

Analyst and Investor Presentation Q4 and Fiscal 2006 Results Conference Call

Montreal, November 30, 2006

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2006 - Highlights

- Total revenues (TEB) increased by 5% (YoY)
- Diluted EPS⁽¹⁾ reached \$5.05, a 10.3% increase (YoY)
- ROE at 20.1%, exceeding financial targets

Margin improvement in P&C Banking (QoQ)

Strong performance in Financial Markets (YoY)

Good performance in credit management

Quarterly dividend increased by \$0.04, representing 13% (YoY)

Dividend payout range increased to 40% - 50%

(1) Excluding the gain on MasterCard IPO in Q3 2006, the gain on sale of share ownership management business of National Bank Trust in Q2 2006, reversal of general allowances in 2005 and gain on sale of investments in South America in 2005.

2006 Objectives

	Objectives	Q4 06	YTD
Growth in diluted earnings per share ⁽¹⁾	5% to 10%	19.1%	10.3%
Return on common shareholders' equity	16% to 18%	19.7%	20.1%
Tier 1 capital ratio	Equal or greater than 8.5%	9.9%	9.9%
Dividend payout ratio ⁽²⁾	35% to 45%	38%	38%

(1) 2006 objectives exclude the gain on MasterCard IPO in Q3 2006, the gain on sale of share ownership management business of National Bank Trust in Q2 2006, reversal of general allowances in 2005 and gain on sale of investments in South America in 2005

(2) Trailing 4 quarters

2006 - Performance Snapshot

TEB

(millions of dollars)

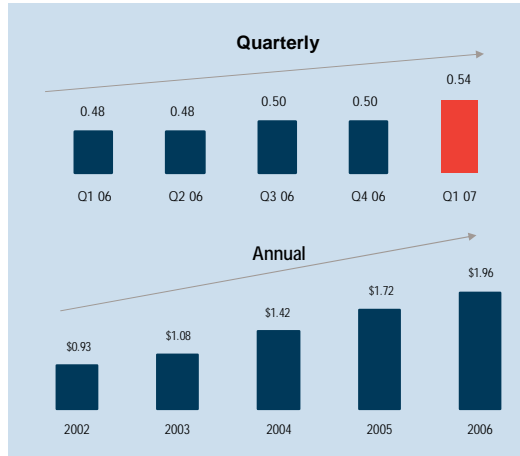
	Q4 06	Q4 05	Change	12M 06	12M 05	Change
Total revenues	\$1,077	\$966	11%	\$4,044	\$3,853	5%
Operating expenses	\$686	\$647	6%	\$2,588	\$2,499	4%
Contribution	\$391	\$319	23%	\$1,457	\$1,354	8%
Provision for credit losses	\$22	\$25	-12%	\$77	\$75	3%
Adjusted Net income	\$220	\$190	15%	\$857	\$803	7%
Net income	\$220	\$207	6%	\$871	\$855	2%
Diluted EPS	\$1.31	\$1.20	9%	\$5.13	\$4.90	5%
Gain on MasterCard IPO				(\$0.05)		
Gain on sale of business				(\$0.03)		
Gain on sale of investment					(\$0.15)	
Reversal of general allowances		(\$0.10)			(\$0.17)	
Adjusted EPS ⁽¹⁾	\$1.31	\$1.10	19%	\$5.05	\$4.58	10%

2006 - YoY:

- Total revenue up 5%
- PCL at \$77M
- Adj. diluted EPS up 10%

(1) Excluding the gain on MasterCard IPO in Q3 2006, the gain on sale of share ownership management business of National Bank Trust in Q2 2006, reversal of general allowances in 2005 and gain on sale of investments in South America 2005

Dividend Per Share



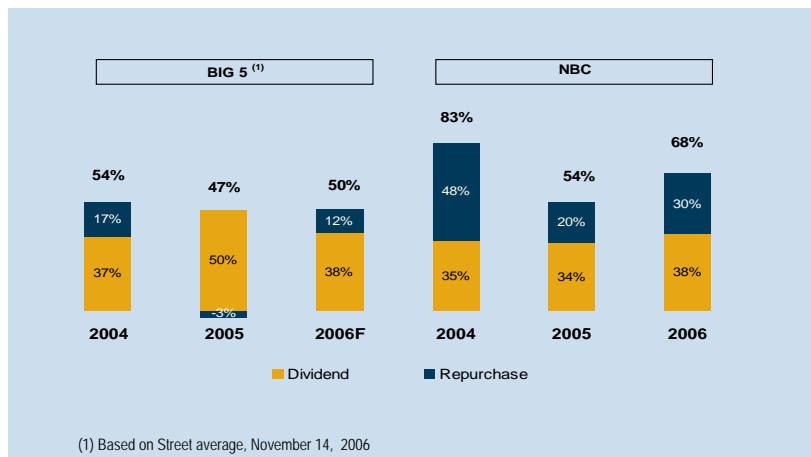
Growth for shareholders

- Quarterly dividend increase to \$0.54, up 13% from a year ago

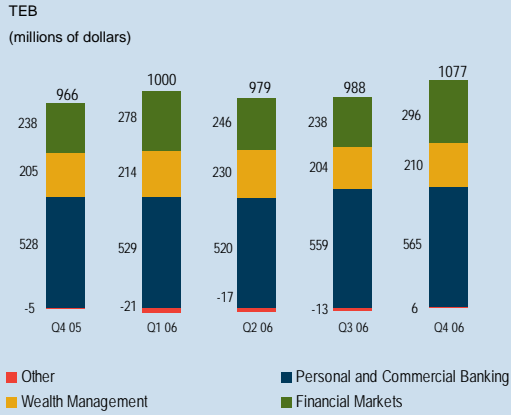
Share Buyback Programs

- 0.6M shares in Q4 2006
- 5.1M shares repurchased YTD, totaling \$309M

Return to Shareholders



Revenues

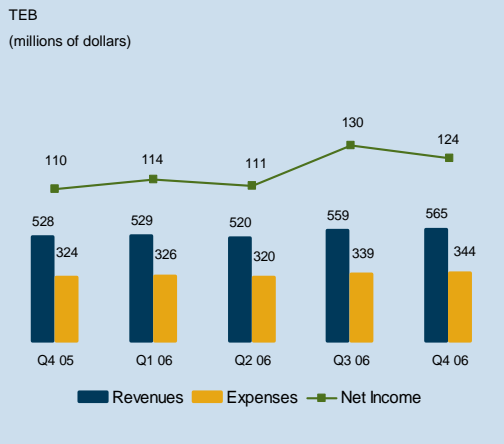


Q4 2006 – YoY:

All business lines contributing to growth:

- P&C Banking: 7%
- Wealth Management: 2%
- Financial Markets: 24%

Personal and Commercial Banking – Quarterly



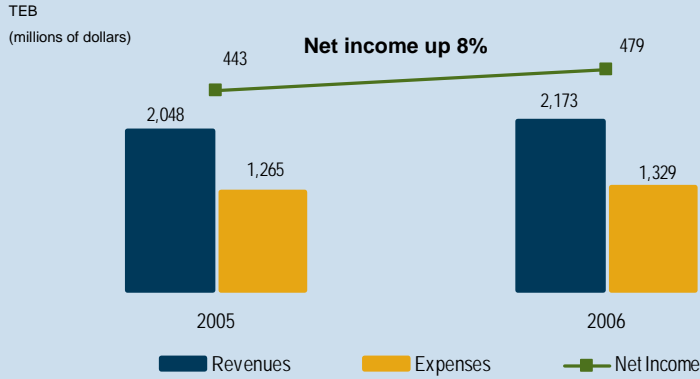
Q4 2006 - YoY:

- Net income up 13%

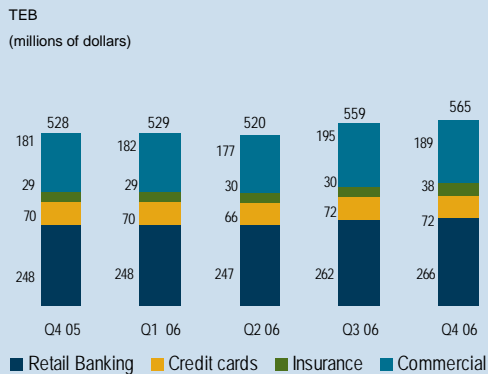
Driven by :

- 7% increase in revenues attributed to higher volume in P&C Banking
- Slight uptick in retail margin spread
- Improved efficiency ratio at 60.9% from 61.4%

Personal and Commercial Banking – YTD



P&C Revenue Composition



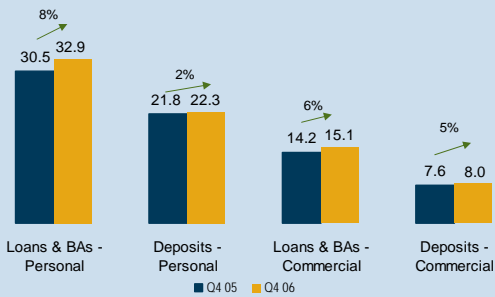
Q4 2006 - YoY:

All sectors contributing to growth:

- Retail Banking: 7%
- Credit Cards: 3%
- Insurance: 31%
- Commercial Banking: 4%

P&C Volume Evolution

Quarterly average volume
(billions of dollars)

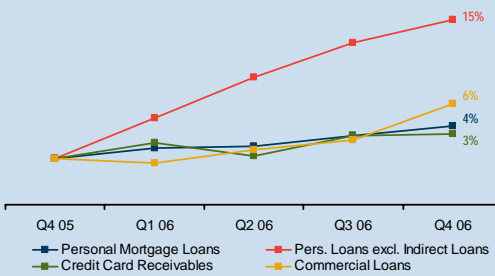


Strong Volume Growth

- 8% increase in Personal Loans
- 6% increase in Commercial Loans and 5% in Deposits

P&C Loan Evolution

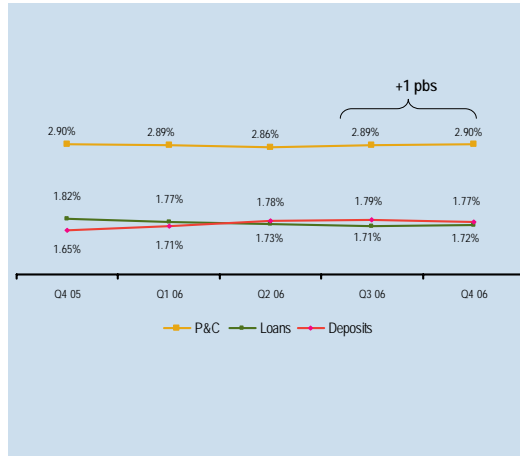
Volume growth
Q4 2005 = 100
(millions of dollars)



Highlights - YoY:

- 15% increase in Consumer Loans
- Mortgage Loans kept momentum at 4%
- Commercial Loans up 6%
- Credit Card Receivables up 3%

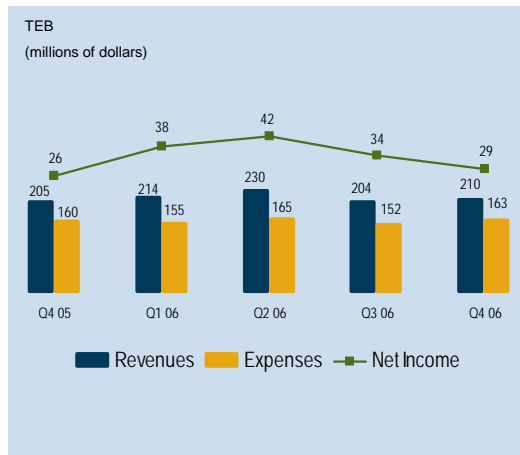
P&C Margin Evolution



Highlights:

- Slight uptick in retail margin spread
- NIM improvement in P&C Banking since Q2 2006

Wealth Management – Quarterly



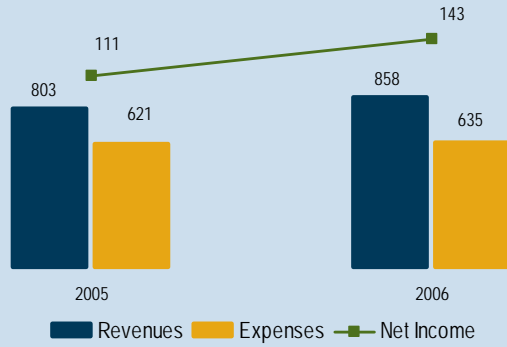
Q4 2006 – YoY:

- Net income up 12%
- 3% revenue growth mainly due to stronger contributions from mutual funds and Private inv. mgmt

Wealth Management – YTD

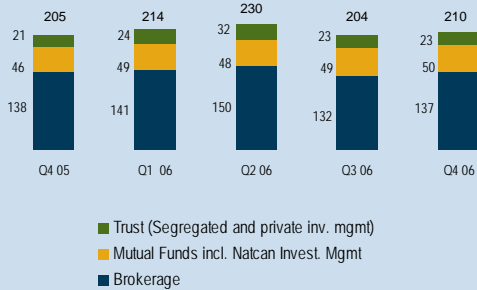
TEB
(millions of dollars)

Net income up 29%



Wealth Management Revenue Composition

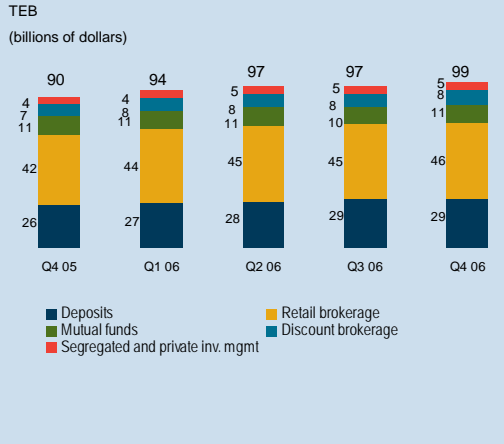
TEB
(millions of dollars)



Q4 2006 - YoY:

- 9% growth for mutual funds
- 10% growth for private investment management
- Stable revenues for retail brokerage as a result of fewer new issues

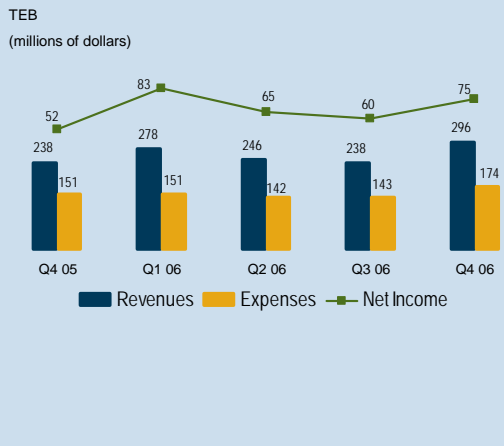
Retail Assets Under Management Composition



Q4 2006 - YoY:

- Overall, 10% increase
- Growth in sub-sectors:
 - Deposit: 12%
 - Retail brokerage: 10%
 - Segregated and private inv. Mgmt: 25%

Financial Markets – Quarterly



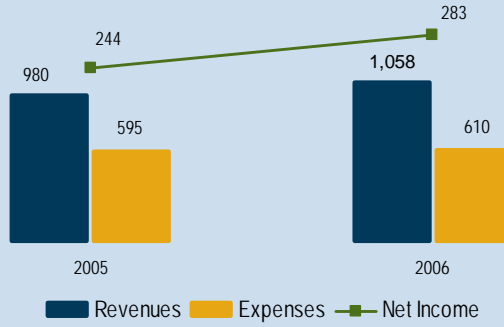
Q4 2006 - YoY:

- Revenues up 24% while expenses increased by 15%
- Net income up 44%

Financial Markets – YTD

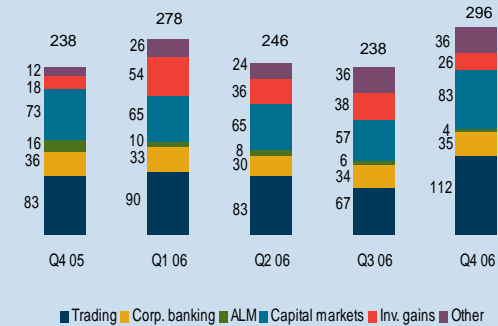
TEB
(millions of dollars)

Record Net income - up 16%



Financial Markets Revenue Composition

TEB
(millions of dollars)



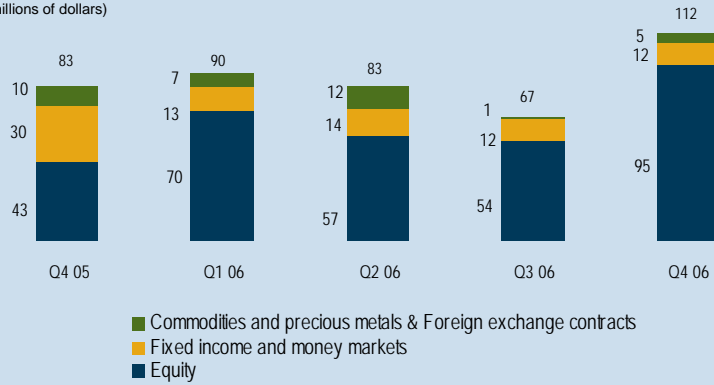
Q4 2006 - YoY:

- Trading up 35 %
- Capital Markets up 14 % due to M&A activities in CIB, especially in mining sector

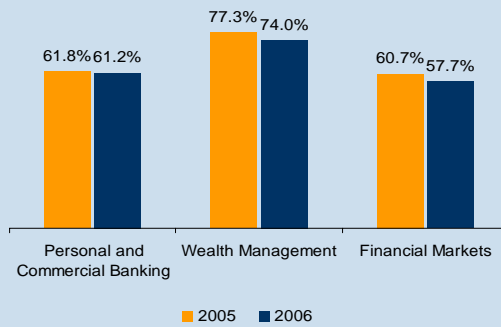
Trading Revenue Breakdown

TEB

(millions of dollars)



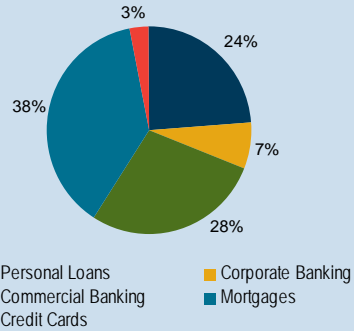
Business Line Expense Ratio



Global Portfolio Composition

Outstanding

As at October 31, 2006



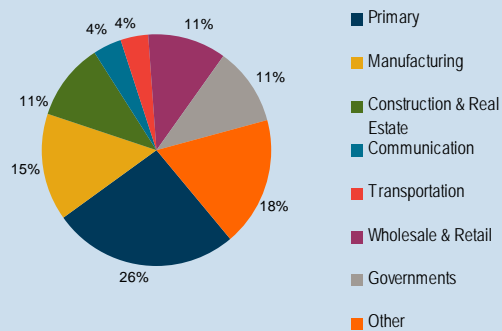
Adjusted for securitization

Highlights:

- Retail Banking represents 65% of total portfolio

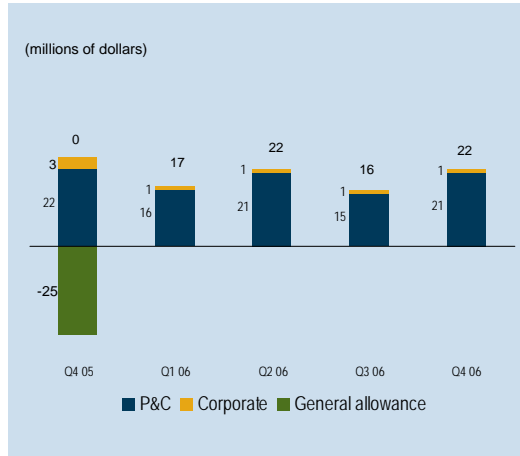
Industry Exposure

As at September 30, 2006



- Manufacturing: no sectors exceed 5%

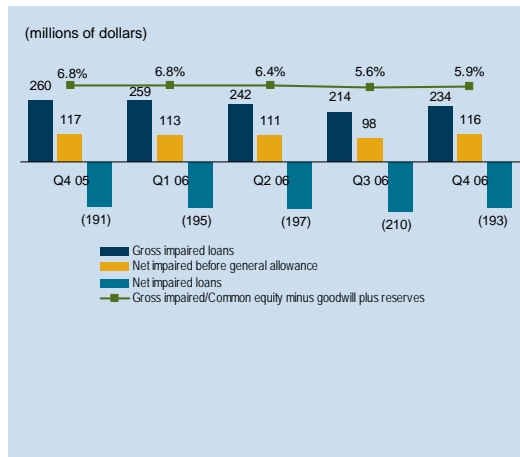
Risk Provisioning



Highlights - YoY:

- Continuous favorable credit environment
- PCL at \$22M

Impaired Loans



Highlights:

- Ratio at 5.9%
- Net impaired loans similar to Q4 2005

Impaired Loan Formation

(millions of dollars)

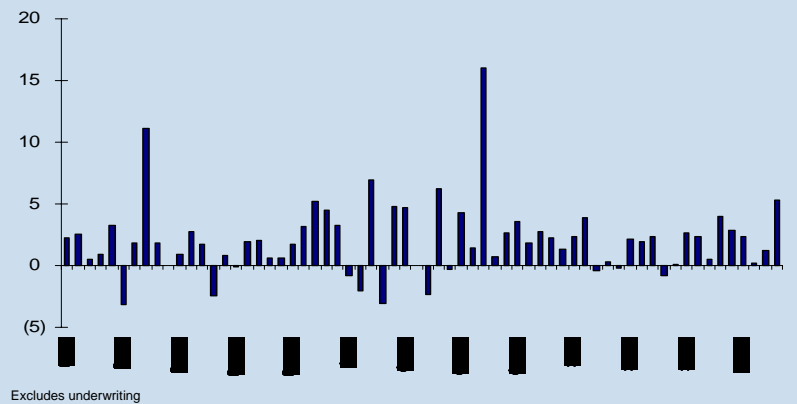
	Q4-05	Q1-06	Q2-06	Q3-06	Q4-06
Personal & Commercial*	33	17	9	-1	41
Corporate	2	(2)	(6)	3	-1
TOTAL	35	15	3	2	40

Formations include new accounts, disbursements, principal repayments and exchange rate fluctuation

* Includes Real Estate

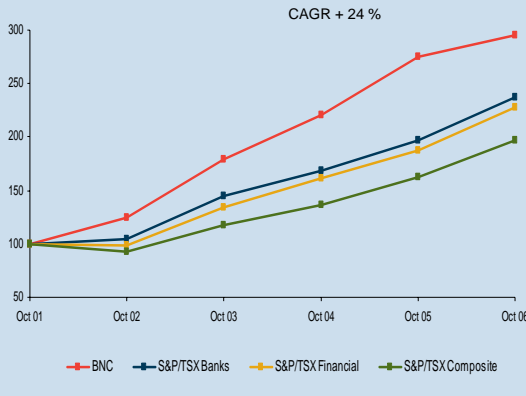
Daily Trading P/L – Q4 2006

(millions of Cdn dollars)



Summary

Total Shareholder Return (Five-year period)



- 2006 objectives met or exceeded
- Excellent credit quality
- Strong distribution of net income to shareholders through dividend payments and share repurchases

2007 Objectives

	Objectives
Growth in diluted earnings per share ⁽¹⁾	5% to 10%
Return on common shareholders' equity	16% to 20%
Tier 1 capital ratio	Equal or greater than 8.5%
Dividend payout ratio	40% to 50%

(1) Base on \$5.05 EPS which excludes the gain on MasterCard IPO and the gain on sale of share ownership management business of National Bank Trust

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By their very nature, such forward-looking statements require us to make assumptions and involve inherent risks and uncertainties, both general and specific. There is significant risk that express or implied projections contained in such statements will not materialize or will not be accurate. A number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed in the forward-looking statements. Such differences may be caused by factors, many of which are beyond the Bank's control, which include, but are not limited to, changes in Canadian and/or global economic and financial conditions (particularly fluctuations in interest rates, currencies and other financial instruments), liquidity, market trends, regulatory developments and competition in geographic areas where the Bank operates, technological changes, consolidation in the Canadian financial services sector, the possible impact on our businesses of international conflicts and other developments including those relating to the war on terrorism and the Bank's anticipation of and success in managing the risks implied by the foregoing. The Bank cautions that the foregoing list of important factors is not exhaustive. Investors and others who base themselves on the Bank's forward-looking statements should carefully consider the above factors as well as the uncertainties they represent and the risk they entail. The Bank therefore cautions readers not to place undue reliance on these forward-looking statements. The Bank does not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time by or on behalf of the Bank.

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