Concentra®

# Regulatory Capital Disclosure

December 31, 2018

**Concentra Bank**
**Basel III Regulatory Capital**
(Thousands of Canadian dollars, except percentages)

| | December 31, 2018 |
|---|---|
| **Common Equity Tier 1 capital: instruments and reserves** | |
| 1 Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus | 134,252 |
| 2 Retained earnings | 233,807 |
| 3 Accumulated other comprehensive income (and other reserves) | 156 |
| 6 Common Equity Tier 1 capital before regulatory adjustments | 368,215 |
| **Common Equity Tier 1 capital: regulatory adjustments(1)** | |
| 28 Total regulatory adjustments to Common Equity Tier 1 | (22,068) |
| 29 Common Equity Tier 1 capital (CET1) | 346,147 |
| **Additional Tier 1 capital: instruments** | |
| 30 Directly issued qualifying Additional Tier 1 instruments plus related stock surplus | 110,987 |
| 31 of which: classified as equity under applicable accounting standards | 110,987 |
| 36 Additional Tier 1 capital before regulatory adjustments | 110,987 |
| **Additional Tier 1 capital: regulatory adjustments** | |
| 43 Total regulatory adjustments to Additional Tier 1 capital | - |
| 44 Additional Tier 1 capital (AT1) | 110,987 |
| 45 Tier 1 capital (T1 = CET1 + AT1) | 457,134 |
| **Tier 2 capital: instruments and allowances** | |
| 50 Collective allowances | 14,881 |
| 51 Tier 2 capital before regulatory adjustments | 14,881 |
| **Tier 2 capital: regulatory adjustments(2)** | |
| 58 Tier 2 capital (T2) | 14,881 |
| 59 Total capital (TC = T1 + T2) | 472,015 |
| **60 Total risk weighted assets** | 2,926,878 |
| **60a Common Equity Tier 1 (CET1) Capital RWA** | 2,926,860 |
| **60b Tier 1 Capital RWA** | 2,926,869 |
| **60c Total Capital RWA** | 2,926,878 |
| **Capital Ratios** | |
| 61 Common Equity Tier 1 (as a percentage of risk weighted assets) | 11.83% |
| 62 Tier 1 (as a percentage of risk weighted assets) | 15.62% |
| 63 Total capital (as a percentage of risk weighted assets) | 16.13% |
| **OSFI target** | |
| 69 Common Equity Tier 1 capital target ratio | 7.00% |
| 70 Tier 1 capital target ratio | 8.50% |
| 71 Total capital target ratio | 10.50% |
| **Capital instruments subject to phase-out arrangements (only applicable between January 1, 2013 and January 1, 2022)** | |
| 82 Current cap on AT1 instruments subject to phase out arrangements | - |
| 83 Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) | - |
| 84 Current cap on T2 instruments subject to phase out arrangements | - |
| 85 Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) | - |

*(1) The regulatory adjustments include such items as goodwill, intangible assets and non-significant investments in the capital of banking, financial and insurance entities.*
*(2) Tier 2 regulatory adjustments include non-significant investments in the capital of banking, financial and insurance entities.*

## Basel III Leverage Ratio

(Thousands of Canadian dollars, except percentages)

| | December 31, 2018 |
|---|---|
| **On-balance sheet exposures** | |
| 1 On-balance sheet items (excluding derivatives, SFT's and grandfathered securitization exposures but including collateral) | 9,661,461 |
| 2 (Asset amounts deducted in determining Basel III Tier 1 capital) | (22,068) |
| 3 Total on-balance sheet exposures (excluding derivatives and SFTs) | 9,639,393 |
| **Derivative exposures** | |
| 4 Replacement cost associated with all derivative transactions(i.e. net of eligible cash variation margin | 17,948 |
| 5 Add-on amounts for PFE associated with all derivative transactions | 6,970 |
| 11 Total derivative exposures | 24,918 |
| **Other off balance sheet exposures** | |
| 17 Off balance sheet exposures at gross notional amount | 592,571 |
| 18 (Adjustments for conversion to credit equivalent amounts) | (373,780) |
| 19 Off-balance sheet items | 218,791 |
| **Capital and Total Exposure** | |
| 20 Tier 1 capital | 457,134 |
| 21 Total exposures | 9,883,102 |
| 22 Basel III leverage ratio | 4.63% |

## Concentra Trust
## Basel III Regulatory Capital
(Thousands of Canadian dollars, except percentages)

| | December 31, 2018 |
|---|---|
| **Common Equity Tier 1 capital: instruments and reserves** | |
| 1 Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus | 10,000 |
| 2 Retained earnings | 4,763 |
| 3 Accumulated other comprehensive income (and other reserves) | - |
| 6 Common Equity Tier 1 capital before regulatory adjustments | 14,763 |
| **Common Equity Tier 1 capital: regulatory adjustments** | - |
| 28 Total regulatory adjustments to Common Equity Tier 1 | (174) |
| 29 Common Equity Tier 1 capital (CET1) | 14,589 |
| 45 Tier 1 capital (T1 = CET1 + AT1) | 14,589 |
| **Tier 2 capital: instruments and allowances** | |
| 50 Collective allowances | 9 |
| 51 Tier 2 capital before regulatory adjustments | 9 |
| **Tier 2 capital: regulatory adjustments(2)** | |
| 58 Tier 2 capital (T2) | 9 |
| 59 Total capital (TC = T1 + T2) | 14,598 |
| **60 Total risk weighted assets** | 20,283 |
| **60a Common Equity Tier 1 (CET1) Capital RWA** | 20,283 |
| **60b Tier 1 Capital RWA** | 20,283 |
| **60c Total Capital RWA** | 20,283 |
| **Capital ratios** | |
| 61 Common Equity Tier 1 (as a percentage of risk weighted assets) | 71.93% |
| 62 Tier 1 (as a percentage of risk weighted assets) | 71.93% |
| 63 Total capital (as a percentage of risk weighted assets) | 71.97% |
| **OSFI target** | |
| 69 Common Equity Tier 1 capital target ratio | 7.00% |
| 70 Tier 1 capital target ratio | 8.50% |
| 71 Total capital target ratio | 10.50% |

**Concentra Trust**
**Basel III Leverage Ratio**
(Thousands of Canadian dollars, except percentages)

| | December 31, 2018 |
|---|---|
| **On-balance sheet exposures** | |
| 1 On-balance sheet items (excluding derivatives, SFT's and grandfathered securitization exposures but including collateral) | 16,649 |
| 2 (Asset amounts deducted in determining Basel III Tier 1 capital) | (174) |
| 3 Total on-balance sheet exposures (excluding derivatives and SFTs) | 16,475 |
| **Capital and Total Exposure** | |
| 20 Tier 1 capital | 14,589 |
| 21 Total exposures | 16,475 |
| 22 Basel III leverage ratio | 88.55% |