

SECOND QUARTER

2025

Report to Shareholders

For the period ended April 30, 2025

Laurentian Bank of Canada reported net income of \$32.3 million and diluted earnings per share of \$0.69 for the second quarter of 2025, compared with a net loss of \$117.5 million and a diluted loss per share of \$2.71 for the second quarter of 2024. Return on common shareholders' equity⁽¹⁾ was 4.9% for the second quarter of 2025, compared with a negative 18.6% for the second quarter of 2024. Adjusted net income⁽²⁾ was \$34.0 million and adjusted diluted earnings per share⁽¹⁾ were \$0.73 for the second quarter of 2025, compared with \$40.5 million and \$0.90 for the second quarter of 2024. Adjusted return on common shareholders' equity⁽¹⁾ was 5.2% for the second quarter of 2025, compared with 6.1% a year ago.

For the six months ended April 30, 2025, reported net income was \$70.9 million and diluted earnings per share were \$1.44, compared with a net loss of \$80.3 million and a diluted loss per share of \$1.97 for the six months ended April 30, 2024. Return on common shareholders' equity was 5.1% for the six months ended April 30, 2025, compared with a negative 6.7% for the six months ended April 30, 2024. Adjusted net income was \$73.4 million and adjusted diluted earnings per share were \$1.50 for the six months ended April 30, 2025, compared with \$84.7 million and \$1.80 for the six months ended April 30, 2024. Adjusted return on common shareholders' equity was 5.3% for the six months ended April 30, 2025, compared with 6.1% for the same period a year ago.

"As we mark the one-year anniversary of our strategic plan, Laurentian Bank has remained focused and disciplined in executing the priorities we set to transform the organization and achieve our medium-term financial objectives," said Éric Provost, President and Chief Executive Officer of Laurentian Bank. "We are seeing positive momentum in our specialized businesses. While there is still more to accomplish, we are satisfied with the progress we have made thus far. Looking ahead, we will continue to expand our presence and sharpen our focus in specialized areas, which will support both customer success and shareholder returns."

In millions of dollars, except per share and percentage amounts (Unaudited)	For the three months ended			For the six months ended		
	April 30, 2025	April 30, 2024	Variance	April 30, 2025	April 30, 2024	Variance
Reported basis						
Net income (loss)	\$ 32.3	\$ (117.5)	(128)%	\$ 70.9	\$ (80.3)	(188)%
Diluted earnings (loss) per share	\$ 0.69	\$ (2.71)	(125)%	\$ 1.44	\$ (1.97)	(173)%
Return on common shareholders' equity ⁽¹⁾	4.9 %	(18.6)%		5.1 %	(6.7)%	
Efficiency ratio ⁽³⁾	76.1 %	152.9 %		75.5 %	114.3 %	
Common Equity Tier 1 (CET1) capital ratio ⁽⁴⁾	11.0 %	10.4 %		11.0 %	10.4 %	
Adjusted basis						
Adjusted net income ⁽²⁾	\$ 34.0	\$ 40.5	(16)%	\$ 73.4	\$ 84.7	(13)%
Adjusted diluted earnings per share ⁽¹⁾	\$ 0.73	\$ 0.90	(19)%	\$ 1.50	\$ 1.80	(17)%
Adjusted return on common shareholders' equity ⁽¹⁾	5.2 %	6.1 %		5.3 %	6.1 %	
Adjusted efficiency ratio ⁽¹⁾	75.2 %	73.8 %		74.8 %	73.4 %	

(1) This is a non-GAAP ratio. Refer to the Non-GAAP Financial and Other Measures section beginning on page 5 for more information.

(2) This is a non-GAAP financial measure. Refer to the Non-GAAP Financial and Other Measures section beginning on page 5 for more information.

(3) This is a supplementary financial measure. Refer to the Non-GAAP Financial and Other Measures section beginning on page 5 for more information.

(4) In accordance with the Office of the Superintendent of Financial Institutions' (OSFI) "Capital Adequacy Requirements" guideline. Refer to the Capital Management section beginning on page 12 for more information.

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MANAGEMENT'S DISCUSSION AND ANALYSIS

AS AT AND FOR THE PERIOD ENDED APRIL 30, 2025

This Management's Discussion and Analysis (MD&A) presents management's view of the financial condition of Laurentian Bank of Canada (the Bank and/or Laurentian Bank) as at April 30, 2025 and its operating results for the three-month and six-month periods then ended, compared with the corresponding periods shown. This MD&A should be read in conjunction with the Condensed Interim Consolidated Financial Statements. This MD&A is dated as of May 29, 2025.

Additional information about the Bank, including the 2024 Annual Information Form, is available on the Bank's website at www.laurentianbank.ca and on the Canadian Securities Administrators' national system SEDAR+ at www.sedarplus.ca.

BASIS OF PRESENTATION

The financial information reported herein is based on the Condensed Interim Consolidated Financial Statements as at and for the period ended April 30, 2025, and, unless otherwise indicated, has been prepared in accordance with IFRS Accounting Standards, as issued by the International Accounting Standards Board (IASB), as well as in accordance with IAS 34, *Interim Financial Reporting*. All amounts are presented in Canadian dollars.

ABOUT LAURENTIAN BANK OF CANADA

Founded in Montréal in 1846, Laurentian Bank wants to foster prosperity for all customers through specialized commercial banking and low-cost banking services to grow savings for middle-class Canadians.

With a workforce of approximately 2,800 employees, the Bank offers a wide range of financial services and advice-based solutions to customers across Canada and the United States. Laurentian Bank manages \$49.5 billion in balance sheet assets and \$24.2 billion in assets under administration.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

From time to time, Laurentian Bank of Canada and, as applicable its subsidiaries (collectively referred to as the Bank) will make written or oral forward-looking statements within the meaning of applicable Canadian and United States (U.S.) securities legislation, including, forward-looking statements contained in this document (and in the documents incorporated by reference herein), as well as in other documents filed with Canadian and U.S. regulatory authorities, in reports to shareholders, and in other written or oral communications. These forward-looking statements are made in accordance with the “safe harbor” provisions of, and are intended to be forward-looking statements in accordance with, applicable Canadian and U.S. securities legislation. They include, but are not limited to; statements regarding the Bank’s vision, strategic goals, business plans and strategies, priorities and financial performance objectives; the economic, market, and regulatory review and outlook for Canadian, U.S. and global economies; the regulatory environment in which the Bank operates; the risk environment, including, credit risk, liquidity, and funding risks; statements under the heading “Risk Appetite and Risk Management Framework” contained in the 2024 Annual Report, including, the MD&A for the fiscal year ended October 31, 2024; and other statements that are not historical facts.

Forward-looking statements typically are identified with words or phrases such as “believe”, “assume”, “estimate”, “forecast”, “outlook”, “project”, “vision”, “expect”, “foresee”, “anticipate”, “intend”, “plan”, “goal”, “aim”, “target”, and expressions of future or conditional verbs such as “may”, “should”, “could”, “would”, “will”, “intend” or the negative of any of these terms, variations thereof or similar terminology.

By their very nature, forward-looking statements require the Bank to make assumptions and are subject to inherent risks and uncertainties, both general and specific in nature, which give rise to the possibility that the Bank’s predictions, forecasts, projections, expectations, or conclusions may prove to be inaccurate; that the Bank’s assumptions may be incorrect (in whole or in part); and that the Bank’s financial performance objectives, visions, and strategic goals may not be achieved. Forward-looking statements should not be read as guarantees of future performance or results, or indications of whether or not actual results will be achieved. Material economic assumptions underlying such forward-looking statements are set out in the 2024 Annual Report under the heading “Outlook”, which assumptions are incorporated by reference herein.

The Bank cautions readers against placing undue reliance on forward-looking statements, as a number of factors, many of which are beyond the Bank’s control and the effects of which can be difficult to predict or measure, could influence, individually or collectively, the accuracy of the forward-looking statements and cause the Bank’s actual future results to differ significantly from the targets, expectations, estimates or intentions expressed in the forward-looking statements. These factors include, but are not limited to general and market economic conditions; inflationary pressures; the dynamic nature of the financial services industry in Canada, the U.S., and globally; risks relating to credit, market, liquidity, funding, insurance, operational and regulatory compliance (which could lead to the Bank being subject to various legal and regulatory proceedings, the potential outcome of which could include regulatory restrictions, penalties, and fines); reputational risks; legal and regulatory risks; competitive and systemic risks; supply chain disruptions; geopolitical events and uncertainties; government sanctions and tariffs (both domestic and foreign); conflict, war, or terrorism; and various other significant risks discussed in the risk-related portions of the Bank’s 2024 Annual Report, such as those related to: Canadian and global economic conditions; Canadian housing and household indebtedness; technology, information systems and cybersecurity; technological disruption, privacy, data and third party related risks; competition; the Bank’s ability to execute on its strategic objectives; digital disruption and innovation (including, emerging fintech competitors); changes in government fiscal, monetary and other policies; tax risk and transparency; fraud and criminal activity; human capital; business continuity; emergence of widespread health emergencies or public health crises; environmental and social risks including, climate change; and various other significant risks, as described in the relevant pages of the 2024 Annual Report, including the MD&A, which information is incorporated by reference herein. The Bank further cautions that the foregoing list of factors is not exhaustive. When relying on the Bank’s forward-looking statements to make decisions involving the Bank, investors, financial analysts, and others should carefully consider the foregoing factors, uncertainties, and current and potential events.

Any forward-looking statements contained herein or incorporated by reference represent the views of management of the Bank only as at the date such statements were or are made, are presented for the purposes of assisting investors, financial analysts, and others in understanding certain key elements of the Bank’s financial position, current objectives, strategic priorities, expectations and plans, and in obtaining a better understanding of the Bank’s business and anticipated financial performance and operating environment and may not be appropriate for other purposes. The Bank does not undertake any obligation to update any forward-looking statements made by the Bank or on its behalf whether as a result of new information, future events or otherwise, except to the extent required by applicable securities legislation. Additional information relating to the Bank can be located on SEDAR+ at www.sedarplus.ca.

HIGHLIGHTS

TABLE 1
FINANCIAL HIGHLIGHTS

In thousands of dollars, except when noted	For the three months ended					For the six months ended		
	April 30, 2025	January 31, 2025	Variance	April 30, 2024	Variance	April 30, 2025	April 30, 2024	Variance
Operating results								
Total revenue	\$ 242,516	\$ 249,637	(3)%	\$ 252,594	(4)%	\$ 492,153	\$ 510,935	(4)%
Net income (loss)	\$ 32,329	\$ 38,601	(16)%	\$ (117,547)	(128)%	\$ 70,930	\$ (80,264)	(188)%
Adjusted net income ⁽¹⁾	\$ 33,962	\$ 39,448	(14)%	\$ 40,512	(16)%	\$ 73,410	\$ 84,665	(13)%
Operating performance								
Diluted earnings (loss) per share ⁽²⁾	\$ 0.69	\$ 0.76	(9)%	\$ (2.71)	(125)%	\$ 1.44	\$ (1.97)	(173)%
Adjusted diluted earnings per share ⁽²⁾⁽³⁾	\$ 0.73	\$ 0.78	(6)%	\$ 0.90	(19)%	\$ 1.50	\$ 1.80	(17)%
Return on common shareholders' equity ⁽³⁾	4.9 %	5.2 %		(18.6)%		5.1 %	(6.7)%	
Adjusted return on common shareholders' equity ⁽³⁾	5.2 %	5.3 %		6.1 %		5.3 %	6.1 %	
Net interest margin ⁽⁴⁾	1.85 %	1.85 %		1.80 %		1.85 %	1.80 %	
Efficiency ratio ⁽⁴⁾	76.1 %	74.9 %		152.9 %		75.5 %	114.3 %	
Adjusted efficiency ratio ⁽³⁾	75.2 %	74.3 %		73.8 %		74.8 %	73.4 %	
Operating leverage ⁽⁴⁾	(1.5)%	3.4 %		(97.5)%		32.7 %	(60.8)%	
Adjusted operating leverage ⁽³⁾	(1.1)%	0.9 %		(1.1)%		(1.8)%	(5.4)%	
Financial position (\$ millions)								
Loans	\$ 35,645	\$ 35,575	— %	\$ 36,274	(2)%	\$ 35,645	\$ 36,274	(2)%
Total assets	\$ 49,518	\$ 48,779	2 %	\$ 48,386	2 %	\$ 49,518	\$ 48,386	2 %
Deposits	\$ 23,874	\$ 23,845	— %	\$ 24,605	(3)%	\$ 23,874	\$ 24,605	(3)%
Average earning assets ⁽⁴⁾	\$ 40,290	\$ 39,839	1 %	\$ 40,675	(1)%	\$ 40,061	\$ 40,787	(2)%
Average loans ⁽⁴⁾	\$ 35,504	\$ 35,223	1 %	\$ 36,327	(2)%	\$ 35,361	\$ 36,478	(3)%
Basel III regulatory capital ratios								
CET1 capital ratio ⁽⁵⁾	11.0 %	10.9 %		10.4 %		11.0 %	10.4 %	
Total risk-weighted assets (\$ millions) ⁽⁵⁾	\$ 20,944	\$ 21,188		\$ 21,621		\$ 20,944	\$ 21,621	
Credit quality								
Gross impaired loans as a % of loans ⁽⁴⁾	1.15 %	1.12 %		0.84 %		1.15 %	0.84 %	
Net impaired loans as a % of loans ⁽⁴⁾	0.94 %	0.90 %		0.64 %		0.94 %	0.64 %	
Provision for credit losses as a % of average loans ⁽⁴⁾	0.19 %	0.17 %		0.20 %		0.18 %	0.19 %	
Common share information								
Closing share price ⁽⁶⁾	\$ 27.36	\$ 28.00	(2)%	\$ 25.73	6 %	\$ 27.36	\$ 25.73	6 %
Price / earnings ratio (trailing four quarters) ⁽⁴⁾	9.1 x	(68.3) x		(95.3) x		9.1 x	(95.3) x	
Adjusted price / earnings ratio (trailing four quarters) ⁽³⁾	8.4 x	8.1 x		6.4 x		8.4 x	6.4 x	
Book value per share ⁽³⁾	\$ 57.40	\$ 57.74	(1)%	\$ 56.82	1 %	\$ 57.40	\$ 56.82	1 %
Dividends declared per share	\$ 0.47	\$ 0.47	— %	\$ 0.47	— %	\$ 0.94	\$ 0.94	— %
Dividend yield ⁽⁴⁾	6.9 %	6.7 %		7.3 %		6.9 %	7.3 %	
Dividend payout ratio ⁽⁴⁾	68.2 %	62.0 %		n.m.		65.0 %	n.m.	
Adjusted dividend payout ratio ⁽³⁾	64.7 %	60.5 %		52.4 %		62.5 %	52.1 %	

(1) This is a non-GAAP financial measure. Refer to the Non-GAAP Financial and Other Measures section beginning on page 5 for more information.

(2) The sum of the quarterly earnings per share may not equal to the cumulative earnings per share due to rounding.

(3) This is a non-GAAP ratio. Refer to the Non-GAAP Financial and Other Measures section beginning on page 5 for more information.

(4) This is a supplementary financial measure. Refer to the Non-GAAP Financial and Other Measures section beginning on page 5 for more information.

(5) In accordance with OSFI's "Capital Adequacy Requirements" guideline. Refer to the Capital Management section beginning on page 12 for more information.

(6) Toronto Stock Exchange (TSX) closing market price.

NON-GAAP FINANCIAL AND OTHER MEASURES

NON-GAAP FINANCIAL MEASURES

In addition to financial measures based on generally accepted accounting principles (GAAP), management uses non-GAAP financial measures to assess the Bank's underlying ongoing business performance. Non-GAAP financial measures presented throughout this document are referred to as "adjusted" measures and exclude amounts designated as adjusting items. Adjusting items include certain items of significance that arise from time to time which management believes are not reflective of underlying business performance, as well as the amortization of acquisition-related intangible assets. Non-GAAP financial measures are not standardized financial measures under the financial reporting framework used to prepare the financial statements of the Bank and might not be comparable to similar financial measures disclosed by other issuers. The Bank believes non-GAAP financial measures are useful to readers in obtaining a better understanding of how management assesses the Bank's performance and in analyzing trends.

Tables 2 and 3 show a reconciliation of the non-GAAP financial measures to their most directly comparable financial measure that is disclosed in the primary financial statements of the Bank.

TABLE 2
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES — CONSOLIDATED STATEMENT OF INCOME

In thousands of dollars [Unaudited]	For the three months ended			For the six months ended	
	April 30, 2025	January 31, 2025	April 30, 2024	April 30, 2025	April 30, 2024
Total revenue	\$ 242,516	\$ 249,637	\$ 252,594	\$ 492,153	\$ 510,935
Less: Adjusting items, before income taxes (detailed above)					
Profit on sale of assets under administration ⁽¹⁾	—	875	—	875	—
Adjusted total revenue	\$ 242,516	\$ 248,762	\$ 252,594	\$ 491,278	\$ 510,935
Non-interest expenses	\$ 184,518	\$ 186,973	\$ 386,341	\$ 371,491	\$ 584,175
Less: Adjusting items, before income taxes					
Restructuring and other impairment charges ⁽²⁾	2,222	2,027	40,832	4,249	46,908
P&C Banking segment impairment charges ⁽³⁾	—	—	155,933	—	155,933
Amortization of acquisition-related intangible assets ⁽⁴⁾	—	—	3,229	—	6,446
	2,222	2,027	199,994	4,249	209,287
Adjusted non-interest expenses	\$ 182,296	\$ 184,946	\$ 186,347	\$ 367,242	\$ 374,888
Income (loss) before income taxes	\$ 41,305	\$ 47,489	\$ (151,678)	\$ 88,794	\$ (108,069)
Adjusting items, before income taxes (detailed above)	2,222	1,152	199,994	3,374	209,287
Adjusted income before income taxes	\$ 43,527	\$ 48,641	\$ 48,316	\$ 92,168	\$ 101,218
Reported net income (loss)	\$ 32,329	\$ 38,601	\$ (117,547)	\$ 70,930	\$ (80,264)
Adjusting items, net of income taxes					
Profit on sale of assets under administration ⁽¹⁾	—	(643)	—	(643)	—
Restructuring and other impairment charges ⁽²⁾	1,633	1,490	30,020	3,123	34,488
P&C Banking segment impairment charges ⁽³⁾	—	—	125,629	—	125,629
Amortization of acquisition-related intangible assets ⁽⁴⁾	—	—	2,410	—	4,812
	1,633	847	158,059	2,480	164,929
Adjusted net income	\$ 33,962	\$ 39,448	\$ 40,512	\$ 73,410	\$ 84,665
Net income (loss) available to common shareholders	\$ 30,393	\$ 33,352	\$ (118,835)	\$ 63,745	\$ (86,153)
Adjusting items, net of income taxes (detailed above)	1,633	847	158,059	2,480	164,929
Adjusted net income available to common shareholders	\$ 32,026	\$ 34,199	\$ 39,224	\$ 66,225	\$ 78,776

(1) The profit on sale of assets under administration resulted from the sale of assets under administration of Laurentian Bank Securities' (LBS) retail full-service investment broker division in the fourth quarter of 2024 and of LBS' discount brokerage division in the first quarter of 2025, as detailed in the Business Highlights section beginning on page 7 of this MD&A. The profit on sale of assets under administration is included in the Other income line item.

(2) Restructuring and other impairment charges in 2025 mainly resulted from the simplification of the Bank's technology infrastructure and organizational structure. Restructuring and other impairment charges in 2024 mainly resulted from the Bank's decision to suspend the Advanced Internal-Ratings Based (AIRB) approach to credit risk project and to reduce its leased corporate office premises in Toronto, as well as from the simplification of the Bank's technology infrastructure, organizational structure and headcount reduction. Restructuring and other impairment charges mainly comprised of impairment charges, severance charges and professional fees and are included in the Impairment and restructuring charges line item.

(3) The Personal and Commercial (P&C) Banking segment impairment charges related to the impairment of the P&C Banking segment as part of the goodwill impairment test performed as at April 30, 2024. Impairment charges are included in the Impairment and restructuring charges line item.

(4) Amortization of acquisition-related intangible assets resulted from business acquisitions and was included in the Other non-interest expenses line item.

TABLE 3

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES — CONSOLIDATED BALANCE SHEET

In thousands of dollars (Unaudited)	For the three months ended			For the six months ended	
	April 30, 2025	January 31, 2025	April 30, 2024	April 30, 2025	April 30, 2024
Shareholders' equity	\$ 2,857,415	\$ 2,865,480	\$ 2,744,758	\$ 2,857,415	\$ 2,744,758
Less:					
Preferred shares and other equity instruments	245,625	245,554	245,558	245,625	245,558
Cash flow hedge reserve ⁽¹⁾	(72,795)	(72,438)	(9,140)	(72,795)	(9,140)
Common shareholders' equity	\$ 2,538,995	\$ 2,547,417	\$ 2,490,060	\$ 2,538,995	\$ 2,490,060
Impact of averaging month-end balances⁽²⁾	(825)	(8,934)	104,149	(666)	111,010
Average common shareholders' equity	\$ 2,538,170	\$ 2,538,483	\$ 2,594,209	\$ 2,538,329	\$ 2,601,070

(1) The cash flow hedge reserve is presented in the Accumulated other comprehensive income line item.

(2) Based on the month-end balances for the period.

NON-GAAP RATIOS

Non-GAAP ratios are not standardized financial measures under the financial reporting framework used to prepare the financial statements of the Bank to which the non-GAAP ratios relate and might not be comparable to similar financial measures disclosed by other issuers. Ratios are considered non-GAAP ratios if adjusted measures are used as components, refer to the non-GAAP financial measure section above. The Bank believes non-GAAP ratios are useful to readers in obtaining a better understanding of how management assesses the Bank's performance and in analyzing trends. The following ratios are non-GAAP ratios.

Adjusted diluted earnings per share is calculated by dividing adjusted net income available to common shareholders by the diluted weighted average number of common shares outstanding. The following table presents a reconciliation of adjusted diluted earnings per share to diluted earnings per share, which is disclosed in the primary financial statements of the Bank.

TABLE 4

IMPACT OF ADJUSTING ITEMS ON DILUTED EARNINGS PER SHARE

In thousands of dollars, except per share amounts (Unaudited)	For the three months ended			For the six months ended	
	April 30, 2025	January 31, 2025	April 30, 2024	April 30, 2025	April 30, 2024
Diluted earnings (loss) per share	\$ 0.69	\$ 0.76	\$ (2.71)	\$ 1.44	\$ (1.97)
Adjusting items, net of income taxes, on a per share basis ⁽¹⁾	0.04	0.02	3.61	0.06	3.77
Adjusted diluted earnings per share⁽²⁾	\$ 0.73	\$ 0.78	\$ 0.90	\$ 1.50	\$ 1.80

(1) Refer to Table 2 on page 5 for the detailed description of adjusting items.

(2) The impact of adjusting items on a per share basis may not add due to rounding, and the sum of the quarterly earnings per share may not equal to the cumulative earnings per share due to rounding.

Return on common shareholders' equity (ROE) is defined as net income available to common shareholders as a percentage of average common shareholders' equity. This ratio can be used in assessing the Bank's profitability.

Adjusted return on common shareholders' equity (Adjusted ROE) is defined as adjusted net income available to common shareholders as a percentage of average common shareholders' equity. This ratio can be used in assessing the Bank's profitability excluding adjusting items defined above.

Adjusted efficiency ratio is defined as adjusted non-interest expenses as a percentage of total revenue. This ratio can be used in assessing the Bank's productivity and cost control.

Adjusted operating leverage is the difference between total revenue and adjusted non-interest expenses growth rates. This ratio can be used in assessing the Bank's efficiency.

Adjusted price / earnings ratio is defined as closing common share price divided by adjusted diluted earnings per share.

Adjusted dividend payout ratio is defined as dividends declared on common shares as a percentage of adjusted net income available to common shareholders.

Book value per common share is defined as common shareholders' equity divided by the number of common shares outstanding at the end of the period.

SUPPLEMENTARY FINANCIAL MEASURES

Management also uses supplementary financial measures to analyze the Bank's results and in assessing underlying business performance and related trends. Please refer to the Glossary on page 21 of this MD&A for more information about the composition of supplementary financial measures disclosed in this document.

BUSINESS HIGHLIGHTS

STRATEGIC PLAN UPDATE

The "Our Path Forward" strategic plan, presented on May 31, 2024, sets out the Bank's approach to the financial services industry and outlines its specialized approach to corporate banking and a simple, digital banking experience every day.

Since announcing its strategic plan nearly a year ago, the Bank has remained focused on delivering the goals it set to transform the organization and achieve its medium-term financial targets. While work is still ongoing, concrete steps have been taken to build a stronger, more sustainable, and more profitable Laurentian Bank.

MAJOR INVESTMENTS IN TECHNOLOGY AND CUSTOMER EXPERIENCE

The Bank's technology investments remain a key priority of its strategic plan. Thanks to its sustained efforts throughout the year, the Bank made significant progress in terms of efficiency, infrastructure resilience and customer experience.

Among its achievements, the Bank has implemented an action plan to improve its services to individuals. The Bank has created additional roles for customer service and organizational changes to better serve customers. The positive effects are already being felt on customer satisfaction.

The Bank's investments in technology and the simplification of our operations have a direct impact on the services offered to our customers. We will continue our efforts to increase our self-service capabilities in the medium term and we are paving the way to offer an exemplary experience to our customers.

BRAND MERGER OF LBC CAPITAL AND NORTHPOINT COMMERCIAL FINANCE

On November 1, 2024, the Bank's LBC Capital and Northpoint Commercial Finance subsidiaries united under one brand, Northpoint Commercial Finance. The merging of these two brands will allow for streamlined efficiencies and offerings for its customers throughout North America.

SALE OF ASSETS UNDER ADMINISTRATION OF LAURENTIAN BANK SECURITIES

Sale of assets under administration of LBS' discount brokerage division to CI Investment Services Inc (CIIS)

On November 29, 2024, after close of markets, the Bank completed the sale of assets under administration of LBS' discount brokerage division to CIIS, a wholly owned subsidiary of CI Financial Corp, as initially announced on August 12, 2024. The transaction includes the transfer of approximately \$250 million in assets under administration from LBS to CI Direct Trading, an online investment platform for self-directed investors and a division of CIIS. The Bank recorded a profit from the transaction of \$0.9 million (\$0.6 million after income taxes) in the first quarter of 2025.

OUTLOOK

ECONOMIC OUTLOOK

The global economic outlook has been downgraded amid an intensifying trade war, largely driven by U.S. policy actions. Global tariff rates have surged to levels not seen since before World War II. By late April, tariffs remained elevated despite partial reversals of the April 2nd announcements. The unpredictability of U.S. trade policy has widened the range of possible economic outcomes, with uncertainty surrounding tariff rates, implementation timelines, targeted goods, and retaliatory measures. This combination of imposed tariffs and policy uncertainty is disrupting global trade flows, dampening consumer and business spending, eroding market confidence, and placing inefficient upward pressure on the Consumer Price Index (CPI).

In the U.S., consumers accelerated purchases ahead of tariff implementation, but confidence has since declined sharply. Early signs of labour market weakness are emerging, with job seekers facing increased difficulty. Meanwhile, more businesses are planning price hikes in response to tariffs. Throughout April, rising trade tensions contributed to short-term volatility in the U.S. bond market and in financial markets in general. The Federal Reserve has maintained its current policy stance, awaiting clearer signals on inflation and employment trends.

The escalating trade conflict and associated uncertainty have made Canadian households and businesses more cautious, slowing economic momentum this spring after strong performance in late 2024 and early 2025. In response, federal and provincial governments have introduced financial support measures, particularly liquidity assistance for affected businesses. The removal of the federal carbon tax has helped keep headline CPI inflation below the Bank of Canada's 2% target. However, excluding this effect, inflation remains above 2% as businesses pass on tariff costs to consumers.

The Bank of Canada held its policy rate at 2.75% in mid-April, following a 25-basis-point cut in March, citing ongoing tariff-related uncertainty.

Canada's labour market has continued to soften. Job postings are declining, job creation has stalled, and the unemployment rate rose to 6.6% in March. Lower federal immigration targets have also begun to reduce the number of non-permanent residents. At the same time, more borrowers are adjusting to mortgage renewals.

After a strong end to 2024, homebuilding activity has slowed significantly in 2025, with buyer demand weakening amid trade tensions. Resale housing activity is mixed—soft in Ontario and British Columbia, but more resilient in Quebec and Alberta.

The Canadian dollar has experienced significant volatility. It fell sharply to 0.68 USD in February amid fears of steep U.S. tariffs, but rebounded to around 0.72 USD by late April as fewer tariffs were imposed than expected and investor sentiment shifted away from U.S. assets.

ANALYSIS OF CONSOLIDATED RESULTS

TABLE 6
CONDENSED CONSOLIDATED RESULTS

In thousands of dollars, except percentage amounts (Unaudited)	For the three months ended			For the six months ended	
	April 30, 2025	January 31, 2025	April 30, 2024	April 30, 2025	April 30, 2024
Net interest income	\$ 182,181	\$ 186,207	\$ 179,611	\$ 368,388	\$ 364,865
Other income	60,335	63,430	72,983	123,765	146,070
Total revenue	242,516	249,637	252,594	492,153	510,935
Provision for credit losses	16,693	15,175	17,931	31,868	34,829
Non-interest expenses	184,518	186,973	386,341	371,491	584,175
Income (loss) before income taxes	41,305	47,489	(151,678)	88,794	(108,069)
Income taxes (recovery)	8,976	8,888	(34,131)	17,864	(27,805)
Net income (loss)	32,329	38,601	(117,547)	70,930	(80,264)
Dividends on preferred shares and distributions on other equity instruments	1,936	5,249	1,288	7,185	5,889
Net income (loss) available to common shareholders	\$ 30,393	\$ 33,352	\$ (118,835)	\$ 63,745	\$ (86,153)
Non-GAAP financial measures					
Adjusted total revenue ⁽¹⁾	\$ 242,516	\$ 248,762	\$ 252,594	\$ 491,278	\$ 510,935
Adjusted non-interest expenses ⁽¹⁾	\$ 182,296	\$ 184,946	\$ 186,347	\$ 367,242	\$ 374,888
Adjusted income before income taxes ⁽¹⁾	\$ 43,527	\$ 48,641	\$ 48,316	\$ 92,168	\$ 101,218
Adjusted net income ⁽¹⁾	\$ 33,962	\$ 39,448	\$ 40,512	\$ 73,410	\$ 84,665
Adjusted net income available to common shareholders ⁽¹⁾	\$ 32,026	\$ 34,199	\$ 39,224	\$ 66,225	\$ 78,776

(1) This is a non-GAAP financial measure. Refer to the Non-GAAP Financial and Other Measures section beginning on page 5 for more information.

SECOND QUARTER OF 2025 COMPARED WITH SECOND QUARTER OF 2024

Net income was \$32.3 million and diluted earnings per share were \$0.69 for the second quarter of 2025, compared with a net loss of \$117.5 million and a diluted loss per share of \$2.71 for the second quarter of 2024. Adjusted net income was \$34.0 million and adjusted diluted earnings per share were \$0.73 for the second quarter of 2025, compared with \$40.5 million and \$0.90 for the second quarter of 2024. Refer to the Non-GAAP Financial and Other Measures section for a reconciliation of non-GAAP financial measures.

Total revenue

Total revenue decreased by \$10.1 million to \$242.5 million for the second quarter of 2025, compared with \$252.6 million for the second quarter of 2024, mostly due to lower other income as detailed below.

Net interest income increased by \$2.6 million or 1% to \$182.2 million for the second quarter of 2025, compared with \$179.6 million for the second quarter of 2024. The positive impact of favourable changes in the Bank's business mix was partly offset by lower interest income from the reduction in average earning assets. The net interest margin was 1.85% for the second quarter of 2025, an increase of 5 basis points compared with the second quarter of 2024, mainly for the same reasons.

Other income decreased by \$12.6 million to \$60.3 million for the second quarter of 2025, compared with \$73.0 million for the second quarter of 2024. Fees and securities brokerage commissions decreased by \$6.8 million compared with the second quarter of 2024 mainly as a result of the sale of assets under administration of LBS' retail full-service investment broker division in the fourth quarter of 2024. Lending fees also decreased by \$3.4 million compared with the second quarter of 2024 considering lower real estate activity.

Provision for credit losses

The provision for credit losses was \$16.7 million for the second quarter of 2025, compared with \$17.9 million for the second quarter of 2024, a decrease of \$1.2 million mainly as a result of lower provisions on impaired loans, partly offset by higher provisions on performing

loans. The provision for credit losses as a percentage of average loans was 19 basis points for the quarter, compared with 20 basis points for the same quarter a year ago. Refer to the "Credit risk management" section on pages 14 to 16 of this MD&A and to Note 5 to the Condensed Interim Consolidated Financial Statements for more information on provision for credit losses and allowances for credit losses.

Non-interest expenses

Non-interest expenses amounted to \$184.5 million for the second quarter of 2025, a decrease of \$201.8 million compared with the second quarter of 2024. Of note, reported results for the second quarter of 2024 included impairment and restructuring charges of \$196.8 million related to the restructuring of the Bank's operations and to the impairment of the P&C Banking segment. Adjusted non-interest expenses decreased by \$4.1 million or 2% to \$182.3 million for the second quarter of 2025, compared with \$186.3 million the second quarter of 2024.

Salaries and employee benefits amounted to \$92.4 million for the second quarter of 2025, a decrease of \$7.1 million compared with the second quarter of 2024, mostly due to efficiency gains resulting from the reduced headcount and lower performance-based compensation, mainly due to the sale of assets under administration of LBS' retail investment broker divisions.

Premises and technology costs were \$51.8 million for the second quarter of 2025, an increase of \$1.7 million compared with the second quarter of 2024. The increase year-over-year is mainly due to higher technology costs as the Bank is investing in its strategic priorities, partly offset by lower amortization charges and rent expenses resulting from the impairment effected in the second quarter of 2024.

Other non-interest expenses were \$38.1 million for the second quarter of 2025, a decrease of \$1.9 million compared with the second quarter of 2024, mainly resulting from lower amortization of acquisition-related intangible assets, partly offset by higher professional fees to support the Bank's strategic priorities.

Impairment and restructuring charges were \$2.2 million for the second quarter of 2025, compared with \$196.8 million for the second quarter of 2024. In the second quarter of 2025, impairment and restructuring charges were related to streamlining the Bank's organizational structure. In the second quarter of 2024, the impairment test of the P&C Banking segment resulted in impairment charges of \$155.9 million. Restructuring and other impairment charges of \$40.8 million were also recorded following the Bank's decision to suspend the AIRB project and to reduce its leased corporate office premises in Toronto, as well as from the simplification of the Bank's organizational structure and headcount reduction. Refer to the Non-GAAP Financial and Other Measures section for further details.

Efficiency ratio

The efficiency ratio on a reported basis decreased to 76.1% for the second quarter of 2025, compared with 152.9% for the second quarter of 2024. The decrease year-over-year is mainly due to the impairment and restructuring charges recorded in the second quarter of 2024, as described above. The adjusted efficiency ratio increased to 75.2% for the second quarter of 2025, compared with 73.8% for the second quarter of 2024, mainly as a result of lower total revenue.

Income taxes

For the second quarter of 2025, the income tax expense was \$9.0 million, and the effective income tax rate was 21.7%. The lower effective income tax rate, compared to the statutory income tax rate, was essentially attributed to a lower taxation level of income from foreign operations. For the second quarter of 2024, the income tax recovery was \$34.1 million, and the effective income tax rate was 22.5%. The lower effective income tax rate, compared to the statutory income tax rate, was attributed to the non-tax deductible goodwill impairment charge, partly offset by the lower taxation level of income from foreign operations.

SIX MONTHS ENDED APRIL 30, 2025 COMPARED WITH SIX MONTHS ENDED APRIL 30, 2024

Net income was \$70.9 million and diluted earnings per share were \$1.44 for the six months ended April 30, 2025, compared with net loss of \$80.3 million and diluted loss per share of \$1.97 for the six months ended April 30, 2024. Of note, reported results for the six months ended April 30, 2024 included impairment and restructuring charges of \$202.8 million (\$160.1 million after income taxes), or \$3.66 per share, related to the restructuring of the Bank's operations and to the impairment of the P&C Banking segment. Adjusted net income was \$73.4 million and adjusted diluted earnings per share were \$1.50 for the six months ended April 30, 2025, compared with \$84.7 million and \$1.80 for the six months ended April 30, 2024.

Total revenue

Total revenue was \$492.2 million for the six months ended April 30, 2025, compared with \$510.9 million for the six months ended April 30, 2024.

Net interest income increased by \$3.5 million or 1% to \$368.4 million for the six months ended April 30, 2025, compared with \$364.9 million for the six months ended April 30, 2024. The positive impact of favourable changes in the Bank's business mix was partly offset by lower interest income from the reduction in average earning assets. The net interest margin was 1.85% for the six months ended April 30, 2025, a increase of 5 basis points compared with the six months ended April 30, 2024, mainly for the same reasons.

Other income decreased by \$22.3 million to \$123.8 million for the six months ended April 30, 2025, compared with \$146.1 million for the six months ended April 30, 2024. Fees and securities brokerage commissions decreased by \$13.6 million compared with the six months ended April 30, 2024 mainly as a result of the sale of assets under administration of LBS' retail full-service investment broker division in the fourth quarter of 2024. Lending fees also decreased by \$7.0 million compared with the six months ended April 30, 2024 considering lower real estate activity.

Provision for credit losses

The provision for credit losses decreased by \$3.0 million to \$31.9 million for the six months ended April 30, 2025 compared with \$34.8 million for the six months ended April 30, 2024, reflecting higher releases of provisions on performing loans and lower provisions on impaired loans. The provision for credit losses as a percentage of average loans was 18 basis points for the six months ended April 30, 2025, compared with 19 basis points for the six months ended April 30, 2024. Refer to the "Risk management" section on pages 14 to 16 of this MD&A and to Note 5 to the Condensed Interim Consolidated Financial Statements for more information on provision for credit losses and allowances for credit losses.

Non-interest expenses

Non-interest expenses decreased by \$212.7 million or 36% to \$371.5 million for the six months ended April 30, 2025, compared with \$584.2 million for the six months ended April 30, 2024. Of note, reported results for the six months ended April 30, 2024 included impairment and restructuring charges of \$202.8 million related to the restructuring of the Bank's operations and to the impairment of the P&C Banking segment. Adjusted non-interest expenses decreased by \$7.6 million or 2% to \$367.2 million for the six months ended April 30, 2025, compared with \$374.9 million for the six months ended April 30, 2024.

Salaries and employee benefits decreased by \$12.6 million or 6% to \$189.4 million for the six months ended April 30, 2025, compared with the six months ended April 30, 2024, mostly due to efficiency gains resulting from the reduced headcount and lower performance-based compensation mainly due to the sale of assets under administration of LBS' retail investment broker divisions.

Premises and technology costs increased by \$0.5 million to \$102.7 million for the six months ended April 30, 2025, compared with the six months ended April 30, 2024. The increase year-over-year is mainly due to higher technology costs as the Bank is investing in its strategic priorities, partly offset by lower amortization charges and rent expenses resulting from the impairment effected in the second quarter of 2024.

Other non-interest expenses decreased by \$2.0 million to \$75.2 million for the six months ended April 30, 2025, compared with the six months ended April 30, 2024. The decrease mainly resulted from lower amortization of acquisition-related intangible assets, partly offset by higher professional fees to support the Bank's strategic priorities.

Impairment and restructuring charges were \$4.2 million for the six months ended April 30, 2025, compared with \$202.8 million for the six months ended April 30, 2024. For the six months ended April 30, 2025, impairment and restructuring charges were related to streamlining the Bank's technology infrastructure and organizational structure. In the six months ended April 30, 2024, the impairment test of the P&C Banking segment resulted in impairment charges of \$155.9 million. Restructuring and other impairment charges of \$46.9 million were also recorded following the Bank's decision to suspend the AIRB project and to reduce its leased corporate office premises in Toronto, as well as from the simplification of the Bank's organizational structure and headcount reduction. Refer to the Non-GAAP Financial and Other Measures and Business Highlights sections of this MD&A for further details.

Efficiency ratio

The efficiency ratio on a reported basis decreased to 75.5% for the six months ended April 30, 2025, compared with 114.3% for the six months ended April 30, 2024. The decrease year-over-year is mainly due to the impairment and restructuring charges recorded in the six months ended April 30, 2024, as described above. The adjusted efficiency ratio increased to 74.8% for the six months ended April 30, 2025, compared with 73.4% for the six months ended April 30, 2024, mainly as a result of lower total revenue.

Income taxes

For the six months ended April 30, 2025, the income tax expense was \$17.9 million, and the effective income tax rate was 20.1%. The lower effective income tax rate, compared to the statutory income tax rate, was attributed to a lower taxation level of income from foreign operations. For the six months ended April 30, 2024, the income tax recovery was \$27.8 million, and the effective income tax rate was 25.7%. The lower effective income tax rate, compared to the statutory income tax rate, was attributed to the non-tax deductible goodwill impairment charge, partly offset by the lower taxation level of income from foreign operations.

SECOND QUARTER OF 2025 COMPARED WITH FIRST QUARTER OF 2025

Net income was \$32.3 million and diluted earnings per share were \$0.69 for the second quarter of 2025, compared with net income of \$38.6 million and diluted earnings per share of \$0.76 for the first quarter of 2025. Adjusted net income was \$34.0 million and adjusted diluted earnings per share were \$0.73 for the second quarter of 2025, compared with \$39.4 million and \$0.78 for the first quarter of 2025. Net income available to common shareholders in the second quarter of 2025 included only the quarterly dividend declared on the Preferred Shares Series 13, whereas the first quarter of 2025 included the interest paid semi-annually on the limited recourse capital notes and the quarterly dividend declared on Preferred Shares Series 13.

Total revenue decreased by \$7.1 million to \$242.5 million for the second quarter of 2025 compared with \$249.6 million for the previous quarter.

Net interest income decreased by \$4.0 million to \$182.2 million, which mainly reflected the negative impact of three fewer days in the second quarter, partly offset by favourable changes in the Bank's business mix from higher commercial loan volumes. Net interest margin was 1.85% for the second quarter of 2025, unchanged compared with the first quarter of 2025.

Other income amounted to \$60.3 million for the second quarter of 2025, a decrease of \$3.1 million or 5% compared with \$63.4 million for the previous quarter due to lower lending fees and card service revenues. Of note, reported other income for the first quarter of 2025 included a \$0.9 million profit for the sale of assets under administration of LBS' discount brokerage division.

The provision for credit losses was \$16.7 million for the second quarter of 2025, an increase of \$1.5 million compared with \$15.2 million for the first quarter of 2025, reflecting higher provisions on performing loans, mostly offset by lower provisions on impaired loans.

Non-interest expenses decreased by \$2.5 million to \$184.5 million for the second quarter of 2025 from \$187.0 million in the first quarter of 2025. In the second quarter of 2025, non-interest expenses included impairment and restructuring charges of \$2.2 million, compared with \$2.0 million in the first quarter of 2025. Refer to the Non-GAAP Financial and Other Measures section for further details. Adjusted non-interest expenses amounted to \$182.3 million in the second quarter of 2025, a decrease of \$2.7 million mostly due to lower salaries and employee benefits from the three fewer days in the second quarter and seasonally lower performance-based compensation, partly offset by higher technology costs and professional fees.

ANALYSIS OF FINANCIAL CONDITION

TABLE 7
CONDENSED BALANCE SHEET⁽¹⁾

In thousands of dollars (Unaudited)	As at April 30, 2025	As at October 31, 2024
Assets		
Cash and deposits with banks	\$ 824,366	\$ 1,497,591
Securities	7,939,797	6,099,634
Securities purchased under reverse repurchase agreements	3,873,656	3,568,490
Liquid assets ⁽²⁾	12,637,819	11,165,715
Loans, net of allowances	35,454,544	35,069,153
Other assets	1,425,821	1,166,422
	\$ 49,518,184	\$ 47,401,290
Liabilities and Shareholders' Equity		
Deposits	\$ 23,874,334	\$ 23,163,954
Other liabilities	8,599,100	7,585,602
Debt related to securitization activities	13,861,928	13,496,457
Subordinated debt	325,407	326,793
Shareholders' equity	2,857,415	2,828,484
	\$ 49,518,184	\$ 47,401,290

(1) Comparative figures have been reclassified to conform to the current year presentation.

(2) Liquid assets as presented on the balance sheet is a supplementary financial measure and consist of cash, deposits with banks, securities and securities purchased under reverse repurchase agreements.

As at April 30, 2025, total assets amounted to \$49.5 billion, a 4% increase compared with \$47.4 billion as at October 31, 2024 mostly due to the higher level of liquid assets and loans.

Liquid assets

As at April 30, 2025, liquid assets as presented on the balance sheet amounted to \$12.6 billion, an increase of \$1.5 billion compared with \$11.2 billion as at October 31, 2024. The Bank continues to prudently manage its level of liquid assets. The Bank's funding sources remain well diversified and sufficient to meet all liquidity requirements. Liquid assets represented 26% of total assets as at April 30, 2025, in line with October 31, 2024.

Loans

Loans, net of allowances, stood at \$35.5 billion as at April 30, 2025, an increase of \$0.4 billion since October 31, 2024. Commercial loans amounted to \$17.5 billion as at April 30, 2025, an increase of \$0.9 billion or 5% since October 31, 2024 mainly resulting from higher inventory financing and real estate commercial loans. Personal loans of \$2.0 billion as at April 30, 2025 decreased by \$0.1 billion from October 31, 2024, mainly as a result of a decline in the investment loan portfolio driven by volatile market conditions and high interest rates. Residential mortgage loans of \$16.1 billion as at April 30, 2025 decreased by \$0.4 billion or 2% from October 31, 2024.

Other assets

Other assets stood at \$1.4 billion as at April 30, 2025, an increase of \$0.3 billion compared with October 31, 2024 mainly due to an increase in derivatives.

Deposits

Deposits increased by \$0.7 billion to \$23.9 billion as at April 30, 2025 compared with \$23.2 billion as at October 31, 2024. Personal deposits stood at \$20.8 billion as at April 30, 2025, an increase of \$1.1 billion compared with \$19.7 billion as at October 31, 2024. Of note, deposits from advisors and brokers increased by \$1.7 billion and personal notice and demand deposits from partnerships decreased by

\$0.6 billion since October 31, 2024. Personal deposits represented 87% of total deposits as at April 30, 2025, compared with 85% as at October 31, 2024, and contributed to the Bank's sound liquidity position. Business and other deposits decreased by \$0.4 billion over the same period to \$3.1 billion as at April 30, 2025.

Other liabilities

Other liabilities stood at \$8.6 billion as at April 30, 2025, an increase of \$1.0 billion since October 31, 2024, partly resulting from higher obligations related to trading activities.

Debt related to securitization activities

Debt related to securitization activities increased by \$0.4 billion or 3% compared with October 31, 2024 and stood at \$13.9 billion as at April 30, 2025. During the quarter, new issuances of cost-effective long-term debt related to securitization activities more than offset maturities of liabilities, as well as normal repayments.

Subordinated debt

Subordinated debt stood at \$0.3 billion as at April 30, 2025 unchanged from October 31, 2024. Subordinated debt is an integral part of the Bank's regulatory capital and affords its depositors additional protection, as further detailed in the Capital Management section below.

Shareholders' equity

Shareholders' equity stood at \$2.9 billion as at April 30, 2025 and increased by \$28.9 million compared with October 31, 2024. Retained earnings increased by \$23.6 million compared to October 31, 2024, mainly as a result of the sum of the net income contribution of \$70.9 million, partly offset by dividends and other distributions amounting to \$48.6 million. Accumulated other comprehensive income decreased by \$1.4 million compared to October 31, 2024. For additional information, please refer to the Capital Management section below and to the Consolidated Statement of Changes in Shareholders' Equity for the period ended April 30, 2025.

The Bank's book value per common share was \$57.40 as at April 30, 2025 compared to \$57.36 as at October 31, 2024.

CAPITAL MANAGEMENT

Management seeks to maintain an adequate level of capital that considers the Bank's targeted capital ratios and internal assessment of required capital that is aligned with the Bank's risk appetite, strategic plan and shareholders' expectations. This framework is underpinned by the Bank's Capital Management and Adequacy Policy which outlines the mechanisms for capital planning, management and adequacy assessment. Refer to the section "Capital Management" on page 35 of the Bank's 2024 Annual Report for additional information on the Bank's capital management framework.

REGULATORY CAPITAL

The Office of the Superintendent of Financial Institutions (OSFI) requires banks to meet minimum risk-based capital ratios drawn on the Basel Committee on Banking Supervision (BCBS) capital framework, commonly referred to as the Basel III Accord. Under OSFI's guideline, minimum Common Equity Tier 1 (CET1), Tier 1 and Total capital ratios are set at 7.0%, 8.5% and 10.5% respectively including a 2.5% capital conservation buffer. For additional information on the three types of capital and ratios definitions, see the Glossary on page 21 of this MD&A. Institutions are expected to meet minimum risk-based capital requirements for exposure to credit risk, operational risk and, where they are internationally active, market risk.

The Basel III Accord also introduced a non-risk-based leverage ratio requirement to act as a supplementary measure to the risk-based capital requirements. Under OSFI's Leverage Requirements Guideline, federally regulated deposit-taking institutions are expected to maintain a Basel III leverage ratio that always meets or exceeds 3%. For additional information on the leverage ratio definition, see the Glossary on page 21 of this MD&A.

Regulatory capital developments

The Bank closely monitors regulatory capital developments in order to ensure compliance with these new requirements. Refer to the section "Capital Management" on page 35 of the Bank's 2024 Annual Report for additional information about the regulatory context. Since November 1, 2024, there have been no new regulatory developments to be considered.

Regulatory capital ratios

The CET1 capital ratio was 11.0% as at April 30, 2025, in excess of the minimum regulatory requirement and the Bank's target management levels. The CET1 capital ratio increased by 10 basis compared with 10.9% as at October 31, 2024, mainly due to the risk-weighted assets reduction. The Bank met OSFI's capital and leverage requirements throughout the quarter.

TABLE 8
REGULATORY CAPITAL AND LEVERAGE RATIOS

In thousands of dollars, except percentages	As at April 30, 2025	As at October 31, 2024
Regulatory capital		
Common shares	\$ 1,193,245	\$ 1,187,107
Retained earnings	1,331,383	1,307,747
Accumulated other comprehensive income	79,884	81,235
Share-based compensation reserve	7,278	6,841
Deductions from Common Equity Tier 1 capital ⁽¹⁾	(306,636)	(301,044)
Common Equity Tier 1 capital	2,305,154	2,281,886
Qualifying preferred shares and other equity instruments	245,625	245,554
Additional Tier 1 capital	245,625	245,554
Tier 1 capital	2,550,779	2,527,440
Qualifying subordinated debt	325,407	326,793
Collective allowances	129,822	134,500
Tier 2 capital	455,229	461,293
Total capital	\$ 3,006,008	\$ 2,988,733
Total risk-weighted assets	\$ 20,943,760	\$ 20,862,290
Total exposure	\$ 50,261,969	\$ 48,652,938
Capital ratios		
Common Equity Tier 1 capital ratio	11.0 %	10.9 %
Tier 1 capital ratio	12.2 %	12.1 %
Total capital ratio	14.4 %	14.3 %
Leverage ratio	5.1 %	5.2 %

(1) Comprised of deductions for software and other intangible assets, net pension plan assets, cash flow hedge reserve and other.

OUTSTANDING CAPITAL INSTRUMENTS

As at May 20, 2025, there were 5,000,000 outstanding Preferred Shares Series 13, 44,232,087 outstanding common shares and 1,788,172 outstanding stock options.

NON-VIABILITY CONTINGENT (NVCC) CAPITAL INSTRUMENTS AND OTHER BAIL-IN REGULATIONS

As required under the Basel III Accord, OSFI requires that regulatory capital instruments other than common equity have a non-viability contingent capital (NVCC) clause to ensure that investors bear losses before taxpayers should the government determine that it is in the public interest to rescue a non-viable financial institution. NVCC provisions require the conversion of the capital instrument into a variable number of common shares in the event that OSFI deems a bank to be non-viable or a federal or provincial government in Canada publicly announces that a bank has accepted or agreed to accept a capital injection. If a NVCC trigger event was to occur, NVCC capital instruments as at April 30, 2025, which are the Class A Preferred Shares Series 13, the subordinated debentures due on June 15, 2032, as well as the Limited Recourse Capital Notes (LRCN) Series 1 would be converted into common shares pursuant to an automatic conversion formula with a conversion price based on the greater of: (i) a contractual floor price of \$5.00, and (ii) the current market price of the Bank's common shares at the time of the trigger event (10-day weighted average). Based on a floor price of \$5.00 and assuming no accrued interest and no declared and unpaid dividends, these NVCC capital instruments would convert into a maximum of 120,000,000 common shares, in aggregate, which would represent a dilution impact of 73.1% based on the number of common shares outstanding as at April 30, 2025.

Furthermore, in the regulations of the Canadian Deposit Insurance Corporation (CDIC) Act and the *Bank Act* (Canada), the Government of Canada has provided detailed information on conversion, issuance, and compensation regimes for bail-in instruments issued by D-SIBs (collectively the Bail-In Regulations). The Bail-In regulations provide for the conversion of certain shares and liabilities of a bank into common shares when a bank has ceased, or is about to cease, to be viable. At last, OSFI's Total Loss Absorbing Capacity (TLAC) guideline, which also applies to D-SIBs under the federal government's Bail-In Regulations, aims to ensure that a D-SIB has sufficient loss-absorbing capacity to support its recapitalization in the unlikely event it becomes non-viable. As the Bank has not been designated as a D-SIB, these measures do not apply to the Bank.

DIVIDENDS

On May 13, 2025, the Board of Directors declared a dividend of \$0.38725 per Preferred Share Series 13, payable on June 15, 2025 (the "Payment Date"), that will be paid out on June 16, 2025, the first business day after the Payment Date, to shareholders of record on June 9, 2025. On May 29, 2025, the Board of Directors declared a quarterly dividend of \$0.47 per common share, payable on August 1, 2025, to shareholders of record on July 1, 2025. This quarterly dividend is equal to the dividend declared in the previous quarter and to the dividend declared in the previous year. On May 29, 2025, the Board also determined that shares attributed under the Bank's Shareholder Dividend Reinvestment and Share Purchase Plan will be made in common shares issued from Corporate Treasury with a 2% discount.

RISK MANAGEMENT

The Bank is exposed to various types of risks owing to its activities, mainly as it relates to the use of financial instruments. In order to manage these risks, various risk management policies and risk limits, as well as other controls have been implemented. These measures aim to ensure we manage within our risk appetite while optimizing risk-return in all operating segments. Refer to the section "Risk Appetite and Risk Management Framework" on page 38 of the Bank's 2024 Annual Report for additional information on the Bank's risk management framework.

CREDIT RISK

The following sections provide further details on the credit quality of the Bank's loan portfolio.

Measurement uncertainty of expected credit loss estimates

The Bank updates quarterly its forward-looking economic scenarios to assess its allowances for credit losses. The three scenarios, "base", "downside" and "upside" were probability weighted as part of the Bank's approach to determining the expected credit losses as at April 30, 2025 and are further described in Note 5 to the Condensed Interim Consolidated Financial Statements.

The allowance for credit losses is highly sensitive to the inputs used in models, including macroeconomic variables incorporated into forward-looking scenarios and their respective weights. The comprehensive impact of recent macroeconomic developments on the Canadian and U.S. economies remains uncertain. This uncertainty is further compounded by the unpredictable nature of U.S. tariff policies, which can introduce significant volatility into the market. Consequently, it is challenging to predict whether these factors may lead to future write-offs or necessitate adjustments in the Bank's allowances for credit losses in subsequent periods.

Provision for credit losses

Second quarter of 2025 compared with second quarter of 2024

Total provision for credit losses of \$16.7 million decreased by \$1.2 million compared with the second quarter of 2024, mainly as a result of lower provisions on impaired loans, partly offset by higher provisions on performing loans. The provision for credit losses as a percentage of average loans was 19 basis points for the quarter, compared with 20 basis points for the same quarter a year ago.

The provision for credit losses on performing loans was \$2.3 million for the second quarter of 2025, compared with a release of \$10.3 million for the second quarter of 2024. This mainly reflects higher provisions on performing residential mortgage loans due to macroeconomic uncertainty, and lower credit migration in the commercial loan portfolio compared to the second quarter of 2024.

The provision for credit losses on impaired loans was \$14.4 million for the second quarter of 2025 and decreased by \$13.8 million compared with the second quarter of 2024. This mainly reflects lower provisions in the commercial loan portfolio compared to the second quarter of 2024.

Six months ended April 30, 2025 compared with six months ended April 30, 2024

Total provision for credit losses of \$31.9 million decreased by \$3.0 million for the six months ended April 30, 2025, compared with the six months ended April 30, 2024, reflecting higher releases of provisions on performing loans and lower provisions on impaired loans.

The provision for credit losses on performing loans was a release of \$4.3 million for the six months ended April 30, 2025, compared with a release of \$2.6 million for the six months ended April 30, 2024. This mainly reflects releases of provisions on personal and commercial loans due to credit migration and volume reduction.

The provision for credit losses on impaired loans was \$36.2 million for the six months ended April 30, 2025 and decreased by \$1.2 million compared with the six months ended April 30, 2024, mainly due to lower provisions in the personal loan portfolio due to volume reduction, partly offset by higher provisions in the commercial loan portfolio.

Second quarter of 2025 compared with first quarter of 2025

Total provision for credit losses of \$16.7 million increased by \$1.5 million compared with the first quarter of 2025, reflecting higher provisions on performing loans, mostly offset by lower provisions on impaired loans. The provision for credit losses as a percentage of average loans was 19 basis points, compared with 17 basis points for the previous quarter.

The provision for credit losses on performing loans was \$2.3 million for the second quarter of 2025 compared with a release of \$6.6 million for the first quarter of 2025. This mainly reflects provisions on performing residential mortgage loans due to macroeconomic uncertainty in the second quarter of 2025, compared to releases of provisions on personal and residential mortgage loans in the first quarter of 2025.

The provision for credit losses on impaired loans was \$14.4 million for the second quarter of 2025, and decreased by \$7.4 million compared with the first quarter of 2025. This mainly reflects lower provisions in the commercial loan portfolio.

TABLE 9
PROVISION FOR CREDIT LOSSES

In thousands of dollars, except percentage amounts (Unaudited)	For the three months ended			For the six months ended	
	April 30, 2025	January 31, 2025	April 30, 2024	April 30, 2025	April 30, 2024
Personal loans					
Performing (Stage 1 and 2)	\$ 352	\$ (2,756)	\$ (2,191)	\$ (2,404)	\$ (4,474)
Impaired (Stage 3)	1,779	2,185	4,206	3,964	6,580
	2,131	(571)	2,015	1,560	2,106
Residential mortgage loans					
Performing (Stage 1 and 2)	1,415	(1,688)	62	(273)	1,513
Impaired (Stage 3)	1,003	523	730	1,526	941
	2,418	(1,165)	792	1,253	2,454
Commercial loans					
Performing (Stage 1 and 2)	505	(2,172)	(8,171)	(1,667)	390
Impaired (Stage 3)	11,639	19,083	23,295	30,722	29,879
	12,144	16,911	15,124	29,055	30,269
Total loans					
Performing (Stage 1 and 2)	2,272	(6,616)	(10,300)	(4,344)	(2,571)
Impaired (Stage 3)	14,421	21,791	28,231	36,212	37,400
Provision for credit losses	\$ 16,693	\$ 15,175	\$ 17,931	\$ 31,868	\$ 34,829
As a % of average loans	0.19 %	0.17 %	0.20 %	0.18 %	0.19 %

Allowances for credit losses

Allowances for loan losses amounted to \$190.9 million as at April 30, 2025, an increase of \$1.5 million compared with October 31, 2024. Allowances for loan losses on performing loans amounted to \$116.0 million as at April 30, 2025, down \$3.7 million compared with October 31, 2024, mainly as a result of lower allowances on personal loans due to volume reduction, partly offset by higher allowances on commercial loans. Allowances for loan losses on impaired loans of \$74.8 million increased by \$5.2 million compared with October 31, 2024, mainly due to higher provisions on commercial loans due to credit migration.

TABLE 10
ALLOWANCES FOR CREDIT LOSSES (ACL)

In thousands of dollars (Unaudited)	As at April 30, 2025	As at October 31, 2024
Allowances for loan losses		
Personal	\$ 27,583	\$ 31,233
Residential mortgages	17,560	17,733
Commercial	145,711	140,411
Total allowances for loan losses	190,854	189,377
Allowances for off-balance sheet exposures losses	13,473	14,410
Total allowances for credit losses	\$ 204,327	\$ 203,787
Allowances for loan losses on performing loans (Stage 1 and 2)	\$ 116,048	\$ 119,789
Allowances for loan losses on impaired loans (Stage 3)	74,806	69,588
Total allowances for loan losses	\$ 190,854	\$ 189,377

Impaired loans

Gross impaired loans amounted to \$408.2 million as at April 30, 2025, up \$29.4 million compared with October 31, 2024, mainly due to an increase in impaired commercial loans due to credit migration. See Note 6 to the Condensed Interim Consolidated Financial Statements for additional information.

TABLE 11
IMPAIRED LOANS

In thousands of dollars, except percentage amounts (Unaudited)	As at April 30, 2025	As at October 31, 2024
Gross impaired loans (GIL)		
Personal	\$ 6,769	\$ 9,848
Residential mortgages	48,027	50,566
Commercial	353,384	318,408
	\$ 408,180	\$ 378,822
Allowances for loan losses on impaired loans (Stage 3)		
Personal	\$ (1,773)	\$ (3,259)
Residential mortgages	(3,191)	(3,211)
Commercial	(69,842)	(63,118)
	\$ (74,806)	\$ (69,588)
Net impaired loans		
Personal	\$ 4,996	\$ 6,589
Residential mortgages	44,836	47,355
Commercial	283,542	255,290
	\$ 333,374	\$ 309,234
Impaired loans as a % of loans		
Gross	1.15 %	1.07 %
Net	0.94 %	0.88 %

MARKET RISK

Market risk is the financial loss that the Bank may incur due to unfavourable fluctuations in the value of financial instruments as a result of changes in the underlying factors used to measure them, such as interest rates, currency exchange rates or equity prices. This risk is inherent to the Bank's financing, investment, trading and asset and liability management (ALM) activities.

The purpose of ALM activities is to control the interest rate risk in the banking book (IRRBB), which corresponds to the potential impact of interest rate movements on the Bank's net interest income (NII) and economic value of equity (EVE). Dynamic management of IRRBB is intended to enhance the Bank's profitability by maximizing NII and EVE, while considering the risk appetite established by the Board.

The table below provides a measure of the sensitivity to changes in interest rates of the Bank as at April 30, 2025. As presented, the effect on the economic value of common shareholders' equity and on net interest income before taxes of a sudden and sustained 1% increase in interest rates was as follows.

TABLE 12
SENSITIVITY ANALYSIS OF THE INTEREST RATE RISK OF THE BANKING BOOK

In thousands of dollars (Unaudited)	As at April 30, 2025		As at October 31, 2024	
	Effect on NII ⁽¹⁾	Effect on EVE ⁽²⁾	Effect on NII ⁽¹⁾	Effect on EVE ⁽²⁾
Change in interest rates				
Increase of 100 basis points	\$ 5,465	\$ 34,550	\$ 809	\$ (35,519)
Decrease of 100 basis points	\$ 562	\$ 34,854	\$ 3,873	\$ 34,555

(1) Over the next 12 months.

(2) Net of income taxes.

LIQUIDITY AND FUNDING RISK

Liquidity and funding risk is the possibility that the Bank may not be able to gather sufficient cash resources, when required and on reasonable conditions, to meet its financial obligations. Financial obligations include obligations to depositors and suppliers, as well as lending commitments, investments and posting collateral requirements.

The Bank maintains liquidity and funding that is appropriate for the execution of its strategy, with liquidity and funding risk remaining well within its approved limits.

The Bank monitors cash resources daily and ensures that liquidity indicators are within established limits, paying particular attention to deposit and loan maturities, as well as to funding availability and demand when planning financing. A reserve of unencumbered liquid assets that are readily available to face contingencies is maintained and constitutes the Bank's liquidity buffer. This reserve does not

factor in the availability of the central bank's emergency liquidity facilities. Requirements are based on scenarios evaluating required liquid assets necessary to cover predetermined rates of withdrawal of wholesale financing and retail deposits over specified periods.

The Bank originates deposits from Personal, Business and Institutional customers, and has access to wholesale financing from diversified sources. Personal deposits are sourced through multiple channels including retail, partnerships and advisors and brokers. Wholesale funding options include loan securitization and the issuance of equity or debt instruments through capital markets. Limits on funding sources are monitored by the Asset-Liability Committee, the Executive Committee and the Board of Directors.

The Bank also manages its liquidity to comply with the regulatory liquidity metrics in the OSFI domestic Liquidity Adequacy Requirements (LAR) Guideline. These regulatory metrics include the Liquidity Coverage Ratio (LCR), drawn on the BCBS international Basel III liquidity framework, and the OSFI-designed Net Cumulative Cash Flow (NCCF) supervisory tool. The LCR requires that banks maintain sufficient high-quality liquid assets to meet net short-term financial obligations over a thirty-day period in an acute stress scenario.

The Bank remained compliant with the LAR Guideline throughout the six months ended April 30, 2025.

Regulatory developments concerning liquidity

Changes to the LAR Guideline (2025)

On November 21, 2024, OSFI issued updates to its LAR Guideline for 2025, with corresponding revisions to the Small and Medium-Sized Deposit-Taking Institutions (SMSB) Capital and Liquidity Requirements Guideline, which took effect on April 1, 2025. The revised LAR Guideline reflects two key revisions on intraday liquidity and the treatment of Bankers' Acceptances (BAs). The changes to the LAR Guideline had no impact on the Bank's liquidity position.

Credit ratings

Personal deposits constitute the most important source of financing for the Bank. The Bank also accesses wholesale markets to obtain financing through securitization and unsecured funding. The Bank's capacity to obtain such financing, especially wholesale funding, is tied to the credit ratings set by rating agencies such as Morningstar DBRS (DBRS) and S&P Global Ratings (S&P). Revisions of the Bank's credit ratings may therefore influence financing operations, as well as other collateral obligations.

Changes to credit ratings could also impact the Bank involvement with other operational banking arrangements. The Bank regularly monitors the impact of a hypothetical downgrade of its credit rating on collateral requirements. As at April 30, 2025, additional collateral that would be required in the event of a one-to-three-notch rating downgrade was not significant.

Table 13 presents the Bank's credit ratings as established by the rating agencies.

TABLE 13
CREDIT RATINGS
As at April 30, 2025

	DBRS ⁽¹⁾	S&P ⁽²⁾
Long-term deposits and debt	BBB	BBB
Covered bonds	AA (high)	n/a
Short-term instruments	R-2 (high)	A-2
NVCC Subordinated debt	BB	BB+
NVCC Limited recourse capital notes	BB (low)	BB-
NVCC Preferred Shares	Pfd-4 (high)	BB-
Outlook	Stable	Negative

[1] Each DBRS rating category is appended with one of three rating trends – "Positive," "Stable," "Negative" – in addition to "Under Review." The rating trend helps to give investors an understanding of DBRS's opinion regarding the outlook for the rating in question. However, investors must not assume that a positive or negative trend necessarily indicates that a rating change is imminent.

[2] The S&P rating outlook assesses the potential direction of a long-term credit rating over the intermediate term (typically six months to two years). In determining a rating outlook, consideration is given to any changes in the economic and/or fundamental business conditions. An outlook is not necessarily a precursor of a rating change or future action. The S&P rating outlooks have the following meanings: "Positive" means that a rating may be raised; "Negative" means that a rating may be lowered; "Stable" means that a rating is not likely to change; "Developing" means a rating may be raised or lowered.

Contractual maturities of assets and liabilities

The following tables provide remaining contractual maturity profiles of assets and liabilities at their carrying value (e.g., amortized cost or fair value) as at April 30, 2025 and October 31, 2024. Details of contractual maturities and commitments to extend funds are a source of information for the management of liquidity risk and does not represent how the Bank manages its interest rate or its liquidity risk and funding needs. These details form a basis for assessing a behavioural balance sheet with effective maturities to calculate liquidity risk measures.

TABLE 14
CONTRACTUAL MATURITIES OF ASSETS AND LIABILITIES

As at April 30, 2025

In thousands of dollars (Unaudited)	Term								Total
	0 to 3 months	Over 3 months to 6 months	Over 6 months to 9 months	Over 9 months to 12 months	Over 1 year to 2 years	Over 2 years to 5 years	Over 5 years	No specific maturity	
Assets									
Cash and non-interest-bearing deposits with banks	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 60,531	\$ 60,531
Interest-bearing deposits with banks	615,998	—	30,000	—	—	—	—	117,837	763,835
Securities	1,192,126	661,424	294,763	130,676	691,431	1,968,768	2,939,474	61,135	7,939,797
Securities purchased under reverse repurchase agreements	3,050,227	823,429	—	—	—	—	—	—	3,873,656
Loans⁽¹⁾									
Personal loans	2,218	426	303	280	1,606	2,803	360	2,013,166	2,021,162
Residential mortgages	1,126,218	1,212,365	916,262	949,169	4,008,441	7,791,983	33,446	92,909	16,130,793
Commercial loans	2,602,886	1,097,421	911,425	995,558	2,900,986	3,094,107	1,032,143	4,858,917	17,493,443
Allowances for loan losses	—	—	—	—	—	—	—	(190,854)	(190,854)
	3,731,322	2,310,212	1,827,990	1,945,007	6,911,033	10,888,893	1,065,949	6,774,138	35,454,544
Others	588	856	398	351	1,266	988	—	1,421,374	1,425,821
Total assets	\$8,590,261	\$3,795,921	\$2,153,151	\$2,076,034	\$7,603,730	\$12,858,649	\$4,005,423	\$ 8,435,015	\$49,518,184
Liabilities and equity									
Deposits									
Personal deposits ⁽¹⁾	\$2,236,357	\$2,020,184	\$1,750,950	\$2,081,488	\$3,326,867	\$ 3,784,510	\$ 166,328	\$ 5,445,412	20,812,096
Business, banks and other deposits ⁽¹⁾	123,202	138,329	72,570	51,470	114,110	64,267	1,884	1,102,121	1,667,953
Wholesale deposits	99,000	358,216	35,000	—	866	394,322	—	—	887,404
Covered bonds	—	—	—	—	506,881	—	—	—	506,881
	2,458,559	2,516,729	1,858,520	2,132,958	3,948,724	4,243,099	168,212	6,547,533	23,874,334
Obligations related to securities sold short⁽²⁾									
	145,537	262,294	11,461	73,626	112,152	542,707	2,208,887	1,036	3,357,700
Obligations related to securities sold under repurchase agreements									
	3,457,311	3,561	—	—	—	—	—	—	3,460,872
Other liabilities									
	3,680	3,698	3,735	3,703	27,263	24,888	44,695	1,668,866	1,780,528
Debt related to securitization activities⁽³⁾									
	888,613	599,029	857,966	452,432	2,913,031	6,704,188	1,446,669	—	13,861,928
Subordinated debt	—	—	—	—	—	325,407	—	—	325,407
Shareholders' equity	—	—	—	—	—	—	—	2,857,415	2,857,415
Total liabilities and equity	\$6,953,700	\$3,385,311	\$2,731,682	\$2,662,719	\$7,001,170	\$11,840,289	\$3,868,463	\$11,074,850	\$49,518,184

(1) Amounts collectible on demand are considered to have no specific maturity.

(2) Amounts are disclosed according to the remaining contractual maturity of the underlying security.

(3) Personal loan securitization cash flows are based on a behavioural prepayment model.

In thousands of dollars (Unaudited)	Term								Total
	0 to 3 months	Over 3 months to 6 months	Over 6 months to 9 months	Over 9 months to 12 months	Over 1 year to 2 years	Over 2 years to 5 years	Over 5 years	No specific maturity	
Assets⁽¹⁾									
Cash and non-interest-bearing deposits with banks	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 53,319	\$ 53,319
Interest-bearing deposits with banks	1,170,693	20,000	40,000	—	—	—	—	213,579	1,444,272
Securities	521,410	224,485	346,709	285,723	552,202	1,894,590	2,220,153	54,362	6,099,634
Securities purchased under reverse repurchase agreements	2,614,925	953,565	—	—	—	—	—	—	3,568,490
Loans⁽²⁾									
Personal loans	2,121	403	456	387	1,671	4,014	409	2,096,965	2,106,426
Residential mortgages	920,367	942,277	1,143,616	1,178,907	4,132,572	8,093,935	27,107	99,136	16,537,917
Commercial loans	2,625,948	1,070,166	1,135,154	889,185	2,649,841	2,904,579	1,097,350	4,241,964	16,614,187
Allowances for loan losses	—	—	—	—	—	—	—	[189,377]	[189,377]
	3,548,436	2,012,846	2,279,226	2,068,479	6,784,084	11,002,528	1,124,866	6,248,688	35,069,153
Others	477	322	354	445	486	753	—	1,163,585	1,166,422
Total assets	\$ 7,855,941	\$ 3,211,218	\$ 2,666,289	\$ 2,354,647	\$ 7,336,772	\$ 12,897,871	\$ 3,345,019	\$ 7,733,533	\$ 47,401,290
Liabilities and equity									
Deposits									
Personal deposits ⁽²⁾	\$ 2,281,184	\$ 1,415,245	\$ 1,881,402	\$ 1,343,401	\$ 2,769,717	\$ 3,824,340	\$ 455,680	\$ 5,742,908	\$ 19,713,877
Business, banks and other deposits ⁽²⁾	119,320	45,725	68,896	52,011	200,480	77,754	5,163	1,224,055	1,793,404
Wholesale deposits	375,223	352,377	5,377	390,328	25,000	—	—	—	1,148,305
Covered bonds	—	—	—	—	248,358	260,010	—	—	508,368
	2,775,727	1,813,347	1,955,675	1,785,740	3,243,555	4,162,104	460,843	6,966,963	23,163,954
Obligations related to securities sold short⁽³⁾	85	94,286	47,986	71,489	151,741	616,720	1,277,230	1,404	2,260,941
Obligations related to securities sold under repurchase agreements	3,659,337	2,184	54	—	—	—	—	—	3,661,575
Other liabilities	3,675	3,655	3,589	3,553	27,118	23,838	48,493	1,549,165	1,663,086
Debt related to securitization activities⁽⁴⁾	629,818	357,153	923,312	621,377	3,147,164	6,490,457	1,327,176	—	13,496,457
Subordinated debt	—	—	—	—	—	326,793	—	—	326,793
Shareholders' equity	—	—	—	—	—	—	—	2,828,484	2,828,484
Total liabilities and equity	\$ 7,068,642	\$ 2,270,625	\$ 2,930,616	\$ 2,482,159	\$ 6,569,578	\$ 11,619,912	\$ 3,113,742	\$ 11,346,016	\$ 47,401,290

(1) Comparative figures have been reclassified to conform to the current year presentation.

(2) Amounts collectible on demand are considered to have no specific maturity.

(3) Amounts are disclosed according to the remaining contractual maturity of the underlying security.

(4) Personal loan securitization cash flows are based on a behavioural prepayment model.

ADDITIONAL FINANCIAL INFORMATION - QUARTERLY RESULTS

TABLE 15

ADDITIONAL FINANCIAL INFORMATION - QUARTERLY RESULTS

In thousands of dollars, except per share amounts (Unaudited)	April 30, 2025	January 31, 2025	October 31, 2024	July 31, 2024	April 30, 2024	January 31, 2024	October 31, 2023	July 31, 2023
Net interest income	\$ 182,181	\$ 186,207	\$ 173,878	\$ 180,764	\$ 179,611	\$ 185,254	\$ 182,896	\$ 192,126
Other income	60,335	63,430	76,893	75,739	72,983	73,087	64,549	68,704
Total revenue	242,516	249,637	250,771	256,503	252,594	258,341	247,445	260,830
Provision for credit losses	16,693	15,175	10,440	16,283	17,931	16,898	16,669	13,337
Non-interest expenses	184,518	186,973	194,458	200,239	386,341	197,834	197,281	190,062
Income (loss) before income taxes	41,305	47,489	45,873	39,981	(151,678)	43,609	33,495	57,431
Income taxes (recovery)	8,976	8,888	5,212	5,877	(34,131)	6,326	2,872	8,168
Net income (loss)	\$ 32,329	\$ 38,601	\$ 40,661	\$ 34,104	\$ (117,547)	\$ 37,283	\$ 30,623	\$ 49,263
Earnings (loss) per share								
Basic	\$ 0.69	\$ 0.76	\$ 0.88	\$ 0.67	\$ (2.72)	\$ 0.75	\$ 0.67	\$ 1.03
Diluted	\$ 0.69	\$ 0.76	\$ 0.88	\$ 0.67	\$ (2.71)	\$ 0.75	\$ 0.67	\$ 1.03

CORPORATE GOVERNANCE AND CHANGES TO INTERNAL CONTROL OVER FINANCIAL REPORTING

Internal Control over Financial Reporting (ICFR) is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS. During the second quarter ended April 30, 2025, there have been no changes to ICFR that affected materially or are reasonably likely to materially affect ICFR.

The Board of Directors of Laurentian Bank of Canada approved this document prior to its release.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The material accounting policies followed by the Bank are outlined in Notes 2 and 3 to the 2024 Annual Consolidated Financial Statements. The Condensed Interim Consolidated Financial Statements for the second quarter ended April 30, 2025 have been prepared in accordance with these accounting policies.

Some of these accounting policies are deemed critical as they require management to apply judgment in order to make particularly significant estimates that, by their very nature, involve uncertainties. Changes in these estimates could materially affect the Bank's Consolidated Financial Statements. Refer to the section "Critical Accounting Policies and Estimates" of the Bank's 2024 Annual Report, as well as to Notes 2 and 3 to the 2024 Annual Consolidated Financial Statements for additional information.

Economic conditions impact on judgments, estimates and assumptions

The preparation of financial information necessitates the use of estimates and judgments about future economic conditions. The increasing complexity of the geopolitical landscape and macroeconomic developments, including the higher interest rate environment and current U.S. political shifts and tariff threats, will continue to introduce uncertainty into the assumptions used by management in making its judgments and estimates. The comprehensive impact of recent and potential future macroeconomic developments on the Canadian and U.S. economies, as well as the Bank's business, remains uncertain and difficult to predict. This uncertainty is further exacerbated by the unpredictable nature of U.S. tariff policies, which can significantly affect market stability and economic forecasts. Refer to the section "Critical Accounting Policies and Estimations" of the Bank's 2024 Annual Report, as well as to Notes 2 and 3 to the 2024 Annual Consolidated Financial Statements.

FUTURE CHANGES TO ACCOUNTING POLICIES

The IASB has issued new standards and amendments to existing standards which are applicable for the Bank in various annual periods beginning on November 1, 2026. There have been no significant updates to the future accounting policy changes disclosed in Note 4 of the Annual Consolidated Financial Statements for the year ended October 31, 2024.

GLOSSARY

GENERAL TERMS

Allowances for credit losses (ACL) represent the Bank's estimate of expected credit losses (ECL) at the balance sheet date. ECLs are a probability-weighted estimate of credit losses over the remaining expected life of the financial instrument. These allowances are primarily related to loans and off-balance sheet exposures, including letters of guarantee and certain undrawn amounts under approved credit facilities.

Alt-A mortgages represent a classification of mortgages where borrowers have a clean credit history consistent with prime lending criteria. However, characteristics about the mortgage such as loan to value, loan documentation, occupancy status or property type, may cause the mortgage not to qualify under standard underwriting programs.

Basis point represents one one-hundredth of a percentage point.

Derivatives are contracts whose value is "derived" from movements in interest or foreign exchange rates, or equity or commodity prices. Derivatives allow for the transfer, modification or reduction of current or expected risks from changes in rates and prices.

Earnings per share (EPS) is calculated by dividing net income after deduction of preferred dividends, by the average number of common shares outstanding. Diluted EPS is calculated by adjusting the number of shares outstanding for possible conversions of financial instruments into common shares.

Economic value of equity (EVE) represents the present value of the Bank's net assets.

Effective interest rate represents the discount rate applied to estimated future cash payments or receipts over the expected life of the financial instrument to arrive at the net carrying amount of the financial asset or liability.

Fair value is the estimated price that would be received or paid in an orderly transaction between market participants at the measurement date.

Hedging is a risk management technique used to neutralize or manage interest rate, foreign currency, or credit exposures arising from normal banking activities by taking positions that are expected to react to market conditions in an offsetting manner.

Impaired loans consist of loans where one or more events that have a detrimental impact on the estimated future cash flows of a loan have occurred or when contractual payments are 90 days past due.

Net interest income is comprised of earnings on assets, such as loans and securities, including interest and dividend income, less interest expense paid on liabilities, such as deposits.

Notional amount refers to the principal used to calculate interest and other payments under derivative contracts.

Off-balance sheet financial instruments represent a variety of financial arrangements offered to clients, which include for the Bank derivatives, credit commitments and guarantees, and other indemnifications.

Options are contractual agreements between two parties in which the writer of the option grants the buyer the right, but not the obligation, to either buy or sell, at or by a specified date, a specific amount of a financial instrument at a price agreed upon when the agreement is entered into. The writer receives a premium for selling this instrument.

Provision for credit losses (PCL) is an amount charged or credited to income to adjust the allowances for credit losses to the appropriate level, for both performing and impaired financial assets.

Securities purchased under reverse repurchase agreements and obligations related to securities sold under repurchase agreements are short-term purchases of securities under agreements to resell as well as short-term sales of securities under agreements to repurchase at predetermined prices and dates. Given the low risk transfer associated with these purchases and sales, these agreements are treated as collateralized lending.

Swaps are contractual agreements between two parties to exchange a series of cash flows for a specified period of time. The various swap agreements that the Bank enters into are interest rate swaps, cross-currency swaps, foreign exchange swaps and total return swaps.

SUPPLEMENTARY FINANCIAL MEASURES

Allowances for credit losses as a % of total loans is defined as allowances for credit losses as a percentage of total loans.

Assets under administration mostly refers to assets related to registered and non-registered investment accounts, clients' brokerage assets, mutual funds and loans administered by the Bank that are beneficially owned by clients and therefore not reported on the balance sheet of the Bank.

Average earning assets include the Bank's loans net of allowances, as well as interest-bearing deposits with other banks, securities, securities purchased under reverse repurchase agreements used in the Bank's treasury operations and derivatives, but exclude average earning assets related to trading activities. The averages are based on the daily balances for the period.

Dividend payout ratio is defined as dividends declared on common shares as a percentage of net income available to common shareholders.

Dividend yield is defined as dividends declared per common share divided by the closing common share price.

Efficiency ratio is a measure of productivity and cost control and is defined as non-interest expenses as a percentage of total revenue.

Gross impaired loans as a % of loans is defined as impaired loans as a percentage of total loans at the end of the period.

Interest-bearing liabilities include the Bank's deposits, debt related to securitization activities and subordinated debt used in the Bank's treasury operations and derivatives, but exclude interest-bearing liabilities related to trading activities.

Liquid assets consist of cash, deposits with banks, securities and securities purchased under reverse repurchase agreements.

Net impaired loans as a % of loans is defined as impaired loans less allowances for credit losses for impaired loans, as a percentage of total loans at the end of the period.

Net interest margin is the ratio of net interest income to average earning assets (based on the daily balances for the period), expressed as a percentage or basis points.

Operating leverage is a measure of efficiency and is the difference between total revenue and non-interest expenses growth rates.

Price / earnings ratio is defined as closing common share price divided by basic earnings per share.

Provision for credit losses as a % of average loans is defined as provision for credit losses as a percentage of average loans. For average loans, the averages are based on the daily balances for the period.

RISK AND CAPITAL TERMS

Basel II is the second of the Basel Accords, which are recommendations on banking laws and regulations issued by the Basel Committee on Banking Supervision (BCBS). The purpose of Basel II is to create an international standard that banking regulators can use when creating regulations about how much capital banks need to put aside to guard against the types of financial and operational risks banks face. The Basel II Accord also introduced the Advanced Internal-Ratings Based (AIRB) approach to credit risk.

Basel III is a comprehensive set of reform measures, developed by the BCBS, to strengthen the Basel II Accord as well as the supervision and risk management of the banking sector. These measures also introduced liquidity adequacy requirements.

Capital ratios are defined as either Common Equity Tier 1 capital, Tier 1 capital or Total capital divided by risk-weighted assets.

Common Equity Tier 1 (CET1) capital represents, under Basel III, more permanent forms of capital, and primarily consists of common shareholders' equity and accumulated other comprehensive income, less a deduction for software and other intangible assets, net pension assets, cash flow hedge reserve and certain other deductions prescribed by OSFI.

Credit and counterparty risk is the risk of a financial loss occurring if a counterparty (including a debtor, an issuer or a guarantor) in a transaction fails to fully honour its contractual or financial obligation towards the Bank.

Exposure at default (EAD) is an amount expected to be owed by an obligor at the time of default.

Leverage ratio is comprised of Tier 1 capital, divided by unweighted on-balance sheet assets and off-balance sheet commitments, derivatives and securities financing transactions.

Liquidity coverage ratio (LCR) measures the sufficiency of high-quality liquid assets available to meet net short-term financial obligations over a thirty-day period in an acute stress scenario.

Loss given default (LGD) is an estimated percentage of EAD that is not expected to be recovered during the collections and recovery process.

Operational risk is the risk of loss or harm resulting from a failure ascribable to human resources, inadequate or failed internal processes or technology and systems, or from external events including legal risk but excluding regulatory, strategic and reputational risks.

Probability of default (PD) is an estimated percentage that represents the likelihood of default within a given time period of an obligor for a specific rating grade or for a specific pool of exposure.

Risk-weighted assets are assets calculated by applying a risk-weight factor to on and off-balance sheet exposure. The Bank uses standardized risk-weight factors as stipulated by OSFI, based on the guidelines developed by the Bank for International Settlement (BIS).

Tier 1 capital primarily consists of CET1 capital and preferred shares.

Total capital includes Tier 1 and Tier 2 capital, net of certain deductions. Tier 2 capital is primarily comprised of subordinated debt and the eligible portion of collective allowances for loan losses.

LAURENTIAN BANK OF CANADA

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

AS AT AND FOR THE PERIOD ENDED APRIL 30, 2025

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CONSOLIDATED BALANCE SHEET⁽¹⁾

In thousands of Canadian dollars (Unaudited)	Notes	As at April 30, 2025	As at October 31, 2024
Assets			
Cash and non-interest bearing deposits with banks		\$ 60,531	\$ 53,319
Interest-bearing deposits with banks		763,835	1,444,272
Securities	4 and 6		
At amortized cost		3,623,957	2,790,453
At fair value through profit or loss		4,065,762	3,142,035
At fair value through other comprehensive income		250,078	167,146
		7,939,797	6,099,634
Securities purchased under reverse repurchase agreements		3,873,656	3,568,490
Loans	5 and 6		
Personal		2,021,162	2,106,426
Residential mortgage		16,130,793	16,537,917
Commercial		17,493,443	16,614,187
		35,645,398	35,258,530
Allowances for loan losses		(190,854)	(189,377)
		35,454,544	35,069,153
Other			
Derivatives		363,715	243,087
Premises and equipment		86,283	82,588
Software and other intangible assets		178,750	181,277
Deferred tax assets		144,270	157,844
Other assets		652,803	501,626
		1,425,821	1,166,422
		\$ 49,518,184	\$ 47,401,290
Liabilities and shareholders' equity			
Deposits	7		
Personal		\$ 20,812,096	\$ 19,713,877
Business, banks and other		3,062,238	3,450,077
		23,874,334	23,163,954
Other			
Obligations related to securities sold short		3,357,700	2,260,941
Obligations related to securities sold under repurchase agreements		3,460,872	3,661,575
Derivatives		255,523	333,655
Deferred tax liabilities		63,260	61,461
Other liabilities		1,461,745	1,267,970
		8,599,100	7,585,602
Debt related to securitization activities	6	13,861,928	13,496,457
Subordinated debt		325,407	326,793
Shareholders' equity			
Preferred shares and other equity instruments	8	245,625	245,554
Common shares	8	1,193,245	1,187,107
Retained earnings		1,331,383	1,307,747
Accumulated other comprehensive income		79,884	81,235
Share-based compensation reserve	9	7,278	6,841
		2,857,415	2,828,484
		\$ 49,518,184	\$ 47,401,290

(1) Comparative figures have been reclassified to conform to the current year presentation.

The accompanying notes are an integral part of the Condensed Interim Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF INCOME⁽¹⁾

In thousands of Canadian dollars, except per share amounts (Unaudited)	Notes	For the three months ended			For the six months ended	
		April 30, 2025	January 31, 2025	April 30, 2024	April 30, 2025	April 30, 2024
Interest and dividend income	13					
Loans		\$ 474,992	\$ 497,423	\$ 530,483	\$ 972,415	\$ 1,074,247
Securities		28,180	24,464	28,292	52,644	56,243
Deposits with banks		8,851	15,682	14,655	24,533	31,404
Other		399	737	1,809	1,136	10,648
		512,422	538,306	575,239	1,050,728	1,172,542
Interest expense	13					
Deposits		222,707	232,205	255,584	454,912	523,179
Debt related to securitization activities		97,073	99,446	91,233	196,519	181,493
Subordinated debt		4,444	4,581	4,480	9,025	9,065
Other, including derivatives		6,017	15,867	44,331	21,884	93,940
		330,241	352,099	395,628	682,340	807,677
Net interest income		182,181	186,207	179,611	368,388	364,865
Other income						
Income from financial instruments		15,943	16,294	15,467	32,237	27,668
Income from mutual funds		10,356	10,612	10,062	20,968	20,069
Lending fees		9,858	10,517	13,271	20,375	27,413
Service charges		6,274	6,447	6,954	12,721	13,825
Card service revenues		5,573	6,558	6,758	12,131	15,633
Fees and securities brokerage commissions		4,207	3,634	11,029	7,841	21,422
Fees on investment accounts		2,535	2,667	2,807	5,202	5,862
Insurance income, net		772	1,388	1,528	2,160	3,424
Profit on sale of assets under administration		—	875	—	875	—
Other		4,817	4,438	5,107	9,255	10,754
		60,335	63,430	72,983	123,765	146,070
Total revenue		242,516	249,637	252,594	492,153	510,935
Provision for credit losses	5	16,693	15,175	17,931	31,868	34,829
Non-interest expenses						
Salaries and employee benefits	9 and 10	92,419	96,936	99,471	189,355	201,931
Premises and technology		51,802	50,933	50,136	102,735	102,222
Other		38,075	37,077	39,969	75,152	77,181
Impairment and restructuring charges	15	2,222	2,027	196,765	4,249	202,841
		184,518	186,973	386,341	371,491	584,175
Income (loss) before income taxes		41,305	47,489	(151,678)	88,794	(108,069)
Income taxes (recovery)		8,976	8,888	(34,131)	17,864	(27,805)
Net income (loss)		\$ 32,329	\$ 38,601	\$ (117,547)	\$ 70,930	\$ (80,264)
Dividends on preferred shares and distributions on other equity instruments		1,936	5,249	1,288	7,185	5,889
Net income (loss) available to common shareholders		\$ 30,393	\$ 33,352	\$ (118,835)	\$ 63,745	\$ (86,153)
Earnings (loss) per share	11					
Basic		\$ 0.69	\$ 0.76	\$ (2.72)	\$ 1.45	\$ (1.97)
Diluted		\$ 0.69	\$ 0.76	\$ (2.71)	\$ 1.44	\$ (1.97)
Dividends per common share		\$ 0.47	\$ 0.47	\$ 0.47	\$ 0.94	\$ 0.94

(1) Comparative figures have been reclassified to conform to the current year presentation.

The accompanying notes are an integral part of the Condensed Interim Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In thousands of Canadian dollars (Unaudited)	For the three months ended			For the six months ended	
	April 30, 2025	January 31, 2025	April 30, 2024	April 30, 2025	April 30, 2024
Net income (loss)	\$ 32,329	\$ 38,601	\$ (117,547)	\$ 70,930	\$ (80,264)
Other comprehensive income (loss), net of income taxes					
Items that may subsequently be reclassified to the Consolidated Statement of Income					
Net change in debt securities at fair value through other comprehensive income					
Unrealized net gains (losses) on debt securities at fair value through other comprehensive income	382	602	(9)	984	247
Reclassification of net gains on debt securities at fair value through other comprehensive income to net income	(203)	(100)	(16)	(303)	(45)
	179	502	(25)	681	202
Net change in value of derivatives designated as cash flow hedges	357	13,688	(16,395)	14,045	12,820
Net foreign currency translation adjustments					
Net unrealized foreign currency translation gains (losses) on investments in foreign operations	(70,223)	56,474	28,693	(13,749)	(9,327)
Net gains (losses) on hedges of investments in foreign operations	46,774	(49,102)	(18,093)	(2,328)	4,411
	(23,449)	7,372	10,600	(16,077)	(4,916)
	(22,913)	21,562	(5,820)	(1,351)	8,106
Items that may not subsequently be reclassified to the Consolidated Statement of Income					
Remeasurement gains (losses) on employee benefit plans	1,137	(834)	1,161	303	549
Net gains (losses) on equity securities designated at fair value through other comprehensive income	1,002	3	(140)	1,005	153
	2,139	(831)	1,021	1,308	702
Total other comprehensive income (loss), net of income taxes	(20,774)	20,731	(4,799)	(43)	8,808
Comprehensive income (loss)	\$ 11,555	\$ 59,332	\$ (122,346)	\$ 70,887	\$ (71,456)

INCOME TAXES — OTHER COMPREHENSIVE INCOME

The following table shows income tax expense (recovery) for each component of other comprehensive income.

In thousands of Canadian dollars (Unaudited)	For the three months ended			For the six months ended	
	April 30, 2025	January 31, 2025	April 30, 2024	April 30, 2025	April 30, 2024
Net change in debt securities at fair value through other comprehensive income					
Unrealized net gains (losses) on debt securities at fair value through other comprehensive income	\$ 137	\$ 217	\$ (3)	\$ 354	\$ 89
Reclassification of net gains on debt securities at fair value through other comprehensive income to net income	(73)	(36)	(6)	(109)	(16)
	64	181	(9)	245	73
Net change in value of derivatives designated as cash flow hedges	128	4,930	(5,903)	5,058	4,616
Net foreign currency translation adjustments					
Net gains (losses) on hedges of investments in foreign operations	—	9,067	—	9,067	(98)
Remeasurement gains (losses) on employee benefit plans	409	(300)	419	109	198
Net gains (losses) on equity securities designated at fair value through other comprehensive income	361	1	(51)	362	55
	\$ 962	\$ 13,879	\$ (5,544)	\$ 14,841	\$ 4,844

The accompanying notes are an integral part of the Condensed Interim Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

In thousands of Canadian dollars (Unaudited)	Notes	For the six months ended	
		April 30, 2025	April 30, 2024
Preferred shares and other equity instruments at beginning of period	8	\$ 245,554	\$ 245,558
Net sale of other treasury equity instruments		71	—
Preferred shares and other equity instruments at end of period		245,625	245,558
Common shares at beginning of period	8	1,187,107	1,177,827
Issuance of common shares		6,138	4,620
Common shares at end of period		1,193,245	1,182,447
Retained earnings at beginning of period		1,307,747	1,405,800
Net income (loss)		70,930	(80,264)
Dividends on preferred shares and distributions on other equity instruments		(7,185)	(5,889)
Dividends on common shares		(41,420)	(41,069)
Remeasurement gains on employee benefit plans		303	549
Net gains on equity securities designated at fair value through other comprehensive income		1,005	153
Net sale of other treasury equity instruments		3	—
Retained earnings at end of period		1,331,383	1,279,280
Accumulated other comprehensive income at beginning of period		81,235	22,868
Net unrealized foreign currency translation losses on investments in foreign operations		(13,749)	(9,327)
Net gains gains (losses) on hedges of investments in foreign operations		(2,328)	4,411
Net change in value of derivatives designated as cash flow hedges		14,045	12,820
Unrealized net gains on debt securities at fair value through other comprehensive income		984	247
Reclassification of net gains on debt securities at fair value through other comprehensive income to net income		(303)	(45)
Accumulated other comprehensive income at end of period		79,884	30,974
Share-based compensation reserve at beginning of period		6,841	6,052
Net change in share-based compensation		437	447
Share-based compensation reserve at end of period		7,278	6,499
Total shareholders' equity		\$ 2,857,415	\$ 2,744,758

The accompanying notes are an integral part of the Condensed Interim Consolidated Financial Statements. Comparative figures have been reclassified to conform to the current year presentation.

ACCUMULATED OTHER COMPREHENSIVE INCOME

In thousands of Canadian dollars (Unaudited)	As at April 30, 2025	As at April 30, 2024
Cash flow hedges	\$ 72,795	\$ 9,140
Translation of foreign operations	5,884	21,897
Debt securities at fair value through other comprehensive income	1,205	(63)
	\$ 79,884	\$ 30,974

The accompanying notes are an integral part of the Condensed Interim Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CASH FLOWS⁽¹⁾

In thousands of Canadian dollars (Unaudited)	For the three months ended			For the six months ended	
	April 30, 2025	January 31, 2025	April 30, 2024	April 30, 2025	April 30, 2024
Cash flows relating to operating activities					
Net income (loss)	\$ 32,329	\$ 38,601	\$ (117,547)	\$ 70,930	\$ (80,264)
Adjustments to determine net cash flows relating to operating activities:					
Provision for credit losses	5 16,693	15,175	17,931	31,868	34,829
Deferred income taxes	2,849	(1,901)	(52,523)	948	(67,012)
Impairment of goodwill, software, intangible assets and premises and equipment	112	1,337	193,096	1,449	193,512
Depreciation of premises and equipment	4,451	4,058	4,555	8,509	9,163
Amortization of software and other intangible assets	6,447	7,003	11,332	13,450	22,818
Change in operating assets and liabilities:					
Loans	(89,313)	(325,672)	415,318	(414,985)	777,915
Acceptances	—	—	—	—	(15,000)
Securities at fair value through profit or loss	(989,483)	65,756	(24,196)	(923,727)	316,573
Securities purchased under reverse repurchase agreements	(217,474)	(87,692)	(394,601)	(305,166)	348,556
Accrued interest receivable and payable	36,410	65,580	45,089	101,990	120,367
Derivatives, net	(299,627)	100,867	123,324	(198,760)	(146,581)
Deposits	29,794	680,586	(463,572)	710,380	(1,422,355)
Obligations related to securities sold short	688,134	408,625	611,419	1,096,759	(62,037)
Obligations related to securities sold under repurchase agreements	(109,622)	(91,081)	(166,141)	(200,703)	(22,772)
Debt related to securitization activities	257,852	107,619	307,668	365,471	300,680
Other, net	(51,569)	(329)	(11,040)	(51,898)	48,670
	(682,017)	988,532	500,112	306,515	357,062
Cash flows relating to financing activities					
Payment of lease liabilities	(4,766)	(4,337)	(4,464)	(9,103)	(8,858)
Net sale (purchase) of subordinated debt	2,026	(3,602)	(1,690)	(1,576)	(7,653)
Net sale of treasury limited recourse capital notes	8 —	74	—	74	—
Net proceeds (costs) from issuance of common shares	8 (5)	(4)	(4)	(9)	(16)
Dividends and other distributions	(19,653)	(22,805)	(19,516)	(42,458)	(42,322)
	(22,398)	(30,674)	(25,674)	(53,072)	(58,849)
Cash flows relating to investing activities					
Change in securities at amortized cost					
Acquisitions	(1,381,948)	(766,916)	(337,568)	(2,148,864)	(1,115,898)
Proceeds on sale and at maturity	901,945	412,956	738,718	1,314,901	1,117,586
Change in securities at fair value through other comprehensive income					
Acquisitions	(122,385)	(262,303)	(57,757)	(384,688)	(186,307)
Proceeds on sale and at maturity	122,784	182,171	62,574	304,955	153,825
Additions to premises and equipment and software and other intangible assets	(7,872)	(6,823)	(9,463)	(14,695)	(17,130)
Change in interest-bearing deposits with banks	1,194,283	(513,846)	(877,956)	680,437	(259,401)
	706,807	(954,761)	(481,452)	(247,954)	(307,325)
Effect of exchange rate changes on cash and non-interest-bearing deposits with banks	(2,709)	4,432	2,437	1,723	111
Net change in cash and non-interest bearing deposits with banks	(317)	7,529	(4,577)	7,212	(9,001)
Cash and non-interest bearing deposits with banks at beginning of period	60,848	53,319	47,979	53,319	52,403
Cash and non-interest bearing deposits with banks at end of period	\$ 60,531	\$ 60,848	\$ 43,402	\$ 60,531	\$ 43,402
Supplemental disclosure about cash flows relating to operating activities:					
Interest paid during the period	\$ 290,155	\$ 306,986	\$ 334,039	\$ 597,141	\$ 700,616
Interest received during the period	\$ 493,709	\$ 542,179	\$ 568,306	\$ 1,035,888	\$ 1,171,978
Dividends received during the period	\$ 657	\$ 534	\$ 850	\$ 1,191	\$ 2,363
Income taxes paid during the period	\$ 35,412	\$ 14,576	\$ 22,487	\$ 49,988	\$ 32,936

(1) Comparative figures have been reclassified to conform to the current year presentation. The accompanying notes are an integral part of the Condensed Interim Consolidated Financial Statements.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

All tabular amounts are in thousands of Canadian dollars, unless otherwise indicated (Unaudited)

1. GENERAL INFORMATION

Laurentian Bank of Canada (the Bank) provides financial services to its personal, commercial and institutional customers. The Bank operates across Canada and in the United States.

The Bank is the ultimate parent of the group. The Bank is a chartered bank under Schedule 1 of the *Bank Act* (Canada) and has its head office in Montreal, Canada. The Bank's common shares (stock symbol: LB) are listed on the Toronto Stock Exchange.

The Condensed Interim Consolidated Financial Statements for the period ended April 30, 2025 were approved for issuance by the Board of Directors on May 29, 2025.

2. BASIS OF PRESENTATION

These Condensed Interim Consolidated Financial Statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), as well as in accordance with IAS 34, *Interim Financial Reporting*. These Condensed Interim Consolidated Financial Statements also comply with the *Bank Act* and the requirements of the Office of the Superintendent of Financial Institutions Canada (OSFI).

These Condensed Interim Consolidated Financial Statements should be read in conjunction with the Annual Consolidated Financial Statements for the year ended October 31, 2024 prepared in accordance with IFRS. The accounting policies described in Note 3 to the Annual Consolidated Financial Statements have been applied consistently to all periods presented within these financial statements.

These Condensed Interim Consolidated Financial Statements were prepared under a historical cost basis, except for certain items carried at fair value as discussed in Note 3 to the Annual Consolidated Financial Statements for the year ended October 31, 2024.

Unless otherwise indicated, all amounts are expressed in Canadian dollars, which is the Bank's presentation currency. Items included in the financial statements of each of the Bank's entities are measured using their functional currency, which is the currency of the primary economic environment in which they operate.

Certain comparative figures have been reclassified to conform to current year presentation.

2.1 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

In preparing these Condensed Interim Consolidated Financial Statements, management is required to make significant judgments, estimates and assumptions that affect the reported amounts of certain assets, liabilities, revenues, expenses and related disclosures. Estimates made by management are based on historical experience and other assumptions that are believed to be reasonable.

Significant accounting judgments, estimates and assumptions have been made specifically in the following areas and are further discussed in the Annual Consolidated Financial Statements for the year ended October 31, 2024 as follows:

Fair value of financial instruments	Notes 3 and 21	Post-employment benefits	Notes 3 and 17
Allowances for credit losses	Notes 3 and 6	Income taxes	Notes 3 and 18
Goodwill and other intangible assets	Notes 3 and 9	Provisions and contingent liabilities	Notes 3 and 26

In view of the inherent uncertainties and the high level of subjectivity involved in the recognition or measurement of the items listed above, it is possible that the outcomes in future reporting periods could differ from those on which management's estimates are based. This could result in materially different estimates and judgments from those reached by management for the purposes of the Condensed Interim Consolidated Financial Statements.

Economic conditions impact on judgments, estimates and assumptions

The preparation of financial information necessitates the use of estimates and judgments about future economic conditions. The increasing complexity of the geopolitical landscape and macroeconomic developments, including the higher interest rate environment and current U.S. political shifts and tariff threats, will continue to introduce uncertainty into the assumptions used by management in making its judgments and estimates. The comprehensive impact of recent and potential future macroeconomic developments on the Canadian and U.S. economies, as well as the Bank's business, remains uncertain and difficult to predict. This uncertainty is further exacerbated by the unpredictable nature of U.S. tariff policies, which can significantly affect market stability and economic forecasts.

3. FUTURE ACCOUNTING POLICY CHANGES

The IASB has issued new standards and amendments to existing standards which are applicable for the Bank in various annual periods beginning on November 1, 2026. There have been no significant updates to the future accounting policy changes disclosed in Note 4 of the Annual Consolidated Financial Statements for the year ended October 31, 2024.

4. SECURITIES

Credit quality

As at April 30, 2025, debt securities at amortized cost and at FVOCI are classified in Stage 1, with their credit rating falling mainly in the "Low risk" category according to the Bank's internal risk-rating categories. As at April 30, 2025, allowances for credit losses amounted to \$0.3 million (\$0.3 million as at October 31, 2024) for debt securities at amortized cost while no allowances for credit losses were reported in accumulated other comprehensive income for debt securities at FVOCI (nil as at October 31, 2024).

Securities at amortized cost⁽¹⁾

	As at April 30, 2025	As at October 31, 2024
Securities issued or guaranteed		
by Canada ⁽²⁾	\$ 1,115,978	\$ 928,644
by provinces	2,056,021	1,496,638
by municipalities	90,554	69,598
Other debt securities	361,404	295,573
	\$ 3,623,957	\$ 2,790,453

(1) The Bank applies fair value hedge accounting to hedge its exposure to interest rate risk and changes in fair value of its securities at amortized cost. The carrying value of securities that are part of fair value hedging relationships are adjusted for related gains (losses) on hedge contracts.

(2) Including mortgage-backed securities that are fully guaranteed by the Canada Mortgage and Housing Corporation pursuant to the *National Housing Act*.

Securities at FVOCI

Accumulated unrealized gains and losses recognized in other comprehensive income are detailed as follows:

	As at April 30, 2025				As at October 31, 2024			
	Amortized cost	Unrealized gains	Unrealized losses	Fair value	Amortized cost	Unrealized gains	Unrealized losses	Fair value
Securities issued or guaranteed								
by Canada ⁽¹⁾	\$ 212,183	\$ 2,468	\$ 1	\$ 214,650	\$ 132,825	\$ 1,358	\$ 280	\$ 133,903
by provinces	2,792	70	—	2,862	3,671	93	—	3,764
by municipalities	1,622	9	—	1,631	866	2	—	868
Other debt securities	3,002	19	—	3,021	2,275	4	1	2,278
Common shares and other securities	17,496	10,418	—	27,914	17,282	9,051	—	26,333
	\$ 237,095	\$ 12,984	\$ 1	\$ 250,078	\$ 156,919	\$ 10,508	\$ 281	\$ 167,146

(1) Including mortgage-backed securities that are fully guaranteed by the Canada Mortgage and Housing Corporation pursuant to the *National Housing Act*.

Equity securities designated at FVOCI

The Bank designated certain equity securities, the business objective of which is mainly to generate dividend income, at FVOCI without subsequent reclassification of gains and losses to net income. Dividend income recognized in earnings on these investments was nil for the three months ended April 30, 2025 (nil for the three months ended January 31, 2025 and nil for the three months ended April 30, 2024) and nil for the six months ended April 30, 2025 (\$0.8 million for the six months ended April 30, 2024).

	For the six months ended	
	April 30, 2025	April 30, 2024
Fair value at beginning of period	\$ 26,333	\$ 25,974
Change in fair value	1,367	208
Designated at FVOCI	214	475
Fair value at end of period	\$ 27,914	\$ 26,657

5. LOANS AND ALLOWANCES FOR CREDIT LOSSES

As at April 30, 2025 and October 31, 2024, loans are recognized on the Consolidated Balance Sheet at amortized cost as outlined in Note 3 to the Annual Consolidated Financial Statements for the year ended October 31, 2024.

Determining and measuring expected credit losses (ECL)

For additional information on the measurement of expected credit losses, see Note 6 to the Annual Consolidated Financial Statements for the year ended October 31, 2024.

Credit risk exposure

The following table shows the gross and net carrying amounts of loans and off-balance sheet exposures, according to credit quality and ECL impairment stage of each loan category at amortized cost.

	As at April 30, 2025				As at October 31, 2024			
	Performing		Impaired		Performing		Impaired	
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Personal loans								
Very low risk	\$ 1,497,560	\$ 156	\$ —	\$ 1,497,716	\$ 1,545,107	\$ 217	\$ —	\$ 1,545,324
Low risk	207,242	32,676	—	239,918	201,105	33,731	—	234,836
Medium risk	141,041	128,495	—	269,536	146,467	162,727	—	309,194
High risk	—	7,223	—	7,223	—	7,224	—	7,224
Default	—	—	6,769	6,769	—	—	9,848	9,848
Gross carrying amount	1,845,843	168,550	6,769	2,021,162	1,892,679	203,899	9,848	2,106,426
Allowances for loan losses	5,378	20,432	1,773	27,583	4,872	23,102	3,259	31,233
Net carrying amount	\$ 1,840,465	\$ 148,118	\$ 4,996	\$ 1,993,579	\$ 1,887,807	\$ 180,797	\$ 6,589	\$ 2,075,193
Residential mortgage loans								
Very low risk	\$12,799,648	\$ 411	\$ —	\$ 12,800,059	\$12,954,098	\$ 2,291	\$ —	\$12,956,389
Low risk	1,717,929	9,292	—	1,727,221	1,845,307	9,433	—	1,854,740
Medium risk	849,078	586,194	—	1,435,272	876,937	780,450	—	1,657,387
High risk	—	120,214	—	120,214	—	18,835	—	18,835
Default	—	—	48,027	48,027	—	—	50,566	50,566
Gross carrying amount	15,366,655	716,111	48,027	16,130,793	15,676,342	811,009	50,566	16,537,917
Allowances for loan losses	3,951	10,418	3,191	17,560	4,221	10,301	3,211	17,733
Net carrying amount	\$15,362,704	\$ 705,693	\$ 44,836	\$ 16,113,233	\$15,672,121	\$ 800,708	\$ 47,355	\$16,520,184
Commercial loans								
Very low risk	\$ 3,297,397	\$ 25,500	\$ —	\$ 3,322,897	\$ 3,182,333	\$ 18,863	\$ —	\$ 3,201,196
Low risk	9,029,102	198,034	—	9,227,136	8,416,401	197,796	—	8,614,197
Medium risk	3,326,893	978,978	—	4,305,871	3,021,265	1,066,718	—	4,087,983
High risk	—	284,155	—	284,155	—	392,403	—	392,403
Default	—	—	353,384	353,384	—	—	318,408	318,408
Gross carrying amount	15,653,392	1,486,667	353,384	17,493,443	14,619,999	1,675,780	318,408	16,614,187
Allowances for loan losses	49,938	25,931	69,842	145,711	58,212	19,081	63,118	140,411
Net carrying amount	\$15,603,454	\$ 1,460,736	\$ 283,542	\$ 17,347,732	\$14,561,787	\$ 1,656,699	\$ 255,290	\$16,473,776
Total loans								
Gross carrying amount	\$32,865,890	\$ 2,371,328	\$ 408,180	\$ 35,645,398	\$32,189,020	\$ 2,690,688	\$ 378,822	\$35,258,530
Allowances for loan losses	59,267	56,781	74,806	190,854	67,305	52,484	69,588	189,377
Net carrying amount	\$32,806,623	\$ 2,314,547	\$ 333,374	\$ 35,454,544	\$32,121,715	\$ 2,638,204	\$ 309,234	\$35,069,153
Off-balance sheet exposures⁽¹⁾								
Very low risk	\$ 1,613,177	\$ 10,338	\$ —	\$ 1,623,515	\$ 1,587,971	\$ 16,834	\$ —	\$ 1,604,805
Low risk	931,604	21,015	—	952,619	765,407	21,412	—	786,819
Medium risk	639,494	69,630	—	709,124	457,971	78,659	—	536,630
High risk	—	10,439	—	10,439	—	12,002	—	12,002
Default	—	—	—	—	—	—	—	—
Total exposure	3,184,275	111,422	—	3,295,697	2,811,349	128,907	—	2,940,256
Allowances for off-balance sheet exposures losses	11,351	2,122	—	13,473	11,983	2,427	—	14,410
Total exposure, net	\$ 3,172,924	\$ 109,300	\$ —	\$ 3,282,224	\$ 2,799,366	\$ 126,480	\$ —	\$ 2,925,846

(1) Including letters of guarantee and certain undrawn amounts under approved credit facilities.

Reconciliation of allowances for credit losses

The following table presents the reconciliation of allowances for credit losses for each exposure category at amortized cost according to ECL impairment stage.

Quarterly reconciliation of allowances for credit losses

	For the three months ended April 30, 2025				For the three months ended April 30, 2024			
	Performing		Impaired		Performing		Impaired	
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Personal loans								
Balance at beginning of period	\$ 6,494	\$ 20,789	\$ 2,232	\$ 29,515	\$ 7,577	\$ 31,196	\$ 5,044	\$ 43,817
Transfers:								
to Stage 1	2,124	(2,042)	(82)	—	3,996	(3,760)	(236)	—
to Stage 2	(605)	886	(281)	—	(757)	1,134	(377)	—
to Stage 3	(111)	(1,359)	1,370	—	(9)	(1,649)	1,658	—
Originations	344	—	—	344	242	—	—	242
Derecognitions	(235)	(1,564)	(1,158)	(2,957)	(302)	(2,675)	(2,177)	(5,154)
Net remeasurement of allowances	(1,895)	4,709	1,930	4,744	(1,797)	3,386	5,338	6,927
Provision for (reversal of) credit losses	(278)	630	1,779	2,131	1,373	(3,564)	4,206	2,015
Write-offs	—	—	(3,836)	(3,836)	—	—	(5,801)	(5,801)
Recoveries	—	—	1,818	1,818	—	—	1,318	1,318
Foreign exchange and other	—	—	(220)	(220)	—	—	(221)	(221)
Balance at end of period	\$ 6,216	\$ 21,419	\$ 1,773	\$ 29,408	\$ 8,950	\$ 27,632	\$ 4,546	\$ 41,128
Total allowances for loan losses	\$ 5,378	\$ 20,432	\$ 1,773	\$ 27,583	\$ 7,399	\$ 26,599	\$ 4,546	\$ 38,544
Total allowances for off-balance sheet exposures	838	987	—	1,825	1,551	1,033	—	2,584
Total allowances for credit losses	\$ 6,216	\$ 21,419	\$ 1,773	\$ 29,408	\$ 8,950	\$ 27,632	\$ 4,546	\$ 41,128
Residential mortgage loans								
Balance at beginning of period	\$ 4,200	\$ 8,990	\$ 3,173	\$ 16,363	\$ 6,217	\$ 9,200	\$ 1,951	\$ 17,368
Transfers:								
to Stage 1	1,128	(1,068)	(60)	—	1,795	(1,734)	(61)	—
to Stage 2	(242)	982	(740)	—	(548)	812	(264)	—
to Stage 3	(5)	(480)	485	—	(32)	(492)	524	—
Originations	209	—	—	209	247	—	—	247
Derecognitions	(314)	(277)	(524)	(1,115)	(199)	(548)	(448)	(1,195)
Net remeasurement of allowances	(895)	2,377	1,842	3,324	(1,517)	2,278	979	1,740
Provision for (reversal of) credit losses	(119)	1,534	1,003	2,418	(254)	316	730	792
Write-offs	—	—	(768)	(768)	—	—	(287)	(287)
Recoveries	—	—	165	165	—	—	86	86
Foreign exchange and other	—	—	(382)	(382)	—	—	(382)	(382)
Balance at end of period	\$ 4,081	\$ 10,524	\$ 3,191	\$ 17,796	\$ 5,963	\$ 9,516	\$ 2,098	\$ 17,577
Total allowances for loan losses	\$ 3,951	\$ 10,418	\$ 3,191	\$ 17,560	\$ 5,230	\$ 9,347	\$ 2,098	\$ 16,675
Total allowances for off-balance sheet exposures	130	106	—	236	733	169	—	902
Total allowances for credit losses	\$ 4,081	\$ 10,524	\$ 3,191	\$ 17,796	\$ 5,963	\$ 9,516	\$ 2,098	\$ 17,577
Commercial loans								
Balance at beginning of period	\$ 64,056	\$ 23,853	\$ 73,091	\$ 161,000	\$ 66,796	\$ 42,372	\$ 48,122	\$ 157,290
Transfers:								
to Stage 1	4,883	(3,871)	(1,012)	—	7,890	(7,077)	(813)	—
to Stage 2	(1,237)	2,810	(1,573)	—	(4,612)	5,364	(752)	—
to Stage 3	(114)	(2,028)	2,142	—	(262)	(1,671)	1,933	—
Originations	5,103	—	—	5,103	5,933	—	—	5,933
Derecognitions	(3,186)	(775)	(11,077)	(15,038)	(8,522)	(9,910)	(2,058)	(20,490)
Net remeasurement of allowances	(8,554)	7,474	23,159	22,079	(1,934)	6,630	24,985	29,681
Provision for (reversal of) credit losses	(3,105)	3,610	11,639	12,144	(1,507)	(6,664)	23,295	15,124
Write-offs	—	—	(14,672)	(14,672)	—	—	(7,710)	(7,710)
Recoveries	—	—	1,533	1,533	—	—	752	752
Foreign exchange and other	(630)	(503)	(1,749)	(2,882)	548	224	305	1,077
Balance at end of period	\$ 60,321	\$ 26,960	\$ 69,842	\$ 157,123	\$ 65,837	\$ 35,932	\$ 64,764	\$ 166,533
Total allowances for loan losses	\$ 49,938	\$ 25,931	\$ 69,842	\$ 145,711	\$ 60,895	\$ 34,924	\$ 64,764	\$ 160,583
Total allowances for off-balance sheet exposures	10,383	1,029	—	11,412	4,942	1,008	—	5,950
Total allowances for credit losses	\$ 60,321	\$ 26,960	\$ 69,842	\$ 157,123	\$ 65,837	\$ 35,932	\$ 64,764	\$ 166,533
Total exposure								
Total allowances for loan losses	\$ 59,267	\$ 56,781	\$ 74,806	\$ 190,854	\$ 73,524	\$ 70,870	\$ 71,408	\$ 215,802
Total allowances for off-balance sheet exposures	11,351	2,122	—	13,473	7,226	2,210	—	9,436
Total allowances for credit losses	\$ 70,618	\$ 58,903	\$ 74,806	\$ 204,327	\$ 80,750	\$ 73,080	\$ 71,408	\$ 225,238

Year-to-date reconciliation of allowances for credit losses

	For the six months ended April 30, 2025				For the six months ended April 30, 2024			
	Performing		Impaired		Performing		Impaired	
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Personal loans								
Balance at beginning of period	\$ 5,781	\$ 24,258	\$ 3,259	\$ 33,298	\$ 8,298	\$ 32,758	\$ 7,063	\$ 48,119
Transfers:								
to Stage 1	3,920	(3,660)	(260)	—	4,487	(4,243)	(244)	—
to Stage 2	(654)	1,174	(520)	—	(1,045)	1,660	(615)	—
to Stage 3	(45)	(743)	788	—	(50)	(1,749)	1,799	—
Originations	591	—	—	591	407	—	—	407
Derecognitions	(373)	(4,328)	(1,980)	(6,681)	(756)	(6,164)	(4,509)	(11,429)
Net remeasurement of allowances	(3,004)	4,718	5,936	7,650	(2,391)	5,370	10,149	13,128
Provision for (reversal of) credit losses	435	(2,839)	3,964	1,560	652	(5,126)	6,580	2,106
Write-offs	—	—	(8,637)	(8,637)	—	—	(11,976)	(11,976)
Recoveries	—	—	3,629	3,629	—	—	3,321	3,321
Foreign exchange and other	—	—	(442)	(442)	—	—	(442)	(442)
Balance at end of period	\$ 6,216	\$ 21,419	\$ 1,773	\$ 29,408	\$ 8,950	\$ 27,632	\$ 4,546	\$ 41,128
Total allowances for loan losses	\$ 5,378	\$ 20,432	\$ 1,773	\$ 27,583	\$ 7,399	\$ 26,599	\$ 4,546	\$ 38,544
Total allowances for off-balance sheet exposures	838	987	—	1,825	1,551	1,033	—	2,584
Total allowances for credit losses	\$ 6,216	\$ 21,419	\$ 1,773	\$ 29,408	\$ 8,950	\$ 27,632	\$ 4,546	\$ 41,128
Residential mortgage loans								
Balance at beginning of period	\$ 4,456	\$ 10,422	\$ 3,211	\$ 18,089	\$ 5,989	\$ 7,977	\$ 2,072	\$ 16,038
Transfers:								
to Stage 1	3,092	(3,050)	(42)	—	2,436	(2,251)	(185)	—
to Stage 2	(499)	1,305	(806)	—	(764)	1,199	(435)	—
to Stage 3	(5)	(718)	723	—	(40)	(426)	466	—
Originations	546	—	—	546	785	—	—	785
Derecognitions	(582)	(700)	(1,048)	(2,330)	(458)	(498)	(458)	(1,414)
Net remeasurement of allowances	(2,927)	3,265	2,699	3,037	(1,985)	3,515	1,553	3,083
Provision for (reversal of) credit losses	(375)	102	1,526	1,253	(26)	1,539	941	2,454
Write-offs	—	—	(994)	(994)	—	—	(388)	(388)
Recoveries	—	—	212	212	—	—	237	237
Foreign exchange and other	—	—	(764)	(764)	—	—	(764)	(764)
Balance at end of period	\$ 4,081	\$ 10,524	\$ 3,191	\$ 17,796	\$ 5,963	\$ 9,516	\$ 2,098	\$ 17,577
Total allowances for loan losses	\$ 3,951	\$ 10,418	\$ 3,191	\$ 17,560	\$ 5,230	\$ 9,347	\$ 2,098	\$ 16,675
Total allowances for off-balance sheet exposures	130	106	—	236	733	169	—	902
Total allowances for credit losses	\$ 4,081	\$ 10,524	\$ 3,191	\$ 17,796	\$ 5,963	\$ 9,516	\$ 2,098	\$ 17,577
Commercial loans								
Balance at beginning of period	\$ 69,051	\$ 20,231	\$ 63,118	\$ 152,400	\$ 66,101	\$ 34,987	\$ 49,556	\$ 150,644
Transfers:								
to Stage 1	7,444	(5,949)	(1,495)	—	5,201	(4,514)	(687)	—
to Stage 2	(2,629)	7,371	(4,742)	—	(6,132)	7,513	(1,381)	—
to Stage 3	(303)	(4,400)	4,703	—	(512)	(1,134)	1,646	—
Originations	9,592	—	—	9,592	9,598	—	—	9,598
Derecognitions	(8,510)	(1,888)	(11,981)	(22,379)	(12,033)	(15,904)	(2,994)	(30,931)
Net remeasurement of allowances	(14,269)	11,874	44,237	41,842	3,408	14,899	33,295	51,602
Provision for (reversal of) credit losses	(8,675)	7,008	30,722	29,055	(470)	860	29,879	30,269
Write-offs	—	—	(25,645)	(25,645)	—	—	(15,080)	(15,080)
Recoveries	—	—	3,094	3,094	—	—	1,216	1,216
Foreign exchange and other	(55)	(279)	(1,447)	(1,781)	206	85	(807)	(516)
Balance at end of period	\$ 60,321	\$ 26,960	\$ 69,842	\$ 157,123	\$ 65,837	\$ 35,932	\$ 64,764	\$ 166,533
Total allowances for loan losses	\$ 49,938	\$ 25,931	\$ 69,842	\$ 145,711	\$ 60,895	\$ 34,924	\$ 64,764	\$ 160,583
Total allowances for off-balance sheet exposures	10,383	1,029	—	11,412	4,942	1,008	—	5,950
Total allowances for credit losses	\$ 60,321	\$ 26,960	\$ 69,842	\$ 157,123	\$ 65,837	\$ 35,932	\$ 64,764	\$ 166,533
Total exposure								
Total allowances for loan losses	\$ 59,267	\$ 56,781	\$ 74,806	\$ 190,854	\$ 73,524	\$ 70,870	\$ 71,408	\$ 215,802
Total allowances for off-balance sheet exposures	11,351	2,122	—	13,473	7,226	2,210	—	9,436
Total allowances for credit losses	\$ 70,618	\$ 58,903	\$ 74,806	\$ 204,327	\$ 80,750	\$ 73,080	\$ 71,408	\$ 225,238

Main macroeconomic factors

The following tables show the main macroeconomic factors used to estimate the collective allowances for credit losses as at April 30, 2025 and as at October 31, 2024.

	As at April 30, 2025					
	Base scenario		Upside scenario		Downside scenario	
	Next 12 months ⁽¹⁾	Remaining forecast period ⁽²⁾	Next 12 months ⁽¹⁾	Remaining forecast period ⁽²⁾	Next 12 months ⁽¹⁾	Remaining forecast period ⁽²⁾
Main macroeconomic factors						
GDP growth (decrease)	0.3%	3.6%	1.3%	4.2%	(2.6)%	1.6%
Average unemployment rate (percentage points)	7.0	6.5	6.7	5.8	8.1	7.9
Housing price index growth (decrease)	1.2%	8.3%	4.2%	9.7%	(4.8)%	1.5%
S&P/TSX index growth (decrease) ⁽³⁾	1.1%	8.7%	7.9%	13.6%	(22.1)%	7.3%
	As at October 31, 2024					
	Base scenario		Upside scenario		Downside scenario	
	Next 12 months ⁽¹⁾	Remaining forecast period ⁽²⁾	Next 12 months ⁽¹⁾	Remaining forecast period ⁽²⁾	Next 12 months ⁽¹⁾	Remaining forecast period ⁽²⁾
Main macroeconomic factors						
GDP growth (decrease)	1.6%	3.1%	2.4%	3.8%	(1.7)%	3.1%
Average unemployment rate (percentage points)	6.8	6.4	6.3	5.4	7.8	7.6
Housing price index growth (decrease)	5.9%	7.5%	9.6%	9.6%	(5.6)%	4.9%
S&P/TSX index growth (decrease) ⁽³⁾	5.4%	9.1%	9.8%	14.6%	(13.6)%	4.2%

(1) Expected variation or average over the next 12 months. These factors are used for Stage 1 ECL calculations.

(2) Expected variation or average over the remaining forecast period of 24 months. These factors are used for Stage 2 and Stage 3 ECL calculations.

(3) Main stock index in Canada.

The main macroeconomic factors used for the personal and residential mortgage loan portfolios are the average unemployment rate, the housing price index and the S&P/TSX index. The main macroeconomic factor used for the commercial loan portfolio is the GDP. An increase in the average unemployment rate will generally correlate with higher allowances for credit losses, whereas an increase in the other macroeconomic factors mentioned above will generally correlate with lower allowances for credit losses.

Description of scenarios used for ECL measurement as at April 30, 2025

The scenarios described below are based on information and data available as at April 30, 2025.

Base Scenario

In the base scenario, the United States imposes limited tariffs on less than half of imports from Canada and on imports from other countries. Canada and other countries respond with selective tariffs on certain U.S. products, rather than dollar-for-dollar retaliation. A gradual rollback of U.S. tariffs takes place alongside trade negotiations during 2025. A new North American trade deal is ratified by mid-2026, and tariffs on the rest of the world remain limited. The U.S. economy experiences modest growth in 2025 without any quarterly contractions. Tariff-induced upward pressure on the Canadian Consumer Price Index (CPI) inflation is partially mitigated by the abolition of the carbon tax. The Canadian economy experiences very modest growth this year, including minor contractions in the second and third quarters of 2025. Concurrently, the renewal of mortgages at higher interest rates and lower immigration targets slow economic growth. Labour market conditions remain soft as unemployment increases modestly. Home prices appreciate at a modest pace. The Bank of Canada ends its rate-cutting cycle with one final quarter-point reduction. The equity market experiences see-saw movements and ends 2025 at the same level as in the spring.

Downside Scenario

In the downside scenario, the United States imposes sweeping tariffs on most imports from Canada and other countries. Canada and most other countries retaliate with broad and elevated tariffs on U.S. products, amplifying the adverse impact. The full-fledged global trade war lasts two years, disrupting global supply chains and hindering spending decisions by households and businesses. As a result, both the U.S. and Canadian economies fall into recession. At the same time, CPI inflation re-accelerates substantially by mid-year in both countries. Additionally, the renewal of mortgages at higher interest rates and a significant rise in unemployment exert new financial pressures on households and businesses, contributing to a contraction in Canada's real Gross Domestic Product (GDP). Home prices depreciate, and the Canadian equity market undergoes a sharp correction. The recovery remains tepid for the rest of the forecast period as Canada loses permanent U.S. market share, and inefficiencies caused by the global trade war and structural unemployment persist.

Upside Scenario

In the upside scenario, the United States imposes targeted tariffs on selected Canadian products for a very brief period. A rapid rollback of U.S. tariffs takes place as trade negotiations progress quickly. A new North American trade deal is ratified by the end of 2025. Multiple trade deals are also reached between the U.S. and other countries. The rollback of tariffs between the U.S. and the rest of the world occurs swiftly. The brief tariff shock does not generate any materially disruptive macroeconomic impact on the U.S. and Canadian outlooks. Tariff uncertainty fades rapidly, confidence soars, and the solid economic growth path in the U.S. is restored. Canada

experiences moderate economic growth, and CPI inflation remains low and stable. The Bank of Canada has ended its rate-cutting cycle, and most households manage mortgage renewals without major financial stress. Balanced labour market conditions are preserved, and unemployment declines. Additionally, home prices appreciate solidly, and improving market sentiment contributes to strong equity returns.

Sensitivity analysis of allowances for credit losses on performing loans

If the Bank was to only use the base scenario for the measurement of allowances for credit losses on performing loans, it would be \$20.2 million lower than the recognized allowances for credit losses as at April 30, 2025 (\$14.0 million lower as at October 31, 2024). If the Bank was to only use the downside scenario for the measurement of allowances for credit losses on performing loans, it would be \$26.6 million higher than the recognized allowances for credit losses as at April 30, 2025 (\$33.8 million higher as at October 31, 2024).

This sensitivity is isolated to the measurement of allowances for credit losses and therefore did not consider changes in the migration of exposures between stage 1 and stage 2 from the determination of the significant increase in credit risk that would have resulted in a 100% base scenario or a 100% downside scenario. As a result, the allowances for credit losses on performing loans could exceed the amount implied by the 100% downside case scenario from the migration of additional exposures from stage 1 to stage 2. Actual credit losses could differ materially from those reflected in these estimates.

Under the current probability-weighted scenarios, if all performing loans were in stage 1, reflecting a 12-month expected loss period, the allowances for credit losses on performing loans would be \$119.3 million as at April 30, 2025 (\$128.5 million as at October 31, 2024).

Loans past due but not impaired

The following table shows personal and residential mortgage loans that are past due but not classified as impaired. The Commercial loans past due but not impaired are not significant.

	As at April 30, 2025			As at October 31, 2024		
	1 day- 31 days	32 days- 90 days	Total	1 day- 31 days	32 days- 90 days	Total
Personal loans	\$ 38,039	\$ 12,178	\$ 50,217	\$ 43,382	\$ 13,984	\$ 57,366
Residential mortgage loans	161,995	63,868	225,863	131,738	57,788	189,526
	\$ 200,034	\$ 76,046	\$ 276,080	\$ 175,120	\$ 71,772	\$ 246,892

Finance lease receivables

The Commercial loans line item includes net investment in leases of \$1.2 billion as at April 30, 2025 (\$1.1 billion as at October 31, 2024).

6. SECURITIZATION AND STRUCTURED ENTITIES

6.1 TRANSFER OF FINANCIAL ASSETS

The Bank primarily sells residential mortgage loans through the Canada Mortgage Bond (CMB) program and to third-party investors under the National Housing Act (NHA) Mortgage-Backed Securities (MBS) program set-up by the Canada Mortgage and Housing Corporation (CMHC), as well as through other multi-seller conduits set up by other Canadian banks.

Financial assets not qualifying for derecognition and associated financial liabilities

The following table summarizes the carrying amounts of financial assets that do not qualify for derecognition and their associated financial liabilities included on the Consolidated Balance Sheet.

	As at April 30, 2025	As at October 31, 2024
Residential mortgage loans	\$ 12,175,681	\$ 11,809,030
Replacement Assets ⁽¹⁾	777,241	758,322
Debt related to securitization activities	(12,972,943)	(12,495,928)

(1) Includes cash and deposits with banks, securities purchased under reverse repurchase agreements and securities acquired as part of the principal reinvestment account that is required to be maintained for the Bank to participate in the program.

As at April 30, 2025, the Bank has also securitized other residential mortgage loans for a total amount of \$103.8 million (\$206.7 million as at October 31, 2024) as part of the NHA MBS program, which were not subsequently sold. The resulting NHA MBS are presented as part of residential mortgage loans.

6.2 STRUCTURED ENTITIES SECURITIZATION VEHICLES

In the ordinary course of business, the Bank enters into transactions with other structured entities as part of securitization programs to obtain alternative sources of funding. The Bank sells personal loans and finance lease receivables to two intermediate partnerships, B2B Securitization Limited Partnership and LBC Leasing Limited Partnership (the Partnerships), respectively. To fund these purchases, the Partnerships issue interest-bearing liabilities to securitization conduits of other Canadian banks. These Partnerships are consolidated as the Bank holds 100% of the rights, has the ability to direct the relevant activities and can exercise power to affect returns. The interest-bearing liabilities issued by the Partnerships are recorded as debt related to securitization activities on the Consolidated Balance Sheet.

Financial assets not qualifying for derecognition and associated financial liabilities

The following table summarizes the carrying amounts of financial assets securitized through other structured entities that do not qualify for derecognition and their associated financial liabilities included in the Consolidated Balance Sheet.

	As at April 30, 2025	As at October 31, 2024
Personal loans	\$ 910,234	\$ 990,231
Commercial loans ⁽¹⁾	439,408	564,231
Debt related to securitization activities	(888,985)	(1,000,529)

(1) The Bank securitizes finance lease receivables which are included in the Commercial loans line item.

6.3 COVERED BONDS

The Bank has established a \$2.0 billion legislative covered bond programme (the Programme) pursuant to the Canadian Registered Covered Bond Programs Guide, published by the Canada Mortgage and Housing Corporation (CMHC). As at April 30, 2025, two series of covered bonds were outstanding, with a respective principal balance of \$250.0 million and \$260.0 million and which bear interest respectively at a rate of 1.603% and 3.545% annually, payable semi-annually. The covered bonds are presented as Deposits on the Bank's Consolidated Balance Sheet.

The Bank periodically transfers mortgages to a consolidated structured entity, LBC Covered Bond (Legislative) Guarantor Limited Partnership (the Guarantor LP), to support funding activities and asset coverage requirements under the Programme. As at April 30, 2025, the total amount of mortgages outstanding was \$659.5 million (\$683.0 million as at October 31, 2024).

7. DEPOSITS

	As at April 30, 2025			
	Demand ⁽¹⁾	Notice ⁽²⁾	Term ⁽³⁾	Total
Personal	\$ 118,375	\$ 5,325,544	\$ 15,368,177	\$ 20,812,096
Business, banks and other ⁽⁴⁾	873,218	217,117	1,971,903	3,062,238
	\$ 991,593	\$ 5,542,661	\$ 17,340,080	\$ 23,874,334

	As at October 31, 2024			
	Demand ⁽¹⁾	Notice ⁽²⁾	Term ⁽³⁾	Total
Personal	\$ 114,158	\$ 5,616,926	\$ 13,982,793	\$ 19,713,877
Business, banks and other ⁽⁴⁾	1,020,708	192,249	2,237,120	3,450,077
	\$ 1,134,866	\$ 5,809,175	\$ 16,219,913	\$ 23,163,954

(1) Demand deposits, primarily chequing accounts, consist of deposits in respect of which the Bank is not authorized to require notice prior to withdrawal by customers.

(2) Notice deposits, primarily savings accounts, consist of deposits in respect of which the Bank may legally require a withdrawal notice.

(3) Term deposits include deposits maturing at a specific date, particularly term deposits and guaranteed investment certificates, as well as senior unsecured notes and covered bonds.

(4) The Bank has access to a credit facility agreement for an amount of up to \$200 million secured by insured residential mortgage loans and maturing in August 2025, of which nil was drawn as at April 30, 2025 (nil as at October 31, 2024).

8. SHARE CAPITAL

Shares and other equity instruments – issued and outstanding⁽¹⁾

	For the six months ended			
	April 30, 2025		April 30, 2024	
	Number of shares	Amount ⁽²⁾	Number of shares	Amount ⁽²⁾
Common shares				
Outstanding at beginning of period	44,005,566	\$ 1,187,107	43,646,538	\$ 1,177,827
Issuance under the Shareholder Dividend Reinvestment and Share Purchase Plan	226,501	6,138	179,688	4,620
Outstanding at the end of period – common shares	44,232,067	\$ 1,193,245	43,826,226	\$ 1,182,447
Preferred shares and other equity instruments				
<i>Non-Cumulative Class A Preferred Shares</i>				
<i>Series 13⁽³⁾</i>				
Outstanding at beginning and end of period	5,000,000	\$ 122,071	5,000,000	\$ 122,071
<i>Limited Recourse Capital Notes (LCRN)</i>				
<i>Series 1⁽³⁾</i>				
Outstanding at beginning of period	n/a	\$ 123,483	n/a	\$ 123,487
Net sale (purchase) of treasury limited recourse capital notes ⁽⁴⁾	n/a	71	n/a	—
Outstanding at the end of period	n/a	\$ 123,554	n/a	\$ 123,487
Outstanding at the end of period – preferred shares and other equity instruments	n/a	\$ 245,625	n/a	\$ 245,558

(1) Comparative figures have been reclassified to conform to the current year presentation.

(2) Incremental costs directly attributable to the issuance of preferred shares and other equity instruments are recorded in equity as a deduction from the proceeds, net of applicable income taxes.

(3) The preferred shares and LRCN include NVCC provisions, necessary for the shares to qualify as Tier 1 regulatory capital under Basel III. NVCC provisions require the conversion of the instrument into a variable number of common shares upon the occurrence of a non-viability trigger event.

(4) When the Bank sells (purchases) its own equity instruments as part of its trading business, they are classified as treasury instruments and the cost of these instruments is recorded as an increase (a reduction) in equity.

Dividends and other

On May 13, 2025, the Board of Directors declared a dividend of \$0.38725 per Preferred Share Series 13, payable on June 15, 2025 (the "Payment Date"), that will be paid out on June 16, 2025, the first business day after the Payment Date, to shareholders of record on June 9, 2025. On May 29, 2025, the Board of Directors declared a dividend of \$0.47 per common share, payable on August 1, 2025, to shareholders of record on July 1, 2025.

Shareholder dividend reinvestment and share purchase plan

The Bank determined that as of May 29, 2025, reinvestment related to the dividend declared would be made in common shares issued from Corporate Treasury with a 2% discount.

Capital management

Regulatory capital

OSFI requires banks to meet minimum risk-based capital ratios drawn on the Basel Committee on Banking Supervision (BCBS) capital framework, commonly referred to as the Basel III Accord. Under OSFI's Capital Adequacy Requirements guideline, the Bank must maintain minimum levels of capital depending on various criteria. Tier 1 capital, the most permanent and subordinated forms of capital, consists of two components: Common Equity Tier 1 capital and Additional Tier 1 capital. Tier 1 capital is predominantly composed of common equity to ensure that risk exposures are backed by a high-quality capital base. Tier 2 capital consists of supplementary capital instruments and contributes to the overall strength of a financial institution as a going concern. Under OSFI's guideline, minimum Common Equity Tier 1, Tier 1 and Total capital ratios are set at 7.0%, 8.5% and 10.5% respectively including a 2.5% capital conservation buffer.

Under OSFI's Leverage Requirements Guideline, federally regulated deposit-taking institutions are expected to maintain a Basel III leverage ratio that always meets or exceeds 3%. The leverage ratio is defined as the Tier 1 capital divided by unweighted on-balance sheet assets and off-balance sheet commitments, derivatives and securities financing transactions, as defined within the requirements.

The Bank has complied with regulatory capital and leverage requirements throughout the six-month period ended April 30, 2025. Regulatory capital is detailed below.

	As at April 30, 2025	As at October 31, 2024
Regulatory capital		
Common Equity Tier 1 capital	\$ 2,305,154	\$ 2,281,886
Tier 1 capital	\$ 2,550,779	\$ 2,527,440
Total capital	\$ 3,006,008	\$ 2,988,733
Total risk-weighted assets ⁽¹⁾	\$ 20,943,760	\$ 20,862,290
Regulatory capital ratios		
Common Equity Tier 1 capital ratio	11.0 %	10.9 %
Tier 1 capital ratio	12.2 %	12.1 %
Total capital ratio	14.4 %	14.3 %

(1) Using the Standardized approach in determining credit risk and operational risk.

9. SHARE-BASED COMPENSATION

Share purchase option plan

During the six months ended April 30, 2025, the Bank awarded 410,367 stock options under the New Stock Option Plan with an exercise price of \$30.18 (434,710 stock options with an exercise price of \$25.86 during the six months ended April 30, 2024). The weighted-average fair value of options granted during the six months ended April 30, 2025 was \$4.77 per option (\$4.34 per option during the six months ended April 30, 2024).

The weighted-average fair value of options granted was estimated on the award date using the Black-Scholes model as well as the following assumptions.

	For the six months ended	
	April 30, 2025	April 30, 2024
Risk free interest rate	2.82 %	3.18 %
Expected life of options	8 years	8 years
Expected volatility ⁽¹⁾	22.0 %	22.5 %
Expected dividend yield	5.70 %	5.70 %

(1) Expected volatility is extrapolated from the implied volatility of the Bank's share price and observable market inputs, which are not necessarily representation of actual results.

For the six months ended April 30, 2025, the Bank recognized a compensation expense for stock option awards of \$0.5 million (\$0.6 million for the six months ended April 30, 2024).

10. POST-EMPLOYMENT BENEFITS

Expense for post-employment benefits

The total expense recognized for post-employment benefit plans was as follows:

	For the three months ended			For the six months ended	
	April 30, 2025	January 31, 2025	April 30, 2024	April 30, 2025	April 30, 2024
Defined contribution pension plans	\$ 2,618	\$ 2,570	\$ 2,690	\$ 5,188	\$ 5,435
Defined benefit pension plans	951	979	1,030	1,930	2,055
Other plans	156	160	196	316	397
	\$ 3,725	\$ 3,709	\$ 3,916	\$ 7,434	\$ 7,887

11. EARNINGS PER SHARE

	For the three months ended			For the six months ended	
	April 30, 2025	January 31, 2025	April 30, 2024	April 30, 2025	April 30, 2024
Earnings (loss) per share – basic⁽¹⁾					
Net income (loss)	\$ 32,329	\$ 38,601	\$ (117,547)	\$ 70,930	\$ (80,264)
Dividends on preferred shares and distributions on other equity instruments	1,936	5,249	1,288	7,185	5,889
Net income (loss) attributable to common shareholders	\$ 30,393	\$ 33,352	\$ (118,835)	\$ 63,745	\$ (86,153)
Weighted-average number of outstanding common shares (in thousands)	44,156	44,044	43,765	44,099	43,720
Earnings (loss) per share – basic ⁽²⁾	\$ 0.69	\$ 0.76	\$ (2.72)	\$ 1.45	\$ (1.97)
Earnings (loss) per share – diluted⁽¹⁾					
Net income (loss) attributable to common shareholders	\$ 30,393	\$ 33,352	\$ (118,835)	\$ 63,745	\$ (86,153)
Weighted-average number of outstanding common shares (in thousands)	44,156	44,044	43,765	44,099	43,720
Dilutive share purchase options (in thousands)	13	33	17	24	10
Diluted weighted-average number of outstanding common shares (in thousands)	44,169	44,077	43,782	44,123	43,730
Earnings (loss) per share – diluted ⁽²⁾	\$ 0.69	\$ 0.76	\$ (2.71)	\$ 1.44	\$ (1.97)

(1) There have been no transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of the completion of these Condensed Interim Consolidated Financial Statements which would require the restatement of earnings per share.

(2) The sum of the quarterly earnings per share may not equal to the cumulative earnings per share due to rounding.

12. FINANCIAL INSTRUMENTS – FAIR VALUE

Determining fair value

The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions. The fair value of financial instruments is best evidenced by an independent quoted market price for the same instrument in an active market when available. Otherwise, fair value is measured using valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. Fair value measurements are categorized into levels within a fair value hierarchy based on the nature of valuation inputs (Level 1, 2 or 3). Additional information on the fair value hierarchy and the valuation methodologies used by the Bank to measure the fair value of financial instruments can be found in Note 21 of the 2024 Annual Consolidated Financial Statements. There were no changes in fair value measurement methods in the period.

Financial instruments recorded at fair value in the financial statements are classified in Level 2 of the fair value hierarchy, except for securities of \$37.7 million which are classified in Level 1 as at April 30, 2025 (\$31.2 million as at October 31, 2024). Financial instruments recorded at fair value classified in Level 3 are not significant. There were no significant transfers between Level 1 and Level 2 of the hierarchy in the period.

13. INCOME RELATED TO FINANCIAL INSTRUMENTS

Income related to financial instruments reported in the Consolidated Statement of Income is detailed as follows.

Net interest income

	For the three months ended			For the six months ended	
	April 30, 2025	January 31, 2025	April 30, 2024	April 30, 2025	April 30, 2024
Interest and dividend income					
Interest income calculated using the effective interest method					
Financial instruments measured at amortized cost	\$ 509,132	\$ 534,836	\$ 573,445	\$ 1,043,968	\$ 1,160,020
Financial instruments measured at FVOCI	1,912	1,394	629	3,306	975
Interest and dividend income on financial instruments not measured at amortized cost ⁽¹⁾	1,378	2,076	1,165	3,454	11,547
	512,422	538,306	575,239	1,050,728	1,172,542
Interest expense					
Interest expense calculated using the effective interest method					
Financial instruments measured at amortized cost	325,535	337,483	352,540	663,018	716,141
Interest expense on financial instruments not measured at amortized cost ⁽¹⁾	4,706	14,616	43,088	19,322	91,536
	330,241	352,099	395,628	682,340	807,677
Net interest income	\$ 182,181	\$ 186,207	\$ 179,611	\$ 368,388	\$ 364,865

(1) Including interest income and expense on derivatives, as well as dividend income on securities not held for-trading. Dividend income was \$0.6 million for the three months ended April 30, 2025 (\$0.6 million for the three months ended January 31, 2025 and \$0.7 million for the three months ended April 30, 2024) and \$1.2 million for the six months ended April 30, 2025 (\$2.4 million for the six months ended April 30, 2024).

14. CONTINGENT LIABILITIES

Contingent liabilities and legal provisions

In the ordinary course of business, the Bank and its subsidiaries are involved in various legal and regulatory proceedings. Such proceedings involve a variety of issues, and the timing of their resolution is varied and uncertain.

Legal provisions are recognized when it becomes probable that the Bank will incur an expense related to legal proceedings and the amount can be reliably estimated. Legal provisions are recorded at the best estimate of the amounts required to settle the obligation as at the reporting date, taking into account the risks and uncertainties associated with the obligation. Management and external experts are involved in estimating any legal provision, as necessary. The actual costs of settling some obligations may be substantially higher or lower than the amounts of the provisions. In some cases, it is not possible to either determine whether an obligation is probable or to reliably estimate the amount of loss, in which case no accrual can be made. This is an area of significant judgment and uncertainty, given the varying stages of the proceedings, the fact that the Bank's liability, if any, has yet to be determined and the fact that the underlying matters will change from time to time. As such the extent of our financial and other exposure to such legal proceedings, after taking into account current accruals, could be material to our results of operations in any period.

Significant legal proceeding update

CLÉMENT, Johanne v. Laurentian Bank of Canada

In October 2023, an application seeking the authorization to institute a class action was filed against Laurentian Bank of Canada (LBC), in the Superior Court of Québec. The applicant, Ms. Johanne Clément, alleges that the service outage suffered by Laurentian Bank has resulted in thousands of customers being unable to use their banking services as of September 24, 2023, in violation of the Consumer Protection Act and the Civil Code of Québec. External counsel has been retained to represent LBC in this litigation. On January 14, 2025, a settlement agreement (the "Agreement") has been reached and this class action was authorized for settlement purposes only. The Agreement is subject to the court approval, and a hearing to that effect has been set for June 17, 2025. The ultimate resolution of this matter is not expected to have a material effect on the Bank's consolidated financial condition or results.

15. IMPAIRMENT AND RESTRUCTURING CHARGES

The following table details the Impairment and restructuring charges line item.

	For the three months ended			For the six months ended	
	April 30, 2025	January 31, 2025	April 30, 2024	April 30, 2025	April 30, 2024
Restructuring and other impairment charges⁽¹⁾					
Severance charges	\$ 2,222	\$ 589	\$ 2,924	\$ 2,811	\$ 9,579
Impairment of software and intangible assets	—	1,230	23,291	1,230	23,291
Impairment of premises and equipment	—	107	13,838	107	13,838
Charges related to leases and other	—	101	779	101	200
	2,222	2,027	40,832	4,249	46,908
P&C Banking segment impairment charges⁽²⁾					
Impairment of goodwill	\$ —	\$ —	\$ 83,929	\$ —	\$ 83,929
Impairment of software and intangible assets	—	—	66,193	—	66,193
Impairment of premises and equipment	—	—	5,811	—	5,811
	—	—	155,933	—	155,933
Total	\$ 2,222	\$ 2,027	\$ 196,765	\$ 4,249	\$ 202,841

(1) Restructuring and other impairment charges in 2025 mainly resulted from the simplification of the Bank's technology infrastructure and organizational structure. Restructuring and other impairment charges in 2024 mainly resulted from the Bank's decision to suspend the Advanced Internal-Ratings Based (AIRB) approach to credit risk project and to reduce its leased corporate office premises in Toronto, as well as from the simplification of the Bank's technology infrastructure, organizational structure and headcount reduction. Restructuring and other impairment charges mainly comprised of impairment charges, severance charges and professional fees and are included in the Impairment and restructuring charges line item.

(2) The Personal and Commercial (P&C) Banking segment impairment charges related to the impairment of the P&C Banking segment as part of the goodwill impairment test performed as at April 30, 2024. Impairment charges are included in the Impairment and restructuring charges line item.

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SHAREHOLDER INFORMATION

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www.laurentianbank.ca

Head of Complaints Resolution

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Fax : 514-284-7194
or 1-800-473-4790

Corporate Governance

The Bank's website provides information on our corporate governance practices, including our governance policies and our Board and committee mandates.
www.laurentianbank.ca/en/about-us

Transfer agent and registrar

Computershare Investor Services Inc.
650 de Maisonneuve W. Blvd,
7th Floor
Montreal, Quebec H3A 3T2

service@computershare.com
Tel.: 514-982-7888

Change of address and inquiries

Shareholders must notify the Bank's transfer agent and registrar of any change of address. Inquiries or requests may be directed to the Bank's Corporate Secretariat's Office at corporate.secretariat@laurentianbank.ca

Direct deposit service

Shareholders of the Bank may, by advising the transfer agent in writing, have their dividends deposited directly into an account held at any financial institution member of the Payments Canada.

Investors and analysts

Investors and analysts are invited to contact the Bank's Investor Relations Team.
investor.relations@lbcfg.ca

Media

Journalists may contact the Media and Investor Relations Lead Advisor at media@lbcfg.ca

Tel.: 438-364-1596

Social media



Dividend reinvestment and share purchase plan

The Bank has a dividend reinvestment and share purchase plan for Canadian holders of its common and preferred shares under which they can acquire common shares of the Bank without paying commissions or administration fees. Participants acquire shares through the reinvestment of cash dividends paid on the shares they hold or through optional cash payments of a minimum amount of \$500 per payment, up to an aggregate amount of \$20,000 in each 12-month period ending October 31.

For more information, shareholders may contact Computershare at service@computershare.com or 1-800-564-6253.

To participate in the plan, the Bank's non-registered shareholders must contact their financial institution or broker.

STOCK SYMBOL AND DIVIDEND RECORD AND PAYMENT DATES

The common and preferred shares indicated below are listed on the Toronto Stock Exchange.	CUSIP CODE / STOCK SYMBOL	RECORD DATE*	DIVIDEND PAYMENT DATE*
Common shares	51925D 10 6 / LB	First business day of:	
		January	February 1
		April	May 1
		July	August 1
		October	November 1
Preferred shares Series 13	51925D 82 5 / LB.PR.H	**	March 15
		**	June 15
		**	September 15
		**	December 15

* Subject to the approval of the Board of Directors.

** On such day (which shall not be more than 30 days preceding the date fixed for payment of such dividend) as may be determined from time to time by the Board of Directors of the Bank.