SCOTIABANK TO ACQUIRE BBVA CHILE

INVESTOR PRESENTATION

December 5, 2017

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

Our public communications often include oral or written forward-looking statements. Statements of this type are included in this document, and may be included in other filings with Canadian securities regulators or the U.S. Securities and Exchange Commission, or in other communications. All such statements are made pursuant to the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995 and any applicable Canadian securities legislation. Forward-looking statements may include, but are not limited to, statements made in this document, the Management’s Discussion and Analysis in the Bank’s 2017 Annual Report under the headings “Outlook” and in other statements regarding the Bank’s objectives, strategies to achieve those objectives, the regulatory environment in which the Bank operates, anticipated financial results (including those in the area of risk management), and the outlook for the Bank’s businesses and for the Canadian, U.S. and global economies. Such statements are typically identified by words or phrases such as “believe,” “expect,” “anticipate,” “intent,” “estimate,” “plan,” “may increase,” “may fluctuate,” and similar expressions of future or conditional verbs, such as “will,” “may,” “should,” “would” and “could.”

By their very nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, and the risk that predictions and other forward-looking statements will not prove to be accurate. Do not unduly rely on forward-looking statements, as a number of important factors, many of which are beyond the Bank’s control and the effects of which can be difficult to predict, could cause actual results to differ materially from the estimates and intentions expressed in such forward-looking statements. These factors include, but are not limited to: the economic and financial conditions in Canada and globally; fluctuations in interest rates and currency values; liquidity and funding; significant market volatility and interruptions; the failure of third parties to comply with their obligations to the Bank and its affiliates; changes in monetary policy; legislative and regulatory developments in Canada and elsewhere, including changes to, and interpretations of tax laws and risk-based capital guidelines and reporting instructions and liquidity regulatory guidance; changes to the Bank’s credit ratings; operational (including technology) and infrastructure risks; reputational risks; the risk that the Bank’s risk management models may not take into account all relevant factors; the accuracy and completeness of information the Bank receives on customers and counterparties; the timely development and introduction of new products and services; the Bank’s ability to expand existing distribution channels and to develop and realize revenues from new distribution channels; the Bank’s ability to complete and integrate acquisitions and its other growth strategies; critical accounting estimates and the effects of changes in accounting policies and methods used by the Bank as described in the Bank’s annual financial statements (See “Controls and Accounting Policies—Critical accounting estimates” in the Bank’s 2017 Annual Report) and updated by quarterly reports; global capital markets activity; the Bank’s ability to attract and retain key executives; reliance on third parties to provide components of the Bank’s business infrastructure; unexpected changes in consumer spending and saving habits; technological developments; fraud by internal or external parties, including the use of new technologies in unprecedented ways to defraud the Bank or its customers; increasing cyber security risks which may include theft of assets, unauthorized access to sensitive information or operational disruption; anti-money laundering; consolidation in the financial services sector in Canada and globally; competition, both from new entrants and established competitors; judicial and regulatory proceedings; natural disasters, including, but not limited to, earthquakes and hurricanes, and disruptions to public infrastructure, such as transportation, communication, power or water supply; the possible impact of international conflicts and other developments, including terrorist activities and war; the effects of disease or illness on local, national or international economies; and the Bank’s anticipation of and success in managing the risks implied by the foregoing. A substantial amount of the Bank’s business involves making loans or otherwise committing resources to specific companies, industries or countries. Unforeseen events affecting such borrowers, industries or countries could have a material adverse effect on the Bank’s financial results, businesses, financial condition or liquidity. These and other factors may cause the Bank’s actual performance to differ materially from that contemplated by forward-looking statements. For more information, see the “Risk Management” section of the Bank’s 2017 Annual Report.

Material economic assumptions underlying the forward-looking statements contained in this document are set out in the 2017 Annual Report under the headings “Outlook”, as updated by quarterly reports. The “Outlook” sections are based on the Bank’s views and the actual outcome is uncertain. Readers should consider the above-noted factors when reviewing these sections. The preceding list of factors is not exhaustive of all possible risk factors and other factors could also adversely affect the Bank’s results. When relying on forward-looking statements to make decisions with respect to the Bank and its securities, investors and others should carefully consider the preceding factors, other uncertainties and potential events. The forward-looking statements contained in this document are presented for the purpose of assisting the holders of the Bank’s securities and financial analysts in understanding the Bank’s financial position and results of operations as at and for the periods ended on the dates presented, as well as the Bank’s financial performance objectives, vision and strategic goals, and may not be appropriate for other purposes. Except as required by law, the Bank does not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time by or on its behalf.

BBVA CHILE - TRANSACTION HIGHLIGHTS

TRANSACTION WITH BBVA	• Binding agreement signed with Banco Bilbao Biscaya Argentaria ("BBVA") to acquire 68.19% of BBVA's bank in Chile ("BBVA Chile") for US$2.0 billion in cash (C$2.6 billion) • Price adjustment dollar for dollar to reflect change in retained earnings since December 2016 until closing • Scotiabank will be required to launch a mandatory tender offer for the remaining shares • Transaction also includes the acquisition of BBVA's insurance company and certain support subsidiaries • Total estimated price at closing to BBVA is ~US$2.2 billion (~C$2.9 billion) • Transaction values BBVA Chile at ~2.1x 2017 Book Value and ~18x Price / 2017 LTM Earnings[1] • Scotiabank Chile to ultimately merge with BBVA Chile ("MergeCo")
OWNERSHIP CONSIDERATIONS	• Said family has waived its Right of First Refusal on BBVA's interest in BBVA Chile. • The Said family retains its rights to sell all or a portion of its shares in BBVA Chile under the terms of the mandatory tender offer at closing • We are offering the Said family the opportunity to contribute its existing stake in BBVA Chile and to invest ~US$500 million (C$650 million) to remain as a 25% minority shareholder in MergeCo • Under this scenario, Scotiabank to own ~75% of MergeCo resulting in a net cash outlay of ~US$1.7 billion (C$2.2 billion) • Said family's ultimate ownership in MergeCo could therefore be zero or any amount up to 25%
GOVERNANCE	• If the Said family decides to remain as a minority shareholder in MergeCo, Scotiabank and Said family have agreed on a term sheet that will form a shareholders agreement defining certain corporate governance matters including board representation and customary minority protections applicable to this scenario
TIMELINES	• Acquisition of BBVA's 68.19% stake in BBVA Chile expected to close in Q3 2018, subject to customary conditions and regulatory approvals • Merger of Scotiabank Chile and BBVA Chile expected to occur in Q4 2018

1 As of September 2017

BBVA CHILE - TRANSACTION RATIONALE

ALIGNS WITH SCOTIABANK'S STRATEGIC GOALS FOR THE PACIFIC ALLIANCE

- Significantly enhances Scotiabank's existing presence in Chile, a key Pacific Alliance country
- Creates the 4th largest bank (3rd largest private bank) in Chile with a 14% loan market share
- Consistent with strategy to invest in faster growing Latin American markets with strong macroeconomic fundamentals, favourable demographics and stable banking environments

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LEVERAGES INDIVIDUAL AND COMBINED STRENGTHES TO CREATE A PREMIER CHILEAN BANK

- Scotiabank has strong sales productivity through its distribution channels and personal loan and credit card portfolios
- BBVA Chile has significant capital markets expertise and cash management capabilities
- Strong cultural fit from two international banks with an established local presence in Chile
- High standards in regulatory compliance, strong credit culture and prudent risk management
- Digitally focused banks with an ambitious digital and customer experience agenda
- Opportunity to leverage best practices, technology and talent from both banks

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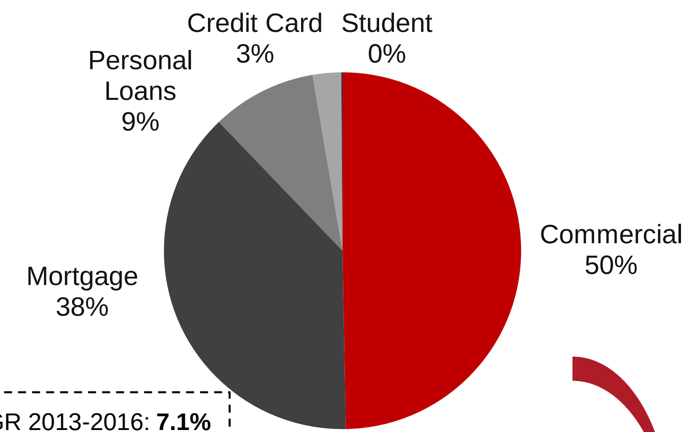
CHILE IS A STABLE MARKET WITH FAVOURABLE ECONOMIC FUNDAMENTALS

- Investment grade ratings of A+ by S&P and Aa3 by Moody's[1]
- Strong institutions combined with sound macroeconomic fundamentals
- Prudent fiscal and monetary policy, based upon cooperation with international financial institutions, has contributed greatly to macroeconomic stability
- Attractive destination for foreign direct investment

1 Represents S&P Long-term Sovereign Issuer Rating (Foreign) and Moody's Long-term Issuer Rating (Foreign)
2 Based on data for Scotiabank and BBVA Chile for FY '16

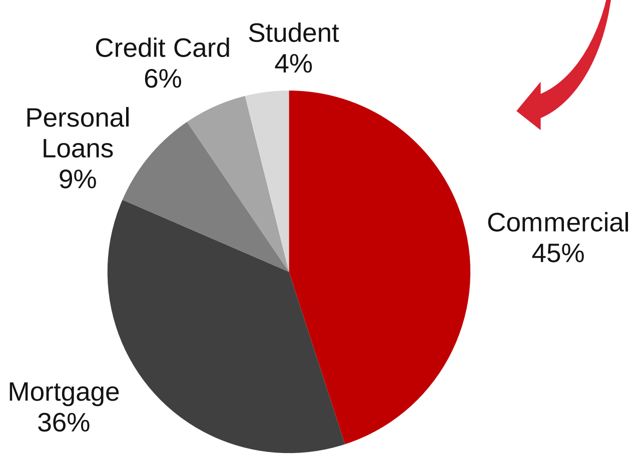
PRO FORMA SCOTIABANK CHILE – LEADING CHILEAN BANK

BBVA CHILE LOAN MIX[1]

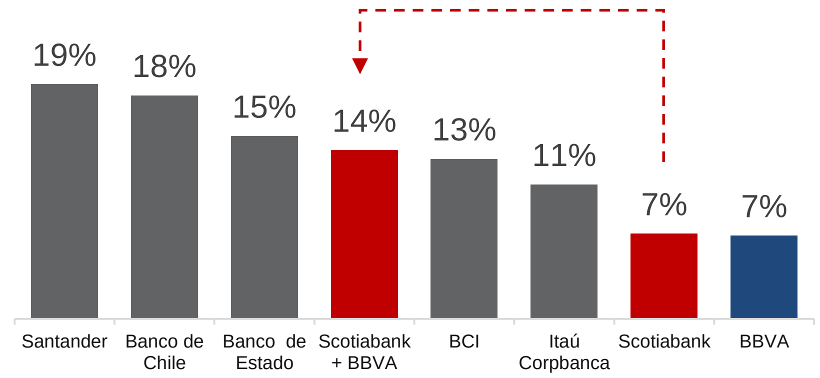


CAGR 2013-2016: **7.1%**

PRO FORMA LOAN MIX[1]



MARKET SHARE BY LOANS[1]



HIGHLIGHTS[1]

(C$ BN)	**Scotiabank Chile**	**BBVA Chile**	**Pro Forma**
Assets	26	29	55
Loans	20	19	39
Employees	3,700	4,000	7,700
Branches	89	127	216

Source: Company Information. Chilean Superintendence of Banks (SBIF).
1 Based on data for Scotiabank Chile and BBVA Chile at 6/30/17

MERGECO OWNERSHIP SCENARIOS & FINANCIAL METRICS

Metric/Ratio	Scotiabank 75% Ownership	Scotiabank 100% Ownership
Investment	US$ 1.7 BN (C$2.1 BN)	US$3.1 BN (C$3.9 BN)
Year 1 NIAT Increase[1]	C$50 – 70 MM	C$100 – 140 MM
Year 3 NIAT Increase[1]	C$160 – 180 MM	C$320 – 360 MM
Estimated CET1 Impact	90 bps	135 bps

ADDITIONAL HIGHLIGHTS AND CONSIDERATIONS

- Estimated pre-tax cost synergies: C$150 – 180 MM per year on a fully phased-in basis by 2020
- Estimated pre-tax integration expense: C$260 – 280 MM predominantly in year 1 and 2
- Accretive to EPS in Year 1, excluding integration and intangible costs
- Expense synergies driven by optimization of the distribution network, including migrating operations to a single platform
- Funding synergies over time driven by greater scale and mix shift towards cheaper demand and savings deposits
- Attrition assumption of 10% in the commercial portfolio in year 1 and 2 from targeted sector reductions
- Assumes retail loan attrition of 5% in year 1 and 2% in year 2

1 Excludes integration costs and amortization costs
2 Based on data for Scotiabank and BBVA Chile for FY ‘16

APPENDIX

SCOTIABANK – THE LEADING BANK IN THE PACIFIC ALLIANCE

Mexico

# Customers	3.6 MM
Assets	32
# Branches	754
# ATMs	1,579

Colombia

# Customers	1.8 MM
Assets	13
# Branches	184
# ATMs	369

Peru

# Customers	2.4 MM
Assets	26
# Branches	304
# ATMs	959

Chile[1]

# Customers	3.8 MM
Assets	55
# Branches	216
# ATMs	565

Note: Asset figures are shown in CAD (BN) using Canadian GAAP.
1. Pro forma the transaction. Data based on figures for BBVA Chile and Scotiabank Chile as of 6/30/17.

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