



Supplementary Financial Information

Fourth Quarter 2017

February 14, 2018

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Notes to Users

Use of the document

The supplemental financial information contained in this package has been provided to improve readers' understanding of the financial position and performance of Home Capital Group Inc. (the Company). This information should be used in conjunction with the Company's 2017 Annual and Fourth Quarter Consolidated Financial Report.

Accounting framework

The financial information in this document is in Canadian dollars and is based on the audited consolidated financial statements for the year ended December 31, 2017, presented in compliance with International Financial Reporting Standards (IFRS or GAAP) unless otherwise noted.

Comparative consolidated financial statements

Certain comparative audited consolidated financial statement amounts have been reclassified from statements previously presented to conform to the presentation of the 2017 audited consolidated financial statements.

Capital management

The Company's subsidiary, Home Trust Company, is subject to the regulatory capital requirements stipulated by the Office of the Superintendent of Financial Institutions Canada (OSFI). These requirements are consistent with international standards (Basel II and Basel III) set by the Bank for International Settlements.

Home Trust Company follows the Basel II Standardized Approach for calculating credit risk and the Basic Indicator Approach for operational risk.

Financial Highlights

(000s, except Per Share and Percentage Amounts)	2017				2016				2017		2016	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Fiscal	Fiscal		
OPERATING RESULTS												
Net Income (Loss)	\$ 30,619	\$ 29,983	\$ (111,116)	\$ 58,041	\$ 50,706	\$ 66,190	\$ 66,252	\$ 64,248	\$ 7,527	\$ 247,396		
Net Interest Income (Loss)	91,718	88,762	(3,407)	125,857	120,620	119,924	122,103	122,517	302,930	485,164		
Total Revenue ¹	109,455	95,407	(61,293)	147,742	144,597	145,095	146,761	145,506	291,311	581,959		
Diluted Earnings (Loss) per Share	\$ 0.38	\$ 0.37	\$ (1.73)	\$ 0.90	\$ 0.79	\$ 1.01	\$ 0.99	\$ 0.92	\$ 0.10	\$ 3.71		
Return on Shareholders' Equity	6.8%	6.8%	(25.90)%	14.0%	12.6%	16.7%	16.3%	15.5%	0.4%	15.1%		
Return on Average Assets	0.7%	0.6%	(2.2)%	1.1%	1.0%	1.3%	1.3%	1.2%	0.0%	1.2%		
Net Interest Margin (TEB) ²	2.02%	1.85%	(0.07)%	2.44%	2.38%	2.34%	2.38%	2.38%	1.55%	2.37%		
Provision as a Percentage of Gross Uninsured Loans (annualized)	0.12%	(0.14)%	0.07%	0.16%	0.07%	0.04%	0.08%	0.04%	0.07%	0.05%		
Provision as a Percentage of Gross Loans (annualized)	0.09%	(0.11)%	0.05%	0.13%	0.05%	0.03%	0.06%	0.03%	0.05%	0.04%		
Efficiency Ratio (TEB) ²	59.8%	62.7%	(138.9)%	43.4%	48.8%	37.7%	37.2%	39.6%	94.0%	40.8%		
BALANCE SHEET HIGHLIGHTS												
Total Assets	\$ 17,591,143	\$ 18,856,294	\$ 20,077,150	\$ 20,993,385	\$ 20,528,777	\$ 20,317,030	\$ 20,763,147	\$ 20,687,984	\$ 17,591,143	\$ 20,528,777		
Total Assets Under Administration ³	25,040,182	26,659,330	28,292,436	29,583,545	28,917,534	28,327,676	28,430,730	27,960,592	25,040,182	28,917,534		
Total Loans ⁴	15,064,424	15,429,650	17,648,114	18,573,476	18,035,317	18,002,238	18,065,074	17,949,915	15,064,424	18,035,317		
Total Loans Under Administration ^{3,4}	22,513,463	23,232,686	25,863,400	27,163,636	26,424,074	26,012,884	25,732,657	25,222,523	22,513,463	26,424,074		
Liquid Assets	1,654,718	2,657,055	1,737,417	2,098,192	2,067,981	1,878,082	2,391,225	2,459,859	1,654,718	2,067,981		
Deposits	12,170,454	13,358,618	13,104,606	16,249,611	15,886,030	15,694,102	16,022,219	15,824,899	12,170,454	15,886,030		
Line of Credit Facility	-	-	1,396,959	-	-	-	-	-	-	-		
Shareholders' Equity	1,813,505	1,781,741	1,751,087	1,680,898	1,632,587	1,594,873	1,571,288	1,677,154	1,813,505	1,632,587		
FINANCIAL STRENGTH												
Capital Measures⁵												
Risk-Weighted Assets	\$ 6,532,130	\$ 6,890,938	\$ 8,328,024	\$ 9,086,886	\$ 8,643,267	\$ 8,414,960	\$ 8,310,406	\$ 8,169,818	\$ 6,532,130	\$ 8,643,267		
Common Equity Tier 1 Capital Ratio	23.17%	21.25%	17.06%	16.34%	16.55%	16.54%	16.38%	18.28%	23.17%	16.55%		
Tier 1 Capital Ratio	23.17%	21.25%	17.06%	16.34%	16.54%	16.53%	16.38%	18.28%	23.17%	16.54%		
Total Capital Ratio	23.68%	21.74%	17.54%	16.77%	16.97%	16.97%	16.82%	20.63%	23.68%	16.97%		
Leverage Ratio	8.70%	7.89%	7.19%	7.29%	7.20%	7.08%	6.77%	7.46%	8.70%	7.20%		
Credit Quality												
Net Non-Performing Loans as a Percentage of Gross Loans	0.30%	0.28%	0.23%	0.24%	0.30%	0.31%	0.33%	0.34%	0.30%	0.30%		
Allowance as a Percentage of Gross Non-Performing Loans	79.5%	82.6%	100.5%	91.8%	73.4%	69.3%	66.0%	62.9%	79.5%	73.4%		
Share Information												
Book Value per Common Share	\$ 22.60	\$ 22.20	\$ 21.82	\$ 26.18	\$ 25.36	\$ 24.70	\$ 23.90	\$ 25.51	\$ 22.60	\$ 25.36		
Common Share Price – Close	\$ 17.31	\$ 13.89	\$ 16.99	\$ 26.03	\$ 31.34	\$ 27.00	\$ 32.02	\$ 35.06	\$ 17.31	\$ 31.34		
Dividend paid during the period ended	\$ -	\$ -	\$ -	\$ 0.26	\$ 0.26	\$ 0.24	\$ 0.24	\$ 0.24	\$ 0.26	\$ 0.98		
Market Capitalization	\$ 1,389,058	\$ 1,114,617	\$ 1,363,380	\$ 1,671,230	\$ 2,017,920	\$ 1,743,093	\$ 2,105,027	\$ 2,453,008	\$ 1,389,058	\$ 2,017,920		
Number of Common Shares Outstanding	80,246	80,246	80,246	64,204	64,388	64,559	65,741	69,966	80,246	64,388		
Payout Ratio	-	-	-	28.9%	32.9%	23.8%	24.2%	26.1%	260.0%	26.4%		

¹ The Company has revised its definition of Total Revenue and restated amounts in prior periods accordingly. Please see the revised definition in the Non-GAAP Measures section of this supplementary financial information package.

² See definition of Taxable Equivalent Basis (TEB) under Non-GAAP Measures section of this supplementary financial information package.

³ Total assets and loans under administration include both on and off-balance sheet amounts.

⁴ Total loans include loans held for sale.

⁵ These figures relate to the Company's operating subsidiary, Home Trust Company.

Consolidated Statements of Income (Loss)

<i>(000s, except per share amounts)</i>	2017	2017	2017	2017	2016	2016	2016	2016	2017	2016
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Fiscal	Fiscal
Net Interest Income (Loss) Non-Securitized Assets										
Interest from loans	\$ 158,938	\$ 167,159	\$ 192,394	\$ 192,435	\$ 190,389	\$ 192,395	\$ 191,704	\$ 193,546	\$ 710,926	\$ 768,034
Dividends from securities	278	253	300	2,286	2,614	2,359	2,447	2,692	3,117	10,112
Other interest	6,417	4,303	1,627	2,920	2,514	3,046	2,985	2,528	15,267	11,073
	165,633	171,715	194,321	197,641	195,517	197,800	197,136	198,766	729,310	789,219
Interest on deposits and other	70,330	75,430	71,673	77,252	78,868	81,519	78,312	79,463	294,685	318,162
Interest and fees on line of credit facility	6,215	11,368	130,630	-	-	-	-	-	148,213	-
Net interest income (loss) non-securitized assets	89,088	84,917	(7,982)	120,389	116,649	116,281	118,824	119,303	286,412	471,057
Net Interest Income Securitized Loans and Assets										
Interest income from securitized loans and assets	22,563	23,130	22,678	21,558	19,923	20,957	20,732	20,093	89,929	81,705
Interest expense on securitization liabilities	19,933	19,285	18,103	16,090	15,952	17,314	17,453	16,879	73,411	67,598
Net interest income securitized loans and assets	2,630	3,845	4,575	5,468	3,971	3,643	3,279	3,214	16,518	14,107
Total Net Interest Income (Loss)	91,718	88,762	(3,407)	125,857	120,620	119,924	122,103	122,517	302,930	485,164
Provision for credit losses	3,434	(4,257)	2,420	5,919	2,400	1,336	2,760	1,394	7,516	7,890
	88,284	93,019	(5,827)	119,938	118,220	118,588	119,343	121,123	295,414	477,274
Non-Interest Income (Loss)										
Fees and other income	16,346	18,087	17,168	16,331	17,613	17,223	17,328	19,165	67,932	71,329
Securitization income	1,695	2,525	1,877	6,432	9,064	7,599	9,452	7,682	12,529	33,797
Gain on acquisition of CFF Bank	-	-	-	-	-	-	-	651	-	651
Net realized and unrealized gains (losses) on securities and loans	-	(13,155)	(76,912)	(3)	-	-	-	(175)	(90,070)	(175)
Net realized and unrealized gains (losses) on derivatives	(304)	(812)	(19)	(875)	(2,700)	349	(2,122)	(4,334)	(2,010)	(8,807)
	17,737	6,645	(57,886)	21,885	23,977	25,171	24,658	22,989	(11,619)	96,795
	106,021	99,664	(63,713)	141,823	142,197	143,759	144,001	144,112	283,795	574,069
Non-Interest Expenses										
Salaries and benefits	17,063	22,610	29,303	29,619	24,134	24,350	24,685	28,711	98,595	101,880
Premises	3,478	3,283	3,365	3,752	3,607	3,472	3,575	3,851	13,878	14,505
Other operating expenses	44,949	34,031	52,333	31,094	43,287	27,160	26,652	25,455	162,407	122,554
	65,490	59,924	85,001	64,465	71,028	54,982	54,912	58,017	274,880	238,939
Income (Loss) Before Income Taxes	40,531	39,740	(148,714)	77,358	71,169	88,777	89,089	86,095	8,915	335,130
Income taxes										
Current	8,160	5,839	(39,616)	23,142	22,941	22,957	24,911	20,086	(2,475)	90,895
Deferred	1,752	3,918	2,018	(3,825)	(2,478)	(370)	(2,074)	1,761	3,863	(3,161)
	9,912	9,757	(37,598)	19,317	20,463	22,587	22,837	21,847	1,388	87,734
NET INCOME (LOSS)	\$ 30,619	\$ 29,983	\$ (111,116)	\$ 58,041	\$ 50,706	\$ 66,190	\$ 66,252	\$ 64,248	\$ 7,527	\$ 247,396
NET INCOME (LOSS) PER COMMON SHARE										
Basic	\$ 0.38	\$ 0.37	\$ (1.73)	\$ 0.90	\$ 0.79	\$ 1.01	\$ 0.99	\$ 0.92	\$ 0.10	\$ 3.71
Diluted	\$ 0.38	\$ 0.37	\$ (1.73)	\$ 0.90	\$ 0.79	\$ 1.01	\$ 0.99	\$ 0.92	\$ 0.10	\$ 3.71
AVERAGE NUMBER OF COMMON SHARES OUTSTANDING										
Basic	80,246	80,246	64,378	64,263	64,479	65,386	66,663	69,972	72,349	66,601
Diluted	80,286	80,246	64,378	64,294	64,519	65,435	66,798	70,047	72,358	66,668
Total number of outstanding common shares	80,246	80,246	80,246	64,204	64,388	64,559	65,741	69,966	80,246	64,388
Book value per common share	\$ 22.60	\$ 22.20	\$ 21.82	\$ 26.18	\$ 25.36	\$ 24.70	\$ 23.90	\$ 25.51	\$ 22.60	\$ 25.36

Net Interest Margin

	2017	2017	2017	2017	2016	2016	2016	2016	2017	2016
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Fiscal	Fiscal
Net interest margin non-securitized interest-earning assets (non-TEB)	2.46%	2.21%	(0.19)%	2.74%	2.71%	2.68%	2.74%	2.72%	1.79%	2.71%
Net interest margin non-securitized interest-earning assets (TEB)	2.46%	2.21%	(0.19)%	2.76%	2.73%	2.70%	2.76%	2.74%	1.80%	2.73%
Net interest margin CMHC-sponsored securitized assets	0.30%	0.43%	0.50%	0.75%	0.53%	0.45%	0.42%	0.47%	0.48%	0.47%
Net interest margin bank-sponsored securitization conduit assets	0.99%	1.17%	1.63%	1.58%	1.90%	1.85%	1.99%	-	1.37%	1.90%
Total net interest margin (non-TEB)	2.02%	1.85%	(0.07)%	2.42%	2.36%	2.33%	2.36%	2.36%	1.54%	2.35%
Total net interest margin (TEB)	2.02%	1.85%	(0.07)%	2.44%	2.38%	2.34%	2.38%	2.38%	1.55%	2.37%
Spread of non-securitized loans over deposits and credit facilities	2.84%	2.62%	(0.41)%	2.93%	2.86%	2.89%	2.97%	2.91%	1.96%	2.91%

Net Interest Income (Loss) by Product and Average Rate

(000s, except %)	2017		2017		2017		2017		2016		2016		2016		2016		2017		2016	
	Income/ Expense	Average Rate ¹	Income/ Expense	Average Rate ¹	Income/ Expense	Average Rate ¹	Income/ Expense	Average Rate ¹	Income/ Expense	Average Rate ¹	Income/ Expense	Average Rate ¹	Income/ Expense	Average Rate ¹	Income/ Expense	Average Rate ¹	Income/ Expense	Average Rate ¹	Income/ Expense	Average Rate ¹
Assets																				
Cash resources and securities	\$ 6,695	1.12%	\$ 4,556	0.75%	\$ 1,927	0.62%	\$ 5,206	1.19%	\$ 5,128	1.31%	\$ 5,405	1.21%	\$ 5,432	1.20%	\$ 5,220	1.28%	\$ 18,384	0.94%	\$ 21,185	1.25%
Traditional single-family residential mortgages	115,118	4.88%	122,489	4.82%	132,378	4.69%	130,293	4.65%	131,029	4.75%	133,997	4.84%	137,067	4.89%	138,429	4.87%	500,278	4.75%	540,522	4.84%
ACE Plus single-family residential mortgages	3,732	3.94%	3,612	3.62%	3,541	3.44%	3,399	3.45%	3,344	3.38%	3,104	3.36%	2,578	3.11%	2,464	3.38%	14,284	3.61%	11,490	3.31%
Accelerator single-family residential mortgages	3,442	3.72%	2,763	3.98%	2,437	2.55%	5,332	2.21%	6,505	2.24%	7,342	2.40%	7,541	2.47%	9,547	2.39%	13,974	2.81%	30,935	2.38%
Residential commercial mortgages ²	1,881	4.98%	2,063	5.98%	4,609	5.16%	4,620	4.18%	4,291	3.99%	4,483	4.26%	4,571	4.01%	4,269	4.21%	13,173	4.84%	17,614	4.12%
Non-residential commercial mortgages	16,257	6.25%	18,777	6.12%	32,631	6.11%	29,756	5.76%	28,233	5.93%	26,741	6.08%	23,930	5.99%	23,561	6.07%	97,421	6.03%	102,465	6.01%
Credit card loans and lines of credit	8,021	9.03%	8,327	8.99%	8,699	8.92%	8,281	8.79%	8,389	9.02%	8,432	9.03%	8,365	8.95%	8,350	8.98%	33,328	8.93%	33,536	8.99%
Other consumer retail loans	10,487	11.39%	9,128	10.11%	8,099	7.98%	10,754	11.12%	8,598	9.32%	8,296	9.40%	7,652	9.17%	6,926	8.95%	38,468	10.11%	31,472	9.22%
Total non-securitized loans	158,938	5.25%	167,159	5.16%	192,394	5.01%	192,435	4.86%	190,389	4.86%	192,395	4.94%	191,704	4.94%	193,546	4.87%	710,926	5.05%	768,034	4.90%
Taxable equivalent adjustment	100	-	91	-	109	-	825	-	944	-	853	-	884	-	973	-	1,125	-	3,654	-
Total on non-securitized assets	165,733	4.57%	171,806	4.47%	194,430	4.68%	198,466	4.51%	196,461	4.56%	198,653	4.58%	198,020	4.57%	199,739	4.55%	730,435	4.56%	792,873	4.56%
CMHC-sponsored securitized single-family residential mortgages	13,891	2.40%	13,718	2.27%	13,702	2.38%	10,742	2.36%	11,115	2.50%	11,921	2.57%	12,164	2.57%	11,442	2.76%	52,053	2.35%	46,642	2.60%
CMHC-sponsored securitized multi-unit residential mortgages	7,115	5.04%	7,718	5.31%	7,004	4.74%	8,945	5.87%	7,197	4.63%	7,238	4.61%	7,471	4.54%	7,960	4.56%	30,782	5.25%	29,866	4.58%
Assets pledged as collateral for CMHC-sponsored securitization	343	1.20%	122	0.68%	23	0.47%	455	1.56%	495	1.35%	489	1.27%	571	0.97%	691	0.69%	943	1.17%	2,246	0.96%
Total CMHC-sponsored securitized residential mortgages	21,349	2.85%	21,558	2.81%	20,729	2.85%	20,142	3.17%	18,807	2.96%	19,648	2.98%	20,206	2.90%	20,093	2.92%	83,778	2.91%	78,754	2.94%
Bank-sponsored securitization conduit assets	1,214	2.98%	1,572	3.26%	1,949	3.45%	1,416	3.08%	1,116	3.53%	1,309	3.52%	526	3.07%	-	-	6,151	3.22%	2,951	3.43%
Total assets	\$ 188,296	4.15%	\$ 194,936	4.06%	\$ 217,108	4.29%	\$ 220,024	4.23%	\$ 216,384	4.24%	\$ 219,610	4.25%	\$ 218,752	4.23%	\$ 219,832	4.23%	\$ 820,364	4.19%	\$ 874,578	4.24%
Liabilities and shareholders' equity																				
Deposits and credit facilities	\$ 76,545	2.41%	\$ 86,798	2.54%	\$ 202,303	5.42%	\$ 77,252	1.93%	\$ 78,868	2.00%	\$ 81,519	2.05%	\$ 77,847	1.97%	\$ 77,685	1.96%	\$ 442,898	3.09%	\$ 315,919	1.99%
Senior debt	-	-	-	-	-	-	-	-	-	-	-	-	465	2.42%	1,778	4.66%	-	-	2,243	3.91%
CMHC-sponsored securitization liabilities	19,121	2.51%	18,277	2.37%	17,073	2.34%	15,401	2.42%	15,438	2.41%	16,693	2.49%	17,268	2.45%	16,879	2.40%	69,872	2.41%	66,278	2.44%
Bank-sponsored securitization conduit liabilities	812	2.04%	1,008	2.16%	1,030	1.83%	689	1.51%	514	1.61%	621	1.76%	185	1.14%	-	-	3,539	1.88%	1,320	1.58%
Other liabilities and shareholders' equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total liabilities and shareholders' equity	\$ 96,478	2.13%	\$ 106,083	2.21%	\$ 220,406	4.36%	\$ 93,342	1.79%	\$ 94,820	1.86%	\$ 98,833	1.91%	\$ 95,765	1.85%	\$ 96,342	1.85%	\$ 516,309	2.64%	\$ 385,760	1.87%
Net Interest Income (Loss) (TEB)	\$ 91,818		\$ 88,853		\$ (3,298)		\$ 126,682		\$ 121,564		\$ 120,777		\$ 122,987		\$ 123,490		\$ 304,055		\$ 488,818	
Tax Equivalent Adjustment	(100)		(91)		(109)		(825)		(944)		(853)		(884)		(973)		(1,125)		(3,654)	
Net Interest Income (Loss) per Financial Statements	\$ 91,718		\$ 88,762		\$ (3,407)		\$ 125,857		\$ 120,620		\$ 119,924		\$ 122,103		\$ 122,517		\$ 302,930		\$ 485,164	

¹ The average is calculated with reference to opening and closing monthly asset and liability and shareholders' equity balances.

² Residential commercial mortgages include non-securitized multi-unit residential mortgages and commercial mortgages secured by residential property types.

Average Balance Sheets for Selected Items¹

(000s)	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2017 Fiscal	2016 Fiscal
Assets										
Cash resources and securities	\$ 2,384,574	\$ 2,441,025	\$ 1,239,548	\$ 1,745,794	\$ 1,569,002	\$ 1,785,161	\$ 1,814,235	\$ 1,631,159	\$ 1,952,735	\$ 1,699,889
Traditional single-family residential mortgages	9,443,558	10,175,199	11,283,411	11,213,929	11,039,113	11,079,745	11,218,031	11,379,100	10,529,024	11,178,997
ACE Plus single-family residential mortgages	379,194	398,963	411,745	394,353	395,910	369,436	331,731	291,860	396,064	347,234
Accelerator single-family residential mortgages	369,792	277,532	381,984	963,003	1,162,594	1,222,648	1,219,194	1,600,950	498,078	1,301,346
Residential commercial mortgages ²	151,175	138,053	357,016	441,872	430,040	420,496	455,642	405,518	272,029	427,924
Non-residential commercial mortgages	1,040,128	1,227,408	2,135,247	2,064,604	1,904,058	1,760,491	1,596,749	1,552,991	1,616,847	1,703,572
Credit card loans and lines of credit	355,479	370,669	389,946	376,652	372,009	373,416	374,012	371,929	373,186	372,841
Other consumer retail loans	368,327	361,297	405,937	386,791	369,181	352,957	333,709	309,412	380,588	341,315
Total non-securitized loans	12,107,653	12,949,121	15,365,286	15,841,204	15,672,905	15,579,189	15,529,068	15,911,760	14,065,816	15,673,229
Taxable equivalent adjustment	-	-	-	-	-	-	-	-	-	-
Total on non-securitized assets	14,492,227	15,390,146	16,604,834	17,586,998	17,241,907	17,364,350	17,343,303	17,542,919	16,018,551	17,373,118
CMHC-sponsored securitized single-family residential mortgages	2,319,691	2,413,189	2,301,996	1,817,991	1,775,532	1,852,325	1,893,788	1,656,102	2,213,217	1,794,437
CMHC-sponsored securitized multi-unit residential mortgages	564,349	581,426	590,515	609,061	622,287	627,527	658,244	697,995	586,338	651,513
Assets pledged as collateral for CMHC-sponsored securitization	113,968	71,450	19,675	116,713	147,162	153,863	236,018	402,829	80,452	234,968
Total CMHC-sponsored securitized residential mortgages	2,998,008	3,066,065	2,912,186	2,543,765	2,544,981	2,633,715	2,788,050	2,756,926	2,880,007	2,680,918
Bank-sponsored securitization conduit assets	162,780	192,640	225,679	183,609	126,533	148,871	68,529	-	191,177	85,983
Other assets	493,436	534,538	478,477	487,769	512,259	503,910	501,811	476,585	498,554	498,643
Total Assets	\$ 18,146,451	\$ 19,183,389	\$ 20,221,176	\$ 20,802,141	\$ 20,425,680	\$ 20,650,846	\$ 20,701,693	\$ 20,776,430	\$ 19,588,289	\$ 20,638,662
Liabilities and Shareholders' Equity										
Deposits and credit facilities	\$ 12,683,897	\$ 13,652,078	\$ 14,919,184	\$ 16,034,871	\$ 15,764,790	\$ 15,889,870	\$ 15,840,391	\$ 15,884,889	\$ 14,322,507	\$ 15,844,985
Senior debt	-	-	-	-	-	-	76,858	152,530	-	57,347
CMHC-sponsored securitization liabilities	3,043,728	3,080,084	2,917,781	2,548,254	2,562,709	2,681,021	2,822,161	2,811,983	2,897,462	2,719,469
Bank-sponsored securitization conduit liabilities	159,406	187,056	225,406	182,131	127,485	141,244	64,697	-	188,500	83,357
Other liabilities and shareholders' equity	2,259,420	2,264,171	2,158,805	2,036,885	1,970,696	1,938,711	1,897,586	1,927,028	2,179,820	1,933,504
Total Liabilities and Shareholders' Equity	\$ 18,146,451	\$ 19,183,389	\$ 20,221,176	\$ 20,802,141	\$ 20,425,680	\$ 20,650,846	\$ 20,701,693	\$ 20,776,430	\$ 19,588,289	\$ 20,638,662

¹ The average is calculated with reference to opening and closing monthly asset and liability and shareholders' equity balances.

² Residential commercial mortgages include non-securitized multi-unit residential mortgages and commercial mortgages secured by residential property types.

Consolidated Balance Sheets

(000s)	2017	2017	2017	2017	2016	2016	2016	2016	2017	2016
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Fiscal	Fiscal
ASSETS										
Cash and Cash Equivalents	\$ 1,336,138	\$ 2,337,760	\$ 1,682,982	\$ 1,251,190	\$ 1,205,394	\$ 1,058,940	\$ 1,448,548	\$ 1,454,752	\$ 1,336,138	\$ 1,205,394
Available for Sale Securities	332,468	331,544	31,495	549,456	534,924	523,482	519,067	488,211	332,468	534,924
Loans Held for Sale	165,947	40,320	-	40,721	77,918	74,207	117,691	70,187	165,947	77,918
Loans										
Securitized mortgages	2,993,250	3,133,906	3,257,104	2,647,014	2,526,804	2,549,205	2,704,230	2,516,944	2,993,250	2,526,804
Non-securitized mortgages and loans	11,905,227	12,255,424	14,391,010	15,885,741	15,430,595	15,378,826	15,243,153	15,362,784	11,905,227	15,430,595
Collective allowance for credit losses	14,898,477	15,389,330	17,648,114	18,532,755	17,957,399	17,928,031	17,947,383	17,879,728	14,898,477	17,957,399
	(33,563)	(33,563)	(40,063)	(39,063)	(37,063)	(37,063)	(37,063)	(36,463)	(33,563)	(37,063)
	14,864,914	15,355,767	17,608,051	18,493,692	17,920,336	17,890,968	17,910,320	17,843,265	14,864,914	17,920,336
Other										
Restricted assets	437,011	289,870	216,596	140,325	265,374	231,235	232,000	293,637	437,011	265,374
Derivative assets	7,325	10,177	21,804	33,480	37,524	52,178	58,086	63,931	7,325	37,524
Other assets	336,770	365,685	384,676	347,477	348,638	336,077	329,009	328,013	336,770	348,638
Deferred tax assets	9,577	15,873	19,510	18,048	16,914	16,362	15,798	15,562	9,577	16,914
Goodwill and intangible assets	100,993	109,298	112,036	118,996	121,755	133,581	132,628	130,426	100,993	121,755
	891,676	790,903	754,622	658,326	790,205	769,433	767,521	831,569	891,676	790,205
	\$ 17,591,143	\$ 18,856,294	\$ 20,077,150	\$ 20,993,385	\$ 20,528,777	\$ 20,317,030	\$ 20,763,147	\$ 20,687,984	\$ 17,591,143	\$ 20,528,777
LIABILITIES AND SHAREHOLDERS' EQUITY										
Liabilities										
Deposits										
Deposits payable on demand	\$ 539,364	\$ 441,008	\$ 372,912	\$ 2,377,400	\$ 2,531,803	\$ 2,432,283	\$ 2,274,577	\$ 2,321,093	\$ 539,364	\$ 2,531,803
Deposits payable on a fixed date	11,631,090	12,917,610	12,731,694	13,872,211	13,354,227	13,261,819	13,747,642	13,503,806	11,631,090	13,354,227
	12,170,454	13,358,618	13,104,606	16,249,611	15,886,030	15,694,102	16,022,219	15,824,899	12,170,454	15,886,030
Line of Credit Facility	-	-	1,396,959	-	-	-	-	-	-	-
Senior Debt	-	-	-	-	-	-	-	153,283	-	-
Securitization Liabilities										
CMHC-sponsored mortgage-backed security liabilities	1,562,152	1,606,818	1,649,637	922,377	898,386	930,614	928,312	863,284	1,562,152	898,386
CMHC-sponsored Canada Mortgage Bond liabilities	1,473,318	1,473,350	1,474,001	1,474,539	1,637,117	1,610,482	1,766,143	1,870,548	1,473,318	1,637,117
Bank-sponsored securitization conduit liabilities	142,279	174,511	203,991	250,129	114,146	139,115	143,024	-	142,279	114,146
	3,177,749	3,254,679	3,327,629	2,647,045	2,649,649	2,680,211	2,837,479	2,733,832	3,177,749	2,649,649
Other										
Derivative liabilities	38,728	31,192	11,322	2,871	3,490	959	3,145	1,040	38,728	3,490
Other liabilities	360,477	395,291	450,925	379,367	320,737	308,675	291,000	257,922	360,477	320,737
Deferred tax liabilities	30,230	34,773	34,622	33,593	36,284	38,210	38,016	39,854	30,230	36,284
	429,435	461,256	496,869	415,831	360,511	347,844	332,161	298,816	429,435	360,511
	15,777,638	17,074,553	18,326,063	19,312,487	18,896,190	18,722,157	19,191,859	19,010,830	15,777,638	18,896,190
Shareholders' Equity										
Capital stock	231,156	231,156	231,618	85,194	84,910	83,975	85,513	90,283	231,156	84,910
Contributed surplus	4,978	5,096	4,922	4,725	4,562	4,588	4,255	4,230	4,978	4,562
Retained earnings	1,583,265	1,552,646	1,522,663	1,633,813	1,598,180	1,569,653	1,551,395	1,654,940	1,583,265	1,598,180
Accumulated other comprehensive loss	(5,894)	(7,157)	(8,116)	(42,834)	(55,065)	(63,343)	(69,875)	(72,299)	(5,894)	(55,065)
	1,813,505	1,781,741	1,751,087	1,680,898	1,632,587	1,594,873	1,571,288	1,677,154	1,813,505	1,632,587
	\$ 17,591,143	\$ 18,856,294	\$ 20,077,150	\$ 20,993,385	\$ 20,528,777	\$ 20,317,030	\$ 20,763,147	\$ 20,687,984	\$ 17,591,143	\$ 20,528,777

Gross Loans by Geographic Region and Type

(000s)	2017	2017	2017	2017	2016	2016	2016	2016	2017	2016
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Fiscal	Fiscal
Securitized mortgages										
Securitized single-family residential mortgages ¹										
British Columbia	\$ 228,024	\$ 243,686	\$ 261,798	\$ 209,613	\$ 200,882	\$ 196,176	\$ 210,861	\$ 155,555	\$ 228,024	\$ 200,882
Alberta	278,110	278,181	277,196	224,164	211,131	211,470	209,618	161,669	278,110	211,131
Ontario	1,666,337	1,776,505	1,865,323	1,415,168	1,298,919	1,323,658	1,452,282	1,368,855	1,666,337	1,298,919
Quebec	84,977	89,518	89,797	65,753	68,229	69,580	74,584	67,152	84,977	68,229
Other	177,760	175,379	175,599	134,376	127,450	123,947	121,882	80,946	177,760	127,450
Total securitized single-family residential mortgages	2,435,208	2,563,269	2,669,713	2,049,074	1,906,611	1,924,831	2,069,227	1,834,177	2,435,208	1,906,611
Securitized multi-unit residential mortgages										
British Columbia	84,860	85,277	85,682	86,085	86,479	86,877	93,786	94,246	84,860	86,479
Alberta	44,728	45,009	45,282	45,554	45,819	46,086	46,348	46,606	44,728	45,819
Ontario	227,686	238,250	253,013	261,599	281,923	284,161	286,364	331,428	227,686	281,923
Quebec	45,664	46,168	46,672	47,155	47,638	48,122	48,598	49,812	45,664	47,638
Other	155,104	155,933	156,742	157,547	158,334	159,128	159,907	160,675	155,104	158,334
Total securitized multi-unit residential mortgages	558,042	570,637	587,391	597,940	620,193	624,374	635,003	682,767	558,042	620,193
Total securitized mortgages	\$ 2,993,250	\$ 3,133,906	\$ 3,257,104	\$ 2,647,014	\$ 2,526,804	\$ 2,549,205	\$ 2,704,230	\$ 2,516,944	\$ 2,993,250	\$ 2,526,804
Non-securitized mortgages										
Single-family residential mortgages										
British Columbia	\$ 525,998	\$ 554,951	\$ 613,600	\$ 678,108	\$ 688,939	\$ 693,783	\$ 663,252	\$ 683,916	\$ 525,998	\$ 688,939
Alberta	366,665	359,233	362,962	409,512	401,837	409,703	423,314	472,163	366,665	401,837
Ontario	8,688,139	9,045,243	9,912,291	11,019,882	10,798,158	10,852,312	10,874,667	11,016,084	8,688,139	10,798,158
Quebec	251,529	262,082	286,885	317,458	326,436	346,310	367,727	392,647	251,529	326,436
Other	204,920	179,620	172,717	196,516	208,618	224,494	223,390	247,165	204,920	208,618
Total single-family residential mortgages	10,037,251	10,401,129	11,348,455	12,621,476	12,423,988	12,526,602	12,552,350	12,811,975	10,037,251	12,423,988
Residential commercial mortgages ²										
British Columbia	9,819	9,751	14,314	20,437	15,387	13,737	4,241	6,053	9,819	15,387
Alberta	1,924	3,789	6,889	21,195	21,271	7,026	7,106	6,437	1,924	21,271
Ontario	96,817	83,033	211,051	256,125	232,819	208,049	238,593	227,539	96,817	232,819
Quebec	3,037	3,039	22,723	21,037	24,058	25,440	52,703	28,454	3,037	24,058
Other	2,760	75	9,100	12,751	11,653	9,963	14,502	14,605	2,760	11,653
Total residential commercial mortgages	114,357	99,687	264,077	331,545	305,188	264,215	317,145	283,088	114,357	305,188
Non-residential commercial mortgages										
British Columbia	18,853	3,783	93,554	101,406	48,335	28,572	25,270	25,152	18,853	48,335
Alberta	10,888	13,631	41,814	54,809	58,688	56,701	55,348	64,771	10,888	58,688
Ontario	989,223	997,587	1,796,954	1,946,717	1,795,481	1,705,455	1,550,565	1,448,280	989,223	1,795,481
Quebec	24,190	15,738	41,702	34,492	35,830	47,354	16,517	14,799	24,190	35,830
Other	2,449	2,510	8,028	19,589	16,516	16,053	10,661	19,835	2,449	16,516
Total non-residential commercial mortgages	1,045,603	1,033,249	1,982,052	2,157,013	1,954,850	1,854,135	1,658,361	1,572,837	1,045,603	1,954,850
Credit card loans and lines of credit										
British Columbia	6,221	6,524	6,812	7,131	7,548	8,392	9,355	9,678	6,221	7,548
Alberta	17,263	17,733	18,703	19,208	20,265	21,431	22,395	22,725	17,263	20,265
Ontario	321,390	333,398	351,077	352,467	334,683	336,433	331,984	334,298	321,390	334,683
Quebec	1,515	1,565	1,439	1,387	1,253	1,326	1,332	1,354	1,515	1,253
Other	5,673	5,827	6,278	6,438	6,709	6,851	7,061	7,011	5,673	6,709
Total credit card loans and lines of credit	352,062	365,047	384,309	386,631	370,458	374,433	372,127	375,066	352,062	370,458
Other consumer retail loans										
British Columbia	1,950	2,094	1,661	1,094	975	954	821	801	1,950	975
Alberta	11,543	17,035	22,751	22,066	20,564	18,321	15,981	13,064	11,543	20,564
Ontario	330,323	330,368	383,418	365,519	354,670	340,587	327,565	307,388	330,323	354,670
Quebec	198	218	109	-	-	-	-	-	198	-
Other	17,152	12,321	9,025	5,875	3,103	1,623	690	716	17,152	3,103
Total other consumer retail loans	361,166	362,036	416,964	394,554	379,312	361,485	345,057	321,969	361,166	379,312
Total non-securitized mortgages and loans	11,910,439	12,261,148	14,395,857	15,891,219	15,433,796	15,380,870	15,245,040	15,364,935	11,910,439	15,433,796
Total loans	14,903,689	15,395,054	17,652,961	18,538,233	17,960,600	17,930,075	17,949,270	17,881,879	14,903,689	17,960,600
Total loans held for sale	165,947	40,320	-	40,721	77,918	74,207	117,691	70,187	165,947	77,918
Total on-balance sheet loans	\$ 15,069,636	\$ 15,435,374	\$ 17,652,961	\$ 18,578,954	\$ 18,038,518	\$ 18,004,282	\$ 18,066,961	\$ 17,952,066	\$ 15,069,636	\$ 18,038,518
Off-balance sheet loans										
Single-family residential mortgages	\$ 3,972,249	\$ 4,328,439	\$ 4,759,070	\$ 5,163,935	\$ 5,207,351	\$ 5,090,754	\$ 4,954,802	\$ 4,845,316	\$ 3,972,249	\$ 5,207,351
Multi-unit residential mortgages	3,476,790	3,474,597	3,456,216	3,426,225	3,181,406	2,919,892	2,712,781	2,427,292	3,476,790	3,181,406
Total off-balance sheet loans	7,449,039	7,803,036	8,215,286	8,590,160	8,388,757	8,010,646	7,667,583	7,272,608	7,449,039	8,388,757
Total loans under administration	\$ 22,518,675	\$ 23,238,410	\$ 25,868,247	\$ 27,169,114	\$ 26,427,275	\$ 26,014,928	\$ 25,734,544	\$ 25,224,674	\$ 22,518,675	\$ 26,427,275

¹ Commencing in Q2 2016, securitized single-family residential mortgages include both CMHC-sponsored securitized insured mortgages and bank-sponsored securitization conduit uninsured mortgages.

² Residential commercial mortgages include non-securitized multi-unit residential mortgages and commercial mortgages secured by residential property types.

Gross Loans by Geographic Region (excluding held for sale and off-balance sheet loans)

(000s)	2017		2017		2017		2017		2016		2016		2016	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Fiscal	Fiscal	Fiscal	Fiscal	Fiscal	Fiscal
British Columbia	\$ 875,725	\$ 906,066	\$ 1,045,848	\$ 1,103,874	\$ 1,048,545	\$ 1,028,491	\$ 1,007,586	\$ 975,401	\$ 875,725	\$ 1,048,545				
Alberta	731,121	734,611	801,336	796,508	779,575	770,738	780,110	787,435	731,121	779,575				
Ontario	12,319,915	12,804,384	14,848,350	15,617,477	15,096,653	15,050,655	15,062,020	15,033,872	12,319,915	15,096,653				
Quebec	411,110	418,328	526,004	487,282	503,444	538,132	561,461	554,218	411,110	503,444				
Other	565,818	531,665	431,423	533,092	532,383	542,059	538,093	530,953	565,818	532,383				
Total loans	\$ 14,903,689	\$ 15,395,054	\$ 17,652,961	\$ 18,538,233	\$ 17,960,600	\$ 17,930,075	\$ 17,949,270	\$ 17,881,879	\$ 14,903,689	\$ 17,960,600				

Allowance for Credit Losses by Product

(000s)	2017	2017	2017	2017	2016	2016	2016	2016	2017	2016
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Fiscal	Fiscal
Total individual allowance¹										
Single-family residential mortgages	\$ 2,745	\$ 2,968	\$ 2,309	\$ 3,252	\$ 3,321	\$ 2,732	\$ 2,390	\$ 2,009	\$ 2,745	\$ 3,321
Residential commercial mortgages ²	-	26	24	21	-	-	128	-	-	-
Non-residential commercial mortgages	3,228	658	489	196	128	78	215	344	3,228	128
Credit card loans and lines of credit	457	3,260	3,141	3,020	780	85	202	408	457	780
Other consumer retail loans	283	313	272	526	423	311	173	237	283	423
Total individual allowance	6,713	7,225	6,235	7,015	4,652	3,206	3,108	2,998	6,713	4,652
Collective allowance¹										
Single-family residential mortgages	20,340	23,032	23,032	23,032	23,032	23,032	23,032	22,432	20,340	23,032
Residential commercial mortgages ²	327	327	327	327	327	327	327	327	327	327
Non-residential commercial mortgages	6,000	6,000	12,500	11,500	9,500	9,500	9,500	9,500	6,000	9,500
Credit card loans and lines of credit	3,096	3,904	3,904	3,904	3,904	3,904	3,904	3,904	3,096	3,904
Other consumer retail loans	3,800	300	300	300	300	300	300	300	3,800	300
Total collective allowance	33,563	33,563	40,063	39,063	37,063	37,063	37,063	36,463	33,563	37,063
Total allowances	\$ 40,276	\$ 40,788	\$ 46,298	\$ 46,078	\$ 41,715	\$ 40,269	\$ 40,171	\$ 39,461	\$ 40,276	\$ 41,715

¹ There were no individual or collective allowances on securitized mortgages

² Residential commercial mortgages include non-securitized multi-unit residential mortgages and commercial mortgages secured by residential property types.

Mortgage Advances

(000s)	2017	2017	2017	2017	2016	2016	2016	2016	2017	2016
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Fiscal	Fiscal ²
Single-family residential mortgages										
Traditional	\$ 515,699	\$ 201,131	\$ 699,930	\$ 1,458,775	\$ 1,325,896	\$ 1,416,842	\$ 1,252,959	\$ 995,354	\$ 2,875,535	\$ 4,991,051
ACE Plus	21,713	1,541	56,079	105,950	106,477	116,666	115,426	69,198	185,283	407,767
Accelerator	28,635	21,292	84,201	147,645	346,690	446,734	464,767	363,812	281,773	1,622,003
Residential commercial mortgages										
Multi-unit uninsured residential mortgages	17,568	-	9,281	45,005	53,999	17,947	23,929	46,151	71,854	142,026
Multi-unit insured residential mortgages	177,224	99,054	73,730	249,835	293,306	194,875	338,527	129,698	599,843	956,406
Other ¹	-	-	6,815	-	24,179	-	19,570	7,023	6,815	50,772
Non-residential commercial mortgages										
Store and apartments	1,870	-	11,866	31,763	14,878	35,018	11,400	19,592	45,499	80,888
Commercial	109,343	62,047	176,191	306,666	262,423	312,618	248,292	151,531	654,247	974,864
Total mortgage advances	\$ 872,052	\$ 385,065	\$ 1,118,093	\$ 2,345,639	\$ 2,427,848	\$ 2,540,700	\$ 2,474,870	\$ 1,782,359	\$ 4,720,849	\$ 9,225,777

¹ Other residential commercial mortgages include mortgages such as builders' inventory.

² In the initial version of this document, the balances for Fiscal 2016 were erroneously populated with balances for the nine-months ended September 30, 2016. This current version of the document has now been correctly populated with the balances for the full year 2016.

Mortgage Continuity

(000s)	2017	2017	2017	2017	2016	2016	2016	2016	2017	2016
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Fiscal	Fiscal
Single-family residential mortgages										
Balance at the beginning of the period	\$ 12,962,538	\$ 14,016,866	\$ 14,668,688	\$ 14,328,619	\$ 14,449,796	\$ 14,620,219	\$ 14,644,966	\$ 14,927,528	\$ 14,328,619	\$ 14,927,528
Advances	566,047	223,964	840,210	1,712,370	1,779,063	1,980,242	1,833,152	1,428,364	3,342,591	7,020,821
Renewal of mortgages previously derecognized ¹	136,408	149,440	138,625	122,705	38,430	12,646	3,360	8,112	547,178	62,548
Scheduled payments and prepayments ²	(81,316)	(84,277)	(86,552)	(84,465)	(88,355)	(88,630)	(85,708)	(84,302)	(336,610)	(346,995)
Discharges	(1,126,355)	(1,324,943)	(1,271,510)	(1,127,144)	(1,482,404)	(1,677,574)	(1,496,868)	(1,218,657)	(4,849,952)	(5,875,503)
Capitalization and amortization of fees and other	13,408	(339)	26,511	5,061	24,387	3,657	18,631	(15,605)	44,641	31,070
Sales of mortgages and residual interests	-	(18,173)	(299,106)	(288,458)	(392,298)	(400,764)	(297,314)	(400,474)	(605,737)	(1,490,850)
Balance at the end of the period	\$ 12,470,730	\$ 12,962,538	\$ 14,016,866	\$ 14,668,688	\$ 14,328,619	\$ 14,449,796	\$ 14,620,219	\$ 14,644,966	\$ 12,470,730	\$ 14,328,619
Residential commercial mortgages										
Balance at the beginning of the period	\$ 710,644	\$ 851,468	\$ 970,118	\$ 1,003,299	\$ 962,796	\$ 1,069,839	\$ 1,036,042	\$ 1,182,850	\$ 1,003,299	\$ 1,182,850
Advances	194,792	99,054	89,826	294,840	371,484	212,822	382,026	182,872	678,512	1,149,204
Renewal of mortgages previously derecognized ¹	10,922	-	7,900	377	14,457	-	-	-	19,199	14,457
Scheduled payments and prepayments ²	(5,816)	(4,923)	(4,206)	(5,881)	(5,174)	(4,085)	(5,782)	(6,935)	(20,826)	(21,976)
Discharges	(20,740)	(52,994)	(53,847)	(35,195)	(50,697)	(71,271)	(45,067)	(104,390)	(162,776)	(271,425)
Capitalization and amortization of fees and other	413	(776)	(317)	(597)	25,418	(1,615)	(5,270)	(21,887)	(1,277)	(3,354)
Sales of mortgages and residual interests	(51,869)	(181,185)	(158,006)	(286,725)	(314,985)	(242,894)	(292,110)	(196,468)	(677,785)	(1,046,457)
Balance at the end of the period	\$ 838,346	\$ 710,644	\$ 851,468	\$ 970,118	\$ 1,003,299	\$ 962,796	\$ 1,069,839	\$ 1,036,042	\$ 838,346	\$ 1,003,299
Non-residential commercial mortgages										
Balance at the beginning of the period	\$ 1,032,949	\$ 1,981,911	\$ 2,157,013	\$ 1,954,820	\$ 1,854,115	\$ 1,658,201	\$ 1,572,512	\$ 1,490,648	\$ 1,954,820	\$ 1,490,648
Advances	111,213	62,047	188,057	338,429	277,301	347,636	259,692	171,123	699,746	1,055,752
Renewal of mortgages previously derecognized ¹	-	-	-	-	-	-	-	-	-	-
Scheduled payments and prepayments ²	(7,193)	(8,829)	(16,976)	(27,785)	(11,498)	(5,937)	(2,509)	(5,750)	(60,783)	(25,694)
Discharges	(94,242)	(145,516)	(195,800)	(106,048)	(165,224)	(143,576)	(170,440)	(87,955)	(541,606)	(567,195)
Capitalization and amortization of fees and other	126	6,181	(5,146)	(2,403)	126	(2,209)	(1,054)	4,446	(1,242)	1,309
Sales of mortgages and residual interests	-	(862,845)	(145,237)	-	-	-	-	-	(1,008,082)	-
Balance at the end of the period	\$ 1,042,853	\$ 1,032,949	\$ 1,981,911	\$ 2,157,013	\$ 1,954,820	\$ 1,854,115	\$ 1,658,201	\$ 1,572,512	\$ 1,042,853	\$ 1,954,820
Total Mortgage Lending	\$ 14,351,929	\$ 14,706,131	\$ 16,850,245	\$ 17,795,819	\$ 17,286,738	\$ 17,266,707	\$ 17,348,259	\$ 17,253,520	\$ 14,351,929	\$ 17,286,738

¹ Represents renewals of mortgages that were previously derecognized and included in the off-balance sheet portfolio. Upon renewal, the mortgages are recognized on the balance sheet.

² Includes regularly scheduled principal payments and unscheduled partial payments.

Consumer Lending Continuity

(000s)	2017	2017	2017	2017	2016	2016	2016	2016	2017	2016
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Fiscal	Fiscal
Credit Card Loans and Lines of Credit										
Balance at the beginning of the period	\$ 361,787	\$ 381,169	\$ 383,610	\$ 369,678	\$ 374,348	\$ 371,925	\$ 374,658	\$ 370,825	\$ 369,678	\$ 370,825
Advances and draw-downs	50,135	50,378	64,236	53,628	55,506	56,892	57,151	49,413	218,377	218,962
Repayments	(70,708)	(79,534)	(74,113)	(50,389)	(71,203)	(66,008)	(69,236)	(56,017)	(274,744)	(262,464)
Capitalization of interest and fees, portfolio sales and other	10,391	9,774	7,436	10,693	11,027	11,539	9,352	10,437	38,294	42,355
Balance at the end of the period	\$ 351,605	\$ 361,787	\$ 381,169	\$ 383,610	\$ 369,678	\$ 374,348	\$ 371,925	\$ 374,658	\$ 351,605	\$ 369,678
Authorized limit on new credit card issuances	\$ 23,574	\$ 13,050	\$ 37,073	\$ 55,200	\$ 43,469	\$ 47,977	\$ 39,604	\$ 37,037	\$ 128,897	\$ 168,087
Other Consumer Retail Loans										
Balance at the beginning of the period	\$ 361,732	\$ 416,700	\$ 394,047	\$ 378,901	\$ 361,183	\$ 344,890	\$ 321,737	\$ 296,857	\$ 378,901	\$ 296,857
Advances and draw-downs	53,742	52,079	52,675	39,466	47,455	43,781	44,980	47,477	197,962	183,693
Repayments	(68,962)	(120,925)	(45,132)	(35,405)	(43,243)	(37,659)	(33,981)	(29,477)	(270,424)	(144,360)
Capitalization of interest and fees, portfolio sales and other	14,378	13,878	15,110	11,085	13,506	10,171	12,154	6,880	54,451	42,711
Balance at the end of the period	\$ 360,890	\$ 361,732	\$ 416,700	\$ 394,047	\$ 378,901	\$ 361,183	\$ 344,890	\$ 321,737	\$ 360,890	\$ 378,901
Total Consumer Lending	\$ 712,495	\$ 723,519	\$ 797,869	\$ 777,657	\$ 748,579	\$ 735,531	\$ 716,815	\$ 696,395	\$ 712,495	\$ 748,579

Securitization Income

(000s)	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2017 Fiscal	2016 Fiscal
Net gain on sale of mortgages or residual interest ¹	\$ 163	\$ 434	\$ 360	\$ 4,738	\$ 7,006	\$ 6,055	\$ 7,976	\$ 5,935	\$ 5,695	\$ 26,972
Net change in unrealized gain or loss on hedging activities	(137)	349	(346)	(113)	276	(121)	(101)	345	(247)	399
Servicing income	1,669	1,742	1,863	1,807	1,782	1,665	1,577	1,402	7,081	6,426
Total securitization income	\$ 1,695	\$ 2,525	\$ 1,877	\$ 6,432	\$ 9,064	\$ 7,599	\$ 9,452	\$ 7,682	\$ 12,529	\$ 33,797

Securitization Sales and Activities

(000s)	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2017 Fiscal	2016 Fiscal
Single-Family Residential MBS										
Carrying value of underlying mortgages derecognized	\$ -	\$ -	\$ -	\$ 288,458	\$ 392,298	\$ 400,764	\$ 297,314	\$ 400,474	\$ 288,458	\$ 1,490,850
Net gains on sale of mortgages or residual interest ¹	-	-	-	2,084	4,284	3,904	4,447	4,733	2,084	17,368
Retained interest recorded	-	-	-	-	-	-	-	-	-	-
Servicing liability recorded	-	-	-	-	-	-	-	-	-	-
Multi-Unit Residential MBS										
Carrying value of underlying mortgages derecognized	\$ 51,869	\$ 58,905	\$ 113,314	\$ 286,725	\$ 314,985	\$ 242,894	\$ 292,110	\$ 196,468	\$ 510,813	\$ 1,046,457
Net gains on sale of mortgages or residual interest ¹	163	434	360	2,654	2,722	2,151	3,529	1,202	3,611	9,604
Retained interest recorded	2,730	2,349	5,483	10,253	10,004	10,077	11,949	9,870	20,815	41,900
Servicing liability recorded	444	480	1,114	2,905	2,408	2,313	2,666	1,568	4,943	8,955
Total MBS										
Carrying value of underlying mortgages derecognized	\$ 51,869	\$ 58,905	\$ 113,314	\$ 575,183	\$ 707,283	\$ 643,658	\$ 589,424	\$ 596,942	\$ 799,271	\$ 2,537,307
Net gains on sale of mortgages or residual interest ¹	163	434	360	4,738	7,006	6,055	7,976	5,935	5,695	26,972
Retained interest recorded	2,730	2,349	5,483	10,253	10,004	10,077	11,949	9,870	20,815	41,900
Servicing liability recorded	444	480	1,114	2,905	2,408	2,313	2,666	1,568	4,943	8,955

¹ Gain on sale of mortgages or residual interest are net of hedging impact.

Deposits, Line of Credit Facility, Senior Debt and Securitization Liabilities

(000s)	2017	2017	2017	2017	2016	2016	2016	2016	2017	2016
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Fiscal	Fiscal
Deposits payable on demand										
High-interest savings accounts	\$ 138,948	\$ 175,637	\$ 114,346	\$ 1,904,967	\$ 2,016,881	\$ 2,037,149	\$ 1,901,981	\$ 1,949,789	\$ 138,948	\$ 2,016,881
Oaken savings account	229,511	179,052	154,056	361,664	340,809	314,616	272,337	270,559	229,511	340,809
Other deposits payable on demand	170,905	86,319	104,510	110,769	174,113	80,518	100,259	100,745	170,905	174,113
	539,364	441,008	372,912	2,377,400	2,531,803	2,432,283	2,274,577	2,321,093	539,364	2,531,803
Deposits payable on fixed dates										
Brokered GICs	9,350,235	10,466,410	10,558,640	11,650,130	11,120,107	11,048,564	11,752,129	11,565,611	9,350,235	11,120,107
Oaken GICs	1,805,332	1,975,357	1,695,454	1,417,612	1,429,153	1,406,399	1,187,779	954,978	1,805,332	1,429,153
Institutional deposit notes	475,523	475,843	477,600	804,469	804,967	806,856	807,734	983,217	475,523	804,967
	11,631,090	12,917,610	12,731,694	13,872,211	13,354,227	13,261,819	13,747,642	13,503,806	11,631,090	13,354,227
Total deposits	\$ 12,170,454	\$ 13,358,618	\$ 13,104,606	\$ 16,249,611	\$ 15,886,030	\$ 15,694,102	\$ 16,022,219	\$ 15,824,899	\$ 12,170,454	\$ 15,886,030
Line of credit facility	\$ -	\$ -	\$ 1,396,959	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Senior debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 153,283	\$ -	\$ -
Securitization liabilities										
CMHC-sponsored mortgage-backed security liabilities	\$ 1,562,152	\$ 1,606,818	\$ 1,649,637	\$ 922,377	\$ 898,386	\$ 930,614	\$ 928,312	\$ 863,284	\$ 1,562,152	\$ 898,386
CMHC-sponsored Canada Mortgage Bond liabilities	1,473,318	1,473,350	1,474,001	1,474,539	1,637,117	1,610,482	1,766,143	1,870,548	1,473,318	1,637,117
Bank-sponsored securitization conduit liabilities	142,279	174,511	203,991	250,129	114,146	139,115	143,024	-	142,279	114,146
Total securitization liabilities	\$ 3,177,749	\$ 3,254,679	\$ 3,327,629	\$ 2,647,045	\$ 2,649,649	\$ 2,680,211	\$ 2,837,479	\$ 2,733,832	\$ 3,177,749	\$ 2,649,649

Other Assets

(000s)	2017				2016				2017		2016	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Fiscal	Fiscal	Fiscal	
Restricted assets												
Restricted cash	\$ 254,134	\$ 184,663	\$ 159,808	\$ 140,325	\$ 143,296	\$ 125,958	\$ 141,493	\$ 125,862	\$ 254,134	\$ 143,296		
Treasury bills and other acceptable securities assigned as replacement assets	182,877	105,207	56,788	-	122,078	105,277	90,507	167,775	182,877	122,078		
Total restricted assets	437,011	289,870	216,596	140,325	265,374	231,235	232,000	293,637	437,011	265,374		
Derivative assets	7,325	10,177	21,804	33,480	37,524	52,178	58,086	63,931	7,325	37,524		
Other assets												
Accrued interest receivable	49,651	51,036	58,627	60,755	60,314	60,097	60,494	62,093	49,651	60,314		
Prepaid CMB coupon	3,644	2,371	3,038	2,395	3,289	2,999	3,310	5,230	3,644	3,289		
Securitization receivable and retained interest	182,930	188,894	207,068	225,410	213,312	198,799	190,327	176,709	182,930	213,312		
Capital assets	10,431	11,154	11,459	11,946	13,013	13,479	14,326	13,991	10,431	13,013		
Income taxes recoverable	13,340	15,002	51,861	18,217	25,619	35,217	36,456	45,715	13,340	25,619		
Other prepaid assets and deferred items	76,774	97,228	52,623	28,754	33,091	25,486	24,096	24,275	76,774	33,091		
Total other assets	336,770	365,685	384,676	347,477	348,638	336,077	329,009	328,013	336,770	348,638		
Deferred tax assets	9,577	15,873	19,510	18,048	16,914	16,362	15,798	15,562	9,577	16,914		
Goodwill and intangible assets												
Goodwill	2,324	2,324	2,324	6,752	6,752	15,752	15,752	15,752	2,324	6,752		
Intangibles	98,669	109,712	109,712	112,244	115,003	117,829	116,876	114,674	98,669	115,003		
Total goodwill and intangible assets	100,993	109,298	112,036	118,996	121,755	133,581	132,628	130,426	100,993	121,755		
	\$ 891,676	\$ 790,903	\$ 754,622	\$ 658,326	\$ 790,205	\$ 769,433	\$ 767,521	\$ 831,569	\$ 891,676	\$ 790,205		

Other Liabilities

(000s)	2017				2016				2017		2016	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Fiscal	Fiscal	Fiscal	
Derivative liabilities	\$ 38,728	\$ 31,192	\$ 11,322	\$ 2,871	\$ 3,490	\$ 959	\$ 3,145	\$ 1,040	\$ 38,728	\$ 3,490		
Other liabilities												
Accrued interest payable on deposits	125,965	121,519	114,308	143,504	122,905	125,116	129,719	139,546	125,965	122,905		
Accrued interest payable on securitization liabilities	7,923	6,934	7,358	6,366	7,317	6,961	7,475	9,767	7,923	7,317		
Securitization servicing liability	20,924	21,638	22,352	22,425	20,573	19,487	18,036	16,119	20,924	20,573		
Income taxes payable	-	-	-	-	-	-	-	-	-	-		
Other, including accounts payable and accrued liabilities	205,665	245,200	306,907	207,072	169,942	157,111	135,770	92,490	205,665	169,942		
Total other liabilities	360,477	395,291	450,925	379,367	320,737	308,675	291,000	257,922	360,477	320,737		
Deferred tax liabilities	30,230	34,773	34,622	33,593	36,284	38,210	38,016	39,854	30,230	36,284		
	\$ 429,435	\$ 461,256	\$ 496,869	\$ 415,831	\$ 360,511	\$ 347,844	\$ 332,161	\$ 298,816	\$ 429,435	\$ 360,511		

Gross Amount of Impaired Loans by Product

(000s)	2017				2016				2017		2016	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Fiscal	Fiscal	Fiscal	
Single-family residential mortgages	\$ 31,836	\$ 37,978	\$ 33,623	\$ 37,000	\$ 49,834	\$ 52,349	\$ 51,106	\$ 49,574	\$ 31,836	\$ 49,834	\$ 49,834	
Residential commercial mortgages ¹	-	337	337	337	-	-	4,000	4,000	-	-	-	
Non-residential commercial mortgages	16,489	6,521	7,285	8,033	4,577	3,388	3,844	6,846	16,489	4,577	4,577	
Credit card loans and lines of credit	2,038	4,230	4,561	4,315	2,049	2,091	1,749	2,117	2,038	2,049	2,049	
Other consumer retail loans	276	304	264	508	411	302	167	232	276	411	411	
Gross impaired loans	\$ 50,639	\$ 49,370	\$ 46,070	\$ 50,193	\$ 56,871	\$ 58,130	\$ 60,866	\$ 62,769	\$ 50,639	\$ 56,871	\$ 56,871	

Net Amount of Impaired Loans by Product

(000s)	2017				2016				2017		2016	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Fiscal	Fiscal	Fiscal	
Single-family residential mortgages	\$ 30,107	\$ 36,118	\$ 32,321	\$ 35,123	\$ 47,854	\$ 50,712	\$ 49,748	\$ 48,388	\$ 30,107	\$ 47,854	\$ 47,854	
Residential commercial mortgages ¹	-	337	337	337	-	-	4,000	4,000	-	-	-	
Non-residential commercial mortgages	13,739	6,221	7,144	7,945	4,547	3,368	3,684	6,521	13,739	4,547	4,547	
Credit card loans and lines of credit	1,581	970	1,420	1,295	1,269	2,006	1,547	1,709	1,581	1,269	1,269	
Other consumer retail loans	-	-	-	-	-	-	-	-	-	-	-	
Net impaired loans	\$ 45,427	\$ 43,646	\$ 41,222	\$ 44,700	\$ 53,670	\$ 56,086	\$ 58,979	\$ 60,618	\$ 45,427	\$ 53,670	\$ 53,670	

¹ Residential commercial mortgages include non-securitized multi-unit residential mortgages and commercial mortgages secured by residential property types.

Change in Allowance

(000s)	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2017 Fiscal	2016 Fiscal
Individual allowances										
Allowance on loan principal										
Balance at the beginning of the period	\$ 5,724	\$ 4,848	\$ 5,493	\$ 3,201	\$ 2,044	\$ 1,887	\$ 2,151	\$ 2,482	\$ 3,201	\$ 2,482
Provision for credit losses	3,434	2,129	1,555	3,848	2,111	1,395	1,786	1,234	10,966	6,526
Write-offs	(4,350)	(1,529)	(2,453)	(1,727)	(1,245)	(1,396)	(2,331)	(1,811)	(10,059)	(6,783)
Recoveries	404	276	253	171	291	158	281	246	1,104	976
	5,212	5,724	4,848	5,493	3,201	2,044	1,887	2,151	5,212	3,201
Allowance on accrued interest receivable										
Balance at the beginning of the period	1,501	1,387	1,522	1,451	1,162	1,221	847	901	1,451	901
Provision for credit losses	-	114	(135)	71	289	(59)	374	(54)	50	550
	1,501	1,501	1,387	1,522	1,451	1,162	1,221	847	1,501	1,451
Total individual allowance	6,713	7,225	6,235	7,015	4,652	3,206	3,108	2,998	6,713	4,652
Collective allowance										
Balance at the beginning of the period	33,563	40,063	39,063	37,063	37,063	37,063	36,463	36,249	37,063	36,249
Provision for credit losses	-	(6,500)	1,000	2,000	-	-	600	214	(3,500)	814
	33,563	33,563	40,063	39,063	37,063	37,063	37,063	36,463	33,563	37,063
Total allowance	\$ 40,276	\$ 40,788	\$ 46,298	\$ 46,078	\$ 41,715	\$ 40,269	\$ 40,171	\$ 39,461	\$ 40,276	\$ 41,715
Total provision	\$ 3,434	\$ (4,257)	\$ 2,420	\$ 5,919	\$ 2,400	\$ 1,336	\$ 2,760	\$ 1,394	\$ 7,516	\$ 7,890

Provision for Credit Losses and Net Write-Offs as a Percent of Gross Loans on an Annualized Basis

(000s, except %)	2017		2017		2017		2017		2016		2016		2016		2016		2017		2016	
	Q4		Q3		Q2		Q1		Q4		Q3		Q2		Q1		Fiscal		Fiscal	
	Amount	% of Gross Loans ¹	Amount	% of Gross Loans ¹	Amount	% of Gross Loans ¹	Amount	% of Gross Loans ¹	Amount	% of Gross Loans ¹	Amount	% of Gross Loans ¹	Amount	% of Gross Loans ¹	Amount	% of Gross Loans ¹	Amount	% of Gross Loans ¹	Amount	% of Gross Loans ¹
Provision²																				
Single-family residential mortgages	\$ 266	0.01%	\$ 1,165	0.04%	\$ 329	0.01%	\$ 131	0.00%	\$ 1,029	0.03%	\$ 1,006	0.03%	\$ 1,215	0.04%	\$ 667	0.02%	\$ 1,891	0.02%	\$ 3,917	0.03%
Residential commercial mortgages ³	(9)	(0.03)%	6	0.02%	(2)	(0.00)%	21	0.03%	2	0.00%	(128)	(0.19)%	128	0.16%	-	-	16	0.01%	2	0.00%
Non-residential commercial mortgages	2,584	0.99%	202	0.08%	341	0.07%	69	0.01%	45	0.01%	(37)	(0.01)%	293	0.07%	(55)	(0.01)%	3,196	0.31%	246	0.01%
Credit card loans and lines of credit	485	0.55%	756	0.83%	773	0.80%	3,373	3.49%	1,164	1.26%	280	0.30%	519	0.56%	416	0.44%	5,387	1.53%	2,379	0.64%
Other consumer retail loans	108	0.12%	114	0.13%	(21)	(0.02)%	325	0.33%	160	0.17%	215	0.24%	5	0.01%	152	0.19%	526	0.15%	532	0.14%
Securitized single-family residential mortgages	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Securitized multi-unit residential mortgages	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total individual provision	3,434	0.09%	2,243	0.06%	1,420	0.03%	3,919	0.08%	2,400	0.05%	1,336	0.03%	2,160	0.05%	1,180	0.03%	11,016	0.07%	7,076	0.04%
Total collective provision	-	-	(6,500)	(0.17)%	1,000	0.02%	2,000	0.04%	-	-	-	-	600	0.01%	214	0.00%	(3,500)	(0.02)%	814	0.00%
Total provision	\$ 3,434	0.09%	\$ (4,257)	(0.11)%	\$ 2,420	0.05%	\$ 5,919	0.13%	\$ 2,400	0.05%	\$ 1,336	0.03%	\$ 2,760	0.06%	\$ 1,394	0.03%	\$ 7,516	0.05%	\$ 7,890	0.04%
Net Write-Offs²																				
Single-family residential mortgages	\$ 489	0.02%	\$ 506	0.02%	\$ 1,272	0.04%	\$ 200	0.01%	\$ 440	0.01%	\$ 664	0.02%	\$ 834	0.03%	\$ 1,149	0.04%	\$ 2,467	0.02%	\$ 3,087	0.02%
Residential commercial mortgages ³	17	0.06%	4	0.02%	(5)	(0.01)%	-	-	2	0.00%	-	-	-	-	-	-	16	0.01%	2	0.00%
Non-residential commercial mortgages	14	0.01%	33	0.01%	48	0.01%	1	0.00%	(5)	(0.00)%	100	0.02%	422	0.10%	(2)	(0.00)%	96	0.01%	515	0.03%
Credit card loans and lines of credit	3,288	3.74%	637	0.70%	652	0.68%	1,133	1.17%	469	0.51%	397	0.42%	725	0.78%	337	0.36%	5,710	1.62%	1,928	0.52%
Other consumer retail loans	138	0.15%	73	0.08%	233	0.22%	222	0.23%	48	0.05%	77	0.09%	69	0.08%	81	0.10%	666	0.18%	275	0.07%
Securitized single-family residential mortgages	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Securitized multi-unit residential mortgages	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net write-offs	\$ 3,946	0.11%	\$ 1,253	0.03%	\$ 2,200	0.05%	\$ 1,556	0.03%	\$ 954	0.02%	\$ 1,238	0.03%	\$ 2,050	0.05%	\$ 1,565	0.04%	\$ 8,955	0.06%	\$ 5,807	0.03%

¹ Gross loans used in the calculation of total Company ratio includes securitized on-balance sheet loans.

² There were no individual provisions, allowances or net write-offs on securitized mortgages.

³ Residential commercial mortgages include non-securitized multi-unit residential mortgages and commercial mortgages secured by residential property types.

Past Due Loans that are not Impaired

(000s)	1 to 30 Days		31 to 60 Days		61 to 90 Days		Over 90 Days		Total	
	Q4 2017	Q4 2016	Q4 2017	Q4 2016	Q4 2017	Q4 2016	Q4 2017	Q4 2016	Q4 2017	Q4 2016
Securitized single-family residential mortgages ¹	\$ 7,826	\$ 21,253	\$ 824	\$ 1,348	\$ 172	\$ 252	\$ -	\$ 182	\$ 8,822	\$ 23,035
Securitized multi-unit residential mortgages	-	-	-	-	-	-	-	-	-	-
Single-family residential mortgages	130,553	167,408	27,561	27,944	5,932	3,644	3,138	5,620	167,184	204,616
Residential commercial mortgages ²	833	424	-	-	823	-	-	-	1,656	424
Non-residential commercial mortgages	9,812	3,126	2,023	6,890	-	-	-	-	11,835	10,016
Credit card loans and lines of credit	2,361	2,882	1,051	611	883	823	253	316	4,548	4,632
Other consumer retail loans	236	221	40	106	119	103	-	-	395	430
	\$ 151,621	\$ 195,314	\$ 31,499	\$ 36,899	\$ 7,929	\$ 4,822	\$ 3,391	\$ 6,118	\$ 194,440	\$ 243,153

¹ Commencing in Q2 2016, securitized single-family residential mortgages include both CMHC-sponsored securitized insured mortgages and bank-sponsored securitization conduit uninsured mortgages.

² Residential commercial mortgages include non-securitized multi-unit residential mortgages and commercial mortgages secured by residential property types.

Credit Risk: Mortgage Portfolio On Balance Sheet

(000s, except %)	2017				2016				2017		2016	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Fiscal	Fiscal		
Total mortgage portfolio balance (net of individual allowance)	\$ 14,185,982	\$ 14,665,811	\$ 16,850,245	\$ 17,755,098	\$ 17,208,820	\$ 17,192,500	\$ 17,230,568	\$ 17,183,333	\$ 14,185,982	\$ 17,208,820		
Percentage of residential mortgages	92.6%	93.0%	88.2%	87.9%	88.6%	89.2%	90.4%	90.8%	92.6%	88.6%		
Percentage of non-residential mortgages	7.4%	7.0%	11.8%	12.1%	11.4%	10.8%	9.6%	9.2%	7.4%	11.4%		
Percentage of mortgage portfolio insured ¹	24.0%	23.1%	20.2%	18.8%	20.0%	21.1%	22.1%	22.5%	24.0%	20.0%		
Percentage of mortgages current	98.4%	98.5%	98.7%	98.8%	98.3%	98.5%	98.4%	98.3%	98.4%	98.3%		
Percentage of total mortgages over 90 days past due	0.24%	0.31%	0.22%	0.26%	0.33%	0.32%	0.27%	0.25%	0.24%	0.33%		

¹ Insured loans are loans insured against default by CMHC or another approved insurer either individually at origination or by portfolio.

Single-Family Residential Loans by Province

(000s, except %)		As at December 31, 2017							
		Insured Residential Mortgages ¹	Percentage of Total for Province	Uninsured Residential Mortgages	Percentage of Total for Province	Equityline Visa ²	Percentage of Total for Province	Total	
British Columbia	\$	255,452	33.8%	\$ 498,570	65.9%	\$ 2,390	0.3%	\$ 756,412	
Alberta		387,436	59.3%	257,211	39.3%	9,049	1.4%	653,696	
Ontario		1,834,007	17.2%	8,519,604	80.0%	294,570	2.8%	10,648,181	
Quebec		113,804	33.8%	222,413	65.9%	1,058	0.3%	337,275	
Other		242,158	63.0%	140,075	36.5%	1,803	0.5%	384,036	
	\$	2,832,857	22.2%	\$ 9,637,873	75.4%	\$ 308,870	2.4%	\$ 12,779,600	

(000s, except %)		As at September 30, 2017							
		Insured Residential Mortgages ¹	Percentage of Total for Province	Uninsured Residential Mortgages	Percentage of Total for Province	Equityline Visa ²	Percentage of Total for Province	Total	
British Columbia	\$	267,425	33.4%	\$ 531,212	66.3%	\$ 2,473	0.3%	\$ 801,110	
Alberta		365,424	56.5%	271,877	42.1%	9,205	1.4%	646,506	
Ontario		1,852,848	16.7%	8,967,923	80.6%	304,512	2.7%	11,125,283	
Quebec		112,732	32.0%	238,514	67.7%	1,209	0.3%	352,455	
Other		217,928	61.2%	136,655	38.3%	1,831	0.5%	356,414	
	\$	2,816,357	21.2%	\$ 10,146,181	76.4%	\$ 319,230	2.4%	\$ 13,281,768	

(000s, except %)		As at December 31, 2016							
		Insured Residential Mortgages ¹	Percentage of Total for Province	Uninsured Residential Mortgages	Percentage of Total for Province	Equityline Visa ²	Percentage of Total for Province	Total	
British Columbia	\$	286,444	32.1%	\$ 603,377	67.6%	\$ 2,585	0.3%	\$ 892,406	
Alberta		298,432	47.9%	314,519	50.5%	10,347	1.6%	623,298	
Ontario		1,950,188	15.7%	10,145,301	81.8%	304,468	2.5%	12,399,957	
Quebec		99,465	25.1%	295,017	74.6%	1,217	0.3%	395,699	
Other		192,093	56.8%	143,783	42.5%	2,268	0.7%	338,144	
	\$	2,826,622	19.3%	\$ 11,501,997	78.5%	\$ 320,885	2.2%	\$ 14,649,504	

¹ See definition of insured mortgages under the Glossary of this Supplemental Financial Information Package.

² Equityline Visa is an uninsured product.

Insured and Uninsured Single-Family Residential Mortgages by Effective Remaining Amortization Period

(000s, except %)						As at December 31, 2017	
	≤ 20 Years	>20 and ≤ 25 Years	>25 and ≤ 30 Years	>30 and ≤ 35 Years	> 35 Years	Total	
Balance outstanding	\$ 882,326	\$ 2,459,857	\$ 9,091,672	\$ 35,591	\$ 1,284	\$ 12,470,730	
Percentage of total	7.1%	19.7%	72.9%	0.3%	0.0%	100.0%	

(000s, except %)						As at September 30, 2017	
	≤ 20 Years	>20 and ≤ 25 Years	>25 and ≤ 30 Years	>30 and ≤ 35 Years	> 35 Years	Total	
Balance outstanding	\$ 979,256	\$ 2,449,834	\$ 9,485,918	\$ 45,336	\$ 2,194	\$ 12,962,538	
Percentage of total	7.6%	18.9%	73.2%	0.3%	0.0%	100.0%	

(000s, except %)						As at December 31, 2016	
	≤ 20 Years	>20 and ≤ 25 Years	>25 and ≤ 30 Years	>30 and ≤ 35 Years	> 35 Years	Total	
Balance outstanding	\$ 696,937	\$ 2,329,016	\$ 11,227,579	\$ 72,348	\$ 2,739	\$ 14,328,619	
Percentage of total	4.9%	16.3%	78.3%	0.5%	0.0%	100.0%	

Insured and Uninsured Single-Family Residential Mortgages by Contractual Remaining Amortization Period

(000s, except %)						As at December 31, 2017	
	≤ 20 Years	>20 and ≤ 25 Years	>25 and ≤ 30 Years	>30 and ≤ 35 Years	> 35 Years	Total	
Balance outstanding	\$ 585,364	\$ 2,232,605	\$ 9,617,152	\$ 33,945	\$ 1,664	\$ 12,470,730	
Percentage of total	4.7%	17.9%	77.1%	0.3%	0.0%	100.0%	

(000s, except %)						As at September 30, 2017	
	≤ 20 Years	>20 and ≤ 25 Years	>25 and ≤ 30 Years	>30 and ≤ 35 Years	> 35 Years	Total	
Balance outstanding	\$ 512,647	\$ 2,216,429	\$ 10,185,970	\$ 45,258	\$ 2,234	\$ 12,962,538	
Percentage of total	4.0%	17.1%	78.6%	0.3%	0.0%	100.0%	

(000s, except %)						As at December 31, 2016	
	≤ 20 Years	>20 and ≤ 25 Years	>25 and ≤ 30 Years	>30 and ≤ 35 Years	> 35 Years	Total	
Balance outstanding	\$ 459,115	\$ 2,048,954	\$ 11,745,515	\$ 71,567	\$ 3,468	\$ 14,328,619	
Percentage of total	3.2%	14.3%	82.0%	0.5%	0.0%	100.0%	

Weighted-Average Loan to Value Ratios for Uninsured Single-Family Residential Mortgages Originated During the Period

	For the three months ended						For the year ended			
	December 31 2017		September 30 2017		December 31 2016		December 31 2017		December 31 2016	
	Uninsured Residential Mortgages ¹	Equityline Visa ¹	Uninsured Residential Mortgages ¹	Equityline Visa ¹	Uninsured Residential Mortgages ¹	Equityline Visa ¹	Uninsured Residential Mortgages ¹	Equityline Visa ¹	Uninsured Residential Mortgages ¹	Equityline Visa ¹
	LTV	LTV	LTV	LTV	LTV	LTV	LTV	LTV	LTV	LTV
British Columbia	63.2%	51.0%	65.1%	42.3%	63.1%	56.8%	63.0%	47.1%	63.6%	52.4%
Alberta	65.7%	74.0%	64.1%	-	67.4%	32.3%	68.8%	56.3%	69.4%	44.1%
Ontario	69.7%	57.3%	69.2%	55.2%	71.9%	63.3%	70.9%	56.6%	72.9%	63.9%
Quebec	69.4%	-	72.8%	-	70.3%	64.0%	69.2%	24.5%	69.3%	65.3%
Other	69.3%	49.6%	70.9%	-	72.7%	67.6%	69.6%	58.6%	72.4%	58.9%
Total	69.2%	57.2%	68.9%	54.8%	71.4%	63.2%	70.3%	56.5%	72.2%	63.8%

¹ Weighted-average LTV is calculated by dividing the sum of the products of LTVs and loan balances by the sum of the loan balances. LTV's are calculated using appraised values at the time of origination.

Weighted-Average Loan to Value Ratios for Uninsured Residential Mortgages

	As at			As at		
	December 31			December 31		
	2017			2016		
	Weighted-Average Current LTV ¹	Percentage of Total Value of Outstanding Mortgages with Current LTV less than or Equal to		Weighted-Average Current LTV ¹	Percentage of Total Value of Outstanding Mortgages with Current LTV less than or Equal to	
		75%	65%		75%	65%
British Columbia	49.6%	99.5%	90.0%	52.0%	98.4%	89.1%
Alberta	63.9%	84.9%	51.3%	65.0%	81.1%	46.8%
Ontario	55.2%	96.2%	74.2%	61.2%	85.7%	59.0%
Quebec	61.4%	94.8%	60.9%	62.8%	92.1%	53.4%
Other	61.7%	87.7%	53.9%	62.1%	86.4%	54.5%
Total	55.3%	95.9%	73.8%	60.9%	86.4%	60.1%

¹ Weighted-average LTV is calculated by dividing the sum of the products of LTVs and loan balances by the sum of the loan balances.

Basel III Regulatory Capital (Based only on Home Trust Company consolidated financial position) - All-In Basis

(000s, except %)	2017				2016				2017		2016	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Fiscal	Fiscal		
All in Basis												
Common Equity Tier 1 capital (CET 1)												
Capital stock	\$ 38,497	\$ 38,497	\$ 38,497	\$ 38,497	\$ 38,497	\$ 38,497	\$ 38,497	\$ 38,497	\$ 38,497	\$ 38,497	\$ 38,497	\$ 38,497
Contributed surplus	951	951	951	951	951	951	951	951	951	951	951	951
Retained earnings	1,604,357	1,572,711	1,541,070	1,645,623	1,604,758	1,578,567	1,549,126	1,662,003	1,604,357	1,604,357	1,604,758	1,604,758
Accumulated other comprehensive loss	(5,897)	(7,210)	(8,190)	(42,833)	(55,040)	(63,362)	(70,002)	(72,441)	(5,897)	(5,897)	(55,040)	(55,040)
Cash flow hedge reserves	1,189	1,399	1,269	1,304	1,476	371	1,158	444	1,189	1,189	1,476	1,476
Regulatory deductions from CET 1 ¹	(125,768)	(141,925)	(153,043)	(158,747)	(160,917)	(164,083)	(159,112)	(136,549)	(125,768)	(125,768)	(160,917)	(160,917)
Total CET 1 capital	1,513,329	1,464,423	1,420,554	1,484,795	1,429,725	1,390,941	1,360,618	1,492,905	1,513,329	1,513,329	1,429,725	1,429,725
Additional Tier 1 capital	-	-	-	-	-	-	-	-	-	-	-	-
Total Tier 1 capital	1,513,329	1,464,423	1,420,554	1,484,795	1,429,725	1,390,941	1,360,618	1,492,905	1,513,329	1,513,329	1,429,725	1,429,725
Tier 2 capital												
Collective allowance for credit losses ²	33,563	33,563	40,063	39,063	37,063	37,063	37,063	36,463	33,563	33,563	37,063	37,063
Subordinated debentures	-	-	-	-	-	-	-	156,000	-	-	-	-
Total Tier 2 capital	33,563	33,563	40,063	39,063	37,063	37,063	37,063	192,463	33,563	33,563	37,063	37,063
Total regulatory capital	\$ 1,546,892	\$ 1,497,986	\$ 1,460,617	\$ 1,523,858	\$ 1,466,788	\$ 1,428,004	\$ 1,397,681	\$ 1,685,368	\$ 1,546,892	\$ 1,546,892	\$ 1,466,788	\$ 1,466,788
Risk-weighted assets for												
Credit risk	\$ 5,590,092	\$ 5,927,838	\$ 7,348,049	\$ 8,028,436	\$ 7,592,379	\$ 7,372,710	\$ 7,278,081	\$ 7,155,268	\$ 5,590,092	\$ 5,590,092	\$ 7,592,379	\$ 7,592,379
Operational risk	942,038	963,100	979,975	1,058,450	1,050,888	1,042,250	1,032,325	1,014,550	942,038	942,038	1,050,888	1,050,888
Total risk-weighted assets	\$ 6,532,130	\$ 6,890,938	\$ 8,328,024	\$ 9,086,886	\$ 8,643,267	\$ 8,414,960	\$ 8,310,406	\$ 8,169,818	\$ 6,532,130	\$ 6,532,130	\$ 8,643,267	\$ 8,643,267
Regulatory capital to risk-weighted assets												
CET 1 ratio	23.17%	21.25%	17.06%	16.34%	16.55%	16.54%	16.38%	18.28%	23.17%	23.17%	16.55%	16.55%
Tier 1 capital ratio	23.17%	21.25%	17.06%	16.34%	16.54%	16.53%	16.38%	18.28%	23.17%	23.17%	16.54%	16.54%
Total regulatory capital ratio	23.68%	21.74%	17.54%	16.77%	16.97%	16.97%	16.82%	20.63%	23.68%	23.68%	16.97%	16.97%
National regulatory minimum												
CET 1 ratio	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%
Tier 1 capital ratio	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%
Total regulatory capital ratio	10.50%	10.50%	10.50%	10.50%	10.50%	10.50%	10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
Leverage ratio	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Risk-weighted assets as a percentage of total assets	37.6%	37.0%	42.0%	43.4%	42.3%	41.6%	40.2%	39.6%	37.6%	37.6%	42.3%	42.3%
Leverage Ratio	8.70%	7.89%	7.19%	7.29%	7.20%	7.08%	6.77%	7.46%	8.70%	8.70%	7.20%	7.20%

¹ Regulatory deductions on the all-in basis include intangible assets, net of deferred taxes, unrealized mortgage securitization gains, net of deferred taxes and deferred tax assets related to loss carryforwards from Home Bank.

² The Company is allowed to include its collective allowance for credit losses up to a prescribed percentage of 1.25% of total credit risk-weighted assets, inclusive of total CVA before transitional phase-in adjustments, in Tier 2 capital.

Basel III Regulatory Capital (Based only on Home Trust Company consolidated financial position) - Transitional Basis

(000s, except %)	2017				2016				2017		2016	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Fiscal	Fiscal		
Transitional Basis												
Common Equity Tier 1 capital (CET 1)												
Capital stock	\$ 38,497	\$ 38,497	\$ 38,497	\$ 38,497	\$ 38,497	\$ 38,497	\$ 38,497	\$ 38,497	\$ 38,497	\$ 38,497	\$ 38,497	\$ 38,497
Contributed surplus	951	951	951	951	951	951	951	951	951	951	951	951
Retained earnings	1,604,357	1,572,711	1,541,070	1,645,623	1,604,758	1,578,567	1,549,126	1,662,003	1,604,357	1,604,357	1,604,758	1,604,758
Accumulated other comprehensive loss	(5,897)	(7,210)	(8,190)	(43,176)	(55,040)	(63,362)	(70,002)	(72,441)	(5,897)	(5,897)	(55,040)	(55,040)
Cash flow hedge reserves	1,189	1,399	1,269	1,644	1,476	371	1,158	444	1,189	1,189	1,476	1,476
Regulatory deductions from CET 1	(110,005)	(123,655)	(133,597)	(138,764)	(120,519)	(122,914)	(118,449)	(102,852)	(110,005)	(110,005)	(120,519)	(120,519)
Total CET 1 capital	1,529,092	1,482,693	1,440,000	1,504,775	1,470,123	1,432,110	1,401,281	1,526,602	1,529,092	1,529,092	1,470,123	1,470,123
Additional Tier 1 capital	-	-	-	-	-	-	-	-	-	-	-	-
Total Tier 1 capital	1,529,092	1,482,693	1,440,000	1,504,775	1,470,123	1,432,110	1,401,281	1,526,602	1,529,092	1,529,092	1,470,123	1,470,123
Tier 2 capital												
Collective allowance for credit losses ¹	33,563	33,563	40,063	39,063	37,063	37,063	37,063	36,463	33,563	33,563	37,063	37,063
Subordinated debentures	-	-	-	-	-	-	-	156,000	-	-	-	-
Total Tier 2 capital	33,563	33,563	40,063	39,063	37,063	37,063	37,063	192,463	33,563	33,563	37,063	37,063
Total regulatory capital	\$ 1,562,655	\$ 1,516,256	\$ 1,480,063	\$ 1,543,838	\$ 1,507,186	\$ 1,469,173	\$ 1,438,344	\$ 1,719,065	\$ 1,562,655	\$ 1,562,655	\$ 1,507,186	\$ 1,507,186
Risk-weighted assets for												
Credit risk	\$ 5,608,138	\$ 5,948,129	\$ 7,369,572	\$ 8,051,547	\$ 7,636,925	\$ 7,418,950	\$ 7,324,971	\$ 7,195,385	\$ 5,608,138	\$ 5,608,138	\$ 7,636,925	\$ 7,636,925
Operational risk	942,038	963,100	979,975	1,058,450	1,050,888	1,042,250	1,032,325	1,014,550	942,038	942,038	1,050,888	1,050,888
Total risk-weighted assets	\$ 6,550,176	\$ 6,911,229	\$ 8,349,547	\$ 9,109,997	\$ 8,687,813	\$ 8,461,200	\$ 8,357,296	\$ 8,209,935	\$ 6,550,176	\$ 6,550,176	\$ 8,687,813	\$ 8,687,813
Regulatory capital to risk-weighted assets												
CET 1 ratio	23.34%	21.45%	17.25%	16.52%	16.92%	16.93%	16.77%	18.59%	23.34%	23.34%	16.92%	16.92%
Tier 1 capital ratio	23.34%	21.45%	17.25%	16.52%	16.92%	16.93%	16.77%	18.59%	23.34%	23.34%	16.92%	16.92%
Total regulatory capital ratio	23.86%	21.94%	17.73%	16.95%	17.35%	17.36%	17.21%	20.94%	23.86%	23.86%	17.35%	17.35%
Risk-weighted assets as a percentage of total assets	37.7%	37.1%	42.1%	43.5%	42.5%	41.8%	40.4%	39.8%	37.7%	37.7%	42.5%	42.5%

¹ The Company is allowed to include its collective allowance for credit losses up to a prescribed percentage of 1.25% of total credit risk-weighted assets, inclusive of total CVA before transitional phase-in adjustments, in Tier 2 capital.

Non-GAAP Measures

The Company uses a number of financial measures to assess its performance. Some of these measures are not calculated in accordance with GAAP, are not defined by GAAP, and do not have standardized meanings that would ensure consistency and comparability between companies using these measures. The non-GAAP measures used are defined as follows:

Allowance as a Percentage of Gross Loans

Allowance as a percentage of gross loans is calculated as the total allowance divided by the gross on-balance sheet loans outstanding, which includes all on-balance sheet loans, except for loans held for sale.

Common Equity Tier 1, Tier 1 and Total Capital Ratios

The capital ratios provided are those of the Company's wholly owned subsidiary Home Trust Company. The calculations are in accordance with guidelines issued by OSFI.

Dividend Payout Ratio

Dividend payout ratio is a measure of the proportion of a Company's earnings that is paid to shareholders in the form of dividends. The Company calculates its dividend payout ratio as the amount of dividends per share as a percentage of diluted earnings per share.

Efficiency Ratio

Management uses the efficiency ratio as a measure of the Company's efficiency in generating revenue. This ratio represents non-interest expenses as a percentage of total revenue, net of interest expense. The Company also looks at the same ratio on a taxable equivalent basis and will include this adjustment in arriving at the efficiency ratio, on a taxable equivalent basis. A lower ratio indicates better efficiency.

Leverage Ratio

The leverage ratio provided is that of the Company's wholly owned subsidiary Home Trust Company. The calculations are in accordance with guidelines issued by OSFI. The leverage ratio is defined as the Capital Measure divided by the Exposure Measure, with the ratio expressed as a percentage. The Capital Measure is the all-in Tier 1 capital of Home Trust. The Exposure Measure consists of on-balance sheet, derivative, securities financing transactions and off-balance sheet exposures.

Liquid Assets

Liquid assets are unencumbered high quality assets for which there is a broad and active secondary market available to the Company to sell these assets without incurring a substantial discount. Liquid assets are a dependable source of cash used by the Company when it experiences short-term funding shortfalls.

Market Capitalization

Market capitalization is calculated as the closing price of the Company's common shares multiplied by the number of common shares of the Company outstanding.

Net Interest Margin (Non-TEB)

Net interest margin is a measure of profitability of assets. Net interest margin is calculated by taking net interest income divided by average total assets.

Net Interest Margin (TEB)

Net interest margin is a measure of profitability of assets. Net interest margin (TEB) is calculated by taking net interest income, on a taxable equivalent basis, divided by average total assets.

Net Non-Performing Loans as a Percentage of Gross Loans (NPL Ratio)

The NPL ratio is calculated as the total net non-performing loans divided by the gross on-balance sheet loans, which includes all on-balance sheet loans, except for loans held for sale.

Provision as a Percentage of Gross Loans (PCL Ratio)

The PCL ratio is calculated as the total individual and collective provision expense divided by the gross on-balance sheet loans outstanding, which includes all on-balance sheet loans, except for loans held for sale.

Provision as a Percentage of Gross Uninsured Loans

The provision as a percentage of gross uninsured loans ratio is calculated as the total individual and collective provision expense divided by the gross on-balance sheet uninsured loans outstanding.

Return on Assets (ROA)

Return on assets is a profitability measure that presents the annualized net income as a percentage of the average total assets for the period deployed to earn the income.

Return on Shareholders' Equity (ROE)

Return on equity is a profitability measure that presents the net income available to common shareholders as a percentage of the capital deployed to earn the income. The Company calculates its return on shareholders' equity using average common shareholders' equity, including all components of shareholders' equity.

Risk-Weighted Assets (RWA)

The risk-weighted assets reported are those of the Company's wholly owned subsidiary Home Trust Company. The calculations are in accordance with guidelines issued by OSFI.

Taxable Equivalent Basis (TEB)

Most banks and trust companies analyze and discuss their financial results on a taxable equivalent basis (TEB) to provide uniform measurement and comparison of net interest income. Net interest income (as presented in the consolidated statements of income (loss)) includes tax-exempt income principally from preferred and common equity securities. The adjustment to TEB increases income and the provision for income taxes to what they would have been had the income from tax-exempt securities been taxed at the statutory tax rate.

Total Assets under Administration (AUA)

Total assets under administration refers to all on-balance sheet assets plus all off-balance sheet loans that qualify for derecognition under IFRS.

Total Loans under Administration (LUA)

Total loans under administration refers to all on-balance sheet loans plus all off-balance sheet loans that qualify for derecognition under IFRS.

Total Revenue

Total revenue is a measure of the revenues, net of interest expense, earned by the Company before non-interest expenses, provision for credit losses and income taxes. Total revenue is the sum of interest and dividend income, net of interest expense, and non-interest income.

Glossary of Terms

Assets or Loans under Administration refer to assets or loans administered by a financial institution that are beneficially owned by clients and therefore not reported on the balance sheet of the administering financial institution, plus all assets or loans beneficially owned by the Company and carried on the balance sheets.

Average Earning Assets represents the monthly average balance of deposits with other banks and loans and securities over a relevant period.

Basis Point is one-hundredth of a percentage point.

Canada Deposit Insurance Corporation (CDIC) is a Canadian federal Crown corporation created to protect qualifying deposits made with member financial institutions in case of their failure.

Collective Allowance (previously referred to as the General Allowance) is established for incurred losses inherent in the portfolio that are not presently identifiable on a loan-by-loan basis and reflects the relative risk of the various loan portfolios that the Company manages.

Derivatives are a contract between two parties, which requires little or no initial investment and where payments between the parties are dependent upon the movements in price of an underlying instrument, index or financial rate. Examples of derivatives include swaps, options, forward rate agreements and futures. The notional amount of the derivative is the contract amount used as a reference point to calculate the payments to be exchanged between the two parties, and the notional amount itself is generally not exchanged by the parties.

Forwards used by the Company are contractual agreements to either buy or sell a specified amount of an interest-rate-sensitive financial instrument or security at a specific price and date in the future. Forwards are customized contracts transacted in the over-the-counter market.

Hedging is a risk management technique used by the Company to neutralize, manage or offset interest rate, equity, or credit exposures arising from normal banking activities.

Impaired or Non-performing Loans are loans for which there is no longer reasonable assurance of the timely collection of principal or interest.

Individual Allowances (previously referred to as specific allowances) reduce the carrying value of individual credit assets to the amount expected to be recovered if there is evidence of deterioration in credit quality.

Insured Loans are loans insured against default by CMHC or another approved insurer either individually at origination or by portfolio. The Company's insured lending includes single-family homes and multi-unit residential properties.

Net Interest Income is comprised of earnings on assets, such as loans and securities, including interest and dividend income, less interest expense paid on liabilities, such as deposits.

Notional Amount refers to the principal used to calculate interest and other payments under derivative contracts. The principal does not change hands under the terms of a derivative contract.

Office of the Superintendent of Financial Institutions Canada (OSFI) is the government agency responsible for regulation and supervision of banks, insurance companies, trust companies, loan companies and pension plans in Canada.

Provision for Credit Losses is a charge to income that represents an amount deemed adequate by management to fully provide for impairment in a portfolio of loans and other credit instruments, given the composition of the portfolio, the probability that default has occurred, the economic environment and the allowance for credit losses already established.

Securitization is the practice of selling pools of contractual debts, such as residential or commercial mortgages, to third parties.

Swaps are contractual agreements between two parties to exchange a series of cash flows. The Company uses interest rate swaps and total return swaps. An interest rate swap is an agreement where counterparties generally exchange fixed-rate and floating-rate interest payments based on a notional value in a single currency. A total return swap is an agreement in which one party makes payments based on a set rate, either fixed or variable, while the other party makes payments based on the return of an underlying asset, which includes both the income it generates and any capital gains.

Acronyms

ALCO – Asset/Liability Committee

AOCI – Accumulated Other Comprehensive Income

CDIC – Canada Deposit Insurance Corporation

CMB – Canada Mortgage Bond

CMHC – Canada Mortgage and Housing Corporation

COSO – Committee of Sponsoring Organizations of the Treadway Commission

CVA - Credit Valuation Adjustment

ERM – Enterprise Risk Management

GAAP – Generally Accepted Accounting Principles

GIC – Guaranteed Investment Certificate

HELOC – Home Equity Line of Credit

IASB – International Accounting Standards Board

IFRS – International Financial Reporting Standards

LTV – Loan to Value (ratio expressed as a percentage)

MBS – Mortgage-Backed Security

MD&A – Management’s Discussion and Analysis

NCCF – Net Cumulative Cash Flow

NHA – National Housing Act

OCI – Other Comprehensive Income

OSFI – Office of the Superintendent of Financial Institutions Canada

TEB – Taxable Equivalent Basis