



## Strategic Overview Fourth Quarter 2003

**Tony Comper**  
*Chairman & CEO*

Quarterly Investor Presentation  
November 25, 2003

# Achieved 2003 Targets

*Excluding non-recurring items*

| Performance Measure         | F2003 Target        | Revised F2003 Guidance | Actual Performance |
|-----------------------------|---------------------|------------------------|--------------------|
| Cash EPS Growth*            | 10 – 15%            | 15 – 20%               | 23.4 %             |
| Return On Equity            | 14 – 15%            | 15 – 16%               | 16.4%              |
| Provision For Credit Losses | At or below \$820MM | \$500MM or below       | \$455MM            |
| Tier 1 Capital              | Minimum 8.0%        | Minimum 8.0%           | 9.55%              |

\* Growth based on F2002 diluted EPS of \$2.76 and diluted cash EPS of \$2.91

## Productivity Initiatives

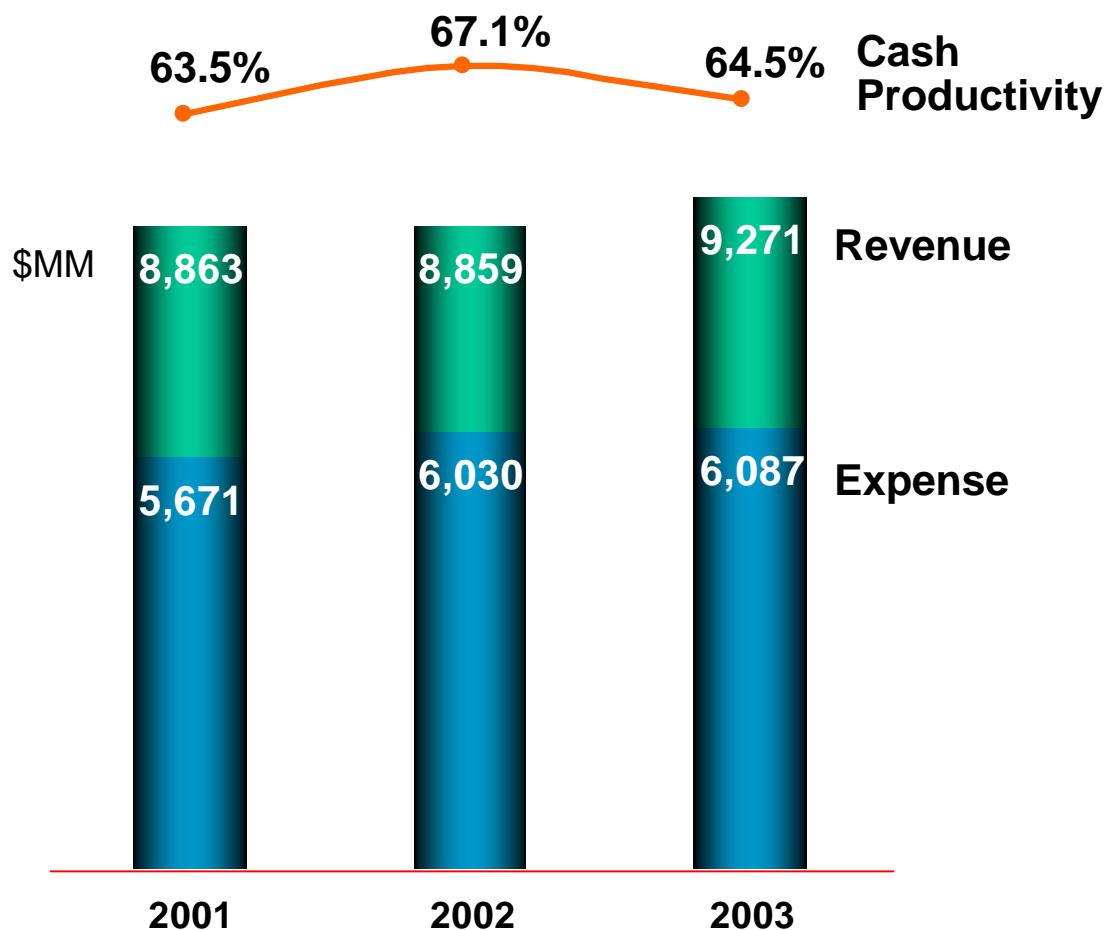
### Revenue

- Invest in sales force, sales tools and improved incentives

### Expense

- Reduced discretionary expenses by \$72MM
- Reduced PCG third-party back-office and technology costs
- Consolidated call centres and branches

## Improved Cash Productivity Ratio by 260 bps



## Sustainable Growth Targets for 2004

| Performance Measure         | F2004 Target               |
|-----------------------------|----------------------------|
| Cash<br>EPS Growth*         | 10 – 15%                   |
| Return On Equity            | 16 – 18%                   |
| Provision For Credit Losses | At or below \$500MM        |
| Tier 1 Capital              | Minimum 8%                 |
| Cash Productivity           | 150 to 200 bps improvement |

\* Growth based on F2003 diluted EPS of \$3.44 and diluted cash EPS of \$3.59

## 2004 Strategic Focus and Priorities

- Continue to invest in core Canadian franchise and selectively and substantially expand in the U.S.
- Continue to improve productivity
- Improve U.S. operations
- Maintain long-standing leadership in credit risk management



- Deepen customer loyalty in our core franchise through continued investment in sales and service initiatives



- Leverage the Harris brand through an expanding U.S. Midwest branch network for increased market share



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# Forward-Looking Statements

## **CAUTION REGARDING FORWARD-LOOKING STATEMENTS**

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