

## Consolidated statement of income

Millions of Canadian dollars, except as noted, for the year ended October 31

	2018	2017	2016
<b>Interest income</b>			
Loans	\$ 13,901	\$ 11,028	\$ 9,833
Securities	2,269	1,890	1,774
Securities borrowed or purchased under resale agreements	1,053	495	329
Deposits with banks	282	180	156
	17,505 <sup>(1)</sup>	13,593	12,092
<b>Interest expense</b>			
Deposits	6,240	3,953	3,215
Securities sold short	272	226	199
Securities lent or sold under repurchase agreements	736	254	127
Subordinated indebtedness	174	142	137
Other	18	41	48
	7,440	4,616	3,726
<b>Net interest income</b>	10,065	8,977	8,366
<b>Non-interest income</b>			
Underwriting and advisory fees	420	452	446
Deposit and payment fees	877	843	832
Credit fees	851	744	638
Card fees	510	463	470
Investment management and custodial fees	1,247	1,034	882
Mutual fund fees	1,624	1,573	1,462
Insurance fees, net of claims	431	427	396
Commissions on securities transactions	357	349	342
Gains (losses) from financial instruments measured/designated at fair value through profit or loss (FVTPL), net (2017 and 2016: Trading income (loss) and designated at fair value (FVO) gains (losses), net)	603	227 <sup>(2)</sup>	(71) <sup>(2)</sup>
Gains (losses) from debt securities measured at fair value through other comprehensive income (FVOCI) and amortized cost, net (2017 and 2016: Available-for-sale (AFS) debt and equity securities gains, net) (Note 4)	(35)	143	73
Foreign exchange other than trading (FXOTT)	310	252	367
Income from equity-accounted associates and joint ventures (Note 25)	121	101	96
Other (Note 3)	453	695	736
	7,769	7,303	6,669
<b>Total revenue</b>	17,834	16,280	15,035
<b>Provision for credit losses</b> (Note 5)	870	829	1,051
<b>Non-interest expenses</b>			
Employee compensation and benefits	5,665	5,198	4,982
Occupancy costs	875	822	804
Computer, software and office equipment	1,742	1,630	1,398
Communications	315	317	319
Advertising and business development	327	282	269
Professional fees	226	229	201
Business and capital taxes	103	96	68
Other	1,005	997	930
	10,258	9,571	8,971
<b>Income before income taxes</b>	6,706	5,880	5,013
<b>Income taxes</b> (Note 19)	1,422	1,162	718
<b>Net income</b>	\$ 5,284	\$ 4,718	\$ 4,295
<b>Net income attributable to non-controlling interests</b>	\$ 17	\$ 19	\$ 20
Preferred shareholders	\$ 89	\$ 52	\$ 38
Common shareholders	5,178	4,647	4,237
<b>Net income attributable to equity shareholders</b>	\$ 5,267	\$ 4,699	\$ 4,275
<b>Earnings per share (EPS)</b> (in dollars) (Note 20)			
Basic	\$ 11.69	\$ 11.26	\$ 10.72
Diluted	11.65	11.24	10.70
<b>Dividends per common share</b> (in dollars) (Note 15)	5.32	5.08	4.75

(1) Interest income included \$16.0 billion for the year ended October 31, 2018 calculated based on the effective interest rate method.

(2) Reclassified to conform to the presentation adopted in the current year.

The accompanying notes and shaded sections in "MD&amp;A – Management of risk" are an integral part of these consolidated financial statements.