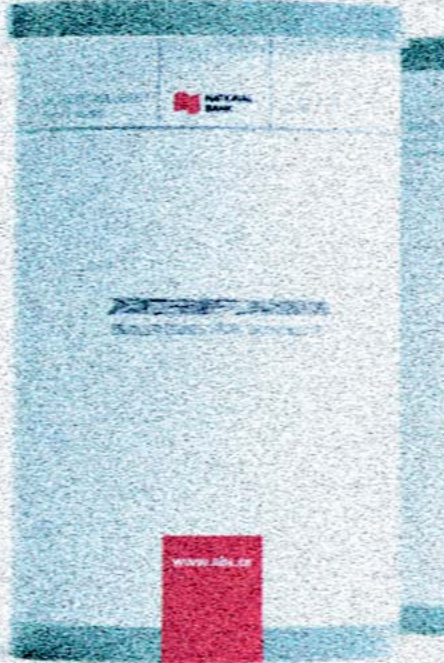


**CIBC World Markets
Frontenac
Institutional Investor
Conference**

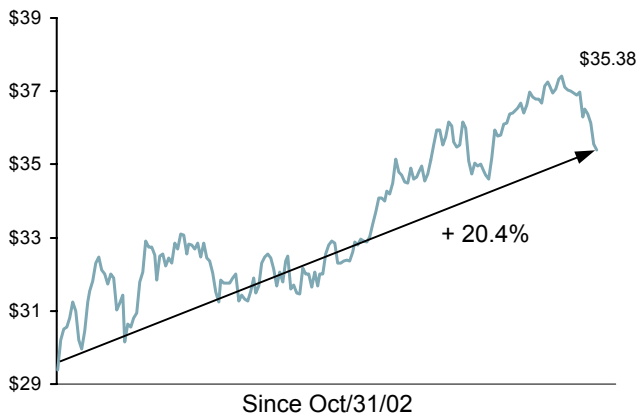
**Réal Raymond
President and CEO**

Quebec City, September 18, 2003

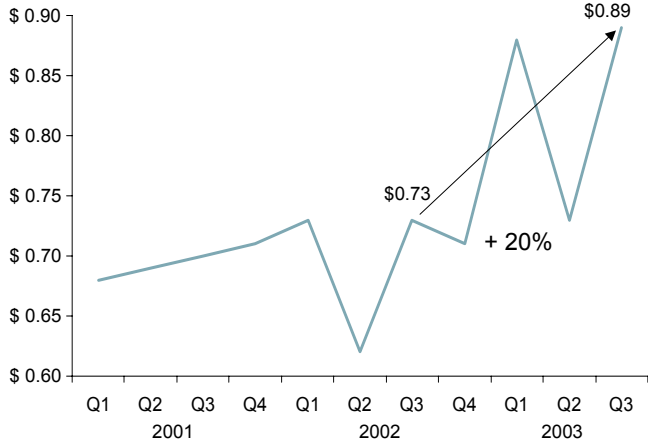


Stock Price, NA

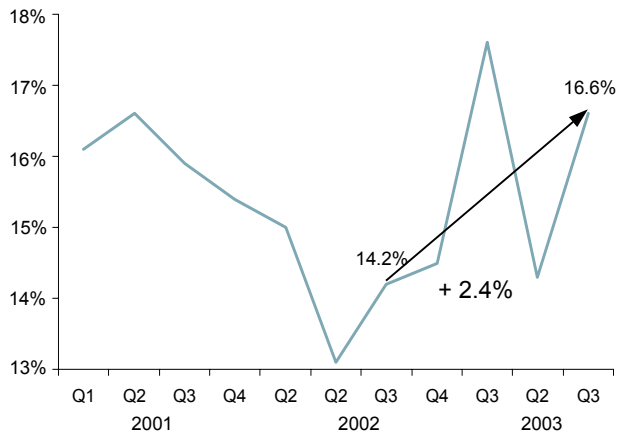
As at July 31, 2003



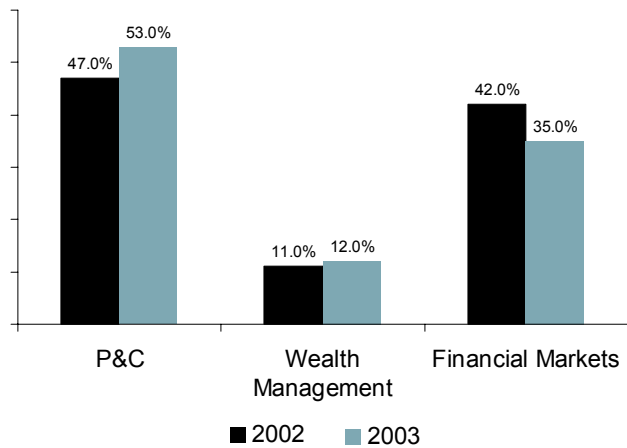
EPS
Cumulative



ROE
Cumulative



Breakdown of Net Income



5



Our strategy is working

- Super-regional bank dominant in Quebec
- Sharp focus on sectors where we can add value
- Generate economies of scope in business lines
- Provide superior quality of service
- Build on strategic alliances
- Maintain strong capital base



6

Results (\$ Millions)

	9M03	9M02*	Change
P&C	249	216	15.3%
Wealth Management	57	50	14.1%
Financial Markets	162	190	-14.7%
Sub-total	468	456	2.1%
Other	-2	-50	96.0%
Total	466	406	14.8%

* Reported 2002 figures exclude reevaluation of investment



7

P&C (\$ Millions)

	9M03	9M02	Change
Revenues	1,396	1,329	5.0%
Costs	(850)	(820)	3.7%
Expected losses	(156)	(166)	-6.0%
Net Income	249	216	15.3%
Expense ratio	60.9%	61.7%	-0.8%



8

Personal and Small Businesses (\$ Millions)



	9M03	9M02	Change
Revenues	1,059	1,007	5.1%
Costs	(726)	(704)	3.1%
Expected losses	(83)	(90)	-8.0%
Net Income	159	134	18.8%
Expense ratio	68.6%	69.9%	-1.3%



9



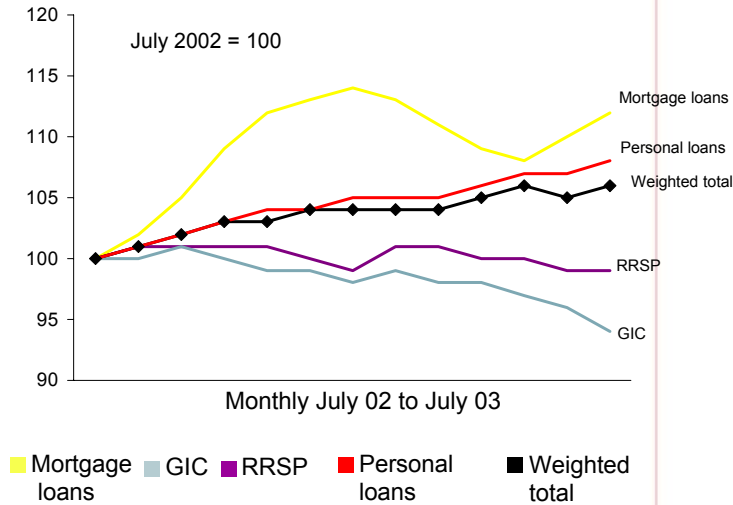
Competitive structure in Quebec

- Two main actors: National Bank and Desjardins
- No to price wars
- Sticking to strategy of stable and profitable growth
- Taking advantage of market development opportunities



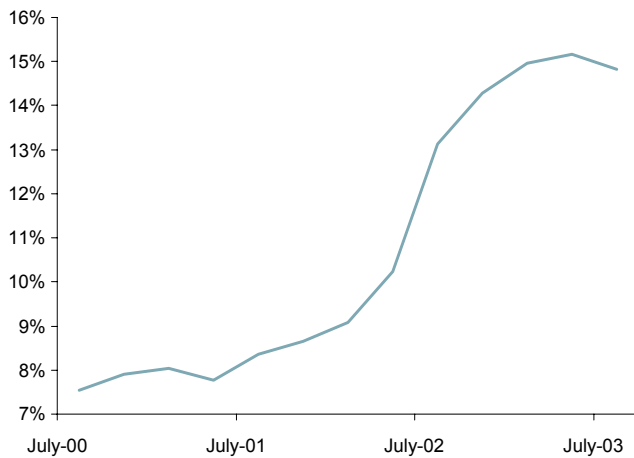
10

Margin variation, Retail Term Products



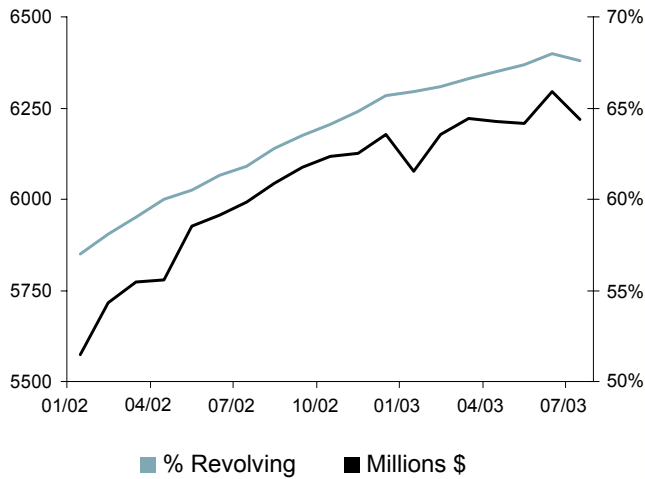
11

Money-Saver Mortgages (% of total)



12

Personal non-mortgage loans



Strong benefits from partnership strategy

- Five year agreement with MD Management:
 - Over \$14 billion in assets under management
 - Serves tens of thousands of Canadian physicians and students
 - Clients will be referred to NBC for banking products
- First steps taken in June at making NBC banking products available to Investors/Great-West/London Life clients
 - Fall offensive to repatriate investment loans booked elsewhere
- All growth is profitable
 - No discount pricing
 - Drivers are service, convenience and flawless execution



Boosting productivity

- Results impressive in P&C Bank
- Continue to explore outsourcing opportunities



15

Commercial & Real Estate (\$ Millions)

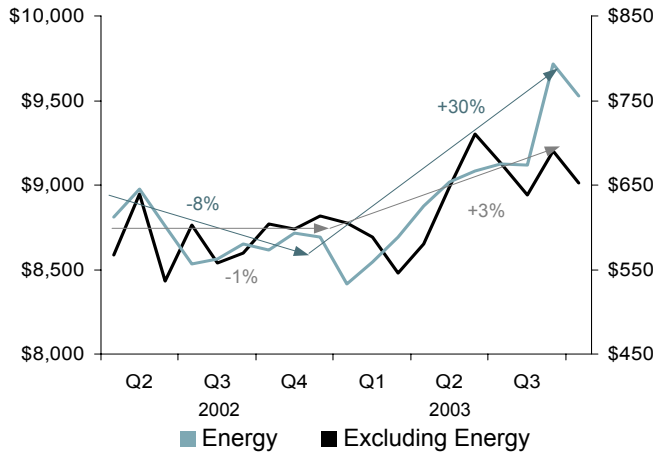
	9M03	9M02	Change
Revenue	337	322	4.7%
Costs	(125)	(116)	7.4%
Expected losses	(73)	(76)	-3.6%
Net Income	89	81	9.5%
Expense ratio	37.0%	36.1%	0.9%



16

Volume, Commercial Sector (\$ Millions)

Loans & BAs



Primary challenge: to better serve small borrowers

- Introduction of « Latitude Solutions »
 - 12,000 clients already signed up
 - Represents 60% of target group

- Automation of credit decision process

- New push of virtual banking, serving depositors and borrowers

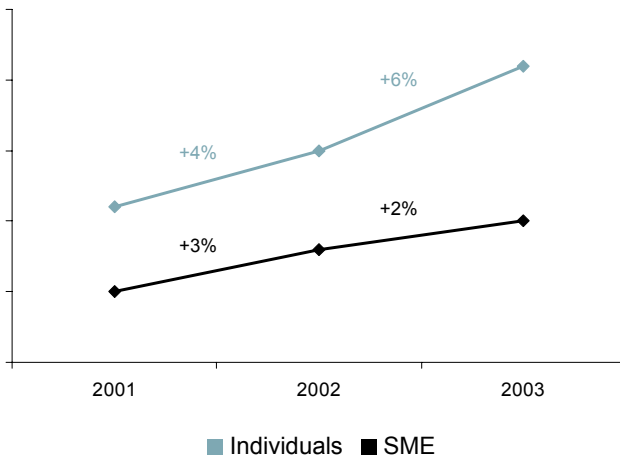


Commercial credit risk

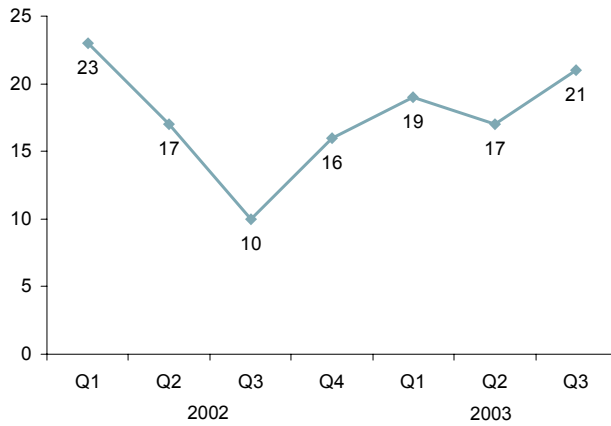
- Particular attention paid to quality of loan portfolio
- Average rating remained stable during last cycle
- Recovering in 2003:
 - Growing business volumes
 - Improving credit quality
 - Stable and improved margins



Customer Satisfaction, Quebec % of very satisfied



Wealth Management, Net Income (\$ Millions)



21

Wealth Management (\$ Millions)

	9M03	9M02	Change
Revenues	482	455	5.6%
Costs	(389)	(375)	3.5%
Net Income	57	50	14.0%
Expense ratio	80.7%	82.4%	-1.7%



22

Altamira synergies in fund management

- Portfolio management roles established, duplication eliminated with Natcan:
 - Structure permits global expertise that will give Altamira clients steady and good performance over time
 - TORONTO: Cdn Equity Growth, US Equity, specialty mandates
 - MONTREAL: Cdn Equity Value, Money Market and Fixed Income Funds, Global Funds



Altamira Fund Performance

As at July 2003

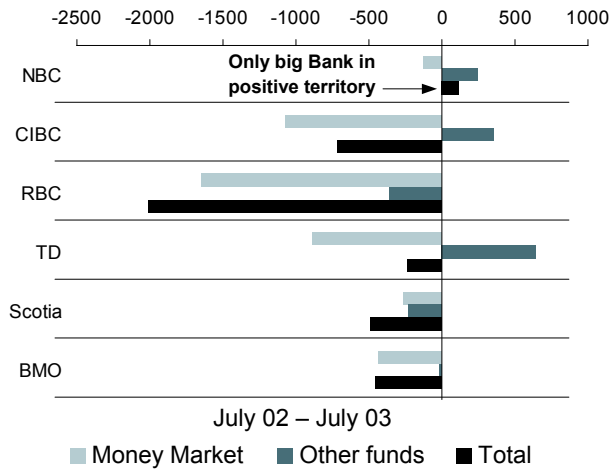
% of Funds Above Median

	3 Months	6 Months	1 Year
Equity	73.1	53.8	61.5
Fixed Income	62.5	62.5	75.0
All Funds	70.6	55.9	64.7

(Based on current assets and no distinction between asset classes)



Net Sales National Bank Funds (\$ Millions)



Source: IFIC



25



NBC's strategy for managed assets

- Minimize number of portfolios

- Better organize distribution channels by type of client

- For each core asset class:
 - Favor single investment strategy
 - Seasoned managers
 - Mix of NBC funds, Altamira funds, private wealth segregated funds, institutional portfolios

- Fund management economies of scale and distribution channel savings



26

Wealth Management success

- On the banking side, combination of three drivers:
 - Good advice
 - Strong investment performance
 - Economies of scale

- Retail brokerage on its way:
 - NBF Retail Q3 outpaced 6 previous months
 - Product offering reflects current climate:
 - Income trust and structured products



27

Financial Markets (\$ Millions)

	9M03	9M02	Change
Revenues	656	629	4.4%
Costs	(374)	(296)	26.1%
Expected losses	(31)	(32)	-3.1%
Net Income	162	192	-15.6%
Expense ratio	57.0%	47.1%	9.8%



28

Debt markets performed well

- Fixed Income desk has broken all records this year:
 - \$75 M for first 9 months
 - Adding market making revenue represents 36% of Bank's trading gains
-



29

Realignment of Putnam Lovell NBF operations

Acquisition consisted of :

M&A and advisory
Equity Capital Markets
Merchant Banking / Private Equity

Objective was to gain access to M&A market in financial sector

Evolution of strategic elements:

- When the M&A business shrank after Q1 03, we shrank the advisory group by 25% in Q2 03
 - We gave the ECM business 12 months to work, and as at August 27, 2003, we substantially scaled back, releasing 35 people
 - We've invested in other businesses that compliment the Putnam Lovell NBF franchise e.g. structured finance, private placements, etc...
-

Result is improved bottom line, redistribution of resources to other businesses with new cost structure



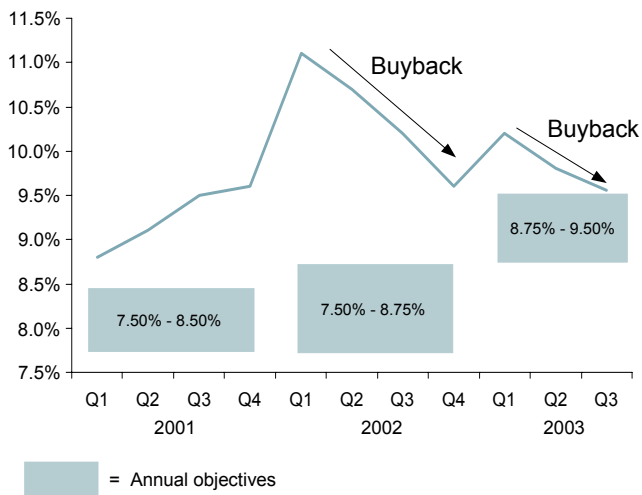
30

National Bank Financial's earning power

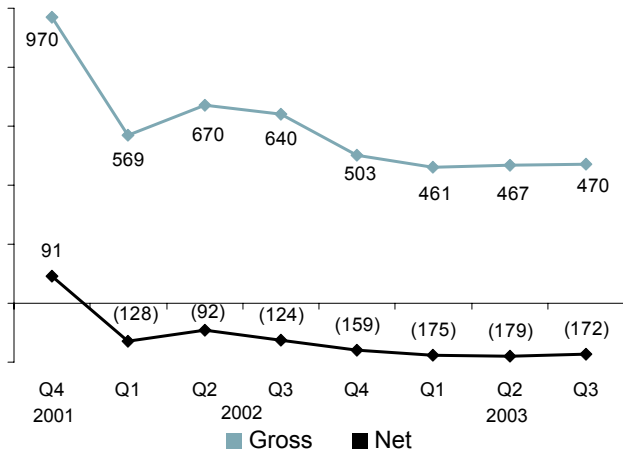
- Cost containment
- Strengthening of team
- Constant recognition of Research department
- Dealer continued to make good profits during market slowdown



Tier 1 Capital Ratio



Impaired Loans (\$ Millions)



On target to meet all 2003 performance objectives

	2003	Q3 03	YTD
Growth in earnings per share	5% to 10%	22% ⁽¹⁾	20% ⁽¹⁾
Return on common shareholders' equity	14% to 16%	17.3%	16.6%
Tier 1 capital ratio	8.75% to 9.50%	9.5%	9.5%
Dividend payout ratio ⁽²⁾	30% to 40%	32%	32%

⁽¹⁾ Figures exclude Q3 02 impairment charge on investment

⁽²⁾ Trailing 4 quarters



A strong base

- ✓ Continue to maintain good balance between business lines
- ✓ Partnerships show concrete results
- ✓ Concentrate on profitability rather than marketshare
- ✓ Forward focus on profitability
- ✓ Offer personnel powerful sales and customer service tools



Take a look at our performance

- ✓ We've followed our strategy
- ✓ We've delivered on EPS and dividend growth
- ✓ We've delivered on credit quality
- ✓ We've delivered shareholder value



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