

## Supplemental Financial Information (unaudited)

For the period ended June 30, 2017

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## NOTES TO READERS

### USE OF THIS DOCUMENT

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The Supplemental Financial Information (this document) is designed to support the transparency and disclosure of additional information on Desjardins Group's capital and risk management so that the various financial market participants can assess its risk profile and financial performance. The information disclosed in this document is unaudited. This document should be used as a supplement to Desjardins Group's Interim Financial Reports and 2016 Annual Report. These reports, which include Desjardins Group's Combined Financial Statements as well as its MD&As, are available on its website at [www.desjardins.com/ca/about-us/investor-relations](http://www.desjardins.com/ca/about-us/investor-relations) and on the System for Electronic Document Analysis and Retrieval (SEDAR) website at [www.sedar.com](http://www.sedar.com) (under the *Capital Desjardins inc.* profile).

### BASIS OF PRESENTATION OF FINANCIAL INFORMATION

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The Annual and Interim Combined Financial Statements have been prepared by Desjardins Group's management in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the accounting requirements of the *Autorité des marchés financiers* (AMF) in Quebec, which do not differ from IFRS. For further information about the accounting policies applied, see the Interim and Annual Combined Financial Statements.

To assess its performance, Desjardins Group uses IFRS measures and various non-IFRS financial measures. Non-IFRS financial measures, other than the regulatory ratios, do not have a standardized definition and are not directly comparable to similar measures used by other companies, and may not be directly comparable to any IFRS measures. The non-IFRS measures may be useful to investors to analyze financial performance, among other things. They are defined in the interim and annual MD&As.

Unless indicated otherwise, all amounts are in Canadian dollars.

### SCOPE OF THIS DOCUMENT

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The information presented in this document relates to the Desjardins Group entities that are included in its accounting scope. The entities included in Desjardins Group's accounting scope of consolidation are presented in the "Scope of the Group" section of Note 2, "Basis of presentation and significant accounting policies", to its Annual Combined Financial Statements. In the tables on capital management, the information presented is prepared using Desjardins Group's regulatory scope in accordance with Basel III. This scope differs from the accounting scope as investments in insurance subsidiaries are excluded from it through capital deductions. In addition, data related to capital and risks are presented to meet the disclosure requirements set out in the recommendations of the *Enhanced Disclosure Task Force* document dated October 29, 2012 and the Residential Hypothecary Lending Guideline issued by the AMF as well as certain requirements of Basel III Pillar 3.

## FINANCIAL INFORMATION

**TABLE 1 – COMBINED BALANCE SHEETS**

(in millions of dollars)	As at June 30, 2017	As at March 31, 2017	As at December 31, 2016	As at September 30, 2016	As at June 30, 2016
<b>ASSETS</b>					
<b>Cash and deposits with financial institutions</b>	<b>\$ 2,737</b>	<b>\$ 2,333</b>	<b>\$ 1,876</b>	<b>\$ 1,929</b>	<b>\$ 2,183</b>
<b>Securities</b>					
Securities at fair value through profit or loss	33,807	33,951	31,005	32,112	32,577
Available-for-sale securities	24,783	24,627	22,280	23,687	23,636
	58,590	58,578	53,285	55,799	56,213
<b>Securities borrowed or purchased under reverse repurchase agreements</b>	<b>6,230</b>	<b>8,912</b>	<b>7,690</b>	<b>7,677</b>	<b>10,362</b>
<b>Loans</b>					
Residential mortgages	109,740	107,246	106,695	105,908	104,977
Consumer, credit card and other personal loans	22,832	22,243	22,150	21,723	21,486
Business and government loans	39,239	38,567	37,626	37,095	36,682
	171,811	168,056	166,471	164,726	163,145
Allowance for credit losses	(438)	(458)	(456)	(462)	(459)
	171,373	167,598	166,015	164,264	162,686
<b>Segregated fund net assets</b>	<b>12,527</b>	<b>12,429</b>	<b>11,965</b>	<b>11,620</b>	<b>10,255</b>
<b>Other assets</b>					
Clients' liability under acceptances	59	105	11	23	47
Premiums receivable	1,988	1,822	1,957	2,071	1,936
Derivative financial instruments	3,010	2,986	3,572	3,978	3,919
Amounts receivable from clients, brokers and financial institutions	5,436	3,209	2,532	3,051	3,745
Reinsurance assets	2,176	2,167	2,582	2,509	2,311
Investment property	821	820	823	778	736
Property, plant and equipment	1,406	1,410	1,435	1,438	1,451
Goodwill	153	153	471	470	470
Intangible assets	553	528	690	691	705
Deferred tax assets	962	870	874	1,052	962
Other	3,022	3,073	2,589	2,807	2,730
Assets of the group held for sale	940	942	-	-	-
	20,526	18,085	17,536	18,868	19,012
<b>TOTAL ASSETS</b>	<b>\$ 271,983</b>	<b>\$ 267,935</b>	<b>\$ 258,367</b>	<b>\$ 260,157</b>	<b>\$ 260,711</b>

TABLE 1 – COMBINED BALANCE SHEETS (continued)

(in millions of dollars)	As at June 30, 2017	As at March 31, 2017	As at December 31, 2016	As at September 30, 2016	As at June 30, 2016
<b>LIABILITIES AND EQUITY</b>					
<b>LIABILITIES</b>					
<b>Deposit</b>					
Individuals	\$ 99,148	\$ 97,122	\$ 96,278	\$ 95,122	\$ 93,588
Business and government	71,527	69,966	62,799	64,735	68,055
Deposit-taking institutions	2,060	2,239	1,469	1,480	2,019
	172,735	169,327	160,546	161,337	163,662
<b>Other liabilities</b>					
Acceptances	59	105	11	23	47
Commitments related to securities sold short	7,440	7,167	8,196	7,674	6,945
Commitments related to securities lent or sold under repurchase agreements	7,887	9,521	10,323	10,098	10,601
Derivative financial instruments	2,331	2,186	2,057	1,735	1,889
Amounts payable to clients, brokers and financial institutions	7,127	6,461	4,659	5,343	6,386
Insurance contract liabilities	28,147	27,549	27,493	28,988	28,371
Segregated fund net liabilities	12,493	12,412	11,957	11,607	10,247
Net defined benefit plan net liabilities	2,505	2,287	2,256	3,312	3,044
Deferred tax liabilities	160	149	179	163	170
Other	5,509	5,480	6,019	6,176	5,948
Liabilities of the group held for sale	373	345	-	-	-
	74,031	73,662	73,150	75,119	73,648
<b>Subordinated notes</b>	1,374	1,390	1,378	1,385	1,384
<b>TOTAL LIABILITIES</b>	248,140	244,379	235,074	237,841	238,694
<b>EQUITY</b>					
Capital stock	5,388	5,283	5,292	5,272	5,258
Share capital	92	91	88	89	89
Undistributed surplus earnings	1,079	1,606	1,529	1,345	748
Accumulated other comprehensive income	468	622	514	790	730
Reserves	16,003	15,136	15,052	13,971	14,339
<b>Equity – Group's share</b>	23,030	22,738	22,475	21,467	21,164
<b>Non-controlling interests</b>	813	818	818	849	853
<b>Total equity</b>	23,843	23,556	23,293	22,316	22,017
<b>TOTAL LIABILITIES AND EQUITY</b>	\$ 271,983	\$ 267,935	\$ 258,367	\$ 260,157	\$ 260,711

TABLE 2 – COMBINED STATEMENTS OF INCOME

	For the three-month periods ended				
	June 30, 2017	March 31, 2017	December 31, 2016 <sup>(1)</sup>	September 30, 2016 <sup>(1)</sup>	June 30, 2016 <sup>(1)</sup>
(in millions of dollars)					
<b>Interest income</b>					
Loans	\$ 1,444	\$ 1,418	\$ 1,445	\$ 1,425	\$ 1,407
Securities	78	77	76	79	83
	1,522	1,495	1,521	1,504	1,490
<b>Interest expense</b>					
Deposits	416	420	416	415	406
Subordinated notes and other	19	18	18	18	23
	435	438	434	433	429
<b>Net interest income</b>	1,087	1,057	1,087	1,071	1,061
<b>Net premiums</b>	2,076	1,982	1,834	1,873	1,740
<b>Other income</b>					
Deposit and payment service charges	122	120	123	128	119
Lending fees and credit card service revenues	154	172	150	139	136
Brokerage and investment fund services	307	278	282	278	286
Management and custodial service fees	106	101	102	94	92
Net income on securities at fair value through profit or loss	476	301	(1,242)	385	878
Net income on available-for-sale securities	181	80	111	99	99
Net other investment income	54	54	49	49	50
Foreign exchange income	20	19	12	20	22
Other	28	26	(42)	(42)	46
	1,448	1,151	(455)	1,150	1,728
<b>Total income</b>	4,611	4,190	2,466	4,094	4,529
<b>Provision for credit losses</b>	76	92	55	98	75
<b>Claims, benefits, annuities and changes in insurance contract liabilities</b>	1,922	1,753	(104)	1,727	2,065
<b>Non-interest expense</b>					
Salaries and fringe benefits	919	893	890	841	907
Premises, equipment and furniture, including depreciation	169	168	185	158	165
Service agreements and outsourcing	73	70	70	75	78
Communications	74	66	88	66	82
Other	643	650	638	566	622
	1,878	1,847	1,871	1,706	1,854
<b>Operating surplus earnings</b>	735	498	644	563	535
Income taxes on surplus earnings	154	115	135	109	108
<b>Surplus earnings before member dividends</b>	581	383	509	454	427
Member dividends	40	35	57	35	22
Tax recovery on member dividends	(11)	(9)	(15)	(10)	(6)
<b>Net surplus earnings for the period after member dividends</b>	\$ 552	\$ 357	\$ 467	\$ 429	\$ 411
of which:					
Group's share	\$ 538	\$ 352	\$ 443	\$ 419	\$ 390
Non-controlling interests' share	14	5	24	10	21

<sup>(1)</sup> Prior period data have been reclassified to reflect the current period's presentation.

## CAPITAL MANAGEMENT

TABLE 3 - MAIN CAPITAL COMPONENTS

		Total capital	
		Tier 1 capital	Tier 2 capital
		Tier 1A <sup>(1)</sup>	Tier 1B <sup>(1)</sup>
<b>Eligible items</b>	<ul style="list-style-type: none"> <li>&gt; Reserves and undistributed surplus earnings</li> <li>&gt; Eligible accumulated other comprehensive income</li> <li>&gt; Federation capital shares</li> <li>&gt; Permanent shares and surplus shares subject to phase-out</li> <li>&gt; Non-controlling interests<sup>(2)</sup></li> </ul>	<ul style="list-style-type: none"> <li>&gt; Non-controlling interests<sup>(2)</sup></li> </ul>	<ul style="list-style-type: none"> <li>&gt; Eligible collective allowance</li> <li>&gt; Subordinated notes subject to phase-out</li> <li>&gt; Eligible qualifying shares</li> <li>&gt; Non-controlling interests<sup>(2)</sup></li> </ul>
<b>Regulatory adjustments</b>	<ul style="list-style-type: none"> <li>&gt; Goodwill</li> <li>&gt; Software</li> <li>&gt; Other intangible assets</li> <li>&gt; Deferred tax assets essentially resulting from loss carryforwards</li> <li>&gt; Shortfall in allowance</li> </ul>		
<b>Deductions</b>	<ul style="list-style-type: none"> <li>&gt; Mainly significant investments in financial entities<sup>(3)</sup></li> </ul>		<ul style="list-style-type: none"> <li>&gt; Investment in preferred shares of a component deconsolidated for regulatory capital purposes</li> <li>&gt; Subordinated financial instrument</li> </ul>

<sup>(1)</sup> For a financial cooperative governed by the AMF, the Tier 1A and Tier 1B ratios are the equivalent of the CET1 and AT1 ratios for financial institutions.

<sup>(2)</sup> The amount of non-controlling interests allocated to the various capital tiers is determined, in particular, based on the nature of the operations and the capitalization level of the investee.

<sup>(3)</sup> Represents the portion of investments in the components deconsolidated for regulatory capital purposes (mainly Desjardins Financial Corporation Inc.) that exceeds 10% of capital net of regulatory adjustments. In addition, when the non-deducted balance, plus deferred tax assets net of related deferred tax liabilities, exceeds 15% of such adjusted capital, the excess is also deducted from such capital. The non-deducted balance is subject to risk-weighting at a rate of 250%.

TABLE 4 – REGULATORY RATIOS AND CAPITAL <sup>(1)(2)</sup>

(in millions of dollars and as a percentage)	As at June 30, 2017	Cross- reference <sup>(3)</sup>	As at March 31, 2017	As at December 31, 2016	As at September 30, 2016	As at June 30, 2016
<b>Tier 1A capital</b>						
Federation capital shares <sup>(4)</sup>	\$ 4,464	B	\$ 4,262	\$ 4,142	\$ 4,071	\$ 3,969
Permanent shares and surplus shares subject to phase-out	862	C	951	1,078	1,115	1,194
Reserves	16,003	A	15,137	15,052	13,971	14,339
Undistributed surplus earnings	1,058	D	1,584	1,502	1,326	686
Eligible accumulated other comprehensive income	389	E + F	514	392	572	483
Non-controlling interests	-	G	-	-	5	15
<b>Tier 1A capital: regulatory adjustments</b>						
Goodwill (net of related deferred tax liabilities)	(35)	K	(35)	(33)	(35)	(35)
Intangible assets other than mortgage servicing rights and software (net of related deferred tax liabilities)	(44)	M+N	(44)	(42)	(43)	(43)
Software considered as intangible assets (net of related tax liabilities)	(234)	M+N	(219)	(217)	(228)	(240)
Deferred tax assets other than those attributable to temporary differences (net of related deferred tax liabilities)	(63)	J+P	(57)	(65)	(44)	(39)
Shortfall in allowance <sup>(5)</sup>	(308)		(309)	(322)	(298)	(283)
Reciprocal cross-holdings in Tier 1A capital <sup>(5)</sup>	(20)		(8)	(8)	(8)	(8)
<b>Adjusted Tier 1A capital after allocation of allocated threshold deductions</b>						
Significant investments in the Tier 1A capital of financial institutions (greater than 10%)	(2,904)	Q+T	(2,841)	(2,759)	(2,703)	(2,507)
<b>Adjusted Tier 1A capital after allocated threshold deductions</b>						
Amount greater than the 15% threshold						
Including: Significant investments in the Tier 1A capital of deconsolidated subsidiaries	(21)	R+U	-	-	(161)	(98)
Including: Deferred tax assets arising from temporary differences	(7)	S	-	-	(63)	(36)
<b>Total net Tier 1A capital</b>	<b>19,140</b>		<b>18,935</b>	<b>18,720</b>	<b>17,477</b>	<b>17,397</b>
Non-controlling interests	14	H	13	12	13	17
<b>Total Tier 1B capital</b>	<b>14</b>		<b>13</b>	<b>12</b>	<b>13</b>	<b>17</b>
<b>Total Tier 1 capital</b>	<b>19,154</b>		<b>18,948</b>	<b>18,732</b>	<b>17,490</b>	<b>17,414</b>
<b>Tier 2 capital</b>						
Subordinated notes <sup>(6)</sup> subject to phase-out	1,018	L	1,035	1,206	1,213	1,391
Eligible collective allowance	263	O	270	252	278	270
Eligible qualifying shares	24	W	24	25	24	24
Non-controlling interests	-	I	-	-	1	3
<b>Tier 2 capital: regulatory adjustments</b>						
Significant investments in financial entities	(876)	V	(872)	(872)	(872)	(872)
<b>Total net Tier 2 capital</b>	<b>429</b>		<b>457</b>	<b>611</b>	<b>644</b>	<b>816</b>
<b>Total regulatory capital (Tier 1 and 2)</b>	<b>\$ 19,583</b>		<b>\$ 19,405</b>	<b>\$ 19,343</b>	<b>\$ 18,134</b>	<b>\$ 18,230</b>
<b>Total risk-weighted assets</b>	<b>\$ 112,037</b>		<b>\$ 110,369</b>	<b>\$ 108,144</b>	<b>\$ 107,055</b>	<b>\$ 109,686</b>
<b>Exposure measure for the leverage ratio</b>	<b>242,373</b>		<b>239,397</b>	<b>230,472</b>	<b>231,603</b>	<b>218,125</b>

Footnotes to this table are presented on the next page.

**TABLE 4 – REGULATORY RATIOS AND CAPITAL<sup>(1)(2)</sup> (continued)**

(in millions of dollars and as a percentage)	As at June 30, 2017	Cross- reference <sup>(3)</sup>	As at March 31, 2017	As at December 31, 2016	As at September 30, 2016	As at June 30, 2016
<b>Ratios</b>						
Tier 1A capital ratio	17.1 %		17.2 %	17.3 %	16.3 %	15.9 %
Tier 1 capital ratio	17.1		17.2	17.3	16.3	15.9
Total capital ratio	17.5		17.6	17.9	16.9	16.6
Leverage ratio	7.9		7.9	8.1	7.6	7.5
<b>Minimum Ratios</b>						
Tier 1A capital ratio	8.0		8.0	8.0	8.0	8.0
Tier 1 capital ratio	9.5		9.5	9.5	9.5	9.5
Total capital ratio	11.5		11.5	11.5	11.5	11.5
Leverage ratio	3.0		3.0	3.0	3.0	3.0
<b>Amounts below the thresholds for deduction (before risk weighting)</b>						
Non-significant investments in the capital of other financial institutions	\$ 112	AA	\$ 110	\$ 94	\$ 38	\$ 44
Significant investments in the Tier 1A capital of financial institutions	2,186	AC	2,178	2,148	1,880	1,906
Deferred tax assets arising from temporary differences (net of related tax liabilities)	692	AB	638	656	742	704
<b>Caps on inclusion of allowances in Tier 2 capital</b>						
Allowances eligible for inclusion in Tier 2 capital in respect of exposures subject to the Standardized Approach (before application of cap)	263		270	252	278	270
Cap on inclusion of allowances in Tier 2 capital under the Standardized Approach	263	O	270	252	278	270
Allowances eligible for inclusion in Tier 2 capital in respect of exposures subject to the Internal Ratings-Based Approach (before application of cap)	N/A		N/A	N/A	N/A	N/A
Cap on inclusion of allowances in Tier 2 capital under the Internal Ratings-Based Approach	N/A		N/A	N/A	N/A	N/A

<sup>(1)</sup> Amounts included in this document comply with the "all-in" method, which is defined by the AMF as equity calculated to include all of the regulatory adjustments that will be required by 2019 but retaining the phase-out rules for non-eligible capital instruments.

<sup>(2)</sup> Per the advisory on the public capital disclosure requirements related to Basel III Pillar 3, in accordance with the calculations under the Basel III all-in method.

<sup>(3)</sup> Cross-reference to the consolidated regulatory balance sheet. Refer to Table 7.

<sup>(4)</sup> Includes capital shares held in a segregated fund.

<sup>(5)</sup> Items considered only in regulatory capital.

<sup>(6)</sup> Includes subordinated notes described in Note 18 to the 2016 Combined Financial Statements.



TABLE 5 - QUARTERLY CHANGES IN REGULATORY CAPITAL

(in millions of dollars)	As at June 30, 2017	As at March 31, 2017	As at December 31, 2016	As at September 30, 2016	As at June 30, 2016
<b>Tier 1A capital</b>					
Balance at beginning of period	\$ 18,935	\$ 18,720	\$ 17,477	\$ 17,397	\$ 17,263
Increase in reserves and undistributed surplus earnings	340	167	1,257	272	338
Amortization of the amendments to IAS 19	-	-	-	-	-
Eligible accumulated other comprehensive income	(125)	122	(180)	89	120
Federation capital shares	202	120	71	102	279
Permanent shares and surplus shares subject to phase-out	(89)	(127)	(37)	(79)	(67)
Non-controlling interests	-	-	(5)	(10)	-
Deductions	(123)	(67)	137	(294)	(536)
Balance at end of period	19,140	18,935	18,720	17,477	17,397
<b>Tier 1B capital</b>					
Balance at beginning of period	13	12	13	17	17
Non-controlling interests	1	1	(1)	(4)	-
Balance at end of period	14	13	12	13	17
<b>Total Tier 1 capital</b>	<b>19,154</b>	<b>18,948</b>	<b>18,732</b>	<b>17,490</b>	<b>17,414</b>
<b>Tier 2 capital</b>					
Balance at beginning of period	457	611	644	816	1,140
Eligible qualifying shares	-	(1)	1	-	(1)
Non-controlling interests	-	-	(1)	(2)	1
Subordinated notes subject to phase-out	(17)	(171)	(7)	(178)	(313)
Eligible collective allowance	(7)	18	(26)	8	(11)
Deductions	(4)	-	-	-	-
Balance at end of period	429	457	611	644	816
<b>Total capital</b>	<b>\$ 19,583</b>	<b>\$ 19,405</b>	<b>\$ 19,343</b>	<b>\$ 18,134</b>	<b>\$ 18,230</b>

TABLE 6 - RECONCILIATION OF REGULATORY CAPITAL AND EQUITY

(in millions of dollars)	As at June 30, 2017	As at March 31, 2017	As at December 31, 2016	As at September 30, 2016	As at June 30, 2016
<b>Equity balance in the Combined Financial Statements</b>	<b>\$ 23,030</b>	<b>\$ 22,738</b>	<b>\$ 22,475</b>	<b>\$ 21,467</b>	<b>\$ 21,164</b>
<b>Items eligible for Tier 1A capital</b>					
Non-controlling interests	-	-	-	5	15
<b>Items not eligible for Tier 1A capital</b>					
Non-eligible portion of permanent shares and surplus shares	(49)	(55)	(55)	(62)	(69)
Preferred shares of La <i>Fédération des caisses populaires de l'Ontario</i> Inc. and the caisses in Ontario	(90)	(89)	(86)	(86)	(86)
Qualifying shares	(24)	(24)	(26)	(34)	(36)
Other	(91)	(122)	(142)	(230)	(302)
Deductions	(3,636)	(3,513)	(3,446)	(3,583)	(3,289)
<b>Tier 1A capital</b>	<b>19,140</b>	<b>18,935</b>	<b>18,720</b>	<b>17,477</b>	<b>17,397</b>
Non-controlling interests	14	13	12	13	17
<b>Tier 1B capital</b>	<b>14</b>	<b>13</b>	<b>12</b>	<b>13</b>	<b>17</b>
<b>Tier 1 capital</b>	<b>19,154</b>	<b>18,948</b>	<b>18,732</b>	<b>17,490</b>	<b>17,414</b>
<b>Items eligible for Tier 2 capital</b>					
Subordinated notes subject to phase-out	1,018	1,035	1,206	1,213	1,391
Eligible collective allowance	263	270	252	278	270
Eligible qualifying shares	24	24	25	24	24
Non-controlling interests	-	-	-	1	3
Deductions	(876)	(872)	(872)	(872)	(872)
<b>Tier 2 capital</b>	<b>429</b>	<b>457</b>	<b>611</b>	<b>644</b>	<b>816</b>
<b>Total capital</b>	<b>\$ 19,583</b>	<b>\$ 19,405</b>	<b>\$ 19,343</b>	<b>\$ 18,134</b>	<b>\$ 18,230</b>

**TABLE 7 – RECONCILIATION OF CAPITAL AND COMBINED REGULATORY BALANCE SHEET<sup>(1)</sup>**  
**As at June 30, 2017**

(in millions of dollars)					
	Balance sheet per the combined financial statements	Items deconsolidated for regulatory capital purposes <sup>(2)</sup>	Balance sheet using the regulatory scope of consolidation	Including	Cross- reference to the capital table <sup>(3)</sup>
<b>Assets</b>					
<b>Cash and deposits with financial institutions</b>	\$ 2,737	\$ 463	\$ 2,274		
<b>Securities</b>	58,590	26,077	32,513		
Non-significant investments in the capital of other financial institutions not exceeding regulatory thresholds				\$ 112	AA
Other securities				32,401	
<b>Investments in associates and joint ventures accounted for using the equity method</b>	581	(5,268)	5,849		
Significant investments in the capital of other financial institutions exceeding the regulatory thresholds of 10% of Tier 1A capital				63	Q
Significant investments in the capital of other financial institutions exceeding the regulatory threshold corresponding to the basket of 15% of Tier 1A capital				-	R
Significant investments in the capital of financial institutions not exceeding the regulatory thresholds				2,186	AC
Investments in deconsolidated subsidiaries exceeding the regulatory thresholds of 10% of Tier 1A capital				2,841	T
Investments in deconsolidated subsidiaries exceeding the regulatory thresholds corresponding to the basket of 15% of Tier 1A capital				21	U
Significant investments in the Tier 2 capital of other financial institutions				705	V
Other adjustments related to investments				33	
<b>Securities borrowed or purchased under reverse repurchase agreements</b>	6,230	(71)	6,301		
<b>Loans</b>	171,811	3,034	168,777		
Significant investments in the Tier 2 capital of other financial institutions				171	V
Other loans				168,606	
<b>Allowances for credit losses</b>	(438)	(1)	(437)		
Collective allowance allowed for inclusion in Tier 2 capital				(263)	O
Allowances not allowed for regulatory capital				(174)	
<b>Segregated fund net assets</b>	12,527	12,527	-		
<b>Other assets</b>					
Clients' liability under acceptances	59	-	59		
Premiums receivable	1,988	1,988	-		
Derivative financial instruments	3,010	269	2,741		
Amounts receivable from clients, brokers and financial institutions	5,436	80	5,356		
Reinsurance assets	2,176	2,176	-		
Land, buildings and equipment	2,227	1,294	933		
Goodwill	153	118	35		K
Software and other intangible assets	553	206	347		M
Deferred tax assets	962	281	681		
Deferred tax assets other than those attributable to temporary differences				142	J
Deferred tax liabilities other than those attributable to temporary differences				(79)	P
Deferred tax assets related to temporary differences exceeding the regulatory thresholds corresponding to the basket of 15% of Tier 1A capital				7	S
Deferred tax assets related to temporary differences not exceeding the regulatory thresholds				692	AB
Deferred tax liabilities related to software and other intangible assets				(69)	N
Deferred tax liabilities related to goodwill				-	K
Other deferred tax assets				(12)	
Other	2,441	458	1,983		
Assets of the group held for sale	940	940	-		
<b>Total assets</b>	<b>\$ 271,983</b>	<b>\$ 44,571</b>	<b>\$ 227,412</b>		

Footnotes to this table are presented on the next page.

**TABLE 7 – RECONCILIATION OF CAPITAL AND COMBINED REGULATORY BALANCE SHEET<sup>(1)</sup> (continued)**

As at June 30, 2017

(in millions of dollars)	Balance sheet per the combined financial statements	Items deconsolidated for regulatory capital purposes <sup>(2)</sup>	Balance sheet using the regulatory scope of consolidation	Including	Cross- reference to the capital table <sup>(3)</sup>
<b>Liabilities</b>					
Deposits	\$ 172,735	\$ (474)	\$ 173,209		
Other liabilities					
Acceptances	59	-	59		
Commitments related to securities sold short	7,440	227	7,213		
Commitments related to securities lent or sold under repurchase agreements	7,887	556	7,331		
Derivative financial instruments	2,331	90	2,241		
Amounts payable to clients, brokers and financial institutions	7,127	51	7,076		
Insurance contract liabilities	28,147	28,147	-		
Segregated fund net liabilities	12,493	12,493	-		
Net defined benefit plan liabilities	2,505	658	1,847		
Deferred tax liabilities	160	138	22		
Other	5,509	1,520	3,989		
Liabilities of the group held for sale	373	373	-		
Subordinated notes	1,374	-	1,374		
Subordinated notes allowed for inclusion in Tier 2 capital subject to phase-out				\$ 1,018	L
Subordinated indebtedness not allowed for Tier 2 capital				356	
<b>Total liabilities</b>	<b>248,140</b>	<b>43,779</b>	<b>204,361</b>		
<b>Equity</b>					
Capital stock	5,388	-	5,388		
Permanent shares and surplus shares				862	C
Qualifying shares				24	W
Qualifying shares, permanent shares and surplus shares not allowed for Tier 1A capital				38	
Federation capital shares				4,464	B
Share capital	92	-	92		
Preferred shares allowed for inclusion in Tier 1A capital				-	C
Preferred shares not allowed for regulatory capital				92	
Undistributed surplus earnings	1,079	21	1,058		D
Accumulated other comprehensive income	468	(20)	488		
Unrealized gains on available-for-sale securities				362	E
Gains on derivative financial instruments designated as cash flow hedges				100	
Unrealized gains on available-for-sale securities (FV hedges)				27	F
Other				(1)	
Reserves	16,003	-	16,003		A
Non-controlling interests	813	791	22		
Portion allowed for inclusion in Tier 1A capital				-	G
Portion allowed for inclusion in additional Tier 1 capital				14	H
Portion allowed for inclusion in Tier 2 capital				-	I
Portion not allowed for regulatory capital				8	
<b>Total equity</b>	<b>23,843</b>	<b>792</b>	<b>23,051</b>		
<b>Total liabilities and equity</b>	<b>\$ 271,983</b>	<b>\$ 44,571</b>	<b>\$ 227,412</b>		

<sup>(1)</sup> Per the advisory on the public capital disclosure requirements related to Basel III Pillar 3.<sup>(2)</sup> Mainly Desjardins Financial Corporation Inc., which encompasses, among others, the Desjardins Financial Security Life Assurance Company and Desjardins General Insurance Group Inc. insurance companies. A description of their activities can be found in section 2.2 of the MD&A, in the 2016 Annual Report.<sup>(3)</sup> Refer to Table 4.

TABLE 8 – LEVERAGE RATIO<sup>(1)</sup>

(in millions of dollars and as a percentage)		As at June 30, 2017	As at March 31, 2017	As at December 31, 2016	As at September 30, 2016	As at June 30, 2016
<b>SUMMARY COMPARISON OF ACCOUNTING ASSETS VS LEVERAGE RATIO EXPOSURE MEASURE</b>						
<b>Total combined assets as per published financial statements</b>	1	<b>\$ 271,983</b>	\$ 267,935	\$ 258,367	\$ 260,157	\$ 260,709
Adjustment for investments in banking, financial, insurance or commercial entities that are combined for accounting purposes but excluded from the scope of regulatory consolidation	2	<b>(44,571)</b>	(43,536)	(42,681)	(44,742)	(42,584)
Adjustment for fiduciary assets recognized on the balance sheet pursuant to the applicable accounting standard, but excluded from the leverage ratio exposure measure	3	-	-	-	-	-
Adjustment for derivative financial instruments	4	<b>1,312</b>	1,353	1,403	1,700	1,467
Adjustment for securities financing transactions (SFT) (i.e. repos and similar secured lending)	5	<b>688</b>	784	880	1,100	976
Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	6	<b>16,540</b>	16,298	15,981	17,079	16,544
Other adjustments	7	<b>(3,579)</b>	(3,437)	(3,478)	(3,691)	(3,505)
<b>Leverage ratio exposure</b>	8	<b>\$ 242,373</b>	\$ 239,397	\$ 230,472	\$ 231,603	\$ 233,607
<b>LEVERAGE RATIO</b>						
<b>On-balance sheet exposures</b>						
On-balance sheet items (excluding derivatives and SFTs and grandfathered securitization exposures but including collateral)	1	<b>\$ 214,783</b>	\$ 209,237	\$ 201,052	\$ 200,662	\$ 200,823
(Asset amounts deducted in determining Basel III transitional Tier 1 capital)	2	-	-	-	-	-
<b>Total on-balance sheet exposures excluding derivatives and SFTs</b>	3	<b>214,783</b>	209,237	201,052	200,662	200,823
<b>Derivative exposures</b>						
Replacement cost associated with all derivatives transactions (net of eligible cash variation margin)	4	<b>1,988</b>	2,063	2,673	2,970	2,778
Add-on amounts for potential future exposures (PFE) associated with all derivatives transactions	5	<b>2,065</b>	1,952	1,972	2,140	2,063
Gross up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting standard	6	-	-	-	-	-
(Deductions of receivables assets for cash variation margin provided in derivative transactions)	7	-	-	-	-	-
(Exempted central counterparty-leg of client cleared trade exposures)	8	-	-	-	-	-
Adjusted effective notional amount of written credit derivatives	9	-	-	-	-	-
(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	10	-	-	-	-	-
<b>Total exposures on derivative</b>	11	<b>4,053</b>	4,015	4,645	5,110	4,841
<b>Securities financing transaction exposures</b>						
Gross SFT assets recognized for accounting purposes (with no recognition of netting), after adjusting for sale accounting transactions	12	<b>6,309</b>	9,064	7,914	7,652	10,423
(Netted amounts of cash payables and cash receivables of gross SFT assets)	13	-	-	-	-	-
Counterparty credit risk (CCR) exposure for SFT assets	14	<b>688</b>	784	880	1,100	976
Agent transaction exposures	15	-	-	-	-	-
<b>Total exposures on securities financing transactions</b>	16	<b>6,997</b>	9,848	8,794	8,752	11,399
<b>Other off-balance sheet exposures</b>						
Off-balance sheet exposure at gross notional amount	17	<b>95,961</b>	94,370	92,649	92,227	89,941
Adjustments for conversion to credit equivalent amounts	18	<b>(79,421)</b>	(78,073)	(76,668)	(75,148)	(73,397)
<b>Total other off-balance sheet exposures</b>	19	<b>16,540</b>	16,297	15,981	17,079	16,544
<b>Total exposures</b>	21	<b>\$ 242,373</b>	\$ 239,397	\$ 230,472	\$ 231,603	\$ 233,607
<b>Tier 1 capital – All-in basis</b>	23	<b>\$ 19,154</b>	\$ 18,948	\$ 18,732	\$ 17,490	\$ 17,414
<b>Leverage ratio – All-in basis</b>	26	<b>7.9%</b>	7.9%	8.1%	7.6%	7.5%

<sup>(1)</sup> Line numbers are in accordance with the "Leverage Ratio Disclosure Requirements" guideline issued by the AMF.

TABLE 9 – RECONCILIATION OF COMBINED BALANCE SHEET AND CREDIT RISK EXPOSURE

	As at June 30, 2017									
	Carrying amounts per issued financial statements	Carrying amounts per regulatory scope of consolidation	Carrying amount of items							
			Subject to the credit risk framework		Subject to the counterparty risk framework			Subject to securitization provisions	Subject to the market risk framework	
			Other than individuals	Individuals	Repo-style transactions	OTC derivatives			Also subject to credit risk	
(in millions of dollars)										
ASSETS										
Cash and deposits with financial institutions	\$ 2,737	\$ 2,274	\$ 2,274	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Securities										
Securities at fair value through profit or loss	33,807	15,397	1,360	-	-	-	8	-	14,029	-
Available-for-sale securities	24,783	17,116	17,116	-	-	-	-	-	-	-
Investment securities accounted for using the equity method	581	5,849	2,236	-	-	-	-	-	-	3,613
Other securities	-	-	-	-	-	-	-	-	-	-
	59,171	38,362	20,712	-	-	-	8	-	14,029	3,613
Securities borrowed or purchased under reverse repurchase agreements	6,230	6,301	-	-	6,301	-	-	6,024	-	-
Loans										
Residential mortgages	109,740	107,787	14,282	93,505	-	-	-	-	-	-
Consumer, credit card and other personal loans	22,832	22,635	1,574	21,061	-	-	-	-	-	-
Business and government loans	39,239	38,355	38,166	-	-	-	-	-	-	189
	171,811	168,777	54,022	114,566	-	-	-	-	-	189
Allowance for credit losses	(438)	(437)	(214)	(223)	-	-	-	-	-	-
	171,373	168,340	53,808	114,343	-	-	-	-	-	189
Segregated fund net assets	12,527	-	-	-	-	-	-	-	-	-
Other assets										
Clients' liabilities under acceptances	59	59	59	-	-	-	-	-	-	-
Premiums receivable	1,988	-	-	-	-	-	-	-	-	-
Derivative financial instruments	3,010	2,741	-	-	-	2,137	-	495	-	604
Amounts receivable from clients, brokers and financial institutions	5,436	5,356	5,356	-	-	-	-	-	-	-
Reinsurance assets	2,176	-	-	-	-	-	-	-	-	-
Land, buildings and equipment	2,227	933	933	-	-	-	-	-	-	-
Goodwill	153	35	-	-	-	-	-	-	-	35
Intangible assets	553	347	-	-	-	-	-	-	-	347
Deferred tax assets	962	681	681	-	-	-	-	-	-	-
Other	2,441	1,983	1,983	-	-	-	-	-	-	-
Assets of the group held for sale	940	-	-	-	-	-	-	-	-	-
	19,945	12,135	9,012	-	-	2,137	-	495	-	986
Total assets	\$ 271,983	\$ 227,412	\$ 85,806	\$ 114,343	\$ 6,301	\$ 2,137	\$ 8	\$ 6,519	\$14,029	\$ 4,788

TABLE 10- RISK-WEIGHTED ASSETS (RWA)

	Internal Ratings-Based Approach		Standardized Approach		Total as at June 30, 2017				Risk-weighted assets			
(in millions of dollars and as a percentage)	Exposure <sup>(1)</sup>	RWA	Exposure <sup>(1)</sup>	RWA	Exposure <sup>(1)</sup>	RWA	Capital requirement <sup>(2)</sup>	Average risk-weighting rate	Q1-2017	Q4-2016	Q3-2016	Q2-2016
<b>Credit risk other than counterparty risk<sup>(3)</sup></b>												
Sovereign borrowers	\$ -	\$ -	\$ 16,308	\$ 4	\$ 16,308	\$ 4	\$ -	-%	\$ 2	\$ 2	\$ 17	\$ 3
Financial institutions	-	-	9,634	2,044	9,634	2,044	164	21	2,050	1,668	1,656	1,600
Businesses	-	-	52,760	42,644	52,760	42,644	3,412	81	41,748	40,355	38,808	38,108
Securitization	-	-	7	93	7	93	7	1,329	98	1,138	918	921
Equities	-	-	128	217	128	217	17	170	123	98	155	236
SMEs similar to other retail client exposures	-	-	7,383	4,804	7,383	4,804	384	65	4,611	4,399	4,962	4,651
Mortgages	99,681	8,336	206	73	99,887	8,409	673	8	8,437	8,271	7,631	7,404
Other retail client exposures (excluding SMEs)	9,210	3,150	264	220	9,474	3,370	270	36	3,171	3,133	3,306	3,037
Qualifying-revolving retail client exposures	35,674	7,455	-	-	35,674	7,455	596	21	7,581	7,590	8,921	8,738
<b>Sub-total - Credit risk other than counterparty risk</b>	<b>144,565</b>	<b>18,941</b>	<b>86,690</b>	<b>50,099</b>	<b>231,255</b>	<b>69,040</b>	<b>5,523</b>	<b>30</b>	<b>67,821</b>	<b>66,654</b>	<b>66,374</b>	<b>64,698</b>
<b>Counterparty risk<sup>(3)</sup></b>												
Sovereign borrowers	-	-	89	-	89	-	-	-	-	-	-	-
Financial institutions	-	-	1,544	310	1,544	310	25	20	295	317	338	339
Businesses	-	-	27	20	27	20	2	74	8	13	17	3
Trading portfolios	-	-	886	269	886	269	22	30	250	191	301	284
Credit valuation adjustment charge (CVA)	-	-	-	-	-	773	61	-	738	807	920	900
Additional requirements related to the banking and trading portfolio	-	-	-	-	44	1	-	-	2	1	2	2
<b>Sub-total - Counterparty risk</b>	<b>-</b>	<b>-</b>	<b>2,546</b>	<b>599</b>	<b>2,590</b>	<b>1,373</b>	<b>110</b>	<b>53</b>	<b>1,293</b>	<b>1,329</b>	<b>1,578</b>	<b>1,528</b>
Other assets <sup>(4)</sup>	-	-	-	-	18,663	10,050	804	54	9,958	9,674	9,167	9,156
Scaling factors <sup>(5)</sup>	-	1,136	-	-	-	1,137	91	-	1,137	1,121	1,176	1,141
<b>Total - Credit risk</b>	<b>144,565</b>	<b>20,077</b>	<b>89,236</b>	<b>50,698</b>	<b>252,508</b>	<b>81,600</b>	<b>6,528</b>	<b>32</b>	<b>80,209</b>	<b>78,778</b>	<b>78,295</b>	<b>76,523</b>
<b>Market risk</b>												
Interest rate position risk	-	-	-	1,517	-	1,517	122	-	2,211	1,428	2,007	1,992
Currency risk	-	-	-	231	-	231	18	-	258	262	222	215
Additional requirements for other risks <sup>(6)</sup>	-	-	-	139	-	139	11	-	139	120	118	111
<b>Total - Market risk</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,887</b>	<b>-</b>	<b>1,887</b>	<b>151</b>	<b>-</b>	<b>2,608</b>	<b>1,810</b>	<b>2,347</b>	<b>2,318</b>
<b>Operational risk</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,849</b>	<b>-</b>	<b>11,849</b>	<b>948</b>	<b>-</b>	<b>13,365</b>	<b>13,315</b>	<b>13,275</b>	<b>13,215</b>
<b>Total risk-weighted assets before threshold</b>	<b>\$ 144,565</b>	<b>\$ 20,077</b>	<b>\$ 89,236</b>	<b>\$ 64,434</b>	<b>\$ 252,508</b>	<b>\$ 95,336</b>	<b>\$ 7,627</b>	<b>-%</b>	<b>\$ 96,182</b>	<b>\$ 93,903</b>	<b>\$ 93,917</b>	<b>\$ 92,056</b>
<b>Risk-weighted assets after the transitional provisions for the CVA charge<sup>(7)</sup></b>												
RWA for Tier 1A capital	-	-	-	-	-	95,120	7,609	-	95,976	93,612	93,585	91,731
RWA for Tier 1 capital	-	-	-	-	-	95,159	7,613	-	96,013	93,668	93,649	91,794
RWA for total capital	-	-	-	-	-	95,190	7,615	-	96,042	93,716	93,704	91,848
Transitional threshold adjustment <sup>(8)</sup>	-	-	-	-	-	16,917	1,353	-	14,393	14,532	13,470	17,955
<b>Total risk-weighted assets</b>	<b>\$ 144,565</b>	<b>\$ 20,077</b>	<b>\$ 89,236</b>	<b>\$ 64,434</b>	<b>\$ 252,508</b>	<b>\$ 112,037</b>	<b>\$ 8,962</b>	<b>-%</b>	<b>\$ 110,369</b>	<b>\$ 108,144</b>	<b>\$ 107,055</b>	<b>\$ 109,686</b>

<sup>(1)</sup> Net exposure after credit risk mitigation (net of specific allowances under the Standardized Approach but not under the Internal Ratings-Based Approach, in accordance with the AMF guideline).

<sup>(2)</sup> The capital requirement represents 8% of risk-weighted assets.

<sup>(3)</sup> A reclassification between "Credit risk other than counterparty risk" and "Counterparty risk" has occurred as at December 31, 2016. Prior period data were restated.

<sup>(4)</sup> Other assets are measured using a method other than the Standardized Approach or the Internal Ratings-Based Approach. Other assets include the portion of investments in components that are deconsolidated for regulatory capital purposes (mainly Desjardins Financial Corporation Inc.), below a certain threshold, the portion of investments in associates below a certain threshold, as well as the portion of other deferred tax assets below a certain threshold. These three items are weighted at 250% and the deducted portion (above a certain threshold) is weighted at 0%. This class excludes the CVA charge and the additional requirements related to the banking and trading portfolio, which are disclosed in the counterparty risk section.

<sup>(5)</sup> The scaling factor is a 6% calibration of risk-weighted assets measured using the Internal Ratings-Based Approach for credit exposures in accordance with Section 1.3 of the AMF guideline.

<sup>(6)</sup> Other risks include equities risk, commodities risk and options risk.

<sup>(7)</sup> The scaling factors used since January 1, 2014 to account for the requirements for the CVA charge are being phased in to calculate the Tier 1A, Tier 1 and total capital ratios, which are 72%, 77% and 81%, respectively, in 2017 (64%, 71% and 77% in 2016). They will reach 100% for each capital tier by 2019.

<sup>(8)</sup> As prescribed in Section 1.6 of the AMF guideline. This threshold is presented to take into account risk-weighted assets after the transitional provisions for the CVA for applicable to Tier 1A capital.

TABLE 11 – CHANGE IN RISK-WEIGHTED ASSETS<sup>(1)</sup>

(in millions of dollars)	For the three-month periods ended								
	June 30, 2017			March 31, 2017			December 31, 2016		
	Credit risk other than counterparty risk	Counterparty risk	Total	Credit risk other than counterparty risk	Counterparty risk	Total	Credit risk other than counterparty risk	Counterparty risk	Total
<b>Credit risk</b>									
Risk-weighted assets at beginning of period <sup>(2)</sup>	\$ 78,916	\$ 1,087	\$ 80,003	\$ 77,449	\$ 1,038	\$ 78,487	\$ 76,717	\$ 1,246	\$ 77,963
Size of portfolio <sup>(3)</sup>	2,062	70	2,132	2,051	(11)	2,040	1,092	(60)	1,032
Quality of portfolio <sup>(4)</sup>	(86)	-	(86)	(788)	1	(787)	173	(148)	25
Updating of models <sup>(5)</sup>	-	-	-	-	-	-	(577)	-	(577)
Procedures and policies <sup>(6)</sup>	(586)	-	(586)	242	59	301	-	-	-
Acquisitions and transfers	-	-	-	-	-	-	-	-	-
Change in exchange rates	(79)	-	(79)	(38)	-	(38)	44	-	44
Other	-	-	-	-	-	-	-	-	-
Total changes in risk-weighted assets	1,311	70	1,381	1,467	49	1,516	732	(208)	524
<b>Risk-weighted assets at end of period</b>	<b>\$ 80,227</b>	<b>\$ 1,157</b>	<b>\$ 81,384</b>	<b>\$ 78,916</b>	<b>\$ 1,087</b>	<b>\$ 80,003</b>	<b>\$ 77,449</b>	<b>\$ 1,038</b>	<b>\$ 78,487</b>

(in millions of dollars)	For the three-month periods ended					
	September 30, 2016			June 30, 2016		
	Credit risk other than counterparty risk	Counterparty risk	Total	Credit risk other than counterparty risk	Counterparty risk	Total
<b>Credit risk</b>						
Risk-weighted assets at beginning of period <sup>(2)</sup>	\$ 74,996	\$ 1,203	\$ 76,199	\$ 74,603	\$ 1,186	\$ 75,789
Size of portfolio <sup>(3)</sup>	1,197	43	1,240	593	112	705
Quality of portfolio <sup>(4)</sup>	494	-	494	(48)	(95)	(143)
Updating of models <sup>(5)</sup>	-	-	-	-	-	-
Procedures and policies <sup>(6)</sup>	-	-	-	(136)	-	(136)
Acquisitions and transfers	-	-	-	-	-	-
Change in exchange rates	34	-	34	(16)	-	(16)
Other	(4)	-	(4)	-	-	-
Total changes in risk-weighted assets	1,721	43	1,764	393	17	410
<b>Risk-weighted assets at end of period</b>	<b>\$ 76,717</b>	<b>\$ 1,246</b>	<b>\$ 77,963</b>	<b>\$ 74,996</b>	<b>\$ 1,203</b>	<b>\$ 76,199</b>

Footnotes to this table are presented on the next page.



TABLE 11 – CHANGE IN RISK-WEIGHTED ASSETS<sup>(1)</sup> (continued)

(in millions of dollars)	For the three-month periods ended				
	June 30, 2017	March 31, 2017	December 31, 2016	September 30, 2016	June 30, 2016
<b>Market risk</b>					
Risk-weighted assets at beginning of period	\$ 2,608	\$ 1,810	\$ 2,347	\$ 2,318	\$ 2,201
Change in risk level <sup>(7)</sup>	(721)	798	(537)	29	117
Updating of models <sup>(5)</sup>	-	-	-	-	-
Procedures and policies <sup>(6)</sup>	-	-	-	-	-
Acquisitions and transfers	-	-	-	-	-
Change in exchange rates	-	-	-	-	-
Other	-	-	-	-	-
Total changes in risk-weighted assets	(721)	798	(537)	29	117
<b>Risk-weighted assets at end of period</b>	<b>\$ 1,887</b>	<b>\$ 2,608</b>	<b>\$ 1,810</b>	<b>\$ 2,347</b>	<b>\$ 2,318</b>
<b>Operational risk</b>					
Risk-weighted assets at beginning of the period	\$ 13,365	\$ 13,315	\$ 13,275	\$ 13,215	\$ 13,112
Revenue generated	75	50	40	60	103
Procedures and policies <sup>(6)</sup>	(1,591)	-	-	-	-
Acquisitions and transfers	-	-	-	-	-
Total changes in risk-weighted assets	(1,516)	50	40	60	103
<b>Risk-weighted assets at end of period</b>	<b>\$ 11,849</b>	<b>\$ 13,365</b>	<b>\$ 13,315</b>	<b>\$ 13,275</b>	<b>\$ 13,215</b>
<b>Transitional threshold adjustment</b>					
Risk-weighted assets at beginning of the period	\$ 14,393	\$ 14,532	\$ 13,470	\$ 17,955	\$ 18,124
Size of portfolio <sup>(3)</sup>	286	(200)	429	(76)	(421)
Quality of portfolio <sup>(4)</sup>	120	308	114	(99)	92
Updating of models <sup>(5)</sup>	-	-	519	-	-
Procedures and policies <sup>(6)</sup>	2,117	(247)	-	(4,309)	159
Acquisitions and transfers	-	-	-	-	-
Change in exchange rates	1	-	-	(1)	1
Other	-	-	-	-	-
Total changes in risk-weighted assets	2,524	(139)	1,062	(4,485)	(169)
<b>Risk-weighted assets at end of year</b>	<b>\$ 16,917</b>	<b>\$ 14,393</b>	<b>\$ 14,532</b>	<b>\$ 13,470</b>	<b>\$ 17,955</b>

<sup>(1)</sup> Risk-weighted assets account for the transitional provision for to the CVA applicable to Tier 1A capital.

<sup>(2)</sup> A reclassification between "Credit risk other than counterparty risk" and "Counterparty risk" has occurred as at December 31, 2016. Prior period data were restated.

<sup>(3)</sup> Increase or decrease in underlying risk exposure.

<sup>(4)</sup> Change in risk mitigation factors and portfolio quality.

<sup>(5)</sup> Changes in risk parameters and models.

<sup>(6)</sup> Regulatory changes and developments in the regulatory capital calculation method.

<sup>(7)</sup> Change in risk levels and change in exchange rates, which are not considered to be material.

**TABLE 12 – RISK-WEIGHTED ASSETS<sup>(1)</sup> BY BUSINESS SEGMENT**

(in millions of dollars)	As at June 30, 2017	As at March 31, 2017	As at December 31, 2016	As at September 30, 2016	As at June 30, 2016
Allocated to business segments					
Personal and Business Services	\$ 79,840	\$ 80,845	\$ 77,821	\$ 78,504	\$ 76,949
Wealth Management and Life and Health Insurance	5,291	5,359	4,985	4,563	4,473
Property and Casualty Insurance	2,444	2,561	2,637	2,157	2,255
Other	7,545	7,211	8,169	8,361	8,054
Not allocated <sup>(2)</sup>	16,917	14,393	14,532	13,470	17,955
<b>Total risk-weighted assets</b>	<b>\$ 112,037</b>	<b>\$ 110,369</b>	<b>\$ 108,144</b>	<b>\$ 107,055</b>	<b>\$ 109,686</b>

<sup>(1)</sup> Risk-weighted assets represent the amount of risk-weighted assets used in calculating the Tier 1A capital ratio.

<sup>(2)</sup> Includes risk-weighted assets related to the threshold adjustment.

TABLE 13 - RISK EXPOSURE BY ASSET CLASS (EXPOSURE AT DEFAULT [EAD])

(in millions of dollars)	As at June 30, 2017							As at March 31, 2017						
	Exposure classes <sup>(1)</sup>							Exposure classes <sup>(1)</sup>						
	Used exposure	Unused exposure	Repo-style transactions	OTC derivatives	Off-balance sheet exposure	Total	Net exposure <sup>(2)</sup>	Used exposure	Unused exposure	Repo-style transactions	OTC derivatives	Off-balance sheet exposure	Total	Net exposure <sup>(2)</sup>
<b>Standardized Approach</b>														
Sovereign borrowers	\$ 15,847	\$ 442	\$ 1,223	\$ 3	\$ 19	\$ 17,534	\$ 16,397	\$ 14,945	\$ 449	\$ 7	\$ 3	\$ 85	\$ 15,489	\$ 15,482
Financial institutions	6,771	2,639	694	3,140	752	13,996	11,178	6,885	2,676	379	3,198	624	13,762	11,211
Businesses	48,116	4,466	91	25	596	53,294	52,787	46,940	4,579	287	-	646	52,452	51,679
SMEs similar to other retail client exposures	7,174	242	-	-	35	7,451	7,383	7,169	66	-	-	44	7,279	7,207
Mortgages	206	-	-	-	-	206	206	186	-	-	-	-	186	186
Other retail client exposures (excluding SMEs)	1,456	35	-	-	-	1,491	264	1,463	18	-	-	-	1,481	221
Securitization	7	-	-	-	-	7	7	8	-	-	-	-	8	8
Equities	128	-	-	-	-	128	128	122	-	-	-	-	122	122
Trading portfolio	-	-	12,609	860	-	13,469	886	-	-	15,957	784	-	16,741	938
<b>Internal Ratings-Based approach</b>														
Mortgages	90,587	9,094	-	-	-	99,681	99,681	88,448	8,764	-	-	-	97,212	97,212
Revolving retail client exposures	10,753	24,921	-	-	-	35,674	35,674	10,451	24,653	-	-	-	35,104	35,104
Other retail client exposures	8,840	347	-	-	23	9,210	9,210	8,540	344	-	-	21	8,905	8,905
<b>Total</b>	<b>\$ 189,885</b>	<b>\$ 42,186</b>	<b>\$ 14,617</b>	<b>\$ 4,028</b>	<b>\$ 1,425</b>	<b>\$ 252,141</b>	<b>\$ 233,801</b>	<b>\$ 185,157</b>	<b>\$ 41,549</b>	<b>\$ 16,630</b>	<b>\$ 3,985</b>	<b>\$ 1,420</b>	<b>\$ 248,741</b>	<b>\$ 228,275</b>
(in millions of dollars)	As at December 31, 2016							As at September 30, 2016						
	Exposure classes <sup>(1)</sup>							Exposure classes <sup>(1)</sup>						
	Used exposure	Unused exposure	Repo-style transactions	OTC derivatives	Off-balance sheet exposure	Total	Net exposure <sup>(2)</sup>	Used exposure	Unused exposure	Repo-style transactions	OTC derivatives	Off-balance sheet exposure	Total	Net exposure <sup>(2)</sup>
<b>Standardized Approach</b>														
Sovereign borrowers	\$ 14,321	\$ 457	\$ 861	\$ 2	\$ 89	\$ 15,730	\$ 14,909	\$ 15,255	\$ 451	\$ 19	\$ 3	\$ 85	\$ 15,813	\$ 15,795
Financial institutions	4,849	2,618	957	3,786	781	12,991	9,260	4,879	2,362	1,513	3,906	1,218	13,878	9,220
Businesses	45,398	4,498	517	-	935	51,348	50,135	42,696	4,770	499	4	728	48,697	47,685
SMEs similar to other retail client exposures	6,922	56	-	-	42	7,020	6,951	8,725	63	-	-	36	8,824	8,753
Mortgages	143	-	-	-	-	143	143	131	-	-	-	-	131	131
Other retail client exposures (excluding SMEs)	1,521	17	-	-	-	1,538	247	1,481	26	-	-	-	1,507	265
Securitization	807	-	-	-	-	807	807	809	1,193	-	-	-	2,002	2,002
Equities	98	-	-	-	-	98	98	155	-	-	-	-	155	155
Trading portfolio	-	-	14,563	844	-	15,407	915	-	-	15,499	1,107	-	16,606	1,204
<b>Internal Ratings-Based Approach</b>														
Mortgages	88,199	8,500	-	-	-	96,699	96,699	87,789	5,539	-	-	-	93,328	93,328
Revolving retail client exposures	10,682	23,920	-	-	-	34,602	34,602	10,519	25,499	-	-	-	36,018	36,018
Other retail client exposures	8,332	326	-	-	18	8,676	8,676	8,067	186	-	-	7	8,260	8,260
<b>Total</b>	<b>\$ 181,272</b>	<b>\$ 40,392</b>	<b>\$ 16,898</b>	<b>\$ 4,632</b>	<b>\$ 1,865</b>	<b>\$ 245,059</b>	<b>\$ 223,442</b>	<b>\$ 180,506</b>	<b>\$ 40,089</b>	<b>\$ 17,530</b>	<b>\$ 5,020</b>	<b>\$ 2,074</b>	<b>\$ 245,219</b>	<b>\$ 222,816</b>

Footnotes to this table are presented on the next page.

TABLE 13 - RISK EXPOSURE BY ASSET CLASS (EXPOSURE AT DEFAULT [EAD]) (continued)

	As at June 30, 2016							
	Exposure classes <sup>(1)</sup>							
(in millions of dollars)	Used exposure	Unused exposure	Repo-style transactions	OTC derivatives	Off-balance sheet exposure	Total	Net exposure <sup>(2)</sup>	
<b>Standardized Approach</b>								
Sovereign borrowers	\$ 14,769	\$ 446	\$ 744	\$ 3	\$ 84	\$ 16,046	\$ 15,330	
Financial institutions	4,936	2,600	4,660	3,595	1,013	16,804	9,428	
Businesses	43,562	4,209	134	1	686	48,592	47,944	
SMEs similar to other retail client exposures	7,243	32	-	-	35	7,310	7,242	
Mortgages	119	-	-	-	-	119	119	
Other retail client exposures (excluding SMEs)	1,391	23	-	-	-	1,414	175	
Securitization	806	1,193	-	-	-	1,999	1,999	
Equities	236	-	-	-	-	236	236	
Trading portfolio	-	-	14,901	1,174	-	16,075	1,092	
<b>Internal Ratings-Based Approach</b>								
Mortgages	87,140	5,418	-	-	-	92,558	92,558	
Revolving retail client exposures	10,466	25,161	-	-	-	35,627	35,627	
Other retail client exposures	7,870	185	-	-	6	8,061	8,061	
<b>Total</b>	<b>\$ 178,538</b>	<b>\$ 39,267</b>	<b>\$ 20,439</b>	<b>\$ 4,773</b>	<b>\$ 1,824</b>	<b>\$ 244,841</b>	<b>\$ 219,811</b>	

<sup>(1)</sup> The definition of exposure classes related to regulatory capital requirements differs from the accounting classification.

<sup>(2)</sup> After using credit risk mitigation (CRM) techniques, including collateral, guarantees and credit derivatives.

TABLE 14 – RECONCILIATION OF EXPOSURE AT DEFAULT AND REGULATORY BALANCE SHEET<sup>(1)</sup>

	As at June 30, 2017				
	Total	Credit risk framework	Items subject to:		Items not subject to credit risk
(in millions of dollars)			Securitization provisions	Counterparty risk framework	
Cash and deposits with financial institutions	\$ 2,274	\$ 2,274	\$ -	\$ -	\$ -
Securities	38,362	20,712	8	-	17,642
Securities borrowed or purchased under reverse repurchase agreements	6,301	-	-	6,301	-
Loans	168,340	168,151	-	-	189
Segregated fund net assets	-	-	-	-	-
Other assets	12,135	9,012	-	2,137	986
<b>Total assets</b>	<b>227,412</b>	<b>200,149</b>	<b>8</b>	<b>8,438</b>	<b>\$ 18,817</b>
Commitments related to securities lent or sold under repurchase agreements	7,331	-	-	7,331	
Off-balance sheet derivative financial instruments	1,891	-	-	1,891	
Unused commitments	94,717	42,186	-	-	
Other off-balance sheet items	2,023	1,426	-	-	
Differences arising from the recognition of allowances	358	358	-	-	
Adjustments to account for differences related to on-balance sheet exposures	1,682	253	-	1,430	
<b>Total exposure at default for credit risk</b>	<b>\$ 335,414</b>	<b>\$ 244,372</b>	<b>\$ 8</b>	<b>\$ 19,090</b>	

<sup>(1)</sup> The definition of exposure classes related to regulatory capital requirements differs from the accounting classification.

TABLE 15 – CREDIT RISK MITIGATION

	As at June 30, 2017			As at March 31, 2017		
	Exposure at default (EAD)	Exposure covered by collateral <sup>(1)</sup>	Exposure covered by guarantees/ credit derivatives	Exposure at default (EAD)	Exposure covered by collateral <sup>(1)</sup>	Exposure covered by guarantees/ credit derivatives
(in millions of dollars)						
<b>Standardized Approach</b>						
Sovereign borrowers	\$ 17,534	\$ 1,137	\$ 1	\$ 15,489	\$ 7	\$ 2
Financial institutions	13,996	2,818	300	13,762	2,551	307
Businesses	53,294	507	9,852	52,452	773	9,690
SMEs similar to other retail client exposures	7,451	68	1,559	7,279	72	1,642
Mortgages	206	-	-	186	-	-
Other retail client exposure (excluding SMEs)	1,491	1,227	-	1,481	1,260	-
Securitization	7	-	-	8	-	-
Equities	128	-	-	122	-	-
Trading portfolio	13,469	12,583	-	16,741	15,803	-
<b>Internal Ratings-Based Approach<sup>(2)</sup></b>						
Mortgages	99,681	-	28,427	97,212	-	27,226
Revolving retail client exposures	35,674	-	-	35,104	-	-
Other retail client exposures	9,210	-	2,297	8,905	-	2,394
<b>Total</b>	<b>\$ 252,141</b>	<b>\$ 18,340</b>	<b>\$ 42,436</b>	<b>\$ 248,741</b>	<b>\$ 20,466</b>	<b>\$ 41,261</b>

  

	As at December 31, 2016			As at September 30, 2016		
	Exposure at default (EAD)	Exposure covered by collateral <sup>(1)</sup>	Exposure covered by guarantees/ credit derivatives	Exposure at default (EAD)	Exposure covered by collateral <sup>(1)</sup>	Exposure covered by guarantees/ credit derivatives
(in millions of dollars)						
<b>Standardized Approach</b>						
Sovereign borrowers	\$ 15,730	\$ 821	\$ 2	\$ 15,813	\$ 18	\$ 2
Financial institutions	12,991	3,731	315	13,878	4,658	345
Businesses	51,348	1,213	9,548	48,697	1,012	8,304
SMEs similar to other retail client exposures	7,020	69	1,681	8,824	71	2,850
Mortgages	143	-	-	131	-	19
Other retail client exposure (excluding SMEs)	1,538	1,291	-	1,507	1,242	-
Securitization	807	-	-	2,002	-	400
Equities	98	-	-	155	-	-
Trading portfolio	15,407	14,492	-	16,606	15,402	-
<b>Internal Ratings-Based Approach<sup>(2)</sup></b>						
Mortgages	96,699	-	27,285	93,328	-	26,389
Revolving retail client exposures	34,602	-	-	36,018	-	-
Other retail client exposures	8,676	-	2,328	8,260	-	2,213
<b>Total</b>	<b>\$ 245,059</b>	<b>\$ 21,617</b>	<b>\$ 41,159</b>	<b>\$ 245,219</b>	<b>\$ 22,403</b>	<b>\$ 40,522</b>

Footnotes to this table are presented on the next page.

TABLE 15 – CREDIT RISK MITIGATION (continued)

(in millions of dollars)	As at June 30, 2016		
	Exposure at default (EAD)	Exposure covered by collateral <sup>(1)</sup>	Exposure covered by guarantees/ credit derivatives
<b>Standardized Approach</b>			
Sovereign borrowers	\$ 16,046	\$ 716	\$ 2
Financial institutions	16,804	7,376	337
Businesses	48,592	648	9,376
SMEs similar to other retail client exposures	7,310	68	1,682
Mortgages	119	-	20
Other retail client exposure (excluding SMEs)	1,414	1,239	-
Securitization	1,999	-	400
Equities	236	-	-
Trading portfolio	16,075	14,983	-
<b>Internal Ratings-Based Approach<sup>(2)</sup></b>			
Mortgages	92,558	-	26,625
Revolving retail client exposures	35,627	-	-
Other retail client exposures	8,061	-	2,280
<b>Total</b>	<b>\$ 244,841</b>	<b>\$ 25,030</b>	<b>\$ 40,722</b>

<sup>(1)</sup> Qualifying financial collateral includes cash, gold, qualifying debt securities, shares and mutual funds.

<sup>(2)</sup> For exposures under the IRB Approach, qualifying financial collateral is taken into account when estimating loss given default (LGD) in internal models.

**TABLE 16 – DETAILS OF THE CREDIT PORTFOLIO SUBJECT TO THE INTERNAL RATING-BASED APPROACH<sup>(3)</sup>**  
Used exposure

(in millions of dollars and as a percentage)		As at June 30, 2017							
	PD scale (%)	EAD-weighted average PD	EAD-weighted average LGD	EAD	RWA	RWA as a percentage of EAD <sup>(1)</sup>	EL	RWA adjusted for EL, as a percentage of EAD <sup>(1)(2)</sup>	
<b>Exposures related to residential mortgage loans</b>									
<b>Insured exposures</b>									
Excellent	0.00-0.14	0.07%	8.40%	\$ 8,265	\$ 125	1.52%	\$ 0.5	1.59%	
Very low	0.15-0.24	-	-	-	-	-	-	-	
	0.25-0.49	0.26	8.36	7,415	302	4.07	1.6	4.34	
Low	0.50-0.74	0.59	8.33	6,327	462	7.30	3.1	7.91	
	0.75-2.49	1.43	8.34	5,549	727	13.12	6.6	14.61	
Medium	2.50-9.99	5.54	8.36	1,472	415	28.18	6.8	33.96	
High	10.00-99.99	27.39	8.47	359	178	49.43	8.4	78.42	
Default	100.00	100.00	8.44	213	224	104.88	0.4	107.08	
Sub-total		1.81	8.36	29,600	2,433	8.22	27.4	9.38	
<b>Uninsured exposures</b>									
Excellent	0.00-0.14	0.07	10.73	21,467	415	1.93	1.6	2.03	
Very low	0.15-0.24	-	-	-	-	-	-	-	
	0.25-0.49	0.26	10.95	16,306	869	5.33	4.6	5.69	
Low	0.50-0.74	0.59	11.06	11,280	1,092	9.68	7.4	10.50	
	0.75-2.49	1.44	11.24	8,976	1,594	17.74	14.5	19.76	
Medium	2.50-9.99	5.41	11.42	2,354	896	38.07	14.5	45.78	
High	10.00-99.99	27.42	10.75	413	259	62.76	12.2	99.60	
Default	100.00	100.00	10.76	192	220	114.45	9.3	175.13	
Sub-total		1.13	10.95	60,988	5,345	8.76	64.1	10.08	
Total		1.35	10.11	90,588	7,778	8.59	91.5	9.85	
<b>Qualifying revolving retail client exposures (QRRCE)</b>									
Excellent	0.00-0.14	0.07	77.71	2,891	98	3.40	1.6	4.08	
Very low	0.15-0.24	-	-	-	-	-	-	-	
	0.25-0.49	0.33	75.72	1,565	192	12.25	4.0	15.41	
Low	0.50-0.74	0.68	64.82	448	83	18.42	2.0	23.93	
	0.75-2.49	1.70	77.23	3,620	1,548	42.77	46.9	58.96	
Medium	2.50-9.99	4.37	71.60	1,060	842	79.46	33.3	118.68	
High	10.00-99.99	17.46	59.63	1,056	1,556	147.46	109.9	277.73	
Default	100.00	100.00	59.97	113	790	697.98	6.6	770.64	
Total		3.86	74.16	10,753	5,109	47.52	204.3	71.26	
<b>Other retail client exposures, excluding SMEs similar to the other retail client exposures</b>									
Excellent	0.00-0.14	0.08	29.10	1,016	58	5.73	0.2	6.01	
Very low	0.15-0.24	-	-	-	-	-	-	-	
	0.25-0.49	0.28	28.02	1,433	201	14.00	1.1	14.96	
Low	0.50-0.74	0.64	28.74	1,575	368	23.37	2.8	25.62	
	0.75-2.49	1.61	33.94	1,757	723	41.14	9.8	48.14	
Medium	2.50-9.99	3.34	36.21	2,679	1,356	50.58	32.1	48.14	
High	10.00-99.99	22.81	29.12	305	205	67.36	19.6	147.75	
Default	100.00	100.00	34.83	75	172	228.74	15.4	483.68	
Total		3.14	32.03	8,840	3,083	34.87	81.0	46.33	
Overall total		1.74%	18.12%	\$ 110,181	\$ 15,970	14.49%	\$ 376.8	18.77%	

Footnotes to this table are presented on page 29.



**TABLE 16 – DETAILS OF THE CREDIT PORTFOLIO SUBJECT TO THE INTERNAL RATING-BASED APPROACH<sup>(3)</sup> (continued)**  
Used exposure

(in millions of dollars and as a percentage)															
As at March 31, 2017								December 31, 2016							
	PD scale (%)	EAD-weighted average PD	EAD-weighted average LGD	EAD	RWA	RWA as a percentage of EAD <sup>(1)</sup>	EL	RWA adjusted for EL, as a percentage of EAD <sup>(1)(2)</sup>	EAD-weighted average PD	EAD-weighted average LGD	EAD	RWA	RWA as a percentage of EAD <sup>(1)</sup>	EL	RWA adjusted for EL, as a percentage of EAD <sup>(1)(2)</sup>
Exposures related to residential mortgage loans															
Insured exposures															
Excellent	0.00-0.14	0.07%	8.44%	\$ 7,833	\$ 119	1.52%	\$ 0.5	1.60%	0.07%	8.48%	\$ 7,804	\$ 119	1.53%	\$ 0.5	1.60%
	0.15-0.24	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Very low	0.25-0.49	0.26	8.39	6,957	284	4.09	1.5	4.36	0.26	8.41	7,015	287	4.10	1.5	4.37
	0.50-0.74	0.59	8.40	6,045	444	7.35	3.0	7.97	0.59	8.39	6,157	453	7.35	3.1	7.97
Low	0.75-2.49	1.44	8.37	5,477	725	13.20	6.6	14.71	1.44	8.42	5,557	736	13.25	6.7	14.76
	2.50-9.99	5.50	8.41	1,503	424	28.25	6.9	34.02	5.54	8.41	1,544	438	28.37	7.2	34.19
Medium	10.00-99.99	27.39	8.48	417	206	49.49	9.7	78.51	27.39	8.50	422	209	49.61	9.8	78.70
High	100.00	100.00	8.63	236	253	107.02	0.7	110.84	100.00	8.65	247	263	106.73	0.9	111.50
Default															
Sub-total		2.01	8.41	28,468	2,455	8.62	28.9	9.89	2.04	8.43	28,746	2,505	8.72	29.7	10.01
Uninsured exposures															
Excellent	0.00-0.14	0.07	10.91	21,209	417	1.97	1.6	2.06	0.07	10.64	20,801	399	1.92	1.5	2.01
	0.15-0.24	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Very low	0.25-0.49	0.26	11.14	15,905	863	5.43	4.6	5.79	0.26	10.69	15,792	823	5.21	4.4	5.56
	0.50-0.74	0.59	11.24	11,004	1,082	9.84	7.3	10.66	0.59	10.71	10,987	1,030	9.37	6.9	10.16
Low	0.75-2.49	1.45	11.35	8,835	1,588	17.97	14.5	20.02	1.45	10.81	8,823	1,510	17.11	13.9	19.07
	2.50-9.99	5.38	11.41	2,337	886	37.91	14.3	45.55	5.45	10.82	2,354	853	36.24	14.0	43.62
Medium	10.00-99.99	27.42	11.19	494	322	65.32	15.2	103.66	27.42	10.67	493	307	62.29	14.4	98.86
High	100.00	100.00	10.88	196	224	114.16	11.1	185.14	100.00	10.67	203	226	111.04	11.7	183.07
Default															
Sub-total		1.18	11.12	59,980	5,382	8.97	68.6	10.40	1.20	10.70	59,453	5,148	8.66	66.8	10.06
Total		1.44	10.25	88,448	7,837	8.86	97.5	10.24	1.48	9.96	88,199	7,653	8.68	96.5	10.04
Qualifying revolving retail client exposures (QRRCE)															
Excellent	0.00-0.14	0.07	76.78	2,642	89	3.37	1.4	4.05	0.07	77.29	2,778	93	3.37	1.5	4.05
	0.15-0.24	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Very low	0.25-0.49	0.33	75.44	1,488	181	12.16	3.7	15.30	0.33	75.30	1,518	184	12.14	3.8	15.27
	0.50-0.74	0.68	64.88	454	84	18.43	2.0	23.95	0.68	65.05	444	82	18.48	2.0	24.01
Low	0.75-2.49	1.70	77.15	3,553	1,522	42.85	46.1	59.09	1.70	77.17	3,556	1,528	42.95	46.3	59.23
	2.50-9.99	4.37	71.62	1,067	848	79.48	33.5	118.70	4.38	71.66	1,085	865	79.66	34.2	119.00
Medium	10.00-99.99	17.49	59.66	1,122	1,656	147.64	117.3	278.24	17.49	59.62	1,183	1,746	147.52	123.5	277.95
High	100.00	100.00	59.94	125	869	696.55	7.4	770.78	100.00	59.95	118	807	686.12	8.3	774.63
Default															
Total		4.19	73.63	10,451	5,249	50.23	211.4	75.52	4.14	73.74	10,682	5,305	49.66	219.6	75.35
Other retail client exposures, excluding SMEs similar to the other retail client exposures															
Excellent	0.00-0.14	0.08	28.35	971	54	5.55	0.2	5.81	0.08	27.60	945	51	5.43	0.2	5.69
	0.15-0.24	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Very low	0.25-0.49	0.28	26.78	1,378	184	13.38	1.0	14.30	0.28	26.17	1,376	180	13.08	1.0	13.98
	0.50-0.74	0.65	27.29	1,547	344	22.22	2.7	24.36	0.64	27.45	1,490	333	22.33	2.6	24.49
Low	0.75-2.49	1.60	33.20	1,705	686	40.25	9.3	47.10	1.60	33.70	1,628	665	40.85	9.1	47.80
	2.50-9.99	3.29	35.93	2,538	1,270	50.09	29.7	47.10	3.34	36.04	2,483	1,251	50.32	29.4	65.18
Medium	10.00-99.99	22.87	28.87	320	214	66.84	20.4	146.76	22.87	28.98	333	223	67.13	21.4	147.43
High	100.00	100.00	34.11	81	166	204.95	17.8	480.74	100.00	34.71	77	165	214.82	16.7	486.27
Default															
Total		3.27	31.20	8,540	2,918	34.18	81.1	46.05	3.32	31.16	8,332	2,868	34.42	80.4	46.49
Overall total		1.86%	18.08%	\$ 107,439	\$ 16,004	14.90%	\$ 390.0	19.44%	1.89%	17.96%	\$ 107,213	\$ 15,826	14.76%	\$ 396.5	19.38%

Footnotes to this table are presented on page 29.

**TABLE 16 – DETAILS OF THE CREDIT PORTFOLIO SUBJECT TO THE INTERNAL RATING-BASED APPROACH<sup>(3)</sup> (continued)**

Used exposure

(in millions of dollars and as a percentage)

As at September 30, 2016

As at June 30, 2016

	EAD-weighted average PD	EAD-weighted average LGD	EAD	RWA	RWA as a percentage of EAD <sup>(1)</sup>	EL	RWA adjusted for EL, as a percentage of EAD <sup>(1)(2)</sup>	EAD-weighted average PD	EAD-weighted average LGD	EAD	RWA	RWA as a percentage of EAD <sup>(1)</sup>	EL	RWA adjusted for EL, as a percentage of EAD <sup>(1)(2)</sup>
Exposures related to residential mortgage loans														
Insured exposures														
Excellent	0.23%	9.47%	\$ 6,117	\$ 258	4.22%	\$ 1.3	4.49%	0.07%	8.48%	\$ 14,085	\$ 250	1.53%	\$ 0.9	1.60%
Very low	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Low	0.26	9.70	13,594	245	4.75	-	5.07	0.59	8.39	6,136	254	7.35	1.2	7.97
Medium-low	0.52	9.45	4,084	1	7.58	2.0	8.20	1.44	8.42	25	1	13.25	-	14.76
Medium	0.61	9.49	23	310	15.86	4.5	17.77	5.54	8.41	3,991	296	28.37	1.8	34.19
Medium-high	1.61	9.49	2,894	459	32.74	2.7	39.20	5.40	8.50	2,794	433	49.61	4.1	78.70
High	5.40	9.57	503	164	55.53	8.8	81.17	20.95	8.65	484	157	-	2.4	-
Very high	20.95	9.79	422	235	55.53	-	1.26	20.95	8.65	406	220	-	8.1	111.50
Default	100.00	9.86	265	321	121.08	1.1	126.22	100.00	8.59	294	355	106.73	1.4	-
Sub-total	1.70	9.59	27,902	1,993	7.14	20.4	8.09	1.76	9.42	28,215	1,966	6.97	19.9	7.87
Uninsured exposures														
Excellent	0.23	16.39	36,251	837	7.29	4.3	7.76	0.26	10.69	36,170	1,072	5.21	4.1	5.56
Very low	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Low	0.52	16.49	11,456	840	13.21	4.3	14.29	1.45	10.81	11,095	809	17.11	4.2	19.07
Medium-low	1.59	16.59	6,353	1,079	27.47	5.6	30.77	5.45	10.82	6,084	802	36.24	5.2	43.62
Medium	5.45	16.62	4,412	1,212	57.23	11.7	68.55	20.94	10.67	4,262	1,172	62.29	11.2	98.86
Medium-high	20.94	16.42	713	407	93.13	6.6	136.10	27.42	16.47	657	375	111.04	5.9	183.07
High	20.94	16.42	218	374	93.13	16.7	136.10	27.42	16.47	430	402	49.66	14.8	225.40
Very high	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Default	100.00	16.27	484	451	-	12.4	67.38	100.00	73.74	227	390	-	12.7	75.35
Sub-total	0.86	16.35	59,887	5,200	8.68	61.6	9.95	0.86	16.33	58,925	5,022	8.52	58.1	9.76
Total	1.12	14.20	87,789	7,193	8.19	82.0	9.36	1.48	9.96	87,140	6,988	8.68	78.0	10.04
Qualifying revolving retail client exposures (QRRCE)														
Excellent	0.17	81.00	1,291	102	7.87	2.0	9.73	0.17	81.12	1,355	107	7.90	2.0	9.78
Very low	0.26	74.19	1,122	114	10.15	2.0	12.78	0.26	74.19	1,137	116	10.18	2.4	12.81
Low	0.42	74.68	1,184	177	14.92	4.0	19.06	0.42	74.91	1,189	179	15.08	4.0	19.27
Medium-low	0.84	80.29	1,590	432	27.20	11.0	35.80	0.84	80.47	1,595	436	27.32	11.0	35.96
Medium	1.53	80.91	1,864	799	42.89	23.0	58.46	1.53	81.00	1,866	802	42.95	23.3	58.55
Medium-high	2.93	72.72	2,193	1,347	61.43	47.0	88.04	2.93	72.70	2,125	1,306	61.40	45.2	88.01
High	5.82	62.63	607	510	84.03	22.0	129.55	5.82	62.60	558	468	84.01	20.3	129.53
Very high	21.70	53.17	601	865	143.85	70.0	288.15	21.69	53.10	573	823	143.63	66.1	287.68
Default	100.00	54.35	67	383	574.50	8.0	727.36	100.00	54.23	68	389	575.61	8.2	726.35
Total	3.31	74.89	10,519	4,729	44.96	189.0	67.38	3.24	75.14	10,466	4,626	44.19	182.5	65.99
Other retail client exposures, excluding SMEs similar to the other retail client exposures														
Excellent	0.05	41.66	362	23	6.46	-	6.75	0.05	42.36	365	24	6.61	0.1	6.90
Very low	0.10	37.46	1,000	93	9.34	-	9.81	0.10	37.10	1,009	93	9.25	0.4	9.71
Low	0.23	34.53	1,498	224	14.99	1.0	15.95	0.23	34.08	1,489	221	14.83	1.1	15.78
Medium-low	0.53	33.73	1,400	330	23.54	2.0	25.56	0.53	32.67	1,374	314	22.84	2.2	24.80
Medium	1.04	38.29	993	367	36.99	3.0	41.34	1.06	36.77	983	350	35.58	3.3	39.79
Medium-high	1.80	49.30	1,722	1,032	59.87	14.0	70.03	1.82	48.49	1,641	966	58.90	13.1	68.91
High	4.90	48.92	715	513	71.70	16.0	100.16	4.93	48.01	658	463	70.38	14.7	98.32
Very high	20.57	34.60	324	246	75.97	23.0	159.72	20.59	33.94	299	223	74.47	19.6	156.51
Default	100.00	60.14	53	219	409.75	17.0	806.36	100.00	58.98	52	211	406.14	16.0	790.07
Total	2.59	40.14	8,067	3,047	37.77	76.0	49.59	2.52	39.27	7,870	2,865	36.41	70.5	47.60
Overall total	1.45%	22.17%	\$ 106,375	\$ 14,969	14.07%	\$ 347.0	18.15%	1.46%	22.03%	\$ 105,476	\$ 14,479	13.73%	\$ 331.0	17.66%

Footnotes to this table are presented on page 29.

**TABLE 16 – DETAILS OF THE CREDIT PORTFOLIO SUBJECT TO THE INTERNAL RATING-BASED APPROACH<sup>(3)</sup> (continued)**

Unused exposure and off-balance sheet exposure

(in millions of dollars and as a percentage)

		As at June 30, 2017								
	PD scale (%)	EAD-weighted average PD	EAD-weighted average LGD	Notional amount of unused commitments	EAD	EAD as a percentage of notional amount	RWA	RWA as a percentage of EAD <sup>(1)</sup>	EL	RWA adjusted for EL, as a percentage of EAD <sup>(1)(2)</sup>
Exposures related to residential mortgage loans										
Insured exposures										
Excellent	0.00 - 0.14	0.07%	8.20%	\$ 11	\$ 5	50.00%	\$ -	1.48%	\$ -	1.55%
	0.15 - 0.24	-	-	-	-	-	-	-	-	-
Very low	0.25 - 0.49	0.26	8.19	33	16	50.00	1	3.99	-	4.26
	0.50 - 0.74	0.59	8.17	33	17	50.00	1	7.15	0.1	7.75
Low	0.75 - 2.49	1.46	8.17	28	14	50.00	2	13.01	-	14.50
Medium	2.50 - 9.99	5.26	8.18	7	4	50.00	1	26.95	-	32.33
High	10.00 - 99.99	27.42	8.41	2	1	50.00	-	49.10	-	77.92
Default	100.00	100.00	8.33	-	-	50.00	-	104.14	-	104.14
Sub-total		1.55	8.18	114	57	50.00	5	9.20	0.1	10.56
Uninsured exposures										
Excellent	0.00 - 0.14	0.07	11.09	8,327	4,290	51.53	86	2.00	0.3	2.10
	0.15 - 0.24	-	-	-	-	-	-	-	-	-
Very low	0.25 - 0.49	0.26	11.26	5,120	2,660	51.93	146	5.48	0.8	5.85
	0.50 - 0.74	0.59	11.61	2,612	1,275	48.83	130	10.16	0.9	11.02
Low	0.75 - 2.49	1.43	12.15	1,494	682	45.66	130	19.11	1.1	21.28
Medium	2.50 - 9.99	4.89	13.53	268	115	42.91	50	43.52	0.8	51.97
High	10.00 - 99.99	27.42	13.49	38	14	37.61	11	78.73	0.5	124.95
Default	100.00	100.00	10.03	22	-	1.25	-	125.33	-	125.33
Sub-total		0.41	11.33	17,881	9,036	50.54	553	6.12	4.4	6.74
Total		0.42	11.31	17,995	9,093	50.54	558	6.14	4.5	6.76
Qualifying revolving retail client exposures (QRRCE)										
Excellent	0.00 - 0.14	0.08	79.34	29,351	19,128	65.17	701	3.67	11.4	7.78
	0.15 - 0.24	-	-	-	-	-	-	-	-	-
Very low	0.25 - 0.49	0.34	78.14	4,044	2,567	63.54	332	12.92	6.9	23.40
	0.50 - 0.74	0.68	65.71	433	238	55.08	45	18.67	1.1	49.22
Low	0.75 - 2.49	1.44	78.81	5,098	2,752	54.00	1,049	38.06	30.6	66.91
Medium	2.50 - 9.99	4.26	71.61	603	186	30.65	144	78.10	5.7	116.39
High	10.00 - 99.99	18.13	60.25	400	50	12.37	75	151.18	5.5	252.51
Default	100.00	100.00	-	7	-	-	-	-	-	-
Total		0.33	78.94	39,936	24,921	62.40	2,346	9.41	61.2	12.48
Other retail client exposures, excluding SMEs similar to other retail client exposures										
Excellent	0.00 - 0.14	0.07	42.38	363	237	65.05	17	7.43	0.1	7.78
	0.15 - 0.24	-	-	-	-	-	-	-	-	-
Very low	0.25 - 0.49	0.28	43.12	119	72	61.33	16	21.88	0.1	23.40
	0.50 - 0.74	0.68	52.73	64	34	53.39	15	44.74	0.1	49.22
Low	0.75 - 2.49	1.33	51.71	33	18	52.13	12	58.40	0.1	66.91
Medium	2.50 - 9.99	2.88	51.37	14	7	51.02	4	70.64	0.1	88.75
High	10.00 - 99.99	24.91	45.63	5	2	50.52	3	110.44	0.3	252.51
Default	100.00	100.00	72.87	-	-	0.05	-	804.47	-	938.90
Total		0.45	44.11	598	370	61.94	67	18.17	0.8	20.80
Overall total		0.35%	60.68%	\$ 58,529	\$ 34,384	58.75%	\$ 2,971	8.64%	\$ 66.5	11.06%

Footnotes to this table are presented on page 29.

**TABLE 16 – DETAILS OF THE CREDIT PORTFOLIO SUBJECT TO THE INTERNAL RATING-BASED APPROACH<sup>(3)</sup> (continued)**

Unused exposure and off-balance sheet exposure

(in millions of dollars and as a percentage)

As at March 31, 2017

December 31, 2016

As at March 31, 2017											December 31, 2016								
	PD scale (%)	EAD-weighted average PD	EAD-weighted average LGD	Notional amount of unused commitment	EAD	EAD as a percentage of notional amount	RWA	RWA as a percentage of EAD <sup>(1)</sup>	EL	RWA adjusted for EL, as a percentage of EAD <sup>(1)(2)</sup>	EAD-weighted average PD	EAD-weighted average LGD	Notional amount of unused commitment	EAD	EAD as a percentage of notional amount	RWA	RWA as a percentage of EAD <sup>(1)</sup>	EL	RWA adjusted for EL, as a percentage of EAD <sup>(1)(2)</sup>
Exposures related to residential mortgage loans																			
Insured exposures																			
Excellent	0.00 - 0.14	0.07%	8.21%	\$ 9	\$ 5	50.00%	\$ -	1.48%	\$ -	1.55%	0.07%	8.20%	\$ 8	\$ 4	50.00%	\$ -	1.48%	\$ -	1.55%
Very low	0.15 - 0.24	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	0.25 - 0.49	0.26	8.24	22	11	50.00	-	4.01	-	4.28	0.26	8.16	20	10	50.00	-	3.98	-	4.24
	0.50 - 0.74	0.59	8.19	28	14	50.00	2	7.17	-	7.77	0.59	8.16	20	10	50.00	1	7.14	-	7.74
Low	0.75 - 2.49	1.43	8.17	23	11	50.00	1	12.81	0.1	14.27	1.43	8.15	17	9	50.00	1	12.81	-	14.27
	2.50 - 9.99	5.74	8.24	7	3	50.00	1	28.25	-	34.16	5.63	8.16	6	3	50.00	1	27.75	-	33.49
High	10.00 - 99.99	27.42	8.33	2	1	50.00	-	48.64	-	77.19	27.31	8.32	1	-	50.00	-	48.55	-	76.96
Default	100.00	100.00	9.06	-	-	50.00	-	113.31	-	113.31	100.00	8.82	-	-	50.00	-	110.31	-	110.31
Sub-total		1.88	8.21	91	45	50.00	4	9.87	0.1	11.41	1.83	8.17	72	36	50.00	3	9.65	-	11.06
Uninsured exposures																			
Excellent	0.00 - 0.14	0.07	11.03	8,069	4,149	51.42	83	1.99	0.3	2.09	0.07	10.96	7,736	3,965	51.27	78	1.98	0.3	2.07
Very low	0.15 - 0.24	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	0.25 - 0.49	0.26	11.26	4,960	2,570	51.80	141	5.48	0.8	5.85	0.26	11.09	4,857	2,506	51.60	136	5.40	0.7	5.76
	0.50 - 0.74	0.59	11.61	2,511	1,219	48.55	124	10.16	0.8	11.02	0.59	11.35	2,507	1,220	48.65	121	9.94	0.8	10.77
Low	0.75 - 2.49	1.43	12.06	1,447	655	45.30	124	18.95	1.1	21.11	1.43	11.75	1,425	644	45.18	119	18.47	1.2	20.57
	2.50 - 9.99	4.88	12.96	264	113	42.74	47	41.57	0.7	49.61	4.90	12.55	269	116	43.18	47	40.30	0.7	48.10
High	10.00 - 99.99	27.42	13.65	38	13	34.73	11	79.68	0.5	126.46	27.42	13.72	37	13	35.21	11	80.10	0.5	127.12
Default	100.00	100.00	10.24	24	-	0.86	-	127.95	-	127.95	100.00	10.32	25	-	1.26	-	128.97	-	128.97
Sub-total		0.41	11.29	17,313	8,719	50.36	530	6.07	4.2	6.68	0.42	11.14	16,856	8,464	50.22	512	6.04	4.2	6.66
Total		0.41	11.27	17,404	8,764	50.36	534	6.09	4.3	6.71	0.42	11.13	16,928	8,500	50.22	515	6.06	4.2	6.67
Qualifying revolving retail client exposures (QRRCE)																			
Excellent	0.00 - 0.14	0.08	79.34	28,984	18,890	65.17	693	3.67	11.3	7.78	0.08	79.24	28,139	18,339	65.17	673	3.67	10.9	4.41
Very low	0.15 - 0.24	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	0.25 - 0.49	0.34	78.14	4,018	2,553	63.54	330	12.92	6.9	23.40	0.34	77.91	3,897	2,471	63.41	318	12.86	6.6	16.20
	0.50 - 0.74	0.68	65.71	438	241	55.08	45	18.67	1.1	49.22	0.68	65.88	440	243	55.14	45	18.72	1.1	24.32
Low	0.75 - 2.49	1.44	78.81	5,057	2,731	54.00	1,040	38.06	30.3	66.91	1.45	78.74	4,849	2,612	53.86	1,000	38.27	29.3	52.29
	2.50 - 9.99	4.26	71.61	602	185	30.65	144	78.10	5.7	116.39	4.23	71.35	592	183	30.91	142	77.51	5.6	115.47
High	10.00 - 99.99	18.13	60.25	430	53	12.37	80	151.18	5.8	252.51	17.96	60.00	595	72	12.15	108	149.96	7.8	285.12
Default	100.00	100.00	-	9	-	-	-	-	-	-	100.00	-	8	-	-	-	-	-	-
Total		0.33	78.92	39,538	24,653	62.35	2,332	9.46	61.1	12.56	0.35	78.79	38,520	23,920	62.10	2,286	9.56	61.3	12.76
Other retail client exposures, excluding SMEs similar to other retail client exposures																			
Excellent	0.00 - 0.14	0.07	42.38	346	225	65.05	17	7.43	0.1	7.78	0.07	41.53	338	219	64.69	16	7.49	0.1	7.84
Very low	0.15 - 0.24	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	0.25 - 0.49	0.28	43.12	113	69	61.33	15	21.88	0.1	23.40	0.28	45.38	117	69	59.38	16	23.00	0.1	24.60
	0.50 - 0.74	0.68	52.73	65	35	53.39	15	44.74	0.1	49.22	0.68	52.28	57	30	53.44	13	44.36	0.1	48.80
Low	0.75 - 2.49	1.33	51.71	32	17	52.13	10	58.40	0.1	66.91	1.34	49.26	29	16	52.78	9	55.93	0.1	64.14
	2.50 - 9.99	2.88	51.37	33	17	51.02	12	70.64	0.2	88.75	3.26	38.16	16	8	49.79	4	53.32	0.1	69.38
High	10.00 - 99.99	24.91	45.63	5	2	50.52	3	110.44	0.3	252.51	24.09	44.54	6	2	37.97	3	105.72	0.2	238.34
Default	100.00	100.00	72.87	1	-	0.05	-	804.47	-	938.90	100.00	77.13	1	-	0.11	-	964.13	-	964.13
Total		0.52	44.37	595	365	61.41	72	19.65	0.9	22.74	0.46	43.55	564	344	61.02	61	17.82	0.7	20.43
Overall total		0.35%	61.00%	\$ 57,537	\$ 33,782	58.72%	\$ 2,938	8.69%	\$ 66.3	11.15%	0.37%	60.87%	\$ 56,012	\$ 32,764	58.50%	\$ 2,862	8.74%	\$ 66.2	11.26%

Footnotes to this table are presented on page 29.

**TABLE 16 – DETAILS OF THE CREDIT PORTFOLIO SUBJECT TO THE INTERNAL RATING-BASED APPROACH<sup>(3)</sup> (continued)**

Unused exposure and off-balance sheet exposure

(in millions of dollars and as a percentage)

As at September 30, 2016

As at June 30, 2016

	EAD-weighted average PD	EAD-weighted average LGD	Notional amount of unused commitments	EAD	EAD as a percentage of notional amount	RWA	RWA as a percentage of EAD <sup>(1)</sup>	EL	RWA adjusted for EL, as a percentage of EAD <sup>(1)(2)</sup>	EAD-weighted average PD	EAD-weighted average LGD	Notional amount of unused commitments	EAD	EAD as a percentage of notional amount	RWA	RWA as a percentage of EAD <sup>(1)</sup>	EL	RWA adjusted for EL, as a percentage of EAD <sup>(1)(2)</sup>
Exposures related to residential mortgage loans																		
Insured exposures																		
Excellent	0.05%	17.72%	\$ 38	\$ 19	33.20%	\$ -	2.45%	\$ -	2.56%	0.07%	8.20%	\$ 45	\$ 23	50.00%	\$ -	1.48%	\$ -	1.55%
Very low	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Low	0.10	18.64	30	14	33.48	1	4.43	-	4.66	0.26	8.16	31	16	-	1	-	-	-
Medium-low	0.23	20.22	-	-	33.69	-	9.00	-	9.58	0.59	8.16	-	-	50.00	-	3.98	-	4.24
Medium	0.52	22.18	19	9	33.86	-	17.78	-	19.22	1.43	8.15	23	11	50.00	1	7.14	-	7.74
Medium-high	1.11	22.11	17	8	33.97	1	29.69	-	32.75	5.63	8.16	15	7	50.00	1	12.81	-	14.27
High	2.42	23.68	2	1	34.35	-	51.94	-	59.11	5.63	8.16	2	1	50.00	1	27.75	-	33.49
Very high	5.45	27.66	1	-	35.00	-	95.21	-	114.06	27.31	8.32	-	-	50.00	-	48.55	-	76.96
Default	-	29.95	-	-	34.23	1	169.87	-	248.25	-	8.82	-	-	50.00	-	110.31	-	110.30
Sub-total	1.13	8.82	107	51	50.00	3	6.95	-	7.83	1.07	8.72	116	58	50.00	4	6.37	-	7.09
Uninsured exposures																		
Excellent	0.07	18.09	12,145	4,040	33.27	132	3.25	0.7	3.40	0.07	10.96	11,947	3,975	51.27	130	1.98	0.5	2.10
Very low	-	-	-	-	-	-	-	0.4	-	-	-	2,453	822	-	74	-	0.4	-
Low	0.52	22.27	2,553	856	33.54	79	17.85	0.4	19.30	0.26	11.09	1,001	336	51.60	59	5.40	0.4	5.80
Medium-low	1.55	22.94	1,039	349	33.66	64	37.75	0.7	42.30	0.59	11.35	592	199	48.65	75	9.94	0.7	10.80
Medium	5.45	29.67	619	210	33.86	79	102.13	0.3	122.30	1.43	11.75	47	16	45.18	16	18.47	0.3	20.60
Medium-high	20.94	31.96	58	20	33.95	19	181.29	0.8	264.90	4.90	12.55	32	11	43.18	20	40.30	0.7	48.10
High	20.94	17.94	38	13	3.97	22	224.19	-	224.20	27.42	13.72	-	1	35.21	2	80.10	-	127.10
Very high	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Default	-	-	25	-	-	1	-	-	-	-	10.32	23	-	1.26	-	128.97	-	129.00
Sub-total	0.26	19.03	16,477	5,488	33.29	396	7.21	3.3	7.94	0.25	18.95	16,095	5,360	33.30	376	7.02	3.0	7.71
Total	0.27	18.93	16,584	5,539	33.40	399	7.20	3.3	7.94	0.26	18.84	16,211	5,418	33.42	380	7.01	3.0	7.71
Qualifying revolving retail client exposures (QRRCE)																		
Excellent	0.20	80.99	20,699	14,644	70.76	1,266	8.65	24.1	10.71	0.20	81.02	20,397	14,441	70.80	1,247	8.65	23.7	10.70
Very low	0.31	79.36	5,133	3,723	72.53	469	12.59	9.9	15.91	0.31	79.29	5,047	3,660	72.52	460	12.56	9.7	15.88
Low	0.50	81.30	3,555	2,611	73.43	487	18.64	11.1	23.95	0.51	81.46	3,526	2,594	73.55	486	18.73	11.1	24.07
Medium-low	0.89	84.05	2,972	2,010	67.62	594	29.53	15.1	38.95	0.89	84.26	2,990	2,025	67.72	601	29.66	15.3	39.13
Medium	1.54	81.89	2,450	1,326	54.12	578	43.56	16.8	59.40	1.54	81.97	2,506	1,355	54.06	591	43.62	17.2	59.48
Medium-high	2.93	73.00	2,380	1,012	42.51	624	61.67	21.6	88.39	2.93	72.99	2,223	945	42.51	583	61.66	20.2	88.37
High	5.81	62.85	566	128	22.67	108	84.28	4.7	129.94	5.82	62.78	447	102	22.82	86	84.26	3.7	129.93
Very high	21.78	54.16	379	45	11.89	66	146.74	5.3	294.32	21.79	54.36	326	39	12.04	58	147.33	4.7	295.57
Default	-	-	23	-	-	-	-	-	-	-	-	19	-	-	-	-	-	-
Total	0.54	80.62	38,157	25,499	66.83	4,192	16.44	108.6	21.77	0.53	80.71	37,481	25,161	67.13	4,112	16.34	105.6	21.59
Other retail client exposures, excluding SMEs similar to other retail client exposures																		
Excellent	0.06	44.27	147	54	36.75	4	8.25	-	8.68	0.07	46.36	147	55	37.66	5	9.79	-	10.32
Very low	0.11	41.12	180	61	34.72	7	11.12	-	11.72	0.11	41.45	173	59	35.00	7	11.60	-	12.25
Low	0.26	46.47	115	40	34.35	9	22.82	0.1	24.40	0.27	45.84	109	39	35.28	8	23.57	0.1	25.27
Medium-low	0.61	50.62	66	22	33.58	9	40.60	0.1	44.48	0.62	54.32	63	22	34.10	10	43.99	0.1	48.24
Medium	1.33	49.16	24	8	33.23	5	56.05	0.1	64.27	1.34	50.47	28	10	33.75	6	57.73	0.1	66.26
Medium-high	2.89	41.41	13	5	34.26	3	57.46	0.1	72.43	2.89	40.33	14	5	33.84	3	55.96	0.1	70.54
High	6.44	40.33	2	1	32.64	-	61.25	-	93.63	6.44	41.82	2	1	31.81	1	63.52	-	97.12
Very high	22.50	34.55	5	2	34.31	1	80.63	-	177.78	22.50	48.67	1	-	39.63	-	113.59	-	250.46
Default	100.00	70.12	1	-	0.09	-	788.47	-	914.01	100.00	67.25	1	-	0.11	-	717.00	-	852.94
Total	0.52	44.46	553	193	34.92	38	19.82	0.4	22.57	0.38	45.65	538	191	35.53	40	20.93	0.4	23.26
Overall total	0.50%	69.45%	\$ 55,294	\$ 31,231	56.48%	\$ 4,629	14.82%	\$ 112.3	19.32%	0.48%	69.60%	\$ 54,230	\$ 30,770	56.74%	\$ 4,532	14.73%	\$ 109.0	19.16%

<sup>(1)</sup> Amounts have been revised to make them comparable as per the current presentation, as a result of a methodology refinement.<sup>(2)</sup> Risk-weighted assets (RWA) adjusted for expected losses (EL) as a percentage of exposure at default (EAD) is calculated as follows:  $(RWA + 12.5 \times EL) / EAD$ .<sup>(3)</sup> The presentation of risk levels has been changed as at December 31, 2016. Prior periods data have not been restated.

TABLE 17 - RISK EXPOSURE BY ASSET CLASS<sup>(1)</sup> AND REMAINING CONTRACTUAL TERM TO MATURITY

	As at June 30, 2017				As at March 31, 2017			
	Remaining contractual term to maturity				Remaining contractual term to maturity			
	Less than 1 year	1 to 5 years	Over 5 years	Total	Less than 1 year	1 to 5 years	Over 5 years	Total
(in millions of dollars)								
<b>Internal Ratings-Based Approach</b>								
Mortgages	\$ 97,683	\$ 1,775	\$ 223	\$ 99,681	\$ 95,557	\$ 1,648	\$ 7	\$ 97,212
Revolving retail client exposures	35,674	-	-	35,674	35,104	-	-	35,104
Other retail client exposures	3,155	1,798	4,257	9,210	3,264	1,945	3,696	8,905
<b>Total</b>	<b>\$ 136,512</b>	<b>\$ 3,573</b>	<b>\$ 4,480</b>	<b>\$ 144,565</b>	<b>\$ 133,925</b>	<b>\$ 3,593</b>	<b>\$ 3,703</b>	<b>\$ 141,221</b>

	As at December 31, 2016				As at September 30, 2016			
	Remaining contractual term to maturity				Remaining contractual term to maturity			
	Less than 1 year	1 to 5 years	Over 5 years	Total	Less than 1 year	1 to 5 years	Over 5 years	Total
(in millions of dollars)								
<b>Internal Ratings-Based Approach</b>								
Mortgages	\$ 94,844	\$ 835	\$ 1,020	\$ 96,699	\$ 91,400	\$ 979	\$ 949	\$ 93,328
Revolving retail client exposures	34,602	-	-	34,602	36,018	-	-	36,018
Other retail client exposures	3,084	1,028	4,564	8,676	2,816	1,179	4,265	8,260
<b>Total</b>	<b>\$ 132,530</b>	<b>\$ 1,863</b>	<b>\$ 5,584</b>	<b>\$ 139,977</b>	<b>\$ 130,234</b>	<b>\$ 2,158</b>	<b>\$ 5,214</b>	<b>\$ 137,606</b>

	As at June 30, 2016			
	Remaining contractual term to maturity			
	Less than 1 year	1 to 5 years	Over 5 years	Total
(in millions of dollars)				
<b>Internal Ratings-Based Approach</b>				
Mortgages	\$ 90,652	\$ 1,084	\$ 822	\$ 92,558
Revolving retail client exposures	35,627	-	-	35,627
Other retail client exposures	2,890	1,298	3,873	8,061
<b>Total</b>	<b>\$ 129,169</b>	<b>\$ 2,382</b>	<b>\$ 4,695</b>	<b>\$ 136,246</b>

<sup>(1)</sup> The definition of exposure classes related to regulatory capital requirements differs from the accounting classification.

**TABLE 18 - RISK EXPOSURE BY ASSET CLASS<sup>(1)</sup> AND RISK TRANCHE (STANDARDIZED APPROACH)**

(in millions of dollars)	As at June 30, 2017								As at March 31, 2017							
	Risk Tranches								Risk Tranches							
	0%	20%	35%	50%	75%	100%	Other	Total	0%	20%	35%	50%	75%	100%	Other	Total
Sovereign borrowers	\$ 17,520	\$ 10	\$ -	\$ -	\$ -	\$ 4	\$ -	\$ 17,534	\$ 15,485	\$ -	\$ -	\$ -	\$ -	\$ 4	\$ -	\$ 15,489
Financial institutions	76	13,366	-	35	-	502	17	13,996	-	13,152	-	172	-	424	14	13,762
Businesses	-	285	-	482	-	51,933	594	53,294	-	340	-	491	-	50,864	757	52,452
SMEs similar to other retail																
client exposures	-	-	-	-	5,582	1,731	138	7,451	-	-	-	-	5,372	1,764	143	7,279
Mortgages	-	-	205	-	-	1	-	206	-	-	185	-	-	1	-	186
Other retail client exposure																
(excluding SMEs)	-	-	-	-	1,402	89	-	1,491	-	-	-	-	1,422	58	1	1,481
Securitization	-	-	-	-	-	-	7	7	-	-	-	-	-	-	8	8
Equities	-	-	-	-	-	120	8	128	-	-	-	-	-	122	-	122
Trading portfolio	4,967	6,406	-	11	1	2,084	-	13,469	7,173	7,823	-	132	-	1,610	3	16,741
<b>Total</b>	<b>\$ 22,563</b>	<b>\$ 20,067</b>	<b>\$ 205</b>	<b>\$ 528</b>	<b>\$ 6,985</b>	<b>\$ 56,464</b>	<b>\$ 764</b>	<b>\$ 107,576</b>	<b>\$ 22,658</b>	<b>\$ 21,315</b>	<b>\$ 185</b>	<b>\$ 795</b>	<b>\$ 6,794</b>	<b>\$ 54,847</b>	<b>\$ 926</b>	<b>\$ 107,520</b>

  

(in millions of dollars)	As at December 31, 2016								As at September 30, 2016							
	Risk Tranches								Risk Tranches							
	0%	20%	35%	50%	75%	100%	Other	Total	0%	20%	35%	50%	75%	100%	Other	Total
Sovereign borrowers	\$ 15,726	\$ -	\$ -	\$ -	\$ -	\$ 4	\$ -	\$ 15,730	\$ 15,794	\$ -	\$ -	\$ -	\$ -	\$ 19	\$ -	\$ 15,813
Financial institutions	-	12,399	-	9	-	580	3	12,991	-	13,267	-	8	-	601	2	13,878
Businesses	-	239	-	452	-	50,108	549	51,348	-	493	-	708	-	47,020	476	48,697
SMEs similar to other retail																
client exposures	-	-	-	-	5,057	1,828	135	7,020	-	-	-	-	6,051	2,641	132	8,824
Mortgages	-	-	11	-	132	-	-	143	-	-	130	-	-	1	-	131
Other retail client exposure																
(excluding SMEs)	-	-	-	-	1,463	74	1	1,538	-	-	-	-	1,419	88	-	1,507
Securitization	-	-	-	-	-	139	668	807	400	-	-	-	-	140	1,462	2,002
Equities	-	-	-	-	-	98	-	98	-	-	-	-	-	155	-	155
Trading portfolio	8,388	6,318	-	4	-	693	4	15,407	9,000	5,905	-	542	-	1,155	4	16,606
<b>Total</b>	<b>\$ 24,114</b>	<b>\$ 18,956</b>	<b>\$ 11</b>	<b>\$ 465</b>	<b>\$ 6,652</b>	<b>\$ 53,524</b>	<b>\$ 1,360</b>	<b>\$ 105,082</b>	<b>\$ 25,194</b>	<b>\$ 19,665</b>	<b>\$ 130</b>	<b>\$ 1,258</b>	<b>\$ 7,470</b>	<b>\$ 51,820</b>	<b>\$ 2,076</b>	<b>\$ 107,613</b>

Footnote to this table are presented on the next page.

**TABLE 18 - RISK EXPOSURE BY ASSET CLASS<sup>(1)</sup> AND RISK TRANCHE (STANDARDIZED APPROACH) (continued)**

(in millions of dollars)	As at June 30, 2016							
	Risk Tranches							
	0%	20%	35%	50%	75%	100%	Other	Total
Sovereign borrowers	\$ 16,041	\$ -	\$ -	\$ -	\$ -	\$ 5	\$ -	\$ 16,046
Financial institutions	-	16,327	-	13	-	462	2	16,804
Businesses	-	349	-	761	-	46,946	536	48,592
SMEs similar to other retail								
client exposures	-	-	-	-	5,111	2,109	90	7,310
Mortgages	-	-	95	-	23	1	-	119
Other retail client exposure								
(excluding SMEs)	-	-	-	-	1,414	-	-	1,414
Securitization	400	-	-	-	-	139	1,460	1,999
Equities	-	-	-	-	-	236	-	236
Trading portfolio	6,922	7,619	-	561	-	970	3	16,075
<b>Total</b>	<b>\$ 23,363</b>	<b>\$ 24,295</b>	<b>\$ 95</b>	<b>\$ 1,335</b>	<b>\$ 6,548</b>	<b>\$ 50,868</b>	<b>\$ 2,091</b>	<b>\$ 108,595</b>

<sup>(1)</sup> The definition of exposure classes related to regulatory capital requirements differs from the accounting classification.



## RISK MANAGEMENT

TABLE 19 – LOAN PORTFOLIO BY BORROWER CATEGORY AND INDUSTRY<sup>(1)</sup>

	As at June 30, 2017		As at March 31, 2017		As at December 31, 2016		As at September 30, 2016		As at June 30, 2016	
	Gross loans	Gross impaired loans	Gross loans	Gross impaired loans	Gross loans	Gross impaired loans	Gross loans	Gross impaired loans	Gross loans	Gross impaired loans
(in millions of dollars)										
Residential mortgages	\$ 109,740	\$ 155	\$ 107,246	\$ 178	\$ 106,695	\$ 174	\$ 105,908	\$ 194	\$ 104,977	\$ 199
Consumer, credit card and other personal loans	22,832	86	22,243	100	22,150	102	21,723	96	21,486	93
Public agency loans <sup>(2)</sup>	2,600	-	2,632	-	2,925	-	3,051	-	2,986	-
Business loans										
Agriculture	7,550	29	7,426	36	7,506	37	7,221	39	7,174	29
Mining, oil and gas	445	1	302	1	321	1	338	6	485	5
Utilities	517	7	654	7	518	-	608	7	422	7
Construction	2,211	38	2,225	45	2,109	45	2,019	44	2,013	42
Manufacturing	2,597	34	2,751	42	2,640	41	2,672	47	2,668	42
Wholesale trade	1,226	6	1,232	5	1,118	7	1,152	8	1,117	8
Retail trade	3,230	22	2,773	23	2,737	22	2,417	24	2,412	22
Transportation	1,419	9	1,436	11	1,307	10	1,331	9	1,301	10
Information industry	337	7	371	7	387	7	412	7	440	10
Finance and insurance	692	-	743	1	649	1	640	-	686	-
Real estate	7,949	10	7,511	11	7,195	13	6,939	20	6,766	17
Professional services	584	3	575	4	550	5	542	4	543	4
Company management	932	4	899	3	907	2	876	3	988	4
Administrative services	269	12	243	12	231	6	268	5	255	3
Education	336	-	333	-	324	2	324	2	331	3
Health care	2,349	18	2,344	15	2,306	13	2,383	15	2,365	16
Arts and entertainment	729	7	694	6	733	7	687	14	690	13
Accommodation	1,253	18	1,236	24	1,217	26	1,159	38	1,165	28
Other services	870	11	871	12	887	11	837	14	829	11
Other businesses	1,144	1	1,316	1	1,059	-	1,219	2	1,046	1
<b>Total business loans</b>	<b>\$ 36,639</b>	<b>\$ 237</b>	<b>\$ 35,935</b>	<b>\$ 266</b>	<b>\$ 34,701</b>	<b>\$ 256</b>	<b>\$ 34,044</b>	<b>\$ 308</b>	<b>\$ 33,696</b>	<b>\$ 275</b>
<b>Total loans</b>	<b>\$ 171,811</b>	<b>\$ 478</b>	<b>\$ 168,056</b>	<b>\$ 544</b>	<b>\$ 166,471</b>	<b>\$ 532</b>	<b>\$ 164,726</b>	<b>\$ 598</b>	<b>\$ 163,145</b>	<b>\$ 567</b>

<sup>(1)</sup> Amounts as at June 30, 2016, September 30, 2016 and December 31, 2016 have been restated as a result of a methodology refinement.

<sup>(2)</sup> Includes government loans.

TABLE 20 – LOAN PORTFOLIO BY GEOGRAPHIC AREA

	As at June 30, 2017		As at March 31, 2017		As at December 31, 2016		As at September 30, 2016		As at June 30, 2016	
(in millions of dollars)	Gross loans	Gross impaired loans	Gross loans	Gross impaired loans	Gross loans	Gross impaired loans	Gross loans	Gross impaired loans	Gross loans	Gross impaired loans
<b>Canada</b>										
Quebec	\$ 156,788	\$ 424	\$ 153,257	\$ 488	\$ 154,551	\$ 480	\$ 153,214	\$ 532	\$ 151,575	\$ 501
Other Canadian provinces	14,803	52	14,560	55	11,587	51	11,493	66	11,233	64
<b>Total - Canada</b>	<b>\$ 171,591</b>	<b>\$ 476</b>	<b>\$ 167,817</b>	<b>\$ 543</b>	<b>\$ 166,138</b>	<b>\$ 531</b>	<b>\$ 164,707</b>	<b>\$ 598</b>	<b>\$ 162,808</b>	<b>\$ 565</b>
Other countries	220	2	239	1	333	1	19	-	337	2
<b>Total</b>	<b>\$ 171,811</b>	<b>\$ 478</b>	<b>\$ 168,056</b>	<b>\$ 544</b>	<b>\$ 166,471</b>	<b>\$ 532</b>	<b>\$ 164,726</b>	<b>\$ 598</b>	<b>\$ 163,145</b>	<b>\$ 567</b>

TABLE 21 - LOAN AND ACCEPTANCE PORTFOLIO BY ENTITY

	As at June 30, 2017		As at March 31, 2017		As at December 31, 2016		As at September 30, 2016		As at June 30, 2016	
(in millions of dollars and as a percentage)	Total		Total		Total		Total		Total	
<b>Desjardins Group</b>										
Caisse network	\$ 140,929	82.0%	\$ 138,631	82.4%	\$ 137,749	82.7%	\$ 136,651	82.9%	\$ 135,734	83.2%
Fédération des caisses Desjardins du Québec	26,640	15.5	25,336	15.1	24,624	14.8	24,174	14.7	24,151	14.8
Desjardins Financial Security Life Assurance Company	3,297	1.9	3,398	2.0	3,323	2.0	3,142	1.9	3,066	1.9
Other entities	1,004	0.6	796	0.5	786	0.5	782	0.5	241	0.1
<b>Total</b>	<b>\$ 171,870</b>	<b>100.0%</b>	<b>\$ 168,161</b>	<b>100.0%</b>	<b>\$ 166,482</b>	<b>100.0%</b>	<b>\$ 164,749</b>	<b>100.0%</b>	<b>\$ 163,192</b>	<b>100.0%</b>

TABLE 22 - LOAN AND ACCEPTANCE PORTFOLIO BY PRODUCT

(in millions of dollars and as a percentage)	As at June 30, 2017						As at March 31, 2017					
	Total		Guaranteed or insured loans <sup>(1)</sup>		Gross impaired loans		Total		Guaranteed or insured loans <sup>(1)</sup>		Gross impaired loans	
<b>Desjardins Group</b>												
Residential mortgages	\$ 109,740	63.8%	\$ 36,024	77.8%	\$ 155	32.4%	\$ 107,246	63.8%	\$ 34,859	77.0%	\$ 178	32.7%
Consumer, credit card and other personal loans	22,832	13.3	3,630	7.8	86	18.0	22,243	13.2	3,761	8.3	100	18.4
Business and government loans	39,298	22.9	6,650	14.4	237	49.6	38,672	23.0	6,677	14.7	266	48.9
<b>Total</b>	<b>\$ 171,870</b>	<b>100.0%</b>	<b>\$ 46,304</b>	<b>100.0%</b>	<b>\$ 478</b>	<b>100.0%</b>	<b>\$ 168,161</b>	<b>100.0%</b>	<b>\$ 45,297</b>	<b>100.0%</b>	<b>\$ 544</b>	<b>100.0%</b>

(in millions of dollars and as a percentage)	As at December 31, 2016						As at September 30, 2016					
	Total		Guaranteed or insured loans <sup>(1)</sup>		Gross impaired loans		Total		Guaranteed or insured loans <sup>(1)</sup>		Gross impaired loans	
<b>Desjardins Group</b>												
Residential mortgages	\$ 106,695	64.1%	\$ 34,858	76.8%	\$ 174	32.7%	\$ 105,908	64.3%	\$ 33,841	76.2%	\$ 194	32.4%
Consumer, credit card and other personal loans	22,150	13.3	3,726	8.2	102	19.2	21,723	13.2	3,564	8.0	96	16.1
Business and government loans	37,637	22.6	6,789	15.0	256	48.1	37,118	22.5	7,020	15.8	308	51.5
<b>Total</b>	<b>\$ 166,482</b>	<b>100.0%</b>	<b>\$ 45,373</b>	<b>100.0%</b>	<b>\$ 532</b>	<b>100.0%</b>	<b>\$ 164,749</b>	<b>100.0%</b>	<b>\$ 44,425</b>	<b>100.0%</b>	<b>\$ 598</b>	<b>100.0%</b>

(in millions of dollars and as a percentage)	As at June 30, 2016					
	Total		Guaranteed or insured loans <sup>(1)</sup>		Gross impaired loans	
<b>Desjardins Group</b>						
Residential mortgages	\$ 104,977	64.3%	\$ 33,932	76.4%	\$ 199	35.1%
Consumer, credit card and other personal loans	21,486	13.2	3,629	8.2	93	16.4
Business and government loans	36,729	22.5	6,836	15.4	275	48.5
<b>Total</b>	<b>\$ 163,192</b>	<b>100.0%</b>	<b>\$ 44,397</b>	<b>100.0%</b>	<b>\$ 567</b>	<b>100.0%</b>

<sup>(1)</sup> Loans fully or partially guaranteed or insured by a public insurer or a government (excluding private insurers).

TABLE 23 – CHANGE IN GROSS IMPAIRED LOANS

(in millions of dollars)	For the three-month period ended				
	June 30, 2017	March 31, 2017	December 31, 2016	September 30, 2016	June 30, 2016
<b>Gross impaired loans at beginning of period</b>	<b>\$ 544</b>	<b>\$ 532</b>	<b>\$ 598</b>	<b>\$ 567</b>	<b>\$ 564</b>
Gross loans that became impaired since the last period	202	265	254	274	242
Gross loans that came back to an unimpaired status	(180)	(169)	(232)	(162)	(175)
Write-offs and recoveries	(103)	(91)	(97)	(90)	(85)
Other change	15	7	9	9	21
<b>Gross impaired loans at end of period</b>	<b>\$ 478</b>	<b>\$ 544</b>	<b>\$ 532</b>	<b>\$ 598</b>	<b>\$ 567</b>

**TABLE 24 - RESIDENTIAL MORTGAGE LOAN PORTFOLIO<sup>(1)</sup>**Caisse network in Quebec and Ontario<sup>(2)</sup>

(in millions of dollars and as a percentage)	As at June 30, 2017								As at March 31, 2017							
	Guaranteed or insured loans <sup>(3)</sup>		Uninsured loans <sup>(4)</sup>		Home equity lines of credit <sup>(5)</sup>		Total		Guaranteed or insured loans <sup>(3)</sup>		Uninsured loans <sup>(4)</sup>		Home equity lines of credit <sup>(5)</sup>		Total	
Quebec	\$ 27,368	97.2%	\$ 55,140	96.6%	\$ 6,778	95.0%	\$ 89,286	96.6%	\$ 26,300	97.1%	\$ 54,313	96.7%	\$ 6,834	95.1%	\$ 87,447	96.7%
Ontario	788	2.8	1,884	3.3	349	4.9	3,021	3.3	785	2.9	1,797	3.2	345	4.8	2,927	3.2
Other <sup>(6)</sup>	-	-	57	0.1	5	0.1	62	0.1	-	-	57	0.1	5	0.1	62	0.1
<b>All geographic areas</b>	<b>\$ 28,156</b>	<b>100.0%</b>	<b>\$ 57,081</b>	<b>100.0%</b>	<b>\$ 7,132</b>	<b>100.0%</b>	<b>\$ 92,369</b>	<b>100.0%</b>	<b>\$ 27,085</b>	<b>100.0%</b>	<b>\$ 56,167</b>	<b>100.0%</b>	<b>\$ 7,184</b>	<b>100.0%</b>	<b>\$ 90,436</b>	<b>100.0%</b>

(in millions of dollars and as a percentage)	As at December 31, 2016								As at September 30, 2016							
	Guaranteed or insured loans <sup>(3)</sup>		Uninsured loans <sup>(4)</sup>		Home equity lines of credit <sup>(5)</sup>		Total		Guaranteed or insured loans <sup>(3)</sup>		Uninsured loans <sup>(4)</sup>		Home equity lines of credit <sup>(5)</sup>		Total	
Quebec	\$ 26,393	97.1%	\$ 54,033	96.7%	\$ 6,831	95.1%	\$ 87,257	96.7%	\$ 25,506	97.0%	\$ 54,461	96.8%	\$ 6,894	95.2%	\$ 86,861	96.8%
Ontario	761	2.8	1,788	3.2	343	4.8	2,892	3.2	763	2.9	1,800	3.2	344	4.7	2,907	3.2
Other <sup>(6)</sup>	27	0.1	56	0.1	6	0.1	89	0.1	26	0.1	-	-	6	0.1	32	-
<b>All geographic areas</b>	<b>\$ 27,181</b>	<b>100.0%</b>	<b>\$ 55,877</b>	<b>100.0%</b>	<b>\$ 7,180</b>	<b>100.0%</b>	<b>\$ 90,238</b>	<b>100.0%</b>	<b>\$ 26,295</b>	<b>100.0%</b>	<b>\$ 56,261</b>	<b>100.0%</b>	<b>\$ 7,244</b>	<b>100.0%</b>	<b>\$ 89,800</b>	<b>100.0%</b>

(in millions of dollars and as a percentage)	As at June 30, 2016							
	Guaranteed or insured loans <sup>(3)</sup>		Uninsured loans <sup>(4)</sup>		Home equity lines of credit <sup>(5)</sup>		Total	
Quebec	\$ 25,798	97.1%	\$ 53,554	96.8%	\$ 6,874	95.1%	\$ 86,226	96.7%
Ontario	771	2.9	1,715	3.1	345	4.8	2,831	3.2
Other <sup>(6)</sup>	-	-	55	0.1	6	0.1	61	0.1
<b>All geographic areas</b>	<b>\$ 26,569</b>	<b>100.0%</b>	<b>\$ 55,324</b>	<b>100.0%</b>	<b>\$ 7,225</b>	<b>100.0%</b>	<b>\$ 89,118</b>	<b>100.0%</b>

<sup>(1)</sup> Represents all loans secured by a property with up to four units. Residential mortgage loans on properties with up to four units held outside of the caisse network in Quebec and Ontario totalled \$129 million as at June 30, 2017. They amounted to \$144 million, \$135 million, \$136 million and \$111 million, respectively, for the March 2017, December 2016, September 2016 and June 2016 quarters.

<sup>(2)</sup> Caisses in Ontario are not legally subject to the AMF rules but are instead subject to the Deposit Insurance Corporation of Ontario's rules.

<sup>(3)</sup> Term mortgages and amortized portion of home equity lines of credit for which Desjardins Group has a full or partial guarantee or insurance from a mortgage insurer (public or private) or a government.

<sup>(4)</sup> Conventional term mortgages including the conventional amortized portion of home equity lines of credit and amortized consumer loans secured by a property with up to four units.

<sup>(5)</sup> Unamortized portion of home equity lines of credit and consumer lines of credit secured by a property with up to four units.

<sup>(6)</sup> Represents the geographic areas of Canada other than Quebec and Ontario.

**TABLE 25 - AVERAGE LOAN-TO-VALUE (LTV) RATIO FOR UNINSURED RESIDENTIAL MORTGAGE LOANS GRANTED DURING THE QUARTER**Caisse network in Quebec and Ontario<sup>(1)</sup>

(average loan-to-value ratio, by geographic area)	As at June 30, 2017			As at March 31, 2017			As at December 31, 2016		
	Uninsured loans <sup>(2)</sup>	Home equity lines of credit and related loans <sup>(3)</sup>	Total uninsured	Uninsured loans <sup>(2)</sup>	Home equity lines of credit and related loans <sup>(3)</sup>	Total uninsured	Uninsured loans <sup>(2)</sup>	Home equity lines of credit and related loans <sup>(3)</sup>	Total uninsured
Quebec	68.0%	70.4%	69.6%	68.0%	69.4%	68.9%	67.6%	69.3%	68.7%
Ontario	73.3	68.5	70.5	74.3	69.6	71.3	71.5	68.4	69.6
Other <sup>(4)</sup>	75.5	66.2	71.4	73.9	69.8	71.8	66.0	72.1	68.1
<b>All geographic areas</b>	<b>68.3</b>	<b>70.3</b>	<b>69.6</b>	<b>68.3</b>	<b>69.4</b>	<b>69.0</b>	<b>67.8</b>	<b>69.3</b>	<b>68.8</b>

(average loan-to-value ratio, by geographic area)	As at September 30, 2016			As at June 30, 2016		
	Uninsured loans <sup>(2)</sup>	Home equity lines of credit and related loans <sup>(3)</sup>	Total uninsured	Uninsured loans <sup>(2)</sup>	Home equity lines of credit and related loans <sup>(3)</sup>	Total uninsured
Quebec	65.1%	70.8%	69.3%	68.0%	71.3%	70.2%
Ontario	72.6	71.1	71.6	72.2	71.3	71.6
Other <sup>(4)</sup>	72.5	75.9	73.9	72.9	76.2	74.4
<b>All geographic areas</b>	<b>65.5</b>	<b>70.8</b>	<b>69.4</b>	<b>68.2</b>	<b>71.3</b>	<b>70.2</b>

<sup>(1)</sup> Caisses in Ontario are not legally subject to the AMF rules but are instead subject to the Deposit Insurance Corporation of Ontario's rules.<sup>(2)</sup> Conventional term mortgages and amortized consumer loans secured by a property with up to four units.<sup>(3)</sup> Home equity lines of credit including related amortized loans and consumer lines of credit secured by a property with up to four units.<sup>(4)</sup> Represents the geographic areas of Canada other than Quebec and Ontario.**TABLE 26 - REMAINING AMORTIZATION PERIOD FOR RESIDENTIAL MORTGAGE LOANS**Caisse network in Quebec and Ontario<sup>(1)</sup>

(in millions of dollars in gross loans and as a percentage of total by remaining amortization category)	Total amortized loans									
	As at June 30, 2017		As at March 31, 2017		As at December 31, 2016		As at September 30, 2016		As at June 30, 2016	
0-10 years	\$ 2,671	3.1%	\$ 2,625	3.2%	\$ 2,649	3.2%	\$ 2,644	3.2%	\$ 2,611	3.2%
10-20 years	16,512	19.4	16,414	19.7	16,400	19.7	16,266	19.7	16,097	19.7
20-25 years	57,029	67.0	54,930	65.9	54,590	65.8	54,027	65.5	53,310	65.0
25-30 years	6,854	8.0	7,022	8.4	7,099	8.5	7,218	8.7	7,369	9.0
30-35 years	1,809	2.1	1,884	2.3	1,930	2.3	1,999	2.4	2,092	2.6
35 years or more	361	0.4	376	0.5	390	0.5	401	0.5	414	0.5
<b>All amortization periods</b>	<b>\$ 85,236</b>	<b>100.0%</b>	<b>\$ 83,251</b>	<b>100.0%</b>	<b>\$ 83,058</b>	<b>100.0%</b>	<b>\$ 82,555</b>	<b>100.0%</b>	<b>\$ 81,893</b>	<b>100.0%</b>

<sup>(1)</sup> Caisses in Ontario are not legally subject to the AMF rules but are instead subject to the Deposit Insurance Corporation of Ontario's rules.

## GLOSSARY

### ALLOWANCE FOR CREDIT LOSSES

Amount deemed sufficient by management to cover the anticipated losses on a loan portfolio. The allowance for credit losses is increased by individual and collective provisions and decreased by write-offs, net of recoveries.

### BASIC INDICATOR APPROACH

Risk measurement approach used to assess capital requirements for operational risk. This measure corresponds to average annual gross revenues for the last three years multiplied by a fixed percentage of 15%.

### CAPITAL RATIOS

Regulatory Tier 1A capital, Tier 1 capital or total regulatory capital divided by risk-weighted assets. These measures are governed by the guidelines issued by the *Autorité des marchés financiers*, which are based on the standards developed by the Basel Committee on Banking Supervision.

### COLLECTIVE ALLOWANCE

Allowance established for loan portfolios that are not subject to an individual allowance and are included in groups of financial assets having similar credit characteristics.

### COMMITMENT

- Constitutes a direct commitment any agreement entered into by a Desjardins Group component with a natural or legal person creating a on- or off-balance sheet exposure, either disbursed or non-disbursed, revocable or irrevocable, with or without condition, that may lead to losses for the component if the debtor is unable to meet its obligations.
- Constitutes an indirect commitment any financial receivable creating a credit exposure that is acquired by a Desjardins Group component in connection with a purchase on the market or the delivery of financial collateral by a client/counterparty, whose value may change in particular as a result of the deterioration of the creditworthiness of the counterparty associated to this receivable or changes in market prices.

### COUNTERPARTY AND ISSUER RISK

Credit risk related to different types of securities, derivative financial instruments and securities lending transactions.

### CREDIT RISK

Risk of losses resulting from a borrower's or counterparty's failure to honour its contractual obligations, whether or not such obligations appear on the Combined Balance Sheets.

### CREDIT VALUATION ADJUSTMENT

Adjustment representing the market value of a potential loss on over-the-counter derivatives due to counterparty risk.

### EXPECTED LOSS (EL)

Measure of the expected loss on a given portfolio over a one-year period. It is equal to the product of the three credit risk parameters, PD, EAD and LGD.

### EXPOSURE AT DEFAULT (EAD)

Estimate of the amount of a given exposure at time of default. For balance sheet exposures, EAD correspond to the balance as at observation time. For off-balance sheet exposures, EAD includes an estimate of additional draws that may be made between observation time and default.

### EXPOSURES RELATED TO RESIDENTIAL MORTGAGE LOANS

In accordance with the regulatory capital framework, risk category that includes mortgage loans and credit margins secured by real property granted to individuals.

### FAIR VALUE

Price that would be received to sell an asset or paid to transfer a liability in an orderly transaction at the measurement date.

### IMPAIRED LOAN

Loan, except a credit card balance, whose collection is doubtful as a result of a deterioration in credit quality. A loan is classified as impaired when one of the following conditions is met: in management's opinion, there is reasonable doubt that the principal or the interest will be collected on scheduled dates; the interest or principal payment is 90 days or more past due, unless the loan is fully secured and in the process of collection; or the interest or principal is more than 180 days past due.

### INDIVIDUAL ALLOWANCE

Specific allowance established for an individual loan portfolio for which, in Desjardins Group's opinion, there is objective evidence of impairment and a loss should be recognized in the combined statements of income. Loan portfolios for which an individual allowance has not been established are then included in groups of assets having similar credit risk characteristics and are subject to a collective allowance.

### INTERNAL RATINGS-BASED APPROACH

Approach under which risk weighing is based on the type of counterparty (individuals, small or medium-sized business, large corporation, etc.) and risk weighing factors determined using internal parameters: the borrower's probability of default (PD), loss given default (LGD), effective maturity (EM) and exposure at default (EAD).

**LEVERAGE RATIO**

Ratio defined as the capital measure (namely Tier 1 capital) divided by the exposure measure. The exposure measure includes: 1) on-balance sheet exposures; 2) securities financing transaction exposures; 3) derivative exposures; and 4) off-balance sheet items.

**LOSS GIVEN DEFAULT (LGD)**

Significance of the economic loss that may be incurred should the borrower default. It is expressed as a percentage of exposure at default (EAD).

**MARKET RISK**

Risk of changes in the fair value of financial instruments resulting from fluctuations in the parameters affecting this value, in particular, interest rates, exchange rates, credit spreads and their volatility.

**OFF-BALANCE SHEET EXPOSURE**

Guarantees, commitments, derivatives and other contractual agreements whose gross principal amount may not be recognized on the balance-sheet.

**OPERATIONAL RISK**

Risk of inadequacy or failure attributable to processes, people, internal systems or external events resulting in particular in losses, failure to achieve objectives or a negative impact on reputation.

**OTHER RETAIL CLIENT EXPOSURES**

In accordance with the regulatory capital framework, this risk category includes all loans granted to individuals other than exposures related to residential mortgage loans and qualifying revolving retail client exposures.

**PROBABILITY OF DEFAULT (PD)**

Probability that a borrower defaults on his obligations over a period of one year.

**QUALIFYING REVOLVING RETAIL CLIENT EXPOSURES**

In accordance with the regulatory capital framework, risk category that includes credit card loans and unsecured credit margins granted to individuals.

**REGULATORY CAPITAL**

In accordance with the definition set out in the AMF guideline on capital adequacy for financial services cooperatives, the regulatory capital under Basel III comprises Tier 1A capital, Tier 1 capital and Tier 2 capital. The composition of these various tiers is presented in the "Capital management" section of the Management's Discussion and Analysis.

**REGULATORY FUNDS**

Funds needed to cover unexpected losses, calculated according to parameters and methods prescribed by regulatory authorities.

**REPURCHASE AGREEMENT**

Agreement involving both the sale of securities for cash and the repurchase of these securities for value at a later date. Represents a form of short-term financing.

**REVERSE REPURCHASE AGREEMENT**

Agreement involving both the purchase of securities for cash and the sale of these securities for value at a later date. Represents a form of short-term financing.

**RISK-WEIGHTED ASSETS**

Assets adjusted based on a risk-weighting factor prescribed by regulations to reflect the level of risk associated with items presented in the combined balance sheets. Some assets are not weighted, but rather deducted from capital. The calculation method is defined in the *Autorité des marchés financiers* guidelines. For more details, see the "Capital management" section of the Management's Discussion and Analysis.

**SCALING FACTOR**

Adjustment representing 6.0% of assets valued according to the internal rating-based approach, applied to credit exposures in compliance with section 1.3 of the AMF guideline on the capital adequacy standards applicable to financial services cooperatives.

**SECURITIZATION**

Process by which financial assets, such as mortgage loans, are converted into asset-backed securities and transferred to a trust.

**STANDARDIZED APPROACH**

- Credit risk  
Default approach used to calculate risk-weighted assets. Under this method, the financial institution uses valuations performed by external credit assessment institutions recognized by the *Autorité des marchés financiers* to determine the risk-weighting factors related to the various exposure categories.
- Market risk  
Default approach used to calculate risk-weighted assets for the four categories of market risks, namely interest rates risk, price risk, currency risk and commodities risk, according to pre-defined factors like the size and nature of the financial instruments held.

**UNUSED EXPOSURE**

Represents the amount of credit in loans or margins that has been authorized, but not yet used.

**USED EXPOSURE**

Represents the amount of funds invested, or advanced to a member or client.