Press Release
Fourth Quarter
2024

National Bank reports its 2024 fourth-quarter and annual results and raises its quarterly dividend by 4 cents to $1.14 per share

The financial information reported in this document is based on the unaudited interim condensed Consolidated Financial Statements for the fourth quarter of fiscal 2024 and on the audited annual Consolidated Financial Statements for the year ended October 31, 2024 and is prepared in accordance with International Financial Reporting Standards (IFRS® Accounting Standards) as issued by the International Accounting Standards Board (IASB), unless otherwise indicated. IFRS Accounting Standards represent Canadian generally accepted accounting principles (GAAP). All amounts are presented in Canadian dollars.

MONTREAL, December 4, 2024 – For the fourth quarter of 2024, National Bank is reporting net income of $955 million, up 27% from $751 million in the fourth quarter of 2023. Diluted earnings per share stood at $2.66 in the fourth quarter of 2024 compared to $2.09 in the corresponding quarter in 2023. These increases were driven by good performance in all of the business segments. Excluding specified items[1] recorded during the fourth quarters of 2024 and 2023, adjusted net income[1] totalled $928 million compared to $850 million in the corresponding quarter of 2023. Adjusted diluted earnings[1] per share stood at $2.58 compared to $2.39 in the fourth quarter of 2023, up 8%.

For fiscal 2024, the Bank's net income totalled $3,816 million, up 16% from $3,289 million in fiscal 2023. Diluted earnings per share stood at $10.68 for fiscal 2024 versus $9.24 in fiscal 2023. These increases were driven by good performance in all of the business segments owing to revenue growth, partly offset by increases in non-interest expenses, provisions for credit losses, and income taxes. Excluding specified items[1], adjusted net income[1] totalled $3,716 million for fiscal 2024, up 10% from $3,363 million in fiscal 2023, and adjusted diluted earnings per share[1] stood at $10.39, up 10% from $9.46 in fiscal 2023.

"Through disciplined execution, strong organic growth and resilient credit performance, we met all of our medium-term financial objectives in 2024," said Laurent Ferreira, President and Chief Executive Officer of National Bank of Canada. "Looking ahead to 2025 in what will remain a complex environment, we will continue to leverage our diversified business model and disciplined approach to credit, capital and costs as we pursue our growth path."

Highlights

(millions of Canadian dollars)	Quarter ended October 31			Year ended October 31		
	2024	2023[2]	% Change	**2024**	2023[2]	% Change
Net income	**955**	751	27	**3,816**	3,289	16
Diluted earnings per share *(dollars)*	**$ 2.66**	$ 2.09	27	**$ 10.68**	$ 9.24	16
Income before provisions for credit losses and income taxes	**1,352**	963	40	**5,346**	4,305	24
Return on common shareholders' equity[3]	**16.4 %**	14.1 %		**17.2 %**	16.3 %	
Dividend payout ratio[3]	**40.1 %**	42.7 %		**40.1 %**	42.7 %	
Operating results – Adjusted[1]						
Net income – Adjusted	**928**	850	9	**3,716**	3,363	10
Diluted earnings per share – Adjusted *(dollars)*	**$ 2.58**	$ 2.39	8	**$ 10.39**	$ 9.46	10
Income before provisions for credit losses and income taxes – Adjusted	**1,408**	1,264	11	**5,592**	4,954	13

	As at October 31, 2024	As at October 31, 2023
CET1 capital ratio under Basel III[4]	**13.7 %**	13.5 %
Leverage ratio under Basel III[4]	**4.4 %**	4.4 %

(1) See the Financial Reporting Method section on pages 2 to 6 for additional information on non-GAAP financial measures.
(2) Certain amounts have been adjusted to reflect accounting policy changes arising from the adoption of IFRS 17.
(3) For additional information on the composition of these measures, see the Glossary section on pages 130 to 133 of the Bank's *2024 Annual Report*, which is available on the Bank's website at nbc.ca or the SEDAR+ website at sedarplus.ca.
(4) For additional information on capital management measures, see the Financial Reporting Method section on pages 14 to 20 of the Bank's *2024 Annual Report*, which is available on the Bank's website at nbc.ca or the SEDAR+ website at sedarplus.ca.

Financial Reporting Method

The Bank's Consolidated Financial Statements are prepared in accordance with IFRS Accounting Standards, as issued by the IASB. The financial statements also comply with section 308(4) of the *Bank Act* (Canada), which states that, except as otherwise specified by the Office of the Superintendent of Financial Institutions (Canada) (OSFI), the Consolidated Financial Statements are to be prepared in accordance with IFRS Accounting Standards, which represent Canadian GAAP. None of the OSFI accounting requirements are exceptions to IFRS Accounting Standards.

The presentation of segment disclosures is consistent with the presentation adopted by the Bank for the fiscal year beginning November 1, 2023. This presentation reflects the retrospective application of accounting policy changes arising from the adoption of IFRS 17– Insurance Contracts (IFRS 17). For additional information, see Note 2 to the audited annual Consolidated Financial Statements of the Bank's *2024 Annual Report*, which is available on the Bank's website at nbc.ca or the SEDAR+ website at sedarplus.ca. The figures for the 2023 quarters and fiscal year have been adjusted to reflect these accounting policy changes.

Non-GAAP and Other Financial Measures

The Bank uses a number of financial measures when assessing its results and measuring overall performance. Some of these financial measures are not calculated in accordance with GAAP. *Regulation 52-112 Respecting Non-GAAP and Other Financial Measures Disclosure* (Regulation 52-112) prescribes disclosure requirements that apply to the following measures used by the Bank:

- non-GAAP financial measures;
- non-GAAP ratios;
- supplementary financial measures;
- capital management measures.

Non-GAAP Financial Measures

The Bank uses non-GAAP financial measures that do not have standardized meanings under GAAP and that therefore may not be comparable to similar measures used by other companies. Presenting non-GAAP financial measures helps readers to better understand how management analyzes results, shows the impacts of specified items on the results of the reported periods, and allows readers to better assess results without the specified items if they consider such items not to be reflective of the underlying performance of the Bank's operations. In addition, the Bank uses the taxable equivalent basis to calculate net interest income, non-interest income, and income taxes. This calculation method consists in grossing up certain revenues taxed at lower rates (notably dividends) by the income tax to a level that would make it comparable to revenues from taxable sources in Canada. An equivalent amount is added to income taxes. This adjustment is necessary in order to perform a uniform comparison of the return on different assets, regardless of their tax treatment. However, in light of the enacted legislation with respect to Canadian dividends, the Bank did not recognize an income tax deduction, nor did it or use the taxable equivalent basis method to adjust revenues related to affected dividends received after January 1, 2024 (for additional information see the Income Taxes section).

The key non-GAAP financial measures used by the Bank to analyze its results are described below, and a quantitative reconciliation of these measures is presented in the tables in the Reconciliation of Non-GAAP Financial Measures section on pages 3 to 6. It should be noted that, for the quarter and the year ended October 31, 2024, after the agreement to acquire Canadian Western Bank (CWB) was concluded, several acquisition-related items have been excluded from results since, in the opinion of the management, such items are not reflective of the underlying performance of the Bank's operations. For the quarter ended October 31, 2024, the following items, net of income taxes, have been excluded from results: amortization of the subscription receipt issuance costs of $7 million ($10 million for fiscal 2024); a gain of $39 million ($125 million for fiscal 2024) resulting from the remeasurement at fair value of the CWB common shares already held by the Bank; the impact of managing fair value changes, representing a gain of $3 million (a loss of $2 million for fiscal 2024); and acquisition and integration charges of $8 million ($13 million for fiscal 2024). For additional information on the CWB transaction, see the CWB Transaction section of this Press Release and Notes 14 and 16 to the audited annual Consolidated Financial Statements included in the Bank's *2024 Annual Report*, which is available on the Bank's website at nbc.ca or the SEDAR+ website at sedarplus.ca.

For the quarter ended October 31, 2023, the following items were excluded from results: impairment losses on intangible assets and premises and equipment of $62 million net of income taxes, litigation expenses of $26 million net of income taxes, and provisions for contracts of $11 million net of income taxes. Also, for the year ended October 31, 2023, the following items were excluded from results: a gain on the fair value remeasurement of an equity interest of $67 million net of income taxes, an expense of $18 million net of income taxes related to the retroactive impact of changes to the *Excise Tax Act*, and a $24 million income tax expense related to the Canadian government's 2022 tax measures. For additional information on these tax measures, see the Income taxes section of this Press Release.

For additional information on non-GAAP financial measures, non-GAAP ratios, supplementary financial measures, and capital management measures, see the Financial Reporting Method section and the Glossary section, on pages 14 to 20 and 130 to 133, respectively, of the Bank's *2024 Annual Report*, which is available on the Bank's website at nbc.ca or the SEDAR+ website at sedarplus.ca.

Reconciliation of Non-GAAP Financial Measures

Presentation of Results – Adjusted

(millions of Canadian dollars)						Quarter ended October 31	
						2024	2023[1]
	Personal and Commercial	Wealth Management	Financial Markets	USSF&I	Other	Total	Total
Operating results							
Net interest income	934	213	(662)	358	(59)	784	735
Non-interest income	256	514	1,390	20	(20)	2,160	1,825
Total revenues	1,190	727	728	378	(79)	2,944	2,560
Non-interest expenses	644	427	301	116	104	1,592	1,597
Income before provisions for credit losses and income taxes	546	300	427	262	(183)	1,352	963
Provisions for credit losses	96	(1)	4	63	–	162	115
Income before income taxes (recovery)	450	301	423	199	(183)	1,190	848
Income taxes (recovery)	123	82	117	42	(129)	235	97
Net income	327	219	306	157	(54)	955	751
Items that have an impact on results							
Net interest income							
Taxable equivalent[2]	–	–	–	–	(13)	(13)	(90)
Amortization of the subscription receipt issuance costs[3]	–	–	–	–	(9)	(9)	–
Impact on net interest income	–	–	–	–	(22)	(22)	(90)
Non-interest income							
Taxable equivalent[2]	–	–	–	–	(81)	(81)	(75)
Gain on the fair value remeasurement of an equity interest[4]	–	–	–	–	54	54	–
Management of the fair value changes related to the CWB acquisition[5]	–	–	–	–	4	4	–
Impact on non-interest income	–	–	–	–	(23)	(23)	(75)
Non-interest expenses							
CWB acquisition and integration charges[6]	–	–	–	–	11	11	–
Impairment losses on intangible assets and premises and equipment[7]	–	–	–	–	–	–	86
Litigation expenses[8]	–	–	–	–	–	–	35
Provision for contracts[9]	–	–	–	–	–	–	15
Impact on non-interest expenses	–	–	–	–	11	11	136
Income taxes							
Taxable equivalent[2]	–	–	–	–	(94)	(94)	(165)
Income taxes on the amortization of the subscription receipt issuance costs[3]	–	–	–	–	(2)	(2)	–
Income taxes on the gain on the fair value remeasurement of an equity interest[4]	–	–	–	–	15	15	–
Income taxes on management of the fair value changes related to the CWB acquisition[5]	–	–	–	–	1	1	–
Income taxes on the CWB acquisition and integration charges[6]	–	–	–	–	(3)	(3)	–
Income taxes on impairment losses on intangible assets and premises and equipment[7]	–	–	–	–	–	–	(24)
Income taxes on litigation expenses[8]	–	–	–	–	–	–	(9)
Income taxes on provisions for contracts[9]	–	–	–	–	–	–	(4)
Impact on income taxes	–	–	–	–	(83)	(83)	(202)
Impact on net income	–	–	–	–	27	27	(99)
Operating results – Adjusted							
Net interest income – Adjusted	934	213	(662)	358	(37)	806	825
Non-interest income – Adjusted	256	514	1,390	20	3	2,183	1,900
Total revenues – Adjusted	1,190	727	728	378	(34)	2,989	2,725
Non-interest expenses – Adjusted	644	427	301	116	93	1,581	1,461
Income before provisions for credit losses and income taxes – Adjusted	546	300	427	262	(127)	1,408	1,264
Provisions for credit losses	96	(1)	4	63	–	162	115
Income before income taxes (recovery) – Adjusted	450	301	423	199	(127)	1,246	1,149
Income taxes (recovery) – Adjusted	123	82	117	42	(46)	318	299
Net income – Adjusted	327	219	306	157	(81)	928	850

(1) Certain amounts have been adjusted to reflect accounting policy changes arising from the adoption of IFRS 17.
(2) In light of the enacted legislation with respect to Canadian dividends, the Bank did not recognize an income tax deduction or use the taxable equivalent basis method to adjust revenues related to affected dividends received after January 1, 2024 (for additional information see the Income Taxes section).
(3) During the quarter ended October 31, 2024, the Bank recorded an amount of $9 million ($7 million net of income taxes) to reflect the amortization of the issuance costs of the subscription receipts issued as part of the agreement to acquire CWB.
(4) During the quarter ended October 31, 2024, the Bank recorded a gain of $54 million ($39 million net of income taxes) upon the remeasurement at fair value of the interest already held in CWB.
(5) During the quarter ended October 31, 2024, the Bank recorded a mark-to-market gain of $4 million ($3 million net of income taxes) on interest rate swaps used to manage the fair value changes of CWB's assets and liabilities that result in volatility of goodwill and capital on closing of the transaction.
(6) During the quarter ended October 31, 2024, the Bank recorded acquisition and integration charges of $11 million ($8 million net of income taxes) related to the CWB transaction.

(7) During the quarter ended October 31, 2023, the Bank had recorded $75 million in intangible asset impairment losses ($54 million net of income taxes) on technology development for which the Bank has decided to cease its use or development (broken down into the business segments as follows: Personal and Commercial ($59 million, $42 million net of income taxes), Wealth Management ($8 million, $6 million net of income taxes), Financial Markets ($7 million, $5 million net of income taxes), and the *Other* heading of segment disclosures ($1 million)), and it recorded $11 million in impairment losses on premises and equipment ($8 million net of income taxes) related to right-of-use assets under the *Other* heading of segment disclosures.

(8) During the quarter ended October 31, 2023, the Bank had recorded $35 million in litigation expenses ($26 million net of income taxes) in the Wealth Management segment to resolve litigations and other disputes arising from various ongoing or potential claims against the Bank.

(9) During the quarter ended October 31, 2023, the Bank had recorded $15 million in charges ($11 million net of income taxes) for contract termination penalties and for provisions for onerous contracts (broken down in the business segments as follows: Personal and Commercial ($9 million, $7 million net of income taxes) and the *Other* heading of segment disclosures ($6 million, $4 million net of income taxes)).

(millions of Canadian dollars)						Year ended October 31	
						2024	2023[1]
	Personal and Commercial	Wealth Management	Financial Markets	USSF&I	Other	Total	Total
Operating results							
Net interest income	3,587	833	(2,449)	1,303	(335)	2,939	3,586
Non-interest income	1,086	1,953	5,479	112	(169)	8,461	6,472
Total revenues	4,673	2,786	3,030	1,415	(504)	11,400	10,058
Non-interest expenses	2,486	1,633	1,246	439	250	6,054	5,753
Income before provisions for credit losses and income taxes	2,187	1,153	1,784	976	(754)	5,346	4,305
Provisions for credit losses	335	(1)	54	182	(1)	569	397
Income before income taxes (recovery)	1,852	1,154	1,730	794	(753)	4,777	3,908
Income taxes (recovery)	509	317	476	166	(507)	961	619
Net income	1,343	837	1,254	628	(246)	3,816	3,289
Items that have an impact on results							
Net interest income							
Taxable equivalent[2]	–	–	–	–	(79)	(79)	(332)
Amortization of the subscription receipt issuance costs[3]	–	–	–	–	(14)	(14)	–
Impact on net interest income	–	–	–	–	(93)	(93)	(332)
Non-interest income							
Taxable equivalent[2]	–	–	–	–	(306)	(306)	(247)
Gain on the fair value remeasurement of equity interests[4][5]	–	–	–	–	174	174	91
Management of the fair value changes related to the CWB acquisition[6]	–	–	–	–	(3)	(3)	–
Impact on non-interest income	–	–	–	–	(135)	(135)	(156)
Non-interest expenses							
CWB acquisition and integration charges[7]	–	–	–	–	18	18	–
Impairment losses on intangible assets and premises and equipment[8]	–	–	–	–	–	–	86
Litigation expenses[9]	–	–	–	–	–	–	35
Expense related to changes to the *Excise Tax Act*[10]	–	–	–	–	–	–	25
Provision for contracts[11]	–	–	–	–	–	–	15
Impact on non-interest expenses	–	–	–	–	18	18	161
Income taxes							
Taxable equivalent[2]	–	–	–	–	(385)	(385)	(579)
Income taxes on the amortization of the subscription receipt issuance costs[3]	–	–	–	–	(4)	(4)	–
Income taxes on the gain on the fair value remeasurement of equity interests[4][5]	–	–	–	–	49	49	24
Income taxes on management of the fair value changes related to the CWB acquisition[6]	–	–	–	–	(1)	(1)	–
Income taxes on the CWB acquisition and integration charges[7]	–	–	–	–	(5)	(5)	–
Income taxes on impairment losses on intangible assets and premises and equipment[8]	–	–	–	–	–	–	(24)
Income taxes on litigation expenses[9]	–	–	–	–	–	–	(9)
Income taxes on the expense related to changes to the *Excise Tax Act*[10]	–	–	–	–	–	–	(7)
Income taxes on provisions for contracts[11]	–	–	–	–	–	–	(4)
Income taxes related to the Canadian government's 2022 tax measures[12]	–	–	–	–	–	–	24
Impact on income taxes	–	–	–	–	(346)	(346)	(575)
Impact on net income	–	–	–	–	100	100	(74)
Operating results – Adjusted							
Net interest income – Adjusted	3,587	833	(2,449)	1,303	(242)	3,032	3,918
Non-interest income – Adjusted	1,086	1,953	5,479	112	(34)	8,596	6,628
Total revenues – Adjusted	4,673	2,786	3,030	1,415	(276)	11,628	10,546
Non-interest expenses – Adjusted	2,486	1,633	1,246	439	232	6,036	5,592
Income before provisions for credit losses and income taxes – Adjusted	2,187	1,153	1,784	976	(508)	5,592	4,954
Provisions for credit losses	335	(1)	54	182	(1)	569	397
Income before income taxes (recovery) – Adjusted	1,852	1,154	1,730	794	(507)	5,023	4,557
Income taxes (recovery) – Adjusted	509	317	476	166	(161)	1,307	1,194
Net income – Adjusted	1,343	837	1,254	628	(346)	3,716	3,363

(1) Certain amounts have been adjusted to reflect accounting policy changes arising from the adoption of IFRS 17.
(2) In light of the enacted legislation with respect to Canadian dividends, the Bank did not recognize an income tax deduction or use the taxable equivalent basis method to adjust revenues related to affected dividends received after January 1, 2024.
(3) During the year ended October 31, 2024, the Bank recorded an amount of $14 million ($10 million net of income taxes) to reflect the amortization of the issuance costs of the subscription receipts issued as part of the agreement to acquire CWB.
(4) During the year ended October 31, 2024, the Bank recorded a gain of $174 million ($125 million net of income taxes) upon the remeasurement at fair value of the interest already held in CWB.
(5) During the year ended October 31, 2023, the Bank had concluded that it had lost significant influence over TMX Group Limited (TMX) and therefore ceased using the equity method to account for this investment. The Bank had designated its investment in TMX as a financial asset measured at fair value through other comprehensive income in an amount of $191 million. Upon the fair value measurement, a gain of $91 million ($67 million net of income taxes) had been recorded in the *Other* heading of segment disclosures.
(6) During the year ended October 31, 2024, the Bank recorded a mark-to-market loss of $3 million ($2 million net of income taxes) on interest rate swaps used to manage the fair value changes of CWB's assets and liabilities that result in volatility of goodwill and capital on closing of the transaction.
(7) During the year ended October 31, 2024, the Bank recorded acquisition and integration charges of $18 million ($13 million net of income taxes) related to the CWB transaction.
(8) During the year ended October 31, 2023, the Bank had recorded $75 million in intangible asset impairment losses ($54 million net of income taxes) on technology development for which the Bank had decided to cease its use or development, (broken down into the business segments as follows: Personal and Commercial ($59 million, $42 million net of income taxes), Wealth Management ($8 million, $6 million net of income taxes), Financial Markets ($7 million, $5 million net of income taxes), and the *Other* heading of segment disclosures ($1 million)) and it recorded $11 million in impairment losses on premises and equipment ($8 million net of income taxes) related to right-of-use assets in the *Other* heading of segment disclosures.
(9) For the year ended October 31, 2023, the Bank had recorded $35 million in litigation expenses ($26 million net of income taxes) in the Wealth Management segment to resolve litigations and other disputes arising from various ongoing or potential claims against the Bank.
(10) During the year ended October 31, 2023, the Bank had recorded a $25 million expense ($18 million net of income taxes), in the *Other* heading of segment disclosures, to reflect the retroactive impact of changes to the *Excise Tax Act*, indicating that payment card clearing services provided by a payment card network operator are subject to the goods and services tax (GST) and the harmonized sales tax (HST).
(11) During the year ended October 31, 2023, the Bank had recorded $15 million in charges ($11 million net of income taxes) for contract termination penalties and for provisions for onerous contracts (broken down in the business segments as follows: Personal and Commercial ($9 million, $7 million net of income taxes) and the *Other* heading of segment disclosures ($6 million, $4 million net of income taxes)).
(12) During the year ended October 31, 2023, the Bank had recorded, in the *Other* heading of segment disclosures, a $32 million tax expense with respect to the Canada Recovery Dividend, i.e., a one-time, 15% tax on the fiscal 2021 and 2020 average taxable income above $1 billion as well as an $8 million tax recovery related to the 1.5% increase in the statutory tax rate, which included the impact related to current and deferred taxes for fiscal 2022.

Presentation of Basic and Diluted Earnings Per Share – Adjusted

(Canadian dollars)	Quarter ended October 31		Year ended October 31	
	2024	2023[1]	2024	2023[1]
Basic earnings per share	**$ 2.69**	$ 2.11	**$ 10.78**	$ 9.33
Amortization of the subscription receipt issuance costs[2]	**0.02**	–	**0.03**	–
Gain on the fair value remeasurement of equity interests[3][4]	**(0.11)**	–	**(0.36)**	(0.20)
Management of the fair value changes related to the CWB acquisition[5]	**(0.01)**	–	**–**	–
CWB acquisition and integration charges[6]	**0.02**	–	**0.04**	–
Impairment losses on intangible assets and premises and equipment[7]	**–**	0.19	**–**	0.19
Litigation expenses[8]	**–**	0.08	**–**	0.08
Expense related to changes to the *Excise Tax Act*[9]	**–**	–	**–**	0.05
Provision for contracts[10]	**–**	0.03	**–**	0.03
Income taxes related to the Canadian government's 2022 tax measures[11]	**–**	–	**–**	0.07
Basic earnings per share – Adjusted	**$ 2.61**	$ 2.41	**$ 10.49**	$ 9.55
Diluted earnings per share	**$ 2.66**	$ 2.09	**$ 10.68**	$ 9.24
Amortization of the subscription receipt issuance costs[2]	**0.02**	–	**0.03**	–
Gain on the fair value remeasurement of equity interests[3][4]	**(0.11)**	–	**(0.36)**	(0.20)
Management of the fair value changes related to the CWB acquisition[5]	**(0.01)**	–	**–**	–
CWB acquisition and integration charges[6]	**0.02**	–	**0.04**	–
Impairment losses on intangible assets and premises and equipment[7]	**–**	0.19	**–**	0.19
Litigation expenses[8]	**–**	0.08	**–**	0.08
Expense related to changes to the *Excise Tax Act*[9]	**–**	–	**–**	0.05
Provision for contracts[10]	**–**	0.03	**–**	0.03
Income taxes related to the Canadian government's 2022 tax measures[11]	**–**	–	**–**	0.07
Diluted earnings per share – Adjusted	**$ 2.58**	$ 2.39	**$ 10.39**	$ 9.46

(1) Certain amounts have been adjusted to reflect accounting policy changes arising from the adoption of IFRS 17.

(2) During the quarter ended October 31, 2024, the Bank recorded an amount of $9 million ($7 million net of income taxes) to reflect the amortization of the issuance costs of the subscription receipts issued as part of the agreement to acquire CWB. For the year ended October 31, 2024, this amount was $14 million ($10 million net of income taxes).

(3) During the quarter ended October 31, 2024, the Bank recorded a gain of $54 million ($39 million net of income taxes) upon the remeasurement at fair value of the interest already held in CWB. For the year ended October 31, 2024, this gain amounted to $174 million ($125 million net of income taxes).

(4) During the year ended October 31, 2023, the Bank had concluded that it had lost significant influence over TMX Group Limited (TMX) and therefore ceased using the equity method to account for this investment. The Bank had designated its investment in TMX as a financial asset measured at fair value through other comprehensive income in an amount of $191 million. Upon the fair value measurement, a gain of $91 million ($67 million net of income taxes) had been recorded.

(5) During the quarter ended October 31, 2024, the Bank recorded a mark-to-market gain of $4 million ($3 million net of income taxes) on interest rate swaps used to manage the fair value changes of CWB's assets and liabilities that result in volatility on goodwill and closing capital of the transaction. For the year ended October 31, 2024, a mark-to-market loss of $3 million ($2 million net of income taxes) was recorded.

(6) During the quarter ended October 31, 2024, the Bank recorded acquisition and integration charges of $11 million ($8 million net of income taxes) related to the CWB transaction. For the year ended October 31, 2024, these charges were $18 million ($13 million net of income taxes).

(7) During the quarter and year ended October 31, 2023, the Bank had recorded $75 million in intangible asset impairment losses ($54 million net of income taxes) on technology development for which the Bank had decided to cease its use or development, and it recorded $11 million in premises and equipment impairment losses ($8 million net of income taxes) related to right-of-use assets.

(8) During the quarter and year ended October 31, 2023, the Bank had recorded $35 million in litigation expenses ($26 million net of income taxes) to resolve litigations and other disputes arising from ongoing or potential claims against the Bank.

(9) During the year ended October 31, 2023, the Bank had recorded a $25 million expense ($18 million net of income taxes) to reflect the retroactive impact of changes to the *Excise Tax Act,* indicating that payment card clearing services rendered by a payment card network operator are subject to the goods and services tax (GST) and the harmonized sales tax (HST).

(10) During the quarter and year ended October 31, 2023, the Bank had recorded $15 million in charges ($11 million net of income taxes) for contract termination penalties and for provisions for onerous contracts.

(11) During the year ended October 31, 2023, the Bank had recorded a $32 million tax expense with respect to the Canada Recovery Dividend, i.e., a one-time, 15% tax on the fiscal 2021 and 2020 average taxable income above $1 billion as well as an $8 million tax recovery related to the 1.5% increase in the statutory tax rate, which included the impact related to current and deferred taxes for fiscal 2022.

Highlights

(millions of Canadian dollars, except per share amounts)	Quarter ended October 31			Year ended October 31		
	2024	2023(1)	% Change	2024	2023(1)	% Change
Operating results						
Total revenues	**2,944**	2,560	15	**11,400**	10,058	13
Income before provisions for credit losses and income taxes	**1,352**	963	40	**5,346**	4,305	24
Net income	**955**	751	27	**3,816**	3,289	16
Return on common shareholders' equity(2)	**16.4 %**	14.1 %		**17.2 %**	16.3 %	
Operating leverage(2)	**15.3 %**	(8.9) %		**8.1 %**	(5.8) %	
Efficiency ratio(2)	**54.1 %**	62.4 %		**53.1 %**	57.2 %	
Earnings per share						
Basic	**$ 2.69**	$ 2.11	27	**$ 10.78**	$ 9.33	16
Diluted	**$ 2.66**	$ 2.09	27	**$ 10.68**	$ 9.24	16
Operating results – Adjusted(3)						
Total revenues – Adjusted(3)	**2,989**	2,725	10	**11,628**	10,546	10
Income before provisions for credit losses and income taxes – Adjusted(3)	**1,408**	1,264	11	**5,592**	4,954	13
Net income – Adjusted(3)	**928**	850	9	**3,716**	3,363	10
Return on common shareholders' equity – Adjusted(4)	**15.9 %**	16.0 %		**16.7 %**	16.6 %	
Operating leverage – Adjusted(4)	**1.5 %**	3.7 %		**2.4 %**	(0.7) %	
Efficiency ratio – Adjusted(4)	**52.9 %**	53.6 %		**51.9 %**	53.0 %	
Diluted earnings per share – Adjusted(3)	**$ 2.58**	$ 2.39	8	**$ 10.39**	$ 9.46	10
Common share information						
Dividends declared	**$ 1.10**	$ 1.02	8	**$ 4.32**	$ 3.98	9
Book value(2)	**$ 65.74**	$ 60.40		**$ 65.74**	$ 60.40	
Share price						
High	**$ 134.23**	$ 103.58		**$ 134.23**	$ 103.58	
Low	**$ 111.98**	$ 84.97		**$ 86.50**	$ 84.97	
Close	**$ 132.80**	$ 86.22		**$ 132.80**	$ 86.22	
Number of common shares *(thousands)*	**340,744**	338,285		**340,744**	338,285	
Market capitalization	**45,251**	29,167		**45,251**	29,167	

(millions of Canadian dollars)	As at October 31, 2024	As at October 31, 2023(1)	% Change
Balance sheet and off-balance-sheet			
Total assets	**462,226**	423,477	9
Loans and acceptances, net of allowances	**243,032**	225,443	8
Deposits	**333,545**	288,173	16
Equity attributable to common shareholders	**22,400**	20,432	10
Assets under administration(2)	**766,082**	652,631	17
Assets under management(2)	**155,900**	120,858	29
Regulatory ratios under Basel III(5)			
Capital ratios			
Common Equity Tier 1 (CET1)	**13.7 %**	13.5 %	
Tier 1	**15.9 %**	16.0 %	
Total	**17.0 %**	16.8 %	
Leverage ratio	**4.4 %**	4.4 %	
TLAC ratio(5)	**31.2 %**	29.2 %	
TLAC leverage ratio(5)	**8.6 %**	8.0 %	
Liquidity coverage ratio (LCR)(5)	**150 %**	155 %	
Net stable funding ratio (NSFR)(5)	**122 %**	118 %	
Other information			
Number of employees – Worldwide (full-time equivalent)	**29,196**	28,916	1
Number of branches in Canada	**368**	368	–
Number of banking machines in Canada	**940**	944	–

(1) Certain amounts have been adjusted to reflect accounting policy changes arising from the adoption of IFRS 17.
(2) For additional information on composition of these measures, see the Glossary section on pages 130 to 133 of the Bank's *2024 Annual Report*, which is available on the Bank's website at nbc.ca or the SEDAR+ website at sedarplus.ca.
(3) See the Financial Reporting Method section on pages 2 to 6 for additional information on non-GAAP financial measures.
(4) For additional information on non-GAAP ratios, see the Financial Reporting Method section on pages 14 to 20 of the Bank's *2024 Annual Report*, which is available on the Bank's website at nbc.ca or the SEDAR+ website at sedarplus.ca.
(5) For additional information on capital management measures, see the Financial Reporting Method section on pages 14 to 20 of the Bank's *2024 Annual Report*, which is available on the Bank's website at nbc.ca or the SEDAR+ website at sedarplus.ca.

Financial Analysis

This Press Release should be read in conjunction with the *2024 Annual Report* (which includes the audited annual Consolidated Financial Statements and MD&A) available on the Bank's website at nbc.ca. Additional information about the Bank, including the *Annual Information Form*, can be obtained from the Bank's website at nbc.ca or SEDAR+ website at sedarplus.ca.

Total Revenues

For the fourth quarter of 2024, the Bank's total revenues amounted to $2,944 million, up $384 million or 15% compared to the corresponding quarter in 2023. In the Personal and Commercial segment, total revenues rose 6% due to growth in personal and commercial loans and deposits, which more than offset the impact of lower net interest margin, as well as increases in insurance revenues, credit card revenues, revenues from derivative financial instruments and internal commission revenues related to the distribution of Wealth Management products. These increases were offset by lower revenues from bankers' acceptances resulting from the transition of this product to loans referencing the Canadian Overnight Repo Rate Average (CORRA). In the Wealth Management segment, total revenues grew 14%, mainly attributable to increases in fee-based revenues, notably revenues from investment management and trust service fees as well as mutual fund revenues. This growth was also due to an increase in net interest income and securities brokerage commissions, which was driven by an increase in client activity. In the Financial Markets segment, total revenues on a taxable equivalent basis were down 1% in the fourth quarter of 2024 compared to the fourth quarter of 2023 due to a decrease in global markets revenues and corporate and investment banking revenues. In the USSF&I segment, total revenues were up 21% compared to the fourth quarter of 2023 as a result of revenue growth at ABA Bank stemming from business growth as well as an increase in Credigy's revenues. In addition, in the fourth quarter of 2024, a gain of $54 million was recorded under gains on non-trading securities of the *Other* heading of segment disclosures following a remeasurement at fair value of the Bank's interest in CWB. Adjusted total revenues amounted to $2,989 million in the quarter ended October 31, 2024, up 10% compared to $2,725 million in the corresponding quarter in 2023.

For the year ended October 31, 2024, the Bank's total revenues amounted to $11,400 million, up $1,342 million or 13% from $10,058 million in fiscal 2023. In the Personal and Commercial segment, total revenues rose $269 million or 6%, mainly driven by growth in net interest income arising from growth in loans and deposits, offset by a decrease in net interest margin, as well as an increase in insurance revenues, credit card revenues, revenues from merger and acquisition activity, and internal commission revenues related to the distribution of Wealth Management products. These increases were partly offset by a decrease in revenues from bankers' acceptances. In the Wealth Management segment, total revenues grew 11%, mainly due to higher fee-based revenues, notably revenues from investment management and trust service fees as well as investment fund revenues as a result of growth in assets under administration and management. The growth was also attributable to the rise in net interest income and securities brokerage commissions, which was driven by an increase in client activity. In the Financial Markets segment, total revenues on a taxable equivalent basis rose $374 million or 14% compared to fiscal 2023 as a result of growth in global markets revenues as well as corporate and investment banking revenues. In the USSF&I segment, total revenues rose 17% compared to the prior year, which was driven by revenue growth at ABA Bank stemming from business growth, revenue growth at Credigy as well as dividend income recorded in fiscal 2024 related to an investment in a financial group. For fiscal 2024, a gain of $174 million was recorded under gains on non-trading securities in the *Other* heading of segment disclosures following a remeasurement at fair value of the Bank's interest in CWB, while a $91 million gain had been recorded in fiscal 2023 under other revenues following a remeasurement at fair value of the Bank's interest in TMX. Adjusted total revenues amounted to $11,628 million in the year ended October 31, 2024, up 10% compared to $10,546 million in fiscal 2023.

Non-Interest Expenses

For the fourth quarter of 2024, non-interest expenses stood at $1,592 million, down $5 million from the corresponding quarter in 2023. For the fourth quarter of 2024, compensation and employee benefits were up due to salary growth as well as higher variable compensation related to revenue growth. Occupancy expenses, including depreciation expense, were down compared to the corresponding quarter in 2023 as a result of impairment losses on premises and equipment recorded in the fourth quarter of 2023, offset in part by higher expenses related to the Bank's new head office building and the expansion of the banking network at the ABA Bank subsidiary. The decrease in technology expenses, including depreciation expense, is attributable to impairment losses on intangible assets recorded in the fourth quarter of 2023, despite significant investments made to support the Bank's technological evolution and business development plan in the fourth quarter of 2024. Communications expenses were stable compared to the corresponding quarter in 2023, while professional fees also rose, notably due to the increase in the external management fees in the Wealth Management segment and expenses of $11 million related to the acquisition and integration of CWB recorded during the fourth quarter of 2024. The decrease in other expenses is partly explained by litigation expenses of $35 million and provisions for contracts of $15 million recorded in the fourth quarter of 2023. Adjusted non-interest expenses stood at $1,581 million in the fourth quarter of 2024, up 8% from $1,461 million in the fourth quarter of 2023.

For the year ended October 31, 2024, non-interest expenses totalled $6,054 million, up 5% compared to the prior year. This increase was essentially due to the same reasons provided above for the quarter, except for occupancy expenses, which are up compared to fiscal 2023 due to higher expenses related to the Bank's new head office building and the expansion of the banking network at the ABA Bank subsidiary. In addition, other expenses included a $25 million expense related to changes to the *Excise Tax Act* in fiscal 2023. Adjusted non-interest expenses stood at $6,036 million for the year ended October 31, 2024, an 8% increase from $5,592 million in fiscal 2023.

Provisions for Credit Losses

For the fourth quarter of 2024, the Bank recorded provisions for credit losses of $162 million compared to $115 million in the corresponding quarter in 2023. Provisions for credit losses on impaired loans excluding purchased or originated credit-impaired (POCI) loans(1), rose $57 million compared to the fourth quarter of 2023. This increase came from Personal Banking (including credit card receivables), in an environment characterized by a normalization of credit performance, Commercial Banking as well as the Credigy and ABA Bank subsidiaries. Provisions for credit losses on non-impaired loans decreased by $38 million compared to the corresponding quarter in 2023, mainly due to the more favourable impact of updated macroeconomic scenarios and a more significant deterioration in credit risk in the fourth quarter of 2023. These decreases were offset by the impact of recalibrating certain risk parameters. Furthermore, provisions for credit losses on POCI loans rose $28 million, mainly due to the favourable remeasurement of certain Credigy portfolios during the fourth quarter of 2023 as well as higher credit loss recoveries in the fourth quarter of 2023 following repayments of POCI loans in Commercial Banking.

For the year ended October 31, 2024, the Bank's provisions for credit losses totalled $569 million compared to $397 million in fiscal 2023. The increase came from higher provisions for credit losses on impaired loans excluding POCI loans(1) in Personal Banking (including credit card receivables), in an environment characterized by a normalization of credit performance, Commercial Banking, the Financial Markets segment, as well as the Credigy and ABA Bank subsidiaries. Furthermore, provisions for credit losses on non-impaired loans were down, mainly due to the more favourable impact of revised macroeconomic outlooks during fiscal 2024 and a more significant deterioration in credit risk in fiscal 2023. These elements were offset by the impacts of recalibrating certain risk parameters and the growth in loan portfolios. Furthermore, provisions for credit losses on POCI loans were up due to the favourable remeasurement of certain Credigy portfolios in fiscal 2023, partly offset by higher credit loss recoveries in fiscal 2024 following repayments of POCI loans in Commercial Banking.

Income Taxes

For the fourth quarter of 2024, income taxes stood at $235 million compared to $97 million in the corresponding quarter in 2023. The 2024 fourth-quarter effective income tax rate was 20% compared to 11% in the corresponding quarter in 2023. This is mainly explained by a lower level and proportion of tax-exempt income in the fourth quarter of 2024, which reflects the denial of the deduction in respect of dividends covered by Bill C-59 since January 1, 2024.

For the year ended October 31, 2024, the effective income tax rate stood at 20% compared to 16% for fiscal 2023. The change in effective income tax rate was due to the same reason as that mentioned for the quarter, partly offset by the impact of the Canadian government's 2022 tax measures recorded in the first quarter of 2023, namely the Canada Recovery Dividend and the additional 1.5% tax on banks and life insurers.

(1) For additional information on the composition of these measures, see the Glossary section on pages 130 to 133 of the Bank's *2024 Annual Report*, which is available on the Bank's website at nbc.ca or the SEDAR+ website at sedarplus.ca.

Results by Segment

The Bank carries out its activities in four business segments: Personal and Commercial, Wealth Management, Financial Markets, and U.S. Specialty Finance and International, which mainly comprises the activities of the Credigy Ltd. (Credigy) and Advanced Bank of Asia Limited (ABA Bank) subsidiaries. Other operating activities, certain specified items, Treasury activities, and the operations of the Flinks Technology Inc. (Flinks) subsidiary are grouped in the *Other* heading of segment disclosures. Each business segment is distinguished by services offered, type of clientele, and marketing strategy.

Personal and Commercial

(millions of Canadian dollars)	Quarter ended October 31			Year ended October 31		
	2024	2023[1]	% Change	**2024**	2023[1]	% Change
Operating results						
Net interest income	**934**	857	9	**3,587**	3,321	8
Non-interest income	**256**	261	(2)	**1,086**	1,083	–
Total revenues	**1,190**	1,118	6	**4,673**	4,404	6
Non-interest expenses	**644**	680	(5)	**2,486**	2,462	1
Income before provisions for credit losses and income taxes	**546**	438	25	**2,187**	1,942	13
Provisions for credit losses	**96**	65	48	**335**	238	41
Income before income taxes	**450**	373	21	**1,852**	1,704	9
Income taxes	**123**	102	21	**509**	468	9
Net income	**327**	271	21	**1,343**	1,236	9
Less: Specified items after income taxes[2]	**–**	(49)		**–**	(49)	
Net income – Adjusted[2]	**327**	320	2	**1,343**	1,285	5
Net interest margin[3]	**2.30 %**	2.36 %		**2.33 %**	2.35 %	
Average interest-bearing assets[3]	**161,738**	144,321	12	**153,980**	141,458	9
Average assets[4]	**163,186**	151,625	8	**158,917**	148,511	7
Average loans and acceptances[4]	**161,565**	150,847	7	**157,286**	147,716	6
Net impaired loans[3]	**505**	285	77	**505**	285	77
Net impaired loans as a % of total loans and acceptances[3]	**0.3 %**	0.2 %		**0.3 %**	0.2 %	
Average deposits[4]	**91,706**	87,873	4	**90,382**	85,955	5
Efficiency ratio[3]	**54.1 %**	60.8 %		**53.2 %**	55.9 %	
Efficiency ratio – Adjusted[5]	**54.1 %**	54.7 %		**53.2 %**	54.4 %	

(1) Certain amounts have been adjusted to reflect accounting policy changes arising from the adoption of IFRS 17.
(2) See the Financial Reporting Method section on pages 2 to 6 for additional information on non-GAAP financial measures. During the quarter and year ended October 31, 2023, the segment recorded, under *Non-interest expenses*, $59 million in intangible asset impairment losses ($42 million net of income taxes) on technology development as well as charges of $9 million ($7 million net of income taxes) for contract termination penalties.
(3) For additional information on the composition of these measures, see the Glossary section on pages 130 to 133 of the Bank's *2024 Annual Report*, which is available on the Bank's website at nbc.ca or the SEDAR+ website at sedarplus.ca.
(4) Represents an average of the daily balances for the period.
(5) For additional information on non-GAAP ratios, see the Financial Reporting Method section on pages 14 to 20 of the Bank's *2024 Annual Report*, which is available on the Bank's website at nbc.ca or the SEDAR+ website at sedarplus.ca.

In the Personal and Commercial segment, net income totalled $327 million in the fourth quarter of 2024, up 21% from $271 million in the corresponding quarter in 2023. Furthermore, adjusted net income was up 2% compared to $320 million in the fourth quarter of 2023, which excluded the specified items recorded in the fourth quarter of 2023. The 9% increase in net interest income in the fourth quarter of 2024 was driven by growth in personal and commercial loans and deposits, which more than offset the impact of the decrease in net interest margin to 2.30% compared to 2.36% in the fourth quarter of 2023. In addition, non-interest income declined by $5 million or 2% compared to the corresponding quarter in 2023 notably due to the transition from bankers' acceptances to CORRA loans.

Personal Banking's total revenues increased by $50 million compared to the fourth quarter of 2023. This increase was driven by higher net interest income, attributable to growth in loans and deposits, as well as increases in insurance revenues, credit card revenues and internal commission revenues related to the distribution of Wealth Management products. Commercial Banking's total revenues grew $22 million compared to the corresponding quarter in 2023, mainly due to an increase in net interest income that was driven by loan and deposit growth, partly offset by lower net interest margin on loans. This increase was offset by lower revenues from bankers' acceptances.

For the fourth quarter of 2024, non-interest expenses stood at $644 million, a 5% decrease compared to the corresponding quarter in 2023. This decrease was mainly due to specified items totalling $68 million recorded in the fourth quarter of 2023, offset by higher compensation and employee benefits resulting from salary increases and greater investments made as part of the segment's technological evolution. The efficiency ratio of 54.1% in the fourth quarter of 2024 improved by 6.7 percentage points compared to the fourth quarter of 2023. Excluding the specified items for the fourth quarter of 2023, the segment's adjusted non-interest expenses were up 5% compared to $612 million in the corresponding period in 2023, and the adjusted efficiency ratio improved by 0.6 percentage point compared to 54.7% in the fourth quarter of 2023.

The segment recorded provisions for credit losses of $96 million compared to $65 million in the fourth quarter of 2023. The increase in provisions for credit losses on impaired loans in Personal Banking (including credit card receivables), which reflects a normalization of credit performance, and on impaired loans in Commercial Banking was partly offset by a decrease in provisions for credit losses on non-impaired loans. In addition, the segment recorded lower credit loss recoveries in the fourth quarter of 2024 following repayments of POCI loans in Commercial Banking.

For fiscal 2024, Personal and Commercial's net income totalled $1,343 million, up 9% from $1,236 million in 2023, as a result of the $269 million or 6% growth in total revenues, partly offset by the increase in provisions for credit losses. Furthermore, adjusted net income was up 5% compared to $1,285 million in 2023, which excluded the specified items recorded in fiscal 2023. Income before provisions for credit losses and income taxes amounted to $2,187 million in fiscal 2024, up 13% from fiscal 2023. The increase in Personal Banking's total revenues was mainly attributable to loan and deposit growth, higher loan and deposit margin, and an increase in insurance revenues, credit card revenues, and internal commission revenues related to the distribution of Wealth Management products. In addition, the rise in Commercial Banking's total revenues was driven by growth in loans and deposits, partly offset by a lower loan margin and a decrease in revenues from bankers' acceptances.

For fiscal 2024, non-interest expenses stood at $2,486 million, a 1% increase compared to the prior year, mainly due to higher compensation and employee benefits resulting from salary increases and greater investments made as part of the segment's technological evolution. These increases were offset by specified items totalling $68 million recorded in fiscal 2023. The efficiency ratio of 53.2% improved by 2.7 percentage points compared to October 31, 2023. Excluding the 2023 specified items, the segment's adjusted non-interest expenses were up 4% compared to $2,394 million in 2023, and the adjusted efficiency ratio improved by 1.2 percentage points compared to 54.4% in 2023. In the Personal and Commercial segment, provisions for credit losses rose $97 million compared to fiscal 2023 and amounted to $335 million in 2024. This increase was mainly due to higher provisions for credit losses on impaired loans in Personal Banking (including credit card receivables) and Commercial Banking. In addition, provisions for credit losses on non-impaired loans were down compared to fiscal 2023 and higher credit loss recoveries were recorded in fiscal 2024 as a result of repayments of POCI loans in Commercial Banking.

Wealth Management

(millions of Canadian dollars)	Quarter ended October 31			Year ended October 31		
	2024	2023	% Change	**2024**	2023	% Change
Operating results						
Net interest income	**213**	188	13	**833**	778	7
Fee-based revenues	**425**	371	15	**1,603**	1,432	12
Transaction-based and other revenues	**89**	79	13	**350**	311	13
Total revenues	**727**	638	14	**2,786**	2,521	11
Non-interest expenses	**427**	423	1	**1,633**	1,534	6
Income before provisions for credit losses and income taxes	**300**	215	40	**1,153**	987	17
Provisions for credit losses	**(1)**	1		**(1)**	2	
Income before income taxes	**301**	214	41	**1,154**	985	17
Income taxes	**82**	59	39	**317**	271	17
Net income	**219**	155	41	**837**	714	17
Less: Specified items after income taxes(1)	**–**	(32)		**–**	(32)	
Net income – Adjusted(1)	**219**	187	17	**837**	746	12
Average assets(2)	**9,839**	8,494	16	**9,249**	8,560	8
Average loans and acceptances(2)	**8,690**	7,523	16	**8,204**	7,582	8
Net impaired loans(3)	**11**	8	38	**11**	8	38
Average deposits(2)	**43,008**	40,280	7	**42,361**	40,216	5
Assets under administration(3)	**766,082**	652,631	17	**766,082**	652,631	17
Assets under management(3)	**155,900**	120,858	29	**155,900**	120,858	29
Efficiency ratio(3)	**58.7 %**	66.3 %		**58.6 %**	60.8 %	
Efficiency ratio – Adjusted(4)	**58.7 %**	59.6 %		**58.6 %**	59.1 %	

(1) See the Financial Reporting Method section on pages 2 to 6 for additional information on non-GAAP financial measures. During the quarter and year ended October 31, 2023, the segment recorded, in the Non-interest expenses item, $8 million in intangible asset impairment losses ($6 million net of income taxes) on technology development as well as $35 million in litigation expenses ($26 million net of income taxes) to resolve litigations and other disputes on various ongoing or potential claims against the Bank.

(2) Represents an average of the daily balances for the period.

(3) For additional information on the composition of these measures, see the Glossary section on pages 130 to 133 of the Bank's *2024 Annual Report*, which is available on the Bank's website at nbc.ca or the SEDAR+ website at sedarplus.ca.

(4) For additional information on non-GAAP ratios, see the Financial Reporting Method section on pages 14 to 20 of the Bank's *2024 Annual Report*, which is available on the Bank's website at nbc.ca or the SEDAR+ website at sedarplus.ca.

In the Wealth Management segment, net income totalled $219 million in the fourth quarter of 2024, a 41% increase from $155 million in the corresponding quarter in 2023. Adjusted net income was $219 million in the fourth quarter of 2024, up 17% compared to $187 million in the fourth quarter of 2023. The segment's total revenues amounted to $727 million, up $89 million or 14% from $638 million in the fourth quarter of 2023. The 13% increase in net interest income compared to the corresponding quarter in 2023 is explained by higher loan and deposit volumes. The 15% increase in fee-based revenues was due to the rise in stock markets compared to the corresponding quarter in 2023 and positive net inflows for the various solutions. Transaction and other revenues rose 13% compared to the corresponding quarter in 2023 due to increased client activity.

Non-interest expenses stood at $427 million in the fourth quarter of 2024, a 1% increase from $423 million in the fourth quarter of 2023. This increase was due to higher variable compensation and external management fees in line with revenue growth, as well as higher technology expenses related to the segment's initiatives. Non-interest expenses included specified items of $43 million in the fourth quarter of 2023. At 58.7% in the fourth quarter of 2024, the efficiency ratio improved from 66.3% in the corresponding quarter in 2023. Adjusted non-interest expenses of $427 million were up 12% compared to $380 million in the fourth quarter of 2023. The adjusted efficiency ratio improved by 0.9 percentage point compared to 59.6% in the fourth quarter of 2023. Wealth Management recorded credit loss recoveries of $1 million in the fourth quarter of 2024, while it had recorded provisions for credit losses of $1 million in the fourth quarter of 2023.

In the Wealth Management segment, net income totalled $837 million in fiscal 2024, up 17% from $714 million in fiscal 2023. This increase is attributable to growth in the segment's total revenues, partly offset by higher non-interest expenses. Adjusted net income of $837 million in fiscal 2024 was up 12% compared to $746 million in fiscal 2023. The segment's total revenues amounted to $2,786 million in fiscal 2024, up 11% from $2,521 million in fiscal 2023. Net interest income increased by 7% mainly due to higher loan and deposit volumes. Fee-based revenues rose 12% compared to 2023 as a result of growth in assets under administration and assets under management caused by the rise in stock markets as well as positive net inflows for the various solutions. In addition, transaction and other revenues were up 13% compared to fiscal 2023 due to increased client activity during fiscal 2024. Non-interest expenses stood at $1,633 million in fiscal 2024 compared to $1,534 million in fiscal 2023, a 6% increase that was due to higher variable compensation and external management fees in line with revenue growth, as well as higher technology investments related to the segment's initiatives. These increases were partly offset by the impact of the specified items of $43 million recorded in fiscal 2023. At 58.6% in fiscal 2024, the efficiency ratio improved from 60.8% in fiscal 2023. Adjusted non-interest expenses of $1,633 million were up 10% compared to $1,491 million in fiscal 2023. The adjusted efficiency ratio of 58.6% improved by 0.5 percentage point compared to 59.1% in fiscal 2023. Wealth Management recorded credit loss recoveries of $1 million in fiscal 2024, while it had recorded provisions for credit losses of $2 million in fiscal 2023.

Financial Markets

(taxable equivalent basis)[1]
(millions of Canadian dollars)

	Quarter ended October 31			Year ended October 31		
	2024	2023	% Change	**2024**	2023	% Change
Operating results						
Global markets						
Equities	**283**	319	(11)	**1,018**	904	13
Interest rate and credit	**111**	84	32	**573**	417	37
Commodities and foreign exchange	**39**	32	22	**198**	173	14
	433	435	–	**1,789**	1,494	20
Corporate and investment banking	**295**	300	(2)	**1,241**	1,162	7
Total revenues[1]	**728**	735	(1)	**3,030**	2,656	14
Non-interest expenses	**301**	319	(6)	**1,246**	1,161	7
Income before provisions for credit losses and income taxes	**427**	416	3	**1,784**	1,495	19
Provisions for credit losses	**4**	24	(83)	**54**	39	38
Income before income taxes	**423**	392	8	**1,730**	1,456	19
Income taxes[1]	**117**	108	8	**476**	401	19
Net income	**306**	284	8	**1,254**	1,055	19
Less: Specified items after income taxes[2]	**–**	(5)		**–**	(5)	
Net income – Ajusted[2]	**306**	289	6	**1,254**	1,060	18
Average assets[3]	**200,888**	193,484	4	**195,881**	180,837	8
Average loans and acceptances[3] (Corporate Banking only)	**31,749**	30,254	5	**31,887**	29,027	10
Net impaired loans[4]	**78**	30		**78**	30	
Net impaired loans as a % of total loans and acceptances[4]	**0.2 %**	0.1 %		**0.2 %**	0.1 %	
Average deposits[3]	**70,646**	59,406	19	**65,930**	57,459	15
Efficiency ratio[4]	**41.3 %**	43.4 %		**41.1 %**	43.7 %	
Efficiency ratio – Adjusted[5]	**41.3 %**	42.4 %		**41.1 %**	43.4 %	

(1) The *Total revenues* and *Income taxes* items of the Financial Markets segment are presented on a taxable equivalent basis. Taxable equivalent basis is a calculation method that consists in grossing up certain revenues taxed at lower rates by the income tax to a level that would make it comparable to revenues from taxable sources in Canada. For the quarter ended October 31, 2024, *Total revenues* were grossed up by $91 million ($162 million in 2023) and an equivalent amount was recognized in *Income taxes*. For the year ended October 31, 2024, *Total revenues* were grossed up by $376 million ($571 million in 2023) and an equivalent amount was recognized in *Income taxes*. The effect of these adjustments has been reversed under the *Other* heading of segment results. In light of the enacted legislation with respect to Canadian dividends, the Bank did not recognize an income tax deduction or use the taxable equivalent basis method to adjust revenues related to affected dividends received after January 1, 2024 (for additional information, see the Income Taxes section of this Press Release).
(2) See the Financial Reporting Method section on pages 2 to 6 for additional information on non-GAAP financial measures. During the quarter and year ended October 31, 2023, the segment recorded, in the *Non-interest expenses* item, $7 million in intangible asset impairment losses ($5 million net of income taxes) on technology development.
(3) Represents an average of the daily balances for the period.
(4) For additional information on the composition of these measures, see the Glossary section on pages 130 to 133 of the Bank's *2024 Annual Report*, which is available on the Bank's website at nbc.ca or the SEDAR+ website at sedarplus.ca.
(5) For additional information on non-GAAP ratios, see the Financial Reporting Method section on pages 14 to 20 of the Bank's *2024 Annual Report*, which is available on the Bank's website at nbc.ca or the SEDAR+ website at sedarplus.ca.

In the Financial Markets segment, net income totalled $306 million in the fourth quarter of 2024, up 8% from $284 million in the corresponding quarter in 2023. Furthermore, adjusted net income was up 6% compared to $289 million in the fourth quarter of 2023, which excluded impairment losses on intangible assets. Total revenues on a taxable equivalent basis amounted to $728 million, down $7 million or 1% from $735 million in the fourth quarter of 2023. Global markets revenues were down $2 million due to an 11% decrease in equities revenues, partly offset by a 32% increase in interest rate and credit products revenues and a 22% increase in commodities and foreign exchange revenues. Corporate and investment banking revenues for the fourth quarter of 2024 decreased 2% compared to the corresponding quarter in 2023 due to lower revenues from merger and acquisition activity, partly offset by higher banking service revenues.

Non-interest expenses stood at $301 million in the fourth quarter of 2024, a 6% decrease compared to the fourth quarter of 2023. This decrease was attributable to lower compensation and employee benefits, notably caused by variable compensation. Technology investment expenses, professional fees and other expenses related to the segment’s business growth were up compared to the fourth quarter of 2023. The efficiency ratio of 41.3% in the fourth quarter of 2024 improved by 2.1 percentage points from 43.4% in the fourth quarter of 2023. In the quarter ended October 31, 2024, the segment recorded provisions for credit losses of $4 million compared to $24 million in the corresponding quarter in 2023. This decrease is essentially explained by lower provisions for credit losses on non-impaired loans mainly due to the favourable impact of updated macroeconomic scenarios.

For fiscal 2024, the segment's net income totalled $1,254 million, up 19% compared to 2023. Total revenues on a taxable equivalent basis amounted to $3,030 million in 2024, an increase of $374 million or 14% compared to fiscal 2023. Global markets revenues were up 20%, driven by increases in all revenue types, including a 13% increase in equities revenues, a 37% increase in interest rate and credit products revenues, and a 14% increase in commodities and foreign exchange revenues. In addition, corporate and investment banking revenues were up 7% compared to fiscal 2023 as a result of growth in banking service revenues and revenues from capital markets activity, partly offset by lower revenues from merger and acquisition activity.

For fiscal 2024, non-interest expenses rose 7% compared to the prior year. This increase was due to higher compensation and employee benefits, notably variable compensation resulting from revenue growth, as well as higher technology investment expenses and other expenses related to the segment's business growth. The efficiency ratio of 41.1% in fiscal 2024 improved by 2.6 percentage points from 43.7% in fiscal 2023. Financial Markets recorded provisions for credit losses of $54 million in fiscal 2024 compared to $39 million in 2023. This growth was mainly due to a $31 million increase in provisions for credit losses on impaired loans, offset by a $16 million decrease in provisions for credit losses on non-impaired loans, mainly due to the impact of updated macroeconomic scenarios.

U.S. Specialty Finance and International (USSF&I)

(millions of Canadian dollars)	Quarter ended October 31			Year ended October 31		
	2024	2023	% Change	**2024**	2023	% Change
Total revenues						
Credigy	**144**	126	14	**544**	483	13
ABA Bank	**234**	187	25	**860**	726	18
International	**–**	–		**11**	–	
	378	313	21	**1,415**	1,209	17
Non-interest expenses						
Credigy	**36**	38	(5)	**144**	140	3
ABA Bank	**79**	68	16	**293**	260	13
International	**1**	–		**2**	2	
	116	106	9	**439**	402	9
Income before provisions for credit losses and income taxes	**262**	207	27	**976**	807	21
Provisions for credit losses						
Credigy	**33**	10		**113**	81	40
ABA Bank	**29**	13		**68**	32	
International	**1**	–		**1**	–	
	63	23		**182**	113	61
Income before income taxes	**199**	184	8	**794**	694	14
Income taxes						
Credigy	**16**	17	(6)	**60**	55	9
ABA Bank	**27**	22	23	**105**	91	15
International	**(1)**	–		**1**	–	
	42	39	8	**166**	146	14
Net income						
Credigy	**59**	61	(3)	**227**	207	10
ABA Bank	**99**	84	18	**394**	343	15
International	**(1)**	–		**7**	(2)	
	157	145	8	**628**	548	15
Average assets(1)	**29,053**	24,258	20	**27,669**	23,007	20
Average loans and receivables(1)	**22,343**	19,729	13	**21,733**	18,789	16
Purchased or originated credit-impaired (POCI) loans	**365**	511	(29)	**365**	511	(29)
Net impaired loans excluding POCI loans(2)	**550**	283	94	**550**	283	94
Average deposits(1)	**13,745**	11,399	21	**12,987**	10,692	21
Efficiency ratio(2)	**30.7 %**	33.9 %		**31.0 %**	33.3 %	

(1) Represents an average of the daily balances for the period.
(2) For additional information on the composition of these measures, see the Glossary section on pages 130 to 133 of the Bank's *2024 Annual Report*, which is available on the Bank's website at nbc.ca or the SEDAR+ website at sedarplus.ca.

In the USSF&I segment, net income totalled $157 million in the fourth quarter of 2024, up 8% from $145 million in the corresponding quarter in 2023, essentially attributable to ABA Bank. The growth in the segment's total revenues was dampened by rising non-interest expenses and higher provisions for credit losses. For fiscal 2024, the segment posted net income of $628 million compared to $548 million in fiscal 2023, a 15% increase attributable to the activities of the Credigy and ABA Bank subsidiaries as well as to dividend income recorded in fiscal 2024 related to an investment in a financial group.

Credigy

For the fourth quarter of 2024, Credigy reported net income of $59 million, down $2 million compared to the corresponding quarter in 2023. The subsidiary posted income before provisions for credit losses and income taxes totalling $108 million in the fourth quarter of 2024, up 23% compared to 2023. Total revenues amounted to $144 million in the fourth quarter of 2024 compared to $126 million in the fourth quarter of 2023, an increase that was driven by growth in loan volumes, while non-interest income decreased. Non-interest expenses stood at $36 million in the fourth quarter of 2024, a $2 million decrease compared to the corresponding quarter in 2023. Provisions for credit losses rose $23 million compared to the fourth quarter of 2023, mainly due to higher provisions for credit losses on POCI loans attributable to the favourable remeasurement of certain portfolios during the fourth quarter of 2023. Provisions for credit losses on impaired loans also increased, owing to normal maturation of loan portfolios, while provisions for credit losses on non-impaired loans decreased.

For fiscal 2024, Credigy reported net income of $227 million, up 10% from fiscal 2023. The subsidiary posted income before provisions for credit losses and income taxes totalling $400 million in fiscal 2024, up 17% from fiscal 2023. Total revenues amounted to $544 million in fiscal 2024, up 13% from $483 million in fiscal 2023. This increase was driven by growth in loan volumes and non-interest income arising primarily from the fair value remeasurement of certain portfolios and a realized gain in fiscal 2024 from the disposal of a loan portfolio, partly offset by revenues recognized as a result of a credit facility prepaid in fiscal 2023. Non-interest expenses for fiscal 2024 were up $4 million compared to 2023, owing primarily to compensation and employee benefits. The subsidiary reported a $32 million increase in provisions for credit losses compared to prior year, which was due to the same reasons provided above for the quarter.

ABA Bank

For the fourth quarter of 2024, ABA Bank recorded net income totalling $99 million, up $15 million or 18% from the corresponding quarter in 2023. Total revenues rose 25%, mainly attributable to sustained growth in assets. Non-interest expenses for the fourth quarter of 2024 stood at $79 million, an $11 million or 16% increase compared to the fourth quarter of 2023 attributable to higher compensation and employee benefits, as well as higher occupancy expenses driven by business growth and opening of new branches. The subsidiary reported provisions for credit losses totalling $29 million in the fourth quarter of 2024, up $16 million compared to the fourth quarter of 2023, owing to higher provisions for credit losses on impaired loans.

For fiscal 2024, ABA Bank recorded net income totalling $394 million, up $51 million or 15% from fiscal 2023 owing to higher total revenues, partly offset by higher non-interest expenses and provisions for credit losses. The subsidiary posted income before provisions for credit losses and income taxes amounting to $567 million in fiscal 2024, up 22% from fiscal 2023. The 18% year-over-year increase in the subsidiary's total revenues stemmed from business expansion at the subsidiary, driven mainly by sustained asset growth. ABA Bank reported non-interest expenses totalling $293 million, up 13% from a year earlier, due to the same reasons provided above for the fourth quarter, as well as to the increase of technology expenses. The subsidiary reported provisions for credit losses totalling $68 million in fiscal 2024, up $36 million from fiscal 2023, owing to higher provisions for credit losses on impaired loans, partly offset by lower provisions for credit losses on non-impaired loans.

Other

(millions of Canadian dollars)	Quarter ended October 31		Year ended October 31	
	2024	2023	**2024**	2023
Operating results				
Net interest income[1]	**(59)**	(161)	**(335)**	(591)
Non-interest income[1]	**(20)**	(83)	**(169)**	(141)
Total revenues	**(79)**	(244)	**(504)**	(732)
Non-interest expenses	**104**	69	**250**	194
Income before provisions for credit losses and income taxes	**(183)**	(313)	**(754)**	(926)
Provisions for credit losses	**–**	2	**(1)**	5
Income before income taxes	**(183)**	(315)	**(753)**	(931)
Income taxes (recovery)[1]	**(129)**	(211)	**(507)**	(667)
Net loss	**(54)**	(104)	**(246)**	(264)
Non-controlling interests	**–**	–	**(1)**	(2)
Net loss attributable to the Bank's shareholders and holders of other equity instruments	**(54)**	(104)	**(245)**	(262)
Less: Specified items after income taxes[2]	**27**	(13)	**100**	12
Net loss – Adjusted[2]	**(81)**	(91)	**(346)**	(276)
Average assets[3]	**66,829**	64,134	**65,546**	69,731

(1) For the quarter ended October 31, 2024, *Net interest income* was reduced by $13 million ($90 million in 2023), *Non-interest income* was reduced by $81 million ($75 million in 2023), and an equivalent amount was recorded in *Income taxes (recovery)*. For the year ended October 31, 2024, *Net interest income* was reduced by $79 million ($332 million in 2023), *Non-interest income* was reduced by $306 million ($247 million in 2023), and an equivalent amount was recorded in *Income taxes (recovery)*. These adjustments include a reversal of the taxable equivalent of the Financial Markets segment and the *Other* heading. Taxable equivalent basis is a calculation method that consists in grossing up certain revenues taxed at lower rates by the income tax to a level that would make it comparable to revenues from taxable sources in Canada. In light of the enacted legislation with respect to Canadian dividends, the Bank did not recognize an income tax deduction, nor did it use the taxable equivalent basis method to adjust revenues related to affected dividends received after January 1, 2024 (for additional information, see the Income Taxes section of this Press Release).

(2) See the Financial Reporting Method section on pages 2 to 6 for additional information on non-GAAP financial measures. During the quarter and year ended October 31, 2024, after the agreement to acquire CWB was concluded, the Bank recorded several items related to this acquisition, in particular the amortization of the subscription receipt issuance costs of $7 million net of income taxes ($10 million net of income taxes for fiscal 2024), a gain of $39 million net of income taxes ($125 million net of income taxes for fiscal 2024) resulting from the remeasurement at fair value of the CWB common shares already held by the Bank, the impact of managing fair value changes, which is a gain of $3 million net of income taxes (loss of $2 million net of income taxes for fiscal 2024), and acquisition and integration expenses of $8 million net of income taxes ($13 million net of income taxes for fiscal 2024). During the quarter and year ended October 31, 2023, the Bank had recorded impairment losses of $9 million net of income taxes on premises and equipment and intangible assets and expenses of $4 million net of income taxes related to penalties on onerous contracts. During the year ended October 31, 2023, the bank recorded a gain of $67 million net of income taxes on the fair value measurement of an equity interest, an expense of $18 million net of income taxes related to the retroactive impact of changes to the *Excise Tax Act* and a $24 million income tax expense related to the Canadian government's 2022 tax measures.

(3) Represents an average of the daily balances for the period.

For the *Other* heading of segment results, a net loss of $54 million was posted in the fourth quarter of 2024 compared to a net loss of $104 million in the corresponding quarter in 2023. The change in net loss resulted in part from a higher contribution from Treasury activities resulting from higher gains on investments in the fourth quarter of 2024, principally attributable to the gain on the remeasurement at fair value of the CWB common shares already held by the Bank ($39 million net of income taxes). These items were partly offset by an increase in non-interest expenses compared to the fourth quarter of 2023. This increase is due in part to higher compensation and employee benefits and higher professional fees, in particular the CWB acquisition and integration charges. The specified items recorded in the fourth quarter of 2024, related to the agreement to acquire CWB, had a favourable impact of $27 million on net loss compared to the unfavourable impact of $13 million of the specified items recorded in the corresponding quarter in 2023. The adjusted net loss stood at $81 million in the quarter ended October 31, 2024 compared to $91 million in the corresponding quarter in 2023.

For fiscal 2024, net loss stood at $246 million compared to a net loss of $264 million in fiscal 2023. The change in net loss is due to the same reasons provided above for the quarter. In addition, the fiscal 2024 specified items related to the CWB acquisition agreement had a $100 million favourable impact on the net loss compared to a $12 million favourable impact for the fiscal 2023 specified items. The adjusted net loss stood at $346 million for fiscal 2024 compared to $276 million for fiscal 2023.

Consolidated Balance Sheet

Consolidated Balance Sheet Summary

(millions of Canadian dollars)	As at October 31, 2024	As at October 31, 2023[1]	% Change
Assets			
Cash and deposits with financial institutions	31,549	35,234	(10)
Securities	145,165	121,818	19
Securities purchased under reverse repurchase agreements and securities borrowed	16,265	11,260	44
Loans and acceptances, net of allowances	243,032	225,443	8
Other	26,215	29,722	(12)
	462,226	423,477	9
Liabilities and equity			
Deposits	333,545	288,173	16
Other	101,873	110,972	(8)
Subordinated debt	1,258	748	68
Equity attributable to the Bank's shareholders and holders of other equity instruments	25,550	23,582	8
Non-controlling interests	–	2	(100)
	462,226	423,477	9

(1) Certain amounts have been adjusted to reflect accounting policy changes arising from the adoption of IFRS 17.

Assets

As at October 31, 2024, the Bank had total assets of $462.2 billion, up $38.7 billion or 9% from $423.5 billion at the end of the previous fiscal year. Cash and deposits with financial institutions as at October 31, 2024, stood at $31.5 billion, down $3.7 billion compared with the Consolidated Balance Sheet as at October 31, 2023, owing primarily to a decline in deposits with regulated financial institutions, including the U.S. Federal Reserve, partly offset by growth in deposits with the Bank of Canada.

Securities have risen $23.4 billion since October 31, 2023, owing to a $15.9 billion or 16% increase in securities at fair value through profit or loss driven mainly by equity securities, offset by declines in securities issued or guaranteed by the Canadian government and securities issued or guaranteed by the U.S. Treasury, other U.S. agencies and other foreign governments. Securities other than those measured at fair value through profit or loss were up $7.5 billion. Securities purchased under reverse repurchase agreements and securities borrowed increased by $5.0 billion since October 31, 2023, driven primarily by the Financial Markets segment and Treasury activities.

As at October 31, 2024, loans and acceptances, net of allowances for credit losses, totalled $243.0 billion, up $17.6 billion or 8% since October 31, 2023. The following table provides a breakdown of the main loan and acceptance portfolios.

(millions of Canadian dollars)	As at October 31, 2024	As at October 31, 2023
Loans and acceptances		
Residential mortgage and home equity lines of credit	124,431	116,444
Personal	17,461	16,761
Credit card	2,761	2,603
Business and government	99,720	90,819
	244,373	226,627
Allowances for credit losses	(1,341)	(1,184)
	243,032	225,443

Residential mortgages (including home equity lines of credit) amounted to $124.4 billion, up $8.0 billion or 7% since October 31, 2023. This growth was mainly driven by sustained demand for mortgage credit in the Personal and Commercial segment, as well as by business activities in the Financial Markets segment and at Credigy and ABA Bank. Personal loans totalled $17.5 billion at the end of fiscal 2024, up $0.7 billion from $16.8 billion as at October 31, 2023. This increase was fuelled mainly by Personal Banking business growth. Credit card receivables amounted to $2.8 billion, up $0.2 billion since October 31, 2023. As at October 31, 2024, business and government loans and acceptances totalled $99.7 billion, up $8.9 billion or 10% since October 31, 2023. The increase stemmed primarily from business growth in Commercial Banking and the Wealth Management and Financial Markets segments, as well as at ABA Bank and Credigy.

Impaired loans include all loans classified in Stage 3 of the expected credit loss model and POCI loans. As at October 31, 2024, gross impaired loans stood at $2,043 million compared to $1,584 million as at October 31, 2023. Net impaired loans totalled $1,629 million as at October 31, 2024 compared to $1,276 million as at October 31, 2023. Net impaired loans excluding POCI loans rose $538 million to $1,144 million from $606 million as at October 31, 2023. This increase resulted primarily from rises in net impaired loans in the loan portfolios of Personal and Commercial Banking, Financial Markets, Credigy (excluding POCI loans) and ABA Bank. Net POCI loans fell to $485 million as at October 31, 2024 from $670 million as at October 31, 2023, owing to maturities of certain loan portfolios and loan repayments.

As at October 31, 2024, other assets totalled $26.2 billion, down $3.5 billion from $29.7 billion as at October 31, 2023, resulting mainly from a $5.2 billion decline in derivative financial instruments related to Financial Markets business activities. This decrease was offset by a $1.4 billion increase in other assets, particularly amounts due from clients, dealers and brokers, as well as receivables, prepaid expenses and other items.

Liabilities

As at October 31, 2024, the Bank had total liabilities of $436.7 billion compared to $399.9 billion as at October 31, 2023.

As at October 31, 2024, deposits stood at $333.5 billion, up $45.3 billion or 16% since the previous fiscal year-end. Personal deposits amounted to $95.2 billion as at October 31, 2024, up $7.3 billion since October 31, 2023. This increase was driven by business growth in Personal Banking, in the Financial Markets segment, and at ABA Bank.

Business and government deposits totalled $232.7 billion as at October 31, 2024, up $35.4 billion from $197.3 billion as at October 31, 2023. This increase stemmed from Financial Markets and Treasury funding activities, including $5.8 billion in deposits subject to bank recapitalization (bail-in) conversion regulations, as well as business activities in Commercial Banking, the Wealth Management segment and at ABA Bank, and $1.0 billion related to the investment agreements for subscription receipts issued as part of the agreement to acquire CWB. Deposits from deposit-taking institutions totalled $5.6 billion, up $2.6 billion since the previous fiscal year-end.

As at October 31, 2024, other liabilities stood at $101.9 billion, down $9.1 billion since October 31, 2023, resulting primarily from a decrease of $6.6 billion in acceptances, owing to the transition from bankers' acceptances to CORRA loans, $4.1 billion in derivative financial instruments, and $2.8 billion in obligations related to securities sold short. These decreases were offset by a $3.4 billion increase in liabilities related to transferred receivables and a $1.3 billion increase in other liabilities, particularly accounts payable and accrued expenses, and interest and dividends payable.

Subordinated debt has risen since October 31, 2023 as a result of the February 5, 2024 issuance of $500 million in medium-term notes.

Equity

As at October 31, 2024, equity attributable to the Bank's shareholders and holders of other equity instruments totalled $25.6 billion, up $2.0 billion from $23.6 billion as at October 31, 2023. This increase stemmed from net income net of dividends and the common share issuances under the Stock Option Plan. The increases were partially offset by the net fair value change attributable to credit risk on financial liabilities designated at fair value through profit or loss and by the net change in gains (losses) on cash flow hedges.

CWB Transaction

On June 11, 2024, the Bank entered into an agreement to acquire all of the issued and outstanding common shares of Canadian Western Bank (CWB) by way of a share exchange valuing CWB at approximately $5.0 billion. Each CWB common share, other than those held by the Bank, will be exchanged for 0.450 of a common share of National Bank. CWB is a diversified financial services institution based in Edmonton, Alberta. This transaction will enable the Bank to accelerate its growth across Canada. The business combination brings together two complementary Canadian banks with growing businesses, thereby enhancing customer service by offering a full range of products and services nationwide, with a regionally focused service model.

The transaction is subject to the satisfaction of customary closing conditions, including regulatory approvals, and is expected to close in 2025. The results of the acquired business will be consolidated from the date of closing.

Between the announcement and closing of the transaction, the Bank is exposed to changes in the fair value of the assets and liabilities of CWB due to changes in market interest rates. Increases in interest rates will impact the fair value of net assets on closing of the transaction, increasing the amount of goodwill and reducing capital ratios. In order to manage the volatility of goodwill and capital on closing of the transaction, the Bank entered into interest rate swaps to economically hedge its exposure. Mark-to-market changes have been recognized in *Non-interest income – Trading revenues (losses)* in the Consolidated Statement of Income.

Income Taxes

Notice of Assessment

In April 2024, the Bank was reassessed by the Canada Revenue Agency (CRA) for additional income tax and interest of approximately $110 million (including estimated provincial tax and interest) in respect of certain Canadian dividends received by the Bank during the 2019 taxation year.

In prior fiscal years, the Bank had been reassessed for additional income tax and interest of approximately $965 million (including provincial tax and interest) in respect of certain Canadian dividends received by the Bank during the 2012-2018 taxation years.

In the reassessments, the CRA alleges that the dividends were received as part of a "dividend rental arrangement".

In October 2023, the Bank filed a notice of appeal with the Tax Court of Canada, and the matter is now in litigation. The CRA may issue reassessments to the Bank for taxation years subsequent to 2019 in regard to certain activities similar to those that were the subject of the above-mentioned reassessments. The Bank remains confident that its tax position was appropriate and intends to vigorously defend its position. As a result, no amount has been recognized in the Consolidated Financial Statements as at October 31, 2024.

Canadian Government's 2022 Tax Measures

On November 4, 2022, the Government of Canada introduced Bill C-32, *An Act to implement certain provisions of the fall economic statement tabled in Parliament on November 3, 2022 and certain provisions of the budget tabled in Parliament on April 7, 2022* to implement tax measures applicable to certain entities of banking and life insurer groups, as presented in its April 7, 2022 budget. These tax measures included the Canada Recovery Dividend (CRD), which is a one-time, 15% tax on the fiscal 2021 and 2020 average taxable income above $1 billion, as well as a 1.5% increase in the statutory tax rate. On December 15, 2022, Bill C-32, received royal assent. Given that these tax measures had been enacted as at January 31, 2023, a $32 million tax expense for the CRD and an $8 million tax recovery for the tax rate increase, including the impact related to current and deferred taxes for fiscal 2022, were recognized in the Consolidated Financial Statements for the year ended October 31, 2023.

Other Tax Measures

On November 30, 2023, the Government of Canada introduced Bill C-59, *An Act to implement certain provisions of the fall economic statement tabled in Parliament on November 21, 2023 and certain provisions of the budget tabled in Parliament on March 28, 2023* to implement tax measures applicable to the Bank. The measures include the denial of the deduction in respect of dividends received after 2023 on shares that are mark-to-market property for tax purposes (except for dividends received on "taxable preferred shares" as defined in the *Income Tax Act*), as well as the application of a 2% tax on the net value of equity repurchases occurring as of January 1, 2024. On June 20, 2024, Bill C-59 received royal assent, and these tax measures were enacted at the financial reporting date. The Consolidated Financial Statements reflect the denial of the deduction in respect of dividends contemplated by Bill C-59 as of January 1, 2024.

On May 2, 2024, the Government of Canada introduced Bill C-69, *An Act to implement certain provisions of the budget tabled in Parliament on April 16, 2024*. The bill includes the Pillar 2 rules (global minimum tax) published by the Organisation for Economic Co-operation and Development (OECD) that will apply to fiscal years beginning on or after December 31, 2023 (November 1, 2024 for the Bank). On June 20, 2024, Bill C-69 received royal assent. To date, the Pillar 2 rules have been included in a bill or enacted in certain jurisdictions where the Bank operates. The Pillar 2 rules do not apply to this fiscal year. The Bank is still assessing its income tax exposure arising from these rules but estimates that the impact on its effective income tax rate would be an increase of approximately 1% to 2%. During the years ended October 31, 2024 and 2023, the Bank applied the exception to the recognition and disclosure of information of deferred tax assets and liabilities arising from the Pillar 2 rules in the jurisdictions where they have been included in a bill or enacted.

Capital Management

As at October 31, 2024, the Bank's CET1, Tier 1, and Total capital ratios were, respectively, 13.7%, 15.9% and 17.0%, compared to ratios of, respectively, 13.5%, 16.0% and 16.8% as at October 31, 2023. The CET1 capital ratio increased since October 31, 2023, essentially due to the contribution from net income net of dividends and to common share issuances under the Stock Option Plan. These factors were partly offset by the organic growth in RWA and by the impact of implementing OSFI's revised market risk framework. The Tier 1 capital ratio was more negatively affected by the RWA growth and is down compared to October 31, 2023. The increase of the Total capital ratio is explained by the $500 million issuance of medium-term notes during fiscal 2024.

As at October 31, 2024, the leverage ratio was 4.4%, stable compared to October 31, 2023, as growth in total exposure was offset by growth in Tier 1 capital.

As at October 31, 2024, the Bank's TLAC ratio and TLAC leverage ratio were, respectively, 31.2% and 8.6%, compared with 29.2% and 8.0%, respectively, as at October 31, 2023. The increases in both the TLAC and TLAC leverage ratios are primarily explained by the net issuance of instruments that met the TLAC eligibility criteria during the year.

During the quarter and the year ended October 31, 2024, the Bank was in compliance with all of OSFI's regulatory capital, leverage, and TLAC requirements.

Regulatory Capital(1), Leverage Ratio(1) and TLAC(2)

(millions of Canadian dollars)	As at October 31, 2024	As at October 31, 2023
Capital		
CET1	19,321	16,920
Tier 1	22,470	20,068
Total	24,001	21,056
Risk-weighted assets	140,975	125,592
Total exposure	511,160	456,478
Capital ratios		
CET1	13.7 %	13.5 %
Tier 1	15.9 %	16.0 %
Total	17.0 %	16.8 %
Leverage ratio	4.4 %	4.4 %
Available TLAC	44,040	36,732
TLAC ratio	31.2 %	29.2 %
TLAC leverage ratio	8.6 %	8.0 %

(1) Capital, risk-weighted assets, total exposure, the capital ratios, and the leverage ratio are calculated in accordance with the Basel III rules, as set out in OSFI's *Capital Adequacy Requirements Guideline* and *Leverage Requirements Guideline*.
(2) Available TLAC, the TLAC ratio, and the TLAC leverage ratio are calculated in accordance with OSFI's *Total Loss Absorbing Capacity Guideline*.

Dividends

On December 3, 2024, the Board of Directors declared regular dividends on the various series of first preferred shares and a dividend of $1.14 per common share, up 4 cents or 4%, payable on February 1, 2025 to shareholders of record on December 30, 2024.

Consolidated Balance Sheets

(unaudited) (millions of Canadian dollars)

	As at October 31, 2024	As at October 31, 2023[1]
Assets		
Cash and deposits with financial institutions	**31,549**	35,234
Securities		
At fair value through profit or loss	**115,935**	99,994
At fair value through other comprehensive income	**14,622**	9,242
At amortized cost	**14,608**	12,582
	145,165	121,818
Securities purchased under reverse repurchase agreements and securities borrowed	**16,265**	11,260
Loans		
Residential mortgage	**95,009**	86,847
Personal	**46,883**	46,358
Credit card	**2,761**	2,603
Business and government	**99,720**	84,192
	244,373	220,000
Customers' liability under acceptances	**–**	6,627
Allowances for credit losses	**(1,341)**	(1,184)
	243,032	225,443
Other		
Derivative financial instruments	**12,309**	17,516
Investments in associates and joint ventures	**40**	49
Premises and equipment	**1,868**	1,592
Goodwill	**1,522**	1,521
Intangible assets	**1,233**	1,256
Other assets	**9,243**	7,788
	26,215	29,722
	462,226	423,477
Liabilities and equity		
Deposits	**333,545**	288,173
Other		
Acceptances	**–**	6,627
Obligations related to securities sold short	**10,873**	13,660
Obligations related to securities sold under repurchase agreements and securities loaned	**38,177**	38,347
Derivative financial instruments	**15,760**	19,888
Liabilities related to transferred receivables	**28,377**	25,034
Other liabilities	**8,686**	7,416
	101,873	110,972
Subordinated debt	**1,258**	748
Equity		
Equity attributable to the Bank's shareholders and holders of other equity instruments		
Preferred shares and other equity instruments	**3,150**	3,150
Common shares	**3,463**	3,294
Contributed surplus	**85**	68
Retained earnings	**18,633**	16,650
Accumulated other comprehensive income	**219**	420
	25,550	23,582
Non-controlling interests	**–**	2
	25,550	23,584
	462,226	423,477

(1) Certain amounts have been adjusted to reflect accounting policy changes arising from the adoption of IFRS 17.

Consolidated Statements of Income

(unaudited) (millions of Canadian dollars)

	Quarter ended October 31		Year ended October 31	
	2024	2023[1]	**2024**	2023[1]
Interest income				
Loans	**4,039**	3,481	**15,581**	12,676
Securities at fair value through profit or loss	**475**	500	**1,834**	1,681
Securities at fair value through other comprehensive income	**162**	73	**541**	279
Securities at amortized cost	**130**	115	**468**	473
Deposits with financial institutions	**352**	433	**1,547**	1,668
	5,158	4,602	**19,971**	16,777
Interest expense				
Deposits	**3,371**	2,957	**13,198**	10,015
Liabilities related to transferred receivables	**206**	168	**752**	633
Subordinated debt	**18**	11	**62**	47
Other	**779**	731	**3,020**	2,496
	4,374	3,867	**17,032**	13,191
Net interest income[2]	**784**	735	**2,939**	3,586
Non-interest income				
Underwriting and advisory fees	**91**	101	**419**	378
Securities brokerage commissions	**48**	42	**194**	174
Mutual fund revenues	**169**	146	**638**	578
Investment management and trust service fees	**302**	262	**1,141**	1,005
Credit fees	**76**	157	**460**	574
Card revenues	**55**	49	**212**	202
Deposit and payment service charges	**75**	77	**294**	300
Trading revenues (losses)	**1,115**	864	**4,299**	2,677
Gains (losses) on non-trading securities, net	**102**	21	**318**	70
Insurance revenues, net	**20**	17	**73**	59
Foreign exchange revenues, other than trading	**60**	53	**225**	183
Share in the net income of associates and joint ventures	**2**	2	**8**	11
Other	**45**	34	**180**	261
	2,160	1,825	**8,461**	6,472
Total revenues	**2,944**	2,560	**11,400**	10,058
Non-interest expenses				
Compensation and employee benefits	**954**	887	**3,725**	3,425
Occupancy	**96**	101	**366**	350
Technology	**274**	329	**1,046**	1,078
Communications	**15**	15	**56**	58
Professional fees	**102**	69	**316**	256
Other	**151**	196	**545**	586
	1,592	1,597	**6,054**	5,753
Income before provisions for credit losses and income taxes	**1,352**	963	**5,346**	4,305
Provisions for credit losses	**162**	115	**569**	397
Income before income taxes	**1,190**	848	**4,777**	3,908
Income taxes	**235**	97	**961**	619
Net income	**955**	751	**3,816**	3,289
Net income attributable to				
Preferred shareholders and holders of other equity instruments	**40**	35	**154**	141
Common shareholders	**915**	716	**3,663**	3,150
Bank shareholders and holders of other equity instruments	**955**	751	**3,817**	3,291
Non-controlling interests	**–**	–	**(1)**	(2)
	955	751	**3,816**	3,289
Earnings per share *(dollars)*				
Basic	**2.69**	2.11	**10.78**	9.33
Diluted	**2.66**	2.09	**10.68**	9.24
Dividends per common share *(dollars)*	**1.10**	1.02	**4.32**	3.98

(1) Certain amounts have been adjusted to reflect accounting policy changes arising from the adoption of IFRS 17.
(2) *Net interest income* includes dividend income. For additional information, see Note 1 to the audited annual Consolidated Financial Statements for the year ended October 31, 2024.

Consolidated Statements of Comprehensive Income

(unaudited) (millions of Canadian dollars)

	Quarter ended October 31		Year ended October 31	
	2024	2023[(1)]	**2024**	2023[(1)]
Net income	**955**	751	**3,816**	3,289
Other comprehensive income, net of income taxes				
Items that may be subsequently reclassified to net income				
Net foreign currency translation adjustments				
Net unrealized foreign currency translation gains (losses) on investments in foreign operations	**89**	363	**80**	155
Impact of hedging net foreign currency translation gains (losses)	**(37)**	(111)	**(67)**	(52)
	52	252	**13**	103
Net change in debt securities at fair value through other comprehensive income				
Net unrealized gains (losses) on debt securities at fair value through other comprehensive income	**12**	(52)	**68**	(87)
Net (gains) losses on debt securities at fair value through other comprehensive income reclassified to net income	**(35)**	25	**(59)**	85
Change in allowances for credit losses on debt securities at fair value through other comprehensive income reclassified to net income	**–**	–	**–**	1
	(23)	(27)	**9**	(1)
Net change in cash flow hedges				
Net gains (losses) on derivative financial instruments designated as cash flow hedges	**(44)**	(35)	**(100)**	90
Net (gains) losses on designated derivative financial instruments reclassified to net income	**(32)**	(7)	**(123)**	25
	(76)	(42)	**(223)**	115
Share in the other comprehensive income of associates and joint ventures	**–**	–	**–**	1
Items that will not be subsequently reclassified to net income				
Remeasurements of pension plans and other post-employment benefit plans	**(68)**	(44)	**83**	(140)
Net gains (losses) on equity securities designated at fair value through other comprehensive income	**5**	40	**43**	45
Net fair value change attributable to the credit risk on financial liabilities designated at fair value through profit or loss	**(80)**	72	**(350)**	(163)
	(143)	68	**(224)**	(258)
Total other comprehensive income, net of income taxes	**(190)**	251	**(425)**	(40)
Comprehensive income	**765**	1,002	**3,391**	3,249
Comprehensive income attributable to				
Bank shareholders and holders of other equity instruments	**765**	1,002	**3,392**	3,251
Non-controlling interests	**–**	–	**(1)**	(2)
	765	1,002	**3,391**	3,249

(1) Certain amounts have been adjusted to reflect accounting policy changes arising from the adoption of IFRS 17.

Consolidated Statements of Comprehensive Income (cont.)

(unaudited) (millions of Canadian dollars)

Income Taxes – Other Comprehensive Income

The following table presents the income tax expense or recovery for each component of other comprehensive income.

	Quarter ended October 31		Year ended October 31	
	2024	2023	**2024**	2023
Items that may be subsequently reclassified to net income				
Net foreign currency translation adjustments				
Net unrealized foreign currency translation gains (losses) on investments in foreign operations	**(1)**	(10)	**–**	(3)
Impact of hedging net foreign currency translation gains (losses)	**(10)**	(27)	**(23)**	(14)
	(11)	(37)	**(23)**	(17)
Net change in debt securities at fair value through other comprehensive income				
Net unrealized gains (losses) on debt securities at fair value through other comprehensive income	**6**	(19)	**27**	(33)
Net (gains) losses on debt securities at fair value through other comprehensive income reclassified to net income	**(15)**	10	**(24)**	33
Change in allowances for credit losses on debt securities at fair value through other comprehensive income reclassified to net income	**–**	–	**–**	–
	(9)	(9)	**3**	–
Net change in cash flow hedges				
Net gains (losses) on derivative financial instruments designated as cash flow hedges	**(17)**	(13)	**(39)**	35
Net (gains) losses on designated derivative financial instruments reclassified to net income	**(12)**	(4)	**(47)**	9
	(29)	(17)	**(86)**	44
Share in the other comprehensive income of associates and joint ventures	**–**	–	**–**	–
Items that will not be subsequently reclassified to net income				
Remeasurements of pension plans and other post-employment benefit plans	**(26)**	(16)	**32**	(43)
Net gains (losses) on equity securities designated at fair value through other comprehensive income	**1**	6	**16**	8
Net fair value change attributable to the credit risk on financial liabilities designated at fair value through profit or loss	**(31)**	28	**(135)**	(63)
	(56)	18	**(87)**	(98)
	(105)	(45)	**(193)**	(71)

Consolidated Statements of Changes in Equity

(unaudited) (millions of Canadian dollars)

	Year ended October 31	
	2024	2023[1]
Preferred shares and other equity instruments at beginning and at end	**3,150**	3,150
Common shares at beginning	**3,294**	3,196
Issuances of common shares pursuant to the Stock Option Plan	**146**	95
Impact of shares purchased or sold for trading	**23**	3
Common shares at end	**3,463**	3,294
Contributed surplus at beginning	**68**	56
Stock option expense	**17**	18
Stock options exercised	**(16)**	(10)
Other	**16**	4
Contributed surplus at end	**85**	68
Retained earnings at beginning	**16,650**	15,140
Impact of IFRS 17 adoption on November 1, 2022	**–**	(48)
Net income attributable to the Bank's shareholders and holders of other equity instruments	**3,817**	3,291
Dividends on preferred shares and distributions on other equity instruments	**(175)**	(163)
Dividends on common shares	**(1,468)**	(1,344)
Remeasurements of pension plans and other post-employment benefit plans	**83**	(140)
Net gains (losses) on equity securities designated at fair value through other comprehensive income	**43**	45
Net fair value change attributable to the credit risk on financial liabilities designated at fair value through profit or loss	**(350)**	(163)
Impact of a financial liability resulting from put options written to non-controlling interests	**18**	10
Other	**15**	22
Retained earnings at end	**18,633**	16,650
Accumulated other comprehensive income at beginning	**420**	202
Net foreign currency translation adjustments	**13**	103
Net change in unrealized gains (losses) on debt securities at fair value through other comprehensive income	**9**	(1)
Net change in gains (losses) on instruments designated as cash flow hedges	**(223)**	115
Share in the other comprehensive income of associates and joint ventures	**–**	1
Accumulated other comprehensive income at end	**219**	420
Equity attributable to the Bank's shareholders and holders of other equity instruments	**25,550**	23,582
Non-controlling interests at beginning	**2**	2
Net income attributable to non-controlling interests	**(1)**	(2)
Other	**(1)**	2
Non-controlling interests at end	**–**	2
Equity	**25,550**	23,584

Accumulated Other Comprehensive Income

	As at October 31, 2024	As at October 31, 2023
Accumulated other comprehensive income		
Net foreign currency translation adjustments	**320**	307
Net unrealized gains (losses) on debt securities at fair value through other comprehensive income	**(26)**	(35)
Net gains (losses) on instruments designated as cash flow hedges	**(77)**	146
Share in the other comprehensive income of associates and joint ventures	**2**	2
	219	420

(1) Certain amounts have been adjusted to reflect accounting policy changes arising from the adoption of IFRS 17.

Segment Disclosures

(unaudited) (millions of Canadian dollars)

The Bank carries out its activities in four business segments, which are defined below. For presentation purposes, other activities are grouped in the *Other* heading. Each reportable segment is distinguished by services offered, type of clientele, and marketing strategy. The presentation of segment disclosures is consistent with the presentation adopted by the Bank for the fiscal year beginning November 1, 2023. This presentation reflects the retrospective application of accounting policy changes arising from the adoption of IFRS 17 Accounting Standard. The figures for the 2023 quarters have been adjusted to reflect these accounting policy changes.

Personal and Commercial

The Personal and Commercial segment encompasses the banking, financing, and investing services offered to individuals, advisors, and businesses as well as insurance operations.

Wealth Management

The Wealth Management segment comprises investment solutions, trust services, banking services, lending services, and other wealth management solutions offered through internal and third-party distribution networks.

Financial Markets

The Financial Markets segment encompasses corporate banking and investment banking and financial solutions for large and mid-size corporations, public sector organizations, and institutional investors.

U.S. Specialty Finance and International (USSF&I)

The USSF&I segment encompasses the specialty finance expertise provided by the Credigy subsidiary; the activities of the ABA Bank subsidiary, which offers financial products and services to individuals and businesses in Cambodia; and the activities of targeted investments in certain emerging markets.

Other

This heading encompasses treasury activities; liquidity management; Bank funding; asset/liability management activities; the activities of the Flinks subsidiary, a fintech company specialized in financial data aggregation and distribution; certain specified items; and the unallocated portion of corporate units.

Results by Business Segment

Quarter ended October 31[1]

	Personal and Commercial		Wealth Management		Financial Markets		USSF&I		Other		Total	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
Net interest income[2][3]	**934**	857	**213**	188	**(662)**	(440)	**358**	291	**(59)**	(161)	**784**	735
Non-interest income[2][4]	**256**	261	**514**	450	**1,390**	1,175	**20**	22	**(20)**	(83)	**2,160**	1,825
Total revenues	**1,190**	1,118	**727**	638	**728**	735	**378**	313	**(79)**	(244)	**2,944**	2,560
Non-interest expenses[5][6][7][8]	**644**	680	**427**	423	**301**	319	**116**	106	**104**	69	**1,592**	1,597
Income before provisions for credit losses and income taxes	**546**	438	**300**	215	**427**	416	**262**	207	**(183)**	(313)	**1,352**	963
Provisions for credit losses	**96**	65	**(1)**	1	**4**	24	**63**	23	**–**	2	**162**	115
Income before income taxes (recovery)	**450**	373	**301**	214	**423**	392	**199**	184	**(183)**	(315)	**1,190**	848
Income taxes (recovery)[2]	**123**	102	**82**	59	**117**	108	**42**	39	**(129)**	(211)	**235**	97
Net income	**327**	271	**219**	155	**306**	284	**157**	145	**(54)**	(104)	**955**	751
Non-controlling interests	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–
Net income attributable to the Bank's shareholders and holders of other equity instruments	**327**	271	**219**	155	**306**	284	**157**	145	**(54)**	(104)	**955**	751
Average assets[9]	**163,186**	151,625	**9,839**	8,494	**200,888**	193,484	**29,053**	24,258	**66,829**	64,134	**469,795**	441,995
Total assets	**165,204**	154,627	**10,411**	8,666	**193,012**	178,784	**30,202**	25,308	**63,397**	56,092	**462,226**	423,477

Year ended October 31[1]

	Personal and Commercial		Wealth Management		Financial Markets		USSF&I		Other		Total	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
Net interest income[3][10]	**3,587**	3,321	**833**	778	**(2,449)**	(1,054)	**1,303**	1,132	**(335)**	(591)	**2,939**	3,586
Non-interest income[4][10][11]	**1,086**	1,083	**1,953**	1,743	**5,479**	3,710	**112**	77	**(169)**	(141)	**8,461**	6,472
Total revenues	**4,673**	4,404	**2,786**	2,521	**3,030**	2,656	**1,415**	1,209	**(504)**	(732)	**11,400**	10,058
Non-interest expenses[5][6][7][8][12]	**2,486**	2,462	**1,633**	1,534	**1,246**	1,161	**439**	402	**250**	194	**6,054**	5,753
Income before provisions for credit losses and income taxes	**2,187**	1,942	**1,153**	987	**1,784**	1,495	**976**	807	**(754)**	(926)	**5,346**	4,305
Provisions for credit losses	**335**	238	**(1)**	2	**54**	39	**182**	113	**(1)**	5	**569**	397
Income before income taxes (recovery)	**1,852**	1,704	**1,154**	985	**1,730**	1,456	**794**	694	**(753)**	(931)	**4,777**	3,908
Income taxes (recovery)[10][13]	**509**	468	**317**	271	**476**	401	**166**	146	**(507)**	(667)	**961**	619
Net income	**1,343**	1,236	**837**	714	**1,254**	1,055	**628**	548	**(246)**	(264)	**3,816**	3,289
Non-controlling interests	**–**	–	**–**	–	**–**	–	**–**	–	**(1)**	(2)	**(1)**	(2)
Net income attributable to the Bank's shareholders and holders of other equity instruments	**1,343**	1,236	**837**	714	**1,254**	1,055	**628**	548	**(245)**	(262)	**3,817**	3,291
Average assets[9]	**158,917**	148,511	**9,249**	8,560	**195,881**	180,837	**27,669**	23,007	**65,546**	69,731	**457,262**	430,646
Total assets	**165,204**	154,627	**10,411**	8,666	**193,012**	178,784	**30,202**	25,308	**63,397**	56,092	**462,226**	423,477

(1) Certain comparative figures have been adjusted to reflect accounting policy changes arising from the adoption of IFRS 17.

(2) The *Net interest income*, *Non-interest income*, and *Income taxes (recovery)* items of the business segments are presented on a taxable equivalent basis. Taxable equivalent basis is a calculation method that consists in grossing up certain revenues taxed at lower rates by the income tax to a level that would make it comparable to revenues from taxable sources in Canada. During the quarter ended October 31, 2024, for the business segments as a whole, *Net interest income* was grossed up by $13 million ($90 million in 2023), *Non-interest income* was grossed up by $81 million ($75 million in 2023), and an equivalent amount was recognized in *Income taxes (recovery).* The effect of these adjustments is reversed under the *Other* heading. In light of the enacted legislation with respect to Canadian dividends, the Bank did not recognize an income tax deduction, nor did it use the taxable equivalent basis method to adjust revenues related to affected dividends received after January 1, 2024.

(3) During the quarter ended October 31, 2024, the Bank recorded an amount of $9 million in the *Other* heading to reflect the amortization of the issuance costs of the subscription receipts issued as part of the agreement to acquire CWB. For the year ended October 31, 2024, this amount was $14 million.

(4) During the quarter ended October 31, 2024, the Bank recorded a gain of $54 million upon the remeasurement at fair value of the interest already held in CWB. For the year ended October 31, 2024, this gain amounted to $174 million. Also, during the quarter ended October 31, 2024, the Bank recorded a mark-to-market gain of $4 million on interest rate swaps used to manage the fair value changes of CWB's assets and liabilities that result in volatility of goodwill and capital on closing of the transaction. For the year ended October 31, 2024, this management of fair value resulted in a loss of $3 million. All of these items were recorded in the *Other* heading.

(5) During the quarter ended October 31, 2024, the Bank recorded, in the *Other* heading, acquisition and integration charges of $11 million related to the CWB transaction. For the year ended October 31, 2024, these charges were $18 million.

(6) During the quarter and year ended October 31, 2023, the Bank had recorded $75 million in intangible asset impairment losses, on technology development, allocated to the various business segments: $59 million in the Personal and Commercial segment, $8 million in the Wealth Management segment, $7 million in the Financial Markets segment and $1 million for the *Other* heading. Also, in the *Other* heading, it recorded $11 million in impairment losses on premises and equipment related to right-of-use assets.

(7) During the quarter and year ended October 31, 2023, the Bank had recorded $35 million in litigation expenses to resolve litigations and other disputes arising from various ongoing or potential claims against the Bank, in the Wealth Management segment.

(8) During the quarter and year ended October 31, 2023, the Bank had recorded $15 million in charges for contract termination penalties ($9 million in the Personal and Commercial segment) and for provisions for onerous contracts ($6 million in the *Other* heading).

(9) Represents the average of the daily balances for the period, which is also the basis on which segment assets are reported in the business segments.

(10) During the year ended October 31, 2024, for all business segments, *Net interest income* was grossed up by $79 million ($332 million in 2023), *Non-interest income* was grossed up by $306 million ($247 million in 2023), and an equivalent amount was recognized in *Income taxes (recovery)*. The effect of these adjustments is reversed under the *Other* heading.

(11) During the year ended October 31, 2023, the Bank had concluded that it had lost significant influence over TMX Group Limited (TMX) and therefore ceased using the equity method to account for this investment. The Bank had designated its investment in TMX as being a financial asset measured at fair value through other comprehensive income in an amount of $191 million. Upon the measurement at fair value, a gain of $91 million had been recorded.

(12) During the year ended October 31, 2023, the Bank had recorded in the *Other* heading an expense of $25 million related to the retroactive impact of the changes to the *Excise Tax Act*, indicating that payment card clearing services rendered by a payment card network operator are subject to the goods and services tax (GST) and the harmonized sales tax (HST).

(13) During the year ended October 31, 2023, the Bank had recorded in the *Other* heading a $32 million tax expense with respect to the Canada Recovery Dividend, i.e., a one-time, 15% tax on the fiscal 2021 and 2020 average taxable income above $1 billion as well as an $8 million tax recovery related to a 1.5% increase in the statutory tax rate, which included the impact related to current and deferred taxes for fiscal 2022.

Caution Regarding Forward Looking Statements

Certain statements in this document are forward-looking statements. These statements are made in accordance with applicable securities legislation in Canada and the United States. The forward-looking statements in this document may include, but are not limited to, statements in the messages from management, as well as other statements about the economy, market changes, the Bank's objectives, outlook, and priorities for fiscal 2025 and beyond, the strategies or actions that the Bank will take to achieve them, expectations for the Bank's financial condition and operations, the regulatory environment in which it operates, its environmental, social, and governance targets and commitments, the anticipated acquisition of Canadian Western Bank (CWB) and the impacts and benefits of this transaction, and certain risks to which the Bank is exposed. The Bank may also make forward-looking statements in other documents and regulatory filings, as well as orally. These forward-looking statements are typically identified by verbs or words such as "outlook", "believe", "foresee", "forecast", "anticipate", "estimate", "project", "expect", "intend" and "plan", the use of future or conditional forms, notably verbs such as "will", "may", "should", "could" or "would", as well as similar terms and expressions.

These forward-looking statements are intended to assist the security holders of the Bank in understanding the Bank's financial position and results of operations as at the dates indicated and for the periods then ended, as well as the Bank's vision, strategic objectives, and performance targets, and may not be appropriate for other purposes. These forward-looking statements are based on current expectations, estimates, assumptions and intentions that the Bank deems reasonable as at the date thereof and are subject to inherent uncertainty and risks, many of which are beyond the Bank's control. There is a strong possibility that the Bank's express or implied predictions, forecasts, projections, expectations, or conclusions will not prove to be accurate, that its assumptions will not be confirmed, and that its vision, strategic objectives, and performance targets will not be achieved. The Bank cautions investors that these forward-looking statements are not guarantees of future performance and that actual events or results may differ materially from these statements due to a number of factors. Therefore, the Bank recommends that readers not place undue reliance on these forward-looking statements, as a number of factors could cause actual results to differ materially from the expectations, estimates, or intentions expressed in these forward-looking statements. Investors and others who rely on the Bank's forward-looking statements should carefully consider the factors listed below as well as other uncertainties and potential events and the risk they entail. Except as required by law, the Bank does not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time, by it or on its behalf.

Assumptions about the performance of the Canadian and U.S. economies in 2025 and how that performance will affect the Bank's business are among the factors considered in setting the Bank's strategic priorities and objectives, including allowances for credit losses. These assumptions appear in the *2024 Annual Report* in the Economic Review and Outlook section and, for each business segment, in the Economic and Market Review sections, and may be updated in the quarterly reports to shareholders filed thereafter.

The forward-looking statements made in this document are based on a number of assumptions and their future outcome is subject to a variety of risk factors, many of which are beyond the Bank's control and the impacts of which are difficult to predict. These risk factors include, among others, risks and uncertainties related to the expected regulatory processes and outcomes in connection with the proposed acquisition of CWB (the proposed transaction), such as the possibility that the proposed transaction may fail to materialize or may not materialize within the time periods anticipated, the failure to obtain the required approvals in a timely manner or at all, the Bank's ability to successfully integrate CWB upon completion of the proposed transaction, the potential failure to realize the anticipated synergies and benefits from the proposed transaction, and potential undisclosed costs or liability associated with the proposed transaction; the general economic environment and business and financial market conditions in Canada, the United States, and the other countries where the Bank operates; exchange rate and interest rate fluctuations; inflation; global supply chain disruptions; higher funding costs and greater market volatility; changes to fiscal, monetary, and other public policies; regulatory oversight and changes to regulations that affect the Bank's business; geopolitical and sociopolitical uncertainty; climate change, including physical risks and risks related to the transition to a low-carbon economy; the Bank's ability to meet stakeholder expectations on environmental and social issues, the need for active and continued stakeholder engagement; the availability of comprehensive and high-quality information from customers and other third parties, including greenhouse gas emissions; the ability of the Bank to develop indicators to effectively monitor our progress; the development and deployment of new technologies and sustainable products; the ability of the Bank to identify climate-related opportunities as well as to assess and manage climate-related risks; significant changes in consumer behaviour; the housing situation, real estate market, and household indebtedness in Canada; the Bank's ability to achieve its key short-term priorities and long-term strategies; the timely development and launch of new products and services; the ability of the Bank to recruit and retain key personnel; technological innovation, including open banking and the use of artificial intelligence; heightened competition from established companies and from competitors offering non-traditional services; model risk; changes in the performance and creditworthiness of the Bank's clients and counterparties; the Bank's exposure to significant regulatory issues or litigation; changes made to the accounting policies used by the Bank to report its financial position, including the uncertainty related to assumptions and significant accounting estimates; changes to tax legislation in the countries where the Bank operates; changes to capital and liquidity guidelines as well as to the instructions related to the presentation and interpretation thereof; changes to the credit ratings assigned to the Bank by financial and extra-financial rating agencies; potential disruptions to key suppliers of goods and services to the Bank; third-party risk, including failure by third parties to fulfil their obligations to the Bank; the potential impacts of disruptions to the Bank's information technology systems due to cyberattacks and theft or disclosure of data, including personal information and identity theft; the risk of fraudulent activity; and possible impacts of major events on the economy, market conditions, or the Bank's outlook, including international conflicts, natural disasters, public health crises, and the measures taken in response to these events; and the ability of the Bank to anticipate and successfully manage risks arising from all of the foregoing factors.

The foregoing list of risk factors is not exhaustive, and the forward-looking statements made in this document are also subject to credit risk, market risk, liquidity and funding risk, operational risk, regulatory compliance risk, reputation risk, strategic risk, and social and environmental risk as well as certain emerging risks or risks deemed significant. Additional information about these factors is provided in the Risk Management section of the *2024 Annual Report* and may be updated in the quarterly reports to shareholders filed thereafter.

Information for Shareholders and Investors

Disclosure of Fourth Quarter 2024 Results

Conference Call

- A conference call for analysts and institutional investors will be held on Wednesday, December 4, 2024 at 11:00 a.m. ET.
- Access by telephone in listen-only mode: 1-800-806-5484 or 416-340-2217. The access code is 8438144#.
- A recording of the conference call can be heard until February 28, 2025 by dialing 1-800-408-3053 or 905-694-9451. The access code is 8808810#.

Webcast

- The conference call will be webcast live at nbc.ca/investorrelations.
- A recording of the webcast will also be available on National Bank's website after the call.

Financial Documents

- The *Press Release* (which includes the quarterly Consolidated Financial Statements) is available at all times on National Bank's website at nbc.ca/investorrelations.
- The *Press Release*, the *Supplementary Financial Information*, the *Supplementary Regulatory Capital and Pillar 3 Disclosure*, and a slide presentation will be available on the Investor Relations page of National Bank's website on the morning of the day of the conference call.
- The *2024 Annual Report* (which includes the audited annual Consolidated Financial Statements and management's discussion and analysis) will also be available on National Bank's website.
- The *Report to Shareholders* for the first quarter ended January 31, 2025 will be available on February 26, 2025 (subject to approval by the Bank's Board of Directors).

For more information

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- Debby Cordeiro, Senior Vice-President – Communication, Public Affairs and ESG, 514-412-0538

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