



## CREDIT RISK HIGHLIGHTS:

- F2001 Total Provision for Credit Losses (PCL) is \$980MM including \$880MM in Specific PCL's (the latter is equivalent to 60 basis points of the loan portfolio)
- Loan portfolio performance remains within expected range, given U.S. recession and slowdown in Canada
- Disciplined underwriting and diversification standards continue to result in modest exposure to sectors currently attracting attention
- Specific PCL's for F2002 are estimated at this time to be in the range of 40 to 50 basis points of the loan portfolio

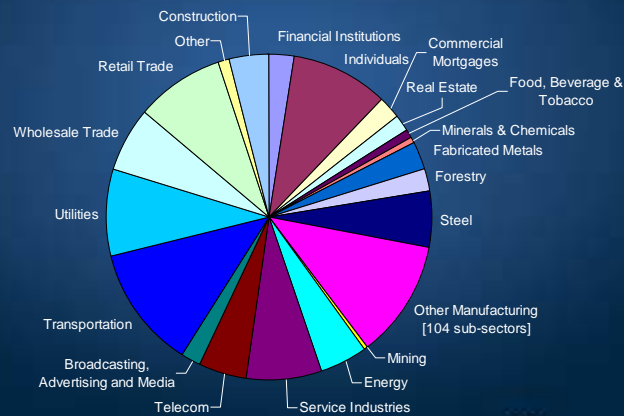
## NO UNDUE CONCENTRATIONS OF EXPOSURE TO THE SECTORS MOST LIKELY TO BE AFFECTED BY:

- The U.S. recession and the economic slowdown in Canada
- Border issues between Canada and the U.S.

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## NO SINGLE SECTOR REPRESENTS A LARGE PROPORTION OF THE IMPAIRED LOAN PORTFOLIO

Gross Impaired Loans by Industry Sector  
(% of Total as at October 31, 2001)



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# SLOWDOWN HAS PRIMARILY AFFECTED THE U.S. CORPORATE/COMMERCIAL AS WELL AS THE CANADIAN CORPORATE PORTFOLIO

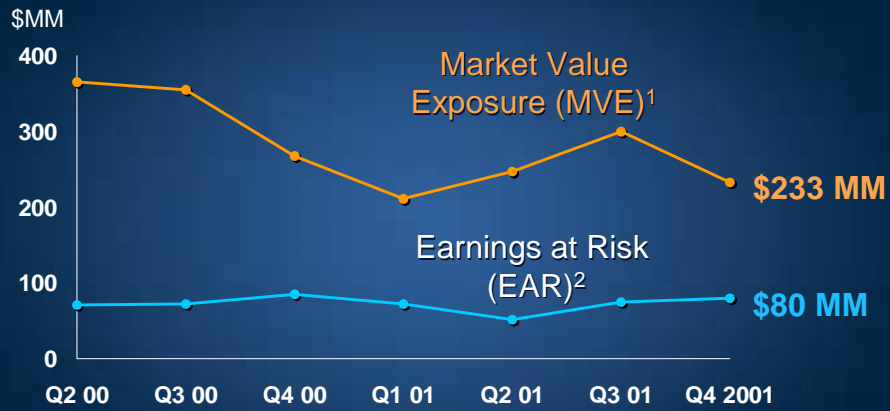
## Specific PCL Breakdown by Portfolio Segments

(Canadian \$MM)

	F2000	F2001
<b>Segments Most Affected</b>		
U.S. Corporate	16	453
U.S. Commercial	16	41
Canadian/Int'l Corporate	82	180
<b>Sub-total</b>	<b>114</b>	<b>674</b>
<b>Segments Not As Affected</b>		
Individual (Canada and U.S.)	113	136
Canadian Commercial	63	70
<b>Sub-total</b>	<b>176</b>	<b>206</b>
<b>Total Specific Provisions</b>	<b>290</b>	<b>880</b>

## MARKET AND EQUITY RISK HIGHLIGHTS

## STRUCTURAL MARKET RISK EXPOSURES REMAIN WITHIN EXPECTED RANGES

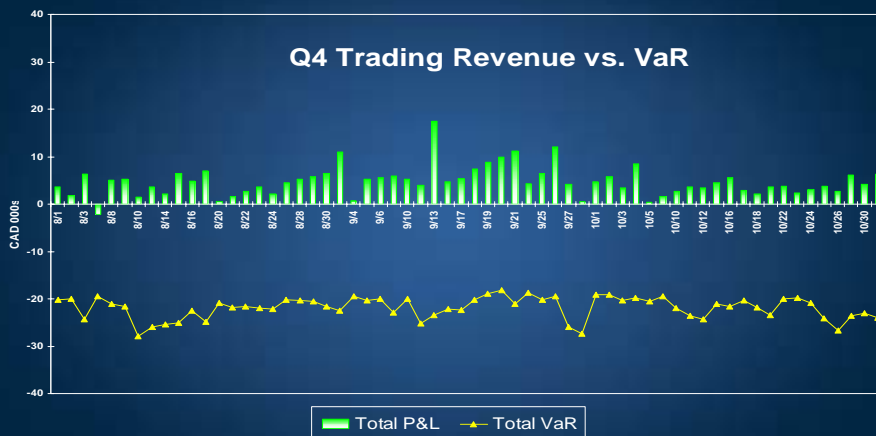


<sup>1</sup> MVE = potential after tax impact on balance sheet values

<sup>2</sup> EAR = potential impact on after tax earnings over the next 12 months

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## TRADING PERFORMANCE WAS PROFITABLE AND RELATIVELY STABLE IN Q4



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## EQUITY INVESTMENTS AND INVESTMENT PORTFOLIOS ARE WELL DIVERSIFIED

CDN \$MM  
As at Oct 31/01

Major Equity Investments and Investment Portfolios*	Book Value
Merchant Banking	381
Venture Capital	181
CBO Equity	107
Common Equity Portfolio	91

\* Excluding subsidiaries, affiliates & joint ventures

## APPENDIX

## OUTSTANDING GROSS LOANS AND BAS TO SELECTED INDUSTRY SECTORS

(Total Portfolio \$147Bn as at October 31, 2001)

Industry Sector (Cdn. \$MM)	Outstandings	% of Portfolio	Gross Impaired
Manufacturing			
Food, Beverage & Tobacco	2,406	1.6	19
Minerals & Chemicals	1,195	0.8	12
Fabricated Metals	1,614	1.1	54
Forestry (Exc. Softwood Lumber)	634	0.4	42
Softwood Lumber	466	0.3	6
Auto (incl. Parts/Suppliers)	836	0.6	3
Steel	354	0.2	112
Aircraft Manufacturing	200	0.1	1
Other Manufacturing *	5,360	3.6	230
<b>Total Manufacturing</b>	<b>13,065</b>	<b>8.9</b>	<b>479</b>

\* Consisting of 104 sub-sectors

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## OUTSTANDING GROSS LOANS AND BAS TO SELECTED INDUSTRY SECTORS

(Total Portfolio \$147Bn as at October 31, 2001)

Industry Sector (Cdn. \$MM)	Outstandings	% of Portfolio	Gross Impaired
Retail Trade	3,240	2.2	179
Wholesale Trade	2,992	2.0	127
Transportation	2,389	1.6	244
Airline Transportation	125	0.1	33
Utilities	1,609	1.1	173
P&C Insurance	1,263	0.9	13
Auto Rentals	680	0.5	3
Hotel and Tour Operators	270	0.2	3

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## OUTSTANDING GROSS LOANS AND BAS TO SELECTED INDUSTRY SECTORS

(Total Portfolio \$147Bn as at October 31, 2001)

Industry Sector	Outstandings	% of Portfolio	Gross Impaired
Telecom			
Cable	1,157	0.8	0
Regulated Telecom	439	0.3	1
Wireless	301	0.2	13
Long Haul Fibre Optics	300	0.2	61
Other Telecom	225	0.2	12
CLECs	44	0.0	11
<b>Total Telecom</b>	<b>2,466</b>	<b>1.7</b>	<b>98</b>

## OUTSTANDING GROSS LOANS AND BAS TO SELECTED INDUSTRY SECTORS

(Total Portfolio \$147Bn as at October 31, 2001)

Industry Sector (Cdn. \$MM)	Outstandings	% of Portfolio	Gross Impaired
Broadcasting, Advertising and Media			
Broadcasting	841	0.6	40
Advertising	790	0.5	0
Media and Other	154	0.1	1
<b>Total</b>	<b>1,785</b>	<b>1.2</b>	<b>41</b>