

National Bank reports its results for the Third Quarter of 2020

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, 2020 and is prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), unless otherwise indicated. IFRS represent Canadian generally accepted accounting principles (GAAP). All amounts are presented in Canadian dollars.

MONTREAL, August 26, 2020 – For the third quarter of 2020, National Bank is reporting net income of \$602 million compared to \$608 million in the third quarter of 2019. Third-quarter diluted earnings per share stood at \$1.66 compared to \$1.66 in the third quarter of 2019. Year over year, income before provisions for credit losses and income taxes⁽¹⁾ was up in most of the business segments in the third quarter of 2020 but was offset by an increase in provisions for credit losses caused by an economic slowdown resulting from the COVID-19 pandemic.

For the nine months ended July 31, 2020, the Bank's net income totalled \$1,591 million compared to \$1,718 million in the same period of 2019, and its nine-month diluted earnings per share stood at \$4.34 compared to \$4.67 for the nine-month period ended July 31, 2019. This decrease in net income stems from a considerable increase in provisions for credit losses recorded to reflect a significant deterioration in the macroeconomic conditions caused by COVID-19 and the expected impacts on our clients.

"Since the gradual reopening of the economy, many indicators have improved, but the situation remains uncertain, especially given the potential for a second wave of the COVID-19 pandemic. In this environment, the Bank is continuing to deploy efforts to support its employees, its clients, and the community," said Louis Vachon, President and Chief Executive Officer of National Bank of Canada. "While it's still too early to predict how the COVID-19 pandemic will affect the economy in the long term, the Bank is in a strong position with a solid balance sheet, defensive positioning, quality credit portfolios, and a prudent approach to provisioning."

"For the third quarter of 2020, the Bank's net income remained stable year over year, with good performance across most of the business segments being offset by an increase in provisions for credit losses. Furthermore, we maintained high capital and liquidity levels, including a CET1 ratio of 11.4% and a liquidity coverage ratio of 161%," added Mr. Vachon.

Highlights

(millions of Canadian dollars)	Quarter ended July 31			Nine months ended July 31		
	2020	2019	% Change	2020	2019	% Change
Net income	602	608	(1)	1,591	1,718	(7)
Diluted earnings per share (<i>dollars</i>)	\$ 1.66	\$ 1.66	–	\$ 4.34	\$ 4.67	(7)
Return on common shareholders' equity	17.0 %	18.7 %		15.3 %	17.9 %	
Dividend payout ratio	46.4 %	41.7 %		46.4 %	41.7 %	
				As at July 31, 2020	As at October 31, 2019	
CET1 capital ratio under Basel III				11.4 %	11.7 %	
Leverage ratio under Basel III				4.3 %	4.0 %	

(1) See the Financial Reporting Method section on pages 5 and 6 for additional information on non-GAAP financial measures.

Personal and Commercial

- Net income totalled \$233 million in the third quarter of 2020 compared to \$274 million in the third quarter of 2019, a decrease essentially due to a decrease in total revenues and an increase in provisions for credit losses.
- Income before provisions for credit losses and income taxes⁽¹⁾ totalled \$395 million in the third quarter of 2020, down 8% from \$430 million in the third quarter of 2019 as a result of a smaller net interest margin and a decrease in non-interest income, in particular credit card revenues.
- At \$852 million, the 2020 third-quarter total revenues were down \$39 million or 4% year over year.
- Compared to a year ago, personal lending grew 4% and commercial lending grew 3%.
- Net interest margin stood at 2.15% in the third quarter of 2020 versus 2.23% in the third quarter of 2019.
- Third-quarter non-interest expenses stood at \$457 million, down 1% from the third quarter of 2019.
- At 53.6%, the third-quarter efficiency ratio compares to 51.7% in the third quarter of 2019.

Wealth Management

- Net income totalled \$128 million in the third quarter of 2020, a 2% increase from \$125 million in the third quarter of 2019.
- Third-quarter total revenues amounted to \$450 million compared to \$437 million in third quarter 2019, a \$13 million or 3% increase driven mainly by growth in transaction-based and other revenues as well as in fee-based revenues.
- Third-quarter non-interest expenses stood at \$274 million, up 2% from \$268 million in the third quarter of 2019.
- At 60.9%, the efficiency ratio improved from 61.3% in the third quarter of 2019.

Financial Markets

- Net income totalled \$188 million in the third quarter of 2020, a 5% increase from \$179 million in the third quarter of 2019.
- Income before provisions for credit losses and income taxes on a taxable equivalent basis⁽¹⁾ totalled \$297 million in the third quarter of 2020, up 17% from \$254 million in the third quarter of 2019.
- Total revenues on a taxable equivalent basis⁽¹⁾ amounted to \$503 million, a \$62 million or 14% year-over-year increase.
- Third-quarter non-interest expenses stood at \$206 million compared to \$187 million in the third quarter of 2019.
- The segment recorded \$41 million in provisions for credit losses in the third quarter of 2020 versus \$10 million in the third quarter of 2019, mainly due to provisions recorded on impaired loans.
- At 41.0%, the third-quarter efficiency ratio on a taxable equivalent basis⁽¹⁾ improved from 42.4% in the third quarter of 2019.

U.S. Specialty Finance and International

- Net income totalled \$87 million in the third quarter of 2020, a 26% increase from \$69 million in the same quarter of 2019.
- Third-quarter total revenues amounted to \$210 million, a 21% year-over-year increase driven by revenue growth at the Credigy subsidiary and ABA Bank subsidiary.
- Third-quarter non-interest expenses stood at \$79 million, a \$10 million year-over-year increase attributable to the expansion of ABA Bank's banking network.

Other

- The *Other* heading of segment results posted a net loss of \$34 million in the third quarter of 2020 compared to a net loss of \$39 million in the third quarter of 2019. This change came mainly from a higher contribution from Treasury activities during the third quarter of 2020.

Capital Management

- As at July 31, 2020, the Common Equity Tier 1 (CET1) capital ratio under Basel III was 11.4% compared to 11.7% as at October 31, 2019.
- As at July 31, 2020, the Basel III leverage ratio was 4.3%, an increase from 4.0% as at October 31, 2019.

Dividends

- On August 25, 2020, the Board of Directors declared regular dividends on the various series of first preferred shares and a dividend of 71 cents per common share, payable on November 1, 2020 to shareholders of record on September 28, 2020.

(1) See the Financial Reporting Method section on pages 5 and 6 for additional information on non-GAAP financial measures.

COVID-19 Pandemic

On March 11, 2020, the WHO declared that the COVID-19 outbreak constituted a pandemic, requiring important protective measures be taken to prevent overcrowding at intensive care units and also to strengthen preventive hygiene. The global pandemic prompted many countries, including Canada, to implement lockdown and social distancing measures designed to slow the development of new contagion hotbeds. Those measures included the closing of borders in many countries and the cancellation of sporting and cultural events around the world, triggering a sudden and widespread drop in market capitalizations on all major stock exchanges around the world arising from the uncertainty and fears about the global economy.

In May 2020, after several weeks of lockdown, Canadian provinces and territories began loosening some of the restrictions imposed at the start of the COVID-19 pandemic. The restart plans differ from one location to the next, depending on the local situation. Although the provinces and territories have announced how their restart will be deployed, authorities have warned that these plans may have to be postponed or modified if the situation changes. Canada lifted almost all restrictions in July 2020, while other countries were delaying their reopening or were going back into lockdown. A second wave of COVID-19 is still feared.

In Canada, banking services are considered essential services and are therefore being maintained despite the lockdown and social distancing measures. Given the current economic and social conditions, the Bank is committed to supporting its employees, clients, and communities. The Bank has ensured the continuity of all its activities since the beginning of this unprecedented crisis. All of its experts have been mobilized to guide and support clients and answer their questions during this period of uncertainty.

To protect its clients and employees, the Bank has implemented measures to prevent the spread of COVID-19. During the second quarter of 2020, when the lockdown measures were most restrictive, the Bank temporarily adjusted the number of open service points and modified the business hours of its branches while ensuring safe access to banking services, with particular attention being paid to banking machines. In addition, since March 13, 2020, the Bank has asked all employees whose tasks allow them to work from home to do so until further notice. Employees who were required to work on site received clear health guidelines, and some have used alternate sites in order to comply with the requested social distancing.

The Bank's Financial Performance

In light of COVID-19 and its impact on global and local economies, Canadian banks are facing a difficult situation. This exceptional situation has led to significant changes in the overall market, such as business closures and temporary layoffs, low interest rates, declining and volatile stock markets, declining oil prices, and government measures implemented in response to COVID-19.

Impact on Results

During the quarter ended July 31, 2020, despite the resumption of economic activity, several industries faced financial hardship because of social distancing rules and consumer fear, which severely impacted sales and led to many business closures, whereas other businesses saw an upturn in sales. The Bank's third-quarter net income nevertheless remained stable compared to the same quarter of 2019, as an increase in credit loss provisions was offset by good performance across most of the business segments. During the second quarter of 2020, major disruptions in the global environment in which the Bank operates affected its financial results, as there was a considerable increase in provisions for credit losses to reflect a significant deterioration in the macroeconomic conditions caused by COVID-19 and the expected impacts on our clients.

For additional information, refer to the "Financial Analysis" and "Business Segment Analysis" sections of the MD&A of the Report to Shareholders for the Third Quarter of 2020.

Relief Measures for Clients

In response to the economic and financial environment resulting from COVID-19 in March and April 2020, the Bank announced a series of support measures for the clients of its main business segments. During the quarter ended July 31, 2020, some of these measures were extended. Some of the measures were introduced by the Canadian government and regulatory authorities, together with the Canadian banks and were implemented quickly to come to the assistance of individuals and businesses. These measures are designed to provide financial support to clients facing the economic consequences of COVID-19. The main relief measures are described on pages 6 and 7 in the MD&A of the Report to Shareholders for the Third Quarter of 2020.

Key Measures Introduced by the Regulatory Authorities

Like all Canadian financial institutions, the Bank is facing regulatory changes that are being implemented at an increasing rate. As part of a coordinated effort by Government of Canada agencies, OSFI and other regulatory authorities governing the Bank's activities have taken a number of actions to reinforce the resilience of Canadian banks and improve the stability of the Canadian financial system and economy in response to challenges posed by COVID-19 and current market conditions. Regulatory authorities are also stepping up their oversight activities and focusing on the effects of the pandemic on the activities, capital strength, and liquidity of regulated entities. The main key measures are described on pages 7 to 9 in the MD&A of the Report to Shareholders for the Third Quarter of 2020.

Highlights

(millions of Canadian dollars, except per share amounts)

	Quarter ended July 31			Nine months ended July 31		
	2020	2019	% Change	2020	2019	% Change
Operating results						
Total revenues	1,968	1,948	1	5,927	5,517	7
Income before provisions for credit losses and income taxes ⁽¹⁾	894	794	13	2,641	2,311	14
Net income	602	608	(1)	1,591	1,718	(7)
Net income attributable to the Bank's shareholders	589	591	-	1,551	1,666	(7)
Return on common shareholders' equity	17.0 %	18.7 %		15.3 %	17.9 %	
Earnings per share						
Basic	\$ 1.67	\$ 1.68	(1)	\$ 4.37	\$ 4.71	(7)
Diluted	1.66	1.66	-	4.34	4.67	(7)
Operating results on a taxable equivalent basis and excluding specified items⁽¹⁾						
Total revenues on a taxable equivalent basis and excluding specified items	2,021	1,946	4	6,143	5,658	9
Income before provisions for credit losses and income taxes on a taxable equivalent basis and excluding specified items	947	904	5	2,870	2,564	12
Net income excluding specified items	602	606	(1)	1,601	1,716	(7)
Return on common shareholders' equity excluding specified items	17.0 %	18.6 %		15.4 %	17.9 %	
Efficiency ratio on a taxable equivalent basis and excluding specified items	53.1 %	53.5 %		53.3 %	54.7 %	
Earnings per share excluding specified items⁽¹⁾						
Basic	\$ 1.67	\$ 1.67	-	\$ 4.40	\$ 4.70	(6)
Diluted	1.66	1.66	-	4.37	4.67	(6)
Common share information						
Dividends declared	\$ 0.71	\$ 0.68		\$ 2.13	\$ 1.98	
Book value	38.91	36.12		38.91	36.12	
Share price						
High	65.54	64.16		74.79	64.16	
Low	51.38	60.71		38.73	54.97	
Close	63.24	63.88		63.24	63.88	
Number of common shares (<i>thousands</i>)	335,666	334,210		335,666	334,210	
Market capitalization	21,228	21,349		21,228	21,349	

(millions of Canadian dollars)	As at July 31, 2020	As at October 31, 2019	% Change
Balance sheet and off-balance-sheet			
Total assets	322,453	281,458	15
Loans and acceptances, net of allowances	161,753	153,251	6
Deposits	205,478	189,566	8
Equity attributable to common shareholders	13,060	12,328	6
Assets under administration and under management	587,083	565,396	4
Regulatory ratios under Basel III⁽²⁾			
Capital ratios			
Common Equity Tier 1 (CET1)	11.4 %	11.7 %	
Tier 1	14.0 %	15.0 %	
Total	15.1 %	16.1 %	
Leverage ratio	4.3 %	4.0 %	
Liquidity coverage ratio (LCR)	161 %	146 %	
Regulatory ratios under Basel III (adjusted)⁽³⁾			
Capital ratios			
CET1	11.2 %		
Tier 1	13.8 %		
Total	15.1 %		
Leverage ratio	4.2 %		
Other information			
Number of employees – Worldwide	26,544	25,487	4
Number of branches in Canada	409	422	(3)
Number of banking machines in Canada	936	939	-

(1) See the Financial Reporting Method section on pages 5 and 6 for additional information on non-GAAP financial measures.

(2) The ratios as at July 31, 2020 include the transitional measures granted by OSFI. For additional information, see the section entitled COVID-19 Pandemic – Key Measures Introduced by the Regulatory Authorities on pages 7 to 9 in the MD&A of the Report to Shareholders for the Third Quarter of 2020.

(3) The adjusted ratios as at July 31, 2020 do not include the transitional measure applicable to expected credit loss provisioning. For additional information, see the section entitled "COVID-19 Pandemic – Key Measures Introduced by the Regulatory Authorities" on pages 7 to 9 in the MD&A of the Report to Shareholders for the Third Quarter of 2020.

Financial Reporting Method

As stated in Note 2 to its audited annual consolidated financial statements for the year ended October 31, 2019, the Bank adopted IFRS 16 on November 1, 2019. As permitted by the IFRS 16 transitional provisions, the Bank elected to apply IFRS 16 using the modified retrospective basis, with no restatement of comparative periods. Note 2 to the unaudited interim condensed consolidated financial statements for the quarter and nine-month period ended July 31, 2020 presents the impacts of IFRS 16 adoption on the Bank's Consolidated Balance Sheet as at November 1, 2019 and additional information about the adoption of IFRS 16. Since interim consolidated financial statements do not include all of the annual financial statement disclosures required under IFRS, they should be read in conjunction with the audited annual consolidated financial statements and accompanying notes for the year ended October 31, 2019.

Non-GAAP 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, which are based on IFRS. 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 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 Bank cautions readers that it uses non-GAAP financial measures that do not have standardized meanings under GAAP and therefore may not be comparable to similar measures used by other companies.

Like many other financial institutions, the Bank uses the taxable equivalent basis to calculate net interest income, non-interest income, and income taxes. This calculation method consists of grossing up certain tax-exempt income (particularly dividends) by the income tax that would have been otherwise payable. An equivalent amount is added to income taxes. This adjustment is necessary in order to perform a uniform comparison of the return on different assets regardless of their tax treatment.

Fiscal 2020 is being marked by the effects of the COVID-19 pandemic on macroeconomic factors, which resulted in a significant increase in the Bank's provisions for credit losses. Given the materiality of the provisions for credit losses recorded in accordance with IFRS, the Bank believes it is useful to show income before provisions for credit losses and income taxes, income before provisions for credit losses and income taxes on a taxable equivalent basis as well as income before provisions for credit losses and income taxes on a taxable equivalent basis and excluding specified items (as presented in the Consolidated Results table on page 14 and in the Results by Segment tables on pages 17 to 21 in the MD&A of the Report to Shareholders for the Third Quarter of 2020), thereby providing readers with additional information to help them better understand the main components of the financial results of the Bank and its business segments.

Financial Information

(millions of Canadian dollars, except per share amounts)

	Quarter ended July 31			Nine months ended July 31		
	2020	2019	% Change	2020	2019	% Change
Net income excluding specified items⁽¹⁾						
Personal and Commercial	233	274	(15)	549	746	(26)
Wealth Management	128	125	2	404	365	11
Financial Markets	188	179	5	531	505	5
U.S. Specialty Finance and International	87	69	26	246	201	22
Other	(34)	(41)		(129)	(101)	
Net income excluding specified items	602	606	(1)	1,601	1,716	(7)
Charge related to Maple ⁽²⁾	-	-		(10)	-	
Gain on disposal of Fiera Capital shares ⁽³⁾	-	68		-	68	
Gain on disposal of premises and equipment ⁽⁴⁾	-	43		-	43	
Remeasurement at fair value of an investment ⁽⁵⁾	-	(27)		-	(27)	
Impairment losses on premises and equipment and on intangible assets ⁽⁶⁾	-	(42)		-	(42)	
Provisions for onerous contracts ⁽⁷⁾	-	(33)		-	(33)	
Severance pay ⁽⁸⁾	-	(7)		-	(7)	
Net income	602	608	(1)	1,591	1,718	(7)
Diluted earnings per share excluding specified items	\$ 1.66	\$ 1.66	-	\$ 4.37	\$ 4.67	(6)
Charge related to Maple ⁽²⁾	-	-		(0.03)	-	
Gain on disposal of Fiera Capital shares ⁽³⁾	-	0.20		-	0.20	
Gain on disposal of premises and equipment ⁽⁴⁾	-	0.12		-	0.12	
Remeasurement at fair value of an investment ⁽⁵⁾	-	(0.08)		-	(0.08)	
Impairment losses on premises and equipment and on intangible assets ⁽⁶⁾	-	(0.12)		-	(0.12)	
Provisions for onerous contracts ⁽⁷⁾	-	(0.10)		-	(0.10)	
Severance pay ⁽⁸⁾	-	(0.02)		-	(0.02)	
Diluted earnings per share	\$ 1.66	\$ 1.66	-	\$ 4.34	\$ 4.67	(7)
Return on common shareholders' equity						
Including specified items	17.0 %	18.7 %		15.3 %	17.9 %	
Excluding specified items	17.0 %	18.6 %		15.4 %	17.9 %	

(1) For the quarter and nine-month period ended July 31, 2019, certain amounts have been reclassified.

(2) During the nine-month period ended July 31, 2020, the Bank recorded a charge of \$13 million (\$10 million net of income taxes) related to Maple Financial Group Inc. (Maple) in the *Other* heading of segment results following the event that occurred in December 2019, as described in the Contingent Liabilities section on page 25 in the MD&A of the Report to Shareholders for the Third Quarter of 2020.

(3) During the quarter ended July 31, 2019, following the Bank's disposal of a portion of its investment in Fiera Capital Corporation (Fiera Capital), a gain on disposal of \$79 million (\$68 million net of income taxes), including a gain of \$31 million (\$27 million net of income taxes) upon remeasurement at fair value of the retained interest, was recorded in the *Other* heading of segment results.

(4) During the quarter ended July 31, 2019, the Bank completed the sale of its head office land and building located at 600 De La Gauchetière West, Montreal, Quebec, Canada, for gross proceeds of \$187 million, and a gain on disposal of premises and equipment of \$50 million (\$43 million net of income taxes) was recorded in the *Other* heading of segment results.

(5) During the quarter ended July 31, 2019, the Bank remeasured at fair value its investment in NSIA Participations (NSIA) and recorded a loss of \$33 million (\$27 million net of income taxes) in the *Other* heading of segment results.

(6) During the quarter ended July 31, 2019, the Bank recorded \$57 million (\$42 million net of income taxes) in impairment losses on premises and equipment and on intangible assets related to computer equipment and technology developments in the *Other* heading of segment results.

(7) During the quarter ended July 31, 2019, the Bank reviewed all of its corporate building leases and recorded provisions for onerous contracts of \$45 million (\$33 million net of income taxes) in the *Other* heading of segment results.

(8) During the quarter ended July 31, 2019, following an optimization of certain organizational structures, the Bank recorded \$10 million (\$7 million net of income taxes) in severance pay.

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.

Disclosure of the Third Quarter 2020 results

Conference Call

- A conference call for analysts and institutional investors will be held on Wednesday, August 26, 2020 at 1:00 p.m. EDT.
- Access by telephone in listen-only mode: 1-800-806-5484 or 416-340-2217. The access code is 8516795#.
- A recording of the conference call can be heard until September 26, 2020 by dialing 1-800-408-3053 or 905-694-9451. The access code is 1511461#.

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.

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