INVESTOR PRESENTATION

NATIONAL BANK

Powering your ideas™

Q2|19

May 30, 2019

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

From time to time, the Bank makes written and oral forward-looking statements, such as those contained in the Economic Review and Outlook section of this Report to Shareholders and in the Major Economic Trends section of the 2018 Annual Report, in other filings with Canadian securities regulators, and in other communications, for the purpose of describing the economic environment in which the Bank will operate during fiscal 2019 and the objectives it hopes to achieve for that period. These forward-looking statements are made in accordance with current securities legislation in Canada and the United States. They include, among others, statements with respect to the economy—particularly the Canadian and U.S. economies—market changes, observations regarding the Bank's objectives and its strategies for achieving them, Bank-projected financial returns and certain risks faced by the Bank. These forward-looking statements are typically identified by future or conditional verbs or words such as "outlook," "believe," "anticipate," "estimate," "project," "expect," "intend," "plan," and similar terms and expressions.

By their very nature, such forward-looking statements require assumptions to be made and involve inherent risks and uncertainties, both general and specific. Assumptions about the performance of the Canadian and U.S. economies in 2019 and how that will affect the Bank's business are among the main factors considered in setting the Bank's strategic priorities and objectives and in determining its financial targets, including provisions for credit losses. In determining its expectations for economic growth, both broadly and in the financial services sector in particular, the Bank primarily considers historical economic data provided by the Canadian and U.S. governments and their agencies.

There is a strong possibility that express or implied projections contained in these forward-looking statements will not materialize or will not be accurate. The Bank recommends that readers not place undue reliance on these statements, as a number of factors, many of which are beyond the Bank's control, could cause actual future results, conditions, actions or events to differ significantly from the targets, expectations, estimates or intentions expressed in the forward-looking statements. These factors include credit risk, market risk, liquidity and funding risk, operational risk, regulatory compliance risk, reputation risk, strategic risk and environmental risk, all of which are described in more detail in the Risk Management section beginning on page 52 of the 2018 Annual Report, and more specifically, general economic environment and financial market conditions in Canada, the United States and certain other countries in which the Bank conducts business, including regulatory changes affecting the Bank's business; changes in the accounting policies the Bank uses to report its financial condition, including uncertainties associated with assumptions and critical accounting estimates; tax laws in the countries in which the Bank operates, primarily Canada and the United States (including the U.S. Foreign Account Tax Compliance Act (FATCA)); changes to capital and liquidity guidelines and to the manner in which they are to be presented and interpreted; changes to the credit ratings assigned to the Bank; and potential disruptions to the Bank's information technology systems, including evolving cyber attack risk.

The foregoing list of risk factors is not exhaustive. Additional information about these factors can be found in the Risk Management section of the 2018 Annual Report. Investors and others who rely on the Bank's forward-looking statements should carefully consider the above factors as well as the uncertainties they represent 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.

The forward-looking information contained in this document is presented for the purpose of interpreting the information contained herein and may not be appropriate for other purposes.

OVERVIEW

Louis Vachon

President & Chief Executive Officer

OVERVIEW – Q2|19

($MM, TEB)	Q2 19	Q1 19	Q2 18	QoQ	YoY
Revenues	1,850	1,862	1,818	(1%)	2%
Net Income	558	552	547	1%	2%
Diluted EPS	$1.51	$1.50	$1.44	1%	5%
PCL	84	88	91	(5%)	(8%)
Return on Equity	17.8%	17.2%	18.6%		
CET1 Ratio	11.5%	11.5%	11.3%		

Highlights

- Solid performance with EPS up 5%
- Credit quality remains strong
- Industry-leading ROE
- Strong capital position
- Quarterly dividend increase of $0.03, or 5%, to $0.68
- Renewal of NCIB program for 6 million (~2%) common shares
- Favorable economic conditions in core Québec market

SEGMENT HIGHLIGHTS – Q2|19

NET INCOME ($MM)	Q2 19	Q1 19	Q2 18	QoQ	YoY
P&C Banking	234	246	215	(5%)	9%
Wealth Management	118	125	112	(6%)	5%
Financial Markets	160	170	190	(6%)	(16%)
US Specialty Finance & International	72	60	63	20%	14%

P&C Banking

- Strong performance with net earnings up 9%
- Disciplined cost management with operating leverage at 3%

Wealth Management

- Good performance supported by good volume growth and favorable market conditions
- Maintaining double-digit earnings growth target through the cycle

Financial Markets

- Solid performance in C&IB
- Lower Global Markets revenues mainly driven by business mix and lower activities in the Equity business

USSF&I

- Strong growth in ABA Bank
- Disciplined growth at Credigy

FINANCIAL REVIEW

Ghislain Parent
Chief Financial Officer and
Executive Vice-President, Finance

TRANSFORMATION DRIVING EFFICIENCY

Total Bank ($MM, TEB)	Q2 19	Q1 19	Q2 18	QoQ	YoY
Revenues	1,850	1,862	1,818	(0.6%)	1.8%
Expenses	1,026	1,026	992	-	3.4%
Operating Leverage					(1.6%)
Efficiency Ratio	55.5%	55.1%	54.6%	0.4%	0.9%

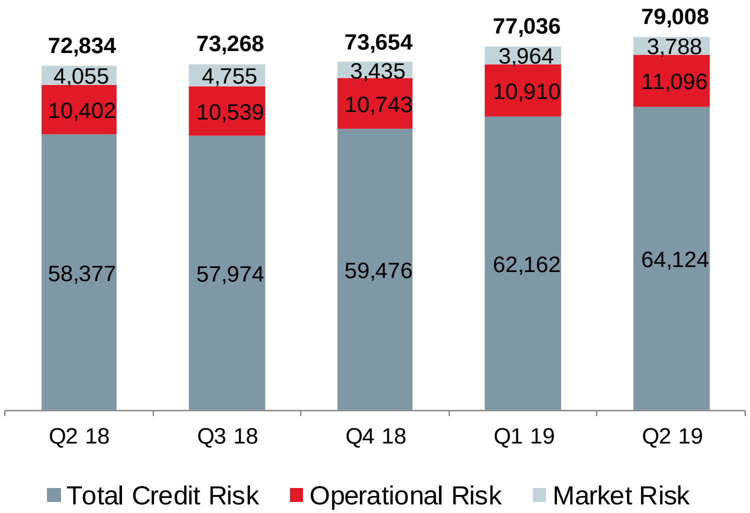
Business Segments (TEB)	Revenue Growth Q2 19 vs Q2 18	Expense Growth Q2 19 vs Q2 18	Operating Leverage	Efficiency Ratio Q2 19
Personal & Commercial	4.8%	1.6%	3.2%	54.3%
Wealth Management	3.1%	2.3%	0.8%	62.4%
Financial Markets	(7.6%)	1.7%	(9.3%)	44.3%
US Specialty Finance & International	2.3%	19.4%	(17.1%)	41.6%

Highlights

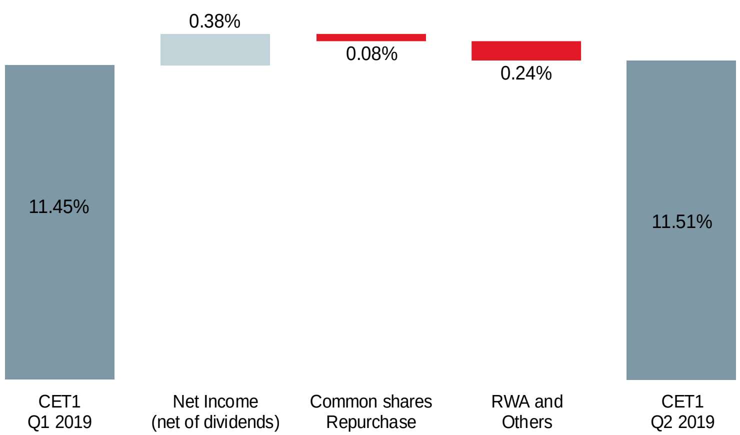
- Targeting positive operating leverage in F2019
- Continued focus on managing our costs
  - Expenses up 3.4% YoY and flat QoQ
- Positive operating leverage in P&C and Wealth Management
- Financial Markets
  - Softer revenues in Equity business
  - Industry-leading efficiency ratio of 44%
- USSF&I
  - ABA's higher expenses to support network expansion
  - Credigy: lower revenues due to maturity and repayment; mostly fixed expense structure

STRONG CAPITAL POSITION

Total RWA under Basel III



CET1 under Basel III Evolution (QoQ)



Highlights

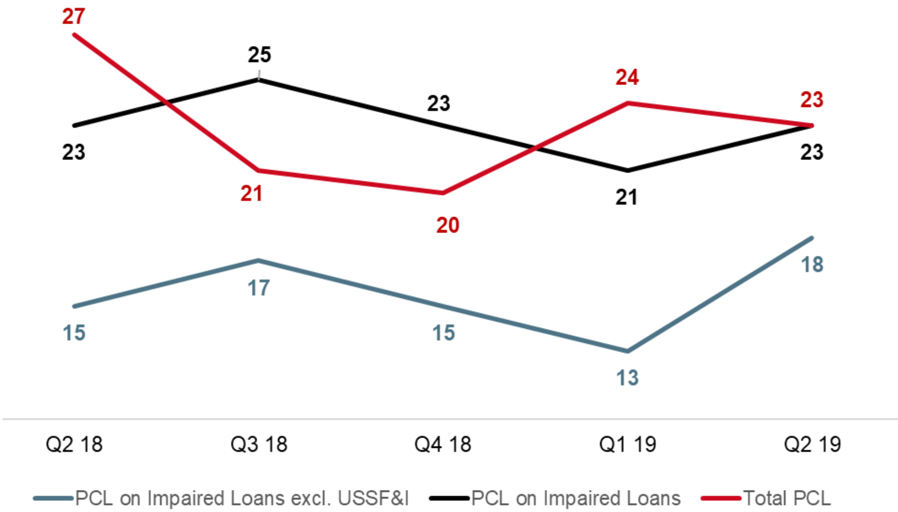
- Common Equity Tier 1 ratio at 11.5%
  - Pro forma impact of +25 bps from Fiera transaction in Q3
- Total capital ratio at 16.2%
- Leverage ratio at 4.0%
- Liquidity coverage ratio at 141%
- RWA growth due to a larger book size to support client activity
- NCIB:
  - Q2-19 buyback: 1 million common shares
  - Total over LTM: ~6.5 million common shares
  - New NCIB program for 6 million common shares

RISK MANAGEMENT

William Bonnell
Executive Vice-President
Risk Management

PROVISIONS FOR CREDIT LOSSES

Quarterly PCL Ratio (bps)



PCL by Business Segment

($MM)	Q2 19	Q1 19	Q2 18
Personal	42	43	41
Commercial	14	1	6
Wealth Management	-	-	-
Financial Markets	5	2	-
PCL on Impaired Loans x-USSF&I	61	46	47
ABA Bank	1	1	1
Credigy	22	30	30
Total PCL on Impaired Loans	84	77	78
PCL on Performing Loans x-USSF&I	9	15	13
PCL on Performing Loans USSF&I	(12)	(8)	-
POCI	3	4	-
Total PCL	84	88	91

Highlights

PCL on impaired loans:

- $84 million (23 bps), increased by 2 bps QoQ
- Higher provisions in Commercial Banking, following Q1's unusually low level, partially offset by lower provisions in Credigy
- Excluding USSF&I, PCL on impaired loans of 18 bps which reflects continued strong credit performance

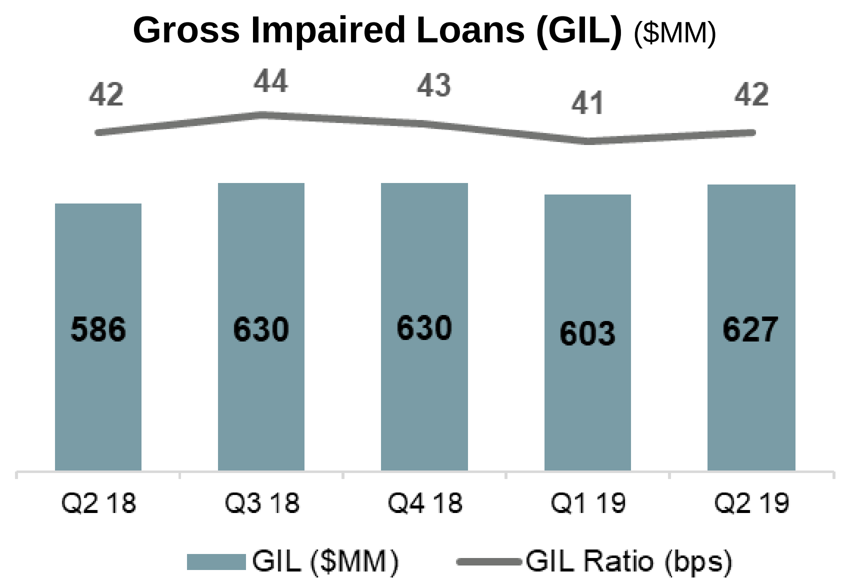
PCL on performing loans:

- $10 million lower QoQ due primarily to a reduction in provisions at Credigy (tracking the amortization of the Lending Club portfolio)
- Excluding USSF&I, PCL on performing loans of 3 bps ($9 million)

Total PCL:

- $84 million (23 bps), lower by 1bp QoQ primarily due to lower provisions at Credigy
- We maintain our total PCL target range of 20-30 bps for 2019

GROSS IMPAIRED LOANS[1] AND FORMATIONS[2]



Highlights

- GIL ratio of 42 bps, up 1 bp QoQ and stable YoY.
- Higher formations in Commercial Banking partially offset by lower formations in Personal Banking and Credigy

Net Formations by Business Segment

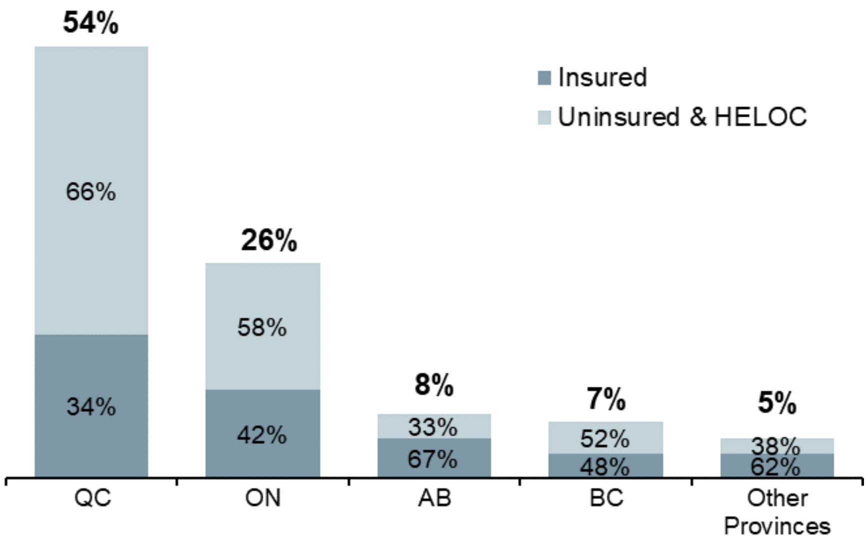
($MM)	Q2 19	Q1 19	Q4 18	Q3 18	Q2 18
Personal	36	55	56	44	40
Commercial	40	(43)	(4)	48	30
Financial Markets	–	9	–	–	–
Wealth Management	–	–	2	–	(2)
Credigy	27	36	33	36	20
ABA Bank	1	1	2	4	0
Total GIL Net Formations	104	58	89	132	88

(1) Under IFRS 9, impaired loans are all loans classified in stage 3 of the expected credit loss model. Those loans do not take into account purchased or originated credit-impaired loans.
(2) Formations include new accounts, disbursements, principal repayments, and exchange rate fluctuation; net of write-offs.

RETAIL MORTGAGE AND HELOC PORTFOLIO

Canadian Distribution by Province

(As at April 30, 2019)



62%	53%	69%	51%	57%
Average LTV - Uninsured and HELOC[1]				

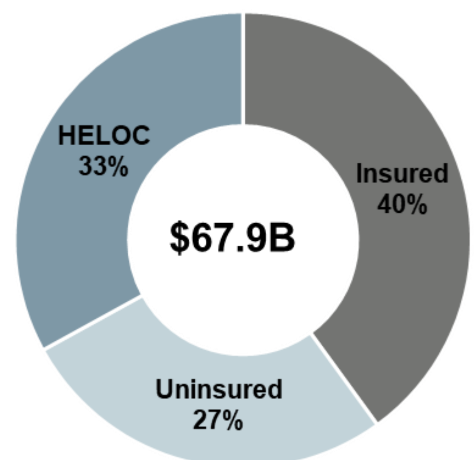
Canadian Uninsured and HELOC Portfolio

	HELOC	Uninsured
Average LTV[1]	58%	60%
Average FICO Score	757	748
90+ Days Past Due (bps)	9	21

Highlights

- Distribution across product and geography remained stable. Insured mortgages account for 40% of the total
- Uninsured mortgages and HELOC in GTA and GVA represent 10% and 2% of the total portfolio and have an average LTV[1] of 52% and 50% respectively

Canadian Distribution by Mortgage Type



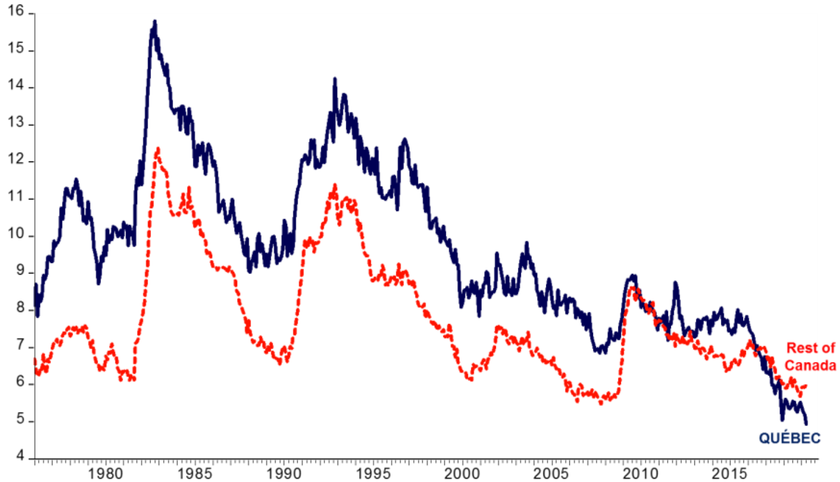
(1) LTV are based on authorized limit for HELOCs and outstanding amount for Uninsured Mortgages. They are updated using Teranet-National Bank sub-indices by area and property type.

APPENDICES

APPENDIX 1 | STRONG FUNDAMENTALS IN QUÉBEC ECONOMY

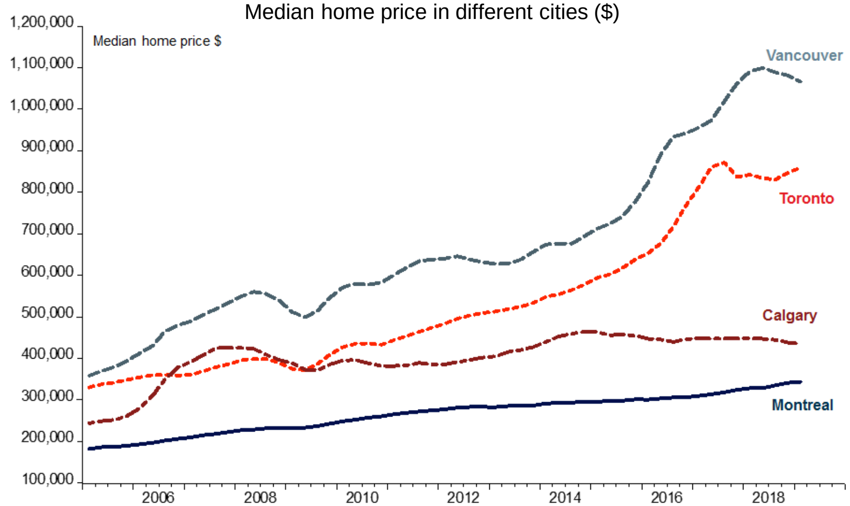
Jobless rate at historical lows

Jobless rate % - Rest of Canada and Québec



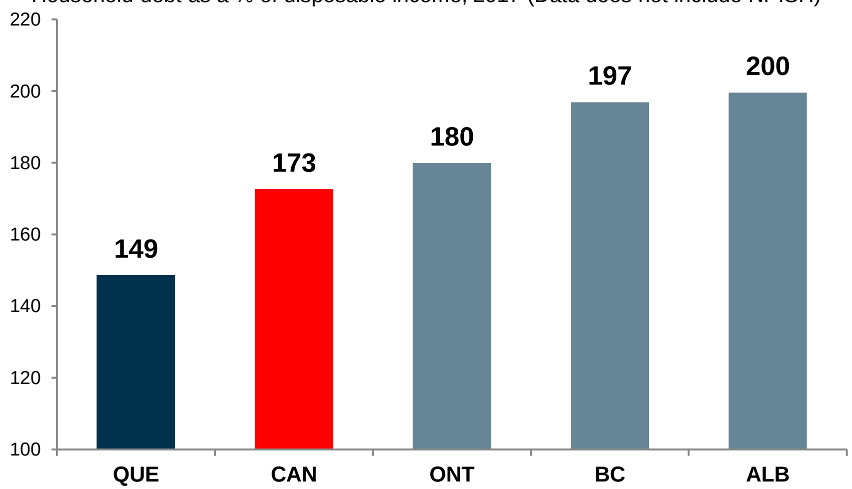
Affordable home prices

Median home price in different cities ($)



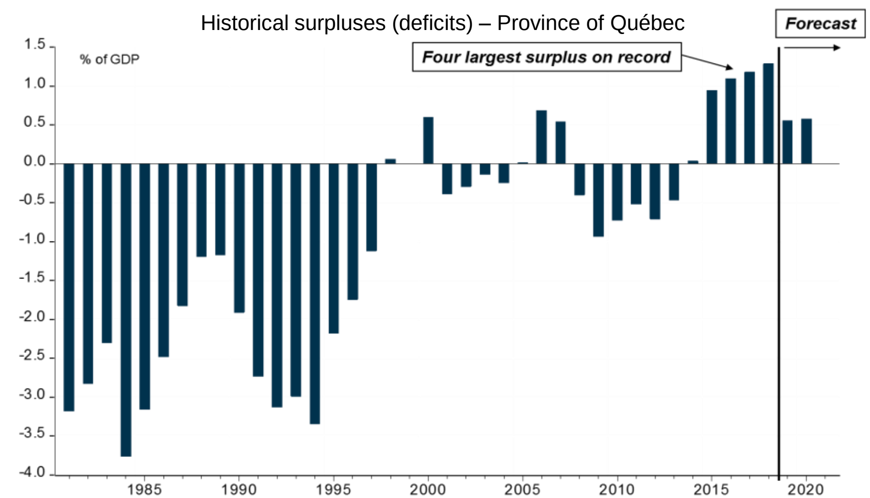
Household leverage below national average

Household debt as a % of disposable income, 2017 (Data does not include NPISH)



Sound public finances

Historical surpluses (deficits) – Province of Québec



Sources: NBF Economics and Strategy (data via Statistics Canada, Teranet-NBC, CREA)

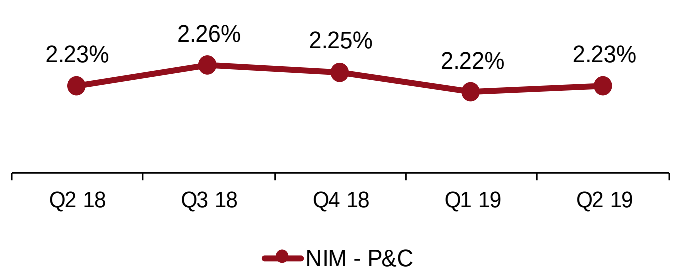
APPENDIX 2 | PERSONAL AND COMMERCIAL BANKING

($MM)	Q2 19	Q1 19	Q2 18	QoQ	YoY
Revenues	**833**	**852**	**795**	**(2%)**	**5%**
Personal	525	527	501	-	5%
Commercial	308	325	294	(5%)	5%
Operating Expenses	**452**	**458**	**445**	**(1%)**	**2%**
Pre-provisions / Pre-tax	**381**	**394**	**350**	**(3%)**	**9%**
Provisions for Credit Losses	**63**	**58**	**57**	**9%**	**11%**
Net Income	**234**	**246**	**215**	**(5%)**	**9%**
Key Metrics ($MM)	**Q2 19**	**Q1 19**	**Q2 18**	**QoQ**	**YoY**
Loans & BAs - Personal (avg vol.)	75,420	75,268	72,241	-	4%
Loans & BAs - Commercial (avg vol.)	36,013	35,321	33,180	2%	9%
Loans & BAs - Total (avg vol.)	**111,433**	**110,589**	**105,421**	**1%**	**6%**
Deposits - Total (avg vol.)	**60,830**	**61,393**	**56,646**	**(1%)**	**7%**
NIM (%)	2.23%	2.22%	2.23%	0.01%	0.00%
Efficiency Ratio (%)	54.3%	53.8%	56.0%	+50 bps	-170 bps
PCL ratio	0.23%	0.21%	0.22%	0.02%	0.01%

Highlights

- Strong performance with good revenue growth and good cost control
- Solid loan and deposit volume growth
- Robust operating leverage at 3%
- Credit trends remain benign

Margins Evolution(1)



(1) NIM is on Earning Assets

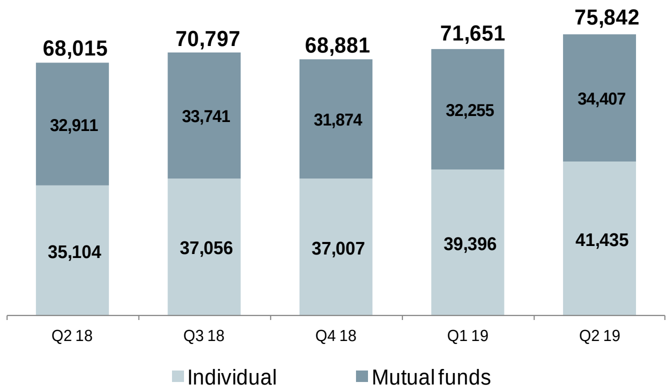
APPENDIX 3 | WEALTH MANAGEMENT

($MM)	Q2 19	Q1 19	Q2 18	QoQ	YoY
Revenues	**426**	**434**	**413**	**(2%)**	**3%**
Fee-based	250	242	242	3%	3%
Transaction & Others	64	64	62	-	3%
Net Interest Income	112	128	109	(13%)	3%
Operating Expenses	**266**	**265**	**260**	**-**	**2%**
Provision for Credit Losses	**-**	**-**	**1**		
Net Income	**118**	**125**	**112**	**(6%)**	**5%**
Key Metrics ($B)	**Q2 19**	**Q1 19**	**Q2 18**	**QoQ**	**YoY**
Loans & BAs (avg vol.)	4.8	4.9	4.7	(2%)	3%
Deposits (avg vol.)	32.5	33.1	31.1	(2%)	4%
Asset Under Administration	474	438	427	8%	11%
Asset Under Management	76	72	68	6%	12%
Efficiency Ratio (%)	62.4%	61.1%	63.0%	+130 bps	-60 bps

Highlights

- Good revenue and earnings growth driven by good volume growth and favorable market conditions
- Sequential decline in NII driven by lower overnight funding rate
- Positive operating leverage of 1%

Assets under Management ($MM)



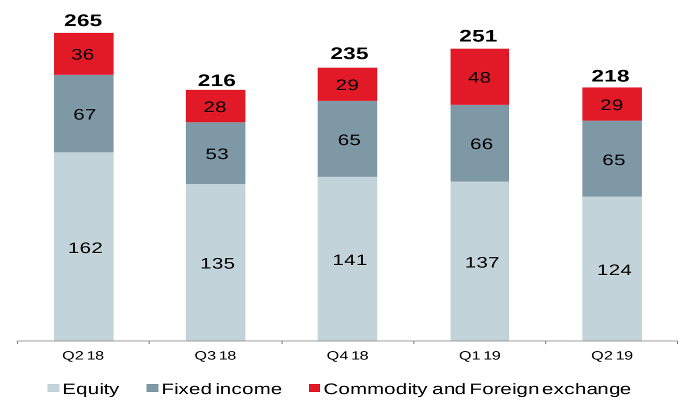
APPENDIX 4 | FINANCIAL MARKETS

($MM, TEB)	Q2 19	Q1 19	Q2 18	QoQ	YoY
Revenues	**404**	**410**	**437**	**(1%)**	**(8%)**
Global Markets	218	251	265	(13%)	(18%)
Corporate & Investment Banking	189	160	169	18%	12%
Gains on Investments & Other	(3)	(1)	3		
Operating Expenses	**179**	**175**	**176**	**2%**	**2%**
Provision for Credit Losses	**7**	**3**	**2**	**133%**	**250%**
Net Income	**160**	**170**	**190**	**(6%)**	**(16%)**
Other Metrics ($MM)	**Q2 19**	**Q1 19**	**Q2 18**	**QoQ**	**YoY**
Loans & BAs (avg vol.) Corporate banking	16,407	16,230	14,756	1%	11%
Efficiency Ratio (%)	44.3%	42.7%	40.3%	+160 bps	+400 bps

Highlights

- Solid performance in Corporate and Investment Banking
  - Strong growth in lending book
  - Good new issue business
- Lower Global Markets revenues driven by:
  - Business mix
  - Lower activities in the Equity business (vs. record quarter in Q2/18)

Global Markets Revenues ($MM)



APPENDIX 5 | US SPECIALTY FINANCE & INTERNATIONAL

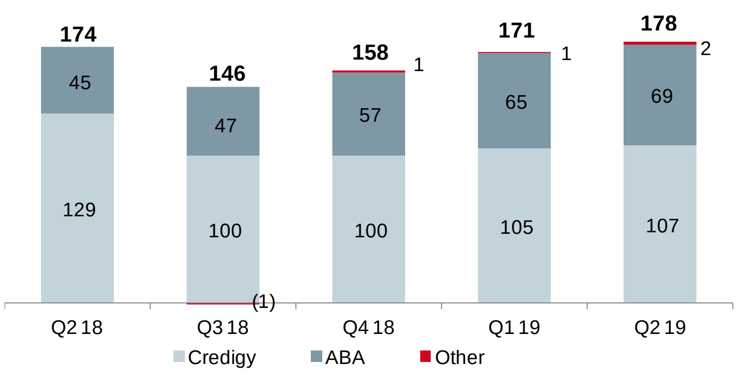
($MM)	Q2 19	Q1 19	Q2 18	QoQ	YoY
Revenues	**178**	**171**	**174**	**4%**	**2%**
Credigy	107	105	129	2%	(17%)
ABA	69	65	45	6%	53%
Other	2	1	-	-	-
Operating Expenses	**74**	**68**	**62**	**9%**	**19%**
Credigy	42	36	39	17%	8%
ABA	31	31	22	-	41%
Other	1	1	1	-	-
Provision for Credit Losses	**14**	**27**	**31**	**(48%)**	**(55%)**
Credigy	12	23	28	(48%)	(57%)
ABA	2	4	3	(50%)	(33%)
Other	-	-	-	-	-
Net Income	**72**	**60**	**63**	**20%**	**14%**
Credigy	42	36	48	17%	(13%)
ABA	29	24	16	21%	81%
Other	1	-	(1)	-	-

Other Metrics ($MM)	Q2 19	Q1 19	Q2 18	QoQ	YoY
Loans (avg vol.) Credigy	6,108	6,498	6,150	(6%)	(1%)
Loans (avg vol.) ABA	2,603	2,310	1,706	13%	53%
Deposits (avg vol.) ABA	3,238	2,758	1,795	17%	80%
Efficiency Ratio (%)	41.6%	39.8%	35.6%	+180 bps	+600 bps
Number of Branches ABA Bank	66	66	54	-	22%

Highlights

- Strong growth at ABA with earnings up 81%, loans up 53%, and deposits up 80%
- Disciplined growth at Credigy
- Moratorium on significant investments in emerging markets

Quarterly Revenues ($MM)



APPENDIX 6 | OTHER

($MM, TEB)	Q2 19	Q1 19	Q2 18	QoQ	YoY
Revenues	9	(5)	(1)		
Operating Expenses	55	60	49	(8%)	12%
Provision for Credit Losses	-	-	-		
Net Income	(26)	(49)	(33)	(47%)	(21%)

Highlights

- Higher contribution from Treasury YoY, partly offset by technology investments to support transformation plan
- Higher contribution from Treasury QoQ and lower variable compensation

APPENDIX 7 | TOTAL LOAN PORTFOLIO OVERVIEW

Loan Distribution by Borrower Category

($B)	As at April 30, 2019	% of Total
Retail		
- Secured - Mortgage & HELOC	71.9	*49%*
- Secured - Other [1]	8.8	*6%*
- Unsecured	4.9	*3%*
- Credit Cards	2.1	*1%*
Total Retail	**87.7**	***59%***
Non-Retail		
- Real Estate and Construction RE	11.6	*8%*
- Retail & Wholesale trade	6.1	*4%*
- Agriculture	6.0	*4%*
- Manufacturing	5.9	*4%*
- Other Services	4.6	*3%*
- Finance and Insurance	4.5	*3%*
- Oil & Gas and Pipeline	4.0	*3%*
Oil & Gas	2.7	2%
Pipeline & Other	1.3	1%
- Other [2]	17.7	*11%*
Total Non-Retail	**60.4**	***40%***
Purchased or Originated Credit-impaired	1.3	*1%*
Total Gross Loans and Acceptances	**149.4**	***100%***

Highlights

- Secured lending accounts for 92% of Retail loans
- Limited exposure to unsecured retail and cards (4% of total loans)
- Non-Retail portfolio is well diversified across industries

(1) Includes indirect lending and other lending secured by assets other than real estate.
(2) Includes Mining, Utilities, Transportation, Professional Services, Construction, Communication, Government and Education & Health Care

APPENDIX 8 | REGIONAL DISTRIBUTION OF CANADIAN LOANS

As at April 30, 2019	Quebec	Ontario	Oil Regions(1)	BC/MB	Maritimes(2) and Territories	TOTAL
Retail						
Secured - Mortgage & HELOC	26.9%	13.1%	4.8%	3.7%	1.1%	**49.6%**
Secured - Other	3.2%	1.3%	0.5%	0.6%	0.4%	**6.0%**
Unsecured and Credit Cards	3.5%	0.5%	0.2%	0.1%	0.2%	**4.5%**
Total Retail	**33.6%**	**15.0%**	**5.4%**	**4.4%**	**1.7%**	**60.1%**
Non-Retail						
Commercial	17.8%	4.1%	2.2%	1.1%	0.5%	**25.7%**
Corporate Banking and Other(3)	5.4%	4.5%	2.8%	1.0%	0.5%	**14.2%**
Total Non-Retail	**23.1%**	**8.6%**	**5.0%**	**2.1%**	**1.1%**	**39.9%**
Total	**56.8%**	**23.5%**	**10.5%**	**6.5%**	**2.7%**	**100.0%**

Highlights

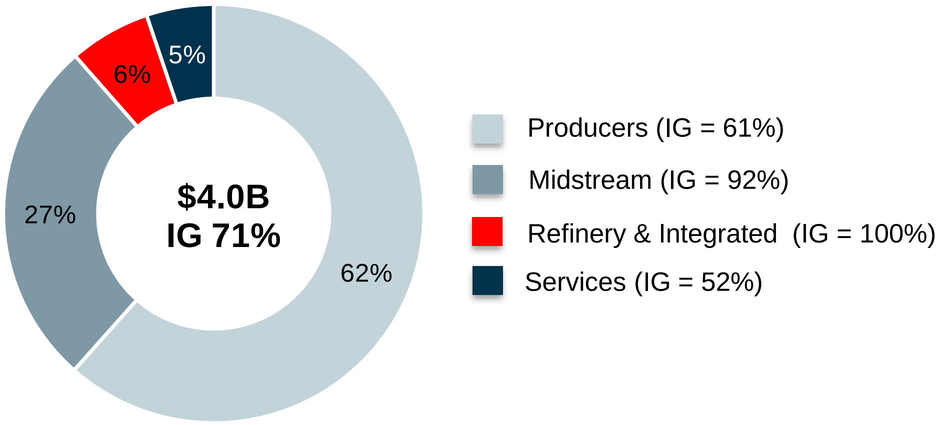
Within the Canadian loan portfolio:

- Limited exposure to unsecured consumer loans (4.5%)
- Modest exposure to unsecured consumer loans outside Québec (1%)
- RESL exposure predominantly in Québec

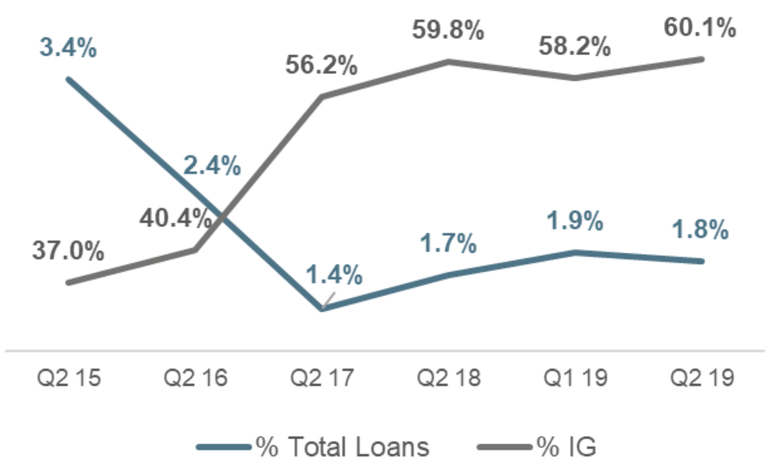
(1) Oil regions include Alberta, Saskatchewan and Newfoundland
(2) Maritimes include New Brunswick, Nova Scotia and P.E.I.
(3) Includes Corporate, Other FM and Government portfolios

APPENDIX 9 | OIL & GAS AND PIPELINES SECTOR

Outstanding Loans ($B)



Outstanding Loans Producers & Services



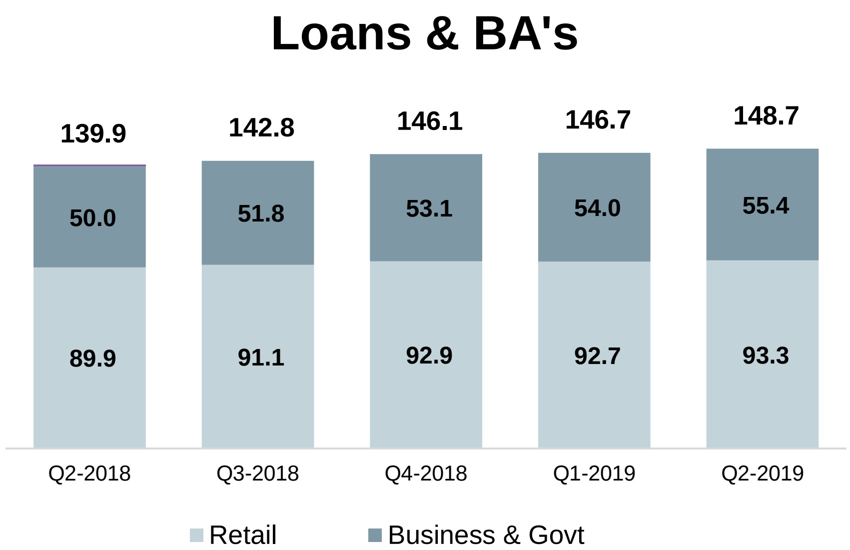
Highlights

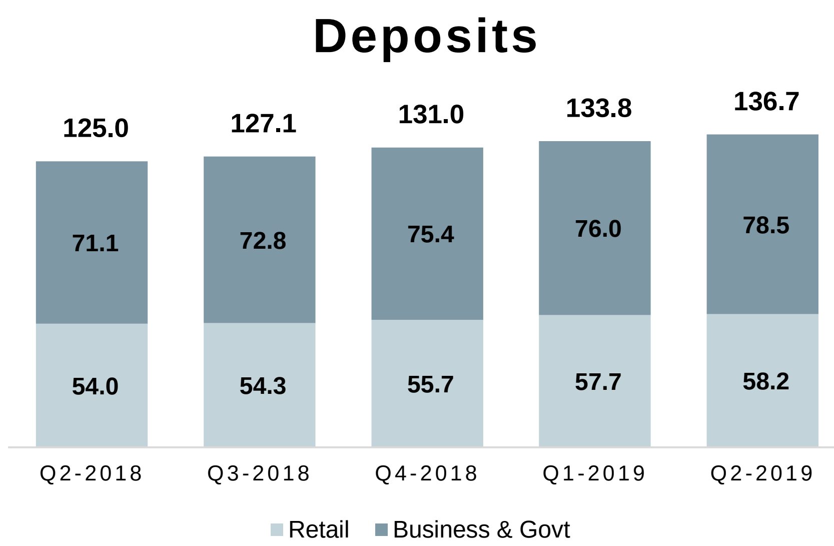
- Producers and Services, Pipelines and Refinery & Integrated are now presented as one sector
- 61% of outstanding loans to Producers, 92% to Midstream are rated investment grade
- Outstandings for Producers and Services decreased slightly QoQ

Note: IG refers to investment grade equivalent AIRB ratings

APPENDIX 10 | LOAN & DEPOSIT OVERVIEW

($B)



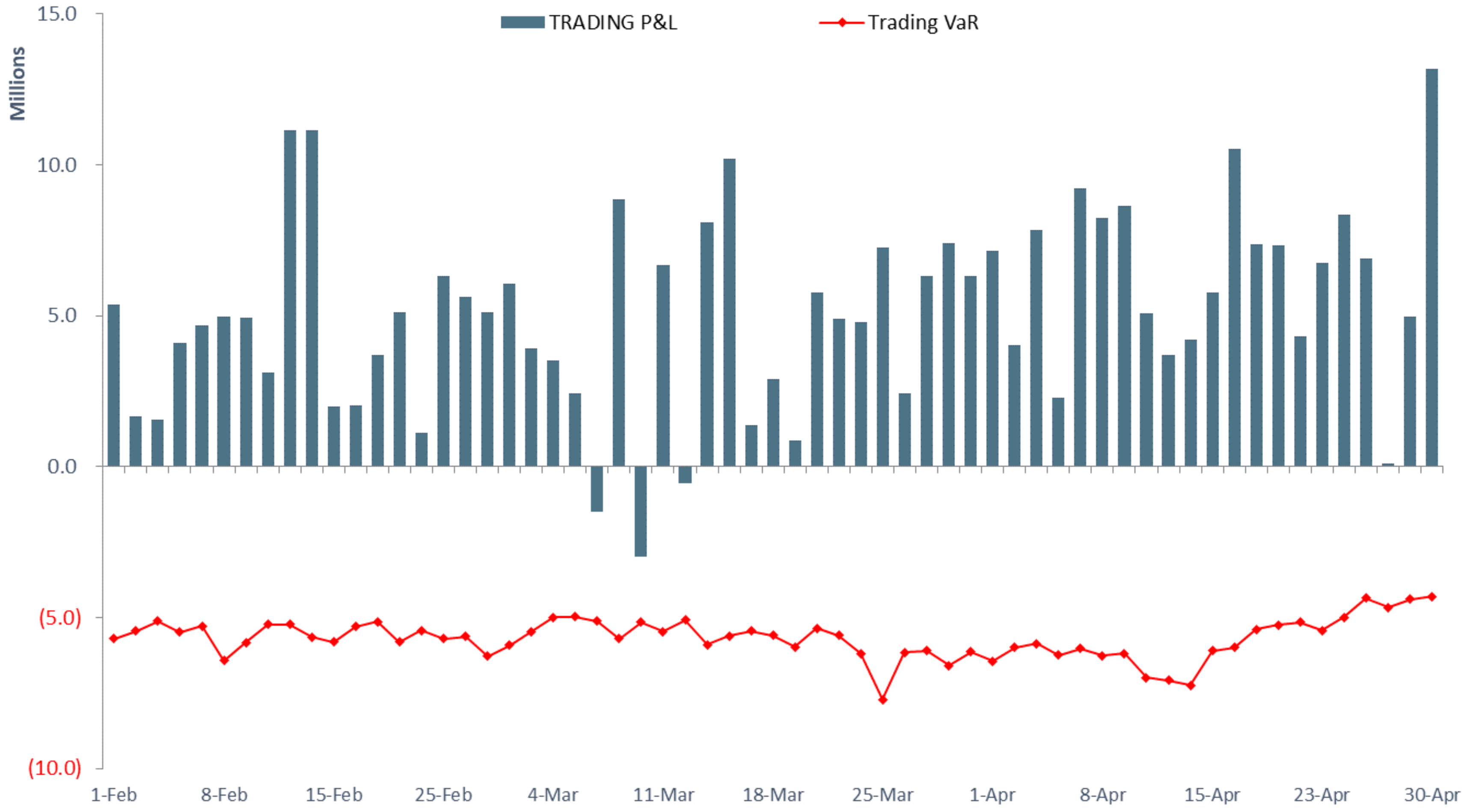


- **Loan growth YoY** **6.3%**
  - Retail 3.8%
  - Business & Govt 10.9%

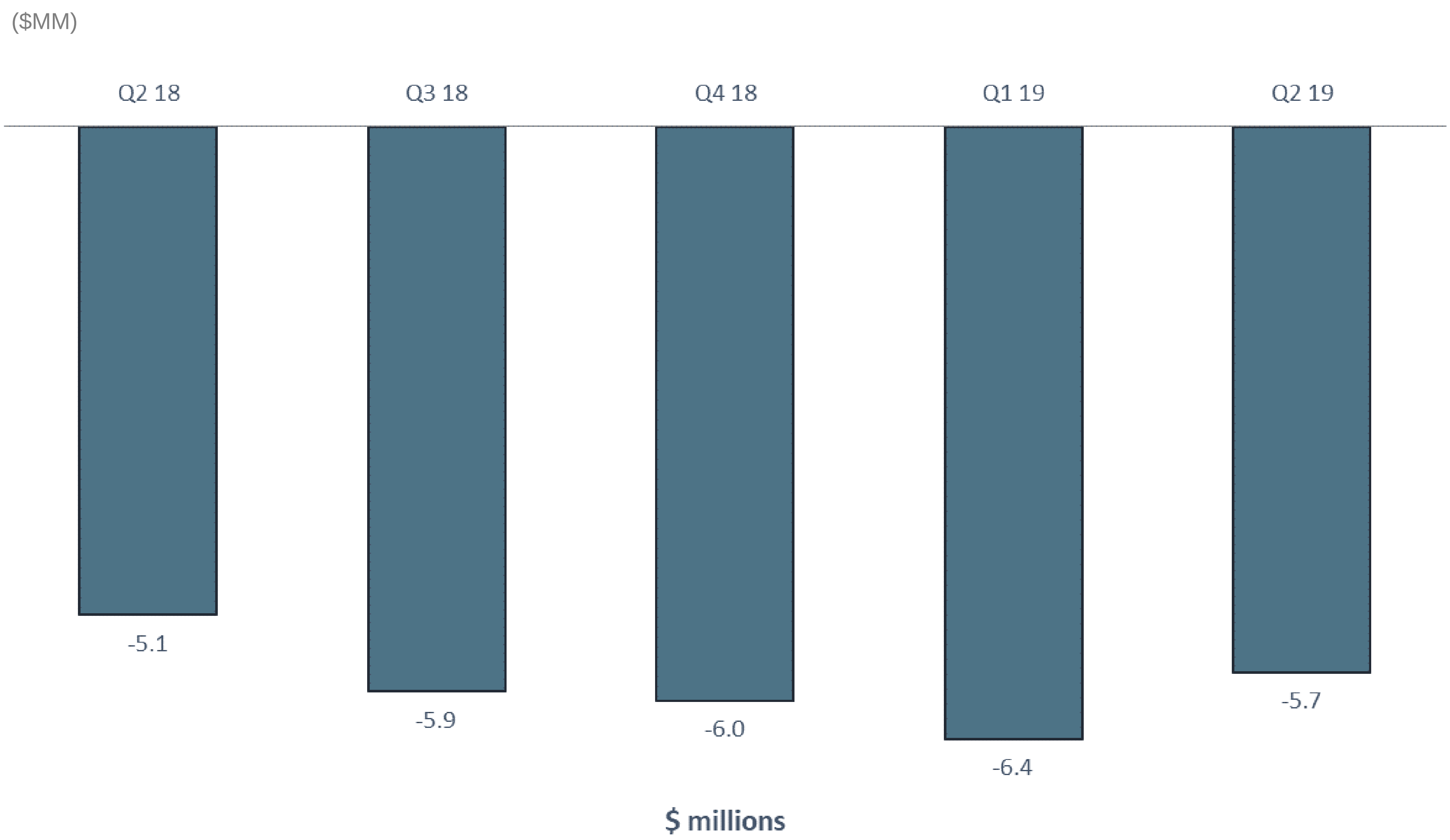
- **Deposits growth YoY** **9.3%**
  - Retail 7.8%
  - Business & Govt 10.5%

APPENDIX 11 | DAILY TRADING AND UNDERWRITING REVENUES VS. VAR

($MM)



APPENDIX 12 | TRADING VaR TREND



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INVESTOR RELATIONS CONTACT INFORMATION

W: www.nbc.ca/investorrelations

investorrelations@nbc.ca

☎ 1-866-517-5455

Linda Boulanger, Vice President
514-394-0296 | linda.boulanger@bnc.ca

Marianne Ratté, Senior Director
514-412-5437 | marianne.ratte@bnc.ca

Arslan Benbakouche, Chief Analyst
514-412-8027 | arslan.benbakouche@bnc.ca

Marie-Claude Jarry, Senior Advisor
514-412-8144 | marieclaude.jarry@bnc.ca

Catherine Bayliss, Executive Assistant & Coordinator
514-412-1995 | catherine.bayliss@bnc.ca