NATIONAL BANK OF CANADA

INVESTOR PRESENTATION

Third Quarter 2020

August 26, 2020

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

From time to time, the Bank makes written and oral forward-looking statements such as those contained in this document, in other filings with Canadian securities regulators, and in other communications. All such statements are made in accordance with applicable securities legislation in Canada and the United States. Forward-looking statements in this document may include, but are not limited to, statements with respect to the economy—particularly the Canadian and U.S. economies—market changes, the Bank's objectives, outlook and priorities for fiscal year 2020 and beyond, its strategies or future actions for achieving them, expectations for the Bank's financial condition, the regulatory environment in which it operates, the impacts of — and the Bank's response to — the COVID-19 pandemic, and certain risks it faces. These forward-looking statements are typically identified by future or conditional verbs or words such as "outlook", "believe", "foresee", "forecast", "anticipate", "estimate", "project", "expect", "intend", "plan", and similar terms and expressions.

Such forward-looking statements are made for the purpose of assisting the holders of the Bank's securities in understanding the Bank's financial position and results of operations as at and for the periods ended on the dates presented, as well as the Bank's financial performance objectives, vision and strategic goals, and may not be appropriate for other purposes.

By their very nature, these 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 2020, including in the context of the COVID-19 pandemic, and how that will affect the Bank's business are among the main factors considered in setting the Bank's strategic priorities and objectives, including provisions for credit losses. In determining its expectations for economic conditions, both broadly and in the financial services sector in particular, the Bank primarily considers historical economic data provided by the governments of Canada, the United States and certain other countries in which the Bank conducts business, as well as their agencies.

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 may not be correct and that its financial performance objectives, vision and strategic goals will not be achieved. The Bank recommends that readers not place undue reliance on forward-looking statements, as a number of factors, many of which are beyond the Bank's control, including the impacts of the COVID-19 pandemic, could cause actual results to differ significantly from the expectations, estimates or intentions expressed in these 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 58 of the Bank's 2019 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; regulatory changes affecting the Bank's business; geopolitical and sociopolitical uncertainty; important changes in consumer behaviour; the housing and household indebtedness situation and real estate market in Canada; changes in the Bank's customers' and counterparties' performance and creditworthiness; 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; potential disruption to key suppliers of goods and services to the Bank; potential disruptions to the Bank's information technology systems, including evolving cyberattack risk as well as identity theft and theft of personal information; and possible impacts of catastrophic events affecting local and global economies, including natural disasters and public health emergencies such as the COVID-19 pandemic.

Statements about the expected impacts of the COVID-19 pandemic on the Bank's business, results of operations, corporate reputation, financial position and liquidity, and on the global economy may be inaccurate and differ, possibly materially, from what is currently expected as they depend on future developments that are highly uncertain and cannot be predicted.

The foregoing list of risk factors is not exhaustive. Additional information about these factors can be found in the Risk Management section of the Bank's 2019 Annual Report and in the COVID-19 Pandemic section of the Report to Shareholders for the Third Quarter of 2020. 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 risks 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.

Note: National Bank fiscal year ends October 31.

OVERVIEW

Louis Vachon

President & Chief Executive Officer

HIGHLIGHTS - Q3 2020

PTPP[1]
$947 MM
+5% YoY

Total PCL
$143 MM
+66% YoY

Net Income
$602 MM

EPS
$1.66
Flat YoY

CET1
11.4%

ROE
17.0%

- Well positioned in a challenging environment:
  - Strong balance sheet
  - Defensive positioning
  - Diversified earnings stream
- Good business performance with PTPP up 5% YoY
  - Positive operating leverage
- Proactive and prudent provisioning
  - Total reserves: $1.3B
  - Performing ACL coverage: 2.8x
- Industry-leading ROE

Note: Q3 2019 comparative figures to compute YoY growth are excluding specified items. Please refer to page 13 of the Bank's Third Quarter 2020 Report to Shareholders for additional information.
(1) Pre-tax pre-provision earnings, presented on a taxable equivalent basis (TEB).

SEGMENT HIGHLIGHTS - Q3 2020

P&C Banking
PTPP: **$395 MM**
(8%) YoY

- Lower revenues from low interest-rate environment and lower client activity due to COVID
- Strong growth in mortgage and deposit volumes
- Value of retail loans under deferral down 60% since Q2

Wealth Management
PTPP: **$176 MM**
+4% YoY

- Strong transaction volumes again this quarter, partly offset by lower interest rates
- AUA and AUM returned to their pre COVID levels

Financial Markets
PTPP: **$297 MM**
+17% YoY

- Strong quarter for Financial Markets with revenues of $503 MM
- Elevated origination activity contributed to solid growth in both Global Markets and C&IB
- Supporting our clients through the crisis while maintaining a sound risk profile

USSF&I
PTPP: **$131 MM**
+25% YoY

- Resilient businesses, well positioned to perform through the crisis
- ABA: Net income grew 35% YoY, capitalizing on its strong brand in uncertain times
- Credigy: Solid revenue growth and lower PCL

RISK MANAGEMENT

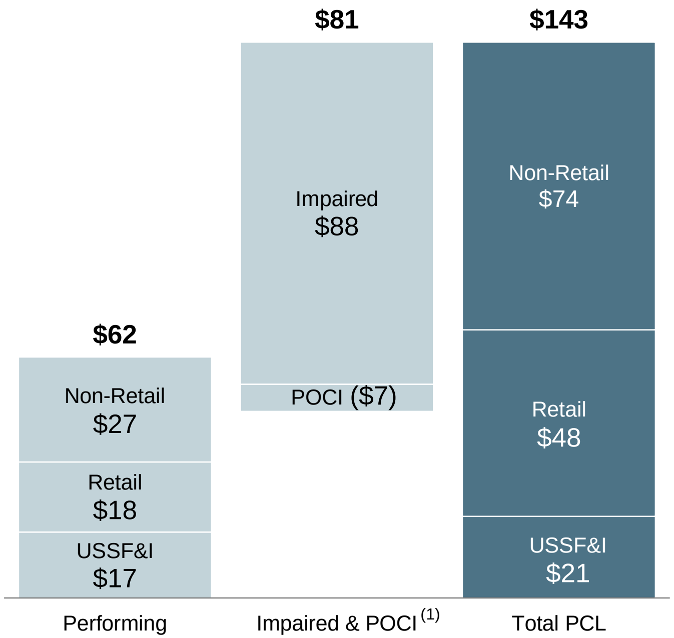
William Bonnell

Executive Vice-President
Risk Management

PROVISIONS FOR CREDIT LOSSES

PCL Q3 2020

($MM)



	Performing	Impaired & POCI[1]	Total PCL
Personal	17	29	46
Commercial	13	20	33
FM	14	27	41
WM	1	1	2
Total PCL x-USSF&I	**45**	**77**	**122**
USSF&I[1]	17	4	21
Total PCL ($MM)	**62**	**81**	**143**
Total PCL (bps)	15	20	35

Total PCL $143M (35bps); 70% lower QoQ

- Conditions benefited from significant support programs and re-opening of economy

PCL on Performing Loans

- Key drivers: revision of macroeconomic factors/scenario weights; portfolio growth, migration, and increase in management overlay
- Retail: $18M, reflects prudent provisioning despite temporarily low delinquencies
- Non-retail: $27M, reflecting macro update, portfolio growth and migration
- USSF&I: $17M, additional provisions to reflect economic uncertainties

PCL on Impaired Loans

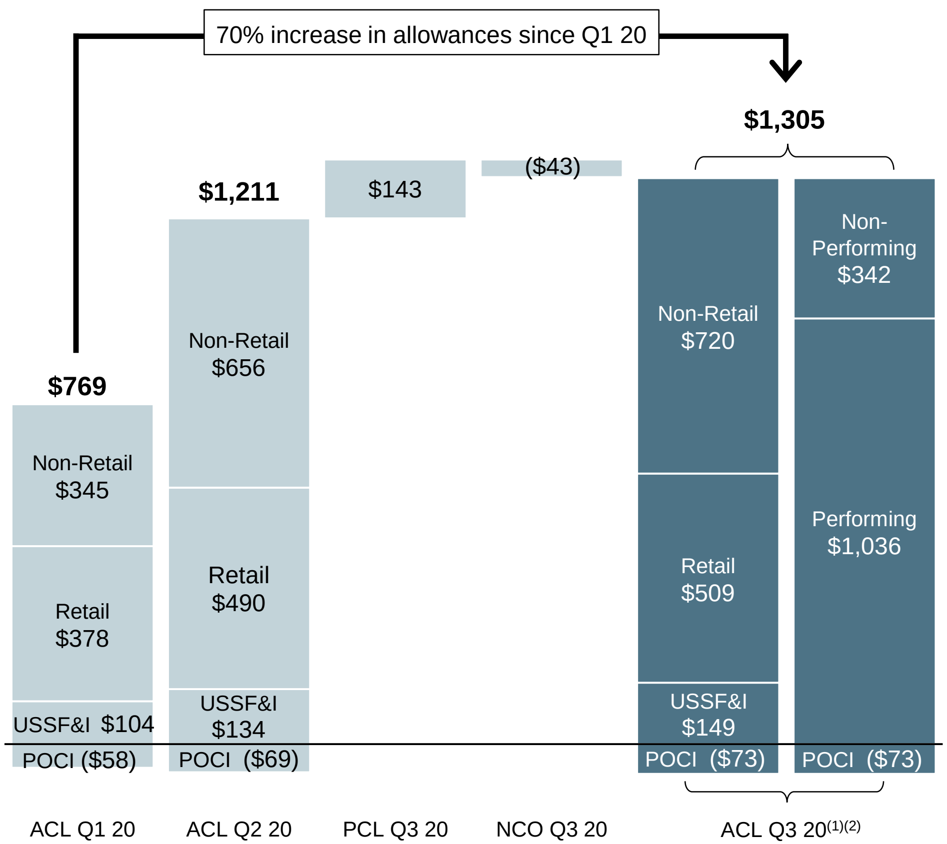
- Material reduction in both Retail and Non-Retail Impaired PCLs QoQ reflecting government programs, moratoriums and improved credit conditions
- Strong performance in USSF&I reflecting portfolio quality

(1) Impaired PCL includes ($7M) from Purchased or Originated Credit Impaired (POCI), representing better collection performance than expected.

ALLOWANCE FOR CREDIT LOSSES

ACL Q3 20

($MM)



Total Allowances:

- Continued to prudently build allowances in the third quarter
- Since Q1 2020, Total Allowances for Credit Losses increased from $769M to $1.3B
- 109% increase in allowances for non-retail portfolios since Q1 and a 35% increase in allowances for retail portfolios reflecting our product and geographic mix

Performing Allowances:

- Performing ACLs increased by 76% since Q1 2020, reaching $1,036M
- Represents 2.8 times coverage of LTM impaired PCLs

Non-Performing Allowances:

- Increased to $342M or 43% of GIL vs 39% of GIL last quarter

(1) Performing ACL includes allowances on drawn ($840M), undrawn ($159M) and other assets ($37M).
(2) Total ACL in Q3 20 includes -$6M of FX variation.

PRUDENT PROVISIONING IN UNCERTAIN ECONOMIC ENVIRONMENT

Strong Performing ACL Coverage

Performing ACL / LTM PCL on Impaired Loans

	Q3 20	Q2 20	Q3 19
Total Bank	**2.8x**	2.8x	1.8x
Total Bank x-USSF&I	**2.9x**	3.0x	2.3x

Total ACL Consistent with Portfolio Positioning

Total ACL / Total Loans excl. FVTPL

	Q3 20	Q2 20	Q3 19
Total Bank	**0.84%**	0.77%	0.53%
Retail x-USSF&I	**0.60%**	0.59%	0.44%
Non-Retail x-USSF&I	**1.23%**	1.07%	0.64%

Consistent Reserve Build

Total PCL – Net Charge-Off ($MM)

	YTD F2020	F2019	F2018
Total Bank	**$555**	$48	$5
Total Bank x-USSF&I	**$528**	$61	$28

Total Allowances Cover 4.7X NCOs

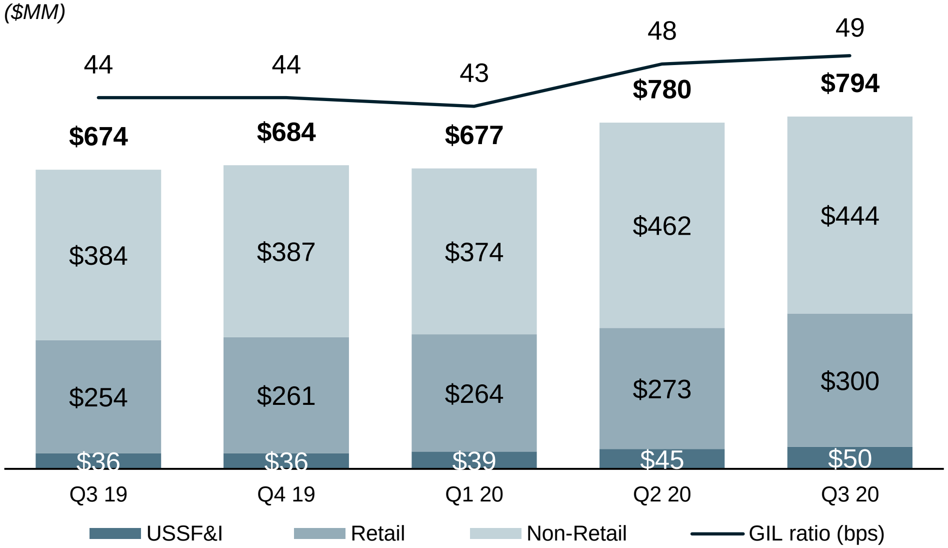
Total ACL / LTM Net Charge-Off

	Q3 20	Q2 20	Q3 19
Total Bank	**4.7x**	4.1x	2.5x
Total Bank x-USSF&I	**5.5x**	4.9x	3.4x

Note: Performing ACL includes allowances on drawn ($840M), undrawn ($159M) and other assets ($37M).

GROSS IMPAIRED LOANS AND FORMATIONS

Gross Impaired Loans[1] (GIL)



- Gross impaired loan ratio increased 1bp to 49bps ($794M)
- Net formations declined by $108M from last quarter reflecting:
  - Net repayments in Commercial
  - Lower formations in FM

Net Formations[2] by Business Segment

($MM)

	Q3 20	Q2 20	Q1 20	Q4 19	Q3 19
Personal	**56**	53	48	54	34
Commercial	**(15)**	64	(21)	47	31
Financial Markets	**5**	37	30	(4)	36
Wealth Management	**6**	1	–	1	(1)
Credigy	**11**	16	17	20	23
ABA Bank	**6**	6	4	0	2
Total GIL Net Formations	**69**	177	78	118	125

(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.

LIMITED EXPOSURE TO COVID-19 MOST IMPACTED INDUSTRIES

- Limited exposure to COVID-19 most impacted industries (down 9% QoQ)

	Gross Loans *($MM)*	% of Book	
Non-Food / Non-Pharmacy Retailers			
Essential Services Retailers	$379	0.2%	▪ Decrease of 51% in drawings (QoQ)
Other Retailers	$554	0.3%	▪ Decrease of 17% QoQ / Diversified customer base / Less than 25% in apparel
Car Dealerships	$580	0.4%	▪ Decrease of 9% QoQ / Typically secured by real estate / Strong recovery in car sales
Hospitality and Entertainment			
Entertainment	$511	0.3%	▪ 54% in professional sports teams which are 74% IG
Hotels	$338	0.2%	▪ Remained disciplined in sector / Secured portfolio with conservative LTV and branded assets
Restaurants	$244	0.1%	▪ Maintained a low risk appetite for the sector throughout the years / 52% IG
Air Transportation and Aeronautics			
Aviation	$642	0.4%	▪ 55% IG / 1/3 in airports and airport operations
Aeronautics	$83	0.1%	▪ mainly IG (91%) and all Secured (99%)
Auto and Auto Parts Manufacturing	$236	0.1%	▪ Record sales in July
Retail Real Estate			▪ Constrained portfolio growth in recent years
Diversified REITs	$709	0.4%	▪ Primarily IG REITs with good liquidity and continued access to capital markets
Commercial Retail	$1,964	1.2%	▪ More than 90% with street access / about 50% of leases with essential services tenants

LOANS UNDER DEFERRALS DOWN TO 5.6% OF CANADIAN PORTFOLIO[1]

Deferrals as at Q3 2020

(As at July 31, 2020)

	Number of Loans	Value of Loans ($MM)	**As % of Loans Balances**
RESL	14,405	$3,651	**5.0%**
Personal Loans[1]	1,093	$20	**0.2%**
Credit Cards	2,700	$15	**0.8%**
Retail	18,198	$3,686	**4.4%**
Non-Retail	2,739	$4,479	**7.5%**

Deferrals as at Q2 2020

(As at April 30, 2020)

	Number of Loans	Value of Loans ($MM)	**As % of Loans Balances**
RESL	38,682	$8,624	**11.9%**
Personal Loans[1]	26,627	$464	**5.5%**
Credit Cards	9,316	$67	**3.5%**
Retail	74,625	$9,155	**11.1%**
Non-Retail	3,148	$4,483	**7.2%**

Retail

- New deferral requests: 10K in Q3 vs. 75K in Q2[1]
- Value of retail loans under deferral declined by 60% QoQ
- ~99% of deferrals expiring by Oct. 31
- Insured mortgages represent close to half of all mortgages under deferrals
  - Average LTV of uninsured RESL is 60%
- 98% of expired RESL deferrals have restarted regular payments
- Value of personal loans and credit cards down to $35M

Non-Retail

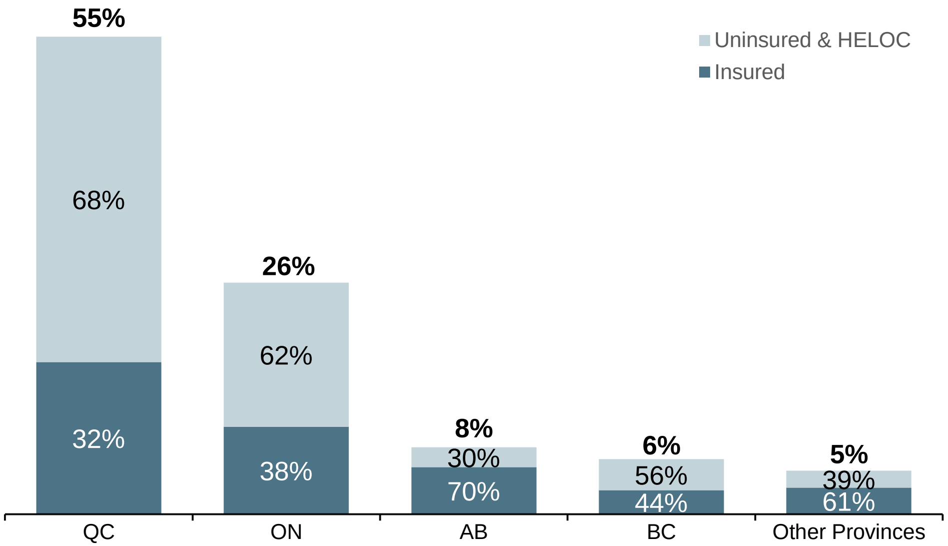
- Close to 85% of deferrals expiring by Oct. 31
- Non-investment grade unsecured loans represent less than 10% of outstanding deferrals

(1) Excluding student loans, which are government insured.

RETAIL MORTGAGE AND HELOC PORTFOLIO

Canadian Distribution by Province

As at July 31, 2020

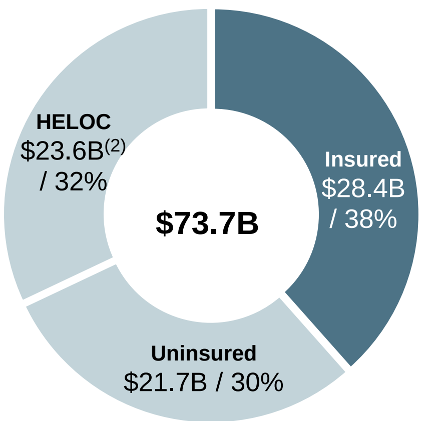


59%	51%	70%	52%	56%

Average LTV - Uninsured and HELOC(1)

- Insured mortgages account for 38% of the total RESL portfolio (70% in Alberta)
- Distribution across product and geography remained stable
- Uninsured mortgages and HELOC in GTA and GVA represent 10% and 2% of the total portfolio and have an average LTV(1) of 50% and 51% respectively for each segment

Canadian Distribution by Mortgage Type



Canadian Uninsured and HELOC Portfolio

	HELOC	Uninsured
Average LTV(1)	56%	59%
Average Credit Bureau Score	794	775
90+ Days Past Due (bps)	16	34

(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.
(2) Of which $14.5B are amortizing HELOC.

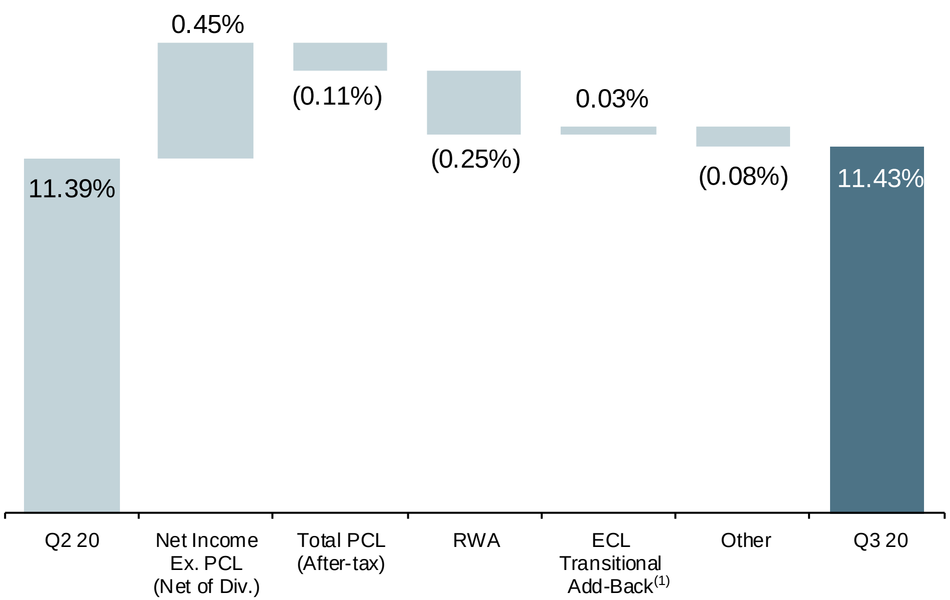
FINANCIAL REVIEW

Ghislain Parent

Chief Financial Officer and
Executive Vice-President, Finance

STRONG CAPITAL POSITION

CET1 Ratio



- Strong CET1 ratio of 11.4%(2)
- Strong pre-tax pre-provision earnings supported by favorable business mix
- Total PCL of $143M (11 bps after-tax)
- RWA growth absorbed 25 bps (see next slide)

(1) Transitional measure applicable to expected credit loss provisioning.
(2) Ratio takes into account the transitional relief measures granted by OSFI in the context of COVID-19 (11.2% excluding these measures). For additional details regarding relief measures introduced by the regulatory authorities, please refer to pages 7-8 of the Bank's Q3-2020 Report to Shareholders.

RWA GROWTH

Risk-Weighted Assets

($MM)

- RWA growth primarily driven by Credit Risk
- Limited impact from rating migration: 2 bps
  - 8 bps of CET1 from non-retail portfolio
  - Partly offset by 6 bps improvement in retail (low delinquency due to government programs)

STRONG CAPITAL AND LIQUIDITY POSITIONS

Capital and Capital Ratios

($MM)

	Q3 20	Q2 20	Q1 20
Capital			
CET1	**$10,840**	$10,568	$10,046
Tier 1	**$13,290**	$13,368	$12,846
Total	**$14,336**	$14,370	$13,755
Capital ratios			
CET1	**11.4%**	11.4%	11.7%
Tier 1	**14.0%**	14.4%	14.9%
Total	**15.1%**	15.5%	16.0%
Leverage	**4.3%**	4.4%	4.0%
Liquidity Coverage Ratio	**161%**	149%	144%

- Our capital levels remain strong
- Total capital ratio of 15.1%
- Strong liquidity coverage ratio of 161%

APPENDICES

APPENDIX 1 | OVERVIEW – Q3 20 RESULTS

Total Bank Summary Results

($MM, TEB)

	Q3 20	Q2 20	Q3 19 (1)	QoQ	YoY
Revenues	**2,021**	2,112	1,946	(4%)	4%
Non-Interest Expenses	**1,074**	1,121	1,042	(4%)	3%
Pre-Tax / Pre-Provisions	**947**	991	904	(4%)	5%
PCL	**143**	504	86	(72%)	66%
Net Income	**602**	379	606	59%	(1%)
Diluted EPS	**$1.66**	$1.01	$1.66	64%	-

Key Metrics	Q3 20	Q2 20	Q3 19	QoQ	YoY
Avg Loans & BAs - Total	**160,457**	160,008	149,405	-	7%
Avg Deposits - Total	**207,450**	205,097	186,344	1%	11%
Efficiency Ratio	**53.1%**	53.1%	53.5%	-	-40 bps
Return on Equity	**17.0%**	10.7%	18.6%		
CET1 Ratio	**11.4%**	11.4%	11.7%		

- Revenue up by 4%, led by Financial Markets, Wealth Management and USSF&I
- Pre-tax pre-provision earnings up 5% YoY
- Prudent provisioning with PCL up 66% YoY, down 72% QoQ
- Positive operating leverage
- EPS of $1.66, stable YoY

(1) Excluding Specified Items. All Specified Items are accounted for under the “Other” heading of segment results (the Gain on disposal of Fiera Capital shares, the Gain on disposal of head office building and the Remeasurement of NSIA at fair value are reflected in “Non-interest income”; the Impairment losses on premises and equipment and on intangible assets, the Provisions for onerous contracts and Severance pay are reflected in “Non-interest expenses”). Please refer to page 13 of National Bank's Q3-2020 Report to shareholders for additional information.

APPENDIX 2 | PERSONAL AND COMMERCIAL BANKING

P&C Summary Results

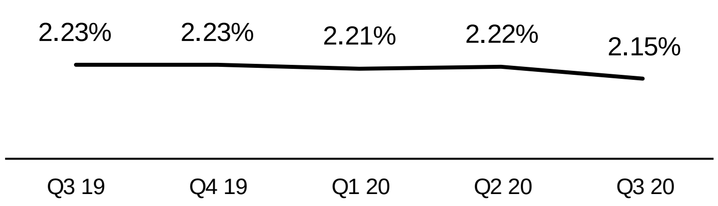
($MM)

	Q3 20	Q2 20	Q3 19	QoQ	YoY
Revenues	**852**	848	891	-	(4%)
Personal	**536**	524	564	2%	(5%)
Commercial	**316**	324	327	(2%)	(3%)
Non-Interest Expenses	**457**	459	461	-	(1%)
Pre-Tax / Pre-Provisions	**395**	389	430	2%	(8%)
PCL	**79**	301	57	(74%)	39%
Net Income	**233**	65	274	258%	(15%)

Key Metrics	Q3 20	Q2 20	Q3 19	QoQ	YoY
Avg Loans & BAs - Personal	**78,944**	78,295	76,143	1%	4%
Avg Loans & BAs - Commercial	**37,427**	38,241	36,486	(2%)	3%
Avg Loans & BAs - Total	**116,371**	116,536	112,629	-	3%
Avg Deposits - Personal	**34,825**	32,510	30,872	7%	13%
Avg Deposits - Commercial	**34,149**	31,359	32,105	9%	6%
Avg Deposits - Total	**68,974**	63,869	62,977	8%	10%
NIM (%)	**2.15%**	2.22%	2.23%	(0.07%)	(0.08%)
Efficiency Ratio (%)	**53.6%**	54.1%	51.7%	-50 bps	+190 bps
PCL Ratio	**0.27%**	1.05%	0.20%	(0.78%)	0.07%

- Revenues down 4% YoY, mainly driven by:
  - Lower margin
  - Lower client activity
  - Offset by good mortgage and deposit volumes
- Commercial lending impacted by COVID
- Continued disciplined cost management

P&C Net Interest Margin[1]



(1) NIM is on Earning Assets.

APPENDIX 3 | WEALTH MANAGEMENT

Wealth Management Summary Results

($MM)

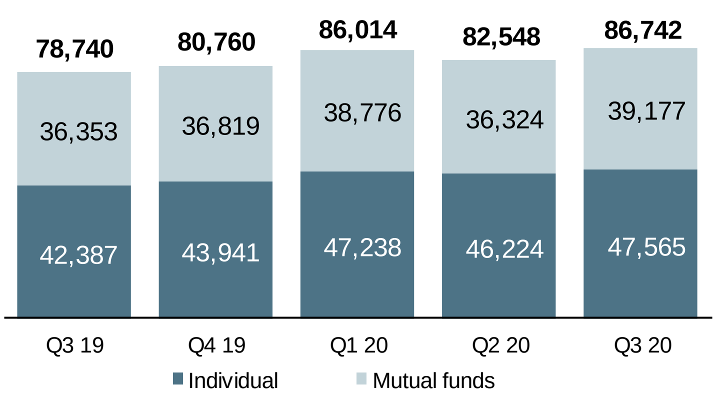
	Q3 20	Q2 20	Q3 19	QoQ	YoY
Revenues	**450**	474	437	(5%)	3%
Fee-Based	**266**	267	259	-	3%
Transaction & Others	**78**	97	66	(20%)	18%
Net Interest Income	**106**	110	112	(4%)	(5%)
Non-Interest Expenses	**274**	278	268	(1%)	2%
Pre-Tax / Pre-Provisions	**176**	196	169	(10%)	4%
PCL	**2**	4	-		
Net Income	**128**	141	125	(9%)	2%

Key Metrics *($B)*	**Q3 20**	Q2 20	Q3 19	QoQ	YoY
Avg Loans & BAs	**4.7**	4.8	4.9	(3%)	(4%)
Avg Deposits	**35.3**	34.5	31.9	2%	11%
Asset Under Administration	**500.3**	466.1	479.1	7%	4%
Asset Under Management	**86.7**	82.5	78.7	5%	10%
Efficiency Ratio (%)	**60.9%**	58.6%	61.3%	+230 bps	-40 bps

- Transaction volumes remained elevated in Q3
- Fee-based are up 3% YoY due to strong net sales
- AUA and AUM back to pre-COVID levels
- Lower net interest income as strong deposits were more than offset by lower interest rates

Assets Under Management

($MM)



APPENDIX 4 | FINANCIAL MARKETS

Financial Markets Summary Results

($MM, TEB)

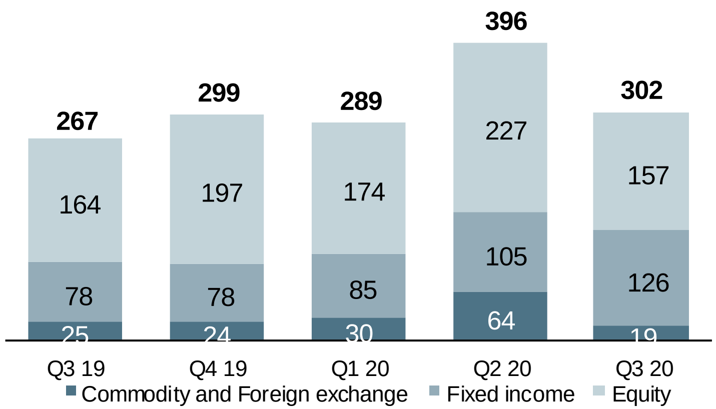
	Q3 20	Q2 20	Q3 19	QoQ	YoY
Revenues	**503**	598	441	(16%)	14%
Global Markets	**302**	396	267	(24%)	13%
C&IB	**201**	202	174	-	16%
Non-Interest Expenses	**206**	220	187	(6%)	10%
Pre-Tax / Pre-Provisions	**297**	378	254	(21%)	17%
PCL	**41**	162	10		
Net Income	**188**	159	179	18%	5%

Other Metrics	Q3 20	Q2 20	Q3 19	QoQ	YoY
Avg Loans & BAs [1]	**20,093**	19,436	16,706	3%	20%
Efficiency Ratio (%)	**41.0%**	36.8%	42.4%	+420 bps	-140 bps

- Solid growth in Global Markets, mainly due to higher revenues in fixed income
  - Higher volumes in fixed income secured funding
  - Lower volatility and trading volumes in equity
- C&IB up 16% YoY driven by DCM and ECM, and strong loan and deposit volumes
  - Partly offset by lower M&A activity

Global Markets Revenues

($MM)



(1) Corporate Banking only.

APPENDIX 5 | US SPECIALTY FINANCE & INTERNATIONAL

USSF&I Summary Results

($MM)

	Q3 20	Q2 20	Q3 19	QoQ	YoY
Revenues	**210**	183	174	15%	21%
Credigy	**104**	82	95	27%	9%
ABA	**105**	99	79	6%	33%
Other	**1**	2	-	(50%)	
Non-Interest Expenses	**79**	82	69	(4%)	14%
Credigy	**36**	34	36	6%	-
ABA	**42**	47	33	(11%)	27%
Other	**1**	1	-	-	
PCL	**21**	32	19	(34%)	11%
Credigy	**16**	24	15	(33%)	7%
ABA	**5**	8	4	(38%)	25%
Net Income	**87**	74	69	18%	26%
Credigy	**41**	19	35	116%	17%
ABA	**46**	54	34	(15%)	35%
Other	**-**	1	-		

Other Metrics	**Q3 20**	Q2 20	Q3 19	QoQ	YoY
Avg Loans - Credigy	**7,806**	7,718	5,932	1%	32%
Avg Loans - ABA	**4,124**	4,015	2,837	3%	45%
Avg Deposits - ABA	**5,040**	4,813	3,665	5%	38%
Efficiency Ratio (%)	**37.6%**	44.8%	39.7%	-720 bps	-210 bps
ABA Bank - Branches	**77**	77	68	-	13%

ABA Bank

- Strong growth with earnings up 35% YoY, loans up 45% and deposits up 38%
- Solid credit position: well-diversified portfolio, 98% secured
  - Loan deferrals representing 17% of portfolio (interest paid on 92% of deferrals; LTV of 36% on deferrals)
- Expecting strong earnings growth for F2020

Credigy

- Solid earnings growth driven by higher revenues and lower PCL, as the impact from COVID-19 was less significant in Q3
- Expecting ~flat earnings in F2020
- Maintaining disciplined growth strategy going forward

Other Segment Summary Results

($MM, TEB)

Adjusted Results	Q3 20	Q2 20	Q3 19 (1)
Revenues	**6**	9	3
Non-Interest Expenses	**58**	82	57
Pre-Tax / Pre-Provisions	**(52)**	(73)	(54)
PCL	**-**	5	-
Pre-Tax Income	**(52)**	(78)	(54)
Net Income	**(34)**	(60)	(41)

Reported Results	Q3 20	Q2 20	Q3 19
Specified Items	**-**	-	2
Net Income	**(34)**	(60)	(39)

- Incremental expenses of $44M YTD for health and safety measures in the context of the pandemic
- Decrease in variable compensation provision

(1) Results for the third quarter of 2019 exclude a $79 million gain related to the disposal of Fiera Capital shares, a $50 million gain on disposal of head office building, a Remeasurement of NSIA at fair value for ($33) million and charges of $112 related to Impairment losses, Provisions for onerous contracts and Severance pay. Please refer to page 13 of the Bank's Third Quarter 2020 Report to Shareholders for additional information.

APPENDIX 7 | TOTAL LOAN PORTFOLIO OVERVIEW

Loan Distribution by Borrower Category

($B)

	As at July 31, 2020	% of Total
Retail		
Secured - Mortgage & HELOC	78.8	48%
Secured - Other (1)	9.0	5%
Unsecured	4.3	3%
Credit Cards	1.8	1%
Total Retail	**93.9**	**57%**
Non-Retail		
Real Estate and Construction RE	13.3	8%
Agriculture	6.6	4%
Manufacturing	6.1	4%
Other Services	5.3	3%
Oil & Gas and Pipeline	5.2	3%
Oil & Gas	*2.8*	*2%*
Pipeline & Other	*2.4*	*1%*
Retail & Wholesale trade	5.1	3%
Finance and Insurance	4.8	3%
Other(2)	21.7	14%
Total Non-Retail	**68.1**	**42%**
Purchased or Originated Credit-Impaired	0.9	1%
Total Gross Loans and Acceptances	**162.9**	**100%**

- Secured lending accounts for 94% of Retail loans
- Indirect auto loans represent 1.8% of total loans ($2.9B)
- 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

Portfolios Prudently Positioned to Face the Crisis

As at July 31, 2020

	Quebec	Ontario	Oil Regions[1]	BC/MB	Maritimes[2] and Territories	**Total**
Retail						
Secured Mortgage & HELOC	27.4%	13.3%	4.8%	3.6%	1.1%	**50.2%**
Secured Other	2.9%	1.3%	0.5%	0.6%	0.3%	**5.6%**
Unsecured and Credit Cards	2.9%	0.4%	0.1%	0.1%	0.2%	**3.7%**
Total Retail	**33.2%**	**15.0%**	**5.4%**	**4.3%**	**1.6%**	**59.5%**
Non-Retail						
Commercial	17.5%	4.0%	2.0%	1.4%	0.6%	**25.5%**
Corporate Banking and Other[3]	4.7%	5.0%	3.3%	1.4%	0.6%	**15.0%**
Total Non-Retail	**22.2%**	**9.0%**	**5.3%**	**2.8%**	**1.2%**	**40.5%**
Total	**55.4%**	**24.0%**	**10.7%**	**7.1%**	**2.8%**	**100.0%**

Within the Canadian loan portfolio:

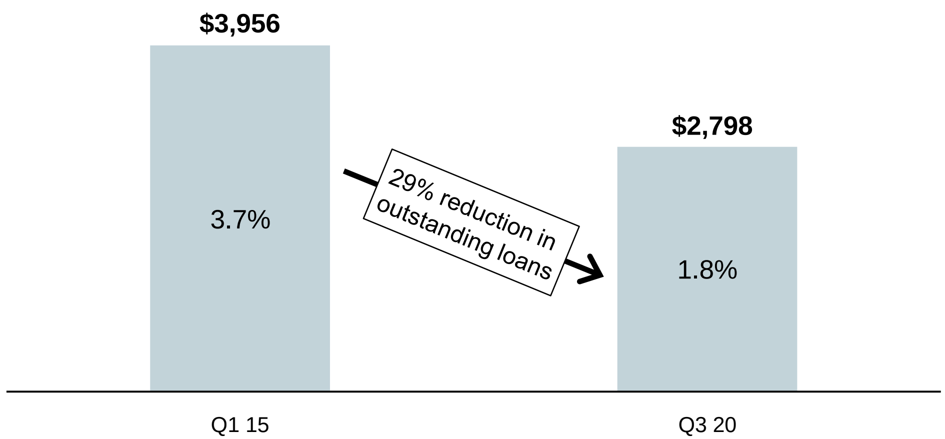
- Limited exposure to unsecured consumer loans (3.7%)
- Modest exposure to unsecured consumer loans outside Quebec (0.8%)
- RESL exposure predominantly in Quebec

(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

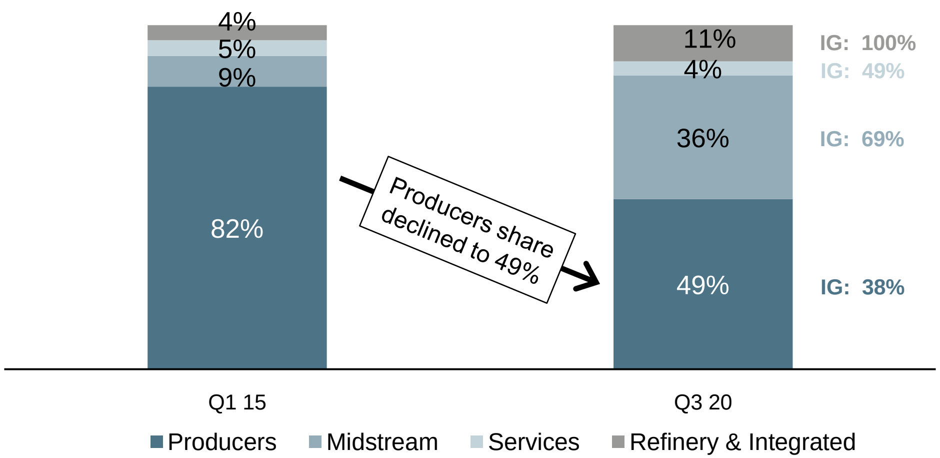
O&G Producers and Services Exposure

Gross Loans in $MM and % of Total Loans



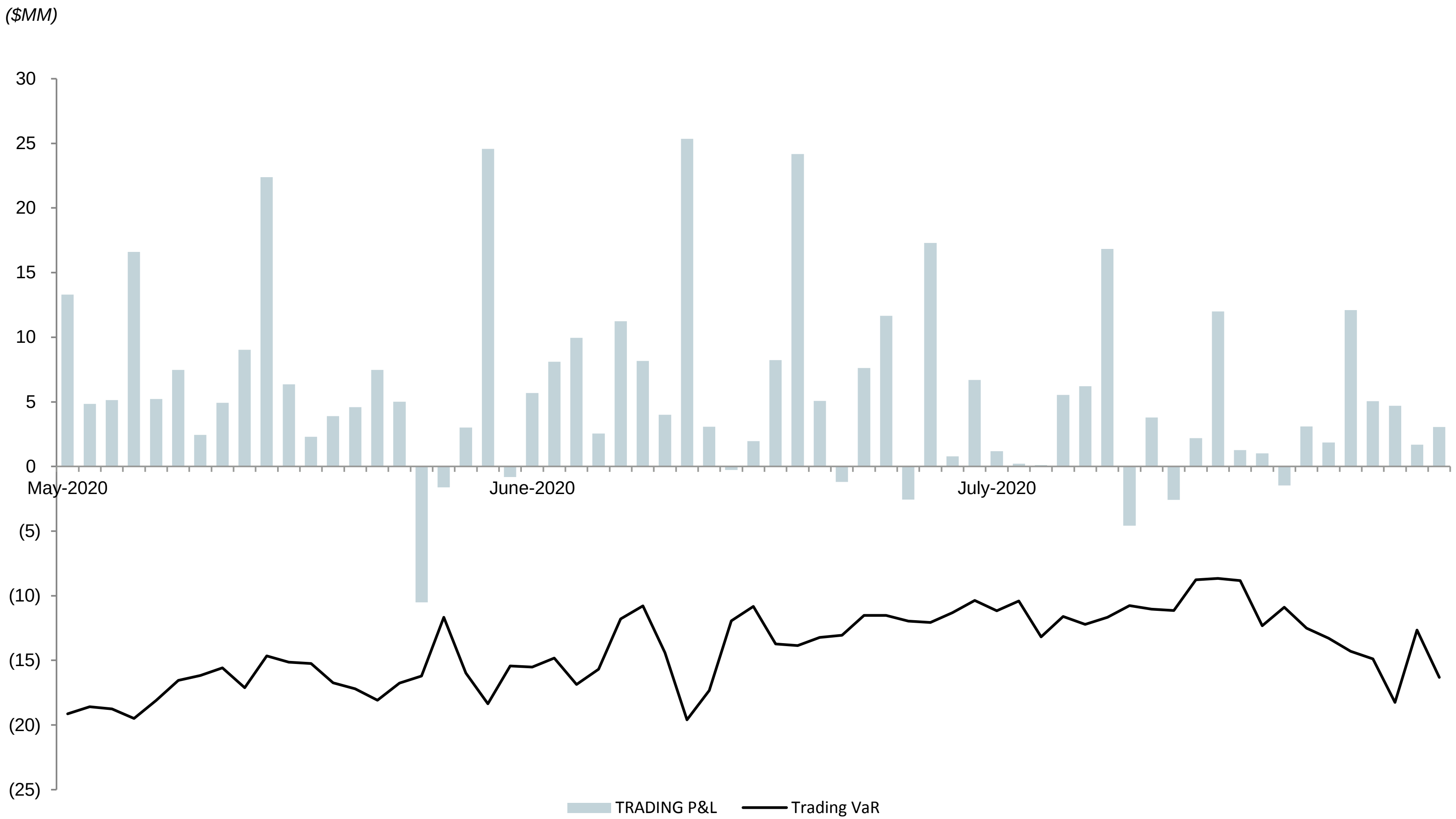
O&G and Pipeline sector

Total Gross Loans of $5.2B



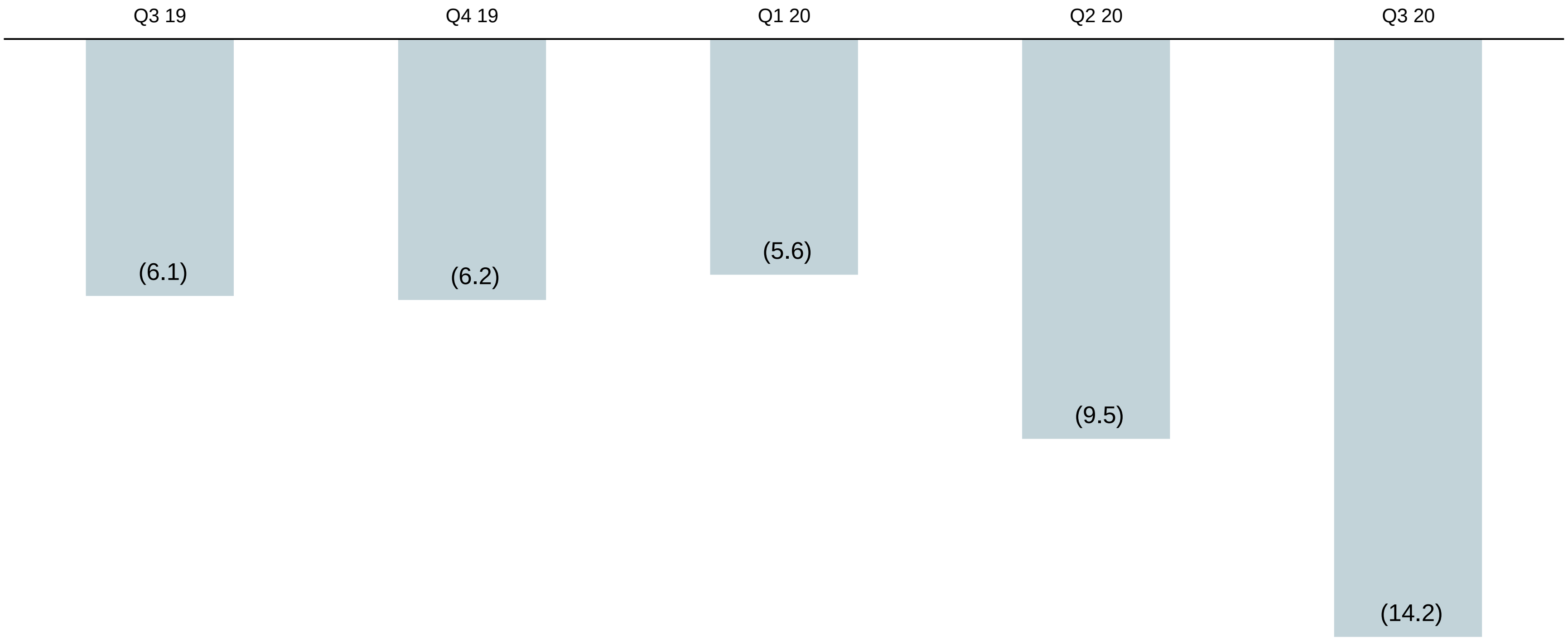
- O&G producers and services exposure significantly reduced
  - 29% reduction in outstanding loans: down from $4B in Q1/15 to $2.8B in Q3/20
  - Reduction as a % of total loans: down from 3.7% in Q1/15 to 1.8% in Q3/20
  - Canadian focused strategy, minimal direct US exposure
- Overall O&G and Pipeline portfolio refocused from mid-cap to large cap
  - Producers share declined from 82% in Q1/15 to 49% in Q3/20
  - Following the bi-annual revision, 56% of the portfolio is Investment Grade (as of Q3/20)
- Very modest indirect exposure to unsecured retail loans in the oil regions (~0.1% of total loans)

APPENDIX 10 | DAILY TRADING AND UNDERWRITING REVENUES VS. VAR



APPENDIX 11 | TRADING VaR TREND

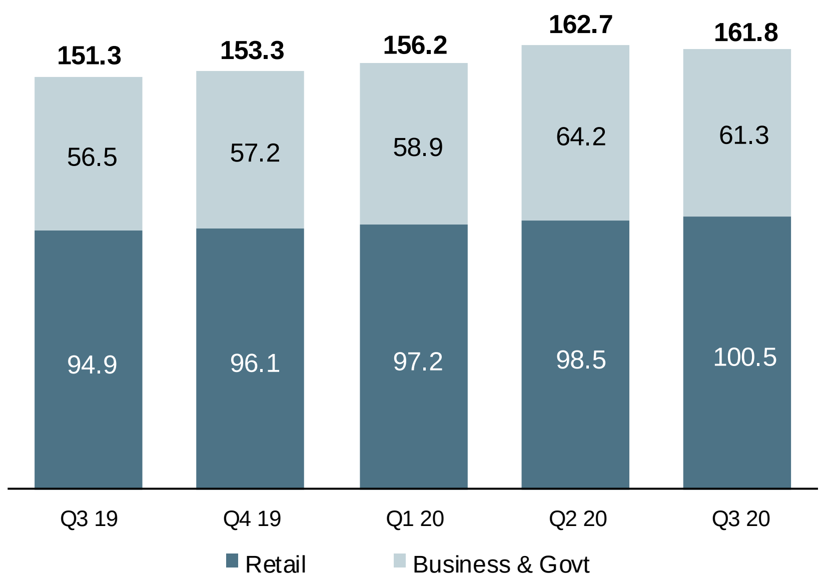
($MM)



APPENDIX 12 | LOAN & DEPOSIT OVERVIEW

Loans and BA's(1)

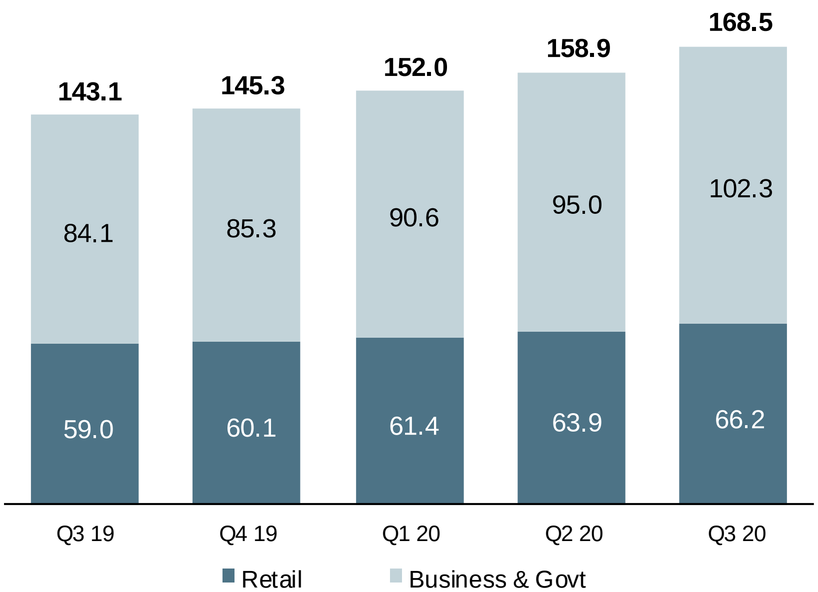
($B)



- **Loan Growth YoY** **6.9%**
  - Retail 5.9%
  - Business & Govt 8.5%

Deposits(2)

($B)



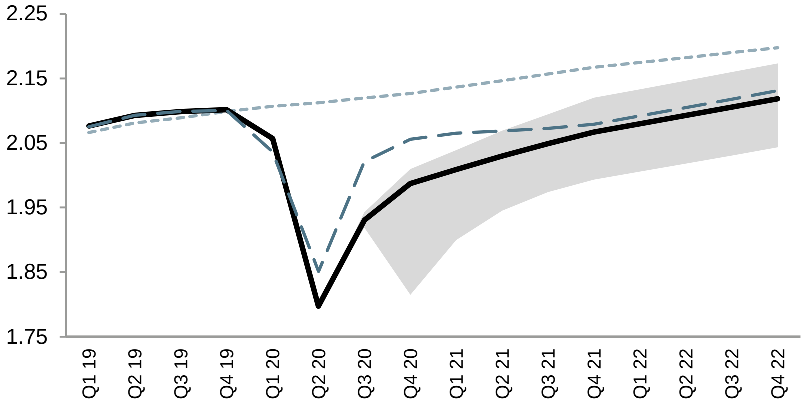
- **Deposit Growth YoY** **17.7%**
  - Retail 12.2%
  - Business & Govt 21.6%

(1) As per balance sheet total net loans.
(2) As per balance sheet total deposits, excluding deposits from deposit-taking institutions and wholesale funding.

APPENDIX 13 | RANGE OF MACROECONOMIC SCENARIOS - IFRS9

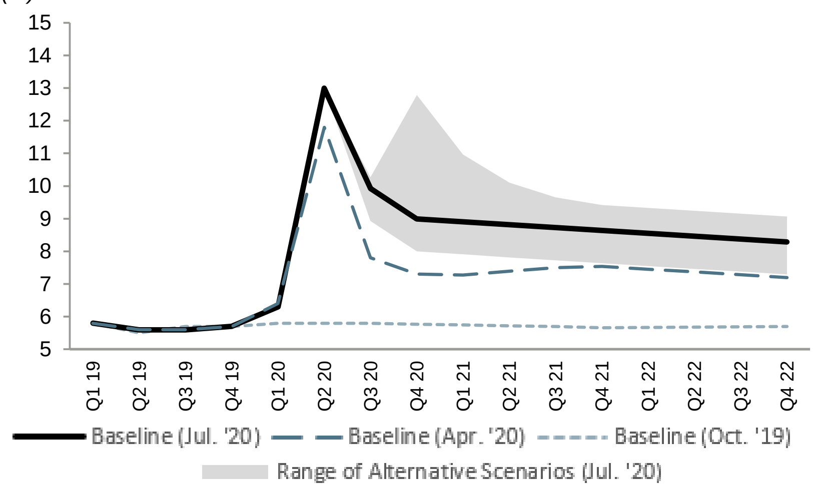
Canada Real GDP

($ Trillions)



Canada Unemployment Rate

(%)



NBC Macroeconomic Forecast: Q3 vs. Q2

(Full Calendar Years)

Base Scenario	C2020	C2021	C2022
Real GDP (Annual Average % Change)			
As at April 30	(4.8%)	4.0%	1.9%
As at July 31	(7.1%)	4.9%	3.0%
Unemployment Rate (Average %)			
As at April 30	8.3%	7.4%	7.3%
As at July 31	9.6%	8.8%	8.4%
Housing Price Index (Q4/Q4 % Change)			
As at April 30	(5.7%)	(0.7%)	4.0%
As at July 31	1.3%	(8.0%)	4.5%
WTI (Average US$ per Barrel)			
As at April 30	30	45	53
As at July 31	38	46	53
S&P/TSX (Q4/Q4 % Change)			
As at April 30	(14.0%)	12.2%	3.5%
As at July 31	(8.8%)	5.9%	3.5%
BBB Spread (Average Spread %)			
As at April 30	2.7%	2.5%	2.1%
As at July 31	2.2%	2.1%	2.0%

Source: NBF Economics and Strategy. Macroeconomic assumptions are for calendar years. Please refer to pages 5-6 and 76-77 of the Bank's Third Quarter 2020 Report to Shareholders for additional information.

NATIONAL BANK OF CANADA

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