MANAGEMENT'S DISCUSSION AND ANALYSIS

FY2026 Q3 Financial Highlights

	For the three months ended			For the nine months ended	
	December 31 2025	September 30 2025	December 31 2024	December 31 2025	December 31 2024
Operating results *($ in thousands)*					
Net interest income	$ 409,265	$ 394,630	$ 362,974	$ 1,182,674	$ 1,069,290
Other income	244,816	209,637	203,703	665,986	557,233
Total revenue	654,081	604,267	566,677	1,848,660	1,626,523
Provision for (recovery of) loan losses	17,747	20,329	53,518	49,341	85,458
Non-interest expense	433,299	415,451	397,943	1,253,372	1,152,711
Income before payment in lieu of tax	203,035	168,487	115,216	545,947	388,354
Payment in lieu of tax	46,698	38,752	26,500	125,568	89,322
Net income	**$ 156,337**	**$ 129,735**	**$ 88,716**	**$ 420,379**	**$ 299,032**
Income before provisions (1)					
Total revenue	$ 654,081	$ 604,267	$ 566,677	$ 1,848,660	$ 1,626,523
Less: non-interest expense	433,299	415,451	397,943	1,253,372	1,152,711
Income before provisions	**$ 220,782**	**$ 188,816**	**$ 168,734**	**$ 595,288**	**$ 473,812**
Financial position *($ in thousands)*					
Net loans	$ 60,484,691	$ 58,074,846	$ 53,637,396	$ 60,484,691	$ 53,637,396
Total assets	71,901,394	68,931,970	65,465,994	71,901,394	65,465,994
Total risk-weighted assets (1)	49,682,717	47,904,951	44,886,682	49,682,717	44,886,682
Total deposits	48,896,805	46,952,800	43,530,156	48,896,805	43,530,156
Equity	6,018,027	5,909,335	5,646,433	6,018,027	5,646,433
Key performance measures *(%)* (1)					
Return on average assets	0.9	0.7	0.5	0.8	0.6
Return on average risk-weighted assets	1.3	1.1	0.8	1.2	0.9
Total revenue change	15.4	14.8	9.4	13.7	7.1
Other income to total revenue	37.4	34.7	35.9	36.0	34.3
Total expense change	8.9	12.1	9.0	8.7	7.8
Efficiency ratio	66.2	68.8	70.2	67.8	70.9
Net interest margin	2.36	2.39	2.34	2.39	2.34
Provision for (recovery of) loan losses to average loans	0.1	0.1	0.4	0.1	0.2
Net loan change	4.1	2.8	1.0	11.4	4.6
Total asset change	4.3	3.0	5.0	12.0	8.4
Total deposit change	4.1	6.2	1.3	12.8	7.3
Change in assets under administration	1.1	4.0	22.4	7.9	28.3
Tier 1 capital ratio	11.9	12.1	12.3	11.9	12.3
Total capital ratio	14.4	14.8	15.0	14.4	15.0
Other information					
ATB Wealth's assets under administration *($ in thousands)*	$ 40,088,033	$ 39,653,968	$ 36,623,995	$ 40,088,033	$ 36,623,995
Dividends declared *($ in thousands)*	25,000	25,000	25,000	75,000	75,000
Total clients	848,837	843,902	832,440	848,837	832,440
Team members (2)	5,345	5,241	5,410	5,345	5,410

(1) Refer to the glossary for definitions of the key performance measures listed.
(2) Reported as full-time equivalents.

INTRODUCTION

This is Management's Discussion and Analysis (MD&A) of the consolidated results of operations and the financial position of ATB Financial (ATB) for the three and nine months ended December 31, 2025 and is dated February 12, 2026. (See the Glossary and Acronyms for our defined terms.) The MD&A should be read in conjunction with the unaudited interim condensed consolidated financial statements and related notes for the period ended December 31, 2025 as well as the audited consolidated financial statements for the year ended March 31, 2025.

Caution Regarding Forward-Looking Statements

This report includes forward-looking statements. ATB may also from time to time make forward-looking statements in other written or verbal communications. These statements may involve, but are not limited to, comments relating to ATB's objectives or targets for the short and medium terms, our planned strategies or actions to achieve those objectives and the outlook for our operations or the Alberta economy. Forward-looking statements typically use the words *anticipate, believe, estimate, expect, intend, may, plan* or other similar expressions or future or conditional verbs, such as *could, should, would* or *will*.

By their very nature, forward-looking statements require ATB's management to make numerous assumptions and are subject to inherent risks and uncertainties, both general and specific. A number of factors could cause actual future results, conditions, actions or events to differ materially from the expectations, estimates or intentions expressed in the forward-looking statements. Such factors include, but are not limited to, changes in our legislative or regulatory environment; changes in ATB's markets; technological changes; changes in general economic conditions, including fluctuations in interest rates, commodity prices, currency value and liquidity conditions; the ongoing impacts on the global economy due to the current geopolitical uncertainty; and other developments, including the degree to which ATB anticipates and successfully manages the risks implied by such factors.

ATB cautions readers that the aforementioned list is not exhaustive. Anyone reading and relying on forward-looking statements should carefully consider these and other factors that could adversely affect ATB's future results as there is a significant risk that forward-looking statements will not be accurate.

ECONOMIC OUTLOOK

Unless otherwise stated, all references to years in this section refer to calendar years.

Although less damaging than feared around this time last year, protectionist U.S. trade policy, and the uncertainty surrounding it, will continue to weigh on the Canadian economy. Alberta's economy is not immune, particularly for companies and workers impacted by sectoral tariffs, but it is less exposed to the trade war than other parts of Canada. Maintaining an exemption for most Canadian exports to the U.S. is a critical concern going forward.

The tariff challenge has also been a "wake up call" to address long-standing issues in Canada including stagnant productivity and business investment. Policymakers in Canada have vowed to get major projects built in a timely fashion, reduce barriers to the flow of goods within Canada, and grow exports to non-U.S. destinations. Progress in these areas presents significant economic upside, but this depends on how well and how quickly the plans are turned into action.

In the meantime, the Bank of Canada has lowered its trendsetting policy interest rate to 2.25%. This is providing some overall economic lift, but not enough to offset the negative effects of the trade war. It is helpful that inflation is now mostly under control, but past price growth has left many households shaken and the cost of living remains a key concern.

Our forecast is for modest national GDP growth of 1.6% in 2026 and 1.8% in 2027.

In Alberta, trade uncertainty will continue to weigh on activity, but there is momentum heading into 2026 from robust oil production, a positive outlook for natural gas prices, ongoing (albeit slower) population growth, and the pick up in job growth in the last quarter of 2025. Longer-term, there continue to be signs of diversification in the province, with growth across a range of industries including aviation, petrochemicals, technology, food processing, critical minerals, renewables, emissions reduction technology, and logistics. Primary agriculture will continue to face crosscurrents with strong crop production in 2025, high cattle prices, and increased canola processing capacity pulling in one direction while softer crop prices, Chinese and Indian tariffs (though a preliminary deal with China on canola will help), and high input costs pulling in the other.

Our forecast is for the Alberta economy to grow faster than the national economy, hitting 2.1% in 2026 and 2.4% in 2027. We see the Alberta economy resuming its GDP growth in per capita terms and a rebalancing of the labour market as the unemployment rate eases. At the same time, we expect some drag from softer oil prices and uncertainty related to geopolitical events such as the U.S. intervention in Venezuela.

Implications for our clients

The economic challenges faced by our personal and business clients will spill over into their banking needs. Examples include:

- Financial anxiety linked to the rising cost of living and geopolitics.
- Mortgages renewing at higher rates than five years ago.
- Higher debt-servicing costs and debt levels.
- Disrupted supply chains, strained margins and lost export business linked to geopolitical uncertainty and tariffs.
- Slower population growth and the reduction in non-permanent residents may create challenges for retailers and landlords.

REVIEW OF CONSOLIDATED OPERATING RESULTS

Net Income

For the quarter ended December 31, 2025, net income (NI) increased from last quarter, year-over-year and year-to-date as higher non-interest expenses (NIE) were more than offset by increased total revenue and decreased loan loss provisions (LLP).

ATB's net contribution—composed of NI, payment in lieu of tax (PILOT) and deposit guarantee fee—to the GoA was $222.2 million for the three months ended December 31, 2025, an increase from last quarter ($186.7 million) and an increase year-over-year ($132.5 million) due to an increase in NI. On a year-to-date basis, ATB's net contribution was $601.1 million—an increase year-over-year ($439.0 million)—primarily driven by higher NI.

Total Revenue

Total revenue consists of net interest income (NII) and other income (OI). Total revenue was $654.1 million on a quarter-to-date basis and $1.8 billion on a year-to-date basis. The quarterly, year-over-year and year-to-date increases were due to higher NII and OI.

Net Interest Income

NII represents the difference between the interest earned on assets (such as cash, loans and securities) and interest paid on liabilities (such as deposits, wholesale borrowings and securitization). NII increased from last quarter driven by growth in our business and residential mortgage loan portfolios which was partially offset by deposit growth. NII increased year-over-year and year-to-date driven by lower rates on deposits, wholesale borrowings and securitization liabilities as well as growth in our business and residential mortgage loan portfolios.

Table 1: Changes in Net Interest Income

For the three months ended ($ in thousands)	December 31, 2025 vs. September 30, 2025 Increase (decrease) due to changes in			December 31, 2025 vs. December 31, 2024 Increase (decrease) due to changes in		
	Volume	**Rate**	**Net change**	**Volume**	**Rate**	**Net change**
Assets						
Interest-bearing deposits with financial institutions and securities	$ 7,401	$ (11,675)	$ (4,274)	$ 15,284	$ (36,755)	$ (21,471)
Loans	26,451	(7,873)	18,578	71,104	(37,425)	33,679
Change in interest income	**33,852**	**(19,548)**	**14,304**	**86,388**	**(74,180)**	**12,208**
Liabilities						
Deposits	13,984	(6,982)	7,002	27,373	(51,479)	(24,106)
Wholesale borrowings	(4,222)	(562)	(4,784)	6,829	(6,775)	54
Securitization liabilities	3,454	(3,262)	192	4,580	(9,899)	(5,319)
Securities sold under repurchase agreements	(2,355)	(576)	(2,931)	(1,613)	(2,159)	(3,772)
Obligations related to securities sold short	102	88	190	2,349	(3,289)	(940)
Change in interest expense	**10,963**	**(11,294)**	**(331)**	**39,518**	**(73,601)**	**(34,083)**
Change in net interest income	**$ 22,889**	**$ (8,254)**	**$ 14,635**	**$ 46,870**	**$ (579)**	**$ 46,291**

For the nine months ended ($ in thousands)	December 31, 2025 vs. December 31, 2024 Increase (decrease) due to changes in		
	Volume	**Rate**	**Net change**
Assets			
Interest-bearing deposits with financial institutions and securities	$ 19,543	$ (112,391)	$ (92,848)
Loans	174,132	(125,838)	48,294
Change in interest income	**193,675**	**(238,229)**	**(44,554)**
Liabilities			
Deposits	73,002	(188,795)	(115,793)
Wholesale borrowings	27,010	(32,391)	(5,381)
Securitization liabilities	478	(35,671)	(35,193)
Securities sold under repurchase agreements	7,036	(7,919)	(883)
Obligations for securities sold short	4,200	(4,888)	(688)
Change in interest expense	**111,726**	**(269,664)**	**(157,938)**
Change in net interest income	**$ 81,949**	**$ 31,435**	**$ 113,384**

Net interest margin (NIM) is the ratio of NII to average total interest-earning assets for the year. It is an important measure for ATB that demonstrates how profitable our banking business is. The ratio decreased to 2.36% from 2.39% last quarter and increased from 2.34% last year. The quarter-over-quarter decrease was primarily driven by the Bank of Canada rate cuts which lowered interest income on variable loans, cash and securities. The ratio increased year-to-date to 2.39% from 2.34%. Both the year-over-year and year-to-date increases were driven by lower borrowing costs as a result of Bank of Canada rate cuts.

Other Income

OI consists of all revenue not classified as NII.

OI increased across all comparable periods. The growth across all periods was primarily driven by higher wealth management revenue due to increased assets under administration (AUA) and strong performance in capital markets and foreign exchange revenues. Additionally, strategic investment gains contributed to the increase, alongside higher credit fees driven by strong loan growth and new deal activity. Higher financial markets revenue contributed to the quarter-over-quarter increase, while the BCV Asset Management Inc. (BCV) acquisition contributed to the year-over-year and year-to-date growth. These increases were partially offset by lower revenue from derivative financial instruments. The year-over-year and year-to-date growth were further offset by a decrease in financial markets revenue.

Provision for Loan Losses

ATB's LLP—comprising net write-offs, recoveries and required changes to the allowance for Stage 1, 2 and 3 loans—saw a provision of $17.7 million this quarter, and a decrease across all periods. The quarterly LLP change was primarily driven by a Stage 1 recovery and a reduction in new impairments—partially offset by an increase in our Stage 2 provision, which reflects increased loan loss expectations on existing loans, combined with higher write-offs. Year-over-year and year-to-date LLP contracted considerably due to the decrease in our Stage 3 provision following fewer new impairments recorded relative to prior periods. Furthermore, the year-to-date LLP included an increase in Stage 1 provision stemming from new loan growth. LLP further decreased across all comparable periods due to the benefit from the synthetic securitization portfolio. (See Note 9).

We remain committed to providing our clients with access to sound advice and a range of products and services in support of Alberta's economy, while taking appropriate measures to limit losses. As at December 31, 2025, gross impaired loans of $0.5 billion comprise 0.8% (March 31, 2025: 1.1%, December 31, 2024: 1.2%) of the total loan portfolio.

Non-Interest Expense

NIE consists of all expenses incurred by ATB except for interest expenses and LLP.

NIE increased across all comparable periods driven by an increase in costs that are variable with AUA, information technology, strategic initiatives and team member costs. The quarter-over-quarter NIE was partially offset by non-recurring vendor rebates and the fair value change related to the BCV acquisition contingent consideration, which contributed to higher NIE year-over-year and year-to-date. NIE further increased year-over-year and year-to-date driven by BCV operating costs following its acquisition on November 25, 2024.

Efficiency Ratio

The efficiency ratio, measured as total NIE divided by total revenue, measures how much it costs ATB to generate revenue. A lower ratio indicates higher efficiency at generating income. Our quarterly and year-to-date efficiency ratios were 66.2% and 67.8%, respectively. Our efficiency ratio improved across all periods due to revenue growth outpacing the increase in NIE.

REVIEW OF OPERATING RESULTS BY AREA OF EXPERTISE

Results presented in the following tables are based on ATB's internal financial reporting systems. The accounting policies used in preparing the tables are consistent with those followed in preparing the consolidated financial statements, as disclosed in the notes to the financial statements. As these results are based on ATB's internal management structure, they may not be directly comparable to those of other financial institutions. (See Note 13 in the financial statements for more on ATB's organizational structure.)

The NII, OI, NIE and LLP reported for each area may also include certain interline charges. The net effects of the internal funds transfer pricing (FTP) that impact an Area of Expertise (AOE) loan and deposit spread, and allocation charges, if any, are offset by amounts reported for strategic support units (SSUs).

Everyday Financial Services

Table 2: EFS Financial Performance

For the three months ended *($ in thousands)*	December 31 2025	September 30 2025	December 31 2024
Net interest income	$ 168,565	$ 166,773	$ 146,038
Other income	43,013	43,017	44,240
Total revenue	211,578	209,790	190,278
Provision for (recovery of) loan losses	7,568	7,265	10,725
Non-interest expense (1)	149,635	152,872	144,146
Net income before payment in lieu of tax	54,375	49,653	35,407
Payment in lieu of tax	12,507	11,420	8,143
Net income	**$ 41,868**	**$ 38,233**	**$ 27,264**
Net loans	$ 25,700,578	$ 25,130,367	$ 23,055,333
Total deposits	22,361,979	21,814,123	20,927,943

For the nine months ended *($ in thousands)*	December 31 2025	December 31 2024
Net interest income	$ 491,439	$ 433,565
Other income	129,589	126,699
Total revenue	621,028	560,264
Provision for (recovery of) loan losses	26,055	29,892
Non-interest expense (1)	448,475	426,118
Net income before payment in lieu of tax	146,498	104,254
Payment in lieu of tax	33,695	23,978
Net income	**$ 112,803**	**$ 80,276**

(1) Certain costs are allocated from the SSUs to the AOEs. The allocation method, revised annually, may create fluctuations in ATB's segmented results.

EFS's NI increased across all comparable periods. The increase in NI quarter-over-quarter was driven by an increase in NII and a reduction in NIE. The increase in NI year-over-year and year-to-date was driven by an increase in NII and a reduction in LLP, which were partially offset by an increase in NIE.

NII increased from last quarter due to strong loan and deposit growth. NII increased year-over-year and year-to-date due to an increase in residential mortgage balances and lower deposit costs on savings accounts.

OI was consistent quarter-over-quarter and year-over-year. OI increased year-to-date driven by higher credit card revenue associated with higher purchase volume and an increase in retail service charges, partially offset by a reduction in insurance surplus and lower business service charges.

LLP remained consistent quarter-over-quarter, but it was lower year-over-year and year-to-date primarily due to a reduction in our Stage 3 provision driven by fewer new impairments, which was partially offset by an increase in the Stage 1 provision stemming from new loan growth.

NIE decreased quarter-over-quarter driven by non-recurring vendor rebates. NIE increased year-over-year and year-to-date driven by technology costs. Further, the year-to-date increase was also driven by higher deposit guarantee fees and an increase in team member related costs.

Loans increased quarter-over-quarter and year-over-year driven by growth in mortgages as a result of promotions, competitive rates and market activity.

Deposits increased quarter-over-quarter and year-over-year driven by higher transaction balances and savings promotional campaigns.

ATB Business

Table 3: ATB Business Financial Performance

For the three months ended *($ in thousands)*	**December 31 2025 (1)**	**September 30 2025**	**December 31 2024**
Net interest income	$ 215,160	$ 205,420	$ 192,144
Other income	93,376	68,303	83,469
Total revenue	308,536	273,723	275,613
Provision for (recovery of) loan losses	19,122	12,313	42,538
Non-interest expense (2)	155,860	145,773	150,087
Net income before payment in lieu of tax	133,554	115,637	82,988
Payment in lieu of tax	30,718	26,596	19,089
Net income	**$ 102,836**	**$ 89,041**	**$ 63,899**
Net loans	$ 32,734,006	$ 31,671,516	$ 29,151,855
Total deposits	23,740,180	22,358,723	19,662,872

For the nine months ended *($ in thousands)*	**December 31 2025 (1)**	**December 31 2024**
Net interest income	$ 620,280	$ 588,185
Other income	227,776	220,514
Total revenue	848,056	808,699
Provision for (recovery of) loan losses	29,033	52,799
Non-interest expense (2)	447,584	436,457
Net income before payment in lieu of tax	371,439	319,443
Payment in lieu of tax	85,431	73,472
Net income	**$ 286,008**	**$ 245,971**

(1) On December 15, 2025, we completed the acquisition of Cormark Securities Inc. (Cormark). The results of Cormark have been consolidated from the closing date, which impacted results, balances, and ratios for the period. For further details refer to Note 14.
(2) Certain costs are allocated from the SSUs to the AOEs. The allocation method, revised annually, may create fluctuations in ATB's segmented results.

ATB Business's NI increased across all periods driven by an increase in total revenue which was partially offset by higher NIE. Further, a reduction in LLP contributed to the year-over-year and year-to-date increase.

NII increased across all periods due to strong loan and deposit growth and an increase in revenue associated with loan modifications.

OI increased across all periods driven by credit fees from strong loan growth and an increase in capital markets activity. An increase in activity in our rates desk contributed to the quarter-over-quarter growth in financial markets revenue. Further, an increase in advisory fees contributed to the year-over-year and year-to-date growth, which was partially offset by lower financial markets revenue.

The quarter-over-quarter increase in LLP was due to higher write-offs and an increased Stage 2 provision, tied to higher loan loss expectations on existing loans. This increase was partially mitigated by the Stage 1 recovery. LLP decreased year-over-year and year-to-date due to the higher Stage 3 provision as a result of new impairments recorded last year.

NIE increased across all periods driven by an increase in team member related costs, technology costs and strategic initiatives.

Loans grew quarter-over-quarter and year-over-year driven by growth in the energy, real estate and agriculture sectors which were partially offset by a reduction in the diversified sector.

Deposits grew quarter-over-quarter and year-over year due to growth in the energy and diversified sectors.

ATB Wealth

Table 4: ATB Wealth Financial Performance

For the three months ended ($ in thousands)	**December 31 2025 (1)**	**September 30 2025 (1)**	**December 31 2024 (1)**
Net interest income	$ 10,679	$ 10,693	$ 10,264
Other income	103,775	100,846	81,394
Total revenue	114,454	111,539	91,658
Provision for (recovery of) loan losses	(354)	(43)	(147)
Non-interest expense (2)	101,013	96,334	88,691
Net income before payment in lieu of tax	13,795	15,248	3,114
Payment in lieu of tax	3,173	3,507	374
Net income	**$ 10,622**	**$ 11,741**	**$ 2,740**
Net loans	$ 1,228,004	$ 1,216,018	$ 1,201,301
Total deposits	2,807,206	2,766,486	2,909,027
Total assets under administration	40,088,033	39,653,968	36,623,995

For the nine months ended ($ in thousands)	**December 31 2025 (1)**	**December 31 2024 (1)**
Net interest income	$ 31,729	$ 31,485
Other income	300,197	224,587
Total revenue	331,926	256,072
Provision for (recovery of) loan losses	1,001	87
Non-interest expense (2)	296,266	251,989
Net income before payment in lieu of tax	34,659	3,996
Payment in lieu of tax	7,972	578
Net income	**$ 26,687**	**$ 3,418**

(1) On November 25, 2024, we completed the acquisition of BCV. The results of BCV have been consolidated from the closing date, which impacted results, balances, and ratios for the period. For further details refer to Note 14.
(2) Certain costs are allocated from the SSUs to the AOEs. The allocation method, revised annually, may create fluctuations in ATB's segmented results.

ATB Wealth's NI was lower quarter-over-quarter driven by an increase in NIE which was partially offset by higher OI. NI increased year-over-year and year-to-date due to an increase in OI, which was partially offset by an increase in NIE.

NII was consistent across all periods.

OI increased across all periods due to higher AUA balances. On a year-over-year and year-to-date basis, OI growth was driven by the BCV acquisition.

NIE increased across all periods due to higher costs that are variable with AUA and an increase in team member costs. Additionally, the BCV acquisition contributed to an increase in NIE year-over-year and year-to-date.

LLP was consistent quarter-over-quarter, year-over-year and year-to-date.

Loan balances were consistent quarter-over-quarter and year-over-year.

Deposits were consistent quarter-over-quarter and decreased year-over-year as reinvestments in maturing fixed-date deposits declined as a result of a decrease in the Bank of Canada prime rate.

ATB Wealth's AUA increased quarter-over-quarter and year-over-year driven by market returns.

Strategic Support Units

Table 5: Strategic Support Units Financial Performance

For the three months ended *($ in thousands)*	**December 31 2025**	**September 30 2025**	**December 31 2024**
Net interest income	$ 14,861	$ 11,744	$ 14,528
Other income (loss)	4,652	(2,529)	(5,400)
Total revenue (loss)	19,513	9,215	9,128
Provision for (recovery of) loan losses	(8,589)	794	402
Non-interest expense (1)	26,791	20,472	15,019
Net income (loss) before payment in lieu of tax	1,311	(12,051)	(6,293)
Payment in lieu of (recovery of) tax	300	(2,771)	(1,106)
Net Income (loss)	**$ 1,011**	**$ (9,280)**	**$ (5,187)**

For the nine months ended *($ in thousands)*	**December 31 2025**	**December 31 2024**
Net interest income	$ 39,226	$ 16,055
Other income (loss)	8,424	(14,567)
Total revenue (loss)	47,650	1,488
Provision for (recovery of) loan losses	(6,748)	2,680
Non-interest expense (1)	61,047	38,147
Net income (loss) before payment in lieu of tax	(6,649)	(39,339)
Payment in lieu of (recovery of) tax	(1,530)	(8,706)
Net income (loss)	**$ (5,119)**	**$ (30,633)**

(1) Certain costs are allocated from the SSUs to the AOEs. The allocation method, revised annually, may create fluctuations in ATB's segmented results.

NII increased compared to last quarter and year-to-date due to an increase in swap revenue. Year-over-year, NII was consistent.

OI increased across all periods, primarily driven by foreign exchange gains. Gains on ATB's strategic investments further contributed to the quarter-over-quarter and year-to-date increase.

LLP decreased across all comparable periods as a result of the benefit from the synthetic securitization portfolio.

NIE increased across all comparable periods, primarily driven by strategic initiatives and higher team member related costs.

REVIEW OF CONSOLIDATED FINANCIAL POSITION

Total Assets

Our total assets as at December 31, 2025, are $71.9 billion, which is higher than last quarter, primarily driven by strong loan growth and an increase in cash resources. Total assets are higher year-over-year driven by strong loan growth and an increase in securities purchased under reverse repurchase agreements, which were partially offset by a decrease in cash resources.

Loans

The net loan increase this quarter and year-over-year, ending with a balance of $60.5 billion, was driven by growth in business and residential mortgage loans (RMLs).

The allowance for loan losses remained consistent quarter-over-quarter but increased year-over-year, which is attributed to new loan growth and new impairments. Our loan portfolio and the related allowance for loan losses are discussed in greater detail in Notes 7 and 8 to the financial statements.

Other Assets

ATB's other assets are composed primarily of derivative financial instruments, prepaid expenses and other receivables. Total other assets increased quarter-over-quarter and year-over-year primarily due to an increase in trading assets and distributions receivable balances. These balances were partially offset by a decrease in derivative financial instruments fair value associated with our interest rate portfolio.

Total Liabilities

Total liabilities ended the quarter at $65.9 billion, an increase quarter-over-quarter and year-over-year driven by strong deposit growth, higher wholesale borrowings to support our loan growth and an increase in securitization liabilities. These items were partially offset by a decrease in securities sold under repurchase agreements.

Deposits

ATB's principal sources of funding are client deposits. Balances have increased quarter-over-quarter and year-over-year driven by higher transaction balances, promotional campaigns and growth in the energy and diversified sectors.

Other Liabilities

ATB's other liabilities are composed primarily of securitization liabilities, wholesale borrowings, securities sold under repurchase agreements, obligations related to securities sold short and derivative financial instruments. Securitization liabilities and wholesale borrowings are used as funding sources to supplement client deposits.

Wholesale borrowings consist primarily of bearer-deposit and mid-term notes issued on ATB's behalf by the GoA, to a limit of $11.0 billion. The quarter-over-quarter and year-over-year increase in wholesale borrowings was to support our strong loan growth.

Securitization liabilities include ATB's participation in the *National Housing Act* Mortgage-Backed Security (MBS) Program with sales to the Canada Mortgage Bonds (CMB) program or third-party investors, securitization of credit card receivables and uninsured RMLs and a synthetic securitization program. (See Note 9.) Securitization liabilities increased quarter-over-quarter and year-over-year primarily due to an increase in third-party MBS issuances, expansion of our synthetic securitization program, and the commencement of a new uninsured RML program during the quarter. These increases were partially offset by a decrease in CMB MBS issuances.

Derivative liabilities decreased quarter-over-quarter and year-over-year due to a reduction in the fair value liability associated with our interest rate portfolio driven by an increase in swap rates and our foreign exchange portfolio driven by a decrease in the USD exchange rate.

Securities sold under repurchase agreements decreased quarter-over-quarter and year-over-year. Obligations related to securities sold short are related to a securities trading platform introduced during FY2025 and increased quarter-over-quarter and year-over-year.

Accumulated Other Comprehensive Income

Accumulated other comprehensive income (AOCI) includes unrealized gains and losses that are recorded in the consolidated statement of income only when realized or when certain trigger events occur. AOCI decreased quarter-over-quarter attributable to unrealized losses on derivative financial instruments designated as cash flow hedges. AOCI increased year-over-year due to the reclassification of net losses on derivative financial instruments designated as cash flow hedges to net income and unrealized gains on securities measured at fair value through other comprehensive income, partially offset by prior year remeasurement losses in our defined-benefit plan.

Regulatory Capital

ATB measures and reports capital adequacy to ensure we meet the minimum levels set out by our regulator, Alberta Superintendent of Financial Institutions (ASFI), while supporting the continued growth of our business and building value for our Shareholder.

As a Crown corporation, ATB and our subsidiaries operate under a regulatory framework established pursuant to the *ATB Act*, *ATB Regulation* and the *OSFI Capital Adequacy Requirements Guideline* (CAR Guideline). Refer to Note 25 of the 2025 financial statements for more on ATB's regulatory capital.) As at December 31, 2025, ATB had a Tier 1 capital ratio of 11.9% and a total capital ratio of 14.4%, both exceeding our regulatory requirements.

The shaded areas of the MD&A represent a discussion related to credit, market and liquidity risk and form an integral part of the interim consolidated financial statements for the period ended December 31, 2025.

Credit Risk

Credit risk is the risk of financial loss resulting from failure of a debtor, for whatever reason, to fully honour its financial or contractual obligations to ATB. Examples of typical products bearing credit risk include retail, commercial and corporate loans, guarantees, letters of credit and derivatives. Credit risk typically poses the greatest inherent risk of financial loss to lending institutions and is further amplified for ATB given our concentration in Alberta.

Key measures as at December 31, 2025, are outlined below.

Table 6: Credit Risk Exposure

The amounts shown in the table below best represent ATB's exposure to credit risk, with the year-over-year increase driven by loan growth. (See Note 4 to the financial statements.)

As at *($ in thousands)*	**December 31 2025**	**March 31 2025**
Financial assets (1)	$ 70,712,857	$ 62,879,190
Other commitments and off-balance-sheet items (2)	31,600,389	29,102,457
Total credit risk	**$ 102,313,247**	**$ 91,981,647**

(1) Financial assets include derivatives stated net of collateral held and master netting agreements.
(2) Other commitments and off-balance-sheet items include the undrawn portion of ATB's loan commitments, guarantees and letters of credit.

Table 7: Industry Concentration

ATB is inherently exposed to significant concentrations of credit risk as our clients predominantly participate in the Alberta economy. The following table presents a breakdown of the three largest single-industry segments and the single largest borrower:

As at *($ in thousands)*	**December 31 2025**	**Percentage of total gross loans**	**March 31 2025**	**Percentage of total gross loans**
Commercial real estate	$ 9,927,520	16.3%	$ 8,730,000	15.9%
Mining and oil-and-gas extraction	4,025,150	6.6%	3,373,000	6.2%
Agriculture, forestry, fishing and hunting	6,137,035	10.1%	5,475,489	10.0%
Largest borrower	$ 291,167	0.5%	$ 241,746	0.4%

Table 8: Real Estate Secured Lending (Insured and Uninsured)

RMLs and home equity lines of credit (HELOCs) are secured by residential properties. The following table breaks down the amounts and percentages of insured and uninsured RMLs and HELOCs:

As at *($ in thousands)*		December 31 2025		March 31 2025	
Residential mortgages	Insured (1)	$ 12,997,569	58.2%	$ 11,780,308	58.7%
	Uninsured	9,319,396	41.8%	8,283,304	41.3%
Total residential mortgages		**$ 22,316,965**	**100.0%**	**$ 20,063,612**	**100.0%**
Home equity lines of credit	Uninsured	$ 1,893,880	100.0%	$ 1,824,794	100.0%
Total home equity lines of credit		**$ 1,893,880**	**100.0%**	**$ 1,824,794**	**100.0%**
Total	**Insured**	**$ 12,997,569**	**53.7%**	**$ 11,780,308**	**53.8%**
	Uninsured	**11,213,276**	**46.3%**	**10,108,098**	**46.2%**

(1) Insured residential mortgages are mortgages insured against a loss caused by a borrower defaulting and include both individual and portfolio insurance. The amounts presented include bulk-insured conventional mortgages and mortgages insured by CMHC, Sagen and Canada Guaranty Mortgage Insurance.

Table 9: Real Estate Secured Lending (Amortization Period)

The following table shows the percentages of our RML portfolio that fall within various amortization periods:

As at	December 31 2025	March 31 2025
25 years and below	91.1%	93.9%
Greater than 25 years	8.9%	6.1%
Total	**100.0%**	**100.0%**

Table 10: Real Estate Secured Lending (Average Loan-to-Value Ratio)

The following table provides a summary of our average loan-to-value ratio for newly originated and acquired uninsured RML and HELOC products:

As at	December 31 2025	March 31 2025
Residential mortgages	66.0%	65.8%
Home equity lines of credit	59.5%	58.5%

ATB performs stress testing on our RML portfolio as part of our overall stress-testing program to assess the impact of an economic downturn. Severe changes in house prices, interest rates and unemployment levels are among the factors considered in our testing. ATB considers potential losses in our RML portfolio under such scenarios to be manageable, given the portfolio's higher proportion of insured and low loan-to-value ratio mortgages.

ATB has limited exposure to variable rate mortgages, which comprised 13.9% of total mortgages as at December 31, 2025, and 8.8% at March 31, 2025.

Market Risk

Market risk can arise due to changes in interest rates, trading activity, foreign exchange (FX) rates and commodity prices. ATB primarily has market risk exposure to both the risk-sensitive assets and liabilities on our balance sheet as well as to the derivatives and other financial instruments that we use to manage the various risk exposures we face.

Interest Rate Risk

Interest rate risk is the risk of a negative impact on ATB's financial position due to changes in market interest rates, rate spreads, the shape of the yield curve or any other interest rate relationship. It occurs when there is a mismatch in the repricing characteristics of interest-rate-sensitive assets (e.g., loans and investments) and interest-rate-sensitive liabilities (e.g., deposits).

Table 11: Interest Rate Sensitivity

The following table provides the potential impact of an immediate and sustained 100- and 200-basis-point increase and decrease, respectively, in interest rates on ATB's NI:

As at *($ in thousands)*	December 31 2025	March 31 2025
Impact on net earnings in succeeding year from:		
Increase in interest rates of:		
100 basis points	$ 37,766	$ 58,547
200 basis points	70,175	109,421
Decrease in interest rates of:		
100 basis points (1)	(45,318)	(69,893)
200 basis points (1)	(98,932)	(153,462)

(1) Certain aspects of the decrease in interest rate scenarios are constrained by interest rate floors when appropriate.

The potential impact of a 100- and 200-basis-point increase is well within our interest-rate-risk-management policy.

Foreign Exchange Risk

Foreign exchange risk is the risk of loss resulting from fluctuations in foreign exchange rates. This risk arises from the existence of a net asset or liability position denominated in foreign currency and/or a difference in maturity profiles for purchases and sales of a given currency.

ATB has an FX risk management policy, which establishes approved limits to our trading and non-trading FX portfolios and defines the roles and responsibilities across the three lines of defence for the ongoing identification, measurement, monitoring and management of FX risk.

ATB manages our foreign currency exposure through, for example, FX limits, measurement of non-trading exposures and buying/selling currency to remain within the Board-approved risk appetite.

ATB is within our Board-approved minimum limits as at December 31, 2025, and March 31, 2025.

Liquidity Risk

Liquidity risk is the risk that ATB may not meet all of our financial commitments in a timely manner, at reasonable prices. ATB manages liquidity risk to ensure we have timely access to cost-effective funds to meet our financial obligations as they become due, in both routine and crisis situations. We do so by managing cash flows, diversifying our funding sources and regularly stress testing, monitoring and reporting our current and forecasted liquidity position.

We measure liquidity through a series of short- and intermediate-term metrics, including the liquidity coverage ratio (LCR), net stable funding ratio and comprehensive net cumulative cash flow metrics defined in the Office of the Superintendent of Financial Institutions Liquidity Adequacy Requirements Guideline.

As at December 31, 2025, the LCR is 135.6% (March 31, 2025: 129.6%), above the Board-approved minimum limit.

Table 12: Long-Term Funding Sources

The following table describes ATB's long-term funding sources:

	December 31 2025		March 31 2025	
As at *($ in thousands)*	Long-term funding	Percentage of total	Long-term funding	Percentage of total
Wholesale borrowings	$ 6,279,930	45.2%	$ 4,589,588	41.1%
Securitization liabilities	7,610,925	54.8%	6,585,568	58.9%
Total long-term funding	**$ 13,890,855**	**100.0%**	**$ 11,175,156**	**100.0%**

CONSOLIDATED FINANCIAL STATEMENTS

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Unaudited)

As at *($ in thousands)*	Note	December 31 2025	September 30 2025	March 31 2025	December 31 2024
Cash		$ 1,526,558	$ 1,026,996	$ 836,331	$ 2,541,533
Interest-bearing deposits with financial institutions		98,843	86,950	175,945	152,944
Total cash resources		**1,625,401**	**1,113,946**	**1,012,276**	**2,694,477**
Securities measured at fair value through profit or loss		467,151	508,577	448,966	285,892
Securities measured at fair value through other comprehensive income		6,494,999	6,349,856	5,530,964	6,592,125
Total securities	6	**6,962,150**	**6,858,433**	**5,979,930**	**6,878,017**
Securities purchased under reverse repurchase agreements		**400,036**	**626,696**	**598,307**	**-**
Business		34,192,676	32,364,019	30,323,885	29,913,873
Residential mortgages		22,316,965	21,710,849	20,063,612	19,651,948
Personal		3,618,198	3,621,624	3,609,794	3,667,537
Credit card		773,537	790,174	748,285	780,369
Total gross loans		**60,901,376**	**58,486,666**	**54,745,576**	**54,013,727**
Allowance for loan losses	8	(416,685)	(411,820)	(429,048)	(376,331)
Total net loans	7	**60,484,691**	**58,074,846**	**54,316,528**	**53,637,396**
Derivative financial instruments		869,033	961,477	1,081,995	1,067,327
Property and equipment		207,097	203,026	206,022	198,786
Software and other intangibles		320,496	317,215	340,363	349,620
Other assets		1,032,490	776,331	652,825	640,371
Total other assets		**2,429,116**	**2,258,049**	**2,281,205**	**2,256,104**
Total assets		**$ 71,901,394**	**$ 68,931,970**	**$ 64,188,246**	**$ 65,465,994**
Transaction accounts		$ 16,813,986	$ 15,165,142	$ 12,938,390	$ 13,192,331
Savings accounts		11,660,230	11,492,837	11,018,911	10,674,471
Notice accounts		7,249,002	7,530,929	6,960,790	6,891,373
Non-redeemable fixed-date deposits		11,351,560	10,787,011	10,367,388	10,655,290
Redeemable fixed-date deposits		1,822,027	1,976,881	2,046,560	2,116,691
Total deposits		**48,896,805**	**46,952,800**	**43,332,039**	**43,530,156**
Securitization liabilities	9	7,305,858	7,096,841	6,550,671	6,770,855
Wholesale borrowings		6,266,751	5,407,869	4,607,377	5,607,060
Derivative financial instruments		804,366	861,955	1,000,614	1,079,420
Securities sold under repurchase agreements		203,493	629,291	959,291	340,641
Obligations related to securities sold short		411,024	287,273	179,534	103,193
Other liabilities		1,995,070	1,786,606	1,876,841	2,388,236
Total other liabilities		**16,986,562**	**16,069,835**	**15,174,328**	**16,289,405**
Total liabilities		**65,883,367**	**63,022,635**	**58,506,367**	**59,819,561**
Retained earnings		5,906,456	5,775,119	5,561,077	5,537,500
Accumulated other comprehensive income (loss)		111,571	134,216	120,802	108,933
Total equity		**6,018,027**	**5,909,335**	**5,681,879**	**5,646,433**
Total liabilities and equity		**$ 71,901,394**	**$ 68,931,970**	**$ 64,188,246**	**$ 65,465,994**

The accompanying notes are an integral part of these consolidated financial statements.

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Chris Turchansky
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Chris Turchansky
President and Chief Executive Officer

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Dan Hugo
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Dan Hugo
Chief Financial and Strategy Officer

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME

(Unaudited)

		For the three months ended			*For the nine months ended*	
($ in thousands)	Note	**December 31 2025**	**September 30 2025**	**December 31 2024**	**December 31 2025**	**December 31 2024**
Loans		$ 743,142	$ 724,564	$ 709,463	$ 2,162,410	$ 2,114,116
Securities		45,496	47,550	55,686	140,192	182,959
Interest-bearing deposits with financial institutions		6,547	8,767	17,828	23,912	73,993
Interest income		**795,185**	**780,881**	**782,977**	**2,326,514**	**2,371,068**
Deposits		295,272	291,011	324,090	868,263	985,627
Wholesale borrowings		39,542	44,326	39,488	125,925	131,306
Securitization		51,106	50,914	56,425	149,652	184,845
Interest expense		**385,920**	**386,251**	**420,003**	**1,143,840**	**1,301,778i**
Net interest income		**409,265**	**394,630**	**362,974**	**1,182,674**	**1,069,290**
Wealth management		102,946	99,322	79,860	296,559	220,626
Service charges		27,610	27,339	27,849	82,475	78,643
Card fees		22,957	23,271	23,238	69,497	71,678
Credit fees		27,692	19,922	23,598	65,110	57,658
Financial markets		19,439	14,146	23,551	47,257	57,724
Capital markets		29,164	17,508	18,870	66,342	52,867
Foreign exchange gains (losses)		7,082	2,705	(4,530)	17,904	1,915
Insurance		4,533	4,565	5,496	14,263	16,164
Net gains (losses) on derivative financial instruments		(1,167)	2,428	763	(14)	467
Net gains (losses) on securities		3,437	(2,496)	3,413	5,404	(2,209)
Sundry		1,123	927	1,595	1,189	1,700
Other income		**244,816**	**209,637**	**203,703**	**665,986**	**557,233**
Total revenue		**654,081**	**604,267**	**566,677**	**1,848,660**	**1,626,523**
Provision for (recovery of) loan losses	8	**17,747**	**20,329**	**53,518**	**49,341**	**85,458**
Salaries and employee benefits		245,803	219,877	222,074	685,953	653,107
Information technology		62,230	57,470	50,231	174,044	145,925
Premises and occupancy, including depreciation		18,770	18,652	18,507	56,263	56,415
Professional and consulting costs		35,926	35,171	22,668	100,963	61,658
Deposit guarantee fee		16,541	16,048	14,783	48,647	44,336
Equipment, including depreciation		2,391	2,490	2,976	7,415	8,726
Software and other intangibles amortization		18,996	19,106	19,137	58,123	57,722
General and administrative		21,141	20,743	21,531	62,116	62,316
ATB agencies		4,539	4,422	4,399	13,459	13,286
Other		6,962	21,472	21,637	46,389	49,220
Non-interest expense		**433,299**	**415,451**	**397,943**	**1,253,372**	**1,152,711**
Income before payment in lieu of tax		**203,035**	**168,487**	**115,216**	**545,947**	**388,354**
Payment in lieu of tax	10	46,698	38,752	26,500	125,568	89,322
Net income		**$ 156,337**	**$ 129,735**	**$ 88,716**	**$ 420,379**	**$ 299,032**

The accompanying notes are an integral part of these consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Unaudited)

	For the three months ended			For the nine months ended	
($ in thousands)	**December 31 2025**	**September 30 2025**	**December 31 2024**	**December 31 2025**	**December 31 2024**
Net income	$ 156,337	$ 129,735	$ 88,716	$ 420,379	$ 299,032
Other comprehensive income (loss)					
Items that may be reclassified subsequently to profit or loss					
Unrealized net gains (losses) on securities measured at fair value through other comprehensive income (loss)					
Unrealized net gains (losses) arising during the period	(481)	9,238	(762)	(8,665)	50,631
Net losses (gains) reclassified to net income	5,831	(4,409)	3,325	14,068	(53,694)
Unrealized net gains (losses) on derivative financial instruments designated as cash flow hedges					
Unrealized net gains (losses) arising during the period	(54,478)	5,773	(20,670)	(73,438)	67,374
Net losses (gains) reclassified to net income	25,483	12,411	21,906	52,627	98,090
Items that will not be reclassified to profit or loss					
Remeasurement of defined-benefit plan liabilities	1,000	3,204	(2,836)	6,177	504
Other comprehensive income (loss)	**(22,645)**	**26,217**	**963**	**(9,231)**	**162,905**
Comprehensive income (loss)	**$ 133,692**	**$ 155,952**	**$ 89,679**	**$ 411,148**	**$ 461,937**

The accompanying notes are an integral part of these consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Unaudited)

	For the three months ended			For the nine months ended	
($ in thousands)	**December 31 2025**	**September 30 2025**	**December 31 2024**	**December 31 2025**	**December 31 2024**
Retained earnings					
Balance at beginning of the period	$ 5,775,119	$ 5,670,384	$ 5,473,784	$ 5,561,077	$ 5,313,468
Net income	156,337	129,735	88,716	420,379	299,032
Dividends	(25,000)	(25,000)	(25,000)	(75,000)	(75,000)
Balance at end of the period	**5,906,456**	**5,775,119**	**5,537,500**	**5,906,456**	**5,537,500**
Accumulated other comprehensive income (loss)					
Securities measured at fair value through other comprehensive income					
Balance at beginning of the period	64,556	59,727	59,689	64,503	65,315
Other comprehensive income (loss)	5,350	4,829	2,563	5,403	(3,063)
Balance at end of the period	**69,906**	**64,556**	**62,252**	**69,906**	**62,252**
Derivative financial instruments designated as cash flow hedges					
Balance at beginning of the period	32,982	14,798	(29,530)	24,798	(193,758)
Other comprehensive income (loss)	(28,995)	18,184	1,236	(20,811)	165,464
Balance at end of the period	**3,987**	**32,982**	**(28,294)**	**3,987**	**(28,294)**
Defined-benefit-plan liabilities					
Balance at beginning of the period	36,678	33,474	77,811	31,501	74,471
Other comprehensive income (loss)	1,000	3,204	(2,836)	6,177	504
Balance at end of the period	**37,678**	**36,678**	**74,975**	**37,678**	**74,975**
Accumulated other comprehensive income (loss)	**111,571**	**134,216**	**108,933**	**111,571**	**108,933**
Equity	**$ 6,018,027**	**$ 5,909,335**	**$ 5,646,433**	**$ 6,018,027**	**$ 5,646,433**

The accompanying notes are an integral part of these consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(Unaudited)

	For the three months ended			*For the nine months ended*	
($ in thousands)	**December 31 2025**	**September 30 2025**	**December 31 2024**	**December 31 2025**	**December 31 2024**
Cash flows from operating activities					
Net income	$ 156,337	$ 129,735	$ 88,716	$ 420,379	$ 299,032
Adjustments for non-cash items and other items					
Provision for (recovery of) loan losses	17,747	20,329	53,518	49,341	85,458
Depreciation and amortization	29,988	30,330	29,623	91,024	90,060
Net losses (gains) on securities	(3,437)	2,496	(3,413)	(5,404)	2,209
Losses (gains) on foreign-denominated wholesale borrowings	(2,647)	5,467	4,003	(25,679)	10,518
Adjustments for net changes in operating assets and liabilities					
Loans	(2,452,622)	(1,614,531)	(608,704)	(6,245,439)	(2,414,708)
Deposits	1,948,899	2,747,299	582,846	5,571,451	2,938,101
Trading securities	(83,940)	53,748	157,718	(11,136)	(187,214)
Securities sold under repurchase agreements	(425,798)	(293,166)	(460,662)	(755,798)	198,917
Securities purchased under reverse repurchase agreements	226,553	(626,485)	-	198,270	806,562
Derivative financial instruments	5,861	(15,629)	18,167	(4,096)	35,725
Prepayments and other receivables	(159,709)	85,866	(28,618)	(249,382)	(118,784)
Accounts receivable—financial market products	188	(214)	(82,891)	1,206	(102,939)
Due to (from) clients, brokers and dealers	96,056	(151,069)	(175,120)	5,022	171,682
Deposit guarantee fee payable	19,172	18,230	17,268	(12,883)	(13,751)
Accounts payable and accrued liabilities	(33,852)	91,424	49,684	23,380	(101,310)
Accounts payable—financial market products	10	(63,404)	765,617	(10)	767,856
Liability for payment in lieu of tax	46,704	38,752	26,502	21,744	(11,294)
Net interest receivable and payable	(3,252)	(2,045)	17,989	(44,378)	(2,055)
Change in accrued-pension-benefit liability	822	1,599	239	850	(614)
Obligations related to securities sold short	123,750	17,848	(50,920)	231,489	103,193
Other	856	8,088	(22,081)	30,409	(16,343)
Net cash provided by (used in) operating activities	**(492,314)**	**484,668**	**379,481**	**(709,640)**	**2,540,301**
Cash flows from investing activities					
Acquisition, net of cash acquired (1)	(9,131)	-	(139,759)	(9,131)	(139,759)
Purchase of securities, other than trading	(3,924,644)	(2,309,275)	(2,653,196)	(8,179,103)	(7,071,308)
Proceeds from sales and maturities of securities, other than trading	3,920,758	1,789,142	1,308,196	7,225,705	5,353,301
Change in interest-bearing deposits with financial institutions	(11,893)	31,683	(13,175)	77,102	29,427
Purchases and disposals of property and equipment, software and other intangibles	(19,694)	(18,464)	(21,925)	(54,586)	(48,367)
Net cash provided by (used in) investing activities	**(44,604)**	**(506,914)**	**(1,519,859)**	**(940,013)**	**(1,876,707)**
Cash flows from financing activities					
Dividends (Note 11)	(50,000)	-	(25,000)	(75,000)	(75,000)
Issuance of wholesale borrowings	4,141,138	2,045,745	3,608,164	10,079,781	7,058,227
Repayment of wholesale borrowings	(3,275,000)	(3,094,375)	(1,600,000)	(8,423,918)	(6,463,670)
Issuance of securitization liabilities	770,786	640,286	478,040	1,796,290	1,135,779
Repayment of securitization liabilities	(542,487)	(157,753)	(275,564)	(1,013,488)	(1,245,529)
Repayment of lease liabilities	(7,957)	(7,932)	(7,926)	(23,785)	(24,623)
Net cash provided by (used in) financing activities	**1,036,480**	**(574,029)**	**2,177,714**	**2,339,880**	**385,184**
Net increase (decrease) in cash	499,562	(596,275)	1,037,336	690,227	1,048,778
Cash at beginning of the period	1,026,996	1,623,271	1,504,197	836,331	1,492,755
Cash at end of the period	**$ 1,526,558**	**$ 1,026,996**	**$ 2,541,533**	**$ 1,526,558**	**$ 2,541,533**
Net cash provided by (used in) operating activities includes:					
Interest paid	$ (391,032)	$ (359,313)	$ (486,925)	$ (1,156,135)	$ (1,393,383)
Interest received	847,490	740,103	819,117	2,342,445	2,429,142

(1) On December 15, 2025, we completed the acquisition of Cormark. The results of Cormark have been consolidated from the closing date, which impacted results, balances and ratios for the period. For further details refer to Note 14.

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025 (Unaudited)

1 Nature of Operations

ATB is an Alberta-based financial services provider engaged in retail and commercial banking, credit cards and wealth management, investment management and capital markets services. ATB is an agent of the Crown in right of Alberta and operates under the authority of the *ATB Financial Act* (the *ATB Act*), Revised Statutes of Alberta, 2000, Chapter A-37. Under the *ATB Act*, ATB was established as a provincial Crown corporation governed by a Board of Directors appointed by the Lieutenant Governor in Council. Under the *Alberta Public Agencies Governance Act*, ATB is recognized as a government commercial enterprise and remains operationally independent from the provincial government. The address of the head office is 2100, 10020-100 Street, Edmonton, Alberta, Canada, T5J 0N3.

ATB is exempt from Canadian federal and Alberta provincial income taxes but pays an amount to the Government of Alberta (GoA) designed to be in lieu of such charges. (See Note 10.)

2 Material Accounting Policies

General Information

Basis of Preparation

These interim condensed consolidated financial statements ("interim statements") have been prepared in accordance with International Accounting Standard (IAS) 34 *Interim Financial Reporting*, as issued by the International Accounting Standards Board (IASB) and the accounting requirements of ASFI. The interim statements do not include all information required for complete annual consolidated financial statements and should be read in conjunction with ATB's 2025 annual consolidated financial statements. The accounting policies, methods of computation and presentation of these interim statements are consistent with the most recent annual consolidated financial statements. These interim statements were approved by the Audit Committee on February 12, 2026.

These interim statements are presented in Canadian dollars, and all values are rounded to the nearest thousand dollars, unless otherwise indicated. They include the assets, liabilities and results of operations and cash flows of ATB and our subsidiaries. All intercompany transactions and balances have been eliminated from the consolidated results.

Significant Accounting Judgments, Estimates and Assumptions

While applying ATB's accounting policies, management has exercised judgment and made estimates in determining amounts recognized in the consolidated financial statements. The most significant judgments and estimates include the allowance for loan losses, the fair value of financial instruments and the assumptions underlying the accounting for employee benefit obligations. Actual results could differ significantly from these estimates, and the impact of any such differences will be recorded in future periods.

3 Summary of Accounting Policy Changes

Changes in Accounting Policies and Disclosures

Accounting standards and amendments that are newly effective for this fiscal year-end are detailed in Note 3 to the 2025 annual consolidated financial statements. Adoption of newly effective standards and amendments did not have a material impact on our financial statements.

Future Accounting Policy Changes

Accounting standards and amendments that are effective for future years are detailed in Note 3 to the 2025 annual consolidated financial statements.

4 Financial Instruments

Classification and Carrying Value

The following tables summarize ATB's financial instrument classifications and provide their carrying value:

As at December 31, 2025 ($ in thousands)	Carrying value: Financial instruments classified as FVTPL	Financial instruments designated as FVTPL	Financial instruments classified as FVOCI	Financial instruments designated as FVOCI	Financial instruments measured at amortized cost	Total carrying value
Financial assets						
Cash (1)	$ -	$ -	$ -	$ -	$ 1,526,558	$ 1,526,558
Interest-bearing deposits with financial institutions (1)	-	98,843	-	-	-	98,843
Total cash resources	-	98,843	-	-	1,526,558	1,625,401
Total securities (1)	464,301	2,850	6,385,036	109,963	-	6,962,150
Securities purchased under reverse repurchase agreements (1)	-	-	-	-	400,036	400,036
Total net loans (2)	-	-	-	-	60,484,691	60,484,691
Derivative financial instruments	869,033	-	-	-	-	869,033
Other assets (1) (6)	-	-	-	-	913,171	913,171
Total other assets	869,033	-	-	-	913,171	1,782,204
Total financial assets	**$ 1,333,334**	**$ 101,693**	**$ 6,385,036**	**$ 109,963**	**$ 63,324,456**	**$ 71,254,482**
Financial liabilities						
Total deposits (3)	$ -	$ -	$ -	$ -	$ 48,896,805	$ 48,896,805
Securitization liabilities (4)	-	-	-	-	7,305,858	7,305,858
Wholesale borrowings (5)	-	-	-	-	6,266,751	6,266,751
Derivative financial instruments (1)	804,366	-	-	-	-	804,366
Securities sold under repurchase agreements (1)	-	-	-	-	203,493	203,493
Obligations related to securities sold short	411,024	-	-	-	-	411,024
Other liabilities (1) (6) (7)	29,952	-	-	-	1,761,533	1,791,485
Total other liabilities	1,245,342	-	-	-	15,537,635	16,782,977
Total financial liabilities	**$ 1,245,342**	**$ -**	**$ -**	**$ -**	**$ 64,434,440**	**$ 65,679,782**

(1) The fair value is estimated to equal carrying value.
(2) The fair value of loans is estimated at $62,609,927.
(3) The fair value of deposits is estimated at $48,618,051.
(4) The fair value of securitization liabilities is estimated at $7,367,649.
(5) The fair value of wholesale borrowings is estimated at $6,332,490.
(6) Amounts presented here exclude certain other assets and other liabilities not considered financial instruments.
(7) Contingent consideration related to the acquisition of BCV. (See Note 14.)

	Carrying value					
As at March 31, 2025 *($ in thousands)*	**Financial instruments classified as FVTPL**	**Financial instruments designated as FVTPL**	**Financial instruments classified as FVOCI**	**Financial instruments designated as FVOCI**	**Financial instruments measured at amortized cost**	**Total carrying value**
Financial assets						
Cash (1)	$ -	$ -	$ -	$ -	$ 836,331	$ 836,331
Interest-bearing deposits with financial institutions (1)	-	175,945	-	-	-	175,945
Total cash resources	-	175,945	-	-	836,331	1,012,276
Total securities (1)	448,893	73	5,423,040	107,924	-	5,979,930
Securities purchased under reverse repurchase agreements (1)	-	-	-	-	598,307	598,307
Total net loans (2)	-	-	-	-	54,316,528	54,316,528
Derivative financial instruments	1,081,995	-	-	-	-	1,081,995
Other assets (1) (6)	-	-	-	-	550,556	550,556
Total other assets	1,081,995	-	-	-	550,556	1,632,551
Total financial assets	**$ 1,530,888**	**$ 176,018**	**$ 5,423,040**	**$ 107,924**	**$ 56,301,722**	**$ 63,539,592**
Financial liabilities						
Total deposits (3)	$ -	$ -	$ -	$ -	$ 43,332,039	$ 43,332,039
Securitization liabilities (4)	-	-	-	-	6,550,671	6,550,671
Wholesale borrowings (5)	-	-	-	-	4,607,377	4,607,377
Derivative financial instruments (1)	1,000,614	-	-	-	-	1,000,614
Securities sold under repurchase agreements (1)	-	-	-	-	959,291	959,291
Obligations related to securities sold short	179,534	-	-	-	-	179,534
Other liabilities (1) (6) (7)	44,975	-	-	-	1,645,901	1,690,876
Total other liabilities	1,225,123	-	-	-	13,763,240	14,988,363
Total financial liabilities	**$ 1,225,123**	**$ -**	**$ -**	**$ -**	**$ 57,095,279**	**$ 58,320,402**

(1) The fair value is estimated to equal carrying value.
(2) The fair value of loans is estimated at $56,265,702.
(3) The fair value of deposits is estimated at $43,220,603.
(4) The fair value of securitization liabilities is estimated at $6,585,996.
(5) The fair value of wholesale borrowings is estimated at $4,693,842.
(6) Amounts presented here exclude certain other assets and other liabilities not considered financial instruments.
(7) Contingent consideration related to the acquisition of BCV. (See Note 14.)

Fair-Value Hierarchy

The following tables present the level within the fair-value hierarchy as described in Note 4 of the 2025 annual consolidated financial statements, of ATB's financial assets and liabilities measured at fair value. Transfers between fair-value levels can result from additional, revised or new information about the availability of quoted market prices or observable market inputs. For the nine months ended December 31, 2025, and the year ended March 31, 2025, there were no transfers of financial instruments between Levels 1 and 2 or into and out of Level 3.

As at *($ in thousands)*	Level 1	Level 2	Level 3	Total
December 31, 2025				
Financial assets				
Interest-bearing deposits with financial institutions	$ -	$ 98,843	$ -	$ 98,843
Securities				
Securities measured at FVTPL	360,197	-	106,954	467,151
Securities measured at FVOCI	6,385,036	-	109,963	6,494,999
Other assets				
Derivative financial instruments	-	869,033	-	869,033
Total financial assets	**$ 6,745,233**	**$ 967,876**	**$ 216,917**	**$ 7,930,026**
Financial liabilities				
Other liabilities				
Securities measured at FVTPL	$ 411,024	$ -	$ -	$ 411,024
Derivative financial instruments	-	804,366	-	804,366
Other liabilities	-	-	29,952	29,952
Total financial liabilities	**$ 411,024**	**$ 804,366**	**$ 29,952**	**$ 1,245,342**
March 31, 2025				
Financial assets				
Interest-bearing deposits with financial institutions	$ -	$ 175,945	$ -	$ 175,945
Securities				
Securities measured at FVTPL	350,285	-	98,681	448,966
Securities measured at FVOCI	5,423,040	-	107,924	5,530,964
Other assets				
Derivative financial instruments	-	1,081,995	-	1,081,995
Total financial assets	**$ 5,773,325**	**$ 1,257,940**	**$ 206,605**	**$ 7,237,870**
Financial liabilities				
Other liabilities				
Securities measured at FVTPL	$ 179,534	$ -	$ -	$ 179,534
Derivative financial instruments	-	1,000,614	-	1,000,614
Other liabilities	-	-	44,975	44,975
Total financial liabilities	**$ 179,534**	**$ 1,000,614**	**$ 44,975**	**$ 1,225,123**

Valuation of Level 3 Instruments

For direct investments in private companies—as there is no observable market price as at the balance sheet date—ATB estimates the fair value using a combination of discounted cash flows and market multiples derived from quoted prices of comparative companies. Specifically, the expected earnings before interest, income tax, depreciation and amortization (EBITDA). For direct investments in capital funds, the net asset value is used in estimating the fair value of ATB's interest. The fair value of the contingent consideration related to the acquisition of BCV was calculated using a Monte Carlo simulation approach under a risk-neutral framework. A Monte Carlo simulation approach using geometric Brownian motion is commonly used to model non-linear payoff structures such as the contingent payments. (See Note 14.)

The following table presents ATB's sensitivity analysis for the fair-value measurement of the contingent consideration related to the acquisition of BCV:

	December 31, 2025			March 31, 2025		
	Range of input values			Range of input values		
	Low	Base	High	Low	Base	High
AUA discount rate	8.6%	7.6%	6.6%	8.9%	7.9%	6.9%
Fair-value of contingent consideration	$ 29,265	$ 29,952	$ 30,659	$ 43,873	$ 44,975	$ 46,085
AUA volatility	20%	25%	30%	30%	25%	20%
Fair-value of contingent consideration	$ 29,608	$ 29,952	$ 29,834	$ 43,327	$ 44,975	$ 45,493

The following table presents ATB's sensitivity analysis for the fair-value measurement of securities classified as Level 3, substituting one or more reasonably possible alternative assumptions for the unobservable inputs:

			December 31, 2025		March 31, 2025	
			Range of input values		Range of input values	
Product	Valuation technique	Significant unobservable inputs	Low	High	Low	High
Equity	Valuation multiple	Enterprise value/EBITDA multiple	2.4	6.8	3.9	9.8
		Enterprise value/revenue multiple	4.4	6.3	4.8	5.8
	Adjusted net asset value (1)	Net asset value (2)	n/a	n/a	n/a	n/a

(1) Adjusted net asset value is determined using reported net asset values obtained from the fund manager or general partner of the limited partnership and may be adjusted for current market levels where appropriate.
(2) ATB holds limited partnership interests in certain private capital funds. Net asset values are provided quarterly by each fund's general partner and, due to the wide range and diverse nature of the investments, no inputs are disclosed.

A 10% change to each multiple would result in a $6.1 million increase and decrease in fair value (March 31, 2025: $4.8 million increase and decrease). The estimate is adjusted depending on the type of investment. Valuation techniques are detailed in Note 2 of the 2025 annual consolidated financial statements.

The following tables present the changes in fair value of Level 3 securities:

($ in thousands)	Securities designated as FVOCI	Securities classified as FVTPL
Fair value as at March 31, 2025	$ 107,924	$ 98,681
Total realized and unrealized gains (losses) included in net income	-	2,974
Total realized and unrealized gains (losses) included in other comprehensive income	685	-
Purchases and issuances	1,354	5,299
Fair value as at December 31, 2025	**$ 109,963**	**$ 106,954**
Change in unrealized gains included in income regarding financial instruments held as at December 31, 2025	$ -	$ 2,974

Fair value as at March 31, 2024	$ 103,194	$ 84,041
Total realized and unrealized gains (losses) included in net income	-	(3,991)
Total realized and unrealized gains (losses) included in other comprehensive income	3,059	-
Purchases and issuances	1,671	18,631
Fair value as at March 31, 2025	**$ 107,924**	**$ 98,681**
Change in unrealized gains included in income regarding financial instruments held as at March 31, 2025	$ -	$ (3,991)

Refer to Note 14 for changes in the fair value of contingent consideration related to the acquisition of BCV.

The consolidated statement of income line item for net gains on securities includes realized and unrealized fair-value movements on all securities classified and designated at FVTPL and realized gains on securities measured at FVOCI.

5 Financial Instruments—Risk Management

ATB has included in the Risk Management section of the MD&A certain disclosures required by IFRS 7 relating to credit, market, foreign exchange and liquidity risks. These risks are shaded in blue and form an integral part of these interim condensed financial statements.

6 Securities

The carrying value of securities by remaining term to maturity and net of valuation provisions is as follows:

As at *($ in thousands)*	Within 1 year	1 to 5 years	Over 5 years	No maturity	Total carrying value
December 31, 2025					
Securities measured at FVTPL					
Trading (1)	$ 54,404	$ 128,954	$ 173,989	$ -	$ 357,347
Other securities (2)	684	-	50,140	58,980	109,804
Total securities measured at FVTPL	**$ 55,088**	**$ 128,954**	**$ 224,129**	**$ 58,980**	**$ 467,151**
Securities measured at FVOCI					
Investments—issued or guaranteed by the federal, provincial or municipal government	$ 4,106,958	$ 2,278,078	$ -	$ -	$ 6,385,036
Other securities (2)	-	-	109,963	-	109,963
Total securities measured at FVOCI	**$ 4,106,958**	**$ 2,278,078**	**$ 109,963**	**$ -**	**$ 6,494,999**
March 31, 2025					
Securities measured at FVTPL					
Trading (1)	$ 77,080	$ 136,594	$ 132,537	$ -	$ 346,211
Other securities (2)	3,998	3	60,263	38,491	102,755
Total securities measured at FVTPL	**$ 81,078**	**$ 136,597**	**$ 192,800**	**$ 38,491**	**$ 448,966**
Securities measured at FVOCI					
Investments—issued or guaranteed by the federal, provincial or municipal government	$ 2,803,822	$ 2,619,218	$ -	$ -	$ 5,423,040
Other securities (2)	-	-	107,924	-	107,924
Total securities measured at FVOCI	**$ 2,803,822**	**$ 2,619,218**	**$ 107,924**	**$ -**	**$ 5,530,964**

(1) Part of a securities trading platform.
(2) These securities relate to investments made by ATB and our subsidiaries in a broad range of mainly private Alberta companies and funds.

As at December 31, 2025, and at March 31, 2025, we had no securities classified as held-to-maturity.

7 Loans

In the retail portfolio, each borrower is assessed based on its Fair Isaac Corporation (FICO) score. The following table outlines the borrower-risk-assessment level assigned to each FICO score range:

Risk assessment	FICO score range
Very low risk	800–900
Low risk	700–799
Medium risk	620–699
High risk	619 or lower

For non-retail loans, each borrower is assigned a borrower risk rating (BRR). The following table outlines the borrower-risk-assessment level assigned to each range:

Risk assessment	BRR range
Very low risk	1–4
Low risk	5–7
Medium risk	8–9
High risk	10–13

Credit Quality

The following tables present the gross carrying amount of loans and the full contractual amount of undrawn loan commitments subject to the impairment requirements under IFRS 9:

As at *($ in thousands)*				**December 31 2025**				**March 31 2025**
	Performing		**Impaired**		**Performing**		**Impaired**	
	Stage 1	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Very low risk	$ 7,252,953	$ 166,258	$ -	$ 7,419,211	$ 6,182,243	$ 11,540	$ -	$ 6,193,783
Low risk	21,993,561	661,485	-	22,655,046	19,665,125	565,958	-	20,231,083
Medium risk	1,993,882	1,304,884	-	3,298,766	2,605,901	312,937	-	2,918,838
High risk	21	399,810	-	399,831	4,608	383,759	-	388,367
Not rated (1)	23,242	-	-	23,242	43,375	5,124	-	48,499
Impaired	-	-	396,580	396,580	-	-	543,315	543,315
Total business	**31,263,659**	**2,532,437**	**396,580**	**34,192,676**	**28,501,252**	**1,279,318**	**543,315**	**30,323,885**
Very low risk	11,427,614	15,171	-	11,442,785	10,201,754	13,947	-	10,215,701
Low risk	7,473,870	42,201	-	7,516,071	6,651,516	35,426	-	6,686,942
Medium risk	2,597,747	58,850	-	2,656,597	2,413,239	59,547	-	2,472,786
High risk	535,021	124,112	-	659,133	515,450	127,173	-	642,623
Not rated (1)	4,568	-	-	4,568	6,402	152	-	6,554
Impaired	-	-	37,811	37,811	-	-	39,006	39,006
Total residential mortgages	**22,038,820**	**240,334**	**37,811**	**22,316,965**	**19,788,361**	**236,245**	**39,006**	**20,063,612**
Very low risk	1,650,663	6,644	-	1,657,307	1,618,285	11,664	-	1,629,949
Low risk	1,214,853	17,383	-	1,232,236	1,043,631	182,811	-	1,226,442
Medium risk	511,796	20,550	-	532,346	441,123	111,461	-	552,584
High risk	119,407	36,736	-	156,143	101,950	56,034	-	157,984
Not rated (1)	5,462	156	-	5,618	5,084	876	-	5,960
Impaired	-	-	34,548	34,548	-	-	36,875	36,875
Total personal	**3,502,181**	**81,469**	**34,548**	**3,618,198**	**3,210,073**	**362,846**	**36,875**	**3,609,794**
Very low risk	126,256	2,587	-	128,843	116,061	2,353	-	118,414
Low risk	325,530	21,836	-	347,366	313,873	19,992	-	333,865
Medium risk	172,466	33,610	-	206,076	181,423	19,110	-	200,533
High risk	28,671	16,552	-	45,223	31,538	14,080	-	45,618
Not rated (1)	35,532	4,552	-	40,084	37,918	5,998	-	43,916
Impaired	-	-	5,945	5,945	-	-	5,939	5,939
Total credit card	**688,455**	**79,137**	**5,945**	**773,537**	**680,813**	**61,533**	**5,939**	**748,285**
Total loans	**57,493,115**	**2,933,377**	**474,884**	**60,901,376**	**52,180,499**	**1,939,942**	**625,135**	**54,745,576**
Total allowance for loan losses	(92,991)	(94,963)	(228,731)	(416,685)	(76,502)	(101,034)	(251,512)	(429,048)
Total net loans	**$ 57,400,124**	**$ 2,838,414**	**$ 246,153**	**$ 60,484,691**	**$ 52,103,997**	**$ 1,838,908**	**$ 373,623**	**$ 54,316,528**

(1) Loans where the client account-level risk rating has not been determined have been included in the "not rated" category.

As at *($ in thousands)*	December 31 2025				March 31 2025			
	Performing		**Impaired**		**Performing**		**Impaired**	
	Stage 1	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Very low risk	$ 5,460,838	$ 9,753	$ -	$ 5,470,591	$ 5,249,703	$ 17,136	$ -	$ 5,266,839
Low risk	1,319,207	8,824	-	1,328,031	1,065,542	154,859	-	1,220,401
Medium risk	197,687	5,258	-	202,945	157,180	34,303	-	191,483
High risk	23,924	4,003	-	27,927	21,895	7,966	-	29,861
Not rated (1)	7,294	50	-	7,344	5,070	1,174	-	6,244
Total undrawn loan commitments—retail	**7,008,950**	**27,888**	**-**	**7,036,838**	**6,499,390**	**215,438**	**-**	**6,714,828**
Total allowance for loan losses (2)	(17,663)	(3,233)	-	(20,896)	(15,895)	(4,366)	-	(20,261)
Total net undrawn—retail	**$ 6,991,287**	**$ 24,655**	**$ -**	**$ 7,015,942**	**$ 6,483,495**	**$ 211,072**	**$ -**	**$ 6,694,567**
Very low risk	$ 8,930,773	$ 101,146	$ -	$ 9,031,919	$ 8,548,050	$ 43,837	$ -	$ 8,591,887
Low risk	11,220,655	524,785	-	11,745,440	10,540,862	341,060	-	10,881,922
Medium risk	487,050	366,244	-	853,294	670,898	113,914	-	784,812
High risk	2,913	84,694	-	87,607	3,378	105,471	-	108,849
Not rated (1)	12,004	3,413	-	15,417	158,914	3,963	-	162,877
Total undrawn loan commitments—non retail	**20,653,395**	**1,080,282**	**-**	**21,733,677**	**19,922,102**	**608,245**	**-**	**20,530,347**
Total allowance for loan losses (2)	(28,791)	(13,504)	-	(42,295)	(19,769)	(15,713)	-	(35,482)
Total net undrawn—non-retail	**$ 20,624,604**	**$ 1,066,778**	**$ -**	**$ 21,691,382**	**$ 19,902,333**	**$ 592,532**	**$ -**	**$ 20,494,865**

(1) Loans where the client account-level risk rating has not been determined have been included in the "not rated" category.
(2) The allowance is presented under other liabilities in the consolidated statement of financial position.

Loans Past Due

The following loans are past due but not impaired because they are less than 90 days past due or because it is otherwise reasonable to expect timely collection of principal and interest:

As at *($ in thousands)*	**Business**	**Residential mortgages**	**Personal**	**Credit card**	**Total**	**Percentage of total gross loans**
December 31, 2025						
Up to 1 month (1)	$ 41,595	$ 97,614	$ 11,839	$ 32,036	$ 183,084	0.3%
Over 1 month up to 2 months	49,029	77,411	32,820	10,708	169,968	0.3%
Over 2 months up to 3 months	18,640	18,823	8,078	4,896	50,437	0.1%
Over 3 months	4,775	569	181	5,669	11,194	0.0%
Total past due but not impaired	**$ 114,039**	**$ 194,417**	**$ 52,918**	**$ 53,309**	**$ 414,683**	**0.7%**
March 31, 2025						
Up to 1 month (1)	$ 21,052	$ 104,389	$ 13,009	$ 29,224	$ 167,674	0.3%
Over 1 month up to 2 months	98,324	98,756	43,436	9,406	249,922	0.5%
Over 2 months up to 3 months	2,456	8,422	1,990	4,490	17,358	0.0%
Over 3 months	2,503	-	1,042	5,257	8,802	0.0%
Total past due but not impaired	**$ 124,335**	**$ 211,567**	**$ 59,477**	**$ 48,377**	**$ 443,756**	**0.8%**

(1) Loans past due by one day do not represent the borrowers' ability to meet their payment obligations and therefore are not administratively considered past due nor disclosed.

8 Allowance for Loan Losses

ATB records an allowance for losses for all loans by incorporating a forward-looking expected credit losses (ECLs) approach, as required under IFRS 9. This process involves complex models, with inputs and assumptions requiring a high degree of judgment to assess forecasts of macroeconomic variables and significant increases in credit risk. Our estimates and assumptions consider a range of possible scenarios, including the current interest rate environment. We continue to closely monitor external conditions and their impacts on our clients. Due to the unique conditions in the current environment, uncertainty in judgments and assumptions remains elevated as at December 31, 2025.

Key Inputs and Assumptions

Measuring ECLs requires a complex calculation that involves a number of variables and assumptions. The key inputs for determining ECLs are:

- A borrower's credit quality, reflected through changes in risk ratings.
- Forward-looking macroeconomic conditions.
- Changes to the probability-weighted scenarios.
- Stage migration as a result of the inputs noted above.

Forward-Looking Information

Relevant forward-looking economic information is incorporated for each loan portfolio when measuring ECLs, based on a five-year outlook considering a combination of past, current and future economic conditions and outlooks. (See Note 2 for more on how forward-looking information is incorporated to measure ECLs.)

The following tables present the primary forward-looking economic information used to measure ECLs over the next 12 months, and the remaining two-year forecast period for the three probability-weighted scenarios:

	Baseline scenario			**Optimistic scenario**			**Pessimistic scenario**		
As at	**2025**	**2026**	**2027**	**2025**	**2026**	**2027**	**2025**	**2026**	**2027**
December 31, 2025									
GDP *(%)*	2.3	2.1	2.4	2.8	4.3	3.3	1.5	(1.1)	1.7
Unemployment rate *(%)*	7.2	6.5	6.1	7.2	6.2	5.7	7.6	9.0	8.9
Housing starts	55,115	44,971	40,103	57,185	57,839	54,279	53,318	39,778	34,639
Oil prices *(WTI, USD/barrel)*	65	61	62	68	78	79	62	46	47
3m T-bill yield *(%)*	2.7	2.4	2.3	3.0	3.0	2.9	2.6	1.8	1.7
	2025	**2026**	**2027**	**2025**	**2026**	**2027**	**2025**	**2026**	**2027**
March 31, 2025									
GDP *(%)*	1.5	1.9	2.2	5.0	3.7	2.9	(1.9)	0.6	1.9
Unemployment rate *(%)*	7.6	7.5	7.3	6.0	5.1	4.9	8.9	9.3	9.0
Housing starts	40,039	39,154	38,172	50,851	51,501	50,246	28,883	26,695	26,780
Oil prices *(WTI, USD/barrel)*	68	68	71	83	88	89	57	53	53
3m T-bill yield *(%)*	2.8	2.2	2.3	3.7	3.6	3.6	2.3	2.1	2.2

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The following tables reconcile the opening and closing allowances for loans, by each major category:

For the three months ended ($ in thousands)	**Balance at beginning of period**	**Provision for (recovery of) loan losses**	**Net write-offs**	**Discounted cash flows on impaired loans and other**	**Balance at end of period**	**Comprises**	
						Loans	**Other credit instruments (1)**
December 31, 2025							
Business	$ 387,639	$ 10,964	$ (13,694)	$ 11,686	$ 396,595	$ 355,419	$ 41,176
Residential mortgages	11,856	(25)	(193)	179	11,817	9,629	2,188
Personal	41,974	4,453	(6,086)	179	40,520	30,137	10,383
Credit card	31,655	2,355	(3,057)	(9)	30,944	21,500	9,444
Total	**$ 473,124**	**$ 17,747**	**$ (23,030)**	**$ 12,035**	**$ 479,876**	**$ 416,685**	**$ 63,191**
December 31, 2024							
Business	$ 315,218	$ 41,614	$ (9,719)	$ (4,407)	$ 342,706	$ 312,600	$ 30,106
Residential mortgages	10,314	848	(458)	190	10,894	9,591	1,303
Personal	40,906	6,255	(6,146)	268	41,283	31,689	9,594
Credit card	30,996	4,801	(4,648)	42	31,191	22,451	8,740
Total	**$ 397,434**	**$ 53,518**	**$ (20,971)**	**$ (3,907)**	**$ 426,074**	**$ 376,331**	**$ 49,743**

For the nine months ended ($ in thousands)	**Balance at beginning of period**	**Provision for (recovery of) loan losses**	**Net write-offs**	**Discounted cash flows on impaired loans and other**	**Balance at end of period**	**Comprises**	
						Loans	**Other credit instruments (1)**
December 31, 2025							
Business	$ 401,440	$ 21,513	$ (30,094)	$ 3,736	$ 396,595	$ 355,419	$ 41,176
Residential mortgages	11,213	1,183	(1,055)	476	11,817	9,629	2,188
Personal	41,928	16,312	(18,221)	501	40,520	30,137	10,383
Credit card	30,210	10,333	(9,559)	(40)	30,944	21,500	9,444
Total	**$ 484,791**	**$ 49,341**	**$ (58,929)**	**$ 4,673**	**$ 479,876**	**$ 416,685**	**$ 63,191**
December 31, 2024							
Business	$ 335,963	$ 55,410	$ (33,503)	$ (15,164)	$ 342,706	$ 312,600	$ 30,106
Residential mortgages	9,957	1,371	(978)	544	10,894	9,591	1,303
Personal	40,730	16,173	(16,351)	731	41,283	31,689	9,594
Credit card	29,816	12,504	(11,167)	38	31,191	22,451	8,740
Total	**$ 416,466**	**$ 85,458**	**$ (61,999)**	**$ (13,851)**	**$ 426,074**	**$ 376,331**	**$ 49,743**

(1) Other credit instruments, including off-balance-sheet items, are recorded to other liabilities in the consolidated statement of financial position.

The following tables reconcile the opening and closing allowances for loans, by stage, for each major category:

	December 31, 2025				December 31, 2024			
	Performing		Impaired		Performing		Impaired	
For the three months ended ($ in thousands)	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Allowance for loan losses—business loans								
Balance at beginning of period	$ 98,623	$ 81,128	$ 207,888	$ 387,639	$ 76,514	$ 81,240	$ 157,464	$ 315,218
Provision for (recovery of) loan losses								
Transfers into (out of) Stage 1 (1)	3,409	(3,398)	(11)	-	1,869	(1,741)	(128)	-
Transfers into (out of) Stage 2 (1)	(14,781)	19,781	(5,000)	-	(10,909)	11,081	(172)	-
Transfers into (out of) Stage 3 (1)	(15,866)	(1,667)	17,533	-	(2,709)	(1,789)	4,498	-
New originations (2)	47,327	-	-	47,327	17,107	-	-	17,107
Repayments (3)	(12,489)	(6,633)	(1,443)	(20,565)	(4,873)	(8,831)	(315)	(14,019)
Remeasurements (4)	(19,780)	(83)	4,065	(15,798)	(7,689)	6,660	39,555	38,526
Total provision for (recovery of) loan losses	**(12,180)**	**8,000**	**15,144**	**10,964**	**(7,204)**	**5,380**	**43,438**	**41,614**
Write-offs	-	-	(14,193)	(14,193)	-	-	(10,663)	(10,663)
Recoveries	-	-	499	499	-	-	944	944
Discounted cash flows on impaired loans and other	11,043	1,241	(598)	11,686	280	156	(4,843)	(4,407)
Balance at end of period	**$ 97,486**	**$ 90,369**	**$ 208,740**	**$ 396,595**	**$ 69,590**	**$ 86,776**	**$ 186,340**	**$ 342,706**
Allowance for loan losses—residential mortgages								
Balance at beginning of period	$ 8,077	$ 2,748	$ 1,031	$ 11,856	$ 6,614	$ 2,511	$ 1,189	$ 10,314
Provision for (recovery of) loan losses								
Transfers into (out of) Stage 1 (1)	478	(248)	(230)	-	452	(378)	(74)	-
Transfers into (out of) Stage 2 (1)	(98)	195	(97)	-	(119)	262	(143)	-
Transfers into (out of) Stage 3 (1)	(2)	(79)	81	-	(1)	(189)	190	-
New originations (2)	105	-	-	105	105	-	-	105
Repayments (3)	(35)	(22)	(46)	(103)	(51)	(32)	(62)	(145)
Remeasurements (4)	(1,040)	1,046	(33)	(27)	(608)	829	667	888
Total provision for (recovery of) loan losses	**(592)**	**892**	**(325)**	**(25)**	**(222)**	**492**	**578**	**848**
Write-offs	-	-	(275)	(275)	-	-	(504)	(504)
Recoveries	-	-	82	82	-	-	46	46
Discounted cash flows on impaired loans and other	-	-	179	179	-	-	190	190
Balance at end of period	**$ 7,485**	**$ 3,640**	**$ 692**	**$ 11,817**	**$ 6,392**	**$ 3,003**	**$ 1,499**	**$ 10,894**

(1) Stage transfers represent movement between stages and exclude changes due to remeasurements.
(2) New originations relate to new loans recognized during the period.
(3) Repayments relate to loans fully repaid or derecognized and exclude loans written off where a credit loss was incurred.
(4) Remeasurements represent the change in the allowance due to changes in economic factors, risk and model parameters, and within business loans, the benefit from our synthetic securitization programs.

For the three months ended ($ in thousands)	December 31, 2025 Performing Stage 1	December 31, 2025 Performing Stage 2	December 31, 2025 Impaired Stage 3	December 31, 2025 Total	December 31, 2024 Performing Stage 1	December 31, 2024 Performing Stage 2	December 31, 2024 Impaired Stage 3	December 31, 2024 Total
Allowance for loan losses—personal loans								
Balance at beginning of period	$ 21,982	$ 3,897	$ 16,095	$ 41,974	$ 19,929	$ 6,405	$ 14,572	$ 40,906
Provision for (recovery of) loan losses								
Transfers into (out of) Stage 1 (1)	2,179	(1,780)	(399)	-	3,952	(3,480)	(472)	-
Transfers into (out of) Stage 2 (1)	(725)	1,056	(331)	-	(818)	1,380	(562)	-
Transfers into (out of) Stage 3 (1)	(240)	(688)	928	-	(193)	(1,339)	1,532	-
New originations (2)	1,163	-	-	1,163	995	-	-	995
Repayments (3)	(582)	(171)	(241)	(994)	(497)	(242)	(294)	(1,033)
Remeasurements (4)	(3,536)	1,954	5,866	4,284	(4,035)	3,572	6,756	6,293
Total provision for (recovery of) loan losses	**(1,741)**	**371**	**5,823**	**4,453**	**(596)**	**(109)**	**6,960**	**6,255**
Write-offs	-	-	(6,098)	(6,098)	-	-	(6,159)	(6,159)
Recoveries	-	-	12	12	-	-	13	13
Discounted cash flows on impaired loans and other	-	-	179	179	-	-	268	268
Balance at end of period	**$ 20,241**	**$ 4,268**	**$ 16,011**	**$ 40,520**	**$ 19,333**	**$ 6,296**	**$ 15,654**	**$ 41,283**
Allowance for loan losses—credit card								
Balance at beginning of period	$ 15,048	$ 13,193	$ 3,414	$ 31,655	$ 14,230	$ 13,679	$ 3,087	$ 30,996
Provision for (recovery of) loan losses								
Transfers into (out of) Stage 1 (1)	5,414	(5,414)	-	-	3,704	(3,704)	-	-
Transfers into (out of) Stage 2 (1)	(665)	665	-	-	(634)	634	-	-
Transfers into (out of) Stage 3 (1)	(53)	(708)	761	-	(40)	(513)	553	-
New originations (2)	341	-	-	341	241	-	-	241
Repayments (3)	(119)	(1,173)	-	(1,292)	(93)	(1,627)	-	(1,720)
Remeasurements (4)	(5,725)	6,862	2,169	3,306	(4,923)	6,838	4,365	6,280
Total provision for (recovery of) loan losses	**(807)**	**232**	**2,930**	**2,355**	**(1,745)**	**1,628**	**4,918**	**4,801**
Write-offs	-	-	(5,842)	(5,842)	-	-	(6,959)	(6,959)
Recoveries	-	-	2,785	2,785	-	-	2,311	2,311
Discounted cash flows on impaired loans and other	(8)	(2)	1	(9)	25	11	6	42
Balance at end of period	**$ 14,233**	**$ 13,423**	**$ 3,288**	**$ 30,944**	**$ 12,510**	**$ 15,318**	**$ 3,363**	**$ 31,191**
Total balance as at end of period	**$ 139,445**	**$ 111,700**	**$ 228,731**	**$ 479,876**	**$107,825**	**$111,393**	**$206,856**	**$426,074**
Comprises: Loans	$ 92,991	$ 94,963	$ 228,731	$ 416,685	$ 75,353	$ 94,122	$ 206,856	$ 376,331
Comprises: Other credit instruments (5)	46,454	16,737	-	63,191	32,472	17,271	-	49,743

(1) Stage transfers represent movement between stages and exclude changes due to remeasurements.
(2) New originations relate to new loans recognized during the period.
(3) Repayments relate to loans fully repaid or derecognized and exclude loans written off where a credit loss was incurred.
(4) Remeasurements represent the change in the allowance due to changes in economic factors and risk and model parameters.
(5) Other credit instruments, including off-balance-sheet items, are recorded to other liabilities in the consolidated statement of financial position.

For the nine months ended *($ in thousands)*	December 31, 2025 Performing Stage 1	December 31, 2025 Performing Stage 2	December 31, 2025 Impaired Stage 3	December 31, 2025 Total	December 31, 2024 Performing Stage 1	December 31, 2024 Performing Stage 2	December 31, 2024 Impaired Stage 3	December 31, 2024 Total
Allowance for loan losses—business loans								
Balance at beginning of period	$ 73,006	$ 97,256	$ 231,178	$ 401,440	$ 79,036	$ 82,741	$ 174,186	$ 335,963
Provision for (recovery of) loan losses								
Transfers into (out of) Stage 1 (1)	9,289	(8,509)	(780)	-	5,988	(5,694)	(294)	-
Transfers into (out of) Stage 2 (1)	(30,963)	36,353	(5,390)	-	(30,349)	31,303	(954)	-
Transfers into (out of) Stage 3 (1)	(36,048)	(4,320)	40,368	-	(4,436)	(13,738)	18,174	-
New originations (2)	110,936	-	-	110,936	46,678	-	-	46,678
Repayments (3)	(24,494)	(36,536)	(16,461)	(77,491)	(12,977)	(21,233)	(1,341)	(35,551)
Remeasurements (4)	(15,170)	4,962	(1,724)	(11,932)	(14,622)	13,256	45,649	44,283
Total provision for (recovery of) loan losses	**13,550**	**(8,050)**	**16,013**	**21,513**	**(9,718)**	**3,894**	**61,234**	**55,410**
Write-offs	-	-	(32,106)	(32,106)	-	-	(35,311)	(35,311)
Recoveries	-	-	2,012	2,012	-	-	1,808	1,808
Discounted cash flows on impaired loans and other	10,930	1,163	(8,357)	3,736	272	141	(15,577)	(15,164)
Balance at end of period	**$ 97,486**	**$ 90,369**	**$ 208,740**	**$ 396,595**	**$ 69,590**	**$ 86,776**	**$ 186,340**	**$ 342,706**
Allowance for loan losses—residential mortgages								
Balance at beginning of period	$ 6,879	$ 3,125	$ 1,209	$ 11,213	$ 5,887	$ 2,711	$ 1,359	$ 9,957
Provision for (recovery of) loan losses								
Transfers into (out of) Stage 1 (1)	1,365	(905)	(460)	-	1,470	(1,101)	(369)	-
Transfers into (out of) Stage 2 (1)	(179)	440	(261)	-	(276)	637	(361)	-
Transfers into (out of) Stage 3 (1)	(5)	(190)	195	-	(5)	(400)	405	-
New originations (2)	261	-	-	261	327	-	-	327
Repayments (3)	(125)	(90)	(146)	(361)	(155)	(78)	(218)	(451)
Remeasurements (4)	(711)	1,260	734	1,283	(856)	1,234	1,117	1,495
Total provision for (recovery of) loan losses	**606**	**515**	**62**	**1,183**	**505**	**292**	**574**	**1,371**
Write-offs	-	-	(1,207)	(1,207)	-	-	(1,099)	(1,099)
Recoveries	-	-	152	152	-	-	121	121
Discounted cash flows on impaired loans and other	-	-	476	476	-	-	544	544
Balance at end of period	**$ 7,485**	**$ 3,640**	**$ 692**	**$ 11,817**	**$ 6,392**	**$ 3,003**	**$ 1,499**	**$ 10,894**

(1) Stage transfers represent movement between stages and exclude changes due to remeasurements.
(2) New originations relate to new loans recognized during the period.
(3) Repayments relate to loans fully repaid or derecognized and exclude loans written off where a credit loss was incurred.
(4) Remeasurements represent the change in the allowance due to changes in economic factors and risk and model parameters, and within business loans, the benefit from our synthetic securitization programs.

For the nine months ended ($ in thousands)	December 31, 2025 Performing Stage 1	December 31, 2025 Performing Stage 2	December 31, 2025 Impaired Stage 3	December 31, 2025 Total	December 31, 2024 Performing Stage 1	December 31, 2024 Performing Stage 2	December 31, 2024 Impaired Stage 3	December 31, 2024 Total
Allowance for loan losses—personal loans								
Balance at beginning of period	$ 18,300	$ 8,042	$ 15,586	$ 41,928	$ 22,483	$ 7,025	$ 11,222	$ 40,730
Provision for (recovery of) loan losses								
Transfers into (out of) Stage 1 (1)	12,954	(11,613)	(1,341)	-	11,634	(10,375)	(1,259)	-
Transfers into (out of) Stage 2 (1)	(1,700)	2,549	(849)	-	(2,211)	3,359	(1,148)	-
Transfers into (out of) Stage 3 (1)	(613)	(2,316)	2,929	-	(791)	(3,541)	4,332	-
New originations (2)	3,428	-	-	3,428	3,306	-	-	3,306
Repayments (3)	(1,492)	(666)	(483)	(2,641)	(1,458)	(685)	(611)	(2,754)
Remeasurements (4)	(10,636)	8,272	17,889	15,525	(13,630)	10,513	18,738	15,621
Total provision for (recovery of) loan losses	**1,941**	**(3,774)**	**18,145**	**16,312**	**(3,150)**	**(729)**	**20,052**	**16,173**
Write-offs	-	-	(18,280)	(18,280)	-	-	(16,438)	(16,438)
Recoveries	-	-	59	59	-	-	87	87
Discounted cash flows on impaired loans and other	-	-	501	501	-	-	731	731
Balance at end of period	**$ 20,241**	**$ 4,268**	**$ 16,011**	**$ 40,520**	**$ 19,333**	**$ 6,296**	**$ 15,654**	**$ 41,283**
Allowance for loan losses—credit card								
Balance at beginning of period	$ 13,981	$ 12,690	$ 3,539	$ 30,210	$ 15,447	$ 11,670	$ 2,699	$ 29,816
Provision for (recovery of) loan losses								
Transfers into (out of) Stage 1 (1)	14,512	(14,512)	-	-	10,402	(10,402)	-	-
Transfers into (out of) Stage 2 (1)	(1,753)	1,753	-	-	(1,469)	1,469	-	-
Transfers into (out of) Stage 3 (1)	(125)	(1,851)	1,976	-	(103)	(1,402)	1,505	-
New originations (2)	980	-	-	980	648	-	-	648
Repayments (3)	(370)	(3,471)	-	(3,841)	(327)	(3,495)	-	(3,822)
Remeasurements (4)	(12,969)	18,826	7,337	13,194	(12,110)	17,469	10,319	15,678
Total provision for (recovery of) loan losses	**275**	**745**	**9,313**	**10,333**	**(2,959)**	**3,639**	**11,824**	**12,504**
Write-offs	-	-	(18,744)	(18,744)	-	-	(18,776)	(18,776)
Recoveries	-	-	9,185	9,185	-	-	7,609	7,609
Discounted cash flows on impaired loans and other	(23)	(12)	(5)	(40)	22	9	7	38
Balance at end of period	**$ 14,233**	**$ 13,423**	**$ 3,288**	**$ 30,944**	**$ 12,510**	**$ 15,318**	**$ 3,363**	**$ 31,191**
Total balance as at end of period	**$ 139,445**	**$ 111,700**	**$ 228,731**	**$ 479,876**	**$ 107,825**	**$ 111,393**	**$ 206,856**	**$ 426,074**
Comprises: Loans	$ 92,991	$ 94,963	$ 228,731	$ 416,685	$ 75,353	$ 94,122	$ 206,856	$ 376,331
Comprises: Other credit instruments (5)	46,454	16,737	-	63,191	32,472	17,271	-	49,743

(1) Stage transfers represent movement between stages and exclude changes due to remeasurements.
(2) New originations relate to new loans recognized during the period.
(3) Repayments relate to loans fully repaid or derecognized and exclude loans written off where a credit loss was incurred.
(4) Remeasurements represent the change in the allowance due to changes in economic factors and risk and model parameters.
(5) Other credit instruments, including off-balance-sheet items, are recorded to other liabilities in the consolidated statement of financial position.

9 Securitization Liabilities and Pledged Assets

Residential Mortgage Loans Securitization

ATB periodically securitizes insured residential mortgage loans (RMLs) and certain securities by participating in the *National Housing Act* Mortgage-Backed Security (MBS) Program. The MBSs issued as a result of this program are pledged to the CMB program or to third-party investors. The sale of mortgage pools and certain securities that comprise the MBSs does not qualify for derecognition as outlined in IFRS 9 *Financial Instruments*, as ATB retains the prepayment, credit and interest rate risks, which represent substantially all of the risks and rewards. Therefore, it is accounted for as a collateralized borrowing. (For more on the program, refer to Note 15 of the 2025 annual consolidated financial statements.)

Separate from the NHA MBS Program, ATB entered into a program with another financial institution to securitize uninsured mortgages during FY2026 Q3. This program provides an amortizing term funding channel where ATB exchanges a portion of its uninsured mortgage portfolio for liquidity. ATB retains the credit and interest rate risks. The uninsured mortgages remain on ATB's consolidated statement of financial position and have not been transferred as they do not qualify for derecognition. Interest rate swaps and a sponsor indemnity are used to manage interest rate mismatches.

Credit Card Securitization

ATB entered into a program with another financial institution to securitize credit card receivables to obtain additional funding. This program allows ATB to borrow up to 85% of the amount of credit card receivables pledged. The secured credit card receivables remain on ATB's consolidated statement of financial position and have not been transferred as they do not qualify for derecognition. Should the amount securitized not adequately support the program, ATB will be responsible for funding this shortfall.

Equipment Finance Securitization

In December 2023, ATB entered into a program with another financial institution to securitize equipment finance receivables as an additional source of funding. This program allowed ATB to borrow up to 84% of the equipment finance receivables pledged. The equipment finance receivables remained on ATB's consolidated statement of financial position and have not been transferred as they did not qualify for derecognition. This program was wound down in FY2026 Q3.

On October 31, 2025, ATB successfully entered into a strategic partnership with Essex Lease Financial Corporation (Essex) to transfer the servicing and administration responsibilities of ATB's Capital Asset Financing portfolio to Essex. Refer to Note 15 for details of the partnership and impacts to the consolidated financial statements.

Synthetic Securitization

ATB began the synthetic securitization of certain agricultural and energy loan assets during FY2025 Q1 and FY2026 Q3, respectively. This allows ATB to purchase credit protection against eligible credit events on these loans through the issuance of interest-bearing guarantee linked notes to third-party investors. The loans remain on ATB's consolidated statement of financial position and have not been transferred as they do not qualify for derecognition. As at December 31, 2025, $153.8 million (March 31, 2025: $63.8 million) in guarantee linked notes was outstanding. The guarantee linked notes are fully cash collateralized as funds in the amount of the guarantee are received on issuance. ATB has also purchased an additional $18.0 million of unfunded protection (or non-payment insurance) related to the energy loans under synthetic securitization.

The following table presents the carrying amount of assets under securitization and the associated liability recognized in the consolidated statement of financial position:

As at *($ in thousands)*	**December 31 2025**	**March 31 2025**
Principal value of insured mortgages pledged as collateral	$ 6,917,516	$ 6,148,215
ATB mortgage-backed securities (MBSs) pledged as collateral through repurchase agreements	213,311	276,980
Principal value of uninsured mortgages pledged as collateral	484,295	-
Principal value of credit card receivables pledged as collateral	715,577	678,049
Principal value of equipment finance receivables pledged as collateral	-	20,477
Principal value of loans under synthetic securitization	1,350,000	750,000
Total	**$ 9,680,699**	**$ 7,873,721**
Associated liabilities	**$ 7,305,858**	**$ 6,550,671**

10 Payment in Lieu of Tax

Pursuant to the *ATB Act*, the GoA may assess a charge to ATB as prescribed by the *ATB Financial Regulation* (*ATB Regulation*). The *ATB Regulation* defines the charge to be an amount equal to 23% of ATB's consolidated NI as reported in our audited annual financial statements. Payment in lieu of tax (PILOT) is calculated as 23% of NI reported under IFRS.

For the three and nine months ended December 31, 2025, ATB has accrued a total of $46.7 million and $125.6 million, respectively (December 31, 2024: $26.5 million and $89.3 million, respectively) for PILOT.

11 Dividends

Dividends are recorded as a reduction to equity when they are declared by the Board of Directors. For the three and nine months ended December 31, 2025, ATB declared dividends of $25.0 million and $75.0 million respectively (December 31, 2024: $25.0 million and $75.0 million, respectively).

Subsequent to December 31, 2025, ATB's Board of Directors declared a $25.0 million dividend payable to the GoA.

12 Capital Management

ATB measures and reports capital adequacy to ensure we meet the minimum levels set out by our regulator, ASFI, while supporting the continued growth of our business.

As a Crown corporation, ATB and our subsidiaries operate under a regulatory framework established pursuant to the *ATB Act* and associated regulations and guidelines. The capital adequacy requirements for ATB are defined in a guideline authorized by the Minister, which was modelled after guidelines governing other Canadian deposit-taking institutions. ATB's minimum Tier 1 capital requirement is 7%. The total capital requirement is the greater of 10% of risk-weighted assets or 5% of total assets. Risk weights are established for various on- and off-balance-sheet assets according to the degree of credit risk.

Tier 1 capital consists of retained earnings. Tier 2 capital consists of eligible portions of both wholesale borrowings and the collective allowance for loan losses. (For more details, refer to Note 25 of the 2025 annual consolidated financial statements.)

As at December 31, 2025, and at March 31, 2025, ATB has exceeded the total capital requirements and Tier 1 capital requirement of the *Capital Requirements* guideline.

As at *($ in thousands)*	**December 31 2025**	**March 31 2025**
Tier 1 capital		
Retained earnings	$ 5,906,456	$ 5,561,077
Tier 2 capital		
Eligible portions of:		
Wholesale borrowings	1,340,573	1,346,735
Collective allowance for loan losses	251,145	233,279
Total Tier 2 capital	**$ 1,591,718**	**$ 1,580,014**
Deductions from capital		
Software and other intangibles	320,496	340,363
Total capital	**$ 7,177,678**	**$ 6,800,728**
Total risk-weighted assets	$ 49,682,717	$ 45,492,743
Risk-weighted capital ratios		
Tier 1 capital ratio	11.9%	12.2%
Total capital ratio	14.4%	14.9%

13 Segmented Information

ATB has organized our operations and activities around the following three AOEs, which differ in products and services offered:

- **Everyday Financial Services** provides financial services to individuals, entrepreneurs and small businesses through our online banking platforms (ATB Personal and ATB Business Banking), voice banking, automated banking machine network and physical distribution network, powered by the ATB team members in branches, agencies and ATB Client Care.
- **ATB Business** provides financial advisory services and a securities trading platform to medium and large businesses, corporations and agricultural clients.
- **ATB Wealth** provides investment advisory services, investment management, insurance solutions, private banking and institutional portfolio management solutions.

ATB's strategic support units (SSUs) provide company-wide expertise and support to our AOEs in being client-obsessed and providing and delivering the best experience, products and services to our clients. The SSUs comprise business units of a corporate nature, including finance, risk management, technology, treasury operations, HR, internal assurance and other functions.

Basis of Presentation

Results presented in the following schedule are based on ATB's internal financial reporting systems. The accounting policies used in preparing the schedules are consistent with those followed in preparing the consolidated financial statements, as we disclose in the notes to the statements. Since these AOEs align with ATB's internal management structure, they may not be directly comparable to those of other financial institutions.

NII is attributed to each AOE according to ATB's internal funds transfer pricing (FTP) system: assets earn NII to the extent that external revenues exceed internal FTP expense, and liabilities earn NII to the extent that internal FTP revenues exceed external interest expenses. LLP is allocated based on the loans the AOE has issued and is determined based on the methodology outlined in Notes 2 and 9 of the 2025 annual consolidated financial statements.

Direct expenses are attributed across AOEs as incurred. Certain indirect expenses are allocated to ATB Wealth on the basis of service-level agreements. Other indirect costs are allocated between the reporting segments using indirect allocation methods that incorporate financial and activity-based cost drivers. Indirect expenses that are not allocated and direct expenses of a corporate or support nature are reported under SSUs.

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For the three months ended *($ in thousands)*	Everyday Financial Services	ATB Business (2)	ATB Wealth (2)	Strategic support units	Total
December 31, 2025					
Net interest income (loss)	$ 168,565	$ 215,160	$ 10,679	$ 14,861	$ 409,265
Other income (loss)	43,013	93,376	103,775	4,652	244,816
Total revenue (loss)	211,578	308,536	114,454	19,513	654,081
Provision for (recovery of) loan losses	7,568	19,122	(354)	(8,589)	17,747
Non-interest expense (1)	149,635	155,860	101,013	26,791	433,299
Income (loss) before payment in lieu of tax	54,375	133,554	13,795	1,311	203,035
Payment in lieu of (recovery of) tax	12,507	30,718	3,173	300	46,698
Net income (loss)	**$ 41,868**	**$ 102,836**	**$ 10,622**	**$ 1,011**	**$ 156,337**
Total assets	$ 35,674,280	$ 34,890,634	$ 1,308,190	$ 28,290	$ 71,901,394
Total liabilities	22,005,824	25,324,262	1,405,240	17,148,041	65,883,367
September 30, 2025					
Net interest income (loss)	$ 166,773	$ 205,420	$ 10,693	$ 11,744	$ 394,630
Other income (loss)	43,017	68,303	100,846	(2,529)	209,637
Total revenue (loss)	209,790	273,723	111,539	9,215	604,267
Provision for (recovery of) loan losses	7,265	12,313	(43)	794	20,329
Non-interest expense (1)	152,872	145,773	96,334	20,472	415,451
Income (loss) before payment in lieu of tax	49,653	115,637	15,248	(12,051)	168,487
Payment in lieu of (recovery of) tax	11,420	26,596	3,507	(2,771)	38,752
Net income (loss)	**$ 38,233**	**$ 89,041**	**$ 11,741**	**$ (9,280)**	**$ 129,735**
Total assets	$ 34,144,876	$ 33,621,726	$ 1,150,779	$ 14,589	$ 68,931,970
Total liabilities	21,425,336	23,830,447	1,259,874	16,506,978	63,022,635
December 31, 2024					
Net interest income (loss)	$ 146,038	$ 192,144	$ 10,264	$ 14,528	$ 362,974
Other income (loss)	44,240	83,469	81,394	(5,400)	203,703
Total revenue (loss)	190,278	275,613	91,658	9,128	566,677
Provision for (recovery of) loan losses	10,725	42,538	(147)	402	53,518
Non-interest expense (1)	144,146	150,087	88,691	15,019	397,943
Income (loss) before payment in lieu of tax	35,407	82,988	3,114	(6,293)	115,216
Payment in lieu of (recovery of) tax	8,143	19,089	374	(1,106)	26,500
Net income (loss)	**$ 27,264**	**$ 63,899**	**$ 2,740**	**$ (5,187)**	**$ 88,716**
Total assets	$ 33,226,328	$ 29,688,833	$ 1,378,820	$ 1,172,013	$ 65,465,994
Total liabilities	20,381,990	20,986,314	1,490,590	16,960,667	59,819,561

(1) Certain costs are allocated from the SSUs to the AOEs. The allocation method, revised annually, may create fluctuations in ATB's segmented results.
(2) On November 25, 2024, we completed the acquisition of BCV. On December 15, 2025, we completed the acquisition of Cormark. The results of BCV and Cormark have been consolidated within the ATB Wealth and Business segments respectively from the closing dates, which impacted results, balances and ratios for the period. For further details refer to Note 14.

For the nine months ended *($ in thousands)*	Everyday Financial Services	ATB Business (2)	ATB Wealth (2)	Strategic support units	Total
December 31, 2025					
Net interest income (loss)	$ 491,439	$ 620,280	$ 31,729	$ 39,226	$ 1,182,674
Other income (loss)	129,589	227,776	300,197	8,424	665,986
Total revenue (loss)	621,028	848,056	331,926	47,650	1,848,660
Provision for (recovery of) loan losses	26,055	29,033	1,001	(6,748)	49,341
Non-interest expense (1)	448,475	447,584	296,266	61,047	1,253,372
Income (loss) before payment in lieu of tax	146,498	371,439	34,659	(6,649)	545,947
Payment in lieu of (recovery of) tax	33,695	85,431	7,972	(1,530)	125,568
Net income (loss)	**$ 112,803**	**$ 286,008**	**$ 26,687**	**$ (5,119)**	**$ 420,379**
December 31, 2024					
Net interest income (loss)	$ 433,565	$ 588,185	$ 31,485	$ 16,055	$ 1,069,290
Other income (loss)	126,699	220,514	224,587	(14,567)	557,233
Total revenue (loss)	560,264	808,699	256,072	1,488	1,626,523
Provision for (recovery of) loan losses	29,892	52,799	87	2,680	85,458
Non-interest expense (1)	426,118	436,457	251,989	38,147	1,152,711
Income (loss) before payment in lieu of tax	104,254	319,443	3,996	(39,339)	388,354
Payment in lieu of (recovery of) tax	23,978	73,472	578	(8,706)	89,322
Net income (loss)	**$ 80,276**	**$ 245,971**	**$ 3,418**	**$ (30,633)**	**$ 299,032**

(1) Certain costs are allocated from the SSUs to the AOEs. The allocation method, revised annually, may create fluctuations in ATB's segmented results.
(2) On November 25, 2024, we completed the acquisition of BCV. On December 15, 2025, we completed the acquisition of Cormark. The results of BCV and Cormark have been consolidated within the ATB Wealth and Business segments respectively from the closing dates, which impacted results, balances and ratios for the period. For further details refer to Note 14.

14 Business Combinations

Cormark Securities Inc.

On December 15, 2025, ATB acquired 100% of the issued and outstanding shares in the capital of Cormark Securities Inc. (Cormark), a leading Canadian investment dealer recognized for its knowledge and commitment to the mid-cap and emerging growth market. Cormark provides investment banking, equity research coverage and institutional sales and trading to clients in Canada and internationally.

ATB used the acquisition method to account for the purchase. The interim condensed consolidated financial statements include the results of Cormark for the period from acquisition to December 31, 2025.

The provisional fair values of the identifiable assets and liabilities of Cormark as at the date of acquisition are presented in the following table:

As at *($ in thousands)*	**December 15** **2025 (1)**
Assets	
Cash	$ 48,830
Current assets	31,090
Property and equipment	1,300
Right-of-use assets	2,685
Intangible assets	3,200
Other assets	35
Total assets	**$ 87,140**
Liabilities	
Current liabilities	$ 40,248
Lease liabilities	3,309
Total liabilities	**$ 43,557**
Total identifiable net assets at fair value	**$ 43,583**
Goodwill arising on acquisition	**$ 10,461**
Purchase consideration transferred	**$ 54,044**

The following table summarizes the net cash flow on acquisition:

As at *($ in thousands)*	**December 15** **2025**
Analysis of cash flows on acquisition:	
Transaction costs of the acquisition, net of reimbursed amounts paid on behalf of Cormark (included in cash flows from operating activities)	$(3,800)
Net cash acquired with the subsidiary (included in cash flows from investing activities)	48,830
Cash paid (included in cash flows from investing activities)	(53,737)
Net cash flow on acquisition	**$ (8,707)**

(1) The Cormark closing balance sheet information has not been finalized by the date the interim condensed consolidated financial statements were approved for issue by the Board of Directors. Thus, the valuation of all assets acquired, liabilities assumed and purchase consideration transferred is provisional and may need to be subsequently adjusted, with corresponding adjustments to goodwill prior to December 16, 2026 (one year after the transaction).

The acquisition date fair value of trade receivables, included within current assets, was $30.3 million.

ATB measured the acquired lease liabilities, included in other liabilities, using the present value of the remaining lease payments at the date of acquisition. The right-of-use assets, included in property and equipment, were measured at an amount equal to the lease liabilities and adjusted to reflect the favourable terms of the leases relative to market terms.

The provisional intangible assets of $3.2 million include brand and customer relationships. The provisional goodwill of $10.5 million comprises the value of expected synergies arising from the acquisition and workforce, which is not separately recognized.

From the date of acquisition, revenue and profit were immaterial to December 31, 2025. If the combination had taken place at the beginning of the fiscal year, revenue from continuing operations would have been $61.3 million and profit from continuing operations for ATB would have been $10.1 million.

Transaction costs of $3.8 million were expensed and included in other NIE.

BCV Asset Management Inc.

On November 25, 2024, ATB acquired 100% of the issued and outstanding shares in the capital of BCV Asset Management Inc. (BCV), an unlisted Manitoba-based portfolio management firm offering customised investment solutions through separately managed accounts. ATB has acquired BCV as an opportunity to leverage the collective experience and expertise for the benefit of its clients. BCV's customised approach to portfolio management complements ATB's vision for growth and delivering personalised financial solutions to clients across Canada.

ATB used the acquisition method to account for the purchase. The valuation of all assets acquired, liabilities assumed and purchase consideration transferred was finalized during FY2026 Q2.

The fair values of the identifiable assets and liabilities of BCV as at the date of acquisition are presented in the following table:

As at *($ in thousands)*	**November 25 2024**
Assets	
Cash	$ 15,927
Current assets	11,979
Property and equipment	1,700
Right-of-use assets	2,407
Intangible assets	121,900
Total assets	**$ 153,913**
Liabilities	
Current liabilities (excluding current portion of long-term debt)	$ 16,289
Assumed liabilities	26,012
Lease liabilities	3,275
Total liabilities	**$ 45,576**
Total identifiable net assets at fair value	**$ 108,337**
Goodwill arising on acquisition	**$ 86,667**
Purchase consideration transferred	**$ 195,004**

The following table reconciles the purchase consideration to enterprise value:

As at *($ in thousands)*	**November 25 2024**
Purchase consideration:	
Cash consideration	$ 160,000
Closing working capital adjustment	114
Closing cash adjustment	15,927
Closing indebtedness	(26,012)
Contingent consideration liability	44,975
Total consideration	**$ 195,004**
Closing indebtedness	26,012
Closing cash	(15,927)
Enterprise value	**$ 205,089**

The following table summarizes the net cash flow on acquisition:

As at *($ in thousands)*	**November 25 2024**
Analysis of cash flows on acquisition:	
Transaction costs of the acquisition, net of reimbursed amounts paid on behalf of BCV (included in cash flows from operating activities)	$ (3,310)
Net cash acquired with the subsidiary (included in cash flows from investing activities)	15,927
Cash paid (included in cash flows from investing activities)	(157,951)
Net cash flow on acquisition	**$ (145,334)**

The acquisition date fair value of trade receivables, included within other assets, was $11.8 million.

ATB measured the acquired lease liabilities, included in other liabilities, using the present value of the remaining lease payments at the date of acquisition. The right-of-use assets, included in property and equipment, were measured at an amount equal to the lease liabilities and adjusted to reflect the favourable terms of the leases relative to market terms.

The intangible assets of $121.9 million include brand and customer and referral relationships. The goodwill of $86.7 million comprises the value of expected synergies arising from the acquisition and workforce, which is not separately recognized. Intangibles and goodwill are allocated entirely to the SSU segment.

Included in closing indebtedness was $20.9 million for immediately settling BCV's income tax liabilities, such that the tax liabilities would be extinguished. This amount was recognized separately by ATB from the acquisition of assets and assumption of current liabilities in the business combination. Therefore, in determining the purchase consideration, $20.9 million was excluded and treated as an immediate post-acquisition settlement of the income tax liability.

Transaction costs of $3.3 million were expensed and included in other NIE for the year ended March 31, 2025.

The results of operations of the BCV acquisition are included in the consolidated statement of income and consolidated statement of changes in equity from the date of acquisition. Such results of operations and the related assets and liabilities as at December 31, 2025 are included in the consolidated statement of financial position. Revenue of $26.0 million and profit from continuing operations of $7.3 million were included in the consolidated statement of income for the year ended March 31, 2025.

Contingent Consideration

As part of the purchase agreement with the previous owners of BCV, ATB has agreed to pay cash payments to the previous owners, determined in tranches, up to a possible total of $70.0 million based on the future value of AUA.

At the acquisition date, the fair value of the contingent consideration was estimated to be $45.0 million. The contingent consideration is classified in other liabilities.

As at December 31, 2025, ATB's current forecasts for the AUA of BCV indicate that certain targets will be achieved and future cash payments will be made to the previous owners due to the synergies realized. The fair value of the contingent consideration as at December 31, 2025, reflects this development, among other factors. The fair value is determined using a discounted cash flow model.

A reconciliation of fair value measurement of the contingent consideration liability (Level 3) is provided below:

($ in thousands)	**Contingent consideration**
Fair value as at March 31, 2025	$ 44,975
Unrealized fair value changes recognized in profit or loss	9,977
Contingent consideration payable	(25,000)
Fair value as at December 31, 2025	**$ 29,952**
Fair value as at April 1, 2024	$ -
Liability arising on business combination	44,975
Fair value as at March 31, 2025	**$ 44,975**

15 Strategic Transactions

Partnership with Essex Lease Financial Corporation

On October 31, 2025, ATB successfully entered into a strategic partnership with Essex Lease Financial Corporation (Essex) to transfer the servicing responsibilities of ATB's Capital Asset Financing portfolio to Essex. To securitize the transaction, a significant portion of loans and leases were transferred to a special purpose vehicle (SPV) structured as a trust. In exchange, ATB received debt notes issued by the SPV and concurrently transferred to Essex $18.0 million of debt notes in exchange for an $18.0 million equity interest in Essex. ATB retains significant ongoing economic interest in the underlying loans and leases of the portfolio and, under IFRS Accounting Standards, the loans will continue to be recognized in the consolidated financial statements of ATB.

16 Comparative Amounts

Certain comparative amounts have been reclassified to conform to the current period's presentation.

GLOSSARY

(Unaudited)

Achievement note	A long-term investment note whose return is directly tied to the increasing or decreasing value of ATB Wealth.
Allowance for loan losses	A total allowance that represents management's best estimate of expected losses for both performing and impaired loans that ATB has issued. Losses are estimated based on probability-weighted scenarios that consider both historical and forward-looking economic assumptions over a 12-month and lifetime horizon or on the discounted contractual cash shortfall expected over the remaining lifetime.
Assets under administration	Assets that are beneficially owned by clients for which ATB provides management and custodial services. These assets are not reported on ATB's consolidated statement of financial position.
Average assets	The average of the daily total asset balances during the period.
Average interest-earning assets	The daily average for the period of cash held in the Bank of Canada's large-value transfer system, deposits with financial institutions, securities and net loans.
Average risk-weighted assets	The monthly average value of assets calculated by applying a prescribed risk-weighted factor to on- and off-balance-sheet asset exposures.
Basis point	One one-hundredth of one percent (0.01%).
Carrying value	The net value of an asset or liability as reported within the consolidated financial statements.
Collateral	Assets pledged as security for a loan or other obligation.
Credit risk	The risk of financial loss resulting from failure of a debtor, for whatever reason, to fully honour its financial or contractual obligations to ATB.
Derivative or derivative contract	A contract whose value changes by reference to a specified underlying variable, such as interest rates, foreign exchange rates or equity or commodity prices. Use of derivatives allows for the mitigation of current or expected risks relating to these variables. Derivatives typically require little or no initial net investment and are settled at a future date. The most common types of derivatives ATB uses include interest rate swaps, foreign exchange and commodity forwards and futures contracts.
Efficiency ratio	Non-interest expense for the period divided by total revenue for the period. May be referred to as the "productivity ratio" by other financial institutions.
Embedded derivative	A component of a financial instrument or other contract with features similar to a derivative.
Fair value	The amount for which an asset or liability could be exchanged between knowledgeable, willing parties in an arm's-length transaction.
Financial instrument	Any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. A financial asset/liability is the right to receive/deliver cash or another financial asset or the right to exchange financial instruments with another party under favourable or unfavourable conditions. An equity instrument is a contract that represents a residual interest in another entity's assets.
Foreign exchange forward contract	A commitment to buy or sell a fixed amount of foreign currency on a future specified date at a set rate of exchange.
Foreign exchange risk	The potential risk of loss resulting from fluctuations in foreign exchange rates. It arises from the existence of a net asset or liability position denominated in foreign currencies and/or a difference in maturity profiles for purchases and sales of a given currency.
Forwards and futures	Commitments to buy or sell designated amounts of commodities or currencies on a specified date at a predetermined price. Forwards are customized contracts transacted in the over-the-counter market. Futures are traded on recognized exchanges.
Funds transfer pricing (FTP)	An internal allocation process used to calculate the profitability of the areas of expertise and isolate them from interest rate risk.

Guarantee linked note	A financial instrument used to transfer credit risk from the issuer (in other words, the protection buyer) to an investor (in other words, the protection seller). It is backed by a single asset, a basket of assets or a whole loan portfolio originated by the issuer. The investor purchases the guarantee linked note at (typically) par value and in return receives periodic coupon payments (typically floating, but could be fixed) and the face value of the asset at maturity, minus losses (or write-downs) incurred from the underlying portfolio.
Hedging	A risk management technique used to reduce uncertainty associated with current or anticipated exposure to future movements in interest rates, foreign exchange rates and equity or commodity prices.
Impaired loan	A loan for which there is no longer reasonable assurance of the timely collection of principal or interest.
Income before provisions	All ATB revenue (operating revenue) minus non-interest expense (operating expenses). Does not include payment in lieu of tax or loan loss provision expenses.
Interest rate floor	A contract whereby the buyer pays the seller a premium in exchange for the payment of any difference below a set strike interest rate and the prevailing market interest rate on predetermined dates.
Interest rate risk	The potential for financial loss arising from changes in interest rates in the spread between two rates, in the shape of the yield curve or in any other interest rate relationship.
Letter of credit	ATB's guarantee of payment to an interested third party in the event the client defaults on an agreement.
Letter of guarantee	A contract issued by ATB for a client to purchase goods from a supplier, even if the client defaults.
Liquidity coverage ratio (LCR)	High-quality liquid assets divided by total net cash outflows over the next 30 calendar days. LCR is designed to ensure sufficient liquid assets are on hand to endure a short-term liquidity stress scenario over 30 calendar days. Under normal conditions, the LCR should be no lower than 100%.
Liquidity risk	The risk of being unable to meet financial commitments, under all circumstances, without having to raise funds at unreasonable prices or force the sale of assets. As with other similar financial institutions, ATB's risk arises from fluctuations in cash flows from lending, deposit-taking, investing and other activities. These commitments are generally met through cash flows supplemented by investment assets readily convertible to cash or through our capacity to borrow.
Loan loss provision (LLP)	An expense representing management's best estimate of expected losses for both performing and impaired loans as well as related off-balance-sheet loan commitments that ATB has issued. Losses are estimated based on probability-weighted scenarios that consider both historical and forward-looking economic assumptions over a 12-month or lifetime horizon or based on the discounted contractual cash shortfall expected over the remaining lifetime.
Loan losses to average loans	The provision for loan losses divided by average net loans.
Loss given default (LGD)	The loss incurred when a borrower defaults on a loan. This is typically a percentage of the exposure at risk that is not expected to be recovered in the event of default.
Market risk	The risk that a loss may be incurred as a result of adverse changes in interest rates, foreign exchange rates and equity or commodity market prices.
Mortgage-backed securities (MBS)	Securities established through the securitization of residential mortgage loans.
Net assets gathered	Net of assets inflows and outflows at period-end.
Net income (NI)	Income after the removal of expenses, provision for loan losses and payment in lieu of tax.
Net interest income (NII)	The difference between interest earned on assets, such as cash, securities and loans, and interest paid on liabilities, such as deposits, wholesale borrowings and securitization liabilities.
Net interest margin (NIM)	The ratio of net interest income for the period to the value of average interest-earning assets for the period.
Net loan change	Net loans outstanding at period-end less net loans outstanding at the previous period-end, divided by net loans outstanding at the previous period-end.
Net loans	Gross loans less the allowance for loan losses.
Notional amount	The principal value used to calculate interest and other payments under derivative contracts. The amounts are termed "notional" because they are not usually exchanged, except in the case of cross-currency swaps. They serve only as the basis for calculating amounts that do change hands.
Off-balance-sheet instruments	Assets or liabilities that are not recorded on the balance sheet but have the potential to produce future positive or negative cash flows. Various products offered to clients can be classified as off-balance sheet, and they fall into two general categories: credit-related arrangements, such as letters of credit and letters of guarantee, and the notional amount of derivatives.
Operational risk	The risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. It includes legal risk but not strategic or reputational.
Option	A contract between two parties whereby the buyer of the option has the right but no obligation to buy (call) or sell (put) a specified financial instrument or currency at a set price or rate on or before a specified future date or on a series of specified future dates.
Other income to total revenue	Other income for the period divided by total revenue for the period.

Performing loan change	Performing loans outstanding at period-end less performing loans outstanding at the previous period-end, divided by performing loans outstanding at the previous period-end.
Performing loans	Net loans, excluding impaired loans.
Provision for loan losses (LLP)	See "loan loss provision."
Regulatory risk	The risk of non-compliance with applicable regulatory requirements: (a) the *ATB Act* and *ATB Regulation* and guidelines, and (b) other laws, rules, regulations and prescribed practices applicable to ATB in any jurisdiction in which we operate.
Reputational risk	The potential that negative stakeholder impressions, whether true or not, regarding ATB’s business practices, actions or inaction will or may cause deterioration in ATB’s value, brand, liquidity, client base or relationship with our Shareholder.
Return on average assets	Net income for the period divided by average total assets for the period.
Return on average risk-weighted assets	Net income for the period divided by average risk-weighted assets for the period.
Securities purchased under reverse repurchase agreements	The purchase of securities for cash and the concurrent sale of the securities for value at a later date. Normally, such transactions are not considered economic sales and consequently are treated as collateralized financing transactions.
Securities sold under repurchase agreements	The cash sale of securities and the concurrent repurchase of the securities for value at a later date. Normally, such transactions are not considered economic sales and consequently are treated as collateralized financing transactions.
Securitization	The process by which a pool of financial assets, mainly loans, are converted into asset-backed securities and transferred to a trust that normally issues a series of asset-backed securities to investors to fund the purchase of loans.
Standby fees	Fees charged monthly, quarterly or annually to a client based on the average unused portion of its loan commitment. Standby fees can arise on any loan, including syndicated loans.
Swaps	A contractual agreement between two parties to exchange a series of cash flows. For interest rate swaps, counterparties generally exchange fixed- and floating-rate interest payments based on a notional amount in a single currency. For cross-currency swaps, counterparties generally exchange one currency for another at a set date.
Tier 1 capital	A measure of retained earnings used to determine regulatory ratios set out by our regulator, the Alberta Superintendent of Financial Institutions.
Tier 1 capital ratio	Tier 1 capital divided by risk-weighted assets.
Total asset change	Total assets outstanding at period-end less total assets outstanding at the previous period-end, divided by total assets outstanding at the previous period-end. For period-to-date change, it is the change in net assets recorded during the period.
Total capital	An assessed regulatory measure of Tier 1 capital; Tier 2 capital consisting of eligible portions of subordinated debentures, wholesale borrowings and the collective allowance for loan losses; and the deduction of software and other intangibles.
Total capital ratio	Total capital divided by risk-weighted assets.
Total deposit change	Total deposits outstanding at period-end less total deposits outstanding at the previous period-end, divided by total deposits outstanding at the previous period-end.
Total expense change	The current period’s non-interest expense less the previous period’s non-interest expense, divided by the previous period’s non-interest expense.
Total revenue	The sum of net interest income and other income.

ACRONYMS

(Unaudited)

AOCI	Accumulated other comprehensive income
AOE	Area of expertise
ASFI	Alberta Superintendent of Financial Institutions
AUA	Assets under administration
BRR	Borrower risk rating
CAR Guideline	*Capital Adequacy Requirements* Guideline

CMB	Canada Mortgage Bonds
CMHC	Canada Mortgage Housing Corporation
EBITDA	Earnings before interest, income tax, depreciation and amortization
ECL	Expected credit loss
EFS	Everyday Financial Services
FICO	Fair Isaac Corporation
FTP	Funds transfer pricing
FVOCI	Fair value through other comprehensive income
FVTPL	Fair value through profit or loss
FX	Foreign exchange
FY	Fiscal year (e.g., FY2026)
GDP	Gross domestic product
GoA	Government of Alberta
HELOC	Home equity line of credit
IAS	International Accounting Standard
IASB	International Accounting Standards Board
IFRS	International Financial Reporting Standards
LCR	Liquidity coverage ratio
LLP	Loan loss provision (also "provision for loan losses")
MBS	Mortgage-backed security
MD&A	Management's discussion and analysis
NI	Net income
NIE	Non-interest expense
NII	Net interest income
NIM	Net interest margin
OI	Other income
OSFI	Office of the Superintendent of Financial Institutions
PILOT	Payment in lieu of tax
RML	Residential mortgage loan
SSU	Strategic support unit
WTI	West Texas Intermediate