

Scotia Capital Financials Summit 2005

Réal Raymond, President and CEO

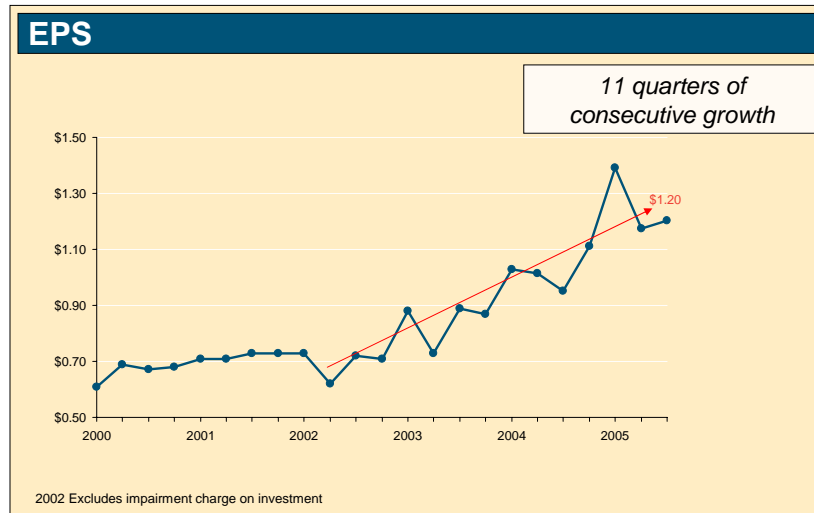
Toronto, September 13, 2005



opportunities



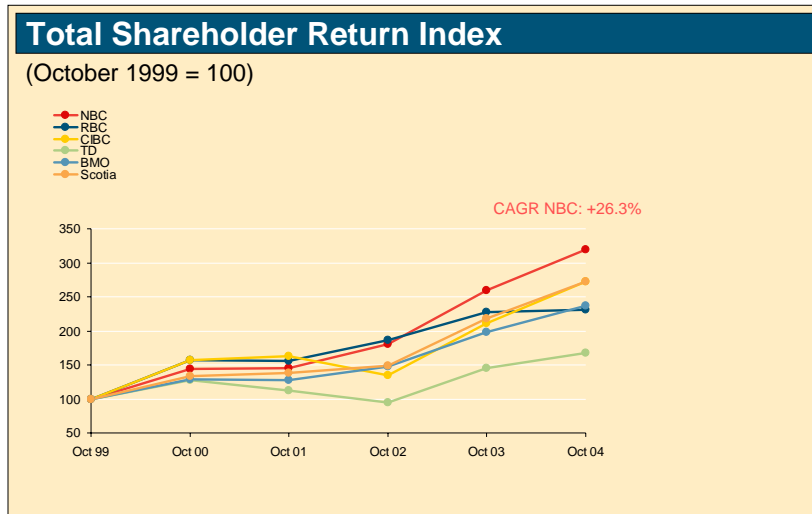
National Bank's Performance



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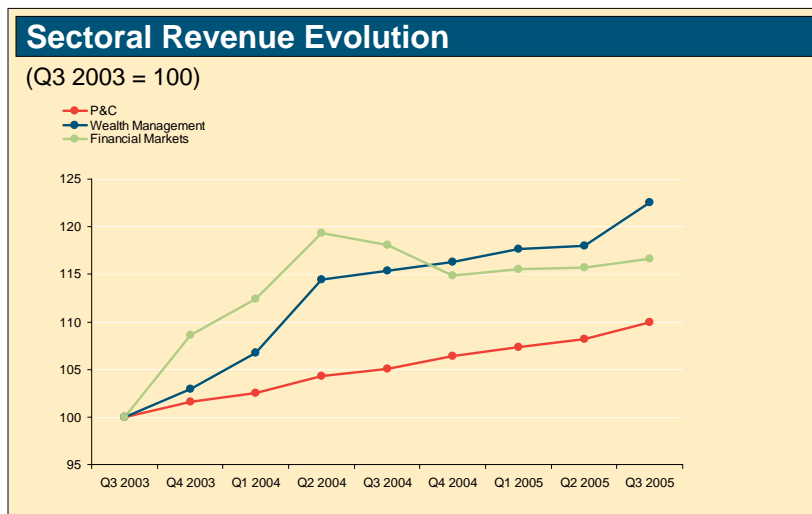
National Bank's Performance



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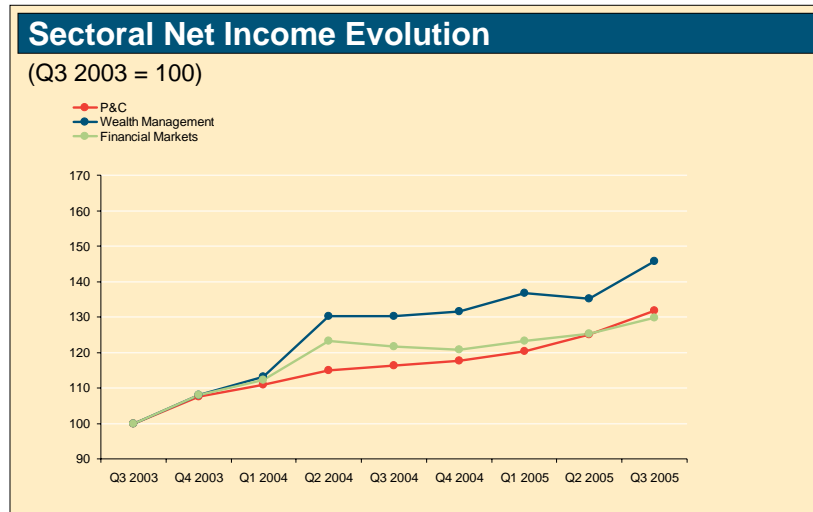
National Bank's Performance



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National Bank's Performance



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National Bank Growth Strategy



Three ingredients for success:

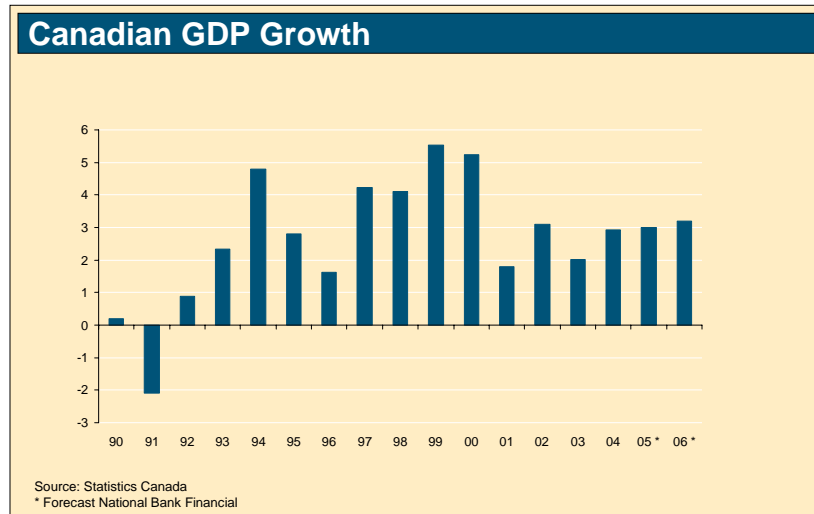
1. A strong national economy
2. A growth-oriented business plan
3. Sound risk management

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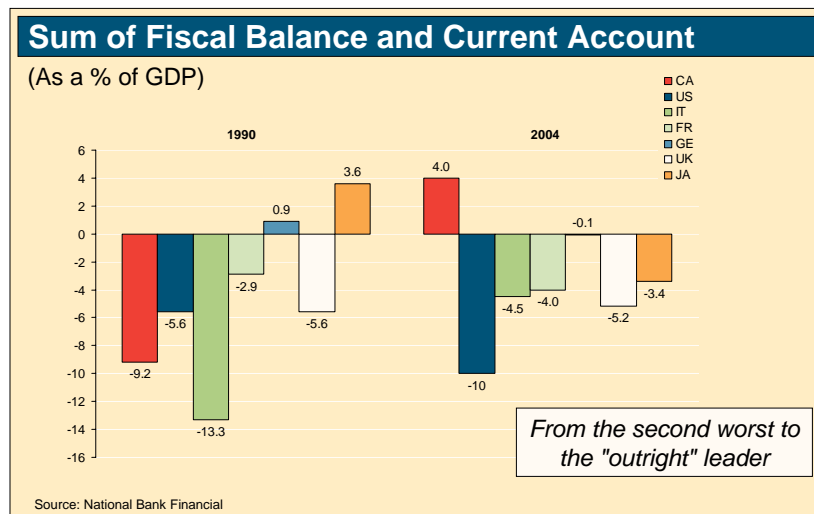
1. Strong National Economy



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NATIONAL BANK OF CANADA

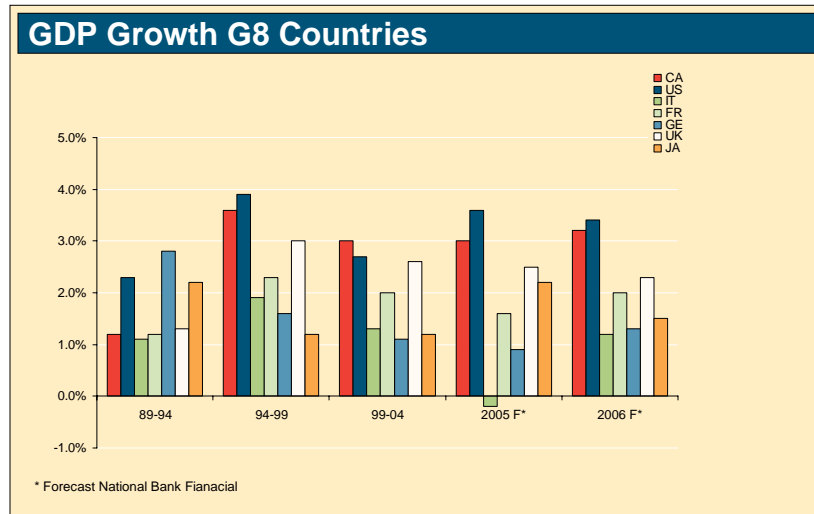
1. Strong National Economy



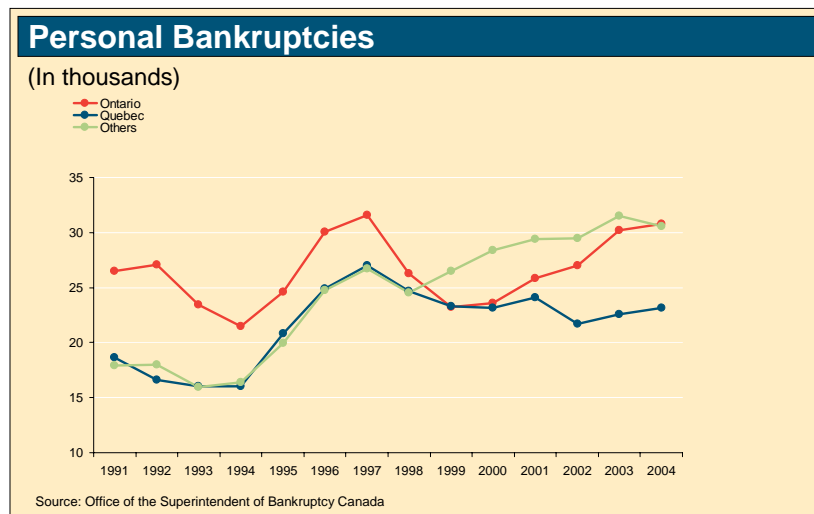
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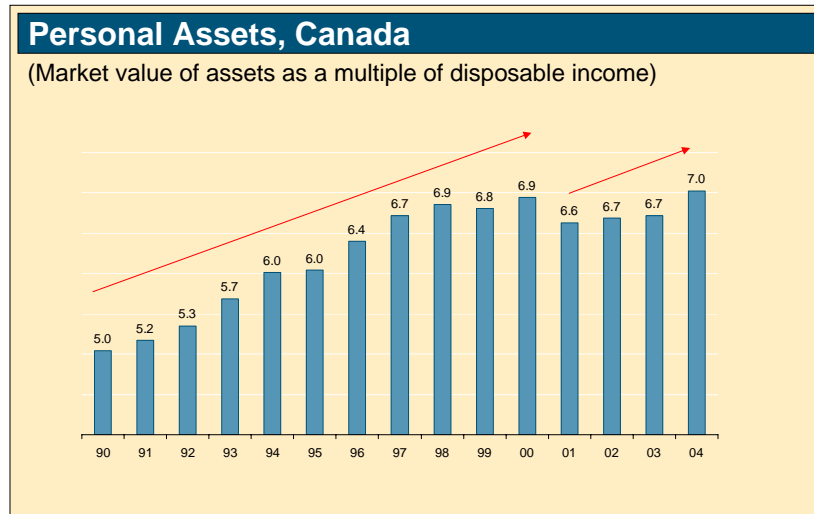
1. Strong National Economy



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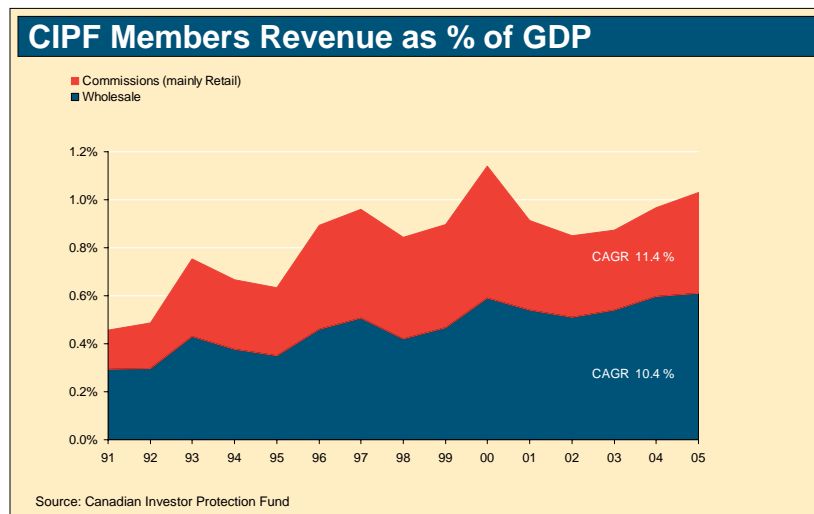
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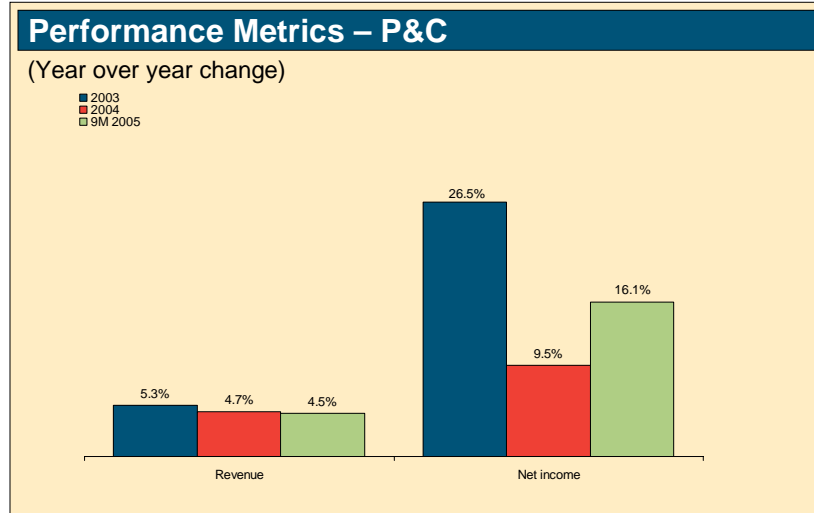
1. Strong National Economy



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2. Growth-Oriented Business Plan



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2. Growth-Oriented Business Plan



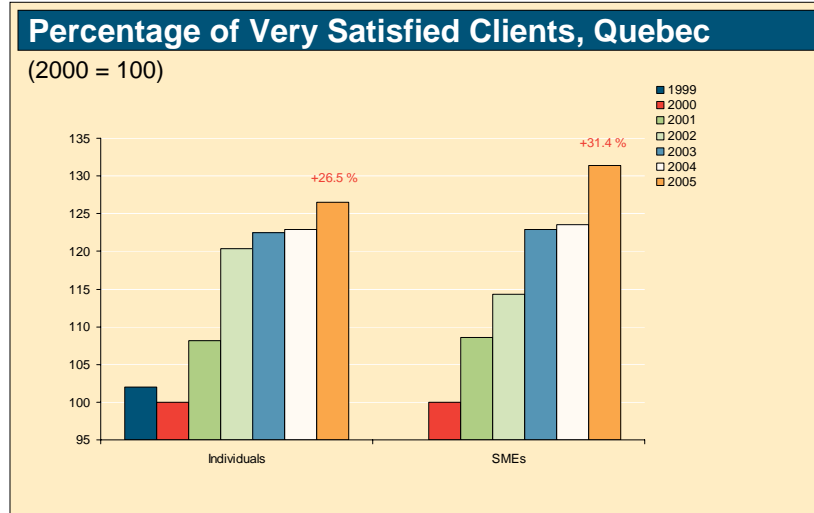
Retail Asset Volume Growth

(\$ billions)	July 31 2005	% change (2003-2005)
Cash resources and securities	\$55.0	48%
Managed loans, loan substitutes & BAs	\$54.6	15%
Mortgage loans	\$20.5	13%
Personal credit	\$10.8	37%
Partnerships		569%
Credit cards		15%
Equity line of credit (HELOC)		99%
Other personal line of credit		35%
Other personal loans		-11%
Mortgage loans & equity line of credit		17%
Business credit	\$23.4	8%
Energy (commercial & corporate)		42%
Commercial (excl. energy)		1%
Corporate (excl. energy)		-42%
Other Commercial ¹		107%
Other assets	\$7.0	15%
Total assets managed	\$116.6	28%

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2. Growth-Oriented Business Plan

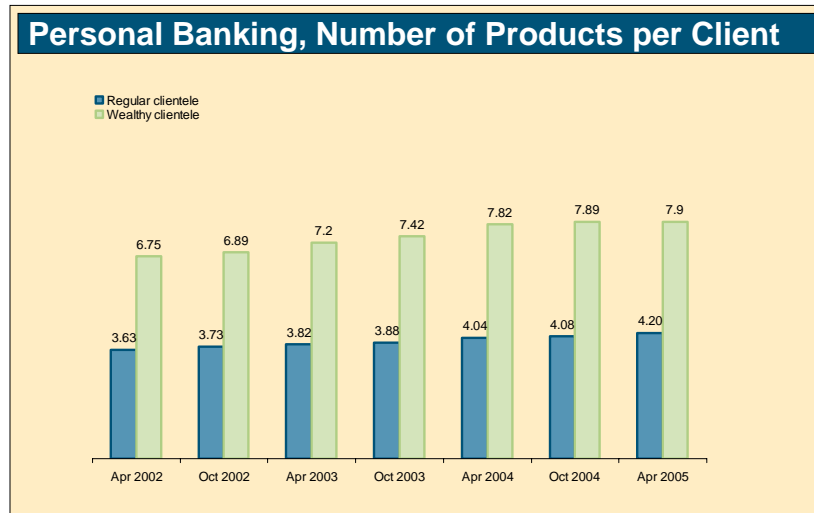


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2. Growth-Oriented Business Plan



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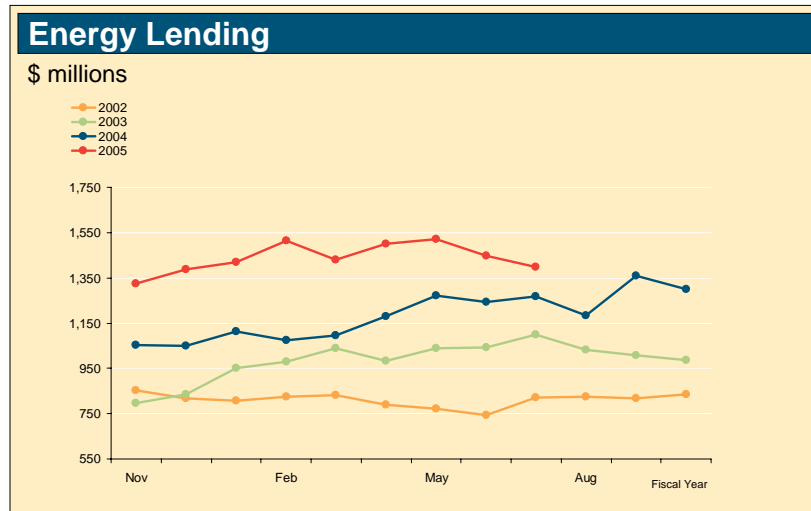
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BusinessFlex

- Growth of activities since May 2004 ¹:
 - Number of clients: + 25%
 - Volume of BusinessFlex authorized credit: + 59 %
 - Volume of BusinessFlex deposits: + 23 %

Note 1: The growth of activities is a combination of customers migrating from Commercial Banking to BusinessFlex and the acquisition of new customers.





Wealth Management

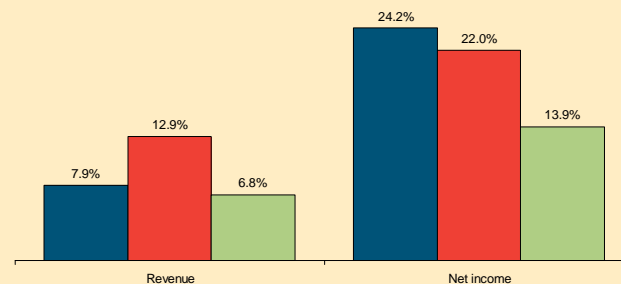
Multi-channel approach:

1. National Bank Financial brokerage channel
 - 2/3's are not banking clients, room to cross-sell
 - Especially true outside Quebec which now accounts for 40% of revenue and 34% of AUM
2. Altamira
 - Mutual funds and cash performer accounts
3. National Bank Branches
 - Majority of wealth management products are marketed through branches
4. Commercial sector channel
 - Opportunities to manage entrepreneurs' wealth

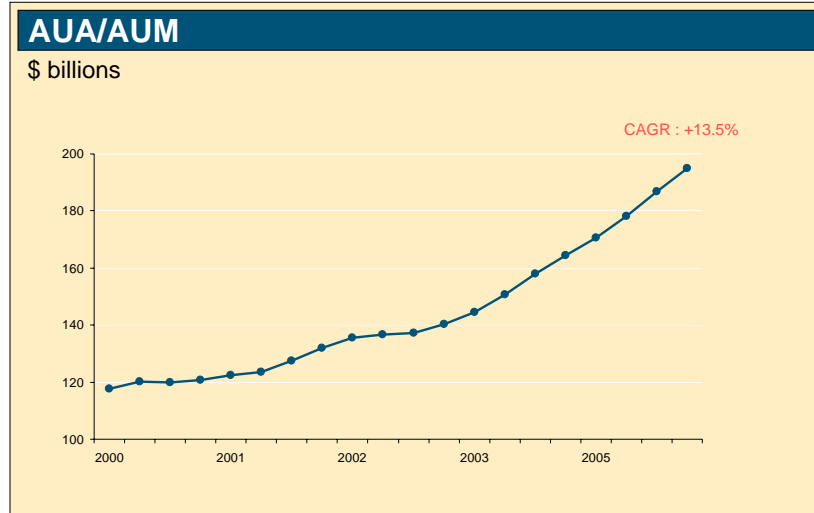
Performance Metrics – Wealth Management

(Year over year change)

■ 2003
■ 2004
■ 9M 2005



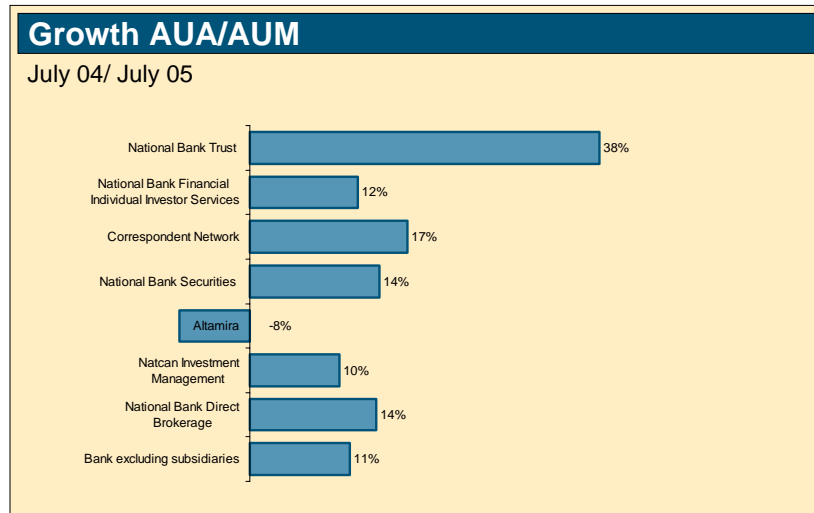
2. Growth-Oriented Business Plan



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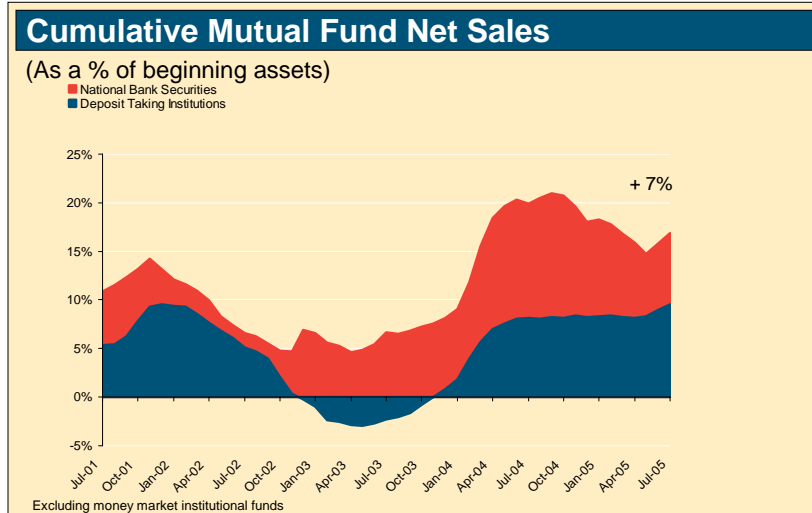
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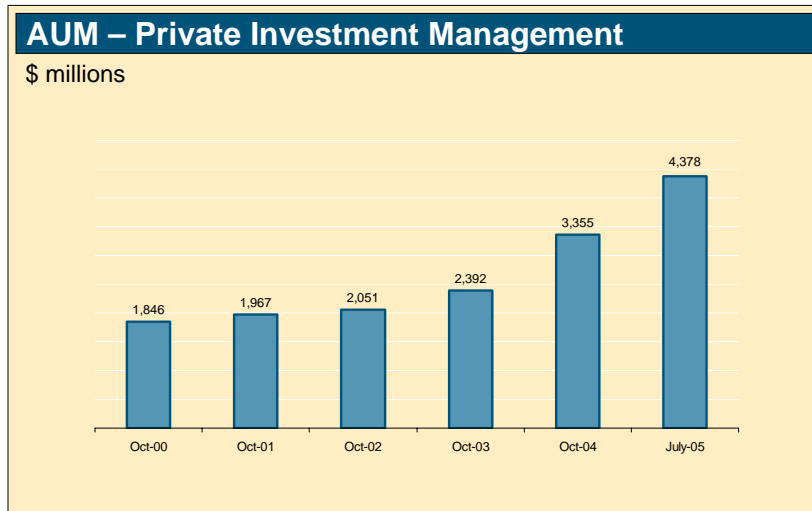
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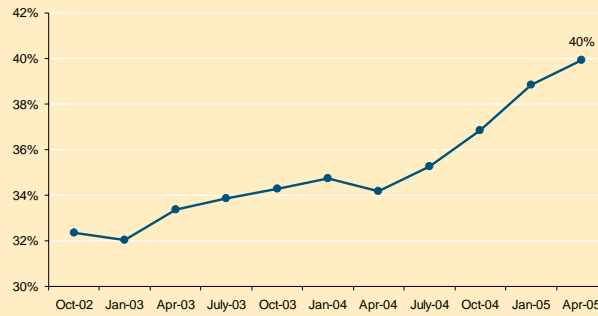
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2. Growth-Oriented Business Plan

Share of Wallet, Wealthy Clientele, Quebec

(Rolling 4 quarters average)



Source: IPSOS-Reid

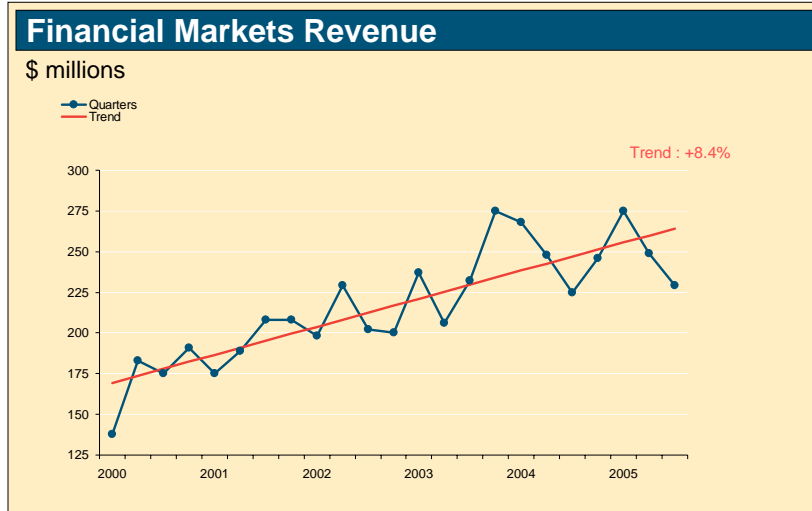
2. Growth-Oriented Business Plan

Successful Diversification Strategies



- Opportunism
 - Early mover
 - Innovations:
 - Alternative asset management (Hedge Fund)
 - External traders
 - Commodities
 - Absolute return investing
- Product differentiation
 - Retail products
 - Structured products
- Being a niche player
 - Local dominance (Quebec)
 - Global excellence
 - Focus on high margin businesses

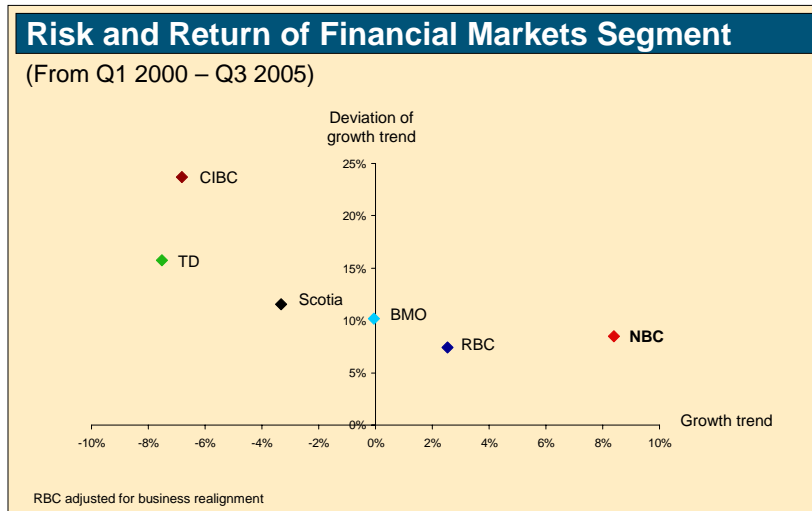
2. Growth-Oriented Business Plan



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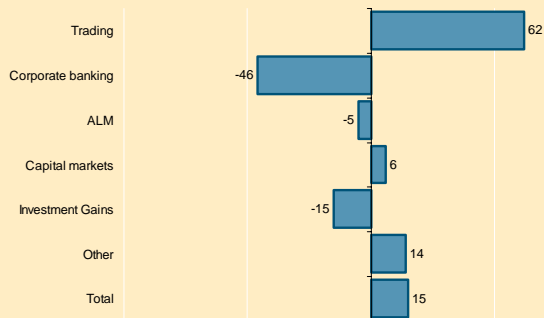
Financial Markets

9 Months, \$ millions	2004	2005 ¹	Change
Revenue			
NBC	\$738	\$753	2.1%
Big 5	\$11,302	\$10,901	-3.5%
Net operating income			
NBC	\$182	\$200	10.0%
Big 5	\$2,979	\$3,020	1.0%
Profit margin			
NBC	24.7%	26.6%	1.9%
Big 5	26.4%	27.7%	1.3%

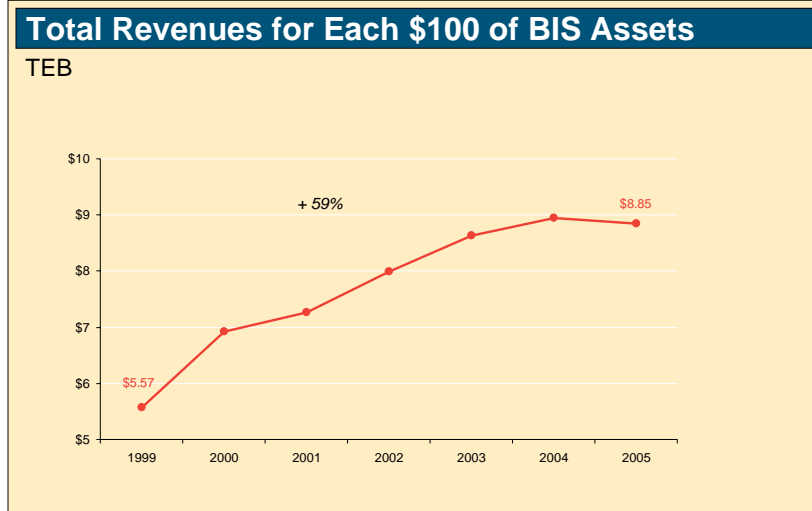
¹ Excluding CIBC's Enron related charge

Financial Markets – Change in Revenue

YTD, \$ millions



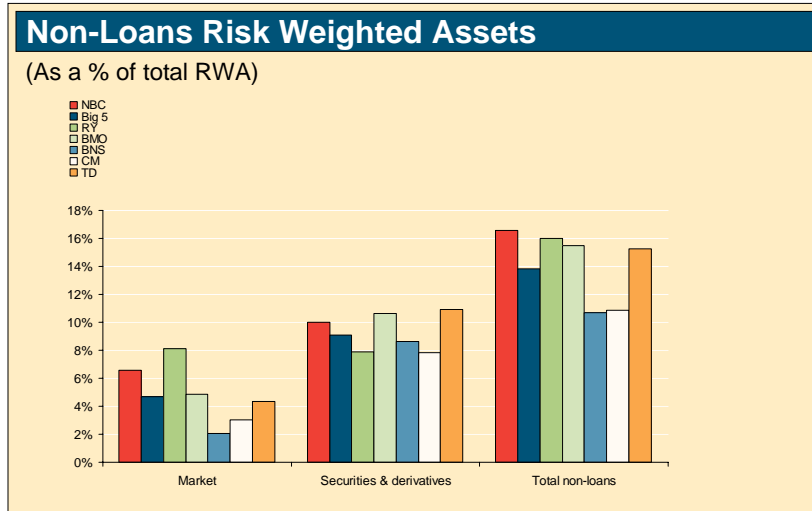
2. Growth-Oriented Business Plan



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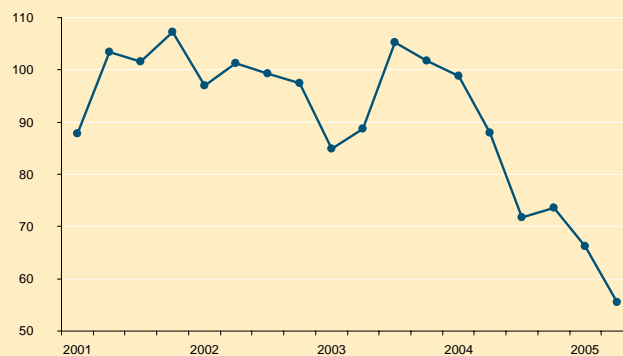
Effectiveness of BIS Assets

As at July 31 2005	P&C	Wealth Management	Financial Markets	Total
Revenue	\$1,523	\$601	\$753	\$2,877
Net Income	\$341	\$88	\$200	\$629
BIS Assets	\$28,837	\$2,482	\$15,847	\$47,165
As a % of assets				
Revenues	7.04%	32.29%	6.34%	8.13%
Net Income	1.58%	4.73%	1.68%	1.78%

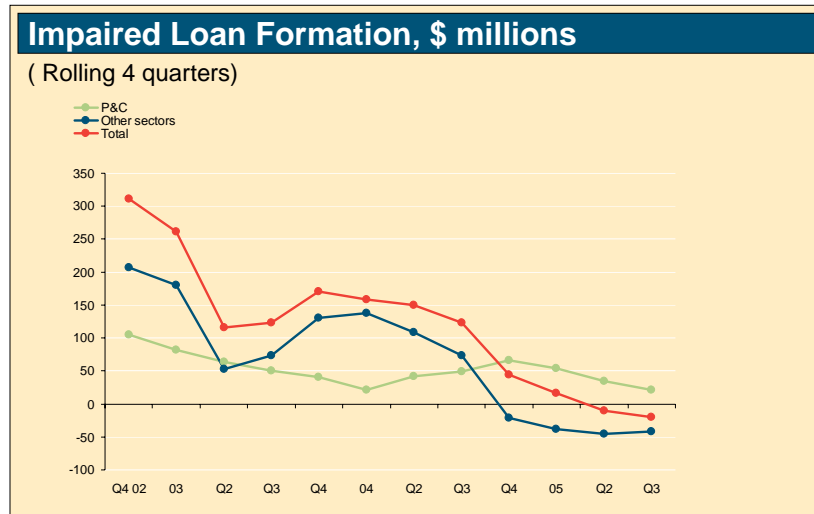
3. Sound Risk Management

Watchlist, Commercial Loans of \$1 Million & Over

(2001 = 100)



3. Sound Risk Management

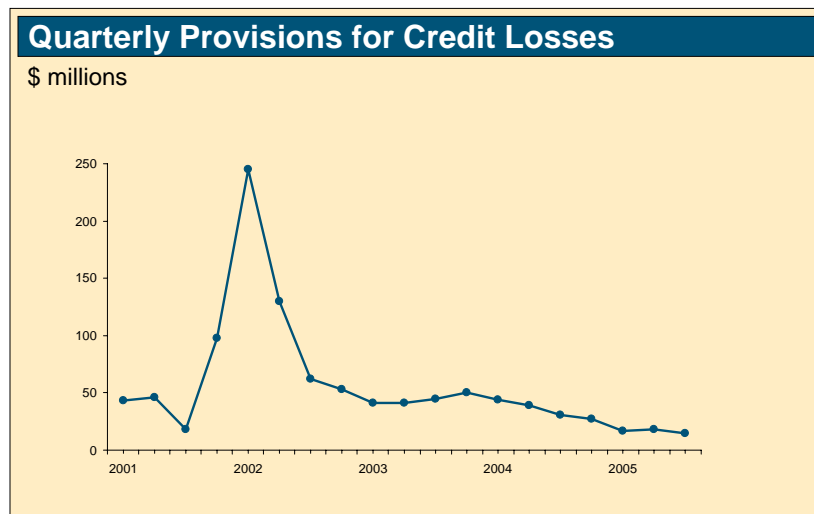


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3. Sound Risk Management



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Senior Risk Executive Decision Power



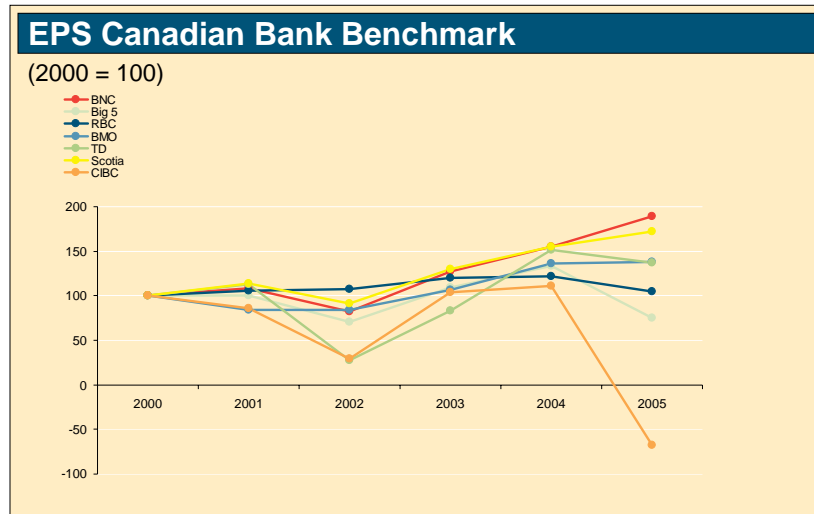
- Review reputation and background of new names
- Suitability of new products or new issues for our clientele
- Rapidly escalate to senior management and committees any reputational or operational issue

National Bank Growth Strategy



- Focused domestic-oriented internal growth strategy that enables us to be among the best in markets we choose
- Increasing shareholder returns grounded in real progress in operations and volume growth stimulated by favorable economic environment
- Take full advantage of secular developments in financial markets

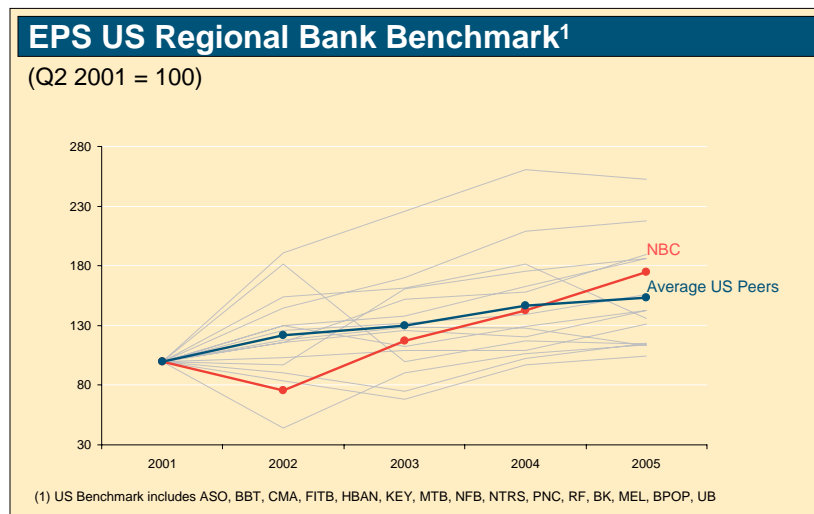
Delivering Shareholder Value



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Delivering Shareholder Value



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Q&A

Réal Raymond, President and CEO

Toronto, September 13, 2005



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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.