

EQUITABLE

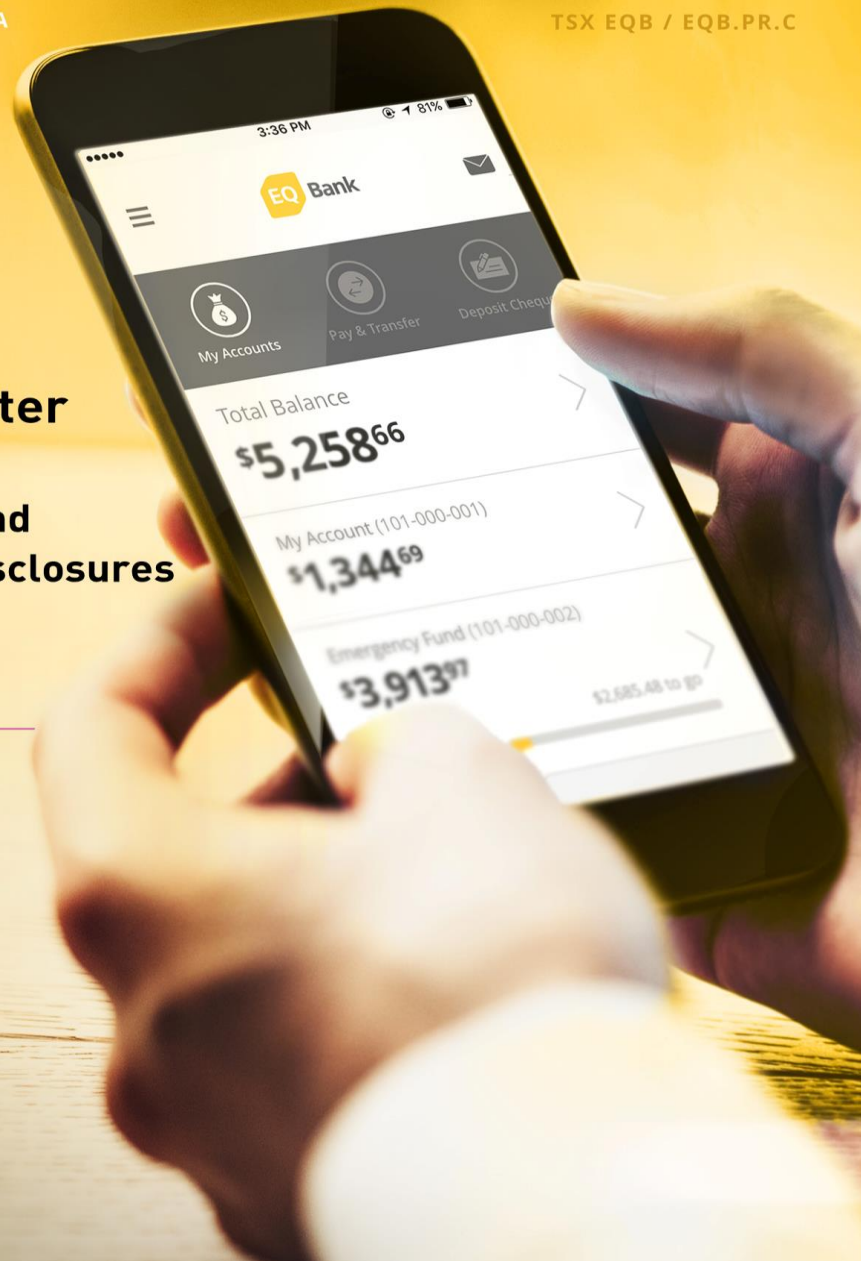
EQUITABLEBANK.CA

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THIRD Quarter Supplemental Information and Regulatory Disclosures

For the three and
nine months ended
September 30, 2016

2016





**THIRD QUARTER 2016
SUPPLEMENTAL INFORMATION AND REGULATORY DISCLOSURES**

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Notes to Readers

Purpose of this document

This Supplemental Information and Regulatory Disclosure Report (the "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 Group Inc. (the "Company" or "Equitable").

1. Disclosures related to the Company's mortgage portfolio, some of which relate to disclosure requirements outlined in OSFI's Guideline B-20, 'Residential Mortgage Underwriting 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.

In addition to GAAP and non-GAAP financial measures, management also uses additional GAAP financial measures it believes provide useful information to investors regarding the Company's financial results of operations. Readers are cautioned that additional GAAP measures do not have any standardized meaning, and therefore, may not be comparable to similar measures presented by other companies.

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 September 30, 2016.

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 and additional GAAP measures used in this Report are defined under the Section "Non-GAAP measures" and "Additional GAAP measures", respectively.

Comparative figures

Certain prior period comparative numbers have been reclassified to conform with current period presentation.



Table 1: Financial highlights

(\$ THOUSANDS, EXCEPT SHARE, PER SHARE AMOUNTS AND PERCENTAGE)	2016			2015				2014	YTD	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2016	2015
RESULTS OF OPERATIONS										
Net income	\$ 35,230	\$ 33,410	\$ 28,012	\$ 31,436	\$ 31,448	\$ 33,520	\$ 29,461	\$ 26,885	\$ 96,652	\$ 94,429
Net income available to common shareholders	34,039	32,219	26,821	30,245	30,257	32,330	28,270	24,993	93,079	90,857
Total revenue ⁽¹⁾	169,432	162,861	151,691	151,495	147,625	145,595	137,279	134,928	483,984	430,499
EPS – basic	\$ 2.19	\$ 2.07	\$ 1.73	\$ 1.95	\$ 1.96	\$ 2.09	\$ 1.83	\$ 1.62	\$ 5.98	\$ 5.88
EPS – diluted	\$ 2.16	\$ 2.05	\$ 1.71	\$ 1.93	\$ 1.93	\$ 2.06	\$ 1.81	\$ 1.59	\$ 5.93	\$ 5.80
Net interest income ⁽¹⁾	70,827	67,010	63,594	63,458	61,437	60,995	56,337	54,220	201,431	178,769
NIM – TEB ⁽²⁾⁽³⁾										
Total Assets	1.64%	1.61%	1.62%	1.69%	1.73%	1.79%	1.74%	1.76%	1.62%	1.76%
Core Lending	2.60%	2.55%	2.50%	2.64%	2.56%	2.62%	2.55%	2.58%	2.55%	2.58%
Securitization Financing	0.19%	0.22%	0.31%	0.22%	0.34%	0.31%	0.29%	0.34%	0.23%	0.31%
ROE ⁽²⁾	17.2%	17.1%	14.7%	17.0%	17.5%	19.8%	17.9%	16.0%	16.3%	18.4%
Return on average assets ⁽²⁾	0.8%	0.8%	0.7%	0.8%	0.9%	1.0%	0.9%	0.8%	0.8%	0.9%
Efficiency Ratio – TEB ⁽²⁾⁽³⁾	37.0%	38.2%	43.2%	35.7%	33.4%	32.8%	32.4%	35.4%	39.3%	32.9%
BALANCE SHEET										
Total assets	18,062,846	17,147,854	16,411,221	15,527,584	14,827,610	14,329,824	13,387,915	12,854,903		
Assets under Management ⁽²⁾	21,024,401	19,709,617	18,616,018	17,600,072	16,839,263	16,214,123	15,075,279	14,373,911		
Mortgages receivable	17,049,744	16,244,106	15,540,241	14,700,806	13,959,432	13,216,267	12,785,852	12,269,945		
Mortgages under Management ⁽²⁾	19,922,211	18,723,056	17,668,821	16,706,935	15,917,079	15,059,846	14,437,643	13,759,706		
Liquid assets ⁽²⁾	1,037,259	1,033,634	939,691	895,056	849,349	1,251,692	756,017	676,559		
Total assets held for regulatory purposes as a % of total										
Equitable Bank assets	5.1%	5.3%	4.9%	4.9%	4.9%	7.8%	4.5%	4.1%		
Total liquid assets as a % of total assets	5.7%	6.0%	5.7%	5.8%	5.7%	8.7%	5.6%	5.3%		
Deposit principal	9,180,647	9,048,465	8,732,113	8,115,483	7,961,678	8,128,474	7,633,996	7,385,456		
Shareholders' equity	879,367	843,924	816,049	796,116	764,679	750,149	723,606	703,694		
CREDIT QUALITY										
Provision for credit losses	1,243	105	227	1,064	930	830	814	842	1,575	2,574
Provision for credit losses rate ⁽²⁾	0.03%	0.00%	0.01%	0.03%	0.03%	0.03%	0.03%	0.03%	0.01%	0.03%
Net impaired mortgages as a % of total mortgage assets ⁽⁴⁾	0.19%	0.20%	0.22%	0.22%	0.21%	0.18%	0.28%	0.30%		
Allowance for credit losses as a % of total mortgage assets	0.20%	0.20%	0.21%	0.23%	0.25%	0.26%	0.26%	0.27%		
SHARE CAPITAL										
Shares outstanding	15,599,657	15,566,465	15,551,865	15,538,605	15,476,687	15,469,787	15,452,125	15,435,356		
Book value per share ⁽²⁾	\$ 51.72	\$ 49.55	\$ 47.81	\$ 46.57	\$ 44.72	\$ 43.80	\$ 42.13	\$ 40.90		
Share price – close	\$ 58.86	\$ 55.99	\$ 50.76	\$ 51.50	\$ 56.25	\$ 61.27	\$ 56.51	\$ 65.67		
Market capitalization	918,196	871,566	789,413	800,238	870,564	947,834	873,200	1,013,640		
Dividends declared per:										
Common share	\$ 0.21	\$ 0.21	\$ 0.20	\$ 0.20	\$ 0.19	\$ 0.19	\$ 0.18	\$ 0.18	\$ 0.62	\$ 0.56
Preferred share – Series 3 ⁽⁵⁾	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.63	\$ 1.20	\$ 1.20
EQUITABLE BANK CAPITAL RATIOS ⁽²⁾										
Total risk-weighted assets ("RWA") ⁽²⁾⁽⁷⁾	5,968,000	5,664,575	5,433,025	5,259,384	5,113,009	4,983,762	4,867,218	4,721,132		
CET1 Ratio	13.4%	13.5%	13.5%	13.6%	13.4%	13.5%	13.2%	13.5%		
Tier 1 Capital Ratio	14.6%	14.8%	14.9%	15.0%	14.8%	14.9%	14.7%	14.9%		
Total Capital Ratio	16.2%	16.5%	16.7%	16.8%	17.1%	17.2%	17.0%	17.3%		
Leverage Ratio ⁽⁶⁾	4.9%	5.0%	5.2%	5.2%	5.3%	5.5%	N/A	N/A		

⁽¹⁾ See Additional GAAP Measures section.

⁽²⁾ See Non-GAAP Measures section.

⁽³⁾ Increases in this ratio reflect reduced efficiencies, whereas decreases reflect improved efficiencies.

⁽⁴⁾ Net impaired mortgages do not include insured mortgages that are less than 365 days in arrears and reflect gross impaired mortgage assets less individual allowances.

⁽⁵⁾ The Company issued its Series 3 Preferred Shares in August 2014 and the Q4 2014 Series 3 Preferred Shares dividend declaration represented dividends payable for the period from August 8, 2014 to December 31, 2014.

⁽⁶⁾ The Leverage Ratio is measured under Basel III framework, effective the first quarter of 2015. Thus it is not applicable for the prior periods.

⁽⁷⁾ The RWA in this table is measured on "all-in" basis in accordance with OSFI's CAR Guideline.

⁽⁸⁾ During the quarter, management refined its NII and NIM reporting by product and business to better match deposit expenses to Securitization Financing and more accurately capture the effects of such items as the timing of mortgage originations and securitizations by computing average rates from daily average balances instead of month end balances outstanding. All the prior period comparative rates have been recalculated to conform to the current period presentation.



Table 2: Interim consolidated statements of income

(\$ THOUSANDS, EXCEPT SHARE AND PER SHARE AMOUNTS)	2016			2015				2014	YTD	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2016	2015
Interest income:										
Mortgages – Core Lending	\$ 114,416	\$ 107,544	\$ 101,419	\$ 101,848	\$ 99,135	\$ 98,146	\$ 93,333	\$ 89,883	\$ 323,379	\$ 290,614
Mortgages – Securitization Financing	44,776	45,296	43,607	41,978	40,907	39,066	37,296	38,051	133,679	117,269
Investments	2,142	2,372	1,876	1,894	1,599	2,102	1,578	2,123	6,390	5,279
Other	1,087	1,227	1,052	1,464	1,821	1,726	1,265	1,542	3,366	4,812
	162,421	156,439	147,954	147,184	143,462	141,040	133,472	131,599	466,814	417,974
Interest expense:										
Deposits	47,204	46,084	43,659	42,085	43,560	43,226	41,828	41,630	136,947	128,614
Securitization liabilities	41,489	41,354	39,185	38,979	35,466	34,120	33,002	33,414	122,028	102,588
Bank facilities	1,926	1,040	566	1,292	1,407	885	614	838	3,532	2,906
Debentures	950	950	950	1,213	1,274	1,269	1,277	1,402	2,850	3,820
Other	25	1	-	157	318	545	414	95	26	1277
	91,594	89,429	84,360	83,726	82,025	80,045	77,135	77,379	265,383	239,205
Net interest income	70,827	67,010	63,594	63,458	61,437	60,995	56,337	54,220	201,431	178,769
Provision for credit losses	1,243	105	227	1,064	930	830	814	842	1,575	2,574
Net interest income after provision for credit losses	69,584	66,905	63,367	62,394	60,507	60,165	55,523	53,378	199,856	176,195
Other income:										
Fees and other income	3,873	3,781	3,177	3,454	3,117	2,534	2,308	2,480	10,831	7,959
Net (loss) gain on investments	(44)	747	-	(13)	-	(247)	(203)	(1)	703	(450)
Gains on securitization activities and income from securitization retained interests	3,182	1,894	560	870	1,046	2,268	1,702	850	5,636	5,016
	7,011	6,422	3,737	4,311	4,163	4,555	3,807	3,329	17,170	12,525
Net interest and other income	76,595	73,327	67,104	66,705	64,670	64,720	59,330	56,707	217,026	188,720
Non-interest expenses: ⁽¹⁾										
Compensation and benefits	15,574	15,193	14,650	13,273	12,015	11,883	11,303	11,277	45,417	35,201
Other	13,465	13,179	14,728	11,156	10,108	9,827	8,397	9,275	41,372	28,332
	29,039	28,372	29,378	24,429	22,123	21,710	19,700	20,552	86,789	63,533
Income before income taxes	47,556	44,955	37,726	42,276	42,547	43,010	39,630	36,155	130,237	125,187
Income taxes:										
Current	8,227	7,875	8,419	7,855	6,133	7,250	6,609	5,567	24,521	19,992
Deferred	4,099	3,670	1,295	2,985	4,966	2,240	3,560	3,703	9,064	10,766
	12,326	11,545	9,714	10,840	11,099	9,490	10,169	9,270	33,585	30,758
Net income	\$ 35,230	\$ 33,410	\$ 28,012	\$ 31,436	\$ 31,448	\$ 33,520	\$ 29,461	\$ 26,885	\$ 96,652	\$ 94,429
Dividends on preferred shares	1,191	1,191	1,191	1,191	1,191	1,190	1,191	1,892	3,573	3,572
Net income available to common shareholders	\$ 34,039	\$ 32,219	\$ 26,821	\$ 30,245	\$ 30,257	\$ 32,330	\$ 28,270	\$ 24,993	\$ 93,079	\$ 90,857
Common shares outstanding:										
Weighted average basic	15,570,678	15,556,836	15,543,952	15,493,549	15,471,960	15,461,161	15,440,328	15,416,625	15,557,205	15,457,932
Weighted average diluted	15,722,532	15,709,456	15,674,734	15,677,954	15,661,842	15,687,647	15,660,067	15,683,821	15,702,392	15,670,443
Earnings per share: ⁽²⁾										
Basic	\$ 2.19	\$ 2.07	\$ 1.73	\$ 1.95	\$ 1.96	\$ 2.09	\$ 1.83	\$ 1.62	\$ 5.98	\$ 5.88
Diluted	\$ 2.16	\$ 2.05	\$ 1.71	\$ 1.93	\$ 1.93	\$ 2.06	\$ 1.81	\$ 1.59	\$ 5.93	\$ 5.80

⁽¹⁾ Prior period figures of non-interest expenses have been reclassified to conform to current period presentation.

⁽²⁾ YTD EPS does not equal the sum of the quarterly EPS' as a result of rounding.



Table 3: Net interest income

(\$ THOUSANDS, EXCEPT PERCENTAGE)	2016						2015						YTD							
	Q3		Q2		Q1		Q4		Q3		Q2		Q1		Q4		2016		2015	
	Revenue/ Expense ⁽¹⁾	Average rate ⁽¹⁾	Revenue/ Expense ⁽¹⁾	Average rate ⁽¹⁾	Revenue/ Expense ⁽¹⁾	Average rate ⁽¹⁾	Revenue/ Expense ⁽¹⁾	Average rate ⁽¹⁾	Revenue/ Expense ⁽¹⁾	Average rate ⁽¹⁾	Revenue/ Expense ⁽¹⁾	Average rate ⁽¹⁾	Revenue/ Expense ⁽¹⁾	Average rate ⁽¹⁾	Revenue/ Expense ⁽¹⁾	Average rate ⁽¹⁾	Revenue/ Expense ⁽¹⁾	Average rate ⁽¹⁾	Revenue/ Expense ⁽¹⁾	Average rate ⁽¹⁾
Core Lending:																				
<i>Revenues derived from:</i>																				
Mortgages	\$ 114,416	4.65%	\$ 107,544	4.65%	\$ 101,419	4.60%	\$ 101,848	4.75%	\$ 99,135	4.80%	\$ 98,146	4.86%	\$ 93,333	4.78%	\$ 89,883	4.86%	\$ 323,379	4.64%	\$ 290,614	4.81%
Liquidity investments	1,428	1.01%	1,573	0.97%	1,161	0.85%	1,318	0.97%	1,713	1.06%	1,700	1.19%	1,076	1.24%	1,214	1.23%	4,162	0.94%	4,489	1.15%
Equity securities – TEB ⁽²⁾	2,040	6.67%	2,520	7.72%	2,159	6.70%	2,285	6.92%	2,031	5.99%	2,595	6.95%	2,047	5.36%	2,459	7.30%	6,719	7.04%	6,673	6.10%
	117,884	4.48%	111,637	4.45%	104,739	4.41%	105,451	4.56%	102,879	4.55%	102,441	4.65%	96,456	4.64%	93,556	4.73%	334,260	4.45%	301,776	4.61%
<i>Expenses related to:</i>																				
Deposits and bank facilities	44,290	2.09%	42,944	2.13%	41,080	2.15%	40,608	2.10%	42,023	2.15%	42,237	2.19%	40,945	2.25%	40,594	2.32%	128,131	2.12%	125,183	2.19%
Debentures	950	5.81%	950	5.88%	950	5.88%	1,213	5.99%	1,274	5.94%	1,269	5.99%	1,277	6.09%	1,402	6.03%	2,850	5.86%	3,820	6.01%
Securitization liabilities	4,485	1.60%	3,643	1.50%	3,306	1.53%	2,796	1.66%	2,041	1.99%	1,126	2.21%	752	2.43%	750	2.30%	11,435	1.55%	3,919	2.13%
	49,725	2.06%	47,537	2.09%	45,336	2.11%	44,617	2.10%	45,338	2.18%	44,632	2.23%	42,974	2.30%	42,746	2.37%	142,416	2.08%	132,922	2.23%
Net interest income – TEB ⁽²⁾⁽³⁾	68,159	2.60%	64,100	2.55%	59,403	2.50%	60,834	2.64%	57,541	2.56%	57,809	2.62%	53,482	2.55%	50,810	2.58%	191,844	2.55%	168,854	2.58%
Taxable Equivalent Basis – adjustment ⁽²⁾	(569)		(838)		(624)		(609)		(589)		(660)		(624)		(499)		(2,031)		(1,873)	
Core Lending	\$ 67,590		\$ 63,262		\$ 58,779		\$ 60,225		\$ 56,952		\$ 57,149		\$ 52,858		\$ 50,311		\$ 189,813		\$ 166,981	
Securitization Financing:																				
<i>Revenues derived from:</i>																				
Mortgages	\$ 44,776	2.61%	\$ 45,296	2.73%	\$ 43,607	2.81%	\$ 41,978	2.92%	\$ 40,907	3.13%	\$ 39,066	3.25%	\$ 37,296	3.25%	\$ 38,051	3.41%	\$ 133,679	2.71%	\$ 117,269	3.21%
Liquidity investments	330	1.03%	344	0.89%	232	1.01%	364	0.57%	265	0.80%	193	0.61%	344	1.22%	491	1.39%	906	0.97%	802	0.87%
	45,106	2.59%	45,640	2.68%	43,839	2.79%	42,342	2.82%	41,172	3.07%	39,259	3.18%	37,640	3.20%	38,542	3.35%	134,585	2.68%	118,071	3.15%
<i>Expenses related to:</i>																				
Securitization liabilities	37,004	2.54%	37,711	2.60%	35,879	2.62%	36,183	2.74%	33,425	2.94%	32,994	3.02%	32,250	3.04%	32,664	3.17%	110,593	2.59%	98,669	3.00%
Deposits and secured funding facility	4,865	1.70%	4,181	1.79%	3,145	1.64%	2,926	1.73%	3,262	1.75%	2,419	1.97%	1,911	1.95%	1,969	1.81%	12,374	1.74%	7,614	1.87%
	41,869	2.40%	41,892	2.49%	39,024	2.50%	39,109	2.63%	36,687	2.77%	35,413	2.91%	34,161	2.95%	34,633	3.04%	122,967	2.47%	106,283	2.87%
Securitization Financing	\$ 3,237	0.19%	\$ 3,748	0.22%	\$ 4,815	0.31%	\$ 3,233	0.22%	\$ 4,485	0.34%	\$ 3,846	0.31%	\$ 3,479	0.29%	\$ 3,909	0.34%	\$ 11,618	0.23%	\$ 11,788	0.31%
Total asset – TEB⁽²⁾⁽³⁾	\$ 71,396	1.64%	\$ 67,848	1.61%	\$ 64,218	1.62%	\$ 64,067	1.69%	\$ 62,026	1.73%	\$ 61,655	1.79%	\$ 56,961	1.74%	\$ 54,719	1.76%	\$ 203,462	1.62%	\$ 180,642	1.76%
Net interest income	\$ 70,827		\$ 67,010		\$ 63,594		\$ 63,458		\$ 61,437		\$ 60,995		\$ 56,337		\$ 54,220		\$ 201,431		\$ 178,769	

⁽¹⁾ During the quarter, management refined its NII and NIM reporting by product and business to better match deposit expenses to Securitization Financing and more accurately capture the effects of such items as the timing of mortgage originations and securitizations by computing average rates from daily average balances instead of month end balances outstanding. All the prior period comparative balances and rates have been recalculated to conform to the current period presentation.

⁽²⁾ See Non-GAAP Measures section.

⁽³⁾ See Additional GAAP Measures section.



Table 4: Securitization and derecognition activity

(\$ THOUSANDS, EXCEPT PERCENTAGE)	2016			2015				2014	YTD	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2016	2015
Securitization derecognized - non-prepayable Multis	\$ 130,656	\$ 125,432	\$ 151,544	\$ 69,263	\$ 143,743	\$ 214,098	\$ 180,753	\$ 166,709	\$ 407,632	\$ 538,594
Securitization derecognized - prepayable mortgages ⁽¹⁾	296,626	253,087	-	9,157	-	-	-	-	549,713	-
Total principal derecognized	\$ 427,282	\$ 378,519	\$ 151,544	\$ 78,420	\$ 143,743	\$ 214,098	\$ 180,753	\$ 166,709	\$ 957,345	\$ 538,594
Gains on sale	\$ 2,505	\$ 1,894	\$ 1,619	\$ 755	\$ 1,259	\$ 1,703	\$ 1,530	\$ 1,154	\$ 6,018	\$ 4,492
Income from securitization activities and retained interests:										
Income from retained interests	238	154	178	195	175	281	268	122	570	724
Fair value gains (losses) on derivative financial instruments	439	(154)	(1,237)	(80)	(388)	284	(96)	(426)	(952)	(200)
Gains on securitization activities and income from securitization retained interests	677	-	(1,059)	115	(213)	565	172	(304)	(382)	524
Gains on sale margin ⁽²⁾	\$ 3,182	\$ 1,894	\$ 560	\$ 870	\$ 1,046	\$ 2,268	\$ 1,702	\$ 850	\$ 5,636	\$ 5,016
Gains on sale margin ⁽²⁾	0.59%	0.50%	1.07%	0.96%	0.88%	0.80%	0.85%	0.69%	0.63%	0.83%

⁽¹⁾ In order to derecognize prepayable mortgages, Equitable needs to securitize the mortgages through CMHC's CMB or NHA-MBS programs and also then engage in a transaction that transfers the residual risks and rewards to third parties.

This additional transaction is not required to derecognize non-prepayable mortgages.

⁽²⁾ Gains on sale margin represents the gains on sale as a percentage of total principal derecognized.



Table 5: Non-interest expenses and Efficiency Ratio ⁽¹⁾

(\$ THOUSANDS, EXCEPT PERCENTAGE AND FTE)	2016			2015				YTD	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2016	2015
<i>Growth of our franchise:</i>									
Compensation and benefits	\$ 14,181	\$ 13,840	\$ 13,227	\$ 12,367	\$ 11,482	\$ 11,356	\$ 10,752	\$ 41,248	\$ 33,590
Technology and system costs	3,600	3,743	3,133	3,495	2,819	2,781	2,495	10,476	8,095
Product costs	2,074	1,840	1,938	1,700	2,070	1,765	1,698	5,852	5,533
Regulatory, legal and professional fees	2,281	1,817	1,543	1,765	1,586	1,675	1,503	5,641	4,764
Premises	1,495	1,529	1,685	950	813	983	825	4,709	2,621
Marketing and corporate expenses	1,310	2,179	2,113	1,759	1,891	2,486	1,334	5,602	5,711
Non-interest expenses before strategic investments	\$ 24,941	\$ 24,948	\$ 23,639	\$ 22,036	\$ 20,661	\$ 21,046	\$ 18,607	\$ 73,528	\$ 60,314
<i>Investments in our future:</i>									
Compensation and benefits	\$ 1,393	\$ 1,353	\$ 1,423	\$ 906	\$ 533	\$ 527	\$ 551	\$ 4,169	\$ 1,611
Other	2,705	2,071	4,316	1,487	929	137	542	9,092	1,608
Total investments in our future ⁽²⁾	\$ 4,098	\$ 3,424	\$ 5,739	\$ 2,393	\$ 1,462	\$ 664	\$ 1,093	\$ 13,261	\$ 3,219
Total non-interest expenses	\$ 29,039	\$ 28,372	\$ 29,378	\$ 24,429	\$ 22,123	\$ 21,710	\$ 19,700	\$ 86,789	\$ 63,533
Efficiency Ratio – TEB ⁽¹⁾	37.0%	38.2%	43.2%	35.7%	33.4%	32.8%	32.4%	39.3%	32.9%
Full-time employee ("FTE") – period average	542	528	507	484	452	430	412	525	432

⁽¹⁾ Prior period figures of non-interest expenses have been reclassified to conform to current period presentation. The reclassification has no impact on prior period Efficiency Ratios.

⁽²⁾ See Non-GAAP Measures section.



Table 6: Interim consolidated balance sheets

(\$ THOUSANDS)	2016			2015			2014	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Assets								
Cash and cash equivalents	\$ 383,788	\$ 336,237	\$ 427,800	\$ 423,366	\$ 413,518	\$ 631,917	\$ 243,634	\$ 230,063
Restricted cash	238,945	150,691	129,453	107,988	116,894	107,338	64,117	67,690
Securities purchased under reverse repurchase agreements	102,760	150,906	30,346	19,918	63,598	102,025	10,535	18,117
Investments	124,485	130,770	154,397	153,714	149,734	163,390	182,221	187,664
Mortgages receivable – Core Lending	10,199,787	9,591,449	9,061,191	8,674,599	8,458,087	8,229,510	8,014,573	7,684,425
Mortgages receivable – Securitization Financing	6,849,957	6,652,657	6,479,050	6,026,207	5,501,345	4,986,757	4,771,279	4,585,520
Securitization retained interests	87,262	74,563	66,665	61,650	61,524	56,982	52,957	44,983
Other assets	75,862	60,581	62,319	60,142	62,910	51,905	48,599	36,441
	\$ 18,062,846	\$ 17,147,854	\$ 16,411,221	\$ 15,527,584	\$ 14,827,610	\$ 14,329,824	\$ 13,387,915	\$ 12,854,903
Liabilities and Shareholders' Equity								
Liabilities:								
Deposits	\$ 9,268,606	\$ 9,148,025	\$ 8,845,184	\$ 8,211,265	\$ 8,055,591	\$ 8,236,361	\$ 7,750,244	\$ 7,489,418
Securitization liabilities	7,258,672	6,807,964	6,576,177	6,109,436	5,485,344	4,870,987	4,457,760	4,355,328
Obligations under repurchase agreements	69,290	-	-	-	163,189	167,767	225,698	52,413
Deferred tax liabilities	37,763	33,663	29,993	28,698	25,713	20,747	18,507	14,843
Other liabilities	85,239	79,278	78,818	81,290	58,094	57,011	60,014	61,971
Bank facilities	398,909	170,000	-	235,779	190,000	141,802	67,086	92,236
Debentures	65,000	65,000	65,000	65,000	85,000	85,000	85,000	85,000
	17,183,479	16,303,930	15,595,172	14,731,468	14,062,931	13,579,675	12,664,309	12,151,209
Shareholders' equity:								
Preferred shares	72,557	72,557	72,557	72,557	72,557	72,557	72,557	72,412
Common shares	145,694	144,615	144,159	143,690	141,971	141,794	141,245	140,657
Contributed surplus	5,114	5,099	4,935	4,706	4,808	4,640	4,505	4,331
Retained earnings	688,867	658,098	629,147	605,436	578,295	550,979	521,587	496,097
Accumulated other comprehensive loss	(32,865)	(36,445)	(34,749)	(30,273)	(32,952)	(19,821)	(16,288)	(9,803)
	879,367	843,924	816,049	796,116	764,679	750,149	723,606	703,694
	\$ 18,062,846	\$ 17,147,854	\$ 16,411,221	\$ 15,527,584	\$ 14,827,610	\$ 14,329,824	\$ 13,387,915	\$ 12,854,903



Table 7: Average balance sheet information ⁽¹⁾

(\$ THOUSANDS)	2016			2015				2014
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Assets								
Cash and cash equivalents	\$ 331,933	\$ 474,928	\$ 355,924	\$ 397,610	\$ 505,232	\$ 469,249	\$ 274,312	\$ 286,245
Restricted cash	176,194	143,195	113,817	167,553	109,885	89,727	77,389	70,595
Securities purchased under reverse repurchase agreements	64,678	55,688	15,199	50,991	46,019	30,645	13,252	34,088
Investments	129,912	143,819	172,083	151,647	156,371	174,885	187,204	178,057
Mortgages receivable – Core Lending	9,916,212	9,324,530	8,885,286	8,602,257	8,314,489	8,140,272	7,840,103	7,435,567
Mortgages receivable – Securitization Financing	6,878,274	6,668,744	6,278,452	5,800,723	5,290,134	4,890,747	4,687,897	4,511,993
Securitization retained interests	78,045	68,086	63,063	61,059	58,459	54,026	48,147	41,704
Other assets	64,695	59,911	63,134	61,294	56,518	47,644	42,398	31,926
	\$ 17,639,943	\$ 16,938,901	\$ 15,946,958	\$ 15,293,134	\$ 14,537,107	\$ 13,897,195	\$ 13,170,702	\$ 12,590,175
Liabilities and Shareholders' Equity								
Liabilities:								
Deposits	\$ 9,220,344	\$ 8,963,513	\$ 8,474,357	\$ 8,085,075	\$ 8,133,780	\$ 7,968,948	\$ 7,602,609	\$ 7,268,269
Securitization liabilities	6,967,786	6,800,005	6,396,861	5,926,749	5,059,275	4,657,870	4,386,508	4,297,869
Obligations under repurchase agreements	17,323	-	-	64,655	161,496	218,438	186,342	42,663
Deferred tax liabilities	34,688	30,911	29,022	26,933	21,989	19,067	15,724	12,534
Other liabilities	78,591	79,830	84,519	68,690	53,654	59,683	66,092	50,288
Bank facilities	393,754	167,087	94,134	258,599	264,076	150,409	116,178	133,363
Debentures	65,000	65,000	65,000	80,000	85,000	85,000	85,000	90,612
	16,777,486	16,106,346	15,143,893	14,510,701	13,779,270	13,159,415	12,458,453	11,895,598
Shareholders' equity:								
Preferred shares	72,557	72,557	72,557	72,557	72,557	72,557	72,498	72,412
Common shares	144,906	144,356	143,869	142,499	141,867	141,491	140,838	140,181
Contributed surplus	5,166	5,042	4,812	4,839	4,740	4,607	4,419	4,281
Retained earnings	674,052	644,154	618,199	593,009	565,578	536,707	509,321	486,255
Accumulated other comprehensive loss	(34,224)	(33,554)	(36,372)	(30,471)	(26,905)	(17,582)	(14,827)	(8,552)
	862,457	832,555	803,065	782,433	757,837	737,780	712,249	694,577
	\$ 17,639,943	\$ 16,938,901	\$ 15,946,958	\$ 15,293,134	\$ 14,537,107	\$ 13,897,195	\$ 13,170,702	\$ 12,590,175

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



Table 8: Mortgage principal under administration – by lending business

(\$ THOUSANDS)	2016			2015				2014	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	
Single Family Lending	\$ 7,540,069	\$ 7,155,246	\$ 6,751,013	\$ 6,449,663	\$ 6,225,409	\$ 5,946,464	\$ 5,691,465	\$ 5,385,848	
Commercial Lending	2,657,201	2,437,546	2,313,337	2,229,466	2,240,474	2,289,859	2,328,651	2,305,375	
Total Core Lending	10,197,270	9,592,792	9,064,350	8,679,129	8,465,883	8,236,323	8,020,116	7,691,223	
Multi-unit residential	3,493,318	3,726,566	4,013,890	3,992,388	3,911,108	3,860,512	3,988,627	3,975,531	
Prime single family residential	3,270,068	2,841,935	2,385,784	1,962,930	1,528,435	1,078,712	741,536	573,944	
Total Securitization Financing	6,763,386	6,568,501	6,399,674	5,955,318	5,439,543	4,939,224	4,730,163	4,549,475	
Total on-balance sheet mortgage principal	16,960,656	16,161,293	15,464,024	14,634,447	13,905,426	13,175,547	12,750,279	12,240,698	
Multi-unit residential	2,868,655	2,462,533	2,100,591	1,965,663	1,901,926	1,771,894	1,570,278	1,399,816	
Prime single family residential	92,900	99,230	104,206	106,825	109,727	112,405	117,086	119,192	
Total derecognized mortgage principal	2,961,555	2,561,763	2,204,797	2,072,488	2,011,653	1,884,299	1,687,364	1,519,008	
Mortgages Under Management	\$ 19,922,211	\$ 18,723,056	\$ 17,668,821	\$ 16,706,935	\$ 15,917,079	\$ 15,059,846	\$ 14,437,643	\$ 13,759,706	
Single Family Lending	\$ 7,540,069	\$ 7,155,246	\$ 6,751,013	\$ 6,449,663	\$ 6,225,409	\$ 5,946,464	\$ 5,691,465	\$ 5,385,848	
Prime single family residential	3,362,968	2,941,165	2,489,990	2,069,755	1,638,162	1,191,117	858,622	693,136	
Commercial Lending	2,657,201	2,437,546	2,313,337	2,229,466	2,240,474	2,289,859	2,328,651	2,305,375	
Multi-unit residential	6,361,973	6,189,099	6,114,481	5,958,051	5,813,034	5,632,406	5,558,905	5,375,347	
Mortgages Under Management	\$ 19,922,211	\$ 18,723,056	\$ 17,668,821	\$ 16,706,935	\$ 15,917,079	\$ 15,059,846	\$ 14,437,643	\$ 13,759,706	



Table 9: Mortgage originations - by lending business

(\$ THOUSANDS)	2016			2015				2014	YTD	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2016	2015
Single Family Lending	\$ 1,050,366	\$ 952,937	\$ 674,417	\$ 719,361	\$ 744,416	\$ 641,095	\$ 568,278	\$ 758,442	\$ 2,677,720	\$ 1,953,789
Commercial Lending	367,197	323,061	201,849	259,502	235,987	199,977	207,767	253,961	892,107	643,731
Total Core Lending	1,417,563	1,275,998	876,266	978,863	980,403	841,072	776,045	1,012,403	3,569,827	2,597,520
Multi-unit residential	243,754	245,677	248,773	269,948	267,103	175,585	277,308	306,352	738,204	719,996
Prime single family residential	495,598	499,732	444,354	489,310	522,919	379,687	191,414	270,175	1,439,684	1,094,020
Total Securitization Financing	739,352	745,409	693,127	759,258	790,022	555,272	468,722	576,527	2,177,888	1,814,016
Total mortgage originations	\$ 2,156,915	\$ 2,021,407	\$ 1,569,393	\$ 1,738,121	\$ 1,770,425	\$ 1,396,344	\$ 1,244,767	\$ 1,588,930	\$ 5,747,715	\$ 4,411,536



Table 10: Deposit principal

(\$ THOUSANDS)	2016								2014	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q4	
GICs	\$ 6,821,166	\$ 6,742,096	\$ 6,606,137	\$ 6,931,771	\$ 6,934,026	\$ 7,239,484	\$ 6,894,012	\$ 6,869,073	\$ 6,869,073	
Brokered HISAs	1,197,125	1,075,208	1,096,641	947,675	791,472	652,806	503,554	366,239	366,239	
Savings Plus Accounts	1,012,010	995,645	793,633	91	-	-	-	-	-	
Deposit notes	150,346	235,516	235,702	235,946	236,180	236,184	236,430	150,144	150,144	
Total deposit principal	\$ 9,180,647	\$ 9,048,465	\$ 8,732,113	\$ 8,115,483	\$ 7,961,678	\$ 8,128,474	\$ 7,633,996	\$ 7,385,456	\$ 7,385,456	



Table 11: Mortgage credit metrics

(\$ THOUSANDS, EXCEPT PERCENTAGE)	2016			2015				2014
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Provision for credit losses	\$ 1,243	\$ 105	\$ 227	\$ 1,064	\$ 930	\$ 830	\$ 814	\$ 842
Provision for credit losses rate	0.03%	0.00%	0.01%	0.03%	0.03%	0.03%	0.03%	0.03%
Gross impaired mortgage assets ⁽¹⁾	34,529	33,531	36,048	34,183	33,241	27,566	39,436	41,253
Net impaired mortgage assets ⁽²⁾	32,569	32,181	34,783	32,857	29,622	24,382	35,742	37,316
Net impaired mortgage assets as a % of total mortgage assets	0.19%	0.20%	0.22%	0.22%	0.21%	0.18%	0.28%	0.30%
Allowance for credit losses	33,850	33,240	33,155	33,216	34,911	34,007	33,772	33,447
Allowance for credit losses as a % of total mortgage assets	0.20%	0.20%	0.21%	0.23%	0.25%	0.26%	0.26%	0.27%
Allowances for credit losses as a % of gross impaired mortgage assets	98%	99%	92%	97%	105%	123%	86%	81%

⁽¹⁾ Uninsured mortgages are 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. Mortgages guaranteed by the Government of Canada are deemed to be impaired when payment is contractually past due 365 days.

⁽²⁾ Net impaired mortgage assets reflect gross impaired mortgages less individual allowances.



Table 12: Allowance for credit losses continuity

(\$ THOUSANDS)	2016			2015				2014	YTD	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2016	2015
Individual allowance										
Balance, beginning of period	\$ 1,350	\$ 1,265	\$ 1,326	\$ 3,619	\$ 3,184	\$ 3,694	\$ 3,937	\$ 3,617	\$ 1,326	\$ 3,937
Provision for credit losses	1,243	105	227	466	461	85	246	643	1,575	792
Realized losses	(639)	(58)	(307)	(2,763)	(32)	(615)	(491)	(323)	(1,004)	(1,138)
Recoveries	6	38	19	4	6	20	2	0	63	28
Balance, end of period	\$ 1,960	\$ 1,350	\$ 1,265	\$ 1,326	\$ 3,619	\$ 3,184	\$ 3,694	\$ 3,937	\$ 1,960	\$ 3,619
Collective allowance										
Balance, beginning of period	\$ 31,890	\$ 31,890	\$ 31,890	\$ 31,292	\$ 30,823	\$ 30,078	\$ 29,510	\$ 29,311	\$ 31,890	\$ 29,510
Provision for credit losses	-	-	-	598	469	745	568	199	-	1,782
Balance, end of period	\$ 31,890	\$ 31,890	\$ 31,890	\$ 31,890	\$ 31,292	\$ 30,823	\$ 30,078	\$ 29,510	\$ 31,890	\$ 31,292
Total allowance										
Balance, beginning of period	\$ 33,240	\$ 33,155	\$ 33,216	\$ 34,911	\$ 34,007	\$ 33,772	\$ 33,447	\$ 32,928	\$ 33,216	\$ 33,447
Provision for credit losses	1,243	105	227	1,064	930	830	814	842	1,575	2,574
Realized losses	(639)	(58)	(307)	(2,763)	(32)	(615)	(491)	(323)	(1,004)	(1,138)
Recoveries	6	38	19	4	6	20	2	0	63	28
Balance, end of period	\$ 33,850	\$ 33,240	\$ 33,155	\$ 33,216	\$ 34,911	\$ 34,007	\$ 33,772	\$ 33,447	\$ 33,850	\$ 34,911



Table 13: Mortgage principal outstanding – by property type

(\$ THOUSANDS, EXCEPT PERCENTAGE)	2016			2015			2014	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Uninsured								
Single family dwelling	\$ 6,518,037	\$ 6,490,980	\$ 6,019,695	\$ 5,666,406	\$ 5,588,827	\$ 5,240,123	\$ 5,041,423	\$ 4,700,722
Mixed-use property	372,145	363,318	368,175	357,738	362,013	360,338	357,642	346,850
Multi-unit residential	507,894	455,987	506,860	507,921	489,986	534,130	509,560	516,371
Commercial	1,035,485	976,872	868,590	854,016	926,301	923,779	1,009,257	1,037,015
Construction	736,701	636,374	564,747	510,408	461,337	470,663	451,093	404,873
Mortgage principal – Core Lending	9,170,262	8,923,531	8,328,067	7,896,489	7,828,464	7,529,033	7,368,975	7,005,831
Single family dwelling	14,991	43,953	70,133	53,149	2,386	-	-	-
Mortgage principal – Securitization Financing	14,991	43,953	70,133	53,149	2,386	-	-	-
Total mortgage principal outstanding	\$ 9,185,253	\$ 8,967,484	\$ 8,398,200	\$ 7,949,638	\$ 7,830,850	\$ 7,529,033	\$ 7,368,975	\$ 7,005,831
Total mortgage principal outstanding percentage	54%	55%	54%	54%	56%	57%	58%	57%
Insured								
Single family dwelling	\$ 1,020,932	\$ 663,161	\$ 730,160	\$ 782,035	\$ 636,793	\$ 706,643	\$ 650,473	\$ 684,702
Multi-unit residential	6,076	6,100	6,123	605	626	647	668	690
Mortgage principal – Core Lending	1,027,008	669,261	736,283	782,640	637,419	707,290	651,141	685,392
Single family dwelling	3,255,077	2,797,982	2,315,651	1,909,781	1,526,049	1,078,712	741,536	573,944
Multi-unit residential	3,493,318	3,726,566	4,013,890	3,992,388	3,911,108	3,860,512	3,988,627	3,975,531
Mortgage principal – Securitization Financing	6,748,395	6,524,548	6,329,541	5,902,169	5,437,157	4,939,224	4,730,163	4,549,475
Total mortgage principal outstanding	\$ 7,775,403	\$ 7,193,809	\$ 7,065,824	\$ 6,684,809	\$ 6,074,576	\$ 5,646,514	\$ 5,381,304	\$ 5,234,867
Total mortgage principal outstanding percentage	46%	45%	46%	46%	44%	43%	42%	43%
Total								
Single family dwelling	\$ 7,538,969	\$ 7,154,141	\$ 6,749,855	\$ 6,448,441	\$ 6,225,620	\$ 5,946,766	\$ 5,691,896	\$ 5,385,424
Mixed-use property	372,145	363,318	368,175	357,738	362,013	360,338	357,642	346,850
Multi-unit residential	513,970	462,087	512,983	508,526	490,612	534,777	510,228	517,061
Commercial	1,035,485	976,872	868,590	854,016	926,301	923,779	1,009,257	1,037,015
Construction	736,701	636,374	564,747	510,408	461,337	470,663	451,093	404,873
Mortgage principal – Core Lending	10,197,270	9,592,792	9,064,350	8,679,129	8,465,883	8,236,323	8,020,116	7,691,223
Single family dwelling	3,270,068	2,841,935	2,385,784	1,962,930	1,528,435	1,078,712	741,536	573,944
Multi-unit residential	3,493,318	3,726,566	4,013,890	3,992,388	3,911,108	3,860,512	3,988,627	3,975,531
Mortgage principal – Securitization Financing	6,763,386	6,568,501	6,399,674	5,955,318	5,439,543	4,939,224	4,730,163	4,549,475
Total mortgage principal outstanding	\$ 16,960,656	\$ 16,161,293	\$ 15,464,024	\$ 14,634,447	\$ 13,905,426	\$ 13,175,547	\$ 12,750,279	\$ 12,240,698
Total mortgage principal outstanding percentage	100%	100%	100%	100%	100%	100%	100%	100%



Table 14: Mortgage principal outstanding – by interest rate type

	2016			2015				2014
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Fixed rate mortgages	81%	82%	82%	83%	84%	85%	86%	87%
Floating rate mortgages with interest rate floors ⁽¹⁾	8%	7%	7%	7%	7%	7%	7%	7%
Floating rate mortgages without interest rate floors	11%	11%	11%	10%	9%	8%	7%	6%
Total	100%	100%	100%	100%	100%	100%	100%	100%

⁽¹⁾ Floating rate mortgages with interest rate floors represent mortgages whose rate are allowed to move up or down by way of reference to an index rate, but are subject to a minimum fixed rate.

Table 15: Mortgage principal outstanding – by province⁽¹⁾

(\$ THOUSANDS, EXCEPT PERCENTAGE)	2016						2015						2014			
	Q3		Q2		Q1		Q4		Q3		Q2		Q1		Q4	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Single Family Lending																
Ontario	\$ 5,795,737	34%	\$ 5,485,009	34%	\$ 5,184,491	34%	\$ 4,958,225	34%	\$ 4,765,953	34%	\$ 4,542,015	34%	\$ 4,355,572	34%	\$ 4,122,706	34%
Alberta	908,084	5%	919,447	6%	914,251	6%	909,425	6%	909,805	7%	906,994	7%	895,001	7%	876,586	7%
Quebec	219,094	1%	198,040	1%	163,888	1%	137,910	1%	114,548	1%	86,872	1%	61,484	0%	36,877	0%
British Columbia	406,187	2%	346,034	2%	284,356	2%	243,914	2%	235,591	2%	216,048	2%	190,129	1%	170,725	1%
Saskatchewan	75,008	0%	74,752	0%	76,435	0%	77,252	1%	79,903	1%	80,363	1%	82,188	1%	78,694	1%
Other Provinces	135,959	1%	131,964	1%	127,592	1%	122,938	1%	119,609	1%	114,172	1%	107,091	1%	100,260	1%
	\$ 7,540,069	44%	\$ 7,155,246	44%	\$ 6,751,013	44%	\$ 6,449,663	44%	\$ 6,225,409	45%	\$ 5,946,464	45%	\$ 5,691,465	45%	\$ 5,385,848	44%
Commercial Lending																
Ontario	\$ 1,751,776	10%	\$ 1,574,719	10%	\$ 1,465,093	9%	\$ 1,426,315	10%	\$ 1,413,563	10%	\$ 1,464,394	11%	\$ 1,468,631	12%	\$ 1,460,167	12%
Alberta	252,803	1%	272,609	2%	267,008	2%	246,922	2%	272,998	2%	278,400	2%	295,090	2%	290,705	2%
Quebec	432,674	3%	423,578	3%	393,323	3%	384,052	3%	386,402	3%	381,832	3%	378,753	3%	389,599	3%
British Columbia	117,179	1%	72,468	0%	50,886	0%	32,606	0%	30,111	0%	38,594	0%	60,290	0%	55,231	0%
Saskatchewan	27,288	0%	13,929	0%	39,429	0%	38,156	0%	35,941	0%	35,420	0%	32,498	0%	29,658	0%
Other Provinces	75,482	0%	80,243	0%	97,599	1%	101,415	1%	101,459	1%	91,219	1%	93,388	1%	80,014	1%
	\$ 2,657,201	16%	\$ 2,437,546	15%	\$ 2,313,337	15%	\$ 2,229,466	15%	\$ 2,240,474	16%	\$ 2,289,859	17%	\$ 2,328,651	18%	\$ 2,305,375	19%
Total mortgage principal - Core Lending	\$ 10,197,270	60%	\$ 9,592,792	59%	\$ 9,064,350	59%	\$ 8,679,129	59%	\$ 8,465,883	61%	\$ 8,236,323	63%	\$ 8,020,116	63%	\$ 7,691,223	63%
Multi-unit residential																
Ontario	\$ 1,294,661	8%	\$ 1,458,201	9%	\$ 1,560,075	10%	\$ 1,516,645	10%	\$ 1,551,250	11%	\$ 1,543,023	12%	\$ 1,686,992	13%	\$ 1,656,273	14%
Alberta	665,201	4%	641,089	4%	673,371	4%	670,894	5%	628,166	5%	588,644	4%	608,581	5%	600,977	5%
Quebec	749,873	4%	790,335	5%	880,665	5%	885,550	6%	833,527	6%	822,084	6%	821,493	6%	834,182	7%
British Columbia	396,951	2%	403,411	2%	410,498	3%	438,295	3%	409,698	3%	412,730	3%	382,201	3%	410,328	3%
Saskatchewan	117,051	1%	154,093	1%	158,013	1%	155,411	1%	156,354	1%	159,788	1%	156,894	1%	143,558	1%
Other Provinces	269,582	2%	279,436	2%	331,268	2%	325,593	2%	332,113	2%	334,243	3%	332,466	3%	330,213	3%
	\$ 3,493,318	21%	\$ 3,726,566	23%	\$ 4,013,890	26%	\$ 3,992,388	27%	\$ 3,911,108	28%	\$ 3,860,512	29%	\$ 3,988,627	31%	\$ 3,975,531	32%
Prime single family residential																
Ontario	\$ 1,851,495	11%	\$ 1,564,574	10%	\$ 1,280,348	8%	\$ 1,033,032	8%	\$ 758,823	5%	\$ 503,539	4%	\$ 310,014	2%	\$ 223,626	2%
Alberta	614,090	4%	571,655	4%	514,056	3%	448,413	3%	378,425	3%	293,769	2%	218,176	2%	176,501	1%
Quebec	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%
British Columbia	429,616	3%	362,871	2%	285,527	2%	213,577	1%	166,826	1%	135,721	1%	102,064	1%	86,607	1%
Saskatchewan	142,410	1%	128,991	1%	117,454	1%	106,499	1%	92,675	1%	62,032	0%	47,543	0%	38,059	0%
Other Provinces	232,457	1%	213,844	1%	188,399	1%	161,409	1%	131,686	1%	83,651	1%	63,739	0%	49,151	0%
	\$ 3,270,068	19%	\$ 2,841,935	18%	\$ 2,385,784	15%	\$ 1,962,930	14%	\$ 1,528,435	11%	\$ 1,078,712	8%	\$ 741,536	6%	\$ 573,944	5%
Total mortgage principal - Securitization Financing	\$ 6,763,386	40%	\$ 6,568,501	41%	\$ 6,399,674	41%	\$ 5,955,318	41%	\$ 5,439,543	39%	\$ 4,939,224	37%	\$ 4,730,163	37%	\$ 4,549,475	37%
Total																
Ontario	\$ 10,693,668	63%	\$ 10,082,504	62%	\$ 9,490,008	61%	\$ 8,934,217	61%	\$ 8,489,589	61%	\$ 8,052,971	61%	\$ 7,821,210	61%	\$ 7,462,772	61%
Alberta	2,440,179	14%	2,404,800	15%	2,368,686	15%	2,275,654	16%	2,189,394	16%	2,067,807	16%	2,016,848	16%	1,944,770	16%
Quebec	1,401,641	8%	1,411,952	9%	1,437,876	9%	1,407,511	10%	1,334,477	10%	1,290,788	10%	1,261,729	10%	1,260,658	10%
British Columbia	1,349,933	8%	1,184,784	7%	1,031,267	7%	928,391	6%	842,226	6%	803,093	6%	734,685	6%	722,890	6%
Saskatchewan	361,756	2%	371,766	2%	391,330	3%	377,319	3%	364,873	3%	337,602	3%	319,123	3%	289,970	2%
Other Provinces	713,479	4%	705,487	4%	744,859	5%	711,355	5%	684,867	5%	623,286	5%	596,684	5%	559,638	5%
Total mortgage principal	\$ 16,960,656	100%	\$ 16,161,293	100%	\$ 15,464,024	100%	\$ 14,634,447	100%	\$ 13,905,426	100%	\$ 13,175,547	100%	\$ 12,750,279	100%	\$ 12,240,698	100%

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



Table 16: Residential mortgage and HELOC principal outstanding – by province⁽¹⁾

(\$ THOUSANDS, EXCEPT PERCENTAGE)	Residential mortgages				HELOC ⁽²⁾		Total	
	Insured ⁽³⁾		Uninsured		Uninsured		Uninsured	
	Total	%	Total	%	Total	%	Total	%
	Q3 2016							
Ontario	\$ 2,648,783	25%	\$ 4,978,919	46%	\$ 19,317	79%	\$ 4,998,236	46%
Alberta	738,213	7%	779,983	7%	3,090	13%	783,073	7%
British Columbia	465,090	4%	369,434	3%	1,278	5%	370,712	3%
Manitoba	78,885	1%	71,277	1%	276	1%	71,553	1%
Saskatchewan	156,425	1%	60,668	1%	325	1%	60,993	1%
Other Provinces	188,613	2%	248,281	2%	180	1%	248,461	2%
Total residential mortgages	\$ 4,276,009	40%	\$ 6,508,562	60%	\$ 24,466	100%	\$ 6,533,028	60%
Downtown Toronto condominiums ⁽⁴⁾	\$ 5,891	0%	\$ 95,097	1%	\$ 201	1%	\$ 95,298	1%
	Q4 2015							
Ontario	\$ 1,592,575	19%	\$ 4,383,369	52%	\$ 15,220	79%	\$ 4,398,589	52%
Alberta	561,389	7%	792,865	9%	2,684	14%	795,549	9%
British Columbia	232,672	3%	224,016	3%	802	4%	224,818	3%
Manitoba	59,608	1%	70,371	1%	220	1%	70,591	1%
Saskatchewan	118,918	1%	64,558	1%	276	1%	64,834	1%
Other Provinces	126,654	2%	164,997	2%	177	1%	165,174	2%
Total residential mortgages	\$ 2,691,816	33%	\$ 5,700,176	67%	\$ 19,379	100%	\$ 5,719,555	68%
Downtown Toronto condominiums ⁽⁴⁾	\$ 7,920	0%	\$ 54,704	1%	\$ 111	1%	\$ 54,815	1%
	Q3 2015							
Ontario	\$ 1,245,155	16%	\$ 4,267,732	55%	\$ 13,006	78%	\$ 4,280,738	55%
Alberta	481,209	6%	803,726	10%	2,390	14%	806,116	10%
British Columbia	183,348	2%	218,394	3%	675	4%	219,069	3%
Manitoba	51,293	1%	72,307	1%	167	1%	72,474	1%
Saskatchewan	104,270	1%	68,063	1%	246	1%	68,309	1%
Other Provinces	97,567	1%	144,347	3%	160	2%	144,507	2%
Total residential mortgages	\$ 2,162,842	27%	\$ 5,574,569	73%	\$ 16,644	100%	\$ 5,591,213	72%
Downtown Toronto condominiums ⁽⁴⁾	\$ 7,589	0%	\$ 52,454	1%	\$ 33	0%	\$ 52,487	1%

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

⁽²⁾ HELOC represents the drawn amount of the secured line of credit.

⁽³⁾ Insured by either CMHC or Genworth.

⁽⁴⁾ Represents single family residential condominium mortgages and are included in Ontario totals above.



Table 17: Residential mortgage principal outstanding – by remaining amortization⁽¹⁾

(\$ THOUSANDS, EXCEPT PERCENTAGE)	<5 years	5 - <10 years	10 - <15 years	15 - <20 years	20 - <25 years	25 - <30 years	30 - <35 years	>=35 years	Total
Q3 2016									
Total residential mortgages	\$ 1,387 0.01%	\$ 13,330 0.12%	\$ 63,004 0.58%	\$ 275,504 2.55%	\$ 2,663,536 24.70%	\$ 7,658,853 71.02%	\$ 107,857 1.00%	\$ 1,100 0.02%	\$ 10,784,571 100%
Q2 2016									
Total residential mortgages	\$ 831 0.01%	\$ 11,857 0.12%	\$ 55,950 0.56%	\$ 247,111 2.48%	\$ 2,434,154 24.41%	\$ 7,088,276 71.08%	\$ 132,704 1.33%	\$ 1,521 0.01%	\$ 9,972,404 100%
Q1 2016									
Total residential mortgages	\$ 1,095 0.01%	\$ 10,686 0.12%	\$ 44,659 0.49%	\$ 221,261 2.43%	\$ 2,170,411 23.81%	\$ 6,525,904 71.60%	\$ 138,318 1.52%	\$ 1,735 0.02%	\$ 9,114,069 100%
Q4 2015									
Total residential mortgages	\$ 935 0.01%	\$ 9,367 0.11%	\$ 35,678 0.43%	\$ 185,372 2.21%	\$ 1,931,540 23.02%	\$ 6,074,542 72.38%	\$ 153,039 1.82%	\$ 1,519 0.02%	\$ 8,391,992 100%
Q3 2015									
Total residential mortgages	\$ 1,078 0.01%	\$ 7,745 0.10%	\$ 31,889 0.41%	\$ 157,311 2.03%	\$ 1,656,206 21.41%	\$ 5,680,184 73.41%	\$ 201,087 2.60%	\$ 1,911 0.03%	\$ 7,737,411 100%
Q2 2015									
Total residential mortgages	\$ 1,380 0.02%	\$ 8,420 0.12%	\$ 28,337 0.40%	\$ 138,473 1.98%	\$ 1,284,811 18.33%	\$ 5,273,219 75.21%	\$ 271,991 3.88%	\$ 4,595 0.06%	\$ 7,011,226 100%
Q1 2015									
Total residential mortgages	\$ 987 0.02%	\$ 8,384 0.13%	\$ 28,631 0.45%	\$ 122,656 1.91%	\$ 999,152 15.56%	\$ 4,911,680 76.48%	\$ 344,319 5.36%	\$ 6,393 0.09%	\$ 6,422,202 100%
Q4 2014									
Total residential mortgages	\$ 717 0.01%	\$ 7,304 0.12%	\$ 24,697 0.41%	\$ 111,945 1.88%	\$ 816,774 13.72%	\$ 4,580,706 76.97%	\$ 396,498 6.66%	\$ 12,667 0.23%	\$ 5,951,308 100%

⁽¹⁾ The above residential mortgage balances do not include HELOC amount.

Table 18: Uninsured average loan-to-value of newly originated and newly acquired⁽¹⁾

	2016						2015						2014			
	Q3		Q2		Q1		Q4		Q3		Q2		Q1		Q4	
	Residential mortgages	HELOC ⁽²⁾	Residential mortgages	HELOC ⁽²⁾	Residential mortgages	HELOC ⁽²⁾	Residential mortgages	HELOC ⁽²⁾	Residential mortgages	HELOC ⁽²⁾	Residential mortgages	HELOC ⁽²⁾	Residential mortgages	HELOC ⁽²⁾	Residential mortgages	HELOC ⁽²⁾
Ontario	74%	5%	73%	5%	73%	7%	74%	6%	75%	6%	74%	5%	75%	6%	75%	6%
Alberta	72%	6%	73%	2%	72%	4%	71%	6%	72%	3%	72%	4%	72%	10%	74%	9%
British Columbia	69%	3%	69%	5%	71%	6%	68%	3%	72%	4%	70%	4%	71%	3%	73%	3%
Manitoba	73%	9%	77%	1%	75%	1%	75%	5%	74%	8%	74%	3%	77%	2%	74%	3%
Saskatchewan	71%	2%	72%	2%	69%	2%	73%	1%	68%	8%	66%	2%	71%	18%	72%	5%
Other Provinces	71%	1%	71%	18%	71%	3%	70%	2%	71%	2%	70%	5%	70%	4%	71%	3%
Total Canada	73%	5%	73%	5%	73%	7%	74%	6%	75%	6%	74%	5%	74%	6%	75%	7%
Downtown Toronto condominiums ⁽³⁾	66%	3%	69%	5%	64%	2%	64%	2%	64%	2%	64%	2%	64%	2%	68%	3%

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

⁽²⁾ The loan-to-value ("LTV") of the HELOC represents the authorized HELOC amount as a percentage of the original property value. There are also mortgages associated with most of these properties, but the aggregate LTVs are not presented on this chart.

Aggregate LTVs do not exceed 80%.

⁽³⁾ Included in Ontario totals above.

Table 19: Average loan-to-value of existing residential mortgages⁽¹⁾⁽³⁾⁽⁴⁾

	2016									2015		
	Q3			Q2			Q1			Q4		
	Insured ⁽²⁾	Uninsured ⁽²⁾	Total ⁽²⁾	Insured ⁽²⁾	Uninsured ⁽²⁾	Total ⁽²⁾	Insured ⁽²⁾	Uninsured ⁽²⁾	Total ⁽²⁾	Insured ⁽²⁾	Uninsured ⁽²⁾	Total ⁽²⁾
Ontario	72%	62%	66%	75%	64%	68%	74%	67%	69%	74%	67%	69%
Alberta	82%	67%	74%	83%	67%	75%	85%	70%	77%	85%	69%	76%
British Columbia	78%	63%	71%	80%	64%	72%	76%	62%	69%	79%	63%	71%
Manitoba	82%	68%	75%	83%	69%	76%	82%	70%	76%	83%	70%	76%
Saskatchewan	84%	59%	77%	86%	60%	78%	83%	63%	77%	85%	64%	77%
Other Provinces	85%	66%	74%	87%	66%	75%	87%	70%	77%	86%	69%	76%
Total Canada	75%	63%	68%	78%	65%	70%	78%	67%	71%	78%	67%	71%

	2015									2014		
	Q3			Q2			Q1			Q4		
	Insured ⁽²⁾	Uninsured ⁽²⁾	Total ⁽²⁾	Insured ⁽²⁾	Uninsured ⁽²⁾	Total ⁽²⁾	Insured ⁽²⁾	Uninsured ⁽²⁾	Total ⁽²⁾	Insured ⁽²⁾	Uninsured ⁽²⁾	Total ⁽²⁾
Ontario	74%	66%	68%	73%	67%	69%	72%	69%	70%	67%	69%	68%
Alberta	84%	67%	74%	83%	68%	73%	82%	68%	72%	79%	67%	70%
British Columbia	81%	64%	72%	82%	64%	72%	84%	65%	73%	84%	66%	73%
Manitoba	84%	70%	76%	81%	69%	73%	80%	70%	73%	77%	68%	71%
Saskatchewan	85%	63%	77%	85%	65%	75%	85%	67%	75%	84%	67%	74%
Other Provinces	87%	68%	76%	86%	68%	75%	87%	70%	76%	86%	69%	76%
Total Canada	78%	66%	70%	77%	67%	70%	77%	69%	71%	73%	69%	69%

⁽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 HELOC is not included in this chart.

⁽⁴⁾ Equitable has arrangements with other lenders to participate in its single family residential loans when Equitable wants to limit the value of its own exposure to stay within the boundaries of its risk appetite or loan to value policies. 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 is in the first loss position. Equitable services these loans and remits the required payments to the other lenders. 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 these loans to ensure that the borrower is able to service the aggregate amount of the loan advanced. Other lenders' participation in Equitable's single family residential loans was \$50.3 million at September 30, 2016 (June 30, 2016 - \$51.8 million, September 30, 2015 - \$53.5 million).



Table 20: Alberta and Saskatchewan portfolios

(\$ THOUSANDS, EXCEPT PERCENTAGE)	Insured ⁽¹⁾								Uninsured							
	Residential		Commercial ⁽²⁾		Total		%	Residential ⁽³⁾		%	Commercial ⁽³⁾		%	Total	%	
	Q3 2016															
Alberta	\$ 738,213	4%	\$ 665,202	4%	\$ 1,403,415	8%	\$ 783,073	5%	\$ 253,691	2%	\$ 1,036,764	7%	\$ 2,440,179	15%		
Saskatchewan	156,425	1%	117,050	1%	273,475	2%	60,993	0%	27,288	0%	88,281	0%	361,756	2%		
Other provinces	3,381,371	20%	2,717,142	16%	6,098,513	36%	5,688,962	34%	2,371,246	13%	8,060,208	47%	14,158,721	83%		
Total Mortgage Principal	\$ 4,276,009	25%	\$ 3,499,394	21%	\$ 7,775,403	46%	\$ 6,533,028	39%	\$ 2,652,225	15%	\$ 9,185,253	54%	\$ 16,960,656	100%		
Included in Alberta:																
Greater Edmonton	\$ 298,712	2%	\$ 402,785	2%	\$ 701,497	4%	\$ 329,844	2%	\$ 102,707	1%	\$ 432,551	3%	\$ 1,134,048	7%		
Greater Calgary	323,173	2%	220,356	2%	543,529	4%	411,577	2%	113,492	0%	525,069	2%	1,068,598	6%		
	\$ 621,885	4%	\$ 623,141	4%	\$ 1,245,026	8%	\$ 741,421	4%	\$ 216,199	1%	\$ 957,620	5%	\$ 2,202,646	13%		
Included in Saskatchewan:																
Regina	\$ 46,545	0%	\$ 40,635	0%	\$ 87,180	0%	\$ 31,886	0%	\$ 12,920	0%	\$ 44,806	0%	\$ 131,986	0%		
Saskatoon	72,840	1%	58,167	1%	131,007	2%	23,791	0%	14,368	0%	38,159	0%	169,166	2%		
	\$ 119,385	1%	\$ 98,802	1%	\$ 218,187	2%	\$ 55,677	0%	\$ 27,288	0%	\$ 82,965	0%	\$ 301,152	2%		
	Q4 2015															
Alberta	\$ 561,389	4%	\$ 670,881	5%	\$ 1,232,270	8%	\$ 795,549	5%	\$ 247,835	2%	\$ 1,043,384	7%	\$ 2,275,654	16%		
Saskatchewan	118,918	1%	155,411	1%	274,329	2%	64,834	0%	38,156	0%	102,990	1%	377,319	3%		
Other provinces	2,011,509	14%	3,166,701	22%	5,178,210	35%	4,859,172	33%	1,944,092	13%	6,803,264	46%	11,981,474	81%		
Total Mortgage Principal	\$ 2,691,816	18%	\$ 3,992,993	27%	\$ 6,684,809	46%	\$ 5,719,555	39%	\$ 2,230,083	15%	\$ 7,949,638	54%	\$ 14,634,447	100%		
Included in Alberta:																
Greater Edmonton	\$ 232,490	2%	\$ 356,017	2%	\$ 588,507	4%	\$ 325,784	2%	\$ 92,474	1%	\$ 418,258	3%	\$ 1,006,765	7%		
Greater Calgary	226,430	2%	225,313	2%	451,743	3%	425,986	3%	114,391	1%	540,377	4%	992,120	7%		
	\$ 458,920	3%	\$ 581,330	4%	\$ 1,040,250	7%	\$ 751,770	5%	\$ 206,865	1%	\$ 958,635	7%	\$ 1,998,885	14%		
Included in Saskatchewan:																
Regina	\$ 32,898	0%	\$ 60,315	0%	\$ 93,213	1%	\$ 33,839	0%	\$ -	0%	\$ 33,839	0%	\$ 127,052	1%		
Saskatoon	54,868	0%	76,175	1%	131,043	1%	26,172	0%	38,156	0%	64,328	0%	195,371	1%		
	\$ 87,766	1%	\$ 136,490	1%	\$ 224,256	2%	\$ 60,011	0%	\$ 38,156	0%	\$ 98,167	1%	\$ 322,423	2%		
	Q3 2015															
Alberta	\$ 481,209	3%	\$ 628,194	5%	\$ 1,109,403	8%	\$ 806,116	6%	\$ 273,875	2%	\$ 1,079,991	8%	\$ 2,189,394	16%		
Saskatchewan	104,270	1%	156,354	1%	260,624	2%	68,309	0%	35,940	0%	104,249	1%	364,873	3%		
Other provinces	1,577,363	11%	3,127,186	22%	4,704,549	34%	4,716,788	34%	1,929,822	14%	6,646,610	48%	11,351,159	81%		
Total Mortgage Principal	\$ 2,162,842	16%	\$ 3,911,734	28%	\$ 6,074,576	44%	\$ 5,591,213	40%	\$ 2,239,637	16%	\$ 7,830,850	56%	\$ 13,905,426	100%		
Included in Alberta:																
Greater Edmonton	\$ 196,957	1%	\$ 344,376	2%	\$ 541,333	4%	\$ 336,271	2%	\$ 128,131	1%	\$ 464,402	3%	\$ 1,005,735	7%		
Greater Calgary	189,335	1%	193,322	1%	382,657	3%	427,163	3%	101,708	1%	528,871	4%	911,528	7%		
	\$ 386,292	3%	\$ 537,698	4%	\$ 923,990	7%	\$ 763,434	5%	\$ 229,839	2%	\$ 993,273	7%	\$ 1,917,263	14%		
Included in Saskatchewan:																
Regina	\$ 27,987	0%	\$ 60,618	0%	\$ 88,605	1%	\$ 36,027	0%	\$ -	0%	\$ 36,027	0%	\$ 124,632	1%		
Saskatoon	49,124	0%	76,593	1%	125,717	1%	26,794	0%	35,941	0%	62,735	0%	188,452	1%		
	\$ 77,111	1%	\$ 137,211	1%	\$ 214,322	2%	\$ 62,821	0%	\$ 35,941	0%	\$ 98,762	1%	\$ 313,084	2%		

⁽¹⁾ Insured by either CMHC or Genworth.

⁽²⁾ Insured Commercial mortgages are all multi-unit residential mortgages.

⁽³⁾ Uninsured residential includes \$24.5 million (December 31, 2015 - \$19.4 million, September 30, 2015 - \$16.6 million) HELOC principal outstanding.

⁽⁴⁾ There are no multi-units residential mortgages in the uninsured commercial portfolio.



Table 21: Modified Capital Disclosure Template - Equitable Bank

	2016						2015	
	Q3		Q2		Q1		All-in	Transitional
	All-in	Transitional	All-in	Transitional	All-in	Transitional		
(\$ THOUSANDS, EXCEPT PERCENTAGE)								
Common Equity Tier 1 capital: instruments and reserves								
1	148,175		147,096		146,640		145,836	
2	689,789		659,063		629,783		606,254	
3	(24,133)		(26,392)		(26,605)		(22,458)	
4	-		-		-		-	
5	-		-		-		-	
6	813,831		779,767		749,818		729,632	
Common Equity Tier 1 capital: regulatory adjustments								
28	(14,687)		(14,495)		(13,951)		(14,574)	
29	799,144	814,672	765,272	798,224	735,867	752,089	715,058	737,277
Additional Tier 1 capital : instruments								
30	-		-		-		-	
31	-		-		-		-	
32	-		-		-		-	
33	72,554		72,554		72,554		72,554	
34	-		-		-		-	
35	-		-		-		-	
36	72,554		72,554		72,554		72,554	
Additional Tier 1 capital : regulatory adjustments								
43	-		0		-		0	
44	72,554		72,554		72,554		72,554	
45	871,698	877,573	837,826	848,656	808,421	814,001	787,612	796,356
Tier 2 capital: instruments and allowances								
46	-		-		-		-	
47	65,000		65,000		65,000		65,000	
48	-		-		-		-	
49	-		-		-		-	
50	31,890		31,890		31,890		31,889	
51	96,890		96,890		96,890		96,889	
Tier 2 capital: regulatory adjustments								
57	-		-		-		-	
58	96,890		96,890		96,890		96,889	
59	968,588	974,462	934,716	945,545	905,311	910,890	884,501	893,245
60	5,968,000	5,975,788	5,664,575	5,680,450	5,433,025	5,440,496	5,259,384	5,270,468
Capital ratios								
61	13.4%	13.6%	13.5%	14.1%	13.5%	13.8%	13.6%	14.0%
62	14.6%	14.7%	14.8%	14.9%	14.9%	15.0%	15.0%	15.1%
63	16.2%	16.3%	16.5%	16.6%	16.7%	16.7%	16.8%	16.9%
OSFI all-in target								
69	7.0%		7.0%		7.0%		7.0%	
70	8.5%		8.5%		8.5%		8.5%	
71	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	N/A		N/A		N/A		N/A	
81	N/A		N/A		N/A		N/A	
82	N/A		N/A		N/A		N/A	
83	-		-		-		-	
84	N/A		N/A		N/A		N/A	
85	-		-		-		-	



Table 21: Modified Capital Disclosure Template - Equitable Bank

	2015						2014	
	Q3		Q2		Q1		All-in	Transitional
	All-in	Transitional	All-in	Transitional	All-in	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	\$ 144,453		\$ 144,276		\$ 143,728		\$ 143,141	
2 Retained earnings	578,847		551,232		521,826		496,197	
3 Accumulated other comprehensive income (and other reserves)	(25,762)		(13,023)		(8,263)		(2,453)	
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	\$ 697,538		\$ 682,485		\$ 657,291		\$ 636,885	
Common Equity Tier 1 capital: regulatory adjustments								
28 Total regulatory adjustments to Common Equity Tier 1	\$ (13,206)		\$ (12,088)		\$ (11,396)		\$ (1,723)	
29 Common Equity Tier 1 capital (CET1)	\$ 684,332	\$ 708,644	\$ 670,397	\$ 686,445	\$ 645,895	\$ 657,872	\$ 635,162	\$ 640,654
Additional Tier 1 capital : instruments								
30 Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	\$ -		\$ -		\$ -		\$ -	
31 of which: classified as equity under applicable accounting standards	-		-		-		-	
32 of which: classified as liabilities under applicable accounting standards	-		-		-		-	
33 Directly issued capital instruments subject to phase out from Additional Tier 1	72,554		72,554		72,554		72,409	
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		\$ 72,409	
Additional Tier 1 capital : regulatory adjustments								
43 Total regulatory adjustments to Additional Tier 1 capital	\$ 72,554		\$ -		\$ (4,735)		\$ (4,806)	
44 Additional Tier 1 capital (AT1)	72,554		72,554		67,819		67,603	
45 Tier 1 capital (T1 = CET1 + AT1)	\$ 756,886	\$ 764,810	\$ 742,951	\$ 750,204	\$ 713,714	\$ 722,371	\$ 702,765	\$ 707,988
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	85,000		85,000		85,000		85,000	
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	31,292		30,275		29,082		29,510	
51 Tier 2 capital before regulatory adjustments	\$ 116,292		\$ 115,275		\$ 114,082		\$ 114,510	
Tier 2 capital: regulatory adjustments								
57 Total regulatory adjustments to Tier 2 capital	\$ -		\$ -		\$ -		\$ -	
58 Tier 2 capital (T2)	116,292		115,275		114,082		114,510	
59 Total capital (TC = T1 + T2)	\$ 873,178	\$ 881,102	\$ 858,226	\$ 865,479	\$ 827,796	\$ 836,453	\$ 817,275	\$ 822,498
60 Total risk-weighted assets	\$ 5,113,009	\$ 5,123,316	\$ 4,983,762	\$ 4,993,524	\$ 4,867,218	\$ 4,879,538	\$ 4,721,132	\$ 4,729,127
Capital ratios								
61 Common Equity Tier 1 (as a percentage of risk-weighted assets)	13.4%	13.8%	13.5%	13.7%	13.2%	13.5%	13.5%	13.5%
62 Tier 1 (as a percentage of risk-weighted assets)	14.8%	14.9%	14.9%	15.0%	14.7%	14.8%	14.9%	15.0%
63 Total capital (as a percentage of risk-weighted assets)	17.1%	17.2%	17.2%	17.3%	17.0%	17.1%	17.3%	17.4%
OSFI all-in target								
69 Common Equity Tier 1 capital all-in target ratio	7.0%		7.0%		7.0%		7.0%	
70 Tier 1 capital all-in target ratio	8.5%		8.5%		8.5%		8.5%	
71 Total capital all-in target ratio	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	
81 Amounts excluded from CET1 due to cap (excess over cap after redemptions and maturities)	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	
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	N/A		N/A		N/A		N/A	
85 Amounts excluded from T2 due to cap (excess over cap after redemptions and maturities)	-		-		-		-	



Table 22: Leverage Ratio - Equitable Bank⁽¹⁾⁽²⁾

(\$ THOUSANDS, EXCEPT PERCENTAGE)	2016			2015			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
On-balance sheet exposure							
1 On-balance sheet items (excluding derivatives, SFTs and grandfathered securitization exposures but including collateral)	\$ 17,476,260	\$ 16,486,914	\$ 15,853,057	\$ 14,956,797	\$ 14,185,631	\$ 13,629,767	\$ 12,741,624
2 (Asset amounts deducted in determining Basel III "all-in" Tier 1 capital)	5,955	4,441	5,807	6,760	6,016	5,290	10,148
3 Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	\$ 17,470,305	\$ 16,482,473	\$ 15,847,250	\$ 14,950,037	\$ 14,179,615	\$ 13,624,477	\$ 12,731,476
Derivative exposures							
4 Replacement cost associated with all derivative transactions (i.e. net of eligible cash variation margin)	\$ 4,006	\$ 1,775	\$ 627	\$ 1,468	\$ 1,983	\$ 1,956	\$ 6,863
5 Add-on amounts for PFE associated with all derivative transactions	12,361	9,113	13,476	9,411	11,128	11,128	4,260
6 Gross up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-	-	-	-	-	-	-
7 (Deductions of receivables assets for cash variation margin provided in derivative transactions)	-	-	-	-	-	-	-
8 (Exempted CCP-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 4 to 10)	\$ 16,367	\$ 10,888	\$ 14,103	\$ 10,879	\$ 13,111	\$ 13,084	\$ 11,123
12 Gross SFT assets recognised for accounting purposes (with no recognition of netting), after adjusting for sale accounting transactions	\$ 102,760	\$ 150,906	\$ 30,346	\$ 19,918	\$ 63,598	\$ 102,025	\$ 10,535
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)	\$ 102,760	\$ 150,906	\$ 30,346	\$ 19,918	\$ 63,598	\$ 102,025	\$ 10,535
Other off-balance sheet exposures							
17 Off-balance sheet exposure at gross notional amount	\$ 1,041,986	\$ 1,104,870	\$ 657,181	\$ 659,411	\$ 552,537	\$ 514,332	\$ 432,460
18 (Adjustments for conversion to credit equivalent amounts)	(780,234)	(826,196)	(408,910)	(402,620)	(326,121)	(329,787)	(274,384)
19 Off-balance sheet items (sum of lines 17 and 18)	\$ 261,752	\$ 278,674	\$ 248,271	\$ 256,791	\$ 226,416	\$ 184,545	\$ 158,076
Capital and Total Exposure							
20 Tier 1 capital	\$ 871,698	\$ 837,826	\$ 808,421	\$ 787,612	\$ 756,886	\$ 742,951	\$ 713,714
21 Total Exposures (sum of lines 3, 11, 16 and 19)	\$ 17,851,184	\$ 16,922,941	\$ 16,139,970	\$ 15,237,625	\$ 14,482,740	\$ 13,924,131	\$ 12,911,210
Leverage Ratios							
22 Basel III Leverage Ratio	4.9%	5.0%	5.0%	5.2%	5.2%	5.3%	5.5%

⁽¹⁾ This table has been extracted from and should be read in conjunction with the BCBS Leverage Ratio Framework and OSFI's Leverage Requirements guideline.

⁽²⁾ The Leverage Ratio was effective January 1, 2015, thus it is not applicable for prior periods.



Non-GAAP measures

Assets Under Management ("AUM")

is the sum of total assets reported on the consolidated balance sheet and mortgage 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")

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 as a percentage of total RWA. This ratio is calculated for the Bank on the "all-in" basis in accordance with the guidelines issued by OSFI.

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.

Investments in our future

is the portion of non-interest expenses spent on various strategic initiatives to enable future growth and maintain our superior level of service.

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 on the "all-in" basis in accordance with the guidelines issued by OSFI.

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 mortgages, deposit maturities, and the ability to collect other receivables and settle other obligations.

Mortgages Under Management ("MUM")

is the sum of mortgage principal reported on the consolidated balance sheet and mortgage principal derecognized but still managed by the Company.



Non-GAAP measures

Net interest margin ("NIM")

is calculated on an annualized basis by dividing net interest income – TEB by the average total interest earning assets for the period.

Net revenue

is calculated as the sum of net interest income, other income, and the TEB adjustment.

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 portfolio outstanding during the period.

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 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.

Securitization Financing MUM

is the sum of Securitization Financing mortgage principal reported on the consolidated balance sheet and Securitization Financing mortgage principal derecognized but still managed by the Company.

Taxable equivalent basis ("TEB")

The TEB methodology grosses up tax-exempt income, such as dividends from equity securities, by an amount which makes this income comparable on a pre-tax basis to regular taxable income such as mortgage interest.

Tier 1 Capital

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

Tier 2 Capital

is equal to the sum of the Bank's collective allowance and subordinated debentures.

Tier 1 Ratio

is calculated by dividing Tier 1 Capital by Total RWA. This ratio is calculated for the Bank on the "all-in" basis in accordance with the guidelines issued by OSFI.

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 on the "all-in" basis in accordance with the guidelines issued by OSFI.



Additional GAAP measures

Net interest income ("NII")

is defined as total revenues derived from interest or dividend generating assets less total expenses related to interest bearing liabilities.

Total revenue

is defined as interest income plus other income.



Acronyms

AOCI

Accumulated Other Comprehensive Income (Loss)

BCBS

Basel Committee on Banking Supervision

CAR

Capital Adequacy Requirements

CMHC

Canada Mortgage and Housing Corporation

EPS

Earnings per Share

GAAP

Generally Accepted Accounting Principles

GICs

Guaranteed Investment Certificates

HELOC

Home Equity Line of Credit

HISAs

High Interest Savings Accounts

LTV

Loan-to-Value ratio

OSFI

Office of the Superintendent of Financial Institutions Canada

TFSAs

Tax-Free Savings Accounts