

# Investor Fact Sheet

National Bank of Canada is an integrated group that provides comprehensive financial services to consumers, small and medium-sized enterprises and large corporations in its core market, while offering specialized services elsewhere in the world.

## Vision

National Bank is one of the six systemically important banks in Canada and the leading bank in Quebec where it is the partner of choice among SMEs. It has branches in almost every province in Canada as well as numerous representative offices, subsidiaries and partnerships, through which it can serve clients in the United States, Europe and other parts of the world. Its head office is located in Montreal and its securities are listed on the Toronto Stock Exchange.

## National Bank's Operations (four major business segments)

### Personal and Commercial Banking

The Personal and Commercial segment meets the financial needs of close to 2.5 million individuals and close to 138,000 businesses across Canada. These clients entrust the Bank to manage, invest and safeguard their assets and finance their projects. Personal Banking offers everyday transaction solutions, mortgage loans, home equity lines of credit, consumer loans, payment solutions, savings options and tailored investment solutions as well as a diverse range of insurance products through specialized subsidiaries. Commercial Banking offers financial advice and a full line of services, including credit, deposit and investment solutions, international trade, foreign exchange transactions, payroll, cash management, insurance, electronic transactions and complementary services. Clients turn to the Bank's experienced advisors who take the time to understand their specific needs and help them reach their financial goals. And thanks to the Bank's convenient self-banking channels, 428 branches and 940 banking machines across Canada, clients can do their daily banking whenever and wherever they wish.

### Wealth Management

As a leader in Quebec and firmly established across Canada, the Wealth Management segment serves all market segments by emphasizing advisory services and close client relationships. It delivers a full range of wealth management products and solutions through a multi-channel distribution network and a differentiated business model. The Wealth Management segment also offers investment solutions to independent advisors as well as solutions to institutional clients. All its investment solutions, products and specialized services are provided through 865 investment advisors working out of 95 service outlets across Canada.

### Financial Markets

The Financial Markets segment offers a full suite of financial solutions, from debt and equity underwriting to bank credit and risk management products. This segment also delivers comprehensive advisory services in the areas of mergers and acquisitions and financing. Access to the Canadian capital markets is provided through its fixed-income, equities and derivatives business lines. The segment's clients consist of large and mid-sized corporations, public sector clients and institutions across Canada.

Financial Markets is an investment banking leader across Canada and the overall top-ranked franchise in Quebec. In fixed-income and equities, it is a market leader, providing origination, underwriting, distribution and liquidity through secondary market activities as well as macroeconomic and issuer-focused research.

Through offices in New York, London (UK) and Hong Kong, this segment markets Canadian debt and equity securities to institutional investors in the United States, Europe and Asia. Through its Dublin subsidiary, it engages in trading activities with large European-based institutions in local equity and equity-linked securities exchanges.

### U.S. Specialty Finance and International

The Bank has an 80% ownership interest in Credigy, a subsidiary specialized in consumer finance investment. Credigy acquires portfolios of consumer receivables from different categories of lenders and seeks to realize the assets through collections to achieve expected returns. The company also provides financing to the consumer receivables market. Purchase and financing decisions are assessed by experienced personnel using proprietary models and analytics expertise. Based in Atlanta, U.S.A., Credigy is primarily active in performing assets covering a broad range of asset classes, mostly in the U.S. market.

The Bank has a 90% ownership interest in ABA Bank, a rapidly growing commercial bank with a diversified client base in Cambodia. ABA Bank was founded in 1996. The Bank also has minority positions in financial groups active in francophone Africa and in Africa-Asia trade. At the end of fiscal 2018, the Bank's investments in emerging markets totalled \$544 million.

## Capital Stock

The common shares of the Bank as well as the First Preferred Shares are listed on the Toronto Stock Exchange (TSX).

### Common Share Dividend Calendar (NA):

Record	Payment
December 31, 2018	February 1, 2019
March 25, 2019	May 1, 2019
June 25, 2019	August 1, 2019
September 30, 2019	November 1, 2019

### First Preferred Shares:

- › Series 30 (NA.PR.S)
- › Series 32 (NA.PR.W)
- › Series 34 (NA.PR.X)
- › Series 36 (NA.PRA)
- › Series 38 (NA.PRC)
- › Series 40 (NA.PRE)
- › Series 42 (NA.PR.G)

### First Preferred Shares Dividend Calendar:

Record	Payment
January 7, 2019	February 15, 2019
April 5, 2019	May 15, 2019
July 8, 2019	August 15, 2019
October 7, 2019	November 15, 2019

### Credit Ratings:

Moody's:	Aa3
S&P:	A
DBRS:	AA (low)
Fitch:	A+

### Quarterly Earnings Release 2019 Calendar:

Q1	February 27
Q2	May 30
Q3	August 28
Q4	December 4

## National Bank in figures

Number of employees	24,137
Number of branches	428
Number of banking machines	940
Number of individual clients	2.5 million
Assets	\$269 billion
Assets under management/administration	\$549 billion
Common share price at closing	\$63.82
Stock market capitalization	\$21 billion

### Financial Performance<sup>(1)</sup>

	6 months April 30, 2019	12 months October 31, 2018
Total revenues	\$3,712	\$7,411
Net income	\$1,110	\$2,232
Earnings per share (diluted)	\$3.01	\$5.94
Return on common shareholders' equity	17.5%	18.4%
Efficiency ratio	55.3%	54.8%
Common Equity Tier 1 ratio (Basel III)	11.5%	11.7%

### Quarter ended April 30, 2019 (millions of dollars)

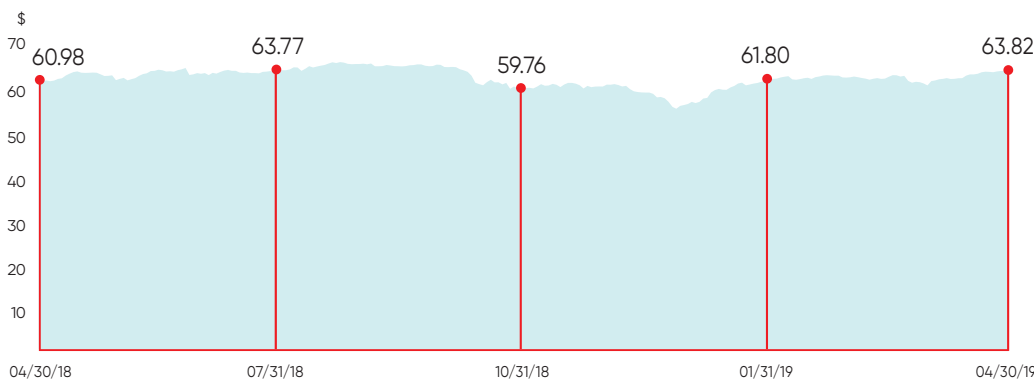
	Total Revenue
Personal and Commercial Banking <sup>(1)</sup>	
Retail	\$525
Commercial	308
<b>Total</b>	<b>\$833</b>
Wealth Management <sup>(1)</sup>	
Transaction and other	\$64
Fee based	250
Net interest income	112
<b>Total</b>	<b>\$426</b>
Financial markets <sup>(1)</sup>	
<b>Total</b>	<b>\$404</b>
U.S. Specialty Finance and International	
<b>Total</b>	<b>\$178</b>

### Objectives and Quarterly Results (as at April 30, 2019)

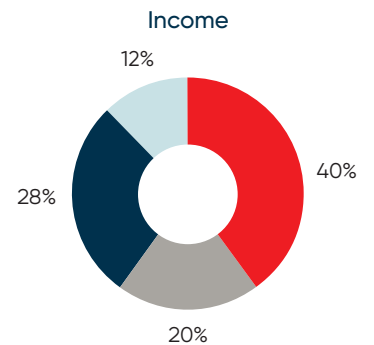
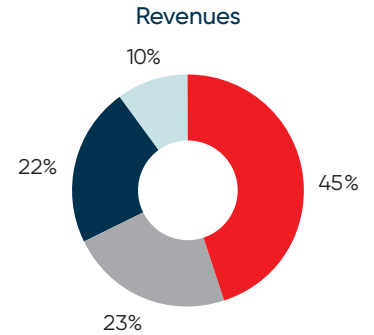
	Medium-term objectives	Results excluding specified items
Growth in diluted earnings per share <sup>(2)</sup>	5% – 10%	5%
Common Equity Tier 1 ratio	> 10.75%	11.5%
Leverage ratio	> 3.75%	4%
Dividend payout ratio	40% – 50%	41.6%

<sup>(1)</sup> Taxable equivalent basis    <sup>(2)</sup> Year-over-Year percentage change

### TSX Common Stock Price Performance (NA)



### Business Mix<sup>(1)</sup>



- Personal and Commercial Banking
- Wealth Management
- Financial Markets
- U.S. Specialty Finance and International

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