

# Consolidated Statement of Comprehensive Income

For the Year Ended October 31 (Canadian \$ in millions)	2008	2007	2006
Net income	\$ 1,978	\$ 2,131	\$ 2,663
Other Comprehensive Income			
Net change in unrealized gains (losses) on available-for-sale securities	(109)	32	–
Net change in unrealized gains (losses) on cash flow hedges	424	(115)	–
Net gain (loss) on translation of net foreign operations	967	(613)	(177)
<b>Total Comprehensive Income</b>	<b>\$ 3,260</b>	<b>\$ 1,435</b>	<b>\$ 2,486</b>

# Consolidated Statement of Changes in Shareholders' Equity

For the Year Ended October 31 (Canadian \$ in millions, except as noted)	2008	2007	2006
<b>Preferred Shares</b> (Note 21)			
Balance at beginning of year	\$ 1,196	\$ 596	\$ 596
Issued during the year	550	600	–
Balance at End of Year	1,746	1,196	596
	Number of Shares		
	2008	2007	2006
<b>Common Shares</b> (Note 21)			
Balance at beginning of year	498,562,702	500,726,079	500,219,068
Issued under the Shareholder Dividend			
Reinvestment and Share Purchase Plan (Note 21)	2,413,244	1,626,374	1,378,328
Issued under the Stock Option Plan (Note 23)	1,778,586	3,774,644	5,014,557
Issued on the exchange of shares of a subsidiary corporation (Note 21)	7,260	57,205	33,526
Issued on the acquisition of a business (Note 12)	3,283,190	–	–
Repurchased for cancellation (Note 21)	–	(7,621,600)	(5,919,400)
Balance at End of Year	506,044,982	498,562,702	500,726,079
<b>Treasury Shares</b> (Note 21)	(1,469,949)	–	–
<b>Contributed Surplus</b>			
Balance at beginning of year	58	49	35
Stock option expense/exercised (Note 23)	11	9	14
Balance at End of Year	69	58	49
<b>Retained Earnings</b>			
Balance at beginning of year	11,166	10,974	9,801
Cumulative impact of adopting new accounting requirements for financial instruments (net of income taxes of \$39) (Notes 3, 4, 15)	–	(71)	–
Net income	1,978	2,131	2,663
Dividends – Preferred shares (Note 21)	(73)	(43)	(30)
– Common shares (Note 21)	(1,410)	(1,353)	(1,133)
Common shares repurchased for cancellation (Note 21)	–	(458)	(327)
Share issue expense	(10)	(14)	–
Net discount on treasury shares	(19)	–	–
Balance at End of Year	11,632	11,166	10,974
<b>Accumulated Other Comprehensive Income (Loss) on Available-for-Sale Securities</b>			
Balance at beginning of year	35	–	–
Impact of remeasuring available-for-sale securities to market value on November 1, 2006 (net of income taxes of \$1)	–	3	–
Unrealized gains (losses) on available-for-sale securities arising during the year (net of income taxes of \$137 and \$6)	(280)	15	–
Reclassification to earnings of losses in the year (net of income taxes of \$84 and \$12)	171	17	–
Balance at End of Year	(74)	35	–
<b>Accumulated Other Comprehensive Income (Loss) on Cash Flow Hedges</b>			
Balance at beginning of year	(166)	–	–
Impact of adopting new cash flow hedge accounting rules on November 1, 2006 (net of income taxes of \$28)	–	(51)	–
Gains (losses) on cash flow hedges arising during the year (net of income taxes of \$173 and \$64)	363	(128)	–
Reclassification to earnings of losses on cash flow hedges (net of income taxes of \$31 and \$6)	61	13	–
Balance at End of Year	258	(166)	–
<b>Accumulated Other Comprehensive Loss on Translation of Net Foreign Operations</b>			
Balance at beginning of year	(1,402)	(789)	(612)
Unrealized gain (loss) on translation of net foreign operations	2,726	(1,697)	(472)
Impact of hedging unrealized gain (loss) on translation of net foreign operations (net of income taxes of \$881, \$575 and \$156)	(1,759)	1,084	295
Balance at End of Year	(435)	(1,402)	(789)
Total Accumulated Other Comprehensive Loss	(251)	(1,533)	(789)
<b>Total Shareholders' Equity</b>	<b>\$ 17,904</b>	<b>\$ 15,298</b>	<b>\$ 15,061</b>

The accompanying notes are an integral part of these consolidated financial statements.