EQUITABLE

CANADA'S CHALLENGER BANK™

Supplemental Information and Regulatory Disclosures

For the three and six months ended June 30, 2019

Equitable Group Inc.

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Equitable Group Inc.

Notes to Readers

Reporting Changes
Effective Q1 2019, Equitable Group Inc. (the "Company" or "Equitable") reports the financial results of its businesses based on two portfolios: Retail and Commercial. This reporting structure better aligns our assets with our customer segments and the way in which we manage the businesses. It is also more consistent with market practice. Please refer to Note 2(f) to the interim consolidated financial statements for further details. In addition, the calculation of Net interest margin ("NIM") and the Efficiency Ratio does not include Tax equivalent basis ("TEB") adjustments.

We have updated all historical figures contained in this Supplemental Information and Regulatory Disclosures Report (the "Report") to conform to these reporting changes.

Purpose of this document
This Report aims to provide the readers with the following regulatory disclosures and other additional voluntary disclosures that will assist the readers' assessment of business performance of Equitable.

1. Disclosures related to the Company's loan portfolio, some of which relate to disclosure requirements outlined in OSFI's Guideline B-20, 'Residential Practices and Procedures', effective for Equitable Bank on January 1, 2013.

2. Equitable Bank (the "Bank")'s regulatory capital Basel Pillar III disclosures.

Use of this document
Readers are cautioned that financial information contained in this Report include both Generally Accepted Accounting Principles ("GAAP") and non-GAAP measures. The latter often does not have any standardized meaning, and therefore, are not comparable to similar measures presented by other financial institutions.

This Report should be read in conjunction with the Company's unaudited interim consolidated financial statements and accompanying notes, as well as Management's Discussion and Analysis ("MD&A") for the quarter ended June 30, 2019.

Basis of presentation
All amounts in this Report are Canadian dollars and are unaudited.

GAAP measures have been prepared in accordance with International Financial Reporting Standards ("IFRS") unless otherwise stated. Non-GAAP measures used in this Report are defined under the Section "Non-GAAP measures".

Adoption of IFRS 9
Effective January 1, 2018, the Company adopted IFRS 9 *Financial Instruments* ("IFRS 9") issued by the International Accounting Standards Board ("IASB"), which replaced the IAS 39 *Financial Instruments: Recognition and Measurement* ("IAS 39"). We restated the opening retained earnings balance on January 1, 2018 to reflect the impact of the new requirements but did not restate the comparative periods, as permitted by the standard. Therefore, the provision and allowance for credit losses and related ratios for 2019 and 2018 periods are not directly comparable to those in 2017 periods.

Adoption of IFRS 16
Effective January 1, 2019, the Company adopted IFRS 16 *Leases* ("IFRS 16") issued by the IASB, which replaced the IAS 17 *Leases*. Please refer Note 3 to interim consolidated financial statements for a summary of Company's accounting policies as it relates to IFRS 16. We restated the opening retained earnings balance on January 1, 2019 to reflect the impact of the new requirements but did not restate the comparative periods, as permitted by the standard. Therefore, current year disclosures are not directly comparable to prior year periods.

Equitable Group Inc.

SECOND QUARTER 2019
SUPPLEMENTAL INFORMATION AND REGULATORY DISCLOSURES

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Equitable Group Inc.

Table 1: Financial highlights

($ THOUSANDS, EXCEPT SHARE, PER SHARE AMOUNTS AND PERCENTAGES)	2019		2018				2017		YTD	
	Q2[1]	Q1[1]	Q4[1]	Q3[1]	Q2[1]	Q1[1]	Q4	Q3	**2019[1]**	2018[1]
RESULTS OF OPERATIONS										
Net income	**$ 54,022**	$ 41,661	$ 40,116	$ 47,806	$ 37,537	$ 40,167	$ 40,446	$ 37,869	**$ 95,683**	$ 77,704
Adjusted net income[2]	**54,512**	46,579	45,535	45,662	41,510	40,071	40,807	36,772	**101,091**	81,581
Net income available to common shareholders	**52,831**	40,470	38,926	46,615	36,346	38,976	39,256	36,678	**93,301**	75,322
Net interest income	**114,322**	105,352	94,591	93,024	79,496	81,270	79,697	71,964	**219,674**	160,766
Total revenue	**283,625**	271,494	239,568	232,410	214,958	200,786	197,648	189,290	**555,119**	415,744
EPS – basic[3]	**3.17**	2.44	2.35	2.82	2.20	2.36	2.38	2.23	**5.62**	4.57
EPS – diluted[3]	**3.15**	2.42	2.33	2.80	2.19	2.34	2.36	2.21	**5.57**	4.53
Adjusted EPS – diluted[2]	**3.18**	2.72	2.66	2.67	2.43	2.34	2.38	2.15	**5.90**	4.77
ROE[4]	**16.8%**	13.4%	12.9%	15.9%	13.0%	14.5%	14.9%	14.4%	**15.1%**	13.7%
Adjusted ROE[2]	**16.9%**	15.0%	14.7%	15.2%	14.4%	14.5%	15.0%	14.0%	**15.9%**	14.4%
Return on average assets[4]	**0.8%**	0.7%	0.7%	0.8%	0.7%	0.8%	0.8%	0.8%	**0.7%**	0.7%
Return on RWA[4]	**2.3%**	1.8%	1.9%	2.4%	2.0%	2.2%	2.3%	2.3%	**2.1%**	2.1%
NIM	**1.76%**	1.67%	1.58%	1.66%	1.50%	1.60%	1.56%	1.45%	**1.72%**	1.55%
Efficiency Ratio[4][5]	**39.5%**	41.1%	41.7%	36.5%	43.2%	37.9%	37.5%	37.6%	**40.3%**	40.5%
BALANCE SHEET										
Total assets	**26,361,201**	26,327,464	25,037,145	23,147,614	21,944,721	21,054,763	20,634,250	20,221,205		
Assets Under Management[4]	**30,909,183**	30,830,162	29,410,999	27,495,398	26,142,735	25,259,152	24,652,969	24,274,172		
Loans receivable	**24,867,909**	24,446,452	23,526,404	21,671,338	20,455,377	19,676,690	19,298,548	18,787,348		
Loans Under Management[4]	**29,321,091**	28,848,831	27,800,546	25,935,686	24,568,457	23,794,216	23,233,420	22,753,938		
Shareholders' equity	**1,359,646**	1,313,968	1,280,027	1,259,875	1,212,952	1,181,472	1,138,117	1,098,325		
Liquid assets[4]	**1,592,125**	2,046,896	1,406,592	1,439,394	1,782,905	1,775,459	1,479,429	1,459,711		
Total assets held for regulatory purposes as a % of total Equitable Bank assets	**5.6%**	7.3%	5.1%	5.6%	7.5%	7.8%	6.7%	6.7%		
Total liquid assets as a % of total assets	**6.0%**	7.8%	5.6%	6.2%	8.1%	8.4%	7.2%	7.2%		
Deposit principal	**14,532,042**	14,637,787	13,522,012	12,894,384	12,366,734	11,880,741	11,024,720	10,506,896		

[1] Effective January 1, 2018, the amounts and ratios have been prepared in accordance with IFRS 9.
2017 period comparatives were prepared in accordance with IAS 39 and have not been restated. As a result, 2019 and 2018 period disclosures are not directly comparable to 2017 periods.

[2] These adjusted results are derived by removing after-tax mark-to-market gains/losses on certain securities and derivatives from reported results.
Q1 2019 results are also adjusted for the after-tax provision for credit losses on performing leases recorded immediately after the acquisition of Bennington Financial Corp ("Bennington").
Q2 2018 results are also adjusted for the after-tax write-down of unamortized upfront costs associated with the reduction of the Company's secured backstop facility.

[3] YTD EPS may not equal the sum of the quarterly EPS as a result of rounding and the computation of the in-the-money options for the year versus the quarter.

[4] See Non-GAAP Measures section.

[5] Increases in this ratio reflect reduced efficiencies, whereas decreases reflect improved efficiencies.

Equitable Group Inc.

Table 1: Financial highlights (continued)

($ THOUSANDS, EXCEPT SHARE, PER SHARE AMOUNTS AND PERCENTAGES)	2019		2018				2017		YTD	
	Q2[1]	Q1[1]	Q4[1]	Q3[1]	Q2[1]	Q1[1]	Q4	Q3	**2019[1]**	2018[1]
CREDIT QUALITY										
Provision for credit losses	**$ 1,386**	$ 9,628	$ 628	$ 517	$ 168	$ 770	$ 387	$ 40	**$ 11,014**	$ 938
Provision for credit losses – rate[2]	**0.02%**	0.16%	0.01%	0.01%	0.003%	0.02%	0.01%	0.001%	**0.09%**	0.01%
Net impaired loan as a % of total loan assets[3]	**0.42%**	0.49%	0.16%	0.16%	0.13%	0.13%	0.12%	0.13%		
Allowance for credit losses as a % of total loan assets	**0.13%**	0.13%	0.11%	0.11%	0.12%	0.13%	0.17%	0.18%		
SHARE CAPITAL										
Common shares outstanding	**16,666,896**	16,642,685	16,554,018	16,553,113	16,520,618	16,515,238	16,503,437	16,479,034		
Book value per common share[2][4]	**77.22**	74.59	72.94	71.73	69.03	67.14	64.57	62.25		
Common share price – close	**72.59**	64.73	59.12	68.87	59.56	53.68	71.50	56.00		
Common share market capitalization	**1,209,850**	1,077,281	978,674	1,140,013	983,968	886,538	1,179,996	922,826		
Dividends declared per:[5]										
Common share	**0.31**	0.30	0.28	0.27	0.27	0.26	0.25	0.24	**0.61**	0.53
Preferred share – Series 3	**0.40**	0.40	0.40	0.40	0.40	0.40	0.40	0.40	**0.80**	0.80
Dividend Yield[2]	**1.8%**	1.8%	1.7%	1.7%	1.9%	1.7%	1.6%	1.7%	**1.8%**	1.8%
Dividend Payout[2]	**9.8%**	12.4%	12.0%	9.6%	12.3%	11.1%	10.6%	10.9%	**11.0%**	11.7%
EQUITABLE BANK CAPITAL RATIOS[2][6]										
RWA	**9,373,293**	9,229,237	8,802,891	8,389,236	7,790,674	7,396,553	7,035,380	6,814,247		
CET1 Ratio	**13.1%**	12.9%	13.5%	13.8%	14.3%	14.7%	14.8%	14.8%		
Tier 1 Capital Ratio	**13.9%**	13.7%	14.3%	14.7%	15.3%	15.7%	15.9%	15.8%		
Total Capital Ratio	**14.2%**	14.0%	14.5%	15.0%	15.6%	16.0%	16.3%	17.2%		
Leverage Ratio	**4.9%**	4.7%	5.0%	5.3%	5.4%	5.5%	5.4%	5.3%		

(1) Effective January 1, 2018, the amounts and ratios have been prepared in accordance with IFRS 9.
2017 period comparatives were prepared in accordance with IAS 39 and have not been restated. As a result, 2019 and 2018 period disclosures are not directly comparable to 2017 periods.

(2) See Non-GAAP Measures section.

(3) Effective January 1, 2018, as a result of adoption of IFRS 9, net impaired loans have been revised to include all loans that are in arrears 90 days or greater and reflect gross impaired loan assets less stage 3 allowances. Prior period net impaired loans are presented under IAS 39 and do not include insured loans that are less than 365 days in arrears. Prior period net impaired loans equals to gross impaired loan assets less individual allowances.

(4) The adoption of IFRS 9 resulted in a $0.42 increase in our book value per common share as at January 1, 2018.
The adoption of IFRS 16 resulted in a $0.05 decrease in our book value per common share as at January 1, 2019.

(5) YTD dividends declared per share may not equal the sum of the quarterly dividends per share as a result of rounding.

(6) The Bank adopted IFRS 9 effective January 1, 2018 and IFRS 16 effective January 1, 2019. The related transitional impact on regulatory capital and RWA was recognized upon adoption.

Equitable Group Inc.

Table 2: Interim consolidated statements of income

	2019		2018				2017		YTD	
($ THOUSANDS, EXCEPT SHARE AND PER SHARE AMOUNTS)	**Q2[1]**	Q1[1]	Q4[1]	Q3[1]	Q2[1]	Q1[1]	Q4	Q3	**2019[1]**	2018[1]
Interest income:										
Loans – Retail	**$ 168,136**	$ 159,222	$ 151,238	$ 138,553	$ 129,328	$ 122,467	$ 119,985	$ 110,700	**$ 327,358**	$ 251,795
Loans – Commercial	**98,208**	97,629	82,059	76,923	70,258	65,524	64,494	62,040	**195,837**	135,782
Investments	**2,084**	1,821	1,825	1,496	1,500	1,046	939	65	**3,905**	2,546
Other	**6,724**	5,934	4,914	4,964	4,163	3,805	3,728	4,296	**12,658**	7,968
	275,152	264,606	240,036	221,936	205,249	192,842	189,146	177,101	**539,758**	398,091
Interest expense:										
Deposits	**96,280**	92,363	84,433	76,666	68,748	61,144	56,255	53,025	**188,643**	129,892
Securitization liabilities	**62,653**	62,903	55,898	47,581	44,825	43,562	44,961	43,647	**125,556**	88,387
Bank facilities	**1,897**	2,655	3,557	3,423	11,536	5,726	6,970	6,536	**4,552**	17,262
Debentures	**-**	-	-	-	-	-	229	950	**-**	-
Others	**-**	1,333	1,557	1,242	644	1,140	1,034	979	**1,333**	1,784
	160,830	159,254	145,445	128,912	125,753	111,572	109,449	105,137	**320,084**	237,325
Net interest income	**114,322**	105,352	94,591	93,024	79,496	81,270	79,697	71,964	**219,674**	160,766
Provision for credit losses	**1,386**	9,628	628	517	168	770	387	40	**11,014**	938
Net interest income after provision for credit losses	**112,936**	95,724	93,963	92,507	79,328	80,500	79,310	71,924	**208,660**	159,828
Other income:										
Fees and other income	**5,900**	5,644	4,462	4,843	6,547	5,377	6,153	7,492	**11,544**	11,924
Net gain (loss) on investments	**76**	(821)	(3,754)	131	138	(370)	-	(100)	**(745)**	(232)
Gains (losses) on securitization activities and income from securitization retained interests	**2,497**	2,065	(1,176)	5,500	3,024	2,937	2,349	4,797	**4,562**	5,961
	8,473	6,888	(468)	10,474	9,709	7,944	8,502	12,189	**15,361**	17,653
Net interest and other income	**121,409**	102,612	93,495	102,981	89,037	88,444	87,812	84,113	**224,021**	177,481
Non-interest expenses:										
Compensation and benefits	**25,751**	24,284	20,021	19,406	19,032	18,603	15,821	16,495	**50,035**	37,635
Other	**22,745**	21,827	19,212	18,391	19,491	15,207	17,252	15,147	**44,572**	34,698
	48,496	46,111	39,233	37,797	38,523	33,810	33,073	31,642	**94,607**	72,333
Income before income taxes	**72,913**	56,501	54,262	65,184	50,514	54,634	54,739	52,471	**129,414**	105,148
Income taxes:										
Current	**17,861**	13,576	10,526	17,124	12,404	14,320	10,360	15,773	**31,437**	26,724
Deferred	**1,030**	1,264	3,620	254	573	147	3,933	(1,171)	**2,294**	720
	18,891	14,840	14,146	17,378	12,977	14,467	14,293	14,602	**33,731**	27,444
Net income	**$ 54,022**	$ 41,661	$ 40,116	$ 47,806	$ 37,537	$ 40,167	$ 40,446	$ 37,869	**$ 95,683**	$ 77,704
Dividends on preferred shares	**1,191**	1,191	1,190	1,191	1,191	1,191	1,190	1,191	**2,382**	2,382
Net income available to common shareholders	**$ 52,831**	$ 40,470	$ 38,926	$ 46,615	$ 36,346	$ 38,976	$ 39,256	$ 36,678	**$ 93,301**	$ 75,322
Common shares outstanding:										
Weighted average basic	**16,650,635**	16,573,522	16,553,212	16,528,351	16,517,020	16,507,603	16,486,677	16,478,314	**16,612,292**	16,512,338
Weighted average diluted	**16,770,276**	16,702,520	16,672,512	16,654,209	16,603,186	16,629,832	16,625,927	16,570,256	**16,736,586**	16,616,446
Earnings per share:										
Basic	**$ 3.17**	$ 2.44	$ 2.35	$ 2.82	$ 2.20	$ 2.36	$ 2.38	$ 2.23	**$ 5.62**	$ 4.57
Diluted	**$ 3.15**	$ 2.42	$ 2.33	$ 2.80	$ 2.19	$ 2.34	$ 2.36	$ 2.21	**$ 5.57**	$ 4.53

[1] Effective January 1, 2018, the amounts have been prepared in accordance with IFRS 9.
2017 period comparatives were prepared in accordance with IAS 39 and have not been restated. As a result, 2019 and 2018 period disclosures are not directly comparable to 2017 periods.

Equitable Group Inc.

Table 3: Net interest income and margin

($ THOUSANDS, EXCEPT PERCENTAGES)	2019 Q2 Average Balance[1]	2019 Q2 Average rate	2019 Q2 Revenue/ Expense	2019 Q1 Average Balance[1]	2019 Q1 Average rate	2019 Q1 Revenue/ Expense	2018 Q4 Average Balance[1]	2018 Q4 Average rate	2018 Q4 Revenue/ Expense	2018 Q3 Average Balance[1]	2018 Q3 Average rate	2018 Q3 Revenue/ Expense
Revenues derived from:												
Cash and equivalents	**$ 1,435,249**	**2.04%**	**$ 7,289**	$ 1,341,761	1.93%	$ 6,379	$ 1,106,050	1.84%	$ 5,124	$ 1,118,262	1.77%	$ 4,979
Equity securities	**123,456**	**4.93%**	**1,519**	129,862	4.30%	1,376	143,068	4.48%	1,615	145,433	4.04%	1,481
Alternative single family mortgages	**11,006,951**	**4.85%**	**133,183**	10,730,758	4.78%	126,348	10,377,724	4.65%	121,683	10,005,745	4.58%	115,614
Prime single family mortgages	**5,773,940**	**2.42%**	**34,835**	5,621,753	2.37%	32,803	5,119,956	2.29%	29,516	4,192,967	2.17%	22,914
Other retail loans	**7,911**	**5.99%**	**118**	4,595	6.28%	71	2,481	6.19%	39	1,609	6.22%	25
Total Retail loans	**16,788,802**	**4.02%**	**168,136**	16,357,106	3.95%	159,222	15,500,161	3.87%	151,238	14,200,321	3.87%	138,553
Conventional commercial loans	**3,804,596**	**6.05%**	**57,409**	3,877,759	6.10%	58,355	3,703,914	5.80%	54,183	3,421,150	5.70%	49,136
Equipment leases[2]	**452,400**	**12.00%**	**13,537**	416,836	11.88%	12,215	N/A	N/A	N/A	N/A	N/A	N/A
Insured Multi-unit residential mortgages	**3,491,212**	**3.13%**	**27,262**	3,401,457	3.23%	27,059	3,353,071	3.30%	27,876	3,331,698	3.31%	27,787
Total Commercial loans	**7,748,208**	**5.08%**	**98,208**	7,696,052	5.14%	97,629	7,056,985	4.61%	82,059	6,752,848	4.52%	76,923
Average interest earning assets	**$ 26,095,715**	**4.23%**	**$ 275,152**	$ 25,524,781	4.20%	$ 264,606	$ 23,806,264	4.00%	$ 240,036	$ 22,216,864	3.96%	$ 221,936
Expenses related to:												
Deposits	**$ 14,610,659**	**2.64%**	**$ 96,280**	$ 14,057,319	2.66%	$ 92,363	$ 13,173,201	2.54%	$ 84,432	$ 12,626,633	2.41%	$ 76,666
Secured backstop funding facility[3]	**-**	**N/A**	**1,441**	-	N/A	2,249	-	N/A	2,273	-	N/A	2,289
Securitization liabilities	**9,839,097**	**2.55%**	**62,653**	9,697,566	2.63%	62,903	8,653,299	2.56%	55,898	7,723,784	2.44%	47,581
Debentures	**-**	**N/A**	**-**	-	N/A	-	-	N/A	-	-	N/A	-
Other	**39,996**	**4.57%**	**456**	192,275	3.67%	1,739	485,294	2.32%	2,842	433,512	2.17%	2,376
Average interest bearing liabilities	**$ 24,489,752**	**2.63%**	**$ 160,830**	$ 23,947,160	2.70%	$ 159,254	$ 22,311,794	2.59%	$ 145,445	$ 20,783,929	2.46%	$ 128,912
Net interest income and margin		**1.76%**	**$ 114,322**		1.67%	$ 105,352		1.58%	$ 94,591		1.66%	$ 93,024

[1] Average balances are calculated based on the daily average balances outstanding during the period.

[2] The revenue derived from and the average rate on Equipment leases represents earnings on the Bennington equipment lease portfolio. Bennington was consolidated as of January 1, 2019. Bennington data for periods prior to acquisition are not included.

[3] Since its establishment in June 2017, there have been no draws on the secured backstop funding facility.

Table 3: Net interest income and margin (continued)

	2018						2017					
	Q2			Q1			Q4			Q3		
($ THOUSANDS, EXCEPT PERCENTAGES)	Average Balance[1]	Average rate	Revenue/ Expense	Average Balance[1]	Average rate	Revenue/ Expense	Average Balance[1]	Average rate	Revenue/ Expense	Average Balance[1]	Average rate	Revenue/ Expense
Revenues derived from:												
Cash and equivalents	$ 1,165,096	1.43%	$ 4,164	$ 1,147,715	1.34%	$ 3,805	$ 1,176,195	1.26%	$ 3,727	$ 1,241,617	1.07%	$ 3,361
Equity securities	141,869	4.24%	1,499	104,331	4.07%	1,046	95,700	3.89%	940	94,012	4.22%	1,000
Alternative single family mortgages	9,622,198	4.54%	108,887	9,406,019	4.43%	102,846	9,182,337	4.33%	100,316	8,752,755	4.14%	91,395
Prime single family mortgages	3,933,205	2.08%	20,412	3,893,568	2.04%	19,619	3,933,385	1.98%	19,669	3,959,490	1.93%	19,305
Other retail loans	891	13.06%	29	122	5.80%	2	-	N/A	-	-	N/A	-
Total Retail loans	13,556,294	3.83%	129,328	13,299,709	3.73%	122,467	13,115,722	3.63%	119,985	12,712,245	3.45%	110,700
Conventional commercial loans	3,235,323	5.53%	44,607	2,956,079	5.52%	40,267	2,885,130	5.41%	39,314	2,802,195	5.38%	37,977
Equipment leases[2]	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Insured Multi-unit residential mortgages	3,149,418	3.27%	25,651	3,062,534	3.34%	25,257	2,964,635	3.37%	25,180	2,873,411	3.32%	24,063
Total Commercial loans	6,384,741	4.41%	70,258	6,018,613	4.42%	65,524	5,849,765	4.37%	64,494	5,675,606	4.34%	62,040
Average interest earning assets	$ 21,248,000	3.87%	$ 205,249	$ 20,570,368	3.80%	$ 192,842	$ 20,237,382	3.71%	$ 189,146	$ 19,723,480	3.56%	$ 177,101
Expenses related to:												
Deposits	$ 12,106,838	2.28%	$ 68,748	$ 11,430,882	2.17%	$ 61,145	$ 10,703,606	2.09%	$ 56,256	$ 10,153,832	2.07%	$ 53,025
Secured backstop funding facility[3]	-	N/A	10,999	-	N/A	5,293	-	N/A	5,336	-	N/A	5,425
Securitization liabilities	7,496,880	2.40%	44,825	7,494,697	2.36%	43,562	7,608,618	2.34%	44,961	7,732,351	2.24%	43,647
Debentures	-	N/A	-	-	N/A	-	12,581	7.22%	229	65,000	5.80%	950
Other	219,020	2.16%	1,181	311,148	2.05%	1,572	631,158	1.68%	2,667	540,193	1.54%	2,090
Average interest bearing liabilities	$ 19,822,738	2.54%	$ 125,753	$ 19,236,727	2.35%	$ 111,572	$ 18,955,963	2.29%	$ 109,449	$ 18,491,376	2.26%	$ 105,137
Net interest income and margin		1.50%	$ 79,496		1.60%	$ 81,270		1.56%	$ 79,697		1.45%	$ 71,964

[1] Average balances are calculated based on the daily average balances outstanding during the period.

[2] The revenue derived from and the average rate on Equipment leases represents earnings on the Bennington equipment lease portfolio. Bennington was consolidated as of January 1, 2019. Bennington data for periods prior to acquisition are not included.

[3] Since its establishment in June 2017, there have been no draws on the secured backstop funding facility.

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Table 3: Net interest income and margin (continued)

	YTD					
	2019			2018		
($ THOUSANDS, EXCEPT PERCENTAGES)	**Average Balance[1]**	**Average rate**	**Revenue/ Expense**	Average Balance[1]	Average rate	Revenue/ Expense
Revenues derived from:						
Cash and equivalents	**$ 1,356,366**	**2.03%**	**$ 13,668**	$ 1,156,405	1.39%	$ 7,969
Equity securities	**126,659**	**4.61%**	**2,895**	123,100	4.17%	2,545
Alternative single family mortgages	**10,868,854**	**4.82%**	**259,531**	9,514,109	4.49%	211,733
Prime single family mortgages	**5,697,847**	**2.39%**	**67,638**	3,913,387	2.06%	40,031
Other retail loans	**6,253**	**6.05%**	**189**	507	12.24%	31
Total Retail loans	**16,572,954**	**3.98%**	**327,358**	13,428,003	3.78%	251,795
Conventional commercial loans	**3,841,177**	**6.08%**	**115,764**	3,095,701	5.53%	84,874
Equipment leases[2]	**434,618**	**11.95%**	**25,752**	N/A	N/A	N/A
Insured Multi-unit residential mortgages	**3,446,335**	**3.18%**	**54,321**	3,105,976	3.31%	50,908
Total Commercial loans	**7,722,130**	**5.11%**	**195,837**	6,201,677	4.42%	135,782
Average interest earning assets	**$ 25,778,109**	**4.22%**	**$ 539,758**	$ 20,909,185	3.84%	$ 398,091
Expenses related to:						
Deposits	**$ 14,333,989**	**2.65%**	**$ 188,643**	$ 11,768,860	2.23%	$ 129,893
Secured backstop funding facility[3]	**-**	**N/A**	**3,690**	-	N/A	16,292
Securitization liabilities	**9,768,332**	**2.59%**	**125,556**	7,495,789	2.38%	88,387
Other	**116,136**	**3.81%**	**2,195**	265,084	2.09%	2,753
Average interest bearing liabilities	**$ 24,218,457**	**2.67%**	**$ 320,084**	$ 19,529,733	2.45%	$ 237,325
Net interest income and margin		**1.72%**	**$ 219,674**		1.55%	$ 160,766

(1) Average balances are calculated based on the daily average balances outstanding during the period.

(2) The revenue derived from and the average rate on Equipment leases represents earnings on the Bennington equipment lease portfolio. Bennington was consolidated as of January 1, 2019. Bennington data for periods prior to acquisition are not included.

(3) Since its establishment in June 2017, there have been no draws on the secured backstop funding facility.

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Table 4: Non-interest expenses and Efficiency Ratio

	2019		2018				2017		YTD	
($ THOUSANDS, EXCEPT PERCENTAGES AND FTE)	**Q2[(1)]**	Q1[(1)]	Q4[(1)]	Q3[(1)]	Q2[(1)]	Q1[(1)]	Q4	Q3	**2019[(1)]**	2018[(1)]
Compensation and benefits	**$ 25,751**	$ 24,284	$ 20,021	$ 19,406	$ 19,032	$ 18,603	$ 15,821	$ 16,495	**$ 50,035**	$ 37,635
Technology and system costs	**7,617**	7,429	5,858	6,137	5,751	4,901	5,490	4,974	**15,046**	10,652
Marketing and corporate expenses	**4,776**	3,654	3,830	3,509	5,696	2,962	3,501	2,527	**8,430**	8,658
Regulatory, legal and professional fees	**4,447**	4,674	4,303	3,780	3,117	2,749	3,538	2,950	**9,121**	5,866
Product costs	**3,645**	3,842	3,372	3,278	3,377	3,055	3,110	3,128	**7,487**	6,432
Premises	**2,260**	2,228	1,849	1,687	1,550	1,540	1,613	1,568	**4,488**	3,090
Total non-interest expenses	**$ 48,496**	$ 46,111	$ 39,233	$ 37,797	$ 38,523	$ 33,810	$ 33,073	$ 31,642	**$ 94,607**	$ 72,333
Efficiency Ratio	**39.5%**	41.1%	41.7%	36.5%	43.2%	37.9%	37.5%	37.6%	**40.3%**	40.5%
Full-time employee ("FTE") – period average	**820**	795	665	640	613	604	586	573	**810**	609

(1) Effective January 1, 2018, the amounts and ratios have been prepared in accordance with IFRS 9.
2017 period comparatives were prepared in accordance with IAS 39 and have not been restated. As a result, 2019 and 2018 period disclosures are not directly comparable to 2017 periods.

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Table 5: Interim consolidated balance sheets

($ THOUSANDS)	2019 Q2[1]	2019 Q1[1]	2018 Q4[1]	2018 Q3[1]	2018 Q2[1]	2018 Q1[1]	2017 Q4	2017 Q3
Assets								
Cash and cash equivalents	**$ 424,422**	$ 486,422	$ 477,243	$ 755,952	$ 793,688	$ 698,359	$ 660,930	$ 724,314
Restricted cash	**462,438**	381,144	327,097	359,283	347,285	333,097	366,038	397,365
Securities purchased under reverse repurchase agreements	**125,069**	547,620	250,000	-	-	-	-	-
Investments	**196,699**	198,321	193,399	159,034	155,048	148,072	107,442	112,255
Loans – Retail	**17,014,738**	16,734,424	16,203,139	14,692,346	13,874,941	13,465,351	13,287,596	13,044,598
Loans – Commercial	**7,853,171**	7,712,028	7,323,265	6,978,992	6,580,436	6,211,339	6,010,952	5,742,750
Securitization retained interests	**124,561**	119,183	115,331	111,202	109,191	106,222	104,429	102,715
Other assets	**160,103**	148,322	147,671	90,805	84,132	92,323	96,863	97,208
	$ 26,361,201	$ 26,327,464	$ 25,037,145	$ 23,147,614	$ 21,944,721	$ 21,054,763	$ 20,634,250	$ 20,221,205
Liabilities and Shareholders' Equity								
Liabilities:								
Deposits	**$ 14,720,700**	$ 14,821,107	$ 13,668,521	$ 13,021,485	$ 12,476,974	$ 11,999,157	$ 11,114,313	$ 10,594,205
Securitization liabilities	**10,024,334**	9,926,375	9,236,045	8,175,776	7,584,327	7,554,866	7,565,545	7,730,776
Obligations under repurchase agreements	**-**	-	342,010	299,028	202,928	104,652	452,001	316,087
Deferred tax liabilities	**58,100**	59,366	42,610	38,990	38,735	38,162	35,802	31,869
Other liabilities	**198,421**	206,648	177,961	178,946	177,994	176,454	199,601	191,289
Bank facilities	**-**	-	289,971	173,514	250,811	-	128,871	193,654
Debentures	**-**	-	-	-	-	-	-	65,000
	25,001,555	25,013,496	23,757,118	21,887,739	20,731,769	19,873,291	19,496,133	19,122,880
Shareholders' equity:								
Preferred shares	**72,557**	72,557	72,557	72,557	72,557	72,557	72,557	72,557
Common shares	**206,039**	204,492	200,792	200,760	199,305	199,123	198,660	197,488
Contributed surplus	**7,132**	6,907	7,035	6,707	6,612	6,309	6,012	5,870
Retained earnings[2]	**1,096,231**	1,049,208	1,014,559	980,272	938,122	906,235	866,109	830,976
Accumulated other comprehensive loss ("AOCI")[3]	**(22,313)**	(19,196)	(14,916)	(421)	(3,644)	(2,752)	(5,221)	(8,566)
	1,359,646	1,313,968	1,280,027	1,259,875	1,212,952	1,181,472	1,138,117	1,098,325
	$ 26,361,201	$ 26,327,464	$ 25,037,145	$ 23,147,614	$ 21,944,721	$ 21,054,763	$ 20,634,250	$ 20,221,205

(1) Effective January 1, 2018, the amounts have been prepared in accordance with IFRS 9.
2017 period comparatives were prepared in accordance with IAS 39 and have not been restated. As a result, 2019 and 2018 period disclosures are not directly comparable to 2017 periods.

(2) Retained earnings as at January 1, 2018 were restated by adding $5.5 million as a result of adoption of IFRS 9.
Retained earnings as at January 1, 2019 were restated by reducing $0.8 million as a result of adoption of IFRS 16.

(3) AOCI as at January 1, 2018 were restated by adding $1.4 million as a result of adoption of IFRS 9.

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Table 6: Average balance sheet information[1]

($ THOUSANDS)	2019 Q2[2]	2019 Q1[2]	2018 Q4[2]	2018 Q3[2]	2018 Q2[2]	2018 Q1[2]	2017 Q4	2017 Q3
Assets								
Cash and cash equivalents	$ **561,251**	$ 573,721	$ 545,301	$ 690,518	$ 665,875	$ 636,435	$ 643,779	$ 661,371
Restricted cash	**438,358**	354,320	373,391	345,071	358,210	344,718	389,956	422,817
Securities purchased under reverse repurchase agreements	**168,172**	199,405	62,500	-	-	-	-	-
Investments	**200,607**	193,993	178,856	157,159	152,376	122,329	111,255	112,516
Loans – Retail	**16,876,702**	16,471,346	15,534,431	14,279,044	13,651,722	13,375,158	13,184,404	12,802,589
Loans – Commercial	**7,821,675**	7,669,674	7,156,407	6,820,397	6,429,401	6,123,584	5,896,772	5,773,963
Securitization retained interests	**120,231**	116,101	111,361	109,398	106,295	103,878	102,081	98,958
Other assets	**150,078**	143,523	105,843	88,430	89,594	96,453	95,217	99,392
	$ **26,337,074**	$ 25,722,083	$ 24,068,090	$ 22,490,017	$ 21,453,473	$ 20,802,555	$ 20,423,464	$ 19,971,606
Liabilities and Shareholders' Equity								
Liabilities:								
Deposits	$ **14,804,803**	$ 14,248,729	$ 13,333,004	$ 12,778,575	$ 12,226,341	$ 11,549,408	$ 10,832,913	$ 10,316,683
Securitization liabilities	**9,921,044**	9,676,235	8,710,856	7,821,158	7,549,145	7,532,079	7,643,718	7,740,795
Obligations under repurchase agreements	**-**	166,245	321,594	276,134	166,565	261,137	345,181	346,053
Deferred tax liabilities	**59,050**	54,545	40,378	38,805	38,305	37,499	33,442	40,958
Other liabilities	**214,424**	207,504	192,834	169,752	192,965	156,279	176,547	214,876
Bank facilities	**-**	72,493	196,605	168,070	79,816	101,735	256,666	167,051
Debentures	**-**	-	-	-	-	-	16,250	65,000
	24,999,321	24,425,751	22,795,271	21,252,494	20,253,137	19,638,137	19,304,717	18,891,416
Shareholders' equity:								
Preferred shares	**72,557**	72,557	72,557	72,557	72,557	72,557	72,557	72,557
Common shares	**205,081**	201,799	200,768	199,724	199,189	198,816	197,919	197,462
Contributed surplus	**7,027**	7,071	6,871	6,719	6,468	6,152	5,985	5,741
Retained earnings	**1,073,636**	1,031,358	999,819	960,246	924,969	889,168	849,334	815,401
Accumulated other comprehensive loss	**(20,548)**	(16,453)	(7,196)	(1,723)	(2,847)	(2,275)	(7,048)	(10,971)
	1,337,753	1,296,332	1,272,819	1,237,523	1,200,336	1,164,418	1,118,747	1,080,190
	$ **26,337,074**	$ 25,722,083	$ 24,068,090	$ 22,490,017	$ 21,453,473	$ 20,802,555	$ 20,423,464	$ 19,971,606

[1] Average balance is calculated based on opening and closing month-end balances outstanding during the period.

[2] Effective January 1, 2018, the amounts have been prepared in accordance with IFRS 9.

2017 period comparatives were prepared in accordance with IAS 39 and have not been restated. As a result, 2019 and 2018 period disclosures are not directly comparable to 2017 periods.

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Table 7: Loan principal under administration – by lending business

($ THOUSANDS)	2019 Q2[1]	2019 Q1[1]	2018 Q4[1]	2018 Q3[1]	2018 Q2[1]	2018 Q1[1]	2017 Q4	2017 Q3
Insured								
Retail	$ **6,821,367**	$ 6,870,059	$ 6,609,559	$ 5,538,746	$ 5,242,287	$ 5,294,502	$ 5,398,885	$ 5,464,465
Commercial	**3,643,498**	3,444,287	3,528,139	3,401,099	3,358,404	3,135,804	3,082,022	2,917,516
Total loan principal outstanding	$ **10,464,865**	$ 10,314,346	$ 10,137,698	$ 8,939,845	$ 8,600,691	$ 8,430,306	$ 8,480,907	$ 8,381,981
Total loan principal outstanding percentage	**42%**	42%	43%	41%	42%	43%	44%	45%
Uninsured								
Retail	$ **10,094,543**	$ 9,759,495	$ 9,492,604	$ 9,070,288	$ 8,547,797	$ 8,061,562	$ 7,811,665	$ 7,495,501
Commercial	**4,213,701**	4,272,292	3,796,390	3,577,769	3,221,955	3,097,959	2,922,129	2,823,489
Total loan principal outstanding	$ **14,308,244**	$ 14,031,787	$ 13,288,994	$ 12,648,057	$ 11,769,752	$ 11,159,521	$ 10,733,794	$ 10,318,990
Total loan principal outstanding percentage	**58%**	58%	57%	59%	58%	57%	56%	55%
Total loan principal outstanding – on Balance Sheet	$ **24,773,109**	$ 24,346,133	$ 23,426,692	$ 21,587,902	$ 20,370,443	$ 19,589,827	$ 19,214,701	$ 18,700,971
Derecognized								
Retail	$ **-**	$ -	$ -	$ -	$ -	$ -	$ -	$ 23,398
Commercial	**4,547,982**	4,502,698	4,373,854	4,347,784	4,198,014	4,204,389	4,018,719	4,029,569
Total loan principal outstanding – off Balance Sheet	$ **4,547,982**	$ 4,502,698	$ 4,373,854	$ 4,347,784	$ 4,198,014	$ 4,204,389	$ 4,018,719	$ 4,052,967
Loans Under Management	$ **29,321,091**	$ 28,848,831	$ 27,800,546	$ 25,935,686	$ 24,568,457	$ 23,794,216	$ 23,233,420	$ 22,753,938
Retail								
Alternative single family mortgages	$ **11,155,609**	$ 10,920,051	$ 10,602,110	$ 10,225,608	$ 9,826,147	$ 9,497,132	$ 9,341,819	$ 9,054,784
Prime single family mortgages	**5,749,924**	5,703,570	5,496,655	4,381,735	3,962,788	3,858,527	3,868,731	3,928,580
Other retail loans	**10,377**	5,933	3,398	1,691	1,149	405	-	-
Total	**16,915,910**	16,629,554	16,102,163	14,609,034	13,790,084	13,356,064	13,210,550	12,983,364
Commercial								
Mortgages – to Corporates	**1,590,603**	1,734,367	1,689,641	1,625,780	1,439,961	1,479,025	1,312,655	1,243,059
Mortgages – to Small Business	**854,743**	836,892	817,182	806,774	779,985	760,268	759,463	747,545
Equipment leases[2]	**469,271**	448,812	N/A	N/A	N/A	N/A	N/A	N/A
Insured Multi-unit residential mortgages	**8,125,261**	7,879,612	7,827,046	7,697,701	7,526,050	7,308,787	7,073,125	6,917,338
Specialty financing loans	**226,711**	224,546	262,647	247,950	243,558	251,329	275,427	248,737
Construction loans	**1,138,592**	1,095,048	1,101,867	948,447	788,819	638,743	602,200	613,895
Total	**12,405,181**	12,219,277	11,698,383	11,326,652	10,778,373	10,438,152	10,022,870	9,770,574
Loans Under Management	$ **29,321,091**	$ 28,848,831	$ 27,800,546	$ 25,935,686	$ 24,568,457	$ 23,794,216	$ 23,233,420	$ 22,753,938

[1] Effective January 1, 2018, the amounts have been prepared in accordance with IFRS 9.
2017 period comparatives were prepared in accordance with IAS 39 and have not been restated. As a result, 2019 and 2018 period disclosures are not directly comparable to 2017 periods.

[2] Bennington equipment leases data for periods prior to acquisition are not included.

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Table 8: Deposit principal

($ THOUSANDS)	2019 Q2(1)	2019 Q1(1)	2018 Q4(1)	2018 Q3(1)	2018 Q2(1)	2018 Q1(1)	2017 Q4	2017 Q3
Brokered deposits								
Term	**$ 11,097,490**	$ 11,316,137	$ 10,345,979	$ 9,839,929	$ 9,402,210	$ 9,104,613	$ 8,291,682	$ 7,824,106
Demand	**597,664**	637,777	679,147	714,291	773,437	891,783	955,456	949,116
	11,695,154	11,953,914	11,025,126	10,554,220	10,175,647	9,996,396	9,247,138	8,773,222
EQ Bank deposits								
Term	**549,593**	529,144	753,687	278,940	157,861	32,677	-	-
Demand	**1,701,405**	1,689,463	1,434,494	1,791,139	1,816,125	1,701,617	1,627,582	1,583,674
	2,250,998	2,218,607	2,188,181	2,070,079	1,973,986	1,734,294	1,627,582	1,583,674
Strategic partnerships	**435,423**	315,266	158,705	120,085	67,101	51	-	-
Deposit notes	**150,467**	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Total deposit principal	**$ 14,532,042**	$ 14,637,787	$ 13,522,012	$ 12,894,384	$ 12,366,734	$ 11,880,741	$ 11,024,720	$ 10,506,896

(1) Effective January 1, 2018, the amounts have been prepared in accordance with IFRS 9.
2017 period comparatives were prepared in accordance with IAS 39 and have not been restated. As a result, 2019 and 2018 period disclosures are not directly comparable to 2017 periods.

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Table 9: Impaired loans - by lending business

($ THOUSANDS, EXCEPT PERCENTAGES)	2019 Q2[1]	2019 Q1[1]	2018 Q4[1]	2018 Q3[1]	2018 Q2[1]	2018 Q1[1]	2017 Q4	2017 Q3
Gross impaired loan assets[2]								
Retail	**$ 50,264**	$ 51,923	$ 38,469	$ 35,245	$ 27,527	$ 26,879	$ 22,419	$ 24,727
Commercial excluding equipment leases	**41,906**	42,235	462	272	867	154	1,534	1,515
Equipment leases[3]	**17,038**	27,730	N/A	N/A	N/A	N/A	N/A	N/A
Total	**$ 109,208**	$ 121,888	$ 38,931	$ 35,517	$ 28,394	$ 27,033	$ 23,953	$ 26,242
Net impaired loan assets[4]								
Retail	**$ 48,253**	$ 50,253	$ 36,955	$ 34,014	$ 26,313	$ 26,040	$ 21,270	$ 23,383
Commercial excluding equipment leases	**41,846**	42,176	450	272	846	154	1,219	1,204
Equipment leases[3]	**15,641**	27,242	N/A	N/A	N/A	N/A	N/A	N/A
Total	**$ 105,740**	$ 119,671	$ 37,405	$ 34,286	$ 27,159	$ 26,194	$ 22,489	$ 24,587
Net impaired loan assets as a % of portfolio loan assets								
Retail	**0.28%**	0.30%	0.23%	0.23%	0.19%	0.19%	0.16%	0.18%
Commercial excluding equipment leases	**0.56%**	0.58%	0.01%	0.004%	0.01%	0.002%	0.02%	0.02%
Equipment leases[3]	**3.33%**	6.07%	N/A	N/A	N/A	N/A	N/A	N/A
Total	**0.42%**	0.49%	0.16%	0.16%	0.13%	0.13%	0.12%	0.13%

(1) Effective January 1, 2018, the amounts and ratios have been prepared in accordance with IFRS 9.
2017 period comparatives were prepared in accordance with IAS 39 and have not been restated. As a result, 2019 and 2018 period disclosures are not directly comparable to 2017 periods.

(2) Under IFRS 9, loans are reassessed and deemed to be impaired at the earlier of the date they have been individually provided for or when they have been in arrears for 90 days or greater.
Under IAS 39, uninsured loans were deemed to be impaired at the earlier of the date they have been individually provided for or when they have been in arrears over 90 days;
Insured loans were deemed to be impaired when payment were contractually past due 365 days.

(3) Bennington equipment leases data for periods prior to acquisition are not included.

(4) Net impaired loan assets reflect gross impaired loans less stage 3 allowances under IFRS 9 and were reported as gross impaired loans less individual allowances under IAS 39.

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Table 10: Provision for credit losses - by lending business (under IFRS 9)

	2019		2018				YTD	
($ THOUSANDS)	**Q2**	Q1	Q4	Q3	Q2	Q1	**2019**	2018
Stage 1								
Retail	**$ (70)**	$ 233	$ 121	$ 718	$ (289)	$ 124	**$ 163**	$ (165)
Commercial excluding equipment leases	**(82)**	91	56	(497)	517	(84)	**9**	433
Equipment leases[1]	**(78)**	4,737	N/A	N/A	N/A	N/A	**4,659**	N/A
Total	**(230)**	5,061	177	221	228	40	**4,831**	268
Stage 2								
Retail	**(120)**	5	(25)	(433)	(305)	294	**(115)**	(11)
Commercial excluding equipment leases	**(76)**	(99)	(79)	462	(450)	85	**(175)**	(365)
Equipment leases[1]	**26**	1,312	N/A	N/A	N/A	N/A	**1,338**	N/A
Total	**(170)**	1,218	(104)	29	(755)	379	**1,048**	(376)
Stage 3								
Retail	**884**	781	488	271	593	234	**1,665**	827
Commercial excluding equipment leases	**8**	38	67	(4)	102	117	**46**	219
Equipment leases[1]	**894**	2,530	N/A	N/A	N/A	N/A	**3,424**	N/A
Total	**1,786**	3,349	555	267	695	351	**5,135**	1,046
Total provision for credit losses								
Retail	**694**	1,019	584	556	(1)	652	**1,713**	651
Commercial excluding equipment leases	**(150)**	30	44	(39)	169	118	**(120)**	287
Equipment leases[1]	**842**	8,579	N/A	N/A	N/A	N/A	**9,421**	N/A
Total	**$ 1,386**	$ 9,628	$ 628	$ 517	$ 168	$ 770	**$ 11,014**	$ 938
Total provision for credit losses as a % of average portfolio loan principal								
Retail	**0.02%**	0.02%	0.02%	0.02%	(0.00%)	0.02%	**0.02%**	0.01%
Commercial excluding equipment leases	**(0.01%)**	0.002%	0.002%	(0.002%)	0.01%	0.01%	**(0.002%)**	0.01%
Equipment leases[1]	**0.73%**	7.74%	N/A	N/A	N/A	N/A	**4.15%**	N/A
Total	**0.02%**	0.16%	0.01%	0.01%	0.003%	0.02%	**0.09%**	0.01%

[1] Bennington data for periods prior to acquisition are not included.

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Table 11: Allowance for credit losses continuity[1]

($ THOUSANDS)	2019 Q2[2]	2019 Q1[2]	2018 Q4[2]	2018 Q3[2]	2018 Q2[2]	2018 Q1[2]	2017 Q4	2017 Q3	YTD 2019[2]	YTD 2018[2]
Stage 1 & 2 allowances (collective allowance under IAS 39)										
Balance, beginning of period[3]	**$ 30,051**	$ 23,772	$ 23,699	$ 23,449	$ 23,976	$ 23,557	$ 31,890	$ 31,890	**$ 23,772**	$ 23,557
Provision for credit losses:										
Transfer from Stage 3[4]	**227**	91	48	41	145	85	-	-	**318**	230
Transfer to Stage 3[4]	**(7)**	(6)	(3)	(3)	(4)	(2)	-	-	**(13)**	(6)
Re-measurement[4][5]	**(837)**	(191)	(317)	(172)	(943)	101	-	-	**(1,028)**	(842)
Originations	**340**	394	447	446	346	270	-	-	**734**	616
Discharges	**(71)**	(58)	(102)	(62)	(71)	(35)	-	-	**(129)**	(106)
Finance leases acquired	**(52)**	6,049	-	-	-	-	-	-	**5,997**	-
Balance, end of period	**$ 29,651**	$ 30,051	$ 23,772	$ 23,699	$ 23,449	$ 23,976	$ 31,890	$ 31,890	**$ 29,651**	$ 23,449
Stage 3 allowance (individual allowance under IAS 39)										
Balance, beginning of period[3]	**$ 2,217**	$ 1,526	$ 1,231	$ 1,235	$ 839	$ 1,327	$ 1,655	$ 2,479	**$ 1,526**	$ 1,327
Provision for credit losses:										
Transfer to Stage 1[4]	**(179)**	(51)	(25)	(22)	(93)	(74)	-	-	**(230)**	(167)
Transfer to Stage 2[4]	**(48)**	(40)	(23)	(19)	(52)	(11)	-	-	**(88)**	(63)
Transfer from Stage 1[4]	**1**	1	-	1	1	-	-	-	**2**	1
Transfer from Stage 2[4]	**6**	5	3	2	3	2	-	-	**11**	5
Re-measurement[4][5]	**1,112**	904	600	305	836	434	-	-	**2,016**	1,270
Originations[4]	**-**	-	-	-	-	-	-	-	**-**	-
Discharges[4]	**-**	-	-	-	-	-	-	-	**-**	-
Finance leases acquired	**894**	2,530	-	-	-	-	-	-	**3,424**	-
Provision for credit losses - IAS 39	**-**	-	-	-	-	-	387	40	**-**	-
Write-offs	**15**	(2,042)	-	-	-	-	-	-	**(2,027)**	-
Realized losses	**(598)**	(661)	(343)	(302)	(308)	(857)	(595)	(890)	**(1,259)**	(1,165)
Recoveries	**48**	45	83	31	9	18	17	26	**93**	27
Balance, end of period	**$ 3,468**	$ 2,217	$ 1,526	$ 1,231	$ 1,235	$ 839	$ 1,464	$ 1,655	**$ 3,468**	$ 1,235
Total allowance										
Balance, beginning of period[3]	**$ 32,268**	$ 25,298	$ 24,930	$ 24,684	$ 24,815	$ 24,884	$ 33,545	$ 34,369	**$ 25,298**	$ 24,884
Provision for credit losses:										
Re-measurement[4][5]	**275**	713	283	133	(107)	535	-	-	**988**	428
Originations[4]	**340**	394	447	446	346	270	-	-	**734**	616
Discharges[4]	**(71)**	(58)	(102)	(62)	(71)	(35)	-	-	**(129)**	(106)
Finance leases acquired	**842**	8,579	-	-	-	-	-	-	**9,421**	-
Provision for credit losses - IAS 39	**-**	-	-	-	-	-	387	40	**-**	-
Write-offs	**15**	(2,042)	-	-	-	-	-	-	**(2,027)**	-
Realized losses	**(598)**	(661)	(343)	(302)	(308)	(857)	(595)	(890)	**(1,259)**	(1,165)
Recoveries	**48**	45	83	31	9	18	17	26	**93**	27
Balance, end of period	**$ 33,119**	$ 32,268	$ 25,298	$ 24,930	$ 24,684	$ 24,815	$ 33,354	$ 33,545	**$ 33,119**	$ 24,684

(1) The allowance for credit losses as at June 30, 2019 includes allowance on loan commitments amounting to $146 thousand.

(2) Effective January 1, 2018, the amounts have been prepared in accordance with IFRS 9.
2017 period comparatives were prepared in accordance with IAS 39 and have not been restated. As a result, 2019 and 2018 period disclosures are not directly comparable to 2017 periods.

(3) Balance, beginning of period for Q1 2018 was reported after IFRS 9 transition adjustments.

(4) Not applicable under IAS 39.

(5) Includes movement as a result of significant changes in credit risk, changes in credit risk that did not result in a transfer between stages and changes in model inputs and assumptions.

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Table 12: Allowance for credit losses - by lending business (under IFRS 9)

	2019		2018			
($ THOUSANDS)	**Q2**	Q1	Q4	Q3	Q2	Q1
Stage 1						
Retail	**$ 2,231**	$ 2,301	$ 2,068	$ 1,946	$ 1,291	$ 1,580
Commercial excluding equipment leases	**12,537**	12,619	12,528	12,473	12,907	12,390
Equipment leases[1]	**4,659**	4,737	N/A	N/A	N/A	N/A
Total	**19,427**	19,657	14,596	14,419	14,198	13,970
Stage 2						
Retail	**2,095**	2,215	2,210	2,236	2,606	2,911
Commercial excluding equipment leases	**6,791**	6,867	6,966	7,044	6,645	7,095
Equipment leases[1]	**1,338**	1,312	N/A	N/A	N/A	N/A
Total	**10,224**	10,394	9,176	9,280	9,251	10,006
Stage 3						
Retail	**2,011**	1,670	1,514	1,231	1,214	839
Commercial excluding equipment leases	**60**	59	12	-	21	-
Equipment leases[1]	**1,397**	488	N/A	N/A	N/A	N/A
Total	**3,468**	2,217	1,526	1,231	1,235	839
Total allowance for credit losses						
Retail	**6,337**	6,186	5,792	5,413	5,111	5,330
Commercial excluding equipment leases	**19,388**	19,545	19,506	19,517	19,573	19,485
Equipment leases[1]	**7,394**	6,537	N/A	N/A	N/A	N/A
Total	**$ 33,119**	$ 32,268	$ 25,298	$ 24,930	$ 24,684	$ 24,815
Allowance for credit losses as a % of portfolio loan assets						
Retail	**0.04%**	0.04%	0.04%	0.04%	0.04%	0.04%
Commercial excluding equipment leases	**0.26%**	0.27%	0.27%	0.28%	0.30%	0.31%
Equipment leases[1]	**1.58%**	1.46%	N/A	N/A	N/A	N/A
Total	**0.13%**	0.13%	0.11%	0.11%	0.12%	0.13%

(1) Bennington equipment leases data for periods prior to acquisition are not included.

Table 13: Loan principal outstanding – by province[(1)]

($ THOUSANDS, EXCEPT PERCENTAGES)	2019 Q2[(2)] Amount	%	2019 Q1[(2)] Amount	%	2018 Q4[(2)] Amount	%	2018 Q3[(2)] Amount	%	2018 Q2[(2)] Amount	%	2018 Q1[(2)] Amount	%	2017 Q4 Amount	%	2017 Q3 Amount	%
Retail																
Ontario	**$ 11,151,859**	**45%**	$ 10,983,327	45%	$ 10,699,449	46%	$ 10,058,307	47%	$ 9,598,952	47%	$ 9,312,945	48%	$ 9,252,820	48%	$ 9,103,737	49%
Alberta	**2,216,237**	**9%**	2,188,969	9%	2,108,739	9%	1,852,860	9%	1,738,058	9%	1,695,539	9%	1,689,128	9%	1,679,419	9%
Quebec	**801,727**	**3%**	762,169	3%	701,573	3%	501,533	2%	443,046	2%	404,815	2%	386,567	2%	358,332	2%
British Columbia	**1,778,406**	**7%**	1,731,984	7%	1,661,146	7%	1,419,254	7%	1,305,037	6%	1,251,922	6%	1,195,274	6%	1,140,501	6%
Saskatchewan	**314,279**	**1%**	312,872	1%	303,723	1%	266,119	1%	249,367	1%	244,693	1%	244,371	1%	245,812	1%
Other Provinces	**653,402**	**3%**	650,233	3%	627,533	3%	510,961	2%	455,624	2%	446,150	2%	442,390	2%	432,165	2%
	16,915,910	**68%**	16,629,554	68%	16,102,163	69%	14,609,034	68%	13,790,084	68%	13,356,064	68%	13,210,550	69%	12,959,966	69%
Commercial[(3)]																
Ontario	**3,612,566**	**15%**	3,584,789	15%	3,412,270	15%	3,300,921	15%	3,078,203	15%	3,046,936	16%	2,903,885	15%	2,830,048	15%
Alberta	**1,264,191**	**5%**	1,231,133	5%	1,162,608	5%	1,136,552	5%	1,068,692	5%	1,058,492	5%	980,553	5%	932,999	5%
Quebec	**1,446,802**	**6%**	1,365,608	6%	1,350,466	6%	1,278,949	6%	1,256,974	6%	1,216,502	6%	1,230,702	6%	1,084,649	6%
British Columbia	**978,984**	**4%**	999,871	4%	901,253	4%	814,189	4%	700,199	3%	531,593	3%	531,381	3%	537,507	3%
Saskatchewan	**152,249**	**1%**	151,804	1%	125,925	1%	116,012	1%	118,396	1%	98,243	1%	86,915	0%	87,083	0%
Other Provinces	**402,407**	**2%**	383,374	2%	372,007	2%	332,245	2%	357,896	2%	281,996	1%	270,716	1%	268,719	1%
	7,857,199	**32%**	7,716,579	32%	7,324,529	31%	6,978,868	32%	6,580,359	32%	6,233,763	32%	6,004,151	31%	5,741,005	31%
Total loan principal	**$ 24,773,109**	**100%**	$ 24,346,133	100%	$ 23,426,692	100%	$ 21,587,902	100%	$ 20,370,443	100%	$ 19,589,827	100%	$ 19,214,701	100%	$ 18,700,971	100%
Total																
Ontario	**$ 14,764,425**	**60%**	$ 14,568,116	60%	$ 14,111,719	60%	$ 13,359,228	62%	$ 12,677,155	62%	$ 12,359,880	63%	$ 12,156,705	63%	$ 11,933,785	64%
Alberta	**3,480,428**	**14%**	3,420,102	14%	3,271,347	14%	2,989,412	14%	2,806,750	14%	2,754,032	14%	2,669,681	14%	2,612,418	14%
Quebec	**2,248,529**	**9%**	2,127,777	9%	2,052,039	9%	1,780,482	8%	1,700,020	8%	1,621,318	8%	1,617,269	8%	1,442,981	8%
British Columbia	**2,757,390**	**11%**	2,731,855	11%	2,562,399	11%	2,233,443	10%	2,005,236	10%	1,783,515	9%	1,726,655	9%	1,678,008	9%
Saskatchewan	**466,528**	**2%**	464,676	2%	429,648	2%	382,131	2%	367,763	2%	342,936	2%	331,285	2%	332,895	2%
Other Provinces	**1,055,809**	**4%**	1,033,607	4%	999,540	4%	843,206	4%	813,520	4%	728,146	4%	713,106	4%	700,884	4%
Total loan principal	**$ 24,773,109**	**100%**	$ 24,346,133	100%	$ 23,426,692	100%	$ 21,587,902	100%	$ 20,370,443	100%	$ 19,589,827	100%	$ 19,214,701	100%	$ 18,700,971	100%

(1) Geographic location based on the address of the property mortgaged or the address of leasee.

(2) Effective January 1, 2018, the amounts and ratios have been prepared in accordance with IFRS 9. 2017 period comparatives were prepared in accordance with IAS 39 and have not been restated. As a result, 2019 and 2018 period disclosures are not directly comparable to 2017 periods.

(3) Bennington equipment leases geographic location data for periods prior to acquisition are not included.

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Table 14: Residential mortgage and HELOC principal outstanding – by province[1][2]

($ THOUSANDS, EXCEPT PERCENTAGES)	Residential mortgages Insured[3] Total	Insured[3] %	Residential mortgages Uninsured Total	Uninsured %	HELOC[4] Uninsured Total	HELOC[4] Uninsured %	Total Uninsured Total	Total Uninsured %
Q2 2019								
Ontario	**$ 3,573,802**	**21%**	**$ 7,529,533**	**45%**	**$ 48,184**	**76%**	**$ 7,577,717**	**45%**
Alberta	**1,390,187**	**8%**	**821,834**	**5%**	**4,216**	**7%**	**826,050**	**5%**
British Columbia	**799,311**	**5%**	**970,519**	**6%**	**8,576**	**14%**	**979,095**	**6%**
Manitoba	**179,685**	**1%**	**65,982**	**0%**	**516**	**1%**	**66,498**	**0%**
Saskatchewan	**259,923**	**2%**	**53,694**	**0%**	**662**	**1%**	**54,356**	**0%**
Other Provinces	**618,460**	**4%**	**589,460**	**3%**	**986**	**2%**	**590,446**	**3%**
Total residential mortgages	**$ 6,821,367**	**40%**	**$ 10,031,022**	**60%**	**$ 63,140**	**100%**	**$ 10,094,162**	**60%**
Q1 2019								
Ontario	$ 3,623,378	22%	$ 7,316,592	44%	$ 43,071	78%	$ 7,359,663	44%
Alberta	1,367,941	8%	816,896	5%	4,132	7%	821,027	5%
British Columbia	814,857	5%	910,796	5%	6,332	11%	917,127	6%
Manitoba	176,277	1%	66,535	0%	444	1%	66,979	0%
Saskatchewan	258,734	2%	53,494	0%	644	1%	54,139	0%
Other Provinces	628,872	4%	539,270	3%	941	2%	540,212	3%
Total residential mortgages	$ 6,870,059	41%	$ 9,703,583	59%	$ 55,565	100%	$ 9,759,147	59%
Q2 2018								
Ontario	$ 3,115,194	23%	$ 6,448,678	47%	$ 35,661	79%	$ 6,484,339	47%
Alberta	969,645	7%	764,002	6%	3,554	8%	767,556	6%
British Columbia	561,921	4%	739,604	5%	4,081	9%	743,685	5%
Manitoba	112,092	1%	67,719	0%	457	1%	68,176	0%
Saskatchewan	195,782	1%	53,116	0%	468	1%	53,584	0%
Other Provinces	287,653	2%	428,603	3%	999	2%	429,602	3%
Total residential mortgages	$ 5,242,287	38%	$ 8,501,722	62%	$ 45,220	100%	$ 8,546,942	61%

(1) Geographic location based on the address of the property mortgaged.

(2) This table was prepared based on the disclosure requirements outlined in OSFI's Guideline B-20. For the purpose of this guideline, all reverse mortgages secured by residential property are considered to be HELOC.

(3) Insured by either CMHC, Genworth or Canada Guaranty.

(4) HELOC, Standalone HELOC ("SHELOC"), and *Equitable Bank Reverse Mortgage* (formerly called *PATH Home Plan*) are collectively referred to as "HELOC" in this Report wherever applicable.

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Table 15: Residential mortgage principal outstanding – by remaining amortization[(1)]

($ THOUSANDS, EXCEPT PERCENTAGES)	<5 years	5 - <10 years	10 - <15 years	15 - <20 years	20 - <25 years	25 - <30 years	30 - <35 years	>=35 years	Total
Q2 2019[(2)]									
Total residential mortgage mortgages	**$ 6,419**	**$ 48,512**	**$ 218,932**	**$ 1,367,755**	**$ 5,067,113**	**$ 10,120,852**	**$ 22,807**	**$ -**	**$ 16,852,390**
	0.04%	**0.29%**	**1.30%**	**8.12%**	**30.07%**	**60.06%**	**0.14%**	**0.00%**	**100%**
Q1 2019[(2)]									
Total residential mortgage	$ 4,253	$ 42,989	$ 203,295	$ 1,216,448	$ 5,117,817	$ 9,963,921	$ 24,919	$ -	$ 16,573,642
mortgages	0.03%	0.26%	1.23%	7.34%	30.88%	60.12%	0.15%	0.00%	100%
Q4 2018[(2)]									
Total residential	$ 4,154	$ 33,981	$ 187,162	$ 1,077,086	$ 4,997,438	$ 9,733,965	$ 16,096	$ -	$ 16,049,882
mortgages	0.03%	0.21%	1.17%	6.71%	31.14%	60.65%	0.10%	0.00%	100%
Q3 2018[(2)]									
Total residential	$ 3,353	$ 26,131	$ 142,371	$ 785,595	$ 3,866,630	$ 9,716,297	$ 18,755	$ -	$ 14,559,132
mortgages	0.02%	0.18%	0.98%	5.40%	26.56%	66.74%	0.13%	0.00%	100%
Q2 2018[(2)]									
Total residential	$ 3,659	$ 21,329	$ 127,905	$ 681,941	$ 3,433,559	$ 9,443,631	$ 31,615	$ 370	$ 13,744,009
mortgages	0.03%	0.16%	0.93%	4.96%	24.98%	68.71%	0.23%	0.00%	100%
Q1 2018[(2)]									
Total residential	$ 2,936	$ 19,907	$ 116,206	$ 601,827	$ 3,324,131	$ 9,213,358	$ 33,366	$ 563	$ 13,312,294
mortgages	0.02%	0.15%	0.87%	4.52%	24.97%	69.21%	0.25%	0.01%	100%
Q4 2017									
Total residential	$ 2,269	$ 18,170	$ 100,080	$ 539,669	$ 3,295,980	$ 9,159,661	$ 52,126	$ 286	$ 13,168,241
mortgages	0.02%	0.14%	0.76%	4.10%	25.03%	69.56%	0.39%	0.00%	100%
Q3 2017									
Total residential	$ 2,606	$ 16,111	$ 93,513	$ 458,850	$ 3,278,994	$ 8,974,313	$ 95,526	$ 501	$ 12,920,414
mortgages	0.02%	0.12%	0.72%	3.56%	25.38%	69.46%	0.74%	0.00%	100%

(1) The above residential mortgage balances do not include HELOC (HELOC, SHELOC and *Equitable Bank Reverse Mortgage*) amount.

(2) Effective January 1, 2018, the amounts and ratios have been prepared in accordance with IFRS 9.
2017 period comparatives were prepared in accordance with IAS 39 and have not been restated. As a result, 2019 and 2018 period disclosures are not directly comparable to 2017 periods.

Table 16: Uninsured average loan-to-value of newly originated and newly acquired[1]

	2019				2018								2017			
	Q2[2]		Q1[2]		Q4[2]		Q3[2]		Q2[2]		Q1[2]		Q4		Q3	
	Residential mortgages	**HELOC[3]**	Residential mortgages	HELOC[3]	Residential mortgages	HELOC[3]	Residential mortgages	HELOC[3]	Residential mortgages	HELOC[3]	Residential mortgages	HELOC[3]	Residential mortgages	HELOC[3]	Residential mortgages	HELOC[3]
Ontario	**71%**	**12%**	71%	13%	70%	14%	72%	8%	72%	7%	71%	9%	72%	10%	71%	19%
Alberta	**70%**	**10%**	71%	11%	71%	8%	71%	3%	72%	9%	72%	3%	72%	2%	71%	32%
British Columbia	**68%**	**12%**	67%	9%	65%	5%	67%	7%	68%	13%	68%	7%	69%	6%	69%	3%
Manitoba	**62%**	**1%**	69%	7%	72%	18%	71%	6%	73%	5%	72%	4%	71%	6%	70%	13%
Saskatchewan	**62%**	**6%**	68%	2%	67%	0%	67%	7%	72%	0%	63%	13%	69%	1%	68%	3%
Other Provinces	**72%**	**3%**	72%	2%	70%	2%	71%	2%	71%	3%	70%	2%	71%	12%	70%	2%
Total Canada	**70%**	**12%**	71%	12%	70%	12%	71%	7%	71%	9%	70%	9%	71%	9%	70%	18%

(1) Geographic location based on the address of the property mortgaged.

(2) Effective January 1, 2018, the ratios have been prepared in accordance with IFRS 9.
2017 period comparatives were prepared in accordance with IAS 39 and have not been restated. As a result, 2019 and 2018 period disclosures are not directly comparable to 2017 periods.

(3) HELOC includes HELOC, SHELOC, and *Equitable Bank Reverse Mortgage.*
The loan-to-value ("LTV") of HELOC represents the authorized amount as a percentage of the original property value at the time of origination.
In the case of non-standalone HELOCs, there are mortgages associated with most of these properties, but the aggregate LTVs are not presented on this chart. Aggregate LTVs do not exceed 80%.
For SHELOCs, there are no mortgages associated to these properties.

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Table 17: Average loan-to-value of existing uninsured residential mortgages[(1)(2)(3)(4)]

	2019		2018				2017	
	Q2[(5)]	Q1[(5)]	Q4[(5)]	Q3[(5)]	Q2[(5)]	Q1[(5)]	Q4	Q3
Ontario	**64%**	65%	65%	64%	64%	64%	64%	59%
Alberta	**67%**	67%	67%	65%	65%	66%	65%	65%
British Columbia	**64%**	65%	64%	63%	63%	64%	64%	61%
Manitoba	**67%**	67%	67%	66%	68%	68%	67%	69%
Saskatchewan	**57%**	58%	57%	57%	56%	57%	57%	55%
Other Provinces	**67%**	67%	66%	65%	65%	65%	64%	63%
Total Canada	**65%**	66%	65%	64%	64%	65%	64%	60%

(1) Geographic location based on the address of the property mortgaged.

(2) Based on current property values. Current values are estimated using a Housing Price Index.

(3) The LTV of our HELOC (HELOC, SHELOC and *Equitable Bank Reverse Mortgage)* products is not included in this chart.

(4) Equitable has arrangements with other lenders to participate in its single family residential loans in certain circumstances, namely if Equitable wants to cap the value of its own exposure to stay within the boundaries of its risk appetite while still meeting a borrower's needs. The arrangements, which have been entered into in the normal course of business at arm's length and on market terms, are structured such that the other lenders' participation would always bear the first loss on the mortgage. The loan-to-value ratios above therefore do not take into account the other lenders' participation in order to reflect both the substance and legal form of Equitable's exposure. Equitable underwrites the loans based on the total value of its own advance and the other lender's participation to ensure that the borrower is able to service the aggregate amount of the loan. Other lenders' participation in Equitable's single family residential loans was $39.8 million at June 30, 2019 (March 31, 2019 - $41.6 million, June 30, 2018 - $48.4 million).

(5) Effective January 1, 2018, the ratios have been prepared in accordance with IFRS 9.
2017 period comparatives were prepared in accordance with IAS 39 and have not been restated. As a result, 2019 and 2018 period disclosures are not directly comparable to 2017 periods.

Equitable Group Inc.

Table 18: Alternative single family - weighted average beacon score by LTV[(1)]

	2019		2018				2017	
LTV at origination	**Q2**	Q1	Q4	Q3	Q2	Q1	Q4	Q3
<50% LTV	**703**	703	702	700	697	696	694	692
50% - 64.99% LTV	**696**	695	694	692	692	691	690	689
65% - 69.99% LTV	**688**	687	688	687	686	685	684	683
70% - 75% LTV	**688**	687	687	685	684	681	680	680
>75% LTV	**694**	694	693	691	690	686	687	686
Total	**692**	692	691	690	688	686	686	685

(1) The beacon scores reported above represent the current weighted average beacon score of the Bank's insured and uninsured mortgage portfolio within its Alternative Single Family Lending Business.

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Table 19: Modified Capital Disclosure Template - Equitable Bank

	($ THOUSANDS, EXCEPT PERCENTAGES)	2019 Q2[(1)(2)]	2019 Q1[(1)(2)]	2018 Q4[(1)(2)]	2018 Q3[(1)(2)]	2018 Q2[(1)(2)]
	Common Equity Tier 1 capital: instruments and reserves					
1	Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus	$ **207,376**	$ 206,418	$ 203,270	$ 203,237	$ 201,784
2	Retained earnings	**1,101,625**	1,053,959	1,019,179	984,299	941,626
3	Accumulated other comprehensive income (and other reserves)	**(20,320)**	(18,607)	(17,565)	(6,516)	(7,146)
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	**-**	-	-	-	-
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	**-**	-	-	-	-
6	**Common Equity Tier 1 capital before regulatory adjustments**	$ **1,288,681**	$ 1,241,770	$ 1,204,884	$ 1,181,020	$ 1,136,264
	Common Equity Tier 1 capital: regulatory adjustments					
28	Total regulatory adjustments to Common Equity Tier 1	$ **(61,883)**	$ (53,324)	$ (20,684)	$ (19,520)	$ (18,745)
29	**Common Equity Tier 1 capital (CET1)**	$ **1,226,798**	$ 1,188,446	$ 1,184,200	$ 1,161,500	$ 1,117,519
	Additional Tier 1 capital: instruments					
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	$ **72,554**	$ 72,554	$ 72,554	$ 72,554	$ 72,554
31	of which: classified as equity under applicable accounting standards	**72,554**	72,554	72,554	72,554	72,554
32	of which: classified as liabilities under applicable accounting standards	**-**	-	-	-	-
33	Directly issued capital instruments subject to phase out from Additional Tier 1	**-**	-	-	-	-
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	**-**	-	-	-	-
35	of which: instruments issued by subsidiaries subject to phase out	**-**	-	-	-	-
36	**Additional Tier 1 capital before regulatory adjustments**	$ **72,554**	$ 72,554	$ 72,554	$ 72,554	$ 72,554
	Additional Tier 1 capital: regulatory adjustments					
43	Total regulatory adjustments to Additional Tier 1 capital	$ **-**	$ -	$ -	$ -	$ -
44	Additional Tier 1 capital (AT1)	**72,554**	72,554	72,554	72,554	72,554
45	**Tier 1 capital (T1 = CET1 + AT1)**	$ **1,299,352**	$ 1,261,000	$ 1,256,754	$ 1,234,054	$ 1,190,073
	Tier 2 capital: instruments and allowances					
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	$ **-**	$ -	$ -	$ -	$ -
47	Directly issued capital instruments subject to phase out from Tier 2	**-**	-	-	-	-
48	Tier 2 instruments (and CET1 and AT1 instruments not included in row 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	**-**	-	-	-	-
49	of which: instruments issued by subsidiaries subject to phase out	**-**	-	-	-	-
50	Collective allowances	**29,651**	30,051	23,772	23,699	23,449
51	**Tier 2 capital before regulatory adjustments**	$ **29,651**	$ 30,051	$ 23,772	$ 23,699	$ 23,449
	Tier 2 capital: regulatory adjustments					
57	Total regulatory adjustments to Tier 2 capital	$ **-**	$ -	$ -	$ -	$ -
58	Tier 2 capital (T2)	**29,651**	30,051	23,772	23,699	23,449
59	**Total capital (TC = T1 +T2)**	$ **1,329,003**	$ 1,291,051	$ 1,280,526	$ 1,257,753	$ 1,213,522
60	**Total risk-weighted assets**	$ **9,373,293**	$ 9,229,237	$ 8,802,891	$ 8,389,236	$ 7,790,674
	Capital ratios					
61	Common Equity Tier 1 (as a percentage of risk-weighted assets)	**13.1%**	12.9%	13.5%	13.8%	14.3%
62	Tier 1 (as a percentage of risk-weighted assets)	**13.9%**	13.7%	14.3%	14.7%	15.3%
63	Total capital (as a percentage of risk-weighted assets)	**14.2%**	14.0%	14.5%	15.0%	15.6%
	OSFI all-in target					
69	Common Equity Tier 1 capital all-in target ratio	**7.0%**	7.0%	7.0%	7.0%	7.0%
70	Tier 1 capital all-in target ratio	**8.5%**	8.5%	8.5%	8.5%	8.5%
71	Total capital all-in target ratio	**10.5%**	10.5%	10.5%	10.5%	10.5%
	Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2013 and 1 Jan 2022)					
80	Current cap on CET1 instruments subject to phase out arrangements	**N/A**	N/A	N/A	N/A	N/A
81	Amounts excluded from CET1 due to cap (excess over cap after redemptions and maturities)	**N/A**	N/A	N/A	N/A	N/A
82	Current cap on AT1 instruments subject to phase out arrangements	**N/A**	N/A	N/A	N/A	N/A
83	Amounts excluded from AT1 due to cap (excess over cap after redemptions and maturities)	**-**	-	-	-	-
84	Current cap on T2 instruments subject to phase out arrangements	**-**	-	-	-	-
85	Amounts excluded from T2 due to cap (excess over cap after redemptions and maturities)	**-**	-	-	-	-

(1) Effective January 1, 2018, the amounts and ratios have been prepared in accordance with IFRS 9.
2017 period comparatives were prepared in accordance with IAS 39 and have not been restated. As a result, 2019 and 2018 period disclosures are not directly comparable to 2017 periods.
(2) The transitional approach is no longer applicable effective Q1 2018.

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Table 19: Modified Capital Disclosure Template - Equitable Bank

	($ THOUSANDS, EXCEPT PERCENTAGES)	2018 Q1[1][2]	2017 Q4 All-in	2017 Q4 Transitional	2017 Q3 All-in	2017 Q3 Transitional
	Common Equity Tier 1 capital: instruments and reserves					
1	Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus	$ 201,602	$ 200,990		$ 199,968	
2	Retained earnings	909,493	868,966		833,441	
3	Accumulated other comprehensive income (and other reserves)	(6,308)	(8,748)		(11,577)	
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	-	-		-	
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-	-		-	
6	**Common Equity Tier 1 capital before regulatory adjustments**	$ 1,104,787	$ 1,061,208		$ 1,021,832	
	Common Equity Tier 1 capital: regulatory adjustments					
28	Total regulatory adjustments to Common Equity Tier 1	$ (17,592)	$ (17,046)		$ (16,299)	
29	**Common Equity Tier 1 capital (CET1)**	$ 1,087,195	$ 1,044,162	$ 1,049,321	$ 1,005,533	$ 1,011,108
	Additional Tier 1 capital: instruments					
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	$ 72,554	$ 72,554		$ 72,554	
31	of which: classified as equity under applicable accounting standards	72,554	72,554		72,554	
32	of which: classified as liabilities under applicable accounting standards	-	-		-	
33	Directly issued capital instruments subject to phase out from Additional Tier 1	-	-		-	
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	-	-		-	
35	of which: instruments issued by subsidiaries subject to phase out	-	-		-	
36	**Additional Tier 1 capital before regulatory adjustments**	$ 72,554	$ 72,554		$ 72,554	
	Additional Tier 1 capital: regulatory adjustments					
43	Total regulatory adjustments to Additional Tier 1 capital	$ -	$ -		$ -	
44	Additional Tier 1 capital (AT1)	72,554	72,554		72,554	
45	**Tier 1 capital (T1 = CET1 + AT1)**	$ 1,159,749	$ 1,116,716	$ 1,120,125	$ 1,078,087	$ 1,081,347
	Tier 2 capital: instruments and allowances					
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	$ -	$ -		$ -	
47	Directly issued capital instruments subject to phase out from Tier 2	-	-		62,891	
48	Tier 2 instruments (and CET1 and AT1 instruments not included in row 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	-	-		-	
49	of which: instruments issued by subsidiaries subject to phase out	-	-		-	
50	Collective allowances	23,976	31,890		31,890	
51	**Tier 2 capital before regulatory adjustments**	$ 23,976	$ 31,890		$ 94,781	
	Tier 2 capital: regulatory adjustments					
57	Total regulatory adjustments to Tier 2 capital	$ -	$ -		$ -	
58	Tier 2 capital (T2)	23,976	31,890		94,781	
59	**Total capital (TC = T1 +T2)**	$ 1,183,725	$ 1,148,606	$ 1,152,015	$ 1,172,868	$ 1,176,128
60	**Total risk-weighted assets**	$ 7,396,553	$ 7,035,380	$ 7,043,725	$ 6,814,247	$ 6,822,315
	Capital ratios					
61	Common Equity Tier 1 (as a percentage of risk-weighted assets)	14.7%	14.8%	14.9%	14.8%	14.8%
62	Tier 1 (as a percentage of risk-weighted assets)	15.7%	15.9%	15.9%	15.8%	15.9%
63	Total capital (as a percentage of risk-weighted assets)	16.0%	16.3%	16.4%	17.2%	17.2%
	OSFI all-in target					
69	Common Equity Tier 1 capital all-in target ratio	7.0%	7.0%		7.0%	
70	Tier 1 capital all-in target ratio	8.5%	8.5%		8.5%	
71	Total capital all-in target ratio	10.5%	10.5%		10.5%	
	Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2013 and 1 Jan 2022)					
80	Current cap on CET1 instruments subject to phase out arrangements	N/A	N/A		N/A	
81	Amounts excluded from CET1 due to cap (excess over cap after redemptions and maturities)	N/A	N/A		N/A	
82	Current cap on AT1 instruments subject to phase out arrangements	N/A	N/A		N/A	
83	Amounts excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	-		-	
84	Current cap on T2 instruments subject to phase out arrangements	-	-		62,891	
85	Amounts excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	-		2,110	

[1] Effective January 1, 2018, the amounts and ratios have been prepared in accordance with IFRS 9.
2017 period comparatives were prepared in accordance with IAS 39 and have not been restated. As a result, 2019 and 2018 period disclosures are not directly comparable to 2017 periods.
[2] The transitional approach is no longer applicable effective Q1 2018.

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Table 20: Leverage Ratio - Equitable Bank

	($ THOUSANDS, EXCEPT PERCENTAGES)	2019 Q2[1]	2019 Q1[1]	2018 Q4[1]	2018 Q3[1]	2018 Q2[1]	2018 Q1[1]	2017 Q4	2017 Q3
	On-balance sheet exposure								
1	On-balance sheet items (excluding derivatives, SFTs and grandfathered securitization exposures but including collateral)	**$ 25,950,516**	$ 25,494,724	$ 24,481,165	$ 22,806,548	$ 21,607,008	$ 20,712,758	$ 20,278,798	$ 19,833,924
2	Grossed-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework (IFRS)	**-**	-	-	-	-	-	-	-
3	(Deductions of receivables assets for cash variation margin provided in derivative transactions)	**-**	-	-	-	-	-	-	-
4	(Asset amounts deducted in determining Basel III Tier 1 capital)	**(59,891)**	(52,735)	(23,333)	(25,616)	(22,248)	(21,149)	(20,572)	(19,310)
5	**Total on-balance sheet exposures** (excluding derivatives and SFTs) (sum of lines 1 and 4)	**$ 25,890,625**	$ 25,441,989	$ 24,457,832	$ 22,780,932	$ 21,584,760	$ 20,691,609	$ 20,258,226	$ 19,814,614
	Derivative exposures								
6	Replacement cost associated with all derivative transactions	**$ 8,727**	$ 6,241	$ 20,237	$ 17,018	$ 12,991	$ 9,170	$ 17,963	$ 16,229
7	Add-on amounts for potential future exposure associated with all derivative transactions	**14,045**	13,864	40,137	37,098	33,207	32,660	30,102	26,785
8	(Exempted central counterparty-leg of client cleared trade exposures)	**-**	-	-	-	-	-	-	-
9	Adjusted effective notional amount of written credit derivatives	**-**	-	-	-	-	-	-	-
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	**-**	-	-	-	-	-	-	-
11	**Total derivative exposures (sum of lines 6 to 10)**	**$ 22,772**	$ 20,105	$ 60,374	$ 54,116	$ 46,198	$ 41,830	$ 48,065	$ 43,014
	Securities financing transaction exposures								
12	Gross SFT assets recognised for accounting purposes (with no recognition of netting), after adjusting for sale accounting transactions	**$ 125,069**	$ 547,620	$ 250,000	$ -	$ -	$ -	$ -	$ -
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	**-**	-	-	-	-	-	-	-
14	Counterparty credit risk (CCR) exposure for SFTs	**-**	-	-	-	-	-	-	-
15	Agent transaction exposures	**-**	-	-	-	-	-	-	-
16	**Total securities financing transaction exposures (sum of lines 12 to 15)**	**$ 125,069**	$ 547,620	$ 250,000	$ -	$ -	$ -	$ -	$ -
	Other off-balance sheet exposures								
17	Off-balance sheet exposure at gross notional amount	**$ 2,051,512**	$ 1,833,658	$ 1,544,684	$ 1,788,625	$ 1,698,465	$ 1,419,735	$ 1,294,335	$ 1,223,803
18	(Adjustments for conversion to credit equivalent amounts)	**(1,371,438)**	(1,224,751)	(992,212)	(1,221,402)	(1,203,478)	(992,268)	(924,242)	(869,867)
19	**Off-balance sheet items (sum of lines 17 and 18)**	**$ 680,074**	$ 608,907	$ 552,472	$ 567,223	$ 494,987	$ 427,467	$ 370,093	$ 353,936
	Capital and Total Exposure								
20	Tier 1 capital	**$ 1,299,352**	$ 1,261,000	$ 1,256,754	$ 1,234,054	$ 1,190,073	$ 1,159,749	$ 1,116,716	$ 1,078,087
21	**Total Exposures (sum of lines 5, 11, 16 and 19)**	**$ 26,718,540**	$ 26,618,621	$ 25,320,678	$ 23,402,271	$ 22,125,945	$ 21,160,906	$ 20,676,384	$ 20,211,564
	Leverage Ratios								
22	**Basel III Leverage Ratio**	**4.9%**	4.7%	5.0%	5.3%	5.4%	5.5%	5.4%	5.3%

[1] Effective January 1, 2018, the amounts and ratios have been prepared in accordance with IFRS 9.
2017 period comparatives were prepared in accordance with IAS 39 and have not been restated. As a result, 2019 and 2018 period disclosures are not directly comparable to 2017 periods.

Non-GAAP measures

Assets Under Management ("AUM")
is the sum of total assets reported on the consolidated balance sheet and loan principal derecognized but still managed by the Company.

Book value per common share
is calculated by dividing common shareholders' equity by the number of common shares outstanding.

Common Equity Tier 1 Capital ("CET1 Capital")
is defined as shareholders' equity plus any qualifying other non-controlling interest in subsidiaries less preferred shares issued and outstanding, any goodwill, other intangible assets and cash flow hedge reserve components of accumulated other comprehensive income.

CET1 Ratio
is defined as CET1 Capital as a percentage of total RWA. This ratio is calculated for the Bank in accordance with OSFI's Capital Adequacy Requirements ("CAR") Guideline.

Dividend Payout ratio
is defined as dividend per common share as a percentage of diluted earnings per share.

Dividend Yield
is calculated on an annualized basis and is defined as dividend per common share divided by average of daily closing price per common share for the period.

Efficiency Ratio
is derived by dividing non-interest expenses by the sum of net revenue. A lower efficiency ratio reflects a more efficient cost structure.

Leverage Ratio
is calculated by dividing Tier 1 Capital by an exposure measure. The exposure measure consists of total assets (excluding items deducted from Tier 1 Capital) and certain off-balance sheet items converted into credit exposure equivalents. Adjustments are also made to derivatives and secured financing transactions to reflect credit and other risks. This ratio is calculated for the Bank in accordance with OSFI's CAR Guideline.

Liquid assets
is a measure of the Company's cash or assets that can be readily converted into cash, which are held for the purposes of funding loans, deposit maturities, and the ability to collect other receivables and settle other obligations.

Loans Under Management ("LUM")
is the sum of loan principal reported on the consolidated balance sheet and loan principal derecognized but still managed by the Company.

Net interest margin ("NIM")
is calculated on an annualized basis by dividing net interest income by the average total interest earning assets for the period.

Net revenue
is calculated as the sum of net interest income and other income.

Provision for credit losses – rate
is calculated on an annualized basis and is defined as the provision for credit losses as a percentage of average loan principal outstanding during the period.

Non-GAAP measures

Return on average assets
is calculated on an annualized basis and is defined as net income as a percentage of average month-end total assets balances outstanding during the period.

Return on RWA
is calculated on an annualized basis and is defined as net income as a percentage of average RWA during the period.

Return on shareholders' equity ("ROE")
is calculated on an annualized basis and is defined as net income available to common shareholders as a percentage of the weighted average common equity outstanding during the period.

Risk-weighted assets ("RWA")
represents the Bank's assets and off-balance sheet exposures, weighted according to risk as prescribed by OSFI under the CAR Guideline.

Tier 1 Capital
is calculated by adding non-cumulative preferred shares to CET1 Capital.

Tier 2 Capital
is equal to the sum of the Bank's eligible stage 1 and 2 allowance (collective allowance under IAS 39) and subordinated debentures.

Tier 1 Ratio
is calculated by dividing Tier 1 Capital by Total RWA. This ratio is calculated for the Bank in accordance with OSFI's CAR Guideline.

Total Capital
equals to Tier 1 plus Tier 2 Capital.

Total Capital Ratio
is calculated by dividing Total Capital by Total RWA. This ratio is calculated for the Bank in accordance with OSFI's CAR Guideline.

Acronyms

AOCI
Accumulated Other Comprehensive Income (Loss)

CAR
Capital Adequacy Requirements

CMHC
Canada Mortgage and Housing Corporation

EPS
Earnings per Share

GAAP
Generally Accepted Accounting Principles

HELOC
Home Equity Line of Credit

IFRS
International Financial Reporting Standards

IASB
International Accounting Standards Board

IAS
International Accounting Standard

LTV
Loan-to-Value ratio

NIM
Net Interest Margin

OSFI
Office of the Superintendent of Financial Institutions Canada