



**ROYAL BANK
OF CANADA**

Supplementary Financial Information (Canadian GAAP)

2nd Quarter 2001

(UNAUDITED)

Investor Relations Department

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May 23, 2001

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INCOME STATEMENT
 (\$ MM)

| | Q2/01 | Q1/01 | Q4/00 | Q3/00 | Q2/00 | Q1/00 | Q4/99 | Q3/99 | Q2/99 | 2001 6 months | 2000 6 months | 2000 | 1999 | 1998 | 1997 |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|------------------|------------------|----------|---------|---------|---------|
| Interest income (taxable equivalent basis) | 4,375 | 4,468 | 4,337 | 4,075 | 3,931 | 3,794 | 3,687 | 3,549 | 3,389 | 8,843 | 7,725 | 16,137 | 14,238 | 14,344 | 13,103 |
| Interest expense | (2,795) | (3,002) | (2,956) | (2,775) | (2,585) | (2,514) | (2,340) | (2,266) | (2,137) | (5,797) | (5,099) | (10,830) | (9,083) | (9,243) | (8,071) |
| Net interest income (teb) | 1,580 | 1,466 | 1,381 | 1,300 | 1,346 | 1,280 | 1,347 | 1,283 | 1,252 | 3,046 | 2,626 | 5,307 | 5,155 | 5,101 | 5,032 |
| Other income | 1,924 | 2,028 | 1,753 | 1,717 | 1,724 | 1,538 | 1,512 | 1,354 | 1,306 | 3,952 | 3,262 | 6,732 | 5,480 | 4,985 | 4,279 |
| Gross revenues (teb) | 3,504 | 3,494 | 3,134 | 3,017 | 3,070 | 2,818 | 2,859 | 2,637 | 2,558 | 6,998 | 5,888 | 12,039 | 10,635 | 10,086 | 9,311 |
| Provision for credit losses | (210) | (248) | (174) | (172) | (172) | (173) | (235) | (175) | (175) | (458) | (345) | (691) | (760) | (575) | (380) |
| Non-interest expenses | (2,287) | (2,162) | (2,020) | (1,902) | (1,900) | (1,759) | (1,860) | (1,696) | (1,671) | (4,449) | (3,659) | (7,581) | (7,060) | (6,399) | (6,053) |
| Taxable equivalent adjustment | (6) | (6) | (6) | (7) | (8) | (7) | (8) | (8) | (9) | (12) | (15) | (28) | (35) | (37) | (32) |
| Income taxes | (370) | (395) | (325) | (360) | (410) | (350) | (270) | (290) | (255) | (765) | (760) | (1,445) | (1,015) | (1,175) | (1,090) |
| Non-controlling interest | (29) | (22) | (14) | (2) | (2) | (2) | (2) | (2) | (2) | (51) | (4) | (20) | (8) | (76) | (77) |
| Net income | 602 | 661 | 595 | 574 | 578 | 527 | 484 | 466 | 446 | 1,263 | 1,105 | 2,274 | 1,757 | 1,824 | 1,679 |
| Preferred dividends | (33) | (34) | (34) | (34) | (33) | (33) | (41) | (41) | (37) | (67) | (66) | (134) | (157) | (145) | (131) |
| Net income available to common | 569 | 627 | 561 | 540 | 545 | 494 | 443 | 425 | 409 | 1,196 | 1,039 | 2,140 | 1,600 | 1,679 | 1,548 |
| Effective tax rate | 36.9% | 36.7% | 34.8% | 38.5% | 41.4% | 39.8% | 35.7% | 38.3% | 36.3% | 36.8% | 40.7% | 38.6% | 36.5% | 38.2% | 38.3% |
| Effective tax rate (teb) | 37.3% | 37.0% | 35.2% | 38.9% | 41.9% | 40.3% | 36.4% | 38.9% | 37.1% | 37.2% | 41.1% | 39.1% | 37.3% | 38.9% | 39.0% |
| PROFITABILITY MEASURES | | | | | | | | | | | | | | | |
| Earnings per share - basic | \$0.92 | \$1.03 | \$0.93 | \$0.90 | \$0.89 | \$0.81 | \$0.71 | \$0.67 | \$0.65 | \$1.95 | \$1.70 | \$3.53 | \$2.55 | \$2.72 | \$2.50 |
| - diluted | \$0.92 | \$1.02 | \$0.93 | \$0.89 | \$0.89 | \$0.80 | \$0.71 | \$0.67 | \$0.64 | \$1.94 | \$1.70 | \$3.51 | \$2.53 | \$2.67 | \$2.46 |
| Return on common equity | 18.7% | 20.8% | 20.0% | 19.7% | 20.8% | 18.7% | 16.6% | 16.2% | 16.5% | 19.7% | 19.7% | 19.8% | 15.6% | 18.4% | 19.3% |
| Return on assets | 0.77% | 0.86% | 0.81% | 0.81% | 0.84% | 0.76% | 0.70% | 0.68% | 0.70% | 0.81% | 0.81% | 0.81% | 0.65% | 0.70% | 0.70% |
| Return on assets after preferred dividends | 0.72% | 0.82% | 0.77% | 0.76% | 0.80% | 0.71% | 0.64% | 0.62% | 0.64% | 0.77% | 0.76% | 0.76% | 0.59% | 0.64% | 0.65% |
| Return on risk-adjusted assets | 1.53% | 1.63% | 1.51% | 1.48% | 1.56% | 1.40% | 1.29% | 1.25% | 1.24% | 1.58% | 1.48% | 1.49% | 1.18% | 1.19% | 1.19% |
| CASH BASIS MEASURES | | | | | | | | | | | | | | | |
| Net income available to common | 569 | 627 | 561 | 540 | 545 | 494 | 443 | 425 | 409 | 1,196 | 1,039 | 2,140 | 1,600 | 1,679 | 1,548 |
| After-tax impact of non-cash goodwill | 49 | 30 | 25 | 22 | 20 | 17 | 17 | 16 | 14 | 79 | 37 | 84 | 63 | 62 | 59 |
| Cash net income available to common | 618 | 657 | 586 | 562 | 565 | 511 | 460 | 441 | 423 | 1,275 | 1,076 | 2,224 | 1,663 | 1,741 | 1,607 |
| Earnings per share - cash basis ¹ , basic | \$1.00 | \$1.08 | \$0.97 | \$0.94 | \$0.93 | \$0.83 | \$0.74 | \$0.70 | \$0.68 | \$2.08 | \$1.76 | \$3.67 | \$2.66 | \$2.82 | \$2.60 |
| - cash basis ¹ , diluted | \$1.00 | \$1.07 | \$0.97 | \$0.93 | \$0.92 | \$0.83 | \$0.73 | \$0.70 | \$0.67 | \$2.06 | \$1.76 | \$3.65 | \$2.63 | \$2.76 | \$2.56 |
| Average common equity | 12,496 | 11,983 | 11,174 | 10,880 | 10,670 | 10,528 | 10,536 | 10,425 | 10,170 | 12,226 | 10,598 | 10,814 | 10,264 | 9,107 | 8,003 |
| Return on common equity, cash basis ¹ | 20.3% | 21.7% | 20.9% | 20.6% | 21.5% | 19.3% | 17.3% | 16.8% | 17.1% | 21.0% | 20.4% | 20.6% | 16.2% | 19.1% | 20.1% |
| COMMON SHARE INFORMATION | | | | | | | | | | | | | | | |
| Shares outstanding (000s) - end of period ² | 616,516 | 616,209 | 602,398 | 601,628 | 604,723 | 608,783 | 617,768 | 626,292 | 627,805 | 616,516 | 604,723 | 602,398 | 617,768 | 617,581 | 616,671 |
| - average (basic) ² | 616,365 | 608,824 | 602,108 | 602,494 | 608,285 | 612,708 | 622,471 | 627,532 | 627,537 | 612,532 | 610,521 | 606,389 | 626,158 | 617,324 | 617,812 |
| - average (diluted) ² | 621,907 | 614,686 | 606,710 | 605,833 | 611,114 | 618,111 | 627,895 | 633,174 | 633,855 | 618,252 | 612,934 | 609,865 | 632,305 | 633,626 | 632,052 |
| Market capitalization (\$MM) | 26,479 | 29,701 | 29,096 | 23,856 | 21,135 | 17,974 | 19,599 | 20,433 | 22,318 | 26,479 | 21,135 | 29,096 | 19,599 | 21,955 | 23,233 |
| Common share price - High ³ | \$51.25 | \$52.80 | \$48.88 | \$41.13 | \$38.25 | \$34.70 | \$33.95 | \$36.25 | \$40.35 | \$52.80 | \$38.25 | \$48.88 | \$42.13 | \$46.10 | \$38.23 |
| Low ³ | \$42.42 | \$45.10 | \$39.17 | \$34.40 | \$28.38 | \$27.25 | \$29.65 | \$31.40 | \$34.23 | \$42.42 | \$27.25 | \$27.25 | \$29.65 | \$28.75 | \$22.00 |
| Close | \$42.95 | \$48.20 | \$48.30 | \$39.65 | \$34.95 | \$29.53 | \$31.73 | \$32.63 | \$35.55 | \$42.95 | \$34.95 | \$48.30 | \$31.73 | \$35.55 | \$37.68 |
| Dividends per share | \$0.33 | \$0.33 | \$0.30 | \$0.30 | \$0.27 | \$0.27 | \$0.24 | \$0.24 | \$0.23 | \$0.66 | \$0.54 | \$1.14 | \$0.94 | \$0.88 | \$0.76 |
| Dividend yield ⁴ | 2.8% | 2.7% | 2.7% | 3.2% | 3.2% | 3.5% | 3.0% | 2.8% | 2.5% | 2.8% | 3.3% | 3.0% | 2.6% | 2.4% | 2.5% |
| Dividend payout ratio ⁵ | 36% | 32% | 32% | 33% | 30% | 33% | 34% | 35% | 35% | 34% | 32% | 32% | 37% | 32% | 30% |
| Common dividends paid (\$MM) | 204 | 203 | 181 | 180 | 164 | 164 | 149 | 150 | 145 | 407 | 328 | 689 | 588 | 543 | 469 |
| Preferred dividends paid (\$MM) | 33 | 34 | 34 | 34 | 33 | 33 | 41 | 41 | 37 | 67 | 66 | 134 | 157 | 145 | 131 |
| P/E ratio (4-quarters trailing earnings) ⁶ | 12.5 | 13.1 | 12.5 | 11.5 | 10.9 | 11.0 | 10.1 | 10.9 | 15.3 | 12.7 | 10.7 | 11.0 | 14.3 | 14.1 | 12.3 |
| Book value | \$20.61 | \$20.01 | \$19.10 | \$18.45 | \$17.98 | \$17.48 | \$17.17 | \$16.91 | \$16.52 | \$20.61 | \$17.98 | \$19.10 | \$17.17 | \$15.78 | \$13.96 |
| Market price/book value | 208% | 241% | 253% | 215% | 194% | 169% | 185% | 193% | 215% | 208% | 194% | 253% | 185% | 225% | 270% |

¹Cash basis return on common equity and earnings per share are computed by adding back to net income the after-tax amount of amortization for goodwill and other intangibles. Total common equity (i.e. not reduced by the amount of goodwill and other intangibles) is used in the calculation of return on common equity, cash basis.

²During Q1/01, the bank issued 12.3 million common shares under an equity offering for net proceeds of \$553 million. The bank repurchased 15.1 million shares between June 1999 and June 2000. The repurchase program expired on June 23, 2000. On November 1, 1998 (Q1/99), the bank issued 9.6 million common shares in exchange for virtually all the class B shares issued for the acquisition of Richardson Greenshields on November 1, 1996.

³Intraday high and low share prices

⁴Dividends per common share divided by the average of high and low share prices.

⁵Common share dividends as a percentage of net income after preferred dividends.

⁶Based on average of high and low share prices, using diluted EPS.

RESULTS BY BUSINESS SEGMENT¹
 (\$ MM)

| | Q2/01 | Q1/01 | Q4/00 | Q3/00 | Q2/00 | Q1/00 | Q4/99 | Q3/99 | Q2/99 | 2001 6 months | 2000 6 months | 2000 | 1999 | 1998 | 1997 |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|------------------|------------------|---------|---------|---------|---------|
| Personal and Commercial Banking | | | | | | | | | | | | | | | |
| Net interest income (teb) | 1,251 | 1,269 | 1,252 | 1,208 | 1,115 | 1,130 | 1,148 | 1,114 | 1,078 | 2,520 | 2,245 | 4,705 | 4,410 | 4,156 | 3,953 |
| Other income | 411 | 537 | 409 | 399 | 395 | 364 | 353 | 339 | 326 | 948 | 759 | 1,567 | 1,376 | 1,232 | 1,272 |
| Gross revenues (teb) | 1,662 | 1,806 | 1,661 | 1,607 | 1,510 | 1,494 | 1,501 | 1,453 | 1,404 | 3,468 | 3,004 | 6,272 | 5,786 | 5,388 | 5,225 |
| Provision for credit losses | (159) | (227) | (157) | (159) | (164) | (169) | (152) | (139) | (142) | (386) | (333) | (649) | (575) | (305) | (226) |
| Non-interest expenses | (947) | (980) | (949) | (946) | (880) | (885) | (937) | (915) | (905) | (1,927) | (1,765) | (3,660) | (3,699) | (3,408) | (3,337) |
| Other ² | (228) | (243) | (233) | (214) | (198) | (189) | (177) | (171) | (153) | (471) | (387) | (834) | (647) | (717) | (696) |
| Net income | 328 | 356 | 322 | 288 | 268 | 251 | 235 | 228 | 204 | 684 | 519 | 1,129 | 865 | 958 | 966 |
| Contribution to total bank net income | 55% | 54% | 55% | 50% | 46% | 48% | 48% | 49% | 46% | 54% | 47% | 50% | 49% | 53% | 58% |
| Cash net income | 332 | 361 | 327 | 291 | 268 | 252 | 236 | 228 | 204 | 693 | 520 | 1,138 | 867 | 958 | 966 |
| Economic profit | 144 | 105 | 132 | 87 | 89 | 65 | 81 | 66 | 50 | 249 | 154 | 373 | 252 | 361 | 435 |
| Return on common equity | 24.7% | 26.1% | 23.3% | 19.8% | 21.1% | 18.7% | 18.8% | 19.6% | 18.5% | 25.4% | 19.9% | 20.7% | 18.7% | 26.8% | 27.1% |
| Efficiency ratio ³ | 57.0% | 54.3% | 57.1% | 58.9% | 58.3% | 59.2% | 62.4% | 63.0% | 64.5% | 55.6% | 58.8% | 58.4% | 63.9% | 63.3% | 63.9% |
| Net interest margin | 3.81% | 3.77% | 3.73% | 3.65% | 3.54% | 3.58% | 3.64% | 3.59% | 3.63% | 3.79% | 3.56% | 3.63% | 3.60% | 3.76% | 3.97% |
| Average assets | 134,700 | 133,700 | 133,400 | 131,700 | 128,200 | 125,400 | 125,100 | 123,100 | 121,800 | 134,200 | 126,800 | 129,700 | 122,400 | 110,500 | 99,500 |
| Average loans and bankers' acceptances | 130,000 | 129,400 | 129,200 | 127,500 | 124,400 | 121,300 | 121,000 | 119,100 | 117,700 | 129,700 | 122,800 | 125,600 | 118,400 | 106,300 | 95,600 |
| Average deposits | 105,300 | 103,700 | 101,700 | 99,400 | 97,000 | 97,400 | 96,200 | 95,300 | 93,800 | 104,500 | 97,200 | 98,900 | 94,600 | 83,200 | 86,100 |
| Average common equity | 5,300 | 5,200 | 5,200 | 5,500 | 4,900 | 5,100 | 4,600 | 4,300 | 4,200 | 5,200 | 5,000 | 5,100 | 4,300 | 4,300 | 4,200 |
| Number of employees (FTE) | 31,194 | 31,394 | 31,610 | 31,524 | 31,851 | 32,877 | 34,683 | 34,591 | 34,410 | 31,194 | 31,851 | 31,610 | 34,683 | 34,571 | 32,562 |
| Insurance | | | | | | | | | | | | | | | |
| Net interest income (teb) | 53 | 44 | 23 | 32 | 16 | 13 | 12 | 11 | 12 | 97 | 29 | 84 | 47 | 36 | 19 |
| Other income | 65 | 67 | 73 | 38 | 45 | 46 | 50 | 36 | 39 | 132 | 91 | 202 | 160 | 104 | 87 |
| Gross revenues (teb) | 118 | 111 | 96 | 70 | 61 | 59 | 62 | 47 | 51 | 229 | 120 | 286 | 207 | 140 | 106 |
| Provision for credit losses | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Non-interest expenses | (93) | (76) | (50) | (49) | (39) | (35) | (34) | (31) | (32) | (169) | (74) | (173) | (133) | (106) | (53) |
| Other ² | 7 | 5 | 4 | 5 | 7 | 3 | 5 | 2 | 2 | 12 | 10 | 19 | 17 | 11 | - |
| Net income | 32 | 40 | 50 | 26 | 29 | 27 | 33 | 18 | 21 | 72 | 56 | 132 | 91 | 45 | 53 |
| Contribution to total bank net income | 5% | 6% | 8% | 5% | 5% | 5% | 7% | 4% | 5% | 6% | 5% | 6% | 5% | 2% | 3% |
| Cash net income | 36 | 42 | 50 | 26 | 29 | 27 | 33 | 18 | 21 | 78 | 56 | 132 | 91 | 47 | 55 |
| Economic profit | 5 | 16 | 40 | 17 | 20 | 19 | 27 | 11 | 15 | 21 | 39 | 96 | 67 | 27 | 41 |
| Return on common equity | 13.9% | 22.7% | 67.0% | 37.8% | 43.0% | 45.8% | 65.6% | 35.6% | 43.0% | 17.7% | 44.3% | 49.0% | 47.9% | 32.4% | 56.7% |
| Efficiency ratio ³ | 78.8% | 68.5% | 52.1% | 70.0% | 63.9% | 59.3% | 54.8% | 66.0% | 62.7% | 73.8% | 61.7% | 60.5% | 64.3% | 75.7% | 50.0% |
| Net interest margin | 3.95% | 4.36% | 3.66% | 5.30% | 3.61% | 3.04% | 2.98% | 3.12% | 3.52% | 4.16% | 3.43% | 4.00% | 3.36% | 4.50% | 3.80% |
| Average assets | 5,500 | 4,000 | 2,500 | 2,400 | 1,800 | 1,700 | 1,600 | 1,400 | 1,400 | 4,700 | 1,700 | 2,100 | 1,400 | 800 | 500 |
| Average loans and bankers' acceptances | 400 | 200 | - | - | - | - | - | - | - | 300 | - | - | - | - | - |
| Average deposits | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Average common equity | 900 | 700 | 300 | 300 | 300 | 200 | 200 | 200 | 200 | 800 | 200 | 300 | 200 | - | - |
| Number of employees (FTE) | 2,497 | 2,446 | 1,318 | 1,314 | 1,215 | 1,213 | 1,154 | 1,107 | 1,061 | 2,497 | 1,215 | 1,318 | 1,154 | 1,014 | 528 |
| Wealth Management | | | | | | | | | | | | | | | |
| Net interest income (teb) | 97 | 91 | 101 | 93 | 84 | 81 | 75 | 65 | 63 | 188 | 165 | 359 | 267 | 336 | 336 |
| Other income | 742 | 626 | 553 | 521 | 582 | 482 | 451 | 427 | 418 | 1,368 | 1,064 | 2,138 | 1,684 | 1,570 | 1,708 |
| Gross revenues (teb) | 839 | 717 | 654 | 614 | 666 | 563 | 526 | 492 | 481 | 1,556 | 1,229 | 2,497 | 1,951 | 1,906 | 2,044 |
| Provision for credit losses | (3) | 1 | 1 | - | - | - | (1) | 1 | - | (2) | - | 1 | - | (1) | (6) |
| Non-interest expenses | (728) | (534) | (499) | (460) | (482) | (397) | (422) | (387) | (369) | (1,262) | (879) | (1,838) | (1,540) | (1,478) | (1,592) |
| Other ² | (41) | (56) | (55) | (60) | (67) | (62) | (23) | (37) | (40) | (97) | (129) | (244) | (131) | (170) | (205) |
| Net income | 67 | 128 | 101 | 94 | 117 | 104 | 80 | 69 | 72 | 195 | 221 | 416 | 280 | 257 | 241 |
| Contribution to total bank net income | 11% | 19% | 17% | 16% | 20% | 20% | 17% | 15% | 16% | 16% | 20% | 18% | 16% | 14% | 14% |
| Cash net income | 89 | 137 | 108 | 100 | 123 | 106 | 83 | 72 | 73 | 226 | 229 | 437 | 289 | 335 | 248 |
| Economic profit | 17 | 66 | 77 | 68 | 91 | 77 | 66 | 54 | 56 | 83 | 168 | 313 | 220 | 194 | 162 |
| Return on common equity | 12.4% | 42.4% | 46.7% | 42.1% | 53.4% | 50.9% | 67.9% | 55.6% | 63.2% | 23.5% | 52.2% | 48.2% | 59.6% | 65.2% | 49.7% |
| Efficiency ratio ³ | 86.8% | 74.5% | 76.3% | 74.9% | 72.4% | 70.5% | 80.2% | 78.7% | 76.7% | 81.1% | 71.5% | 73.6% | 78.9% | 77.5% | 77.9% |
| Net interest margin | 3.29% | 4.15% | 5.15% | 4.62% | 4.27% | 3.84% | 3.27% | 2.53% | 3.19% | 3.65% | 4.05% | 4.49% | 3.00% | 2.87% | 2.73% |
| Average assets | 12,100 | 8,700 | 7,800 | 8,000 | 8,000 | 8,400 | 9,100 | 10,200 | 8,100 | 10,400 | 8,200 | 8,000 | 8,900 | 11,700 | 12,300 |
| Average loans and bankers' acceptances | 4,600 | 3,200 | 2,700 | 2,700 | 2,700 | 2,500 | 2,500 | 2,600 | 2,200 | 3,900 | 2,600 | 2,600 | 2,500 | 5,700 | 6,400 |
| Average deposits | 15,800 | 14,700 | 14,600 | 14,500 | 14,500 | 13,900 | 13,400 | 14,100 | 12,200 | 15,200 | 14,200 | 14,400 | 13,100 | 16,700 | 17,000 |
| Average common equity | 2,000 | 1,200 | 800 | 900 | 900 | 800 | 500 | 500 | 500 | 1,600 | 800 | 800 | 500 | 500 | 500 |
| Number of employees (FTE) | 10,866 | 10,649 | 7,553 | 7,399 | 7,119 | 6,684 | 6,764 | 6,874 | 6,667 | 10,866 | 7,119 | 7,553 | 6,764 | 7,327 | 8,283 |

¹P&CB results were restated in Q1/01 to reflect the removal of the Insurance operations, now shown as a separate segment.

²Includes income taxes, non-controlling interest and taxable equivalent adjustment.

³Non-interest expenses as a % of gross revenues.

RESULTS BY BUSINESS SEGMENT

(\$ MM)

| | Q2/01 | Q1/01 | Q4/00 | Q3/00 | Q2/00 | Q1/00 | Q4/99 | Q3/99 | Q2/99 | 2001 6 months | 2000 6 months | 2000 | 1999 | 1998 | 1997 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|------------------|------------------|---------|---------|---------|---------|
| Corporate and Investment Banking | | | | | | | | | | | | | | | |
| Net Interest Income (teb) | 133 | 12 | (21) | (46) | 87 | 23 | 99 | 103 | 97 | 145 | 110 | 43 | 402 | 530 | 721 |
| Other Income | 568 | 704 | 591 | 635 | 566 | 495 | 420 | 413 | 381 | 1,272 | 1,061 | 2,287 | 1,588 | 1,150 | 1,097 |
| Gross revenues (teb) | 701 | 716 | 570 | 589 | 653 | 518 | 519 | 516 | 478 | 1,417 | 1,171 | 2,330 | 1,990 | 1,680 | 1,818 |
| Provision for credit losses | (53) | (27) | (22) | (35) | (16) | (18) | (105) | (53) | (32) | (80) | (34) | (91) | (223) | (206) | (142) |
| Non-interest expenses | (462) | (452) | (373) | (366) | (397) | (309) | (312) | (322) | (285) | (914) | (706) | (1,445) | (1,295) | (1,030) | (1,040) |
| Other ¹ | (72) | (102) | (62) | (65) | (89) | (70) | (43) | (41) | (69) | (174) | (159) | (286) | (165) | (212) | (294) |
| Net income | 114 | 135 | 113 | 123 | 151 | 121 | 59 | 100 | 92 | 249 | 272 | 508 | 307 | 232 | 342 |
| Contribution to total bank net income | 19% | 20% | 19% | 22% | 26% | 23% | 12% | 21% | 21% | 20% | 25% | 22% | 18% | 13% | 20% |
| Cash net income | 126 | 141 | 119 | 129 | 157 | 127 | 65 | 106 | 98 | 267 | 284 | 532 | 331 | 187 | 372 |
| Economic profit | 9 | 44 | 32 | 38 | 79 | 48 | 30 | 39 | 32 | 53 | 127 | 197 | 141 | (111) | 43 |
| Return on common equity | 13.2% | 17.2% | 17.8% | 18.8% | 27.2% | 21.4% | 11.8% | 20.9% | 19.4% | 15.1% | 24.3% | 21.1% | 15.6% | 15.1% | 18.7% |
| Efficiency ratio ² | 65.9% | 63.1% | 65.4% | 62.1% | 60.8% | 59.7% | 60.1% | 62.4% | 59.6% | 64.5% | 60.3% | 62.0% | 65.1% | 61.3% | 57.2% |
| Net interest margin | 0.35% | 0.03% | (0.06%) | (0.14%) | 0.27% | 0.07% | 0.31% | 0.32% | 0.33% | 0.19% | 0.17% | 0.03% | 0.32% | 0.42% | 0.66% |
| Average assets | 157,700 | 147,800 | 137,600 | 130,700 | 130,100 | 129,000 | 128,300 | 128,200 | 121,400 | 152,700 | 129,500 | 131,900 | 127,300 | 125,000 | 109,900 |
| Average loans and bankers' acceptances | 61,200 | 57,800 | 53,300 | 52,700 | 54,700 | 51,400 | 57,100 | 57,900 | 54,200 | 59,500 | 53,000 | 53,000 | 56,400 | 64,900 | 52,400 |
| Average deposits | 71,900 | 70,500 | 65,900 | 61,300 | 58,200 | 62,200 | 61,900 | 58,900 | 60,600 | 70,700 | 60,200 | 61,900 | 60,700 | 67,700 | 61,900 |
| Average common equity | 3,300 | 2,900 | 2,400 | 2,400 | 2,200 | 2,100 | 1,700 | 1,800 | 1,800 | 3,100 | 2,100 | 2,300 | 1,800 | | |
| Number of employees (FTE) | 2,923 | 3,188 | 2,541 | 2,514 | 2,512 | 2,597 | 2,651 | 2,738 | 2,846 | 2,923 | 2,512 | 2,541 | 2,651 | 2,919 | 3,348 |
| Transaction Processing | | | | | | | | | | | | | | | |
| Net interest income (teb) | 35 | 40 | 38 | 40 | 36 | 46 | 43 | 41 | 39 | 75 | 82 | 160 | 168 | 202 | |
| Other income | 140 | 135 | 135 | 136 | 123 | 120 | 120 | 114 | 113 | 275 | 243 | 514 | 459 | 450 | |
| Gross revenues (teb) | 175 | 175 | 173 | 176 | 159 | 166 | 163 | 155 | 152 | 350 | 325 | 674 | 627 | 652 | |
| Provision for credit losses | 1 | 1 | 4 | 17 | - | - | 2 | 2 | (5) | 2 | - | 21 | (6) | (178) | |
| Non-interest expenses | (114) | (113) | (126) | (119) | (108) | (106) | (115) | (107) | (105) | (227) | (214) | (459) | (436) | (429) | |
| Other ¹ | (25) | (26) | (22) | (32) | (22) | (26) | (21) | (21) | (18) | (51) | (48) | (102) | (78) | (17) | |
| Net income | 37 | 37 | 29 | 42 | 29 | 34 | 29 | 29 | 24 | 74 | 63 | 134 | 107 | 28 | |
| Contribution to total bank net income | 6% | 6% | 5% | 7% | 5% | 6% | 6% | 6% | 5% | 5% | 6% | 6% | 6% | 2% | |
| Cash net income | 39 | 39 | 31 | 44 | 31 | 36 | 31 | 31 | 26 | 78 | 67 | 142 | 115 | 36 | |
| Economic profit | 22 | 21 | 16 | 30 | 16 | 20 | 18 | 18 | 12 | 43 | 36 | 82 | 60 | (39) | |
| Return on equity | 31.5% | 29.5% | 28.2% | 43.2% | 28.3% | 30.0% | 31.3% | 31.7% | 24.3% | 30.5% | 29.2% | 32.2% | 27.7% | 5.0% | |
| Efficiency ratio ² | 65.1% | 64.6% | 72.8% | 67.6% | 67.9% | 63.9% | 70.6% | 69.0% | 69.1% | 64.9% | 65.8% | 68.1% | 69.5% | 65.8% | |
| Net interest margin | 6.24% | 7.21% | 8.40% | 10.61% | 8.61% | 11.44% | 11.37% | 10.17% | 8.89% | 6.87% | 10.30% | 10.00% | 9.33% | 6.31% | |
| Average assets | 2,300 | 2,200 | 1,800 | 1,500 | 1,700 | 1,600 | 1,500 | 1,600 | 1,800 | 2,200 | 1,600 | 1,600 | 1,800 | 3,200 | |
| Average loans and bankers' acceptances | 1,900 | 1,800 | 1,300 | 1,200 | 1,300 | 1,200 | 1,000 | 1,100 | 1,700 | 1,800 | 1,200 | 1,200 | 1,400 | 2,800 | |
| Average deposits | 7,400 | 7,500 | 7,500 | 7,600 | 7,800 | 7,500 | 7,200 | 6,800 | 6,600 | 7,500 | 7,700 | 7,600 | 6,900 | 6,700 | |
| Average common equity | 500 | 500 | 400 | 400 | 400 | 400 | 400 | 300 | 400 | 500 | 400 | 400 | 400 | | |
| Number of employees (FTE) | 2,105 | 2,092 | 2,061 | 1,965 | 1,898 | 1,917 | 1,980 | 2,003 | 2,012 | 2,105 | 1,898 | 2,061 | 1,980 | 1,873 | |
| Other | | | | | | | | | | | | | | | |
| Net interest income (teb) | 11 | 10 | (12) | (27) | 8 | (13) | (30) | (51) | (37) | 21 | (5) | (44) | (139) | (159) | 3 |
| Other income | (2) | (41) | (8) | (12) | 13 | 31 | 118 | 25 | 29 | (43) | 44 | 24 | 213 | 479 | 115 |
| Gross revenues (teb) | 9 | (31) | (20) | (39) | 21 | 18 | 88 | (26) | (8) | (22) | 39 | (20) | 74 | 320 | 118 |
| Provision for credit losses | 4 | 4 | - | 5 | 8 | 14 | 21 | 14 | 4 | 8 | 22 | 27 | 44 | 115 | (6) |
| Non-interest expenses | 57 | (7) | (23) | 38 | 6 | (27) | (40) | 66 | 25 | 50 | (21) | (6) | 43 | 52 | (31) |
| Other ¹ | (46) | (1) | 23 | (3) | (51) | (15) | (21) | (32) | 12 | (47) | (66) | (46) | (54) | (183) | (4) |
| Net income | 24 | (35) | (20) | 1 | (16) | (10) | 48 | 22 | 33 | (11) | (26) | (45) | 107 | 304 | 77 |
| Contribution to total bank net income | 4% | (5%) | (4%) | 0% | (2%) | (2%) | 10% | 5% | 7% | (1%) | (3%) | (2%) | 6% | 16% | 5% |
| Cash net income | 29 | (29) | (15) | 6 | (10) | (4) | 53 | 27 | 38 | 0 | (14) | (23) | 127 | 323 | 97 |
| Economic profit | 10 | (80) | (89) | (45) | (84) | (76) | (121) | (91) | (77) | (70) | (160) | (294) | (358) | 83 | (234) |
| Return on common equity | 34.0% | (4.8%) | (2.9%) | (1.1%) | (4.2%) | (3.0%) | 4.5% | 1.2% | 3.0% | 5.6% | (3.6%) | (2.9%) | 2.0% | 8.6% | 2.5% |
| Net interest margin | 0.47% | 0.50% | (0.59%) | (1.39%) | 0.37% | (0.54%) | (1.29%) | (2.30%) | (2.14%) | 0.48% | (0.11%) | (0.51%) | (1.72%) | (1.57%) | 0.02% |
| Average assets | 9,600 | 8,000 | 8,100 | 7,700 | 8,800 | 9,500 | 9,200 | 8,800 | 7,100 | 8,800 | 9,200 | 8,600 | 8,100 | 10,100 | 17,300 |
| Average loans and bankers' acceptances | (800) | (1,200) | (1,800) | (2,600) | (2,800) | (3,700) | (3,300) | (3,100) | (3,100) | (1,000) | (3,100) | (2,600) | (3,100) | (1,700) | - |
| Average deposits | 12,400 | 10,600 | 11,300 | 11,300 | 11,100 | 10,200 | 10,600 | 10,500 | 8,900 | 11,900 | 10,600 | 11,000 | 9,500 | 4,400 | 1,200 |
| Average common equity | 500 | 1,500 | 2,100 | 1,400 | 2,000 | 1,900 | 3,100 | 3,300 | 3,100 | 1,100 | 2,100 | 1,900 | 3,200 | | |
| Number of employees (FTE) | 4,061 | 4,094 | 4,149 | 4,168 | 4,235 | 4,336 | 4,659 | 4,933 | 4,749 | 4,061 | 4,235 | 4,149 | 4,659 | 4,072 | 4,095 |

¹Includes income taxes, non-controlling interest and taxable equivalent adjustment.²Non-interest expenses as a % of gross revenues.

| RESULTS BY BUSINESS SEGMENT (\$ MM) | Q2/01 | Q1/01 | Q4/00 | Q3/00 | Q2/00 | Q1/00 | Q4/99 | Q3/99 | Q2/99 | 2001 6 months | 2000 6 months | 2000 | 1999 | 1998 | 1997 | |
|--|--------------|---------|---------|---------|---------|---------|---------|---------|---------|------------------|------------------|---------|---------|---------|---------|--|
| | Total | | | | | | | | | | | | | | | |
| Net interest income (teb) | 1,580 | 1,466 | 1,381 | 1,300 | 1,346 | 1,280 | 1,347 | 1,283 | 1,252 | 3,046 | 2,626 | 5,307 | 5,155 | 5,101 | 5,032 | |
| Other income | 1,924 | 2,028 | 1,753 | 1,717 | 1,724 | 1,538 | 1,512 | 1,354 | 1,306 | 3,952 | 3,262 | 6,732 | 5,480 | 4,985 | 4,279 | |
| Gross revenues (teb) | 3,504 | 3,494 | 3,134 | 3,017 | 3,070 | 2,818 | 2,859 | 2,637 | 2,558 | 6,998 | 5,888 | 12,039 | 10,635 | 10,086 | 9,311 | |
| Provision for credit losses | (210) | (248) | (174) | (172) | (172) | (173) | (235) | (175) | (175) | (458) | (345) | (691) | (760) | (575) | (380) | |
| Non-interest expenses | (2,287) | (2,162) | (2,020) | (1,902) | (1,900) | (1,759) | (1,860) | (1,696) | (1,671) | (4,449) | (3,659) | (7,581) | (7,060) | (6,399) | (6,053) | |
| Other ¹ | (405) | (423) | (345) | (369) | (420) | (359) | (280) | (300) | (266) | (828) | (779) | (1,493) | (1,058) | (1,288) | (1,199) | |
| Net income | 602 | 661 | 595 | 574 | 578 | 527 | 484 | 466 | 446 | 1,263 | 1,105 | 2,274 | 1,757 | 1,824 | 1,679 | |
| Cash net income | 651 | 691 | 620 | 596 | 598 | 544 | 501 | 482 | 460 | 1,342 | 1,142 | 2,358 | 1,820 | 1,886 | 1,738 | |
| Economic profit | 207 | 172 | 208 | 195 | 211 | 153 | 101 | 97 | 88 | 379 | 364 | 767 | 382 | 515 | 447 | |
| Return on common equity | 18.7% | 20.8% | 20.0% | 19.7% | 20.8% | 18.7% | 16.6% | 16.2% | 16.5% | 19.7% | 19.7% | 19.8% | 15.6% | 18.4% | 19.3% | |
| Efficiency ratio ² | 65.3% | 61.9% | 64.5% | 63.0% | 61.9% | 62.4% | 65.1% | 64.3% | 65.3% | 63.6% | 62.1% | 63.0% | 66.4% | 63.4% | 65.0% | |
| Net interest margin | 2.01% | 1.91% | 1.89% | 1.83% | 1.96% | 1.85% | 1.94% | 1.86% | 1.96% | 1.96% | 1.92% | 1.88% | 1.91% | 1.95% | 2.10% | |
| Average assets | 321,900 | 304,400 | 291,200 | 282,000 | 278,600 | 275,600 | 274,800 | 273,300 | 261,600 | 313,000 | 277,000 | 281,900 | 269,900 | 261,300 | 239,500 | |
| Average loans and bankers' acceptances | 197,300 | 191,200 | 184,700 | 181,500 | 180,300 | 172,700 | 178,300 | 177,600 | 172,700 | 194,200 | 176,500 | 179,800 | 175,600 | 178,000 | 154,400 | |
| Average deposits | 212,800 | 207,000 | 201,000 | 194,100 | 188,600 | 191,200 | 189,300 | 185,600 | 182,100 | 209,800 | 189,900 | 193,800 | 184,800 | 178,700 | 166,200 | |
| Average common equity | 12,500 | 12,000 | 11,200 | 10,900 | 10,700 | 10,500 | 10,500 | 10,400 | 10,200 | 12,200 | 10,602 | 10,800 | 10,300 | | | |
| Number of employees (FTE) - Canada | 43,813 | 43,949 | 44,256 | 44,151 | 44,076 | 45,867 | 48,270 | 48,635 | 48,078 | 43,813 | 44,076 | 44,256 | 48,270 | 48,212 | 45,471 | |
| - US | 6,466 | 6,575 | 1,650 | 1,565 | 1,532 | 770 | 754 | 657 | 691 | 6,466 | 1,532 | 1,650 | 754 | 633 | 572 | |
| - Other | 3,367 | 3,339 | 3,326 | 3,168 | 3,222 | 2,987 | 2,867 | 2,954 | 2,976 | 3,367 | 3,222 | 3,326 | 2,867 | 2,931 | 2,773 | |
| - Total | 53,646 | 53,863 | 49,232 | 48,884 | 48,830 | 49,624 | 51,891 | 52,246 | 51,745 | 53,646 | 48,830 | 49,232 | 51,891 | 51,776 | 48,816 | |
| RESULTS BY BUSINESS SEGMENT - EXCLUDING SPECIAL ITEMS (\$ MM) | | | | | | | | | | | | | | | | |
| Personal and Commercial Banking - Excluding Special Items | | | | | | | | | | | | | | | | |
| Net interest income (teb) | 1,251 | 1,269 | 1,252 | 1,208 | 1,115 | 1,130 | 1,148 | 1,114 | 1,078 | 2,520 | 2,245 | 4,705 | 4,410 | 4,156 | 3,953 | |
| Other income | 411 | 441 | 409 | 399 | 395 | 364 | 353 | 339 | 326 | 852 | 759 | 1,567 | 1,348 | 1,232 | 1,272 | |
| Gross revenues (teb) | 1,662 | 1,710 | 1,661 | 1,607 | 1,510 | 1,494 | 1,501 | 1,453 | 1,404 | 3,372 | 3,004 | 6,272 | 5,758 | 5,388 | 5,225 | |
| Provision for credit losses | (159) | (227) | (157) | (159) | (164) | (169) | (117) | (139) | (142) | (386) | (333) | (649) | (540) | (255) | (226) | |
| Non-interest expenses | (947) | (980) | (949) | (946) | (880) | (885) | (937) | (915) | (905) | (1,927) | (1,765) | (3,660) | (3,649) | (3,346) | (3,337) | |
| Other ¹ | (228) | (211) | (233) | (214) | (198) | (189) | (192) | (171) | (153) | (439) | (387) | (834) | (671) | (765) | (696) | |
| Net income | 328 | 292 | 322 | 288 | 268 | 251 | 255 | 228 | 204 | 620 | 519 | 1,129 | 898 | 1,022 | 966 | |
| Contribution to total bank net income | 55% | 50% | 55% | 50% | 46% | 48% | 52% | 48% | 46% | 52% | 47% | 50% | 48% | 56% | 58% | |
| Cash net income | 332 | 297 | 327 | 291 | 268 | 252 | 256 | 228 | 204 | 629 | 520 | 1,138 | 900 | 1,022 | 966 | |
| Economic profit | 144 | 105 | 132 | 87 | 89 | 65 | 81 | 66 | 50 | 249 | 154 | 373 | 252 | 361 | 435 | |
| Return on common equity | 24.7% | 21.2% | 23.3% | 19.8% | 21.1% | 18.7% | 20.5% | 19.6% | 18.5% | 23.0% | 19.9% | 20.7% | 19.4% | 27.1% | 27.1% | |
| Efficiency ratio ² | 57.0% | 57.3% | 57.1% | 58.9% | 58.3% | 59.2% | 62.4% | 63.0% | 64.5% | 57.1% | 58.8% | 58.4% | 63.4% | 62.1% | 63.9% | |
| Net interest margin | 3.81% | 3.77% | 3.73% | 3.65% | 3.54% | 3.58% | 3.64% | 3.59% | 3.63% | 3.79% | 3.56% | 3.63% | 3.60% | 3.76% | 3.97% | |
| Average assets | 134,700 | 133,700 | 133,400 | 131,700 | 128,200 | 125,400 | 125,100 | 123,100 | 121,800 | 134,200 | 126,800 | 129,700 | 122,400 | 110,500 | 99,500 | |
| Average loans and bankers' acceptances | 130,000 | 129,400 | 129,200 | 127,500 | 124,400 | 121,300 | 121,000 | 119,100 | 117,700 | 129,700 | 122,800 | 125,600 | 118,400 | 106,300 | 95,600 | |
| Average deposits | 105,300 | 103,700 | 101,700 | 99,400 | 97,000 | 97,400 | 96,200 | 95,300 | 93,800 | 104,500 | 97,200 | 98,900 | 94,600 | 83,200 | 86,100 | |
| Average common equity | 5,300 | 5,200 | 5,200 | 5,500 | 4,900 | 5,100 | 4,600 | 4,300 | 4,200 | 5,200 | 5,000 | 5,100 | 4,300 | | | |
| Number of employees (FTE) | 31,194 | 31,394 | 31,610 | 31,524 | 31,851 | 32,877 | 34,683 | 34,591 | 34,410 | 31,194 | 31,851 | 31,610 | 34,683 | 34,571 | 32,562 | |
| Insurance - Excluding Special Items | | | | | | | | | | | | | | | | |
| Net interest income (teb) | 53 | 44 | 23 | 32 | 16 | 13 | 12 | 11 | 12 | 97 | 29 | 84 | 47 | 36 | 19 | |
| Other income | 65 | 67 | 73 | 38 | 45 | 46 | 50 | 36 | 39 | 132 | 91 | 202 | 160 | 104 | 87 | |
| Gross revenues (teb) | 118 | 111 | 96 | 70 | 61 | 59 | 62 | 47 | 51 | 229 | 120 | 286 | 207 | 140 | 106 | |
| Provision for credit losses | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Non-interest expenses | (93) | (76) | (50) | (49) | (39) | (35) | (34) | (31) | (32) | (169) | (74) | (173) | (133) | (106) | (53) | |
| Other ¹ | 7 | 3 | 4 | 5 | 7 | 3 | 5 | 2 | 2 | 10 | 10 | 19 | 17 | 11 | - | |
| Net income | 32 | 38 | 50 | 26 | 29 | 27 | 33 | 18 | 21 | 70 | 56 | 132 | 91 | 45 | 53 | |
| Contribution to total bank net income | 5% | 7% | 8% | 5% | 5% | 5% | 7% | 4% | 5% | 6% | 5% | 6% | 5% | 2% | 3% | |
| Cash net income | 36 | 40 | 50 | 26 | 29 | 27 | 33 | 18 | 21 | 76 | 56 | 132 | 91 | 47 | 55 | |
| Economic profit | 5 | 16 | 40 | 17 | 20 | 19 | 27 | 11 | 15 | 21 | 39 | 96 | 67 | 27 | 41 | |
| Return on common equity | 13.9% | 21.7% | 67.0% | 37.8% | 43.0% | 45.8% | 65.6% | 35.6% | 43.0% | 17.7% | 44.3% | 49.0% | 47.9% | 32.4% | 56.7% | |
| Efficiency ratio ² | 78.8% | 68.5% | 52.1% | 70.0% | 63.9% | 59.3% | 54.8% | 66.0% | 62.7% | 73.8% | 61.7% | 60.5% | 64.3% | 75.7% | 50.0% | |
| Net interest margin | 3.95% | 4.36% | 3.66% | 3.50% | 3.61% | 3.04% | 2.98% | 3.12% | 3.52% | 4.16% | 3.43% | 4.00% | 3.36% | 4.50% | 3.80% | |
| Average assets | 5,500 | 4,000 | 2,500 | 2,400 | 1,800 | 1,700 | 1,600 | 1,400 | 1,400 | 4,700 | 1,700 | 2,100 | 1,400 | 800 | 500 | |
| Average loans and bankers' acceptances | 400 | 200 | - | - | - | - | - | - | - | 300 | - | - | - | - | - | |
| Average deposits | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Average common equity | 900 | 700 | 300 | 300 | 300 | 200 | 200 | 200 | 200 | 800 | 200 | 300 | 200 | | | |
| Number of employees (FTE) | 2,497 | 2,446 | 1,318 | 1,314 | 1,215 | 1,213 | 1,154 | 1,107 | 1,061 | 2,497 | 1,215 | 1,318 | 1,154 | 1,014 | 528 | |

¹Includes income taxes, non-controlling interest and taxable equivalent adjustment.

²Non-interest expenses as a % of gross revenues.

| RESULTS BY BUSINESS SEGMENT - EXCLUDING SPECIAL ITEMS (\$ MM) | Q2/01 | Q1/01 | Q4/00 | Q3/00 | Q2/00 | Q1/00 | Q4/99 | Q3/99 | Q2/99 | 2001 6 months | 2000 6 months | 2000 | 1999 | 1998 | 1997 |
|--|--|---------|---------|---------|---------|---------|---------|---------|---------|------------------|------------------|---------|---------|---------|---------|
| | Wealth Management - Excluding Special Items | | | | | | | | | | | | | | |
| Net interest income (teb) | 97 | 91 | 101 | 93 | 84 | 81 | 75 | 65 | 63 | 188 | 165 | 359 | 267 | 336 | 336 |
| Other income | 742 | 590 | 553 | 521 | 582 | 482 | 451 | 427 | 418 | 1,332 | 1,064 | 2,138 | 1,684 | 1,570 | 1,708 |
| Gross revenues (teb) | 839 | 681 | 654 | 614 | 666 | 563 | 526 | 492 | 481 | 1,520 | 1,229 | 2,497 | 1,951 | 1,906 | 2,044 |
| Provision for credit losses | (3) | 1 | 1 | - | - | - | (1) | 1 | - | (2) | - | 1 | - | (1) | (6) |
| Non-interest expenses | (728) | (534) | (499) | (460) | (482) | (397) | (422) | (387) | (369) | (1,262) | (879) | (1,838) | (1,540) | (1,478) | (1,592) |
| Other ¹ | (41) | (48) | (55) | (60) | (67) | (62) | (23) | (37) | (40) | (89) | (129) | (244) | (131) | (170) | (205) |
| Net income | 67 | 100 | 101 | 94 | 117 | 104 | 80 | 69 | 72 | 167 | 221 | 416 | 280 | 257 | 241 |
| Contribution to total bank net income | 11% | 17% | 17% | 16% | 20% | 20% | 17% | 14% | 16% | 14% | 20% | 18% | 15% | 14% | 14% |
| Cash net income | 89 | 109 | 108 | 100 | 123 | 106 | 83 | 72 | 73 | 198 | 229 | 437 | 289 | 335 | 248 |
| Economic profit | 17 | 66 | 77 | 68 | 91 | 77 | 66 | 54 | 56 | 83 | 168 | 313 | 220 | 194 | 162 |
| Return on common equity | 12.4% | 32.8% | 46.7% | 42.1% | 53.4% | 50.9% | 67.9% | 55.6% | 63.2% | 19.9% | 52.2% | 48.2% | 59.6% | 65.2% | 49.7% |
| Efficiency ratio ² | 86.8% | 78.4% | 76.3% | 74.9% | 72.4% | 70.5% | 80.2% | 78.7% | 76.7% | 83.0% | 71.5% | 73.6% | 78.9% | 77.5% | 77.9% |
| Net interest margin | 3.29% | 4.15% | 5.15% | 4.62% | 4.27% | 3.84% | 3.27% | 2.53% | 3.19% | 3.65% | 4.05% | 4.49% | 3.00% | 2.87% | 2.73% |
| Average assets | 12,100 | 8,700 | 7,800 | 8,000 | 8,000 | 8,400 | 9,100 | 10,200 | 8,100 | 10,400 | 8,200 | 8,000 | 8,900 | 11,700 | 12,300 |
| Average loans and bankers' acceptances | 4,600 | 3,200 | 2,700 | 2,700 | 2,700 | 2,500 | 2,500 | 2,600 | 2,200 | 3,900 | 2,600 | 2,600 | 2,500 | 5,700 | 6,400 |
| Average deposits | 15,800 | 14,700 | 14,600 | 14,500 | 14,500 | 13,900 | 13,400 | 14,100 | 12,200 | 15,200 | 14,200 | 14,400 | 13,100 | 16,700 | 17,000 |
| Average common equity | 2,000 | 1,200 | 800 | 900 | 900 | 800 | 500 | 500 | 500 | 1,600 | 800 | 800 | 500 | 500 | 500 |
| Number of employees (FTE) | 10,866 | 10,649 | 7,553 | 7,399 | 7,119 | 6,684 | 6,764 | 6,874 | 6,667 | 10,866 | 7,119 | 7,553 | 6,764 | 7,327 | 8,283 |
| Corporate and Investment Banking - Excl. Special Items | | | | | | | | | | | | | | | |
| Net interest income (teb) | 133 | 12 | (21) | (46) | 87 | 23 | 99 | 103 | 97 | 145 | 110 | 43 | 402 | 530 | 721 |
| Other income | 568 | 704 | 591 | 635 | 566 | 495 | 420 | 413 | 381 | 1,272 | 1,061 | 2,287 | 1,588 | 1,158 | 1,097 |
| Gross revenues (teb) | 701 | 716 | 570 | 589 | 653 | 518 | 519 | 516 | 478 | 1,417 | 1,171 | 2,330 | 1,990 | 1,688 | 1,818 |
| Provision for credit losses | (53) | (27) | (22) | (35) | (16) | (18) | (50) | (53) | (32) | (80) | (34) | (91) | (168) | (106) | (142) |
| Non-interest expenses | (462) | (452) | (373) | (366) | (397) | (309) | (312) | (322) | (285) | (914) | (706) | (1,445) | (1,212) | (1,007) | (1,040) |
| Other ¹ | (72) | (92) | (62) | (65) | (89) | (70) | (67) | (41) | (69) | (164) | (159) | (286) | (225) | (264) | (294) |
| Net income | 114 | 145 | 113 | 123 | 151 | 121 | 90 | 100 | 92 | 259 | 272 | 508 | 385 | 311 | 342 |
| Contribution to total bank net income | 19% | 25% | 19% | 22% | 26% | 23% | 19% | 21% | 21% | 22% | 25% | 22% | 21% | 17% | 20% |
| Cash net income | 126 | 151 | 119 | 129 | 157 | 127 | 96 | 106 | 98 | 277 | 284 | 532 | 409 | 266 | 372 |
| Economic profit | 9 | 44 | 32 | 38 | 79 | 48 | 30 | 39 | 32 | 53 | 127 | 197 | 141 | (111) | 43 |
| Return on common equity | 13.2% | 18.6% | 17.8% | 18.8% | 27.2% | 21.4% | 19.0% | 20.9% | 19.4% | 15.8% | 24.3% | 21.1% | 20.0% | 18.6% | 18.7% |
| Efficiency ratio ² | 65.9% | 63.1% | 65.4% | 62.1% | 60.8% | 59.7% | 60.1% | 62.4% | 59.6% | 64.5% | 60.3% | 62.0% | 60.9% | 59.7% | 57.2% |
| Net interest margin | 0.35% | 0.03% | (0.06%) | (0.14%) | 0.27% | 0.07% | 0.31% | 0.32% | 0.33% | 0.19% | 0.17% | 0.03% | 0.32% | 0.42% | 0.66% |
| Average assets | 157,700 | 147,800 | 137,600 | 130,700 | 130,100 | 129,000 | 128,300 | 128,200 | 121,400 | 152,700 | 129,500 | 131,900 | 127,300 | 125,000 | 109,900 |
| Average loans and bankers' acceptances | 61,200 | 57,800 | 53,300 | 52,700 | 54,700 | 51,400 | 57,100 | 57,900 | 54,200 | 59,500 | 53,000 | 53,000 | 56,400 | 64,900 | 52,400 |
| Average deposits | 71,900 | 70,500 | 65,900 | 61,300 | 58,200 | 62,200 | 61,900 | 58,900 | 60,600 | 70,700 | 60,200 | 61,900 | 60,700 | 67,700 | 61,900 |
| Average common equity | 3,300 | 2,900 | 2,400 | 2,400 | 2,200 | 2,100 | 1,700 | 1,800 | 1,800 | 3,100 | 2,100 | 2,300 | 1,800 | 1,800 | 1,800 |
| Number of employees (FTE) | 2,923 | 3,188 | 2,541 | 2,514 | 2,512 | 2,597 | 2,651 | 2,738 | 2,846 | 2,923 | 2,512 | 2,541 | 2,651 | 2,919 | 3,348 |
| Transaction Processing - Excluding Special Items | | | | | | | | | | | | | | | |
| Net interest income (teb) | 35 | 40 | 38 | 40 | 36 | 46 | 43 | 41 | 39 | 75 | 82 | 160 | 168 | 202 | |
| Other income | 140 | 135 | 135 | 136 | 123 | 120 | 120 | 114 | 113 | 275 | 243 | 514 | 459 | 450 | |
| Gross revenues (teb) | 175 | 175 | 173 | 176 | 159 | 166 | 163 | 155 | 152 | 350 | 325 | 674 | 627 | 652 | |
| Provision for credit losses | 1 | 1 | 4 | 17 | - | - | 2 | 2 | (5) | 2 | - | 21 | (6) | (178) | |
| Non-interest expenses | (114) | (113) | (126) | (119) | (108) | (106) | (115) | (107) | (105) | (227) | (214) | (459) | (436) | (429) | |
| Other ¹ | (25) | (26) | (22) | (32) | (22) | (26) | (21) | (21) | (18) | (51) | (48) | (102) | (78) | (17) | |
| Net income | 37 | 37 | 29 | 42 | 29 | 34 | 29 | 29 | 24 | 74 | 63 | 134 | 107 | 28 | |
| Contribution to total bank net income | 6% | 6% | 5% | 7% | 5% | 6% | 6% | 6% | 5% | 6% | 6% | 6% | 6% | 2% | |
| Cash net income | 39 | 39 | 31 | 44 | 31 | 36 | 31 | 31 | 26 | 78 | 67 | 142 | 115 | 36 | |
| Economic profit | 22 | 21 | 16 | 30 | 16 | 20 | 18 | 18 | 12 | 43 | 36 | 82 | 60 | (39) | |
| Return on equity | 31.5% | 29.5% | 28.2% | 43.2% | 28.3% | 30.0% | 31.3% | 31.7% | 24.3% | 30.5% | 29.2% | 32.2% | 27.7% | 5.0% | |
| Efficiency ratio ² | 65.1% | 64.6% | 72.8% | 67.6% | 67.9% | 63.9% | 70.6% | 69.0% | 69.1% | 64.9% | 65.8% | 68.1% | 69.5% | 65.8% | |
| Net interest margin | 6.24% | 7.21% | 8.40% | 10.61% | 8.61% | 11.44% | 11.37% | 10.17% | 8.89% | 6.87% | 10.30% | 10.00% | 9.33% | 6.31% | |
| Average assets | 2,300 | 2,200 | 1,800 | 1,500 | 1,700 | 1,600 | 1,500 | 1,600 | 1,800 | 2,200 | 1,600 | 1,600 | 1,800 | 3,200 | |
| Average loans and bankers' acceptances | 1,900 | 1,800 | 1,300 | 1,200 | 1,300 | 1,200 | 1,000 | 1,100 | 1,700 | 1,800 | 1,200 | 1,200 | 1,400 | 2,800 | |
| Average deposits | 7,400 | 7,500 | 7,500 | 7,600 | 7,800 | 7,500 | 7,200 | 6,800 | 6,600 | 7,500 | 7,700 | 7,600 | 6,900 | 6,700 | |
| Average common equity | 500 | 500 | 400 | 400 | 400 | 400 | 400 | 300 | 400 | 500 | 400 | 400 | 400 | | |
| Number of employees (FTE) | 2,105 | 2,092 | 2,061 | 1,965 | 1,898 | 1,917 | 1,980 | 2,003 | 2,012 | 2,105 | 1,898 | 2,061 | 1,980 | 1,873 | |

¹Includes income taxes, non-controlling interest and taxable equivalent adjustment.

²Non-interest expenses as a % of gross revenues.

**RESULTS BY BUSINESS SEGMENT
- EXCLUDING SPECIAL ITEMS (\$ MM)**
Other - Excluding Special Items

| | Q2/01 | Q1/01 | Q4/00 | Q3/00 | Q2/00 | Q1/00 | Q4/99 | Q3/99 | Q2/99 |
|--|--------|---------|---------|---------|---------|---------|---------|---------|---------|
| Net Interest Income (teb) | 11 | 10 | (12) | (27) | 8 | (13) | (30) | (51) | (37) |
| Other Income | (2) | (41) | (8) | (12) | 13 | 31 | 23 | 43 | 29 |
| Gross revenues (teb) | 9 | (31) | (20) | (39) | 21 | 18 | (7) | (8) | (8) |
| Provision for credit losses | 4 | 4 | - | 5 | 8 | 14 | 21 | 14 | 4 |
| Non-interest expenses | 57 | (7) | (23) | 38 | 6 | (27) | (35) | 66 | 25 |
| Other ¹ | (46) | 5 | 23 | (3) | (51) | (15) | 18 | (40) | 12 |
| Net income | 24 | (29) | (20) | 1 | (16) | (10) | (3) | 32 | 33 |
| Contribution to total bank net income | 4% | (5%) | (4%) | 0% | (2%) | (2%) | (1%) | 7% | 7% |
| Cash net income | 29 | (23) | (15) | 6 | (10) | (4) | 2 | 37 | 38 |
| Economic Profit | 10 | (80) | (89) | (45) | (84) | (76) | (121) | (91) | (77) |
| Return on common equity | 34.0% | (3.3%) | (2.9%) | (1.1%) | (4.2%) | (3.0%) | (1.9%) | 2.4% | 3.0% |
| Net interest margin | 0.47% | 0.50% | (0.59%) | (1.39%) | 0.37% | (0.54%) | (1.29%) | (2.30%) | (2.14%) |
| Average assets | 9,600 | 8,000 | 8,100 | 7,700 | 8,800 | 9,500 | 9,200 | 8,800 | 7,100 |
| Average loans and bankers' acceptances | (800) | (1,200) | (1,800) | (2,600) | (2,800) | (3,700) | (3,300) | (3,100) | (3,100) |
| Average deposits | 12,400 | 10,600 | 11,300 | 11,300 | 11,100 | 10,200 | 10,600 | 10,500 | 8,900 |
| Average common equity | 500 | 1,500 | 2,100 | 1,400 | 2,000 | 1,900 | 3,100 | 3,300 | 3,100 |
| Number of employees (FTE) | 4,061 | 4,094 | 4,149 | 4,168 | 4,235 | 4,336 | 4,659 | 4,933 | 4,749 |

Total - Excluding Special Items

| | | | | | | | | | |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Net Interest Income (teb) | 1,580 | 1,466 | 1,381 | 1,300 | 1,346 | 1,280 | 1,347 | 1,283 | 1,252 |
| Other Income | 1,924 | 1,896 | 1,753 | 1,717 | 1,724 | 1,538 | 1,417 | 1,372 | 1,306 |
| Gross revenues (teb) | 3,504 | 3,362 | 3,134 | 3,017 | 3,070 | 2,818 | 2,764 | 2,655 | 2,558 |
| Provision for credit losses | (210) | (248) | (174) | (172) | (172) | (173) | (145) | (175) | (175) |
| Non-interest expenses | (2,287) | (2,162) | 2,020 | (1,902) | (1,900) | (1,759) | (1,855) | (1,696) | (1,671) |
| Other ¹ | (405) | (369) | (345) | (369) | (420) | (359) | (280) | (308) | (266) |
| Net income | 602 | 583 | 595 | 574 | 578 | 527 | 484 | 476 | 446 |
| Cash net income | 651 | 613 | 620 | 596 | 598 | 544 | 501 | 492 | 460 |
| Economic profit | 207 | 172 | 208 | 195 | 211 | 153 | 101 | 97 | 88 |
| Return on common equity | 18.7% | 18.2% | 20.0% | 19.7% | 20.8% | 18.7% | 16.6% | 16.6% | 16.5% |
| Efficiency ratio ² | 65.3% | 64.3% | 64.5% | 63.0% | 61.9% | 62.4% | 67.1% | 63.9% | 65.3% |
| Net interest margin | 2.01% | 1.91% | 1.89% | 1.83% | 1.96% | 1.85% | 1.94% | 1.86% | 1.96% |
| Average assets | 321,900 | 304,400 | 291,200 | 282,000 | 278,600 | 275,600 | 274,800 | 273,300 | 261,600 |
| Average loans and bankers' acceptances | 197,300 | 191,200 | 184,700 | 181,500 | 180,300 | 172,700 | 178,300 | 177,600 | 172,700 |
| Average deposits | 212,800 | 207,000 | 201,000 | 194,100 | 188,600 | 191,200 | 189,300 | 185,600 | 182,100 |
| Average common equity | 12,500 | 12,000 | 11,200 | 10,900 | 10,700 | 10,500 | 10,500 | 10,400 | 10,200 |
| Number of employees (FTE) - Canada | 43,813 | 43,949 | 44,256 | 44,151 | 44,076 | 45,867 | 48,270 | 48,635 | 48,078 |
| - US | 6,466 | 6,575 | 1,650 | 1,565 | 1,532 | 770 | 754 | 657 | 691 |
| - Other | 3,367 | 3,339 | 3,326 | 3,168 | 3,222 | 2,987 | 2,867 | 2,954 | 2,976 |
| - Total | 53,646 | 53,863 | 49,232 | 48,884 | 48,830 | 49,624 | 51,891 | 52,246 | 51,745 |

| 2001 | 2000 | 2000 | 1999 | 1998 | 1997 |
|----------|----------|------|------|------|------|
| 6 months | 6 months | | | | |

| | | | | | |
|---------|---------|---------|---------|---------|---------|
| 21 | (5) | (44) | (139) | (159) | 3 |
| (43) | 44 | 24 | 136 | 224 | 115 |
| (22) | 39 | (20) | (3) | 65 | 118 |
| 8 | 22 | 27 | 44 | 115 | (6) |
| 50 | (21) | (6) | 104 | 59 | (31) |
| (41) | (66) | (46) | (47) | (75) | (4) |
| (5) | (26) | (45) | 98 | 164 | 77 |
| (0%) | (3%) | (2%) | 5% | 9% | 5% |
| 6 | (14) | (23) | 118 | 183 | 97 |
| (70) | (160) | (294) | (358) | 83 | (234) |
| 6.5% | (3.6%) | (2.9%) | 1.7% | 4.8% | 2.5% |
| 0.48% | (0.11%) | (0.51%) | (1.72%) | (1.57%) | 0.02% |
| 8,800 | 9,200 | 8,600 | 8,100 | 10,100 | 17,300 |
| (1,000) | (3,100) | (2,600) | (3,100) | (1,700) | - |
| 11,900 | 10,600 | 11,000 | 9,500 | 4,400 | 1,200 |
| 1,100 | 2,100 | 1,900 | 3,200 | | |
| 4,061 | 4,235 | 4,149 | 4,659 | 4,072 | 4,095 |
| 3,046 | 2,626 | 5,307 | 5,155 | 5,101 | 5,032 |
| 3,820 | 3,262 | 6,732 | 5,375 | 4,738 | 4,279 |
| 6,866 | 5,888 | 12,039 | 10,530 | 9,839 | 9,311 |
| (458) | (345) | (691) | (670) | (425) | (380) |
| (4,449) | (3,659) | (7,581) | (6,866) | (6,307) | (6,053) |
| (774) | (779) | (1,493) | (1,135) | (1,280) | (1,199) |
| 1,185 | 1,105 | 2,274 | 1,859 | 1,827 | 1,679 |
| 1,264 | 1,142 | 2,358 | 1,922 | 1,889 | 1,738 |
| 379 | 364 | 767 | 382 | 515 | 447 |
| 18.4% | 19.7% | 19.8% | 16.6% | 18.5% | 19.3% |
| 64.8% | 62.1% | 63.0% | 65.2% | 64.1% | 65.0% |
| 1.96% | 1.92% | 1.88% | 1.91% | 1.95% | 2.10% |
| 313,000 | 277,000 | 281,900 | 269,900 | 261,300 | 239,500 |
| 194,200 | 176,500 | 179,800 | 175,600 | 178,000 | 154,400 |
| 209,800 | 189,900 | 193,800 | 184,800 | 178,700 | 166,200 |
| 12,200 | 10,602 | 10,800 | 10,300 | | |
| 43,813 | 44,076 | 44,256 | 48,270 | 48,212 | 45,471 |
| 6,466 | 1,532 | 1,650 | 754 | 633 | 572 |
| 3,367 | 3,222 | 3,326 | 2,867 | 2,931 | 2,773 |
| 53,646 | 48,830 | 49,232 | 51,891 | 51,776 | 48,816 |

¹Includes income taxes, non-controlling interest and taxable equivalent adjustment.

²Non-interest expenses as a % of gross revenues.

| NET INTEREST INCOME (\$MM) | <u>Q2/01</u> | <u>Q1/01</u> | <u>Q4/00</u> | <u>Q3/00</u> | <u>Q2/00</u> | <u>Q1/00</u> | <u>Q4/99</u> | <u>Q3/99</u> | <u>Q2/99</u> | <u>2001</u> | <u>2000</u> | <u>2000</u> | <u>1999</u> | <u>1998</u> | <u>1997</u> |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-----------------|-----------------|-------------|-------------|-------------|-------------|
| | | | | | | | | | | <u>6 months</u> | <u>6 months</u> | | | | |
| <i>Net interest income (teb)</i> | | | | | | | | | | | | | | | |
| Net interest income | 1,580 | 1,466 | 1,381 | 1,300 | 1,346 | 1,280 | 1,347 | 1,283 | 1,252 | 3,046 | 2,626 | 5,307 | 5,155 | 5,101 | 5,032 |
| Net interest income as a % of average assets | 2.01% | 1.91% | 1.89% | 1.83% | 1.96% | 1.85% | 1.94% | 1.86% | 1.96% | 1.96% | 1.92% | 1.88% | 1.91% | 1.95% | 2.10% |
| Net interest income as a % of average earning assets | 2.35% | 2.21% | 2.18% | 2.12% | 2.29% | 2.12% | 2.22% | 2.14% | 2.29% | 2.28% | 2.22% | 2.17% | 2.21% | 2.29% | 2.43% |
| REVENUE FROM TRADING ACTIVITIES (\$MM) | | | | | | | | | | | | | | | |
| <i>Total Trading Revenue</i> | | | | | | | | | | | | | | | |
| Net Interest Income | 14 | (105) | (127) | (145) | (17) | (76) | 1 | (3) | 7 | (91) | (93) | (365) | 5 | 179 | 194 |
| Other Income | 429 | 566 | 355 | 446 | 367 | 372 | 258 | 281 | 276 | 995 | 739 | 1,540 | 1,106 | 748 | 606 |
| Total | 443 | 461 | 228 | 301 | 350 | 296 | 259 | 278 | 283 | 904 | 646 | 1,175 | 1,111 | 927 | 800 |
| <i>Trading Revenue by Product</i> | | | | | | | | | | | | | | | |
| Equity | 189 | 217 | 115 | 127 | 160 | 93 | 88 | 92 | 76 | 406 | 253 | 495 | 325 | 222 | 147 |
| Fixed income and money markets | 169 | 152 | 39 | 94 | 116 | 129 | 116 | 111 | 121 | 321 | 245 | 378 | 492 | 436 | 423 |
| Foreign exchange | 85 | 93 | 73 | 83 | 73 | 72 | 55 | 75 | 83 | 178 | 145 | 301 | 290 | 267 | 226 |
| Commodities and precious metal contracts | - | (1) | 1 | (3) | 1 | 2 | - | - | 3 | (1) | 3 | 1 | 4 | 2 | 4 |
| Total | 443 | 461 | 228 | 301 | 350 | 296 | 259 | 278 | 283 | 904 | 646 | 1,175 | 1,111 | 927 | 800 |

| OTHER INCOME (\$ MM) | Q2/01 | Q1/01 | Q4/00 | Q3/00 | Q2/00 | Q1/00 | Q4/99 | Q3/99 | Q2/99 | 2001 6 months | 2000 6 months | 2000 | 1999 | 1998 | 1997 |
|---|------------------------------------|------------------|------------------|------------------|------------------|------------------|----------------|----------------|----------------|------------------|------------------|------------------|----------------|----------------|----------------|
| | Deposit & payment service charges: | | | | | | | | | | | | | | |
| Deposit accounts | 154 | 158 | 157 | 144 | 135 | 133 | 128 | 128 | 125 | 312 | 268 | 569 | 505 | 485 | 481 |
| Other payment services | 47 | 46 | 49 | 47 | 46 | 45 | 47 | 46 | 46 | 93 | 91 | 187 | 183 | 179 | 209 |
| | 201 | 204 | 206 | 191 | 181 | 178 | 175 | 174 | 171 | 405 | 359 | 756 | 688 | 664 | 690 |
| Capital market fees | 518 | 419 | 513 | 429 | 503 | 365 | 347 | 325 | 293 | 937 | 868 | 1,810 | 1,209 | 1,118 | 1,172 |
| Trading revenues | 429 | 566 | 355 | 446 | 367 | 372 | 258 | 281 | 276 | 995 | 739 | 1,540 | 1,106 | 748 | 606 |
| Investment management and custodial fees | 240 | 198 | 177 | 185 | 171 | 151 | 151 | 137 | 132 | 438 | 322 | 684 | 547 | 495 | 404 |
| Mutual fund revenues | 134 | 138 | 138 | 135 | 130 | 125 | 121 | 124 | 117 | 272 | 255 | 528 | 479 | 447 | 354 |
| Card service revenues | 101 | 116 | 92 | 111 | 106 | 111 | 111 | 93 | 74 | 217 | 217 | 420 | 362 | 305 | 332 |
| Foreign exchange revenues other than trading | 79 | 69 | 83 | 76 | 73 | 67 | 64 | 66 | 60 | 148 | 140 | 299 | 243 | 218 | 211 |
| Credit fees | 56 | 62 | 54 | 57 | 51 | 50 | 48 | 50 | 45 | 118 | 101 | 212 | 189 | 183 | 169 |
| Insurance revenues | 68 | 75 | 71 | 25 | 44 | 51 | 45 | 34 | 49 | 143 | 95 | 191 | 161 | 113 | 102 |
| Securitization revenues | 19 | 17 | 17 | 26 | 36 | 36 | 45 | 61 | 55 | 36 | 72 | 115 | 222 | 218 | - |
| Gain (loss) on sale of securities | (56) | (60) | (22) | (9) | 19 | 1 | 16 | (26) | 5 | (116) | 20 | (11) | 28 | 343 | 37 |
| Gain (loss) on disposal of premises and equipment | 4 | (18) | (6) | (4) | (7) | 1 | 91 | (1) | (1) | (14) | (6) | (16) | 90 | (32) | (24) |
| Other | 131 | 242 | 75 | 49 | 50 | 30 | 40 | 36 | 30 | 373 | 80 | 204 | 156 | 165 | 226 |
| TOTAL | 1,924 | 2,028 | 1,753 | 1,717 | 1,724 | 1,538 | 1,512 | 1,354 | 1,306 | 3,952 | 3,262 | 6,732 | 5,480 | 4,985 | 4,279 |
| Other income as a % of gross revenues (TEB) | 54.9% | 58.0% | 55.9% | 56.9% | 56.2% | 54.6% | 52.9% | 51.3% | 51.1% | 56.5% | 55.4% | 55.9% | 51.5% | 49.4% | 46.0% |
| Core other income as a % of gross revenues (TEB) | 54.9% | 56.4% | 55.9% | 56.9% | 56.2% | 54.6% | 51.3% | 51.7% | 51.1% | 55.6% | 55.4% | 55.9% | 51.0% | 48.2% | n/a |
| CAPITAL MARKET FEES | | | | | | | | | | | | | | | |
| Full-service brokerage | 333 | 259 | 249 | 229 | 280 | 221 | 203 | 194 | 188 | 592 | 501 | 979 | 739 | 729 | 821 |
| Discount brokerage | 27 | 29 | 32 | 29 | 50 | 34 | 19 | 20 | 21 | 56 | 84 | 145 | 76 | 49 | 49 |
| Institutional | 158 | 131 | 232 | 171 | 173 | 110 | 125 | 111 | 84 | 289 | 283 | 686 | 394 | 340 | 302 |
| TOTAL | 518 | 419 | 513 | 429 | 503 | 365 | 347 | 325 | 293 | 937 | 868 | 1,810 | 1,209 | 1,118 | 1,172 |
| GAINS (LOSSES) ON SECURITIES | | | | | | | | | | | | | | | |
| Trading account ¹ | 358 | 473 | 295 | 393 | 243 | 272 | 186 | 162 | 170 | 831 | 515 | 1,203 | 655 | 421 | 350 |
| Investment account | | | | | | | | | | | | | | | |
| Non-LDC | (56) | (60) | (22) | (9) | 19 | 1 | 16 | (26) | 5 | (116) | 20 | (11) | 23 | 66 | 24 |
| LDC | - | - | - | - | - | - | - | - | - | - | - | - | 5 | 277 | 13 |
| | (56) | (60) | (22) | (9) | 19 | 1 | 16 | (26) | 5 | (116) | 20 | (11) | 28 | 343 | 37 |
| TOTAL | 302 | 413 | 273 | 384 | 262 | 273 | 202 | 136 | 175 | 715 | 535 | 1,192 | 683 | 764 | 387 |
| ASSETS UNDER ADMINISTRATION AND UNDER MANAGEMENT | | | | | | | | | | | | | | | |
| Institutional | 885,300 | 912,800 | 932,800 | 906,800 | 860,400 | 820,300 | 779,900 | 737,400 | 710,600 | 885,300 | 860,400 | 932,800 | 779,900 | 660,000 | 635,400 |
| Personal | 279,300 | 295,500 | 207,200 | 206,100 | 205,300 | 175,600 | 157,300 | 159,400 | 152,800 | 279,300 | 205,300 | 207,200 | 157,300 | 141,700 | 122,200 |
| Retail mutual funds | 34,100 | 34,500 | 35,200 | 34,500 | 33,700 | 31,400 | 30,600 | 30,800 | 30,400 | 34,100 | 33,700 | 35,200 | 30,600 | 27,500 | 25,700 |
| TOTAL ASSETS UNDER ADMINISTRATION | 1,198,700 | 1,242,800 | 1,175,200 | 1,147,400 | 1,099,400 | 1,027,300 | 967,800 | 927,600 | 893,800 | 1,198,700 | 1,099,400 | 1,175,200 | 967,800 | 829,200 | 783,300 |
| Institutional | 45,400 | 46,900 | 36,700 | 40,300 | 39,700 | 35,300 | 32,700 | 31,700 | 31,900 | 45,400 | 39,700 | 36,700 | 32,700 | 30,100 | 27,900 |
| Personal | 30,800 | 31,400 | 21,500 | 20,900 | 20,600 | 19,700 | 18,300 | 18,900 | 17,000 | 30,800 | 20,600 | 21,500 | 18,300 | 15,800 | 15,300 |
| Retail mutual funds | 34,200 | 34,200 | 34,100 | 34,000 | 33,700 | 31,400 | 30,600 | 30,800 | 30,400 | 34,200 | 33,700 | 34,100 | 30,600 | 27,500 | 24,500 |
| TOTAL ASSETS UNDER MANAGEMENT | 110,400 | 112,500 | 92,300 | 95,200 | 94,000 | 86,400 | 81,600 | 81,400 | 79,300 | 110,400 | 94,000 | 92,300 | 81,600 | 73,400 | 67,700 |

¹Included in trading revenues in other income.

NON-INTEREST EXPENSES

(\$ MM)

| | <u>Q2/01</u> | <u>Q1/01</u> | <u>Q4/00</u> | <u>Q3/00</u> | <u>Q2/00</u> | <u>Q1/00</u> | <u>Q4/99</u> | <u>Q3/99</u> | <u>Q2/99</u> | <u>2001</u> <u>6 months</u> | <u>2000</u> <u>6 months</u> | <u>2000</u> | <u>1999</u> | <u>1998</u> | <u>1997</u> |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------------------------|--------------------------------|--------------|--------------|--------------|--------------|
| Human Resources | | | | | | | | | | | | | | | |
| Compensation | 1,197 | 1,174 | 1,069 | 1,047 | 1,070 | 972 | 947 | 872 | 833 | 2,371 | 2,042 | 4,158 | 3,585 | 3,171 | 3,008 |
| Benefits | 140 | 159 | 137 | 124 | 120 | 112 | 103 | 111 | 113 | 299 | 232 | 493 | 428 | 423 | 357 |
| Occupancy | | | | | | | | | | | | | | | |
| Premises rent | 127 | 154 | 111 | 105 | 93 | 88 | 76 | 69 | 62 | 281 | 181 | 397 | 321 | 256 | 328 |
| Rental income from properties | (4) | (5) | (3) | (3) | (4) | (3) | (5) | (2) | (3) | (9) | (7) | (13) | (11) | (12) | (11) |
| Premises repairs and maintenance | 13 | 10 | 12 | 18 | 19 | 19 | 22 | 24 | 21 | 23 | 38 | 68 | 88 | 93 | 88 |
| Depreciation | 22 | 19 | 21 | 21 | 19 | 20 | 23 | 23 | 26 | 41 | 39 | 81 | 92 | 92 | 84 |
| Property taxes | 2 | 1 | 1 | 6 | 6 | 2 | 8 | 12 | 13 | 3 | 8 | 15 | 41 | 46 | 37 |
| Energy | 2 | 2 | 4 | 6 | 7 | 5 | 8 | 8 | 10 | 4 | 12 | 22 | 33 | 33 | 33 |
| Equipment | | | | | | | | | | | | | | | |
| Depreciation | 71 | 68 | 85 | 71 | 68 | 65 | 86 | 75 | 70 | 139 | 133 | 289 | 297 | 250 | 298 |
| Computer rental and maintenance | 96 | 83 | 82 | 85 | 81 | 92 | 91 | 86 | 83 | 179 | 173 | 340 | 348 | 309 | 280 |
| Office equipment rental and maintenance | 13 | 11 | 11 | 9 | 10 | 6 | 9 | 6 | 9 | 24 | 16 | 36 | 32 | 26 | 27 |
| Communications | | | | | | | | | | | | | | | |
| Telecommunications | 71 | 63 | 55 | 55 | 58 | 57 | 57 | 56 | 57 | 134 | 115 | 225 | 225 | 209 | 188 |
| Postage and courier | 25 | 24 | 47 | 41 | 41 | 41 | 40 | 39 | 41 | 49 | 82 | 170 | 157 | 156 | 164 |
| Marketing and public relations | 48 | 41 | 61 | 39 | 39 | 34 | 58 | 42 | 42 | 89 | 73 | 173 | 188 | 175 | 134 |
| Stationery and printing | 28 | 27 | 34 | 31 | 34 | 28 | 38 | 29 | 35 | 55 | 62 | 127 | 129 | 125 | 101 |
| Other | | | | | | | | | | | | | | | |
| Business and capital taxes | 39 | 35 | 38 | 33 | 33 | 30 | 35 | 25 | 27 | 74 | 63 | 134 | 114 | 118 | 126 |
| Professional fees | 85 | 73 | 89 | 74 | 59 | 45 | 60 | 74 | 75 | 158 | 104 | 267 | 298 | 262 | 228 |
| Travel and relocation | 31 | 25 | 23 | 21 | 21 | 20 | 22 | 24 | 25 | 56 | 41 | 85 | 90 | 98 | 95 |
| Deposit insurance | 8 | 7 | 8 | 7 | 7 | 8 | 8 | 7 | 28 | 15 | 15 | 30 | 71 | 111 | 115 |
| Amortization of goodwill/other intangibles | 50 | 30 | 26 | 23 | 21 | 17 | 18 | 17 | 15 | 80 | 38 | 87 | 66 | 62 | 59 |
| Employee training | 9 | 9 | 13 | 9 | 8 | 8 | 16 | 12 | 12 | 18 | 16 | 38 | 48 | 60 | 52 |
| Donations | 6 | 8 | 1 | 7 | 9 | 9 | 10 | 5 | 7 | 14 | 18 | 26 | 29 | 25 | 21 |
| Other | 208 | 144 | 95 | 73 | 81 | 84 | 130 | 82 | 70 | 352 | 165 | 333 | 391 | 311 | 241 |
| TOTAL | 2,287 | 2,162 | 2,020 | 1,902 | 1,900 | 1,759 | 1,860 | 1,696 | 1,671 | 4,449 | 3,659 | 7,581 | 7,060 | 6,399 | 6,053 |

| BALANCE SHEET (\$ MM) | Q2/01 | Q1/01 | Q4/00 | Q3/00 | Q2/00 | Q1/00 | Q4/99 | Q3/99 | Q2/99 | 2001 6 months | 2000 6 months | 2000 | 1999 | 1998 | 1997 |
|--|----------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|------------------|----------------|----------------|----------------|----------------|
| | Period-end balances | | | | | | | | | | | | | | |
| ASSETS | | | | | | | | | | | | | | | |
| Cash resources | 18,044 | 17,333 | 19,606 | 20,556 | 18,289 | 22,122 | 23,042 | 24,663 | 20,585 | 18,044 | 18,289 | 19,606 | 23,042 | 16,395 | 21,392 |
| Securities | 68,031 | 63,379 | 57,010 | 55,384 | 51,071 | 48,916 | 50,559 | 49,601 | 45,174 | 68,031 | 51,071 | 57,010 | 50,559 | 41,399 | 33,037 |
| Loans | | | | | | | | | | | | | | | |
| Residential mortgage ¹ | 64,557 | 63,418 | 62,984 | 62,588 | 60,999 | 60,035 | 59,242 | 59,959 | 58,729 | 64,557 | 60,999 | 62,984 | 59,242 | 57,069 | 53,369 |
| Personal | 29,713 | 30,573 | 28,019 | 27,220 | 26,802 | 26,213 | 25,255 | 24,369 | 24,193 | 29,713 | 26,802 | 28,019 | 25,255 | 22,761 | 20,864 |
| Credit card ² | 4,862 | 4,961 | 4,666 | 4,224 | 3,270 | 2,690 | 2,666 | 2,193 | 2,206 | 4,862 | 3,270 | 4,666 | 2,666 | 1,945 | 2,324 |
| Business and government | 60,053 | 60,273 | 60,546 | 58,244 | 60,834 | 59,629 | 57,676 | 59,438 | 59,724 | 60,053 | 60,834 | 60,546 | 57,676 | 65,598 | 62,837 |
| Assets purchased under reverse repurchase agreements | 26,453 | 21,713 | 18,303 | 15,100 | 19,419 | 15,284 | 20,272 | 25,452 | 22,395 | 26,453 | 19,419 | 18,303 | 20,272 | 19,907 | 18,642 |
| Gross loans | 185,638 | 180,938 | 174,518 | 167,376 | 171,324 | 163,851 | 165,111 | 171,411 | 167,247 | 185,638 | 171,324 | 174,518 | 165,111 | 167,280 | 158,036 |
| Allowance for loan losses ³ | (1,951) | (1,947) | (1,871) | (1,845) | (1,869) | (1,937) | (1,884) | (1,940) | (1,850) | (1,951) | (1,869) | (1,871) | (1,884) | (2,026) | (1,769) |
| Total loans | 183,687 | 178,991 | 172,647 | 165,531 | 169,455 | 161,914 | 163,227 | 169,471 | 165,397 | 183,687 | 169,455 | 172,647 | 163,227 | 165,254 | 156,267 |
| Derivative related amounts | 19,711 | 19,539 | 19,155 | 15,355 | 18,155 | 18,050 | 15,151 | 15,487 | 16,980 | 19,711 | 18,155 | 19,155 | 15,151 | 30,413 | 14,776 |
| Customers' liability under acceptances | 9,734 | 9,697 | 11,628 | 11,287 | 10,188 | 9,105 | 9,257 | 9,438 | 9,777 | 9,734 | 10,188 | 11,628 | 9,257 | 10,620 | 10,561 |
| Premises and equipment | 1,315 | 1,333 | 1,249 | 1,264 | 1,283 | 1,301 | 1,320 | 1,791 | 1,802 | 1,315 | 1,283 | 1,249 | 1,320 | 1,872 | 1,696 |
| Goodwill | 2,350 | 2,300 | 648 | 662 | 664 | 549 | 611 | 505 | 520 | 2,350 | 664 | 648 | 611 | 551 | 607 |
| Other intangibles | 202 | 205 | 208 | 213 | 156 | 159 | - | - | - | 202 | 156 | 208 | - | - | - |
| Other assets | 10,650 | 9,133 | 7,589 | 6,821 | 6,596 | 7,894 | 7,483 | 7,607 | 6,377 | 10,650 | 6,596 | 7,589 | 7,483 | 7,895 | 6,438 |
| TOTAL ASSETS | 313,724 | 301,910 | 289,740 | 277,073 | 275,857 | 270,010 | 270,650 | 278,563 | 266,612 | 313,724 | 275,857 | 289,740 | 270,650 | 274,399 | 244,774 |
| LIABILITIES | | | | | | | | | | | | | | | |
| Deposits | | | | | | | | | | | | | | | |
| Personal | 93,010 | 90,778 | 89,632 | 88,900 | 88,777 | 87,467 | 87,359 | 86,990 | 87,019 | 93,010 | 88,777 | 89,632 | 87,359 | 85,910 | 86,106 |
| Business and government | 99,743 | 90,088 | 93,618 | 87,814 | 86,602 | 87,843 | 86,223 | 84,881 | 81,586 | 99,743 | 86,602 | 93,618 | 86,223 | 76,107 | 64,368 |
| Banks | 18,583 | 22,256 | 19,646 | 20,031 | 20,253 | 15,450 | 14,315 | 18,589 | 14,892 | 18,583 | 20,253 | 19,646 | 14,315 | 17,988 | 22,755 |
| Total deposits | 211,336 | 203,122 | 202,896 | 196,745 | 195,632 | 190,760 | 187,897 | 190,460 | 183,497 | 211,336 | 195,632 | 202,896 | 187,897 | 180,005 | 173,229 |
| Acceptances | 9,734 | 9,697 | 11,628 | 11,287 | 10,188 | 9,105 | 9,257 | 9,438 | 9,777 | 9,734 | 10,188 | 11,628 | 9,257 | 10,620 | 10,561 |
| Obligations related to securities sold short | 14,628 | 14,018 | 13,419 | 12,133 | 13,814 | 14,768 | 17,885 | 14,452 | 14,557 | 14,628 | 13,814 | 13,419 | 17,885 | 14,404 | 11,152 |
| Obligations related to assets sold under repurchase agreements | 15,877 | 14,717 | 9,005 | 7,830 | 7,158 | 7,629 | 9,396 | 12,368 | 9,032 | 15,877 | 7,158 | 9,005 | 9,396 | 11,264 | 9,458 |
| Derivative related amounts | 19,770 | 19,234 | 18,574 | 15,182 | 17,524 | 17,357 | 15,219 | 15,213 | 15,898 | 19,770 | 17,524 | 18,574 | 15,219 | 29,370 | 14,732 |
| Other liabilities | 19,312 | 19,038 | 14,149 | 14,995 | 13,510 | 12,581 | 13,682 | 18,834 | 16,639 | 19,312 | 13,510 | 14,149 | 13,682 | 12,258 | 10,494 |
| Subordinated debentures | 6,836 | 6,275 | 5,825 | 5,091 | 5,104 | 5,072 | 4,596 | 4,678 | 4,631 | 6,836 | 5,104 | 5,825 | 4,596 | 4,087 | 4,227 |
| Non-controlling interest in subsidiaries | 1,481 | 1,453 | 703 | 690 | 39 | 103 | 103 | 103 | 102 | 1,481 | 39 | 703 | 103 | 499 | 531 |
| Shareholders' equity | | | | | | | | | | | | | | | |
| Capital stock | | | | | | | | | | | | | | | |
| Preferred | 2,045 | 2,024 | 2,037 | 2,018 | 2,014 | 1,995 | 2,009 | 2,428 | 2,106 | 2,045 | 2,014 | 2,037 | 2,009 | 2,144 | 1,784 |
| Common | 3,729 | 3,716 | 3,076 | 3,055 | 3,061 | 3,034 | 3,065 | 3,104 | 3,110 | 3,729 | 3,061 | 3,076 | 3,065 | 2,925 | 2,907 |
| Retained earnings | 8,976 | 8,616 | 8,428 | 8,047 | 7,813 | 7,606 | 7,541 | 7,485 | 7,263 | 8,976 | 7,813 | 8,428 | 7,541 | 6,823 | 5,699 |
| Total shareholders' equity | 14,750 | 14,356 | 13,541 | 13,120 | 12,888 | 12,635 | 12,615 | 13,017 | 12,479 | 14,750 | 12,888 | 13,541 | 12,615 | 11,892 | 10,390 |
| TOTAL LIABILITIES & SHAREHOLDERS' EQUITY | 313,724 | 301,910 | 289,740 | 277,073 | 275,857 | 270,010 | 270,650 | 278,563 | 266,612 | 313,724 | 275,857 | 289,740 | 270,650 | 274,399 | 244,774 |
| Cash resources and securities as a % of total assets | 27% | 27% | 26% | 27% | 25% | 26% | 27% | 27% | 25% | 27% | 25% | 26% | 27% | 21% | 22% |
| Personal deposits as a % of total deposits | 44% | 45% | 44% | 45% | 45% | 46% | 46% | 46% | 47% | 44% | 45% | 44% | 46% | 48% | 50% |

¹ Reflects securitizations of \$0.5 billion in Q4/00, \$2.2 billion in Q4/99, \$1.0 billion in Q3/99 and \$0.7 billion in the first half of 1998 that have been transferred to securities. Also reflects sale of \$0.5 billion of mortgage-backed securities in Q4/98 and \$1.0 billion of mortgage backed securities in the first half of 1998.

² Reflects reversal of prior securitization of \$0.2 billion in Q4/00, \$0.5 billion in Q3/00 and \$0.5 billion in Q2/00. Also reflects securitization of \$1.1 billion in the first half of 1998 and \$1.5 billion in 1997.

³ Commencing Q2/00, the allowance for credit losses was split into the allowance for loan losses and the allowance for off-balance sheet items. Prior to Q2/00, the total allowance for credit losses was reported.

BALANCE SHEET CONTINUED

(\$ MM)

| | Q2/01 | Q1/01 | Q4/00 | Q3/00 | Q2/00 | Q1/00 | Q4/99 | Q3/99 | Q2/99 | 2001 6 months | 2000 6 months | 2000 | 1999 | 1998 | 1997 |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|------------------|------------------|---------|---------|---------|---------|
| Selected average balances | | | | | | | | | | | | | | | |
| Securities | 70,534 | 64,632 | 59,922 | 55,838 | 51,315 | 56,371 | 52,701 | 51,068 | 43,733 | 67,532 | 53,829 | 55,882 | 48,177 | 38,546 | 41,766 |
| Assets purchased under reverse repurchase agreements | 30,664 | 25,280 | 21,660 | 21,087 | 23,678 | 20,535 | 25,326 | 23,868 | 19,905 | 27,927 | 20,289 | 21,729 | 21,769 | 24,444 | 14,038 |
| Loans excluding reverse repos | 156,503 | 155,600 | 151,804 | 149,659 | 146,542 | 143,141 | 143,600 | 144,212 | 143,349 | 156,047 | 144,820 | 147,790 | 144,377 | 143,507 | 131,584 |
| Customers' liability under acceptances | 10,161 | 10,351 | 11,226 | 10,761 | 10,082 | 9,049 | 9,406 | 9,510 | 9,412 | 10,258 | 9,560 | 10,281 | 9,508 | 10,033 | 8,790 |
| Total assets | 321,900 | 304,400 | 291,200 | 282,000 | 278,600 | 275,600 | 274,800 | 273,300 | 261,600 | 313,000 | 275,300 | 281,900 | 269,900 | 261,300 | 239,500 |
| Deposits | 212,813 | 206,975 | 201,030 | 194,132 | 188,591 | 191,216 | 189,334 | 185,639 | 182,092 | 209,843 | 189,876 | 193,762 | 184,796 | 178,688 | 166,249 |
| Common shareholders' equity | 12,496 | 11,983 | 11,174 | 10,880 | 10,670 | 10,528 | 10,536 | 10,425 | 10,170 | 12,226 | 10,598 | 10,814 | 10,264 | 9,107 | 8,003 |
| Total shareholders' equity | 14,541 | 14,016 | 13,197 | 12,897 | 12,671 | 12,530 | 12,852 | 12,688 | 12,294 | 14,267 | 12,600 | 12,789 | 12,475 | 11,078 | 9,744 |
| Earning assets | 276,028 | 262,701 | 252,288 | 244,224 | 239,315 | 240,246 | 241,230 | 238,391 | 224,433 | 269,253 | 237,940 | 244,036 | 232,927 | 222,573 | 207,082 |
| RETAINED EARNINGS | | | | | | | | | | | | | | | |
| Balance at the beginning of the period | 8,616 | 8,428 | 8,047 | 7,813 | 7,606 | 7,541 | 7,485 | 7,263 | 7,003 | 8,428 | 7,541 | 7,541 | 6,823 | 5,699 | 4,786 |
| Net income | 602 | 661 | 595 | 574 | 578 | 527 | 484 | 466 | 446 | 1,263 | 1,105 | 2,274 | 1,757 | 1,824 | 1,679 |
| Dividends - Preferred shares | (33) | (34) | (34) | (34) | (33) | (33) | (41) | (41) | (37) | (67) | (66) | (134) | (157) | (145) | (131) |
| - Common shares | (204) | (203) | (181) | (180) | (164) | (164) | (149) | (150) | (145) | (407) | (328) | (689) | (588) | (543) | (469) |
| Premium paid on common shares purchased for cancellation | | | | (122) | (174) | (266) | (234) | (47) | - | - | (440) | (562) | (281) | - | (160) |
| Cumulative effect of initial adoption of Employee Future Benefits accounting standard, net of related income taxes | | (221) | - | - | - | - | - | - | - | (221) | - | - | - | - | - |
| Issuance costs | | (13) | - | (4) | - | - | - | (9) | - | (13) | - | (4) | (9) | (7) | - |
| Unrealized foreign currency translation gains and losses, net of hedging activities and related income taxes | (5) | (2) | 1 | - | - | 1 | (4) | 3 | (4) | (7) | 1 | 2 | (4) | (5) | (6) |
| Balance at the end of the period | 8,976 | 8,616 | 8,428 | 8,047 | 7,813 | 7,606 | 7,541 | 7,485 | 7,263 | 8,976 | 7,813 | 8,428 | 7,541 | 6,823 | 5,699 |
| SECURITIES AND LDC MARKET VALUE SURPLUSES | | | | | | | | | | | | | | | |
| LDC and Mexican exposure | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 5 | 295 |
| Securities portfolio (excluding LDCs and Mexico) | 83 | 130 | (90) | (110) | (80) | (140) | (140) | (20) | 135 | 83 | (80) | (90) | (140) | 105 | 295 |
| TOTAL LDC and securities portfolio | 93 | 140 | (80) | (100) | (70) | (130) | (130) | (10) | 145 | 93 | (70) | (80) | (130) | 110 | 590 |
| ASSET SECURITIZATION | | | | | | | | | | | | | | | |
| Securitization during the period | | | | | | | | | | | | | | | |
| Credit card receivables - sold | | | | | | | | | | | | | | 1,100 | 1,500 |
| Mortgage backed securities - sold | | | | | | | | | | | | | | 1,584 | |
| Mortgage backed securities - unsold | | | 500 | | | | 2,186 | 1,045 | | | | 500 | 3,231 | 698 | |
| TOTAL SECURITIZED | - | - | 500 | - | - | - | 2,186 | 1,045 | - | - | - | 500 | 3,231 | 3,382 | 1,500 |
| Outstanding at end of period | | | | | | | | | | | | | | | |
| Credit card receivables - sold ¹ | 1,100 | 1,100 | 1,100 | 1,310 | 1,768 | 2,300 | 2,300 | 2,600 | 2,600 | 1,100 | 1,768 | 1,100 | 2,300 | 2,600 | 1,500 |
| Mortgage-backed securities - sold | 924 | 971 | 1,014 | 1,068 | 1,125 | 1,163 | 1,209 | 1,271 | 1,332 | 924 | 1,125 | 1,014 | 1,209 | 1,436 | |
| TOTAL OUTSTANDING | 2,024 | 2,071 | 2,114 | 2,378 | 2,893 | 3,463 | 3,509 | 3,871 | 3,932 | 2,024 | 2,893 | 2,114 | 3,509 | 4,036 | 1,500 |
| Impact on income statement | | | | | | | | | | | | | | | |
| Net interest income | (18) | (17) | (17) | (23) | (45) | (38) | (46) | (59) | (51) | (35) | (83) | (123) | (200) | (168) | |
| Other income | 13 | 12 | 13 | 18 | 36 | 25 | 36 | 46 | 39 | 25 | 61 | 92 | 154 | 142 | |
| Provision for credit losses | 4 | 4 | 3 | 4 | 8 | 12 | 9 | 12 | 11 | 8 | 20 | 27 | 41 | 32 | |
| TOTAL IMPACT | (1) | (1) | (1) | (1) | (1) | (1) | (1) | (1) | (1) | (2) | (2) | (4) | (5) | 6 | - |

¹ The decline in Q4/00 reflects the reversal in the quarter of prior securitizations of \$0.2 billion (Q3/00 - \$0.5 billion, Q2/00 - \$0.5 billion).

CAPITAL¹

| | <u>Q2/01</u> | <u>Q1/01</u> | <u>Q4/00</u> | <u>Q3/00</u> | <u>Q2/00</u> | <u>Q1/00</u> | <u>Q4/99</u> | <u>Q3/99</u> | <u>Q2/99</u> | <u>2001</u> | <u>2000</u> | <u>2000</u> | <u>1999</u> | <u>1998</u> | <u>1997</u> | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|-----------------|----------------|----------------|----------------|----------------|--|
| | | | | | | | | | | <u>6 months</u> | <u>6 months</u> | | | | | |
| Tier 1 capital | | | | | | | | | | | | | | | | |
| Common shareholders' equity | 12,705 | 12,332 | 11,504 | 11,102 | 10,874 | 10,640 | 10,606 | 10,589 | 10,373 | 12,705 | 10,874 | 11,504 | 10,606 | 9,748 | 8,606 | |
| Non-cumulative preferred shares | 2,045 | 2,002 | 2,037 | 2,018 | 2,014 | 1,995 | 2,009 | 2,428 | 2,106 | 2,045 | 2,014 | 2,037 | 2,009 | 2,144 | 1,784 | |
| Non-controlling interest in subsidiaries ² | 1,427 | 1,423 | 673 | 673 | 22 | 22 | 22 | 22 | 20 | 1,427 | 22 | 673 | 22 | 247 | 283 | |
| Goodwill | (2,186) | (2,145) | (647) | (661) | (663) | (548) | (611) | (505) | (519) | (2,186) | (663) | (647) | (611) | (546) | (600) | |
| TOTAL TIER 1 CAPITAL | 13,991 | 13,612 | 13,567 | 13,132 | 12,247 | 12,109 | 12,026 | 12,534 | 11,980 | 13,991 | 12,247 | 13,567 | 12,026 | 11,593 | 10,073 | |
| Tier 2 capital | | | | | | | | | | | | | | | | |
| Permanent preferred shares and subordinated debentures | 461 | 450 | 457 | 446 | 444 | 434 | 441 | 452 | 437 | 461 | 444 | 457 | 441 | 463 | 423 | |
| Non-permanent subordinated debentures | 6,151 | 5,616 | 5,138 | 4,421 | 4,520 | 4,510 | 4,040 | 4,066 | 4,038 | 6,151 | 4,520 | 5,138 | 4,040 | 3,419 | 3,309 | |
| General allowances | 1,188 | 1,223 | 1,188 | 1,160 | 1,155 | 1,120 | 1,080 | 850 | 850 | 1,188 | 1,115 | 1,188 | 1,080 | 850 | 750 | |
| Non-controlling interest in subsidiaries | 2 | 1 | 1 | 1 | 1 | 1 | 2 | 1 | 2 | 2 | 1 | 1 | 2 | 172 | 166 | |
| TOTAL TIER 2 CAPITAL | 7,802 | 7,290 | 6,784 | 6,028 | 6,120 | 6,065 | 5,563 | 5,369 | 5,327 | 7,802 | 6,120 | 6,784 | 5,563 | 4,904 | 4,648 | |
| TOTAL REGULATORY CAPITAL | | | | | | | | | | | | | | | | |
| Total Tier 1 and Tier 2 capital | 21,793 | 20,902 | 20,351 | 19,160 | 18,367 | 18,174 | 17,589 | 17,903 | 17,307 | 21,793 | 18,367 | 20,351 | 17,589 | 16,497 | 14,721 | |
| Excess non-cumulative preferred shares | - | 22 | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Investment in associated corporations | (2,307) | (2,250) | (1,307) | (1,253) | (1,214) | (1,065) | (891) | (560) | (531) | (2,307) | (1,214) | (1,307) | (891) | (17) | (16) | |
| TOTAL REGULATORY CAPITAL | 19,486 | 18,674 | 19,044 | 17,907 | 17,153 | 17,109 | 16,698 | 17,343 | 16,776 | 19,486 | 17,153 | 19,044 | 16,698 | 16,480 | 14,705 | |
| Risk-adjusted assets | | | | | | | | | | | | | | | | |
| On-balance sheet assets | 120,959 | 124,715 | 119,663 | 116,984 | 115,354 | 110,590 | 109,449 | 109,247 | 108,526 | 120,959 | 115,354 | 119,663 | 109,449 | 116,707 | 115,798 | |
| Off-balance sheet financial instruments | 34,364 | 34,244 | 35,226 | 35,352 | 35,902 | 37,260 | 37,124 | 37,333 | 35,849 | 34,364 | 35,902 | 35,226 | 37,124 | 37,477 | 31,874 | |
| General market risk ³ | 3,027 | 3,112 | 3,475 | 2,902 | 2,715 | 2,255 | 2,505 | 3,139 | 2,888 | 3,027 | 2,715 | 3,475 | 2,505 | 2,880 | - | |
| TOTAL | 158,350 | 162,071 | 158,364 | 155,238 | 153,971 | 150,105 | 149,078 | 149,719 | 147,263 | 158,350 | 153,971 | 158,364 | 149,078 | 157,064 | 147,672 | |
| Capital ratios (Canadian basis) | | | | | | | | | | | | | | | | |
| Tier 1 | 8.8% | 8.4% | 8.6% | 8.5% | 8.0% | 8.1% | 8.1% | 8.4% | 8.1% | 8.8% | 8.0% | 8.6% | 8.1% | 7.4% | 6.8% | |
| TOTAL | 12.3% | 11.5% | 12.0% | 11.5% | 11.1% | 11.4% | 11.2% | 11.6% | 11.4% | 12.3% | 11.1% | 12.0% | 11.2% | 10.5% | 10.0% | |
| Common equity as a % of total assets | 4.0% | 4.1% | 4.0% | 4.0% | 3.9% | 3.9% | 3.9% | 3.8% | 3.9% | 4.0% | 3.9% | 4.0% | 3.9% | 3.6% | 3.5% | |
| Common equity as a % of risk-adjusted assets | 8.0% | 7.6% | 7.3% | 7.2% | 7.1% | 7.1% | 7.1% | 7.1% | 7.0% | 8.0% | 7.1% | 7.3% | 7.1% | 6.2% | 5.8% | |
| Capital generation | | | | | | | | | | | | | | | | |
| Internally generated capital | 360 | 422 | 381 | 360 | 381 | 331 | 290 | 278 | 260 | 782 | 712 | 1,453 | 1,008 | 1,131 | 1,073 | |
| External financing ⁴ | 595 | 1,064 | 774 | (141) | (96) | 165 | (774) | 307 | 287 | 1,659 | 69 | 702 | 224 | 231 | 528 | |
| Other ⁵ | - | (221) | - | - | - | - | - | - | - | (221) | - | - | - | - | - | |
| TOTAL | 955 | 1,265 | 1,155 | 219 | 285 | 496 | (484) | 585 | 547 | 2,220 | 781 | 2,155 | 1,232 | 1,362 | 1,601 | |

¹ Using guidelines issued by the Superintendent of Financial Institutions Canada based on standards issued by the Bank for International Settlements.

² In Q1/01 and Q3/00, the bank issued \$750 million and \$650 million respectively of Trust Capital Securities (RBC TruCS), a form of innovative Tier 1 capital, which are reported as non-controlling interest in subsidiaries on the consolidated balance sheet.

³ Reflects the guidelines on market risk issued by the Superintendent of Financial Institutions Canada which took effect on January 1, 1998.

⁴ Refers to common, preferred and subordinated debenture financing.

⁵ Reflects initial adoption of Employee Future Benefits accounting standard

| RISK-ADJUSTED ASSETS ¹ (\$ MM) | | | | Risk-adjusted balance | | | Variance Q2/01 vs Q1/01 | |
|---|-----------------------------|-----------------------------------|---------------|-------------------------|-----------------|-----------------|----------------------------|---------------|
| | | | | Balance sheet amount | April 2001 | January 2001 | | April 2000 |
| On-balance sheet assets | | | | | | | | |
| Cash resources ² | | 18,943 | 1,283 | 3,219 | 3,047 | (1,936) | | |
| Securities | | 68,031 | 5,527 | 6,828 | 6,973 | (1,301) | | |
| Residential mortgages ³ | | | | | | | | |
| Insured | | 31,439 | 374 | 375 | 369 | (1) | | |
| Conventional | | 33,118 | 17,376 | 17,123 | 16,281 | 253 | | |
| Other loans and acceptances ³ | | | | | | | | |
| Issued or guaranteed by Canadian or other OECD governments | | 11,116 | 925 | 165 | 1,275 | 760 | | |
| Other | | 117,747 | 88,546 | 91,109 | 83,135 | (2,563) | | |
| Other assets | | 34,228 | 6,928 | 5,896 | 4,274 | 1,032 | | |
| TOTAL | | \$314,622 | \$120,959 | \$124,715 | \$115,354 | (\$3,756) | | |
| | | | | Risk-adjusted balance | | | Variance Q2/01 vs Q1/01 | |
| Contract Amount | Credit conversion factor | Credit equivalent amount | April 2001 | January 2001 | April 2000 | | | |
| Off-balance sheet credit instruments | | | | | | | | |
| Guarantees and standby letters of credit | | | | | | | | |
| - Financial (excluding securities lending) | 11,636 | 100% | 11,636 | 9,660 | 9,785 | 8,397 | (125) | |
| - Non-financial | 2,905 | 50% | 1,453 | 1,453 | 1,206 | 1,354 | 247 | |
| Documentary and commercial letters of credit | 450 | 20% | 90 | 71 | 82 | 98 | (11) | |
| Securities lending | 23,218 | 100% | 23,218 | 308 | 367 | 261 | (59) | |
| Commitments to extend credit: | | | | | | | | |
| Less than/equal to 1 year | 38,063 | 0% | - | - | - | - | - | |
| Greater than 1 year | 38,728 | 50% | 19,364 | 17,352 | 17,795 | 20,704 | (443) | |
| Uncommitted Amount | 51,991 | 0% | - | - | - | - | - | |
| Note issuance/Revolving underwriting facilities | - | 50% | - | - | 71 | 41 | (71) | |
| TOTAL | \$166,991 | | \$55,761 | \$28,844 | \$29,306 | \$30,855 | (\$462) | |
| | | | | Risk-adjusted balance | | | Variance Q1/01 vs Q4/00 | |
| Contract Amount | Credit equivalent amount | | April 2001 | January 2001 | April 2000 | | | |
| | Current | Potential | Total | | | | | |
| Derivatives | | | | | | | | |
| Interest rate agreements | 792,069 | 1,664 | 1,618 | 3,282 | 806 | 747 | 650 | 59 |
| Foreign exchange rate contracts | 774,736 | 6,182 | 7,027 | 13,209 | 3,782 | 3,381 | 3,768 | 401 |
| Equity and commodity derivative contracts | 73,615 | 1,312 | 1,406 | 2,718 | 932 | 810 | 629 | 122 |
| Total derivatives ⁴ | 1,640,420 | 9,158 | 10,051 | 19,209 | 5,520 | 4,938 | 5,047 | 582 |
| | | | | Risk-adjusted balance | | | Variance Q2/01 vs Q1/01 | |
| | | Minimum Capital Required (\$M) | Multiplier | April 2001 | January 2001 | April 2000 | | |
| Total specific and general market risk | | 425,844 | 12.5 | 5,324 | 5,061 | 4,215 | 263 | |
| Less: market risk shown above in cash resources | | (10,054) | 12.5 | (126) | (147) | (120) | 21 | |
| Less: market risk shown above in securities | | (173,650) | 12.5 | (2,171) | (1,802) | (1,380) | (369) | |
| General market risk | | 242,140 | | 3,027 | 3,112 | 2,715 | (85) | |
| Total risk-adjusted assets | | | | \$158,350 | \$162,071 | \$153,971 | (\$3,721) | |

¹Using guidelines issued by the Superintendent of Financial Institutions Canada based on standards issued by the Bank for International Settlements.

²Cash resources are shown before cheques and other items in transit

³Amounts are shown net of the allowance for loan losses.

⁴Amounts reflect impact of master netting agreements. Exclusion of master netting agreements results in the following amounts: current credit equivalent amount \$20,836 million; total credit equivalent amount \$36,032 million; and risk adjusted balance \$9,761 million at January 31, 2000.

PROVISION FOR CREDIT LOSSES

(\$ MM)

| | Q2/01 | Q1/01 | Q4/00 | Q3/00 | Q2/00 | Q1/00 | Q4/99 | Q3/99 | Q2/99 | 2001 6 months | 2000 6 months | 2000 | 1999 | 1998 | 1997 |
|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------------|------------------|------------|------------|------------|------------|
| Specific | 210 | 178 | 134 | 172 | 132 | 133 | 5 | 175 | 175 | 388 | 265 | 571 | 530 | 555 | 330 |
| Country risk | | - | - | - | - | - | - | - | - | | - | - | - | (80) | - |
| General Provision ¹ | | | | | | | | | | | | | | | |
| General allocated ¹ | - | 97 | 8 | - | 35 | 30 | n/a | n/a | n/a | 97 | 65 | 73 | n/a | n/a | n/a |
| General unallocated ¹ | - | (27) | 32 | - | 5 | 10 | n/a | n/a | n/a | (27) | 15 | 47 | n/a | n/a | n/a |
| Total general | - | 70 | 40 | - | 40 | 40 | 230 | - | - | 70 | 80 | 120 | 230 | 100 | 50 |
| TOTAL PROVISION FOR CREDIT LOSSES | 210 | 248 | 174 | 172 | 172 | 173 | 235 | 175 | 175 | 458 | 345 | 691 | 760 | 575 | 380 |
| Provision for credit losses as a % of average loans (including reverse repurchase agreements) & BAs | 0.44% | 0.51% | 0.37% | 0.38% | 0.39% | 0.40% | 0.52% | 0.39% | 0.42% | 0.48% | 0.40% | 0.38% | 0.43% | 0.32% | 0.25% |
| Specific provision for credit losses as a % of average loans (including reverse repurchase agreements) & BAs | 0.44% | 0.37% | 0.29% | 0.38% | 0.30% | 0.31% | 0.01% | 0.39% | 0.42% | 0.40% | 0.31% | 0.32% | 0.30% | 0.31% | 0.21% |

GROSS IMPAIRED LOANS (GILs)
GILs

| | | | | | | | | | | | | | | | |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Domestic GILs | 1,473 | 1,428 | 1,369 | 1,446 | 1,343 | 1,298 | 1,387 | 1,462 | 1,432 | 1,473 | 1,343 | 1,369 | 1,387 | 1,510 | 1,477 |
| International GILs | | | | | | | | | | | | | | | |
| Non-LDC | | | | | | | | | | | | | | | |
| - USA | 354 | 155 | 145 | 90 | 79 | 41 | 41 | 65 | 6 | 354 | 79 | 145 | 41 | 18 | 42 |
| - Europe | 37 | 43 | 46 | 61 | 60 | 60 | 58 | 60 | 61 | 37 | 60 | 46 | 58 | 59 | 43 |
| - Latin America | 19 | 7 | 9 | 9 | 13 | 10 | 10 | 10 | 6 | 19 | 13 | 9 | 10 | 4 | 20 |
| - Caribbean | 52 | 48 | 48 | 47 | 46 | 46 | 47 | 47 | 52 | 52 | 46 | 48 | 47 | 62 | 71 |
| - Asia Pacific | 24 | 25 | 33 | 55 | 102 | 129 | 127 | 198 | 146 | 24 | 102 | 33 | 127 | 308 | 132 |
| LDC | 29 | 30 | 28 | 29 | 29 | 30 | 34 | 35 | 34 | 29 | 29 | 28 | 34 | 40 | 34 |
| TOTAL international GILs | 515 | 308 | 309 | 291 | 329 | 316 | 317 | 415 | 305 | 515 | 329 | 309 | 317 | 491 | 342 |
| TOTAL GILs | 1,988 | 1,736 | 1,678 | 1,737 | 1,672 | 1,614 | 1,704 | 1,877 | 1,737 | 1,988 | 1,672 | 1,678 | 1,704 | 2,001 | 1,819 |
| TOTAL non-LDC GILs | 1,959 | 1,706 | 1,650 | 1,708 | 1,643 | 1,584 | 1,670 | 1,842 | 1,703 | 1,959 | 1,643 | 1,650 | 1,670 | 1,961 | 1,785 |
| Changes in GILs | | | | | | | | | | | | | | | |
| GILs at beginning of period | 1,736 | 1,678 | 1,737 | 1,672 | 1,614 | 1,704 | 1,877 | 1,737 | 1,980 | 1,678 | 1,704 | 1,704 | 2,001 | 1,819 | 2,376 |
| Impaired loans formation ² | 516 | 292 | 210 | 308 | 220 | 75 | 133 | 274 | 254 | 808 | 295 | 813 | 743 | 628 | 81 |
| Write-offs | (264) | (234) | (269) | (243) | (162) | (165) | (324) | (131) | (492) | (498) | (327) | (839) | (1,072) | (511) | (669) |
| Other & FX adjustment | - | - | - | - | - | - | 18 | (3) | (5) | - | - | - | 32 | 65 | 31 |
| GILs at end of period | 1,988 | 1,736 | 1,678 | 1,737 | 1,672 | 1,614 | 1,704 | 1,877 | 1,737 | 1,988 | 1,672 | 1,678 | 1,704 | 2,001 | 1,819 |
| Gross loans | 185,638 | 180,938 | 174,518 | 167,376 | 171,324 | 163,851 | 165,111 | 171,411 | 167,247 | 185,638 | 171,324 | 174,518 | 165,111 | 167,280 | 158,036 |
| Gross BAs | 9,734 | 9,697 | 11,628 | 11,287 | 10,188 | 9,105 | 9,257 | 9,438 | 9,777 | 9,734 | 10,188 | 11,628 | 9,257 | 10,620 | 10,561 |
| Gross loans & BAs | 195,372 | 190,635 | 186,146 | 178,663 | 181,512 | 172,956 | 174,368 | 180,849 | 177,024 | 195,372 | 181,512 | 186,146 | 174,368 | 177,900 | 168,597 |
| GILs as a % of gross loans & BAs (total) | 1.0% | 0.9% | 0.9% | 1.0% | 0.9% | 0.9% | 1.0% | 1.0% | 1.0% | 1.0% | 0.9% | 0.9% | 1.0% | 1.1% | 1.1% |

¹The general provision was not separated into the allocated and unallocated components prior to Q1/01.

²New additions to impaired loans, net of reductions in impaired loans.

**IMPAIRED LOANS FORMATIONS
AND WRITE-OFFS**

| | Domestic Business | International Business | Total Business | Consumer | Total non-LDC | LDC | Total Bank |
|--|----------------------|---------------------------|-------------------|----------|------------------|------|---------------|
| Q2/01 vs Q1/01 | | | | | | | |
| Q1/01 gross impaired loans | 969 | 230 | 1,199 | 507 | 1,706 | 30 | 1,736 |
| Impaired loans formations ¹ | 111 | 249 | 360 | 157 | 517 | (1) | 516 |
| Write-offs | (68) | (45) | (113) | (151) | (264) | | (264) |
| Other & FX adjustment | | | | | | | |
| Q2/01 gross impaired loans | 1,012 | 434 | 1,446 | 513 | 1,959 | 29 | 1,988 |
| Q2/01 allowance for loan losses and loan substitute securities | (947) | (381) | (1,328) | (600) | (1,928) | (29) | (1,957) |
| Q2/01 net impaired loans | 65 | 53 | 118 | (87) | 31 | - | 31 |

| | | | | | | | |
|---|-------|-------|---------|-------|---------|------|---------|
| Q2/01 vs Q4/00 | | | | | | | |
| Q4/00 gross impaired loans | 937 | 236 | 1,173 | 477 | 1,650 | 28 | 1,678 |
| Impaired loans formations ¹ | 227 | 257 | 484 | 323 | 807 | 1 | 808 |
| Write-offs | (152) | (56) | (208) | (290) | (498) | | (498) |
| Other & FX adjustment | | (3) | (3) | 3 | - | | - |
| Q2/01 gross impaired loans | 1,012 | 434 | 1,446 | 513 | 1,959 | 29 | 1,988 |
| Q2/01 allowance for loan losses and loan substitute securities ² | (947) | (381) | (1,328) | (600) | (1,928) | (29) | (1,957) |
| Q2/01 net impaired loans | 65 | 53 | 118 | (87) | 31 | - | 31 |

¹New additions to impaired loans, net of reductions in impaired loans.

ALLOWANCE FOR CREDIT LOSSES
 (\$ MM)

| | Q2/01 | Q1/01 | Q4/00 | Q3/00 | Q2/00 | Q1/00 | Q4/99 | Q3/99 | Q2/99 | 2001 6 months | 2000 6 months | 2000 | 1999 | 1998 | 1997 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|------------------|------------------|--------------|--------------|--------------|--------------|
| Allowance for credit losses | | | | | | | | | | | | | | | |
| Specific | 762 | 756 | 747 | 781 | 810 | 799 | 786 | 1,069 | 1,004 | 762 | 810 | 747 | 786 | 1,176 | 932 |
| Country risk | 29 | 30 | 28 | 29 | 29 | 30 | 34 | 35 | 34 | 29 | 29 | 28 | 34 | 40 | 436 |
| General ¹ | | | | | | | | | | | | | | | |
| Allocated ¹ | 960 | 960 | 863 | 855 | 855 | 820 | 790 | n/a | n/a | 960 | 855 | 863 | 790 | n/a | n/a |
| Unallocated ¹ | 310 | 310 | 337 | 305 | 305 | 300 | 290 | n/a | n/a | 310 | 305 | 337 | 290 | n/a | n/a |
| Total | 1,270 | 1,270 | 1,200 | 1,160 | 1,160 | 1,120 | 1,080 | 850 | 850 | 1,270 | 1,160 | 1,200 | 1,080 | 850 | 750 |
| TOTAL ALLOWANCE FOR CREDIT LOSSES | 2,061 | 2,056 | 1,975 | 1,970 | 1,999 | 1,949 | 1,900 | 1,954 | 1,888 | 2,061 | 1,999 | 1,975 | 1,900 | 2,066 | 2,118 |
| Consisting of : | | | | | | | | | | | | | | | |
| Allowance for loan losses | 1,951 | 1,947 | 1,871 | 1,845 | 1,869 | 1,937 | 1,884 | 1,940 | 1,850 | 1,951 | 1,869 | 1,871 | 1,884 | 2,026 | 1,769 |
| Allowance for off-balance sheet items | 104 | 104 | 98 | 119 | 119 | - | - | - | - | 104 | 119 | 98 | - | - | - |
| Allowance for loan substitute securities | 6 | 5 | 6 | 6 | 11 | 12 | 16 | 14 | 38 | 6 | 11 | 6 | 16 | 40 | 30 |
| Allowance for country risk securities | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 319 |
| TOTAL | 2,061 | 2,056 | 1,975 | 1,970 | 1,999 | 1,949 | 1,900 | 1,954 | 1,888 | 2,061 | 1,999 | 1,975 | 1,900 | 2,066 | 2,118 |
| Allowance for loan losses as a % of total loans (including reverse repurchase agreements) and BAs | 1.0% | 1.0% | 1.0% | 1.0% | 1.0% | 1.1% | 1.1% | 1.1% | 1.1% | 1.0% | 1.0% | 1.0% | 1.1% | 1.2% | 1.1% |
| Changes in the allowance for credit losses | | | | | | | | | | | | | | | |
| Balance at beginning of period | 2,056 | 1,975 | 1,970 | 1,999 | 1,949 | 1,900 | 1,954 | 1,888 | 2,191 | 1,975 | 1,900 | 1,900 | 2,066 | 2,118 | 2,235 |
| Provision for credit losses | 210 | 248 | 174 | 172 | 172 | 173 | 235 | 175 | 175 | 458 | 345 | 691 | 760 | 575 | 380 |
| Write-offs | | | | | | | | | | | | | | | |
| Non-LDC | (264) | (234) | (269) | (243) | (162) | (165) | (324) | (131) | (492) | (498) | (327) | (839) | (1,068) | (511) | (659) |
| LDC loans and securities | - | - | - | - | - | - | - | - | - | - | - | - | (4) | (325) | (10) |
| Recoveries | 34 | 55 | 69 | 27 | 25 | 41 | 17 | 25 | 20 | 89 | 66 | 162 | 114 | 144 | 141 |
| Impact of adoption of impaired loans standard Other, primarily translation adjustments on provisions denominated in foreign currencies | 25 | 12 | 31 | 15 | 15 | - | 18 | (3) | (6) | 37 | 15 | 61 | 32 | 65 | 31 |
| Balance at end of period | 2,061 | 2,056 | 1,975 | 1,970 | 1,999 | 1,949 | 1,900 | 1,954 | 1,888 | 2,061 | 1,999 | 1,975 | 1,900 | 2,066 | 2,118 |
| Coverage ratios² | | | | | | | | | | | | | | | |
| Coverage ratio (total) | 98% | 112% | 112% | 107% | 112% | 121% | 112% | 104% | 109% | 98% | 112% | 112% | 112% | 103% | 116% |
| Coverage ratio (non-LDC) | 98% | 113% | 112% | 107% | 113% | 121% | 112% | 104% | 109% | 98% | 113% | 112% | 112% | 103% | 94% |
| NET WRITE-OFFS | | | | | | | | | | | | | | | |
| Domestic | | | | | | | | | | | | | | | |
| Residential mortgages | 3 | 3 | 3 | 3 | 3 | 2 | 4 | 3 | 1 | 6 | 5 | 11 | 12 | 11 | 25 |
| Personal loans | 120 | 114 | 119 | 138 | 86 | 87 | 69 | 64 | 56 | 234 | 173 | 430 | 260 | 165 | 183 |
| Business loans and acceptances | 63 | 52 | 64 | 29 | 51 | 32 | 176 | 40 | 249 | 115 | 83 | 177 | 458 | 170 | 299 |
| TOTAL domestic | 186 | 169 | 186 | 170 | 140 | 121 | 249 | 107 | 306 | 355 | 261 | 618 | 730 | 346 | 507 |
| International | | | | | | | | | | | | | | | |
| Non-LDC | 44 | 10 | 14 | 46 | (3) | 3 | 58 | (1) | 166 | 54 | - | 59 | 224 | 21 | 11 |
| LDC exposures | - | - | - | - | - | - | - | - | - | - | - | - | 4 | 325 | 10 |
| TOTAL international | 44 | 10 | 14 | 46 | (3) | 3 | 58 | (1) | 166 | 54 | - | 59 | 228 | 346 | 21 |
| Total net write-offs | 230 | 179 | 200 | 216 | 137 | 124 | 307 | 106 | 472 | 409 | 261 | 677 | 958 | 692 | 528 |
| Net write-off ratio | | | | | | | | | | | | | | | |
| Total net write-offs as a % of average loans & BAs | 0.48% | 0.37% | 0.43% | 0.47% | 0.31% | 0.29% | 0.68% | 0.24% | 1.12% | 0.42% | 0.30% | 0.38% | 0.55% | 0.39% | 0.34% |

¹The general allowance was not separated into allocated and unallocated components prior to Q4/99.

²The allowance for loan losses plus the allowance for loan substitute securities as a percent of gross impaired loans.

NET IMPAIRED LOANS (NILs)

(\$ MM)

**NILs by geographic area
and type of business**
Domestic

Business loans

| | Q2/01 | Q1/01 | Q4/00 | Q3/00 | Q2/00 | Q1/00 | Q4/99 | Q3/99 | Q2/99 |
|------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Commercial real estate | 57 | 84 | 41 | 52 | 88 | 99 | 109 | 98 | 72 |
| Small business | 135 | 124 | 141 | 144 | 131 | 140 | 141 | 76 | 65 |
| Agriculture | 91 | 41 | 39 | 40 | 41 | 36 | 49 | 34 | 25 |
| Other | 351 | 338 | 367 | 387 | 251 | 234 | 285 | 241 | 302 |
| Total business loans | 634 | 587 | 588 | 623 | 511 | 509 | 584 | 449 | 464 |
| Residential mortgages | 142 | 144 | 157 | 132 | 136 | 109 | 131 | 110 | 110 |
| Personal loans | 105 | 98 | 51 | 70 | 95 | 68 | 66 | 46 | 42 |
| TOTAL Domestic NILs | 881 | 829 | 796 | 825 | 742 | 686 | 781 | 605 | 616 |

International

| | | | | | | | | | |
|--------------------------|-----|-----|-----|-----|----|----|-----|-----|----|
| USA | 260 | 72 | 69 | 38 | 28 | 18 | 25 | 44 | 2 |
| Europe | 5 | 10 | 7 | 13 | 13 | 12 | 12 | 29 | 33 |
| Latin America | 10 | 3 | 3 | 4 | 4 | 3 | 3 | 4 | 1 |
| Caribbean | 36 | 34 | 26 | 30 | 28 | 28 | 28 | 22 | 21 |
| Asia Pacific | 5 | 2 | 2 | 17 | 18 | 38 | 35 | 69 | 26 |
| TOTAL International NILs | 316 | 121 | 107 | 102 | 91 | 99 | 103 | 168 | 83 |

Total NILs (before general allowance)

1,197 950 903 927 833 785 884 773 699

 General allowance for loan losses¹

(1,166) (1,166) (1,102) (1,041) (1,041) (1,120) (1,080) (850) (850)

TOTAL NILs (after general allowance)

31 (216) (199) (114) (208) (335) (196) (77) (151)

Total net loans and acceptances
Domestic

| | | | | | | | | | |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Residential mortgages | 62,441 | 61,765 | 61,416 | 60,970 | 59,705 | 59,251 | 58,482 | 59,248 | 58,063 |
| Personal loans | 26,909 | 27,604 | 27,011 | 26,265 | 25,853 | 25,130 | 24,183 | 23,182 | 22,766 |
| Credit card loans | 4,862 | 4,961 | 4,666 | 4,224 | 3,270 | 2,690 | 2,666 | 2,198 | 2,207 |
| Business loans and acceptances | 59,771 | 56,460 | 59,397 | 56,155 | 60,885 | 54,090 | 55,692 | 57,884 | 57,817 |
| TOTAL Domestic | 153,983 | 150,790 | 152,490 | 147,614 | 149,713 | 141,161 | 141,023 | 142,512 | 140,853 |
| International | 40,604 | 39,064 | 32,887 | 30,245 | 30,971 | 30,978 | 32,541 | 37,247 | 35,171 |
| TOTAL (before general allowance) | 194,587 | 189,854 | 185,377 | 177,859 | 180,684 | 172,139 | 173,564 | 179,759 | 176,024 |
| General allowance for loan losses¹ | (1,166) | (1,166) | (1,102) | (1,041) | (1,041) | (1,120) | (1,080) | (850) | (850) |
| TOTAL (after general allowance) | 193,421 | 188,688 | 184,275 | 176,818 | 179,643 | 171,019 | 172,484 | 178,909 | 175,174 |

NILs as a percentage
of related loans and acceptances
Domestic

| | | | | | | | | | |
|--|-------|--------|--------|--------|--------|--------|--------|--------|--------|
| Residential mortgages | 0.23% | 0.23% | 0.26% | 0.22% | 0.23% | 0.18% | 0.22% | 0.19% | 0.19% |
| Personal loans | 0.39% | 0.36% | 0.19% | 0.27% | 0.37% | 0.27% | 0.27% | 0.20% | 0.18% |
| Business loans and acceptances | 1.06% | 1.04% | 0.99% | 1.11% | 0.84% | 0.94% | 1.05% | 0.78% | 0.80% |
| TOTAL Domestic | 0.57% | 0.55% | 0.52% | 0.56% | 0.50% | 0.49% | 0.55% | 0.42% | 0.44% |
| International | 0.78% | 0.31% | 0.33% | 0.34% | 0.29% | 0.32% | 0.32% | 0.45% | 0.24% |
| TOTAL before general allowance for loan losses | 0.62% | 0.50% | 0.49% | 0.52% | 0.46% | 0.46% | 0.51% | 0.43% | 0.40% |
| TOTAL after general allowance for loan losses | 0.02% | -0.11% | -0.11% | -0.06% | -0.12% | -0.20% | -0.11% | -0.04% | -0.09% |

 2001 2000 2000 1999 1998 1997
 6 months 6 months

| | | | | | |
|-----|-----|-----|-----|-----|-----|
| 57 | 88 | 41 | 109 | 69 | 184 |
| 135 | 131 | 141 | 141 | 48 | 64 |
| 91 | 41 | 39 | 49 | 31 | 34 |
| 351 | 251 | 367 | 285 | 335 | 284 |
| 634 | 511 | 588 | 584 | 483 | 566 |
| 142 | 136 | 157 | 131 | 116 | 114 |
| 105 | 95 | 51 | 66 | 61 | 61 |
| 881 | 742 | 796 | 781 | 660 | 741 |

| | | | | | |
|-----|----|-----|-----|-----|-----|
| 260 | 28 | 69 | 25 | 15 | 24 |
| 5 | 13 | 7 | 12 | 24 | 21 |
| 10 | 4 | 3 | 3 | 1 | 13 |
| 36 | 28 | 26 | 28 | 31 | 39 |
| 5 | 18 | 2 | 35 | 54 | 15 |
| 316 | 91 | 107 | 103 | 125 | 112 |

1,197 833 903 884 785 853

(1,166) (1,041) (1,102) (1,080) (850) (750)

31 (208) (199) (196) (65) 103

| | | | | | |
|---------|---------|---------|---------|---------|---------|
| 62,441 | 59,705 | 61,416 | 58,482 | 56,387 | 52,783 |
| 26,909 | 25,853 | 27,011 | 24,183 | 21,658 | 20,122 |
| 4,862 | 3,270 | 4,666 | 2,666 | 1,945 | 2,324 |
| 59,771 | 60,885 | 59,397 | 55,692 | 56,131 | 58,873 |
| 153,983 | 149,713 | 152,490 | 141,023 | 136,121 | 134,102 |
| 40,604 | 30,971 | 32,887 | 32,541 | 40,603 | 33,476 |
| 194,587 | 180,684 | 185,377 | 173,564 | 176,724 | 167,578 |
| (1,166) | (1,041) | (1,102) | (1,080) | (850) | (750) |
| 193,421 | 179,643 | 184,275 | 172,484 | 175,874 | 166,828 |

| | | | | | |
|-------|--------|--------|--------|--------|-------|
| 0.23% | 0.23% | 0.26% | 0.22% | 0.21% | 0.22% |
| 0.39% | 0.37% | 0.19% | 0.27% | 0.28% | 0.30% |
| 1.06% | 0.84% | 0.99% | 1.05% | 0.86% | 0.96% |
| 0.57% | 0.50% | 0.52% | 0.55% | 0.48% | 0.55% |
| 0.78% | 0.29% | 0.33% | 0.32% | 0.31% | 0.33% |
| 0.62% | 0.46% | 0.49% | 0.51% | 0.44% | 0.51% |
| 0.02% | -0.12% | -0.11% | -0.11% | -0.04% | 0.06% |

¹Net of specific allowance.

| INTEREST RATE SENSITIVITY POSITION (\$ MM) | TOTAL CURRENCIES | | | | | | | | | Q2/01 | | Q1/01 | |
|---|---------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | Q2/01 | Q1/01 | Q4/00 | Q3/00 | Q2/00 | Q1/00 | Q4/99 | Q3/99 | Q2/99 | CAD | FGN | CAD | FGN |
| | Total assets | | | | | | | | | | | | |
| 0-3 months | 135,054 | 132,967 | 125,025 | 111,152 | 117,414 | 112,739 | 105,289 | 130,957 | 118,392 | 80,210 | 54,844 | 79,878 | 53,089 |
| 4-6 months | 15,515 | 15,142 | 15,224 | 14,812 | 13,720 | 15,392 | 23,187 | 13,188 | 15,280 | 9,262 | 6,253 | 9,519 | 5,623 |
| 7-12 months | 19,197 | 18,819 | 18,125 | 20,837 | 19,331 | 18,292 | 17,344 | 20,322 | 16,698 | 14,863 | 4,334 | 14,319 | 4,500 |
| 1-5 years | 71,247 | 68,329 | 67,527 | 67,512 | 64,409 | 67,462 | 66,707 | 61,045 | 60,919 | 58,450 | 12,797 | 56,534 | 11,795 |
| over 5 years | 15,860 | 12,949 | 11,259 | 11,092 | 11,774 | 11,906 | 11,941 | 9,443 | 9,432 | 8,492 | 7,368 | 7,923 | 5,026 |
| non-interest sensitive | 56,851 | 53,704 | 52,580 | 51,667 | 49,208 | 44,219 | 46,182 | 43,608 | 45,892 | 19,536 | 37,315 | 20,009 | 33,695 |
| Total | 313,724 | 301,910 | 289,740 | 277,072 | 275,856 | 270,010 | 270,650 | 278,563 | 266,612 | 190,813 | 122,911 | 188,182 | 113,728 |
| Total liabilities and shareholder's equity | | | | | | | | | | | | | |
| 0-3 months | 151,045 | 145,062 | 139,872 | 124,381 | 125,146 | 125,544 | 120,949 | 130,253 | 124,727 | 79,996 | 71,049 | 72,329 | 72,733 |
| 4-6 months | 15,485 | 18,059 | 15,927 | 15,601 | 14,684 | 14,794 | 22,925 | 15,213 | 14,481 | 10,112 | 5,373 | 10,523 | 7,536 |
| 7-12 months | 26,760 | 23,333 | 22,991 | 26,056 | 26,066 | 23,872 | 24,867 | 31,547 | 30,435 | 19,402 | 7,358 | 18,827 | 4,506 |
| 1-5 years | 47,615 | 44,879 | 46,769 | 45,444 | 43,688 | 43,617 | 39,027 | 33,487 | 34,467 | 37,298 | 10,317 | 37,361 | 7,518 |
| over 5 years | 9,858 | 10,650 | 8,524 | 8,868 | 9,314 | 8,731 | 6,386 | 7,634 | 8,444 | 7,373 | 2,485 | 7,441 | 3,209 |
| non-interest sensitive | 62,961 | 59,927 | 55,657 | 56,722 | 56,958 | 53,452 | 56,497 | 60,428 | 54,059 | 31,841 | 31,120 | 33,267 | 26,660 |
| Total | 313,724 | 301,910 | 289,740 | 277,072 | 275,856 | 270,010 | 270,650 | 278,563 | 266,612 | 186,022 | 127,702 | 179,748 | 122,162 |
| Off-balance sheet | | | | | | | | | | | | | |
| 0-3 months | 20,470 | 13,243 | 16,656 | 11,589 | 8,638 | 10,551 | 15,510 | 2,258 | 10,302 | 4,665 | 15,805 | (5,146) | 18,389 |
| 4-6 months | (3,955) | (1,923) | (1,926) | 3,206 | (2,761) | (2,425) | (1,516) | 7,089 | 2,640 | 835 | (4,790) | 3,085 | (5,008) |
| 7-12 months | (3,287) | (3,766) | (6,378) | (2,006) | 6,953 | 2,256 | 5,169 | 15,739 | 12,762 | (1,823) | (1,464) | 979 | (4,745) |
| 1-5 years | (8,762) | (5,512) | (3,284) | (8,485) | (11,563) | (11,779) | (16,827) | (20,938) | (16,271) | (5,930) | (2,832) | (952) | (4,560) |
| over 5 years | (637) | 983 | 1,204 | 618 | 1,182 | 2,481 | 2,647 | 1,781 | (803) | 1,711 | (2,348) | 2,166 | (1,183) |
| non-interest sensitive | (3,829) | (3,025) | (6,272) | (4,922) | (2,449) | (1,084) | (4,983) | (5,929) | (8,630) | 542 | (4,371) | (132) | (2,893) |
| Net off-balance sheet | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total interest rate sensitivity gap (on and off-balance sheet) | | | | | | | | | | | | | |
| 0-3 months | 4,479 | 1,148 | 1,809 | (1,640) | 906 | (2,254) | (150) | 2,962 | 3,967 | 4,879 | (400) | 2,403 | (1,255) |
| 4-6 months | (3,925) | (4,840) | (2,629) | 2,417 | (3,725) | (1,827) | (1,254) | 5,064 | 3,440 | (15) | (3,910) | 2,081 | (6,921) |
| 7-12 months | (10,850) | (8,280) | (11,244) | (7,225) | 218 | (3,324) | (2,354) | 4,514 | (975) | (6,362) | (4,488) | (3,529) | (4,751) |
| 1-5 years | 14,870 | 17,938 | 17,474 | 13,583 | 9,158 | 12,066 | 10,853 | 6,620 | 10,181 | 15,222 | (352) | 18,221 | (283) |
| over 5 years | 5,365 | 3,282 | 3,939 | 2,842 | 3,642 | 5,656 | 8,202 | 3,590 | 185 | 2,830 | 2,535 | 2,648 | 634 |
| non-interest sensitive | (9,939) | (9,248) | (9,349) | (9,977) | (10,199) | (10,317) | (15,298) | (22,750) | (16,797) | (11,763) | 1,824 | (13,390) | 4,142 |
| Net gaps | - | - | - | - | - | - | - | - | - | 4,791 | (4,791) | 8,434 | (8,434) |
| After tax impact of 1% increase in rates on: | | | | | | | | | | | | | |
| Net interest income using simulation ¹ | 58 | 47 | 40 | 27 | 49 | 38 | 50 | 35 | 51 | | | | |
| Common shareholders' equity | (157) | (159) | (175) | (188) | (155) | (169) | (152) | (175) | (155) | | | | |
| After tax impact of 1% decrease in rates on: | | | | | | | | | | | | | |
| Net interest income using simulation ¹ | (64) | (51) | (48) | (35) | (55) | (42) | (52) | (42) | (53) | | | | |

¹Net interest income risk is calculated using simulation. Simulation is better able to model repricing assumptions for individual products which static gap cannot do.

For example, products that have an interest rate cap/floor or are only partially rate sensitive can be modeled in simulation while static gap is not able to capture this and provides less meaningful results.