Period	232	265	282	242	259	322	366	319	345	232	265	265	322
Accumulated Other Comprehensive Income (Loss) on cash flow hedges													
Balance at beginning of period	142	167	19	357	311	111	(99)	(117)	4	142	311	311	4
Gains (losses) on cash flow hedges arising during the period	(58)	15	177	(300)	46	230	208	40	(150)	(58)	46	(62)	328
Reclassification to earnings of (gains) losses on cash flow hedges	(34)	(40)	(29)	(38)	-	(30)	2	(22)	29	(34)	-	(107)	(21)
Balance at End of Period	50	142	167	19	357	311	111	(99)	(117)	50	357	142	311
Accumulated Other Comprehensive Income (Loss) on translation on net foreign operations													
Balance at beginning of period	73	119	(71)	118	33	(409)	(450)	(70)	-	73	33	33	-
Unrealized gains (loss) on translation of net foreign operations	(34)	(63)	260	(255)	133	759	64	(679)	(234)	(34)	133	75	(90)
Impact of hedging unrealized gains (loss) on translation of net foreign operations	19	17	(70)	66	(48)	(317)	(23)	299	164	19	(48)	(35)	123
Balance at End of Period	58	73	119	(71)	118	33	(409)	(450)	(70)	58	118	73	33
Total accumulated other comprehensive income (loss)	340	480	568	190	734	666	68	(230)	158	340	734	480	666
Total Shareholders' Equity	29,114	28,655	27,974	26,950	27,099	26,353	25,410	20,735	20,386	29,114	27,099	28,655	26,353
Non-controlling interest in subsidiaries													
Balance at beginning of period	1,435	1,422	1,441	1,431	1,483	1,464	1,480	1,465	1,501	1,435	1,483	1,483	1,501
Net income attributable to non-controlling interest	18	18	19	18	19	19	18	18	18	18	19	74	73
Dividends to non-controlling interest	(31)	(5)	(32)	(5)	(31)	(5)	(31)	(4)	(31)	(31)	(31)	(73)	(71)
Other	(3)	-	(6)	(3)	(40)	5	(3)	1	(23)	(3)	(40)	(49)	(20)
Balance at End of Period	1,419	1,435	1,422	1,441	1,431	1,483	1,464	1,480	1,465	1,419	1,431	1,435	1,483
Total Equity	30,533	30,090	29,396	28,391	28,530	27,836	26,874	22,215	21,851	30,533	28,530	30,090	27,836

**AVERAGE ASSETS BY OPERATING GROUP AND GEOGRAPHIC AREA**

(\$ millions)	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3 (1)	2011 Q2	2011 Q1	YTD 2013	YTD 2012	Fiscal 2012	Fiscal 2011
Personal & Commercial Banking (2)													
Canada	170,811	167,086	162,923	158,450	156,818	156,042	153,820	151,885	150,423	170,811	156,818	161,335	153,052
United States	63,014	61,420	62,712	61,563	63,164	63,510	39,675	28,945	31,065	63,014	63,164	62,218	40,896
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>233,825</b>	<b>228,506</b>	<b>225,635</b>	<b>220,013</b>	<b>219,982</b>	<b>219,552</b>	<b>193,495</b>	<b>180,830</b>	<b>181,488</b>	<b>233,825</b>	<b>219,982</b>	<b>223,553</b>	<b>193,948</b>
Private Client Group													
Canada	17,031	16,743	16,245	15,754	15,149	14,990	14,543	13,904	13,318	17,031	15,149	15,974	14,191
United States	3,363	3,534	3,734	3,662	3,783	3,852	2,682	2,203	2,337	3,363	3,783	3,678	2,773
Other	854	823	740	689	556	511	548	537	481	854	556	702	519
<b>Total</b>	<b>21,248</b>	<b>21,100</b>	<b>20,719</b>	<b>20,105</b>	<b>19,488</b>	<b>19,353</b>	<b>17,773</b>	<b>16,644</b>	<b>16,136</b>	<b>21,248</b>	<b>19,488</b>	<b>20,354</b>	<b>17,483</b>
BMO Capital Markets													
Canada	140,606	139,031	142,547	138,651	137,087	128,298	116,710	116,268	114,456	140,606	137,087	139,333	118,954
United States	93,683	92,873	98,699	92,485	94,658	92,968	82,116	70,841	74,916	93,683	94,658	94,691	80,287
Other	18,618	18,210	17,809	17,147	16,979	18,077	16,822	15,593	17,717	18,618	16,979	17,538	17,065
<b>Total</b>	<b>252,907</b>	<b>250,114</b>	<b>259,055</b>	<b>248,283</b>	<b>248,724</b>	<b>239,343</b>	<b>215,648</b>	<b>202,702</b>	<b>207,089</b>	<b>252,907</b>	<b>248,724</b>	<b>251,562</b>	<b>216,306</b>
Corporate Services, including Technology and Operations													
Canada	19,206	18,893	16,498	17,213	12,379	15,670	17,357	14,903	18,205	19,206	12,379	16,240	16,548
United States	25,748	25,879	30,148	30,195	34,633	32,555	19,070	18,307	16,654	25,748	34,633	30,214	21,674
Other	1,422	1,885	2,167	2,382	2,928	3,259	3,640	4,187	4,823	1,422	2,928	2,341	3,975
<b>Total</b>	<b>46,376</b>	<b>46,657</b>	<b>48,813</b>	<b>49,790</b>	<b>49,940</b>	<b>51,484</b>	<b>40,067</b>	<b>37,397</b>	<b>39,682</b>	<b>46,376</b>	<b>49,940</b>	<b>48,795</b>	<b>42,197</b>
Total Consolidated													
Canada	347,654	341,753	338,213	330,068	321,433	315,000	302,430	296,960	296,402	347,654	321,433	332,882	302,745
United States	185,808	183,706	195,293	187,905	196,238	192,885	143,543	120,296	124,972	185,808	196,238	190,801	145,630
Other	20,894	20,918	20,716	20,218	20,463	21,847	21,010	20,317	23,021	20,894	20,463	20,581	21,559
<b>Total</b>	<b>554,356</b>	<b>546,377</b>	<b>554,222</b>	<b>538,191</b>	<b>538,134</b>	<b>529,732</b>	<b>466,983</b>	<b>437,573</b>	<b>444,395</b>	<b>554,356</b>	<b>538,134</b>	<b>544,264</b>	<b>469,934</b>

(1) In Q3, 2011, M&I contributed \$10.5 billion to growth as its assets were included in the average for only 26 days.

(2) Personal and Commercial Banking includes both P&C Canada and P&C U.S. P&C Canada's average assets include a portion of our U.S. geographic operations.

**GOODWILL AND  
INTANGIBLE ASSETS**

	November 1 2012	Additions/Purchases <sup>(1)</sup>				Amortization				Other: Includes FX <sup>(2)</sup>			January 31 2013
(\$ millions)		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>Intangible Assets</b>													
Customer relationships	276	6	-	-	-	(11)	-	-	-	(1)	-	-	-
Core deposit intangibles	418	-	-	-	-	(20)	-	-	-	(1)	-	-	-
Branch distribution networks	2	-	-	-	-	-	-	-	-	-	-	-	-
Purchased software	54	21	-	-	-	(7)	-	-	-	-	-	-	-
Developed software - amortized	645	18	-	-	-	(48)	-	-	-	(1)	-	-	-
Software under development	156	25	-	-	-	-	-	-	-	-	-	-	-
Other	1	-	-	-	-	(1)	-	-	-	2	-	-	-
<b>Total Intangible Assets</b>	<b>1,552</b>	<b>70</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(87)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Goodwill</b>	<b>3,717</b>	<b>18</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7)</b>	<b>-</b>	<b>-</b>	<b>-</b>

(1) Net additions/purchases include intangible assets acquired through acquisitions and assets acquired through the normal course of operations.

(2) Other changes in goodwill and intangible assets includes the foreign exchange effects of U.S. dollar denominated intangible assets and goodwill, purchase accounting adjustments and certain other reclassifications.

**UNREALIZED GAINS (LOSSES)**
**ON AVAILABLE-FOR-SALE SECURITIES**

	Book Value					Unrealized Gains (Losses) <sup>(1)</sup>					
(\$ millions)	2013 Q1	2012 Q4	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1
Securities, Other Than Trading											
Canadian governments	18,935	19,957	191	265	331	204	457	441	410	226	246
U.S. governments	11,742	13,946	133	165	291	247	270	246	227	97	87
Mortgage-backed securities - Canada <sup>(2)</sup>	261	435	2	3	6	5	15	18	19	19	23
- U.S.	6,126	6,388	55	64	51	52	72	104	39	15	22
Corporate debt	8,258	7,875	150	151	125	75	54	41	43	28	17
Corporate equity <sup>(3)</sup>	1,178	1,185	57	56	66	60	47	70	59	65	80
Other governments	6,041	6,596	5	5	2	(3)	(13)	5	18	19	28
<b>Unrealized Gains On Available-For-Sale Securities</b>	<b>52,541</b>	<b>56,382</b>	<b>593</b>	<b>709</b>	<b>872</b>	<b>640</b>	<b>902</b>	<b>925</b>	<b>815</b>	<b>469</b>	<b>503</b>

(1) Unrealized gains (losses) may be offset by related losses (gains) on liabilities or hedge contracts.

(2) These mortgage-backed securities are supported by guaranteed mortgages.

(3) Unrealized gains related to our investments in Visa Inc. were included in corporate equity during Fiscal 2011.

**ASSETS UNDER ADMINISTRATION  
AND MANAGEMENT**

	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1
(\$ millions)									
<b>Assets Under Administration <sup>(4)</sup></b>									
Institutional <sup>(5)</sup>	231,837	228,515	228,734	224,620	215,887	208,619	209,732	96,603	98,424
Personal	190,359	183,873	178,613	178,966	177,586	177,738	178,834	174,321	172,933
Mutual Funds	760	752	750	735	709	684	691	715	696
<b>Total</b>	<b>422,956</b>	<b>413,140</b>	<b>408,097</b>	<b>404,321</b>	<b>394,182</b>	<b>387,041</b>	<b>389,257</b>	<b>271,639</b>	<b>272,053</b>
<b>Assets Under Management <sup>(4)</sup></b>									
Institutional	54,396	46,777	44,615	45,782	50,671	44,367	44,491	29,355	25,057
Personal	75,181	82,847	81,047	80,622	73,624	76,719	78,173	58,118	58,054
Mutual Funds	38,444	36,266	33,867	33,824	32,909	32,032	32,589	30,957	29,793
<b>Total</b>	<b>168,021</b>	<b>165,890</b>	<b>159,529</b>	<b>160,228</b>	<b>157,204</b>	<b>153,118</b>	<b>155,253</b>	<b>118,430</b>	<b>112,904</b>
<b>Total Assets under Administration and Management</b>	<b>590,977</b>	<b>579,030</b>	<b>567,626</b>	<b>564,549</b>	<b>551,386</b>	<b>540,159</b>	<b>544,510</b>	<b>390,069</b>	<b>384,957</b>

(4) Assets Under Administration of US\$1 to US\$2 billion are also included in Assets Under Management (since Q3, 2007).

(5) Amounts include securitized residential mortgages and credit cards.

**DEBT ISSUED BY BANK SPONSORED VEHICLES FOR THIRD PARTY ASSETS**

	Q1 2013				Q4 2012				Q3 2012				Q2 2012			
	Canadian Conduits <sup>(1)</sup>	US Conduit <sup>(2)</sup>	SIVs/Credit Protection Vehicles	Total	Canadian Conduits <sup>(1)</sup>	US Conduit <sup>(2)</sup>	SIVs/Credit Protection Vehicles	Total	Canadian Conduits <sup>(1)</sup>	US Conduit <sup>(2)</sup>	SIVs/Credit Protection Vehicles	Total	Canadian Conduits <sup>(1)</sup>	US Conduit <sup>(2)</sup>	SIVs/Credit Protection Vehicles	Total
(\$ millions except as noted)																
Auto loans/leases	1,531	597	-	2,128	1,531	449	-	1,980	1,528	418	-	1,946	1,120	539	-	1,659
Credit card receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential mortgages (insured)	582	-	-	582	445	-	-	445	418	-	-	418	461	-	-	461
Residential mortgages (uninsured)	122	18	-	140	144	25	-	169	196	33	-	229	250	41	-	291
Commercial mortgages (uninsured)	-	193	-	193	23	214	-	237	43	224	-	267	61	229	-	290
Commercial mortgages (insured)	73	-	-	73	-	-	-	-	-	-	-	-	-	-	-	-
Personal line of credit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equipment loans/leases	337	177	-	514	182	183	-	365	406	178	-	584	384	177	-	561
Trade receivables	-	133	-	133	-	133	-	133	-	-	-	-	-	-	-	-
Corporate loans	-	680	-	680	-	860	-	860	-	947	-	947	-	1,004	-	1,004
Daily auto rental	93	57	-	150	203	81	-	284	387	92	-	479	180	82	-	262
Floorplan finance receivables	420	246	-	666	356	302	-	658	600	293	-	893	400	276	-	676
Collateralized debt obligations	-	319	-	319	-	342	-	342	-	346	-	346	-	350	-	350
Other pool type	250	717	-	967	250	360	-	610	250	728	-	978	250	721	-	971
SIV assets (financial institutions debt and securitized assets)	-	-	894	894	-	-	1,447	1,447	-	-	1,852	1,852	-	-	2,079	2,079
Credit protection vehicle	-	-	2,187	2,187	-	-	2,187	2,187	-	-	2,187	2,187	-	-	2,187	2,187
<b>Total</b>	<b>3,408</b>	<b>3,137</b>	<b>3,081</b>	<b>9,626</b>	<b>3,134</b>	<b>2,949</b>	<b>3,634</b>	<b>9,717</b>	<b>3,828</b>	<b>3,259</b>	<b>4,039</b>	<b>11,126</b>	<b>3,106</b>	<b>3,419</b>	<b>4,266</b>	<b>10,791</b>

(1) Canadian Conduit totals include amounts pertaining to conduits that have been directly funded by the Bank (\$757.8 million as at Q1, 2013, \$672.7 million as at Q4, 2012, \$669.2 million as at Q3, 2012 and \$305.8 million as at Q2, 2012).

(2) US Conduit totals include amounts pertaining to conduits that have been funded by the bank through liquidity draws (\$131 million as at Q1, 2013, \$248.7 million as at Q4, 2012, \$257.6 million as at Q3, 2012 and \$261.7 million as at Q2, 2012).

**AGGREGATE AMOUNT OF SECURITIZATION EXPOSURES RETAINED OR PURCHASED BY EXPOSURE TYPE**

	Q1 2013				Q4 2012				Q3 2012				Q2 2012			
	Undrawn Committed Facilities and Notional Amounts <sup>(1)</sup>	Drawn Loan Facilities and Securities Held <sup>(2)</sup>	First Loss Positions <sup>(3)</sup>	Total	Undrawn Committed Facilities and Notional Amounts <sup>(1)</sup>	Drawn Loan Facilities and Securities Held <sup>(2)</sup>	First Loss Positions <sup>(3)</sup>	Total	Undrawn Committed Facilities and Notional Amounts <sup>(1)</sup>	Drawn Loan Facilities and Securities Held <sup>(2)</sup>	First Loss Positions <sup>(3)</sup>	Total	Undrawn Committed Facilities and Notional Amounts <sup>(1)</sup>	Drawn Loan Facilities and Securities Held <sup>(2)</sup>	First Loss Positions <sup>(3)</sup>	Total
(\$ millions except as noted)																
<b>Bank Assets <sup>(4)</sup></b>																
Credit card receivables <sup>(7)</sup>	-	49	-	49	-	49	-	49	-	33	-	33	-	33	-	33
Residential mortgages (uninsured)	-	-	-	-	-	-	-	-	2,500	56	-	2,556	5,000	113	-	5,113
<b>Total Bank Assets</b>	-	49	-	49	-	49	-	49	2,500	89	-	2,589	5,000	146	-	5,146
<b>Third Party Assets <sup>(4)</sup></b>																
Auto loans/leases	1,719	2,482	-	4,201	1,862	2,112	-	3,974	1,886	1,858	-	3,744	2,087	1,261	-	3,348
Credit card receivables	-	374	-	374	21	698	-	719	-	701	-	701	-	707	-	707
Residential mortgages (insured)	913	-	-	913	510	-	-	510	510	-	-	510	510	-	-	510
Residential mortgages (uninsured)	127	26	-	153	154	27	-	181	200	35	-	235	263	41	-	304
Commercial mortgages (uninsured)	5	261	-	266	26	153	-	179	45	155	-	200	62	95	-	157
Commercial mortgages (insured)	82	-	-	82	-	-	-	-	-	-	-	-	-	-	-	-
Personal line of credit	-	-	-	-	-	-	-	-	-	-	-	-	-	15	-	15
Equipment loans/leases	594	676	-	1,270	475	340	-	815	474	356	-	830	469	232	-	701
Trade receivables	25	133	-	158	25	133	-	158	-	-	-	-	-	-	-	-
Corporate loans	88	692	-	780	139	799	-	938	140	790	-	930	85	829	-	914
Daily auto rental	505	91	-	596	514	82	-	596	509	88	-	597	525	70	-	595
Floorplan finance receivables	620	345	-	965	642	324	-	966	644	323	-	967	456	303	-	759
Collateralized debt obligations	77	348	-	425	92	210	-	302	94	211	-	305	92	209	-	301
Other pool type	913	705	-	1,618	722	647	-	1,369	608	772	-	1,380	473	698	-	1,171
SIV assets (financial institutions debt and securitized assets)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Credit protection vehicle <sup>(8)</sup>	15,672	-	-	15,672	16,222	-	-	16,222	20,422	-	-	20,422	21,297	-	-	21,297
Trading securities reclassified to AFS	-	23	-	23	-	26	-	26	-	44	-	44	-	48	-	48
<b>Montreal Accord Assets</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Third Party Assets</b>	<b>21,340</b>	<b>6,156</b>	-	<b>27,496</b>	<b>21,404</b>	<b>5,551</b>	-	<b>26,955</b>	<b>25,532</b>	<b>5,333</b>	-	<b>30,865</b>	<b>26,319</b>	<b>4,508</b>	-	<b>30,827</b>
<b>Total</b>	<b>21,340</b>	<b>6,205</b>	-	<b>27,545</b>	<b>21,404</b>	<b>5,600</b>	-	<b>27,004</b>	<b>28,032</b>	<b>5,422</b>	-	<b>33,454</b>	<b>31,319</b>	<b>4,654</b>	-	<b>35,973</b>

(3) External Credit Assessment Institutions (ECAIs) used for securitizations liquidity facility ratings are S&P, Moody's and Fitch.

(4) ECAIs used for securitization notes are S&P & Moody's.

(5) First Loss Positions reflect deferred purchase price amounts for securitization of the Bank's own credit cards and conventional mortgages net of servicing liabilities and tax impacts.

(6) The exposures for the Residential Mortgages (uninsured) are treated under the lending AIRB Framework as if the securitized assets remained on the Bank's balance sheet.

(7) The credit card receivable securities held from Bank asset securitizations represent the Bank's seller's interest in investment grade subordinated notes issued by Master Credit Card Trust and Master Credit Card Trust II. The Securitization Framework is applied.

(8) Third party asset securitizations that are externally rated and Montreal Accord assets are assessed under the RBA, with unrated and below BB- positions being deducted from capital. The Supervisory Formula (SF) has been applied for all other positions.

(9) Amounts reported for credit protection vehicle assets under Undrawn Committed Facilities and Notional Amounts represent aggregate notional amounts of the credit default swap exposures and do not represent committed funding obligations.

AGGREGATE AMOUNT OF RESECURITIZATION EXPOSURES RETAINED OR PURCHASED BY EXPOSURE TYPE

	Q1 2013				Q4 2012				Q3 2012				Q2 2012			
	Undrawn Committed Facilities and Notional Amounts <sup>(1)</sup>	Drawn Loan Facilities and Securities Held <sup>(2)</sup>	First Loss Positions <sup>(3)</sup>	Total	Undrawn Committed Facilities and Notional Amounts <sup>(1)</sup>	Drawn Loan Facilities and Securities Held <sup>(2)</sup>	First Loss Positions <sup>(3)</sup>	Total	Undrawn Committed Facilities and Notional Amounts <sup>(1)</sup>	Drawn Loan Facilities and Securities Held <sup>(2)</sup>	First Loss Positions <sup>(3)</sup>	Total	Undrawn Committed Facilities and Notional Amounts <sup>(1)</sup>	Drawn Loan Facilities and Securities Held <sup>(2)</sup>	First Loss Positions <sup>(3)</sup>	Total
(\$ millions except as noted)																
Bank Assets <sup>(4)</sup>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Credit card receivables <sup>(5)</sup>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential mortgages (uninsured)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Bank Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Third Party Assets <sup>(6)</sup>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Auto loans/leases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Credit card receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential mortgages (insured)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential mortgages (uninsured)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial mortgages	-	14	-	14	-	15	-	15	-	18	-	18	1	65	-	66
Personal line of credit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equipment loans/leases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporate loans	2	79	-	81	3	168	-	171	4	203	-	207	20	280	-	300
Daily auto rental	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Floorplan finance receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Collateralized debt obligations (AAA/R-1 (high) securities)	2	96	-	98	3	156	-	159	3	159	-	162	-	170	-	170
Other pool type	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SIV assets (financial institutions debt and securitized assets)	30	1,127	-	1,157	50	1,692	-	1,742	50	1,974	-	2,024	49	2,212	-	2,261
Credit protection vehicle <sup>(7)</sup>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading securities reclassified to AFS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Montreal Accord Assets	295	63	-	358	295	65	-	360	296	80	-	376	296	88	-	384
Total Third Party Assets	329	1,379	-	1,708	351	2,096	-	2,447	353	2,434	-	2,787	366	2,815	-	3,181
Total	329	1,379	-	1,708	351	2,096	-	2,447	353	2,434	-	2,787	366	2,815	-	3,181

(1) External Credit Assessment Institutions (ECAIs) used for securitizations liquidity facility ratings are S&P, Moody's and Fitch.

(2) ECAIs used for securitization notes are S&P & Moody's.

(3) First Loss Positions reflect deferred purchase price amounts for securitization of the Bank's own credit cards and conventional mortgages net of servicing liabilities and tax impacts.

(4) The exposures for the Residential Mortgages (uninsured) are treated under the lending AIRB Framework as if the securitized assets remained on the Bank's balance sheet.

(5) The credit card receivable securities held from Bank asset securitizations represent the Bank's seller's interest in investment grade subordinated notes issued by Master Credit Card Trust and Master Credit Card Trust II. The Securitization Framework is applied.

(6) Third party asset securitizations that are externally rated and Montreal Accord assets are assessed under the RBA, with unrated and below BB- positions being deducted from capital. The Supervisory Formula (SF) has been applied for all other positions.

(7) Amounts reported for credit protection vehicle assets under Undrawn Committed Facilities and Notional Amounts represent aggregate notional amounts of the credit default swap exposures and do not represent committed funding obligations.

**REGULATORY CAPITAL CHARGES FOR SECURITIZATION EXPOSURES RETAINED OR PURCHASED BY RISK WEIGHTS<sup>(4)</sup>**

(\$ millions)	Q1 2013		Q4 2012		Q3 2012		Q2 2012		Q1 2012	
Traditional Securitizations	Exposure Amount <sup>(1)</sup>	Capital Required	Exposure Amount <sup>(1)</sup>	Capital Required	Exposure Amount <sup>(1)</sup>	Capital Required	Exposure Amount <sup>(1)</sup>	Capital Required	Exposure Amount <sup>(1)</sup>	Capital Required
<b>Risk Weights</b>										
Bank Assets										
7%	-	-	-	-	-	-	-	-	-	-
7.01% - 25%	49	1	49	1	2,533	16	5,146	34	5,113	34
25.01% - 50%	-	-	-	-	56	1	-	-	-	-
Greater than 50%	-	-	-	-	-	-	-	-	-	-
Less amount excluded from capital requirements for exceeding maximum KIRB capital <sup>(2)</sup>	-	-	-	-	-	6	-	14	-	13
<b>Total Exposures, net of deductions</b>	<b>49</b>	<b>1</b>	<b>49</b>	<b>1</b>	<b>2,589</b>	<b>11</b>	<b>5,146</b>	<b>20</b>	<b>5,113</b>	<b>21</b>
Exposures Deducted:										
From Tier 1 Capital:										
Credit Card Receivables <sup>(3)</sup>	-	-	-	-	-	-	-	-	-	-
Residential Mortgages	-	-	-	-	-	-	-	-	-	-
From Total Capital:										
Residential Mortgages	-	-	-	-	-	-	-	-	-	-
<b>Total Exposures Deducted</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Bank Assets Total Exposures</b>	<b>49</b>	<b>1</b>	<b>49</b>	<b>1</b>	<b>2,589</b>	<b>11</b>	<b>5,146</b>	<b>20</b>	<b>5,113</b>	<b>21</b>
Third Party Assets										
7%	5,567	31	5,562	31	5,382	30	4,742	27	4,372	24
7.01% - 25%	21,284	137	21,046	136	25,130	169	25,575	200	24,736	184
25.01% - 50%	99	3	4	-	5	-	117	4	106	4
50.01% - 100%	13	1	13	1	80	4	112	6	18	1
Greater than 100%	165	54	287	95	222	73	225	70	271	85
Default	153	153	-	-	-	-	-	-	-	-
<b>Total Exposures, net of deductions</b>	<b>27,281</b>	<b>379</b>	<b>26,912</b>	<b>263</b>	<b>30,819</b>	<b>276</b>	<b>30,771</b>	<b>307</b>	<b>29,503</b>	<b>298</b>
Exposures Deducted:										
From Total Capital:										
Collateralized Debt Obligations (AAA/R-1 (High) Securities)	-	-	46	-	46	-	45	-	46	-
Montreal Accord Assets	-	-	-	-	-	-	-	-	-	-
Residential Mortgages (Uninsured)	-	-	-	-	-	-	-	-	-	-
Other Pool Type	-	-	-	-	-	-	9	-	-	-
Trading Securities Reclassified to AFS	-	-	-	-	-	-	3	-	3	-
<b>Total Exposures Deducted</b>	<b>-</b>	<b>-</b>	<b>46</b>	<b>-</b>	<b>46</b>	<b>-</b>	<b>57</b>	<b>-</b>	<b>49</b>	<b>-</b>
<b>Third Party Assets Total Exposures</b>	<b>27,281</b>	<b>379</b>	<b>26,958</b>	<b>263</b>	<b>30,865</b>	<b>276</b>	<b>30,828</b>	<b>307</b>	<b>29,552</b>	<b>298</b>
<b>Total Exposures</b>	<b>27,330</b>	<b>380</b>	<b>27,007</b>	<b>264</b>	<b>33,454</b>	<b>287</b>	<b>35,974</b>	<b>327</b>	<b>34,665</b>	<b>319</b>

(1) Exposure amounts are on balance sheet values and the credit equivalent amount for off-balance sheet exposures.

(2) KIRB - IRB capital of underlying assets as though they had not been securitized.

(3) Since inception, no capital has been assessed for the Bank's early amortization provisions associated with the investors' interest in Master Credit Card Trust because the excess spread of the underlying portfolio has remained above the threshold at which capital charges would be incurred.

(4) The comparative figures have not been restated to reflect Basel III, effective Q1 2013.

REGULATORY CAPITAL CHARGES FOR RESECURITIZATION EXPOSURES RETAINED OR PURCHASED BY RISK WEIGHTS <sup>(4)</sup>

(\$ millions)	Q1 2013		Q4 2012		Q3 2012		Q2 2012	
Traditional Securitizations	Exposure Amount <sup>(1)</sup>	Capital Required	Exposure Amount <sup>(1)</sup>	Capital Required	Exposure Amount <sup>(1)</sup>	Capital Required	Exposure Amount <sup>(1)</sup>	Capital Required
Risk Weights								
Bank Assets								
7%	-	-	-	-	-	-	-	-
7.01% - 25%	-	-	-	-	-	-	-	-
25.01% - 50%	-	-	-	-	-	-	-	-
Greater than 50%	-	-	-	-	-	-	-	-
Less amount excluded from capital requirements for exceeding maximum KIRB capital <sup>(2)</sup>	-	-	-	-	-	-	-	-
Total Exposures, net of deductions	-	-	-	-	-	-	-	-
Exposures Deducted:								
From Tier 1 Capital:								
Credit Card Receivables <sup>(3)</sup>	-	-	-	-	-	-	-	-
Residential Mortgages	-	-	-	-	-	-	-	-
From Total Capital:								
Residential Mortgages	-	-	-	-	-	-	-	-
Total Exposures Deducted	-	-	-	-	-	-	-	-
Bank Assets Total Exposures	-	-	-	-	-	-	-	-
Third Party Assets								
7%	-	-	0	0	-	-	-	-
7.01% - 25%	438	8	532	11	570	11	667	12
25.01% - 50%	98	3	98	3	113	4	166	6
50.01% - 100%	-	-	60	5	62	5	-	-
Greater than 100%	1,158	95	1,742	261	2,042	311	2,348	352
Default	14	14	-	-	-	-	-	-
Total Exposures, net of deductions	1,708	120	2,432	280	2,787	331	3,181	370
Exposures Deducted:								
From Total Capital:								
Collateralized Debt Obligations (AAA/R-1 (High) Securities)	-	-	-	-	-	-	-	-
Commercial Mortgages	-	-	15	-	-	-	-	-
Montreal Accord Assets	-	-	-	-	-	-	-	-
Residential Mortgages (Uninsured)	-	-	-	-	-	-	-	-
Other Pool Type	-	-	-	-	-	-	-	-
Equipment Loans/Leases	-	-	-	-	-	-	-	-
Total Exposures Deducted	-	-	15	-	-	-	-	-
Third Party Assets Total Exposures	1,708	120	2,447	280	2,787	331	3,181	370
Total Exposures	1,708	120	2,447	280	2,787	331	3,181	370

(1) Exposure amounts are on balance sheet values and the credit equivalent amount for off-balance sheet exposures. Unrated positions and positions with ratings below investment-grade are deducted from capital.

(2) KIRB - IRB capital of underlying assets as though they had not been securitized.

(3) Since inception, no capital has been assessed for the Bank's early amortization provisions associated with the investors' interest in Master Credit Card Trust because the excess spread of the underlying portfolio has remained above the threshold at which capital charges would be incurred.

(4) The comparative figures have not been restated to reflect Basel III, effective Q1 2013.



**REGULATORY CAPITAL CHARGES FOR TRADING SECURITIZATION EXCLUDING RESECURITIZATION EXPOSURES  
RETAINED OR PURCHASED BY RISK WEIGHTS  
(\$ millions)**

	Q1 2013		Q4 2012		Q3 2012		Q2 2012	
	RBA/Inferred Rating/IAA Exposure Amount	Capital Required	RBA/Inferred Rating/IAA Exposure Amount	Capital Required	RBA/Inferred Rating/IAA Exposure Amount	Capital Required	RBA/Inferred Rating/IAA Exposure Amount	Capital Required
<b>Trading Securitizations Excluding Resecuritization Exposures</b>								
<b>Risk Weights (#1669)</b>								
Exposures Included In Risk-Weighted Assets								
7%								
7.01% - 25%	139	2	212	3	179	3	170	2
25.01% - 50%	1	-	3	-	9	-	5	1
50.01% - 100%	3	-	-	-	-	-	-	-
Greater than 100%	-	-	3	2	3	2	2	3
Default	-	-	-	-	-	-	-	-
Less amount excluded from capital requirements for exceeding maximum KIRB capital	-	-	-	-	-	-	-	-
<b>Total Exposures excluding Resecuritization, net of deductions</b>	<b>143</b>	<b>2</b>	<b>218</b>	<b>5</b>	<b>191</b>	<b>5</b>	<b>177</b>	<b>6</b>
<b>Exposures Deducted From Tier 1 Capital:</b>								
Auto loans/leases	-	-	-	-	-	-	0	-
Credit card receivables	-	-	-	-	1	-	3	-
Residential mortgages (insured)	-	-	-	-	-	-	0	-
Residential mortgages (uninsured)	-	-	-	-	-	-	-	-
Commercial mortgages	-	-	-	-	-	-	-	-
Personal line of credit	-	-	-	-	-	-	-	-
Equipment loans/leases	-	-	-	-	2	-	-	-
Trade receivables	-	-	-	-	-	-	-	-
Corporate loans	-	-	-	-	-	-	-	-
Daily auto rental	-	-	-	-	-	-	-	-
Floorplan finance receivables	-	-	-	-	-	-	-	-
Collateralized debt obligations (AAA/R-1 (high) securities)	-	-	-	-	-	-	-	-
Other pool type	-	-	-	-	5	-	2	-
<b>Total Trading Exposures excluding Resecuritization Deducted from Tier 1 Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8</b>	<b>-</b>	<b>5</b>	<b>-</b>
<b>Exposures Deducted from Total Capital:</b>								
Auto loans/leases	-	-	-	-	-	-	0	-
Credit card receivables	-	-	-	-	2	-	6	-
Residential mortgages (insured)	-	-	-	-	-	-	0	-
Residential mortgages (uninsured)	-	-	-	-	-	-	-	-
Commercial mortgages	-	-	-	-	-	-	-	-
Personal line of credit	-	-	-	-	-	-	-	-
Equipment loans/leases	-	-	-	-	-	-	-	-
Trade receivables	-	-	-	-	4	-	-	-
Corporate loans	-	-	-	-	-	-	-	-
Daily auto rental	-	-	-	-	-	-	-	-
Floorplan finance receivables	-	-	-	-	-	-	-	-
Collateralized debt obligations (AAA/R-1 (high) securities)	-	-	-	-	-	-	-	-
Other pool type	-	-	-	-	10	-	4	-
<b>Total Trading Exposures excluding Resecuritization Deducted from Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16</b>	<b>-</b>	<b>10</b>	<b>-</b>
<b>Total Trading Exposures Excluding Resecuritization</b>	<b>143</b>	<b>2</b>	<b>218</b>	<b>5</b>	<b>207</b>	<b>5</b>	<b>187</b>	<b>6</b>

**AGGREGATE AMOUNT OF TRADING SECURITIZATION EXCLUDING RESECURITIZATION EXPOSURES RETAINED  
OR PURCHASED BY EXPOSURE TYPE  
(\$ millions except as noted)**

	Q1 2013 Exposure	Q4 2012 Exposure	Q3 2012 Exposure	Q2 2012 Exposure
<b>Asset Classes</b>				
Auto loans/leases	1	12	13	4
Credit card receivables	131	197	170	127
Residential mortgages (insured)	-	-	2	41
Residential mortgages (uninsured)	2	7	-	3
Commercial mortgages	-	-	-	-
Personal line of credit	-	-	-	-
Equipment loans/leases	-	2	4	0
Trade receivables	-	-	-	-
Corporate loans	-	-	-	-
Daily auto rental	-	-	-	-
Floorplan finance receivables	-	-	-	-
Collateralized debt obligations (AAA/R-1 (high) securities)	-	-	-	-
Other pool type	9	-	18	12
<b>Total Trading Securitization Excluding Resecuritization</b>	<b>143</b>	<b>218</b>	<b>207</b>	<b>187</b>

	All - In (1)	Transitional (2)
<b>BASEL III REGULATORY CAPITAL</b>	2013	2013
(\$ millions except as noted)	Q1	Q1
<b>Common Equity Tier 1 capital: instruments and reserves</b>		
Directly issued qualifying common share capital plus related stock surplus	12,241	12,241
Retained earnings	14,002	14,079
Accumulated other comprehensive income (and other reserves)	290	290
Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-	-
<b>Common Equity Tier 1 capital: regulatory adjustments</b>		
Regulatory adjustments applied to Common Equity Tier 1 under Basel III	(6,640)	-
<b>Common Equity Tier 1 capital (CET1)</b>	19,893	26,610
<b>Additional Tier 1 capital: instruments</b>		
Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	-	-
Directly issued capital instruments subject to phase out from Additional Tier 1	3,543	3,543
Additional Tier 1 instruments (and CET1 instruments not otherwise included) issued by subsidiaries and held by third parties (amount allowed in group AT1)	347	347
<i>of which: instruments issued by subsidiaries subject to phase out</i>	347	347
<b>Additional Tier 1 capital: regulatory adjustments</b>		
Regulatory adjustments applied to Additional Tier 1 under Basel III	(419)	(3,811)
<b>Additional Tier 1 capital (AT1)</b>	3,471	79
<b>Tier 1 capital (T1 = CET1 + AT1)</b>	23,364	26,689
<b>Tier 2 capital: instruments and provisions</b>		
Directly issued qualifying Tier 2 instruments plus related stock surplus	-	-
Directly issued capital instruments subject to phase out from Tier 2	4,405	4,405
Tier 2 instruments (and CET1 and AT1 instruments not otherwise included) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	215	215
<i>of which: instruments issued by subsidiaries subject to phase out</i>	215	215
Provisions	270	270
<b>Tier 2 capital: regulatory adjustments</b>		
Regulatory adjustments applied to Tier 2 under Basel III	(50)	(30)
<b>Tier 2 capital (T2)</b>	4,840	4,860
<b>Total capital (TC = T1 + T2)</b>	28,204	31,549
<b>Total risk weighted assets</b>	210,671	214,298
<b>Capital instruments subject to phase-out arrangements</b> <i>(only applicable between 1 Jan 2013 and 1 Jan 2022)</i>		
<i>Current cap on CET1 instruments subject to phase out arrangements</i>	-	-
<i>Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)</i>	-	-
<i>Current cap on AT1 instruments subject to phase out arrangements</i>	3,890	3,890
<i>Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)</i>	236	236
<i>Current cap on T2 instruments subject to phase out arrangements</i>	4,620	4,620
<i>Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)</i>	460	460

- (1) "All-in" regulatory capital assumes that all Basel III regulatory adjustments are applied effective January 1, 2013 and that the capital value of instruments which no longer qualify as regulatory capital under Basel III rules will be phased out at a rate of 10% per year from January 1, 2013 and continuing to January 1, 2022.
- (2) Transitional regulatory capital assumes that all Basel III regulatory capital adjustments are phased in from January 1, 2014 to January 1, 2018 and that the capital value of instruments which no longer qualify as regulatory capital under Basel III rules will be phased out at a rate of 10% per year from January 1, 2013 and continuing to January 1, 2022.
- (3) 2011 figures have not been restated to reflect the adoption of IFRS, which is, for regulatory capital purposes, being phased in over five quarters commencing Q1, 2012.
- (4) Under Basel II, the collective allowance is attributed to Standardized and AIRB portfolios based on their respective proportion of RWA. When expected losses as calculated under the AIRB approach exceed total provisions attributed to the AIRB portfolio, 50% of the difference is deducted from Tier 1 capital and 50% is deducted from Tier 2 Capital. When the expected losses as calculated under the AIRB approach are below total provisions attributed to the AIRB portfolio, the difference is added to Tier 2 up to a limit equal to the lower of 0.6% AIRB risk weighted assets or the amount of the collective allowances. The collective allowance attributed to the Standardized portfolio is included in Tier 2 capital up to 1.25% of credit risk-weighted assets subject to the Standardized Approach.
- (5) Under Basel II, substantial investments are deducted 50% from Tier 1 capital and 50% from Tier 2 capital except that investments in insurance subsidiaries held prior to January 1, 2007 are deducted from Tier 2 capital until the end of 2011. Effective 2012, these investments in insurance subsidiaries are deducted 50% from Tier 1 capital and 50% from Tier 2 capital. Under Basel III, significant investments in financial services entities that are outside the scope of regulatory consolidation are deducted from a bank's capital using the corresponding deduction approach (e.g. investments in non-common Tier 1 are deducted from a bank's non-common Tier 1 capital) except that investments in common equity capital of a significant investment which represents less than 10% of the bank's CET1 are risk weighted at 250% and are not deducted provided the sum of such investments, deferred tax assets related to timing differences and mortgage servicing rights are less than 15% of the bank's CET1.

	2012	2012	2012	2012	2011	2011	2011	2011
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>BASEL II REGULATORY CAPITAL (3)</b>								
<b>Qualifying Regulatory Capital</b>								
Gross regulatory common shareholders' equity	26,060	25,605	25,060	24,709	24,455	23,580	19,209	19,108
Non-cumulative preferred shares	2,465	2,465	2,465	2,464	2,861	2,861	2,861	2,571
Innovative Tier 1 Capital Instruments	1,859	1,847	1,866	1,857	2,156	2,126	2,124	2,137
Non-controlling interest in subsidiaries	16	16	21	26	38	33	23	22
Goodwill and excess intangible assets	(3,717)	(3,732)	(3,702)	(3,656)	(3,585)	(3,374)	(1,584)	(1,598)
<b>Net Tier 1 Capital</b>	26,683	26,201	25,710	25,400	25,925	25,226	22,633	22,240
Securitization-related deductions	(31)	(31)	(35)	(34)	(168)	(167)	(165)	(153)
Expected loss in excess of allowance - AIRB approach (4)	(65)	(75)	(164)	(233)	(205)	(270)	(113)	(144)
Substantial investments and investments in insurance subsidiaries (5)	(634)	(607)	(673)	(659)	(481)	(445)	(422)	(429)
Other deductions	(57)	(86)	(80)	(75)	-	-	(1)	-
<b>Adjusted Tier 1 Capital</b>	25,896	25,402	24,758	24,399	25,071	24,344	21,932	21,514
Subordinated debt	4,351	4,388	5,721	5,813	5,896	5,858	5,208	3,713
Trust subordinated notes	800	800	800	800	800	800	800	800
Accumulated net after tax unrealized gains on Available-For-Sale Equity Securities	34	68	65	1	7	12	15	17
Eligible portion of Collective allowance for credit losses	318	331	335	359	309	292	32	36
<b>Total Tier 2 Capital</b>	5,503	5,585	6,921	6,973	7,012	6,962	6,055	4,566
Securitization-related deductions	(31)	(31)	(35)	(34)	(31)	(29)	(18)	(19)
Expected loss in excess of allowance - AIRB approach (4)	(65)	(75)	(164)	(233)	(205)	(270)	(113)	(144)
Investments in non-consolidated subsidiaries and substantial investments (5)	(634)	(607)	(673)	(659)	(855)	(875)	(833)	(843)
<b>Adjusted Tier 2 Capital</b>	4,773	4,872	6,049	6,047	5,921	5,788	5,091	3,560
<b>Total Capital</b>	30,669	30,274	30,807	30,446	30,992	30,132	27,023	25,074

RISK-WEIGHTED ASSETS (RWA) <sup>(1)</sup>													BMO Financial Group	
(\$ millions except as noted)														
	Exposure at Default (EAD)	Basel III Q1 2013			Basel II									
		RWA			Q4 2012 RWA Total	Q3 2012 RWA Total	Q2 2012 RWA Total	Q1 2012 RWA Total	Q4 2011 RWA Total	Q3 2011 RWA Total	Q2 2011 RWA Total	Q1 2011 RWA Total		
		Standardized approach	Advanced approach <sup>(9)</sup>	Total										
Credit Risk														
Wholesale														
Corporate including specialized lending	145,208	21,813	53,351	75,164	70,841	70,394	67,213	68,360	67,650	69,550	35,838	41,345		
Corporate small and medium enterprises (SMEs)	48,782	-	23,725	23,725	22,120	22,332	23,213	22,794	24,410	23,949	23,868	23,102		
Sovereign	66,864	-	685	685	645	773	737	685	668	605	548	558		
Bank	46,556	36	4,937	4,973	4,853	4,856	4,031	4,713	4,980	5,552	5,411	5,028		
Retail														
Residential mortgages excluding home equity line of credits (HELOCs)	78,742	2,575	6,180	8,755	8,578	9,355	8,984	9,271	8,898	8,071	5,909	6,209		
HELOCs	42,380	891	6,166	7,057	7,725	7,866	7,846	8,330	8,481	6,484	6,299	6,419		
Qualifying revolving retail (QRR)	42,666	-	5,562	5,562	5,622	6,293	6,418	7,913	5,410	4,959	4,779	5,511		
Other retail (excl. SMEs)	25,426	2,320	9,746	12,066	11,513	12,045	11,742	11,031	11,404	15,050	11,357	11,014		
Retail SMEs	3,241	78	1,082	1,160	1,135	1,182	1,074	937	936	903	888	881		
Equity	1,928	-	1,356	1,356	1,359	1,322	1,100	1,101	1,098	1,068	911	1,008		
Trading book	81,456	61	7,820	7,881	6,332	6,451	6,693	6,637	6,859	7,191	7,158	6,773		
Securitization	29,038	-	6,245	6,245	6,796	7,739	8,714	9,241	13,565	13,353	11,354	12,470		
Other credit risk assets - non-counterparty managed assets	79,409	-	14,153	14,153	17,596	14,497	19,512	17,299	17,742	17,920	11,664	12,508		
Scaling factor for credit risk assets under AIRB <sup>(2)</sup>	-	-	7,611	7,611	6,840	6,945	6,736	6,761	6,991	7,028	6,662	7,005		
Total Credit Risk	691,696	27,774	148,619	176,393	171,955	172,050	174,013	175,073	179,092	181,683	132,646	139,831		
Market Risk <sup>(3)</sup>	-	2,175	6,117	8,292	7,598	7,320	7,546	8,719	4,971	5,715	5,273	5,190		
Operational Risk	-	25,986	-	25,986	25,677	25,417	25,294	24,958	24,609	24,588	20,754	20,266		
Total Risk-Weighted Assets <sup>(9)</sup> <sup>(10)</sup>	691,696	55,935	154,736	210,671	205,230	204,787	206,853	208,750	208,672	211,986	158,673	165,287		

CAPITAL RATIOS		2013 Q1
<b>Transitional Basis - Basel III <sup>(4)</sup></b>		
Common Equity Tier 1 ratio	12.4%	
Tier 1 ratio	12.5%	
Total capital ratio	14.7%	
<b>All-in Basis - Basel III <sup>(5)</sup></b>		
Common Equity Tier 1 ratio	9.4%	
Tier 1 ratio	11.1%	
Total capital ratio	13.4%	
Transitional Assets-to-Capital Multiple <sup>(6)</sup>	16.1x	
<b>OSFI Target-All-in basis</b>		
OSFI Common Equity Tier 1 target ratio (if different from Basel III minimum)	7.0%	
<b>Capital Ratios for Significant Bank Subsidiaries</b>		
<b>Bank of Montreal Mortgage Corporation - Basel III</b>		
<b>Transitional Basis - Basel III <sup>(4)</sup></b>		
Common Equity Tier 1 ratio	14.9%	
Tier 1 ratio	14.9%	
Total capital ratio	15.6%	
<b>All-in Basis - Basel III <sup>(5)</sup></b>		
Common Equity Tier 1 ratio	14.8%	
Tier 1 ratio	14.8%	
Total capital ratio	15.6%	
<b>BMO Harris Bank N.A. - Basel I <sup>(7)</sup></b>		
Tier 1 ratio	14.9%	
Total capital ratio	16.8%	

CAPITAL RATIOS		2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1
Common equity ratio - Basel II basis <sup>(8)</sup>		10.5%	10.3%	9.9%	9.7%	9.6%	9.1%	10.7%	10.2%
Tier 1 ratio		14.9%	14.8%	14.9%	14.6%	14.9%	14.2%	17.0%	15.2%
Total capital ratio		12.6%	12.4%	12.0%	11.7%	12.0%	11.5%	13.8%	13.0%
Assets-to-Capital Multiple		15.2x	15.8x	15.1x	15.4x	13.7x	14.3x	13.7x	14.8x
<b>Capital Ratios for Significant Bank Subsidiaries</b>									
<b>Bank of Montreal Mortgage Corporation - Basel II</b>									
Tier 1 ratio		15.9%	18.3%	22.5%	21.1%	24.2%	22.1%	20.4%	19.9%
Total capital ratio		16.7%	19.3%	23.7%	22.3%	25.5%	23.3%	21.6%	21.1%
<b>BMO Harris Bank N.A. - Basel I <sup>(7)</sup></b>									
Tier 1 ratio		15.6%	14.8%	14.5%	14.3%	13.8%	16.0%	16.0%	16.0%
Total capital ratio		17.5%	17.0%	16.8%	16.7%	16.2%	17.8%	17.9%	17.9%

(1) 2011 figures have not been restated to reflect the adoption of IFRS, which is, for regulatory capital purposes, being phased in over five quarters commencing Q1, 2012.

(2) The scaling factor is applied to the risk-weighted asset amounts for credit risk under the AIRB approach.

(3) Standardized market risk is comprised of interest rate issuer risk.

(4) Transitional capital ratios assume that all Basel III regulatory capital adjustments are phased in from January 1, 2014 to January 1, 2018 and that the capital value of instruments which no longer qualify as regulatory capital under Basel III rules will be phased out at a rate of 10% per year from January 1, 2013 and continuing to January 1, 2022.

(5) "All-in" capital ratios assume that all Basel III regulatory adjustments are applied effective January 1, 2013 and that the capital value of instruments which no longer qualify as regulatory capital under Basel III rules will be phased out at a rate of 10% per year from January 1, 2013 and continuing to January 1, 2022. OSFI expects all institutions to attain an "all-in" target Common Equity Tier 1 ratio of 7% by the first quarter of 2013, and "all-in" target Tier 1 and Total Capital ratios of 8.5% and 10.5%, respectively, by the first quarter of 2014.

(6) The Transitional Assets-to-Capital Multiple is calculated by dividing the institution's total assets, including specified off-balance sheet items, by total capital calculated on a transitional basis, as set out in OSFI's 2013 CAR Guideline.

(7) Calculated using Basel I guidelines currently in effect for U.S. regulatory purposes and based on Harris N.A.'s calendar quarter-ends.

(8) The Common equity ratio - Basel II basis is not a prescribed regulatory capital ratio and has been calculated by BMO as gross regulatory common equity less Basel II capital deductions divided by RWA. Sometimes this ratio is also referred to as the Basel II Tier 1 common ratio.

(9) Under OSFI's CAR guideline governing advanced approaches for credit or operational risk, the bank calculates a transitional Capital Floor based on Basel I as required by OSFI rules and may be required to increase its risk weighted assets if the Capital Floor or any other minimum transitional requirements apply. The Capital Floor did not apply in any quarter shown above.

(10) To calculate the AIRB credit risk RWA for BMO Financial Corp, OSFI requires the bank to calculate a transitional floor based on Harris Bankcorp credit risk RWA determined under the Standardized Approach. In Q4 2012 and Q1 2013, this floor was applicable.

**EQUITY SECURITIES EXPOSURE AMOUNT (1)**

(\$ millions except as noted)

	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4
Equity investments used for capital gains (Merchant Banking)	638	644	638	459	451	459
Equity investments used for mutual fund seed capital	40	37	37	37	30	26
Equity used for other (including strategic investments)	1,250	1,261	1,243	1,208	1,217	1,251
<b>Total Equity Exposure</b>	<b>1,928</b>	<b>1,942</b>	<b>1,918</b>	<b>1,704</b>	<b>1,698</b>	<b>1,736</b>

**EQUITY INVESTMENT SECURITIES (2)**

(\$ millions except as noted)

	Q1 2013			Q4 2012			Q3 2012			Q2 2012		
	Book Value	Market Value	Unrealized Gain (Loss)	Book Value	Market Value	Unrealized Gain (Loss)	Book Value	Market Value	Unrealized Gain (Loss)	Book Value	Market Value	Unrealized Gain (Loss)
Grandfathered												
Public	39	39	-	39	39	-	39	39	-	38	38	-
Private												
Direct funds	137	137	-	137	137	-	147	147	-	145	145	-
Indirect funds	86	86	-	86	86	-	89	89	-	92	92	-
<b>Total Grandfathered</b>	<b>262</b>	<b>262</b>	<b>-</b>	<b>262</b>	<b>262</b>	<b>-</b>	<b>275</b>	<b>275</b>	<b>-</b>	<b>275</b>	<b>275</b>	<b>-</b>
Non-grandfathered												
Public	56	56	-	47	47	-	57	57	-	83	83	-
Private												
Direct funds	303	166	-	319	319	-	349	349	-	278	278	-
Indirect funds	473	389	-	475	475	-	474	474	-	306	306	-
Other	834	834	(221)	839	638	(201)	763	656	(106)	762	667	(95)
<b>Total Non-grandfathered</b>	<b>1,666</b>	<b>1,445</b>	<b>(221)</b>	<b>1,680</b>	<b>1,479</b>	<b>(201)</b>	<b>1,643</b>	<b>1,536</b>	<b>(106)</b>	<b>1,429</b>	<b>1,334</b>	<b>(95)</b>
<b>Total Equities</b>	<b>1,928</b>	<b>1,707</b>	<b>(221)</b>	<b>1,942</b>	<b>1,741</b>	<b>(201)</b>	<b>1,918</b>	<b>1,811</b>	<b>(106)</b>	<b>1,704</b>	<b>1,609</b>	<b>(95)</b>

Total realized gains or losses arising from sales or liquidations in the reporting period

			-			-			-			-
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(1) The 2011 comparative figures have not been restated to reflect the adoption of IFRS.

(2) The schedule consists of corporate equity securities in the banking book only. Excluded are investments in deconsolidated subsidiaries and substantial investments, which are deducted (voluntarily in the case of merchant banking specialized financing entity investments) from capital for Basel II regulatory capital calculation purposes.

**EXPOSURE COVERED BY CREDIT RISK MITIGATION (1)**

(\$ millions except as noted)

	Q1 2013				Q4 2012				Q3 2012			
	Standardized		AIRB		Standardized		AIRB		Standardized		AIRB	
	Gross Exposure (2)	Exposure Amount Covered By Guarantees Or Credit Derivatives	Adjusted EAD	Exposure Amount Covered By Guarantees Or Credit Derivatives	Gross Exposure (2)	Exposure Amount Covered By Guarantees Or Credit Derivatives	Adjusted EAD	Exposure Amount Covered By Guarantees Or Credit Derivatives	Gross Exposure (2)	Exposure Amount Covered By Guarantees Or Credit Derivatives	Adjusted EAD	Exposure Amount Covered By Guarantees Or Credit Derivatives
Corporate (incl specialized lending and SMEs treated as corporate)	19,399	770	174,286	17,006	23,325	436	168,935	17,192	24,358	488	169,045	5,484
Sovereign	74	-	105,215	39,256	3,129	-	96,764	41,190	2,924	-	118,401	40,512
Bank	181	-	46,691	1,048	12	-	53,627	1,154	3	-	56,469	-
Total Corporate, Sovereign and Bank	19,654	770	326,192	57,310	26,466	436	319,326	59,536	27,285	488	343,915	45,996
Residential mortgages excluding home equity line of credits (HELOCs)	4,804	78	35,502	-	5,273	41	32,418	-	5,439	43	28,713	-
HELOCs	1,698	-	40,682	-	1,756	-	40,564	-	1,822	-	40,219	-
Other retail excl. SMEs and QRR	3,551	547	21,875	-	3,628	587	20,873	-	3,282	223	20,738	-
Qualifying revolving retail	-	-	42,666	-	-	-	42,204	-	-	-	41,113	-
Retail SMEs	104	-	3,137	-	106	-	3,054	-	113	-	3,012	-
Total Retail	10,157	625	143,862	-	10,763	628	139,113	-	10,656	266	133,795	-
Total Bank Banking Book Portfolios	29,811	1,395	470,054	57,310	37,229	1,064	458,439	59,536	37,941	754	477,710	45,996

(1) Credit risk mitigants herein include only credit derivatives and guarantees. Includes \$38 billion NHA or other mortgage insurance guarantees.

Commercial collateral is reflected in the risk parameters (PDs, LGDs) for AIRB exposures and risk weights for exposures under the Standardized approach. None of the Standardized exposures have eligible financial collateral.

(2) Gross exposure means gross of all allowances for credit loss.

**CREDIT RISK EXPOSURE BY GEOGRAPHIC REGION (3)**

(\$ millions except as noted)

	Q1 2013				Q4 2012				Q3 2012			
	Canada	U.S.	Other	Total	Canada	U.S.	Other	Total	Canada	U.S.	Other	Total
Corporate (incl specialized lending and SMEs treated as corporate)	95,501	92,565	5,924	193,990	102,988	78,225	11,130	192,343	101,518	84,162	7,714	193,394
Sovereign	21,596	39,758	5,510	66,864	28,325	26,125	5,241	59,691	29,944	46,638	5,534	82,116
Bank	7,300	27,023	12,233	46,556	11,315	27,253	14,750	53,318	12,107	29,291	15,074	56,472
Total Corporate, Sovereign and Bank	124,397	159,346	23,667	307,410	142,628	131,603	31,121	305,352	143,569	160,091	28,322	331,982
Residential mortgages excluding home equity line of credits (HELOCs)	68,694	10,048	-	78,742	67,869	10,244	-	78,113	62,898	10,472	-	73,370
HELOCs	34,229	8,151	-	42,380	34,018	8,302	-	42,320	33,464	8,577	-	42,041
Other retail excl. SMEs and QRR	18,570	6,856	-	25,426	18,043	6,477	-	24,520	17,712	6,308	-	24,020
Qualifying revolving retail	42,666	-	-	42,666	42,204	-	-	42,204	41,113	-	-	41,113
Retail SMEs	2,982	259	-	3,241	2,911	248	-	3,159	2,869	256	-	3,125
Total Retail	167,141	25,314	-	192,455	165,045	25,271	-	190,316	158,056	25,613	-	183,669
Total Bank	291,538	184,660	23,667	499,865	307,673	156,874	31,121	495,668	301,625	185,704	28,322	515,651

**CREDIT RISK EXPOSURE BY INDUSTRY (3)**

(\$ millions except as noted)

	Q1 2013						Q4 2012						Q3 2012	Q2 2012
	Drawn	Commitments (Undrawn)	OTCs	Other Off Balance Sheet Items	Repo Style Transactions	Total	Drawn	Commitments (Undrawn)	OTCs	Other Off Balance Sheet Items	Repo Style Transactions	Total		
Agriculture	7,274	1,351	-	31	-	8,656	7,334	1,524	-	28	-	8,886	8,587	8,283
Communications	778	1,020	-	206	-	2,004	553	1,031	2	-	-	1,789	1,877	2,320
Construction	2,516	1,770	-	587	-	4,873	2,583	1,513	-	439	-	4,535	4,482	4,098
Financial (4)	57,743	10,716	95	2,517	43,591	114,662	46,398	10,887	104	2,544	55,526	115,459	141,940	128,765
Government	39,508	1,274	-	1,065	15,425	57,272	44,190	1,292	-	1,002	15,486	61,970	63,712	57,129
Manufacturing	11,596	6,329	3	1,012	-	18,940	10,053	5,502	20	941	-	16,516	16,279	16,212
Mining	637	1,754	-	309	-	2,700	692	1,801	1	247	-	2,741	2,619	2,538
Other	16,540	121	-	419	-	17,080	13,010	42	-	367	-	13,419	14,935	13,014
Real estate	16,106	2,301	-	1,014	-	19,421	17,462	2,094	1	762	-	20,319	20,853	21,165
Retail trade	9,118	3,129	-	519	-	12,766	8,666	3,396	1	463	-	12,526	12,251	11,938
Service industries	26,548	5,396	4	3,158	-	35,106	19,483	5,293	29	2,558	-	27,363	26,932	23,768
Transportation	2,197	1,129	-	402	-	3,728	2,391	1,224	1	371	-	3,987	3,804	3,711
Utilities	1,189	3,014	-	1,236	-	5,439	1,257	2,823	-	1,257	-	5,337	5,197	4,843
Wholesale trade	7,045	2,946	-	269	-	10,260	8,554	3,738	7	1,370	-	13,669	12,516	11,455
Individual	127,816	49,367	-	60	-	177,243	130,385	47,166	-	40	-	177,591	170,146	163,611
Oil and Gas	3,594	4,953	-	240	-	8,787	3,492	4,801	-	189	-	8,482	8,428	8,446
Forest products	542	313	-	73	-	928	695	316	-	68	-	1,079	1,093	1,075
Total	330,747	96,883	102	13,117	59,016	499,865	317,198	94,443	166	12,849	71,012	495,668	515,651	482,371

(3) Credit exposure excluding Equity, Securitization, Trading Book and other.

(4) Includes \$32.9 billion of deposits with Financial Institutions as at January 31, 2013 (\$21.6 billion as at October 31, 2012, \$36.1 billion as at July 31, 2012 and \$37.8 billion as at April 30, 2012).

**CREDIT RISK EXPOSURE BY MAJOR ASSET CLASS <sup>(1)</sup>**

(\$ millions except as noted)

	Q1 2013						Q4 2012						Q3 2012	Q2 2012
	Drawn	Commitments (Undrawn)	OTCs	Other Off Balance Sheet Items	Repo Style Transactions	Total	Drawn	Commitments (Undrawn)	OTCs	Other Off Balance Sheet Items	Repo Style Transactions	Total	Total	Total
Basel II Asset Classes														
Corporate (incl specialized lending and SMEs treated as corporate)	118,961	44,157	7	11,351	19,514	193,990	110,221	42,926	61	11,045	28,090	192,343	193,394	181,674
Sovereign	49,449	1,332	-	719	15,364	66,864	38,524	1,343	1	775	19,048	59,691	82,116	79,452
Bank	19,261	2,032	95	1,030	24,138	46,556	26,177	2,152	104	1,011	23,874	53,318	56,472	46,518
Total Corporate, Sovereign and Bank Exposure	187,671	47,521	102	13,100	59,016	307,410	174,922	46,421	166	12,831	71,012	305,352	331,982	307,644
Residential mortgages excluding home equity line of credits (HELOCs)	78,547	195	-	0	0	78,742	78,097	16	-	-	-	78,113	73,370	65,482
HELOCs	31,760	10,620	-	0	0	42,380	31,931	10,389	-	-	-	42,320	42,041	41,473
Other retail excl. SMEs and QRR	23,441	1,985	-	0	0	25,426	22,709	1,811	-	-	-	24,520	24,020	23,616
Qualifying revolving retail	8,016	34,650	-	0	0	42,666	8,241	33,963	-	-	-	42,204	41,113	41,641
Retail SMEs	1,312	1,912	-	17	0	3,241	1,298	1,843	-	18	-	3,159	3,125	2,515
Total Retail Exposures	143,076	49,362	-	17	-	192,455	142,276	48,022	-	18	-	190,316	183,669	174,727
Total Gross Credit Exposures	330,747	96,883	102	13,117	59,016	499,865	317,198	94,443	166	12,849	71,012	495,668	515,651	482,371

**CREDIT RISK BY RESIDUAL CONTRACT MATURITY BREAKDOWN**

(\$ millions except as noted)

	Q1 2013						Q4 2012						Q3 2012	Q2 2012
	Drawn	Commitments (Undrawn)	OTCs	Other Off Balance Sheet Items	Repo Style Transactions	Total	Drawn	Commitments (Undrawn)	OTCs	Other Off Balance Sheet Items	Repo Style Transactions	Total	Total	Total
Up to 1 year	148,373	67,833	17	8,838	59,016	284,077	141,516	64,562	22	8,257	71,012	285,369	309,062	288,887
1 to 5 years	151,356	27,285	85	4,112	0	182,838	149,194	26,563	113	4,214	-	180,084	174,468	159,124
Greater than 5 years	31,018	1,765	-	167	0	32,950	26,488	3,318	31	378	-	30,215	32,121	34,360
Total	330,747	96,883	102	13,117	59,016	499,865	317,198	94,443	166	12,849	71,012	495,668	515,651	482,371

**PORTFOLIO BREAKDOWN BY Basel APPROACHES**

(\$ millions except as noted)

	Q1 2013				Q4 2012				Q3 2012			
	Standardized		AIRB		Standardized		AIRB		Standardized		AIRB	
	Drawn	Credit Equivalent Amount on Undrawn	Drawn	Credit Equivalent Amount on Undrawn	Drawn	Credit Equivalent Amount on Undrawn	Drawn	Credit Equivalent Amount on Undrawn	Drawn	Credit Equivalent Amount on Undrawn	Drawn	Credit Equivalent Amount on Undrawn
Corporate (incl specialized lending and SMEs treated as corporate)	15,908	2,467	103,053	41,690	19,316	2,739	90,905	40,187	20,102	2,815	90,828	38,801
Sovereign	25	40	49,424	1,292	3,129	-	35,395	1,343	2,923	-	57,442	1,189
Bank	162	15	19,099	2,017	12	-	26,165	2,152	3	-	21,972	1,812
Total Corporate, Sovereign & Bank	16,095	2,522	171,576	44,999	22,457	2,739	152,465	43,682	23,028	2,815	170,242	41,802
Residential mortgages excluding home equity line of credits (HELOCs)	4,804	-	73,743	195	5,273	-	72,824	16	5,505	-	67,851	14
HELOCs	1,698	-	30,062	10,620	1,756	-	30,175	10,389	1,822	-	29,831	10,388
Other retail excl. SMEs and QRR	3,552	-	19,889	1,985	3,628	-	19,081	1,811	3,281	-	18,932	1,807
Qualifying revolving retail	-	-	8,016	34,650	-	-	8,241	33,963	-	-	8,960	32,153
Retail SMEs	104	-	1,208	1,912	106	-	1,192	1,843	112	-	1,183	1,811
Total Retail	10,158	-	132,918	49,362	10,763	-	131,513	48,022	10,720	-	126,757	46,173
Total Bank	26,253	2,522	304,494	94,361	33,220	2,739	283,978	91,704	33,748	2,815	296,999	87,975

(1) Credit exposure excluding Equity, Securitization, Trading Book and other.

**CREDIT EXPOSURE OF PORTFOLIOS UNDER STANDARDIZED APPROACH BY RISK WEIGHT <sup>(1)</sup>**

(\$ millions)

Risk Weights	Q1 2013							Total
	0%	20%	35%	50%	75%	100%	150%	
Total Wholesale portfolios	-	-	-	-	-	-	-	-
Corporate (incl SMEs treated as Corporate)	-	593	-	105	-	12,820	5,881	19,399
Sovereign	73	-	-	-	-	-	-	73
Bank	-	181	-	-	-	-	-	181
Total Wholesale portfolios	73	774	-	105	-	12,820	5,881	19,653
Total Retail portfolios	-	-	-	-	-	-	-	-
Retail residential mortgages (including HELOCs)	-	78	3,855	-	1,868	701	-	6,502
Other retail	331	217	-	-	2,925	71	8	3,552
SME treated as retail	-	-	-	-	103	-	1	104
Total Retail portfolios	331	295	3,855	-	4,896	772	9	10,158
Total	404	1,069	3,855	105	4,896	13,592	5,890	29,811

Risk Weights	Q4 2012							Total
	0%	20%	35%	50%	75%	100%	150%	
Total Wholesale portfolios	-	-	-	-	-	-	-	-
Corporate (incl SMEs treated as Corporate)	-	666	-	336	-	14,447	7,876	23,325
Sovereign	3,129	-	-	-	-	-	-	3,129
Bank	-	12	-	-	-	-	-	12
Total Wholesale portfolios	3,129	678	-	336	-	14,447	7,876	26,466
Total Retail portfolios	-	-	-	-	-	-	-	-
Retail residential mortgages (including HELOCs)	-	41	2,892	-	3,549	600	-	7,082
Other retail	305	282	-	-	2,980	79	1	3,647
SME treated as retail	-	-	-	-	105	1	-	106
Total Retail portfolios	305	323	2,892	-	6,634	680	1	10,835
Total	3,434	1,001	2,892	336	6,634	15,127	7,877	37,301

Risk Weights	Q3 2012							Total
	0%	20%	35%	50%	75%	100%	150%	
Total Wholesale portfolios	-	-	-	-	-	-	-	-
Corporate (incl SMEs treated as Corporate)	-	921	-	341	-	13,937	9,092	24,291
Sovereign	2,924	-	-	-	-	-	-	2,924
Bank	-	3	-	-	-	-	-	3
Total Wholesale portfolios	2,924	924	-	341	-	13,937	9,092	27,218
Total Retail portfolios	-	-	-	-	-	-	-	-
Retail residential mortgages (including HELOCs)	-	43	2,943	-	3,686	655	-	7,327
Other retail	167	56	-	-	2,982	77	-	3,282
SME treated as retail	-	-	-	-	112	1	-	113
Total Retail portfolios	167	99	2,943	-	6,780	733	-	10,722
Total	3,091	1,023	2,943	341	6,780	14,670	9,092	37,940

Risk Weights	Q2 2012							Total
	0%	20%	35%	50%	75%	100%	150%	
Total Wholesale portfolios	-	-	-	-	-	-	-	-
Corporate (incl SMEs treated as Corporate)	-	3,264	-	282	-	13,529	9,525	26,600
Sovereign	4,358	-	-	-	-	-	-	4,358
Bank	-	3	-	-	-	-	-	3
Total Wholesale portfolios	4,358	3,267	-	282	-	13,529	9,525	30,961
Total Retail portfolios	-	-	-	-	-	-	-	-
Retail residential mortgages (including HELOCs)	-	45	2,920	-	3,725	651	-	7,341
Other retail	327	61	-	-	2,924	81	-	3,393
SME treated as retail	-	-	-	-	116	-	-	116
Total Retail portfolios	327	106	2,920	-	6,765	732	-	10,850
Total	4,685	3,373	2,920	282	6,765	14,261	9,525	41,811

Risk Weights	Q1 2012							Total
	0%	20%	35%	50%	75%	100%	150%	
Total Wholesale portfolios	-	-	-	-	-	-	-	-
Corporate (incl SMEs treated as Corporate)	-	3,892	-	264	-	14,724	10,481	29,361
Sovereign	3,084	-	-	-	-	-	-	3,084
Bank	-	9	-	-	-	-	-	9
Total Wholesale portfolios	3,084	3,901	-	264	-	14,724	10,481	32,454
Total Retail portfolios	-	-	-	-	-	-	-	-
Retail residential mortgages (including HELOCs)	-	49	3,033	-	3,945	703	-	7,730
Other retail	317	71	-	-	2,684	76	1	3,149
SME treated as retail	-	-	-	-	122	-	-	122
Total Retail portfolios	317	120	3,033	-	6,751	779	1	11,001
Total	3,401	4,021	3,033	264	6,751	15,503	10,482	43,455

(1) Exposure amounts are net of all allowances for credit losses. Exposures reflect the risk weights of the guarantors, where applicable.

CORPORATE, SOVEREIGN AND BANK CREDIT EXPOSURE BY RISK CATEGORY UNDER AIRB APPROACH<sup>(1)</sup>

Corporate Sovereign Bank Exposures (\$ millions)	Q1 2013					Q4 2012					Q3 2012					Q2 2012				
	Total		Total Exposure <sup>(1)</sup>	Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	Total		Total Exposure <sup>(1)</sup>	Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	Total		Total Exposure <sup>(1)</sup>	Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	Total		Total Exposure <sup>(1)</sup>	Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight
	Drawn	Undrawn				Drawn	Undrawn				Drawn	Undrawn				Drawn	Undrawn			
Total investment grade	174,943	34,986	209,929	19.96%	14.67%	162,212	34,467	196,679	22.01%	14.26%	178,747	33,830	212,577	19.36%	12.80%	167,528	33,139	200,667	19.54%	12.92%
Non-investment grade	31,170	9,484	40,654	38.68%	79.80%	27,109	8,729	35,838	38.37%	78.84%	26,485	7,561	34,046	38.36%	78.38%	23,950	6,804	30,754	39.76%	80.02%
Watchlist	2,462	414	2,876	39.51%	159.91%	2,064	406	2,470	41.35%	165.09%	2,491	331	2,822	38.93%	158.26%	2,667	331	2,998	40.88%	165.16%
Default	1,437	115	1,552	72.04%	514.52%	1,520	80	1,600	60.75%	313.77%	1,657	80	1,737	53.65%	310.68%	1,829	113	1,942	55.27%	243.82%
	210,012	44,999	255,011			192,905	43,682	236,587			209,380	41,802	251,182			195,974	40,387	236,361		

RETAIL CREDIT EXPOSURE BY PORTFOLIO AND RISK CATEGORY UNDER AIRB APPROACH<sup>(1)</sup>

Risk Profile	Q1 2013					Q4 2012					Q3 2012					Q2 2012				
	Total		Total Exposure <sup>(1)</sup>	Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	Total		Total Exposure <sup>(1)</sup>	Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	Total		Total Exposure <sup>(1)</sup>	Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	Total		Total Exposure <sup>(1)</sup>	Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight
	Drawn	Undrawn				Drawn	Undrawn				Drawn	Undrawn				Drawn	Undrawn			
Residential Mortgages and HELOCs (\$ millions)																				
Exceptionally low	982	3,880	4,862	66.33%	6.12%	997	3,756	4,753	67.85%	6.26%	1,013	3,760	4,773	70.12%	6.47%	981	3,626	4,607	76.65%	7.07%
Very low	41,994	6,133	48,127	14.23%	3.29%	34,347	6,029	40,376	14.92%	3.23%	33,313	6,329	39,642	18.60%	4.73%	29,417	6,199	35,616	19.55%	5.07%
Low	9,209	501	9,710	27.35%	18.52%	14,623	500	15,123	22.91%	14.70%	12,384	187	12,571	18.20%	15.01%	10,040	182	10,222	27.83%	24.24%
Medium	9,224	280	9,504	32.72%	60.32%	10,896	101	10,997	29.83%	56.53%	10,113	110	10,223	31.49%	62.24%	8,969	96	9,065	34.08%	67.16%
High	3,160	17	3,177	20.45%	89.85%	958	15	973	43.39%	203.08%	1,009	14	1,023	48.64%	227.61%	1,016	11	1,027	51.37%	240.23%
Default	800	3	803	49.37%	9.50%	756	3	759	50.42%	0.02%	698	2	700	47.30%	0.11%	684	3	687	47.39%	0.46%
	65,369	10,814	76,183			62,577	10,404	72,981			58,530	10,402	68,932			51,107	10,117	61,224		
Qualifying Revolving Retail (\$ millions)																				
Exceptionally low	573	17,323	17,896	87.63%	1.94%	634	17,161	17,795	87.77%	1.94%	810	14,842	15,652	89.50%	2.00%	811	14,689	15,500	89.59%	2.01%
Very low	1,837	12,503	14,340	79.98%	3.92%	1,822	11,981	13,803	79.77%	3.93%	1,940	12,041	13,981	83.64%	4.31%	1,889	12,586	14,475	84.36%	4.30%
Low	2,587	3,060	5,647	86.84%	16.69%	2,656	3,029	5,685	87.51%	16.61%	2,722	3,249	5,971	89.76%	16.78%	2,739	3,345	6,084	89.43%	16.84%
Medium	2,528	1,559	4,087	90.57%	61.21%	2,649	1,598	4,247	90.79%	61.42%	2,943	1,829	4,772	92.76%	83.44%	2,964	1,860	4,824	92.80%	83.51%
High	453	197	650	86.40%	186.12%	448	187	635	87.51%	186.14%	514	185	699	90.36%	192.99%	533	188	721	90.90%	193.50%
Default	38	9	47	63.61%	0.00%	32	7	39	66.10%	0.00%	32	7	39	72.64%	0.00%	30	7	37	72.28%	0.00%
	8,016	34,651	42,667			8,241	33,963	42,204			8,961	32,153	41,114			8,966	32,675	41,641		
Other Retail and Retail SME (\$ millions)																				
Exceptionally low	59	677	736	80.46%	8.11%	60	602	662	81.63%	8.23%	59	521	580	84.87%	8.69%	60	505	565	84.88%	8.67%
Very low	6,506	1,857	8,363	64.42%	20.12%	6,296	1,731	8,027	64.62%	20.24%	5,475	1,782	7,257	73.97%	22.58%	5,254	1,701	6,955	75.04%	22.95%
Low	7,506	929	8,435	62.28%	40.27%	7,435	904	8,339	62.29%	40.08%	7,961	882	8,843	66.44%	40.08%	7,780	8650	8,640	67.34%	40.53%
Medium	6,453	352	6,805	60.25%	72.03%	6,031	337	6,368	60.30%	72.12%	6,200	350	6,550	65.05%	76.03%	5,678	293	5,971	66.99%	78.63%
High	494	80	574	76.13%	136.54%	364	77	441	71.20%	131.49%	352	80	432	75.10%	138.97%	351	63	414	78.26%	143.80%
Default	80	2	82	61.81%	0.56%	69	2	71	59.84%	0.26%	67	2	69	65.75%	0.32%	68	2	70	68.02%	0.31%
	21,098	3,897	24,995			20,255	3,653	23,908			20,114	3,617	23,731			19,291	3,334	22,625		

Recap of AIRB and Standardized Portfolios  
(\$ millions)

Total AIRB wholesale credit exposure by risk ratings	210,012	44,999		192,887	43,682		209,394	41,802		195,980	40,388	
Retail AIRB credit exposure by portfolio and risk ratings												
Residential mortgages	65,369	10,815		62,577	10,405		58,530	10,402		51,105	10,118	
Qualifying revolving retail	8,016	34,650		8,241	33,963		8,960	32,153		8,967	32,674	
Other retail and Retail SME	21,097	3,897		20,273	3,654		20,115	3,618		19,291	3,335	
Total Standardized portfolio	26,253	2,522		33,220	2,739		33,748	2,815		37,723	2,483	
Total Portfolio	330,747	96,883		317,198	94,443		330,747	90,790		313,066	88,998	

(1) Figures are adjusted exposure at default amounts (Post Credit Risk Mitigation).



Basel II Asset Classes	Q1 2013		Q4 2012		Q3 2012		Q2 2012	
	Actual loss rate <sup>(1)(2)</sup>	Expected loss rate <sup>(1)(2)</sup>	Actual loss rate <sup>(1)(2)</sup>	Expected loss rate <sup>(1)(2)</sup>	Actual loss rate <sup>(1)(2)</sup>	Expected loss rate <sup>(1)(2)</sup>	Actual loss rate <sup>(1)(2)</sup>	Expected loss rate <sup>(1)(2)</sup>
<b>Non-retail</b>								
Total Corporate (incl specialized lending and corporate SMEs)	0.17%	1.35%	0.00%	1.71%	0.14%	1.72%	0.10%	1.97%
Sovereign	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%
Bank	0.00%	0.13%	0.00%	0.15%	0.00%	0.15%	0.00%	0.13%
<b>Retail</b>								
Residential retail incl. HELOCs	0.25%	0.71%	0.24%	0.70%	0.24%	0.68%	0.25%	0.70%
Other retail incl. SBE	0.45%	1.12%	0.46%	1.17%	0.51%	1.28%	0.61%	1.32%
Qualifying revolving retail	1.55%	3.73%	1.80%	3.48%	1.83%	3.37%	1.88%	3.34%

**General**

Expected Loss rates which represent the loss rate predicted at the beginning of the most recent four quarter period are calculated using "through the cycle" risk parameters while actual loss rates are determined at a "point in time" and reflect more current economic conditions. "Through the cycle" parameters are conservatively estimated to include a long time horizon and as a result, actual losses may exceed expected losses during an economic downturn and may fall below expected losses during times of economic growth.

**1. Non-retail actual and expected loss rates are measured as follows:**

Actual loss rate represents the 'point in time' credit losses (change in specific allowance plus write-offs) less recoveries for the current and last three quarters divided by the quarterly average of outstandings for the same period beginning 15 months ago.

Expected loss rate is calculated using Basel II 'through the business cycle' parameters (PDxLGDxEAD) plus Best Estimate of Expected Loss for defaulted assets (BEEL), divided by outstanding balances at the beginning of the applicable four-quarter period.

**2. Retail actual and expected loss rates are measured as follows:**

Actual loss rate represents write-offs net of recoveries for the current and prior three quarters divided by the quarterly average of outstanding balances for the same period beginning 15 months ago.

Expected loss rate is calculated using Basel II parameters PDxLGDxEAD plus Best Estimate of Expected Losses for defaulted assets (BEEL) divided by outstanding balances at the beginning of the applicable four-quarter period.

- For residential mortgages, actual loss rate also includes changes in specific allowances for the applicable four-quarter period.

**Commentary****Non Retail**

**Corporate Portfolios** – Actual losses for Q1 2013 continued to be low and quarterly trend over recent year has been relatively stable reflecting the currently more benign market conditions. Similarly, reduction in EL is attributed to lower BEEL for defaulted assets and some favourable migration of default risk.

**Bank and Sovereign** – Actual losses continue to be nil. Moreover, there have been no new defaults observed in the Bank asset class in over a year. EL measures have remained stable throughout the year.

**Retail**

Overall, the Actual Losses for all retail assets classes are well below Expected Losses. Actual losses continue to trend down for the Qualifying revolving retail asset class, while the Residential retail and Other retail asset classes remain stable. Overall, the expected losses are trending down for the Other retail asset class and are stable for the Residential retail inc, HELOC. The marginal decrease in expected losses, for the Other retail asset class, is due to the improved portfolio composition. The increase in expected losses for the Qualifying Revolving Retail asset class is driven by reclassification of the securitization exposures. Therefore, on a like for like basis, the Q1 2013 EL% (3.52%) for Qualifying Revolving Retail asset class is similar to Q4 2012 (3.48%).

**CREDIT RISK FINANCIAL MEASURES** <sup>(1) (5) (6)</sup>

	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1	YTD 2013	YTD 2012	Fiscal 2012	Fiscal 2011
<b>Diversification Ratios</b>													
<b>Gross Loans And Acceptances</b>													
Consumer	59.5 %	60.0 %	59.5 %	59.4 %	59.2 %	59.7 %	60.0 %	63.6 %	63.6 %				
Businesses and governments	40.5 %	40.0 %	40.5 %	40.6 %	40.8 %	40.3 %	40.0 %	36.4 %	36.4 %				
Canada	72.7 %	73.1 %	72.2 %	72.0 %	71.0 %	71.6 %	72.0 %	81.6 %	80.4 %				
United States	25.4 %	25.0 %	25.7 %	25.9 %	26.8 %	26.5 %	25.9 %	16.1 %	17.6 %				
Other Countries	1.9 %	1.9 %	2.1 %	2.1 %	2.2 %	1.9 %	2.1 %	2.3 %	2.0 %				
<b>Net Loans And Acceptances</b> <sup>(2)</sup>													
Consumer	59.5 %	60.1 %	59.6 %	59.5 %	59.2 %	59.8 %	60.1 %	63.8 %	63.7 %				
Businesses and governments	40.5 %	39.9 %	40.4 %	40.5 %	40.8 %	40.2 %	39.9 %	36.2 %	36.3 %				
Canada	72.9 %	73.2 %	72.4 %	72.2 %	71.2 %	71.8 %	72.1 %	81.9 %	80.7 %				
United States	25.2 %	24.9 %	25.5 %	25.7 %	26.6 %	26.3 %	25.8 %	15.8 %	17.3 %				
Other Countries	1.9 %	1.9 %	2.1 %	2.1 %	2.2 %	1.9 %	2.1 %	2.3 %	2.0 %				
<b>Coverage Ratios</b> <sup>(4)</sup>													
Allowance for Credit Losses (ACL)-to-Gross Impaired Loans and Acceptances (GIL)													
Total	65.0 %	64.1 %	67.8 %	69.7 %	72.7 %	73.2 %	80.3 %	77.2 %	72.0 %	65.0 %	72.7 %	64.1 %	73.2 %
Consumer	12.5 %	13.1 %	15.8 %	15.8 %	17.0 %	17.3 %	20.4 %	18.5 %	16.5 %	12.5 %	17.0 %	13.1 %	17.3 %
Businesses and governments	16.4 %	16.0 %	16.1 %	19.1 %	17.1 %	19.9 %	21.1 %	22.7 %	23.7 %	16.4 %	17.1 %	16.0 %	19.9 %
Allowance for Credit Losses (ACL)-to-Gross Impaired Loans and Acceptances (GIL) excluding Purchased Portfolios													
Total	88.1 %	83.7 %	87.1 %	82.1 %	79.5 %	74.5 %	78.7 %	76.7 %	71.6 %	88.1 %	79.5 %	83.7 %	74.5 %
Net write-offs-to-average loans and acceptances													
Net write-offs-to-average loans and acceptances excluding Purchased Portfolios	0.07 %	0.07 %	0.09 %	0.08 %	0.06 %	0.10 %	0.13 %	0.14 %	0.14 %	0.07 %	0.06 %	0.30 %	0.51 %
	0.07 %	0.09 %	0.10 %	0.11 %	0.13 %	0.11 %	0.15 %	0.14 %	0.14 %	0.07 %	0.13 %	0.43 %	0.52 %
<b>Condition Ratios</b> <sup>(4)</sup>													
GIL-to-Gross Loans and Acceptances	1.12 %	1.17 %	1.14 %	1.16 %	1.10 %	1.12 %	0.98 %	1.19 %	1.33 %				
GIL-to-Gross Loans and Acceptances excluding Purchased Portfolios	0.80 %	0.84 %	0.85 %	0.96 %	1.02 %	1.18 %	1.10 %	1.20 %	1.33 %				
GIL-to-Equity and Allowance for Credit Losses	8.98 %	9.30 %	9.15 %	9.34 %	8.74 %	8.98 %	7.94 %	10.18 %	11.46 %				
GIL-to-Equity and Allowance for Credit Losses excluding Purchased Portfolios	5.96 %	6.18 %	6.24 %	7.07 %	7.39 %	8.36 %	7.96 %	10.20 %	11.47 %				
Net Impaired Loans and Acceptances (NIL)-to-Net Loans and Acceptances <sup>(2)</sup>	0.39 %	0.42 %	0.37 %	0.35 %	0.30 %	0.30 %	0.19 %	0.27 %	0.37 %				
NIL-to-segmented Net Loans and Acceptances <sup>(2)</sup>													
Consumer	0.60 %	0.56 %	0.47 %	0.49 %	0.46 %	0.44 %	0.36 %	0.42 %	0.47 %				
Businesses and governments	1.48 %	1.67 %	1.69 %	1.64 %	1.58 %	1.63 %	1.40 %	1.85 %	2.05 %				
Canada	(0.06)%	(0.04)%	(0.04)%	0.00 %	(0.01)%	0.01 %	(0.04)%	(0.06)%	(0.00)%				
United States	1.73 %	1.83 %	1.56 %	1.40 %	1.18 %	1.15 %	0.88 %	1.96 %	2.09 %				
Other Countries	0.51 %	0.53 %	0.29 %	0.00 %	0.06 %	0.04 %	0.02 %	0.72 %	0.88 %				
Net Impaired Loans and Acceptances (NIL)-to-Net Loans and Acceptances excluding Purchased Portfolios	0.10 %	0.14 %	0.11 %	0.18 %	0.22 %	0.30 %	0.24 %	0.28 %	0.38 %				
<b>Consumer Loans (Canada)</b>													
<b>90 Days &amp; Over Delinquency Ratios</b>													
Consumer instalment and other personal	0.30 %	0.25 %	0.24 %	0.26 %	0.29 %	0.26 %	0.26 %	0.29 %	0.32 %				
Credit Cards <sup>(3)</sup>	1.08 %	0.99 %	0.99 %	1.09 %	1.13 %	1.04 %	1.02 %	1.09 %	1.15 %				
Mortgages	0.36 %	0.36 %	0.39 %	0.40 %	0.44 %	0.45 %	0.49 %	0.51 %	0.54 %				
Total Consumer (excluding Government Guaranteed Student Loans)	0.38 %	0.36 %	0.37 %	0.39 %	0.43 %	0.42 %	0.44 %	0.47 %	0.50 %				
Total Consumer	0.39 %	0.37 %	0.37 %	0.40 %	0.43 %	0.43 %	0.46 %	0.48 %	0.51 %				
<b>Consumer Loans (U.S.)</b>													
<b>90 Days &amp; Over Delinquency Ratios</b>													
Consumer instalment and other personal	1.08 %	1.05 %	1.06 %	1.01 %	1.09 %	1.01 %	1.01 %	0.91 %	0.91 %				
Credit Cards <sup>(3)</sup>	0.93 %	0.77 %	0.83 %	0.93 %	1.40 %	1.47 %	1.36 %	1.57 %	1.85 %				
Mortgages	3.92 %	3.15 %	3.29 %	3.55 %	3.74 %	3.46 %	3.51 %	4.27 %	4.47 %				
Total Consumer	2.17 %	1.76 %	1.83 %	1.88 %	2.05 %	1.91 %	1.91 %	2.03 %	2.12 %				
Total Consumer excluding purchased portfolios	1.56 %	1.56 %	1.62 %	1.71 %	1.96 %	1.95 %	1.92 %	1.95 %	2.05 %				
<b>Consumer Loans (Consolidated)</b>													
<b>90 Days &amp; Over Delinquency Ratios</b>													
Consumer instalment and other personal	0.48 %	0.44 %	0.44 %	0.44 %	0.48 %	0.44 %	0.44 %	0.40 %	0.44 %				
Credit Cards <sup>(3)</sup>	1.07 %	0.97 %	0.98 %	1.07 %	1.16 %	1.08 %	1.05 %	1.12 %	1.20 %				
Mortgages	0.70 %	0.62 %	0.66 %	0.71 %	0.78 %	0.77 %	0.80 %	0.75 %	0.81 %				
Total Consumer (excluding Government Guaranteed Student Loans)	0.63 %	0.57 %	0.59 %	0.62 %	0.68 %	0.65 %	0.67 %	0.64 %	0.69 %				
Total Consumer	0.64 %	0.57 %	0.59 %	0.62 %	0.68 %	0.66 %	0.68 %	0.65 %	0.69 %				
Total Consumer excluding purchased portfolios	0.51 %	0.48 %	0.49 %	0.53 %	0.59 %	0.59 %	0.61 %	0.64 %	0.69 %				

(1) Segmented credit information by geographic area is based upon the country of ultimate risk.

(2) Aggregate balances are net of specific and collective allowances; the consumer, businesses and government categories are stated net of specific allowances only.

(3) Includes retail and corporate cards.

(4) Includes collective allowances related to off-balance sheet instruments and undrawn commitments.

(5) Credit risk ratios are presented including purchased portfolios. Certain credit risk ratios are also presented excluding purchased portfolios to provide for better historical comparisons (refer to 'notes to users' on page 1 for details).

(6) Certain diversification, coverage and condition ratios for 2012 have been restated to conform with the current period's presentation.

**PROVISION FOR CREDIT LOSSES (PCL)  
SEGMENTED INFORMATION <sup>(1)</sup>**

(\$ millions except as noted)

	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1	YTD 2013	YTD 2012	Fiscal 2012	Fiscal 2011
<b>Performance Ratios (Annualized) (2)(4)</b>													
PCL-to-average net loans and acceptances	0.28 %	0.31 %	0.38 %	0.32 %	0.23 %	0.60 %	0.43 %	0.58 %	0.63 %	0.28 %	0.23 %	0.31 %	0.56 %
PCL-to-segmented average net loans and acceptances													
Consumer	0.51 %	0.80 %	0.49 %	0.64 %	0.52 %	0.54 %	0.53 %	0.57 %	0.63 %	0.51 %	0.52 %	0.62 %	0.57 %
Businesses and governments	(0.07)%	(0.44)%	0.21 %	(0.16)%	(0.21)%	0.43 %	0.34 %	0.42 %	0.60 %	(0.07)%	(0.21)%	(0.15)%	0.45 %
Canada	0.28 %	0.39 %	0.23 %	0.39 %	0.43 %	0.37 %	0.32 %	0.49 %	0.44 %	0.28 %	0.43 %	0.36 %	0.41 %
United States	0.29 %	0.10 %	0.84 %	0.18 %	(0.27)%	1.28 %	0.94 %	1.13 %	1.60 %	0.29 %	(0.27)%	0.21 %	1.24 %
Other Countries	(0.08)%	(0.08)%	(0.08)%	(0.08)%	0.00 %	0.00 %	0.00 %	(0.08)%	0.00 %	(0.08)%	0.00 %	(0.05)%	(0.02)%
Specific PCL-to-average net loans and acceptances	0.28 %	0.34 %	0.37 %	0.32 %	0.20 %	0.50 %	0.46 %	0.52 %	0.62 %	0.28 %	0.20 %	0.31 %	0.52 %
PCL-to-average net loans and acceptances excluding purchased portfolios	0.29 %	0.39 %	0.39 %	0.46 %	0.48 %	0.52 %	0.49 %	0.61 %	0.64 %	0.29 %	0.48 %	0.42 %	0.55 %
Adjusted PCL-to-average net loans and acceptances (3)	0.16 %	0.20 %	0.20 %	0.28 %	0.17 %	0.53 %	0.53 %	0.52 %	0.62 %	0.16 %	0.17 %	(0.21)%	0.54 %

**Provision for Credit Losses by Country**

Canada	133	178	104	168	184	160	137	203	179	133	184	634	679
United States	46	15	134	28	(43)	202	93	95	144	46	(43)	134	534
Other Countries	(1)	(1)	(1)	(1)	-	-	-	(1)	-	(1)	-	(3)	(1)
Total Provision For Credit Losses	178	192	237	195	141	362	230	297	323	178	141	765	1,212

**Specific Provision for Credit Losses by Country**

Canada	129	144	140	177	153	180	151	162	170	129	153	614	663
United States	50	73	91	18	(31)	119	94	104	147	50	(31)	151	464
Other Countries	(1)	(1)	(2)	-	-	-	-	(1)	-	(1)	-	(3)	(1)
Total Specific Provision for Credit Losses	178	216	229	195	122	299	245	265	317	178	122	762	1,126

**Interest Income on Impaired Loans**

Total	34	47	39	36	37	25	22	28	22	34	37	159	97
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**PROVISION FOR CREDIT LOSSES  
SEGMENTED INFORMATION**

(\$ millions)

	Q1 2013	YTD Q1 2013	Fiscal 2012	Fiscal 2011
<b>Provision by Product and Industry</b>				
Consumer				
Residential mortgages	35	35	132	109
Credit cards	80	80	356	376
Consumer instalment and other personal	81	81	387	291
Total Consumer	196	196	875	776
Businesses and governments				
Commercial mortgages	(12)	(12)	(15)	109
Commercial real estate	14	14	(87)	70
Construction (non-real estate)	3	3	(12)	20
Retail trade	6	6	(1)	7
Wholesale trade	(1)	(1)	(16)	(1)
Agriculture	(2)	(2)	2	7
Communications	(1)	(1)	(5)	(9)
Manufacturing	11	11	23	47
Mining	-	-	(1)	-
Oil and Gas	-	-	-	1
Transportation	(16)	(16)	5	7
Utilities	-	-	-	-
Forest Products	-	-	6	4
Service industries	6	6	26	31
Financial - excluding securities	-	-	-	-
borrowed or purchased under resale agreements	(19)	(19)	(29)	45
Government	-	-	-	-
Other	(7)	(7)	(9)	12
Total Businesses and Government, excluding Securities Borrowed or Purchased under Resale Agreements	(18)	(18)	(113)	350
Total Businesses and Government	(18)	(18)	(113)	350
Total specific provision for credit losses	178	178	762	1,126
Collective provision	-	-	3	86
Total Provision for Credit Losses	178	178	765	1,212
Adjusted provision for credit losses (3)	96	96	471	1,108

(1) Segmented credit information by geographic area is based upon the country of ultimate risk.

(2) Ratios are presented including purchased portfolios. The PCL as a percentage of average net loans and acceptances is also presented excluding purchased portfolios to provide for better historical comparison (refer to the Credit Risk Ratios section on the Notes to User page).

(3) Adjusted provision for credit losses exclude provisions related to the M&amp;I purchased performing loans portfolio and changes to the collective allowance.

(4) Certain performance ratios for 2012 have been restated to conform with the current period's presentation.

YTD  
2013

Fiscal  
2012

Fiscal  
2011

19.7%	17.3%	9.7%
44.9%	46.7%	33.4%
45.5%	50.8%	25.8%
110.1%	114.8%	68.9%
(6.7)%	(2.0)%	9.7%
7.9%	(11.4)%	6.2%
1.7%	(1.6)%	1.8%
3.4%	(0.1)%	0.6%
(0.6)%	(2.1)%	(0.1)%
(1.1)%	0.3%	0.6%
(0.6)%	(0.7)%	(0.8)%
6.2%	3.0%	4.2%
0.0%	(0.1)%	0.0%
0.0%	0.0%	0.1%
(9.0)%	0.7%	0.6%
0.0%	0.0%	0.0%
0.0%	0.8%	0.4%
3.4%	3.4%	2.8%
0.0%	0.0%	0.0%
(10.7)%	(3.8)%	4.0%
0.0%	0.0%	0.0%
(3.9)%	(1.2)%	1.1%
(10.1)%	(14.8)%	31.1%
(10.1)%	(14.8)%	31.1%
100.0%	100.0%	100.0%

**WRITE OFFS  
BY INDUSTRY**

(\$ millions)

	Q1 2013	YTD 2013
Consumer Write Offs	221	221
Businesses and governments		
Commercial mortgages	24	24
Commercial real estate	25	25
Construction (non-real estate)	1	1
Retail trade	9	9
Wholesale trade	1	1
Agriculture	-	-
Communications	-	-
Manufacturing	20	20
Mining	-	-
Oil and Gas	-	-
Transportation	-	-
Utilities	-	-
Forest Products	-	-
Service industries	10	10
Financial	3	3
Government	-	-
Other	12	12
Total Businesses and governments	105	105
Total Write offs	326	326

**WRITE OFFS BY  
GEOGRAPHIC REGION**

	Q1 2013	YTD 2013
Canada	156	156
United States	168	168
Other Countries	2	2
Total	326	326

**GROSS LOANS AND ACCEPTANCES  
BY PRODUCT AND INDUSTRY**

	2013	2012	2012	2012	2012	2011	2011	2011	2011	MIX	INC/(DEC)
(\$ millions)	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q1	VS LAST YEAR
<b>Consumer</b>											
Residential mortgages	85,876	84,131	82,009	78,495	76,656	76,207	76,146	71,675	71,881	32.9 %	9,220 12.0 %
Credit cards	7,683	7,814	7,837	7,861	7,871	8,038	8,026	7,688	7,690	2.9 %	(188) (2.4)%
Consumer instalment and other personal	61,531	61,436	60,792	60,002	59,688	59,445	58,035	52,189	51,751	23.7 %	1,843 3.1 %
<b>Total Consumer</b>	<b>155,090</b>	<b>153,381</b>	<b>150,638</b>	<b>146,358</b>	<b>144,215</b>	<b>143,690</b>	<b>142,207</b>	<b>131,552</b>	<b>131,322</b>	<b>59.5 %</b>	<b>10,875 7.5 %</b>
<b>Businesses and Government, excluding</b>											
Securities Borrowed or Purchased under Resale Agreements											
Commercial mortgages	15,372	15,987	16,879	17,517	18,389	18,896	18,930	10,278	10,791	5.9 %	(3,017) (16.4)%
Commercial real estate	8,919	8,845	8,251	8,042	8,538	8,621	8,412	6,801	7,015	3.4 %	381 4.5 %
Construction (non-real estate)	2,219	2,421	2,481	2,229	2,149	2,314	2,292	1,674	1,629	0.9 %	70 3.3 %
Retail trade	9,205	8,508	8,510	8,469	7,582	7,142	6,613	6,736	6,115	3.5 %	1,623 21.4 %
Automotive	5,834	5,371	5,421	5,362	4,545	4,310	4,101	4,039	3,626	2.2 %	1,289 28.4 %
Food and beverage	1,026	906	852	916	1,023	781	721	732	741	0.4 %	3 0.3 %
Other	2,345	2,231	2,237	2,191	2,014	2,051	1,791	1,965	1,748	0.9 %	331 16.4 %
Wholesale trade	6,487	6,412	6,058	5,618	5,365	5,338	5,040	3,564	3,448	2.5 %	1,122 20.9 %
Agriculture	390	415	355	406	379	353	345	162	133	0.1 %	11 2.9 %
Automotive	363	363	399	381	330	337	330	263	245	0.1 %	33 10.0 %
Food and beverage	1,231	1,226	1,014	899	938	937	816	628	650	0.5 %	293 31.2 %
Construction and industrial	2,168	2,084	2,164	1,710	1,512	1,500	1,607	1,155	1,035	0.8 %	656 43.4 %
Other	2,335	2,324	2,126	2,222	2,206	2,211	1,942	1,356	1,385	1.0 %	129 5.8 %
Agriculture	5,128	5,086	4,915	4,548	4,501	4,496	4,312	3,846	3,938	2.0 %	627 13.9 %
Communications	681	506	486	544	523	556	569	644	841	0.3 %	158 30.2 %
Other communications	211	200	152	189	172	138	158	134	166	0.1 %	39 22.7 %
Total Telecom	211	200	152	189	172	138	158	134	166	0.1 %	39 22.7 %
Cable	371	203	219	213	171	185	174	246	289	0.1 %	200 +100.0%
Broadcasting	99	103	115	142	180	233	237	264	386	0.0 %	(81) (45.0)%
Manufacturing	10,689	9,405	9,285	9,462	9,144	8,638	8,227	5,911	5,847	4.1 %	1,545 16.9 %
Industrial products	4,726	3,704	3,585	3,692	3,518	3,418	3,376	2,193	2,041	1.8 %	1,208 34.3 %
Consumer products	3,079	2,760	2,767	2,775	2,752	2,585	2,469	1,930	1,889	1.2 %	327 11.9 %
Automotive	558	536	512	531	549	412	449	359	385	0.2 %	9 1.6 %
Other manufacturing	2,326	2,405	2,421	2,464	2,325	2,223	1,933	1,429	1,532	0.9 %	1 0.0 %
Mining	600	623	634	639	664	640	730	247	254	0.2 %	(64) (9.6)%
Oil and Gas	3,530	3,458	3,726	3,582	3,818	3,469	3,168	3,139	3,282	1.4 %	(288) (7.5)%
Transportation	2,058	1,999	1,941	1,856	1,866	1,874	2,046	1,340	1,313	0.8 %	192 10.3 %
Utilities	1,135	1,166	1,115	857	1,011	838	996	881	831	0.4 %	124 12.3 %
Electric power generation	740	753	795	699	735	589	755	652	498	0.3 %	5 0.7 %
Gas, water and other	395	413	320	158	276	249	241	229	333	0.2 %	119 43.1 %
Forest products	507	589	613	644	524	512	521	410	418	0.2 %	(17) (3.2)%
Service industries	14,462	13,517	13,229	12,533	12,411	12,027	11,599	9,312	9,063	5.5 %	2,051 16.5 %
Automotive lease and rental	1,485	1,336	1,390	1,156	1,142	1,031	1,176	974	745	0.6 %	343 30.0 %
Educational	1,379	1,247	1,231	1,324	1,279	1,252	1,311	1,192	1,161	0.5 %	100 7.8 %
Health care	3,191	2,937	2,889	2,588	2,487	2,356	2,242	1,814	1,794	1.2 %	704 28.3 %
Business and professional services	3,043	3,292	3,151	2,892	2,987	2,842	2,177	1,728	1,709	1.2 %	56 1.9 %
Hospitality and recreation	2,531	2,236	2,059	2,117	2,095	2,089	1,990	1,774	1,775	1.0 %	436 20.8 %
Other	2,833	2,469	2,509	2,456	2,421	2,457	2,703	1,830	1,879	1.1 %	412 17.0 %
Financial (1)	16,428	15,047	16,124	16,104	16,075	14,695	14,585	14,062	14,029	6.3 %	353 2.2 %
Government	1,299	1,273	1,271	1,167	1,002	784	655	689	676	0.5 %	297 29.6 %
Other	7,021	7,318	7,033	6,064	5,972	6,138	6,131	5,598	5,788	2.6 %	1,049 17.6 %
<b>Total Businesses and Government</b>	<b>105,740</b>	<b>102,160</b>	<b>102,551</b>	<b>99,875</b>	<b>99,534</b>	<b>96,978</b>	<b>94,826</b>	<b>75,132</b>	<b>75,278</b>	<b>40.5 %</b>	<b>6,206 6.2 %</b>
<b>Total Gross Loans and Acceptances</b>	<b>260,830</b>	<b>255,541</b>	<b>253,189</b>	<b>246,233</b>	<b>243,749</b>	<b>240,668</b>	<b>237,033</b>	<b>206,684</b>	<b>206,600</b>	<b>100.0 %</b>	<b>17,081 7.0 %</b>

(1) Fiscal 2012 balances have been reclassified to conform with the current period's presentation.

**ALLOWANCES FOR CREDIT LOSSES**
**BY PRODUCT AND INDUSTRY <sup>(1)</sup>**

(\$ millions)	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1	MIX Q1	INC/(DEC) VS LAST YEAR
<b>Specific Allowances</b>											
Consumer											
Residential mortgages	70	66	70	63	70	72	67	68	65	3.7 %	- 0.0 %
Credit cards	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Consumer instalment and other personal	64	62	64	70	63	59	65	59	56	3.4 %	1 1.6 %
<b>Total Consumer</b>	<b>134</b>	<b>128</b>	<b>134</b>	<b>133</b>	<b>133</b>	<b>131</b>	<b>132</b>	<b>127</b>	<b>121</b>	<b>7.1 %</b>	<b>1 0.8 %</b>
Businesses and Government, excluding											
Securities Borrowed or Purchased under Resale Agreements											
Commercial mortgages	43	53	37	56	44	45	56	58	63	2.3 %	(1) (2.3)%
Commercial real estate	48	55	69	95	78	102	71	87	92	2.5 %	(30) (38.5)%
Construction (non-real estate)	26	21	21	23	11	16	13	11	39	1.4 %	15 +100.0%
Retail trade	17	13	10	11	15	13	14	16	17	0.9 %	2 13.3 %
Wholesale trade	6	6	4	6	9	8	10	12	14	0.3 %	(3) (33.3)%
Agriculture	6	8	6	6	9	8	7	14	17	0.3 %	(3) (33.3)%
Communications	1	1	-	-	-	-	-	1	1	0.1 %	1 0.0 %
Manufacturing	42	59	50	53	41	37	49	66	76	2.2 %	1 2.4 %
Industrial products	13	14	8	7	10	6	7	9	6	0.7 %	3 30.0 %
Consumer products	11	12	20	24	21	16	25	36	49	0.6 %	(10) (47.6)%
Automotive	4	4	1	1	1	2	4	4	4	0.2 %	3 +100.0%
Other manufacturing	14	29	21	21	9	13	13	17	17	0.7 %	5 55.6 %
Mining	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Oil and Gas	2	2	3	3	3	3	3	3	3	0.1 %	(1) (33.3)%
Transportation	1	1	2	3	7	9	8	9	8	0.1 %	(6) (85.7)%
Utilities	-	1	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Forest products	15	15	16	22	15	14	14	13	13	0.8 %	- 0.0 %
Service industries	72	65	61	45	39	45	44	51	52	3.8 %	33 84.6 %
Automotive lease and rental	10	9	9	10	10	10	10	10	10	0.5 %	- 0.0 %
Educational	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Health care	4	4	9	3	3	6	2	2	3	0.2 %	1 33.3 %
Business and professional services	29	29	24	22	18	16	16	17	14	1.5 %	11 61.1 %
Hospitality and recreation	2	3	3	4	4	4	3	4	5	0.1 %	(2) (50.0)%
Other	27	20	16	6	4	9	13	18	20	1.5 %	23 +100.0%
Financial	4	8	11	13	12	63	48	48	74	0.2 %	(8) (66.7)%
Government	1	1	2	2	2	2	2	2	2	0.1 %	(1) (50.0)%
Other	18	10	34	42	36	18	7	13	3	0.9 %	(18) (50.0)%
<b>Total Businesses and Government</b>	<b>302</b>	<b>319</b>	<b>326</b>	<b>380</b>	<b>321</b>	<b>383</b>	<b>346</b>	<b>404</b>	<b>474</b>	<b>15.9 %</b>	<b>(19) (5.9)%</b>
<b>Total Specific Allowances</b>	<b>436</b>	<b>447</b>	<b>460</b>	<b>513</b>	<b>454</b>	<b>514</b>	<b>478</b>	<b>531</b>	<b>595</b>	<b>23.0 %</b>	<b>(18) (4.0)%</b>
<b>Collective allowance <sup>(2)</sup></b>	<b>1,458</b>	<b>1,460</b>	<b>1,485</b>	<b>1,465</b>	<b>1,477</b>	<b>1,452</b>	<b>1,362</b>	<b>1,371</b>	<b>1,377</b>	<b>77.0 %</b>	<b>(19) (1.3)%</b>
<b>Total Allowance for Credit Losses <sup>(2)</sup></b>	<b>1,894</b>	<b>1,907</b>	<b>1,945</b>	<b>1,978</b>	<b>1,931</b>	<b>1,966</b>	<b>1,840</b>	<b>1,902</b>	<b>1,972</b>	<b>100.0 %</b>	<b>(37) (1.9)%</b>

(1) Excludes specific allowances for Other Credit Instruments, which are included in Other Liabilities.

(2) Includes collective allowances related to off-balance sheet instruments and undrawn commitments which are reported in Other Liabilities.

**NET LOANS AND ACCEPTANCES  
BY PRODUCT AND INDUSTRY**

(\$ millions)

	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1	MIX Q1	INC/(DEC) VS LAST YEAR
Consumer											
Residential mortgages	85,806	84,065	81,939	78,432	76,586	76,135	76,079	71,607	71,816	33.1 %	9,220 12.0 %
Credit cards	7,683	7,814	7,837	7,861	7,871	8,038	8,026	7,688	7,690	3.0 %	(188) (2.4)%
Consumer instalment and other personal	61,467	61,374	60,728	59,932	59,625	59,386	57,970	52,130	51,695	23.7 %	1,842 3.1 %
<b>Total Consumer</b>	<b>154,956</b>	<b>153,253</b>	<b>150,504</b>	<b>146,225</b>	<b>144,082</b>	<b>143,559</b>	<b>142,075</b>	<b>131,425</b>	<b>131,201</b>	<b>59.8 %</b>	<b>10,874 7.5 %</b>
Businesses and Government, excluding Securities Borrowed or Purchased under Resale Agreements											
Commercial mortgages	15,329	15,934	16,842	17,461	18,345	18,851	18,874	10,220	10,728	5.9 %	(3,016) (16.4)%
Commercial real estate	8,871	8,790	8,182	7,947	8,460	8,519	8,341	6,714	6,923	3.4 %	411 4.9 %
Construction (non-real estate)	2,193	2,400	2,460	2,206	2,138	2,298	2,279	1,663	1,590	0.8 %	55 2.6 %
Retail trade	9,188	8,495	8,500	8,458	7,567	7,129	6,599	6,720	6,098	3.5 %	1,621 21.4 %
Wholesale trade	6,481	6,406	6,054	5,612	5,356	5,330	5,030	3,552	3,434	2.5 %	1,125 21.0 %
Agriculture	5,122	5,078	4,909	4,542	4,492	4,488	4,305	3,832	3,921	2.0 %	630 14.0 %
Communications	680	505	486	544	523	556	569	643	840	0.3 %	157 30.0 %
Manufacturing	10,647	9,346	9,235	9,409	9,103	8,601	8,178	5,845	5,771	4.1 %	1,544 17.0 %
Industrial products	4,713	3,690	3,577	3,685	3,508	3,412	3,369	2,184	2,035	1.8 %	1,205 34.4 %
Consumer products	3,068	2,748	2,747	2,751	2,731	2,569	2,444	1,894	1,840	1.2 %	337 12.3 %
Automotive	554	532	511	530	548	410	445	355	381	0.2 %	6 1.1 %
Other manufacturing	2,312	2,376	2,400	2,443	2,316	2,210	1,920	1,412	1,515	0.9 %	(4) (0.2)%
Mining	600	623	634	639	664	640	730	247	254	0.2 %	(64) (9.6)%
Oil and Gas	3,528	3,456	3,723	3,579	3,815	3,466	3,165	3,136	3,279	1.4 %	(287) (7.5)%
Transportation	2,057	1,998	1,939	1,853	1,859	1,865	2,038	1,331	1,305	0.8 %	198 10.7 %
Utilities	1,135	1,165	1,115	857	1,011	838	996	881	831	0.4 %	124 12.3 %
Forest products	492	574	597	622	509	498	507	397	405	0.2 %	(17) (3.3)%
Service industries	14,390	13,452	13,168	12,488	12,372	11,982	11,555	9,261	9,011	5.6 %	2,018 16.3 %
Automotive lease and rental	1,475	1,327	1,381	1,146	1,132	1,021	1,166	964	735	0.6 %	343 30.3 %
Educational	1,379	1,247	1,231	1,324	1,279	1,252	1,311	1,192	1,161	0.5 %	100 7.8 %
Health care	3,187	2,933	2,880	2,585	2,484	2,350	2,240	1,812	1,791	1.2 %	703 28.3 %
Business and professional services	3,014	3,263	3,127	2,870	2,969	2,826	2,161	1,711	1,695	1.2 %	45 1.5 %
Hospitality and recreation	2,529	2,233	2,056	2,113	2,091	2,085	1,987	1,770	1,770	1.0 %	438 20.9 %
Other	2,806	2,449	2,493	2,450	2,417	2,448	2,690	1,812	1,859	1.1 %	389 16.1 %
Financial (2)	16,424	15,039	16,113	16,091	16,063	14,632	14,537	14,014	13,955	6.3 %	361 2.2 %
Government	1,298	1,272	1,269	1,165	1,000	782	653	687	674	0.5 %	298 29.8 %
Other	7,003	7,308	6,999	6,022	5,936	6,120	6,124	5,585	5,785	2.8 %	1,067 18.0 %
<b>Total Businesses and Government</b>	<b>105,438</b>	<b>101,841</b>	<b>102,225</b>	<b>99,495</b>	<b>99,213</b>	<b>96,595</b>	<b>94,480</b>	<b>74,728</b>	<b>74,804</b>	<b>40.7 %</b>	<b>6,225 6.3 %</b>
Loans and Acceptances, Net of Specific Allowances	260,394	255,094	252,729	245,720	243,295	240,154	236,555	206,153	206,005	100.6 %	17,099 7.0 %
Collective allowance (1)	(1,458)	(1,460)	(1,485)	(1,465)	(1,477)	(1,452)	(1,362)	(1,371)	(1,377)	(0.6)%	(19) (1.3)%
<b>Total Net Loans and Acceptances (1)</b>	<b>258,936</b>	<b>253,634</b>	<b>251,244</b>	<b>244,255</b>	<b>241,818</b>	<b>238,702</b>	<b>235,193</b>	<b>204,782</b>	<b>204,628</b>	<b>100.0 %</b>	<b>17,118 7.1 %</b>

(1) Includes collective allowances related to off-balance sheet instruments and undrawn commitments which are reported in Other Liabilities.

(2) Fiscal 2012 balances have been reclassified to conform with the current period's presentation.

**GROSS IMPAIRED LOANS  
AND ACCEPTANCES  
BY PRODUCT AND INDUSTRY <sup>(1)</sup>**



(\$ millions)	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1	MIX Q1	INC/(DEC) VS LAST YEAR
Consumer											
Residential mortgages	656	583	556	555	511	471	404	431	485	0.8 %	145 28.4 %
Consumer instalment and other personal	415	401	290	288	287	288	243	254	250	0.6 %	128 44.6 %
Total Consumer	1,071	984	846	843	798	759	647	685	735	0.7 %	273 34.2 %
Businesses and Government, excluding											
Securities Borrowed or Purchased under Resale Agreements											
Commercial mortgages	786	768	759	720	660	568	515	514	506	5.1 %	126 19.1 %
Commercial real estate	314	373	389	417	437	412	364	428	480	3.5 %	(123) (28.1)%
Construction (non-real estate)	65	59	62	65	59	44	41	36	81	2.9 %	6 10.2 %
Retail trade	61	54	47	63	69	81	72	51	52	0.7 %	(8) (11.6)%
Wholesale trade	42	43	41	42	20	25	43	43	57	0.6 %	22 +100.0%
Agriculture	109	106	97	105	111	104	60	53	57	2.1 %	(2) (1.8)%
Communications	5	6	6	6	6	7	8	2	2	0.7 %	(1) (16.7)%
Manufacturing	92	169	166	207	154	132	133	175	214	0.9 %	(62) (40.3)%
Industrial products	27	32	36	40	43	37	43	54	64	0.6 %	(16) (37.2)%
Consumer products	26	38	44	63	65	47	35	56	85	0.8 %	(39) (60.0)%
Automotive	7	7	2	2	1	3	11	12	11	1.3 %	6 +100.0%
Other manufacturing	32	92	84	102	45	45	44	53	54	1.4 %	(13) (28.9)%
Mining	3	5	1	1	2	2	2	2	-	0.5 %	1 50.0 %
Oil and Gas	3	3	4	4	4	5	5	11	12	0.1 %	(1) (25.0)%
Transportation	15	31	58	32	40	42	54	28	32	0.7 %	(25) (62.5)%
Utilities	1	3	3	3	2	2	2	2	2	0.1 %	(1) (50.0)%
Forest products	39	38	51	57	47	49	51	52	50	7.7 %	(8) (17.0)%
Service industries	191	229	199	143	108	127	115	133	162	1.3 %	83 76.9 %
Automotive lease and rental	10	11	11	12	17	15	19	21	21	0.7 %	(7) (41.2)%
Educational	2	-	1	-	-	1	1	2	2	0.1 %	2 0.0 %
Health care	42	47	38	17	13	18	10	16	21	1.3 %	29 +100.0%
Business and professional services	33	60	55	54	24	29	22	25	28	1.1 %	9 37.5 %
Hospitality and recreation	12	14	15	18	16	15	18	18	24	0.5 %	(4) (25.0)%
Other	92	97	79	42	38	49	45	51	66	3.2 %	54 +100.0%
Financial	68	74	79	84	92	242	161	204	256	0.4 %	(24) (26.1)%
Government	1	1	2	2	2	2	2	2	4	0.1 %	(1) (50.0)%
Other	46	30	57	43	46	82	15	44	37	0.7 %	- 0.0 %
Total Businesses and Government	1,841	1,992	2,021	1,994	1,859	1,926	1,643	1,780	2,004	1.7 %	(18) (1.0)%
Total Gross Impaired Loans and Acceptances	2,912	2,976	2,867	2,837	2,657	2,685	2,290	2,465	2,739	1.1 %	255 9.6 %

(1) GIL excludes Purchased Credit Impaired Loans.

**NET IMPAIRED LOANS  
AND ACCEPTANCES**
**BY PRODUCT AND INDUSTRY <sup>(1)</sup>**

(\$ millions)



	2013	2012	2012	2012	2012	2011	2011	2011	2011	MIX	INC/(DEC)
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q1	VS LAST YEAR
Consumer											
Residential mortgages	586	517	486	492	441	399	337	363	420	0.7 %	145 32.9 %
Consumer instalment and other personal	351	339	226	218	224	229	178	195	194	0.5 %	127 56.7 %
Total Consumer	937	856	712	710	665	628	515	558	614	0.6 %	272 40.9 %
Businesses and Government, excluding											
Securities Borrowed or Purchased under Resale Agreements											
Commercial mortgages	743	715	722	664	616	523	459	456	443	4.8 %	127 20.6 %
Commercial real estate	266	318	320	322	359	310	293	341	388	3.0 %	(93) (25.9)%
Construction (non-real estate)	39	38	41	42	48	28	28	25	42	1.8 %	(9) (18.8)%
Retail trade	44	41	37	52	54	68	58	35	35	0.5 %	(10) (18.5)%
Wholesale trade	36	37	37	36	11	17	33	31	43	0.6 %	25 +100.0%
Agriculture	103	98	91	99	102	96	53	39	40	2.0 %	1 1.0 %
Communications	4	5	6	6	6	7	8	1	1	0.6 %	(2) (33.3)%
Manufacturing	50	110	116	154	113	95	84	109	138	0.5 %	(63) (55.8)%
Industrial products	14	18	28	33	33	31	36	45	58	0.3 %	(19) (57.6)%
Consumer products	15	26	24	39	44	31	10	20	36	0.5 %	(29) (65.9)%
Automotive	3	3	1	1	-	1	7	8	7	0.5 %	3 0.0 %
Other manufacturing	18	63	63	81	36	32	31	36	37	0.8 %	(18) (50.0)%
Mining	3	5	1	1	2	2	2	2	-	0.5 %	1 50.0 %
Oil and Gas	1	1	1	1	1	2	2	8	9	0.0 %	- 0.0 %
Transportation	14	30	56	29	33	33	46	19	24	0.7 %	(19) (57.6)%
Utilities	1	2	3	3	2	2	2	2	2	0.1 %	(1) (50.0)%
Forest products	24	23	35	35	32	35	37	39	37	4.9 %	(8) (25.0)%
Service industries	119	164	138	98	69	82	71	82	110	0.8 %	50 72.5 %
Automotive lease and rental	-	2	2	2	7	5	9	11	11	0.0 %	(7) (100.0)%
Educational	2	-	1	-	-	1	1	2	2	0.1 %	2 0.0 %
Health care	38	43	29	14	10	12	8	14	18	1.2 %	28 +100.0%
Business and professional services	4	31	31	32	6	13	6	8	14	0.1 %	(2) (33.3)%
Hospitality and recreation	10	11	12	14	12	11	15	14	19	0.4 %	(2) (16.7)%
Other	65	77	63	36	34	40	32	33	46	2.3 %	31 91.2 %
Financial	64	66	68	71	80	179	113	156	182	0.4 %	(16) (20.0)%
Government	-	-	-	-	-	-	-	-	2	0.0 %	- 0.0 %
Other	28	20	23	1	10	64	8	31	34	0.4 %	18 +100.0%
Total Businesses and Government	1,539	1,673	1,695	1,614	1,538	1,543	1,297	1,376	1,530	1.5 %	1 0.1 %
Total Impaired Loans and Acceptances,											
Net of Specific Allowances	2,476	2,529	2,407	2,324	2,203	2,171	1,812	1,934	2,144	1.0 %	273 12.4 %
Collective allowance <sup>(2)</sup>	(1,458)	(1,460)	(1,485)	(1,465)	(1,477)	(1,452)	(1,362)	(1,371)	(1,377)	100.0 %	(19) (1.3)%
Total Net Impaired Loans and Acceptances <sup>(2)</sup>	1,018	1,069	922	859	726	719	450	563	767	0.4 %	292 40.2 %

(1) Net Impaired Loans exclude purchased credit impaired loans.

(2) Includes collective allowances related to off-balance sheet instruments and undrawn commitments which are reported in Other Liabilities.



**LOANS AND ACCEPTANCES  
BY GEOGRAPHIC AREA <sup>(1)</sup>**


(\$ millions)	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1	MIX Q1	INC/(DEC) VS LAST YEAR
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**Gross Loans and Acceptances**

Canada <sup>(5)</sup>	189,780	186,830	183,034	177,380	173,085	172,320	170,665	168,636	165,993	72.8 %	16,695	9.6 %
United States	66,175	63,969	64,943	63,760	65,217	63,687	61,492	33,304	36,460	25.4 %	958	1.5 %
Other Countries	4,875	4,742	5,212	5,093	5,447	4,661	4,876	4,744	4,147	1.8 %	(572)	(10.5)%
Africa & Middle East	707	737	693	534	498	474	575	571	555	0.3 %	209	42.0 %
Asia	1,247	1,072	1,193	1,370	1,721	1,457	1,580	1,531	1,228	0.5 %	(474)	(27.5)%
Europe	989	984	868	545	495	445	476	592	618	0.4 %	494	99.8 %
Latin America & Caribbean	1,932	1,949	2,458	2,644	2,733	2,285	2,245	2,050	1,746	0.6 %	(801)	(29.3)%
<b>Total Gross Loans and Acceptances</b>	<b>260,830</b>	<b>255,541</b>	<b>253,189</b>	<b>246,233</b>	<b>243,749</b>	<b>240,668</b>	<b>237,033</b>	<b>206,684</b>	<b>206,600</b>	<b>100.0 %</b>	<b>17,081</b>	<b>7.0 %</b>

**Specific Allowance <sup>(2)</sup>**

Canada	(255)	(263)	(274)	(254)	(265)	(245)	(235)	(236)	(259)
United States	(166)	(166)	(176)	(248)	(179)	(257)	(223)	(275)	(295)
Other Countries	(15)	(18)	(10)	(11)	(10)	(12)	(20)	(20)	(41)

**Net Loans and Acceptances**

Canada <sup>(5)</sup>	189,525	186,567	182,760	177,126	172,820	172,075	170,430	168,400	165,734	73.2 %	16,705	9.7 %
United States	66,009	63,803	64,767	63,512	65,038	63,430	61,269	33,029	36,165	25.5 %	971	1.5 %
Other Countries	4,860	4,724	5,202	5,082	5,437	4,649	4,856	4,724	4,106	1.9 %	(577)	(10.6)%
Africa & Middle East	707	734	691	532	496	472	566	562	545	0.3 %	211	42.5 %
Asia	1,247	1,072	1,193	1,370	1,721	1,457	1,580	1,530	1,228	0.5 %	(474)	(27.5)%
Europe	974	969	860	536	487	435	465	582	587	0.4 %	487	100.0 %
Latin America & Caribbean	1,932	1,949	2,458	2,644	2,733	2,285	2,245	2,050	1,746	0.7 %	(801)	(29.3)%
<b>Total Loans and Acceptances, net of specific allowances</b>	<b>260,394</b>	<b>255,094</b>	<b>252,729</b>	<b>245,720</b>	<b>243,295</b>	<b>240,154</b>	<b>236,555</b>	<b>206,153</b>	<b>206,005</b>	<b>100.6 %</b>	<b>17,099</b>	<b>7.0 %</b>
<b>Collective allowance <sup>(3)</sup></b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>			
Canada	(709)	(705)	(672)	(708)	(717)	(687)	(707)	(721)	(679)	(0.3)%	(8)	(1.1)%
United States	(749)	(755)	(813)	(757)	(760)	(765)	(655)	(650)	(698)	(0.3)%	(11)	(1.4)%
<b>Total Net Loans and Acceptances</b>	<b>258,936</b>	<b>253,634</b>	<b>251,244</b>	<b>244,255</b>	<b>241,818</b>	<b>238,702</b>	<b>235,193</b>	<b>204,782</b>	<b>204,628</b>	<b>100.0 %</b>	<b>17,118</b>	<b>7.1 %</b>

**Gross Impaired Loans and Acceptances <sup>(4)</sup>**

Canada	849	886	882	990	963	957	874	857	933
United States	2,023	2,047	1,960	1,833	1,681	1,714	1,395	1,554	1,729
Other Countries	40	43	25	14	13	14	21	54	77
Africa & Middle East	-	3	2	2	3	3	10	42	45
Asia	-	-	-	-	-	-	-	-	-
Europe	40	40	23	12	10	11	11	12	32
Latin America & Caribbean	-	-	-	-	-	-	-	-	-
<b>Total Gross Impaired Loans and Acceptances</b>	<b>2,912</b>	<b>2,976</b>	<b>2,867</b>	<b>2,837</b>	<b>2,657</b>	<b>2,685</b>	<b>2,290</b>	<b>2,465</b>	<b>2,739</b>

**Net Impaired Loans and Acceptances <sup>(4)</sup>**

Canada	594	623	608	736	698	712	639	621	674
United States	1,857	1,881	1,784	1,585	1,502	1,457	1,172	1,279	1,434
Other Countries	25	25	15	3	3	2	1	34	36
Africa & Middle East	-	-	-	-	1	1	-	33	35
Asia	-	-	-	-	-	-	-	-	-
Europe	25	25	15	3	2	1	1	1	1
Latin America & Caribbean	-	-	-	-	-	-	-	-	-
<b>Total Impaired Loans and Acceptances, net of specific allowances</b>	<b>2,476</b>	<b>2,529</b>	<b>2,407</b>	<b>2,324</b>	<b>2,203</b>	<b>2,171</b>	<b>1,812</b>	<b>1,934</b>	<b>2,144</b>
<b>Collective allowance <sup>(3)</sup></b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Canada	(709)	(705)	(672)	(708)	(717)	(687)	(707)	(721)	(679)
United States	(749)	(755)	(813)	(757)	(760)	(765)	(655)	(650)	(698)
<b>Total Net Impaired Loans and Acceptances</b>	<b>1,018</b>	<b>1,069</b>	<b>922</b>	<b>859</b>	<b>726</b>	<b>719</b>	<b>450</b>	<b>563</b>	<b>767</b>

(1) Segmented credit information by geographic area is based upon the country of ultimate risk.

(2) Excludes specific allowances for Other Credit Instruments, which are included in Other Liabilities.

(3) Includes collective allowances related to off-balance sheet instruments and undrawn commitments which are reported in Other Liabilities.

(4) GIL and NIL excludes purchased credit impaired loans.

(5) Fiscal 2012 balances have been reclassified to conform with the current period's presentation.

# CHANGES IN ALLOWANCES FOR CREDIT LOSSES (ACL)

(\$ millions)	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1	YTD 2013	YTD 2012	Fiscal 2012	Fiscal 2011
Balance at beginning of period	1,936	1,973	2,003	1,976	2,011	1,882	1,925	1,985	1,973	1,936	2,011	2,011	1,973
Provision for credit losses	178	192	237	195	141	362	230	297	323	178	141	765	1,212
Recoveries	158	230	196	197	223	71	61	50	59	158	223	846	241
Write-offs	(326)	(410)	(409)	(398)	(377)	(318)	(338)	(338)	(336)	(326)	(377)	(1,594)	(1,330)
Other, including foreign exchange rate changes	(21)	(49)	(54)	33	(22)	14	4	(69)	(34)	(21)	(22)	(92)	(85)
Allowances at end of period	1,925	1,936	1,973	2,003	1,976	2,011	1,882	1,925	1,985	1,925	1,976	1,936	2,011
Total Allowance comprised of : Loans	1,672	1,706	1,755	1,807	1,756	1,783	1,706	1,763	1,836	1,672	1,756	1,706	1,783
Specific allowance for other credit instruments	31	29	28	25	45	45	42	23	13	31	45	29	45
Collective allowance for other credit instruments and undrawn commitments	222	201	190	171	175	183	134	139	136	222	175	201	183

## Allocation of Recoveries by Market

Consumer	37	44	43	58	71	43	35	30	33	37	71	216	141
Businesses and Government	121	186	153	139	152	28	26	20	26	121	152	630	100

## Allocation of Write-offs by Market

Consumer	221	310	245	265	236	232	215	212	217	221	236	1,056	876
Businesses and Government	105	100	164	133	141	86	123	126	119	105	141	538	454

# CHANGES IN IMPAIRED LOANS AND ACCEPTANCES (1)

(\$ millions)	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1	YTD 2013	YTD 2012	Fiscal 2012	Fiscal 2011
<b>Total Impaired Loans and Acceptances</b>													
GIL, Beginning of Period	2,976	2,867	2,837	2,657	2,685	2,290	2,465	2,739	2,894	2,976	2,685	2,685	2,894
Retail formations (3)	374	407	268	330	292	271	190	212	233	374	292	1,297	906
Retail reductions (2)	(157)	(58)	(126)	(126)	(121)	(32)	(114)	(155)	(105)	(157)	(121)	(431)	(406)
Businesses and government formations	256	380	523	569	332	461	239	145	241	256	332	1,804	1,086
Businesses and government reductions (2)	(302)	(309)	(332)	(301)	(258)	(92)	(253)	(243)	(291)	(302)	(258)	(1,200)	(879)
Net new additions (reductions) (3)	171	420	333	472	245	608	62	(41)	78	171	245	1,470	707
Retail write-offs (3)	(130)	(211)	(139)	(159)	(132)	(127)	(114)	(107)	(114)	(130)	(132)	(641)	(462)
Business and government write-offs	(105)	(100)	(164)	(133)	(141)	(86)	(123)	(126)	(119)	(105)	(141)	(538)	(454)
Write-offs (3)	(235)	(311)	(303)	(292)	(273)	(213)	(237)	(233)	(233)	(235)	(273)	(1,179)	(916)
GIL, End of Period	2,912	2,976	2,867	2,837	2,657	2,685	2,290	2,465	2,739	2,912	2,657	2,976	2,685
ACL, Beginning of Period	1,907	1,945	1,978	1,931	1,966	1,840	1,902	1,972	1,964	1,907	1,966	1,966	1,964
Increase / (Decrease) - specific allowance	315	397	356	457	317	354	285	274	350	315	317	1,527	1,263
Increase / (Decrease) - collective allowance	(2)	(25)	20	(12)	25	90	(9)	(6)	(6)	(2)	25	8	69
Write - offs	(326)	(410)	(409)	(398)	(377)	(318)	(338)	(338)	(336)	(326)	(377)	(1,594)	(1,330)
ACL, End of Period (4)	1,894	1,907	1,945	1,978	1,931	1,966	1,840	1,902	1,972	1,894	1,931	1,907	1,966
NIL, Beginning of Period	1,069	922	859	726	719	450	563	767	930	1,069	719	719	930
Change in gross impaired loans	(64)	109	30	180	(28)	395	(175)	(274)	(155)	(64)	(28)	291	(209)
Change in allowance for credit losses (4)	13	38	33	(47)	35	(126)	62	70	(8)	13	35	59	(2)
NIL, End of Period	1,018	1,069	922	859	726	719	450	563	767	1,018	726	1,069	719

(1) GIL and NIL excludes purchased credit impaired loans.

(2) Includes impaired amounts returned to performing status, loan sales, repayments, the impact of foreign exchange fluctuations and offsets for consumer write-offs which have not been recognized in formations.

(3) Excludes certain loans that are written off directly and not classified as new formations (Q1'13 \$91 million, Q4'12 \$99 million, Q3'12 \$106 million, Q2'12 \$106 million, Q1'12 \$104 million, Q4'11 \$105 million, Q3'11 \$101 million, Q2'11 \$105 million and Q1'11 \$103 million).

(4) Excludes specific allowances for Other Credit Instruments, which are included in Other Liabilities. Includes collective allowances related to off-balance sheet instruments and undrawn commitments.

## RESIDENTIAL MORTGAGES

(CDE \$ in millions, except as noted)	As at January 31, 2013								As at October 31, 2012							
	Outstandings				New Originations During the Quarter				Outstandings				New Originations During the Quarter			
	Insured <sup>(1)</sup>	Uninsured	Total	% of Total	Amount	Insured % <sup>(2)</sup>	Insured \$	Avg LTV <sup>(3)</sup> Uninsured	Insured <sup>(1)</sup>	Uninsured	Total	% of Total	Amount	Insured % <sup>(2)</sup>	Insured \$	Avg LTV <sup>(3)</sup> Uninsured
Region <sup>(4)</sup>																
Atlantic	3,394	1,331	4,724	5.5%	280	33%	93	73%	3,308	1,289	4,597	5.5%	349	36%	126	73%
Quebec	7,520	4,076	11,596	13.5%	668	22%	149	71%	7,462	3,830	11,292	13.4%	704	26%	186	71%
Ontario	20,539	11,475	32,013	37.3%	2,076	24%	503	68%	20,525	10,639	31,164	37.0%	2,584	26%	674	68%
Alberta	8,774	3,683	12,457	14.5%	711	43%	309	70%	8,662	3,500	12,162	14.5%	940	47%	444	69%
British Columbia	7,314	7,680	14,994	17.5%	749	14%	103	63%	7,352	7,379	14,731	17.5%	907	17%	152	64%
All Other Canada	1,923	918	2,841	3.3%	204	34%	69	69%	1,887	851	2,738	3.3%	290	41%	118	69%
<b>Total Canada</b>	<b>49,462</b>	<b>29,163</b>	<b>78,626</b>	<b>91.6%</b>	<b>4,688</b>	<b>26%</b>	<b>1,226</b>	<b>68%</b>	<b>49,196</b>	<b>27,489</b>	<b>76,685</b>	<b>91.1%</b>	<b>5,773</b>	<b>29%</b>	<b>1,699</b>	<b>68%</b>
<b>US <sup>(5)</sup></b>	<b>4</b>	<b>7,247</b>	<b>7,250</b>	<b>8.4%</b>	<b>576</b>	<b>0%</b>	<b>0</b>	<b>69%</b>	<b>5</b>	<b>7,441</b>	<b>7,446</b>	<b>8.9%</b>	<b>544</b>	<b>1%</b>	<b>3</b>	<b>68%</b>
<b>Total</b>	<b>49,466</b>	<b>36,410</b>	<b>85,876</b>	<b>100.0%</b>	<b>5,264</b>	<b>23%</b>	<b>1,227</b>	<b>68%</b>	<b>49,201</b>	<b>34,930</b>	<b>84,131</b>	<b>100.0%</b>	<b>6,318</b>	<b>27%</b>	<b>1,702</b>	<b>68%</b>

HOME EQUITY LINES OF CREDIT (HELOC) <sup>(6)</sup>

(CDE \$ in millions, except as noted)	As at January 31, 2013						As at October 31, 2012					
	Portfolio				New Originations During the Quarter		Portfolio				New Originations During the Quarter	
	Outstandings	Authorizations	% of Outstandings	% of Authorizations	Total Authorizations	Average LTV <sup>(3)</sup>	Outstandings	Authorizations	% of Outstandings	% of Authorizations	Total Authorizations	Average LTV <sup>(3)</sup>
Region <sup>(4)</sup>												
Atlantic	910	1,400	2.8%	2.5%	42	63%	901	1,384	2.7%	2.4%	61	65%
Quebec	4,419	7,182	13.4%	12.6%	214	64%	4,360	7,038	13.2%	12.4%	309	66%
Ontario	11,222	20,409	34.0%	35.9%	542	57%	11,225	20,225	33.9%	35.6%	822	62%
Alberta	3,506	6,113	10.6%	10.8%	130	56%	3,556	6,103	10.7%	10.7%	196	60%
British Columbia	5,558	9,276	16.8%	16.3%	198	52%	5,578	9,225	16.8%	16.2%	282	56%
All Other Canada	800	1,289	2.4%	2.3%	33	61%	804	1,282	2.4%	2.3%	50	63%
<b>Total Canada</b>	<b>26,416</b>	<b>45,669</b>	<b>80.0%</b>	<b>80.4%</b>	<b>1,158</b>	<b>58%</b>	<b>26,425</b>	<b>45,257</b>	<b>79.8%</b>	<b>79.6%</b>	<b>1,721</b>	<b>62%</b>
<b>US <sup>(5)</sup></b>	<b>6,594</b>	<b>11,112</b>	<b>20.0%</b>	<b>19.6%</b>	<b>179</b>	<b>76%</b>	<b>6,700</b>	<b>11,600</b>	<b>20.2%</b>	<b>20.4%</b>	<b>157</b>	<b>66%</b>
<b>Total</b>	<b>33,010</b>	<b>56,780</b>	<b>100.0%</b>	<b>100.0%</b>	<b>1,337</b>	<b>60%</b>	<b>33,125</b>	<b>56,857</b>	<b>100.0%</b>	<b>100.0%</b>	<b>1,877</b>	<b>63%</b>

RESIDENTIAL MORTGAGES BY REMAINING TERM OF AMORTIZATION <sup>(7)</sup>

(Based upon Outstandings CDE)	As at January 31, 2013							As at October 31, 2012						
	Amortization Period							Amortization Period						
	< 5 Years %	6-10 Years %	11-15 Years %	16-20 Years %	21-25 Years %	26-30 Years %	> 30 Years %	< 5 Years %	6-10 Years %	11-15 Years %	16-20 Years %	21-25 Years %	26-30 Years %	> 30 Years %
<b>Canada</b>	0.7%	2.5%	6.1%	15.9%	28.7%	22.8%	23.4%	0.4%	2.3%	5.5%	16.0%	28.0%	21.3%	26.6%
<b>US <sup>(8)</sup></b>	3.2%	7.7%	4.4%	7.0%	29.2%	47.7%	0.8%	3.2%	7.7%	4.4%	7.0%	29.2%	47.7%	0.8%
<b>Total</b>	0.9%	2.9%	5.9%	15.1%	28.7%	24.9%	21.5%	0.6%	2.7%	5.4%	15.2%	28.1%	23.6%	24.4%

(1) Portfolio insured mortgages are defined as mortgages that are individually or bulk insured through a credited insurer (i.e. CMHC, Genworth).

(2) Insured new mortgage originations are individually insured through an accredited insurer (e.g. CMHC, Genworth), and exclude bulk insured mortgages.

(3) Loan-to-Value (LTV) is based on the value of the property at mortgage origination.

(4) Region is based upon address of the property mortgaged.

(5) Harris Bank offers mortgage refinance programs for borrowers who are in default on their current mortgage, but who would otherwise qualify under traditional lending programs. Excluding these potentially high LTV programs, the average LTV for new originations would be 66% at January 31, 2013, and 63% at October 31, 2012.

(6) HELOC includes revolving and non-revolving loans.

(7) Remaining amortization is the difference between the contractual amortization and the time elapsed since origination.

(8) Large proportion of U.S. based mortgages in the longer amortization band largely driven by regulator initiated mortgage refinance program.

DERIVATIVE INSTRUMENTS (\$ millions)	As at January 31, 2013				As at October 31, 2012				As at July 31, 2012				As at April 30, 2012			
	Notional Amount	Replacement Cost	Credit risk Equivalent	Basel Risk-weighted Assets (1)	Notional Amount	Replacement Cost	Credit risk Equivalent	Basel Risk-weighted Assets (1)	Notional Amount	Replacement Cost	Credit risk Equivalent	Basel Risk-weighted Assets (1)	Notional Amount	Replacement Cost	Credit risk Equivalent	Basel Risk-weighted Assets (1)
<b>Interest Rate Contracts</b>																
Over-the-counter																
Swaps	1,887,529	32,014	36,437		1,965,176	36,911	41,412		2,097,614	39,411	44,048		2,020,652	34,119	39,656	
Forward rate agreements	423,229	48	22		569,748	98	68		525,754	124	105		360,528	83	90	
Purchased options	16,159	802	856		24,015	1,174	1,270		26,154	1,305	1,407		28,105	1,262	1,375	
Written options	22,372	-	-		31,364	-	-		34,903	-	-		37,286	-	-	
	2,349,289	32,864	37,315	2,774	2,590,303	38,183	42,750	2,355	2,684,425	40,840	45,560	2,555	2,446,571	35,464	41,121	2,414
Exchange traded																
Futures	84,299	-	-		76,306	-	-		86,045	-	-		108,445	-	-	
Purchased options	29,239	-	-		16,307	-	-		22,011	-	-		13,658	-	-	
Written options	17,349	-	-		13,818	-	-		19,432	-	-		11,339	-	-	
	130,887	-	-		106,431	-	-		127,488	-	-		133,442	-	-	
<b>Total Interest Rate Contracts</b>	<b>2,480,176</b>	<b>32,864</b>	<b>37,315</b>	<b>2,774</b>	<b>2,696,734</b>	<b>38,183</b>	<b>42,750</b>	<b>2,355</b>	<b>2,811,913</b>	<b>40,840</b>	<b>45,560</b>	<b>2,555</b>	<b>2,580,013</b>	<b>35,464</b>	<b>41,121</b>	<b>2,414</b>
<b>Foreign Exchange Contracts</b>																
Over-the-counter																
Cross-currency swaps	28,237	1,165	2,903		30,245	1,159	2,690		28,542	1,190	2,563		29,422	1,310	2,759	
Cross-currency interest rate swaps	232,587	3,833	14,765		238,675	4,408	15,317		227,368	5,084	15,497		225,335	4,241	14,615	
Forward foreign exchange contracts	219,230	2,780	4,634		217,345	2,338	4,423		227,532	2,715	5,016		232,461	2,441	4,723	
Purchased options	10,052	128	226		8,682	105	190		11,979	184	307		10,564	121	231	
Written options	13,604	-	-		10,588	-	-		13,175	-	-		12,518	-	-	
	503,710	7,906	22,528	2,247	505,535	8,010	22,620	1,836	508,596	9,173	23,383	1,898	510,300	8,113	22,328	2,020
Exchange traded																
Futures	851	-	-		767	-	-		593	-	-		515	-	-	
Purchased options	4,427	-	-		3,505	-	-		3,100	-	-		3,457	-	-	
Written options	1,460	-	-		1,404	-	-		2,472	-	-		1,549	-	-	
	6,738	-	-		5,676	-	-		6,165	-	-		5,521	-	-	
<b>Total Foreign Exchange Contracts</b>	<b>510,448</b>	<b>7,906</b>	<b>22,528</b>	<b>2,247</b>	<b>511,211</b>	<b>8,010</b>	<b>22,620</b>	<b>1,836</b>	<b>514,761</b>	<b>9,173</b>	<b>23,383</b>	<b>1,898</b>	<b>515,821</b>	<b>8,113</b>	<b>22,328</b>	<b>2,020</b>
<b>Commodity Contracts</b>																
Over-the-counter																
Swaps	15,772	887	2,507		15,528	804	2,430		16,436	1,016	2,816		15,021	1,587	3,303	
Purchased options	8,886	38	1,200		9,384	100	1,286		9,348	117	1,286		10,014	268	1,549	
Written options	5,044	-	-		5,479	-	-		5,201	-	-		5,571	-	-	
	29,702	925	3,707	1,284	30,391	904	3,716	667	30,985	1,133	4,102	709	30,606	1,855	4,852	884
Exchange traded																
Futures	21,900	-	-		21,743	-	-		20,972	-	-		21,156	-	-	
Purchased options	8,488	-	-		9,315	-	-		8,562	-	-		8,733	-	-	
Written options	9,851	-	-		10,762	-	-		10,060	-	-		10,760	-	-	
	40,239	-	-		41,820	-	-		39,594	-	-		40,649	-	-	
<b>Total Commodity Contracts</b>	<b>69,941</b>	<b>925</b>	<b>3,707</b>	<b>1,284</b>	<b>72,211</b>	<b>904</b>	<b>3,716</b>	<b>667</b>	<b>70,579</b>	<b>1,133</b>	<b>4,102</b>	<b>709</b>	<b>71,255</b>	<b>1,855</b>	<b>4,852</b>	<b>884</b>
<b>Equity Contracts</b>																
Over-the-counter	31,442	335	2,258		30,000	347	2,416		27,615	302	1,975		26,005	390	1,956	
Exchange traded	1,817	-	-		2,252	-	-		1,657	-	-		1,900	-	-	
<b>Total Equity Contracts</b>	<b>33,259</b>	<b>335</b>	<b>2,258</b>	<b>128</b>	<b>32,252</b>	<b>347</b>	<b>2,416</b>	<b>102</b>	<b>29,272</b>	<b>302</b>	<b>1,975</b>	<b>98</b>	<b>27,905</b>	<b>390</b>	<b>1,956</b>	<b>125</b>
<b>Credit Default Swaps</b>																
Over-the-counter																
Purchased	11,266	221	701		11,682	237	746		13,320	330	930		14,719	389	1,076	
Written	22,475	-	-		24,126	-	-		29,721	-	-		32,002	-	-	
<b>Total Credit Default Swaps</b>	<b>33,741</b>	<b>221</b>	<b>701</b>	<b>582</b>	<b>35,808</b>	<b>237</b>	<b>746</b>	<b>588</b>	<b>43,041</b>	<b>330</b>	<b>930</b>	<b>604</b>	<b>46,721</b>	<b>389</b>	<b>1,076</b>	<b>642</b>
Sub-total	3,127,565	42,251	66,509	7,015	3,348,216	47,681	72,248	5,548	3,469,566	51,778	75,950	5,864	3,241,715	46,211	71,333	6,085
Impact of master netting agreements	n.a.	(31,291)	(46,317)		n.a.	(35,087)	(51,297)		n.a.	(38,036)	(54,100)		n.a.	(33,358)	(48,791)	
<b>Total</b>	<b>3,127,565</b>	<b>10,960</b>	<b>20,192</b>	<b>7,015</b>	<b>3,348,216</b>	<b>12,594</b>	<b>20,951</b>	<b>5,548</b>	<b>3,469,566</b>	<b>13,742</b>	<b>21,850</b>	<b>5,864</b>	<b>3,241,715</b>	<b>12,853</b>	<b>22,542</b>	<b>6,085</b>

(1) Risk-weighted Assets are reported after the impact of master netting agreements.

## DERIVATIVE INSTRUMENTS

Fair Value (\$ millions)	As at January 31, 2013			As at October 31, 2012			As at July 31, 2012			As at April 30, 2012			As at January 31, 2012		
	Gross Assets	Gross Liabilities	Net	Gross Assets	Gross Liabilities	Net	Gross Assets	Gross Liabilities	Net	Gross Assets	Gross Liabilities	Net	Gross Assets	Gross Liabilities	Net
<b>TRADING</b>															
<b>Interest Rate Contracts</b>															
Swaps	31,395	(30,651)	744	36,040	(35,207)	833	38,325	(37,274)	1,051	32,854	(32,076)	778	38,852	(37,710)	1,142
Forward rate agreements	48	(50)	(2)	98	(104)	(6)	124	(130)	(6)	83	(88)	(5)	115	(110)	5
Futures	2	(3)	(1)	1	(3)	(2)	1	(4)	(3)	4	(4)	-	4	(2)	2
Purchased options	809	-	809	1,180	-	1,180	1,314	-	1,314	1,269	-	1,269	1,432	-	1,432
Written options	-	(974)	(974)	-	(1,208)	(1,208)	-	(1,394)	(1,394)	-	(1,443)	(1,443)	-	(1,776)	(1,776)
	32,254	(31,678)	576	37,319	(36,522)	797	39,764	(38,802)	962	34,210	(33,611)	599	40,403	(39,598)	805
<b>Foreign Exchange Contracts</b>															
Cross-currency swaps	1,165	(1,297)	(132)	1,159	(1,406)	(247)	1,190	(1,689)	(499)	1,310	(1,743)	(433)	1,341	(1,872)	(531)
Cross-currency interest rate swaps	3,833	(3,704)	129	4,408	(4,193)	215	5,084	(4,869)	215	4,241	(3,791)	450	4,989	(4,670)	319
Forward foreign exchange contracts	2,198	(2,307)	(109)	1,713	(1,768)	(55)	1,831	(2,222)	(391)	1,465	(1,686)	(221)	1,877	(2,338)	(461)
Purchased options	154	-	154	140	-	140	237	-	237	153	-	153	155	-	155
Written options	-	(130)	(130)	-	(109)	(109)	-	(220)	(220)	-	(142)	(142)	-	(153)	(153)
	7,350	(7,438)	(88)	7,420	(7,476)	(56)	8,342	(9,000)	(658)	7,169	(7,362)	(193)	8,362	(9,033)	(671)
<b>Commodity Contracts</b>															
Swaps	887	(873)	14	804	(1,180)	(376)	1,016	(1,422)	(406)	1,587	(1,527)	60	1,561	(1,673)	(112)
Purchased options	293	-	293	428	-	428	487	-	487	725	-	725	723	-	723
Written options	-	(312)	(312)	-	(561)	(561)	-	(624)	(624)	-	(771)	(771)	-	(794)	(794)
	1,180	(1,185)	(5)	1,232	(1,741)	(509)	1,503	(2,046)	(543)	2,312	(2,298)	14	2,284	(2,467)	(183)
	342	(2,370)	(2,028)	367	(2,268)	(1,901)	354	(2,208)	(1,854)	439	(2,029)	(1,590)	3,734	(2,679)	1,055
<b>Equity Contracts</b>															
<b>Credit Default Swaps</b>															
Purchased	221	-	221	237	-	237	330	-	330	389	-	389	549	-	549
Written	-	(130)	(130)	-	(156)	(156)	-	(294)	(294)	-	(324)	(324)	-	(553)	(553)
	221	(130)	91	237	(156)	81	330	(294)	36	389	(324)	65	549	(553)	(4)
Total fair value - trading derivatives	41,347	(42,801)	(1,454)	46,575	(48,163)	(1,588)	50,293	(52,350)	(2,057)	44,519	(45,624)	(1,105)	55,332	(54,330)	1,002
<b>HEDGING</b>															
<b>Interest Rate Contracts</b>															
Cash flow hedges - swaps	35	(162)	(127)	134	(146)	(12)	228	(162)	66	223	(281)	(58)	644	(148)	496
Fair value hedges - swaps	584	(527)	57	737	(396)	341	858	(569)	289	1,042	(532)	510	1,286	(635)	651
Total swaps	619	(689)	(70)	871	(542)	329	1,086	(731)	355	1,265	(813)	452	1,930	(783)	1,147
<b>Foreign Exchange Contracts</b>															
Cash flow hedges - Forward foreign exchange contracts	582	(26)	556	625	(31)	594	884	(51)	833	976	(35)	941	957	(44)	913
Total foreign exchange contracts	582	(26)	556	625	(31)	594	884	(51)	833	976	(35)	941	957	(44)	913
Total fair value - hedging derivatives	1,201	(715)	486	1,496	(573)	923	1,970	(782)	1,188	2,241	(848)	1,393	2,887	(827)	2,060
Total fair value	42,548	(43,516)	(968)	48,071	(48,736)	(665)	52,263	(53,132)	(869)	46,760	(46,472)	288	58,219	(55,157)	3,062
Less: Net impact of master netting agreements	(31,291)	31,291	-	(35,087)	35,087	-	(38,036)	38,036	-	(33,358)	33,358	-	(40,406)	40,406	-
Total	11,257	(12,225)	(968)	12,984	(13,649)	(665)	14,227	(15,096)	(869)	13,402	(13,114)	288	17,813	(14,751)	3,062

# **INTEREST RATE GAP POSITION** **As at January 31, 2013**

		0 to 3 months	4 to 6 months	7 to 12 months	Total within 1 year	1 to 5 years	Over 5 years	Non- interest sensitive	Total
(\$ millions)									
Canadian Dollars	Assets	174,516	8,337	16,538	199,391	75,933	7,127	15,342	297,793
	Liabilities and Capital	138,491	8,848	17,211	164,550	85,784	11,615	35,844	297,793
	Off-Balance Sheet	(34,423)	(274)	2,251	(32,446)	25,775	6,671	-	-
Gap - January 31, 2013		1,602	(785)	1,578	2,395	15,924	2,183	(20,502)	-
Gap - October 31, 2012		2,795	(2,786)	1,864	1,873	15,254	2,941	(20,068)	-
Gap - July 31, 2012		1,388	(1,723)	1,246	911	15,794	2,701	(19,406)	-
Gap - April 30, 2012		(1,825)	(874)	2,665	(34)	16,170	2,483	(18,619)	-
Gap - January 31, 2012		2,139	(2,009)	1,652	1,782	13,575	2,778	(18,135)	-
U.S. Dollar and Other Currencies	Assets	192,394	9,840	8,377	210,611	29,675	3,492	694	244,472
	Liabilities and Capital	186,016	8,408	7,195	201,619	37,769	4,727	357	244,472
	Off-Balance Sheet	(7,425)	997	199	(6,229)	5,232	997	-	-
Gap - January 31, 2013		(1,047)	2,429	1,381	2,763	(2,862)	(238)	337	-
Gap - October 31, 2012		(3,872)	4,027	4,258	4,413	(4,268)	(463)	318	-
Gap - July 31, 2012		(3,674)	2,779	6,219	5,324	(5,273)	(428)	377	-
Gap - April 30, 2012		(1,908)	888	3,529	2,509	(1,851)	(1,092)	434	-
Gap - January 31, 2012		(2,239)	3,429	1,208	2,398	(1,590)	(1,110)	302	-

## **Gap Position Major Assumptions - Deposits**

### **Liabilities**

- Fixed rate, fixed term liabilities, such as investment certificates, are reported at scheduled maturity with estimated redemptions that reflect expected depositor behaviour.
- Interest bearing deposits on which the customer interest rate changes with the prime rate or other short-term market rates are reported in the 0 to 3 months category.
- Fixed rate and non-interest bearing liabilities with no defined maturity are reported based upon an assumed maturity profile that considers historical and forecasted trends in balances.

### **Capital**

- Common shareholders' equity is reported as non-interest sensitive.

## **Gap Position Major Assumptions - Assets**

- Fixed rate, fixed term assets, such as residential mortgage loans and consumer loans, are reported based upon the scheduled repayments and estimated prepayments that reflect expected borrower behaviour.
- Trading and Underwriting (mark-to-market) assets and interest bearing assets on which the customer interest rate changes with the prime rate or other short-term market rates are reported in the 0 to 3 months category.
- Goodwill, intangible and fixed assets are reported as non-interest sensitive.
- Other fixed rate and non-interest bearing assets with no defined maturity are reported based upon an assumed maturity profile that considers historical and forecasted trends in balances.

INTEREST RATE RISK SENSITIVITY (\$ millions)	100 Basis Point Increase						100 Basis Point Decrease					
	Earnings Sensitivity			Economic Value Sensitivity			Earnings Sensitivity			Economic Value Sensitivity		
	Money Market/ Available for			Money Market/ Available for			Money Market/ Available for			Money Market/ Available for		
	Structural	Sale (Accrual)	Total	Structural	Sale (Accrual)	Total	Structural	Sale (Accrual)	Total	Structural	Sale (Accrual)	Total
January 31, 2013	52.1	(1.5)	50.6	(542.4)	(79.2)	(621.6)	(55.1)	(4.2)	(59.3)	401.5	48.7	450.2
October 31, 2012	20.1	(9.2)	10.9	(537.6)	(49.6)	(587.2)	(74.6)	(6.4)	(81.0)	402.9	8.6	411.5
July 31, 2012	16.5	(19.9)	(3.4)	(538.9)	(53.0)	(591.9)	(79.7)	5.2	(74.5)	402.5	17.4	419.9
April 30, 2012	26.1	(33.4)	(7.3)	(562.6)	(82.4)	(645.0)	(81.1)	16.0	(65.1)	307.1	43.2	350.3
January 31, 2012	19.3	(24.8)	(5.5)	(553.6)	(64.1)	(617.7)	(104.5)	12.6	(91.9)	364.3	34.4	398.7

INTEREST RATE RISK SENSITIVITY (\$ millions)	200 Basis Point Increase						200 Basis Point Decrease					
	Earnings Sensitivity			Economic Value Sensitivity			Earnings Sensitivity			Economic Value Sensitivity		
	Money Market/ Available for			Money Market/ Available for			Money Market/ Available for			Money Market/ Available for		
	Structural	Sale (Accrual)	Total	Structural	Sale (Accrual)	Total	Structural	Sale (Accrual)	Total	Structural	Sale (Accrual)	Total
January 31, 2013	83.1	(3.1)	80.0	(1,206.5)	(158.4)	(1,364.9)	(45.3)	(6.2)	(51.5)	789.1	48.1	837.3
October 31, 2012	27.2	(18.4)	8.8	(1,223.1)	(99.2)	(1,322.3)	(75.1)	(9.7)	(84.8)	783.6	6.4	790.0
July 31, 2012	24.2	(39.7)	(15.5)	(1,242.9)	(106.1)	(1,349.0)	(74.9)	4.0	(70.9)	806.7	16.4	823.1
April 30, 2012	43.0	(66.8)	(23.8)	(1,244.6)	(164.8)	(1,409.4)	(34.7)	16.7	(18.0)	724.6	48.3	772.9
January 31, 2012	52.6	(49.7)	2.9	(1,220.4)	(128.2)	(1,348.6)	(94.3)	12.8	(81.5)	667.0	34.8	701.8

## **Earnings Sensitivity/Economic Value Sensitivity - Interest Rate Risk**

"Earnings Sensitivity" is the impact of change in interest rates on after tax twelve month net income, while, "Economic Value Sensitivity" is the impact of a change in interest rates on the before tax value of our assets and liabilities.

"100/200 Basis Point Increase/Decrease" is the impact on earnings and economic value of a one time increase/decrease of 100/200 basis points in interest rates, applied to our position at the period end. In all cases, interest rate scenarios did not fall below 0%. Calculations do not reflect the effect of actions which the bank may take to reduce risk.

Losses are in brackets and benefits are presented as positive amounts.

Structural Balance Sheet is primarily CAD/U.S. consumer, businesses and government loans and deposits, related wholesale funding structures and regulatory capital instruments. For these portfolios, risk measures reflect asset/liability interest rate mismatches, embedded options, including the expected impact of customer behaviour, and the impact of minimum rates on loans and deposits.

Money market/Available for Sale (accrual) exposures are bank placements and acceptances, repos and reverse repos, international loans and certain available-for-sale securities for major currencies. While categorized as trading and underwriting, these portfolios are accounted for using accrual accounting or are marked to market through Other Comprehensive Income, as appropriate, under GAAP.

For BMO's Insurance businesses, a 100 basis point increase in interest rates at January 31, 2013, results in an increase in earnings after tax of \$96 million and an increase in before tax economic value of \$497 million (\$94 million and \$560 million, respectively, at October 31, 2012). A 100 basis point decrease in interest rates at January 31, 2013, results in a decrease in earnings after tax of \$80 million and a decrease in before tax economic value of \$575 million (\$74 million and \$634 million, respectively, at October 31, 2012). These impacts are not reflected in the table above.

# ASSET LIQUIDITY AND DEPOSITS

(\$ millions except as noted)

## Asset Liquidity

	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1	MIX Q1	INC/(DEC) VS LAST YEAR
Canadian Dollar Cash and Securities											
Cash and cash equivalents	3,025	3,991	4,949	3,437	3,837	5,799	6,455	(513)	2,531	1.8 %	(812) (21.2)%
Interest bearing deposits with banks	1,901	2,218	2,328	2,682	2,751	2,299	2,435	2,557	2,542	1.1 %	(850) (30.9)%
Securities <sup>(1)</sup>											
Government debt	35,431	36,815	41,764	42,093	42,306	41,577	37,946	39,919	36,681	21.3 %	(6,875) (16.3)%
Mortgage-backed securities and collateralized mortgage obligations <sup>(2)</sup>	435	613	837	922	1,028	1,081	204	204	205	0.3 %	(593) (57.7)%
Corporate debt	11,827	11,787	11,312	11,614	10,640	10,373	12,179	10,738	10,422	7.1 %	1,187 11.2 %
Corporate equity	30,715	28,614	26,805	26,621	24,165	23,054	24,478	24,060	23,051	18.5 %	6,550 27.1 %
Total securities	78,408	77,829	80,718	81,250	78,139	76,085	74,807	74,921	70,359	47.2 %	269 0.3 %
Total Canadian dollar cash and securities	83,334	84,038	87,995	87,369	84,727	84,183	83,697	76,965	75,432	50.2 %	(1,393) (1.6)%
U.S. Dollar and Other Currency Cash and Securities											
Cash and cash equivalents	28,494	15,950	28,643	30,680	35,716	13,877	26,671	25,013	18,238	17.2 %	(7,222) (20.2)%
Interest bearing deposits with banks	4,248	4,123	3,667	4,328	4,852	3,681	4,614	2,752	2,951	2.6 %	(604) (12.4)%
Securities <sup>(1)</sup>											
Government debt	28,490	29,436	28,991	25,793	24,875	24,653	26,203	22,535	29,161	17.2 %	3,615 14.5 %
Mortgage-backed securities and collateralized mortgage obligations <sup>(2)</sup>	6,774	7,348	7,612	6,808	7,529	7,170	7,799	3,471	722	4.1 %	(755) (10.0)%
Corporate debt	10,839	10,484	9,932	10,013	9,345	8,762	5,802	7,291	7,533	6.5 %	1,494 16.0 %
Corporate equity	3,851	3,227	2,966	3,255	6,500	5,445	6,011	6,721	10,970	2.3 %	(2,649) (40.8)%
Total securities	49,954	50,495	49,501	45,869	48,249	46,030	45,815	40,018	48,386	30.1 %	1,705 3.5 %
Total U.S. dollar and other currency cash and securities	82,696	70,568	81,811	80,877	88,817	63,588	77,100	67,783	69,575	49.8 %	(6,121) (6.9)%
Total Cash and Securities <sup>(3) (4)</sup>	166,030	154,606	169,806	168,246	173,544	147,771	160,797	144,748	145,007	100.0 %	(7,514) (4.3)%
Securities borrowed or purchased under resale agreements	52,957	47,011	47,453	43,349	43,236	37,970	38,301	33,040	35,887		
NHA mortgage-backed securities (reported as loans at amortized cost) <sup>(2)</sup>	8,484	9,094	9,211	7,986	9,466	8,006	7,911	7,811	7,241		
Liquid Assets <sup>(4) (5)</sup>	227,471	210,711	226,470	219,581	226,246	193,747	207,009	185,599	188,135		
Liquid Assets By Legal Entity											
BMO	143,119	122,623	144,232	131,981	137,991	106,833	124,120	102,121	109,764		
BMO Harris Bank	32,802	30,602	31,033	32,406	34,996	31,174	25,148	22,839	23,592		
Broker Dealers	51,550	57,486	51,205	55,194	53,259	55,740	57,741	60,639	54,779		
Cash and securities-to-total assets	30.6%	29.4%	31.3%	32.0%	32.2%	29.5%	32.0%	32.9%	33.1%		
Pledged assets included in total cash and securities <sup>(3)</sup>	44,866	46,623	52,290	53,124	52,958	40,569	55,994	49,766	48,084		
Pledged assets included in total securities borrowed or purchased under resale agreements	21,378	18,796	26,246	25,286	26,379	16,854	20,215	10,817	22,887		
Pledged liquid assets	66,244	65,419	78,536	78,410	79,337	57,423	76,209	60,583	70,971		
Pledged other assets	40,863	43,229	45,717	48,062	47,667	45,534	46,402	44,498	45,462		
Total Pledged Assets	107,107	108,648	124,253	126,472	127,004	102,957	122,611	105,081	116,433		

<sup>(1)</sup> Average securities balances are shown on page 15.

<sup>(2)</sup> Under IFRS, NHA MBS that include BMO originated mortgages as the underlying collateral are classified as loans. Unencumbered NHA MBS securities have liquidity value and are included as liquid assets under the bank's liquidity and funding management framework.

This amount is shown as a separate line item called NHA mortgage-backed securities.

<sup>(3)</sup> Included within liquid assets are cash and securities that have been pledged as security for securities borrowed, securities lent, securities sold under repurchase agreements and other secured liabilities. While pledged, these assets are not available to meet our liquidity needs.

Liquid assets do not include collateral received from clients that has been pledged in the bank's activities.

<sup>(4)</sup> Cash and securities and liquid assets do not include other significant sources of liquidity, including highly rated collateral received from third parties that may be rehypothecated or potential liquidity that could be realized under borrowing programs with central banks or other market sources. Total cash and securities also includes select holdings management believes are not readily available to support the liquidity requirements of the bank (e.g., minimum required deposits at central banks of \$1,045 million, securities held in BMO's insurance subsidiary of \$5,893 million, structured investment vehicles of \$1,128 million, credit protection vehicle of \$1,343 million, and certain investments held in our merchant banking business of \$657 million).

<sup>(5)</sup> Liquid assets are primarily held in our trading business and in supplemental liquidity pools that are maintained for contingent liquidity risk management purposes.

## Deposits

Canadian Dollar Deposits											
Banks	5,028	4,718	5,364	4,094	3,404	3,421	3,732	3,432	2,711	1.4 %	1,624 47.7 %
Businesses and governments	81,659	86,113	79,059	73,126	74,520	75,556	67,236	67,232	67,794	23.3 %	7,139 9.6 %
Individuals	83,218	82,091	82,296	81,146	81,165	81,286	79,320	79,053	77,860	23.7 %	2,053 2.5 %
Total	169,905	172,922	166,719	158,366	159,089	160,263	150,288	149,717	148,365	48.4 %	10,816 6.8 %
U.S. Dollar and Other Currency Deposits											
Banks	16,931	12,572	17,950	18,414	16,746	17,456	19,218	15,512	17,171	4.8 %	185 1.1 %
Businesses and governments	120,608	99,069	104,639	98,413	99,332	83,653	81,612	68,898	66,434	34.4 %	21,276 21.4 %
Individuals	43,481	39,139	39,660	40,874	41,390	41,001	40,929	20,144	20,774	12.4 %	2,091 5.1 %
Total	181,020	150,780	162,249	157,701	157,468	142,110	141,759	104,554	104,379	51.6 %	23,552 15.0 %
Total Deposits	350,925	323,702	328,968	316,067	316,557	302,373	292,047	254,271	252,744	100.0 %	34,368 10.9 %
Core deposits <sup>(6)</sup>	193,915	190,725	185,118	183,383	183,904	177,290	173,592	137,661	139,855		10,011 5.4 %
Customer Deposits <sup>(7)</sup>	207,734	203,547	198,539	196,265	199,862	194,361	190,301	155,697	155,619		
Customer Deposits and Capital-to-Total Loans Ratio <sup>(8)</sup>	93.8%	94.6%	93.3%	95.1%	97.2%	96.5%	95.9%	91.4%	90.7%		

<sup>(6)</sup> Core deposits are comprised of customer operating and saving deposits and smaller fixed-date deposits (less than or equal to \$100,000).

<sup>(7)</sup> Customer Deposits are core deposits plus larger fixed-date deposits excluding wholesale customer deposits.

<sup>(8)</sup> Total loans exclude securities borrowed or purchased under resale agreements.

## **BASEL APPENDIX**

**AIRB (Advanced Internal Ratings Based approach):** The AIRB approach is the most advanced of the range of options for determining the capital requirements for credit risk. This option allows banks to use their own internal model to measure credit risk capital requirements, subject to regulatory approval. OSFI has indicated that it expects the largest Canadian Banks to adopt the AIRB approach.

**Capital Floor:** A capital floor based on Basel I is calculated by banks which use the AIRB approach to credit risk, as required by our regulator, the Office of the Superintendent of Financial Institutions (OSFI).

**Commitments (Undrawn):** The EAD on the difference between the authorized and drawn amounts (e.g., the unused portion of a line of credit) before adjustments for credit risk mitigation.

**Credit Equivalent Amount (CEA) on Undrawn:** An estimate of the amount of credit risk exposure on off-balance items under the Standardized Approach for credit risk.

**Exposure at Default (EAD):** EAD for on-balance sheet amounts represents outstandings, grossed up by specific provisions and write-offs. EAD for Off balance sheet and Undrawn are estimates.

**Exposure at Default OTC Derivatives:** Represent the net gross positive replacement costs plus the potential credit exposure amount.

**HELOCs:** Home Equity Lines of Credit comprise lines of credit secured by equity in a residential property.

**Drawn:** The amount of funds invested or advanced to a customer. Does not include adjustments for credit risk mitigation.

**Other Off Balance Sheet Items:** All off-balance sheet arrangements other than derivatives and undrawn commitments such as Standby Letters of Credit and Documentary Credits.

**QRR (Qualifying Revolving Retail):** Includes exposures that are revolving, unsecured and uncommitted to individuals up to a maximum amount of \$125,000 to a single individual.

**Repo Style Transactions:** Includes repurchase and reverse repurchase agreements and securities lending and borrowing.

**Scaling Factor:** The scaling factor is applied to the risk weighted assets amount for credit risk assessed under the AIRB approach. The objective of the scaling factor is to broadly maintain the aggregate level of minimum capital requirements, while also providing incentives to adopt the more advanced risk-sensitive approaches of the Framework.

**Standardized Approach:** This approach is the least complicated of the range of options available to banks to measure credit risk capital requirements. This option allows banks to measure credit risk capital requirements by multiplying exposures by defined percentages based on the exposures product type and external credit rating (if applicable).

**Grandfathered Equity Securities in the Banking Book:** Under Basel II OSFI exempts equity investments held as of October 31, 2007 from the AIRB approach for a period of 10 years starting November 1, 2007 to October 31, 2017. During that time, these "grandfathered" holdings will be risk weighted at 100%.

**Adjusted EAD:** Represents EAD that has been redistributed to a more favourable PD band or a different Basel Asset Class as a result of collateral (Credit Risk Mitigation or CRM). All AIRB disclosures aggregated into PD bands use Adjusted EAD values.

**Exposure Weighted Average LGD** represents the  $(\sum (\text{Adjusted EAD of each exposure} \times \text{its LGD}))$  divided by the total Adjusted EAD.

**Exposure Weighted Average Risk Weight** is the  $(\sum \text{pre-scaled RWA for each exposure} / \text{Total Adjusted EAD})$ .