



NATIONAL BANK OF CANADA

SUPPLEMENTARY FINANCIAL INFORMATION

FOURTH QUARTER 2003 REPORT

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FINANCIAL HIGHLIGHTS


	2003				2002				YTD		Full Year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2003	2002	2002	2001
Net income (\$000,000)	\$157.5	\$161.8	\$138.3	\$166.2	\$135.3	\$25.8	\$122.5	\$145.9	\$623.8	\$429.4	\$429.4	\$562.7
Earnings per share - basic	\$ 0.87	\$ 0.89	\$0.73	\$0.88	\$0.71	\$0.12	\$0.62	\$0.73	\$3.37	\$2.18	\$2.18	\$2.78
- fully diluted	\$ 0.86	\$ 0.88	\$0.72	\$0.88	\$0.71	\$0.11	\$0.62	\$0.73	\$3.34	\$2.18	\$2.18	\$2.76
Dividend per share	\$ 0.28	\$ 0.28	\$0.26	\$0.26	\$0.24	\$0.24	\$0.24	\$0.21	\$1.08	\$0.93	\$0.93	\$0.82
Excluding Goodwill												
Net income (\$000,000)	\$157.5	\$161.8	\$138.3	\$166.2	\$135.3	\$25.8	\$122.5	\$146.0	\$623.8	\$429.5	\$429.5	\$581.3
Earnings per share - basic	\$0.87	\$0.89	\$0.73	\$0.88	\$0.71	\$0.12	\$0.62	\$0.73	\$3.37	\$2.18	\$2.18	\$2.88
- fully diluted	\$0.86	\$0.88	\$0.72	\$0.88	\$0.71	\$0.11	\$0.62	\$0.73	\$3.34	\$2.18	\$2.18	\$2.86
Return on common shareholders' equity	16.4%	17.3%	14.8%	17.6%	14.5%	2.3%	13.1%	15.0%	16.5%	11.3%	11.3%	16.0%
Excluding Goodwill/Impairment charges												
Net income (\$000,000)	\$157.5	\$161.8	\$138.3	\$166.2	\$135.3	\$137.7	\$122.5	\$146.0	\$623.8	\$541.5	\$541.5	\$581.3
Earnings per share - basic	\$0.87	\$0.89	\$0.73	\$0.88	\$0.71	\$0.73	\$0.62	\$0.73	\$3.37	\$2.79	\$2.79	\$2.88
- fully diluted	\$0.86	\$0.88	\$0.72	\$0.88	\$0.71	\$0.72	\$0.62	\$0.73	\$3.34	\$2.78	\$2.78	\$2.86
Return on common shareholders' equity	16.4%	17.3%	14.8%	17.6%	14.5%	14.6%	13.1%	15.0%	16.5%	14.3%	14.3%	16.0%
Expense ratio ⁽¹⁾	66.79%	64.34%	66.30%	63.71%	66.25%	63.26%	59.39%	62.18%	65.29%	62.76%	62.76%	62.72%
Average assets (\$000,000)	\$73,927	\$72,273	\$70,110	\$70,320	\$67,347	\$67,790	\$71,072	\$71,016	\$71,671	\$69,292	\$69,292	\$69,197
Net impaired loans as a % of net loans and bankers' acceptances	-0.3%	-0.4%	-0.4%	-0.4%	-0.4%	-0.3%	-0.2%	-0.3%	-0.3%	-0.4%	-0.4%	0.2%
Gross impaired loans/common equity-goodwill+reserves	13.02%	13.15%	13.27%	12.69%	14.11%	15.68%	15.88%	13.56%	13.02%	14.11%	14.11%	22.47%
Book value	21.32	20.77	20.28	20.22	19.72	19.29	19.53	19.56	21.32	19.72	19.72	19.04
Capital ratios - BIS												
Tier 1	9.6%	9.5%	9.8%	10.2%	9.6%	10.2%	10.7%	11.1%	9.6%	9.6%	9.6%	9.6%
Total	13.4%	13.5%	13.9%	14.3%	13.6%	14.2%	14.5%	15.0%	13.4%	13.6%	13.6%	13.1%
Tangible Shareholders' equity / Risk weighted assets	6.78%	6.63%	6.56%	6.83%	6.59%	7.63%	8.13%	8.31%	6.78%	6.59%	6.59%	7.06%
Number of employees	14,328	14,648	14,357	14,545	14,589	14,530	14,246	14,250	14,328	14,589	14,589	14,320
Number of branches in Canada	477	480	488	491	507	522	522	521	477	507	507	525
Number of ATM'S	817	814	809	811	826	824	825	828	817	826	826	826

(1): In Q3 2002, the Bank recorded an impairment charge on investment of \$137.0 million (\$111.9 after taxes). In Q4 2001, the Bank recorded a gain of \$75.8 million on a tax equivalent basis on the sale of the Bank's merchant card services business.

CONSOLIDATED STATEMENT OF INCOME



(unaudited)(thousands)(taxable equivalent basis)	2003				2002				YTD		Full Year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2003	2002	2002	2001
<i>Interest Income and Dividends</i>												
Loans	\$ 462,041	\$ 483,216	\$ 460,426	\$ 465,791	\$ 475,878	\$ 474,812	\$ 459,554	\$ 496,485	\$1,871,474	\$1,906,729	\$ 1,906,729	\$ 2,492,795
Securities	124,690	124,380	126,305	150,533	129,488	115,279	127,475	138,319	525,908	510,561	510,561	599,188
Deposits with regulated financial institutions	31,626	31,041	31,651	37,148	36,621	40,477	43,660	53,577	131,466	174,335	174,335	289,560
Total Interest Income and Dividends	618,357	638,637	618,382	653,472	641,987	630,568	630,689	688,381	2,528,848	2,591,625	2,591,625	3,381,543
<i>Interest Expense</i>												
Deposits	247,242	290,510	234,842	257,359	232,865	240,577	237,711	268,128	1,029,953	979,281	979,281	1,850,836
Bank debentures	25,857	26,127	26,117	27,111	27,130	27,294	27,277	28,087	105,212	109,788	109,788	109,338
Other	24,254	17,172	14,551	13,438	21,522	16,900	9,729	10,437	69,415	58,588	58,588	83,265
Total Interest Expense	297,353	333,809	275,510	297,908	281,517	284,771	274,717	306,652	1,204,580	1,147,657	1,147,657	2,043,439
Tax equivalent adjustment	11,983	6,317	10,098	13,342	7,275	12,148	5,172	4,716	41,740	29,311	29,311	50,918
Net Interest Income (teb)	332,987	311,145	352,970	368,906	367,745	357,945	361,144	386,445	1,366,008	1,473,279	1,473,279	1,389,022
Other Income (teb)	601,375	556,142	444,710	491,724	447,245	308,782	466,142	418,860	2,093,951	1,641,029	1,641,029	1,857,556
Gross Revenues	934,362	867,287	797,680	860,630	814,990	666,727	827,286	805,305	3,459,959	3,114,308	3,114,308	3,246,578
Provision for credit losses	49,785	45,381	41,102	41,484	52,731	62,046	130,048	60,193	177,752	305,018	305,018	205,148
Provision for credit losses due to revision of estimate	-	-	-	-	-	-	-	185,000	-	185,000	185,000	-
Non-Interest Expenses	624,103	557,958	528,602	548,285	539,965	508,408	491,359	500,712	2,258,948	2,040,444	2,040,444	1,988,818
Income Before Income Taxes	260,474	263,948	227,976	270,861	222,294	96,273	205,879	59,400	1,023,259	583,846	583,846	1,052,612
Income taxes (teb)	96,684	96,912	82,700	97,700	75,997	60,457	75,950	23,848	373,996	236,252	236,252	398,398
Income Before Non-Controlling Interest	163,790	167,036	145,276	173,161	146,297	35,816	129,929	35,552	649,263	347,594	347,594	654,214
Non-Controlling Interest	6,561	6,500	7,134	6,946	7,552	7,175	7,340	7,423	27,141	29,490	29,490	27,420
Net Income before disc. oper. and goodwill charges	\$ 157,229	\$ 160,536	\$ 138,142	\$ 166,215	\$ 138,745	\$ 28,641	\$ 122,589	\$ 28,129	\$ 622,122	\$ 318,104	\$ 318,104	\$ 626,794
Discontinued operations	270	1,229	120	(19)	(3,459)	(2,880)	(104)	117,832	1,600	111,389	111,389	(45,459)
Net Income before goodwill charges	\$ 157,499	\$ 161,765	\$ 138,262	\$ 166,196	\$ 135,286	\$ 25,761	\$ 122,485	\$ 145,961	\$ 623,722	\$ 429,493	\$ 429,493	\$ 581,335
Goodwill charges	-	-	-	-	-	-	-	71	-	71	71	18,619
Net Income	\$ 157,499	\$ 161,765	\$ 138,262	\$ 166,196	\$ 135,286	\$ 25,761	\$ 122,485	\$ 145,890	\$ 623,722	\$ 429,422	\$ 429,422	\$ 562,716
Effective Tax Rate	37.1%	36.7%	36.3%	36.1%	34.2%	62.8%	36.9%	40.1%	36.5%	40.5%	40.5%	37.8%
Dividends on preferred shares	\$ 5,725	\$ 5,725	\$ 8,165	\$ 4,831	\$ 4,831	\$ 4,831	\$ 4,831	\$ 6,831	\$ 24,446	\$ 21,324	\$ 21,324	\$ 35,376
Dividends on common shares	\$ 49,117	\$ 48,973	\$ 46,870	\$ 47,555	\$ 44,598	\$ 43,213	\$ 45,763	\$ 40,009	\$ 192,515	\$ 173,583	\$ 173,583	\$ 155,804
Number of common shares (avg.) (in thousands)	174,585	175,363	178,348	182,728	183,124	184,134	188,794	190,450	177,751	186,608	186,608	189,925
One-time items⁽¹⁾												
Net interest income (teb)	-	-	-	-	-	-	-	-	-	-	-	-
Other income (teb)	-	-	-	-	-	(137,042)	-	-	-	(137,042)	(137,042)	75,800
Provision for credit losses due to revision of estimate	-	-	-	-	-	-	-	-	-	-	-	-
Non-interest expenses	-	-	-	-	-	-	-	-	-	-	-	-

(1): In Q3 2002, the Bank recorded an impairment charge on investment of \$137.0 million (\$111.9 after taxes). In Q4 2001, the bank recorded a gain of \$75.8 million on a tax equivalent basis on the sale of the Bank's merchant card services business.

RESULTS OF OPERATIONS AS A PERCENTAGE OF AVERAGE ASSETS


(Taxable equivalent basis)	2003				2002				YTD		Full Year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2003	2002	2002	2001

in % of average assets

Net interest income	1.79	1.71	2.06	2.08	2.17	2.10	2.08	2.16	1.91	2.13	2.13	2.01
Other income	3.23	3.05	2.60	2.77	2.63	1.81	2.69	2.34	2.92	2.37	2.37	2.68
Provision for credit losses	0.27	0.25	0.24	0.23	0.31	0.36	0.75	1.37	0.25	0.71	0.71	0.30
Non-interest expenses	3.35	3.06	3.09	3.09	3.18	2.98	2.83	2.80	3.15	2.94	2.94	2.87
Income taxes	0.52	0.53	0.48	0.55	0.45	0.36	0.44	0.13	0.52	0.34	0.34	0.58
Non-controlling interest	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04
Income before disc. oper. and amort. of goodwill	0.84	0.88	0.81	0.94	0.82	0.17	0.71	0.16	0.87	0.46	0.46	0.90
Discontinued operations	0.00	0.01	0.00	(0.00)	(0.02)	(0.02)	(0.00)	0.66	0.00	0.16	0.16	0.16
Amortization of goodwill	-	-	-	-	-	-	-	0.00	-	0.00	0.00	0.02
Net income	0.85	0.89	0.81	0.94	0.80	0.15	0.71	0.82	0.87	0.62	0.62	0.89
Average assets (\$000,000)	\$73,927	\$72,273	\$70,110	\$70,320	\$67,347	\$67,790	\$71,072	\$71,016	\$71,671	\$69,292	\$69,292	\$69,197
Average earning assets (\$000,000)	\$66,460	\$65,518	\$62,646	\$63,312	\$64,219	\$61,792	\$64,163	\$64,436	\$64,499	\$63,648	\$63,648	\$61,894

in % of Average Risk-Weighted Assets

Net interest income (teb)	3.30%	3.11%	3.71%	3.76%	3.75%	3.64%	3.79%	3.90%	3.46%	3.77%	3.77%	3.38%
Net income before amortization of goodwill	1.56%	1.62%	1.45%	1.69%	1.38%	0.26%	1.28%	1.47%	1.58%	1.10%	1.10%	1.41%
Net income	1.56%	1.62%	1.45%	1.69%	1.38%	0.26%	1.28%	1.47%	1.58%	1.10%	1.10%	1.37%
Average Risk-Weighted Assets (\$000,000)	\$40,058	\$39,660	\$39,061	\$38,952	\$38,889	\$38,977	\$39,117	\$39,347	\$39,436	\$39,083	\$39,083	\$41,101

Prime rate	4.59%	4.96%	4.70%	4.50%	4.50%	4.20%	3.79%	4.10%	4.69%	4.15%	4.15%	6.55%
B/A's 30 days	2.86%	3.25%	2.97%	2.79%	2.83%	2.51%	2.11%	2.40%	2.97%	2.46%	2.46%	4.86%
Spread	1.73%	1.71%	1.73%	1.71%	1.67%	1.69%	1.68%	1.70%	1.72%	1.69%	1.69%	1.69%

NET INCOME BY SECTOR OF ACTIVITIES


(in millions of dollars) (taxable equivalent basis)

	2003				2002				YTD	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2003	2002
Personal and Commercial Banking										
Net interest income	320	316	300	312	304	299	289	298	1,248	1,190
Other income	161	165	147	156	149	159	142	142	629	592
Total Income	481	481	447	468	453	458	431	440	1,877	1,782
Operating expenses	307	295	282	273	293	273	273	274	1,157	1,113
Provision for credit losses	51	52	51	53	53	53	55	58	207	219
Earning before income taxes	123	134	114	142	107	132	103	108	513	450
Income taxes	44	48	42	51	39	48	40	40	185	167
Non-controlling interest	-	-	-	-	-	-	-	-	-	-
Earning before discontinued operations	79	86	72	91	68	84	63	68	328	283
Discontinued operations	-	-	-	-	-	-	-	-	-	-
Net Income	79	86	72	91	68	84	63	68	328	283
Net interest margin	3.25%	3.24%	3.19%	3.23%	3.15%	3.11%	3.10%	3.05%	3.23%	3.10%
Expense ratio	63.8%	61.3%	63.1%	58.3%	62.4%	59.6%	63.3%	62.3%	61.6%	62.5%
Average loans and BA's	38,294	37,915	37,759	37,531	37,280	37,327	37,579	37,893	37,876	37,519
Average assets	39,101	38,716	38,555	38,342	38,258	38,100	38,261	38,726	38,679	38,337

(in millions of dollars) (taxable equivalent basis)

	2003				2002				YTD	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2003	2002
Wealth Management										
Net interest income	24	22	22	23	23	22	22	22	91	89
Other income	152	144	132	139	132	116	135	139	567	522
Total Income	176	166	154	162	155	138	157	161	658	611
Operating expenses	137	132	126	131	131	120	131	124	526	506
Provision for credit losses	-	-	-	-	1	-	-	-	-	1
Earning before income taxes	39	34	28	31	23	18	26	37	132	104
Income taxes	14	12	10	11	8	7	8	12	47	35
Non-controlling interest	1	1	1	1	-	1	1	1	4	3
Earning before discontinued operations	24	21	17	19	15	10	17	24	81	66
Discontinued operations	-	-	-	-	-	-	-	-	-	-
Net Income	24	21	17	19	15	10	17	24	81	66
Expense ratio	77.8%	79.5%	81.8%	80.9%	84.5%	87.0%	83.4%	77.0%	79.9%	82.8%
Average loans and BA's	303	312	312	316	327	344	376	391	311	359
Average assets	662	672	656	672	736	749	794	799	665	769

NET INCOME BY SECTOR OF ACTIVITIES


(in millions of dollars) (taxable equivalent basis)

	2003				2002				YTD	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2003	2002
Financial Markets										
Net interest income	31	15	69	71	83	68	77	93	186	321
Other income	244	217	118	166	117	134	152	105	745	508
Total Income	275	232	187	237	200	202	229	198	931	829
Operating expenses	153	129	117	128	120	103	100	93	527	416
Provision for credit losses	8	9	12	10	9	11	8	11	39	39
Earning before income taxes	114	94	58	99	71	88	121	94	365	374
Income taxes	41	33	21	35	22	33	44	34	130	133
Non-controlling interest	-	-	-	-	-	-	-	-	-	-
Earning before discontinued operations	73	61	37	64	49	55	77	60	235	241
Discontinued operations	-	-	-	-	-	-	-	-	-	-
Net Income	73	61	37	64	49	55	77	60	235	241
Expense ratio	55.6%	55.6%	62.6%	54.0%	60.0%	51.0%	43.7%	47.0%	56.6%	50.2%
Average loans and BA's	8,381	8,895	8,775	8,292	9,558	7,359	8,865	8,754	8,584	8,632
Average assets	39,320	38,226	36,462	37,222	35,002	35,627	39,028	38,675	37,819	37,067

NET INCOME BY SECTOR OF ACTIVITIES


(in millions of dollars) (taxable equivalent basis)	2003				2002				YTD	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2003	2002
Other Segments										
Net interest income	(42)	(40)	(39)	(38)	(42)	(31)	(27)	(27)	(159)	(127)
Other income	44	29	48	31	49	(100)	36	34	152	19
Total Income	2	(11)	9	(7)	7	(131)	9	7	(7)	(108)
Operating expenses	27	2	4	16	(4)	12	(13)	10	49	5
Provision for credit losses	(9)	(16)	(22)	(22)	(10)	(2)	69	174	(69)	231
Earning before income taxes	(16)	3	27	(1)	21	(141)	(47)	(177)	13	(344)
Income taxes	(2)	4	9	1	7	(28)	(17)	(61)	12	(99)
Non-controlling interest	5	6	6	6	8	7	6	6	23	27
Earning before discontinued operations	(19)	(7)	12	(8)	6	(120)	(36)	(122)	(22)	(272)
Discontinued operations	1	1	-	-	(3)	(3)	-	117	2	111
Net Income	(18)	(6)	12	(8)	3	(123)	(36)	(5)	(20)	(161)
Average loans and BA's	(7,170)	(7,477)	(7,492)	(7,797)	(8,946)	(6,881)	(8,349)	(8,295)	(7,484)	(8,116)
Average assets	(5,156)	(5,340)	(5,563)	(5,916)	(6,648)	(6,686)	(7,012)	(7,184)	(5,492)	(6,881)
Total										
Net interest income	333	313	352	368	368	358	361	386	1,366	1,473
Other income	601	555	445	492	447	309	465	420	2,093	1,641
Total Income	934	868	797	860	815	667	826	806	3,459	3,114
Operating expenses	624	558	529	548	540	508	491	501	2,259	2,040
Provision for credit losses	50	45	41	41	53	62	132	243	177	490
Earning before income taxes	260	265	227	271	222	97	203	62	1,023	584
Income taxes	97	97	82	98	76	60	75	25	374	236
Non-controlling interest	6	7	7	7	8	8	7	7	27	30
Earning before discontinued operations	157	161	138	166	138	29	121	30	622	318
Discontinued operations	1	1	-	-	(3)	(3)	-	117	2	111
Net Income	158	162	138	166	135	26	121	147	624	429
Net interest margin	1.79%	1.72%	2.06%	2.08%	2.17%	2.10%	2.08%	2.16%	1.91%	2.13%
Expense ratio	66.8%	64.3%	66.3%	63.7%	66.3%	63.3%	59.4%	62.2%	65.3%	62.8%
Average loans and BA's	39,808	39,645	39,354	38,342	38,219	38,149	38,471	38,743	39,287	38,395
Average assets	73,927	72,274	70,110	70,320	67,348	67,790	71,071	71,016	71,671	69,292



STATEMENT OF INCOME

(\$000)	2003				2002				YTD		Full Year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2003	2002	2002	2001
Net Interest Income	\$ (4,707)	\$ 6,539	\$ 12,952	\$ 8,494	\$ 12,160	\$ 12,603	\$ 11,883	\$ 11,879	\$23,278	\$48,525	\$ 48,525	\$ 94,660
Other Income	216,306	199,437	163,456	210,061	179,010	165,092	202,897	162,226	789,260	709,225	709,225	606,078
Commissions	88,050	84,017	72,134	85,210	76,285	74,112	89,640	74,404	329,411	314,441	314,441	302,836
Non-Interest Expenses	99,958	97,992	93,940	96,691	103,498	84,993	77,541	74,959	388,581	340,991	340,991	321,303
Income Before Income Taxes	23,591	23,967	10,334	36,654	11,387	18,590	47,599	24,742	94,546	102,318	102,318	76,599
Income Taxes	7,959	8,393	3,931	12,369	330	7,476	17,036	9,938	32,652	34,780	34,780	24,267
Net Income	15,632	15,574	6,403	24,285	11,057	11,114	30,563	14,804	61,894	67,538	67,538	52,332

OTHER INCOME AND TRADING REVENUES


(unaudited) (thousands) (taxable equivalent basis)	2003				2002				YTD		Full Year	
	Q4	Q3	Q2	Q1	Q4	Q3 ⁽¹⁾	Q2	Q1	2003	2002	2002	2001 ⁽¹⁾
Other Income												
Deposits and payment service charges	\$ 48,853	\$ 48,103	\$ 45,881	\$ 46,116	\$ 47,404	\$ 48,405	\$ 45,050	\$ 44,844	\$ 188,953	\$ 185,703	\$ 185,703	\$ 172,661
Commissions on loans and bankers' acceptances	68,004	66,750	64,199	68,426	60,138	63,034	60,276	61,176	267,379	244,624	244,624	239,724
Capital market fees	149,844	138,393	119,808	136,100	134,329	126,743	150,407	127,634	544,145	539,113	539,113	492,987
Foreign exchange revenues	14,545	15,953	18,324	17,355	16,557	18,657	16,191	15,351	66,177	66,756	66,756	60,876
Card service revenues	12,124	14,782	11,641	10,475	10,829	13,907	10,825	11,170	49,022	46,731	46,731	79,038
Trust services	26,322	25,907	26,279	26,642	24,568	23,598	21,451	20,653	105,150	90,270	90,270	44,996
Mutual funds	27,220	26,154	24,804	26,791	27,398	13,889	13,931	14,684	104,969	69,902	69,902	50,772
Securitization	54,857	51,093	43,550	54,259	66,613	42,009	49,153	46,271	203,759	204,046	204,046	157,109
Profit & Loss on trading	155,067	120,529	55,266	49,825	21,746	35,807	37,294	27,755	380,687	122,602	122,602	227,365
Profit & Loss other than trading	137	(2,882)	(9,381)	12,909	(6,473)	(119,029)	19,698	7,852	783	(97,952)	(97,952)	71,111
Other	44,402	51,360	44,339	42,826	44,136	41,762	41,866	41,470	182,927	169,234	169,234	260,917
Total	\$ 601,375	\$ 556,142	\$ 444,710	\$ 491,724	\$ 447,245	\$ 308,782	\$ 466,142	\$ 418,860	\$ 2,093,951	\$ 1,641,029	\$ 1,641,029	\$ 1,857,556
As a % of total revenues (TEB)	64.4%	64.1%	55.8%	57.1%	54.9%	46.3%	56.3%	52.0%	60.5%	52.7%	52.7%	57.2%

(unaudited) (thousands)	2003				2002				YTD		Full Year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2003	2002	2002	2001
Trading revenues												
Net Interest Income	\$ (11,427)	\$ (23,470)	\$ 14,117	\$ 24,297	\$ 23,218	\$ 6,296	\$ 6,432	\$ 15,054	\$ 3,517	\$ 51,000	\$ 51,000	\$ 7,294
Other Income	155,067	120,529	55,267	49,825	21,746	35,807	37,294	27,755	380,688	122,602	122,602	227,365
Total	\$ 143,640	\$ 97,059	\$ 69,384	\$ 74,122	\$ 44,964	\$ 42,103	\$ 43,726	\$ 42,809	\$ 384,205	\$ 173,602	\$ 173,602	\$ 234,659

(1): In Q3 2002, the Bank recorded an impairment charge on investment of \$137.0 million. In Q4 2001, the bank recorded a gain of \$75.8 million on a tax equivalent basis on the sale of the Bank's merchant card services business.

NON-INTEREST EXPENSES


(unaudited) (thousands)	2003				2002				YTD		Full Year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2003	2002	2002	2001
Non-Interest Expenses												
Salaries and Staff benefits												
Salaries	\$ 217,173	\$ 198,171	\$ 176,079	\$ 184,539	\$ 187,934	\$ 169,192	\$ 160,569	\$ 168,448	\$ 775,962	\$ 686,143	\$ 686,143	\$ 642,240
Commissions	88,050	84,017	72,134	85,210	76,285	74,112	89,640	74,404	329,411	314,441	314,441	302,836
Pension plan and other staff benefits	47,386	42,454	44,212	47,625	36,093	36,123	35,840	38,724	181,677	146,780	146,780	118,709
Total Compensation	352,609	324,642	292,425	317,374	300,312	279,427	286,049	281,576	1,287,050	1,147,364	1,147,364	1,063,785
Premises, Equipment & Furniture												
Rent	25,031	25,382	24,496	24,078	21,379	21,746	21,142	21,336	98,987	85,603	85,603	86,448
Taxes & insurance	3,392	4,441	5,404	4,052	4,624	4,463	3,882	3,625	17,289	16,594	16,594	15,795
Maintenance, lighting, heating	6,714	6,120	7,002	6,221	7,001	5,519	7,520	6,103	26,057	26,143	26,143	23,998
Rental & maintenance of computers	82,307	72,047	79,522	78,680	85,870	70,822	74,506	73,483	312,556	304,681	304,681	234,632
Depreciation	13,382	12,446	12,577	11,190	22,662	14,378	13,195	12,709	49,595	62,944	62,944	46,264
Total Premises, Equipment & Furniture	130,826	120,436	129,001	124,221	141,536	116,928	120,245	117,256	504,484	495,965	495,965	407,137
Other Expenses												
Professional fees	30,146	30,720	24,459	26,593	33,824	26,214	20,981	18,673	111,918	99,692	99,692	165,594
Taxes on capital & salaries	22,864	10,890	15,868	10,832	10,348	15,562	15,741	15,880	60,454	57,531	57,531	64,332
Travel & business development	37,973	21,595	25,604	23,391	31,167	21,454	21,135	17,870	108,563	91,626	91,626	79,619
Other	49,685	49,675	41,245	45,874	22,778	48,823	27,208	49,457	186,479	148,266	148,266	208,351
Total Other Expenses	140,668	112,880	107,176	106,690	98,117	112,053	85,065	101,880	467,414	397,115	397,115	517,896
TOTAL NON-INTEREST EXPENSES	\$ 624,103	\$ 557,958	\$ 528,602	\$ 548,285	\$ 539,965	\$ 508,408	\$ 491,359	\$ 500,712	\$ 2,258,948	\$ 2,040,444	\$ 2,040,444	\$ 1,988,818

PROVISION FOR CREDIT LOSSES


(millions of dollars)	2003				2002				YTD		Full Year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2003	2002	2002	2001
RETAIL	\$16	\$15	\$16	\$15					\$62			
SME & AGRIBUSINESS	\$5	\$5	\$4	\$5					\$19			
	\$21	\$20	\$20	\$20	\$20	\$20	\$22	\$22	\$81	\$84	\$84	\$62
CREDIT CARD	7	7	8	8	8	7	8	9	30	32	32	35
COMMERCIAL	22	24	22	24	24	25	23	26	92	98	98	78
CORPORATE	8	9	12	10	9	11	8	13	39	41	41	29
REAL ESTATE												
CANADA	1	1	1	1	(2)	1	4	1	4	4	4	3
USA	-	-	-	-	3	-	(2)	-	-	1	1	-
Total Real Estate	1	1	1	1	1	1	2	1	4	5	5	3
TREASURY	-	-	-	-	-	-	-	-	-	-	-	2
OTHER ⁽¹⁾	-	(6)	(12)	(11)	(1)	6	105	182	(29)	292	292	19
CREDIT CARD SECURITIZATION	(9)	(10)	(10)	(11)	(8)	(8)	(8)	(8)	(40)	(32)	(32)	(23)
GENERAL	-	-	-	-	-	-	(30)	-	-	(30)	(30)	-
Total before Sovereign Risk General Reserve	50	45	41	41	53	62	130	245	177	490	490	205
SOVEREIGN RISK GENERAL RESERVE	-	-	-	-	-	-	-	-	-	-	-	-
Total	50	45	41	41	53	62	130	245	177	490	490	205
As a % of loans and BA's									0.40%	1.12%	1.12%	0.43%

Note: The provision for credit losses allocated to each business segment is calculated using the anticipated loss methodology. The difference with actual loan losses is posted in the other segment.

(1): Includes a revision of provision estimate of \$185 million in Q1 2002.

CONDENSED CONSOLIDATED BALANCE SHEET



(unaudited)(millions of dollars)	2003				2002				End Of Year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2002	2001
Assets										
Cash resources	\$ 7,047	\$ 6,596	\$ 5,583	\$ 6,432	\$ 6,864	\$ 6,891	\$ 8,332	\$ 9,058	\$ 6,864	\$ 5,832
Securities	26,179	21,574	21,393	19,184	20,118	18,465	18,219	19,066	20,118	17,926
Loans										
Residential mortgages	13,973	13,781	13,144	12,957	12,863	12,492	12,217	12,258	12,863	11,855
Personal and credit cards	6,084	5,996	5,905	5,731	5,548	5,711	5,930	5,620	5,548	5,812
Business and government	18,324	19,234	19,589	18,477	20,035	19,742	18,368	18,308	20,035	22,684
Securities purchased under reverse repurchase agreements	3,955	3,595	3,419	3,426	2,366	2,671	5,162	4,730	2,366	4,041
Total Loans	42,336	42,606	42,057	40,591	40,812	40,616	41,677	40,916	40,812	44,392
Customers' liability under bankers' acceptances	3,334	3,344	3,128	3,134	2,988	2,773	3,027	3,033	2,988	3,593
Assets held for disposal	-	19	225	281	313	415	567	610	313	-
Other assets	3,527	4,255	3,405	3,503	3,498	3,140	2,848	3,287	3,498	4,223
Total Assets	\$ 82,423	\$ 78,394	\$ 75,791	\$ 73,125	\$ 74,593	\$ 72,300	\$ 74,670	\$ 75,970	\$ 74,593	\$ 75,966
Liabilities										
Deposits										
Personal	\$ 23,512	\$ 23,501	\$ 23,234	\$ 23,000	\$ 22,607	\$ 22,456	\$ 22,572	\$ 22,388	\$ 22,607	\$ 21,857
Business and government	22,700	23,173	22,741	21,400	22,582	22,607	21,635	22,121	22,582	23,362
Deposit-taking institutions	5,251	4,853	4,209	5,530	6,501	6,227	6,879	6,016	6,501	6,217
Total Deposits	51,463	51,527	50,184	49,930	51,690	51,290	51,086	50,525	51,690	51,436
Others										
Acceptances	3,334	3,344	3,128	3,134	2,988	2,773	3,027	3,033	2,988	3,593
Other liabilities	22,013	17,980	16,864	14,309	14,422	12,600	15,012	16,640	14,422	15,174
Subordinated debentures	1,516	1,543	1,553	1,581	1,592	1,600	1,630	1,645	1,592	1,647
Total Others	26,863	22,867	21,545	19,024	19,002	16,973	19,669	21,318	19,002	20,414
Shareholders' equity										
Preferred shares	375	375	500	500	300	300	300	400	300	492
Common shares	1,583	1,580	1,583	1,633	1,639	1,637	1,628	1,672	1,639	1,668
Contributed surplus	2	2	-	-	-	-	-	-	-	-
Retained earnings	2,137	2,043	1,979	2,038	1,962	1,897	1,987	2,055	1,962	1,956
Total Shareholders' equity	4,097	4,000	4,062	4,171	3,901	3,834	3,915	4,127	3,901	4,116
Total Liabilities & Shareholders' Equity	\$ 82,423	\$ 78,394	\$ 75,791	\$ 73,125	\$ 74,593	\$ 72,097	\$ 74,670	\$ 75,970	\$ 74,593	\$ 75,966
Mortgage securitization	\$ 4,086	\$ 4,072	\$ 4,396	\$ 4,548	\$ 4,603	\$ 4,703	\$ 4,814	\$ 4,851	\$ 4,603	\$ 5,328
Mortgage loans sold to third parties	\$ 131	\$ 133	\$ 122	\$ 125	\$ 126	\$ 360	\$ 347	\$ 302	\$ 126	\$ 245
Credit card securitization	\$ 1,100	\$ 900	\$ 950	\$ 1,000	\$ 1,200	\$ 950	\$ 950	\$ 950	\$ 1,200	\$ 950
Consumer loans securitization	\$ 145	\$ 185	\$ 235	\$ 290	\$ 348	\$ 417	\$ 534	\$ 591	\$ 348	\$ 687
Direct loans securitization	\$ 515	\$ 515	\$ 515	\$ 515	\$ 515	\$ 515	\$ -	\$ -	\$ 515	\$ -
Mutual funds	\$ 7,465	\$ 9,320	\$ 9,229	\$ 9,415	\$ 9,440	\$ 5,081	\$ 5,279	\$ 5,101	\$ 9,440	\$ 4,808
Securities - excess of market value over book	\$ 128	\$ 78	\$ 23	\$ 9	\$ (10)	\$ (8)	\$ (61)	\$ (3)	\$ (10)	\$ (27)
Number of shares outstanding (000's)	174,620	174,507	175,670	181,563	182,596	183,256	185,109	190,500	182,596	190,331
Domestic Gap < 1 year	400	613	1,279	730	(177)	578	951	4,369	(177)	(191)
> 1 year	2,674	2,521	1,827	2,597	3,409	2,587	2,203	(1,178)	3,409	3132

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY



(unaudited)(millions of dollars)	2003				2002				YTD		Full Year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2003	2002	2002	2001
Opening balance	4,000	4,062	4,171	3,901	3,834	3,915	4,127	4,116	3,901	4,116	4,116	3,828
Prior period adjustments	-	-	-	-	-	-	-	-	-	-	-	(77)
Issuance (redemption) of common shares	3	(3)	(50)	(6)	2	9	(44)	4	(56)	(29)	(29)	15
Issuance of preferred shares	-	-	-	200	-	-	-	-	200	-	-	-
Redemption of preferred shares, Series 10 and 11	-	(125)	-	-	-	-	(100)	(92)	(125)	(192)	(192)	-
Net income	158	162	138	166	135	26	122	146	624	429	429	563
Dividends on common shares	(50)	(48)	(47)	(48)	(45)	(43)	(46)	(40)	(193)	(174)	(174)	(156)
Dividends on preferred shares	(5)	(6)	(8)	(6)	(4)	(5)	(5)	(7)	(25)	(21)	(21)	(35)
Income taxes related to dividends on preferred shares, Series 10,11,12 and 13	1	-	(1)	-	(1)	-	(1)	-	-	(2)	(2)	(2)
Gain (losses) on redemption of subordinated debenture, net of income taxes	-	-	-	-	-	-	-	-	-	-	-	(28)
Share issuance expenses, net of income taxes	-	(1)	1	(4)	-	-	-	-	(4)	-	-	-
Unrealized foreign exchange losses, net of income taxes	(9)	(1)	(2)	1	-	-	(2)	-	(11)	(2)	(2)	8
Stock options expense	-	2	-	-	-	-	-	-	2	-	-	-
Premium paid on common shares purchased for cancellation	(1)	(42)	(140)	(33)	(20)	(68)	(136)	-	(216)	(224)	(224)	-
Closing balance	4,097	4,000	4,062	4,171	3,901	3,834	3,915	4,127	4,097	3,901	3,901	4,116
Shareholders' equity												
Preferred shares	375	375	500	500	300	300	300	400	375	300	300	492
Common shares	1,583	1,580	1,583	1,633	1,639	1,637	1,628	1,672	1,583	1,639	1,639	1,668
Contributed surplus	2	2	-	-	-	-	-	-	2	-	-	-
Retained earnings	2,137	2,043	1,979	2,038	1,962	1,897	1,987	2,055	2,137	1,962	1,962	1,956
Closing balance	4,097	4,000	4,062	4,171	3,901	3,834	3,915	4,127	4,097	3,901	3,901	4,116

ASSETS UNDER ADMINISTRATION / MANAGEMENT


(millions of dollars)

	National Bank Trust Inc.	National Bank Financial & Cie.	National Bank Securities Inc.	Altamira	Natcan Investment Management Inc.	National Bank Discount Brokerage	Bank excluding subsidiaries	Total	
								2003	2002

as at October 31, 2003									
Assets under administration									
Institutional	31,650	4,590	-	108	-	-	-	36,348	36,812
Personal	-	63,339	-	2,109	-	7,186	-	72,634	60,341
Mutual funds	5,854	4	5,507	-	-	-	-	11,365	15,537
Mortgage loans sold to third parties	-	-	-	-	-	-	4,217	4,217	4,778
Total assets under administration	37,504	67,933	5,507	2,217	-	7,186	4,217	124,564	117,468
Assets under management									
Personal	2,334	-	-	-	-	-	-	2,334	2,111
Managed portfolios	-	1,599	-	352	12,024	-	-	13,975	10,797
Mutual funds	-	-	-	1,958	12,517	-	-	14,475	8,296
Total assets under management	2,334	1,599	-	2,310	24,541	-	-	30,784	21,204
Total assets under administration / management	39,838	69,532	5,507	4,527	24,541	7,186	4,217	155,348	138,672

										2002	2001
as at October 31, 2002											
Assets under administration											
Institutional	32,716	3,308	-	788	-	-	-	36,812	34,838		
Personal	-	54,883	-	-	-	5,458	-	60,341	52,360		
Mutual funds	6,090	7	5,160	4,280	-	-	-	15,537	10,193		
Mortgage loans sold to third parties	-	-	-	-	-	-	4,778	4,778	6,682		
Total assets under administration	38,806	58,198	5,160	5,068	-	5,458	4,778	117,468	104,073		
Assets under management											
Personal	2,111	-	-	-	-	-	-	2,111	1,974		
Managed portfolios	-	1,270	-	-	9,527	-	-	10,797	9,769		
Mutual funds	-	-	-	-	8,296	-	-	8,296	6,507		
Total assets under management	2,111	1,270	-	-	17,823	-	-	21,204	18,250		
Total assets under administration / management	40,917	59,468	5,160	5,068	17,823	5,458	4,778	138,672	122,323		

GROSS IMPAIRED LOANS


(\$ millions)	2003				2002				End Of Year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2002	2001
RETAIL	33.6	35.5	36.3	40.9						
SME & AGRIBUSINESS	45.5	36.1	36.1	33.1						
	79.1	71.6	72.4	74.0	89.6	102.6	138.2	159.8	89.6	251.4
COMMERCIAL	168.7	217.0	221.6	233.1	225.3	265.1	258.2	275.7	225.3	398.5
CORPORATE	163.3	95.7	84.4	53.9	73.3	166.0	167.0	37.4	73.3	43.5
REAL ESTATE										
-Canada	38.8	56.7	59.6	68.6	83.2	74.0	69.6	69.8	83.2	70.4
-United States	-	-	-	-	-	-	0.4	0.5	-	3.7
Total Real Estate	38.8	56.7	59.6	68.6	83.2	74.0	70.0	70.3	83.2	74.1
DISCONTINUED OPERATIONS	-	-	-	-	-	-	-	-	-	148.7
TREASURY	3.9	4.1	4.2	4.5	4.6	4.6	5.2	5.3	4.6	5.3
OTHER	0.7	2.0	1.4	2.3	3.1	2.9	8.2	11.5	3.1	10.5
GENERAL ALLOWANCE	-	-	-	-	-	-	-	-	-	-
PRIVATE RISKS	454.5	447.1	443.6	436.4	479.1	615.2	646.8	560.0	479.1	932.0
DESIGNATED COUNTRIES	21.4	22.6	23.1	24.3	24.0	24.3	23.3	8.5	24.0	38.2
TOTAL	475.9	469.7	466.7	460.7	503.1	639.5	670.1	568.5	503.1	970.2
AS A % OF LOANS AND ACCEPTANCES	1.0%	1.0%	1.0%	1.1%	1.1%	1.5%	1.5%	1.3%	1.1%	2.0%

	2003				2002				Full Year		
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2003	2002	2001
Opening balance	470	467	460	503	640	670	568	970	503	970	992
Write-off	(59)	(37)	(30)	(72)	(154)	(64)	(80)	(332)	(198)	(630)	(367)
Formation	65	40	37	29	17	34	182	123	171	356	345
Transfer to assets held for disposal	-	-	-	-	-	-	-	(193)	-	(193)	-
Closing balance	476	470	467	460	503	640	670	568	476	503	970

NET IMPAIRED LOANS


(\$ millions)	2003				2002				End Of Year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2002	2001
RETAIL	15.0	17.3	17.5	23.5	59.4	65.5	81.6	95.8		
SME & AGRIBUSINESS	30.6	22.1	22.5	19.0						
	45.6	39.4	40.0	42.5	59.4	65.5	81.6	95.8	59.4	210.7
COMMERCIAL	67.9	114.1	115.6	118.9	97.2	122.7	129.2	143.9	97.2	210.4
CORPORATE	107.5	49.8	33.3	19.1	36.1	49.0	53.2	20.0	36.1	14.5
REAL ESTATE										
-Canada	24.7	29.4	35.9	44.9	46.0	36.6	39.7	39.0	46.0	29.2
-United States	-	-	-	-	-	-	-	-	-	2.8
Total Real Estate	24.7	29.4	35.9	44.9	46.0	36.6	39.7	39.0	46.0	32.0
DISCONTINUED OPERATIONS	-	-	-	-	-	-	-	-	-	117.3
TREASURY	2.3	0.1	0.1	3.0	3.0	2.8	2.7	2.8	3.0	2.8
OTHER	0.5	(2.8)	(0.4)	-	2.2	2.1	4.3	5.6	2.2	3.3
GENERAL ALLOWANCE	(405.0)	(405.0)	(405.0)	(405.0)	(405.0)	(405.0)	(405.0)	(435.0)	(405.0)	(500.0)
PRIVATE RISKS	(156.5)	(175.0)	(180.5)	(176.6)	(161.1)	(126.3)	(94.3)	(127.9)	(161.1)	91.0
DESIGNATED COUNTRIES	2.7	2.7	1.7	1.9	1.9	1.9	1.9	-	1.9	-
TOTAL	(153.8)	(172.3)	(178.8)	(174.7)	(159.2)	(124.4)	(92.4)	(127.9)	(159.2)	91.0
AS A % OF LOANS AND ACCEPTANCES	-0.3%	-0.4%	-0.4%	-0.4%	-0.4%	-0.3%	-0.2%	-0.3%	-0.4%	0.2%



Real Estate Outstanding (millions of dollars)	2003				2002			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
CANADA	\$525.0	\$521.0	\$501.0	\$460.0	\$475.0	\$448.0	\$433.0	\$446.0
UNITED STATES	47.0	54.0	59.0	66.0	69.0	69.0	93.0	107.0
GROSS TOTAL	572.0	575.0	560.0	526.0	544.0	517.0	526.0	553.0
ALLOWANCE FOR LOAN IMPAIRMENT								
- CANADA.	14.0	27.3	23.7	23.7	37.2	37.4	29.9	30.8
- U.S.A.	-	-	-	-	-	-	0.4	0.5
ALLOWANCE FOR LOAN IMPAIRMENT	14.0	27.3	23.7	23.7	37.2	37.4	30.3	31.3
NET	\$558.0	\$547.7	\$536.3	\$502.3	\$506.8	\$479.6	\$495.7	\$521.7

Aerospace Outstanding (millions of dollars)	2003				2002			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Aircraft manufacturing	\$144							
% investment grade	55.00%							
% non-investment	45.00%							
% of loans and BA's	0.35%							
Air Transportation	\$58							
% investment grade	0.00%							
% non-investment	100.00%							
% of loans and BA's	0.14%							
Services	\$82							
% investment grade	24.00%							
% non-investment	76.00%							
% of loans and BA's	0.20%							
Total	\$284							
% investment grade	58.00%							
% non-investment	42.00%							
% of loans and BA's	0.68%							



Telecom	2003				2002			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Outstanding (millions of dollars)								
Cable	\$121	\$131	\$136	\$117	\$126	\$122	\$119	\$110
% investment grade	38.84%	42.75%	41.18%	29.06%	31.75%	29.76%	30.87%	24.73%
% non-investment	61.16%	57.25%	58.82%	70.94%	68.25%	70.24%	69.13%	75.27%
% of loans and BA's	0.29%	0.31%	0.33%	0.29%	0.30%	0.30%	0.30%	0.28%
Wireless and Wireline	\$75	\$92	\$104	\$162	\$152	\$244	\$243	\$366
% investment grade	21.33%	21.74%	30.77%	24.69%	25.66%	42.46%	36.41%	63.21%
% non-investment	78.67%	78.26%	69.23%	75.31%	74.34%	57.54%	63.59%	36.79%
% of loans and BA's	0.18%	0.22%	0.25%	0.40%	0.37%	0.60%	0.61%	0.93%
Total	\$196	\$223	\$240	\$279	\$278	\$366	\$362	\$476
% investment grade	32.14%	34.08%	36.67%	26.52%	28.42%	38.22%	34.59%	54.32%
% non-investment	67.86%	65.92%	63.33%	73.48%	71.58%	61.78%	65.41%	45.68%
% of loans and BA's	0.47%	0.53%	0.57%	0.69%	0.67%	0.90%	0.91%	1.21%

Electric Power and Power Generation	2003				2002			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Outstanding (millions of dollars)								
Regulated Utilities	\$24	\$30	\$11	\$2	\$2			
% investment grade	100.00%	100.00%	100.00%	100.00%	100.00%			
% non-investment	0.00%	0.00%	0.00%	0.00%	0.00%			
% of loans and BA's	0.06%	0.07%	0.03%	0.00%	0.00%			
Generation Projects with PPA's	\$106	\$156	\$137	\$160	\$178			
% investment grade	13.21%	27.56%	39.42%	19.38%	37.64%			
% non-investment	86.79%	72.44%	60.58%	80.63%	62.36%			
% of loans and BA's	0.25%	0.37%	0.33%	0.40%	0.43%			
Other Generation Projects	\$11	\$29	\$34	\$18	\$29			
% investment grade	90.91%	41.38%	47.06%	55.56%	34.48%			
% non-investment	9.09%	58.62%	52.94%	44.44%	65.52%			
% of loans and BA's	0.03%	0.07%	0.08%	0.04%	0.07%			
Total	\$141	\$215	\$182	\$180	\$209			
% investment grade	34.04%	39.53%	44.51%	23.89%	37.80%			
% non-investment	65.96%	60.47%	55.49%	76.11%	62.20%			
% of loans and BA's	0.34%	0.51%	0.44%	0.45%	0.50%			

RISK-ADJUSTED CAPITAL RATIOS


(millions of dollars)	2003				2002			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Tier I capital								
Common shareholders' equity	\$3,723	\$3,622	\$3,562	\$3,671	\$3,601	\$3,534	\$3,615	\$3,727
Non-cum. preferred shares, permanent	375	375	500	500	300	300	300	400
Non-controlling interest	2	3	3	2	19	18	17	18
Innovative instruments	396	421	430	456	467	475	471	476
Less: goodwill	660	660	660	660	661	352	284	284
Total Tier I	\$3,835	\$3,761	\$3,835	\$3,969	\$3,726	\$3,975	\$4,119	\$4,337
Tier II capital								
Cumulative preferred shares	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Bank debentures	1,437	1,470	1,478	1,505	1,524	1,540	1,570	1,585
General provision	350	347	341	340	341	341	338	341
Total Tier II	\$1,787	\$1,817	\$1,819	\$1,845	\$1,865	\$1,881	\$1,908	\$1,926
Other deductions	253	243	243	251	296	297	407	431
TOTAL CAPITAL	\$5,369	\$5,335	\$5,411	\$5,563	\$5,295	\$5,559	\$5,620	\$5,832
Risk-adjusted balance sheet items								
Cash resources	\$1,363	\$1,303	\$1,186	\$1,333	\$1,421	\$1,405	\$1,702	\$1,915
Securities	2,688	2,706	2,659	2,947	2,336	2,213	2,215	2,433
Mortgage loans	4,634	4,343	4,039	4,108	3,971	3,787	3,601	3,634
Other loans	18,710	19,064	19,639	18,645	19,819	20,683	19,733	19,530
Other assets	5,692	5,915	5,376	5,330	5,117	4,568	4,900	4,935
Total Risk-adjusted balance sheet items	\$33,087	\$33,331	\$32,899	\$32,363	\$32,664	\$32,656	\$32,151	\$32,447
Risk-adjusted off-balance sheet items								
Commitments to extend credit								
L/G, L/C and trans.-related contingent	606	641	866	918	750	802	984	816
Commitments to extend credit	4,075	3,914	3,651	3,957	3,873	3,901	3,961	4,086
Interest rate contracts	100	115	115	145	161	119	101	110
Foreign exchange contracts	230	209	217	183	221	283	261	322
Equity-linked contracts	136	136	109	92	96	51	68	85
Commodity	120	72	80	101	65	64	58	57
Total Risk-adjusted off-balance sheet items	\$5,267	\$5,087	\$5,038	\$5,396	\$5,166	\$5,220	\$5,433	\$5,476
Risk-adjusted market risk items	\$1,707	\$1,242	\$1,124	\$1,193	\$1,148	\$1,164	\$1,086	\$1,061
TOTAL RISK-ADJUSTED ASSETS	\$40,061	\$39,660	\$39,061	\$38,952	\$38,978	\$39,040	\$38,670	\$38,984
Risk-adjusted ratios								
Tier I	9.6%	9.5%	9.8%	10.2%	9.6%	10.2%	10.7%	11.1%
Total	13.4%	13.5%	13.9%	14.3%	13.6%	14.2%	14.5%	15.0%



(millions of dollars)

	2003				2002				End Of Year	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2002	2001
FOREIGN EXCHANGE RELATED CONTRACTS										
Swaps	42,889	33,417	38,000	32,996	41,173	41,789	41,438	43,935	41,173	31,278
Options - purchased	9,619	7,370	5,642	6,261	7,607	7,366	6,246	8,374	7,607	9,636
Options - sold	9,687	7,748	4,964	5,605	7,096	7,667	5,305	7,593	7,096	8,075
Futures	6,748	5,683	6,862	7,368	7,340	7,567	6,855	8,877	7,340	8,854
Total Notional Amount	68,943	54,218	55,468	52,230	63,216	64,389	59,844	68,779	63,216	57,843
Replacement cost (1)	550	451	445	267	314	430	302	419	314	538
Future credit risk	454	440	436	415	502	517	490	614	502	602
Credit equivalent (2)	1,581	892	880	682	815	947	792	1,033	815	1,141
Risk-weighted equivalent	230	209	217	183	221	283	261	322	221	374
INTEREST RATE RELATED CONTRACTS										
Swaps	88,477	84,595	93,448	70,539	67,819	63,871	69,890	72,202	67,819	64,011
Options - purchased	38,705	48,728	43,203	34,197	33,917	33,988	35,239	31,786	33,917	30,351
Options - sold	47,161	50,337	47,397	44,494	59,700	31,929	35,669	40,629	59,700	53,561
Futures	7,486	5,166	3,606	3,663	8,561	2,962	5,727	5,004	8,561	4,531
Total Notional Amount	181,829	188,826	187,654	152,893	169,997	132,750	146,525	149,621	169,997	152,454
Replacement cost (1)	392	471	479	560	579	458	314	354	579	392
Future credit risk	184	174	165	151	140	134	128	125	140	112
Credit equivalent (2)	576	645	643	712	720	592	442	479	720	504
Risk-weighted equivalent	100	115	115	145	161	119	101	109	161	106
FINANCIAL FUTURES										
Total Notional Amount	23,981	20,007	22,123	14,890	14,273	9,939	16,762	13,286	14,273	17,520
EQUITY AND COMMODITY CONTRACTS										
Total Notional Amount	10,530	12,924	7,816	11,111	5,046	3,621	4,086	13,901	5,046	7,759
Replacement cost (1)	431	310	347	411	345	104	130	143	345	133
Future credit risk	468	523	346	269	257	249	231	690	257	325
Credit equivalent (2)	899	833	693	679	602	353	361	833	602	458
Risk-weighted equivalent	256	208	189	193	161	116	127	143	161	148
TOTAL DERIVATIVES										
Total Notional Amount	285,283	275,975	273,061	231,124	252,532	210,699	227,217	245,587	252,532	235,576
Replacement cost (1)	1,373	1,232	1,271	1,238	1,238	992	746	916	1,238	1,063
Future credit risk	1,106	1,137	947	835	899	900	849	1,429	899	1,039
Credit equivalent (2)	3,056	2,370	2,216	2,073	2,137	1,892	1,595	2,345	2,137	2,103
Risk-weighted equivalent	586	532	521	521	543	518	489	574	543	628

(1) Gross positive replacement cost after permissible netting

(2) Taking into account permissible netting

SHAREHOLDERS' INFORMATION


	2003				2002			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1

Credit Rating

Moody's (Long Term Debt Senior)	A1	A1	A1	A1	A1	A1	A1	A1
Standard & Poor's/CBRS (Long Term Debt)	A	A	A	A	A	A	A	A
DBRS (Debentures)	A(Low)	A(Low)	A(Low)	A(Low)	A(Low)	A(Low)	A(Low)	A(Low)
Fitch (Long-Term)	A+	A+	A+	A+	A+	A+	A+	A+

Stock Trading Range and Other Information

High	\$ 41.19	\$ 37.41	\$ 35.15	\$ 33.10	\$ 32.50	\$ 33.73	\$ 34.93	\$ 30.07
Low	\$ 34.50	\$ 34.55	\$ 31.26	\$ 29.95	\$ 27.00	\$ 29.01	\$ 29.14	\$ 24.70
Close	\$ 40.91	\$ 35.38	\$ 34.90	\$ 31.76	\$ 29.39	\$ 31.60	\$ 33.40	\$ 30.00
Number of registered shareholders	27,865	27,997	28,189	28,402	28,549	28,750	29,101	29,476

Valuation

Market Capitalization (in millions of \$)	\$ 7,144	\$ 6,174	\$ 6,131	\$ 5,766	\$ 5,366	\$ 5,791	\$ 6,183	\$ 5,715
P/E Ratio (Trailing 4 Quarters)	12.14	11.02	14.30	13.63	13.48	14.50	12.10	10.60
Market price/Book value	1.92	1.70	1.72	1.57	1.49	1.64	1.71	1.53
Dividend payout (trailing 4 quarters)	32.05%	32.40%	40.98%	42.06%	42.66%	41.28%	31.52%	29.68%
Dividend yield (annualized)	2.74%	3.17%	2.98%	3.27%	3.27%	3.04%	2.87%	2.80%

The Common Shares of the Bank as well as the First Preferred , Series 13, and Series 15 are listed on the Toronto stock exchange.

The ticker symbols and newspaper abbreviations for the Bank's shares listed are as follow:

	Ticker Symbol	Newspaper Abbreviations Toronto
Common Shares	NA	National Bk
First Preferred Shares		
Series 13	NA.PR.J	Natl Bk 13
Series 15	NA.PR.K	Natl Bk 15



VaR - Global Trading - Q3 2003 to Q4 2003 (Maximum 1-day loss at 99%)

