

National Bank reports its results for the Third Quarter of 2025

The financial information reported in this document is based on the unaudited interim condensed consolidated financial statements for the quarter and the nine-month period ended July 31, 2025 and is prepared in accordance with IAS 34 – *Interim Financial Reporting* as issued by the International Accounting Standards Board (IASB). All amounts are presented in Canadian dollars.

MONTREAL, August 27, 2025 – For the third quarter of 2025, National Bank is reporting net income of \$1,065 million, up 3% from \$1,033 million in the third quarter of 2024. Diluted earnings per share stood at \$2.58 compared to \$2.89 in the third quarter of 2024. Excluding specified items⁽¹⁾ recorded in the third quarters of 2025 and 2024 related to the acquisition of Canadian Western Bank (CWB)⁽²⁾, adjusted net income⁽¹⁾ stood at \$1,104 million, up 15% from \$960 million in the corresponding quarter of 2024. Adjusted diluted earnings per share⁽¹⁾ stood at \$2.68, stable compared to the corresponding quarter of 2024.

For the nine-month period ended July 31, 2025, the Bank's net income totalled \$2,958 million, up 3% from \$2,861 million for the corresponding period in 2024. Diluted earnings per share stood at \$7.50 for the nine-month period ended July 31, 2025 versus \$8.03 for the corresponding period in 2024, the decrease being attributable to the common shares issued as part of the acquisition of CWB⁽²⁾. Excluding specified items⁽¹⁾, adjusted net income⁽¹⁾ for the nine-month period ended July 31, 2025 totalled \$3,320 million, up 19% from \$2,788 million for the corresponding period in 2024, and adjusted diluted earnings per share⁽¹⁾ stood at \$8.46, up 8% from \$7.82 for the nine-month period ended July 31, 2024, driven by good performance in all of the business segments.

"The Bank reported solid third quarter results, reflecting strong revenue fundamentals and credit performance, combined with synergy momentum from the CWB acquisition. With strong capital levels and a disciplined approach to credit and efficiency, we will continue to execute our CWB integration plan while investing in business growth," said Laurent Ferreira, President and Chief Executive Officer of National Bank of Canada.

Highlights

(millions of Canadian dollars)		Quarter ended July 31			Nine months ended July 31		
	2025 ⁽²⁾	2024 ⁽³⁾	% Change	2025 ⁽²⁾	2024 ⁽³⁾	% Change	
Net income	1,065	1,033	3	2,958	2,861	3	
Diluted earnings per share (<i>dollars</i>)	\$ 2.58	\$ 2.89	(11)	\$ 7.50	\$ 8.03	(7)	
Income before provisions for credit losses and income taxes	1,524	1,455	5	4,769	3,994	19	
Return on common shareholders' equity ⁽⁴⁾	13.6 %	18.4 %		13.8 %	17.5 %		
Dividend payout ratio ⁽⁴⁾	44.3 %	41.6 %		44.3 %	41.6 %		
Operating results – Adjusted⁽¹⁾							
Net income – Adjusted	1,104	960	15	3,320	2,788	19	
Diluted earnings per share – Adjusted (<i>dollars</i>)	\$ 2.68	\$ 2.68	–	\$ 8.46	\$ 7.82	8	
Income before provisions for credit losses and income taxes – Adjusted	1,643	1,354	21	5,103	3,893	31	
Return on common shareholders' equity – Adjusted ⁽⁵⁾	14.1 %	17.0 %		15.6 %	17.0 %		
				As at July 31, 2025	As at October 31, 2024		
CET1 capital ratio under Basel III ⁽⁶⁾				13.9 %	13.7 %		
Leverage ratio under Basel III ⁽⁶⁾				4.7 %	4.4 %		

(1) See the Financial Reporting Method section on pages 3 to 6 for additional information on non-GAAP financial measures.

(2) On February 3, 2025, the Bank completed the acquisition of CWB. CWB's results were consolidated from the closing date, which impacted the results, balances and ratios for the quarter and the nine-month period ended July 31, 2025. For additional information on the impact of the CWB acquisition, see the Acquisition section in the *Report to Shareholders – Third Quarter of 2025*, which is available on the Bank's website at nbc.ca or the SEDAR+ website at sedarplus.ca.

(3) Certain amounts have been adjusted to reflect the discontinuation of taxable equivalent basis reporting for revenues and income taxes. For additional information, see the Financial Reporting Method section.

(4) For details on the composition of these measures, see the Glossary section on pages 53 to 56 in the *Report to Shareholders – Third Quarter 2025*, 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 6 to 12 in the *Report to Shareholders – Third Quarter 2025*, which is available on the Bank's website at nbc.ca or the SEDAR+ website at sedarplus.ca.

(6) For additional information on capital management measures, see the Financial Reporting Method section on pages 6 to 12 in the *Report to Shareholders – Third Quarter 2025*, which is available on the Bank's website at nbc.ca or the SEDAR+ website at sedarplus.ca.

Personal and Commercial⁽¹⁾

- Net income totalled \$370 million in the third quarter of 2025 versus \$366 million in the third quarter of 2024, a 1% increase. Adjusted net income⁽²⁾ totalled \$386 million, up 5% from the corresponding quarter of 2024.
- At \$1,449 million, third-quarter total revenues rose \$251 million or 21% year over year due to the inclusion of CWB, which represents \$228 million or 19%, as well as an increase in net interest income related to growth in loan and deposit volumes, partly offset by a lower net interest margin.
- Compared to a year ago, personal lending grew 12% and commercial lending grew 61%, due to the inclusion of CWB loans and strong organic growth.
- Net interest margin⁽³⁾ stood at 2.25% in the third quarter of 2025, down from 2.31% in the third quarter of 2024.
- Third-quarter non-interest expenses stood at \$805 million, up 31% year over year, of which the inclusion of CWB drove a 22% increase.
- Provisions for credit losses rose \$55 million year over year, mainly due to the provisions for credit losses on impaired loans.
- At 55.6%, the third-quarter efficiency ratio⁽³⁾ deteriorated compared to 51.3% in the third quarter of 2024.

Wealth Management⁽¹⁾

- Net income totalled \$244 million in the third quarter of 2025, a 12% increase from \$217 million in the corresponding quarter of 2024.
- Third-quarter total revenues amounted to \$811 million compared to \$716 million in third-quarter 2024, a \$95 million or 13% increase driven mainly by growth in fee-based revenues and the inclusion of CWB's revenues.
- Third-quarter non-interest expenses stood at \$477 million versus \$416 million in third-quarter 2024, a 15% increase associated with revenue growth and with the impact of the inclusion of CWB.
- At 58.8%, the third-quarter efficiency ratio⁽³⁾ deteriorated compared to 58.1% in the third quarter of 2024.

Financial Markets⁽¹⁾

- Net income totalled \$334 million in the third quarter of 2025, up 5% from \$318 million in the third quarter of 2024.
- Third-quarter total revenues amounted to \$777 million, a 13% increase that was mainly due to growth in corporate and investment banking revenues.
- Third-quarter non-interest expenses stood at \$347 million compared to \$320 million in third-quarter 2024, an increase that was due to compensation and employee benefits as well as technology investment expenses.
- Third-quarter provisions for credit losses were \$24 million compared to \$22 million in the corresponding quarter of 2024.
- At 44.7%, the efficiency ratio⁽³⁾ improved from 46.4% in the third quarter of 2024.

U.S. Specialty Finance and International

- Net income totalled \$178 million in the third quarter of 2025, up 13% from \$158 million in the third quarter of 2024.
- Third-quarter total revenues amounted to \$402 million, an 11% year-over-year increase driven mainly by revenue growth at the ABA Bank subsidiary.
- Non-interest expenses for the third quarter of 2025 stood at \$135 million, a 17% year-over-year increase mainly attributable to the ABA Bank subsidiary.
- Third-quarter provisions for credit losses were down \$4 million year over year, with the decrease being attributable to the Credigy subsidiary, partly offset by higher provisions for credit losses at the ABA Bank subsidiary.
- At 33.6%, the efficiency ratio⁽³⁾ deteriorated from 31.9% in the third quarter of 2024.

Other⁽¹⁾

- The *Other* heading reported a net loss of \$61 million in the third quarter of 2025 compared to a net loss of \$26 million in the corresponding quarter of 2024, owing mainly to the specified items⁽²⁾ related to the CWB acquisition which had an unfavourable impact of \$21 million on the net loss for the third quarter of 2025 compared to a favourable impact of \$73 million on the net loss of the corresponding quarter of 2024. These elements were partly offset by a higher contribution from Treasury activities and by the inclusion of CWB results.

Capital Management⁽¹⁾

- As at July 31, 2025, the Common Equity Tier 1 (CET1) capital ratio under Basel III⁽⁴⁾ stood at 13.9%, up from 13.7% as at October 31, 2024, and the Basel III⁽⁴⁾ leverage ratio was 4.7%, up from 4.4% as at October 31, 2024.
- The Bank announced a normal course issuer bid to repurchase for cancellation up to 8,000,000 common shares. This normal course issuer bid is subject to the approval of the Office of the Superintendent of Financial Institutions (Canada) and the Toronto Stock Exchange.

Dividends

- On August 26, 2025, the Board of Directors declared regular dividends on the various series of first preferred shares and a dividend of \$1.18 per common share, payable on November 1, 2025 to shareholders of record on September 29, 2025.

(1) On February 3, 2025, the Bank completed the acquisition of CWB. CWB's results were consolidated from the closing date, which impacted the results, balances and ratios for the quarter and nine-month period ended July 31, 2025. For additional information on the impact of the CWB acquisition, see the Acquisition section in the *Report to Shareholders – Third quarter of 2025*, which is available on the Bank's website at [nbc.ca](https://www.nbc.ca) or the SEDAR+ website at [sedarplus.ca](https://www.sedarplus.ca).

(2) See the Financial Reporting Method section on pages 3 to 6 for additional information on non-GAAP financial measures.

(3) For details on the composition of these measures, see the Glossary section on pages 53 to 56 in the *Report to Shareholders – Third Quarter 2025*, which is available on the Bank's website at [nbc.ca](https://www.nbc.ca) or the SEDAR+ website at [sedarplus.ca](https://www.sedarplus.ca).

(4) For additional information on capital management measures, see the Financial Reporting Method section on pages 6 to 12 in the *Report to Shareholders – Third Quarter 2025*, which is available on the Bank's website at [nbc.ca](https://www.nbc.ca) or the SEDAR+ website at [sedarplus.ca](https://www.sedarplus.ca).

Financial Reporting Method

The Bank's Consolidated Financial Statements are prepared in accordance with International Financial Reporting Standards, as issued by the IASB and represent Canadian GAAP.

Effective November 1, 2024, the Bank discontinued taxable equivalent basis (TEB) reporting for revenues and income taxes. Using the TEB method is less relevant since the introduction of the Pillar 2 rules (global minimum tax) during the first quarter of 2025 and Bill C-59 in relation to the taxation of certain Canadian dividends during fiscal 2024. This change has no impact on net income previously disclosed. Data for the 2024 periods were adjusted to reflect this change.

On February 3, 2025, the Bank completed the acquisition of CWB. CWB's results were consolidated from the closing date, which impacted the results, balances and ratios for the quarter and nine-month period ended July 31, 2025 in the Personal and Commercial, Wealth Management, and Financial Markets segments and in the *Other* heading of segment disclosures. For additional information on the impact of the CWB acquisition on the Bank's results, see the Acquisition section.

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.

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 4 to 6. It should be noted that, for the quarter and the nine-month period ended July 31, 2025, as part of the CWB transaction, several acquisition-related items have been excluded from results since, in the opinion of management, they do not reflect the underlying performance of the Bank's operations, in particular, acquisition and integration charges, amortization of intangible assets related to the CWB acquisition and the income tax recovery related to a change in tax treatment. In addition, for the nine-month period ended July 31, 2025, the amortization of subscription receipt issuance costs, the gain resulting from the remeasurement at fair value of the CWB common shares already held by the Bank, the loss resulting from the impact of managing fair value changes and the initial provisions for credit losses on non-impaired loans acquired from CWB were excluded from the results. For the quarter and nine-month period ended July 31, 2024, several acquisition-related items had been excluded from results (in particular, the amortization of the subscription receipt issuance costs, the gain resulting from the remeasurement at fair value of the CWB common shares already held by the Bank, the loss resulting from the impact of managing fair value changes and acquisition and integration charges).

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 6 to 12 and 53 to 56, respectively, of the *Report to Shareholders – Third quarter of 2025*, 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 July 31

						2025 ⁽¹⁾	2024 ⁽²⁾
	Personal and Commercial	Wealth Management	Financial Markets	USSF&I	Other	Total	Total
Operating results							
Net interest income	1,180	235	(598)	369	(14)	1,172	769
Non-interest income	269	576	1,375	33	24	2,277	2,227
Total revenues	1,449	811	777	402	10	3,449	2,996
Non-interest expenses	805	477	347	135	161	1,925	1,541
Income before provisions for credit losses and income taxes	644	334	430	267	(151)	1,524	1,455
Provisions for credit losses	134	1	24	42	2	203	149
Income before income taxes (recovery)	510	333	406	225	(153)	1,321	1,306
Income taxes (recovery)	140	89	72	47	(92)	256	273
Net income	370	244	334	178	(61)	1,065	1,033
Items that have an impact on results							
Net interest income							
Amortization of the subscription receipt issuance costs ⁽³⁾	–	–	–	–	–	–	(5)
Impact on net interest income	–	–	–	–	–	–	(5)
Non-interest income							
Gain on the fair value remeasurement of an equity interest ⁽⁴⁾	–	–	–	–	–	–	120
Management of the fair value changes related to the CWB acquisition ⁽⁵⁾	–	–	–	–	–	–	(7)
Impact on non-interest income	–	–	–	–	–	–	113
Non-interest expenses							
CWB acquisition and integration charges ⁽⁶⁾	–	–	–	–	94	94	7
Amortization of intangible assets related to the CWB acquisition ⁽⁷⁾	23	2	–	–	–	25	–
Impact on non-interest expenses	23	2	–	–	94	119	7
Income taxes							
Income taxes on the amortization of the subscription receipt issuance costs ⁽³⁾	–	–	–	–	–	–	(2)
Income taxes on the gain on the fair value remeasurement of an equity interest ⁽⁴⁾	–	–	–	–	–	–	34
Income taxes on management of the fair value changes related to the CWB acquisition ⁽⁵⁾	–	–	–	–	–	–	(2)
Income taxes on the CWB acquisition and integration charges ⁽⁶⁾	–	–	–	–	(26)	(26)	(2)
Income taxes on the amortization of intangible assets related to the CWB acquisition ⁽⁷⁾	(7)	–	–	–	–	(7)	–
Income tax recovery related to a change in tax treatment ⁽⁸⁾	–	–	–	–	(47)	(47)	–
Impact on income taxes	(7)	–	–	–	(73)	(80)	28
Impact on net income	(16)	(2)	–	–	(21)	(39)	73
Operating results – Adjusted							
Net interest income – Adjusted	1,180	235	(598)	369	(14)	1,172	774
Non-interest income – Adjusted	269	576	1,375	33	24	2,277	2,114
Total revenues – Adjusted	1,449	811	777	402	10	3,449	2,888
Non-interest expenses – Adjusted	782	475	347	135	67	1,806	1,534
Income before provisions for credit losses and income taxes – Adjusted	667	336	430	267	(57)	1,643	1,354
Provisions for credit losses – Adjusted	134	1	24	42	2	203	149
Income before income taxes (recovery) – Adjusted	533	335	406	225	(59)	1,440	1,205
Income taxes (recovery) – Adjusted	147	89	72	47	(19)	336	245
Net income – Adjusted	386	246	334	178	(40)	1,104	960

(1) On February 3, 2025, the Bank completed the acquisition of CWB. CWB's results were consolidated from the closing date, which impacted the results, balances and ratios for the quarter ended July 31, 2025. For additional information on the impact of the CWB acquisition, see the Acquisition section in the *Report to Shareholders – Third quarter of 2025*, which is available on the Bank's website at nbc.ca or the SEDAR+ website at sedarplus.ca.

(2) Certain amounts have been adjusted to reflect the discontinuation of taxable equivalent basis reporting for revenues and income taxes.

(3) During the quarter ended July 31, 2024, the Bank recorded an amount of \$5 million (\$3 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 additional information, see Notes 8 and 10 to the unaudited interim condensed Consolidated Financial Statements in the *Report to Shareholders – Third quarter of 2025*, which is available on the Bank's website at nbc.ca or the SEDAR+ website at sedarplus.ca).

(4) During the quarter ended July 31, 2024, the Bank recorded a gain of \$120 million (\$86 million net of income taxes) upon the remeasurement at fair value of the interest already held in CWB.

(5) During the quarter ended July 31, 2024, the Bank recorded a mark-to-market loss of \$7 million (\$5 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 July 31, 2025, the Bank recorded acquisition and integration charges of \$94 million (\$68 million net of income taxes) (2024: \$7 million, \$5 million net of income taxes) related to the CWB transaction.

(7) During the quarter ended July 31, 2025, the Bank recorded an amount of \$25 million (\$18 million net of income taxes) to reflect the amortization of intangible assets related to the CWB acquisition.

(8) During the quarter ended July 31, 2025, income tax recovery of \$47 million was recorded due to a change in tax treatment related to unrealized gains recognized in fiscal 2024 and in the first quarter of 2025 from the remeasurement at fair value of the interest already held by the Bank in CWB.

(millions of Canadian dollars)

Nine months ended July 31

						2025 ⁽¹⁾	2024 ⁽²⁾
	Personal and Commercial	Wealth Management	Financial Markets	USSF&I	Other	Total	Total
Operating results							
Net interest income	3,270	692	(1,612)	1,095	(96)	3,349	2,155
Non-interest income	799	1,686	4,397	102	(51)	6,933	6,301
Total revenues	4,069	2,378	2,785	1,197	(147)	10,282	8,456
Non-interest expenses	2,250	1,394	1,117	375	377	5,513	4,462
Income before provisions for credit losses and income taxes	1,819	984	1,668	822	(524)	4,769	3,994
Provisions for credit losses	722	2	124	152	2	1,002	407
Income before income taxes (recovery)	1,097	982	1,544	670	(526)	3,767	3,587
Income taxes (recovery)	305	264	292	140	(192)	809	726
Net income	792	718	1,252	530	(334)	2,958	2,861
Items that have an impact on results							
Net interest income							
Amortization of the subscription receipt issuance costs ⁽³⁾	–	–	–	–	(28)	(28)	(5)
Impact on net interest income	–	–	–	–	(28)	(28)	(5)
Non-interest income							
Gain on the fair value remeasurement of an equity interest ⁽⁴⁾	–	–	–	–	4	4	120
Management of the fair value changes related to the CWB acquisition ⁽⁵⁾	–	–	–	–	(23)	(23)	(7)
Impact on non-interest income	–	–	–	–	(19)	(19)	113
Non-interest expenses							
CWB acquisition and integration charges ⁽⁶⁾	1	3	–	–	234	238	7
Amortization of intangible assets related to the CWB acquisition ⁽⁷⁾	46	3	–	–	–	49	–
Impact on non-interest expenses	47	6	–	–	234	287	7
Provisions for credit losses							
Initial provisions for credit losses on non-impaired loans acquired from CWB ⁽⁸⁾	230	–	–	–	–	230	–
Impact on provisions for credit losses	230	–	–	–	–	230	–
Income taxes							
Income taxes on the amortization of the subscription receipt issuance costs ⁽³⁾	–	–	–	–	(8)	(8)	(2)
Income taxes on the gain on the fair value remeasurement of an equity interest ⁽⁴⁾	–	–	–	–	1	1	34
Income taxes on management of the fair value changes related to the CWB acquisition ⁽⁵⁾	–	–	–	–	(6)	(6)	(2)
Income taxes on the CWB acquisition and integration charges ⁽⁶⁾	–	(1)	–	–	(64)	(65)	(2)
Income taxes on the amortization of intangible assets related to the CWB acquisition ⁽⁷⁾	(13)	–	–	–	–	(13)	–
Income taxes on initial provisions for credit losses on non-impaired loans acquired from CWB ⁽⁸⁾	(64)	–	–	–	–	(64)	–
Income tax recovery related to a change in tax treatment ⁽⁹⁾	–	–	–	–	(47)	(47)	–
Impact on income taxes	(77)	(1)	–	–	(124)	(202)	28
Impact on net income	(200)	(5)	–	–	(157)	(362)	73
Operating results – Adjusted							
Net interest income – Adjusted	3,270	692	(1,612)	1,095	(68)	3,377	2,160
Non-interest income – Adjusted	799	1,686	4,397	102	(32)	6,952	6,188
Total revenues – Adjusted	4,069	2,378	2,785	1,197	(100)	10,329	8,348
Non-interest expenses – Adjusted	2,203	1,388	1,117	375	143	5,226	4,455
Income before provisions for credit losses and income taxes – Adjusted	1,866	990	1,668	822	(243)	5,103	3,893
Provisions for credit losses – Adjusted	492	2	124	152	2	772	407
Income before income taxes (recovery) – Adjusted	1,374	988	1,544	670	(245)	4,331	3,486
Income taxes (recovery) – Adjusted	382	265	292	140	(68)	1,011	698
Net income – Adjusted	992	723	1,252	530	(177)	3,320	2,788

(1) On February 3, 2025, the Bank completed the acquisition of CWB. CWB's results were consolidated from the closing date, which impacted the results, balances and ratios for the nine-month period ended July 31, 2025. For additional information on the impact of the CWB acquisition, see the Acquisition section in the *Report to Shareholders – Third quarter of 2025*, which is available on the Bank's website at nbc.ca or the SEDAR+ website at sedarplus.ca.

(2) Certain amounts have been adjusted to reflect the discontinuation of taxable equivalent basis reporting for revenues and income taxes.

(3) During the nine-month period ended July 31, 2025, the Bank recorded an amount of \$28 million (\$20 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 (2024: \$5 million, \$3 million net of income taxes). For additional information, see Notes 8 and 10 to the unaudited interim condensed Consolidated Financial Statements in the *Report to Shareholders – Third quarter of 2025*, which is available on the Bank's website at nbc.ca or the SEDAR+ website at sedarplus.ca.

(4) During the nine-month period ended July 31, 2025, the Bank recorded a gain of \$4 million upon the remeasurement at fair value of the interest already held in CWB (2024: \$120 million, \$86 million net of income taxes).

(5) During the nine-month period ended July 31, 2025, the Bank recorded a mark-to-market loss of \$23 million (\$17 million net of income taxes) on interest rate swaps used to manage the fair value changes of CWB's assets and liabilities that resulted in volatility of goodwill and capital on closing of the transaction (2024: \$7 million, \$5 million net of income taxes).

(6) During the nine-month period ended July 31, 2025, the Bank recorded acquisition and integration charges of \$238 million (\$173 million net of income taxes) related to the CWB transaction (2024: \$7 million, \$5 million net of income taxes).

- (7) During the nine-month period ended July 31, 2025, the Bank recorded an amount of \$49 million (\$36 million net of income taxes) to reflect the amortization of intangible assets related to the CWB acquisition.
- (8) During the nine-month period ended July 31, 2025, the Bank recorded initial provisions for credit losses on non-impaired loans acquired from CWB of \$230 million (\$166 million net of income taxes).
- (9) During the nine-month period ended July 31, 2025, income tax recovery of \$47 million was recorded due to a change in tax treatment related to unrealized gains recognized in fiscal 2024 and in the first quarter of 2025 from the remeasurement at fair value of the interest already held by the Bank in CWB.

Presentation of Basic and Diluted Earnings Per Share – Adjusted

(Canadian dollars)	Quarter ended July 31			Nine months ended July 31		
	2025 ⁽¹⁾	2024	% Change	2025 ⁽¹⁾	2024	% Change
Basic earnings per share	\$ 2.61	\$ 2.92	(11)	\$ 7.58	\$ 8.09	(6)
Amortization of the subscription receipt issuance costs ⁽²⁾	—	0.01		0.05	0.01	
Gain on the fair value remeasurement of an equity interest ⁽³⁾	—	(0.25)		(0.01)	(0.25)	
Management of the fair value changes related to the CWB acquisition ⁽⁴⁾	—	0.01		0.05	0.01	
CWB acquisition and integration charges ⁽⁵⁾	0.17	0.02		0.46	0.02	
Amortization of intangible assets related to the CWB acquisition ⁽⁶⁾	0.05	—		0.10	—	
Initial provisions for credit losses on non-impaired loans acquired from CWB ⁽⁷⁾	—	—		0.44	—	
Income tax recovery related to a change in tax treatment ⁽⁸⁾	(0.12)	—		(0.12)	—	
Basic earnings per share – Adjusted	\$ 2.71	\$ 2.71	—	\$ 8.55	\$ 7.88	9
Diluted earnings per share	\$ 2.58	\$ 2.89	(11)	\$ 7.50	\$ 8.03	(7)
Amortization of the subscription receipt issuance costs ⁽²⁾	—	0.01		0.05	0.01	
Gain on the fair value remeasurement of an equity interest ⁽³⁾	—	(0.25)		(0.01)	(0.25)	
Management of the fair value changes related to the CWB acquisition ⁽⁴⁾	—	0.01		0.05	0.01	
CWB acquisition and integration charges ⁽⁵⁾	0.17	0.02		0.46	0.02	
Amortization of intangible assets related to the CWB acquisition ⁽⁶⁾	0.05	—		0.10	—	
Initial provisions for credit losses on non-impaired loans acquired from CWB ⁽⁷⁾	—	—		0.44	—	
Income tax recovery related to a change in tax treatment ⁽⁸⁾	(0.12)	—		(0.13)	—	
Diluted earnings per share – Adjusted	\$ 2.68	\$ 2.68	—	\$ 8.46	\$ 7.82	8

- (1) On February 3, 2025, the Bank completed the acquisition of CWB. CWB's results were consolidated from the closing date, which impacted the results, balances and ratios for the quarter and the nine-month period ended July 31, 2025. For additional information on the impact of the CWB acquisition, see the Acquisition section in the *Report to Shareholders – Third quarter of 2025*, which is available on the Bank's website at nbc.ca or the SEDAR+ website at sedarplus.ca.
- (2) During the nine-month period ended July 31, 2025, the Bank recorded an amount of \$28 million (\$20 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 additional information, see Notes 8 and 10 to the unaudited interim condensed Consolidated Financial Statements in the *Report to Shareholders – Third quarter of 2025*, which is available on the Bank's website at nbc.ca or the SEDAR+ website at sedarplus.ca). For the quarter and the nine-month period ended July 31, 2024, this amount was \$5 million (\$3 million net of income taxes).
- (3) During the nine-month period ended July 31, 2025, the Bank recorded a gain of \$4 million upon the remeasurement at fair value of the interest already held in CWB. For the quarter and nine-month period ended July 31, 2024, the Bank recorded a gain of \$120 million (\$86 million net of income taxes).
- (4) During the nine-month period ended July 31, 2025, the Bank recorded a mark-to-market loss of \$23 million (\$17 million net of income taxes) on interest rate swaps used to manage the fair value changes of CWB's assets and liabilities that resulted in volatility of goodwill and capital on closing of the transaction. For the quarter and the nine-month period ended July 31, 2024, the loss totalled \$7 million (\$5 million net of income taxes).
- (5) During the quarter ended July 31, 2025, the Bank recorded acquisition and integration charges of \$94 million (\$68 million net of income taxes) related to the CWB transaction. For the nine-month period ended July 31, 2025, these charges are \$238 million (\$173 million net of income taxes) and for the quarter and the nine-month period ended July 31, 2024, these charges were \$7 million (\$5 million net of income taxes).
- (6) During the quarter ended July 31, 2025, the Bank recorded an amount of \$25 million (\$18 million net of income taxes) to reflect the amortization of intangible assets related to the CWB acquisition. For the nine-month period ended July 31, 2025, these charges are \$49 million (\$36 million net of income taxes).
- (7) During the nine-month period ended July 31, 2025, the Bank recorded initial provisions for credit losses on non-impaired loans acquired from CWB of \$230 million (\$166 million net of income taxes).
- (8) During the quarter and the nine-month period ended July 31, 2025, income tax recovery of \$47 million was recorded due to a change in tax treatment related to unrealized gains recognized in fiscal 2024 and in the first quarter of 2025 from the remeasurement at fair value of the interest already held by the Bank in CWB.

Highlights

(millions of Canadian dollars, except per share amounts)			Quarter ended July 31			Nine months ended July 31		
	2025 ⁽¹⁾	2024 ⁽²⁾	% Change	2025 ⁽¹⁾	2024 ⁽²⁾	% Change		
Operating results								
Total revenues	3,449	2,996	15	10,282	8,456	22		
Income before provisions for credit losses and income taxes	1,524	1,455	5	4,769	3,994	19		
Net income	1,065	1,033	3	2,958	2,861	3		
Return on common shareholders' equity ⁽³⁾	13.6 %	18.4 %		13.8 %	17.5 %			
Operating leverage ⁽³⁾	(9.8) %	10.5 %		(2.0) %	5.4 %			
Efficiency ratio ⁽³⁾	55.8 %	51.4 %		53.6 %	52.8 %			
Earnings per share								
Basic	\$ 2.61	\$ 2.92	(11)	\$ 7.58	\$ 8.09	(6)		
Diluted	\$ 2.58	\$ 2.89	(11)	\$ 7.50	\$ 8.03	(7)		
Operating results – Adjusted⁽⁴⁾								
Total revenues – Adjusted ⁽⁴⁾	3,449	2,888	19	10,329	8,348	24		
Income before provisions for credit losses and income taxes – Adjusted ⁽⁴⁾	1,643	1,354	21	5,103	3,893	31		
Net income – Adjusted ⁽⁴⁾	1,104	960	15	3,320	2,788	19		
Return on common shareholders' equity – Adjusted ⁽⁵⁾	14.1 %	17.0 %		15.6 %	17.0 %			
Operating leverage – Adjusted ⁽⁵⁾	1.7 %	9.2 %		6.4 %	4.9 %			
Efficiency ratio – Adjusted ⁽⁵⁾	52.4 %	53.1 %		50.6 %	53.4 %			
Diluted earnings per share – Adjusted ⁽⁴⁾	\$ 2.68	\$ 2.68	–	\$ 8.46	\$ 7.82	8		
Common share information								
Dividends declared	\$ 1.18	\$ 1.10	7	\$ 3.46	\$ 3.22	7		
Book value ⁽³⁾	\$ 77.20	\$ 64.64		\$ 77.20	\$ 64.64			
Share price								
High	\$ 144.96	\$ 118.17		\$ 144.96	\$ 118.17			
Low	\$ 121.09	\$ 106.21		\$ 107.01	\$ 86.50			
Close	\$ 144.13	\$ 115.48		\$ 144.13	\$ 115.48			
Number of common shares (thousands)	391,967	340,523		391,967	340,523			
Market capitalization	56,494	39,324		56,494	39,324			

(millions of Canadian dollars)			As at July 31, 2025 ⁽¹⁾	As at October 31, 2024	% Change
Balance sheet and off-balance-sheet					
Total assets			552,621	462,226	20
Loans, net of allowances			292,743	243,032	20
Deposits			402,286	333,545	21
Equity attributable to common shareholders			30,261	22,400	35
Assets under administration ⁽³⁾			817,718	766,082	7
Assets under management ⁽³⁾			183,182	155,900	17
Regulatory ratios under Basel III⁽⁶⁾					
Capital ratios					
Common Equity Tier 1 (CET1)			13.9 %	13.7 %	
Tier 1			15.6 %	15.9 %	
Total			17.8 %	17.0 %	
Leverage ratio			4.7 %	4.4 %	
TLAC ratio ⁽⁶⁾			30.0 %	31.2 %	
TLAC leverage ratio ⁽⁶⁾			9.0 %	8.6 %	
Liquidity coverage ratio (LCR) ⁽⁶⁾			161 %	150 %	
Net stable funding ratio (NSFR) ⁽⁶⁾			123 %	122 %	
Other information					
Number of employees – Worldwide (full-time equivalent)			32,836	29,196	12
Number of branches in Canada			393	368	7
Number of banking machines in Canada			952	940	1

- (1) On February 3, 2025, the Bank completed the acquisition of CWB. CWB's results were consolidated from the closing date, which impacted the results, balances and ratios for the quarter and the nine-month period ended July 31, 2025. For additional information on the impact of the CWB acquisition, see the Acquisition section in the *Report to Shareholders – Third quarter of 2025*, which is available on the Bank's website at nbc.ca or the SEDAR+ website at sedarplus.ca.
- (2) Certain amounts have been adjusted to reflect the discontinuation of taxable equivalent basis reporting for revenues and income taxes.
- (3) For details on the composition of these measures, see the Glossary section on pages 53 to 56 in the *Report to Shareholders – Third Quarter 2025*, which is available on the Bank's website at nbc.ca or the SEDAR+ website at sedarplus.ca.
- (4) See the Financial Reporting Method section on pages 3 to 6 for additional information on non-GAAP financial measures.
- (5) For additional information on non-GAAP ratios, see the Financial Reporting Method section on pages 6 to 12 in the *Report to Shareholders – Third Quarter 2025*, which is available on the Bank's website at nbc.ca or the SEDAR+ website at sedarplus.ca.
- (6) For additional information on capital management measures, see the Financial Reporting Method section on pages 6 to 12 in the *Report to Shareholders – Third Quarter 2025*, which is available on the Bank's website at nbc.ca or the SEDAR+ website at sedarplus.ca.

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, the potential impacts of increased geopolitical uncertainty on the Bank and its clients, its environmental, social, and governance targets and commitments, the impacts and benefits of the acquisition of Canadian Western Bank (CWB), 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, in particular in the context of increased geopolitical uncertainty, 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 of the *2024 Annual Report* and the Economic Review and Outlook section of the Report to Shareholders for the third quarter of 2025 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, the general economic environment and business and financial market conditions in Canada, the United States, and the other countries where the Bank operates, including recession risk; geopolitical and sociopolitical uncertainty; the measures affecting trade relations between Canada and its partners, including the imposition of tariffs and any measures taken in response to such tariffs, as well as the possible impacts on our clients, our operations and, more generally, the economy; 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; the Bank's ability to successfully integrate CWB and the undisclosed costs or liability associated with the acquisition; 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* as well as in the Risk Management section of the Report to Shareholders for the third quarter of 2025 and may be updated in the quarterly reports to shareholders filed thereafter.

Disclosure of the Third Quarter 2025 Results

Conference Call

- A conference call for analysts and institutional investors will be held on Wednesday, August 27, 2025 at 11:00 a.m. EDT.
- Access by telephone in listen-only mode: 1-800-806-5484 or 416-340-2217. The access code is 9962511#.
- A recording of the conference call can be heard until November 27, 2025 by dialing 1-800-408-3053 or 905-694-9451. The access code is 5161030#.

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 *Report to Shareholders* (which includes the quarterly Consolidated Financial Statements) is available at all times on National Bank's website at nbc.ca/investorrelations.
- The *Report to Shareholders*, 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.

For more information

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