

# SUPPLEMENTARY FINANCIAL INFORMATION



JULY 31, 2003

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# HIGHLIGHTS



	QUARTERLY TREND									YEAR-TO-DATE		FULL YEAR			
	2003			2002				2001		2003	2002	2002 ex. charges for Argentina	2002		2001
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3				(1) (2)	(1)	
<b>Operating Performance:</b>															
Net Income (\$MM)	626	596	595	583	564	598	52	566	554	1,817	1,214	2,337	1,797	2,169	
Net Income available to Common Shareholders (\$MM)	616	572	568	559	537	571	25	539	527	1,756	1,133	2,232	1,692	2,061	
EPS (\$) - basic	1.22	1.14	1.12	1.11	1.07	1.13	0.05	1.08	1.05	3.48	2.25	4.43	3.36	4.12	
- diluted	1.20	1.12	1.11	1.09	1.05	1.11	0.05	1.05	1.04	3.43	2.21	4.35	3.30	4.05	
ROE (%)	17.7	17.2	16.6	16.5	16.2	18.3	0.8	17.0	17.3	17.2	11.7	16.6	13.0	17.3	
Net Interest Margin (%) (3)	2.28	2.25	2.17	2.28	2.33	2.34	2.41	2.46	2.43	2.23	2.36	2.34	2.34	2.37	
Productivity Ratio (%)	55.1	55.6	51.2	57.4	51.1	54.3	56.7	54.6	55.4	54.0	54.0	52.2	54.9	53.9	
Effective Tax Rate (%)	23.7	19.2	25.4	(4)	1.1	27.7	24.5	25.9	29.1	22.9	30.4	25.1	23.0	27.5	
Effective Tax Rate (TEB) (%)	29.5	25.3	30.7	(4)	10.3	33.3	30.1	31.7	33.4	28.6	36.9	30.5	30.2	32.4	
Cash Net Income (\$MM) (5)	633	603	602	590	571	605	59	583	566	1,838	1,235	2,365	1,825	2,221	
Cash EPS (\$) - basic (5)	1.23	1.15	1.14	1.12	1.08	1.15	0.06	1.11	1.07	3.52	2.29	4.48	3.41	4.22	
- diluted (5)	1.22	1.13	1.12	1.10	1.06	1.13	0.06	1.09	1.05	3.47	2.25	4.40	3.35	4.15	
Cash ROE (%) (5)	17.9	17.4	16.8	16.7	16.4	18.5	1.0	17.6	17.6	17.4	11.9	16.8	13.2	17.7	
<b>Balance Sheet:</b>															
Total Assets (\$B)	282.2	291.7	289.6	296.4	299.8	297.1	294.5	284.4	271.2				296.4	284.4	
Loans and Acceptances (\$B)	179.6	189.2	188.0	194.1	194.7	191.4	187.7	184.7	182.0				194.1	184.7	
Deposits (\$B)	190.3	189.2	192.7	195.6	197.5	195.4	194.5	186.2	178.5				195.6	186.2	
Common Equity (\$B)	13.9	13.6	13.7	13.5	13.4	13.0	12.6	12.8	12.3				13.5	12.8	
<b>Credit Quality:</b>															
Net Impaired Loans (\$MM)	317	378	559	620	1,019	515	670	259	395				620	259	
- % of Loans and Acceptances	0.18	0.20	0.30	0.32	0.52	0.27	0.36	0.14	0.22				0.32	0.14	
Specific Provisions (\$MM)	200	248	325	429	400	350	850	350	250	773	1,600	1,575	2,029	1,250	
- % of Average Loans and Acceptances	0.43	0.53	0.67	0.87	0.82	0.74	1.77	0.75	0.54	0.55	1.12	0.82	1.05	0.68	
<b>Risk-Weighted Capital Ratios (%):</b>															
Tier 1	10.6	10.3	10.0	9.9	9.8	9.9	9.2	9.3	9.1				9.9	9.3	
Total	13.1	12.7	12.8	12.7	12.5	13.4	12.7	13.0	12.7				12.7	13.0	
Tangible Common Equity	8.7	8.4	8.5	8.3	8.0	8.0	7.7	7.8	7.6				8.3	7.8	
Risk-Weighted Assets (\$B)	157.2	159.1	163.2	165.4	168.7	164.5	164.2	164.8	161.9				165.4	164.8	

(1) The Bank recorded charges related to Argentina totalling \$540MM (after tax) in Q1/02 against its operations in Scotiabank Quilmes and against cross-border risk.

(2) Performance excluding \$540MM (after-tax) charges related to Argentina:

Net Income (Q1/02: \$592MM; YTD/02: \$1,754MM); Net Income Available to Common Shareholders (Q1/02: \$565MM; YTD/02: \$1,673MM);

EPS (basic) (Q1/02: \$1.12; YTD/02: \$3.32); EPS(diluted) (Q1/02: \$1.10; YTD/02: \$3.26);

ROE (Q1/02: 17.3%; YTD/02: 16.8%); Productivity Ratio (Q1/02: 54.5%; YTD/02: 53.3%);

Effective Tax Rate (Q1/02: 25.1%; YTD/02: 25.8%); Effective Tax rate (TEB) (Q1/02: 30.2%; YTD/02: 31.2%);

Cash Net Income (Q1/02: \$599MM; YTD/02: \$1,775MM); Cash EPS (basic) (Q1/02: \$1.13; YTD/02: \$3.36); Cash EPS (diluted) (Q1/02: \$1.11; YTD/02: \$3.30);

Cash ROE (Q1/02: 17.5%; YTD/02: 17.1%);

Specific Provisions (Q1/02: \$350MM; YTD/02: \$1,100MM) as % of Average Loans and Acceptances (Q1/02: 0.73%; YTD/02: 0.77%).

(3) Net Interest Income (TEB) as % of Average Total Assets.

(4) Excluding offsetting pre-tax net charges and tax credit of \$187MM relating to Argentina in Q4/02, Effective Tax Rate was 22.9% and Effective Tax Rate (TEB) was 28.6%.

(5) Excludes goodwill and intangibles.

## COMMON SHARE AND OTHER INFORMATION



	QUARTERLY TREND								YEAR-TO-DATE		FULL YEAR		
	2003			2002				2001		2003	2002	2002	2001
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3				
<b>Valuation:</b>													
Book Value per Share (\$)	27.53	26.99	27.11	26.78	26.52	25.78	25.00	25.47	24.48	27.53	26.52	26.78	25.47
Share Price (\$) - High	64.38	55.79	54.75	51.23	56.19	55.88	50.74	50.50	47.75	64.38	56.19	56.19	50.50
- Low	55.03	49.67	44.55	42.02	44.06	45.20	44.05	42.50	37.50	44.55	44.05	42.02	37.30
- Close	60.47	55.79	50.70	45.88	49.25	53.95	48.59	43.85	45.35	60.47	49.25	45.88	43.85
Share Price (Closing) as % Book Value	219.7	206.7	187.0	171.3	185.7	209.3	194.4	172.2	185.3	219.7	185.7	171.3	172.2
Price (Closing)/Earnings Ratio (X) (1) (2)	13.2	12.6	11.4	10.4	11.2	12.3	11.4	10.6	11.4	13.2	11.2	10.4	10.6
Market Capitalization (\$MM)	30,605	28,116	25,536	23,129	24,812	27,259	24,475	22,091	22,777	30,605	24,812	23,129	22,091
<b>Dividends:</b>													
Common Dividends Paid (\$MM)	223	201	202	187	187	186	172	171	155	626	545	732	621
Common Dividends/Share (\$)	0.44	0.40	0.40	0.37	0.37	0.37	0.34	0.34	0.31	1.24	1.08	1.45	1.24
Payout Ratio (%) (3)	36.1	35.2	35.6	33.3	34.7	32.7	30.4	31.7	29.5	35.7	32.6	32.8	30.1
Dividend Yield (%)	2.9	3.0	3.2	3.2	3.0	2.9	2.9	2.9	2.9	3.0	2.9	3.0	2.8
<b>Shares:</b>													
Number of Common Shares Outstanding at Period End ('000s)	506,127	503,968	503,666	504,122	503,790	505,267	503,701	503,795	502,240	506,127	503,790	504,122	503,795
Average Number of Common Shares Outstanding ('000s) -- Basic	505,226	503,494	504,503	503,961	504,755	504,338	504,306	503,043	501,156	504,418	504,468	504,340	500,619
-- Diluted	513,750	511,252	512,251	510,932	513,533	513,342	513,221	511,863	509,383	512,430	513,365	512,752	508,995
<b>Other Information:</b>													
Employees	43,869	43,772	44,500	44,633	46,933	46,974	46,698	46,804	47,097			44,633	46,804
Branches and Offices	1,844	1,846	1,848	1,847	1,952	1,951	1,955	2,005	2,007			1,847	2,005
ABMs	3,768	3,712	3,702	3,693	3,817	3,800	3,811	3,761	3,717			3,693	3,761
<b>Senior Debt Credit Ratings:</b>													
Standard & Poor's	A+	A+	A+	A+	A+	A+	A+	A+	A+			A+	A+
Moody's	Aa3	Aa3	Aa3	Aa3	Aa3	Aa3	Aa3	Aa3	Aa3			Aa3	Aa3

(1) based on trailing 4 quarters' EPS.

(2) 2002 ratios based on Q1/02 EPS excluding charges for Argentina.

(3) Q1/02, YTD 2002, and 2002 ratios based on Q1/02 Net Income available to Common Shareholders excluding charges for Argentina.

# CONSOLIDATED STATEMENT OF INCOME AND NET INCOME BY BUSINESS LINES



(\$ MM)	QUARTERLY TREND								YEAR-TO-DATE		FULL YEAR		
	2003			2002				2001		2003	2002	2002	2001
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3				
<b>CONSOLIDATED STATEMENT OF INCOME:</b>													
Interest Income (TEB)	3,377	3,440	3,546	3,848	3,554	3,450	3,784	4,106	4,389	10,363	10,788	14,636	17,213
Interest Expense	1,747	1,837	1,935	2,146	1,821	1,738	1,988	2,367	2,705	5,519	5,547	7,693	10,783
Net Interest Income (TEB)	1,630	1,603	1,611	1,702	1,733	1,712	1,796	1,739	1,684	4,844	5,241	6,943	6,430
Other Income (see Page 7)	1,009	965	1,034	1,019	996	1,058	869	989	1,054	3,008	2,923	3,942	4,071
Total Revenue (TEB)	2,639	2,568	2,645	2,721	2,729	2,770	2,665	2,728	2,738	7,852	8,164	10,885	10,501
Taxable equivalent adjustment	75	67	68	68	71	67	62	70	57	210	200	268	230
Total Revenue	2,564	2,501	2,577	2,653	2,658	2,703	2,603	2,658	2,681	7,642	7,964	10,617	10,271
Provision for Credit Losses	200	248	325	429	400	350	850	350	325	773	1,600	2,029	1,425
Total Non-interest Expenses (see Page 8)	1,453	1,429	1,355	1,562	1,395	1,505	1,512	1,490	1,518	4,237	4,412	5,974	5,662
Net Income before the undernoted:	911	824	897	662	863	848	241	818	838	2,632	1,952	2,614	3,184
Provision for Income Taxes	216	158	228	7	240	208	146	212	243	602	594	601	876
Non-controlling Interest in Net Income of Subsidiaries	69	70	74	72	59	42	43	40	41	213	144	216	139
<b>Net Income</b>	<b>626</b>	<b>596</b>	<b>595</b>	<b>583</b>	<b>564</b>	<b>598</b>	<b>52</b>	<b>566</b>	<b>554</b>	<b>1,817</b>	<b>1,214</b>	<b>1,797</b>	<b>2,169</b>
Preferred Dividends Paid and Other	10	24	27	24	27	27	27	27	27	61	81	105	108
Net Income available to Common Shareholders	616	572	568	559	537	571	25	539	527	1,756	1,133	1,692	2,061
<b>Net Income</b>	<b>626</b>	<b>596</b>	<b>595</b>	<b>583</b>	<b>564</b>	<b>598</b>	<b>52</b>	<b>566</b>	<b>554</b>	<b>1,817</b>	<b>1,214</b>	<b>1,797</b>	<b>2,169</b>
Amortization of Goodwill	-	-	-	-	-	-	-	9	5	-	-	-	24
Amortization of Other Intangibles	7	7	7	7	7	7	7	8	7	21	21	28	28
<b>Cash Net Income</b>	<b>633</b>	<b>603</b>	<b>602</b>	<b>590</b>	<b>571</b>	<b>605</b>	<b>59</b>	<b>583</b>	<b>566</b>	<b>1,838</b>	<b>1,235</b>	<b>1,825</b>	<b>2,221</b>

## NET INCOME BY BUSINESS LINES:

Domestic Banking (1)	272	264	294	347	262	254	279	292	212	830	795	1,142	960
International Banking	175	171	167	128	212	150	(365) (2)	93	132	513	(3) (2)	125	489
Scotia Capital	193	169	138	58	56	120	146	176	198	500	322	380	686
Other (3)	(14)	(8)	(4)	50	34	74	(8)	5	12	(26)	100	150	34
<b>Total Bank</b>	<b>626</b>	<b>596</b>	<b>595</b>	<b>583</b>	<b>564</b>	<b>598</b>	<b>52</b>	<b>566</b>	<b>554</b>	<b>1,817</b>	<b>1,214</b>	<b>1,797</b>	<b>2,169</b>

(1) includes Wealth Management.

(2) Excluding Q1/02 \$540MM after-tax charges related to Argentina: Q1/02- \$175MM; YTD/02 - \$537MM; 2002 - \$665MM.

(3) represents corporate adjustments and smaller operating segments including Group Treasury.

# BUSINESS LINE RESULTS



(\$MM)	QUARTERLY TREND								YEAR-TO-DATE		FULL YEAR		
	2003			2002				2001		2003	2002	2002	2001
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3				
<b>Domestic Banking (1):</b>													
Net Interest Income (TEB)	866	861	869	859	861	828	857	836	780	2,596	2,546	3,405	3,135
Other Income	399	352	371	449	378	381	391	431	383	1,122	1,150	1,599	1,582
Total Revenue (TEB)	1,265	1,213	1,240	1,308	1,239	1,209	1,248	1,267	1,163	3,718	3,696	5,004	4,717
Provision for Credit Losses	(71)	(77)	(76)	(71)	(69)	(72)	(70)	(59)	(87)	(224)	(211)	(282)	(283)
Non-interest Expenses	(778)	(738)	(716)	(711)	(759)	(737)	(746)	(759)	(735)	(2,232)	(2,242)	(2,953)	(2,947)
Income Taxes (TEB) and Other	(144)	(134)	(154)	(179)	(149)	(146)	(153)	(157)	(129)	(432)	(448)	(627)	(527)
<b>Net Income</b>	<b>272</b>	<b>264</b>	<b>294</b>	<b>347</b>	<b>262</b>	<b>254</b>	<b>279</b>	<b>292</b>	<b>212</b>	<b>830</b>	<b>795</b>	<b>1,142</b>	<b>960</b>
Amortization of Goodwill and Intangibles	7	6	7	7	6	7	6	-	-	20	19	26	-
<b>Cash Net Income</b>	<b>279</b>	<b>270</b>	<b>301</b>	<b>354</b>	<b>268</b>	<b>261</b>	<b>285</b>	<b>292</b>	<b>212</b>	<b>850</b>	<b>814</b>	<b>1,168</b>	<b>960</b>
Average Assets (\$B)	102	100	98	96	94	92	90	91	90	100	92	93	90
ROE (%)	30.8	31.0	32.7	40.3	28.7	30.3	32.9	33.3	24.6	31.5	30.6	33.0	28.1
Productivity Ratio (%)	61.5	60.8	57.7	54.4	61.3	61.0	59.8	59.9	63.2	60.0	60.7	59.0	62.5
Branches	967	969	973	984	997	1,009	1,011	1,021	1,025			984	1,021
Employees	20,287	20,288	20,391	20,564	20,936	20,998	20,759	20,948	21,118			20,564	20,948
ABMs	2,230	2,186	2,193	2,188	2,184	2,171	2,197	2,182	2,158			2,188	2,182
<b>International Banking:</b>													
Net Interest Income (TEB)	506	501	527	557	521	553	594	565	550	1,534	1,668	2,225	2,020
Other Income	174	217	193	(3)	150	245	190	93	(2)	584	528	678	691
Total Revenue (TEB)	680	718	720	(3)	707	766	743	687	(2)	2,118	2,196	2,903	2,711
Provision for Credit Losses	3	(3)	(28)	(3)	-	16	(14)	(525)	(2)	(28)	(523)	(523)	(250)
Non-interest Expenses	(402)	(440)	(411)	(3)	(669)	(428)	(489)	(510)	(2)	(1,253)	(1,427)	(2,096)	(1,670)
Income Taxes (TEB) and Other	(106)	(104)	(114)	(3)	90	(142)	(90)	(17)	(2)	(324)	(249)	(159)	(302)
<b>Net Income</b>	<b>175</b>	<b>171</b>	<b>167</b>	<b>(3)</b>	<b>128</b>	<b>212</b>	<b>150</b>	<b>(365)</b>	<b>(2)</b>	<b>513</b>	<b>(3)</b>	<b>125</b>	<b>489</b>
Amortization of Goodwill and Intangibles	-	1	-	-	1	-	1	9	3	1	2	2	17
<b>Cash Net Income</b>	<b>175</b>	<b>172</b>	<b>167</b>		<b>128</b>	<b>213</b>	<b>150</b>	<b>102</b>	<b>135</b>	<b>514</b>	<b>(1)</b>	<b>127</b>	<b>506</b>
Average Assets (\$B)	50	53	57	55	56	60	60	55	51	53	59	58	47
ROE (%)	21.7	21.9	20.0	15.8	25.1	18.9	(47.0)	12.2	18.5	21.2	(1.1)	3.0	18.0
Productivity Ratio (%)	59.1	61.3	57.1	(5)	94.6	55.9	65.8	74.2	(5)	59.2	65.0	72.2	61.6
Branches and Offices	722	721	720	722	820	808	809	855	852			722	855
Employees	15,711	15,722	15,673	15,740	17,434	17,519	17,492	17,628	17,579			15,740	17,628
ABMs	1,538	1,526	1,509	1,505	1,633	1,629	1,614	1,579	1,559			1,505	1,579

(1) includes Wealth Management.

(2) Q1/02 results include \$540MM (Q4/01: \$53MM, Q3/01: \$6MM) after tax charges related to Argentina recorded as follows: Other Income \$107MM (Q4/02: \$40MM, Q3/01: \$10MM); Provision for Credit Losses \$500MM (Q4/01: \$50MM); Income Tax Credits \$67MM (Q4/01: \$37MM; Q3/01: \$4MM).

(3) Q4/02 results include the following adjustments related to Argentina: Other Income - \$4MM; Provision for Credit Losses - \$46MM; Expenses - \$(237)MM; Income Taxes - \$187MM; Net Income - nil.

(4) Excluding \$540MM after tax charges related to Argentina, ROE was 21.4% for Q1/02, 21.4% for YTD/02, and 19.7% for 2002.

(5) Excluding charges related to Argentina, Productivity Ratio was 64.2% for Q1/02; 61.5% for Q4/02; 62.0% for YTD/02, and 61.8% for 2002.

## BUSINESS LINE RESULTS



(\$MM)	QUARTERLY TREND								YEAR-TO-DATE		FULL YEAR		
	2003			2002				2001		2003	2002	2002	2001
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3				
<b>Scotia Capital:</b>													
Net Interest Income (TEB)	315	336	319	360	388	430	437	440	415	970	1,255	1,615	1,598
Other Income	330	315	349	343	285	304	323	260	314	994	912	1,255	1,196
Total Revenue (TEB)	645	651	668	703	673	734	760	700	729	1,964	2,167	2,870	2,794
Provision for Credit Losses	(132)	(171)	(224)	(366)	(352)	(269)	(260)	(157)	(152)	(527)	(881)	(1,247)	(754)
Non-interest Expenses	(262)	(250)	(229)	(248)	(236)	(275)	(263)	(263)	(259)	(741)	(774)	(1,022)	(984)
Income Taxes (TEB) and Other	(58)	(61)	(77)	(31)	(29)	(70)	(91)	(104)	(120)	(196)	(190)	(221)	(370)
<b>Net Income</b>	<b>193</b>	<b>169</b>	<b>138</b>	<b>58</b>	<b>56</b>	<b>120</b>	<b>146</b>	<b>176</b>	<b>198</b>	<b>500</b>	<b>322</b>	<b>380</b>	<b>686</b>
Amortization of Goodwill and Intangibles	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Cash Net Income</b>	<b>193</b>	<b>169</b>	<b>138</b>	<b>58</b>	<b>56</b>	<b>120</b>	<b>146</b>	<b>176</b>	<b>198</b>	<b>500</b>	<b>322</b>	<b>380</b>	<b>686</b>
Average Assets (\$B)	116	123	122	126	124	124	120	114	113	120	123	124	115
ROE (%)	14.2	11.5	8.4	3.1	3.2	9.1	10.6	12.8	14.2	11.3	7.6	6.4	12.5
Productivity Ratio (%)	40.6	38.4	34.3	35.3	35.1	37.5	34.6	37.6	35.5	37.7	35.7	35.6	35.2
Employees	1,358	1,377	1,415	1,447	1,468	1,471	1,484	1,488	1,499			1,447	1,488
<b>Other (1):</b>													
Net Interest Income (2)	(132)	(162)	(172)	(142)	(108)	(166)	(154)	(172)	(118)	(466)	(428)	(570)	(553)
Other Income	106	81	121	77	88	183	62	120	170	308	333	410	602
Total Revenue	(26)	(81)	(51)	(65)	(20)	17	(92)	(52)	52	(158)	(95)	(160)	49
Provision for Credit Losses	-	3	3	8	5	5	5	2	(65)	6	15	23	(138)
Non-interest Expenses	(11)	(1)	1	66	28	(4)	7	3	(35)	(11)	31	97	(61)
Income Taxes and Other (2)	23	71	43	41	21	56	72	52	60	137	149	190	184
<b>Net Income</b>	<b>(14)</b>	<b>(8)</b>	<b>(4)</b>	<b>50</b>	<b>34</b>	<b>74</b>	<b>(8)</b>	<b>5</b>	<b>12</b>	<b>(26)</b>	<b>100</b>	<b>150</b>	<b>34</b>
Amortization of Goodwill and Intangibles	-	-	-	-	-	-	-	8	9	-	-	-	35
<b>Cash Net Income</b>	<b>(14)</b>	<b>(8)</b>	<b>(4)</b>	<b>50</b>	<b>34</b>	<b>74</b>	<b>(8)</b>	<b>13</b>	<b>21</b>	<b>(26)</b>	<b>100</b>	<b>150</b>	<b>69</b>
Average Assets (\$B)	16	16	17	19	21	24	26	20	21	17	23	22	20

(1) represents corporate adjustments and smaller operating segments including Group Treasury.

(2) includes elimination of the tax-exempt income gross-up reported in net interest income and provision for income taxes in the three business segments reported above and on page 4.

**NET INTEREST MARGIN, TRADING REVENUE AND ASSETS UNDER ADMINISTRATION & MANAGEMENT**


	QUARTERLY TREND								YEAR-TO-DATE		FULL YEAR		
	2003			2002				2001		2003	2002	2002	2001
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3				
<b><u>NET INTEREST MARGIN:</u></b>													
Net Interest Income (TEB) (\$MM)	1,630	1,603	1,611	1,702	1,733	1,712	1,796	1,739	1,684	4,844	5,241	6,943	6,430
Net Interest Income (TEB) as % of Average Total Assets	2.28	2.25	2.17	2.28	2.33	2.34	2.41	2.46	2.43	2.23	2.36	2.34	2.37
Net Interest Income (TEB) as % of Average Earning Assets	2.61	2.58	2.49	2.62	2.65	2.65	2.75	2.82	2.75	2.56	2.68	2.67	2.70
<b><u>TRADING REVENUE (TEB) (\$MM):</u></b>													
Reported in Other Income													
Securities Trading	16	18	25	(27)	(17)	8	-	4	7	59	(9)	(36)	92
Foreign Exchange and Precious Metals Trading	70	85	76	59	72	61	65	48	67	231	198	257	216
Derivative and Other Trading	15	33	56	63	40	45	70	20	61	104	155	218	139
	101	136	157	95	95	114	135	72	135	394	344	439	447
Reported in Net Interest Income	93	70	76	81	85	89	82	72	52	239	256	337	190
<b>Total</b>	194	206	233	176	180	203	217	144	187	633	600	776	637
<b><u>DEFERRED REVENUES (\$MM):</u></b>	336	342	351	361	368	365	368	365	318	336	368	361	365
<b><u>ASSETS UNDER ADMINISTRATION (\$B):</u></b>													
Personal													
Retail Brokerage	47.6	44.9	45.4	42.7	45.3	47.3	44.9	41.7	44.1			42.7	41.7
Investment Management and Trust	59.3	58.2	58.7	56.4	57.6	59.3	57.9	51.3	50.6			56.4	51.3
	106.9	103.1	104.1	99.1	102.9	106.6	102.8	93.0	94.7			99.1	93.0
Mutual Funds	11.7	11.5	12.0	11.8	12.3	13.3	12.8	11.3	11.3			11.8	11.3
Institutional	34.2	31.8	35.4	29.6	36.8	38.1	39.2	43.8	61.6			29.6	43.8
<b>Total</b>	152.8	146.4	151.5	140.5	152.0	158.0	154.8	148.1	167.6			140.5	148.1
<b><u>ASSETS UNDER MANAGEMENT (\$B):</u></b>													
Personal	7.0	6.8	7.1	7.8	8.3	8.8	8.7	8.2	8.2			7.8	8.2
Mutual Funds	9.2	9.2	9.6	9.5	9.9	10.8	10.4	9.2	8.6			9.5	9.2
Institutional	1.3	1.3	1.5	1.5	1.5	1.6	2.0	1.7	1.8			1.5	1.7
<b>Total</b>	17.5	17.3	18.2	18.8	19.7	21.2	21.1	19.1	18.6			18.8	19.1

# OTHER INCOME



(\$MM)	QUARTERLY TREND								YEAR-TO-DATE		FULL YEAR		
	2003			2002				2001		2003	2002	2002	2001
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3				
<b>Deposit, Payment and Card Services</b>													
Deposit Services	123	116	117	115	112	106	112	112	117	356	330	445	456
Card Revenues	49	42	55	69	71	67	73	67	59	146	211	280	211
Other Payment Services	30	26	33	29	26	26	30	38	25	89	82	111	105
	<b>202</b>	<b>184</b>	<b>205</b>	<b>213</b>	<b>209</b>	<b>199</b>	<b>215</b>	<b>217</b>	<b>201</b>	<b>591</b>	<b>623</b>	<b>836</b>	<b>772</b>
<b>Investment, Brokerage and Trust Services</b>													
Retail Brokerage Commissions	74	63	65	67	75	87	75	71	73	202	237	304	317
Mutual Funds	41	38	41	41	47	42	44	43	44	120	133	174	161
Personal and Corporate Trust	30	29	32	35	34	35	33	34	32	91	102	137	127
Investment Management and Custody	12	14	14	8	8	8	8	9	8	40	24	32	33
	<b>157</b>	<b>144</b>	<b>152</b>	<b>151</b>	<b>164</b>	<b>172</b>	<b>160</b>	<b>157</b>	<b>157</b>	<b>453</b>	<b>496</b>	<b>647</b>	<b>638</b>
<b>Credit Fees</b>													
Commitment and Other	152	140	144	137	140	131	132	130	119	436	403	540	504
Acceptance Fees	29	31	30	32	33	32	34	34	34	90	99	131	136
	<b>181</b>	<b>171</b>	<b>174</b>	<b>169</b>	<b>173</b>	<b>163</b>	<b>166</b>	<b>164</b>	<b>153</b>	<b>526</b>	<b>502</b>	<b>671</b>	<b>640</b>
<b>Investment Banking</b>													
Underwriting Fees and Other Commissions	141	100	116	104	101	103	97	80	112	357	301	405	352
Trading Revenue	101	136	157	95	95	114	135	72	135	394	344	439	447
Foreign Exchange and Other	54	44	53	40	43	46	58	63	53	151	147	187	246
	<b>296</b>	<b>280</b>	<b>326</b>	<b>239</b>	<b>239</b>	<b>263</b>	<b>290</b>	<b>215</b>	<b>300</b>	<b>902</b>	<b>792</b>	<b>1,031</b>	<b>1,045</b>
<b>Net Gain/(Loss) on Investment Securities</b>	<b>28</b>	<b>54</b>	<b>11</b>	<b>(16)</b>	<b>105</b>	<b>102</b>	<b>(12)</b>	<b>28</b>	<b>7</b>	<b>93</b>	<b>195</b>	<b>179</b>	<b>217</b>
<b>Securitization Revenues</b>	<b>43</b>	<b>20</b>	<b>51</b>	<b>65</b>	<b>35</b>	<b>25</b>	<b>37</b>	<b>40</b>	<b>49</b>	<b>114</b>	<b>97</b>	<b>162</b>	<b>220</b>
<b>Other</b>	<b>102</b>	<b>112</b>	<b>115</b>	<b>99</b>	<b>71</b>	<b>134</b>	<b>13</b>	<b>103</b>	<b>187</b>	<b>329</b>	<b>218</b>	<b>317</b>	<b>447</b>
<b>Subtotal</b>	<b>1,009</b>	<b>965</b>	<b>1,034</b>	<b>920</b>	<b>996</b>	<b>1,058</b>	<b>869</b>	<b>924</b>	<b>1,054</b>	<b>3,008</b>	<b>2,923</b>	<b>3,843</b>	<b>3,979</b>
<b>Gains on Sale of Businesses (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>99</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>65</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>99</b>	<b>92</b>
<b>Total Other Income</b>	<b>1,009</b>	<b>965</b>	<b>1,034</b>	<b>1,019</b>	<b>996</b>	<b>1,058</b>	<b>869</b>	<b>989</b>	<b>1,054</b>	<b>3,008</b>	<b>2,923</b>	<b>3,942</b>	<b>4,071</b>
% of Total Revenue (TEB)	<b>38.2</b>	<b>37.6</b>	<b>39.1</b>	<b>37.4</b>	<b>36.5</b>	<b>38.2</b>	<b>32.6</b>	<b>36.3</b>	<b>38.5</b>	<b>38.3</b>	<b>35.8</b>	<b>36.2</b>	<b>38.8</b>

(1) Includes charges for Argentina recorded as follows: Net Loss on Investment Securities (Q1/02: \$20MM; Q4/01: \$40MM); Other (Q1/02: \$87MM; Q3/01: \$10MM) for pesofication of Scotiabank Quilmes' balance sheet.



## NON-INTEREST EXPENSES



(\$MM)	QUARTERLY TREND								YEAR-TO-DATE		FULL YEAR		
	2003			2002				2001		2003	2002	2002	2001
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3				
<b>Salaries and Staff Benefits</b>													
Salaries	761	715	695	675	709	771	770	745	780	2,171	2,250	2,925	2,856
Pension and Other Staff Benefits	116	110	111	101	105	109	104	87	104	337	318	419	364
	<b>877</b>	<b>825</b>	<b>806</b>	<b>776</b>	<b>814</b>	<b>880</b>	<b>874</b>	<b>832</b>	<b>884</b>	<b>2,508</b>	<b>2,568</b>	<b>3,344</b>	<b>3,220</b>
<b>Premises and Technology</b>													
Net Premises Rent	44	44	49	50	45	49	48	54	52	137	142	192	200
Premises Repairs and Maintenance	11	9	12	12	13	12	16	16	13	32	41	53	49
Property Taxes	17	14	12	11	16	18	12	11	16	43	46	57	59
Computer Equipment, Software and Data Processing	130	116	105	127	107	108	114	107	116	351	329	456	404
Depreciation	54	55	51	58	57	63	65	42	60	160	185	243	243
Other	39	44	45	50	44	48	40	49	46	128	132	182	178
	<b>295</b>	<b>282</b>	<b>274</b>	<b>308</b>	<b>282</b>	<b>298</b>	<b>295</b>	<b>279</b>	<b>303</b>	<b>851</b>	<b>875</b>	<b>1,183</b>	<b>1,133</b>
<b>Communications and Marketing</b>													
Advertising and Promotion	25	26	25	28	25	29	23	37	31	76	77	105	118
Telecommunications	17	17	16	18	18	19	19	20	20	50	56	74	75
Travel and Business Development	23	23	22	29	27	25	22	29	25	68	74	103	99
Stationery, Postage and Courier	44	48	48	49	50	53	55	58	52	140	158	207	210
	<b>109</b>	<b>114</b>	<b>111</b>	<b>124</b>	<b>120</b>	<b>126</b>	<b>119</b>	<b>144</b>	<b>128</b>	<b>334</b>	<b>365</b>	<b>489</b>	<b>502</b>
<b>Other</b>													
Business and Capital Taxes	23	21	22	8	24	27	36	36	38	66	87	95	145
Employee Training	9	8	8	15	10	8	9	20	9	25	27	42	43
Amortization of Goodwill	-	-	-	-	-	-	-	9	5	-	-	-	24
Amortization of Other Intangibles	7	7	7	7	7	7	7	8	7	21	21	28	28
Other	133	141	127	87	138	159	172	162	144	401	469	556	567
	<b>172</b>	<b>177</b>	<b>164</b>	<b>117</b>	<b>179</b>	<b>201</b>	<b>224</b>	<b>235</b>	<b>203</b>	<b>513</b>	<b>604</b>	<b>721</b>	<b>807</b>
<b>Total excluding Special Items</b>	<b>1,453</b>	<b>1,398</b>	<b>1,355</b>	<b>1,325</b>	<b>1,395</b>	<b>1,505</b>	<b>1,512</b>	<b>1,490</b>	<b>1,518</b>	<b>4,206</b>	<b>4,412</b>	<b>5,737</b>	<b>5,662</b>
<b>Loss on Disposal of Subsidiary Operations</b>	-	31	-	237	-	-	-	-	-	31	-	237	-
<b>Total Expenses</b>	<b>1,453</b>	<b>1,429</b>	<b>1,355</b>	<b>1,562</b>	<b>1,395</b>	<b>1,505</b>	<b>1,512</b>	<b>1,490</b>	<b>1,518</b>	<b>4,237</b>	<b>4,412</b>	<b>5,974</b>	<b>5,662</b>
% of Total Revenue (TEB)	55.1	55.6	51.2	57.4	51.1	54.3	56.7	54.6	55.4	54.0	54.0	54.9	53.9

# BALANCE SHEET



(\$MM)	QUARTERLY TREND								FULL YEAR		
	2003			2002				2001		2002	2001
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3		
Cash Resources	19,265	18,743	17,746	20,273	21,195	20,851	21,544	20,160	16,113	20,273	20,160
Securities - Investment	19,186	20,023	21,514	21,602	22,692	25,484	27,111	25,450	24,600	21,602	25,450
- Trading	40,435	38,509	35,280	34,592	34,098	35,741	33,757	27,834	27,966	34,592	27,834
	59,621	58,532	56,794	56,194	56,790	61,225	60,868	53,284	52,566	56,194	53,284
Loans - Residential Mortgages	59,189	57,300	56,902	56,295	56,231	54,995	53,591	52,592	51,848	56,295	52,592
- Personal and Credit Cards	25,325	24,647	23,788	23,363	22,445	21,187	20,547	20,116	18,936	23,363	20,116
- Business and Governments	68,762	72,931	75,321	77,181	79,841	80,854	78,446	79,460	77,346	77,181	79,460
- Reverse Repos	22,843	30,269	27,359	32,262	31,935	30,481	31,329	27,500	29,019	32,262	27,500
- Sub-total	176,119	185,147	183,370	189,101	190,452	187,517	183,913	179,668	177,149	189,101	179,668
Allowance for Credit Losses	(3,498)	(3,576)	(3,639)	(3,430)	(3,877)	(4,427)	(4,925)	(4,236)	(4,049)	(3,430)	(4,236)
- Total Net Loans	172,621	181,571	179,731	185,671	186,575	183,090	178,988	175,432	173,100	185,671	175,432
Acceptances	6,956	7,611	8,312	8,399	8,135	8,317	8,678	9,301	8,865	8,399	9,301
Land, Buildings and Equipment, net	2,019	2,054	2,070	2,101	2,141	2,158	2,253	2,325	2,315	2,101	2,325
Trading Derivatives' Market Valuation	14,639	16,193	17,735	15,821	16,997	12,553	12,970	15,886	10,097	15,821	15,886
Goodwill	348	371	292	299	349	360	340	400	328	299	400
Other Intangibles	282	290	297	305	313	320	327	334	323	305	334
Other Assets	6,409	6,335	6,611	7,317	7,262	8,263	8,540	7,303	7,471	7,317	7,303
<b>Total Assets</b>	<b>282,160</b>	<b>291,700</b>	<b>289,588</b>	<b>296,380</b>	<b>299,757</b>	<b>297,137</b>	<b>294,508</b>	<b>284,425</b>	<b>271,178</b>	<b>296,380</b>	<b>284,425</b>
Deposits - Personal	77,144	76,783	76,551	75,558	75,765	76,146	76,008	75,573	74,572	75,558	75,573
- Banks	22,742	24,947	26,161	26,230	28,236	25,764	27,985	29,812	25,860	26,230	29,812
- Business and Governments	90,398	87,488	89,946	93,830	93,507	93,440	90,479	80,810	78,042	93,830	80,810
- Total	190,284	189,218	192,658	195,618	197,508	195,350	194,472	186,195	178,474	195,618	186,195
Other Liabilities											
- Repos	27,904	35,777	27,232	31,881	32,767	34,324	34,754	30,627	31,251	31,881	30,627
- Borrowed Securities	9,640	9,141	9,198	8,737	9,768	8,615	7,527	6,442	8,162	8,737	6,442
- Trading Derivatives' Market Valuation	14,144	15,871	16,608	15,500	15,930	12,547	12,991	15,453	9,825	15,500	15,453
- Other	22,754	24,217	25,335	25,989	24,954	26,528	25,404	25,756	24,121	25,989	25,756
- Total	74,442	85,006	78,373	82,107	83,419	82,014	80,676	78,278	73,359	82,107	78,278
Subordinated Debentures	2,701	3,073	3,852	3,878	3,896	4,970	4,992	5,344	5,276	3,878	5,344
Equity - Preferred Shares	800	800	1,050	1,275	1,575	1,775	1,775	1,775	1,775	1,275	1,775
- Common Shares	3,130	3,063	3,023	3,002	2,993	2,991	2,943	2,920	2,878	3,002	2,920
- Retained Earnings	10,803	10,540	10,632	10,500	10,366	10,037	9,650	9,913	9,416	10,500	9,913
- Common Equity	13,933	13,603	13,655	13,502	13,359	13,028	12,593	12,833	12,294	13,502	12,833
- Total Equity	14,733	14,403	14,705	14,777	14,934	14,803	14,368	14,608	14,069	14,777	14,608
Total Capital Funds	17,434	17,476	18,557	18,655	18,830	19,773	19,360	19,952	19,345	18,655	19,952
<b>Total Liabilities and Shareholders' Equity</b>	<b>282,160</b>	<b>291,700</b>	<b>289,588</b>	<b>296,380</b>	<b>299,757</b>	<b>297,137</b>	<b>294,508</b>	<b>284,425</b>	<b>271,178</b>	<b>296,380</b>	<b>284,425</b>

# AVERAGE BALANCE SHEET



(\$MM)	QUARTERLY TREND								YEAR-TO-DATE		FULL YEAR		
	2003			2002				2001		2003	2002	2002	2001
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3				
Deposits with Other Banks	16,773	15,756	16,031	16,827	16,206	17,875	18,408	16,365	15,955	16,191	17,493	17,325	16,893
Securities	56,349	58,404	57,011	56,207	59,203	62,986	60,795	53,210	53,827	57,242	60,972	59,772	49,672
Loans - Residential Mortgages	57,854	56,920	56,465	55,996	55,565	54,281	53,283	52,420	51,152	57,081	54,377	54,785	50,708
- Personal and Credit Cards	24,716	24,003	23,502	22,614	21,305	20,763	20,067	19,529	18,164	24,073	20,710	21,190	18,397
- Business and Governments	64,200	69,237	73,789	73,407	75,139	76,463	73,831	74,334	73,995	69,076	75,131	74,697	74,939
- Reverse Repos	27,777	30,942	29,915	32,781	31,680	32,878	32,448	28,535	29,754	29,529	32,330	32,443	27,580
- Total	174,547	181,102	183,671	184,798	183,689	184,385	179,629	174,818	173,065	179,759	182,548	183,115	171,624
Total Earning Assets	247,669	255,262	256,713	257,832	259,098	265,246	258,832	244,393	242,847	253,192	261,013	260,212	238,189
Acceptances	7,575	8,215	8,341	8,570	8,109	8,004	9,659	9,691	9,938	8,041	8,604	8,595	10,294
Other Assets	28,983	28,818	29,430	29,754	28,000	26,652	27,551	26,376	22,491	29,105	27,511	28,045	23,360
<b>Total Assets</b>	<b>284,227</b>	<b>292,295</b>	<b>294,484</b>	<b>296,156</b>	<b>295,207</b>	<b>299,902</b>	<b>296,042</b>	<b>280,460</b>	<b>275,276</b>	<b>290,338</b>	<b>297,128</b>	<b>296,852</b>	<b>271,843</b>
Deposits - Personal	75,985	76,039	75,497	74,856	75,204	75,470	75,360	74,421	74,127	75,838	75,344	75,218	72,693
- Banks	23,929	25,680	27,437	27,466	25,317	27,363	28,472	27,664	25,585	25,682	27,047	27,153	27,384
- Business and Governments	87,631	87,910	91,503	93,934	92,601	92,947	87,012	80,258	79,401	89,027	90,830	91,615	79,758
- Total	187,545	189,629	194,437	196,256	193,122	195,780	190,844	182,343	179,113	190,547	193,221	193,986	179,835
Other Liabilities	79,453	84,424	81,324	81,016	82,495	84,545	85,626	78,472	76,963	81,714	84,287	83,443	72,964
Subordinated Debentures	2,661	3,571	3,877	3,889	4,629	4,992	5,122	5,307	5,312	3,367	4,913	4,655	5,333
Shareholders' Equity - Preferred	800	1,041	1,267	1,565	1,768	1,775	1,775	1,775	1,775	1,036	1,773	1,720	1,775
- Common	13,768	13,630	13,579	13,430	13,193	12,810	12,675	12,563	12,113	13,674	12,934	13,048	11,936
- Total	14,568	14,671	14,846	14,995	14,961	14,585	14,450	14,338	13,888	14,710	14,707	14,768	13,711
<b>Total Liabilities and Shareholders' Equity</b>	<b>284,227</b>	<b>292,295</b>	<b>294,484</b>	<b>296,156</b>	<b>295,207</b>	<b>299,902</b>	<b>296,042</b>	<b>280,460</b>	<b>275,276</b>	<b>290,338</b>	<b>297,128</b>	<b>296,852</b>	<b>271,843</b>

**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AND RISK WEIGHTED ASSETS**



QUARTERLY TREND										YEAR-TO-DATE		FULL YEAR	
2003			2002				2001		2003	2002	2002	2001	
Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3					

**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (\$MM):**

Balance at Beginning of Period	14,403	14,705	14,777	14,934	14,803	14,368	14,608	14,069	13,707	14,777	14,608	14,608	12,975
Cumulative Effect of Adoption of New Accounting Standards	-	-	-	-	-	-	(76)	-	-	-	(76)	(76)	(39)
Preferred Shares Redeemed	-	(250)	(225)	(300)	(200)	-	-	-	-	(475)	(200)	(500)	-
Common Shares Issued, Net of Purchases for Cancellation	67	40	21	9	2	48	23	42	49	128	73	82	155
Premium on Redemption and Purchase of Shares	-	(67)	(77)	-	(98)	(5)	(51)	-	-	(144)	(154)	(154)	-
Net Income	626	596	595	583	564	598	52	566	554	1,817	1,214	1,797	2,169
Dividends - Preferred	(10)	(14)	(18)	(24)	(27)	(27)	(27)	(27)	(27)	(42)	(81)	(105)	(108)
- Common	(223)	(201)	(202)	(187)	(187)	(186)	(172)	(171)	(155)	(626)	(545)	(732)	(621)
Net Unrealized Foreign Exchange Gains (Losses)	(131)	(399)	(162)	(235)	76	14	8	129	(58)	(692)	98	(137)	79
Other	1	(7)	(4)	(3)	1	(7)	3	-	(1)	(10)	(3)	(6)	(2)
<b>Balance at End of Period</b>	<b>14,733</b>	<b>14,403</b>	<b>14,705</b>	<b>14,777</b>	<b>14,934</b>	<b>14,803</b>	<b>14,368</b>	<b>14,608</b>	<b>14,069</b>	<b>14,733</b>	<b>14,934</b>	<b>14,777</b>	<b>14,608</b>

**RISK-WEIGHTED ASSETS (\$B):**

<b>On Balance Sheet Assets</b>													
0 - 20% Cash Resources	2.8	2.7	2.5	3.0	3.2	3.3	3.3	3.0	2.5			3.0	3.0
0 - 100% Securities	8.7	9.2	9.9	10.3	10.9	10.5	12.2	11.3	10.3			10.3	11.3
0 - 50% Residential Mortgages	18.6	17.8	16.3	15.8	15.5	14.9	14.4	13.7	13.5			15.8	13.7
0 - 100% Loans & Acceptances	88.4	91.7	94.7	97.2	98.7	97.7	96.6	99.8	97.6			97.2	99.8
0 - 100% Other Assets	5.8	5.6	5.6	5.9	6.0	6.5	6.6	6.1	7.2			5.9	6.1
	<b>124.3</b>	<b>127.0</b>	<b>129.0</b>	<b>132.2</b>	<b>134.3</b>	<b>132.9</b>	<b>133.1</b>	<b>133.9</b>	<b>131.1</b>			<b>132.2</b>	<b>133.9</b>
<b>Off Balance Sheet Assets</b>													
Indirect Credit Instruments	26.5	26.1	27.6	26.9	27.7	25.5	25.4	24.7	25.4			26.9	24.7
Interest Rate, Foreign Exchange and Other Derivative Instruments	3.4	3.4	3.8	3.6	4.3	3.8	3.7	4.2	3.5			3.6	4.2
Market Risk Adjustment	3.0	2.6	2.8	2.7	2.4	2.3	2.0	2.0	1.9			2.7	2.0
<b>Total Risk-Weighted Assets</b>	<b>157.2</b>	<b>159.1</b>	<b>163.2</b>	<b>165.4</b>	<b>168.7</b>	<b>164.5</b>	<b>164.2</b>	<b>164.8</b>	<b>161.9</b>			<b>165.4</b>	<b>164.8</b>

# REGULATORY CAPITAL AND RISK-WEIGHTED CAPITAL RATIOS



(\$MM)	QUARTERLY TREND								FULL YEAR		
	2003			2002				2001		2002	2001
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3		
<b>REGULATORY CAPITAL:</b>											
Common Shareholders' Equity	13,933	13,603	13,655	13,502	13,359	13,028	12,593	12,833	12,294	13,502	12,833
Non-Cumulative Preferred Shares	800	800	1,050	1,275	1,575	1,775	1,775	1,775	1,775	1,275	1,775
Non-Controlling Interest in Subsidiaries:											
- Scotia BaTS	2,000	2,000	1,250	1,250	1,250	500		500	500	1,250	500
- Other	335	318	669	662	638	615	601	586	552	662	586
Goodwill	(348)	(371)	(292)	(299)	(349)	(360)	(340)	(400)	(328)	(299)	(400)
Tier 1 Capital	16,720	16,350	16,332	16,390	16,473	16,308	15,129	15,294	14,793	16,390	15,294
Debentures (net of amortization)	2,701	2,714	3,355	3,372	3,384	4,540	4,582	4,933	4,876	3,372	4,933
Eligible General Allowance (1)	1,375	1,393	1,428	1,448	1,475	1,439	1,437	1,442	1,214	1,448	1,442
Tier 2 Capital	4,076	4,107	4,783	4,820	4,859	5,979	6,019	6,375	6,090	4,820	6,375
Investment in Associated Corporations and Other	(223)	(224)	(234)	(250)	(269)	(320)	(346)	(329)	(327)	(250)	(329)
<b>Total Regulatory Capital</b>	<b>20,573</b>	<b>20,233</b>	<b>20,881</b>	<b>20,960</b>	<b>21,063</b>	<b>21,967</b>	<b>20,802</b>	<b>21,340</b>	<b>20,556</b>	<b>20,960</b>	<b>21,340</b>
<b>CHANGES IN REGULATORY CAPITAL:</b>											
<b>Total Capital, Beginning of Period</b>	<b>20,233</b>	<b>20,881</b>	<b>20,960</b>	<b>21,063</b>	<b>21,967</b>	<b>20,802</b>	<b>21,340</b>	<b>20,556</b>	<b>20,011</b>	<b>21,340</b>	<b>19,029</b>
<b>Internally Generated Capital</b>											
Net Income	626	596	595	583	564	598	52	566	554	1,797	2,169
Other Amounts Credited (Charged) to Retained Earnings	(130)	(473)	(243)	(238)	(21)	2	(116)	129	(59)	(373)	38
Capital from Operations	496	123	352	345	543	600	(64)	695	495	1,424	2,207
Dividends	(233)	(215)	(220)	(211)	(214)	(213)	(199)	(198)	(182)	(837)	(729)
(A)	<b>263</b>	<b>(92)</b>	<b>132</b>	<b>134</b>	<b>329</b>	<b>387</b>	<b>(263)</b>	<b>497</b>	<b>313</b>	<b>587</b>	<b>1,478</b>
<b>External Financing</b>											
Subordinated Indebtedness	(13)	(641)	(17)	(12)	(1,156)	(42)	(351)	57	(81)	(1,561)	(57)
Preferred Shares	-	(250)	(225)	(300)	(200)	-	-	-	-	(500)	-
Innovative Tier 1 Capital Instruments	-	750	-	-	-	750	-	-	-	750	-
Common Shares	67	40	21	9	2	48	23	42	49	82	155
(B)	<b>54</b>	<b>(101)</b>	<b>(221)</b>	<b>(303)</b>	<b>(1,354)</b>	<b>756</b>	<b>(328)</b>	<b>99</b>	<b>(32)</b>	<b>(1,229)</b>	<b>98</b>
<b>Other (2)</b>	<b>23</b>	<b>(455)</b>	<b>10</b>	<b>66</b>	<b>121</b>	<b>22</b>	<b>53</b>	<b>188</b>	<b>264</b>	<b>262</b>	<b>735</b>
(C)											
<b>Total Capital Generated (Used)</b>	<b>340</b>	<b>(648)</b>	<b>(79)</b>	<b>(103)</b>	<b>(904)</b>	<b>1,165</b>	<b>(538)</b>	<b>784</b>	<b>545</b>	<b>(380)</b>	<b>2,311</b>
(A)+(B)+(C)											
<b>Total Capital, End of Period</b>	<b>20,573</b>	<b>20,233</b>	<b>20,881</b>	<b>20,960</b>	<b>21,063</b>	<b>21,967</b>	<b>20,802</b>	<b>21,340</b>	<b>20,556</b>	<b>20,960</b>	<b>21,340</b>
<b>RISK-WEIGHTED CAPITAL RATIOS (%):</b>											
Tier I	10.6	10.3	10.0	9.9	9.8	9.9	9.2	9.3	9.1	9.9	9.3
Total	13.1	12.7	12.8	12.7	12.5	13.4	12.7	13.0	12.7	12.7	13.0
Tangible Common Equity	8.7	8.4	8.5	8.3	8.0	8.0	7.7	7.8	7.6	8.3	7.8

(1) Under OSFI Guidelines, the general allowance is included in Tier 2 capital up to a maximum of 0.875% of risk-weighted assets. Prior to October 31, 2001, this limit was 0.75%.

(2) Represents eligible general allowance and adjustments to regulatory capital such as inclusion of non-controlling interest in common equity of subsidiaries, less deductions for goodwill, securitization-related amounts and investments in associated corporations.

## DERIVATIVES



(\$MM)	Jul 31/03						Apr 30/03	Jul 31/02	Jul 31/01
	Notional Principal Amount	Credit Risk Amount	Potential Future Exposure	Credit Risk Equivalent Amount	CRE/Loans and Acceptances	Risk- Weighted Balance	Risk- Weighted Balance	Risk- Weighted Balance	Risk- Weighted Balance
<u>Interest Rate Contracts:</u>									
Futures and Forward Rate Agreements	160,010	16	9	25	0.0%	5	10	28	15
Interest Rate Swaps	491,260	8,808	1,906	10,714	6.0%	2,481	2,846	2,943	2,035
Options Purchased	61,519	557	148	705	0.4%	171	197	193	169
Options Written	48,997	-	-	-	-	-	-	-	-
<u>Foreign Exchange Contracts:</u>									
Futures, Spot and Forwards	199,137	3,702	2,370	6,072	3.4%	1,790	1,778	2,193	1,314
Currency Swaps	54,799	1,977	2,246	4,223	2.3%	1,088	978	981	798
Options Purchased	3,673	115	76	191	0.1%	72	67	90	90
Options Written	3,636	-	-	-	-	-	-	-	-
Other Derivative Contracts:	40,173	543	2,131	2,674	1.5%	864	850	1,128	792
<b>Total Derivatives</b>	<b>1,063,204</b>	<b>15,718</b>	<b>8,886</b>	<b>24,604</b>	<b>13.7%</b>	<b>6,471</b>	<b>6,726</b>	<b>7,556</b>	<b>5,213</b>
Less: Impact of Master Netting Agreements		9,562	3,530	13,092	7.3%	3,113	3,276	3,264	1,680
<b>Total after Netting</b>		<b>6,156</b>	<b>5,356</b>	<b>11,512</b>	<b>6.4%</b>	<b>3,358</b>	<b>3,450</b>	<b>4,292</b>	<b>3,533</b>

# GROSS IMPAIRED LOANS



(\$MM)	QUARTERLY TREND								FULL YEAR		
	2003			2002				2001		2002	2001
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3		
<b>GROSS IMPAIRED LOANS:</b>											
<u>Domestic</u>											
Retail	275	288	289	287	255	264	248	258	258	287	258
Commercial	271	255	246	225	266	355	348	332	380	225	332
	<b>546</b>	<b>543</b>	<b>535</b>	<b>512</b>	<b>521</b>	<b>619</b>	<b>596</b>	<b>590</b>	<b>638</b>	<b>512</b>	<b>590</b>
<u>International</u>											
Retail	439	478	477	493	670	745	886	611	608	493	611
Commercial	844	857	1,003	1,054	1,730	1,849	2,125	1,599	1,570	1,054	1,599
	<b>1,283</b>	<b>1,335</b>	<b>1,480</b>	<b>1,547</b>	<b>2,400</b>	<b>2,594</b>	<b>3,011</b>	<b>2,210</b>	<b>2,178</b>	<b>1,547</b>	<b>2,210</b>
<u>Scotia Capital</u>											
Canada	113	160	93	127	84	113	180	203	168	127	203
U.S.A.	1,338	1,397	1,549	1,688	1,651	1,432	1,604	1,280	1,229	1,688	1,280
Europe and Other	511	496	517	113	183	127	148	156	177	113	156
	<b>1,962</b>	<b>2,053</b>	<b>2,159</b>	<b>1,928</b>	<b>1,918</b>	<b>1,672</b>	<b>1,932</b>	<b>1,639</b>	<b>1,574</b>	<b>1,928</b>	<b>1,639</b>
<b>Total Gross Impaired Loans (Non-DEM*) (1)</b>	<b>3,791</b>	<b>3,931</b>	<b>4,174</b>	<b>3,987</b>	<b>4,839</b>	<b>4,885</b>	<b>5,539</b>	<b>4,439</b>	<b>4,390</b>	<b>3,987</b>	<b>4,439</b>
Allowance for Credit Losses:											
Specific	(1,999)	(2,078)	(2,140)	(1,892)	(2,345)	(2,895)	(3,394)	(2,705)	(2,520)	(1,892)	(2,705)
General	(1,475)	(1,475)	(1,475)	(1,475)	(1,475)	(1,475)	(1,475)	(1,475)	(1,475)	(1,475)	(1,475)
<b>Total Net Impaired Loans (Non-DEM*) (1)</b>	<b>317</b>	<b>378</b>	<b>559</b>	<b>620</b>	<b>1,019</b>	<b>515</b>	<b>670</b>	<b>259</b>	<b>395</b>	<b>620</b>	<b>259</b>

## CHANGES IN GROSS IMPAIRED LOANS:

	Domestic Retail	Domestic Commercial	International	Scotia Capital	General Allowance	Total Non-DEM*	DEM*	Total
Q2/03 Gross Impaired Loans	288	255	1,335	2,053	-	3,931	23	3,954
Net Formations	50	17	50	76	-	193	-	193
Write-Offs	(63)	(1)	(67)	(127)	-	(258)	-	(258)
Forex	-	-	(35)	(40)	-	(75)	-	(75)
<b>Q3/03 Gross Impaired Loans</b>	<b>275</b>	<b>271</b>	<b>1,283</b>	<b>1,962</b>	<b>-</b>	<b>3,791</b>	<b>23</b>	<b>3,814</b>
Allowance for Credit Losses	(173)	(197)	(752)	(877)	(1,475)	(3,474)	(23)	(3,497)
<b>Q3/03 Net Impaired Loans</b>	<b>102</b>	<b>74</b>	<b>531</b>	<b>1,085</b>	<b>(1,475)</b>	<b>317</b>	<b>-</b>	<b>317</b>

\* DEM = Designated Emerging Market

(1) excludes Designated Emerging Market gross impaired loans and offsetting country risk provision (Q2/03 and Q3/03 - \$23MM; Q1/03 - \$24MM).

# NET IMPAIRED LOANS AND ALLOWANCE FOR CREDIT LOSSES



(\$MM)	QUARTERLY TREND								FULL YEAR		
	2003			2002				2001		2002	2001
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3		
<b>NET IMPAIRED LOANS:</b>											
<u>Domestic</u>											
Retail	102	118	108	99	88	98	76	82	99	99	82
Commercial	74	73	88	106	109	101	109	112	114	106	112
	176	191	196	205	197	199	185	194	213	205	194
<u>International</u>											
Retail	169	186	191	202	254	305	392	250	265	202	250
Commercial	362	307	297	355	626	554	556	325	354	355	325
	531	493	488	557	880	859	948	575	619	557	575
<u>Scotia Capital</u>											
Canada	29	45	38	74	39	57	105	140	117	74	140
U.S.A.	808	877	975	1,225	1,271	825	850	754	829	1,225	754
Europe and Other	248	247	337	34	107	50	57	71	92	34	71
	1,085	1,169	1,350	1,333	1,417	932	1,012	965	1,038	1,333	965
Total Net Impaired Loans before General Allowance (Non-DEM)	1,792	1,853	2,034	2,095	2,494	1,990	2,145	1,734	1,870	2,095	1,734
General Allowance	(1,475)	(1,475)	(1,475)	(1,475)	(1,475)	(1,475)	(1,475)	(1,475)	(1,475)	(1,475)	(1,475)
<b>Total Net Impaired Loans (Non-DEM)</b>	<b>317</b>	<b>378</b>	<b>559</b>	<b>620</b>	<b>1,019</b>	<b>515</b>	<b>670</b>	<b>259</b>	<b>395</b>	<b>620</b>	<b>259</b>
- % of Loans and Acceptances	0.18	0.20	0.30	0.32	0.52	0.27	0.36	0.14	0.22	0.32	0.14
- Coverage Ratio (%)	92	90	87	85	79	90	88	94	91	85	94
<b>ALLOWANCE FOR CREDIT LOSSES:</b>											
Balance, Beginning of Period	3,995	4,084	3,848	4,335	4,880	5,385	4,697	4,494	4,504	4,697	3,306
Acquisition of Subsidiaries	-	-	-	-	-	-	-	-	-	-	919
Write-offs	(268)	(224)	(98)	(705)	(937)	(561)	(200)	(257)	(352)	(2,403)	(1,173)
Recoveries	40	30	49	65	42	34	28	35	32	169	123
Provision for Credit Losses (1)	200	248	325	429	400	350	850	350	325	2,029	1,425
Disposal of Scotiabank Quilmes operations (including Foreign Exchange thereon)	-	-	-	(175)	(60)	(207)	(62)	-	-	(504)	-
Foreign Currency Adjustment and Other	(70)	(143)	(40)	(101)	10	(121)	72	75	(15)	(140)	97
<b>Balance, End of Period</b>	<b>3,897</b>	<b>3,995</b>	<b>4,084</b>	<b>3,848</b>	<b>4,335</b>	<b>4,880</b>	<b>5,385</b>	<b>4,697</b>	<b>4,494</b>	<b>3,848</b>	<b>4,697</b>
<u>Comprised of:</u>											
Specific Allowance	1,999	2,078	2,140	1,892	2,345	2,895	3,394	2,705	2,520	1,892	2,705
General Allowance	1,475	1,475	1,475	1,475	1,475	1,475	1,475	1,475	1,475	1,475	1,475
Country Risk Allowance - Loans	24	23	24	63	57	57	56	56	54	63	56
- Securities	399	419	445	418	458	453	460	461	445	418	461
Total Allowance for Credit Losses	3,897	3,995	4,084	3,848	4,335	4,880	5,385	4,697	4,494	3,848	4,697

(1) Includes additional provisions of \$500MM taken against Argentine risks in Q1/02 (Q4/01 \$50MM) -- \$46MM of these provisions were reversed in Q4/02, \$27MM in Q2/03 and \$24MM in Q3/03.



## CROSS BORDER EXPOSURES TO ASIA AND LATIN AMERICA



Outstandings (net of provisions), US\$ millions

	<u>Loans</u>	<u>Trade</u>	<u>Interbank Deposits</u>	<u>Govt./ Other Sec.</u>	<u>Invest. in Affiliates (1)</u>	<u>Other (2)</u>	<b>Jul 31/03 Total</b>	<b>Apr 30/03 Total</b>	<b>Jul 31/02 Total</b>	<b>Jul 31/01 Total</b>
<b>ASIA</b>										
Malaysia	520	-	10	259	100	2	<b>891</b>	770	692	583
Philippines	35	-	-	101	-	-	<b>136</b>	141	167	203
Thailand	47	39	7	25	-	-	<b>118</b>	104	68	83
Indonesia	24	-	-	-	-	-	<b>24</b>	24	36	91
Sub-total	626	39	17	385	100	2	<b>1,169</b>	1,039	963	960
Korea	603	300	-	277	-	26	<b>1,206</b>	1,498	961	1,042
Hong Kong	339	15	-	170	-	21	<b>545</b>	549	412	342
China	24	200	27	8	-	26	<b>285</b>	232	78	87
Taiwan	42	39	82	52	-	1	<b>216</b>	163	186	111
Singapore	9	12	14	80	-	1	<b>116</b>	182	111	237
<b>Total</b>	<b>1,643</b>	<b>605</b>	<b>140</b>	<b>972</b>	<b>100</b>	<b>77</b>	<b>3,537</b>	3,663	2,711	2,779
<b>LATIN AMERICA</b>										
Mexico	733	184	-	546	643	3	<b>2,109</b>	1,971	1,486	1,332
Brazil	27	438	-	289	-	1	<b>755</b>	748	762	711
Chile	307	3	150	-	160	2	<b>622</b>	622	516	458
Venezuela	2	3	-	113	67	-	<b>185</b>	186	197	224
Peru	78	23	-	29	16	-	<b>146</b>	149	157	166
Argentina	9	1	-	31	-	-	<b>41</b>	73	205	711
Uruguay	-	-	-	14	-	-	<b>14</b>	16	18	18
Colombia	2	-	-	-	-	-	<b>2</b>	3	7	11
<b>Total</b>	<b>1,158</b>	<b>652</b>	<b>150</b>	<b>1,022</b>	<b>886</b>	<b>6</b>	<b>3,874</b>	3,768	3,348	3,631

(1) equity investments in subsidiaries and other affiliates excluding goodwill of US\$58MM in Mexico and US\$74MM in Chile.

(2) includes forex contracts, precious metals, derivatives (positive mark-to-market).

# ASSET SECURITIZATION, RESERVES AND INTEREST RATE SENSITIVITY



	QUARTERLY TREND									
	Q3	2003 Q2	Q1	Q4	2002			Q1	2001	
					Q3	Q2		Q4	Q3	
<b>ASSET SECURITIZATION (\$MM):</b>										
Balance, Beginning of Period	7,131	7,215	7,205	6,892	6,585	9,287	10,373	11,231	11,974	
Securitized	704	379	760	864	898	305	205	391	396	
Paydowns/Maturities	(411)	(463)	(750)	(551)	(591)	(3,007)	(1,291)	(1,249)	(1,139)	
Balance, End of Period										
Personal Loans	2,270	2,411	2,695	2,695	2,952	3,249	3,299	3,360	3,424	
Credit Card	295	295	449	681	758	758	835	951	1,323	
Residential Mortgages	-	-	-	430	511	663	962	1,279	1,505	
Business Loans	-	-	-	-	-	-	2,522	3,287	3,906	
Mortgage-backed Securities	4,860	4,425	4,071	3,399	2,671	1,915	1,669	1,496	1,073	
	7,424	7,131	7,215	7,205	6,892	6,585	9,287	10,373	11,231	
<b>RESERVES (\$MM):</b>										
General Allowance for Credit Losses	1,475	1,475	1,475	1,475	1,475	1,475	1,475	1,475	1,475	
<u>Investment Securities - Unrealized Gains (Losses)</u>										
Bonds of Emerging Markets	477	432	343	219	58	521	554	298	351	
Other Fixed Income	27	8	15	(113)	(18)	13	39	204	156	
Common and Preferred Shares	155	(22)	(114)	(131)	(166)	31	139	35	186	
	659	418	244	(25)	(126)	565	732	537	693	
<b>INTEREST RATE SENSITIVITY (\$B):</b>										
	Within 3 Months	3 to 12 Months	Cumulative Under 1 Year	Over 1 Year	Non-Interest Rate Sensitive					
<b>Canadian Currency Gap</b>										
July 31, 2003	8.1	(7.4)	0.7	15.1	(15.8)					
April 30, 2003	11.3	(8.4)	2.9	13.1	(16.0)					
July 31, 2002	10.6	(8.9)	1.7	14.1	(15.8)					
<b>Foreign Currency Gap</b>										
July 31, 2003	(10.6)	3.8	(6.8)	12.8	(6.0)					
April 30, 2003	(4.2)	1.8	(2.4)	5.8	(3.4)					
July 31, 2002	(12.6)	3.7	(8.9)	12.1	(3.2)					
<b>Total Currency Gap</b>										
July 31, 2003	(2.5)	(3.6)	(6.1)	27.9	(21.8)					
April 30, 2003	7.1	(6.6)	0.5	18.9	(19.4)					
July 31, 2002	(2.0)	(5.2)	(7.2)	26.2	(19.0)					

( ) denotes liability gap

Note: Based on the Bank's interest rate positions at July 31, 2003, an immediate and sustained 100 basis point rise in interest rates, across all currencies and maturities, would increase net income after-tax by approximately \$7MM over the next 12 months, and lower the common shareholders' equity, in present value terms, by approximately \$405MM.