

Supplemental Information

Table 1 • Shareholder Value

As at or for the year ended October 31	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
Market Price per Common Share (\$)										
High	70.24	62.44	59.65	50.26	40.65	44.40	35.80	34.80	43.50	30.80
Low	56.86	53.05	49.28	37.79	31.00	32.75	21.00	24.68	25.88	19.53
Close	69.45	57.81	57.55	49.33	38.10	33.86	35.25	28.33	31.55	30.43
Common Share Dividends										
Dividends declared per share (\$)	2.26	1.85	1.59	1.34	1.20	1.12	1.00	0.94	0.88	0.82
Dividends paid per share (\$)	2.13	1.80	1.50	1.29	1.18	1.09	0.99	0.93	0.88	0.80
Dividend payout ratio (%)	43.0	39.1	35.2	38.2	44.0	40.8	30.2	39.6	37.4	35.0
Dividend yield (%)	3.3	3.2	2.8	2.7	3.1	3.3	2.8	3.3	2.8	2.9
Total Shareholder Return (%)										
Five-year average annual return	19.1	13.8	18.9	12.9	7.9	14.3	22.9	22.0	23.3	26.1
One-year return	24.1	3.7	20.0	33.4	16.2	(1.2)	29.0	(7.4)	6.4	55.0
Common Share Information										
Number outstanding (in thousands)										
End of period	500,726	500,219	500,897	499,632	492,505	489,085	522,584	534,064	528,866	522,873
Average basic	501,257	500,060	501,656	496,208	490,816	511,286	531,318	531,723	525,021	520,819
Average diluted	511,173	510,845	515,045	507,009	499,464	523,561	540,815	542,920	542,181	538,469
Number of shareholder accounts	38,360	40,104	41,438	42,880	44,072	45,190	46,663	49,369	51,387	53,651
Book value per share (\$)	28.89	26.48	24.20	22.09	21.07	19.69	19.63	17.44	16.36	14.59
Total market value of shares (\$ billions)	34.8	28.9	28.8	24.6	18.8	16.6	18.4	15.1	16.7	15.9
Price-to-earnings multiple (based on diluted EPS)	13.5	12.5	13.1	14.3	14.2	12.7	10.8	12.1	13.8	13.3
Price-to-cash earnings multiple (based on diluted cash EPS)	13.3	12.1	12.6	13.7	13.5	11.8	10.4	11.5	13.0	12.6
Market-to-book value multiple	2.40	2.18	2.38	2.23	1.81	1.72	1.80	1.62	1.93	2.09

Table 2 • Summary Income Statement and Growth Statistics (\$ millions, except as noted)

For the year ended October 31	2006	2005	2004	2003	2002	5-year CAGR ⁽²⁾	10-year CAGR ⁽²⁾
Income Statement							
Net interest income (teb) (1)	4,871	4,906	4,937	4,929	4,812	1.5	2.9
Non-interest revenue	5,241	5,052	4,551	4,220	3,924	4.4	7.6
Total revenue (teb) (1)	10,112	9,958	9,488	9,149	8,736	2.9	5.1
Provision for credit losses	176	179	(103)	455	820	(29.0)	(2.4)
Non-interest expense	6,353	6,332	6,169	6,087	6,030	2.3	5.0
Income before provision for income taxes and non-controlling interest in subsidiaries	3,583	3,447	3,422	2,607	1,886	11.3	5.8
Income taxes (teb) (1)	844	993	1,110	804	493	6.3	(0.3)
Non-controlling interest in subsidiaries	76	58	17	22	20	32.4	14.2
Net income	2,663	2,396	2,295	1,781	1,373	13.7	9.1
Year-over-year growth (%)	11.2	4.4	28.9	29.7	(2.1)	na	na
Earnings per Share (EPS) (\$)							
Basic	5.25	4.73	4.51	3.51	2.73	14.0	9.6
Diluted	5.15	4.63	4.40	3.44	2.68	14.1	9.6
Year-over-year growth (%)	11.2	5.2	27.9	28.4	0.8	na	na
Diluted Cash Earnings per Share (Cash EPS) (\$) (1)							
Year-over-year growth (%)	9.4	5.1	26.7	26.9	(1.0)	na	na

(1) Refer to the Non-GAAP Measures section on page 34.

(2) Compound annual growth rate (CAGR) expressed as a percentage.

na – not applicable

Throughout this Supplemental Information section, certain amounts for 2005 and 2004 have been restated to reflect changes in accounting policies in 2006. Prior years' data has not been restated as the changes are not significant.

Supplemental Information

Table 3 • Returns on Equity and Assets (\$ millions, except as noted)

For the year ended October 31	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
Net income	2,663	2,396	2,295	1,781	1,373	1,402	1,766	1,290	1,260	1,240
Preferred dividends	30	30	31	38	35	11	10	25	22	18
Net income available to common shareholders	2,633	2,366	2,264	1,743	1,338	1,391	1,756	1,265	1,238	1,222
Average common shareholders' equity	13,703	12,577	11,696	10,646	9,973	10,100	9,745	8,976	8,128	7,165
Return on equity (%)	19.2	18.8	19.4	16.4	13.4	13.8	18.0	14.1	15.2	17.1
Cash return on equity (%)	19.5	19.4	20.0	17.1	14.2	14.8	18.8	14.8	16.1	18.0
Return on average assets (%)	0.86	0.81	0.87	0.67	0.55	0.58	0.75	0.57	0.55	0.63
Return on average assets available to common shareholders (%)	0.85	0.80	0.86	0.66	0.54	0.57	0.75	0.56	0.54	0.62

Table 4 • Summary Balance Sheet (\$ millions)

As at October 31	2006	2005	2004	2003	2002
Assets					
Cash resources	19,608	20,721	18,045	19,860	19,305
Securities	67,411	57,034	49,849	54,790	43,715
Net loans and acceptances	190,994	174,337	156,248	146,156	149,596
Other assets	41,965	41,770	36,764	35,688	40,248
Total assets	319,978	293,862	260,906	256,494	252,864
Liabilities and Shareholders' Equity					
Deposits	203,848	193,793	175,190	171,551	161,838
Other liabilities	96,743	82,158	69,005	68,455	74,188
Subordinated debt	2,726	2,469	2,395	2,856	3,794
Preferred share liability	450	450	450	850	850
Capital trust securities	1,150	1,150	1,150	1,150	1,150
Share capital					
Preferred	596	596	596	596	667
Common	4,231	4,022	3,857	3,662	3,459
Contributed surplus	49	35	22	3	—
Net unrealized foreign exchange gain (loss)	(789)	(612)	(497)	(195)	419
Retained earnings	10,974	9,801	8,738	7,566	6,499
Total liabilities and shareholders' equity	319,978	293,862	260,906	256,494	252,864
Average Daily Balances					
Net loans and acceptances	185,801	169,523	154,863	150,784	147,443
Assets	309,131	296,502	262,898	263,966	247,990

Table 5 • Liquid Assets (\$ millions, except as noted)

As at October 31	2006	2005	2004	2003	2002
Canadian Dollar Liquid Assets					
Deposits with other banks	3,346	1,855	2,270	1,330	1,892
Other cash resources	551	586	(5)	1,313	2,178
Securities	30,647	28,723	25,383	28,790	23,471
Total Canadian dollar liquid assets	34,544	31,164	27,648	31,433	27,541
U.S. Dollar and Other Currencies Liquid Assets					
Deposits with other banks	14,465	17,232	14,256	16,774	14,445
Other cash resources	1,246	1,048	1,524	443	790
Securities	36,764	28,311	24,466	26,000	20,244
Total U.S. dollar and other currencies liquid assets	52,475	46,591	40,246	43,217	35,479
Total Liquid Assets ⁽¹⁾	87,019	77,755	67,894	74,650	63,020
Cash and securities-to-total assets (%)	27.2	26.5	26.0	29.1	24.9
Pledged assets included in total liquid assets ⁽²⁾	26,299	27,760	18,812	18,698	18,859

- (1) Includes liquid assets pledged as security for securities sold but not yet purchased, securities lent or sold under repurchase agreements and other secured liabilities.
- (2) Includes reserves or minimum balances which some of our subsidiaries are required to maintain with central banks in their respective countries of operation.

Table 6 • Other Statistical Information

As at October 31	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
Other Information										
Employees (1)	34,942	33,785	33,593	33,993	34,568	34,693	33,884	33,464	33,400	34,286
Bank branches	1,182	1,180	1,174	1,142	1,134	1,129	1,135	1,198	1,216	1,246
Automated banking machines (Canada)	1,936	1,952	1,993	2,023	2,000	1,982	1,987	2,039	2,069	2,035
Rates										
Average Canadian prime rate (%)	5.57	4.30	4.05	4.69	4.15	6.55	7.05	6.49	6.44	4.80
Average U.S. prime rate (%)	7.76	5.85	4.17	4.17	4.79	7.68	9.18	8.00	8.59	8.51
Canadian/U.S. dollar exchange rates (\$)										
High	1.20	1.27	1.40	1.59	1.61	1.49	1.44	1.45	1.40	1.33
Low	1.10	1.16	1.22	1.30	1.51	1.59	1.53	1.56	1.58	1.41
Average	1.13	1.21	1.31	1.44	1.57	1.54	1.48	1.50	1.46	1.37
End of period	1.12	1.18	1.22	1.32	1.56	1.59	1.52	1.47	1.54	1.41

(1) Reflects full-time equivalent number of employees, comprising full-time and part-time employees and adjustments for overtime hours.

Table 7 • Revenue and Revenue Growth (\$ millions, except as noted)

For the year ended October 31	2006	2005	2004	2003	2002	5-year CAGR	10-year CAGR
Net Interest Income							
Net interest income as reported	4,744	4,787	4,798	4,777	4,706	1.6	2.9
Taxable equivalent basis (teb) adjustment	127	119	139	152	106	(2.1)	1.6
Net interest income (teb)	4,871	4,906	4,937	4,929	4,812	1.5	2.9
Year-over-year growth (%)	(0.7)	(0.6)	0.2	2.4	6.3	na	na
Net Interest Margin							
Total average assets	309,131	296,502	262,898	263,966	247,990	4.9	6.9
Net interest margin (as reported) (%)	1.53	1.61	1.82	1.81	1.90	na	na
Net interest margin (teb) (%)	1.58	1.65	1.88	1.87	1.94	na	na
Canadian dollar net interest margin (teb) (%)	1.94	1.93	2.17	2.28	2.49	na	na
U.S. dollar and other currencies net interest margin (teb) (%)	0.83	1.10	1.37	1.32	1.37	na	na
Non-Interest Revenue							
Securities commissions and fees	1,051	1,092	1,055	894	813	7.2	5.5
Deposit and payment service charges	729	734	746	756	732	1.7	4.4
Trading revenues	633	413	200	275	209	5.2	8.6
Lending fees	337	313	317	293	306	(0.9)	5.6
Card fees	396	334	261	290	260	14.2	5.4
Investment management and custodial fees	298	305	307	303	314	(2.3)	3.0
Mutual fund revenues	499	437	378	321	309	14.7	19.1
Securitization revenues	100	113	177	244	329	(21.2)	un
Underwriting and advisory fees	407	357	343	268	228	11.7	10.8
Investment securities gains (losses)	145	165	175	(41)	(146)	3.2	7.4
Foreign exchange, other than trading	187	180	177	160	151	8.1	4.6
Insurance income	204	162	139	124	105	10.4	16.7
Other revenues	255	447	276	333	314	1.4	21.8
Total non-interest revenue	5,241	5,052	4,551	4,220	3,924	4.4	7.6
Year-over-year growth (%)	3.8	11.0	7.8	7.6	(7.1)	na	na
Non-interest revenue as a % of total revenue (teb)	51.8	50.7	48.0	46.1	44.9	na	na
Total Revenue (as reported)							
Total Revenue (as reported)	9,985	9,839	9,349	8,997	8,630	3.0	5.1
Total Revenue (teb)	10,112	9,958	9,488	9,149	8,736	2.9	5.1
Year-over-year growth (teb) (%)	1.5	5.0	3.7	4.7	(0.1)	na	na

un – unavailable

na – not applicable

Table 8 • Non-Interest Expense and Expense-to-Revenue Ratio (\$ millions, except as noted)

For the year ended October 31	2006	2005	2004	2003	2002	5-year CAGR	10-year CAGR
Non-Interest Expense							
Employee compensation							
Salaries	1,903	1,903	1,901	1,981	2,021	0.2	(1)
Performance-based compensation	1,322	1,277	1,160	1,058	941	6.3	(1)
Employee benefits	599	571	583	539	441	11.0	9.6
Total employee compensation	3,824	3,751	3,644	3,578	3,403	3.5	5.6
Premises and equipment							
Rental of real estate	246	198	182	174	179	12.8	5.9
Premises, furniture and fixtures	230	253	263	271	286	(4.4)	0.7
Property taxes	26	45	52	52	52	(12.9)	(4.2)
Computers and equipment	709	768	755	767	763	0.9	7.9
Total premises and equipment	1,211	1,264	1,252	1,264	1,280	1.0	5.2
Other expenses							
Communications	131	122	138	162	173	(7.6)	(5.0)
Business and capital taxes	94	107	99	106	77	(1.8)	(2.1)
Professional fees	287	243	262	255	291	(0.1)	5.2
Travel and business development	253	247	239	225	261	0.4	2.4
Other	509	504	431	392	458	3.4	7.3
Total other expenses	1,274	1,223	1,169	1,140	1,260	0.2	2.9
Amortization of intangible assets	44	94	104	105	87	0.5	9.0
Total Non-Interest Expense	6,353	6,332	6,169	6,087	6,030	2.3	5.0
Year-over-year growth (%)	0.3	2.6	1.4	0.9	6.3	na	na
Non-interest expense-to-revenue ratio (%)	62.8	63.6	65.0	66.5	69.0	na	na
Government Levies and Taxes (2)							
Government levies other than income taxes							
Payroll levies	162	152	163	156	150	1.9	4.1
Property taxes	26	45	52	52	52	(12.9)	(4.2)
Provincial capital taxes	86	100	91	100	69	(1.7)	(0.4)
Business taxes	8	7	8	6	8	(3.3)	(11.3)
Goods and services tax and sales tax	128	127	149	158	142	0.3	2.4
Total government levies other than income taxes	410	431	463	472	421	(0.9)	1.2
Provision for income taxes reported in:							
Statement of income (3)	717	874	971	652	387	8.4	(0.6)
Statement of retained earnings	156	101	246	601	77	nm	nm
Total income taxes	873	975	1,217	1,253	464	47.8	1.3
Total Government Levies and Taxes	1,283	1,406	1,680	1,725	885	18.4	1.3
Total government levies and taxes as a % of net income before taxes and government levies	33.9	38.0	45.0	59.4	40.6	na	na
Effective income tax rate (teb)	23.6	28.8	32.4	30.8	26.2	na	na

(1) Salaries and performance-based compensation were not separately reported in 1996. Together, they have increased at a 10-year compound annual growth rate of 5.0%.

(2) Government levies are included in various non-interest expense categories.

(3) On a taxable equivalent basis the provision for income taxes was \$844 million in 2006 and \$993 million in 2005. See Non-GAAP measures on page 34.

na – not applicable

nm – not meaningful

Table 9 • Average Assets, Liabilities and Interest Rates (teb) (\$ millions, except as noted)

For the year ended October 31	2006			2005			2004		
	Average balances	Average interest rate (%)	Interest income/expense	Average balances	Average interest rate (%)	Interest income/expense	Average balances	Average interest rate (%)	Interest income/expense
Assets									
Canadian Dollar									
Deposits with other banks	3,035	3.86	117	1,907	2.67	51	1,682	2.50	42
Securities	30,819	3.57	1,101	29,638	3.83	1,136	28,550	3.15	898
Loans									
Residential mortgages	56,556	4.95	2,802	51,954	4.58	2,379	48,592	4.90	2,380
Non-residential mortgages	2,618	5.92	155	2,483	5.80	144	2,439	6.27	153
Consumer instalment and other personal	19,305	6.34	1,224	17,494	5.49	960	15,863	5.34	847
Credit cards	4,591	11.20	514	4,244	10.79	458	3,288	10.61	349
Businesses and governments (1)	46,305	4.57	2,118	43,248	3.63	1,570	33,002	4.02	1,326
Total loans	129,375	5.27	6,813	119,423	4.61	5,511	103,184	4.90	5,055
Other non-interest bearing assets	44,016			46,615			32,793		
Total Canadian dollar	207,245	3.88	8,031	197,583	3.39	6,698	166,209	3.61	5,995
U.S. Dollar and Other Currencies									
Deposits with other banks	16,378	3.98	652	16,555	3.35	555	17,408	2.27	396
Securities	30,077	3.94	1,184	28,789	2.82	813	26,070	2.75	716
Loans									
Residential mortgages	6,259	4.89	306	6,092	4.65	283	5,848	4.55	266
Non-residential mortgages	2,708	6.31	171	2,521	5.91	149	2,158	5.65	122
Consumer instalment and other personal	9,522	5.90	562	8,679	4.87	423	7,352	4.45	327
Credit cards	36	2.78	1	21	4.76	1	24	4.17	1
Businesses and governments (1)	31,065	6.86	2,132	27,277	4.99	1,362	30,781	3.16	973
Total loans	49,590	6.40	3,172	44,590	4.97	2,218	46,163	3.66	1,689
Other non-interest bearing assets	5,841			8,985			7,048		
Total U.S. dollar and other currencies	101,886	4.92	5,008	98,919	3.63	3,586	96,689	2.90	2,801
Total All Currencies									
Total assets and interest income	309,131	4.22	13,039	296,502	3.47	10,284	262,898	3.35	8,796
Liabilities									
Canadian Dollar									
Deposits									
Banks	2,965	2.83	84	2,753	2.00	55	1,737	1.73	30
Businesses and governments	56,168	2.27	1,274	49,975	1.05	524	45,200	0.83	376
Individuals	58,184	2.27	1,319	57,471	2.07	1,192	56,783	2.18	1,238
Total deposits	117,317	2.28	2,677	110,199	1.61	1,771	103,720	1.59	1,644
Subordinated debt and other interest bearing liabilities	35,090	3.80	1,333	32,434	3.42	1,110	19,599	3.98	780
Other non-interest bearing liabilities	40,900			42,173			30,179		
Total Canadian dollar	193,307	2.07	4,010	184,806	1.56	2,881	153,498	1.58	2,424
U.S. Dollar and Other Currencies									
Deposits									
Banks	23,028	4.48	1,031	21,974	2.93	644	22,539	1.53	345
Businesses and governments	39,629	4.03	1,596	36,365	2.71	984	33,353	1.67	556
Individuals	17,245	2.55	439	18,149	1.68	304	18,328	1.09	199
Total deposits	79,902	3.84	3,066	76,488	2.53	1,932	74,220	1.48	1,100
Subordinated debt and other interest bearing liabilities	18,062	6.05	1,092	16,316	3.46	565	19,042	1.76	335
Other non-interest bearing liabilities	3,582			5,747			3,849		
Total U.S. dollar and other currencies	101,546	4.10	4,158	98,551	2.53	2,497	97,111	1.48	1,435
Total All Currencies									
Total liabilities and interest expense	294,853	2.77	8,168	283,357	1.90	5,378	250,609	1.54	3,859
Shareholders' equity	14,278			13,145			12,289		
Total Liabilities, Interest Expense and Shareholders' Equity	309,131	2.64	8,168	296,502	1.81	5,378	262,898	1.47	3,859
Net interest margin and net interest income		1.58	4,871		1.65	4,906		1.88	4,937

(1) Includes securities purchased under resale agreements.

Table 10 • Volume/Rate Analysis of Changes in Net Interest Income (teb) (\$ millions)

For the year ended October 31	2006/2005			2005/2004		
	Increase (decrease) due to change in			Increase (decrease) due to change in		
	Average balance	Average rate	Total	Average balance	Average rate	Total
Assets						
Canadian Dollar						
Deposits with other banks	30	36	66	6	3	9
Securities	45	(80)	(35)	34	204	238
Loans						
Residential mortgages	211	212	423	165	(166)	(1)
Non-residential mortgages	8	3	11	3	(12)	(9)
Consumer instalment and other personal	99	165	264	87	26	113
Credit cards	37	19	56	101	8	109
Businesses and governments	111	437	548	412	(168)	244
Total loans	466	836	1,302	768	(312)	456
Other non-interest bearing assets	–	–	–	–	–	–
Change in Canadian dollar interest income	541	792	1,333	808	(105)	703
U.S. Dollar and Other Currencies						
Deposits with other banks	(6)	103	97	(19)	178	159
Securities	36	335	371	75	22	97
Loans						
Residential mortgages	8	15	23	11	6	17
Non-residential mortgages	11	11	22	21	6	27
Consumer instalment and other personal	41	98	139	59	37	96
Credit cards	1	(1)	–	–	–	–
Businesses and governments	189	581	770	(111)	500	389
Total loans	250	704	954	(20)	549	529
Other non-interest bearing assets	–	–	–	–	–	–
Change in U.S. dollar and other currencies interest income	280	1,142	1,422	36	749	785
Total All Currencies						
Change in total interest income (a)	821	1,934	2,755	844	644	1,488
Liabilities						
Canadian Dollar						
Deposits						
Banks	4	25	29	18	7	25
Businesses and governments	65	685	750	40	108	148
Individuals	15	112	127	15	(61)	(46)
Total deposits	84	822	906	73	54	127
Subordinated debt and other interest bearing liabilities	91	132	223	511	(181)	330
Other non-interest bearing liabilities	–	–	–	–	–	–
Change in Canadian dollar interest expense	175	954	1,129	584	(127)	457
U.S. Dollar and Other Currencies						
Deposits						
Banks	31	356	387	(9)	308	299
Businesses and governments	88	524	612	50	378	428
Individuals	(15)	150	135	(2)	107	105
Total deposits	104	1,030	1,134	39	793	832
Other interest bearing liabilities	60	467	527	(48)	278	230
Other non-interest bearing liabilities	–	–	–	–	–	–
Change in U.S. dollar and other currencies interest expense	164	1,497	1,661	(9)	1,071	1,062
Total All Currencies						
Change in total interest expense (b)	339	2,451	2,790	575	944	1,519
Change in total net interest income (a – b)	482	(517)	(35)	269	(300)	(31)

Supplemental Information

Table 11 • Net Loans and Acceptances – Segmented Information (\$ millions, except as noted)

As at October 31	Canada					United States					Other countries				
	2006	2005	2004	2003	2002	2006	2005	2004	2003	2002	2006	2005	2004	2003	2002
Consumer															
Residential mortgages (1)	53,922	51,481	47,533	43,533	38,865	6,425	6,274	5,728	5,307	5,469	–	–	–	–	–
Cards	3,631	4,648	3,698	2,963	2,275	–	–	4	4	5	–	–	–	–	–
Consumer instalment and other personal loans	20,482	18,683	16,971	15,589	14,950	9,935	9,245	7,914	6,512	6,214	–	–	–	–	–
Total consumer	78,035	74,812	68,202	62,085	56,090	16,360	15,519	13,646	11,823	11,688	–	–	–	–	–
Commercial and corporate															
Commercial and corporate, excluding securities borrowed or purchased under resale agreements	42,453	37,097	35,300	33,844	34,012	21,024	17,600	15,778	16,719	21,994	2,598	1,988	1,723	1,867	3,035
Securities borrowed or purchased under resale agreements	18,639	16,178	13,233	6,288	8,491	12,790	12,102	9,376	14,710	15,466	–	–	–	–	–
Total commercial and corporate	61,092	53,275	48,533	40,132	42,503	33,814	29,702	25,154	31,429	37,460	2,598	1,988	1,723	1,867	3,035
Total loans and acceptances, net of specific allowances	139,127	128,087	116,735	102,217	98,593	50,174	45,221	38,800	43,252	49,148	2,598	1,988	1,723	1,867	3,035
General allowance	(555)	(590)	(630)	(800)	(800)	(350)	(369)	(380)	(380)	(380)	–	–	–	–	–
Total net loans and acceptances	138,572	127,497	116,105	101,417	97,793	49,824	44,852	38,420	42,872	48,768	2,598	1,988	1,723	1,867	3,035

Table 12 • Net Impaired Loans and Acceptances – Segmented Information (\$ millions, except as noted)

As at October 31	Canada					United States					Other countries				
	2006	2005	2004	2003	2002	2006	2005	2004	2003	2002	2006	2005	2004	2003	2002
Consumer															
Residential mortgages	110	87	120	137	119	–	–	–	–	–	–	–	–	–	–
Consumer instalment and other personal loans	42	33	30	39	39	5	5	5	5	10	–	–	–	–	–
Total consumer	152	120	150	176	158	5	5	5	5	10	–	–	–	–	–
Commercial and corporate															
Total impaired loans and acceptances, net of specific allowances for credit losses	295	286	333	395	536	207	331	426	771	882	11	18	62	147	150
General allowance	(555)	(590)	(630)	(800)	(800)	(350)	(369)	(380)	(380)	(380)	–	–	–	–	–
Total net impaired loans and acceptances (NIL)	(260)	(304)	(297)	(405)	(264)	(143)	(38)	46	391	502	11	18	62	147	150
Condition Ratios															
Gross impaired loans and acceptances as a % of equity and allowance for credit losses	un	un	un	un	un	un	un	un	un	un	un	un	un	un	un
NIL as a % of net loans and acceptances (2)	(0.19)	(0.24)	(0.26)	(0.40)	(0.27)	(0.29)	(0.08)	0.12	0.91	1.03	0.42	0.91	3.60	7.87	4.94
NIL as a % of net loans and acceptances (2)															
To consumer	0.19	0.16	0.22	0.28	0.28	0.03	0.03	0.04	0.04	0.09	–	–	–	–	–
To commercial and corporate, excluding securities borrowed or purchased under resale agreements	0.34	0.45	0.52	0.65	1.11	0.96	1.85	2.67	4.58	3.96	0.42	0.91	3.60	7.87	4.94

(1) Excludes residential mortgages classified as commercial corporate loans (2006 – \$2.9 billion, 2005 – \$3.1 billion, 2004 – \$3.2 billion, 2003 – \$3.3 billion, 2002 – \$3.2 billion).

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

(3) Includes amounts returning to performing status, sales, repayments, the impact of foreign exchange, and offsets for consumer write-offs that are not recognized as formations.

(4) Excludes ACL for off-balance sheet exposure of \$6 million in 2003.

un – unavailable, as equity is not allocated on a country of risk basis

Supplemental Information

Table 16 • Changes in Allowance for Credit Losses – Segmented Information (\$ millions, except as noted)

As at October 31	Canada					United States					Other countries				
	2006	2005	2004	2003	2002	2006	2005	2004	2003	2002	2006	2005	2004	2003	2002
Allowance for credit losses (ACL), beginning of year	687	762	1,013	1,200	1,266	435	514	661	700	646	6	32	117	49	37
Provision for credit losses	181	192	(1)	211	561	(3)	14	(46)	211	255	(2)	(27)	(56)	33	4
Transfer of allowance	–	–	–	(70)	(231)	–	–	–	5	225	–	–	–	65	6
Recoveries	47	37	35	28	28	65	30	94	60	39	–	–	2	–	1
Write-offs	(263)	(303)	(283)	(341)	(419)	(75)	(116)	(157)	(211)	(465)	–	–	(30)	(14)	–
Other, including foreign exchange rate changes	(1)	(1)	(2)	(15)	(5)	(19)	(7)	(38)	(104)	–	–	1	(1)	(16)	1
Allowance for credit losses, end of year	651	687	762	1,013	1,200	403	435	514	661	700	4	6	32	117	49
Allocation of Write-offs by Market															
Consumer	(229)	(219)	(185)	(155)	(153)	(38)	(27)	(21)	(23)	(23)	–	–	–	–	–
Commercial and corporate	(34)	(84)	(98)	(186)	(266)	(37)	(89)	(136)	(188)	(442)	–	–	(30)	(14)	–
Allocation of Recoveries by Market															
Consumer	39	33	29	26	22	21	16	12	10	8	–	–	–	–	–
Commercial and corporate	8	4	6	2	6	44	14	82	50	31	–	–	2	–	1
Net write-offs as a % of average loans and acceptances	un	un	un	un	un	un	un	un	un	un	un	un	un	un	un

Table 17 • Allocation of Allowance for Credit Losses – Segmented Information (\$ millions, except as noted)

As at October 31	Canada					United States					Other countries				
	2006	2005	2004	2003	2002	2006	2005	2004	2003	2002	2006	2005	2004	2003	2002
Consumer															
Residential mortgages	5	5	5	5	5	–	–	–	–	–	–	–	–	–	–
Consumer instalment and other personal loans	1	1	2	2	4	–	–	–	–	–	–	–	–	–	–
Total consumer	6	6	7	7	9	–	–	–	–	–	–	–	–	–	–
Commercial and corporate	90	91	125	200	391	53	66	134	281	320	4	6	32	117	49
Off-balance sheet	–	–	–	6	–	–	–	–	–	–	–	–	–	–	–
Total specific allowance	96	97	132	213	400	53	66	134	281	320	4	6	32	117	49
General allowance	555	590	630	800	800	350	369	380	380	380	–	–	–	–	–
Allowance for credit losses	651	687	762	1,013	1,200	403	435	514	661	700	4	6	32	117	49
Coverage Ratios															
ACL as a % of gross impaired loans and acceptances															
Total	166.5	179.4	163.9	167.3	128.2	155.0	109.6	91.8	62.8	58.2	26.7	25.0	34.0	44.3	24.6
Consumer	3.8	4.8	4.5	3.8	5.4	–	–	–	–	–	na	na	na	na	na
Commercial and corporate	38.6	35.4	40.6	47.7	50.8	20.8	35.4	24.1	26.8	26.7	26.7	25.0	34.0	44.3	24.6

un – unavailable

na – not applicable

Table 18 • Provision for Credit Losses – Segmented Information (\$ millions)

		Total				
	2006	2005	2004	2003	2002	
	1,128	1,308	1,791	1,949	1,949	
	176	179	(103)	455	820	
	112	67	131	88	68	
	(338)	(419)	(470)	(566)	(884)	
	(20)	(7)	(41)	(135)	(4)	
	1,058	1,128	1,308	1,791	1,949	
	(267)	(246)	(206)	(178)	(176)	
	(71)	(173)	(264)	(388)	(708)	
	60	49	41	36	30	
	52	18	90	52	38	
	0.1	0.2	0.2	0.3	0.6	

		Total				
	2006	2005	2004	2003	2002	
	5	5	5	5	5	
	1	1	2	2	4	
	6	6	7	7	9	
	147	163	291	598	760	
	–	–	–	6	–	
	153	169	298	611	769	
	905	959	1,010	1,180	1,180	
	1,058	1,128	1,308	1,791	1,949	
	158.8	140.2	116.9	93.1	83.4	
	3.7	4.6	4.3	3.7	5.1	
	29.2	24.2	30.4	34.6	35.2	

For the year ended October 31	2006	2005	2004	2003	2002
Consumer					
Residential mortgages	7	3	3	8	7
Cards	132	141	106	78	58
Consumer instalment and other personal loans	67	53	60	55	79
	206	197	169	141	144
Commercial and Corporate (1)					
Commercial mortgages	–	4	2	1	6
Commercial real estate	(2)	2	6	(16)	(2)
Construction (non-real estate)	(2)	9	9	1	(23)
Retail trade	(5)	15	2	(7)	29
Wholesale trade	4	13	9	(1)	19
Agriculture	2	4	20	5	2
Communications	(6)	(34)	(12)	7	399
Manufacturing	20	23	(37)	116	94
Mining	–	–	(1)	10	–
Oil and gas	–	–	(4)	(18)	22
Transportation	7	13	(17)	29	17
Utilities	(19)	(26)	(87)	69	69
Forest products	(1)	–	(7)	37	4
Service industries	2	5	13	58	19
Financial institutions	(1)	(1)	13	2	23
Other	6	(5)	(11)	21	(2)
	5	22	(102)	314	676
Total specific provisions	211	219	67	455	820
Change in general allowance	(35)	(40)	(170)	–	–
Total provision for credit losses	176	179	(103)	455	820

(1) There have been no provisions for credit losses on securities borrowed or purchased under resale agreements.

Table 19 • Specific Allowance for Credit Losses – Segmented Information (\$ millions)

As at October 31	2006	2005	2004	2003	2002
Commercial and Corporate Specific Allowance by Industry					
Commercial mortgages	–	–	–	–	–
Commercial real estate	7	6	4	3	9
Construction (non-real estate)	3	4	20	2	5
Retail trade	9	18	7	8	18
Wholesale trade	21	20	14	40	109
Agriculture	9	13	12	7	14
Communications	1	2	46	85	116
Manufacturing	57	53	79	158	175
Mining	–	–	–	–	–
Oil and gas	–	1	–	2	20
Transportation	11	3	6	36	64
Utilities	–	–	46	141	87
Forest products	2	2	8	34	6
Service industries	19	26	23	49	44
Financial institutions	1	7	10	21	29
Other	7	8	16	12	64
Total specific allowance for credit losses on commercial and corporate loans	147	163	291	598	760

Table 20 • Capital Adequacy (\$ millions, except as noted)

As at October 31	2006	2005	2004	2003	2002
Tier 1 capital					
Common shareholders' equity	14,465	13,246	12,120	11,036	10,377
Non-cumulative preferred shares (1)	1,046	1,046	1,046	1,446	1,517
Innovative Tier 1 capital instruments (BOaTS) (1)	2,192	2,192	1,745	1,150	1,150
Non-controlling interest in subsidiaries	36	37	44	39	32
Goodwill and excess intangible assets (2)	(1,098)	(1,091)	(1,507)	(1,334)	(1,547)
Total Tier 1 capital	16,641	15,430	13,448	12,337	11,529
Tier 2 capital					
Preferred shares of a subsidiary (3)	273	287	296	320	377
Subordinated debt	2,306	2,130	1,783	1,981	3,171
General allowance for credit losses (4)	905	958	1,010	1,130	1,147
Total Tier 2 capital	3,484	3,375	3,089	3,431	4,695
First loss protection	(44)	(123)	(128)	(149)	(192)
Investment in non-consolidated subsidiaries/substantial investments	(937)	(963)	(901)	–	–
Total capital	19,144	17,719	15,508	15,619	16,032
Risk-weighted assets	162,794	149,855	136,661	129,163	131,078
Capital ratios (%)					
Tier 1 Capital Ratio	10.22	10.30	9.84	9.55	8.80
Total Capital Ratio	11.76	11.82	11.35	12.09	12.23
U.S. basis Tier 1 Capital Ratio	9.93	10.01	9.47	9.17	8.32
U.S. basis Total Capital Ratio	11.85	12.02	11.48	11.60	11.60
Assets-to-capital multiple	16.1	16.3	16.8	16.4	15.8
Equity-to-assets ratio (%)	4.7	4.7	4.9	4.5	4.4

(1) Non-cumulative preferred shares and Innovative Tier 1 capital instruments include amounts that were reclassified to liabilities on the consolidated balance sheet, but are eligible for inclusion in the capital calculation for regulatory purposes.

(2) In addition to goodwill, intangible assets in excess of 5% of gross Tier 1 capital are deducted from Tier 1 capital as required by OSFI guidelines.

(3) Reflects the qualification of existing preferred shares of a subsidiary as Tier 2 capital.

(4) OSFI permits the inclusion of the lesser of the balance of our general allowance for credit losses and 0.875% of risk-weighted assets.

Table 21 • Risk-Weighted Assets (\$ millions, except as noted)

As at October 31	2006			2005
	Balance	Credit risk equivalent	Risk weighting (%)	Risk-weighted balance
Balance sheet items				
Cash resources	19,608	19,608	0–20	3,747
Securities	67,411	67,411	0–100	4,324
Mortgages	68,829	68,829	0–100	25,625
Other loans and acceptances	122,165	122,165	0–100	84,299
Other assets	41,965	41,965	0–100	6,986
Total balance sheet items	319,978	319,978		124,981
Off-balance sheet items				
Guarantees and standby letters of credit	11,007	9,173	0–100	7,542
Securities lending	690	106	0–100	21
Documentary and commercial letters of credit	1,621	324	0–100	207
Commitments to extend credit:				
Original maturity of one year and under	79,560	–	–	–
Original maturity of over one year	28,104	14,052	0–100	13,543
Derivative financial instruments	2,979,687	26,341	0–50	7,542
Total off-balance sheet items	3,100,669	49,996		28,855
Total risk-weighted assets – credit risk				153,836
Total risk-weighted assets – market risk				8,958
Total risk-weighted assets				162,794
Total risk-weighted assets – U.S. basis				167,028

Table 22 • Average Deposits (\$ millions, except as noted)

	2006		2005		2004	
	Average balance	Average rate paid (%)	Average balance	Average rate paid (%)	Average balance	Average rate paid (%)
Deposits Booked in Canada						
Demand deposits – interest bearing	7,934	2.18	7,933	1.14	7,717	0.69
Demand deposits – non-interest bearing	12,189	–	10,861	–	10,000	–
Payable after notice	35,678	1.91	37,287	1.39	36,187	1.26
Payable on a fixed date	74,649	3.17	68,019	2.33	64,413	2.07
Total deposits booked in Canada	130,450	2.47	124,100	1.77	118,317	1.56
Deposits Booked in the United States and Other Countries						
U.S. demand deposits	8,644	2.98	9,930	1.56	10,174	0.75
Other U.S. deposits payable after notice or on a fixed date	34,206	3.64	31,051	2.21	29,372	1.40
Deposits booked in other countries	23,919	4.26	21,607	3.08	20,077	2.05
Total Average Deposits	197,219	2.91	186,688	1.98	177,940	1.54

As at October 31, 2006, 2005 and 2004: deposits by foreign depositors in our Canadian bank offices amounted to \$9,320 million, \$9,515 million and \$9,838 million, respectively; total deposits payable after notice included \$18,947 million, \$18,766 million and \$19,225 million, respectively, of chequing accounts that would have been classified as demand deposits under U.S. reporting requirements;

and total deposits payable on a fixed date included \$24,513 million, \$21,477 million and \$19,542 million, respectively, of federal funds purchased and commercial paper issued. These amounts would have been classified as short-term borrowings for U.S. reporting purposes.

Table 23 • Unrealized Gains (Losses) on Investment Securities (\$ millions)

As at October 31	Book value	Fair value	Unrealized gains (losses) ⁽¹⁾				
			2006	2005	2004	2003	2002
Government Debt and Other Securities							
Canadian governments	592	592	–	–	–	1	(2)
U.S. governments	9,708	9,679	(29)	(23)	–	134	249
Mortgage-backed securities	465	455	(10)	(7)	4	15	29
Corporate debt	2,485	2,488	3	6	21	89	62
Corporate equity	2,224	2,314	90	20	60	71	(19)
Other governments	106	107	1	1	1	2	2
Total investment securities	15,580	15,635	55	(3)	86	312	321

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

Table 24 • Contractual Obligations (\$ millions)

As at October 31, 2006	Less than one year	1–3 years	4–5 years	Over 5 years	No fixed maturity	Total
Subordinated debt	336	140	–	2,250	–	2,726
Operating leases	192	311	219	624	–	1,346
Deposits (1)	98,660	19,262	6,954	2,178	76,794	203,848
Capital trust securities (2)	–	–	750	1,450	–	2,200
Purchase obligations (3)	190	378	373	586	–	1,527
Total	99,378	20,091	8,296	7,088	76,794	211,647

(1) Includes fixed maturity deposits of \$19.8 billion that are redeemable at the customers' option under certain conditions.

(2) Represents Innovative Tier 1 capital instruments.

(3) BMO has entered into three major outsourcing contracts. In 2006, BMO entered into a six-year contract with an external service provider to provide application system maintenance and

development services. In 2003, BMO entered into a ten-year contract with an external service provider to provide human resource transactional business processing. In 2000, BMO entered into a five-year contract with two optional five-year renewals with an external service provider to manage our cheque and bill payment processing, including associated statement and report printing activities. All outsourcing contracts are cancellable with notice.