

# SUPPLEMENTARY FINANCIAL INFORMATION



JANUARY 31, 2004

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# HIGHLIGHTS



	QUARTERLY TREND								FULL YEAR			
	2004	2003				2002				2003	2002 ex. charges for Argentina	2002
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1			
<b>Operating Performance:</b>												
Net Income (\$MM)	704	660	626	596	595	583	564	598	52	2,477	2,337	1,797
Net Income available to Common Shareholders (\$MM)	684	650	616	572	568	559	537	571	25	2,406	2,232	1,692
EPS (\$) - basic	1.35	1.28	1.22	1.14	1.12	1.11	1.07	1.13	0.05	4.76	4.43	3.36
- diluted	1.33	1.26	1.20	1.12	1.11	1.09	1.05	1.11	0.05	4.69	4.35	3.30
ROE (%)	19.4	18.6	17.7	17.2	16.6	16.5	16.2	18.3	0.8	17.6	16.6	13.0
Net Interest Margin (%) (3)	2.18	2.22	2.28	2.25	2.17	2.28	2.33	2.34	2.41	2.23	2.34	2.34
Productivity Ratio (%)	54.3	57.7	55.1	55.6	51.2	57.4	51.1	54.3	56.7	54.9	52.2	54.9
Effective Tax Rate (%)	19.4	20.1	23.7	19.2	25.4	(4)	1.1	27.7	24.5	22.2	25.1	23.0
Effective Tax Rate (TEB) (%)	24.8	25.6	29.5	25.3	30.7	(4)	10.3	33.3	30.1	27.8	30.5	30.2
Cash Net Income (\$MM) (5)	709	668	633	603	602	590	571	605	59	2,506	2,365	1,825
Cash EPS (\$) - basic (5)	1.36	1.30	1.23	1.15	1.14	1.12	1.08	1.15	0.06	4.82	4.48	3.41
- diluted (5)	1.34	1.28	1.22	1.13	1.12	1.10	1.06	1.13	0.06	4.75	4.40	3.35
Cash ROE (%) (5)	19.5	18.8	17.9	17.4	16.8	16.7	16.4	18.5	1.0	17.8	16.8	13.2
<b>Balance Sheet:</b>												
Total Assets (\$B)	281.5	285.9	282.2	291.7	289.6	296.4	299.8	297.1	294.5	285.9		296.4
Loans and Acceptances (\$B)	175.7	178.5	179.6	189.2	188.0	194.1	194.7	191.4	187.7	178.5		194.1
Deposits (\$B)	191.8	192.7	190.3	189.2	192.7	195.6	197.5	195.4	194.5	192.7		195.6
Common Equity (\$B)	14.2	13.8	13.9	13.6	13.7	13.5	13.4	13.0	12.6	13.8		13.5
<b>Credit Quality:</b>												
Net Impaired Loans (\$MM)	12	47	317	378	559	620	1,019	515	670	47		620
- % of Loans and Acceptances	0.01	0.03	0.18	0.20	0.30	0.32	0.52	0.27	0.36	0.03		0.32
Specific Provisions (\$MM)	170	120	200	248	325	429	400	350	850	893	1,575	2,029
- % of Average Loans and Acceptances	0.38	0.27	0.43	0.53	0.67	0.87	0.82	0.74	1.77	0.48	0.82	1.05
<b>Risk-Weighted Capital Ratios (%):</b>												
Tier 1	10.9	10.8	10.6	10.3	10.0	9.9	9.8	9.9	9.2	10.8		9.9
Total	13.4	13.2	13.1	12.7	12.8	12.7	12.5	13.4	12.7	13.2		12.7
Tangible Common Equity	9.2	8.9	8.7	8.4	8.5	8.3	8.0	8.0	7.7	8.9		8.3
Risk-Weighted Assets (\$B)	153.5	154.5	157.2	159.1	163.2	165.4	168.7	164.5	164.2	154.5		165.4

(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 in Q1/02 excluding \$540MM (after-tax) charges related to Argentina:

Net Income: \$592MM; Net Income Available to Common Shareholders: \$565MM; EPS (basic): \$1.12; EPS(diluted): \$1.10; ROE: 17.3%

Productivity Ratio: 54.5%;

Effective Tax Rate: 25.1%; Effective Tax rate (TEB): 30.2%

Cash Net Income: \$599MM; Cash EPS (basic): \$1.13; Cash EPS (diluted): \$1.11; Cash ROE: 17.5%;

Specific Provisions: \$350MM; as % of Average Loans and Acceptances: 0.73%

(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								FULL YEAR		
	2004 Q1	Q4	2003 Q3	Q2	Q1	Q4	Q3	2002 Q2	Q1	2003	2002
<b>Valuation:</b>											
Book Value per Share (\$)	28.10	27.34	27.53	26.99	27.11	26.78	26.52	25.78	25.00	27.34	26.78
Share Price (\$) - High	68.48	67.39	64.38	55.79	54.75	51.23	56.19	55.88	50.74	67.39	56.19
- Low	62.15	58.37	55.03	49.67	44.55	42.02	44.06	45.20	44.05	44.55	42.02
- Close	67.50	65.47	60.47	55.79	50.70	45.88	49.25	53.95	48.59	65.47	45.88
Share Price (Closing) as % Book Value	240.2	239.5	219.7	206.7	187.0	171.3	185.7	209.3	194.4	239.5	171.3
Price (Closing)/Earnings Ratio (X) (1) (2)	13.5	13.8	13.2	12.6	11.4	10.4	11.2	12.3	11.4	13.8	10.4
Market Capitalization (\$MM)	34,126	33,085	30,605	28,116	25,536	23,129	24,812	27,259	24,475	33,085	23,129
<b>Dividends:</b>											
Common Dividends Paid (\$MM)	253	223	223	201	202	187	187	186	172	849	732
Common Dividends/Share (\$)	0.50	0.44	0.44	0.40	0.40	0.37	0.37	0.37	0.34	1.68	1.45
Payout Ratio (%) (3)	37.0	34.2	36.1	35.2	35.6	33.3	34.7	32.7	30.4	35.3	32.8
Dividend Yield (%)	3.1	2.8	2.9	3.0	3.2	3.2	3.0	2.9	2.9	3.0	3.0
<b>Shares:</b>											
Number of Common Shares Outstanding at Period End ('000s)	505,575	505,353	506,127	503,968	503,666	504,122	503,790	505,267	503,701	505,353	504,122
Average Number of Common Shares Outstanding ('000s) -- Basic	505,392	505,865	505,226	503,494	504,503	503,961	504,755	504,338	504,306	504,783	504,340
-- Diluted	513,704	514,170	513,750	511,252	512,251	510,932	513,533	513,342	513,221	512,869	512,752
<b>Other Information:</b>											
Employees	44,304	43,986	43,869	43,772	44,500	44,633	46,933	46,974	46,698	43,986	44,633
Branches and Offices	1,875	1,850	1,844	1,846	1,848	1,847	1,952	1,951	1,955	1,850	1,847
ABMs	4,118	3,918	3,768	3,712	3,702	3,693	3,817	3,800	3,811	3,918	3,693
<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 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								FULL YEAR		
	2004 Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2003	2002
<b>CONSOLIDATED STATEMENT OF INCOME:</b>											
Interest Income (TEB)	3,150	3,161	3,377	3,440	3,546	3,848	3,554	3,450	3,784	13,524	14,636
Interest Expense	1,602	1,577	1,747	1,837	1,935	2,146	1,821	1,738	1,988	7,096	7,693
Net Interest Income (TEB)	1,548	1,584	1,630	1,603	1,611	1,702	1,733	1,712	1,796	6,428	6,943
Other Income (see Page 7)	1,040	1,007	1,009	965	1,034	1,019	996	1,058	869	4,015	3,942
Total Revenue (TEB)	2,588	2,591	2,639	2,568	2,645	2,721	2,729	2,770	2,665	10,443	10,885
Taxable equivalent adjustment	68	68	75	67	68	68	71	67	62	278	268
Total Revenue	2,520	2,523	2,564	2,501	2,577	2,653	2,658	2,703	2,603	10,165	10,617
Provision for Credit Losses	170	120	200	248	325	429	400	350	850	893	2,029
Total Non-interest Expenses (see Page 8)	1,406	1,494	1,453	1,429	1,355	1,562	1,395	1,505	1,512	5,731	5,974
Net Income before the undernoted:	944	909	911	824	897	662	863	848	241	3,541	2,614
Provision for Income Taxes	183	182	216	158	228	7	240	208	146	784	601
Non-controlling Interest in Net Income of Subsidiaries	57	67	69	70	74	72	59	42	43	280	216
<b>Net Income</b>	<b>704</b>	<b>660</b>	<b>626</b>	<b>596</b>	<b>595</b>	<b>583</b>	<b>564</b>	<b>598</b>	<b>52</b>	<b>2,477</b>	<b>1,797</b>
Preferred Dividends Paid and Other	20	10	10	24	27	24	27	27	27	71	105
Net Income available to Common Shareholders	684	650	616	572	568	559	537	571	25	2,406	1,692
<b>Net Income</b>	<b>704</b>	<b>660</b>	<b>626</b>	<b>596</b>	<b>595</b>	<b>583</b>	<b>564</b>	<b>598</b>	<b>52</b>	<b>2,477</b>	<b>1,797</b>
Amortization of Intangibles (net of taxes)	5	8	7	7	7	7	7	7	7	29	28
<b>Cash Net Income</b>	<b>709</b>	<b>668</b>	<b>633</b>	<b>603</b>	<b>602</b>	<b>590</b>	<b>571</b>	<b>605</b>	<b>59</b>	<b>2,506</b>	<b>1,825</b>
<b>NET INCOME BY BUSINESS LINES:</b>											
Domestic Banking (1)	299	264	272	264	294	347	262	254	279	1,094	1,142
International Banking (2)	163	156	175	171	167	128	212	150	(365)	669	125
Scotia Capital	203	221	193	169	138	58	56	120	146	721	380
Other (3)	39	19	(14)	(8)	(4)	50	34	74	(8)	(7)	150
<b>Total Bank</b>	<b>704</b>	<b>660</b>	<b>626</b>	<b>596</b>	<b>595</b>	<b>583</b>	<b>564</b>	<b>598</b>	<b>52</b>	<b>2,477</b>	<b>1,797</b>

(1) includes Wealth Management.

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

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

## BUSINESS LINE RESULTS



(\$MM)	QUARTERLY TREND										FULL YEAR	
	2004 Q1	2003				2002				2003	2002	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1				
<b>Domestic Banking (1):</b>												
Net Interest Income (TEB)	877	878	866	861	869	859	861	828	857	3,474	3,405	
Other Income	417	406	399	352	371	449	378	381	391	1,528	1,599	
Total Revenue (TEB)	1,294	1,284	1,265	1,213	1,240	1,308	1,239	1,209	1,248	5,002	5,004	
Provision for Credit Losses	(92)	(48)	(71)	(77)	(76)	(71)	(69)	(72)	(70)	(272)	(282)	
Non-interest Expenses	(764)	(844)	(778)	(738)	(716)	(711)	(759)	(737)	(746)	(3,076)	(2,953)	
Income Taxes (TEB) and Other	(139)	(128)	(144)	(134)	(154)	(179)	(149)	(146)	(153)	(560)	(627)	
<b>Net Income</b>	<b>299</b>	<b>264</b>	<b>272</b>	<b>264</b>	<b>294</b>	<b>347</b>	<b>262</b>	<b>254</b>	<b>279</b>	<b>1,094</b>	<b>1,142</b>	
Amortization of Intangibles (net of taxes)	5	7	7	6	7	7	6	7	6	27	26	
<b>Cash Net Income</b>	<b>304</b>	<b>271</b>	<b>279</b>	<b>270</b>	<b>301</b>	<b>354</b>	<b>268</b>	<b>261</b>	<b>285</b>	<b>1,121</b>	<b>1,168</b>	
Average Assets (\$B)	107	105	102	100	98	96	94	92	90	101	93	
ROE (%)	32.4	29.2	30.8	31.0	32.7	40.3	28.7	30.3	32.9	30.9	33.0	
Productivity Ratio (%)	59.0	65.7	61.5	60.8	57.7	54.4	61.3	61.0	59.8	61.5	59.0	
Branches	964	964	967	969	973	984	997	1,009	1,011	964	984	
Wealth Management Offices	100	98	102	103	102	87	79	79	78	98	87	
Employees	20,075	20,221	20,287	20,288	20,391	20,564	20,936	20,998	20,759	20,221	20,564	
ABMs	2,524	2,378	2,230	2,186	2,193	2,188	2,184	2,171	2,197	2,378	2,188	
<b>International Banking:</b>												
Net Interest Income (TEB)	448	494	506	501	527	557	521	553	594	2,028	2,225	
Other Income (2)	174	192	174	217	193	150	245	190	93	776	678	
Total Revenue (TEB)	622	686	680	718	720	707	766	743	687	2,804	2,903	
Provision for Credit Losses (2)	(7)	(45)	3	(3)	(28)	-	16	(14)	(525)	(73)	(523)	
Non-interest Expenses (2)	(390)	(404)	(402)	(440)	(411)	(669)	(428)	(489)	(510)	(1,657)	(2,096)	
Income Taxes (TEB) and Other (2)	(62)	(81)	(106)	(104)	(114)	90	(142)	(90)	(17)	(405)	(159)	
<b>Net Income (2)</b>	<b>163</b>	<b>156</b>	<b>175</b>	<b>171</b>	<b>167</b>	<b>128</b>	<b>212</b>	<b>150</b>	<b>(365)</b>	<b>669</b>	<b>125</b>	
Amortization of Intangibles (net of taxes)	-	1	-	1	-	-	1	-	1	2	2	
<b>Cash Net Income (2)</b>	<b>163</b>	<b>157</b>	<b>175</b>	<b>172</b>	<b>167</b>	<b>128</b>	<b>213</b>	<b>150</b>	<b>(364)</b>	<b>671</b>	<b>127</b>	
Average Assets (\$B)	48	49	50	53	57	55	56	60	60	52	58	
ROE (%) (3)	19.4	19.1	21.7	21.9	20.0	15.8	25.1	18.9	(47.0)	20.7	3.0	
Productivity Ratio (%) (4)	62.7	58.9	59.1	61.3	57.1	94.6	55.9	65.8	74.2	59.1	72.2	
Branches and Offices	760	738	722	721	720	722	820	808	809	738	722	
Employees	16,225	15,992	15,711	15,722	15,673	15,740	17,434	17,519	17,492	15,992	15,740	
ABMs	1,594	1,540	1,538	1,526	1,509	1,505	1,633	1,629	1,614	1,540	1,505	

(1) includes Wealth Management.

(2) Q1/02 results include \$540MM after tax charges related to Argentina recorded as follows: Other Income - \$107MM; Provision for Credit Losses - \$500MM; Income Tax Credits - \$67MM.

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.

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

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

## BUSINESS LINE RESULTS



(\$MM)	QUARTERLY TREND								FULL YEAR		
	2004	2003				2002				2003	2002
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
<b>Scotia Capital:</b>											
Net Interest Income (TEB)	254	279	315	336	319	360	388	430	437	1,249	1,615
Other Income	332	295	330	315	349	343	285	304	323	1,289	1,255
Total Revenue (TEB)	586	574	645	651	668	703	673	734	760	2,538	2,870
Provision for Credit Losses	(71)	(22)	(132)	(171)	(224)	(366)	(352)	(269)	(260)	(549)	(1,247)
Non-interest Expenses	(241)	(245)	(262)	(250)	(229)	(248)	(236)	(275)	(263)	(986)	(1,022)
Income Taxes (TEB) and Other	(71)	(86)	(58)	(61)	(77)	(31)	(29)	(70)	(91)	(282)	(221)
<b>Net Income</b>	<b>203</b>	<b>221</b>	<b>193</b>	<b>169</b>	<b>138</b>	<b>58</b>	<b>56</b>	<b>120</b>	<b>146</b>	<b>721</b>	<b>380</b>
Amortization of Intangibles (net of taxes)	-	-	-	-	-	-	-	-	-	-	-
<b>Cash Net Income</b>	<b>203</b>	<b>221</b>	<b>193</b>	<b>169</b>	<b>138</b>	<b>58</b>	<b>56</b>	<b>120</b>	<b>146</b>	<b>721</b>	<b>380</b>
Average Assets (\$B)	112	112	116	123	122	126	124	124	120	119	124
ROE (%)	17.4	18.5	14.2	11.5	8.4	3.1	3.2	9.1	10.6	12.9	6.4
Productivity Ratio (%)	41.1	42.7	40.6	38.4	34.3	35.3	35.1	37.5	34.6	38.8	35.6
Employees	1,318	1,340	1,358	1,377	1,415	1,447	1,468	1,471	1,484	1,340	1,447
<b>Other (1):</b>											
Net Interest Income (2)	(99)	(135)	(132)	(162)	(172)	(142)	(108)	(166)	(154)	(601)	(570)
Other Income	117	114	106	81	121	77	88	183	62	422	410
Total Revenue	18	(21)	(26)	(81)	(51)	(65)	(20)	17	(92)	(179)	(160)
Provision for Credit Losses	-	(5)	-	3	3	8	5	5	5	1	23
Non-interest Expenses	(11)	(1)	(11)	(1)	1	66	28	(4)	7	(12)	97
Income Taxes and Other (2)	32	46	23	71	43	41	21	56	72	183	190
<b>Net Income</b>	<b>39</b>	<b>19</b>	<b>(14)</b>	<b>(8)</b>	<b>(4)</b>	<b>50</b>	<b>34</b>	<b>74</b>	<b>(8)</b>	<b>(7)</b>	<b>150</b>
Amortization of Intangibles (net of taxes)	-	-	-	-	-	-	-	-	-	-	-
<b>Cash Net Income</b>	<b>39</b>	<b>19</b>	<b>(14)</b>	<b>(8)</b>	<b>(4)</b>	<b>50</b>	<b>34</b>	<b>74</b>	<b>(8)</b>	<b>(7)</b>	<b>150</b>
Average Assets (\$B)	16	17	16	16	17	19	21	24	26	17	22

(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								FULL YEAR		
	2004 Q1	2003				2002				2003	2002
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1			
<b>NET INTEREST MARGIN:</b>											
Net Interest Income (TEB) (\$MM)	1,548	1,584	1,630	1,603	1,611	1,702	1,733	1,712	1,796	6,428	6,943
Net Interest Income (TEB) as % of Average Total Assets	2.18	2.22	2.28	2.25	2.17	2.28	2.33	2.34	2.41	2.23	2.34
Net Interest Income (TEB) as % of Average Earning Assets	2.48	2.53	2.61	2.58	2.49	2.62	2.65	2.65	2.75	2.55	2.67
<b>TRADING REVENUE (TEB) (\$MM):</b>											
Securities Trading	52	30	61	36	52	3	13	57	44	179	117
Foreign Exchange and Precious Metals Trading	80	49	70	85	76	59	72	61	65	280	257
Derivative and Other Trading	89	90	63	85	105	114	95	85	108	343	402
<b>Total</b>	<b>221</b>	<b>169</b>	<b>194</b>	<b>206</b>	<b>233</b>	<b>176</b>	<b>180</b>	<b>203</b>	<b>217</b>	<b>802</b>	<b>776</b>
Reported in Other Income	152	107	101	136	157	95	95	114	135	501	439
Reported in Net Interest Income	69	62	93	70	76	81	85	89	82	301	337
<b>Total</b>	<b>221</b>	<b>169</b>	<b>194</b>	<b>206</b>	<b>233</b>	<b>176</b>	<b>180</b>	<b>203</b>	<b>217</b>	<b>802</b>	<b>776</b>
<b>DEFERRED REVENUES (\$MM):</b>	<b>318</b>	<b>329</b>	<b>336</b>	<b>342</b>	<b>351</b>	<b>361</b>	<b>368</b>	<b>365</b>	<b>368</b>	<b>329</b>	<b>361</b>
<b>ASSETS UNDER ADMINISTRATION (\$B):</b>											
Personal											
Retail Brokerage	51.2	47.4	45.7	43.1	43.6	41.0	43.5	45.5	43.2	47.4	41.0
Investment Management and Trust	55.4	56.6	59.0	58.1	58.5	57.1	57.2	59.3	57.2	56.6	57.1
	106.6	104.0	104.7	101.2	102.1	98.1	100.7	104.8	100.4	104.0	98.1
Mutual Funds	14.8	14.2	14.4	13.7	14.4	14.4	15.2	16.5	15.7	14.2	14.4
Institutional	46.3	43.8	42.1	40.0	38.4	31.9	40.1	41.8	43.0	43.8	31.9
<b>Total</b>	<b>167.7</b>	<b>162.0</b>	<b>161.2</b>	<b>154.9</b>	<b>154.9</b>	<b>144.4</b>	<b>156.0</b>	<b>163.1</b>	<b>159.1</b>	<b>162.0</b>	<b>144.4</b>
<b>ASSETS UNDER MANAGEMENT (\$B):</b>											
Personal	7.1	7.0	7.0	6.8	7.1	7.8	8.3	8.8	8.7	7.0	7.8
Mutual Funds	11.9	11.6	11.9	11.5	12.1	12.2	12.8	14.0	13.4	11.6	12.2
Institutional	1.5	1.4	1.3	1.3	1.5	1.5	1.6	1.6	1.9	1.4	1.5
<b>Total</b>	<b>20.5</b>	<b>20.0</b>	<b>20.2</b>	<b>19.6</b>	<b>20.7</b>	<b>21.5</b>	<b>22.7</b>	<b>24.4</b>	<b>24.0</b>	<b>20.0</b>	<b>21.5</b>

# OTHER INCOME



(\$MM)	QUARTERLY TREND								FULL YEAR		
	2004 Q1	2003				2002				2003	2002
		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
<b>Card Revenues</b>	<b>61</b>	58	49	42	55	69	71	67	73	204	280
<b>Deposit and Payment Services</b>											
Deposit Services	<b>128</b>	123	123	116	117	115	112	106	112	479	445
Other Payment Services	<b>27</b>	25	30	26	33	29	26	26	30	114	111
	<b>155</b>	148	153	142	150	144	138	132	142	593	556
<b>Mutual Funds</b>	<b>41</b>	41	41	38	41	41	47	42	44	161	174
<b>Investment Management, Brokerage and Trust Services</b>											
Retail Brokerage	<b>85</b>	78	74	63	65	67	75	87	75	280	304
Personal and Corporate Trust	<b>27</b>	31	30	29	32	35	34	35	33	122	137
Investment Management and Custody	<b>13</b>	13	12	14	14	8	8	8	8	53	32
	<b>125</b>	122	116	106	111	110	117	130	116	455	473
<b>Credit Fees</b>											
Commitment and Other Credit Fees	<b>120</b>	130	151	140	144	137	140	131	132	565	540
Acceptance Fees	<b>26</b>	28	30	31	30	32	33	32	34	119	131
	<b>146</b>	158	181	171	174	169	173	163	166	684	671
<b>Trading Revenue</b>	<b>152</b>	107	101	136	157	95	95	114	135	501	439
<b>Investment Banking</b>											
Underwriting Fees and Other Commissions	<b>121</b>	115	141	100	116	104	101	102	98	472	405
Foreign Exchange and Other	<b>40</b>	50	54	44	53	40	43	47	57	201	187
	<b>161</b>	165	195	144	169	144	144	149	155	673	592
<b>Net Gain/(Loss) on Investment Securities</b>	<b>70</b>	66	28	54	11	(16)	105	102	(12)	159	179
<b>Securitization Revenues</b>	<b>28</b>	26	43	20	51	65	35	25	37	140	162
<b>Other</b>	<b>101</b>	116	102	112	115	99	71	134	13	445	317
<b>Subtotal</b>	<b>1,040</b>	1,007	1,009	965	1,034	920	996	1,058	869	4,015	3,843
<b>Gains on Sale of Businesses</b>	-	-	-	-	-	99	-	-	-	-	99
<b>Total Other Income</b>	<b>1,040</b>	1,007	1,009	965	1,034	1,019	996	1,058	869	4,015	3,942
% of Total Revenue (TEB)	<b>40.2</b>	38.9	38.2	37.6	39.1	37.4	36.5	38.2	32.6	38.4	36.2

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



# NON-INTEREST EXPENSES



(\$MM)	QUARTERLY TREND								FULL YEAR		
	2004 Q1	2003				2002				2003	2002
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1			
<b>Salaries and Staff Benefits</b>											
Salaries	713	750	761	715	695	675	709	771	770	2,921	2,925
Pension and Other Staff Benefits	128	103	116	110	111	101	105	109	104	440	419
	<b>841</b>	<b>853</b>	<b>877</b>	<b>825</b>	<b>806</b>	<b>776</b>	<b>814</b>	<b>880</b>	<b>874</b>	<b>3,361</b>	<b>3,344</b>
<b>Premises and Technology</b>											
Net Premises Rent	43	43	44	44	49	50	45	49	48	180	192
Premises Repairs and Maintenance	11	12	11	9	12	12	13	12	16	44	53
Property Taxes	10	14	16	14	12	11	16	18	12	56	57
Computer Equipment, Software and Data Processing	127	148	129	116	105	127	107	108	114	498	456
Depreciation	50	47	55	55	51	58	57	63	65	208	243
Other	40	41	40	44	45	50	44	48	40	170	182
	<b>281</b>	<b>305</b>	<b>295</b>	<b>282</b>	<b>274</b>	<b>308</b>	<b>282</b>	<b>298</b>	<b>295</b>	<b>1,156</b>	<b>1,183</b>
<b>Communications</b>											
Telecommunications	15	18	17	17	16	18	18	19	19	68	74
Stationery, Postage and Courier	44	43	44	48	48	49	50	53	55	183	207
	<b>59</b>	<b>61</b>	<b>61</b>	<b>65</b>	<b>64</b>	<b>67</b>	<b>68</b>	<b>72</b>	<b>74</b>	<b>251</b>	<b>281</b>
<b>Advertising and Business Development</b>											
Advertising and Promotion	26	27	25	26	25	28	25	29	23	103	105
Travel and Business Development	21	28	23	23	22	29	27	25	22	96	103
	<b>47</b>	<b>55</b>	<b>48</b>	<b>49</b>	<b>47</b>	<b>57</b>	<b>52</b>	<b>54</b>	<b>45</b>	<b>199</b>	<b>208</b>
<b>Professional Expenses</b>	<b>29</b>	<b>40</b>	<b>30</b>	<b>41</b>	<b>30</b>	<b>43</b>	<b>32</b>	<b>30</b>	<b>31</b>	<b>141</b>	<b>136</b>
<b>Business and Capital Taxes</b>											
Business Taxes	23	21	24	23	22	21	28	31	38	90	118
Capital Taxes	14	12	14	13	15	1	12	17	20	54	50
	<b>37</b>	<b>33</b>	<b>38</b>	<b>36</b>	<b>37</b>	<b>22</b>	<b>40</b>	<b>48</b>	<b>58</b>	<b>144</b>	<b>168</b>
<b>Other</b>											
Employee Training	9	12	9	8	8	15	10	8	9	37	42
Amortization of Intangibles	7	8	7	7	7	7	7	7	7	29	28
Other	96	127	88	85	82	30	90	108	119	382	347
	<b>112</b>	<b>147</b>	<b>104</b>	<b>100</b>	<b>97</b>	<b>52</b>	<b>107</b>	<b>123</b>	<b>135</b>	<b>448</b>	<b>417</b>
<b>Total excluding Special Items</b>	<b>1,406</b>	<b>1,494</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>5,700</b>	<b>5,737</b>
<b>Loss on Disposal of Subsidiary Operations</b>	-	-	-	31	-	237	-	-	-	31	237
<b>Total Non-Interest Expenses</b>	<b>1,406</b>	<b>1,494</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>5,731</b>	<b>5,974</b>
% of Total Revenue (TEB)	<b>54.3</b>	<b>57.7</b>	<b>55.1</b>	<b>55.6</b>	<b>51.2</b>	<b>57.4</b>	<b>51.1</b>	<b>54.3</b>	<b>56.7</b>	<b>54.9</b>	<b>54.9</b>

# BALANCE SHEET



(\$MM)	QUARTERLY TREND								FULL YEAR		
	2004	2003				2002				2003	2002
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
Cash Resources	18,851	20,581	19,265	18,743	17,746	20,273	21,195	20,851	21,544	20,581	20,273
Securities - Investment	18,288	20,293	19,186	20,023	21,514	21,602	22,692	25,484	27,111	20,293	21,602
- Trading	44,439	42,899	40,435	38,509	35,280	34,592	34,098	35,741	33,757	42,899	34,592
	62,727	63,192	59,621	58,532	56,794	56,194	56,790	61,225	60,868	63,192	56,194
Loans - Residential Mortgages	62,583	61,646	59,189	57,300	56,902	56,295	56,231	54,995	53,591	61,646	56,295
- Personal and Credit Cards	27,046	26,277	25,325	24,647	23,788	23,363	22,445	21,187	20,547	26,277	23,363
- Business and Governments	63,155	64,313	68,762	72,931	75,321	77,181	79,841	80,854	78,446	64,313	77,181
- Reverse Repos	19,266	22,648	22,843	30,269	27,359	32,262	31,935	30,481	31,329	22,648	32,262
- Sub-total	172,050	174,884	176,119	185,147	183,370	189,101	190,452	187,517	183,913	174,884	189,101
Allowance for Credit Losses	(3,257)	(3,217)	(3,498)	(3,576)	(3,639)	(3,430)	(3,877)	(4,427)	(4,925)	(3,217)	(3,430)
- Total Net Loans	168,793	171,667	172,621	181,571	179,731	185,671	186,575	183,090	178,988	171,667	185,671
Acceptances	6,887	6,811	6,956	7,611	8,312	8,399	8,135	8,317	8,678	6,811	8,399
Land, Buildings and Equipment, net	1,863	1,944	2,019	2,054	2,070	2,101	2,141	2,158	2,253	1,944	2,101
Trading Derivatives' Market Valuation	15,547	15,308	14,639	16,193	17,735	15,821	16,997	12,553	12,970	15,308	15,821
Goodwill	280	270	348	371	292	299	349	360	340	270	299
Other Intangibles	276	284	282	290	297	305	313	320	327	284	305
Other Assets	6,227	5,835	6,409	6,335	6,611	7,317	7,262	8,263	8,540	5,835	7,317
<b>Total Assets</b>	<b>281,451</b>	<b>285,892</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>285,892</b>	<b>296,380</b>
Deposits - Personal	78,328	76,431	77,144	76,783	76,551	75,558	75,765	76,146	76,008	76,431	75,558
- Banks	24,009	22,700	22,742	24,947	26,161	26,230	28,236	25,764	27,985	22,700	26,230
- Business and Governments	89,463	93,541	90,398	87,488	89,946	93,830	93,507	93,440	90,479	93,541	93,830
- Total	191,800	192,672	190,284	189,218	192,658	195,618	197,508	195,350	194,472	192,672	195,618
Other Liabilities											
- Repos	24,144	28,686	27,904	35,777	27,232	31,881	32,767	34,324	34,754	28,686	31,881
- Borrowed Securities	9,911	9,219	9,640	9,141	9,198	8,737	9,768	8,615	7,527	9,219	8,737
- Trading Derivatives' Market Valuation	15,160	14,758	14,144	15,871	16,608	15,500	15,930	12,547	12,991	14,758	15,500
- Other	23,013	23,282	22,754	24,217	25,335	25,989	24,954	26,528	25,404	23,282	25,989
- Total	72,228	75,945	74,442	85,006	78,373	82,107	83,419	82,014	80,676	75,945	82,107
Subordinated Debentures	2,664	2,661	2,701	3,073	3,852	3,878	3,896	4,970	4,992	2,661	3,878
Equity - Preferred Shares	550	800	800	800	1,050	1,275	1,575	1,775	1,775	800	1,275
- Common Shares and Contributed Surplus	3,115	3,141	3,131	3,064	3,024	3,002	2,993	2,991	2,943	3,141	3,002
- Retained Earnings	12,144	11,747	11,392	10,998	10,691	10,398	10,029	9,776	9,403	11,747	10,398
- Cumulative Foreign Currency Translation	(1,050)	(1,074)	(590)	(459)	(60)	102	337	261	247	(1,074)	102
- Common Equity	14,209	13,814	13,933	13,603	13,655	13,502	13,359	13,028	12,593	13,814	13,502
- Total Equity	14,759	14,614	14,733	14,403	14,705	14,777	14,934	14,803	14,368	14,614	14,777
<b>Total Liabilities and Shareholders' Equity</b>	<b>281,451</b>	<b>285,892</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>285,892</b>	<b>296,380</b>

# AVERAGE BALANCE SHEET



(\$MM)	QUARTERLY TREND								FULL YEAR		
	2004 Q1	2003				2002				2003	2002
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1			
Deposits with Other Banks	15,762	16,465	16,773	15,756	16,031	16,827	16,206	17,875	18,408	16,260	17,325
Securities	63,634	61,249	56,349	58,404	57,011	56,207	59,203	62,986	60,795	58,251	59,772
Loans - Residential Mortgages	62,049	60,230	57,854	56,920	56,465	55,996	55,565	54,281	53,283	57,875	54,785
- Personal and Credit Cards	26,423	25,638	24,716	24,003	23,502	22,614	21,305	20,763	20,067	24,467	21,190
- Business and Governments	59,020	61,912	64,200	69,237	73,789	73,407	75,139	76,463	73,831	67,270	74,697
- Reverse Repos	21,001	22,861	27,777	30,942	29,915	32,781	31,680	32,878	32,448	27,849	32,443
- Total	168,493	170,641	174,547	181,102	183,671	184,798	183,689	184,385	179,629	177,461	183,115
Total Earning Assets	247,889	248,355	247,669	255,262	256,713	257,832	259,098	265,246	258,832	251,972	260,212
Acceptances	6,879	7,687	7,575	8,215	8,341	8,570	8,109	8,004	9,659	7,952	8,595
Other Assets	28,016	26,813	28,983	28,818	29,430	29,754	28,000	26,652	27,551	28,589	28,045
<b>Total Assets</b>	<b>282,785</b>	<b>282,855</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>288,513</b>	<b>296,852</b>
Deposits - Personal	76,411	76,034	75,985	76,039	75,497	74,856	75,204	75,470	75,360	75,888	75,218
- Banks	23,113	23,773	23,929	25,680	27,437	27,466	25,317	27,363	28,472	25,201	27,153
- Business and Governments	90,550	90,164	87,631	87,910	91,503	93,934	92,601	92,947	87,012	89,313	91,615
- Total	190,074	189,971	187,545	189,629	194,437	196,256	193,122	195,780	190,844	190,402	193,986
Other Liabilities	75,252	75,544	79,453	84,424	81,324	81,016	82,495	84,545	85,626	80,242	83,443
Subordinated Debentures	2,656	2,667	2,661	3,571	3,877	3,889	4,629	4,992	5,122	3,191	4,655
Shareholders' Equity - Preferred	792	800	800	1,041	1,267	1,565	1,768	1,775	1,775	976	1,720
- Common	14,011	13,873	13,768	13,630	13,579	13,430	13,193	12,810	12,675	13,702	13,048
- Total	14,803	14,673	14,568	14,671	14,846	14,995	14,961	14,585	14,450	14,678	14,768
<b>Total Liabilities and Shareholders' Equity</b>	<b>282,785</b>	<b>282,855</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>288,513</b>	<b>296,852</b>

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



	QUARTERLY TREND								FULL YEAR		
	2004 Q1	2003				2002				2003	2002
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1			
<b>CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (\$MM):</b>											
Balance at Beginning of Period	14,614	14,733	14,403	14,705	14,777	14,934	14,803	14,368	14,608	14,777	14,608
Cumulative Effect of Adoption of New Accounting Standards	-	-	-	-	-	-	-	-	(76)	-	(76)
Preferred Shares Redeemed	(250)	-	-	(250)	(225)	(300)	(200)	-	-	(475)	(500)
Common Shares Issued, Net of Purchases for Resale and Cancellation	(26)	10	67	40	22	9	2	48	23	139	82
Premium on Redemption and Purchase of Shares	(44)	(76)	-	(67)	(77)	-	(98)	(5)	(51)	(220)	(154)
Net Income	704	660	626	596	595	583	564	598	52	2,477	1,797
Dividends - Preferred	(10)	(10)	(10)	(14)	(18)	(24)	(27)	(27)	(27)	(52)	(105)
- Common	(253)	(223)	(223)	(201)	(202)	(187)	(187)	(186)	(172)	(849)	(732)
Net Unrealized Foreign Exchange Translation Gains (Losses)	24	(484)	(131)	(399)	(162)	(235)	76	14	8	(1,176)	(137)
Other	-	4	1	(7)	(5)	(3)	1	(7)	3	(7)	(6)
<b>Balance at End of Period</b>	<b>14,759</b>	<b>14,614</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>14,614</b>	<b>14,777</b>

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

On Balance Sheet Assets											
0 - 20% Cash Resources	2.8	3.1	2.8	2.7	2.5	3.0	3.2	3.3	3.3	3.1	3.0
0 - 100% Securities	8.9	9.0	8.7	9.2	9.9	10.3	10.9	10.5	12.2	9.0	10.3
0 - 50% Residential Mortgages	19.9	19.5	18.6	17.8	16.3	15.8	15.5	14.9	14.4	19.5	15.8
0 - 100% Loans & Acceptances	84.1	85.1	88.4	91.7	94.7	97.2	98.7	97.7	96.6	85.1	97.2
0 - 100% Other Assets	4.6	5.0	5.8	5.6	5.6	5.9	6.0	6.5	6.6	5.0	5.9
	120.3	121.7	124.3	127.0	129.0	132.2	134.3	132.9	133.1	121.7	132.2
Off Balance Sheet Assets											
Indirect Credit Instruments	26.1	26.2	26.5	26.1	27.6	26.9	27.7	25.5	25.4	26.2	26.9
Interest Rate, Foreign Exchange and Other Derivative Instruments	4.0	3.5	3.4	3.4	3.8	3.6	4.3	3.8	3.7	3.5	3.6
Market Risk Adjustment	3.1	3.1	3.0	2.6	2.8	2.7	2.4	2.3	2.0	3.1	2.7
<b>Total Risk-Weighted Assets</b>	<b>153.5</b>	<b>154.5</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>154.5</b>	<b>165.4</b>

# REGULATORY CAPITAL AND RISK-WEIGHTED CAPITAL RATIOS



(\$MM)	QUARTERLY TREND								FULL YEAR		
	2004	2003				2002				2003	2002
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
<b>REGULATORY CAPITAL:</b>											
Common Shareholders' Equity	14,209	13,814	13,933	13,603	13,655	13,502	13,359	13,028	12,593	13,814	13,502
Non-Cumulative Preferred Shares	550	800	800	800	1,050	1,275	1,575	1,775	1,775	800	1,275
Non-Controlling Interest in Subsidiaries:											
- Scotia BaTS	2,000	2,000	2,000	2,000	1,250	1,250	1,250	1,250	500	2,000	1,250
- Other	316	326	335	318	669	662	638	615	601	326	662
Goodwill	(280)	(270)	(348)	(371)	(292)	(299)	(349)	(360)	(340)	(270)	(299)
Tier 1 Capital	16,795	16,670	16,720	16,350	16,332	16,390	16,473	16,308	15,129	16,670	16,390
Debentures (net of amortization)	2,598	2,595	2,701	2,714	3,355	3,372	3,384	4,540	4,582	2,595	3,372
Eligible General Allowance (1)	1,343	1,352	1,375	1,393	1,428	1,448	1,475	1,439	1,437	1,352	1,448
Tier 2 Capital	3,941	3,947	4,076	4,107	4,783	4,820	4,859	5,979	6,019	3,947	4,820
Investment in Associated Corporations and Other	(207)	(209)	(223)	(224)	(234)	(250)	(269)	(320)	(346)	(209)	(250)
<b>Total Regulatory Capital</b>	<b>20,529</b>	<b>20,408</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>20,408</b>	<b>20,960</b>
<b>CHANGES IN REGULATORY CAPITAL:</b>											
<b>Total Capital, Beginning of Period</b>	<b>20,408</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>20,960</b>	<b>21,340</b>
<b>Internally Generated Capital</b>											
Net Income	704	660	626	596	595	583	564	598	52	2,477	1,797
Preferred and Common Share Dividends	(263)	(233)	(233)	(215)	(220)	(211)	(214)	(213)	(199)	(901)	(837)
	441	427	393	381	375	372	350	385	(147)	1,576	960
<b>External Financing</b>											
Debentures (net of amortization)	3	(106)	(13)	(641)	(17)	(12)	(1,156)	(42)	(351)	(777)	(1,561)
Preferred Shares	(250)	-	-	(250)	(225)	(300)	(200)	-	-	(475)	(500)
Innovative Tier 1 Capital Instruments (Scotia BaTS)	-	-	-	750	-	-	-	750	-	750	750
Common Shares	(26)	10	67	40	22	9	2	48	23	139	82
Premium on Redemption and Purchase of Shares	(44)	(76)	-	(67)	(77)	-	(98)	(5)	(51)	(220)	(154)
	(317)	(172)	54	(168)	(297)	(303)	(1,452)	751	(379)	(583)	(1,383)
<b>Other</b>											
Net Unrealized Foreign Exchange Transaction Gains (Losses)	24	(484)	(131)	(399)	(162)	(235)	76	14	8	(1,176)	(137)
Non-controlling Interest in Subsidiaries	(10)	(9)	17	(351)	7	24	23	14	15	(336)	76
Other (2)	(17)	73	7	(111)	(2)	39	99	1	(35)	(33)	104
	(3)	(420)	(107)	(861)	(157)	(172)	198	29	(12)	(1,545)	43
<b>Total Capital Generated (Used)</b>	<b>121</b>	<b>(165)</b>	<b>340</b>	<b>(648)</b>	<b>(79)</b>	<b>(103)</b>	<b>(904)</b>	<b>1,165</b>	<b>(538)</b>	<b>(552)</b>	<b>(380)</b>
<b>Total Capital, End of Period</b>	<b>20,529</b>	<b>20,408</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>20,408</b>	<b>20,960</b>
<b>RISK-WEIGHTED CAPITAL RATIOS (%):</b>											
Tier I	10.9	10.8	10.6	10.3	10.0	9.9	9.8	9.9	9.2	10.8	9.9
Total	13.4	13.2	13.1	12.7	12.8	12.7	12.5	13.4	12.7	13.2	12.7
Tangible Common Equity	9.2	8.9	8.7	8.4	8.5	8.3	8.0	8.0	7.7	8.9	8.3

(1) Under OSFI Guidelines, the general allowance is included in Tier 2 capital up to a maximum of 0.875% of risk-weighted assets.

(2) Represents changes to eligible general allowance, regulatory capital deductions for goodwill, securitization-related amounts and investments in associated corporations, and other charges (credits) to retained earnings.

## DERIVATIVES



(\$MM)						Jan 31/04	Oct 31/03	Jan 31/03
	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
<u>Interest Rate Contracts:</u>								
Futures and Forward Rate Agreements	167,453	19	7	26	-	6	6	11
Interest Rate Swaps	493,845	7,851	2,019	9,870	5.6%	2,258	2,179	3,059
Options Purchased	46,694	508	123	631	0.4%	154	167	223
Options Written	46,672	-	-	-	-	-	-	-
<u>Foreign Exchange Contracts:</u>								
Futures, Spot and Forwards	197,772	4,611	2,436	7,047	4.0%	2,135	2,065	2,235
Currency Swaps	51,778	2,883	2,206	5,089	2.9%	1,302	1,270	951
Options Purchased	3,569	126	67	193	0.1%	73	71	91
Options Written	3,425	-	-	-	-	-	-	-
<u>Other Derivative Contracts:</u>								
Equity	21,405	403	1,276	1,679	1.0%	493	477	611
Credit	17,758	196	814	1,010	0.6%	274	279	224
Other	3,501	168	257	425	0.2%	148	97	111
<b>Total Derivatives</b>	<b>1,053,872</b>	<b>16,765</b>	<b>9,205</b>	<b>25,970</b>	<b>14.8%</b>	<b>6,843</b>	6,611	7,516
Less: Impact of Master Netting Agreements		8,800	3,195	11,995	6.8%	2,808	3,173	3,689
<b>Total after Netting</b>		<b>7,965</b>	<b>6,010</b>	<b>13,975</b>	<b>8.0%</b>	<b>4,035</b>	3,438	3,827

# GROSS IMPAIRED LOANS



(\$MM)	QUARTERLY TREND									FULL YEAR	
	2004 Q1	2003				2002				2003	2002
		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
<b>GROSS IMPAIRED LOANS:</b>											
<u>Domestic</u>											
Retail	266	292	275	288	289	287	255	264	248	292	287
Commercial	251	184	271	255	246	225	266	355	348	184	225
	517	476	546	543	535	512	521	619	596	476	512
<u>International</u>											
Retail	464	465	514	562	565	594	782	865	1,016	465	594
Commercial	646	631	769	773	915	953	1,618	1,729	1,995	631	953
	1,110	1,096	1,283	1,335	1,480	1,547	2,400	2,594	3,011	1,096	1,547
<u>Scotia Capital</u>											
Canada	216	199	113	160	93	127	84	113	180	199	127
U.S.A.	1,131	1,084	1,338	1,397	1,549	1,688	1,651	1,432	1,604	1,084	1,688
Europe	295	386	511	496	517	113	183	127	148	386	113
	1,642	1,669	1,962	2,053	2,159	1,928	1,918	1,672	1,932	1,669	1,928
<b>Total Gross Impaired Loans (1)</b>	<b>3,269</b>	<b>3,241</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>3,241</b>	<b>3,987</b>
Allowance for Credit Losses:											
Specific	(1,782)	(1,719)	(1,999)	(2,078)	(2,140)	(1,892)	(2,345)	(2,895)	(3,394)	(1,719)	(1,892)
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 (1)</b>	<b>12</b>	<b>47</b>	<b>317</b>	<b>378</b>	<b>559</b>	<b>620</b>	<b>1,019</b>	<b>515</b>	<b>670</b>	<b>47</b>	<b>620</b>

## CHANGES IN GROSS IMPAIRED LOANS:

	Domestic Retail	Domestic Commercial	International	Scotia Capital	General Allowance	Total Non-DEM*	DEM (2)	Total
Q4/03 Gross Impaired Loans	292	184	1,096	1,669	-	3,241	21	3,262
Net Formations	56	69	51	7	-	183	(21)	162
Write-Offs	(82)	(2)	(52)	(41)	-	(177)	-	(177)
Forex	-	-	15	7	-	22	-	22
<b>Q1/04 Gross Impaired Loans</b>	<b>266</b>	<b>251</b>	<b>1,110</b>	<b>1,642</b>	<b>-</b>	<b>3,269</b>	<b>-</b>	<b>3,269</b>
Allowance for Credit Losses	(176)	(158)	(710)	(738)	(1,475)	(3,257)	-	(3,257)
<b>Q1/04 Net Impaired Loans</b>	<b>90</b>	<b>93</b>	<b>400</b>	<b>904</b>	<b>(1,475)</b>	<b>12</b>	<b>-</b>	<b>12</b>

DEM = Designated Emerging Market

(1) excludes DEM gross impaired loans and offsetting country risk provision prior to 2004.

(2) DEM loans and corresponding country risk provision transferred to International effective Q1/04.

# NET IMPAIRED LOANS AND ALLOWANCE FOR CREDIT LOSSES



(\$MM)	QUARTERLY TREND								FULL YEAR		
	2004 Q1	2003				2002				2003	2002
		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1		
<b>NET IMPAIRED LOANS:</b>											
<u>Domestic</u>											
Retail	90	102	102	118	108	99	88	98	76	102	99
Commercial	93	59	74	73	88	106	109	101	109	59	106
	183	161	176	191	196	205	197	199	185	161	205
<u>International</u>											
Retail	205	219	244	270	279	303	366	425	522	219	303
Commercial	195	169	287	223	209	254	514	434	426	169	254
	400	388	531	493	488	557	880	859	948	388	557
<u>Scotia Capital</u>											
Canada	82	80	29	45	38	74	39	57	105	80	74
U.S.A.	692	650	808	877	975	1,225	1,271	825	850	650	1,225
Europe	130	243	248	247	337	34	107	50	57	243	34
	904	973	1,085	1,169	1,350	1,333	1,417	932	1,012	973	1,333
Total Net Impaired Loans before General Allowance	1,487	1,522	1,792	1,853	2,034	2,095	2,494	1,990	2,145	1,522	2,095
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</b>	<b>12</b>	<b>47</b>	<b>317</b>	<b>378</b>	<b>559</b>	<b>620</b>	<b>1,019</b>	<b>515</b>	<b>670</b>	<b>47</b>	<b>620</b>
- % of Loans and Acceptances	0.01	0.03	0.18	0.20	0.30	0.32	0.52	0.27	0.36	0.03	0.32
- Coverage Ratio (%)	99.6	98.5	91.6	90.4	86.6	84.4	78.9	89.5	87.9	98.5	84.4
<b>ALLOWANCE FOR CREDIT LOSSES:</b>											
Balance, Beginning of Period	3,580	3,897	3,995	4,084	3,848	4,335	4,880	5,385	4,697	3,848	4,697
Acquisition of Subsidiaries	-	-	-	-	-	-	-	-	-	-	-
Presented with Securities	(363)	-	-	-	-	-	-	-	-	-	-
Write-offs	(177)	(358)	(268)	(224)	(98)	(705)	(937)	(561)	(200)	(948)	(2,403)
Recoveries	40	45	40	30	49	65	42	34	28	164	169
Provision for Credit Losses (1)	170	120	200	248	325	429	400	350	850	893	2,029
Disposal of Scotiabank Quilmes operations (including Foreign Exchange thereon)	-	-	-	-	-	(175)	(60)	(207)	(62)	-	(504)
Foreign Currency Adjustment and Other	20	(124)	(70)	(143)	(40)	(101)	10	(121)	72	(377)	(140)
<b>Balance, End of Period</b>	<b>3,270</b>	<b>3,580</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>3,580</b>	<b>3,848</b>
<u>Comprised of:</u>											
Specific Allowance	1,782	1,719	1,999	2,078	2,140	1,892	2,345	2,895	3,394	1,719	1,892
General Allowance	1,475	1,475	1,475	1,475	1,475	1,475	1,475	1,475	1,475	1,475	1,475
Other Liabilities	13	-	-	-	-	-	-	-	-	-	-
Country Risk Allowance - Loans	-	23	24	23	24	63	57	57	56	23	63
- Securities	-	363	399	419	445	418	458	453	460	363	418
<b>Total Allowance for Credit Losses</b>	<b>3,270</b>	<b>3,580</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>3,580</b>	<b>3,848</b>

(1) Includes additional provisions of \$500MM taken against Argentine risks in Q1/02 -- \$46MM of these provisions were reversed in Q4/02, \$27MM in Q2/03, \$24MM in Q3/03, and \$13MM in Q4/03.



# 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>Jan 31/04 Total</b>	<b>Oct 31/03 Total</b>
<b><u>ASIA</u></b>								
Korea	637	314	13	460	-	7	<b>1,431</b>	1,240
Japan	463	57	41	471	-	77	<b>1,109</b>	1,031
India	399	550	45	48	-	20	<b>1,062</b>	684
Malaysia	520	27	10	235	100	-	<b>892</b>	891
Hong Kong	305	22	-	166	-	39	<b>532</b>	529
China	20	305	20	5	-	38	<b>388</b>	315
Other (3)	168	83	120	239	-	7	<b>617</b>	636
<b>Total</b>	<b>2,512</b>	<b>1,358</b>	<b>249</b>	<b>1,624</b>	<b>100</b>	<b>188</b>	<b>6,031</b>	<b>5,326</b>
<b><u>LATIN AMERICA</u></b>								
Mexico	884	147	-	560	707	3	<b>2,301</b>	2,096
Chile	339	2	150	-	181	1	<b>673</b>	670
Brazil	27	300	-	303	-	1	<b>631</b>	756
Venezuela	1	2	-	108	62	-	<b>173</b>	183
Argentina	9	-	-	26	-	-	<b>35</b>	39
Other (4)	967	48	5	57	82	-	<b>1,159</b>	1,166
<b>Total</b>	<b>2,227</b>	<b>499</b>	<b>155</b>	<b>1,054</b>	<b>1,032</b>	<b>5</b>	<b>4,972</b>	<b>4,910</b>

(1) equity investments in subsidiaries and other affiliates excluding goodwill of US\$90MM in Chile.

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

(3) includes Indonesia, The Philippines, Singapore, Taiwan, and Thailand.

(4) includes Costa Rica, Ecuador, El Salvador, Panama, Peru, and Uruguay.

# ASSET SECURITIZATION, RESERVES AND INTEREST RATE SENSITIVITY



	QUARTERLY TREND								
	2004 Q1	Q4	Q3	2003 Q2	Q1	Q4	Q3	2002 Q2	Q1
<b>ASSET SECURITIZATION (\$MM):</b>									
Balance, Beginning of Period	7,665	7,424	7,131	7,215	7,205	6,892	6,585	9,287	10,373
Securitized	975	621	704	382	760	864	898	305	205
Paydowns/Maturities	(480)	(380)	(411)	(466)	(750)	(551)	(591)	(3,007)	(1,291)
Balance, End of Period									
Personal Loans	2,128	2,270	2,270	2,411	2,695	2,695	2,952	3,249	3,299
Credit Card	-	147	295	295	449	681	758	758	835
Residential Mortgages	-	-	-	-	-	430	511	663	962
Business Loans	-	-	-	-	-	-	-	-	2,522
Mortgage-backed Securities	6,032	5,248	4,860	4,425	4,071	3,399	2,671	1,915	1,669
	8,160	7,665	7,424	7,131	7,215	7,205	6,892	6,585	9,287
<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
<b>Investment Securities - Unrealized Gains (Losses)</b>									
Bonds of Emerging Markets	554	512	477	432	343	219	58	521	554
Other Fixed Income	67	27	27	8	15	(113)	(18)	13	39
Common and Preferred Shares	536	164	155	(22)	(114)	(131)	(166)	31	139
	1,157	703	659	418	244	(25)	(126)	565	732
<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>									
January 31, 2004	8.7	(8.0)	0.7	10.2	(10.9)				
October 31, 2003	2.9	(4.5)	(1.6)	17.7	(16.1)				
January 31, 2003	10.4	(6.6)	3.8	12.2	(16.0)				
<b>Foreign Currency Gap</b>									
January 31, 2004	(5.0)	2.5	(2.5)	8.7	(6.2)				
October 31, 2003	(4.1)	3.2	(0.9)	7.1	(6.2)				
January 31, 2003	(2.3)	0.6	(1.7)	4.9	(3.2)				
<b>Total Currency Gap</b>									
January 31, 2004	3.7	(5.5)	(1.8)	18.9	(17.1)				
October 31, 2003	(1.2)	(1.3)	(2.5)	24.8	(22.3)				
January 31, 2003	8.1	(6.0)	2.1	17.1	(19.2)				

( ) denotes liability gap

Note: Based on the Bank's interest rate positions at January 31, 2004, an immediate and sustained 100 basis point rise in interest rates, across all currencies and maturities, would increase net income after-tax by approximately \$36MM over the next 12 months, and lower the common shareholders' equity, in present value terms, by approximately \$293MM.