



# Supplementary Package 2008

BMO  Financial Group

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# Q4

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

**Restatement of Prior Periods****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. All comparative figures are reclassified to reflect these transfers. At the beginning of the year, the Banking Groups non-interest expenses were restated for comparative purposes to reflect a new allocation method, with no impact at Total Bank.

**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 taxable equivalent basis for consistency of approach. The offset to the group teb adjustments is reflected in Corporate Services.

**Capital Management****Basel II**

Effective November 1, 2007, a new regulatory capital management framework was implemented in Canada. The new framework, Basel II, replaced Basel I, the framework utilized for the past 20 years.

Basel II is an important step in the alignment of regulatory and economic capital requirements. It represents an improvement over Basel I in that it establishes regulatory capital requirements that are more sensitive to a bank's risk profile. The Office of the Superintendent of Financial Institutions (OSFI), our regulator, has approved BMO's application to apply the Advanced Internal Ratings Based (AIRB) approach for credit risk on our portfolio and the Standardized Approach for measuring Operational Risk. Refer to the MD&A for additional information. Please refer to page 45 for the Basel II Appendix.

**Use of this Document**

Information in this document is supplementary to the Bank's fourth quarter Press Release, MD&A, Financial Statements, and the 2007 Annual Report and should be read in conjunction with those documents.

Additional financial information is also available throughout the 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). This report is unaudited and all amounts are in millions of Canadian dollars, unless indicated otherwise.

Items indicated N.A. were not available.  
Items indicated n.a. were not applicable.

Refer to the "GAAP and Related Non-GAAP Measures used in the MD&A" section of Management's Discussion and Analysis for an explanation of cash results, reporting on a taxable equivalent basis (teb) and net economic profit. Securities regulators require that companies caution readers that earnings and other measures adjusted to a basis other than generally accepted accounting principles (GAAP) do not have standardized meanings under GAAP and are unlikely to be comparable to similar measures used by other companies.

For information on accounting changes, please refer to the section of our fourth quarter Press Release entitled "Accounting Changes".

**Change in Accounting Policy**

During October 2008, the Canadian Institute of Chartered Accountants issued amendments to Handbook section 3855 "Financial Instruments – Recognition and Measurement", section 3861 "Financial Instruments – Disclosure and Presentation" and section 3862 "Financial Instruments – Disclosure". The amendments permit, in rare circumstances, certain reclassifications of non-derivative financial assets from the trading category to either the available-for-sale or held-to-maturity categories. It also permits the reclassification of certain available-for-sale loans to loans and receivables.

We elected to transfer securities from trading to available-for-sale for which we had a change in intent caused by current market circumstances to hold the securities for the foreseeable future rather than to exit or trade them in the short term. In accordance with the amendments, we elected to recognize the transfers at the fair value of the securities on August 1, 2008.

As of the reclassification date, effective interest rates on reclassified trading assets ranged from 2% to 17%, with expected recoverable cash flows of \$2.2 billion. Ranges of effective interest rates were determined based on weighted-average rates of the portfolios transferred.

*Users may provide their comments and suggestions on the Supplementary Financial Information document by contacting Krista White at (416) 867-7019 or [krista.white@bmo.com](mailto:krista.white@bmo.com)*

**FINANCIAL HIGHLIGHTS**

(\$ millions except as noted)

	2008	2008	2008	2008	2007	2007	2007	2007	2006	Fiscal	Fiscal	Fiscal
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2008	2007	2006

**Income Statement Information**

Total revenues	2,813	2,746	2,620	2,026	2,200	2,555	2,528	2,066	2,461	10,205	9,349	9,985
Provision for credit losses (PCL)	465	484	151	230	151	91	59	52	16	1,330	353	176
Non-interest expense	1,818	1,782	1,680	1,614	1,655	1,659	1,614	1,673	1,613	6,894	6,601	6,353
Provision for income taxes	(49)	(59)	128	(91)	(77)	127	165	(26)	117	(71)	189	717
Net income	560	521	642	255	452	660	671	348	696	1,978	2,131	2,663
Net economic profit	145	122	266	(127)	71	280	289	(37)	325	405	603	1,230

**Profitability Measures**

Basic earnings per share	\$1.06	\$1.00	\$1.25	\$0.48	\$0.89	\$1.30	\$1.31	\$0.68	\$1.37	\$3.79	\$4.18	\$5.25
Diluted earnings per share	\$1.06	\$0.98	\$1.25	\$0.47	\$0.87	\$1.28	\$1.29	\$0.67	\$1.35	\$3.76	\$4.11	\$5.15
Return on equity	14.0 %	13.5 %	17.9 %	6.7 %	12.2 %	18.0 %	18.3 %	9.2 %	19.4 %	13.0 %	14.4 %	19.2 %
Return on average assets	0.54 %	0.52 %	0.66 %	0.26 %	0.48 %	0.72 %	0.77 %	0.40 %	0.86 %	0.50 %	0.59 %	0.86 %
Return on average risk-weighted assets - Basel II	1.19 %	1.13 %	1.39 %	0.57 %	n.a.	n.a.	n.a.	n.a.	n.a.	1.07 %	n.a.	n.a.
Return on average risk-weighted assets - Basel I	1.11 %	1.06 %	1.33 %	0.54 %	0.97 %	1.45 %	1.57 %	0.81 %	1.70 %	1.02 %	1.20 %	1.71 %
Non-interest expense-to-revenue ratio	64.6 %	64.9 %	64.1 %	79.7 %	75.2 %	64.9 %	63.8 %	81.0 %	65.5 %	67.6 %	70.6 %	63.6 %
Net interest margin												
on average assets	1.37 %	1.29 %	1.21 %	1.23 %	1.26 %	1.35 %	1.38 %	1.38 %	1.51 %	1.28 %	1.34 %	1.53 %
on average earning assets	1.71 %	1.59 %	1.48 %	1.45 %	1.47 %	1.61 %	1.65 %	1.64 %	1.78 %	1.56 %	1.59 %	1.81 %
PCL-to-average net loans and acceptances	0.81 %	0.89 %	0.28 %	0.42 %	0.29 %	0.18 %	0.12 %	0.10 %	0.03 %	0.60 %	0.17 %	0.09 %
Effective tax rate	(9.24)%	(12.17)%	16.27 %	(50.30)%	(19.33)%	15.68 %	19.36 %	(7.81)%	14.07 %	(3.56)%	7.89 %	20.74 %

**Balance Sheet Information**

Total assets	416,050	375,047	375,158	376,825	366,524	359,154	356,527	355,491	319,978	416,050	366,524	319,978
Average assets	409,059	395,873	394,069	391,359	375,885	365,335	357,544	343,435	320,043	397,609	360,575	309,131
Average earning assets	328,687	322,047	323,605	332,804	321,747	307,878	298,918	289,161	270,300	326,803	304,471	261,461
Average common shareholders' equity	15,153	14,784	14,274	14,226	14,273	14,371	14,772	14,616	14,082	14,612	14,506	13,703
Gross impaired loans (GIL) and acceptances	2,387	1,798	1,820	1,347	720	618	688	748	666	2,387	720	666
Allowance for credit losses (ACL)	1,747	1,494	1,336	1,227	1,055	1,045	1,059	1,078	1,058	1,747	1,055	1,058

**Balance Sheet Measures**

Cash and securities-to-total assets ratio	29.1%	29.6%	29.6%	30.7%	33.1%	31.0%	28.6%	28.4%	27.2%	29.1%	33.1%	27.2%
GIL-to-gross loans and acceptances	1.10%	0.86%	0.88%	0.63%	0.36%	0.30%	0.34%	0.36%	0.35%	1.10%	0.36%	0.35%
GIL-to-equity and allowance for credit losses	11.34%	9.09%	9.54%	7.46%	4.07%	3.49%	3.86%	4.19%	3.81%	11.34%	4.07%	3.81%
Tier 1 capital ratio - Basel II	9.77%	9.90%	9.42%	9.48%	n.a.	n.a.	n.a.	n.a.	n.a.	9.77%	n.a.	n.a.
Tier 1 capital ratio - Basel I	9.41%	9.45%	9.03%	9.05%	9.51%	9.29%	9.67%	9.76%	10.22%	9.41%	9.51%	10.22%
Total capital ratio - Basel II	12.17%	12.29%	11.64%	11.26%	n.a.	n.a.	n.a.	n.a.	n.a.	12.17%	n.a.	n.a.
Total capital ratio - Basel I	12.06%	12.07%	11.47%	11.09%	11.74%	11.18%	11.03%	11.20%	11.76%	12.06%	11.74%	11.76%

**Cash-Based Statistical Information**

Basic earnings per share	\$1.08	\$1.01	\$1.27	\$0.50	\$0.90	\$1.32	\$1.33	\$0.70	\$1.40	\$3.86	\$4.25	\$5.33
Diluted earnings per share	\$1.08	\$1.00	\$1.26	\$0.49	\$0.89	\$1.30	\$1.31	\$0.68	\$1.37	\$3.83	\$4.18	\$5.23
Return on equity	14.3%	13.7%	18.1%	6.9%	12.5%	18.2%	18.5%	9.5%	19.6%	13.3%	14.7%	19.5%
Operating leverage	18.0 %	0.0 %	(0.7)%	1.5 %	(13.2)%	(4.2)%	(1.1)%	(22.6)%	(5.9)%	4.7 %	(10.3)%	0.4 %
Non-interest expense-to-revenue ratio	64.2 %	64.5 %	63.8 %	79.2 %	74.7 %	64.5 %	63.3 %	80.4%	65.1%	67.1%	70.1%	63.2%
Non-interest expense growth	9.9 %	7.5 %	4.3 %	(3.5)%	2.6 %	3.6 %	3.4 %	5.9 %	(0.2)%	4.5 %	3.9 %	1.1 %
Return on average assets	0.55%	0.53%	0.67%	0.27%	0.49%	0.73%	0.78%	0.41%	0.87%	0.51%	0.60%	0.87%
Net income	570	530	650	263	461	670	681	357	705	2,013	2,169	2,699

**FINANCIAL HIGHLIGHTS**

	2008	2008	2008	2008	2007	2007	2007	2007	2006	Fiscal	Fiscal	Fiscal
(\$ millions except as noted)	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2008	2007	2006
<b>Dividend Information</b>												
Dividends declared per share	\$0.70	\$0.70	\$0.70	\$0.70	\$0.70	\$0.68	\$0.68	\$0.65	\$0.62	\$2.80	\$2.71	\$2.26
Dividends paid per share	\$0.70	\$0.70	\$0.70	\$0.70	\$0.68	\$0.68	\$0.65	\$0.62	\$0.62	\$2.80	\$2.63	\$2.13
Common dividends	355	353	352	350	348	340	340	325	311	1,410	1,353	1,133
Preferred dividends	25	19	14	15	12	9	13	9	8	73	43	30
Dividend yield	6.51%	5.84%	5.59%	4.93%	4.44%	4.08%	3.92%	3.71%	3.57%	6.51%	4.30%	3.25%
Dividend payout ratio	66.2%	70.3%	56.1%	145.7%	79.3%	52.2%	51.7%	95.8%	45.1%	74.0%	64.8%	43.0%
<b>Share Information</b>												
Share price												
high	\$51.74	\$52.31	\$58.78	\$63.44	\$67.17	\$71.35	\$72.75	\$72.22	\$69.55	\$63.44	\$72.75	\$70.24
low	\$35.65	\$37.60	\$38.00	\$51.35	\$60.21	\$66.59	\$68.29	\$67.75	\$62.50	\$35.65	\$60.21	\$56.86
close	\$43.02	\$47.94	\$50.10	\$56.75	\$63.00	\$66.59	\$69.46	\$70.01	\$69.45	\$43.02	\$63.00	\$69.45
Book value per share	\$32.02	\$30.15	\$29.71	\$28.64	\$28.29	\$28.81	\$28.95	\$28.90	\$28.89	\$32.02	\$28.29	\$28.89
Number of common shares outstanding (000's)												
end of period	504,575	504,445	503,435	499,407	498,563	498,944	500,029	500,835	500,726	504,575	498,563	500,726
average basic	503,004	504,124	502,054	499,067	498,379	499,793	500,510	501,136	500,432	502,062	499,950	501,257
average diluted	506,591	508,032	506,638	505,572	506,173	507,913	509,943	510,320	510,166	506,697	508,614	511,173
Total market value of common shares	21,707	24,183	25,222	28,341	31,409	33,225	34,732	35,063	34,775	21,707	31,409	34,775
Market-to-book value ratio	1.34	1.59	1.69	1.98	2.23	2.31	2.40	2.42	2.40	1.34	2.23	2.40
Price-to-earnings multiple	11.4	13.4	12.9	14.5	15.3	14.5	14.8	15.1	13.5	11.4	15.3	13.5
Total shareholder return												
twelve month	(27.9)%	(24.4)%	(24.6)%	(15.6)%	(5.8)%	8.0%	11.3%	6.0%	24.1%	(27.9)%	(5.8)%	24.1%
five-year average	0.9%	5.1%	8.2%	10.1%	14.2%	17.2%	16.6%	17.8%	19.1%	0.9%	14.2%	19.1%
<b>Growth-Based Statistical Information</b>												
Diluted earnings per share growth	21.8%	(23.4)%	(3.1)%	(29.9)%	(35.6)%	(7.2)%	3.2%	(42.7)%	5.5%	(8.5)%	(20.2)%	11.2%
Diluted cash earnings per share growth	21.3%	(23.1)%	(3.8)%	(27.9)%	(35.0)%	(7.1)%	3.1%	(42.9)%	3.8%	(8.4)%	(20.1)%	9.4%
Net economic profit growth	100+	(56.5)%	(7.9)%	(100+)	(78.1)%	(19.8)%	(4.2)%	(100+)	(1.0)%	(32.8)%	(51.0)%	10.3%
Operating leverage	18.0%	0.1%	(0.5)%	1.5%	(13.2)%	(4.2)%	(1.2)%	(22.6)%	(5.2)%	4.8%	(10.3)%	1.2%
Revenue growth	27.9%	7.5%	3.6%	(2.0)%	(10.6)%	(0.6)%	2.3%	(16.7)%	(6.1)%	9.2%	(6.4)%	1.5%
Non-interest expense growth	9.9%	7.4%	4.1%	(3.5)%	2.6%	3.6%	3.5%	5.9%	(0.9)%	4.4%	3.9%	0.3%
Net income growth	23.9%	(21.1)%	(4.3)%	(26.8)%	(35.0)%	(7.1)%	3.1%	(42.5)%	4.8%	(7.2)%	(20.0)%	11.2%
<b>Other Statistical Information</b>												
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	4.61%	4.75%	5.39%	6.07%	6.25%	6.06%	6.00%	6.00%	6.00%	5.21%	6.08%	5.57%
average U.S.	4.85%	5.00%	5.63%	7.27%	8.01%	8.25%	8.25%	8.25%	8.25%	5.69%	8.19%	7.76%
Exchange rate												
as at Cdn/U.S. dollar	1.2045	1.0240	1.0072	1.0038	0.9447	1.0668	1.1101	1.1770	1.1231	1.2045	0.9447	1.1231
average Cdn/U.S. dollar	1.1107	1.0122	1.0065	0.9984	0.9986	1.0673	1.1444	1.1617	1.1153	1.0321	1.0926	1.1322
<b>Additional Bank Information</b>												
Number of full-time equivalent employees												
Canada	29,529	29,836	29,372	29,324	28,944	29,064	28,378	28,296	27,922	29,529	28,944	27,922
United States	7,256	7,230	7,227	6,638	6,595	6,618	6,958	6,757	6,785	7,256	6,595	6,785
Other	288	299	302	292	288	278	268	270	234	288	288	234
Total	37,073	37,365	36,901	36,254	35,827	35,960	35,604	35,323	34,942	37,073	35,827	34,942
Number of bank branches												
Canada	983	984	983	982	977	965	966	964	963	983	977	963
United States	292	287	286	244	243	242	245	214	215	292	243	215
Other	5	5	4	4	4	4	4	4	4	5	4	4
Total	1,280	1,276	1,273	1,230	1,224	1,211	1,215	1,182	1,182	1,280	1,224	1,182
Number of automated banking machines												
Canada	2,026	2,010	2,003	1,988	1,978	1,954	1,949	1,933	1,936	2,026	1,978	1,936
United States	640	647	647	602	583	585	586	553	547	640	583	602
Total	2,666	2,657	2,650	2,590	2,561	2,539	2,535	2,486	2,483	2,666	2,561	2,538
Credit rating												
Standard and Poor's	A+	A+	A+	A+	A+	A+	AA-	AA-	AA-	A+	A+	AA-
Moody's	Aa1	Aa1	Aa1	Aa1	Aa1	Aa1	Aa1	Aa3	Aa3	Aa1	Aa1	Aa3
Fitch	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-
DBRS	AA	AA	AA	AA	AA	AA	AA	AA	AA	AA	AA	AA

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

	2008	2008	2008	2008	2007	2007	2007	2007	2006	Fiscal	Fiscal	Fiscal
(\$ millions except as noted)	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2008	2007	2006
Net interest income	1,413	1,286	1,174	1,214	1,196	1,247	1,204	1,196	1,215	5,087	4,843	4,744
Non-interest revenue	1,400	1,460	1,446	812	1,004	1,308	1,324	870	1,246	5,118	4,506	5,241
Total revenues	2,813	2,746	2,620	2,026	2,200	2,555	2,528	2,066	2,461	10,205	9,349	9,985
Provision for credit losses	465	484	151	230	151	91	59	52	16	1,330	353	176
Net interest income and non-interest revenue	2,348	2,262	2,469	1,796	2,049	2,464	2,469	2,014	2,445	8,875	8,996	9,809
Non-interest expense	1,826	1,782	1,680	1,614	1,631	1,659	1,614	1,538	1,613	6,902	6,442	6,353
Restructuring charge (reversal)	(8)	-	-	-	24	-	-	135	-	(8)	159	-
Total non-interest expense	1,818	1,782	1,680	1,614	1,655	1,659	1,614	1,673	1,613	6,894	6,601	6,353
Income before taxes and non-controlling interest in subsidiaries	530	480	789	182	394	805	855	341	832	1,981	2,395	3,456
Provision for income taxes	(49)	(59)	128	(91)	(77)	127	165	(26)	117	(71)	189	717
Non-controlling interest in subsidiaries	19	18	19	18	19	18	19	19	19	74	75	76
Net income	560	521	642	255	452	660	671	348	696	1,978	2,131	2,663
Amortization of intangible assets, net of income tax	10	9	8	8	9	10	10	9	9	35	38	36
Cash net income	570	530	650	263	461	670	681	357	705	2,013	2,169	2,699
Operating leverage	18.0 %	0.1 %	(0.5)%	1.5 %	(13.2)%	(4.2)%	(1.2)%	(22.6)%	(5.2)%	4.8 %	(10.3)%	1.2 %
Cash operating leverage	18.0 %	0.0 %	(0.7)%	1.5 %	(13.2)%	(4.2)%	(1.1)%	(22.6)%	(5.9)%	4.7 %	(10.3)%	0.4 %
Revenue growth	27.9 %	7.5 %	3.6 %	(2.0)%	(10.6)%	(0.6)%	2.3 %	(16.7)%	(6.1)%	9.2 %	(6.4)%	1.5 %
Non-interest expense growth	9.9 %	7.4 %	4.1 %	(3.5)%	2.6 %	3.6 %	3.5 %	5.9 %	(0.9)%	4.4 %	3.9 %	0.3 %
Cash non-interest expense growth	9.9 %	7.5 %	4.3 %	(3.5)%	2.6 %	3.6 %	3.4 %	5.9 %	(0.2)%	4.5 %	3.9 %	1.1 %

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

Net interest income	366	284	247	213	221	220	249	233	238	1,110	923	981
Non-interest revenue	312	293	287	289	374	187	189	(161)	297	1,181	589	1,375
Total revenues	678	577	534	502	595	407	438	72	535	2,291	1,512	2,356
Provision for credit losses	269	452	73	148	63	32	3	1	(3)	942	99	(2)
Net interest income and non-interest revenue	409	125	461	354	532	375	435	71	538	1,349	1,413	2,358
Non-interest expense	469	433	397	414	406	403	421	398	406	1,713	1,628	1,695
Restructuring charge (reversal)	(3)	-	-	-	8	-	-	20	-	(3)	28	-
Total non-interest expense	466	433	397	414	414	403	421	418	406	1,710	1,656	1,695
Income before taxes and non-controlling interest in subsidiaries	(57)	(308)	64	(60)	118	(28)	14	(347)	132	(361)	(243)	663
Provision for income taxes	(32)	(117)	1	(48)	21	(38)	(4)	(178)	27	(196)	(199)	171
Non-controlling interest in subsidiaries	5	5	4	5	4	5	6	5	5	19	20	21
Net income	(30)	(196)	59	(17)	93	5	12	(174)	100	(184)	(64)	471
Cash net income	(23)	(187)	66	(11)	100	12	19	(167)	107	(155)	(36)	498
Operating leverage	1.3%	34.7 %	27.8 %	598.9 %	9.3 %	(21.9)%	(29.2)%	(86.4)%	(6.2)%	48.3 %	(33.5)%	0.1 %
Cash operating leverage	1.6%	34.7 %	27.7 %	598.9 %	9.3 %	(21.5)%	(28.9)%	(86.4)%	(7.9)%	48.4 %	(33.4)%	(2.1)%
Revenue growth	13.9%	42.0 %	22.2 %	598.0 %	11.4 %	(30.6)%	(29.1)%	(88.4)%	(22.3)%	51.6 %	(35.8)%	(9.8)%
Non-interest expense growth	12.6 %	7.3 %	(5.6)%	(0.9)%	2.1 %	(8.7)%	0.1 %	(2.0)%	(16.1)%	3.3 %	(2.3)%	(9.9)%
Cash non-interest expense growth	12.3 %	7.3 %	(5.5)%	(0.9)%	2.1 %	(9.1)%	(0.2)%	(2.0)%	(14.4)%	3.2 %	(2.4)%	(7.7)%
Average assets	134,035	131,972	128,427	122,587	109,894	111,384	115,547	107,919	97,805	129,260	111,150	90,317
Average earning assets	104,929	97,097	99,148	100,408	91,258	85,327	83,077	80,147	73,013	100,402	84,968	68,893
Average loans and acceptances	72,079	65,457	66,869	64,290	55,973	54,058	55,588	52,511	49,839	67,175	54,524	46,586
Average deposits	64,247	59,526	60,498	60,009	58,333	54,960	50,257	48,032	46,376	61,073	52,917	43,393
Net interest margin on average earning assets	1.39%	1.16%	1.01%	0.85%	0.97%	1.02%	1.23%	1.15%	1.29%	1.11%	1.09%	1.42%

**\$USD Equivalent (Canadian GAAP)**

Net interest income	329	280	245	214	222	206	216	201	213	1,068	845	866
Non-interest revenue	273	290	285	289	380	175	162	(138)	266	1,137	579	1,214
Total revenues	602	570	530	503	602	381	378	63	479	2,205	1,424	2,080
Provision for credit losses	240	443	72	147	65	30	4	-	(3)	902	99	(3)
Net interest income and non-interest revenue	362	127	458	356	537	351	374	63	482	1,303	1,325	2,083
Non-interest expense	421	427	396	414	408	377	368	342	363	1,658	1,495	1,497
Restructuring charge (reversal)	(2)	-	-	-	8	-	-	18	-	(2)	26	-
Total non-interest expense	419	427	396	414	416	377	368	360	363	1,656	1,521	1,497
Income before taxes and non-controlling interest in subsidiaries	(57)	(300)	62	(58)	121	(26)	6	(297)	119	(353)	(196)	586
Provision for income taxes	(28)	(115)	-	(46)	24	(35)	(8)	(152)	26	(189)	(171)	153
Non-controlling interest in subsidiaries	4	5	4	5	4	5	4	5	4	18	18	18
Net income	(33)	(190)	58	(17)	93	4	10	(150)	89	(182)	(43)	415
Cash net income	(25)	(183)	65	(10)	100	11	17	(144)	95	(153)	(16)	439
Average assets	120,719	130,414	127,547	122,796	110,242	104,366	100,985	92,896	87,682	125,357	102,132	79,838
Average earning assets	94,502	95,966	98,487	100,585	91,590	79,953	72,607	69,008	65,452	97,379	78,336	60,893
Average loans and acceptances	64,882	64,713	66,392	64,402	56,108	50,653	48,582	45,217	44,681	65,090	50,153	41,183
Average deposits	57,748	58,806	60,099	60,116	58,520	51,496	43,923	41,348	41,581	59,187	48,862	38,355

**NET INCOME BY OPERATING GROUP  
AND GEOGRAPHIC AREA**



	2008	2008	2008	2008	2007	2007	2007	2007	2006	Fiscal	Fiscal	Fiscal
(\$ millions except as noted)	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2008	2007	2006
<b>Personal &amp; Commercial Banking</b>												
Canada	320	315	303	266	221	312	274	273	250	1,204	1,080	1,027
United States	12	28	30	26	33	25	29	29	24	96	116	117
Other	24	28	28	36	66	44	53	24	27	116	187	133
<b>Total</b>	<b>356</b>	<b>371</b>	<b>361</b>	<b>328</b>	<b>320</b>	<b>381</b>	<b>356</b>	<b>326</b>	<b>301</b>	<b>1,416</b>	<b>1,383</b>	<b>1,277</b>
<b>Private Client Group</b>												
Canada	95	103	100	91	104	99	96	91	79	389	390	333
United States	(19)	3	4	2	(3)	2	2	(1)	-	(10)	-	2
Other	2	4	5	5	2	1	1	1	1	16	5	6
<b>Total</b>	<b>78</b>	<b>110</b>	<b>109</b>	<b>98</b>	<b>103</b>	<b>102</b>	<b>99</b>	<b>91</b>	<b>80</b>	<b>395</b>	<b>395</b>	<b>341</b>
<b>BMO Capital Markets</b>												
Canada	120	214	120	(55)	32	143	180	172	114	399	527	506
United States	116	59	65	56	111	3	4	(189)	79	296	(71)	352
Other	49	(14)	(3)	(35)	(97)	48	13	(3)	(8)	(3)	(39)	(6)
<b>Total</b>	<b>285</b>	<b>259</b>	<b>182</b>	<b>(34)</b>	<b>46</b>	<b>194</b>	<b>197</b>	<b>(20)</b>	<b>185</b>	<b>692</b>	<b>417</b>	<b>852</b>
<b>Corporate Services, including Technology and Operations</b>												
Canada	(6)	58	14	(50)	11	(15)	15	(65)	114	16	(54)	128
United States	(139)	(286)	(40)	(101)	(48)	(25)	(23)	(13)	(3)	(566)	(109)	-
Other	(14)	9	16	14	20	23	27	29	19	25	99	65
<b>Total</b>	<b>(159)</b>	<b>(219)</b>	<b>(10)</b>	<b>(137)</b>	<b>(17)</b>	<b>(17)</b>	<b>19</b>	<b>(49)</b>	<b>130</b>	<b>(525)</b>	<b>(64)</b>	<b>193</b>
<b>Total Consolidated</b>												
Canada	529	690	537	252	368	539	565	471	557	2,008	1,943	1,994
United States	(30)	(196)	59	(17)	93	5	12	(174)	100	(184)	(64)	471
Other	61	27	46	20	(9)	116	94	51	39	154	252	198
<b>Total</b>	<b>560</b>	<b>521</b>	<b>642</b>	<b>255</b>	<b>452</b>	<b>660</b>	<b>671</b>	<b>348</b>	<b>696</b>	<b>1,978</b>	<b>2,131</b>	<b>2,663</b>
U.S. to North America net income	(6.1)%	(39.6)%	9.9 %	(7.4)%	20.1 %	1.0 %	2.0 %	(58.4)%	15.2 %	(10.1)%	(3.4)%	19.1 %
Outside Canada to total net income	5.3 %	(32.3)%	16.4 %	0.9 %	18.5 %	18.4 %	15.8 %	(35.4)%	20.0 %	(1.6)%	8.8 %	25.1 %
U.S. to total net income	(5.5)%	(37.5)%	9.2 %	(6.8)%	20.5 %	0.8 %	1.7 %	(49.9)%	14.4 %	(9.3)%	(3.0)%	17.7 %

**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 October 31, 2008.

Notable accounting measurement differences are the taxable equivalent basis adjustment and the provision for credit losses, 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 GAAP revenues and the GAAP 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**

Provisions for credit losses are generally allocated to each group based on expected losses for that group over an economic cycle. Differences between expected loss provisions and provisions required under GAAP are included in Corporate Services.

**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.

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)

	2008	2008	2008	2008	2007	2007	2007	2007	2006	Fiscal	Fiscal	Fiscal
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2008	2007	2006
Net interest income (teb)	1,047	1,019	958	960	942	982	926	946	939	3,984	3,796	3,680
Non-interest revenue	539	521	517	466	390	499	519	448	445	2,043	1,856	1,805
Total revenues (teb)	1,586	1,540	1,475	1,426	1,332	1,481	1,445	1,394	1,384	6,027	5,652	5,485
Provision for credit losses	101	99	92	92	89	90	90	89	86	384	358	344
Net interest and non-interest revenue (teb)	1,485	1,441	1,383	1,334	1,243	1,391	1,355	1,305	1,298	5,643	5,294	5,141
Non-interest expense	971	904	856	861	851	839	831	816	844	3,592	3,337	3,247
Income before taxes and non-controlling interest in subsidiaries	514	537	527	473	392	552	524	489	454	2,051	1,957	1,894
Provision for income taxes (teb)	158	166	166	145	72	171	168	163	153	635	574	617
Net income	356	371	361	328	320	381	356	326	301	1,416	1,383	1,277
Cash net income	364	379	368	335	328	389	365	334	308	1,446	1,416	1,308
Net economic profit	159	178	182	159	138	203	190	161	143	678	692	653
Cash return on equity	19.2 %	20.4 %	21.4 %	20.6 %	18.6 %	22.9 %	23.2 %	20.8 %	20.0 %	20.4 %	21.3 %	21.4 %
Net interest margin on average assets (teb)	2.62 %	2.63 %	2.59 %	2.59 %	2.60 %	2.71 %	2.66 %	2.67 %	2.69 %	2.61 %	2.66 %	2.70 %
Net interest margin on average earning assets (teb)	2.74 %	2.75 %	2.71 %	2.70 %	2.71 %	2.83 %	2.77 %	2.78 %	2.80 %	2.72 %	2.77 %	2.82 %
Non-interest expense-to-revenue ratio (teb)	61.2 %	58.7 %	58.1 %	60.3 %	63.8 %	56.8 %	57.5 %	58.6 %	61.1 %	59.6 %	59.0 %	59.2 %
Cash non-interest expense-to-revenue ratio (teb)	60.6 %	58.0 %	57.5 %	59.7 %	63.1 %	56.1 %	56.8 %	57.9 %	60.4 %	59.0 %	58.4 %	58.5 %
Operating leverage	4.8 %	(3.5)%	(1.1)%	(3.1)%	(4.2)%	1.0 %	4.0 %	0.4 %	(1.2)%	(1.0)%	0.3 %	1.2 %
Cash operating leverage	4.7 %	(3.7)%	(1.4)%	(3.2)%	(4.2)%	1.1 %	4.2 %	0.4 %	(1.3)%	(1.1)%	0.3 %	1.0 %
Revenue growth	19.1 %	4.1 %	2.1 %	2.3 %	(3.7)%	1.5 %	9.1 %	5.5 %	3.8 %	6.7 %	3.0 %	5.1 %
Non-interest expense growth	14.3 %	7.6 %	3.2 %	5.4 %	0.5 %	0.5 %	5.1 %	5.1 %	5.0 %	7.7 %	2.7 %	3.9 %
Cash non-interest expense growth	14.4 %	7.8 %	3.5 %	5.5 %	0.5 %	0.4 %	4.9 %	5.1 %	5.1 %	7.8 %	2.7 %	4.1 %
Average common equity	7,275	7,123	6,753	6,244	6,775	6,572	6,296	6,194	5,982	6,849	6,461	5,994
Average assets	158,712	154,216	150,175	147,592	143,865	143,454	142,607	140,637	138,441	152,687	142,641	136,254
Average earning assets	151,921	147,616	143,907	141,680	137,765	137,585	137,045	134,832	132,819	146,294	136,805	130,576
Average current loans excl. securities purchased under resale agreements	146,534	142,778	139,536	137,721	135,705	135,436	134,745	132,977	131,242	141,654	134,715	128,937
Average loans and acceptances	149,015	145,301	141,957	139,948	138,149	137,624	136,806	135,048	133,236	144,067	136,907	130,937
Average deposits	68,997	67,525	64,783	65,341	64,368	65,248	64,975	64,424	61,991	66,672	64,752	61,980
Assets under administration	37,122	30,059	28,730	30,304	33,258	37,659	15,729	15,726	14,978	37,122	33,258	14,978
Number of full-time equivalent employees	20,697	20,957	20,918	20,482	20,294	20,351	19,881	19,624	19,353	20,697	20,294	19,353



**P&C CANADA  
SUMMARY INCOME**



**STATEMENT AND HIGHLIGHTS**

	2008	2008	2008	2008	2007	2007	2007	2007	2006	Fiscal	Fiscal	Fiscal
(\$ millions except as noted)	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2008	2007	2006
Net interest income (teb)	835	822	786	793	770	801	735	760	756	3,236	3,066	2,941
Non-interest revenue	481	469	433	418	344	455	473	406	404	1,801	1,678	1,639
Total revenues (teb)	1,316	1,291	1,219	1,211	1,114	1,256	1,208	1,166	1,160	5,037	4,744	4,580
Provision for credit losses	89	87	82	83	81	81	81	80	79	341	323	314
Net interest and non-interest revenue (teb)	1,227	1,204	1,137	1,128	1,033	1,175	1,127	1,086	1,081	4,696	4,421	4,266
Non-interest expense	728	710	657	695	690	664	648	642	667	2,790	2,644	2,569
Income before taxes and non-controlling interest in subsidiaries	499	494	480	433	343	511	479	444	414	1,906	1,777	1,697
Provision for income taxes (teb)	155	151	149	131	56	155	152	147	137	586	510	537
Net income	344	343	331	302	287	356	327	297	277	1,320	1,267	1,160
Cash net income	344	342	334	302	290	355	331	299	278	1,322	1,275	1,167
Net interest margin on average assets (teb)	2.59 %	2.58 %	2.56 %	2.56 %	2.51 %	2.64 %	2.56 %	2.58 %	2.57 %	2.57 %	2.57 %	2.57 %
Net interest margin on average earning assets (teb)	2.68 %	2.68 %	2.66 %	2.64 %	2.60 %	2.73 %	2.64 %	2.67 %	2.66 %	2.67 %	2.66 %	2.66 %
Non-interest expense-to-revenue ratio (teb)	55.4 %	54.9 %	54.0 %	57.4 %	61.9 %	53.0 %	53.6 %	55.1 %	57.7 %	55.4 %	55.7 %	56.1 %
Cash non-interest expense-to-revenue ratio (teb)	55.3 %	54.9 %	53.9 %	57.3 %	61.7 %	52.8 %	53.4 %	54.9 %	57.5 %	55.3 %	55.6 %	56.0 %
Operating leverage	12.4 %	(3.8)%	(0.7)%	(4.3)%	(7.0)%	2.6 %	5.3 %	2.3 %	0.5 %	0.7 %	0.7 %	1.8 %
Cash operating leverage	12.2 %	(4.1)%	(1.0)%	(4.5)%	(7.1)%	2.6 %	5.3 %	2.3 %	0.5 %	0.4 %	0.7 %	1.7 %
Revenue growth	18.1 %	3.0 %	0.8 %	3.8 %	(3.8)%	2.0 %	10.2 %	6.4 %	4.4 %	6.2 %	3.6 %	6.0 %
Non-interest expense growth	5.7 %	6.8 %	1.5 %	8.1 %	3.2 %	(0.6)%	4.9 %	4.1 %	3.9 %	5.5 %	2.9 %	4.2 %
Cash non-interest expense growth	5.9 %	7.1 %	1.8 %	8.3 %	3.3 %	(0.6)%	4.9 %	4.1 %	3.9 %	5.8 %	2.9 %	4.3 %
Average assets	128,274	126,678	124,694	123,386	121,706	120,000	117,777	117,128	116,318	125,763	119,164	114,364
Average earning assets	123,807	122,153	120,287	119,254	117,325	116,010	114,063	113,154	112,410	121,381	115,147	110,433
Average current loans excl. securities purchased under resale agreements	121,981	120,418	118,714	117,856	116,016	114,668	112,745	111,929	111,436	119,748	113,848	109,501
Average loans and acceptances	124,456	122,937	121,131	120,079	118,454	116,849	114,797	113,994	113,429	122,156	116,033	111,499
Average deposits	47,886	47,641	46,311	47,765	46,775	46,514	45,140	45,409	44,025	47,407	45,966	43,998
Assets under administration	23,502	18,470	16,543	14,330	14,160	13,895	13,471	13,372	12,741	23,502	14,160	12,741
Number of full-time equivalent employees	16,549	16,778	16,727	16,880	16,734	16,734	16,187	16,139	15,825	16,549	16,734	15,825

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

(\$ millions except as noted)

	2008	2008	2008	2008	2007	2007	2007	2007	2006	Fiscal	Fiscal	Fiscal
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2008	2007	2006
Net interest income (teb)	212	197	172	167	172	181	191	186	183	748	730	739
Non-interest revenue	58	52	84	48	46	44	46	42	41	242	178	166
Total revenues (teb)	270	249	256	215	218	225	237	228	224	990	908	905
Provision for credit losses	12	12	10	9	8	9	9	9	7	43	35	30
Net interest and non-interest revenue (teb)	258	237	246	206	210	216	228	219	217	947	873	875
Non-interest expense	243	194	199	166	161	175	183	174	177	802	693	678
Income before taxes and non-controlling interest in subsidiaries	15	43	47	40	49	41	45	45	40	145	180	197
Provision for income taxes (teb)	3	15	17	14	16	16	16	16	16	49	64	80
Net income	12	28	30	26	33	25	29	29	24	96	116	117
Cash net income	20	37	34	33	38	34	34	35	30	124	141	141
Net interest margin on average assets (teb)	2.77 %	2.88 %	2.72 %	2.75 %	3.08 %	3.06 %	3.16 %	3.13 %	3.29 %	2.78 %	3.11 %	3.38 %
Net interest margin on average earning assets (teb)	3.00 %	3.11 %	2.93 %	2.97 %	3.34 %	3.37 %	3.38 %	3.40 %	3.57 %	3.00 %	3.37 %	3.67 %
Non-interest expense-to-revenue ratio (teb)	89.8 %	78.1 %	77.7 %	77.0 %	73.4 %	77.9 %	77.4 %	76.4 %	78.8 %	81.0 %	76.3 %	74.9 %
Cash non-interest expense-to-revenue ratio (teb)	86.2 %	74.5 %	74.7 %	73.4 %	70.0 %	74.4 %	73.7 %	73.1 %	75.6 %	77.5 %	72.8 %	71.6 %
Operating leverage	(27.7)%	(0.3)%	(0.5)%	(0.7)%	6.6 %	(6.1)%	(1.9)%	(7.4)%	(8.7)%	(6.7)%	(1.9)%	(2.0)%
Cash operating leverage	(28.6)%	(0.2)%	(1.4)%	(0.4)%	7.2 %	(5.9)%	(1.3)%	(7.8)%	(9.3)%	(7.0)%	(1.7)%	(2.4)%
Revenue growth	23.8 %	10.3 %	8.6 %	(5.5)%	(2.9)%	(1.1)%	3.8 %	1.2 %	0.7 %	9.1 %	0.3 %	0.9 %
Non-interest expense growth	51.5 %	10.6 %	9.1 %	(4.8)%	(9.5)%	5.0 %	5.7 %	8.6 %	9.4 %	15.8 %	2.2 %	2.9 %
Cash non-interest expense growth	52.4 %	10.5 %	10.0 %	(5.1)%	(10.1)%	4.8 %	5.1 %	9.0 %	10.0 %	16.1 %	2.0 %	3.3 %
Average assets	30,438	27,538	25,481	24,206	22,159	23,454	24,830	23,509	22,123	26,924	23,477	21,890
Average earning assets	28,114	25,463	23,620	22,426	20,440	21,575	22,982	21,678	20,409	24,913	21,658	20,143
Average current loans excl. securities purchased under resale agreements	24,553	22,360	20,822	19,865	19,689	20,768	22,000	21,048	19,806	21,906	20,867	19,436
Average loans and acceptances	24,559	22,365	20,826	19,869	19,695	20,775	22,009	21,055	19,808	21,911	20,874	19,437
Average deposits	21,111	19,884	18,472	17,576	17,593	18,734	19,835	19,015	17,966	19,265	18,786	17,982
Assets under administration	13,620	11,589	12,187	15,974	19,098	23,764	2,258	2,354	2,237	13,620	19,098	2,237
Number of full-time equivalent employees	4,148	4,179	4,191	3,602	3,560	3,617	3,694	3,485	3,528	4,148	3,560	3,528

**\$USD Equivalent (Canadian GAAP)**

Net interest income (teb)	191	195	171	167	173	169	167	160	164	724	669	653
Non-interest revenue	52	51	84	48	47	42	39	36	36	235	164	146
Total revenues (teb)	243	246	255	215	220	211	206	196	200	959	833	799
Provision for credit losses	12	11	10	9	9	8	8	8	7	42	33	27
Net interest and non-interest revenue (teb)	231	235	245	206	211	203	198	188	193	917	800	772
Non-interest expense	217	192	198	166	160	165	159	150	159	773	634	599
Income before taxes and non-controlling interest in subsidiaries	14	43	47	40	51	38	39	38	34	144	166	173
Provision for income taxes (teb)	3	15	17	14	18	14	14	13	12	49	59	69
Net income	11	28	30	26	33	24	25	25	22	95	107	104
Cash net income	18	35	35	33	38	31	31	30	27	121	130	125
Average assets	27,405	27,206	25,316	24,246	22,194	21,976	21,699	20,234	19,834	26,047	21,524	19,341
Average earning assets	25,313	25,156	23,466	22,463	20,473	20,214	20,083	18,659	18,298	24,103	19,855	17,797
Average loans and acceptances	22,110	22,096	20,691	19,902	19,725	19,465	19,234	18,122	17,759	21,203	19,136	17,175
Average deposits	19,014	19,647	18,354	17,605	17,620	17,553	17,335	16,367	16,108	18,657	17,218	15,885

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



	2008	2008	2008	2008	2007	2007	2007	2007	2006	Fiscal	Fiscal	Fiscal
(\$ millions except as noted)	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2008	2007	2006
Net interest income (teb)	184	167	165	155	154	154	153	151	146	671	612	570
Non-interest revenue	310	377	345	364	354	366	365	355	320	1,396	1,440	1,324
Total revenues (teb)	494	544	510	519	508	520	518	506	466	2,067	2,052	1,894
Provision for credit losses	1	1	1	1	1	1	1	1	1	4	3	3
Net interest and non-interest revenue (teb)	493	543	509	518	507	519	518	505	465	2,063	2,049	1,891
Non-interest expense	381	380	348	368	356	362	364	364	341	1,477	1,446	1,363
Income before taxes and non-controlling interest in subsidiaries	112	163	161	150	151	157	154	141	124	586	603	528
Provision for income taxes (teb)	34	53	52	52	48	55	55	50	44	191	208	187
Net income	78	110	109	98	103	102	99	91	80	395	395	341
Cash net income	79	111	110	99	104	103	100	92	82	399	399	346
Net economic profit	48	81	82	70	72	71	69	61	50	281	273	221
Cash return on equity	27.8 %	39.9 %	41.9 %	37.6 %	35.0 %	34.9 %	35.4 %	31.9 %	27.8 %	36.7 %	34.3 %	29.8 %
Net interest margin on average assets (teb)	8.34 %	8.05 %	8.32 %	7.87 %	8.26 %	8.65 %	9.16 %	8.59 %	8.61 %	8.15 %	8.65 %	8.71 %
Net interest margin on average earning assets (teb)	9.17 %	8.87 %	9.20 %	8.67 %	9.12 %	9.57 %	10.25 %	9.75 %	9.80 %	8.98 %	9.66 %	9.99 %
Non-interest expense-to-revenue ratio (teb)	77.0 %	69.9 %	68.1 %	71.0 %	69.9 %	69.7 %	70.2 %	72.0 %	73.1 %	71.5 %	70.4 %	71.9 %
Cash non-interest expense-to-revenue ratio (teb)	76.8 %	69.7 %	67.9 %	70.8 %	69.6 %	69.4 %	69.9 %	71.7 %	72.8 %	71.2 %	70.2 %	71.6 %
Operating leverage	(9.9)%	(0.3)%	2.8 %	1.4 %	4.9 %	5.1 %	(0.1)%	(0.7)%	(4.3)%	(1.5)%	2.2 %	4.7 %
Cash operating leverage	(9.9)%	(0.4)%	2.8 %	1.3 %	4.8 %	5.0 %	(0.2)%	(0.8)%	(6.6)%	(1.6)%	2.2 %	2.0 %
Revenue growth	(3.1)%	4.8 %	(1.9)%	2.7 %	9.7 %	8.8 %	6.5 %	8.9 %	(18.8)%	0.6 %	8.4 %	(7.0)%
Non-interest expense growth	6.8 %	5.1 %	(4.7)%	1.3 %	4.8 %	3.7 %	6.6 %	9.6 %	(14.5)%	2.1 %	6.2 %	(11.7)%
Cash non-interest expense growth	6.8 %	5.2 %	(4.7)%	1.4 %	4.9 %	3.8 %	6.7 %	9.7 %	(12.2)%	2.2 %	6.2 %	(9.0)%
Average common equity	1,100	1,093	1,055	1,031	1,162	1,150	1,142	1,129	1,148	1,070	1,146	1,148
Average assets	8,802	8,261	8,024	7,855	7,480	7,033	6,884	6,960	6,708	8,237	7,091	6,545
Average earning assets	8,013	7,493	7,258	7,126	6,770	6,353	6,151	6,128	5,895	7,474	6,352	5,703
Average current loans excl. securities purchased under resale agreements	7,241	6,715	6,504	6,377	6,045	5,621	5,467	5,369	5,162	6,710	5,627	5,105
Average loans and acceptances	7,253	6,733	6,521	6,392	6,060	5,635	5,475	5,374	5,171	6,726	5,637	5,114
Average deposits	53,237	50,782	49,859	47,868	45,699	45,104	45,183	45,223	44,320	50,440	45,304	43,323
Assets under administration	131,289	137,702	139,106	136,114	139,060	139,637	162,471	159,295	153,859	131,289	139,060	153,859
Assets under management	99,428	106,339	106,028	106,932	106,174	108,031	107,917	107,887	105,425	99,428	106,174	105,425
Number of full-time equivalent employees	4,535	4,517	4,462	4,394	4,362	4,347	4,308	4,244	4,202	4,535	4,362	4,202

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

Net interest income (teb)	16	16	15	15	15	17	17	18	18	62	67	76
Non-interest revenue	18	47	45	47	46	50	51	50	48	157	197	200
Total revenues (teb)	34	63	60	62	61	67	68	68	66	219	264	276
Provision for credit losses	-	1	-	-	-	-	1	-	-	1	1	1
Net interest and non-interest revenue (teb)	34	62	60	62	61	67	67	68	66	218	263	275
Non-interest expense	66	59	53	59	66	63	66	70	65	237	265	274
Income before taxes and non-controlling interest in subsidiaries	(32)	3	7	3	(5)	4	1	(2)	1	(19)	(2)	1
Provision for income taxes (teb)	(13)	-	3	1	(2)	2	(1)	(1)	1	(9)	(2)	(2)
Net income	(19)	3	4	2	(3)	2	2	(1)	-	(10)	-	2
Cash net income	(18)	3	4	3	(2)	3	3	(1)	-	(8)	3	4
Operating leverage	(43.1)%	2.5 %	4.2 %	7.1 %	(6.4)%	6.2 %	4.6 %	(7.7)%	(12.1)%	(6.6)%	(0.6)%	(3.6)%
Cash operating leverage	(43.3)%	2.2 %	4.0 %	6.8 %	(6.6)%	6.3 %	4.6 %	(7.8)%	(16.4)%	(6.9)%	(0.7)%	(8.6)%
Revenue growth	(43.0)%	(4.3)%	(14.5)%	(8.8)%	(5.4)%	(7.9)%	4.5 %	(6.8)%	(61.1)%	(17.1)%	(4.0)%	(49.4)%
Non-interest expense growth	0.1 %	(6.8)%	(18.7)%	(15.9)%	1.0 %	(14.1)%	(0.1)%	0.9 %	(49.0)%	(10.5)%	(3.4)%	(45.8)%
Cash non-interest expense growth	0.3 %	(6.5)%	(18.5)%	(15.6)%	1.2 %	(14.2)%	(0.1)%	1.0 %	(44.7)%	(10.2)%	(3.3)%	(40.8)%
Average assets	2,635	2,332	2,315	2,256	2,206	2,244	2,370	2,379	2,297	2,385	2,299	2,379
Average earning assets	2,456	2,159	2,144	2,091	2,044	2,067	2,185	2,189	2,118	2,213	2,121	2,187
Average loans and acceptances	2,428	2,138	2,123	2,069	2,011	2,024	2,133	2,135	2,071	2,190	2,075	2,139
Average deposits	1,252	1,226	1,182	1,103	1,106	1,212	1,301	1,315	1,241	1,191	1,233	1,491
Net interest margin on average earning assets (teb)	2.68%	2.92%	2.72%	2.93%	2.99%	3.21%	3.16%	3.35%	3.30%	2.81%	3.18%	3.47%

**\$USD Equivalent (Canadian GAAP)**

Net interest income (teb)	15	15	15	15	16	15	15	16	16	60	62	67
Non-interest revenue	19	47	44	47	46	47	45	43	42	157	181	176
Total revenues (teb)	34	62	59	62	62	62	60	59	58	217	243	243
Provision for credit losses	-	1	-	-	-	1	-	-	-	1	1	1
Net interest and non-interest revenue (teb)	34	61	59	62	62	61	60	59	57	216	242	242
Non-interest expense	60	58	53	59	66	59	58	60	58	230	243	242
Income before taxes and non-controlling interest in subsidiaries	(26)	3	6	3	(4)	2	2	(1)	(1)	(14)	(1)	-
Provision for income taxes (teb)	(11)	-	2	1	(1)	-	-	-	-	(8)	(1)	(1)
Net income	(15)	3	4	2	(3)	2	2	(1)	(1)	(6)	-	1
Cash net income	(15)	3	4	3	(2)	2	2	-	(1)	(5)	2	3
Average assets	2,372	2,304	2,300	2,260	2,210	2,103	2,071	2,047	2,059	2,309	2,108	2,100
Average earning assets	2,211	2,134	2,130	2,094	2,047	1,937	1,909	1,884	1,899	2,142	1,945	1,932
Average loans and acceptances	2,186	2,113	2,109	2,073	2,014	1,896	1,863	1,838	1,857	2,120	1,903	1,889
Average deposits	1,128	1,212	1,175	1,105	1,107	1,136	1,136	1,131	1,113	1,155	1,128	1,314

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

	2008	2008	2008	2008	2007	2007	2007	2007	2006	Fiscal	Fiscal	Fiscal
(\$ millions except as noted)	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2008	2007	2006
Net interest income (teb)	355	287	234	303	233	253	256	232	191	1,179	974	773
Non-interest revenue	360	459	451	(37)	188	437	395	(25)	442	1,233	995	2,007
Total revenues (teb)	715	746	685	266	421	690	651	207	633	2,412	1,969	2,780
Provision for credit losses	30	29	29	29	19	19	19	20	19	117	77	79
Net interest and non-interest revenue (teb)	685	717	656	237	402	671	632	187	614	2,295	1,892	2,701
Non-interest expense	451	477	441	383	399	448	397	330	395	1,752	1,574	1,612
Income before taxes and non-controlling interest in subsidiaries	234	240	215	(146)	3	223	235	(143)	219	543	318	1,089
Provision for income taxes (teb)	(51)	(19)	33	(112)	(43)	29	38	(123)	34	(149)	(99)	237
Net income	285	259	182	(34)	46	194	197	(20)	185	692	417	852
Cash net income	286	259	182	(34)	46	194	198	(20)	186	693	418	853
Net economic profit	132	107	35	(183)	(98)	53	64	(158)	60	91	(139)	359
Cash return on equity	20.3 %	18.5 %	13.2 %	(3.4)%	2.9 %	14.7 %	15.8 %	(2.3)%	16.0 %	12.2 %	7.7 %	18.5 %
Net interest margin on average assets (teb)	0.59 %	0.49 %	0.41 %	0.52 %	0.42 %	0.48 %	0.51 %	0.48 %	0.44 %	0.50 %	0.47 %	0.48 %
Net interest margin on average earning assets (teb)	0.81 %	0.67 %	0.55 %	0.65 %	0.52 %	0.61 %	0.67 %	0.62 %	0.57 %	0.67 %	0.60 %	0.62 %
Non-interest expense-to-revenue ratio (teb)	63.1 %	64.0 %	64.3 %	144.2 %	95.0 %	64.8 %	60.9 %	159.6 %	62.2 %	72.6 %	79.9 %	58.0 %
Cash non-interest expense-to-revenue ratio (teb)	63.0 %	64.0 %	64.3 %	144.1 %	94.9 %	64.8 %	60.9 %	159.5 %	62.2 %	72.6 %	79.9 %	57.9 %
Operating leverage	57.1 %	1.3 %	(5.8)%	12.4 %	(35.0)%	(13.8)%	(7.5)%	(50.3)%	(16.5)%	11.2 %	(26.9)%	(7.5)%
Cash operating leverage	57.1 %	1.3 %	(5.9)%	12.4 %	(35.0)%	(13.8)%	(7.5)%	(50.3)%	(16.5)%	11.2 %	(26.9)%	(7.5)%
Revenue growth	70.1 %	7.9 %	5.3 %	28.2 %	1.8 %	(10.3)%	(72.1)%	(10.3)%	1.4 %	22.5 %	(29.2)%	1.4 %
Non-interest expense growth	13.0 %	6.6 %	11.1 %	15.8 %	1.4 %	15.6 %	(2.8)%	(21.8)%	6.2 %	11.3 %	(2.3)%	8.9 %
Cash non-interest expense growth	13.0 %	6.6 %	11.2 %	15.8 %	1.4 %	15.6 %	(2.8)%	(21.8)%	6.2 %	11.3 %	(2.3)%	8.9 %
Average common equity	5,376	5,314	5,276	5,251	5,073	4,998	4,913	4,902	4,481	5,305	4,972	4,481
Average assets	239,380	231,265	231,812	232,990	220,232	210,834	204,411	192,772	170,999	233,873	207,084	161,811
Average earning assets	173,820	169,410	174,743	186,319	178,100	164,958	156,744	149,253	132,022	176,080	162,309	124,782
Average current loans excl. securities purchased under resale agreements	36,830	30,682	28,260	28,091	25,914	24,936	23,159	21,710	20,521	30,980	23,936	17,795
Average loans and acceptances	88,337	80,717	83,596	87,356	75,466	69,010	69,110	64,977	60,265	85,009	69,645	55,042
Average securities purchased under resale agreements	43,823	42,293	46,198	49,968	40,440	36,861	39,046	37,155	34,217	45,567	38,370	32,388
Average deposits	101,017	101,178	107,855	113,927	109,068	93,231	88,975	84,636	78,383	105,984	94,019	77,027
Assets under administration	90,188	79,172	76,256	67,378	57,590	58,910	63,129	63,040	58,774	90,188	57,590	58,774
Assets under management	9,294	9,695	10,932	18,720	23,233	31,085	31,459	32,150	28,044	9,294	23,233	28,044
Number of full-time equivalent employees	2,465	2,449	2,399	2,418	2,365	2,317	2,239	2,236	2,213	2,465	2,365	2,213
<b>U.S. Segment Information (Canadian GAAP / \$CAD equivalent)</b>												
Net interest income (teb)	142	94	92	71	70	60	79	70	69	399	279	296
Non-interest revenue	232	208	156	222	281	100	98	(266)	215	818	213	1,013
Total revenues (teb)	374	302	248	293	351	160	177	(196)	284	1,217	492	1,309
Provision for credit losses	21	19	19	19	13	13	13	14	15	78	53	60
Net interest and non-interest revenue (teb)	353	283	229	274	338	147	164	(210)	269	1,139	439	1,249
Non-interest expense	181	199	152	208	190	173	170	156	161	740	689	715
Income before taxes and non-controlling interest in subsidiaries	172	84	77	66	148	(26)	(6)	(366)	108	399	(250)	534
Provision for income taxes (teb)	56	25	12	10	37	(29)	(10)	(177)	29	103	(179)	182
Net income	116	59	65	56	111	3	4	(189)	79	296	(71)	352
Cash net income	115	60	64	57	112	3	4	(189)	80	296	(70)	354
Operating leverage	11.2%	71.8%	51.5%	217.1%	5.4%	(42.2)%	(45.7)%	(136.1)%	0.1%	139.7%	(58.7)%	(7.7)%
Cash operating leverage	11.2%	71.8%	51.5%	217.2%	5.3%	(42.2)%	(45.7)%	(136.1)%	0.1%	139.7%	(58.7)%	(7.8)%
Revenue growth	6.6%	87.5%	41.2%	249.6%	23.3%	(49.6)%	(49.2)%	(154.6)%	(9.9)%	147.2%	(62.4)%	1.6%
Non-interest expense growth	(4.6)%	15.7%	(10.3)%	32.5%	17.9%	(7.4)%	(3.5)%	(18.5)%	(10.0)%	7.5%	(3.7)%	9.3%
Cash non-interest expense growth	(4.6)%	15.7%	(10.3)%	32.4%	18.0%	(7.4)%	(3.5)%	(18.5)%	(10.0)%	7.5%	(3.7)%	9.4%
Average assets	97,608	99,388	97,920	93,318	81,125	80,970	83,165	77,143	68,894	97,054	80,580	61,220
Average earning assets	72,221	67,746	71,727	74,268	65,500	58,186	54,265	52,277	46,880	71,489	57,584	42,525
Average loans and acceptances	45,043	40,910	43,869	42,315	34,222	31,203	31,390	29,233	27,955	43,030	31,513	24,824
Average deposits	38,849	35,548	37,796	37,758	34,194	29,210	22,554	21,003	20,844	37,486	26,775	18,797
Net interest margin on average earning assets (teb)	0.78%	0.55%	0.52%	0.38%	0.43%	0.41%	0.60%	0.53%	0.59%	0.56%	0.48%	0.70%
<b>US\$D Equivalent (Canadian GAAP)</b>												
Net interest income (teb)	128	92	92	71	71	56	69	60	62	383	256	261
Non-interest revenue	207	205	155	223	286	94	84	(230)	193	790	234	895
Total revenues (teb)	335	297	247	294	357	150	153	(170)	255	1,173	490	1,156
Provision for credit losses	19	19	19	19	12	12	12	12	14	76	48	53
Net interest and non-interest revenue (teb)	316	278	228	275	345	138	141	(182)	241	1,097	442	1,103
Non-interest expense	165	197	151	208	190	162	147	136	144	721	635	632
Income before taxes and non-controlling interest in subsidiaries	151	81	77	67	155	(24)	(6)	(318)	97	376	(193)	471
Provision for income taxes (teb)	51	22	13	11	41	(26)	(8)	(155)	26	97	(148)	160
Net income	100	59	64	56	114	2	2	(163)	71	279	(45)	311
Cash net income	99	60	64	56	114	3	2	(163)	71	279	(44)	312
Average assets	87,971	98,222	97,238	93,478	81,427	75,869	72,689	66,407	61,761	94,211	74,109	54,137
Average earning assets	65,069	66,968	71,244	74,402	65,792	54,523	47,430	45,019	42,023	69,411	53,238	37,604
Average loans and acceptances	40,543	40,461	43,542	42,390	34,324	29,239	27,436	25,180	25,061	41,724	29,058	21,959
Average deposits	34,882	35,113	37,542	37,829	34,348	27,370	19,709	18,082	18,689	36,335	24,920	16,620

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

**STATEMENT AND HIGHLIGHTS**

(\$ millions except as noted)

	2008	2008	2008	2008	2007	2007	2007	2007	2006	Fiscal	Fiscal	Fiscal
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2008	2007	2006
Net interest income (teb) before Group teb offset	(119)	(135)	(140)	(158)	(89)	(88)	(88)	(94)	(28)	(552)	(359)	(152)
Group teb offset (1)	(54)	(52)	(43)	(46)	(44)	(54)	(43)	(39)	(33)	(195)	(180)	(127)
Net interest income	(173)	(187)	(183)	(204)	(133)	(142)	(131)	(133)	(61)	(747)	(539)	(279)
Non-interest revenue	191	103	133	19	72	6	45	92	39	446	215	105
Total revenues	18	(84)	(50)	(185)	(61)	(136)	(86)	(41)	(22)	(301)	(324)	(174)
Provision for credit losses	333	355	29	108	42	(19)	(50)	(58)	(90)	825	(85)	(250)
Net interest and non-interest revenue	(315)	(439)	(79)	(293)	(103)	(117)	(36)	17	68	(1,126)	(239)	76
Non-interest expense	23	21	35	2	25	10	22	28	33	81	85	131
Restructuring charge (reversal)	(8)	-	-	-	24	-	-	135	-	(8)	159	-
Total non-interest expense	15	21	35	2	49	10	22	163	33	73	244	131
Income before taxes and non-controlling interest in subsidiaries	(330)	(460)	(114)	(295)	(152)	(127)	(58)	(146)	35	(1,199)	(483)	(55)
Provision for income taxes (teb) before Group teb offset	(136)	(207)	(80)	(130)	(110)	(74)	(53)	(77)	(81)	(553)	(314)	(197)
Group teb offset (1)	(54)	(52)	(43)	(46)	(44)	(54)	(43)	(39)	(33)	(195)	(180)	(127)
Provision for income taxes	(190)	(259)	(123)	(176)	(154)	(128)	(96)	(116)	(114)	(748)	(494)	(324)
Non-controlling interest in subsidiaries	19	18	19	18	19	18	19	19	19	74	75	76
Net income	(159)	(219)	(10)	(137)	(17)	(17)	19	(49)	130	(525)	(64)	193
Cash net income	(159)	(219)	(10)	(137)	(17)	(16)	18	(49)	129	(525)	(64)	192
Average common equity	1,402	1,254	1,190	1,700	1,263	1,651	2,421	2,391	2,471	1,388	1,927	2,080
Average assets	2,165	2,131	4,058	2,922	4,308	4,014	3,642	3,066	3,895	2,812	3,759	4,521
Average earning assets	(5,067)	(2,472)	(2,303)	(2,321)	(888)	(1,018)	(1,022)	(1,052)	(436)	(3,045)	(995)	400
Average current loans excl. securities purchased under resale agreements	(16,257)	(15,068)	(15,023)	(15,263)	(11,261)	(6,370)	(6,540)	(6,531)	(5,173)	(15,404)	(7,685)	(5,052)
Average loans and acceptances	(16,257)	(15,068)	(15,023)	(15,263)	(11,261)	(6,370)	(6,540)	(6,531)	(5,228)	(15,404)	(7,685)	(4,920)
Average securities purchased under resale agreements	-	-	-	-	-	-	-	-	(55)	-	-	132
Average deposits	27,403	29,051	22,154	21,901	22,860	20,618	19,087	18,606	17,429	25,143	20,301	14,889
Number of full-time equivalent employees	9,376	9,442	9,122	8,960	8,806	8,945	9,176	9,219	9,174	9,376	8,806	9,174

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

Net interest income (teb) before Group teb offset	8	(12)	(20)	(28)	(23)	(26)	(25)	(28)	(22)	(52)	(102)	(95)
Group teb offset (1)	(12)	(11)	(12)	(12)	(13)	(12)	(13)	(13)	(10)	(47)	(51)	(35)
Net interest income	(4)	(23)	(32)	(40)	(36)	(38)	(38)	(41)	(32)	(99)	(153)	(130)
Non-interest revenue	4	(14)	2	(28)	1	(7)	(6)	13	(7)	(36)	1	(4)
Total revenues	-	(37)	(30)	(68)	(35)	(45)	(44)	(28)	(39)	(135)	(152)	(134)
Provision for credit losses	236	420	44	120	42	10	(20)	(22)	(25)	820	10	(93)
Net interest and non-interest revenue	(236)	(457)	(74)	(188)	(77)	(55)	(24)	(6)	(14)	(955)	(162)	(41)
Non-interest expense	(21)	(19)	(7)	(19)	(11)	(8)	2	(2)	3	(66)	(19)	28
Restructuring charge (reversal)	(3)	-	-	-	8	-	-	20	-	(3)	28	-
Total non-interest expense	(24)	(19)	(7)	(19)	(3)	(8)	2	18	3	(69)	9	28
Income before taxes and non-controlling interest in subsidiaries	(212)	(438)	(67)	(169)	(74)	(47)	(26)	(24)	(17)	(886)	(171)	(69)
Provision for income taxes (teb) before Group teb offset	(66)	(146)	(19)	(61)	(17)	(15)	4	(3)	(9)	(292)	(31)	(54)
Group teb offset (1)	(12)	(11)	(12)	(12)	(13)	(12)	(13)	(13)	(10)	(47)	(51)	(35)
Provision for income taxes	(78)	(157)	(31)	(73)	(30)	(27)	(9)	(16)	(19)	(339)	(82)	(89)
Non-controlling interest in subsidiaries	5	5	4	5	4	5	6	5	5	19	20	21
Net income	(139)	(286)	(40)	(101)	(48)	(25)	(23)	(13)	(3)	(566)	(109)	-
Cash net income	(140)	(287)	(36)	(104)	(48)	(28)	(22)	(12)	(3)	(567)	(110)	(1)
Average assets	3,354	2,714	2,711	2,807	4,404	4,716	5,182	4,888	4,491	2,897	4,794	4,828
Average earning assets	2,138	1,729	1,657	1,623	3,274	3,499	3,645	4,003	3,606	1,787	3,605	4,038
Average loans and acceptances	49	44	51	37	45	56	56	88	5	44	62	186
Average deposits	3,035	2,868	3,048	3,572	5,440	5,804	6,567	6,699	6,325	3,131	6,123	5,123

**\$USD Equivalent (Canadian GAAP)**

Net interest income (teb) before Group teb offset	6	(12)	(21)	(27)	(25)	(23)	(24)	(24)	(20)	(54)	(96)	(84)
Group teb offset (1)	(11)	(10)	(12)	(12)	(13)	(11)	(11)	(11)	(9)	(45)	(46)	(31)
Net interest income	(5)	(22)	(33)	(39)	(38)	(34)	(35)	(35)	(29)	(99)	(142)	(115)
Non-interest revenue	(5)	(13)	2	(29)	1	(8)	(6)	13	(5)	(45)	-	(3)
Total revenues	(10)	(35)	(31)	(68)	(37)	(42)	(41)	(22)	(34)	(144)	(142)	(118)
Provision for credit losses	209	412	43	119	44	9	(16)	(20)	(25)	783	17	(84)
Net interest and non-interest revenue	(219)	(447)	(74)	(187)	(81)	(51)	(25)	(2)	(9)	(927)	(159)	(34)
Non-interest expense	(21)	(20)	(6)	(19)	(8)	(9)	4	(4)	2	(62)	(17)	24
Restructuring charge (reversal)	(2)	-	-	-	8	-	-	18	-	(2)	26	-
Total non-interest expense	(23)	(20)	(6)	(19)	-	(9)	4	14	2	(68)	9	24
Income before taxes and non-controlling interest in subsidiaries	(196)	(427)	(68)	(168)	(81)	(42)	(29)	(16)	(11)	(859)	(168)	(58)
Provision for income taxes (teb) before Group teb offset	(60)	(142)	(20)	(60)	(21)	(12)	(3)	1	(3)	(282)	(35)	(44)
Group teb offset (1)	(11)	(10)	(12)	(12)	(13)	(11)	(11)	(11)	(9)	(45)	(46)	(31)
Provision for income taxes	(71)	(152)	(32)	(72)	(34)	(23)	(14)	(10)	(12)	(327)	(81)	(75)
Non-controlling interest in subsidiaries	4	5	4	5	4	5	4	5	4	18	18	18
Net income	(129)	(280)	(40)	(101)	(51)	(24)	(19)	(11)	(3)	(550)	(105)	(1)
Cash net income	(127)	(281)	(38)	(102)	(50)	(25)	(18)	(11)	(2)	(548)	(104)	(1)
Average assets	2,972	2,682	2,693	2,812	4,411	4,418	4,526	4,208	4,028	2,790	4,391	4,260
Average earning assets	1,909	1,708	1,647	1,626	3,278	3,279	3,185	3,446	3,232	1,723	3,298	3,560
Average loans and acceptances	43	43	50	37	45	53	49	77	4	43	56	160
Average deposits	2,724	2,835	3,028	3,577	5,445	5,437	5,743	5,768	5,671	3,040	5,596	4,536

(1) The teb adjustment relates to teb revenue in BMO Capital Markets (75%) and Corporate Services (25%) - approximately.

**NON-INTEREST REVENUE AND TRADING REVENUE**

(\$ millions except as noted)

	2008	2008	2008	2008	2007	2007	2007	2007	2006	Fiscal	Fiscal	Fiscal
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2008	2007	2006
<b>Non-Interest Revenue</b>												
Securities commissions and fees	270	294	270	271	265	299	303	278	247	1,105	1,145	1,051
Deposit and payment service charges	203	190	181	182	183	180	182	183	183	756	728	729
Trading revenues (losses)	435	220	192	(301)	(165)	40	(10)	(352)	90	546	(487)	718
Lending fees	120	116	101	92	105	102	100	99	90	429	406	337
Card fees <sup>(1)</sup>	58	88	78	67	(105)	79	70	63	105	291	107	396
Investment management and custodial fees	87	86	85	81	83	81	81	77	76	339	322	298
Mutual fund revenues	140	151	144	154	148	151	140	137	130	589	576	499
Securitization revenues	167	133	133	80	61	65	83	87	55	513	296	100
Underwriting and advisory fees	66	97	98	92	103	160	159	106	104	353	528	407
Securities gains (losses), other than trading <sup>(2)</sup>	(252)	(75)	14	(2)	148	6	48	44	46	(315)	246	145
Foreign exchange, other than trading	(4)	25	30	29	48	30	33	21	27	80	132	102
Insurance income	52	56	52	62	52	55	77	46	49	222	230	204
Other	58	79	68	5	78	60	58	81	44	210	277	255
<b>Total Non-Interest Revenue</b>	<b>1,400</b>	<b>1,460</b>	<b>1,446</b>	<b>812</b>	<b>1,004</b>	<b>1,308</b>	<b>1,324</b>	<b>870</b>	<b>1,246</b>	<b>5,118</b>	<b>4,506</b>	<b>5,241</b>
<b>Non-interest revenue-to-total revenue</b>	<b>49.8 %</b>	<b>53.2 %</b>	<b>55.2 %</b>	<b>40.1 %</b>	<b>45.7 %</b>	<b>51.2 %</b>	<b>52.4 %</b>	<b>42.1 %</b>	<b>50.6 %</b>	<b>50.2 %</b>	<b>48.2 %</b>	<b>52.5 %</b>

(1) The credit card loan securitization in Q4, 2006 reduced credit card fees and increased securitization revenues by \$35 million in Q1, 2007.

Card fees include a \$185 million adjustment in Q4, 2007 that increased the liability associated with our customer loyalty program.

(2) A gain of \$107 million was recorded from the sale of MasterCard International Inc. shares in Q4, 2007.

**Interest and Non-Interest Trading Revenue**

Interest rates	169	135	107	(235)	(228)	117	62	64	34	176	15	227
Foreign exchange	115	88	87	89	80	70	64	59	57	379	273	204
Equities	99	40	22	(51)	12	59	50	68	34	110	189	173
Commodities	26	(14)	(18)	(12)	(24)	(149)	(170)	(509)	(20)	(18)	(852)	124
Other <sup>(3)</sup>	87	(7)	(22)	(40)	10	(17)	30	19	(1)	18	42	22
<b>Total</b>	<b>496</b>	<b>242</b>	<b>176</b>	<b>(249)</b>	<b>(150)</b>	<b>80</b>	<b>36</b>	<b>(299)</b>	<b>104</b>	<b>665</b>	<b>(333)</b>	<b>750</b>
<b>Reported as:</b>												
Net interest income	61	22	(16)	52	15	40	46	53	14	119	154	32
Non-interest revenue - trading revenues (losses)	435	220	192	(301)	(165)	40	(10)	(352)	90	546	(487)	718
<b>Total</b>	<b>496</b>	<b>242</b>	<b>176</b>	<b>(249)</b>	<b>(150)</b>	<b>80</b>	<b>36</b>	<b>(299)</b>	<b>104</b>	<b>665</b>	<b>(333)</b>	<b>750</b>

(3) Includes the impact of hedging exposures in our structural balance sheet and securitization-related hedges.

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)

	2008	2008	2008	2008	2007	2007	2007	2007	2006	Fiscal	Fiscal	Fiscal
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2008	2007	2006
<b>Non-Interest Expense</b>												
Employee compensation												
Salaries	576	561	517	495	488	498	490	488	482	2,149	1,964	1,903
Performance based compensation	323	353	308	313	285	383	321	286	318	1,297	1,275	1,322
Employee benefits	108	130	155	137	128	143	158	157	134	530	586	599
<b>Total employee compensation</b>	<b>1,007</b>	<b>1,044</b>	<b>980</b>	<b>945</b>	<b>901</b>	<b>1,024</b>	<b>969</b>	<b>931</b>	<b>934</b>	<b>3,976</b>	<b>3,825</b>	<b>3,824</b>
Premises and equipment												
Rental of real estate	72	71	68	68	65	64	63	65	62	279	257	246
Premises, furniture and fixtures	68	66	61	60	63	60	62	57	62	255	242	230
Property taxes	7	5	10	7	6	7	8	7	6	29	28	26
Computer and equipment	228	204	196	191	216	194	187	179	198	819	776	709
<b>Total premises and equipment</b>	<b>375</b>	<b>346</b>	<b>335</b>	<b>326</b>	<b>350</b>	<b>325</b>	<b>320</b>	<b>308</b>	<b>328</b>	<b>1,382</b>	<b>1,303</b>	<b>1,211</b>
Amortization of intangible assets	11	11	10	10	11	11	13	11	11	42	46	44
Other expenses												
Communications	57	50	53	42	36	38	42	33	39	202	149	131
Business and capital taxes	11	20	(1)	12	6	-	17	24	19	42	47	94
Professional fees	113	102	90	79	108	62	67	64	92	384	301	287
Travel and business development	95	87	74	72	92	72	64	59	76	328	287	253
Other	157	122	139	128	127	127	122	108	114	546	484	509
<b>Total other expenses</b>	<b>433</b>	<b>381</b>	<b>355</b>	<b>333</b>	<b>369</b>	<b>299</b>	<b>312</b>	<b>288</b>	<b>340</b>	<b>1,502</b>	<b>1,268</b>	<b>1,274</b>
<b>Non-interest Expense</b>	<b>1,826</b>	<b>1,782</b>	<b>1,680</b>	<b>1,614</b>	<b>1,631</b>	<b>1,659</b>	<b>1,614</b>	<b>1,538</b>	<b>1,613</b>	<b>6,902</b>	<b>6,442</b>	<b>6,353</b>
Restructuring charge (reversal)	(8)	-	-	-	24	-	-	135	-	(8)	159	-
<b>Total Non-Interest Expense</b>	<b>1,818</b>	<b>1,782</b>	<b>1,680</b>	<b>1,614</b>	<b>1,655</b>	<b>1,659</b>	<b>1,614</b>	<b>1,673</b>	<b>1,613</b>	<b>6,894</b>	<b>6,601</b>	<b>6,353</b>

**BALANCE SHEET**

(\$ millions)

	2008	2008	2008	2008	2007	2007	2007	2007	2006	MIX	INC/(DEC)
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q4	VS LAST YEAR
<b>As At Balances</b>											
Cash resources	21,105	22,054	22,237	26,122	22,890	25,041	19,502	22,873	19,608	5.1 %	(1,785) (7.8)%
Securities	100,138	88,875	88,670	89,465	98,277	86,229	82,600	78,112	67,411	24.1 %	1,861 1.9 %
Loans											
Residential mortgages <sup>(1)</sup>	49,343	51,757	52,583	53,224	52,429	62,297	62,908	63,109	63,321	11.9 %	(3,086) (5.9)%
Non-residential mortgages	7,366	7,207	7,162	6,307	5,969	6,085	6,101	5,796	5,536	1.8 %	1,397 23.4 %
Consumer instalment and other personal	43,737	40,292	37,954	34,517	33,189	33,009	31,913	31,474	30,418	10.5 %	10,548 31.8 %
Credit cards	2,120	3,532	4,338	4,685	4,493	4,347	3,899	3,764	3,631	0.5 %	(2,373) (52.8)%
Businesses and governments	76,785	64,754	60,780	59,898	56,681	57,710	54,855	52,312	50,494	18.5 %	20,104 35.5 %
Securities borrowed or purchased under resale agreements	28,033	32,433	33,596	42,937	37,093	34,216	35,063	41,843	31,429	6.6 %	(9,060) (24.4)%
Customers' liability under acceptances	207,384	199,975	196,413	201,568	189,854	197,664	194,739	198,298	184,829	49.8 %	17,530 9.2 %
Allowance for credit losses	9,358	9,834	10,345	11,590	12,389	8,993	9,530	8,252	7,223	2.2 %	(3,031) (24.5)%
	(1,747)	(1,494)	(1,336)	(1,227)	(1,055)	(1,045)	(1,059)	(1,078)	(1,058)	(0.3)%	(692) (65.6)%
<b>Total net loans and acceptances</b>	<b>214,995</b>	<b>208,315</b>	<b>205,422</b>	<b>211,931</b>	<b>201,188</b>	<b>205,612</b>	<b>203,210</b>	<b>205,472</b>	<b>190,994</b>	<b>51.7 %</b>	<b>13,807 6.9 %</b>
Other assets											
Derivative instruments	65,586	43,167	44,557	36,857	32,585	30,030	38,711	37,361	30,411	15.8 %	33,001 101.3 %
Premises and equipment	2,227	2,051	2,024	1,977	1,980	2,015	2,047	2,057	2,047	0.5 %	247 12.5 %
Goodwill	1,635	1,449	1,398	1,189	1,140	1,232	1,252	1,306	1,098	0.4 %	495 43.4 %
Intangible assets	204	189	208	152	124	149	174	207	152	0.0 %	80 64.8 %
Other	10,160	8,947	10,642	9,132	8,340	8,846	9,031	8,103	8,257	2.4 %	1,820 21.8 %
<b>Total Assets</b>	<b>416,050</b>	<b>375,047</b>	<b>375,158</b>	<b>376,825</b>	<b>366,524</b>	<b>359,154</b>	<b>356,527</b>	<b>355,491</b>	<b>319,978</b>	<b>100.0 %</b>	<b>49,526 13.5 %</b>
Deposits											
Banks	30,346	29,988	30,938	34,991	34,100	30,561	28,256	33,811	26,632	7.3 %	(3,754) (11.0)%
Businesses and governments	136,111	131,748	122,707	125,312	121,748	120,757	114,504	104,994	100,848	32.7 %	14,363 11.8 %
Individuals	91,213	86,921	84,935	82,608	76,202	77,709	78,855	78,309	76,368	21.9 %	15,011 19.7 %
<b>Total deposits</b>	<b>257,670</b>	<b>248,657</b>	<b>238,580</b>	<b>242,911</b>	<b>232,050</b>	<b>229,027</b>	<b>221,615</b>	<b>217,114</b>	<b>203,848</b>	<b>61.9 %</b>	<b>25,620 11.0 %</b>
Other liabilities											
Derivative instruments	60,048	36,786	40,347	32,776	33,584	30,543	40,192	38,842	31,446	14.4 %	26,464 78.8 %
Acceptances	9,358	9,834	10,345	11,590	12,389	8,993	9,530	8,252	7,223	2.2 %	(3,031) (24.5)%
Securities sold but not yet purchased	18,792	17,415	20,053	28,393	25,039	28,551	24,692	19,472	15,398	4.5 %	(6,247) (24.9)%
Securities lent or sold under repurchase agreements	32,492	28,148	29,894	28,331	31,263	30,992	31,027	40,965	31,918	7.8 %	1,229 3.9 %
Other	14,071	11,650	13,940	12,478	12,055	10,682	10,055	11,083	10,758	3.4 %	2,016 16.7 %
Subordinated debt	4,315	4,204	4,199	3,446	3,446	3,446	2,395	2,745	2,726	1.0 %	869 25.2 %
Capital trust securities	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	0.3 %	- 0.0 %
Preferred share liability	250	250	250	250	250	450	450	450	450	0.1 %	- 0.0 %
Share capital											
Preferred shares	1,746	1,746	1,446	1,196	1,196	946	946	946	596	0.4 %	550 46.0 %
Common shares	4,708	4,712	4,668	4,452	4,411	4,372	4,326	4,279	4,231	1.1 %	297 6.7 %
Contributed surplus	69	68	67	65	58	56	55	55	49	0.0 %	11 20.4 %
Retained earnings	11,632	11,471	11,327	11,056	11,166	11,158	11,017	10,836	10,974	3.1 %	466 4.2 %
Accumulated other comprehensive loss	(251)	(1,044)	(1,108)	(1,269)	(1,533)	(1,212)	(923)	(698)	(789)	(0.2)%	1,282 83.6 %
<b>Total Liabilities and Shareholders' Equity</b>	<b>416,050</b>	<b>375,047</b>	<b>375,158</b>	<b>376,825</b>	<b>366,524</b>	<b>359,154</b>	<b>356,527</b>	<b>355,491</b>	<b>319,978</b>	<b>100.0 %</b>	<b>49,526 13.5 %</b>

(1) Residential mortgages include both consumer and commercial residential mortgages. The latter is included in the commercial mortgages category in the loan schedules by product and industry.



**BALANCE SHEET**

(\$ millions)

	2008	2008	2008	2008	2007	2007	2007	2007	2006	Fiscal	Fiscal	INC/
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2008	2007	(DEC)
<b>Average Daily Balances</b>												
Cash resources	19,569	25,802	24,056	28,621	32,514	26,276	22,874	22,522	20,732	24,514	26,072	(6.0)%
Securities	88,746	87,295	91,043	97,205	92,314	85,158	80,059	76,191	63,972	91,073	83,458	9.1 %
Loans												
Residential mortgages <sup>(1)</sup>	52,560	52,756	52,789	52,954	56,807	62,513	62,998	63,323	63,356	52,765	61,397	(14.1)%
Non-residential mortgages	7,334	7,139	6,625	6,187	5,969	6,011	6,116	5,668	5,478	6,822	5,939	14.9 %
Consumer instalment and other personal	41,992	39,087	37,002	34,141	33,012	32,253	31,797	31,048	29,922	38,061	32,029	18.8 %
Credit cards	3,691	4,500	4,635	4,784	4,494	4,168	3,737	3,841	5,035	4,402	4,063	8.3 %
Businesses and governments	70,779	63,485	59,802	59,653	56,807	55,322	52,884	50,373	48,636	63,449	53,855	17.8 %
Securities borrowed or purchased under resale agreements	43,823	42,293	46,198	49,968	40,440	36,861	39,046	37,155	34,162	45,567	38,370	18.8 %
	220,179	209,260	207,051	207,687	197,529	197,128	196,578	191,408	186,589	211,066	195,653	7.9 %
Customers' liability under acceptances	10,177	10,283	11,577	11,540	11,571	9,414	8,974	8,188	7,529	10,890	9,541	14.1 %
Allowance for credit losses	(1,574)	(1,348)	(1,252)	(1,066)	(1,010)	(1,025)	(1,069)	(1,069)	(1,098)	(1,310)	(1,041)	25.7 %
Total net loans and acceptances	228,782	218,195	217,376	218,161	208,090	205,517	204,483	198,527	193,020	220,646	204,153	8.1 %
Other assets												
Derivative instruments	54,519	51,657	45,672	34,304	31,088	37,474	38,526	35,078	31,318	46,543	35,517	31.0 %
Other	17,443	12,924	15,922	13,068	11,879	10,910	11,602	11,117	11,001	14,833	11,375	30.4 %
Total Assets	409,059	395,873	394,069	391,359	375,885	365,335	357,544	343,435	320,043	397,609	360,575	10.3 %
Deposits												
Banks	31,427	33,267	33,828	39,925	38,232	29,832	32,179	29,064	25,899	34,616	32,326	7.1 %
Businesses and governments	131,233	129,927	127,887	129,571	127,403	117,180	108,084	106,614	100,947	129,664	114,876	12.9 %
Individuals	87,994	85,342	82,936	79,541	76,360	77,188	77,958	77,212	75,278	83,959	77,174	8.8 %
Total deposits	250,654	248,536	244,651	249,037	241,995	224,200	218,221	212,890	202,124	248,239	224,376	10.6 %
Other liabilities												
Derivative instruments	50,365	46,789	41,945	33,907	31,995	38,825	39,873	36,961	31,935	43,258	36,889	17.3 %
Other	85,542	78,595	86,880	88,147	81,712	82,464	79,503	73,975	66,983	84,780	79,413	5.0 %
Subordinated debt	4,199	4,196	3,643	3,446	3,446	2,930	2,630	2,740	2,724	3,872	2,939	31.8 %
Capital trust securities	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	0.0 %
Preferred share liability	250	250	250	250	317	450	450	450	450	250	417	(40.0)%
Shareholders' equity	16,899	16,357	15,550	15,422	15,270	15,316	15,717	15,269	14,677	16,060	15,391	4.3 %
Total Liabilities and Shareholders' Equity	409,059	395,873	394,069	391,359	375,885	365,335	357,544	343,435	320,043	397,609	360,575	10.3 %

(1) Residential mortgages include both consumer and commercial residential mortgages. The latter is included in the commercial mortgages category in the loan schedules by product and industry.

**STATEMENT OF CHANGES IN  
SHAREHOLDERS' EQUITY**

(\$ millions)

2008 2008 2008 2008 2007 2007 2007 2007 2006 Fiscal Fiscal Fiscal  
Q4 Q3 Q2 Q1 Q4 Q3 Q2 Q1 Q4 2008 2007 2006

<b>Preferred Shares</b>												
Balance at beginning of period	1,746	1,446	1,196	1,196	946	946	946	596	596	1,196	596	596
Issued during the period	-	300	250	-	250	-	-	350	-	550	600	-
Balance at End of Period	1,746	1,746	1,446	1,196	1,196	946	946	946	596	1,746	1,196	596
<b>Common Shares</b>												
Balance at beginning of period	4,712	4,668	4,452	4,411	4,372	4,326	4,279	4,231	4,169	4,411	4,231	4,022
Issued under the Shareholder Dividend Reinvestment and Share Purchase Plan	35	32	27	28	28	30	27	28	27	122	113	89
Issued under the Stock Option Plan	26	12	9	13	23	41	39	29	43	60	132	169
Issued on the exchange of shares of a subsidiary corporation	-	-	-	-	-	-	-	1	-	-	1	-
Issued on the acquisition of a business	-	-	180	-	-	-	-	-	-	180	-	-
Repurchased for cancellation	-	-	-	-	(12)	(25)	(19)	(10)	(8)	-	(66)	(49)
Balance at End of Period	4,773	4,712	4,668	4,452	4,411	4,372	4,326	4,279	4,231	4,773	4,411	4,231
<b>Treasury Shares</b>												
	(65)	-	-	-	-	-	-	-	-	(65)	-	-
<b>Contributed Surplus</b>												
Balance at beginning of period	68	67	65	58	56	55	55	49	47	58	49	35
Stock option expense	1	1	2	7	2	1	-	6	2	11	9	14
Balance at End of Period	69	68	67	65	58	56	55	55	49	69	58	49
<b>Retained Earnings</b>												
Balance at beginning of period	11,471	11,327	11,056	11,166	11,158	11,017	10,836	10,974	10,653	11,166	10,974	9,801
Cumulative impact of adopting new accounting requirements for financial instruments, net of income taxes	-	-	-	-	-	-	-	(71)	-	-	(71)	-
Net income	560	521	642	255	452	660	671	348	696	1,978	2,131	2,663
Dividends - Preferred shares	(25)	(19)	(14)	(15)	(12)	(9)	(13)	(9)	(8)	(73)	(43)	(30)
- Common shares	(355)	(353)	(352)	(350)	(348)	(340)	(340)	(325)	(311)	(1,410)	(1,353)	(1,133)
Common shares repurchased for cancellation	-	-	-	-	(79)	(170)	(137)	(72)	(56)	-	(458)	(327)
Share issue expense	-	(5)	(5)	-	(5)	-	-	(9)	-	(10)	(14)	-
Net discount on treasury shares	(19)	-	-	-	-	-	-	-	-	(19)	-	-
Balance at End of Period	11,632	11,471	11,327	11,056	11,166	11,158	11,017	10,836	10,974	11,632	11,166	10,974
<b>Accumulated Other Comprehensive Income (Loss) on Available-for-Sale Securities</b>												
Balance at beginning of period	59	110	33	35	(52)	7	5	-	-	35	-	-
Impact of remeasuring available-for-sale securities to market value on November 1, 2006 net of income taxes	-	-	-	-	-	-	-	3	-	-	3	-
Unrealized gains (losses) on available-for-sale securities arising during the period net of income taxes	(226)	(89)	60	(25)	80	(73)	1	7	-	(280)	15	-
Reclassification to earnings of realized losses (gains) in the period net of income taxes	93	38	17	23	7	14	1	(5)	-	171	17	-
Balance at End of Period	(74)	59	110	33	35	(52)	7	5	-	(74)	35	-
<b>Accumulated Other Comprehensive Income (Loss) on Cash Flow Hedges</b>												
Balance at beginning of period	28	(22)	(102)	(166)	(205)	(95)	(96)	-	-	(166)	-	-
Impact of new cash flow hedge accounting rules on November 1, 2006 net of income taxes	-	-	-	-	-	-	-	(51)	-	-	(51)	-
Gains (losses) on cash flow hedges arising during the period net of income taxes	222	37	77	27	28	(109)	1	(48)	-	363	(128)	-
Reclassification to earnings of losses (gains) on cash flow hedges net of income taxes	8	13	3	37	11	(1)	-	3	-	61	13	-
Balance at End of Period	258	28	(22)	(102)	(166)	(205)	(95)	(96)	-	258	(166)	-
<b>Accumulated Other Comprehensive Loss on Translation of Net Foreign Operations</b>												
Balance at beginning of period	(1,131)	(1,196)	(1,200)	(1,402)	(955)	(835)	(607)	(789)	(762)	(1,402)	(789)	(612)
Unrealized gain (loss) on translation of net foreign operations	1,926	182	26	592	(1,196)	(375)	(619)	493	(72)	2,726	(1,697)	(472)
Impact of hedging unrealized gain (loss) on translation of net foreign operations net of income taxes	(1,230)	(117)	(22)	(390)	749	255	391	(311)	45	(1,759)	1,084	295
Balance at End of Period	(435)	(1,131)	(1,196)	(1,200)	(1,402)	(955)	(835)	(607)	(789)	(435)	(1,402)	(789)
<b>Total Accumulated Other Comprehensive Loss</b>	<b>(251)</b>	<b>(1,044)</b>	<b>(1,108)</b>	<b>(1,269)</b>	<b>(1,533)</b>	<b>(1,212)</b>	<b>(923)</b>	<b>(698)</b>	<b>(789)</b>	<b>(251)</b>	<b>(1,533)</b>	<b>(789)</b>
<b>Total Shareholders' Equity</b>	<b>17,904</b>	<b>16,953</b>	<b>16,400</b>	<b>15,500</b>	<b>15,298</b>	<b>15,320</b>	<b>15,421</b>	<b>15,418</b>	<b>15,061</b>	<b>17,904</b>	<b>15,298</b>	<b>15,061</b>

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

	2008	2008	2008	2008	2007	2007	2007	2007	2006	Fiscal	Fiscal	Fiscal
(\$ millions)	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2008	2007	2006
<b>Personal &amp; Commercial Banking</b>												
Canada	127,907	126,294	124,295	123,049	121,360	119,644	117,335	116,608	115,834	125,391	118,748	113,901
United States	30,438	27,538	25,481	24,206	22,159	23,454	24,830	23,509	22,123	26,924	23,477	21,890
Other	367	384	399	337	346	356	442	520	484	372	416	463
<b>Total</b>	<b>158,712</b>	<b>154,216</b>	<b>150,175</b>	<b>147,592</b>	<b>143,865</b>	<b>143,454</b>	<b>142,607</b>	<b>140,637</b>	<b>138,441</b>	<b>152,687</b>	<b>142,641</b>	<b>136,254</b>
<b>Private Client Group</b>												
Canada	6,085	5,847	5,630	5,544	5,270	4,784	4,509	4,576	4,406	5,778	4,787	4,160
United States	2,635	2,332	2,315	2,256	2,206	2,244	2,370	2,379	2,297	2,385	2,299	2,379
Other	82	82	79	55	4	5	5	5	5	74	5	6
<b>Total</b>	<b>8,802</b>	<b>8,261</b>	<b>8,024</b>	<b>7,855</b>	<b>7,480</b>	<b>7,033</b>	<b>6,884</b>	<b>6,960</b>	<b>6,708</b>	<b>8,237</b>	<b>7,091</b>	<b>6,545</b>
<b>BMO Capital Markets</b>												
Canada	110,972	100,585	102,618	107,579	106,539	97,569	88,200	84,000	74,088	105,454	94,125	74,284
United States	97,608	99,388	97,920	93,318	81,125	80,970	83,165	77,143	68,894	97,054	80,580	61,220
Other	30,800	31,292	31,274	32,093	32,568	32,295	33,046	31,629	28,017	31,365	32,379	26,307
<b>Total</b>	<b>239,380</b>	<b>231,265</b>	<b>231,812</b>	<b>232,990</b>	<b>220,232</b>	<b>210,834</b>	<b>204,411</b>	<b>192,772</b>	<b>170,999</b>	<b>233,873</b>	<b>207,084</b>	<b>161,811</b>
<b>Corporate Services, including Technology and Operations</b>												
Canada	(1,228)	(622)	1,314	54	(163)	(757)	(1,586)	(1,867)	(643)	(128)	(1,088)	(416)
United States	3,354	2,714	2,711	2,807	4,404	4,716	5,182	4,888	4,491	2,897	4,794	4,828
Other	39	39	33	61	67	55	46	45	47	43	53	109
<b>Total</b>	<b>2,165</b>	<b>2,131</b>	<b>4,058</b>	<b>2,922</b>	<b>4,308</b>	<b>4,014</b>	<b>3,642</b>	<b>3,066</b>	<b>3,895</b>	<b>2,812</b>	<b>3,759</b>	<b>4,521</b>
<b>Total Consolidated</b>												
Canada	243,736	232,104	233,857	236,226	233,006	221,240	208,458	203,317	193,685	236,495	216,572	191,929
United States	134,035	131,972	128,427	122,587	109,894	111,384	115,547	107,919	97,805	129,260	111,150	90,317
Other	31,288	31,797	31,785	32,546	32,985	32,711	33,539	32,199	28,553	31,854	32,853	26,885
<b>Total</b>	<b>409,059</b>	<b>395,873</b>	<b>394,069</b>	<b>391,359</b>	<b>375,885</b>	<b>365,335</b>	<b>357,544</b>	<b>343,435</b>	<b>320,043</b>	<b>397,609</b>	<b>360,575</b>	<b>309,131</b>

**ASSET SECURITIZATION**

(\$ millions)

**Securitized Balances**

	2008	2008	2008	2008	2007	2007	2007	2007	2006	Fiscal	Fiscal	Fiscal
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2008	2007	2006
Credit card loans	4,719	3,097	2,050	1,500	1,500	1,500	1,750	1,750	1,750	4,719	1,500	1,750
Residential mortgages in Bank-sponsored conduits	4,895	4,893	4,926	4,937	4,925	4,875	4,897	4,921	4,917	4,895	4,925	4,917
Residential mortgages securitized with third parties	13,926	10,517	9,601	7,927	7,766	7,550	6,853	6,726	6,092	13,926	7,766	6,092
Consumer instalment and other personal loans	-	-	-	-	-	-	-	3	10	-	-	10
<b>Total</b>	<b>23,540</b>	<b>18,507</b>	<b>16,577</b>	<b>14,364</b>	<b>14,191</b>	<b>13,925</b>	<b>13,500</b>	<b>13,400</b>	<b>12,769</b>	<b>23,540</b>	<b>14,191</b>	<b>12,769</b>

**Impact of Securitization on Net Income before Income Taxes**

Net interest income <sup>(1)</sup>	(92)	(57)	(45)	(40)	(36)	(37)	(45)	(41)	(16)	(234)	(159)	(64)
Non-interest income <sup>(2)</sup>	85	78	99	40	23	20	39	44	47	302	126	74
Provision for credit losses <sup>(3)</sup>	22	13	9	8	9	9	10	8	1	52	36	9
<b>Pre Tax Income</b>	<b>15</b>	<b>34</b>	<b>63</b>	<b>8</b>	<b>(4)</b>	<b>(8)</b>	<b>4</b>	<b>11</b>	<b>32</b>	<b>120</b>	<b>3</b>	<b>19</b>

**Securitization Revenues (Non-Interest Revenue)**
*Below is a more detailed breakdown of the Securitization Revenues shown on the Non-Interest Revenue schedule*

Credit card loans	135	91	64	56	55	60	60	64	34	346	239	58
Residential mortgages	32	42	69	24	10	2	19	21	15	167	52	29
Consumer instalment and other personal loans	-	-	-	-	(4)	3	4	2	6	-	5	13
<b>Total Securitization Revenues</b>	<b>167</b>	<b>133</b>	<b>133</b>	<b>80</b>	<b>61</b>	<b>65</b>	<b>83</b>	<b>87</b>	<b>55</b>	<b>513</b>	<b>296</b>	<b>100</b>

**MORTGAGE-BACKED SECURITIES RETAINED**
**(On Balance Sheet)**

(\$ millions)

**Mortgage-backed Securities Retained <sup>(4)</sup>**

Outstanding at end of period	9,544	9,147	8,403	8,617	8,902	-	-	-	-	9,544	8,902	-
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<sup>(1)</sup> Represents the reduction in the net interest income reported by the Bank as a result of removing the assets from the Balance Sheet.

<sup>(2)</sup> Represents the impact on non-interest revenue of securitization revenues received net of a reduction in card fees as a result of removing the assets from the Balance Sheet.

<sup>(3)</sup> Represents the improvement in provision for credit losses as a result of securitizing the assets.

<sup>(4)</sup> Comprised of Canadian Government-insured residential mortgages and reported as available-for-sale securities in the Consolidated Balance Sheet.

**BASEL II REGULATORY CAPITAL & RISK-WEIGHTED ASSETS<sup>(1)</sup>**

(\$ millions except as noted)

	2008 Q4	2008 Q3	2008 Q2	2008 Q1
<b>Qualifying Regulatory Capital</b>				
Common shareholders' equity	15,974	15,120	14,866	14,373
Non-cumulative preferred shares	1,996	1,996	1,696	1,446
Innovative Tier 1 Capital Instruments	2,486	2,442	2,438	2,437
Non-controlling interest in subsidiaries	39	37	31	30
Goodwill and excess intangible assets	(1,635)	(1,449)	(1,398)	(1,189)
Accumulated net after tax unrealized losses from Available-For-Sale Equity Securities	(15)	-	-	-
<b>Net Tier 1 Capital</b>	<b>18,845</b>	<b>18,146</b>	<b>17,633</b>	<b>17,097</b>
Securitization-related deductions	(115)	(96)	(81)	(75)
Expected loss in excess of allowance - AIRB approach <sup>(2)</sup>	-	-	-	(8)
Other deductions	(1)	(3)	(1)	(3)
<b>Adjusted Tier 1 Capital</b>	<b>18,729</b>	<b>18,047</b>	<b>17,551</b>	<b>17,011</b>
Subordinated debt	4,175	4,065	4,060	3,157
Trust subordinated notes	800	800	800	800
Accumulated net after tax unrealized gain from Available-For-Sale Equity Securities	-	7	7	10
Eligible general allowance for credit losses	494	293	268	222
<b>Total Tier 2 Capital</b>	<b>5,469</b>	<b>5,165</b>	<b>5,135</b>	<b>4,189</b>
Securitization-related deductions	(6)	(10)	(12)	(23)
Expected loss in excess of allowance - AIRB approach <sup>(2)</sup>	-	-	-	(8)
Investment in non-consolidated subsidiaries / substantial investments <sup>(3)</sup>	(871)	(799)	(998)	(962)
Other deductions	-	(3)	(1)	(4)
<b>Adjusted Tier 2 Capital</b>	<b>4,592</b>	<b>4,353</b>	<b>4,124</b>	<b>3,192</b>
<b>Total Capital</b>	<b>23,321</b>	<b>22,400</b>	<b>21,675</b>	<b>20,203</b>

- (1) As per the Basel II guidelines issued by OSFI. Basel I and II calculations are not comparable.
- (2) When expected losses as calculated under the AIRB approach exceed total provisions, 50% of the difference is deducted from Tier 1 capital and from Tier 2 capital. When the expected losses are below total provisions, the difference is added to Tier 2 capital.
- (3) Under Basel II transitional rules, 100% of substantial investments and investments in insurance subsidiaries held prior to January 1, 2007 are deducted from Tier 2 capital. These items will be deducted 50% from Tier 1 capital and 50% from Tier 2 capital, beginning in F2009 for substantial investments and F2012 for investments in insurance subsidiaries.
- (4) The scaling factor is applied to the risk-weighted asset amounts for credit risk under the AIRB approach.
- (5) Standardized market risk is comprised of interest rate issuer risk.
- (6) The Bank is subject to a regulatory capital floor determined using transition rules prescribed by the Office of the Superintendent of Financial Institutions.
- (7) Calculated using Basel II.
- (8) Calculated using Basel I guidelines currently in effect for U.S. regulatory purposes and based on Harris N.A.'s calendar quarter-ends.

Risk-Weighted Assets (RWA)	Exposure at Default (EAD)	Q4 2008			Q3 2008	Q2 2008	Q1 2008
		RWA			RWA	RWA	RWA
		Standardized approach	Advanced approach	Total	Total	Total	Total
(\$ millions except as noted)							
Credit Risk							
Corporate							
Corporate including specialized lending	130,758	15,957	47,306	63,263	53,744	57,294	
Corporate small and medium enterprises (SMEs)	46,521	9,837	21,015	30,852	28,738	27,666	
Sovereign	35,351	-	382	382	535	880	
Bank	63,406	442	6,465	6,907	7,150	7,684	
Retail							
Residential mortgages excluding home equity line of credits (HELOCs)	47,821	3,908	1,058	4,966	3,194	3,069	
HELOCs	25,922	3,338	966	4,304	2,131	1,889	
Qualifying revolving retail (QRR)	24,225	-	2,263	2,263	2,773	3,052	
Other retail (excl. SMEs)	18,861	5,007	4,210	9,217	9,882	9,317	
Retail SMEs	2,586	-	920	920	911	912	
Equity	1,518	-	1,282	1,282	1,246	1,387	
Trading book	66,304	-	11,759	11,759	10,027	10,509	
Securitization	50,015	-	6,717	6,717	8,178	8,867	
Other credit risk assets - non-counterparty managed assets	84,177	-	14,524	14,524	12,165	13,191	
Scaling factor for credit risk assets under AIRB <sup>(4)</sup>	-	-	6,260	6,260	5,861	6,123	
<b>Total Credit Risk</b>	<b>597,465</b>	<b>38,489</b>	<b>125,127</b>	<b>163,616</b>	<b>146,535</b>	<b>151,840</b>	
Market Risk <sup>(5)</sup>		3,497	7,796	11,293	16,207	18,206	
Operational Risk		16,699	-	16,699	16,426	15,990	
<b>Total Risk-Weighted Assets</b>		<b>58,685</b>	<b>132,923</b>	<b>191,608</b>	<b>179,168</b>	<b>186,036</b>	
Regulatory Floor <sup>(6)</sup>					3,090	216	
<b>Total Transitional Risk-Weighted Assets</b>				<b>191,608</b>	<b>182,258</b>	<b>186,252</b>	

Capital Ratios	2008	2008	2008	2008
	Q4	Q3	Q2	Q1
Tier 1 ratio	9.77%	9.90%	9.42%	9.48%
Total capital ratio	12.17%	12.29%	11.64%	11.26%
Tangible common equity-to-risk-weighted assets	7.47%	7.44%	7.17%	7.22%
Assets to Capital Multiple	16.42	15.87	16.22	18.39
<b>Capital Ratios for Significant Bank Subsidiaries</b>				
Bank of Montreal Mortgage Corporation <sup>(7)</sup>				
Tier 1 ratio	20.29%	21.59%	24.56%	26.65%
Total capital ratio	21.52%	22.86%	26.10%	26.36%
Harris N.A. <sup>(8)</sup>				
Tier 1 ratio	10.71%	10.65%	10.72%	10.66%
Total capital ratio	12.81%	12.78%	12.69%	12.66%

**BASEL I CAPITAL AND RISK-WEIGHTED ASSETS <sup>(1)</sup>**

(\$ millions except as noted)

**Qualifying Capital**

	2008	2008	2008	2008	2007	2007	2007	2007	2006	MIX	INC/(DEC)	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q4	VS LAST YEAR	
Common shareholders' equity	15,974	15,120	14,866	14,373	14,233	14,631	14,563	14,563	14,465	66.1 %	1,741	12.2 %
Non-cumulative preferred shares	1,996	1,996	1,696	1,446	1,446	1,196	1,396	1,396	1,046	8.3 %	550	38.0 %
Innovative Tier 1 Capital instruments <sup>(2)</sup>	2,486	2,442	2,438	2,437	2,422	2,192	2,192	2,192	2,192	10.3 %	64	2.6 %
Non-controlling interest in subsidiary	39	37	31	30	33	33	33	36	36	0.2 %	6	18.2 %
Goodwill and excess intangible assets	(1,635)	(1,449)	(1,398)	(1,189)	(1,140)	(1,232)	(1,252)	(1,306)	(1,098)	(6.8)%	(495)	(43.4)%
Accumulated net after tax unrealized losses from Available-For-Sale Equity Securities	(15)	-	-	-	-	-	-	-	-	66.0 %	(15)	0.0 %
<b>Total tier 1 capital</b>	<b>18,845</b>	<b>18,146</b>	<b>17,633</b>	<b>17,097</b>	<b>16,994</b>	<b>16,820</b>	<b>16,932</b>	<b>16,881</b>	<b>16,641</b>	<b>78.0 %</b>	<b>1,851</b>	<b>10.9 %</b>
Preferred shares of a subsidiary <sup>(2)</sup>	-	-	-	-	-	260	270	287	273	0.0 %	-	0.0 %
Subordinated debt	4,175	4,065	4,060	3,157	3,335	3,334	2,284	2,278	2,306	17.3 %	840	25.2 %
Trust subordinated notes	800	800	800	800	800	-	-	-	-	3.3 %	-	-
Accumulated net after tax unrealized gains from Available-For-Sale Equity Securities	-	7	7	10	26	11	12	16	-	0.0 %	(26)	(1)
General allowance for credit losses <sup>(3)</sup>	1,321	1,068	1,011	977	898	888	901	922	905	5.5 %	423	47.1 %
<b>Total tier 2 capital</b>	<b>6,296</b>	<b>5,940</b>	<b>5,878</b>	<b>4,944</b>	<b>5,059</b>	<b>4,493</b>	<b>3,467</b>	<b>3,503</b>	<b>3,484</b>	<b>26.1 %</b>	<b>1,237</b>	<b>24.5 %</b>
<b>Total tier 1 and tier 2 capital</b>	<b>25,141</b>	<b>24,086</b>	<b>23,511</b>	<b>22,041</b>	<b>22,053</b>	<b>21,313</b>	<b>20,399</b>	<b>20,384</b>	<b>20,125</b>	<b>104.1 %</b>	<b>3,088</b>	<b>14.0 %</b>
Less : First loss protection	110	95	114	91	85	94	97	46	44	(0.5)%	25	29.4 %
Less : Investment in non-consolidated subsidiaries/substantial investments & other deductions	876	812	998	995	994	981	979	967	937	(3.6)%	(118)	(11.9)%
<b>Total Capital</b>	<b>24,155</b>	<b>23,179</b>	<b>22,399</b>	<b>20,955</b>	<b>20,974</b>	<b>20,238</b>	<b>19,323</b>	<b>19,371</b>	<b>19,144</b>	<b>100.0 %</b>	<b>3,181</b>	<b>15.2 %</b>

**Risk-Weighted Assets**

<b>Balance Sheet Items:</b>												
Cash resources	3,036	4,216	4,171	5,045	4,324	4,813	3,699	4,384	3,747	1.5 %	(1,288)	(29.8)%
Securities	6,749	4,473	4,491	5,543	5,236	5,240	5,101	5,269	4,324	3.4 %	1,513	28.9 %
Mortgages	19,440	19,606	18,240	18,042	16,652	21,248	26,747	26,330	25,625	9.7 %	2,788	16.7 %
Other loans and acceptances	110,285	100,776	100,891	100,848	96,661	95,022	91,193	87,761	84,299	55.0 %	13,624	14.1 %
Other assets	8,716	7,459	8,898	7,822	7,706	8,006	8,032	7,298	6,986	4.4 %	1,010	13.1 %
<b>Total</b>	<b>148,226</b>	<b>136,530</b>	<b>136,691</b>	<b>137,300</b>	<b>130,579</b>	<b>134,329</b>	<b>134,772</b>	<b>131,042</b>	<b>124,981</b>	<b>74.0 %</b>	<b>17,647</b>	<b>13.5 %</b>
<b>Off-Balance Sheet:</b>												
Guarantees and standby letters of credit	8,656	8,526	8,506	8,118	7,386	8,066	8,103	8,164	7,749	4.3 %	1,270	17.2 %
Securities lending	67	122	88	170	59	71	60	83	21	0.0 %	8	13.6 %
Commitments	18,507	17,703	17,784	17,000	16,597	14,877	15,151	15,110	13,543	9.3 %	1,910	11.5 %
Derivative instruments	14,437	13,586	14,739	9,492	8,913	7,950	7,982	7,695	7,542	7.2 %	5,524	62.0 %
<b>Total</b>	<b>41,667</b>	<b>39,937</b>	<b>41,117</b>	<b>34,780</b>	<b>32,955</b>	<b>30,964</b>	<b>31,296</b>	<b>31,052</b>	<b>28,855</b>	<b>20.8 %</b>	<b>8,712</b>	<b>26.4 %</b>
<b>Total risk-weighted assets - credit risk</b>	<b>189,893</b>	<b>176,467</b>	<b>177,808</b>	<b>172,080</b>	<b>163,534</b>	<b>165,293</b>	<b>166,068</b>	<b>162,094</b>	<b>153,836</b>	<b>94.8 %</b>	<b>26,359</b>	<b>16.1 %</b>
<b>Total risk-weighted assets - market risk</b>	<b>10,471</b>	<b>15,524</b>	<b>17,488</b>	<b>16,827</b>	<b>15,153</b>	<b>15,677</b>	<b>9,081</b>	<b>10,885</b>	<b>8,958</b>	<b>5.2 %</b>	<b>(4,682)</b>	<b>(30.9)%</b>
<b>Total</b>	<b>200,364</b>	<b>191,991</b>	<b>195,296</b>	<b>188,907</b>	<b>178,687</b>	<b>180,970</b>	<b>175,149</b>	<b>172,979</b>	<b>162,794</b>	<b>100.0 %</b>	<b>21,677</b>	<b>12.1 %</b>
Tangible common equity-to-risk weighted assets	7.15%	7.07%	6.84%	6.86%	7.18%	7.18%	7.45%	7.49%	8.12%			

**Risk-Weighted Capital Ratios**

Tier 1	9.41 %	9.45 %	9.03 %	9.05 %	9.51 %	9.29 %	9.67 %	9.76 %	10.22 %		-10 BP
<b>Total</b>	<b>12.06 %</b>	<b>12.07 %</b>	<b>11.47 %</b>	<b>11.09 %</b>	<b>11.74 %</b>	<b>11.18 %</b>	<b>11.03 %</b>	<b>11.20 %</b>	<b>11.76 %</b>		<b>32 BP</b>

(1) Basel I regulatory capital and RWA shown for comparison purposes only.

(2) In Q4 2007, OSFI approved the reclassification of preferred shares issued by a subsidiary from tier 2 capital to innovative tier 1 capital under a new OSFI Advisory released in Q3 2007.

(3) Under Basel I, OSFI permits the inclusion of the lesser of the balance of the general allowance and 0.875% of risk-weighted assets.

**GOODWILL AND  
INTANGIBLE ASSETS**

(\$ millions)	November 1	Additions/Purchases				Amortization				Other: Includes FX <sup>(1)</sup>				October 31
	2007	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2008
<b>Intangible Assets</b>														
Customer relationships	12	30	-	(13)	-	(1)	(1)	(1)	(1)	1	-	2	-	28
Core deposit intangibles	75	-	63	-	-	(5)	(6)	(7)	(7)	4	2	3	21	143
Branch distribution networks	34	-	-	-	-	(3)	(2)	(3)	(2)	3	-	-	5	32
Other	3	-	-	-	-	(1)	(1)	-	(1)	-	1	-	-	1
<b>Total Intangible Assets</b>	<b>124</b>	<b>30</b>	<b>63</b>	<b>(13)</b>	<b>-</b>	<b>(10)</b>	<b>(10)</b>	<b>(11)</b>	<b>(11)</b>	<b>8</b>	<b>3</b>	<b>5</b>	<b>26</b>	<b>204</b>

<b>Goodwill</b>														
Harris Bankcorp, Inc. and subsidiaries	160	-	-	-	-	-	-	-	-	10	-	3	31	204
First National Bank of Joliet	96	-	-	-	-	-	-	-	-	5	1	2	18	122
Bank of Montreal Securities Canada Limited	129	-	-	-	-	-	-	-	-	-	-	-	-	129
Moneris Solutions Corporation	59	-	-	-	-	-	-	-	-	-	1	-	2	62
Guardian Group of Funds Ltd.	187	-	-	-	-	-	-	-	-	-	-	-	-	187
myCFO	27	-	-	-	-	-	-	-	-	1	-	1	5	34
Gerard Klauer Mattison	33	-	-	-	-	-	-	-	-	1	1	-	6	41
Lakeland Community Bank	19	-	-	-	-	-	-	-	-	2	-	-	4	25
New Lenox State Bank	137	-	-	-	-	-	-	-	-	9	-	3	26	175
Mercantile Bancorp, Inc.	69	-	-	-	-	-	-	-	-	5	-	1	13	88
Villa Park Trust and Savings Bank	37	-	-	-	-	-	-	-	-	2	-	1	7	47
First National Bank	140	-	-	-	-	-	-	-	-	8	2	2	27	179
bcpbank Canada	13	-	-	-	-	-	-	-	-	(2)	-	-	-	11
Pyrford International	-	6	1	13	-	-	-	-	-	-	-	-	(1)	19
Merchants & Manufacturers	-	-	79	11	10	-	-	-	-	-	1	3	17	121
Ozaukee	-	-	122	1	(3)	-	-	-	-	-	3	2	22	147
GKST	-	-	-	8	-	-	-	-	-	-	-	-	2	10
Other	34	2	(2)	-	-	-	-	-	-	-	-	-	-	34
<b>Total Goodwill</b>	<b>1,140</b>	<b>8</b>	<b>200</b>	<b>33</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41</b>	<b>9</b>	<b>18</b>	<b>179</b>	<b>1,635</b>

(1) 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.

<b>UNREALIZED GAINS (LOSSES) ON SECURITIES, OTHER THAN TRADING</b>	<b>Book Value</b>					<b>Unrealized Gains (Losses)</b>					
	2008	2008	2008	2008	2008	2008	2007	2007	2007	2007	2006
(\$ millions)	Q4	Q3	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Securities, Other Than Trading											
Canadian governments	3,554	633	30	-	-	-	-	(1)	-	-	-
U.S. governments	10,363	7,969	32	23	84	49	8	(69)	(6)	(8)	(29)
Mortgage-backed securities - Canada <sup>(2)</sup>	11,043	9,147	87	141	137	49	20	-	-	-	-
- U.S.	875	841	3	(2)	8	-	(6)	(12)	(7)	(22)	(10)
Corporate debt <sup>(3) (4)</sup>	5,641	4,292	(255)	(58)	(16)	(25)	(3)	(5)	7	11	3
Corporate equity <sup>(3) (4) (5)</sup>	2,520	2,250	(19)	13	9	16	26	158	119	134	90
Other governments	110	115	1	1	3	-	-	(1)	-	-	1
<b>Total Securities, Other Than Trading</b>	<b>34,106</b>	<b>25,247</b>	<b>(121)</b>	<b>118</b>	<b>225</b>	<b>89</b>	<b>45</b>	<b>70</b>	<b>113</b>	<b>115</b>	<b>55</b>
Fair Value under (over) Book Value of Hedging Derivatives	-	-	-	-	-	-	-	-	-	7	(14)
<b>Unrealized Gains (Losses) Net of Fair Value of Hedging Derivatives</b>	<b>n.a.</b>	<b>n.a.</b>	<b>(121)</b>	<b>118</b>	<b>225</b>	<b>89</b>	<b>45</b>	<b>70</b>	<b>113</b>	<b>122</b>	<b>41</b>

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

(3) Corporate debt and corporate equity include merchant banking investments, which have been recorded at fair value since November 1, 2004, when we adopted new accounting rules applicable to our merchant banking subsidiaries.

(4) Included in unrealized gains (losses) are losses of \$169 million in corporate debt and \$14 million in corporate equity related to securities transferred from trading effective August 1, 2008.

(5) Excluded from corporate equity are unrealized gains of \$74 million and \$7 million related to our investments in Visa Inc. and MasterCard International Inc., respectively for the quarter ended October 31, 2008

(unrealized gains of \$75 million and \$9 million related to our investments in Visa Inc. and MasterCard International Inc., respectively for the quarter ended July 31, 2008, unrealized gains of \$84 million and \$12 million related to our investments in Visa Inc. and MasterCard International Inc., respectively for the quarter ended April 30, 2008). These amounts are not included because the sale of those shares is restricted.

	As at October 31, 2008				As at July 31, 2008				As at April 30, 2008				As at January 31, 2008			
DERIVATIVE INSTRUMENTS	Notional		Credit risk	BASEL II	Notional		Credit risk	BASEL II	Notional		Credit risk	BASEL II	Notional		Credit risk	BASEL II
(\$ millions)	Amount	Replacement Cost	Equivalent	Risk-weighted Balance (1)	Amount	Replacement Cost	Equivalent	Risk-weighted Balance (1)	Amount	Replacement Cost	Equivalent	Risk-weighted Balance (1)	Amount	Replacement Cost	Equivalent	Risk-weighted Balance (1)
<b>Interest Rate Contracts</b>																
Over-the-counter																
Swaps	1,484,598	27,240	34,264		1,316,326	16,209	23,126		1,276,764	17,608	23,988		1,200,921	14,930	21,156	
Forward rate agreements	217,072	165	180		164,181	36	61		54,446	22	38		30,426	22	22	
Purchased options	83,497	1,714	2,057		77,860	1,241	1,559		76,237	1,354	1,682		86,919	1,537	1,866	
Written options	103,492	-	-		100,556	-	-		105,937	-	-		142,006	-	-	
	1,888,659	29,119	36,501	3,921	1,658,923	17,486	24,746	1,790	1,513,384	18,984	25,708	2,633	1,460,272	16,489	23,044	2,801
Exchange traded																
Futures	76,215	-	-		61,449	-	-		85,330	-	-		83,037	-	-	
Purchased options	70,356	-	-		78,158	-	-		50,108	-	-		64,950	-	-	
Written options	58,288	-	-		68,636	-	-		45,876	-	-		55,072	-	-	
	204,859	-	-		208,243	-	-		181,314	-	-		203,059	-	-	
<b>Total Interest Rate Contracts</b>	2,093,518	29,119	36,501	3,921	1,867,166	17,486	24,746	1,790	1,694,698	18,984	25,708	2,633	1,663,331	16,489	23,044	2,801
<b>Foreign Exchange Contracts</b>																
Over-the-counter																
Cross-currency swaps	13,681	1,212	2,017		11,584	1,677	2,406		11,380	1,774	2,463		11,092	1,559	2,236	
Cross-currency interest rate swaps	136,219	7,867	14,551		114,486	3,803	9,489		100,114	3,916	8,882		102,549	4,616	9,415	
Forward foreign exchange contracts	212,927	8,383	9,928		168,342	1,963	3,729		162,978	2,467	3,996		167,605	2,541	4,185	
Purchased options	8,477	398	576		7,683	147	237		8,746	180	276		7,892	192	284	
Written options	10,715	-	-		8,624	-	-		10,826	-	-		9,622	-	-	
	382,019	17,860	27,072	3,362	310,719	7,590	15,861	2,221	294,044	8,337	15,617	1,330	298,760	8,908	16,120	2,537
Exchange traded																
Futures (2)	835	-	-		773	-	-		1,097	-	-		1,006	-	-	
Purchased options	6,806	-	-		1,660	-	-		3,561	-	-		3,317	-	-	
Written options	3,073	-	-		916	-	-		1,206	-	-		1,200	-	-	
	10,714	-	-		3,349	-	-		5,864	-	-		5,523	-	-	
<b>Total Foreign Exchange Contracts</b>	392,733	17,860	27,072	3,362	314,068	7,590	15,861	2,221	299,908	8,337	15,617	1,330	304,283	8,908	16,120	2,537
<b>Commodity Contracts</b>																
Over-the-counter																
Swaps	45,988	2,336	8,242		46,647	3,655	11,123		50,089	4,885	12,801		50,884	1,872	8,597	
Purchased options	35,749	1,670	7,037		39,347	3,337	10,287		45,600	3,879	11,458		53,914	2,146	9,294	
Written options	33,871	-	-		39,027	-	-		45,566	-	-		54,267	-	-	
	115,608	4,006	15,279	1,957	125,021	6,992	21,410	3,198	141,255	8,764	24,259	4,631	159,065	4,018	17,891	2,764
Exchange traded																
Futures	39,840	-	-		37,431	-	-		40,357	-	-		45,243	-	-	
Purchased options	108,337	-	-		120,441	-	-		148,831	-	-		182,362	-	-	
Written options	109,359	-	-		120,039	-	-		148,652	-	-		184,082	-	-	
	257,536	-	-		277,911	-	-		337,840	-	-		411,687	-	-	
<b>Total Commodity Contracts</b>	373,144	4,006	15,279	1,957	402,932	6,992	21,410	3,198	479,095	8,764	24,259	4,631	570,752	4,018	17,891	2,764
<b>Equity Contracts</b>																
Over-the-counter																
Exchange traded	21,809	1,996	3,264		27,865	2,723	4,509		28,153	2,550	3,977		31,571	1,983	3,807	
	19,129	-	-		17,527	-	-		15,474	-	-		15,318	-	-	
<b>Total Equity Contracts (3)</b>	40,938	1,996	3,264	907	45,392	2,723	4,509	1,355	43,627	2,550	3,977	1,145	46,889	1,983	3,807	1,196
<b>Credit Default Swaps</b>																
Over-the-counter (3)	150,207	6,435	7,564	4,750	147,595	3,673	5,679	6,204	94,203	1,407	5,217	6,059	97,515	1,580	6,052	695
<b>Sub-total</b>	3,050,540	59,416	89,680	14,897	2,777,153	38,464	72,205	14,768	2,611,531	40,042	74,778	15,798	2,682,770	32,978	66,914	9,993
Impact of master netting agreements	n.a.	(41,748)	(54,223)		n.a.	(24,859)	(41,276)		n.a.	(23,976)	(39,383)		n.a.	(18,792)	(32,668)	
<b>Total</b>	3,050,540	17,668	35,457	14,897	2,777,153	13,605	30,929	14,768	2,611,531	16,066	35,395	15,798	2,682,770	14,186	34,246	9,993

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

(2) Included in the notional amounts is nil as at October 31, 2008 (\$0.5 million as at July 31, 2008, \$0.2 million as at April 30, 2008 and \$2.0 million as at January 31, 2008) related to Gold trading contracts.

(3) Comparative balances have been restated to conform with the current period's presentation.



DERIVATIVE INSTRUMENTS (\$ millions)	As at January 31, 2008				As at October 31, 2007				As at July 31, 2007				As at April 30, 2007				As at January 31, 2007			
	BASEL I				BASEL I				BASEL I				BASEL I				BASEL I			
	Notional Amount	Replacement Cost	Credit risk Equivalent	Risk-weighted Balance	Notional Amount	Replacement Cost	Credit risk Equivalent	Risk-weighted Balance	Notional Amount	Replacement Cost	Credit risk Equivalent	Risk-weighted Balance	Notional Amount	Replacement Cost	Credit risk Equivalent	Risk-weighted Balance	Notional Amount	Replacement Cost	Credit risk Equivalent	Risk-weighted Balance
<b>Interest Rate Contracts</b>																				
Over-the-counter																				
Swaps	1,200,921	14,930	21,156	4,849	1,102,520	7,343	13,314	2,959	1,122,115	8,552	14,535	3,241	1,054,022	6,725	12,430	2,815	1,023,581	7,025	12,563	2,835
Forward rate agreements	30,426	22	22	6	60,042	13	13	4	62,251	34	34	10	103,247	66	14	200,103	101	108	23	
Purchased options	86,919	1,537	1,866	418	114,446	1,050	1,352	305	130,637	1,097	1,444	325	142,474	1,037	1,365	304	115,626	1,076	1,465	332
Written options	142,006	-	-	-	161,813	-	-	-	146,912	-	-	-	156,603	-	-	-	142,754	-	-	-
	1,460,272	16,489	23,044	5,273	1,438,821	8,406	14,679	3,268	1,461,915	9,683	16,013	3,576	1,456,346	7,822	13,861	3,133	1,482,064	8,202	14,136	3,190
Exchange traded																				
Futures	83,037	-	-	-	77,736	-	-	-	88,937	-	-	-	166,570	-	-	-	162,798	-	-	-
Purchased options	64,950	-	-	-	91,909	-	-	-	142,527	-	-	-	103,678	-	-	-	121,717	-	-	-
Written options	55,072	-	-	-	56,593	-	-	-	92,685	-	-	-	86,517	-	-	-	121,537	-	-	-
	203,059	-	-	-	226,238	-	-	-	324,149	-	-	-	356,765	-	-	-	406,052	-	-	-
<b>Total Interest Rate Contracts</b>	1,663,331	16,489	23,044	5,273	1,665,059	8,406	14,679	3,268	1,786,064	9,683	16,013	3,576	1,813,111	7,822	13,861	3,133	1,888,116	8,202	14,136	3,190
<b>Foreign Exchange Contracts</b>																				
Over-the-counter																				
Cross-currency swaps	11,092	1,559	2,236	605	10,870	1,997	2,650	764	11,523	1,442	2,136	592	11,227	1,496	2,161	563	10,980	1,283	1,935	492
Cross-currency interest rate swaps	102,549	4,616	9,415	1,717	92,960	7,203	11,560	2,132	93,148	3,890	8,386	1,543	84,687	3,670	7,594	1,406	75,808	2,616	6,250	1,177
Forward foreign exchange contracts	167,605	2,541	4,185	1,121	154,142	4,842	6,311	1,624	132,612	1,680	3,342	912	140,187	1,812	3,580	1,049	132,638	1,134	2,792	808
Purchased options	7,892	192	284	96	6,024	244	318	121	5,732	117	182	65	6,172	107	172	62	5,865	98	143	48
Written options	9,622	-	-	-	8,213	-	-	-	6,201	-	-	-	6,839	-	-	-	6,406	-	-	-
	298,760	8,908	16,120	3,539	272,209	14,286	20,839	4,641	249,216	7,129	14,046	3,112	249,112	7,085	13,507	3,080	231,697	5,131	11,120	2,525
Exchange traded																				
Futures (1)	1,006	-	-	-	1,119	-	-	-	879	-	-	-	997	-	-	-	720	-	-	-
Purchased options	3,317	-	-	-	3,346	-	-	-	1,304	-	-	-	2,981	-	-	-	3,136	-	-	-
Written options	1,200	-	-	-	998	-	-	-	481	-	-	-	576	-	-	-	604	-	-	-
	5,523	-	-	-	5,463	-	-	-	2,664	-	-	-	4,554	-	-	-	4,460	-	-	-
<b>Total Foreign Exchange Contracts</b>	304,283	8,908	16,120	3,539	277,672	14,286	20,839	4,641	251,880	7,129	14,046	3,112	253,666	7,085	13,507	3,080	236,157	5,131	11,120	2,525
<b>Commodity Contracts</b>																				
Over-the-counter																				
Swaps	50,884	1,872	8,597	3,074	49,759	2,220	8,535	3,016	56,613	2,717	9,475	3,335	62,016	2,686	10,164	3,625	67,822	2,941	11,199	3,968
Purchased options	53,914	2,146	9,294	3,085	59,304	3,056	10,457	3,419	74,502	4,455	12,301	3,904	82,119	4,146	12,911	4,182	98,638	5,378	15,887	5,248
Written options	54,267	-	-	-	59,582	-	-	-	71,629	-	-	-	81,118	-	-	-	96,829	-	-	-
	159,065	4,018	17,891	6,159	168,645	5,276	18,992	6,435	202,744	7,172	21,776	7,239	225,253	6,832	23,075	7,807	263,289	8,319	27,086	9,216
Exchange traded																				
Futures	45,243	-	-	-	49,788	-	-	-	62,616	-	-	-	76,109	-	-	-	67,788	-	-	-
Purchased options	182,362	-	-	-	202,573	-	-	-	267,680	-	-	-	327,373	-	-	-	264,137	-	-	-
Written options	194,082	-	-	-	200,491	-	-	-	271,371	-	-	-	338,156	-	-	-	285,558	-	-	-
	411,687	-	-	-	452,852	-	-	-	601,667	-	-	-	741,638	-	-	-	617,483	-	-	-
<b>Total Commodity Contracts</b>	570,752	4,018	17,891	6,159	621,497	5,276	18,992	6,435	804,411	7,172	21,776	7,239	966,891	6,832	23,075	7,807	880,772	8,319	27,086	9,216
<b>Equity Contracts</b>																				
Over-the-counter																				
Exchange traded (2)	31,671	1,983	3,807	1,079	29,654	1,024	2,902	902	29,007	680	2,565	928	28,294	771	2,539	865	26,434	403	2,248	803
	15,318	-	-	-	10,219	-	-	-	10,841	-	-	-	11,507	-	-	-	10,171	-	-	-
<b>Total Equity Contracts</b>	46,889	1,983	3,807	1,079	39,873	1,024	2,902	902	39,848	680	2,565	928	37,801	771	2,539	865	36,605	403	2,248	803
<b>Credit Default Swaps</b>																				
Over-the-counter																				
	97,515	1,580	6,052	1,418	90,656	642	4,721	1,134	88,055	498	4,546	1,083	72,276	225	3,388	819	61,467	193	2,781	655
<b>Sub-total</b>	2,682,770	32,978	66,914	17,468	2,694,757	29,634	62,133	16,380	2,970,258	25,162	56,946	15,938	3,143,745	22,735	56,370	15,704	3,103,117	22,248	57,371	16,389
Impact of master netting agreements	n.a.	(18,792)	(32,668)	(7,976)	n.a.	(16,403)	(29,541)	(7,467)	n.a.	(16,774)	(30,270)	(7,988)	n.a.	(14,630)	(28,575)	(7,722)	n.a.	(15,941)	(30,939)	(8,694)
<b>Total</b>	2,682,770	14,186	34,246	9,492	2,694,757	13,231	32,592	8,913	2,970,258	8,388	28,676	7,950	3,143,745	8,105	27,795	7,982	3,103,117	6,307	26,432	7,695

(1) Included in the notional amounts is \$2.0 million as at January 31, 2008 (\$1.2 million as at October 31, 2007, \$0.2 million as at July 31, 2007, \$0.8 million as at April 30, 2007, \$0.5 million as at January 31, 2007) related to Gold trading contracts.

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

**DERIVATIVE INSTRUMENTS**

Fair Value (\$ millions)	As at October 31, 2008			As at July 31, 2008			As at April 30, 2008			As at January 31, 2008			As at October 31, 2007		
	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	25,925	(26,243)	(318)	15,707	(15,890)	(183)	17,085	(17,121)	(36)	14,640	(14,872)	(232)	7,273	(7,697)	(424)
Forward rate agreements	165	(166)	(1)	36	(34)	2	22	(18)	4	22	(18)	4	13	(8)	5
Futures	19	(12)	7	1	(11)	(10)	15	(22)	(7)	41	(12)	29	33	(10)	23
Purchased options	1,804	-	1,804	1,288	(1)	1,287	1,412	(3)	1,409	1,656	(2)	1,654	1,084	(1)	1,083
Written options	-	(1,643)	(1,643)	-	(1,194)	(1,194)	-	(1,348)	(1,348)	-	(1,541)	(1,541)	-	(988)	(988)
	27,913	(28,064)	(151)	17,032	(17,130)	(98)	18,534	(18,512)	22	16,359	(16,445)	(86)	8,403	(8,704)	(301)
<b>Foreign Exchange Contracts</b>															
Cross-currency swaps	1,212	(1,346)	(134)	1,677	(781)	896	1,774	(981)	793	1,559	(913)	646	1,997	(1,239)	758
Cross-currency interest rate swaps	7,867	(7,259)	608	3,803	(3,830)	(27)	3,916	(4,053)	(137)	4,616	(4,582)	34	7,203	(7,562)	(359)
Forward foreign exchange contracts	8,383	(7,913)	470	1,963	(1,566)	397	2,467	(2,030)	437	2,541	(2,159)	382	4,842	(5,246)	(404)
Purchased options	566	-	566	150	-	150	191	-	191	204	-	204	262	-	262
Written options	-	(774)	(774)	-	(133)	(133)	-	(151)	(151)	-	(155)	(155)	-	(158)	(158)
	18,028	(17,292)	736	7,593	(6,310)	1,283	8,348	(7,215)	1,133	8,920	(7,809)	1,111	14,304	(14,205)	99
<b>Commodity Contracts</b>															
Swaps	2,336	(3,102)	(766)	3,655	(2,982)	673	4,885	(4,167)	718	1,872	(1,684)	188	2,220	(1,988)	232
Purchased options	3,953	-	3,953	5,530	-	5,530	6,569	-	6,569	3,986	-	3,986	5,628	-	5,628
Written options	-	(3,497)	(3,497)	-	(4,820)	(4,820)	-	(6,336)	(6,336)	-	(3,509)	(3,509)	-	(5,374)	(5,374)
	6,289	(6,599)	(310)	9,185	(7,802)	1,383	11,454	(10,503)	951	5,858	(5,193)	665	7,848	(7,362)	486
<b>Equity Contracts</b>															
	5,606	(2,019)	3,587	5,182	(2,047)	3,135	4,291	(2,656)	1,635	3,850	(1,645)	2,205	1,318	(2,458)	(1,140)
<b>Credit Default Swaps</b>															
	6,435	(5,828)	607	3,673	(3,329)	344	1,407	(1,200)	207	1,580	(1,356)	224	642	(570)	72
Total fair value - trading derivatives	64,271	(59,802)	4,469	42,665	(36,618)	6,047	44,034	(40,086)	3,948	36,567	(32,448)	4,119	32,515	(33,299)	(784)
Total book value - trading derivatives	64,271	(59,802)	4,469	42,665	(36,618)	6,047	44,034	(40,086)	3,948	36,567	(32,448)	4,119	32,515	(33,299)	(784)
<b>HEDGING</b>															
<b>Interest Rate Contracts</b>															
Cash flow hedges - swaps	752	(187)	565	307	(99)	208	348	(160)	188	210	(249)	(39)	60	(176)	(116)
Fair value hedges - swaps	563	(59)	504	195	(69)	126	175	(101)	74	80	(79)	1	10	(109)	(99)
Total swaps	1,315	(246)	1,069	502	(168)	334	523	(261)	262	290	(328)	(38)	70	(285)	(215)
Cash flow hedges - purchased options	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total purchased options	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fair value hedges - written options	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total fair value - hedging derivatives	1,315	(246)	1,069	502	(168)	334	523	(261)	262	290	(328)	(38)	70	(285)	(215)
Total book value - hedging derivatives	1,315	(246)	1,069	502	(168)	334	523	(261)	262	290	(328)	(38)	70	(285)	(215)
Total fair value	65,586	(60,048)	5,538	43,167	(36,786)	6,381	44,557	(40,347)	4,210	36,857	(32,776)	4,081	32,585	(33,584)	(999)
Less: Net impact of master netting agreements	(41,748)	41,748	-	(24,859)	24,859	-	(23,976)	23,976	-	(18,792)	18,792	-	(16,403)	16,403	-
Total	23,838	(18,300)	5,538	18,308	(11,927)	6,381	20,581	(16,371)	4,210	18,065	(13,984)	4,081	16,182	(17,181)	(999)

**U.S. GAAP RECONCILIATION**

(\$ millions except as noted)

	2008	2008	2008	2008	2007	2007	2007	2007	2006	Fiscal	Fiscal	Fiscal
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2008	2007	2006
Net Income-Canadian GAAP	560	521	642	255	452	660	671	348	696	1,978	2,131	2,663
Increase (Decrease) net of tax:												
Derivative instruments and hedging activities <sup>(1)</sup>	-	-	-	-	-	-	-	-	(3)	-	-	(21)
Pension and related benefits expense	-	-	1	1	-	-	-	-	1	2	-	2
Stock-based compensation <sup>(2)</sup>	(1)	(1)	(1)	(1)	(3)	(3)	(3)	(4)	(6)	(4)	(13)	(22)
Merchant banking investments	(14)	2	9	2	12	14	(12)	(9)	(6)	(1)	5	(14)
Software development expense	-	-	-	(1)	(7)	(7)	(6)	(7)	(7)	(1)	(27)	(27)
Variable interest entities	-	-	-	-	-	-	-	-	-	-	-	-
Liabilities and equity	3	3	3	3	4	5	6	5	5	12	20	20
Reclassification of trading securities into available-for-sale securities <sup>(3)</sup>	(123)	-	-	-	-	-	-	-	-	(123)	-	-
Other <sup>(4)</sup>	2	1	1	1	6	(13)	3	3	1	5	(1)	5
<b>Net Income-U.S. GAAP</b>	<b>427</b>	<b>526</b>	<b>655</b>	<b>260</b>	<b>464</b>	<b>656</b>	<b>659</b>	<b>336</b>	<b>681</b>	<b>1,868</b>	<b>2,115</b>	<b>2,606</b>
U.S. GAAP:												
Basic Earnings Per Share												
Net Income	\$0.79	\$1.01	\$1.28	\$0.49	\$0.90	\$1.30	\$1.29	\$0.65	\$1.35	\$3.57	\$4.14	\$5.14
Diluted Earnings Per Share												
Net Income	\$0.79	\$1.00	\$1.27	\$0.48	\$0.90	\$1.27	\$1.27	\$0.64	\$1.32	\$3.54	\$4.08	\$5.04

(1) On November 1, 2006, we adopted the new accounting requirements for securities, hedging derivatives, and certain other financial instruments (see Note 2 to the unaudited interim consolidated financial statements for the quarter ended October 31, 2007). The accounting treatment prescribed under this new Canadian accounting standard is currently applied under United States GAAP.

(2) On November 1, 2005, we prospectively adopted the new accounting standard on Stock-Based Compensation (see Note 9 to the unaudited interim consolidated financial statements for the quarter ended October 31, 2006).

Under United States GAAP, Stock-Based Compensation granted to employees eligible to retire should be expensed at the time of grant. During the quarter ended July 31, 2006, we retroactively adopted new Canadian accounting guidance on Stock-Based Compensation, which is harmonized with United States GAAP. Due to the differences in method of adoption, there will continue to be an adjustment to the Consolidated Statement of Income until the Stock Based Compensation granted prior to November 1, 2005 has been fully amortized.

(3) During the quarter ended October 31, 2008, we adopted new Canadian accounting guidance which allows, in rare circumstances, certain reclassifications of non-derivative financial assets from the trading category to either the available-for-sale or held-to-maturity categories. This new guidance is consistent with United States GAAP. We elected to transfer securities from trading to available-for-sale for which we had a change in intent caused by current market circumstances to hold the securities for the foreseeable future rather than to exit or trade them in the short term. The Canadian accounting guidance was applicable on a retroactive basis to August 1, 2008 for us and the transfers took place at the fair value of the securities on August 1, 2008. We did not reclassify these securities under United States GAAP. This difference would reverse as these securities are sold.

(4) During the quarter ended January 31, 2008, we adopted the new United States accounting standard which allows to elect to report selected financial assets and liabilities at fair value and establishes new disclosure requirements for assets and liabilities to which the fair value option is applied. The new standard eliminated a difference between Canadian and United States GAAP.

**ASSETS UNDER ADMINISTRATION AND MANAGEMENT**

(\$ millions)

	2008	2008	2008	2008	2007	2007	2007	2007	2006
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
<b>Assets Under Administration</b>									
Institutional <sup>(5)</sup>	123,577	106,781	98,841	92,010	85,846	91,277	95,522	93,373	87,638
Personal <sup>(5)</sup>	134,913	140,020	145,106	141,635	143,893	144,753	145,624	144,522	139,820
Mutual Funds	109	132	145	151	169	176	183	166	153
<b>Total</b>	<b>258,599</b>	<b>246,933</b>	<b>244,092</b>	<b>233,796</b>	<b>229,908</b>	<b>236,206</b>	<b>241,329</b>	<b>238,061</b>	<b>227,611</b>
<b>Assets Under Management</b>									
Institutional	30,356	32,349	32,197	42,098	44,494	52,290	53,243	54,970	53,658
Personal	54,924	55,465	55,368	55,064	53,937	56,310	55,899	56,131	51,960
Mutual Funds	23,442	28,220	29,395	28,490	30,976	30,516	30,234	28,936	27,851
<b>Total</b>	<b>108,722</b>	<b>116,034</b>	<b>116,960</b>	<b>125,652</b>	<b>129,407</b>	<b>139,116</b>	<b>139,376</b>	<b>140,037</b>	<b>133,469</b>
<b>Total Assets under Administration and Management</b>	<b>367,321</b>	<b>362,967</b>	<b>361,052</b>	<b>359,448</b>	<b>359,315</b>	<b>375,322</b>	<b>380,705</b>	<b>378,098</b>	<b>361,080</b>

(5) Current and historical figures have been adjusted for a reclassification within Assets Under Administration categories.

COMMITMENTS AND CONTINGENT LIABILITIES (\$ millions)	As at October 31, 2008	As at July 31, 2008	As at April 30, 2008	As at January 31, 2008	As at October 31, 2007
	Contract Amount	Contract Amount	Contract Amount	Contract Amount	Contract Amount
<b>Total Bank Consolidated</b>					
Credit Instruments					
Guarantees and standby letters of credit	15,270	14,679	14,302	14,269	12,395
Securities lending	1,038	2,727	1,337	1,142	1,834
Documentary and commercial letters of credit	1,841	2,580	1,682	1,539	1,301
Commitments to extend credit:					
Original maturity of 1 year and under	41,113	42,461	47,147	47,326	66,126
Original maturity of more than 1 year	39,995	38,991	42,694	29,828	28,372
<b>Total</b>	<b>99,257</b>	<b>101,438</b>	<b>107,162</b>	<b>94,104</b>	<b>110,028</b>
<b>Personal &amp; Commercial Client Group</b>					
Credit Instruments					
Guarantees and standby letters of credit	2,426	2,628	2,653	2,662	2,522
Securities lending	-	-	-	-	-
Documentary and commercial letters of credit	354	323	336	290	248
Commitments to extend credit:					
Original maturity of 1 year and under	1,576	1,650	1,265	1,487	9,439
Original maturity of more than 1 year	1,366	1,035	1,089	1,968	1,696
<b>Total</b>	<b>5,722</b>	<b>5,636</b>	<b>5,343</b>	<b>6,407</b>	<b>13,905</b>
<b>Private Client Group</b>					
Credit Instruments					
Guarantees and standby letters of credit	69	55	55	51	46
Securities lending	-	-	-	-	-
Documentary and commercial letters of credit	6	4	3	3	3
Commitments to extend credit:					
Original maturity of 1 year and under	71	69	76	117	512
Original maturity of more than 1 year	361	289	347	301	91
<b>Total</b>	<b>507</b>	<b>417</b>	<b>481</b>	<b>472</b>	<b>652</b>
<b>BMO Capital Markets</b>					
Credit Instruments					
Guarantees and standby letters of credit	12,587	11,856	11,456	11,141	9,407
Securities lending	1,038	2,727	1,337	1,142	1,834
Documentary and commercial letters of credit	1,415	2,195	1,285	1,187	987
Commitments to extend credit:					
Original maturity of 1 year and under	39,455	40,728	45,806	45,722	56,175
Original maturity of more than 1 year	38,199	37,615	41,230	27,517	26,585
<b>Total</b>	<b>92,694</b>	<b>95,121</b>	<b>101,114</b>	<b>86,709</b>	<b>94,988</b>
<b>Corporate Services, including Technology and Operations</b>					
Credit Instruments					
Guarantees and standby letters of credit	188	140	138	415	420
Securities lending	-	-	-	-	-
Documentary and commercial letters of credit	66	58	58	59	63
Commitments to extend credit:					
Original maturity of 1 year and under	11	14	-	-	-
Original maturity of more than 1 year	69	52	28	42	-
<b>Total</b>	<b>334</b>	<b>264</b>	<b>224</b>	<b>516</b>	<b>483</b>

Note: Beginning in Q1'08 we no longer include certain products in commitments to extend credit as they are revocable at the Bank's discretion at any time.

CREDIT EXPOSURE COVERED BY CREDIT RISK MITIGATION (1) (\$ millions except as noted)	Q4 2008				Q3 2008				Q2 2008			
	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)	32,811	546	145,589	3,390	27,792	454	140,270	3,214	27,670	429	116,131	1,937
Sovereign	5,262	-	54,946	24,856	267	-	43,859	28,533	255	-	21,356	13
Bank	2,206	-	61,199	-	1,904	-	54,114	-	1,977	-	69,497	-
<b>Total Corporate, Sovereign and Bank</b>	<b>40,279</b>	<b>546</b>	<b>261,734</b>	<b>28,246</b>	<b>29,963</b>	<b>454</b>	<b>238,243</b>	<b>31,747</b>	<b>29,902</b>	<b>429</b>	<b>206,984</b>	<b>1,950</b>
Residential mortgages excluding home equity line of credits (HELOCs)	9,391	-	12,453	-	6,267	-	12,347	-	9,276	-	42,828	31,259
HELOCs	4,451	-	21,471	-	3,535	-	19,909	-	-	-	17,935	-
Other retail excl. SMEs and QRR	6,961	285	11,900	-	8,335	278	10,221	-	-	-	26,463	-
Qualifying revolving retail	-	-	24,225	-	-	-	25,792	-	-	-	10,022	-
Retail SMEs	-	-	2,586	-	-	-	2,522	-	7,801	288	2,529	-
<b>Total Retail</b>	<b>20,803</b>	<b>831</b>	<b>72,635</b>	<b>-</b>	<b>18,137</b>	<b>732</b>	<b>70,791</b>	<b>-</b>	<b>17,077</b>	<b>288</b>	<b>99,777</b>	<b>31,259</b>
<b>Total Bank Banking Book Portfolios</b>	<b>61,082</b>	<b>1,377</b>	<b>334,369</b>	<b>28,246</b>	<b>48,100</b>	<b>1,186</b>	<b>309,034</b>	<b>31,747</b>	<b>46,979</b>	<b>717</b>	<b>306,761</b>	<b>33,209</b>

(1) Credit risk mitigants herein include only credit derivatives and 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 EXPOSURE BY GEOGRAPHIC REGION (3)

(\$ millions except as noted)	Q4 2008				Q3 2008				Q2 2008			
	Canada	U.S.	Other	Total	Canada	U.S.	Other	Total	Canada	U.S.	Other	Total
Corporate (incl specialized lending and SMEs treated as corporate)	99,206	71,595	6,478	177,279	94,452	64,399	8,153	167,004	83,175	53,239	7,387	143,801
Sovereign	26,041	7,067	2,243	35,351	13,419	412	1,762	15,593	16,690	1,767	3,154	21,611
Bank	7,143	37,869	18,394	63,406	8,330	22,651	25,037	56,018	5,608	39,936	25,930	71,474
<b>Total Corporate, Sovereign and Bank</b>	<b>132,390</b>	<b>116,531</b>	<b>27,115</b>	<b>276,036</b>	<b>116,201</b>	<b>87,462</b>	<b>34,952</b>	<b>238,615</b>	<b>105,473</b>	<b>94,942</b>	<b>36,471</b>	<b>236,886</b>
Residential mortgages excluding home equity line of credits (HELOCs)	38,431	9,390	-	47,821	41,940	6,265	-	48,205	42,829	6,163	-	48,992
HELOCs	21,471	4,451	-	25,922	19,909	3,535	-	23,444	17,935	3,112	-	21,047
Other retail excl. SMEs and QRR	13,064	5,797	-	18,861	11,604	6,952	-	18,556	11,385	6,438	-	17,823
Qualifying revolving retail	24,225	-	-	24,225	25,792	-	-	25,792	26,463	-	-	26,463
Retail SMEs	2,586	-	-	2,586	2,522	-	-	2,522	2,529	-	-	2,529
<b>Total Retail</b>	<b>99,777</b>	<b>19,638</b>	<b>-</b>	<b>119,415</b>	<b>101,767</b>	<b>16,752</b>	<b>-</b>	<b>118,519</b>	<b>101,141</b>	<b>15,713</b>	<b>-</b>	<b>116,854</b>
<b>Total Bank</b>	<b>232,167</b>	<b>136,169</b>	<b>27,115</b>	<b>395,451</b>	<b>217,968</b>	<b>104,214</b>	<b>34,952</b>	<b>357,134</b>	<b>206,614</b>	<b>110,655</b>	<b>36,471</b>	<b>353,740</b>

CREDIT EXPOSURE BY INDUSTRY (3)

(\$ millions except as noted)	Q4 2008					Q3 2008					Q2 2008 Total	Q1 2008 Total		
	Drawn	Commitments (Undrawn)	OTCs	Other Off Balance Sheet Items	Repo Style Transactions	Drawn	Commitments (Undrawn)	OTCs	Other Off Balance Sheet Items	Repo Style Transactions				
Agriculture	4,892	968	-	54	-	5,914	4,796	980	52	12	5,840	5,711	5,550	
Communications	1,482	891	-	174	-	2,547	1,281	860	334	-	2,475	2,488	2,409	
Construction	1,916	1,060	-	535	-	3,511	1,824	1,345	1,162	-	4,331	4,326	3,732	
Financial institutions (4)	41,808	16,024	133	5,348	64,282	127,595	38,736	15,587	113	5,223	47,349	107,008	111,439	132,284
Government	11,142	1,458	-	301	5,159	18,060	9,390	1,430	288	5,360	16,468	11,706	11,829	
Manufacturing	10,186	6,787	-	2,045	-	19,018	8,824	6,162	-	1,935	16,921	16,759	15,875	
Mining	3,256	1,091	-	293	-	4,640	1,670	991	-	277	2,938	2,722	2,702	
Other	15,656	1,229	67	1,522	-	16,474	12,528	1,214	-	1,629	15,971	14,954	3,507	
Real estate	14,613	1,561	-	1,508	-	17,682	13,280	1,267	-	708	15,255	15,322	14,460	
Retail trade	5,302	2,432	-	588	-	8,322	5,139	2,493	-	585	8,217	7,871	8,117	
Service industries	17,282	3,565	-	2,424	453	23,724	11,546	3,107	441	2,181	17,716	18,518	22,245	
Transportation	1,852	1,273	-	427	-	3,552	1,739	1,564	-	473	3,776	3,525	3,094	
Utilities	1,641	1,677	-	787	-	4,105	1,698	1,919	-	758	4,375	4,238	4,187	
Wholesale trade	4,462	2,005	-	343	-	6,810	5,780	2,028	-	155	7,963	7,519	5,319	
Individual	91,602	26,936	-	2	-	118,540	91,554	25,545	-	2	117,101	116,020	121,086	
Oil and Gas	6,207	4,600	-	692	-	11,499	4,404	4,122	-	1,142	9,668	9,198	9,172	
Forest products	945	381	-	132	-	1,458	946	371	-	131	1,511	1,424	1,325	
<b>Total</b>	<b>234,244</b>	<b>73,938</b>	<b>200</b>	<b>17,175</b>	<b>69,894</b>	<b>395,451</b>	<b>215,135</b>	<b>70,985</b>	<b>554</b>	<b>17,235</b>	<b>357,134</b>	<b>353,740</b>	<b>366,893</b>	

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

(4) Includes \$18.3 billion of deposits with Financial Institutions as at October 31, 2008 (\$19.7 billion of deposits with Financial Institutions as at July 31, 2008, \$20.3 billion of deposits with Financial Institutions as at April 30, 2008 and \$23.6 billion of deposits with Financial Institutions as at January 31, 2008).

**CREDIT EXPOSURE BY MAJOR ASSET CLASS<sup>(1)</sup>**  
(\$ millions except as noted)

	Q4 2008						Q3 2008						Q2 2008		Q1 2008	
	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)	101,225	42,320	-	13,721	20,013	177,279	86,682	40,391	155	14,225	25,551	167,004	143,801	166,518		
Sovereign	23,699	1,398	-	224	10,030	35,351	11,471	1,668	-	300	2,154	15,593	21,611	20,691		
Bank	17,425	2,702	200	3,228	39,851	63,406	24,554	2,838	399	2,707	25,520	56,018	71,474	61,382		
<b>Total Corporate, Sovereign and Bank Exposure</b>	<b>142,349</b>	<b>46,420</b>	<b>200</b>	<b>17,173</b>	<b>69,894</b>	<b>276,036</b>	<b>122,707</b>	<b>44,897</b>	<b>554</b>	<b>17,232</b>	<b>53,225</b>	<b>238,615</b>	<b>236,886</b>	<b>248,591</b>		
Residential mortgages excluding home equity line of credits (HELOCs)	47,821	-	-	-	-	47,821	48,205	-	-	-	-	48,205	48,992	49,916		
HELOCs	18,217	7,705	-	-	-	25,922	16,211	7,233	-	-	-	23,444	21,047	19,615		
Other retail excl. SMEs and QRR	17,148	1,711	-	2	-	18,861	17,197	1,356	-	3	-	18,556	17,923	16,996		
Qualifying revolving retail	6,709	17,516	-	-	-	24,225	8,841	16,951	-	-	-	25,792	26,463	29,292		
Retail SMEs	2,000	586	-	-	-	2,586	1,974	548	-	-	-	2,522	2,529	2,583		
<b>Total Retail Exposures</b>	<b>91,895</b>	<b>27,518</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>119,415</b>	<b>92,428</b>	<b>26,088</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>118,519</b>	<b>116,954</b>	<b>118,302</b>		
<b>Total Gross Credit Exposures</b>	<b>234,244</b>	<b>73,938</b>	<b>200</b>	<b>17,175</b>	<b>69,894</b>	<b>395,451</b>	<b>215,135</b>	<b>70,985</b>	<b>554</b>	<b>17,235</b>	<b>53,225</b>	<b>357,134</b>	<b>353,740</b>	<b>366,893</b>		

**RESIDUAL CONTRACT MATURITY BREAKDOWN**  
(\$ millions except as noted)

	Q4 2008						Q3 2008						Q2 2008		Q1 2008	
	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	81,223	50,560	2	5,018	69,099	205,902	82,742	47,751	5	5,053	52,046	187,597	181,024	199,456		
1 to 5 years	120,452	22,401	198	11,998	795	155,844	105,648	21,959	543	12,032	1,179	141,361	147,679	141,513		
Greater than 5 years	32,569	977	-	159	-	33,705	26,745	1,275	6	150	-	28,176	25,137	25,924		
<b>Total</b>	<b>234,244</b>	<b>73,938</b>	<b>200</b>	<b>17,175</b>	<b>69,894</b>	<b>395,451</b>	<b>215,135</b>	<b>70,985</b>	<b>554</b>	<b>17,235</b>	<b>53,225</b>	<b>357,134</b>	<b>353,740</b>	<b>366,893</b>		

**PORTFOLIO BREAKDOWN BY BASEL II APPROACHES**  
(\$ millions except as noted)

	Q4 2008				Q3 2008				Q2 2008			
	Standardized	Credit Equivalent Amount on Undrawn	AIRB	Credit Equivalent Amount on Undrawn	Standardized	Credit Equivalent Amount on Undrawn	AIRB	Credit Equivalent Amount on Undrawn	Standardized	Credit Equivalent Amount on Undrawn	AIRB	Credit Equivalent Amount on Undrawn
Corporate (incl specialized lending and SMEs treated as corporate)	26,079	3,374	75,146	38,946	21,467	3,218	65,215	37,173	21,328	3,323	66,178	36,012
Sovereign	5,261	-	18,438	1,398	267	-	11,204	1,668	255	-	11,032	1,654
Bank	1,601	44	15,824	2,657	1,539	41	23,015	2,797	1,600	47	22,928	2,618
<b>Total Corporate, Sovereign &amp; Bank</b>	<b>32,941</b>	<b>3,418</b>	<b>109,408</b>	<b>43,001</b>	<b>23,273</b>	<b>3,259</b>	<b>99,434</b>	<b>41,638</b>	<b>23,183</b>	<b>3,370</b>	<b>100,138</b>	<b>40,284</b>
Residential mortgages excluding home equity line of credits (HELOCs)	9,391	-	38,430	-	6,267	-	41,938	-	6,164	-	42,828	-
HELOCs	4,451	-	13,766	7,705	3,535	-	12,676	7,233	3,112	-	11,382	6,553
Other retail excl. SMEs and QRR	6,961	1	10,187	586	8,335	-	8,862	1,356	7,801	-	8,709	1,310
Qualifying revolving retail	-	-	6,709	17,516	-	-	8,841	16,951	-	-	9,470	16,993
Retail SMEs	-	-	2,000	1,711	-	-	1,974	548	-	-	1,958	571
<b>Total Retail</b>	<b>20,803</b>	<b>1</b>	<b>71,092</b>	<b>27,518</b>	<b>18,137</b>	<b>-</b>	<b>74,291</b>	<b>26,088</b>	<b>17,077</b>	<b>-</b>	<b>74,347</b>	<b>25,427</b>
<b>Total Bank</b>	<b>53,744</b>	<b>3,419</b>	<b>180,500</b>	<b>70,519</b>	<b>41,410</b>	<b>3,259</b>	<b>173,725</b>	<b>67,726</b>	<b>40,260</b>	<b>3,370</b>	<b>174,485</b>	<b>65,711</b>

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

**CREDIT EXPOSURE OF PORTFOLIOS UNDER STANDARDIZED APPROACH BY RISK WEIGHT (1)**

(\$ millions)

Risk Weights	Q4 2008							Total
	0%	20%	35%	50%	75%	100%	150%	
Total Wholesale portfolios								
Corporate (incl SMEs treated as Corporate)	-	10,355	-	1,343	-	16,971	4,054	32,723
Sovereign	5,262	-	-	-	-	-	-	5,262
Bank	-	2,206	-	-	-	-	-	2,206
Total Wholesale portfolios	5,262	12,561	-	1,343	-	16,971	4,054	40,191
Total Retail portfolios								
Retail residential mortgages (including HELOCs)	-	-	7,838	-	6,004	-	-	13,842
Other retail	285	-	-	-	6,676	-	-	6,961
SME treated as retail	-	-	-	-	-	-	-	-
Total Retail portfolios	285	-	7,838	-	12,680	-	-	20,803
Total	5,547	12,561	7,838	1,343	12,680	16,971	4,054	60,994

Risk Weights	Q3 2008							Total
	0%	20%	35%	50%	75%	100%	150%	
Total Wholesale portfolios								
Corporate (incl SMEs treated as Corporate)	-	10,155	-	784	-	13,497	3,297	27,733
Sovereign	267	-	-	-	-	-	-	267
Bank	-	1,904	-	-	-	-	-	1,904
Total Wholesale portfolios	267	12,059	-	784	-	13,497	3,297	29,904
Total Retail portfolios								
Retail residential mortgages (including HELOCs)	-	-	9,802	-	-	-	-	9,802
Other retail	278	-	-	-	7,930	-	127	8,335
SME treated as retail	-	-	-	-	-	-	-	-
Total Retail portfolios	278	-	9,802	-	7,930	-	127	18,137
Total	545	12,059	9,802	784	7,930	13,497	3,424	48,041

Risk Weights	Q2 2008							Total
	0%	20%	35%	50%	75%	100%	150%	
Total Wholesale portfolios								
Corporate (incl SMEs treated as Corporate)	-	9,078	-	657	-	15,536	2,343	27,614
Sovereign	255	-	-	-	-	-	-	255
Bank	-	1,976	-	-	-	-	-	1,976
Total Wholesale portfolios	255	11,054	-	657	-	15,536	2,343	29,845
Total Retail portfolios								
Retail residential mortgages (including HELOCs)	-	-	9,276	-	-	-	-	9,276
Other retail	288	-	-	-	7,513	-	-	7,801
SME treated as retail	-	-	-	-	-	-	-	-
Total Retail portfolios	288	-	9,276	-	7,513	-	-	17,077
Total	543	11,054	9,276	657	7,513	15,536	2,343	46,922

Risk Weights	Q1 2008							Total
	0%	20%	35%	50%	75%	100%	150%	
Total Wholesale portfolios								
Corporate (incl SMEs treated as Corporate)	-	9,338	-	446	-	14,813	1,815	26,412
Sovereign	495	-	-	-	-	-	-	495
Bank	-	3,056	-	-	-	-	-	3,056
Total Wholesale portfolios	495	12,394	-	446	-	14,813	1,815	29,963
Total Retail portfolios								
Retail residential mortgages (including HELOCs)	-	-	9,169	-	7,019	-	-	16,188
Other retail	278	-	-	-	-	-	-	278
SME treated as retail	-	-	-	-	-	-	-	-
Total Retail portfolios	278	-	9,169	-	7,019	-	-	16,466
Total	773	12,394	9,169	446	7,019	14,813	1,815	46,429

(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 RATINGS UNDER AIRB APPROACH**

Corporate Sovereign Bank Exposures (\$ millions)	Q4 2008					Q3 2008					Q2 2008					Q1 2008				
	Total		Total Exposure (\$)	Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	Total		Total Exposure (\$)	Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	Total		Total Exposure (\$)	Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	Total		Total Exposure (\$)	Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight
	Drawn	Undrawn				Drawn	Undrawn				Drawn	Undrawn				Drawn	Undrawn			
Total investment grade	96,534	34,536	130,890	26.46%	19.67%	93,862	33,566	127,428	27.08%	18.81%	96,533	32,586	129,119	27.48%	18.90%	99,467	32,270	131,737	26.38%	18.22%
Non-investment grade	35,794	7,898	43,692	40.45%	78.65%	33,311	7,612	40,923	40.45%	79.10%	33,196	7,414	40,610	41.43%	82.17%	32,707	6,769	39,476	42.13%	82.28%
Watchlist	1,735	495	2,230	35.68%	170.10%	1,200	354	1,554	38.14%	179.95%	1,145	199	1,344	35.12%	158.99%	986	171	1,157	36.94%	165.52%
Default	1,503	72	1,575	92.20%	217.89%	853	106	759	46.20%	180.60%	523	86	609	46.00%	171.06%	370	182	552	48.22%	207.78%
	135,386	43,001	178,387			129,026	41,638	170,664			131,397	40,285	171,682			133,530	39,392	172,922		

**RETAIL CREDIT EXPOSURE BY PORTFOLIO AND RISK RATINGS UNDER AIRB APPROACH**

Retail Credit Exposures (\$ millions)	Q4 2008					Q3 2008					Q2 2008					Q1 2008				
	Total		Total Exposure (\$)	Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	Total		Total Exposure (\$)	Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	Total		Total Exposure (\$)	Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight	Total		Total Exposure (\$)	Exposure Weighted Average LGD%	Exposure Weighted Average Risk weight
	Drawn	Undrawn				Drawn	Undrawn				Drawn	Undrawn				Drawn	Undrawn			
<b>Residential Mortgages and HELOCs</b>																				
Exceptionally low	10,417	6,619	17,036	19.31%	2.42%	9,581	6,238	15,819	19.30%	2.40%	8,665	5,682	14,347	19.31%	2.42%	7,916	5,108	13,024	12.23%	1.53%
Very low	5,235	-	5,235	10.00%	1.59%	5,452	-	5,452	10.31%	1.63%	4,970	-	4,970	10.00%	1.62%	7,793	-	7,793	10.00%	1.62%
Low	8,029	941	8,970	14.31%	7.65%	8,091	858	8,949	14.17%	7.78%	7,648	758	8,406	13.83%	7.85%	8,406	806	9,212	10.84%	6.21%
Medium	1,782	127	1,909	13.43%	20.10%	1,205	121	1,326	14.86%	22.79%	1,059	99	1,158	14.70%	21.59%	1,136	108	1,244	11.94%	19.17%
High	664	16	680	10.73%	58.56%	613	14	627	10.88%	57.40%	546	13	559	11.57%	51.77%	514	15	529	10.24%	54.75%
Default	92	2	94	11.46%	79.23%	81	2	83	11.50%	79.50%	63	1	64	11.51%	78.94%	45	1	46	10.48%	73.72%
	26,219	7,705	33,924			25,023	7,233	32,256			22,951	6,553	29,504			25,810	6,038	31,848		
<b>Qualifying Revolving Retail</b>																				
Exceptionally low	1,987	11,987	13,974	71.77%	2.03%	779	6,234	7,013	90.89%	2.04%	960	6,474	7,434	90.87%	2.01%	1,010	9,670	10,680	90.87%	2.01%
Very low	1,966	2,912	4,878	60.26%	4.65%	4,207	8,163	12,370	54.73%	3.21%	4,216	7,993	12,209	55.26%	3.28%	4,091	7,411	11,502	50.62%	3.00%
Low	1,368	1,716	3,084	75.78%	13.80%	1,949	1,654	3,603	75.70%	14.11%	2,145	1,641	3,786	76.64%	14.27%	2,247	1,714	3,961	70.05%	12.93%
Medium	1,170	874	2,044	75.92%	48.16%	1,618	872	2,490	77.14%	49.35%	1,804	856	2,660	78.63%	50.86%	1,961	780	2,741	73.78%	47.67%
High	190	24	214	73.27%	157.06%	267	25	292	78.23%	168.13%	325	26	351	60.51%	141.35%	360	29	389	57.23%	134.80%
Default	27	3	30	47.57%	21.13%	21	3	24	46.80%	21.90%	20	3	23	46.66%	22.24%	17	2	19	41.52%	7.59%
	6,708	17,516	24,224			8,841	16,951	25,792			9,470	16,993	26,463			9,686	19,606	29,292		
<b>Other Retail and Retail SME</b>																				
Exceptionally low	366	537	903	62.56%	9.39%	40	126	166	90.65%	9.28%	39	148	187	90.61%	9.25%	35	145	180	87.40%	8.97%
Very low	2,078	639	2,717	30.71%	7.89%	1,752	690	2,442	31.21%	7.08%	1,748	680	2,428	31.06%	7.09%	1,710	693	2,403	24.56%	5.80%
Low	7,157	172	7,329	53.19%	34.85%	6,661	165	6,826	52.77%	34.34%	6,335	171	6,506	52.35%	34.05%	6,070	176	6,246	47.08%	30.59%
Medium	2,410	940	3,350	52.39%	60.17%	2,221	914	3,135	52.32%	59.95%	2,391	874	3,265	52.50%	59.93%	2,168	824	2,992	46.71%	52.48%
High	135	7	142	57.50%	116.30%	126	6	132	56.62%	114.66%	122	6	128	56.50%	114.25%	121	32	153	53.28%	103.97%
Default	41	2	43	54.82%	215.79%	36	3	39	53.30%	240.10%	32	2	34	53.81%	249.48%	29	2	31	48.51%	193.28%
	12,187	2,297	14,484			10,836	1,904	12,740			10,667	1,881	12,548			10,133	1,872	12,005		

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

**Recap of AIRB and Standardized Portfolios**

Recap of AIRB and Standardized Portfolios (\$ millions)																				
Total AIRB wholesale credit exposure by risk ratings	135,386	43,001				129,026	41,638				131,397	40,285				133,530	39,392			
Retail AIRB credit exposure by portfolio and risk ratings																				
Residential mortgages	26,219	7,705				25,023	7,233				22,951	6,553				25,810	6,038			
Qualifying revolving retail	6,708	17,516				8,941	16,951				9,470	16,993				9,686	19,606			
Other retail and Retail SME	12,187	2,297				10,836	1,904				10,667	1,881				10,133	1,872			
Total Standardized portfolio	53,744	3,419				41,410	3,259				40,260	3,370				38,707	5,479			
<b>Total Portfolio</b>	<b>234,244</b>	<b>73,938</b>				<b>215,136</b>	<b>70,985</b>				<b>214,745</b>	<b>69,082</b>				<b>217,866</b>	<b>72,387</b>			



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

	2008	2008	2008	2008	2007	2007	2007	2007	2006	Fiscal	Fiscal	Fiscal
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2008	2007	2006

**Diversification Ratios**
**Gross Loans And Acceptances**

Consumer	42.7 %	44.2 %	44.5 %	42.0 %	43.1 %	46.8 %	46.9 %	46.2 %	49.2 %
Commercial and Corporate	57.3 %	55.8 %	55.5 %	58.0 %	56.9 %	53.2 %	53.1 %	53.8 %	50.8 %
Canada	64.5 %	67.5 %	65.9 %	70.1 %	72.1 %	71.3 %	72.8 %	71.6 %	72.4 %
United States	30.0 %	27.6 %	31.1 %	27.2 %	25.5 %	26.9 %	25.3 %	27.0 %	26.2 %
Other Countries	5.5 %	4.9 %	3.0 %	2.7 %	2.4 %	1.8 %	1.9 %	1.4 %	1.4 %

**Net Loans And Acceptances <sup>(2)</sup>**

Consumer	42.7 %	44.3 %	44.6 %	42.0 %	43.1 %	46.8 %	46.9 %	46.2 %	49.2 %
Commercial and Corporate	57.3 %	55.7 %	55.4 %	58.0 %	56.9 %	53.2 %	53.1 %	53.8 %	50.8 %
Canada	64.7 %	67.6 %	65.9 %	70.1 %	72.1 %	71.4 %	72.7 %	71.7 %	72.5 %
United States	29.8 %	27.4 %	31.0 %	27.2 %	25.5 %	26.8 %	25.3 %	26.9 %	26.1 %
Other Countries	5.5 %	5.0 %	3.1 %	2.7 %	2.4 %	1.8 %	2.0 %	1.4 %	1.4 %

**Coverage Ratios**
**Allowance for Credit Losses (ACL)-to-Gross Impaired Loans and Acceptances (GIL)**

Total	73.2 %	83.1 %	73.4 %	91.1 %	146.5 %	169.2 %	154.0 %	144.1 %	158.8 %	73.2 %	146.5 %	158.8 %
Consumer	3.7 %	4.9 %	4.6 %	8.0 %	8.3 %	12.1 %	3.4 %	2.8 %	3.7 %	3.7 %	8.3 %	3.7 %
Commercial and Corporate, excluding Securities Borrowed or Purchased under Resale Agreements	20.7 %	27.9 %	20.3 %	20.4 %	26.3 %	30.6 %	29.8 %	26.4 %	29.2 %	20.7 %	26.3 %	29.2 %
Net write-offs-to-average loans and Acceptances	0.16 %	0.15 %	0.04 %	0.04 %	0.04 %	0.04 %	0.03 %	0.03 %	0.03 %	0.4 %	0.1 %	0.1 %

**Condition Ratios**

GIL-to-Gross Loans and Acceptances	1.10 %	0.86 %	0.88 %	0.63 %	0.36 %	0.30 %	0.34 %	0.36 %	0.35 %
GIL-to-Equity and Allowance for Credit Losses	11.34 %	9.09 %	9.54 %	7.46 %	4.07 %	3.49 %	3.86 %	4.19 %	3.81 %
Net Impaired Loans and Acceptances (NIL)-to-Net Loans and Acceptances <sup>(2)</sup>	0.30 %	0.15 %	0.24 %	0.06 %	(0.17)%	(0.21)%	(0.18)%	(0.16)%	(0.21)%
NIL-to-segmented Net Loans and Acceptances <sup>(2)</sup>									
Consumer	0.42 %	0.33 %	0.29 %	0.21 %	0.19 %	0.16 %	0.18 %	0.18 %	0.17 %
Commercial and Corporate, excluding Securities Borrowed or Purchased under Resale Agreements	1.64 %	1.26 %	1.52 %	1.13 %	0.51 %	0.41 %	0.49 %	0.61 %	0.54 %
Canada	0.07 %	0.00 %	(0.09)%	(0.13)%	(0.16)%	(0.17)%	(0.15)%	(0.16)%	(0.19)%
United States	0.78 %	0.52 %	0.95 %	0.55 %	(0.20)%	(0.33)%	(0.31)%	(0.19)%	(0.29)%
Other Countries	0.41 %	0.04 %	0.05 %	0.05 %	0.06 %	0.24 %	0.25 %	0.35 %	0.42 %

**Consumer Loans (Canada)**
**90 Days & Over Delinquency Ratios**

Personal Loans	0.26 %	0.22 %	0.21 %	0.20 %	0.19 %	0.18 %	0.19 %	0.18 %	0.18 %
Credit Card	0.76 %	0.68 %	0.78 %	0.76 %	0.67 %	0.58 %	0.61 %	0.60 %	0.56 %
Mortgages <sup>(3)</sup>	0.46 %	0.39 %	0.36 %	0.29 %	0.24 %	0.22 %	0.24 %	0.22 %	0.22 %
Total Consumer (excluding Government Guaranteed Student Loans) <sup>(3)</sup>	0.42 %	0.36 %	0.35 %	0.30 %	0.26 %	0.23 %	0.25 %	0.24 %	0.23 %
Total Consumer	0.44 %	0.38 %	0.37 %	0.32 %	0.28 %	0.26 %	0.28 %	0.26 %	0.26 %

**Consumer Loans (U.S.)**
**90 Days & Over Delinquency Ratios**

Personal Loans	0.36 %	0.42 %	0.37 %	0.40 %	0.29 %	0.24 %	0.24 %	0.25 %	0.18 %
Credit Card	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Mortgages <sup>(3)</sup>	0.94 %	0.59 %	0.40 %	0.41 %	0.30 %	0.27 %	0.13 %	0.15 %	0.12 %
Total Consumer	0.59 %	0.49 %	0.38 %	0.41 %	0.29 %	0.25 %	0.20 %	0.21 %	0.16 %

**Consumer Loans (Consolidated)**
**90 Days & Over Delinquency Ratios**

Personal Loans	0.31 %	0.28 %	0.26 %	0.26 %	0.22 %	0.20 %	0.21 %	0.17 %	0.15 %
Credit Card	0.76 %	0.68 %	0.78 %	0.76 %	0.67 %	0.58 %	0.61 %	0.60 %	0.56 %
Mortgages <sup>(3)</sup>	0.51 %	0.41 %	0.36 %	0.30 %	0.25 %	0.22 %	0.23 %	0.22 %	0.21 %
Total Consumer (excluding Government Guaranteed Student Loans) <sup>(3)</sup>	0.46 %	0.38 %	0.35 %	0.31 %	0.26 %	0.23 %	0.24 %	0.23 %	0.22 %
Total Consumer	0.47 %	0.40 %	0.37 %	0.33 %	0.28 %	0.26 %	0.27 %	0.25 %	0.24 %

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

<sup>(2)</sup> Aggregate balances are net of specific and general allowances; the consumer, commercial and corporate categories are stated net of specific allowances only.

<sup>(3)</sup> The Mortgages and Total Consumer (excluding Government Guaranteed Student Loans) delinquency ratios include Household Mortgage balances, previously excluded from the ratio calculations.

**PROVISION FOR CREDIT LOSSES**

**SEGMENTED INFORMATION (1)**

(\$ millions except as noted)

**Performance Ratios (Annualized)**

	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3	2007 Q2	2007 Q1	2006 Q4	Fiscal 2008	Fiscal 2007	Fiscal 2006
PCL-to-average net loans and acceptances	0.81 %	0.89 %	0.28 %	0.42 %	0.29 %	0.18 %	0.12 %	0.10 %	0.03 %	0.60 %	0.17 %	0.09 %
PCL-to-segmented average net loans and acceptances												
Consumer	0.49 %	0.37 %	0.30 %	0.31 %	0.23 %	0.30 %	0.23 %	0.21 %	0.23 %	0.37 %	0.24 %	0.22 %
Commercial and Corporate	0.59 %	1.12 %	0.26 %	0.31 %	0.16 %	0.07 %	0.01 %	0.01 %	(0.01)%	0.57 %	0.07 %	0.01 %
Canada	0.41 %	0.09 %	0.22 %	0.19 %	0.23 %	0.16 %	0.16 %	0.14 %	0.06 %	0.23 %	0.17 %	0.13 %
United States	1.65 %	2.92 %	0.45 %	1.00 %	0.46 %	0.24 %	0.02 %	0.01 %	(0.02)%	1.49 %	0.18 %	(0.01)%
Other Countries	1.48 %	0.00 %	(0.07)%	0.59 %	0.09 %	0.00 %	(0.56)%	0.00 %	(0.17)%	0.61 %	(0.09)%	(0.09)%

**Provision for Credit Losses by Country**

	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3	2007 Q2	2007 Q1	2006 Q4	Fiscal 2008	Fiscal 2007	Fiscal 2006
Canada	155	32	79	74	87	59	60	51	19	340	257	180
United States	269	452	73	148	63	32	3	1	(3)	942	99	(2)
Other Countries	41	-	(1)	8	1	-	(4)	-	-	48	(3)	(2)
Total Provision For Credit Losses	465	484	151	230	151	91	59	52	16	1,330	353	176

**Specific Provision for Credit Losses by Country (2)**

	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3	2007 Q2	2007 Q1	2006 Q4	Fiscal 2008	Fiscal 2007	Fiscal 2006
Canada	97	87	90	74	N.A.	N.A.	N.A.	N.A.	N.A.	348	N.A.	N.A.
United States	177	347	62	88	N.A.	N.A.	N.A.	N.A.	N.A.	674	N.A.	N.A.
Other Countries	41	-	(1)	8	N.A.	N.A.	N.A.	N.A.	N.A.	48	N.A.	N.A.
Total Specific Provision for Credit Losses	315	434	151	170	N.A.	N.A.	N.A.	N.A.	N.A.	1,070	N.A.	N.A.

**Interest Income on Impaired Loans**

	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3	2007 Q2	2007 Q1	2006 Q4	Fiscal 2008	Fiscal 2007	Fiscal 2006
Total	(2)	-	(2)	(3)	1	14	30	3	9	(7)	48	50

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

(2) Reported prospectively starting in Q1 2008.

**PROVISION FOR CREDIT LOSSES**

**SEGMENTED INFORMATION**

(\$ millions)

**Provision by Product and Industry**

	Fiscal 2008	Fiscal 2007	Fiscal 2006
Consumer			
Residential mortgages	5	11	7
Cards	154	137	132
Personal Loans	178	81	67
Total Loans to Consumers	337	229	206
Commercial and Corporate			
Commercial mortgages	1	-	-
Commercial real estate	254	14	(2)
Construction (non-real estate)	2	1	(2)
Retail trade	10	7	(5)
Wholesale trade	3	7	4
Agriculture	2	5	2
Communications	-	-	(6)
Manufacturing	132	(9)	20
Mining	-	-	-
Oil and Gas	27	-	-
Transportation	12	4	7
Utilities	-	-	(19)
Forest Products	5	-	(1)
Service industries	33	2	2
Financial institutions - excluding securities borrowed or purchased under resale agreements	251	40	(1)
Government	2	-	-
Other	(1)	3	6
Total Commercial and Corporate, excluding Securities Borrowed or Purchased under Resale Agreements	733	74	5
Securities Borrowed or Purchased under Resale Agreements	-	-	-
Total Commercial and Corporate	733	74	5
Total specific provision for credit losses	1,070	303	211
General provision	260	50	(35)
Total Provision for Credit Losses	1,330	353	176

Fiscal 2008 Fiscal 2007 Fiscal 2006

	Fiscal 2008	Fiscal 2007	Fiscal 2006
0.5%	3.6%	3.3%	
14.4%	45.2%	62.6%	
16.6%	26.8%	31.7%	
31.5%	75.6%	97.6%	
0.1%	0.0%	0.0%	
23.7%	4.6%	(0.9)%	
0.2%	0.3%	(0.9)%	
0.9%	2.3%	(2.4)%	
0.3%	2.3%	1.9%	
0.2%	1.7%	0.9%	
0.0%	0.0%	(2.8)%	
12.3%	(3.0)%	9.5%	
0.0%	0.0%	0.0%	
2.5%	0.0%	0.0%	
1.1%	1.3%	3.3%	
0.0%	0.0%	(9.0)%	
0.5%	0.0%	(0.5)%	
3.1%	0.7%	0.9%	
23.5%	13.2%	(0.4)%	
0.2%	0.0%	0.0%	
(0.1)%	1.0%	2.8%	
68.5%	24.4%	2.4%	
0.0%	0.0%	0.0%	
68.5%	24.4%	2.4%	
100.0%	100.0%	100.0%	

**WRITE OFFS BY INDUSTRY**

(\$ millions)

	2008 Q4	YTD 2008
Consumer Write Offs	137	428
Commercial and Corporate		
Commercial mortgages	-	-
Commercial real estate	50	169
Construction (non-real estate)	1	1
Retail trade	6	11
Wholesale trade	12	14
Agriculture	3	4
Communications	-	-
Manufacturing	58	72
Mining	-	-
Oil and Gas	6	6
Transportation	6	16
Utilities	-	-
Forest Products	-	-
Service industries	12	21
Financial institutions	91	214
Government	-	-
Other	5	14
Total Commercial and Corporate	250	542
Total Write offs	387	970

**WRITE OFFS BY GEOGRAPHIC REGION**

	2008 Q4	YTD 2008
Canada	148	387
United States	239	576
Other Countries	-	7
Total	387	970

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

	2008	2008	2008	2008	2007	2007	2007	2007	2006	MIX	INC/(DEC)	
(\$ millions)	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q4	VS LAST YEAR	
<b>Consumer</b>												
Residential mortgages (1)	46,589	48,924	49,723	50,230	49,404	59,281	59,903	60,139	60,352	21.5 %	(2,815)	(5.7)%
Cards	2,120	3,532	4,338	4,685	4,493	4,347	3,899	3,764	3,631	1.0 %	(2,373)	(52.8)%
Personal loans	43,737	40,292	37,954	34,517	33,189	33,009	31,913	31,474	30,418	20.2 %	10,548	31.8 %
<b>Total Consumer</b>	<b>92,446</b>	<b>92,748</b>	<b>92,015</b>	<b>89,432</b>	<b>87,086</b>	<b>96,637</b>	<b>95,715</b>	<b>95,377</b>	<b>94,401</b>	<b>42.7 %</b>	<b>5,360</b>	<b>6.2 %</b>
<b>Commercial and Corporate, excluding Securities Borrowed or Purchased under Resale Agreements</b>												
Commercial mortgages	10,121	10,039	10,021	9,302	8,994	9,101	9,106	8,766	8,505	4.7 %	1,127	12.5 %
Commercial real estate	8,408	7,409	7,421	7,391	6,557	6,635	6,549	6,256	5,837	3.9 %	1,851	28.2 %
Construction (non-real estate)	1,861	1,731	1,452	1,383	1,429	1,494	1,299	1,198	1,105	0.9 %	432	30.2 %
Retail trade	5,275	4,995	5,043	4,785	4,405	4,330	4,361	3,975	3,851	2.4 %	870	19.8 %
Automotive	2,459	2,509	2,609	2,547	2,358	2,332	2,410	2,194	2,089	1.1 %	101	4.3 %
Food and beverage	783	784	725	716	659	545	492	500	496	0.4 %	124	18.8 %
Other	2,033	1,702	1,709	1,522	1,388	1,453	1,459	1,281	1,266	0.9 %	645	46.5 %
Wholesale trade	3,863	3,542	3,571	3,393	3,217	3,415	3,261	3,260	3,046	1.8 %	646	20.1 %
Agriculture	208	207	226	235	237	204	227	280	245	0.1 %	(29)	(12.2)%
Automotive	352	313	277	255	255	304	335	341	287	0.2 %	97	38.0 %
Food and beverage	911	771	788	802	739	742	731	784	723	0.4 %	172	23.3 %
Construction and industrial	913	884	877	797	783	843	833	796	804	0.4 %	130	16.6 %
Other	1,479	1,367	1,403	1,304	1,203	1,322	1,135	1,059	987	0.7 %	276	22.9 %
Agriculture	3,778	3,603	3,569	3,569	3,484	3,479	3,533	3,450	3,220	1.7 %	294	8.4 %
Communications	1,404	1,120	1,238	1,324	1,218	1,144	1,144	1,564	1,548	0.6 %	186	15.3 %
Long haul fibre	-	-	-	-	-	-	-	-	-	0.0 %	-	0.0 %
Wireless	-	-	-	-	-	-	25	-	-	0.0 %	-	0.0 %
Towers	-	-	-	-	-	-	-	-	-	0.0 %	-	0.0 %
CLECs	-	-	-	-	-	-	-	-	-	0.0 %	-	0.0 %
Other communications	214	136	139	158	134	69	92	170	173	0.1 %	80	59.7 %
Total Telecom	214	136	139	158	134	69	117	170	173	0.1 %	80	59.7 %
Cable	491	357	476	515	494	495	298	617	657	0.2 %	(3)	(0.6)%
Broadcasting	699	627	623	651	590	580	729	777	718	0.3 %	109	18.5 %
Manufacturing	9,398	8,191	8,095	7,481	7,273	7,741	7,775	7,688	7,790	4.3 %	2,125	29.2 %
Industrial products	3,210	3,011	2,608	2,399	2,411	2,445	2,436	2,523	2,326	1.5 %	799	33.1 %
Consumer products	3,216	2,608	2,568	2,546	2,293	2,476	2,289	2,254	2,518	1.5 %	923	40.3 %
Automotive	498	461	459	427	477	444	481	424	458	0.2 %	21	4.4 %
Other manufacturing	2,474	2,111	2,460	2,109	2,092	2,376	2,569	2,487	2,488	1.1 %	382	18.3 %
Mining	3,256	1,668	1,636	1,630	1,522	610	505	508	510	1.5 %	1,734	+100.0%
Oil and Gas	6,224	4,822	5,197	5,501	5,474	5,751	6,142	5,536	5,230	2.9 %	750	13.7 %
Transportation	1,796	1,595	1,563	1,543	1,472	1,502	1,595	1,492	1,333	0.8 %	324	22.0 %
Utilities	1,591	1,235	963	990	977	1,146	1,187	964	985	0.7 %	614	62.8 %
Electric power generation	836	645	434	412	433	612	542	538	586	0.4 %	403	93.1 %
Gas, water and other	755	590	529	578	544	534	645	426	399	0.3 %	211	38.8 %
Forest products	881	844	898	818	769	663	659	666	694	0.4 %	112	14.6 %
Service industries	9,636	8,675	8,142	8,230	8,324	8,878	8,425	7,633	6,923	4.4 %	1,312	15.8 %
Automotive lease and rental	633	663	611	627	617	682	603	610	628	0.3 %	16	2.6 %
Educational	1,178	1,154	1,102	1,125	1,086	1,157	1,090	1,149	1,167	0.5 %	92	8.5 %
Health care	1,657	1,324	1,293	1,315	1,805	1,764	1,726	1,115	1,047	0.8 %	(148)	(8.2)%
Business and professional services	2,146	2,246	1,961	2,071	1,913	2,061	2,239	1,938	1,345	1.0 %	233	12.2 %
Hospitality and recreation	1,870	1,581	1,616	1,550	1,490	1,737	1,318	1,388	1,368	0.9 %	380	25.5 %
Other	2,152	1,707	1,559	1,542	1,413	1,477	1,449	1,433	1,368	1.0 %	739	52.3 %
Financial institutions	23,780	19,484	16,636	16,329	16,403	13,998	11,800	10,626	9,596	11.0 %	7,377	45.0 %
Government (2)	867	966	905	932	-	-	-	-	-	0.4 %	867	0.0 %
Other	4,124	4,709	4,797	6,188	6,546	5,917	6,150	5,748	6,049	2.4 %	(2,422)	(37.0)%
<b>Total Commercial and Corporate, excluding Securities Borrowed or Purchased under Resale Agreements</b>	<b>96,263</b>	<b>84,628</b>	<b>81,147</b>	<b>80,789</b>	<b>78,064</b>	<b>75,804</b>	<b>73,491</b>	<b>69,330</b>	<b>66,222</b>	<b>44.4 %</b>	<b>18,199</b>	<b>23.3 %</b>
Securities Borrowed or Purchased under Resale Agreements	28,033	32,433	33,596	42,937	37,093	34,216	35,063	41,843	31,429	12.9 %	(9,060)	(24.4)%
<b>Total Commercial and Corporate</b>	<b>124,296</b>	<b>117,061</b>	<b>114,743</b>	<b>123,726</b>	<b>115,157</b>	<b>110,020</b>	<b>108,554</b>	<b>111,173</b>	<b>97,651</b>	<b>57.3 %</b>	<b>9,139</b>	<b>7.9 %</b>
<b>Total Gross Loans and Acceptances</b>	<b>216,742</b>	<b>209,809</b>	<b>206,758</b>	<b>213,158</b>	<b>202,243</b>	<b>206,657</b>	<b>204,269</b>	<b>206,550</b>	<b>192,052</b>	<b>100.0 %</b>	<b>14,499</b>	<b>7.2 %</b>

(1) Certain residential mortgages have been classified as Commercial and Corporate.

(2) Financial institutions has been split between Financial institutions and Government for 2008.

**ALLOWANCES FOR CREDIT LOSSES  
BY PRODUCT AND INDUSTRY**

	2008	2008	2008	2008	2007	2007	2007	2007	2006	MIX	INC/(DEC)
(\$ millions)	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q4	VS LAST YEAR
<b>Specific Allowances</b>											
<b>Consumer</b>											
Residential mortgages	13	15	12	15	14	20	5	4	5	0.7 %	(1) (7.1)%
Cards	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Consumer instalments & other personal loans	2	1	1	1	1	1	1	1	1	0.2 %	1 100.0 %
<b>Total Consumer</b>	<b>15</b>	<b>16</b>	<b>13</b>	<b>16</b>	<b>15</b>	<b>21</b>	<b>6</b>	<b>5</b>	<b>6</b>	<b>0.9 %</b>	<b>- 0.0 %</b>
<b>Commercial and Corporate, excluding Securities Borrowed or Purchased under Resale Agreements</b>											
Commercial mortgages	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Commercial real estate	108	84	86	42	25	17	14	12	7	6.2 %	83 +100.0%
Construction (non-real estate)	4	5	4	4	4	4	3	3	3	0.2 %	- 0.0 %
Retail trade	6	10	6	8	7	8	9	10	9	0.3 %	(1) (14.3)%
Automotive	3	5	1	3	3	4	4	2	-	0.2 %	- 0.0 %
Food and beverage	-	-	-	-	-	-	1	5	5	0.0 %	- 0.0 %
Other	3	5	5	5	4	4	4	3	4	0.1 %	(1) (25.0)%
Wholesale trade	14	25	24	21	17	21	15	17	21	0.8 %	(3) (17.6)%
Agriculture	1	1	1	2	-	5	7	7	10	0.1 %	1 0.0 %
Automotive	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Food and beverage	2	2	3	3	5	4	5	6	7	0.1 %	(3) (60.0)%
Construction and industrial	6	19	19	16	11	10	-	-	-	0.3 %	(5) (45.5)%
Other	5	3	1	-	1	2	3	4	4	0.3 %	4 +100.0%
Agriculture	9	12	12	13	13	12	12	10	9	0.5 %	(4) (30.8)%
Communications	-	-	-	-	-	-	1	1	1	0.0 %	- 0.0 %
Long haul fibre	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Wireless	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Towers	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
CLECs	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Other communications	-	-	-	-	-	-	1	1	1	0.0 %	- 0.0 %
Total Telecom	-	-	-	-	-	-	1	1	1	0.0 %	- 0.0 %
Cable	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Broadcasting	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Manufacturing	108	92	65	44	35	39	54	52	57	6.2 %	73 +100.0%
Industrial products	16	24	9	10	11	16	17	15	15	0.9 %	5 45.5 %
Consumer products	8	18	17	3	4	6	10	10	13	0.5 %	4 100.0 %
Automotive	9	1	1	1	1	1	11	11	13	0.5 %	8 +100.0%
Other manufacturing	75	49	38	30	19	16	16	16	16	4.3 %	56 +100.0%
Mining	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Oil and Gas	25	27	-	-	-	-	-	-	-	1.4 %	25 0.0 %
Transportation	8	10	10	10	5	6	3	12	11	0.5 %	3 60.0 %
Utilities	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Electric power generation	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Gas, water and other	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Forest products	6	6	5	3	2	2	2	2	2	0.3 %	4 +100.0%
Service industries	23	24	20	22	17	17	21	18	19	1.3 %	6 35.3 %
Automotive lease and rental	1	3	2	2	1	1	-	-	-	0.1 %	- 0.0 %
Educational	-	3	-	2	1	1	3	-	-	0.0 %	(1) (100.0)%
Health care	5	3	2	3	1	1	1	1	-	0.3 %	4 +100.0%
Business and professional services	10	9	8	7	7	6	7	8	8	0.6 %	3 42.9 %
Hospitality and recreation	3	2	4	4	4	4	4	5	6	0.2 %	(1) (25.0)%
Other	4	4	4	4	3	4	6	4	5	0.1 %	1 33.3 %
Financial institutions	70	89	50	55	10	1	1	1	1	4.0 %	60 +100.0%
Government (2)	2	2	2	-	-	-	-	-	-	0.1 %	2 0.0 %
Other	28	25	28	12	7	9	17	13	7	1.8 %	21 +100.0%
<b>Total Commercial and Corporate, excluding Securities Borrowed or Purchased under Resale Agreements</b>	<b>411</b>	<b>411</b>	<b>312</b>	<b>234</b>	<b>142</b>	<b>136</b>	<b>152</b>	<b>151</b>	<b>147</b>	<b>23.5 %</b>	<b>269 +100.0%</b>
Securities Borrowed or Purchased under Resale Agreements	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
<b>Total Commercial and Corporate</b>	<b>411</b>	<b>411</b>	<b>312</b>	<b>234</b>	<b>142</b>	<b>136</b>	<b>152</b>	<b>151</b>	<b>147</b>	<b>23.5 %</b>	<b>269 +100.0%</b>
<b>Total Specific Allowances (1)</b>	<b>426</b>	<b>427</b>	<b>325</b>	<b>250</b>	<b>157</b>	<b>157</b>	<b>158</b>	<b>156</b>	<b>153</b>	<b>24.4 %</b>	<b>269 +100.0%</b>
General allowance	1,321	1,067	1,011	977	898	888	901	922	905	75.6 %	423 47.1 %
<b>Total Allowance for Credit Losses</b>	<b>1,747</b>	<b>1,494</b>	<b>1,336</b>	<b>1,227</b>	<b>1,055</b>	<b>1,045</b>	<b>1,059</b>	<b>1,078</b>	<b>1,058</b>	<b>100.0 %</b>	<b>692 65.6 %</b>

(1) Excludes specific allowances related to other credit instruments.

(2) Financial institutions has been split between Financial institutions and Government for 2008.

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

	2008	2008	2008	2008	2007	2007	2007	2007	2006	MIX	INC/(DEC)	
(\$ millions)	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q4	VS LAST YEAR	
<b>Consumer</b>												
Residential mortgages	46,576	48,909	49,711	50,215	49,390	59,261	59,898	60,135	60,347	21.7 %	(2,814)	(5.7)%
Cards	2,120	3,532	4,338	4,685	4,493	4,347	3,899	3,764	3,631	1.0 %	(2,373)	(52.8)%
Consumer instalments & other personal loans	43,735	40,291	37,953	34,516	33,188	33,008	31,912	31,473	30,417	20.3 %	10,547	31.8 %
<b>Total Consumer</b>	<b>92,431</b>	<b>92,732</b>	<b>92,002</b>	<b>89,416</b>	<b>87,071</b>	<b>96,616</b>	<b>95,709</b>	<b>95,372</b>	<b>94,395</b>	<b>43.0 %</b>	<b>5,360</b>	<b>6.2 %</b>
<b>Commercial and Corporate, excluding Securities Borrowed or Purchased under Resale Agreements</b>												
Commercial mortgages	10,121	10,039	10,021	9,302	8,994	9,101	9,106	8,766	8,505	4.7 %	1,127	12.5 %
Commercial real estate	8,300	7,325	7,335	7,349	6,532	6,618	6,535	6,244	5,830	3.9 %	1,768	27.1 %
Construction (non-real estate)	1,857	1,726	1,448	1,379	1,425	1,490	1,296	1,195	1,102	0.9 %	432	30.3 %
Retail trade	5,269	4,985	5,037	4,777	4,398	4,322	4,352	3,965	3,842	2.5 %	871	19.8 %
Automotive	2,456	2,504	2,608	2,544	2,355	2,328	2,406	2,192	2,089	1.1 %	101	4.3 %
Food and beverage	783	784	725	716	659	545	491	495	491	0.4 %	124	18.8 %
Other	2,030	1,697	1,704	1,517	1,384	1,449	1,455	1,278	1,262	1.0 %	646	46.7 %
Wholesale trade	3,849	3,517	3,547	3,372	3,200	3,394	3,246	3,243	3,025	1.8 %	649	20.3 %
Agriculture	207	206	225	233	237	199	220	273	235	0.1 %	(30)	(12.7)%
Automotive	352	313	277	255	255	304	335	341	287	0.2 %	97	38.0 %
Food and beverage	909	769	785	799	734	738	726	778	716	0.4 %	175	23.8 %
Construction and industrial	907	865	858	781	772	833	833	796	804	0.3 %	135	17.5 %
Other	1,474	1,364	1,402	1,304	1,202	1,320	1,132	1,055	983	0.8 %	272	22.6 %
Agriculture	3,769	3,591	3,557	3,556	3,471	3,467	3,521	3,440	3,211	1.8 %	298	8.6 %
Communications	1,404	1,120	1,238	1,324	1,218	1,144	1,143	1,563	1,547	0.7 %	186	15.3 %
Long haul fibre	-	-	-	-	-	-	-	-	-	0.0 %	-	0.0 %
Wireless	-	-	-	-	-	-	25	-	-	0.0 %	-	0.0 %
Towers	-	-	-	-	-	-	-	-	-	0.0 %	-	0.0 %
CLECs	-	-	-	-	-	-	-	-	-	0.0 %	-	0.0 %
Other communications	214	136	139	158	134	69	91	169	172	0.1 %	80	59.7 %
Total Telecom	214	136	139	158	134	69	116	169	172	0.1 %	80	59.7 %
Cable	491	357	476	515	494	495	298	617	657	0.2 %	(3)	(0.6)%
Broadcasting	699	627	623	651	590	580	729	777	718	0.3 %	109	18.5 %
Manufacturing	9,290	8,099	8,030	7,437	7,238	7,702	7,721	7,636	7,733	4.3 %	2,052	28.4 %
Industrial products	3,194	2,987	2,599	2,389	2,400	2,429	2,419	2,508	2,311	1.5 %	794	33.1 %
Consumer products	3,208	2,590	2,551	2,543	2,289	2,470	2,279	2,244	2,505	1.5 %	919	40.1 %
Automotive	489	460	458	426	476	443	470	413	445	0.2 %	13	2.7 %
Other manufacturing	2,399	2,062	2,422	2,079	2,073	2,360	2,553	2,471	2,472	1.1 %	326	15.7 %
Mining	3,256	1,668	1,636	1,630	1,522	610	505	508	510	1.5 %	1,734	+100.0%
Oil and Gas	6,199	4,795	5,197	5,501	5,474	5,751	6,142	5,536	5,230	2.9 %	725	13.2 %
Transportation	1,788	1,585	1,553	1,533	1,467	1,496	1,592	1,480	1,322	0.8 %	321	21.9 %
Utilities	1,591	1,235	963	990	977	1,146	1,187	964	985	0.7 %	614	62.8 %
Electric power generation	836	645	434	412	433	612	542	538	586	0.4 %	403	93.1 %
Gas, water and other	755	590	529	578	544	534	645	426	399	0.3 %	211	38.8 %
Forest products	875	838	893	815	767	661	657	664	692	0.4 %	108	14.1 %
Service industries	9,613	8,651	8,122	8,208	8,307	8,861	8,404	7,615	6,904	4.5 %	1,306	15.7 %
Automotive lease and rental	632	660	609	625	616	681	603	610	628	0.3 %	16	2.6 %
Educational	1,178	1,151	1,102	1,123	1,085	1,156	1,087	1,149	1,167	0.5 %	93	8.6 %
Health care	1,652	1,321	1,291	1,312	1,804	1,763	1,725	1,114	1,047	0.8 %	(152)	(8.4)%
Business and professional services	2,136	2,237	1,953	2,064	1,906	2,055	2,232	1,930	1,337	1.0 %	230	12.1 %
Hospitality and recreation	1,867	1,579	1,612	1,546	1,486	1,733	1,314	1,383	1,362	0.9 %	381	25.6 %
Other	2,148	1,703	1,555	1,538	1,410	1,473	1,443	1,429	1,363	1.0 %	738	52.3 %
Financial institutions	23,710	19,395	16,586	16,274	16,393	13,997	11,799	10,625	9,595	11.0 %	7,317	44.6 %
Government (1)	865	964	903	932	-	-	-	-	-	0.4 %	865	0.0 %
Other	4,096	4,684	4,769	6,176	6,539	5,908	6,133	5,735	6,042	2.2 %	(2,443)	(37.4)%
<b>Total Commercial and Corporate, excluding Securities Borrowed or Purchased under Resale Agreements</b>	<b>95,852</b>	<b>84,217</b>	<b>80,835</b>	<b>80,555</b>	<b>77,922</b>	<b>75,668</b>	<b>73,339</b>	<b>69,179</b>	<b>66,075</b>	<b>44.6 %</b>	<b>17,930</b>	<b>23.0 %</b>
Securities Borrowed or Purchased under Resale Agreements	28,033	32,433	33,596	42,937	37,093	34,216	35,063	41,843	31,429	13.0 %	(9,060)	(24.4)%
<b>Total Commercial and Corporate</b>	<b>123,885</b>	<b>116,650</b>	<b>114,431</b>	<b>123,492</b>	<b>115,015</b>	<b>109,884</b>	<b>108,402</b>	<b>111,022</b>	<b>97,504</b>	<b>57.6 %</b>	<b>8,870</b>	<b>7.7 %</b>
<b>Loans and Acceptances, Net of Specific Allowances</b>	<b>216,316</b>	<b>209,382</b>	<b>206,433</b>	<b>212,908</b>	<b>202,086</b>	<b>206,500</b>	<b>204,111</b>	<b>206,394</b>	<b>191,899</b>	<b>100.6 %</b>	<b>14,230</b>	<b>7.0 %</b>
General allowance	(1,321)	(1,067)	(1,011)	(977)	(898)	(888)	(901)	(922)	(905)	(0.6)%	423	47.1 %
<b>Total Net Loans and Acceptances</b>	<b>214,995</b>	<b>208,315</b>	<b>205,422</b>	<b>211,931</b>	<b>201,188</b>	<b>205,612</b>	<b>203,210</b>	<b>205,472</b>	<b>190,994</b>	<b>100.0 %</b>	<b>13,807</b>	<b>6.9 %</b>

(1) Financial institutions has been split between Financial institutions and Government for 2008.

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

	2008	2008	2008	2008	2007	2007	2007	2007	2006	% (1)	INC/(DEC)
(\$ millions)	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q4	VS LAST YEAR
<b>Consumer</b>											
Residential mortgages	224	189	173	139	126	124	130	125	115	0.5 %	98 77.8 %
Consumer instalments & other personal loans	182	137	108	62	55	50	48	51	48	0.4 %	127 +100.0%
<b>Total Consumer</b>	<b>406</b>	<b>326</b>	<b>281</b>	<b>201</b>	<b>181</b>	<b>174</b>	<b>178</b>	<b>176</b>	<b>163</b>	<b>0.4 %</b>	<b>225 +100.0%</b>
<b>Commercial and Corporate, excluding</b>											
<b>Securities Borrowed or Purchased under Resale Agreements</b>											
Commercial mortgages	38	33	44	40	43	33	28	28	31	0.4 %	(5) (11.6)%
Commercial real estate	568	345	394	167	121	76	49	38	15	6.8 %	447 +100.0%
Construction (non-real estate)	19	17	11	10	9	10	10	8	10	1.0 %	10 +100.0%
Retail trade	47	23	19	17	16	19	25	32	30	0.9 %	31 +100.0%
Automotive	32	8	6	5	5	5	11	4	3	1.3 %	27 +100.0%
Food and beverage	3	2	2	2	2	1	2	17	16	0.4 %	1 50.0%
Other	12	13	11	10	9	13	12	11	11	0.6 %	3 33.3 %
Wholesale trade	65	47	37	38	41	44	58	43	39	1.7 %	24 58.5 %
Agriculture	7	7	7	7	-	-	9	11	10	3.4 %	7 +100.0%
Automotive	1	1	1	-	-	1	1	1	1	0.3 %	1 0.0 %
Food and beverage	16	5	5	6	16	16	19	20	21	1.8 %	- 0.0 %
Construction and industrial	6	13	20	21	21	21	21	1	1	0.7 %	(15) (71.4)%
Other	35	21	4	4	4	6	8	10	6	2.4 %	31 +100.0%
Agriculture	82	49	45	41	31	33	35	35	31	2.2 %	51 +100.0%
Communications	-	1	1	-	-	-	1	93	89	0.0 %	- 0.0 %
Long haul fibre	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Wireless	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Towers	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
CLECs	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Other communications	-	1	1	-	-	-	1	1	1	0.0 %	- 0.0 %
Total Telecom	-	1	1	-	-	-	1	1	1	0.0 %	- 0.0 %
Cable	-	-	-	-	-	-	-	92	88	0.0 %	- 0.0 %
Broadcasting	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Manufacturing	383	290	194	160	115	97	157	164	155	4.1 %	268 +100.0%
Industrial products	91	108	29	30	40	32	49	44	40	2.8 %	51 +100.0%
Consumer products	72	45	46	37	19	26	39	39	38	2.2 %	53 +100.0%
Automotive	40	30	3	1	1	1	35	37	44	8.0 %	39 +100.0%
Other manufacturing	180	107	116	92	55	38	34	44	33	7.3 %	125 +100.0%
Mining	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Oil and Gas	72	62	-	-	-	1	1	2	1	1.2 %	72 0.0 %
Transportation	35	39	47	43	20	22	11	20	19	1.9 %	15 75.0 %
Utilities	1	1	-	-	-	-	-	-	-	0.1 %	1 0.0 %
Electric power generation	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Gas, water and other	1	1	-	-	-	-	-	-	-	0.1 %	1 0.0 %
Forest products	22	13	12	7	7	8	6	6	6	2.5 %	15 +100.0%
Service industries	116	98	95	82	75	62	69	57	55	1.2 %	41 54.7 %
Automotive lease and rental	1	2	5	11	14	1	2	3	-	0.2 %	(13) (92.9)%
Educational	7	14	14	8	7	8	14	1	1	0.6 %	- 0.0 %
Health care	21	14	14	14	1	1	2	2	2	1.3 %	20 +100.0%
Business and professional services	26	22	12	10	8	8	9	9	9	1.2 %	18 +100.0%
Hospitality and recreation	16	11	19	17	23	19	19	21	22	0.9 %	(7) (30.4)%
Other	45	35	31	22	22	25	23	21	21	2.1 %	23 +100.0%
Financial institutions	314	309	462	489	33	6	9	11	5	1.3 %	281 +100.0%
Government (2)	5	5	5	5	-	-	-	-	-	0.6 %	5 0.0 %
Other	214	140	173	47	28	33	51	35	17	5.2 %	186 +100.0%
<b>Total Commercial and Corporate, excluding</b>											
Securities Borrowed or Purchased under Resale Agreements	1,981	1,472	1,539	1,146	539	444	510	572	503	2.1 %	1,442 +100.0%
Securities Borrowed or Purchased under Resale Agreements	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
<b>Total Commercial and Corporate</b>	<b>1,981</b>	<b>1,472</b>	<b>1,539</b>	<b>1,146</b>	<b>539</b>	<b>444</b>	<b>510</b>	<b>572</b>	<b>503</b>	<b>1.6 %</b>	<b>1,442 +100.0%</b>
<b>Total Gross Impaired Loans and Acceptances</b>	<b>2,387</b>	<b>1,798</b>	<b>1,820</b>	<b>1,347</b>	<b>720</b>	<b>618</b>	<b>688</b>	<b>748</b>	<b>666</b>	<b>1.1 %</b>	<b>1,667.0 +100.0%</b>

(1) Based on Gross Loans & Acceptances by Product and Industry.

(2) Financial institutions has been split between Financial institutions and Government for 2008.

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

	2008	2008	2008	2008	2007	2007	2007	2007	2006	% (1)	INC/(DEC)
(\$ millions)	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q4	VS LAST YEAR
<b>Consumer</b>											
Residential mortgages	211	174	161	124	112	104	125	121	110	0.5 %	99 88.4 %
Consumer instalments & other personal loans	180	136	107	61	54	49	47	50	47	0.4 %	126 +100.0 %
<b>Total Consumer</b>	<b>391</b>	<b>310</b>	<b>268</b>	<b>185</b>	<b>166</b>	<b>153</b>	<b>172</b>	<b>171</b>	<b>157</b>	<b>0.4 %</b>	<b>225 +100.0 %</b>
<b>Commercial and Corporate, excluding</b>											
Securities Borrowed or Purchased under Resale Agreements											
Commercial mortgages	38	33	44	40	43	33	28	28	31	0.4 %	(5) (11.6)%
Commercial real estate	460	261	308	125	96	59	35	26	8	5.5 %	364 +100.0 %
Construction (non-real estate)	15	12	7	6	5	6	7	5	7	0.8 %	10 +100.0 %
Retail trade	41	13	13	9	9	11	16	22	21	0.8 %	32 +100.0 %
Automotive	29	3	5	2	2	1	7	2	3	1.2 %	27 +100.0 %
Food and beverage	3	2	2	2	2	1	1	12	11	0.4 %	1 50.0 %
Other	9	8	6	5	5	9	8	8	7	0.4 %	4 80.0 %
Wholesale trade	51	22	13	17	24	23	43	26	18	1.3 %	27 +100.0 %
Agriculture	6	6	6	5	-	(5)	2	4	-	2.9 %	6 0.0 %
Automotive	1	1	1	-	-	1	1	1	1	0.3 %	1 0.0 %
Food and beverage	14	3	2	3	11	12	14	14	14	1.5 %	3 27.3 %
Construction and industrial	-	(6)	1	5	10	11	21	1	1	0.0 %	(10) (100.0)%
Other	30	18	3	4	3	4	5	6	2	2.0 %	27 +100.0 %
Agriculture	73	37	33	28	18	21	23	25	22	1.9 %	55 +100.0 %
Communications	-	1	1	-	-	-	-	92	88	0.0 %	- 0.0 %
Long haul fibre	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Wireless	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Towers	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
CLECs	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Other communications	-	1	1	-	-	-	-	-	-	0.0 %	- 0.0 %
Total Telecom	-	1	1	-	-	-	-	-	-	0.0 %	- 0.0 %
Cable	-	-	-	-	-	-	-	92	88	0.0 %	- 0.0 %
Broadcasting	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Manufacturing	275	198	129	116	80	58	103	112	98	3.0 %	195 +100.0 %
Industrial products	75	84	20	20	29	16	32	29	25	2.3 %	46 +100.0 %
Consumer products	64	27	29	34	15	20	29	29	25	2.0 %	49 +100.0 %
Automotive	31	29	2	-	-	-	24	26	31	6.3 %	31 0.0 %
Other manufacturing	105	58	78	62	36	22	18	28	17	4.4 %	69 +100.0 %
Mining	-	-	-	-	-	-	-	-	-	0.0 %	- +100.0 %
Oil and Gas	47	35	-	-	-	1	1	2	1	0.8 %	47 0.0 %
Transportation	27	29	37	33	15	16	8	8	8	1.5 %	12 80.0 %
Utilities	1	1	-	-	-	-	-	-	-	0.1 %	1 0.0 %
Electric power generation	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
Gas, water and other	1	1	-	-	-	-	-	-	-	0.1 %	1 0.0 %
Forest products	16	7	7	4	5	6	4	4	4	1.8 %	11 +100.0 %
Service industries	93	74	75	60	58	45	48	39	36	1.0 %	35 60.3 %
Automotive lease and rental	-	(1)	3	9	13	-	2	3	-	0.0 %	(13) (100.0)%
Educational	7	11	14	6	6	7	11	1	1	0.6 %	1 16.7 %
Health care	16	11	12	11	-	-	1	1	2	1.0 %	16 0.0 %
Business and professional services	16	13	4	3	1	2	2	1	1	0.7 %	15 +100.0 %
Hospitality and recreation	13	9	15	13	19	15	15	16	16	0.7 %	(6) (31.6)%
Other	41	31	27	18	19	21	17	17	16	1.9 %	22 +100.0 %
Financial institutions	244	220	412	434	23	5	8	10	4	1.0 %	221 +100.0 %
Government (2)	3	3	3	5	-	-	-	-	-	0.3 %	3 0.0 %
Other	186	115	145	35	21	24	34	22	10	4.5 %	165 +100.0 %
<b>Total Commercial and Corporate, excluding</b>											
Securities Borrowed or Purchased under Resale Agreements	1,570	1,061	1,227	912	397	308	358	421	356	1.6 %	1,173 +100.0 %
Securities Borrowed or Purchased under Resale Agreements	-	-	-	-	-	-	-	-	-	0.0 %	- 0.0 %
<b>Total Commercial and Corporate</b>	<b>1,570</b>	<b>1,061</b>	<b>1,227</b>	<b>912</b>	<b>397</b>	<b>308</b>	<b>358</b>	<b>421</b>	<b>356</b>	<b>1.3 %</b>	<b>1,173 +100.0 %</b>
<b>Total Impaired Loans and Acceptances,</b>											
Net of Specific Allowances	1,961	1,371	1,495	1,097	563	461	530	592	513	0.9 %	1,398 +100.0 %
General allowance	(1,321)	(1,067)	(1,011)	(977)	(898)	(888)	(901)	(922)	(905)	100.0 %	423 47.1 %
<b>Total Net Impaired Loans and Acceptances</b>	<b>640</b>	<b>304</b>	<b>484</b>	<b>120</b>	<b>(335)</b>	<b>(427)</b>	<b>(371)</b>	<b>(330)</b>	<b>(392)</b>	<b>0.3 %</b>	<b>975 +100.0 %</b>

(1) Based on Net Loans & Acceptances by Product and Industry.

(2) Financial institutions has been split between Financial institutions and Government for 2008.

**LOANS AND ACCEPTANCES  
BY GEOGRAPHIC AREA (1) (2)**

(\$ millions) 2008 Q4 2008 Q3 2008 Q2 2008 Q1 2007 Q4 2007 Q3 2007 Q2 2007 Q1 2006 Q4 MIX Q4 INC/(DEC) VS LAST YEAR

**Gross Loans and Acceptances**

Canada	139,849	141,627	136,182	149,286	145,765	147,324	148,525	147,946	139,223	64.5 %	(5,916)	(4.1)%
United States	64,975	57,810	64,290	58,072	51,634	55,538	51,772	55,749	50,227	30.0 %	13,341	25.8 %
Other Countries	11,918	10,372	6,286	5,800	4,844	3,795	3,972	2,855	2,602	5.5 %	7,074	+100.0%
Africa & Middle East	634	702	592	494	414	433	351	264	256	0.3 %	220	53.1 %
Asia	1,142	1,397	1,262	1,159	804	714	680	615	718	0.5 %	338	42.0 %
Europe	3,042	2,891	3,012	2,935	2,617	1,605	1,994	1,243	1,103	1.4 %	425	16.2 %
Latin America & Caribbean	7,100	5,382	1,420	1,212	1,009	1,043	947	733	525	3.3 %	6,091	+100.0%
<b>Total Gross Loans and Acceptances</b>	<b>216,742</b>	<b>209,809</b>	<b>206,758</b>	<b>213,158</b>	<b>202,243</b>	<b>206,657</b>	<b>204,269</b>	<b>206,550</b>	<b>192,052</b>	<b>100.0 %</b>	<b>14,499</b>	<b>7.2 %</b>

**Specific Allowance (3)**

Canada	(129)	(167)	(142)	(118)
United States	(256)	(260)	(175)	(124)
Other Countries	(41)	-	(8)	(8)

**Net Loans and Acceptances**

Canada	139,720	141,460	136,040	149,168	145,660	147,207	148,420	147,848	139,127	65.0 %	(5,940)	(4.1)%
United States	64,719	57,550	64,115	57,948	51,583	55,498	51,719	55,695	50,174	30.1 %	13,136	25.5 %
Other Countries	11,877	10,372	6,278	5,792	4,843	3,795	3,972	2,851	2,598	5.5 %	7,034	+100.0%
Africa & Middle East	634	702	592	494	414	433	351	263	255	0.3 %	220	53.1 %
Asia	1,142	1,397	1,262	1,159	803	714	680	615	718	0.5 %	339	42.2 %
Europe	3,001	2,891	3,004	2,927	2,617	1,605	1,994	1,243	1,103	1.4 %	384	14.7 %
Latin America & Caribbean	7,100	5,382	1,420	1,212	1,009	1,043	947	730	522	3.3 %	6,091	+100.0%
<b>Total Loans and Acceptances, net of specific allowances</b>	<b>216,316</b>	<b>209,382</b>	<b>206,433</b>	<b>212,908</b>	<b>202,086</b>	<b>206,500</b>	<b>204,111</b>	<b>206,394</b>	<b>191,899</b>	<b>100.6 %</b>	<b>14,230</b>	<b>7.0 %</b>
<b>General Allowance</b>												
Canada	(579)	(521)	(576)	(587)	(587)	(539)	(558)	(555)	(555)	(0.3)%	(8)	(1.4)%
United States	(742)	(546)	(435)	(390)	(311)	(349)	(343)	(367)	(350)	(0.3)%	431	+100.0%
<b>Total Net Loans and Acceptances</b>	<b>214,995</b>	<b>208,315</b>	<b>205,422</b>	<b>211,931</b>	<b>201,188</b>	<b>205,612</b>	<b>203,210</b>	<b>205,472</b>	<b>190,994</b>	<b>100.0 %</b>	<b>13,807</b>	<b>6.9 %</b>

**Gross Impaired Loans and Acceptances (3)**

Canada	803	691	597	508
United States	1,494	1,103	1,212	828
Other Countries	90	4	11	11
Africa & Middle East	-	-	-	-
Asia	5	4	4	4
Europe	85	-	7	7
Latin America & Caribbean	-	-	-	-
<b>Total Gross Impaired Loans and Acceptances</b>	<b>2,387</b>	<b>1,798</b>	<b>1,820</b>	<b>1,347</b>

**Net Impaired Loans and Acceptances**

Canada	674	524	455	390	349	286	334	322	295
United States	1,238	843	1,037	704	211	166	186	260	207
Other Countries	49	4	3	3	3	9	10	10	11
Africa & Middle East	-	-	-	-	-	-	-	-	1
Asia	5	4	4	4	3	-	4	5	4
Europe	44	-	(1)	(1)	-	5	6	-	-
Latin America & Caribbean	-	-	-	-	-	4	-	5	6
<b>Total Impaired Loans and Acceptances, net of specific allowances</b>	<b>1,961</b>	<b>1,371</b>	<b>1,495</b>	<b>1,097</b>	<b>563</b>	<b>461</b>	<b>530</b>	<b>592</b>	<b>513</b>
<b>General Allowance</b>									
Canada	(579)	(521)	(576)	(587)	(587)	(539)	(558)	(555)	(555)
United States	(742)	(546)	(435)	(390)	(311)	(349)	(343)	(367)	(350)
<b>Total Net Impaired Loans and Acceptances</b>	<b>640</b>	<b>304</b>	<b>484</b>	<b>120</b>	<b>(335)</b>	<b>(427)</b>	<b>(371)</b>	<b>(330)</b>	<b>(392)</b>

**Gross Loans and Acceptances in  
Canada by Province**

Atlantic Provinces	5,624	5,466	5,515	6,588	6,253	6,625	6,698	6,277	6,073	4.0 %	(629)	(10.1)%
Quebec	13,633	14,144	13,929	15,182	15,426	16,857	16,753	16,348	16,470	9.7 %	(1,793)	(11.6)%
Ontario	85,506	87,607	82,650	89,190	83,734	82,375	85,165	86,951	79,591	61.1 %	1,772	2.1 %
Prairie Provinces	18,422	18,286	18,366	20,831	22,360	21,653	21,167	20,087	19,291	13.2 %	(3,938)	(17.6)%
British Columbia and Territories	16,664	16,124	15,722	17,495	17,992	19,814	18,742	18,283	17,798	12.0 %	(1,328)	(7.4)%
<b>Total Gross Loans and Acceptances</b>	<b>139,849</b>	<b>141,627</b>	<b>136,182</b>	<b>149,286</b>	<b>145,765</b>	<b>147,324</b>	<b>148,525</b>	<b>147,946</b>	<b>139,223</b>	<b>100.0 %</b>	<b>(5,916)</b>	<b>(4.1)%</b>

(1) Included in Loans and Acceptances are securities borrowed or purchased under resale agreements (reverse repos).

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

(3) Reported prospectively starting in Q1 2008.



**CHANGES IN ALLOWANCES  
FOR CREDIT LOSSES**

(\$ millions)	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3	2007 Q2	2007 Q1	2006 Q4	Fiscal 2008	Fiscal 2007	Fiscal 2006
Balance at beginning of period	1,494	1,336	1,227	1,055	1,045	1,059	1,078	1,058	1,107	1,055	1,058	1,128
Provision for credit losses	465	484	151	230	151	91	59	52	16	1,330	353	176
Recoveries	23	34	35	22	24	24	21	22	24	114	91	112
Write-offs	(387)	(369)	(112)	(102)	(117)	(116)	(84)	(74)	(86)	(970)	(391)	(338)
Other, including foreign exchange rate changes	152	9	35	22	(48)	(13)	(15)	20	(3)	218	(56)	(20)
Allowances at end of period	1,747	1,494	1,336	1,227	1,055	1,045	1,059	1,078	1,058	1,747	1,055	1,058

**Allocation of Recoveries by Market**

Consumer	21	24	27	19	17	20	17	18	14	91	72	60
Commercial and Corporate	2	10	8	3	7	4	4	4	10	23	19	52

**Allocation of Write-offs by Market**

Consumer	137	106	98	87	73	76	72	68	69	428	289	267
Commercial and Corporate	250	263	14	15	44	40	12	6	17	542	102	71

**CHANGES IN IMPAIRED LOANS  
AND ACCEPTANCES**

(\$ millions)	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3	2007 Q2	2007 Q1	2006 Q4	Fiscal 2008	Fiscal 2007	Fiscal 2006
<b>Total Impaired Loans and Acceptances</b>												
GIL, Beginning of Period	1,798	1,820	1,347	720	618	688	748	666	663	720	666	804
Additions to impaired loans & acceptances (formations)	806	438	554	708	238	106	131	113	86	2,506	588	420
Reductions in impaired loans & acceptances (1)	170	(91)	31	21	(19)	(60)	(107)	43	3	131	(143)	(220)
Net new additions (reductions)	976	347	585	729	219	46	24	156	89	2,637	445	200
Write-offs	(387)	(369)	(112)	(102)	(117)	(116)	(84)	(74)	(86)	(970)	(391)	(338)
GIL, End of Period	2,387	1,798	1,820	1,347	720	618	688	748	666	2,387	720	666
ACL (2), Beginning of Period	1,494	1,336	1,227	1,055	1,045	1,059	1,078	1,058	1,107	1,055	1,058	1,128
Increase / (Decrease) - specific allowance (2)	386	471	187	195	117	115	86	77	75	1,239	395	322
Increase / (Decrease) - general allowance	254	56	34	79	10	(13)	(21)	17	(38)	423	(7)	(54)
Write - offs	(387)	(369)	(112)	(102)	(117)	(116)	(84)	(74)	(86)	(970)	(391)	(338)
ACL (2), End of Period	1,747	1,494	1,336	1,227	1,055	1,045	1,059	1,078	1,058	1,747	1,055	1,058
NIL, Beginning of Period	304	484	120	(335)	(427)	(371)	(330)	(392)	(444)	(335)	(392)	(324)
Change in gross impaired loans	589	(22)	473	627	102	(70)	(60)	82	3	1,667	54	(138)
Change in allowance for credit losses	(253)	(158)	(109)	(172)	(10)	14	19	(20)	49	(692)	3	70
NIL, End of Period	640	304	484	120	(335)	(427)	(371)	(330)	(392)	640	(335)	(392)

(1) 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 (please refer to the "Allocation of Write-offs by Market" table above for the consumer write-offs).

(2) Excludes ACL for other credit instruments exposure in excess of impaired loans.

**INTEREST RATE GAP POSITION**  
**As at October 31, 2008**

(\$ millions)	0 to 3	4 to 6	7 to 12	Total	1 to 5	Over	Non-	Total
	months	months	months	within	years	5 years	interest	
Canadian Dollars								
Assets	133,365	3,885	6,380	143,630	34,822	2,697	12,181	193,330
Liabilities and Capital	84,139	7,128	15,230	106,497	52,151	8,108	26,574	193,330
Off-Balance Sheet	(37,973)	806	6,968	(30,199)	23,624	6,575	-	-
Gap - October 31, 2008	11,253	(2,437)	(1,882)	6,934	6,295	1,164	(14,393)	-
Gap - July 31, 2008	6,142	(403)	1,639	7,378	4,611	1,490	(13,479)	-
Gap - April 30, 2008	3,122	(1,087)	2,859	4,894	7,718	624	(13,236)	-
Gap - January 31, 2008	(1,221)	2,666	2,204	3,649	8,367	417	(12,433)	-
Gap - October 31, 2007	(1,024)	419	4,787	4,182	7,958	251	(12,391)	-
U.S. Dollar and Other Currencies								
Assets	183,956	6,276	6,673	196,905	20,098	2,994	2,723	222,720
Liabilities and Capital	191,470	8,379	7,248	207,097	13,076	1,853	694	222,720
Off-Balance Sheet	5,519	-	(241)	5,278	(4,284)	(994)	-	-
Gap - October 31, 2008	(1,995)	(2,103)	(816)	(4,914)	2,738	147	2,029	-
Gap - July 31, 2008	(5,559)	(1,997)	995	(6,561)	5,330	(699)	1,930	-
Gap - April 30, 2008	(6,775)	(4,614)	4,619	(6,770)	5,091	(341)	2,020	-
Gap - January 31, 2008	(2,075)	(5,769)	1,880	(5,964)	4,634	(431)	1,761	-
Gap - October 31, 2007	(8,343)	(2,236)	(202)	(10,781)	7,887	1,083	1,811	-

Certain comparative figures have been reclassified to conform with the current period's presentation.

**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 imputed maturity profile.

**Capital**

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

**Gap Position Major Assumptions - Assets**

- Fixed rate, fixed term assets, such as mortgage 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 imputed maturity profile.

INTEREST RATE RISK SENSITIVITY (After tax) (\$ millions)	100 Basis Point Increase						100 Basis Point Decrease					
	Earnings Sensitivity			Economic Value Sensitivity			Earnings Sensitivity			Economic Value Sensitivity		
	Money Market /			Money Market /			Money Market /			Money Market /		
	Structural	Accrual	Total	Structural	Accrual	Total	Structural	Accrual	Total	Structural	Accrual	Total
October 31, 2008	(4.4)	8.8	4.4	(220.8)	(49.6)	(270.4)	(21.0)	(8.8)	(29.8)	169.2	49.6	218.8
July 31, 2008	2.5	(4.6)	(2.1)	(212.7)	(27.5)	(240.2)	(4.2)	4.6	0.4	152.8	27.5	180.3
April 30, 2008	(20.2)	(9.3)	(29.5)	(187.9)	(28.8)	(216.7)	27.5	9.3	36.8	141.5	28.8	170.3
January 31, 2008	(17.3)	3.0	(14.3)	(184.9)	(3.7)	(188.6)	28.7	(3.0)	25.7	133.9	3.7	137.6
October 31, 2007	6.6	(5.2)	1.4	(201.1)	(53.1)	(254.2)	(15.4)	5.2	(10.2)	138.6	53.1	191.7

INTEREST RATE RISK SENSITIVITY (After tax) (\$ millions)	200 Basis Point Increase						200 Basis Point Decrease					
	Earnings Sensitivity			Economic Value Sensitivity			Earnings Sensitivity			Economic Value Sensitivity		
	Money Market /			Money Market /			Money Market /			Money Market /		
	Structural	Accrual	Total	Structural	Accrual	Total	Structural	Accrual	Total	Structural	Accrual	Total
October 31, 2008	(16.2)	17.5	1.3	(488.6)	(99.2)	(587.8)	(177.6)	(17.5)	(195.1)	328.4	99.2	427.6
July 31, 2008	(8.3)	(9.2)	(17.5)	(476.9)	(54.9)	(531.8)	(111.4)	9.2	(102.2)	280.0	54.9	334.9
April 30, 2008	(47.0)	(18.6)	(65.6)	(439.4)	(57.6)	(497.0)	(14.3)	18.6	4.3	280.9	57.6	338.5
January 31, 2008	(43.9)	6.0	(37.9)	(427.5)	(7.3)	(434.8)	62.1	(6.0)	56.1	254.7	7.3	262.0
October 31, 2007	0.4	(10.3)	(9.9)	(438.1)	(106.1)	(544.2)	(17.0)	10.3	(6.7)	234.0	106.1	340.1

Certain comparative figures have been reclassified to conform with the current period's presentation.

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

"Earnings Sensitivity" is the impact of change in interest rates on twelve month net income, while, "Economic Value Sensitivity" is the impact of a change in interest rates on the 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 portfolios are CAD/U.S. consumer, commercial and corporate instruments and securitization structures. 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 deposits.

Money market/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.

**LIQUID ASSETS AND DEPOSITS**

(\$ millions except as noted)

	2008	2008	2008	2008	2007	2007	2007	2007	2006	MIX	INC/(DEC)
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q4	VS LAST YEAR
<b>Liquid Assets</b>											
Canadian Dollar Liquid Assets											
Deposits with other banks	1,842	1,656	1,481	2,311	1,531	2,466	2,563	3,328	3,346	1.5 %	311 20.3 %
Other cash resources	89	2,841	1,410	92	1,981	604	(169)	660	551	0.1 %	(1,892) (95.5)%
Securities	58,639	54,833	53,153	51,576	57,206	44,017	40,823	35,701	30,647	48.4 %	1,433 2.5 %
<b>Total</b>	<b>60,570</b>	<b>59,330</b>	<b>56,044</b>	<b>53,979</b>	<b>60,718</b>	<b>47,087</b>	<b>43,217</b>	<b>39,689</b>	<b>34,544</b>	<b>50.0 %</b>	<b>(148) (0.2)%</b>
U.S. Dollar and Other Currency Liquid Assets											
Deposits with other banks	16,477	18,306	19,024	21,365	19,209	20,505	15,673	17,653	14,465	13.6 %	(2,732) (14.2)%
Other cash resources	2,697	(749)	322	2,354	169	1,466	1,435	1,232	1,246	2.2 %	2,528 +100.0%
Securities	41,499	34,042	35,517	37,889	41,071	42,212	41,777	42,411	36,764	34.2 %	428 1.0 %
<b>Total</b>	<b>60,673</b>	<b>51,599</b>	<b>54,863</b>	<b>61,608</b>	<b>60,449</b>	<b>64,183</b>	<b>58,885</b>	<b>61,296</b>	<b>52,475</b>	<b>50.0 %</b>	<b>224 0.4 %</b>
<b>Total Liquid Assets <sup>(1)</sup></b>	<b>121,243</b>	<b>110,929</b>	<b>110,907</b>	<b>115,587</b>	<b>121,167</b>	<b>111,270</b>	<b>102,102</b>	<b>100,985</b>	<b>87,019</b>	<b>100.0 %</b>	<b>76 0.1 %</b>
Cash and Securities-to-Total Assets Ratio	29.1 %	29.6 %	29.6 %	30.7 %	33.1 %	31.0 %	28.6 %	28.4 %	27.2 %		(3.9)%
Pledged liquid assets <sup>(2) (3)</sup>	38,142	37,577	39,358	27,726	30,369	30,030	30,339	28,225	26,299	53.6 %	7,773 25.6 %
Pledged other assets <sup>(3)</sup>	33,053	28,949	32,046	35,422	25,475	25,542	24,381	30,035	25,436	46.4 %	7,578 29.7 %
<b>Total Pledged Assets <sup>(3)</sup></b>	<b>71,195</b>	<b>66,526</b>	<b>71,404</b>	<b>63,148</b>	<b>55,844</b>	<b>55,572</b>	<b>54,720</b>	<b>58,260</b>	<b>51,735</b>	<b>100.0 %</b>	<b>15,351 27.5 %</b>

(1) Includes liquid assets pledged as security for securities borrowed, securities lent, securities sold under repurchase agreements and other secured liabilities.

(2) Includes reserves or minimum balances which some of our subsidiaries are required to maintain with central banks in their respective countries of operation.

(3) 2008 comparative balances have been reclassified between liquid and other assets.


**Deposits**

Canadian Dollar Deposits											
Banks	3,174	1,680	2,346	2,680	1,326	1,677	1,750	2,022	2,510	1.2 %	1,848 +100.0%
Businesses and governments	63,959	63,443	58,852	63,003	63,787	61,779	60,997	56,585	57,687	24.8 %	172 0.3 %
Individuals	70,160	68,118	66,234	65,087	60,248	59,872	60,226	59,841	59,253	27.3 %	9,912 16.5 %
<b>Total</b>	<b>137,293</b>	<b>133,241</b>	<b>127,432</b>	<b>130,770</b>	<b>125,361</b>	<b>123,328</b>	<b>122,973</b>	<b>118,448</b>	<b>119,450</b>	<b>53.3 %</b>	<b>11,932 9.5 %</b>
U.S. Dollar and Other Currency Deposits											
Banks	27,172	28,308	28,592	32,311	32,774	28,884	26,506	31,789	24,122	10.5 %	(5,602) (17.1)%
Businesses and governments	72,152	68,305	63,855	62,309	57,961	58,978	53,507	48,409	43,161	28.0 %	14,191 24.5 %
Individuals	21,053	18,803	18,701	17,521	15,954	17,837	18,629	18,468	17,115	8.2 %	5,099 32.0 %
<b>Total</b>	<b>120,377</b>	<b>115,416</b>	<b>111,148</b>	<b>112,141</b>	<b>106,689</b>	<b>105,699</b>	<b>98,642</b>	<b>98,666</b>	<b>84,398</b>	<b>46.7 %</b>	<b>13,688 12.8 %</b>
<b>Total Deposits</b>	<b>257,670</b>	<b>248,657</b>	<b>238,580</b>	<b>242,911</b>	<b>232,050</b>	<b>229,027</b>	<b>221,615</b>	<b>217,114</b>	<b>203,848</b>	<b>100.0 %</b>	<b>25,620 11.0 %</b>
Core deposits <sup>(4)</sup>	125,374	110,862	108,305	105,265	99,548	104,802	102,221	103,144	98,471		25,826 25.9 %
Customer Deposits <sup>(5)</sup>	145,565	131,240	128,752	125,719	121,608	125,005	123,424	124,645	118,796		
Customer Deposits and Capital-to-Total Loans Ratio <sup>(6)</sup>	94.2%	91.7%	92.4%	92.0%	93.3%	88.9%	89.4%	92.0%	89.9%		

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

(5) Customer Deposits are core deposits plus larger fixed-date deposits excluding wholesale customer deposits.

(6) Total loans exclude securities borrowed or purchased under resale agreements.

BMO  Financial Group				
<b>EQUITY SECURITIES EXPOSURE AMOUNT</b>				
(\$ millions except as noted)				
	2008	2008	2008	2008
	Q4	Q3	Q2	Q1
Equity investments used for capital gains (Merchant Banking)	569	463	518	517
Equity investments used for mutual fund seed capital	40	37	37	36
Equity used for other (including strategic investments)	909	936	1,016	1,086
<b>Total Equity Exposure</b>	<b>1,518</b>	<b>1,436</b>	<b>1,571</b>	<b>1,639</b>

<b>EQUITY INVESTMENT SECURITIES (1)</b>												
(\$ millions except as noted)												
	Book Value	Q4 2008 Market Value	Unrealized Gain (Loss)	Book Value	Q3 2008 Market Value	Unrealized Gain (Loss)	Book Value	Q2 2008 Market Value	Unrealized Gain (Loss)	Book Value	Q1 2008 Market Value	Unrealized Gain (Loss)
Grandfathered												
Public	163	163	-	185	185	-	193	193	-	245	245	-
Private												
Direct funds	271	271	-	299	299	-	307	307	-	317	317	-
Indirect funds	254	254	-	231	231	-	260	260	-	300	300	-
<b>Total Grandfathered</b>	<b>688</b>	<b>688</b>	<b>-</b>	<b>715</b>	<b>715</b>	<b>-</b>	<b>760</b>	<b>760</b>	<b>-</b>	<b>862</b>	<b>862</b>	<b>-</b>
Non-grandfathered												
Public	157	157		255	255	-	371	371	-	405	405	-
Private												
Direct funds	87	40	(25)	34	34	-	8	17	9	4	4	-
Indirect funds	287	287	-	192	192	-	197	197	-	156	156	-
Other	299	-	(48)	240	222	(18)	235	215	(20)	212	195	(17)
<b>Total Non-grandfathered</b>	<b>830</b>	<b>484</b>	<b>(73)</b>	<b>721</b>	<b>703</b>	<b>(18)</b>	<b>811</b>	<b>800</b>	<b>(11)</b>	<b>777</b>	<b>760</b>	<b>(17)</b>
<b>Total Equities</b>	<b>1,518</b>	<b>1,172</b>	<b>(73)</b>	<b>1,436</b>	<b>1,418</b>	<b>(18)</b>	<b>1,571</b>	<b>1,560</b>	<b>(11)</b>	<b>1,639</b>	<b>1,622</b>	<b>(17)</b>
Total realized gains or losses arising from sales or liquidations in the reporting period			43			1			44			5

(1) The schedule consists of corporate equity securities in the banking book only. Excluded are investments in deconsolidated subsidiaries and substantial investments, which are deducted from capital for regulatory capital calculation purposes.

**BANK ASSETS IN BANK SPONSORED VEHICLES**

(\$ millions except as noted)

	Q4 2008	Q3 2008	Q2 2008	Q1 2008
	Total Exposure Securitized by the Bank	Total Exposure Securitized by the Bank	Total Exposure Securitized by the Bank	Total Exposure Securitized by the Bank
Credit card receivable <sup>(1)</sup>	4,719	3,097	2,050	1,500
Residential mortgages (uninsured)	4,895	4,893	4,926	4,937
Total	9,614	7,990	6,976	6,437

(1) The Bank's seller's interest in MCCT consists of a \$75 million, \$100 million, \$147 million and \$269 million holding of investment grade subordinated notes in Q1, Q2, Q3 and Q4 2008, respectively. The remaining MCCT issues are held by third party investors. Since inception, no capital has been assessed for the Bank's early amortization provisions associated with the investors' interest because the excess spread of the underlying portfolio has remained above the threshold at which capital charges would be incurred.

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

(\$ millions except as noted)

	Q4 2008				Q3 2008				Q2 2008				Q1 2008			
	Canadian		SIVs/Credit Protection		Canadian		SIVs/Credit Protection		Canadian		SIVs/Credit Protection		Canadian		SIVs/Credit Protection	
	Conduits <sup>(2)</sup>	US Conduits	Vehicle Assets	Total	Conduits	US Conduits	Vehicle Assets	Total	Conduits	US Conduits	Vehicle Assets	Total	Conduits	US Conduits	Vehicle Assets	Total
Auto loans/leases	3,047	237	-	3,284	3,511	195	-	3,706	4,279	323	-	4,602	5,003	184	-	5,197
Credit card receivables	650	730	-	1,380	650	914	-	1,564	680	940	-	1,620	690	1,000	-	1,690
Residential mortgages (insured)	715	-	-	715	792	-	-	792	874	-	-	874	1,088	164	-	1,252
Residential mortgages (uninsured)	3,525	126	-	3,651	4,018	109	-	4,127	4,410	155	-	4,565	4,399	128	-	4,527
Commercial mortgages	504	209	-	713	535	192	-	727	533	187	-	720	520	182	-	702
Personal line of credit	-	150	-	150	-	140	-	140	-	151	-	151	-	-	-	-
Equipment loans/leases	451	641	-	1,092	621	684	-	1,305	744	700	-	1,444	838	773	-	1,611
Trade receivables	35	529	-	564	35	269	-	304	35	256	-	291	35	275	-	310
Corporate loans	-	1,389	-	1,389	-	1,135	-	1,135	-	1,168	-	1,168	-	1,452	-	1,452
Daily auto rental	741	236	-	977	1,069	213	-	1,282	771	93	-	864	761	52	-	813
Floorplan finance receivables	335	259	-	594	592	275	-	867	1,351	325	-	1,676	1,352	316	-	1,668
Collateralized debt obligations (AAA/R-1 (high) securities)	-	2,224	-	2,224	-	1,910	-	1,910	-	1,921	-	1,921	-	1,869	-	1,869
Other pool type	419	901	-	1,320	425	960	-	1,385	441	1,076	-	1,517	447	1,079	-	1,526
SIV assets (financial institutions debt and securitized assets) <sup>(3)</sup>	-	-	5,063	5,063	-	-	5,130	5,130	-	-	10,996	10,996	-	-	18,965	18,965
Credit protection vehicle assets	-	-	2,794	2,794	-	-	2,323	2,323	-	-	2,013	2,013	-	-	2,012	2,012
Total	10,422	7,631	-	25,910	12,248	6,996	-	26,697	14,118	7,295	-	34,422	15,123	7,484	-	43,584

(2) Canadian Conduit totals include amounts pertaining to two conduits that have been consolidated onto the Bank's balance sheet (\$273 million as at Q4 2008)

(3) The SIVs have two sources of funding: debt issuance to third parties, included in this table, and BMO liquidity facility, included the Securitization Exposures table below.

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

	Q4 2008				Q3 2008				Q2 2008				Q1 2008			
	Undrawn Committed Facilities and Notional Amounts <sup>(4)</sup>		Drawn Loan Facilities and Securities Held		Undrawn Committed Facilities and Notional Amounts <sup>(4)</sup>		Drawn Loan Facilities and Securities Held		Undrawn Committed Facilities and Notional Amounts <sup>(4)</sup>		Drawn Loan Facilities and Securities Held		Undrawn Committed Facilities and Notional Amounts <sup>(4)</sup>		Drawn Loan Facilities and Securities Held	
	First Loss Positions <sup>(5)</sup>	Total	First Loss Positions <sup>(5)</sup>	Total	First Loss Positions <sup>(5)</sup>	Total	First Loss Positions <sup>(5)</sup>	Total	First Loss Positions <sup>(5)</sup>	Total	First Loss Positions <sup>(5)</sup>	Total	First Loss Positions <sup>(5)</sup>	Total		
Bank Assets																
Credit card receivables	-	263	62	325	-	144	43	187	-	120	29	149	-	20	110	
Residential mortgages (uninsured)	4,896	-	60	4,956	4,903	-	55	4,958	4,907	41	52	5,000	4,925	30	43	5,005
Total Bank Assets	4,896	263	122	5,281	4,903	144	98	5,145	4,907	161	81	5,149	4,925	127	63	5,115
Third Party Assets																
Auto loans/leases	3,532	-	-	3,532	4,165	-	-	4,165	5,987	-	-	5,987	1,820	-	-	1,820
Credit card receivables	1,716	-	-	1,716	1,941	-	-	1,941	1,983	-	-	1,983	1,111	-	-	1,111
Residential mortgages (insured)	1,542	-	-	1,542	1,753	-	-	1,753	2,023	-	-	2,023	1,018	-	-	1,018
Residential mortgages (uninsured)	3,030	-	-	3,030	3,309	-	-	3,309	3,790	-	-	3,790	9,185	-	-	9,185
Commercial mortgages	819	-	-	819	1,021	-	-	1,021	1,067	-	-	1,067	3,847	-	-	3,847
Personal line of credit	153	-	-	153	143	-	-	143	154	-	-	154	-	-	-	167
Equipment loans/leases	1,141	-	-	1,141	1,403	-	-	1,403	1,243	-	-	1,243	946	-	-	946
Trade receivables	716	-	-	716	775	-	-	775	766	-	-	766	252	-	-	252
Corporate loans	1,761	-	-	1,761	1,544	-	-	1,544	1,765	-	-	1,765	2,006	-	-	2,006
Daily auto rental	1,450	-	-	1,450	1,843	-	-	1,843	1,711	-	-	1,711	1,706	-	-	1,706
Floorplan finance receivables	772	-	-	772	969	-	-	969	1,737	-	-	1,737	-	-	-	1,731
Collateralized debt obligations (AAA/R-1 (high) securities)	2,609	24	-	2,633	2,331	21	-	2,352	2,353	20	1	2,374	4,523	20	1	4,544
Other pool type	1,608	-	-	1,608	1,754	-	-	1,754	3,024	-	-	3,024	607	-	-	607
SIV assets (financial institutions debt and securitized assets) <sup>(3)</sup>	5,064	5,208	-	10,272	5,130	4,015	8	9,153	10,996	171	10	11,177	-	1,376	33	14,099
Credit protection vehicle assets	21,297	-	-	21,297	21,297	-	-	21,297	21,297	-	-	21,297	-	-	-	-
Trading securities reclassified to AFS	-	489	-	489	-	-	-	-	-	-	-	-	-	-	-	-
Total Third Party Assets	47,210	5,721	-	52,931	49,376	4,036	8	53,422	59,896	191	11	60,098	28,919	1,396	34	30,349
Total	52,106	5,984	122	58,212	54,281	4,180	106	58,567	64,803	352	92	65,247	33,844	1,523	97	35,464

(4) Q2, Q3 and Q4 amounts reported for credit protection vehicle assets under Undrawn Committed Facilities and Notional Amounts represent aggregate notional amounts of the credit protection vehicle assets related credit default swap exposures and does not represent committed funding obligations.

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

**CAPITAL CHARGES FOR SECURITIZATION EXPOSURES RETAINED OR PURCHASED BY RISK WEIGHTS**

(\$ millions)	Q4 2008		Q3 2008		Q2 2008		Q1 2008	
	RBA/Inferred Rating/IAA Exposure Amount (1)	Capital Required	RBA/Inferred Rating/IAA Exposure Amount (1)	Capital Required	RBA/Inferred Rating/IAA Exposure Amount (1)	Capital Required	RBA/Inferred Rating/IAA Exposure Amount (1)	Capital Required
<b>Traditional Securitizations</b>								
<b>Risk Weights</b>								
Bank Assets								
7%	-	-	-	-	63	-	53	-
7.01% - 25%	5,027	33	4,975	32	4,956	32	4,962	32
25.01% - 50%	132	5	72	3	49	2	37	1
Less amount excluded from capital requirements for exceeding maximum KIRB capital (2)	-	28	-	28	-	28	-	29
<b>Total Exposures, net of deductions</b>	<b>5,159</b>	<b>10</b>	<b>5,047</b>	<b>7</b>	<b>5,068</b>	<b>6</b>	<b>5,052</b>	<b>4</b>
Exposures Deducted:								
From Tier 1 Capital:								
Credit Card Receivables	62	-	43	-	29	-	20	-
Residential Mortgages	48	-	43	-	40	-	31	-
From Total Capital:								
Residential Mortgages	12	-	12	-	12	-	12	-
<b>Total Exposures Deducted</b>	<b>122</b>	<b>-</b>	<b>98</b>	<b>-</b>	<b>81</b>	<b>-</b>	<b>63</b>	<b>-</b>
<b>Bank Assets Total Exposures</b>	<b>5,281</b>	<b>10</b>	<b>5,145</b>	<b>7</b>	<b>5,149</b>	<b>6</b>	<b>5,115</b>	<b>4</b>
Third Party Assets								
7%	3,064	17	4,098	23	4,136	23	5,712	32
7.01% - 25%	47,267	430	46,634	520	52,986	566	23,176	163
25.01% - 50%	1,843	55	2,034	67	1,943	65	1,065	30
50.01% - 75%	361	18	465	22	1,020	49	362	18
75.01% - 100%	217	17	183	15	-	-	-	-
100.01% - 650%	179	15	-	-	-	-	-	-
Default	-	-	-	-	-	-	-	-
<b>Total Exposures, net of deductions</b>	<b>52,931</b>	<b>552</b>	<b>53,414</b>	<b>647</b>	<b>60,085</b>	<b>703</b>	<b>30,315</b>	<b>243</b>
Exposures Deducted:								
From Total Capital:								
Collateralized Debt Obligations (AAA/R-1 (High) Securities	-	-	-	-	1	-	1	-
SIV assets (financial institutions debt and securitized assets)	-	-	8	-	11	-	33	-
<b>Total Exposures Deducted</b>	<b>-</b>	<b>-</b>	<b>8</b>	<b>-</b>	<b>12</b>	<b>-</b>	<b>34</b>	<b>-</b>
<b>Third Party Assets Total Exposures</b>	<b>52,931</b>	<b>552</b>	<b>53,422</b>	<b>647</b>	<b>60,097</b>	<b>703</b>	<b>30,349</b>	<b>243</b>
<b>Total Exposures</b>	<b>58,212</b>	<b>562</b>	<b>58,567</b>	<b>654</b>	<b>65,246</b>	<b>709</b>	<b>35,464</b>	<b>247</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 been securitized.

## BASEL II 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 Big Five Canadian Banks to adopt the AIRB approach.

**Capital Floor:** A capital floor is applied to institutions using the AIRB approach to credit risk during a transition period prescribed by our regulator, the Office of the Superintendent of Financial Institutions (OSFI).

To calculate the capital floor, the Bank's Basel I Capital Requirement (as defined below) is multiplied by an adjustment factor (currently 100%) and compared to the Bank's Basel II Capital Requirement (as defined below). The differential, if positive, is multiplied by 12.5 and added to the Bank's Basel II RWA.

Basel I Capital Requirement equals:

- (1) 8% of Basel I RWA as calculated, plus
- (2) all capital deductions under Basel I, less
- (3) the amount of any general allowances under Basel I eligible for inclusion in Tier 2

Basel II Capital Requirement equals:

- (1) 8% of Basel II RWA as calculated, plus
- (2) all capital deductions under Basel II, less
- (3) the amount of any general allowances under Basel II eligible for inclusion in Tier 2

**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 Basel II 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  $(\sum \text{pre-scaled RWA for each exposure} / \text{Total Adjusted EAD})$ .