# Supplementary information

## Consolidated balance sheet

| As at October 31 (C$ millions) | **2003** | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1996 | 1995 | 1994 | 1993 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Assets** | | | | | | | | | | | |
| Cash resources | **$ 17,520** | $ 21,293 | $ 17,516 | $ 16,408 | $ 23,042 | $ 16,395 | $ 21,392 | $ 23,567 | $ 17,710 | $ 16,449 | $ 10,874 |
| Securities | **116,797** | 95,353 | 81,100 | 63,461 | 52,736 | 42,538 | 33,343 | 41,261 | 33,220 | 27,695 | 24,011 |
| Reverse repurchase agreements | **36,289** | 35,831 | 35,870 | 18,303 | 20,272 | 19,907 | 18,642 | 11,446 | 4,591 | 5,259 | 5,304 |
| Loans | | | | | | | | | | | |
| Residential mortgage | **78,819** | 72,842 | 67,444 | 62,984 | 59,242 | 56,468 | 53,369 | 48,120 | 45,131 | 44,109 | 43,781 |
| Personal | **34,003** | 31,956 | 32,511 | 28,019 | 25,255 | 22,761 | 20,864 | 18,440 | 16,923 | 16,508 | 16,487 |
| Credit card | **4,816** | 4,914 | 4,283 | 4,666 | 2,666 | 1,945 | 2,324 | 3,522 | 3,435 | 3,321 | 3,090 |
| Business and government | **54,909** | 61,811 | 66,939 | 60,515 | 57,630 | 65,598 | 62,837 | 56,138 | 51,500 | 48,748 | 52,062 |
| | **172,547** | 171,523 | 171,177 | 156,184 | 144,793 | 146,772 | 139,394 | 126,220 | 116,989 | 112,686 | 115,420 |
| Allowance for loan losses | **(2,055)** | (2,203) | (2,278) | (1,871) | (1,884) | (2,026) | (1,769) | (1,875) | (2,003) | (2,559) | (4,255) |
| | **170,492** | 169,320 | 168,899 | 154,313 | 142,909 | 144,746 | 137,625 | 124,345 | 114,986 | 110,127 | 111,165 |
| Other | | | | | | | | | | | |
| Customers' liability under acceptances | **5,943** | 8,051 | 9,923 | 11,628 | 9,257 | 10,620 | 10,561 | 7,423 | 6,300 | 6,205 | 6,302 |
| Derivative-related amounts (1) | **36,640** | 31,250 | 28,642 | 19,334 | 15,151 | 30,413 | 14,776 | 8,598 | 12,378 | – | – |
| Premises and equipment | **1,655** | 1,639 | 1,598 | 1,216 | 1,274 | 1,872 | 1,696 | 1,785 | 1,870 | 1,975 | 2,057 |
| Goodwill | **4,633** | 5,040 | 4,952 | 693 | 660 | 608 | 668 | 335 | 333 | 365 | 447 |
| Other intangibles | **580** | 665 | 619 | 208 | – | – | – | – | – | – | – |
| Reinsurance recoverables (2) | **3,321** | 1,946 | 1,074 | 422 | 324 | 12 | 21 | 8 | – | – | – |
| Separate account assets (2) | **224** | 68 | 79 | 119 | 108 | 102 | 118 | 95 | – | – | – |
| Other assets | **18,497** | 11,544 | 12,290 | 8,068 | 7,673 | 13,963 | 8,355 | 8,709 | 5,094 | 5,020 | 4,781 |
| | **71,493** | 60,203 | 59,177 | 41,688 | 34,447 | 57,590 | 36,195 | 26,953 | 25,975 | 13,565 | 13,587 |
| | **$ 412,591** | $ 382,000 | $ 362,562 | $ 294,173 | $ 273,406 | $ 281,176 | $ 247,197 | $ 227,572 | $ 196,482 | $ 173,095 | $ 164,941 |
| **Liabilities and shareholders' equity** | | | | | | | | | | | |
| Deposits | | | | | | | | | | | |
| Canada | **$ 154,523** | $ 142,959 | $ 140,558 | $ 138,124 | $ 129,306 | $ 123,533 | $ 122,721 | $ 118,482 | $ 114,778 | $ 106,099 | $ 103,755 |
| International | **105,995** | 102,081 | 95,129 | 68,113 | 58,591 | 56,472 | 50,508 | 43,335 | 28,713 | 29,716 | 26,644 |
| | **260,518** | 245,040 | 235,687 | 206,237 | 187,897 | 180,005 | 173,229 | 161,817 | 143,491 | 135,815 | 130,399 |
| Other | | | | | | | | | | | |
| Acceptances | **5,943** | 8,051 | 9,923 | 11,628 | 9,257 | 10,620 | 10,561 | 7,423 | 6,300 | 6,205 | 6,302 |
| Securities sold short | **22,743** | 17,990 | 16,037 | 12,873 | 18,740 | 20,488 | 13,062 | 7,063 | 7,128 | 5,569 | 5,362 |
| Repurchase agreements | **23,735** | 21,109 | 20,864 | 9,005 | 9,396 | 11,264 | 9,458 | 16,526 | 4,090 | 5,341 | 2,533 |
| Derivative-related amounts (1) | **38,427** | 32,737 | 29,448 | 18,574 | 15,219 | 29,370 | 14,732 | 9,053 | 12,384 | – | – |
| Insurance claims and policy benefit liabilities (2) | **8,630** | 4,747 | 3,881 | 588 | 113 | 427 | 107 | 91 | – | – | – |
| Separate account liabilities | **224** | 68 | 79 | 119 | 108 | 102 | 118 | 95 | – | – | – |
| Other liabilities | **26,199** | 25,074 | 20,098 | 15,324 | 15,569 | 12,456 | 10,537 | 12,044 | 10,284 | 7,986 | 8,919 |
| | **125,901** | 109,776 | 100,330 | 68,111 | 68,402 | 84,727 | 58,575 | 52,295 | 40,186 | 25,101 | 23,116 |
| Subordinated debentures | **6,581** | 6,960 | 6,861 | 5,825 | 4,596 | 4,087 | 4,227 | 3,602 | 3,528 | 3,481 | 3,410 |
| Non-controlling interest in subsidiaries | **1,474** | 1,469 | 1,479 | 703 | 103 | 499 | 531 | 108 | 107 | 93 | 86 |
| Shareholders' equity | | | | | | | | | | | |
| Capital stock | | | | | | | | | | | |
| Preferred | **813** | 1,515 | 1,990 | 2,001 | 1,973 | 2,110 | 1,757 | 1,725 | 1,962 | 2,233 | 2,215 |
| Common | **6,999** | 6,963 | 6,926 | 3,074 | 3,063 | 2,923 | 2,905 | 2,874 | 2,908 | 2,908 | 2,908 |
| Additional paid-in capital | **88** | 76 | 33 | | | | | | | | |
| Retained earnings | **11,591** | 10,473 | 9,311 | 8,314 | 7,495 | 6,803 | 5,719 | 4,825 | 4,194 | 3,476 | 2,823 |
| Accumulated other comprehensive income (loss) | **(1,374)** | (272) | (55) | (92) | (123) | 22 | 254 | 326 | 106 | (12) | (16) |
| | **18,117** | 18,755 | 18,205 | 13,297 | 12,408 | 11,858 | 10,635 | 9,750 | 9,170 | 8,605 | 7,930 |
| | **$ 412,591** | $ 382,000 | $ 362,562 | $ 294,173 | $ 273,406 | $ 281,176 | $ 247,197 | $ 227,572 | $ 196,482 | $ 173,095 | $ 164,941 |

(1) As the information is not reasonably determinable, amounts for years prior to 1995 have not been restated to reflect the presentation of derivative-related amounts on a gross basis.
(2) As the information is not reasonably determinable, amounts prior to 1996 have not been reclassified to reflect the revised insurance presentation of balances.

## Consolidated statement of income

| For the year ended October 31 (C$ millions, except per share amounts) | **2003** | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1996 | 1995 | 1994 | 1993 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Interest income** | | | | | | | | | | | |
| Loans | **$ 10,150** | $ 10,463 | $ 12,032 | $ 11,538 | $ 10,386 | $ 10,426 | $ 9,354 | $ 9,490 | $ 9,820 | $ 8,693 | $ 8,156 |
| Securities (1) | **2,740** | 2,852 | 3,075 | 2,585 | 2,148 | 1,926 | 2,147 | 2,445 | 2,179 | 1,654 | 1,320 |
| Assets purchased under reverse repurchase agreements | **787** | 651 | 1,163 | 1,078 | 893 | 1,169 | 568 | 366 | 237 | 206 | 91 |
| Deposits with banks | **374** | 482 | 831 | 824 | 726 | 750 | 983 | 891 | 792 | 454 | 296 |
| | **14,051** | 14,448 | 17,101 | 16,025 | 14,153 | 14,271 | 13,052 | 13,192 | 13,028 | 11,007 | 9,863 |
| **Interest expense** | | | | | | | | | | | |
| Deposits | **5,467** | 5,709 | 8,712 | 9,057 | 7,636 | 7,732 | 6,548 | 7,115 | 7,362 | 5,477 | 4,995 |
| Other liabilities | **1,560** | 1,405 | 1,688 | 1,429 | 1,161 | 1,172 | 1,139 | 1,126 | 792 | 761 | 567 |
| Subordinated debentures | **376** | 406 | 410 | 344 | 286 | 339 | 384 | 322 | 335 | 290 | 263 |
| | **7,403** | 7,520 | 10,810 | 10,830 | 9,083 | 9,243 | 8,071 | 8,563 | 8,489 | 6,528 | 5,825 |
| **Net interest income** | **6,648** | 6,928 | 6,291 | 5,195 | 5,070 | 5,028 | 4,981 | 4,629 | 4,539 | 4,479 | 4,038 |
| **Non-interest income** | | | | | | | | | | | |
| Insurance premiums, investment and fee income (1) | **2,045** | 1,910 | 1,695 | 1,019 | 753 | 578 | 452 | 337 | – | – | – |
| Trading revenues | **2,009** | 1,766 | 1,820 | 1,540 | 1,106 | 752 | 606 | 368 | 362 | 345 | 414 |
| Investment management and custodial fees (1) | **1,143** | 1,177 | 1,094 | 857 | 649 | 602 | 401 | 317 | 286 | 278 | 101 |
| Securities brokerage commissions | **1,108** | 1,223 | 1,045 | 938 | 625 | 549 | 756 | 491 | 291 | 364 | 270 |
| Deposit and payment service charges | **1,078** | 1,041 | 887 | 756 | 688 | 664 | 690 | 701 | 681 | 661 | 649 |
| Mutual fund revenues | **673** | 723 | 692 | 624 | 556 | 537 | 354 | 241 | 190 | 202 | 64 |
| Underwriting and other advisory fees | **671** | 643 | 478 | 600 | 403 | 369 | 416 | 273 | 143 | 203 | 186 |
| Card service revenues | **303** | 285 | 290 | 420 | 362 | 305 | 332 | 282 | 278 | 258 | 203 |
| Foreign exchange revenues, other than trading (1) | **279** | 274 | 291 | 299 | 243 | 218 | 211 | 165 | 140 | 134 | 107 |
| Credit fees | **227** | 223 | 237 | 212 | 189 | 183 | 169 | 153 | 156 | 156 | 152 |
| Mortgage banking revenues | **180** | 240 | 206 | – | – | – | – | – | – | – | – |
| Securitization revenues | **165** | 172 | 125 | 104 | 220 | 226 | 9 | – | – | – | – |
| Gain (loss) on sale of available for sale securities (1) | **19** | (112) | (130) | (16) | 27 | 342 | 35 | 105 | 17 | 49 | 169 |
| Gain from divestitures | **–** | – | 445 | – | – | – | – | – | – | – | – |
| Insurance revenues (1) | – | – | – | – | – | – | – | – | 104 | 100 | 61 |
| Other (1) | **399** | 567 | 339 | 183 | 249 | 146 | 222 | 115 | 90 | 113 | 75 |
| | **10,299** | 10,132 | 9,514 | 7,536 | 6,070 | 5,471 | 4,653 | 3,548 | 2,738 | 2,863 | 2,451 |
| **Total revenues** | **16,947** | 17,060 | 15,805 | 12,731 | 11,140 | 10,499 | 9,634 | 8,177 | 7,277 | 7,342 | 6,489 |
| **Provision for credit losses** | **715** | 1,065 | 1,119 | 691 | 760 | 575 | 380 | 570 | 580 | 820 | 1,750 |
| **Insurance policyholder benefits, claims and acquisition expense** (1) | **1,404** | 1,330 | 1,153 | 772 | 532 | 438 | 346 | 266 | – | – | – |
| **Non-interest expense** | | | | | | | | | | | |
| Human resources | **6,397** | 6,263 | 5,696 | 4,695 | 4,096 | 3,688 | 3,427 | 2,933 | 2,581 | 2,675 | 2,386 |
| Occupancy | **767** | 788 | 716 | 570 | 564 | 508 | 559 | 507 | 473 | 500 | 593 |
| Equipment | **766** | 752 | 713 | 664 | 677 | 585 | 605 | 492 | 506 | 460 | 473 |
| Communications | **744** | 790 | 679 | 695 | 699 | 665 | 587 | 523 | 461 | 450 | 377 |
| Professional fees | **466** | 419 | 411 | 267 | 274 | 286 | 228 | 165 | 147 | 113 | 86 |
| Outsourced item processing | **292** | 306 | 303 | – | – | – | – | – | – | – | – |
| Amortization of goodwill | **–** | – | 252 | 80 | 70 | 66 | 63 | 38 | 38 | 48 | 35 |
| Amortization of other intangibles | **71** | 72 | 36 | 11 | – | – | – | – | – | – | – |
| Other | **733** | 854 | 835 | 646 | 761 | 712 | 602 | 509 | 469 | 415 | 465 |
| | **10,236** | 10,244 | 9,641 | 7,628 | 7,141 | 6,510 | 6,071 | 5,167 | 4,675 | 4,661 | 4,415 |
| **Net income before income taxes** | **4,592** | 4,421 | 3,892 | 3,640 | 2,707 | 2,976 | 2,837 | 2,174 | 2,022 | 1,861 | 324 |
| Income taxes | **1,443** | 1,415 | 1,350 | 1,412 | 974 | 1,128 | 1,106 | 795 | 741 | 655 | (5) |
| Net income before non-controlling interest | **3,149** | 3,006 | 2,542 | 2,228 | 1,733 | 1,848 | 1,731 | 1,379 | 1,281 | 1,206 | 329 |
| Non-controlling interest | **113** | 108 | 107 | 20 | 8 | 76 | 77 | 49 | 23 | 37 | 29 |
| **Net income** | **$ 3,036** | $ 2,898 | $ 2,435 | $ 2,208 | $ 1,725 | $ 1,772 | $ 1,654 | $ 1,330 | $ 1,258 | $ 1,169 | $ 300 |
| Preferred share dividends | **68** | 98 | 135 | 134 | 157 | 145 | 131 | 144 | 164 | 168 | 154 |
| Net income available to common shareholders | **$ 2,968** | $ 2,800 | $ 2,300 | $ 2,074 | $ 1,568 | $ 1,627 | $ 1,523 | $ 1,186 | $ 1,094 | $ 1,001 | $ 146 |
| Earnings per share | | | | | | | | | | | |
| Basic | **$ 4.48** | $ 4.16 | $ 3.58 | $ 3.42 | $ 2.50 | $ 2.64 | $ 2.46 | $ 1.89 | $ 1.74 | $ 1.59 | $ 0.23 |
| Diluted | **4.43** | 4.12 | 3.55 | 3.40 | 2.48 | 2.58 | 2.42 | 1.89 | 1.74 | 1.59 | 0.23 |
| Dividends per share | **$ 1.72** | $ 1.52 | $ 1.38 | $ 1.14 | $ 0.94 | $ 0.88 | $ 0.76 | $ 0.67 | $ 0.59 | $ 0.58 | $ 0.58 |

(1) As the information is not reasonably determinable, amounts for years prior to 1996 have not been restated to reflect the revised insurance presentation of income.

## Consolidated statement of changes in shareholders' equity

| For the year ended October 31 (C$ millions) | **2003** | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1996 | 1995 | 1994 | 1993 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Preferred shares** | | | | | | | | | | | |
| Balance at beginning of year | **$ 1,515** | $ 1,990 | $ 2,001 | $ 1,973 | $ 2,110 | $ 1,757 | $ 1,725 | $ 1,962 | $ 2,233 | $ 2,215 | $ 1,572 |
| Issued | **–** | – | 250 | – | 296 | 300 | – | – | – | – | 612 |
| Redeemed for cancellation | **(634)** | (464) | (295) | – | (393) | – | – | (236) | (267) | – | – |
| Issuance costs, net of related income taxes | **–** | – | (3) | – | (9) | (7) | – | – | – | – | (11) |
| Translation adjustment | **(68)** | (11) | 37 | 28 | (31) | 60 | 32 | (1) | (4) | 18 | 42 |
| Balance at end of year | **813** | 1,515 | 1,990 | 2,001 | 1,973 | 2,110 | 1,757 | 1,725 | 1,962 | 2,233 | 2,215 |
| **Common shares** | | | | | | | | | | | |
| Balance at beginning of year | **6,963** | 6,926 | 3,074 | 3,063 | 2,923 | 2,905 | 2,874 | 2,908 | 2,908 | 2,908 | 2,908 |
| Issued | **190** | 190 | 3,976 | 109 | 192 | 18 | 69 | – | – | – | – |
| Issuance costs, net of related income taxes | **–** | (1) | (12) | – | – | – | – | – | – | – | – |
| Purchased for cancellation | **(154)** | (152) | (112) | (98) | (52) | – | (38) | (34) | – | – | – |
| Balance at end of year | **6,999** | 6,963 | 6,926 | 3,074 | 3,063 | 2,923 | 2,905 | 2,874 | 2,908 | 2,908 | 2,908 |
| **Additional paid-in capital** | | | | | | | | | | | |
| Balance at beginning of year | **76** | 33 | | | | | | | | | |
| Renounced stock appreciation rights, net of related income taxes | **5** | 29 | | | | | | | | | |
| Stock options granted | **7** | 14 | 33 | | | | | | | | |
| Balance at end of year | **88** | 76 | 33 | | | | | | | | |
| **Retained earnings** | | | | | | | | | | | |
| Balance at beginning of year (1) | **10,473** | 9,311 | 8,314 | 7,495 | 6,803 | 5,719 | 4,825 | 4,194 | 3,476 | 2,839 | 3,041 |
| Net income | **3,036** | 2,898 | 2,435 | 2,208 | 1,725 | 1,772 | 1,654 | 1,330 | 1,258 | 1,169 | 300 |
| Dividends – preferred | **(68)** | (98) | (135) | (134) | (157) | (145) | (131) | (144) | (164) | (168) | (154) |
| common | **(1,137)** | (1,022) | (897) | (689) | (588) | (543) | (469) | (418) | (371) | (364) | (364) |
| Premium paid on common shares purchased | **(698)** | (612) | (397) | (562) | (281) | – | (160) | (136) | – | – | – |
| Issuance costs, net of related income taxes | **(15)** | (4) | (9) | (4) | (7) | – | – | (1) | (5) | – | – |
| Balance at end of year | **11,591** | 10,473 | 9,311 | 8,314 | 7,495 | 6,803 | 5,719 | 4,825 | 4,194 | 3,476 | 2,823 |
| **Accumulated other comprehensive income (loss), net of related income taxes** | | | | | | | | | | | |
| Unrealized gains and losses on available for sale securities (2) | **113** | 202 | 190 | (56) | (85) | 56 | 283 | 349 | 126 | | |
| Unrealized foreign currency translation gains and losses, net of hedging activities | **(893)** | (54) | (38) | (36) | (38) | (34) | (29) | (23) | (20) | (12) | (16) |
| Gains and losses on derivatives designated as cash flow hedges | **(104)** | (127) | (190) | | | | | | | | |
| Additional pension obligation | **(490)** | (293) | (17) | | | | | | | | |
| | **(1,374)** | (272) | (55) | (92) | (123) | 22 | 254 | 326 | 106 | (12) | (16) |
| **Shareholders' equity at end of year** | **$ 18,117** | $ 18,755 | $ 18,205 | $ 13,297 | $ 12,408 | $ 11,858 | $ 10,635 | $ 9,750 | $ 9,170 | $ 8,605 | $ 7,930 |
| **Comprehensive income, net of related income taxes** | | | | | | | | | | | |
| Net income | **$ 3,036** | $ 2,898 | $ 2,435 | $ 2,208 | $ 1,725 | $ 1,772 | $ 1,654 | $ 1,330 | $ 1,258 | $ 1,169 | $ 300 |
| Other comprehensive income | | | | | | | | | | | |
| Change in unrealized gains and losses on available for sale securities (2) | **(89)** | 12 | 246 | 29 | (141) | (227) | (66) | 223 | 126 | | |
| Change in unrealized foreign currency translation gains and losses | **(2,988)** | (59) | 473 | (2) | (205) | 164 | 129 | (12) | (23) | 96 | (4) |
| Impact of hedging unrealized foreign currency translation gains and losses | **2,149** | 43 | (475) | 4 | 201 | (169) | (135) | 9 | 15 | (92) | 3 |
| Cumulative effect of initial adoption of FAS 133 | **–** | – | 60 | | | | | | | | |
| Change in gains and losses on derivatives designated as cash flow hedges | **(57)** | (50) | (250) | | | | | | | | |
| Reclassification to earnings of gains and losses on cash flow hedges | **80** | 113 | – | | | | | | | | |
| Additional pension obligation | **(197)** | (276) | (17) | | | | | | | | |
| **Total comprehensive income** | **$ 1,934** | $ 2,681 | $ 2,472 | $ 2,239 | $ 1,580 | $ 1,540 | $ 1,582 | $ 1,550 | $ 1,376 | $ 1,173 | $ 299 |

(1) Retained earnings at the beginning of 1994 was increased by $16 million as a result of the adoption of FAS 109, *Accounting for Income Taxes.*
(2) Effective 1995, the bank adopted FAS 115, *Accounting for Certain Investments in Debt and Equity Securities.*

## Risk profile

| As at October 31 (C$ millions, except percentage amounts) | **2003** | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1996 | 1995 | 1994 | 1993 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Nonaccrual loans** | | | | | | | | | | | |
| Beginning of year | **$ 2,288** | $ 2,465 | $ 1,678 | $ 1,704 | $ 2,001 | $ 1,819 | $ 2,376 | $ 2,944 | $ 4,424 | $ 7,582 | $ 7,056 |
| Net additions (reductions) | **433** | 1,280 | 1,912 | 813 | 743 | 628 | 81 | 384 | (255) | (1,128) | 1,643 |
| Charge-offs and adjustments | **(976)** | (1,457) | (1,125) | (839) | (1,040) | (446) | (638) | (952) | (1,225) | (2,030) | (1,117) |
| End of year | **$ 1,745** | $ 2,288 | $ 2,465 | $ 1,678 | $ 1,704 | $ 2,001 | $ 1,819 | $ 2,376 | $ 2,944 | $ 4,424 | $ 7,582 |
| As a % of loans and acceptances | **.98%** | 1.27% | 1.36% | 1.00% | 1.11% | 1.27% | 1.21% | 1.78% | 2.39% | 3.72% | 6.23% |
| **Allowance for credit losses** | | | | | | | | | | | |
| Allocated specific | **$ 757** | $ 894 | $ 951 | $ 747 | $ 786 | $ 1,176 | $ 932 | $ 1,091 | $ 1,439 | $ 1,962 | $ 2,667 |
| Allocated country risk | **–** | – | 31 | 28 | 34 | 40 | 436 | 444 | 930 | 940 | 1,107 |
| Allocated general (1) | **1,169** | 1,169 | 1,185 | 863 | 790 | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| Total allocated (1) | **1,926** | 2,063 | 2,167 | 1,638 | 1,610 | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| Unallocated (1) | **238** | 251 | 225 | 337 | 290 | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| Total | **$ 2,164** | $ 2,314 | $ 2,392 | $ 1,975 | $ 1,900 | $ 2,066 | $ 2,118 | $ 2,235 | $ 2,669 | $ 3,202 | $ 4,324 |
| **Composition of allowance** | | | | | | | | | | | |
| Allowance for loan losses | **$ 2,055** | $ 2,203 | $ 2,278 | $ 1,871 | $ 1,884 | $ 2,026 | $ 1,769 | $ 1,875 | $ 2,003 | $ 2,559 | $ 4,255 |
| Allowance for off-balance sheet and other items (2) | **109** | 109 | 109 | 98 | – | – | – | – | – | – | – |
| Allowance for tax-exempt securities | **–** | 2 | 5 | 6 | 16 | 40 | 30 | 34 | – | – | – |
| Allowance for country risk securities | **–** | – | – | – | – | – | 319 | 326 | 666 | 643 | 69 |
| Total | **$ 2,164** | $ 2,314 | $ 2,392 | $ 1,975 | $ 1,900 | $ 2,066 | $ 2,118 | $ 2,235 | $ 2,669 | $ 3,202 | $ 4,324 |
| Allowance for loan losses as a % of loans and acceptances | **1.2%** | 1.2% | 1.3% | 1.1% | 1.2% | 1.3% | 1.2% | 1.4% | 1.6% | 2.2% | 3.5% |
| Allowance for loan losses as a % of loans, acceptances and reverse repurchase agreements | **1.0** | 1.0 | 1.0 | 1.0 | 1.1 | 1.1 | 1.1 | 1.3 | 1.6 | 2.1 | 3.4 |
| Allowance for loan losses as a % of nonaccrual loans, excluding LDCs | **118** | 96 | 93 | 112 | 112 | 103 | 94 | 77 | 60 | 52 | 52 |
| **Provision for credit losses** | | | | | | | | | | | |
| Allocated specific | **$ 715** | $ 1,065 | $ 1,049 | $ 571 | $ 530 | $ 555 | $ 330 | $ 470 | $ 580 | $ 1,070 | $ 1,775 |
| Allocated country risk | **–** | – | – | – | – | (80) | – | (300) | – | – | (250) |
| Allocated general (3) | **6** | (22) | 205 | 73 | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| Total allocated (3) | **721** | 1,043 | 1,254 | 644 | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| Unallocated (3) | **(6)** | 22 | (135) | 47 | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| Total | **$ 715** | $ 1,065 | $ 1,119 | $ 691 | $ 760 | $ 575 | $ 380 | $ 570 | $ 580 | $ 820 | $ 1,750 |
| Allocated specific provisions as a % of average loans and acceptances | **.40%** | .60% | .61% | .36% | .34% | .36% | .23% | .37% | .48% | .88% | 1.64% |
| Allocated specific provisions as a % of average loans, acceptances and reverse repurchase agreements | **.33** | .50 | .52 | .31 | .30 | .31 | .21 | .36 | .46 | .84 | 1.60 |
| Provision as a % of average loans and acceptances | **.40** | .60 | .65 | .43 | .49 | .37 | .27 | .45 | .48 | .67 | 1.61 |
| Provision as a % of average loans, acceptances and reverse repurchase agreements | **.33** | .50 | .55 | .38 | .43 | .32 | .24 | .43 | .46 | .65 | 1.58 |
| **Net charge-offs** | **$ 806** | $ 1,259 | $ 940 | $ 677 | $ 958 | $ 692 | $ 528 | $ 1,001 | $ 1,105 | $ 1,979 | $ 1,187 |
| As a % of average loans and acceptances | **.45%** | .71% | .55% | .42% | .62% | .45% | .37% | .79% | .91% | 1.63% | 1.09% |

(1) The allocated general and the unallocated amounts totalled $850 million in 1998, $750 million in 1997, $700 million in 1996, $300 million in 1995, $300 million in 1994 and $550 million in 1993. These were not separated into the allocated general and unallocated components. The amounts prior to 1999 do not include the allocated general allowance.

(2) During 2000, the allowance for off-balance sheet and other items has been separated and reported under Other liabilities. Previously, the amount was included in the Allowance for loan losses.

(3) The allocated general provision and the unallocated provision totalled $230 million in 1999, $100 million in 1998, $50 million in 1997, $400 million in 1996, nil in 1995, $(250) million in 1994 and $225 million in 1993. These were not separated into the allocated general and unallocated components.

## Financial highlights

| (C$ millions, except per share and percentage amounts) | **2003** | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1996 | 1995 | 1994 | 1993 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Performance ratios** | | | | | | | | | | | |
| Return on common equity | **17.0%** | 16.6% | 16.6% | 19.3% | 15.3% | 17.6% | 18.3% | 15.7% | 16.2% | 16.8% | 2.4% |
| Return on assets | **.76** | .78 | .73 | .78 | .64 | .68 | .69 | .65 | .68 | .70 | .21 |
| Return on assets after preferred dividends | **.74** | .75 | .69 | .73 | .58 | .62 | .64 | .58 | .59 | .60 | .10 |
| Net interest margin (1) | **1.65** | 1.86 | 1.90 | 1.83 | 1.88 | 1.92 | 2.08 | 2.25 | 2.47 | 2.69 | 2.83 |
| Non-interest income as a % of total revenues | **60.8** | 59.4 | 60.2 | 59.2 | 54.5 | 52.1 | 48.3 | 43.4 | 37.6 | 39.0 | 37.8 |
| **Average balances and year-end off-balance sheet data** | | | | | | | | | | | |
| Averages (2) | | | | | | | | | | | |
| Assets (3) | **$ 402,000** | $ 371,800 | $ 331,700 | $ 284,200 | $ 270,100 | $ 261,600 | $ 239,900 | $ 205,300 | $ 183,900 | $ 166,700 | $ 142,500 |
| Loans and acceptances | **177,754** | 177,464 | 172,136 | 159,957 | 155,635 | 154,954 | 142,349 | 126,849 | 121,069 | 121,741 | 108,562 |
| Deposits | **251,659** | 242,269 | 221,419 | 196,066 | 184,796 | 178,688 | 166,249 | 147,391 | 136,686 | 133,550 | 114,835 |
| Common equity | **17,481** | 16,880 | 13,899 | 10,725 | 10,268 | 9,255 | 8,303 | 7,543 | 6,749 | 5,964 | 6,052 |
| Total equity | **18,666** | 18,562 | 15,935 | 12,703 | 12,481 | 11,227 | 10,044 | 9,488 | 8,942 | 8,233 | 8,116 |
| Assets under administration (4) | **1,483,900** | 1,365,900 | 1,342,500 | 1,175,200 | 967,800 | 829,200 | 783,300 | 522,100 | 407,700 | 346,800 | 274,300 |
| Assets under management (4) | **88,900** | 90,800 | 100,000 | 92,300 | 81,600 | 73,400 | 67,700 | 51,200 | 40,400 | 39,100 | 33,100 |
| **Capital ratios (Cdn)** (5) | | | | | | | | | | | |
| Tier 1 capital | **$ 16,259** | $ 15,380 | $ 14,851 | $ 13,567 | $ 12,026 | $ 11,593 | $ 10,073 | $ 9,037 | $ 8,421 | $ 7,660 | $ 6,910 |
| Total capital | **21,374** | 21,012 | 20,171 | 19,044 | 16,698 | 16,480 | 14,705 | 12,069 | 11,913 | 11,525 | 10,941 |
| Total risk-adjusted assets | **166,911** | 165,559 | 171,047 | 158,364 | 149,078 | 157,064 | 147,672 | 128,163 | 121,350 | 120,158 | 117,043 |
| Common equity to risk-adjusted assets | **10.5%** | 10.4% | 9.4% | 7.3% | 7.1% | 6.2% | 5.8% | 6.0% | 5.8% | 5.3% | 4.9% |
| Tier 1 capital ratio | **9.7** | 9.3 | 8.7 | 8.6 | 8.1 | 7.4 | 6.8 | 7.0 | 6.9 | 6.4 | 5.9 |
| Total capital ratio | **12.8** | 12.7 | 11.8 | 12.0 | 11.2 | 10.5 | 10.0 | 9.4 | 9.8 | 9.6 | 9.3 |
| **Capital ratios (U.S.)** (6) | | | | | | | | | | | |
| Tier 1 capital | **$ 14,572** | $ 13,992 | $ 13,817 | $ 12,409 | $ 11,334 | $ 10,796 | $ 9,556 | $ 8,740 | $ 8,612 | $ 7,660 | $ 6,910 |
| Total capital | **19,960** | 19,624 | 19,137 | 17,898 | 15,991 | 15,990 | 14,666 | 12,245 | 12,399 | 11,525 | 10,941 |
| Total risk-adjusted assets | **166,737** | 164,930 | 171,188 | 158,594 | 149,537 | 157,720 | 149,392 | 128,804 | 120,593 | 120,158 | 117,043 |
| Common equity to risk-adjusted assets | **10.3%** | 10.5% | 9.5% | 7.2% | 7.0% | 6.1% | 5.8% | 6.0% | 5.9% | 5.3% | 4.9% |
| Tier 1 capital ratio | **8.7** | 8.5 | 8.1 | 7.8 | 7.6 | 6.8 | 6.4 | 6.8 | 7.1 | 6.4 | 5.9 |
| Total capital ratio | **12.0** | 11.9 | 11.2 | 11.3 | 10.7 | 10.1 | 9.8 | 9.5 | 10.3 | 9.6 | 9.3 |
| **Common share information** | | | | | | | | | | | |
| Shares outstanding (in thousands) | | | | | | | | | | | |
| End of year | **656,021** | 665,257 | 674,021 | 602,398 | 617,768 | 617,581 | 616,671 | 621,059 | 628,310 | 628,310 | 628,310 |
| Average basic | **662,080** | 672,571 | 641,516 | 606,389 | 626,158 | 617,324 | 617,812 | 628,242 | 628,310 | 628,310 | 628,310 |
| Average diluted | **669,625** | 679,153 | 647,216 | 609,865 | 632,305 | 633,626 | 632,052 | 628,242 | 628,310 | 628,310 | 628,310 |
| Dividends per share | **$ 1.72** | $ 1.52 | $ 1.38 | $ 1.14 | $ 0.94 | $ 0.88 | $ 0.76 | $ 0.67 | $ 0.59 | $ 0.58 | $ 0.58 |
| Book value per share | **26.38** | 25.91 | 24.06 | 18.75 | 16.89 | 15.81 | 14.29 | 12.77 | 11.47 | 10.14 | 9.10 |
| Share price – High (7) | **65.00** | 58.89 | 53.25 | 48.88 | 42.13 | 46.10 | 38.23 | 22.20 | 15.69 | 15.94 | 14.44 |
| Low (7) | **53.26** | 45.05 | 41.60 | 27.25 | 29.65 | 28.75 | 22.00 | 14.88 | 12.94 | 12.57 | 11.00 |
| Close | **63.48** | 54.41 | 46.80 | 48.30 | 31.73 | 35.55 | 37.68 | 22.15 | 15.07 | 14.19 | 13.63 |
| Price/earnings multiple (8) | **13.3** | 12.6 | 13.4 | 11.2 | 14.5 | 14.5 | 12.4 | 9.8 | 8.2 | 9.0 | – |
| Dividend yield (9) | **2.9%** | 2.9% | 2.9% | 3.0% | 2.6% | 2.4% | 2.5% | 3.6% | 4.1% | 4.1% | 4.6% |
| Dividend payout ratio (10) | **38** | 37 | 39 | 33 | 37 | 33 | 31 | 35 | 34 | 36 | – |
| **Number of:** | | | | | | | | | | | |
| Employees (11) | **60,812** | 59,549 | 57,568 | 49,232 | 51,891 | 51,776 | 48,816 | 46,205 | 49,011 | 49,208 | 52,745 |
| Automated banking machines | **4,401** | 4,486 | 4,548 | 4,517 | 4,585 | 4,317 | 4,248 | 4,215 | 4,079 | 3,948 | 3,981 |
| Service delivery units | | | | | | | | | | | |
| Canada | **1,297** | 1,311 | 1,317 | 1,333 | 1,410 | 1,422 | 1,453 | 1,493 | 1,577 | 1,596 | 1,731 |
| International (12) | **788** | 807 | 724 | 306 | 99 | 106 | 105 | 103 | 105 | 97 | 95 |

(1) Net interest income as a percentage of average assets.
(2) Based on methods intended to approximate the average of the daily balances for the period.
(3) Amounts for years prior to 1995 have not been restated to reflect the presentation of derivative-related amounts on a gross basis, as this information is not reasonably determinable.
(4) Amounts prior to 1996 are as at September 30. Assets under administration and assets under management balances were not reported prior to 1993.
(5) Using guidelines issued by the Superintendent of Financial Institutions Canada and Canadian GAAP financial information.
(6) Using guidelines issued by the Board of Governors of the Federal Reserve System in the United States and U.S. GAAP financial information.
(7) Intraday high and low share prices.
(8) Average of high and low common share price divided by diluted earnings per share. The multiple for 1993 is not meaningful.
(9) Dividends per common share divided by the average of high and low share price.
(10) Common dividends as a percentage of net income after preferred dividends. The ratio for 1993 is not meaningful.
(11) On a full-time equivalent basis.
(12) International service delivery units include branches, specialized business centres, representative offices and agencies.

## Quarterly highlights

| (C$ millions, except per share and percentage amounts) | 2003 Q4 | 2003 Q3 | 2003 Q2 | 2003 Q1 | 2002 Q4 | 2002 Q3 | 2002 Q2 | 2002 Q1 |
|---|---|---|---|---|---|---|---|---|
| **Consolidated statement of income** | | | | | | | | |
| Net interest income | $ 1,616 | $ 1,658 | $ 1,638 | $ 1,736 | $ 1,743 | $ 1,706 | $ 1,670 | $ 1,809 |
| Non-interest income | 2,633 | 2,644 | 2,423 | 2,599 | 2,523 | 2,491 | 2,623 | 2,495 |
| Provision for credit losses | (137) | (167) | (211) | (200) | (235) | (216) | (328) | (286) |
| Insurance policyholder benefits, claims and acquisition expense | (386) | (335) | (312) | (371) | (355) | (336) | (381) | (258) |
| Non-interest expense | (2,582) | (2,581) | (2,514) | (2,559) | (2,601) | (2,515) | (2,519) | (2,609) |
| Income taxes | (316) | (413) | (304) | (410) | (315) | (381) | (329) | (390) |
| Non-controlling interest | (24) | (30) | (31) | (28) | (28) | (27) | (26) | (27) |
| Net income | $ 804 | $ 776 | $ 689 | $ 767 | $ 732 | $ 722 | $ 710 | $ 734 |
| **Earnings per share** (1) | | | | | | | | |
| Basic | $ 1.21 | $ 1.16 | $ 1.00 | $ 1.12 | $ 1.06 | $ 1.04 | $ 1.02 | $ 1.05 |
| Diluted | 1.19 | 1.14 | 0.99 | 1.10 | 1.05 | 1.02 | 1.01 | 1.04 |
| **Performance ratios** | | | | | | | | |
| Return on common equity | 18.0% | 17.4% | 15.4% | 16.9% | 16.3% | 16.1% | 16.8% | 17.1% |
| Return on assets | .78 | .77 | .71 | .77 | .76 | .78 | .78 | .79 |
| Return on assets after preferred dividends | .77 | .75 | .68 | .74 | .73 | .75 | .76 | .77 |
| Net interest margin (2) | 1.58 | 1.63 | 1.68 | 1.73 | 1.81 | 1.84 | 1.85 | 1.96 |
| Non-interest income as a % of total revenues | 62.0 | 61.5 | 59.7 | 60.0 | 59.1 | 59.4 | 61.1 | 58.0 |
| **Consolidated balance sheet** | | | | | | | | |
| Assets | | | | | | | | |
| Cash resources and securities | $ 134,317 | $ 129,667 | $ 126,461 | $ 119,892 | $ 116,646 | $ 111,203 | $ 110,105 | $ 103,920 |
| Assets purchased under reverse repurchase agreements | 36,289 | 41,868 | 37,087 | 37,874 | 35,831 | 34,938 | 33,373 | 30,503 |
| Residential mortgage loans | 78,819 | 77,201 | 74,431 | 73,417 | 72,842 | 70,641 | 70,118 | 69,438 |
| Personal loans | 34,003 | 33,171 | 32,451 | 31,956 | 31,956 | 32,222 | 32,292 | 31,600 |
| Credit card loans | 4,816 | 5,625 | 5,327 | 5,214 | 4,914 | 4,774 | 4,445 | 4,338 |
| Business and government loans | 54,909 | 57,242 | 57,908 | 60,020 | 61,811 | 64,187 | 63,602 | 64,285 |
| Allowance for loan losses | (2,055) | (2,156) | (2,226) | (2,267) | (2,203) | (2,218) | (2,338) | (2,345) |
| Other assets | 71,493 | 66,786 | 66,812 | 66,190 | 60,203 | 61,864 | 49,732 | 56,745 |
| | $ 412,591 | $ 409,404 | $ 398,251 | $ 392,296 | $ 382,000 | $ 377,611 | $ 361,329 | $ 358,484 |
| Liabilities and shareholders' equity | | | | | | | | |
| Deposits – Canada | $ 154,523 | $ 153,928 | $ 148,156 | $ 141,767 | $ 142,959 | $ 138,801 | $ 139,125 | $ 139,862 |
| Deposits – International | 105,995 | 103,805 | 103,410 | 106,864 | 102,081 | 107,239 | 98,626 | 96,410 |
| Other liabilities | 125,901 | 125,013 | 119,298 | 116,068 | 109,776 | 103,866 | 96,263 | 95,119 |
| Subordinated debentures | 6,581 | 6,780 | 6,828 | 6,885 | 6,960 | 7,318 | 7,245 | 7,340 |
| Non-controlling interest in subsidiaries | 1,474 | 1,454 | 1,475 | 1,445 | 1,469 | 1,444 | 1,466 | 1,440 |
| Total equity | 18,117 | 18,424 | 19,084 | 19,267 | 18,755 | 18,943 | 18,604 | 18,313 |
| | $ 412,591 | $ 409,404 | $ 398,251 | $ 392,296 | $ 382,000 | $ 377,611 | $ 361,329 | $ 358,484 |
| **Selected average balances and off-balance sheet data** | | | | | | | | |
| Averages (3) | | | | | | | | |
| Assets | $ 406,500 | $ 402,400 | $ 399,700 | $ 397,400 | $ 382,300 | $ 367,500 | $ 371,200 | $ 366,500 |
| Loans and acceptances | 178,924 | 176,070 | 177,609 | 178,444 | 178,004 | 175,364 | 177,438 | 179,128 |
| Deposits | 252,314 | 251,506 | 248,709 | 254,112 | 248,828 | 238,647 | 239,470 | 242,013 |
| Common equity | 17,454 | 17,475 | 17,697 | 17,512 | 17,223 | 17,139 | 16,770 | 16,459 |
| Total equity | 18,271 | 18,453 | 19,184 | 19,026 | 18,855 | 18,800 | 18,445 | 18,210 |
| Assets under administration | 1,483,900 | 1,444,000 | 1,368,200 | 1,434,200 | 1,365,900 | 1,413,100 | 1,442,800 | 1,426,600 |
| Assets under management | 88,900 | 89,200 | 88,700 | 91,600 | 90,800 | 94,200 | 96,200 | 103,300 |
| **Provision for credit losses** | | | | | | | | |
| Allocated specific | $ 137 | $ 167 | $ 211 | $ 200 | $ 235 | $ 216 | $ 328 | $ 286 |
| Allocated general | 7 | (5) | 2 | 2 | (15) | 4 | – | (11) |
| Total allocated | 144 | 162 | 213 | 202 | 220 | 220 | 328 | 275 |
| Unallocated | (7) | 5 | (2) | (2) | 15 | (4) | – | 11 |
| Total | $ 137 | $ 167 | $ 211 | $ 200 | $ 235 | $ 216 | $ 328 | $ 286 |
| **Nonaccrual loans as a % of loans and acceptances** | .98% | 1.06% | 1.22% | 1.33% | 1.27% | 1.32% | 1.41% | 1.52% |
| **Capital ratios (Canadian basis)** | | | | | | | | |
| Common equity/risk-adjusted assets | 10.5% | 10.4% | 10.6% | 10.6% | 10.4% | 10.2% | 10.0% | 9.8% |
| Tier 1 | 9.7 | 9.6 | 9.6 | 9.4 | 9.3 | 9.1 | 9.0 | 8.8 |
| Total | 12.8 | 12.7 | 12.8 | 12.7 | 12.7 | 12.7 | 12.6 | 12.3 |
| **Capital ratios (U.S. basis)** | | | | | | | | |
| Common equity/risk-adjusted assets | 10.3% | 10.4% | 10.7% | 10.6% | 10.5% | 10.3% | 10.0% | 9.8% |
| Tier 1 | 8.7 | 8.9 | 8.9 | 8.8 | 8.5 | 8.5 | 8.4 | 8.1 |
| Total | 12.0 | 12.1 | 12.2 | 12.1 | 11.9 | 12.0 | 11.9 | 11.6 |
| **Common share information** | | | | | | | | |
| Shares outstanding (in thousands) | | | | | | | | |
| End of period | 656,021 | 658,612 | 662,427 | 666,439 | 665,257 | 671,671 | 673,860 | 673,596 |
| Average basic | 656,952 | 660,810 | 664,634 | 666,006 | 668,868 | 673,787 | 673,751 | 674,465 |
| Average diluted | 664,450 | 668,133 | 671,991 | 674,035 | 676,010 | 680,712 | 680,336 | 679,729 |
| Dividends per share | $ .46 | $ .43 | $ .43 | $ .40 | $ .40 | $ .38 | $ .38 | $ .36 |
| Book value per share | 26.38 | 26.73 | 26.59 | 26.66 | 25.91 | 25.71 | 25.13 | 24.70 |
| Common share price – High (4) | 65.00 | 61.64 | 59.91 | 59.86 | 57.55 | 58.89 | 57.07 | 52.45 |
| Low (4) | 57.50 | 56.75 | 53.26 | 53.91 | 48.80 | 45.05 | 46.36 | 46.81 |
| Close | 63.48 | 58.90 | 59.80 | 55.30 | 54.41 | 53.45 | 54.97 | 50.00 |
| Dividend yield | 3.0% | 2.9% | 3.0% | 2.8% | 3.0% | 2.9% | 2.9% | 2.9% |
| Dividend payout ratio | 38% | 37% | 43% | 36% | 38% | 37% | 37% | 34% |

(1) Earnings per share for the year may not equal the sum of the quarters.
(2) Net interest income as a percentage of average assets.
(3) Based on methods intended to approximate the average of the daily balances for the period.
(4) Intraday high and low share prices.