

Rick Waugh

President & Chief Executive Officer

Scotia Capital Financials Summit 2010

Toronto – September 15, 2010

Agenda

- **Strategic Priorities and Reorganization**
- **Financial Results**
- **Risk Management**
- **Capital Management**
- **Regulatory Environment**
- **Outlook**

Our 5 Strategic Priorities

Sustainable Revenue Growth

**Capital
Management**

**Efficiency and
Expense
Management**

Leadership

Prudent Risk Management and Appetite

Diversified Growth Platforms: Effective October 1



Significant international opportunities

**Well diversified and balanced
with 4 business lines**

Experienced management team

Significant International Growth Opportunities

Global Wealth Management

- Integrated platform
- Leveraging growing market share
- Strategic investments
- Scale

International Banking

- Emerging markets growth rates
- Benefits from acquisitions
- Continued strength in margins
- Select asset growth

Scotia Capital

- Fixed Income
- Infrastructure
- Commodities / Energy
- Foreign Exchange

Well Diversified and Balanced Platform



Key Statistics

- 50% Canada / 50% international
- 70% retail / 30% wholesale
- Each business to contribute 20-30% of a growing pie

Experienced Leadership Team

Chris Hodgson

- Group Head, Global Wealth Management

Steve McDonald and Mike Durland

- Group Heads and Co-CEOs, Scotia Capital

Rob Pitfield

- Group Head and Chief Risk Officer

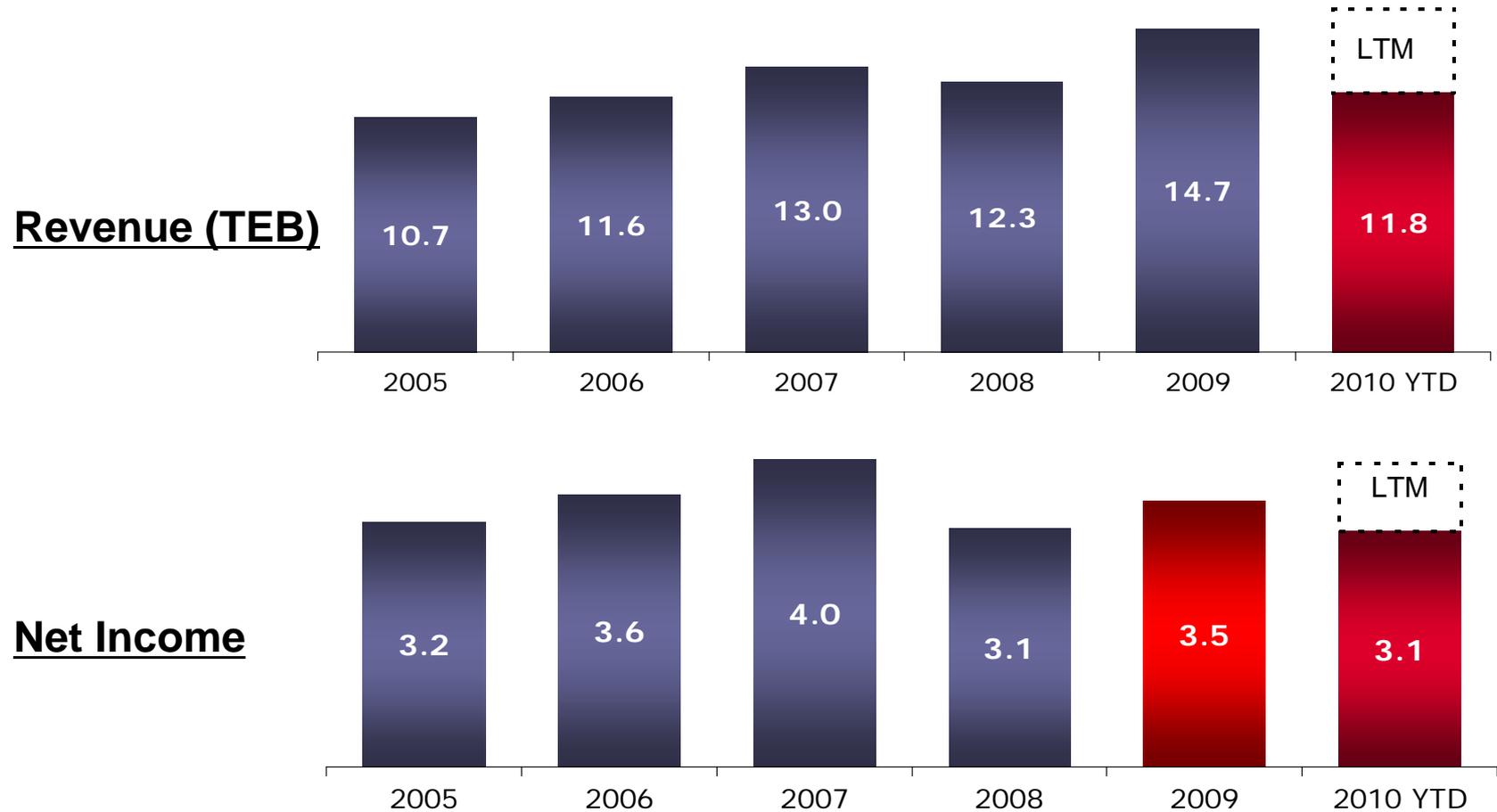
Brian Porter

- Group Head, International Banking

Anatol von Hahn

- Group Head, Canadian Banking

Sustainable Revenue and Earnings Growth



All platforms contributing to success

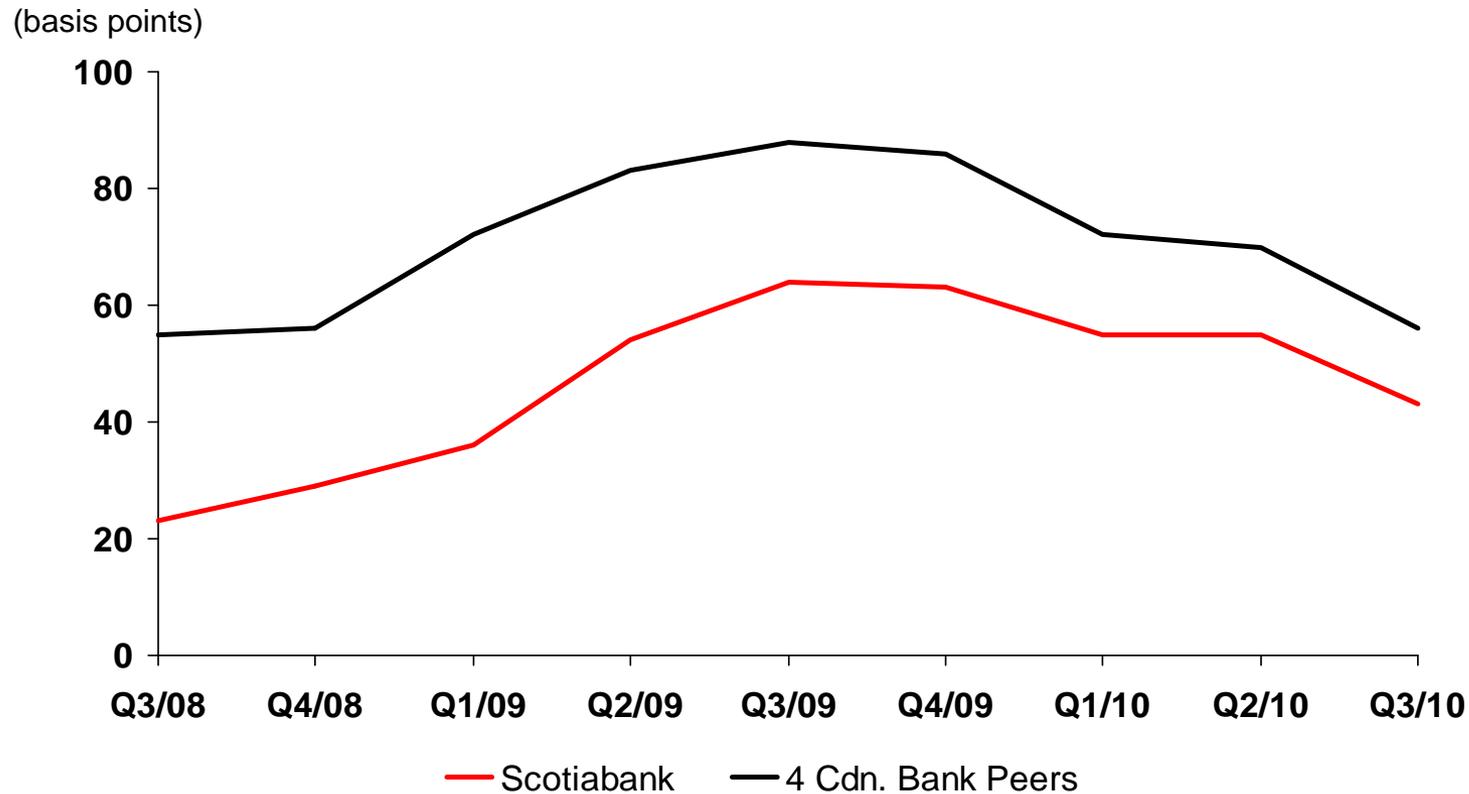
In billions of Canadian dollars. LTM = Last 12 Months from Q3/10.

Robust Efficiency and Expense Management

Trailing four quarters					
% Revenue Growth	15.3%	7.0%	9.9%	14.8%	26.8%
% Expense Growth	3.4%	1.7%	(1.0%)	4.5%	(1.2%)
Operating Leverage	11.9%	5.3%	10.9%	10.3%	28.0%

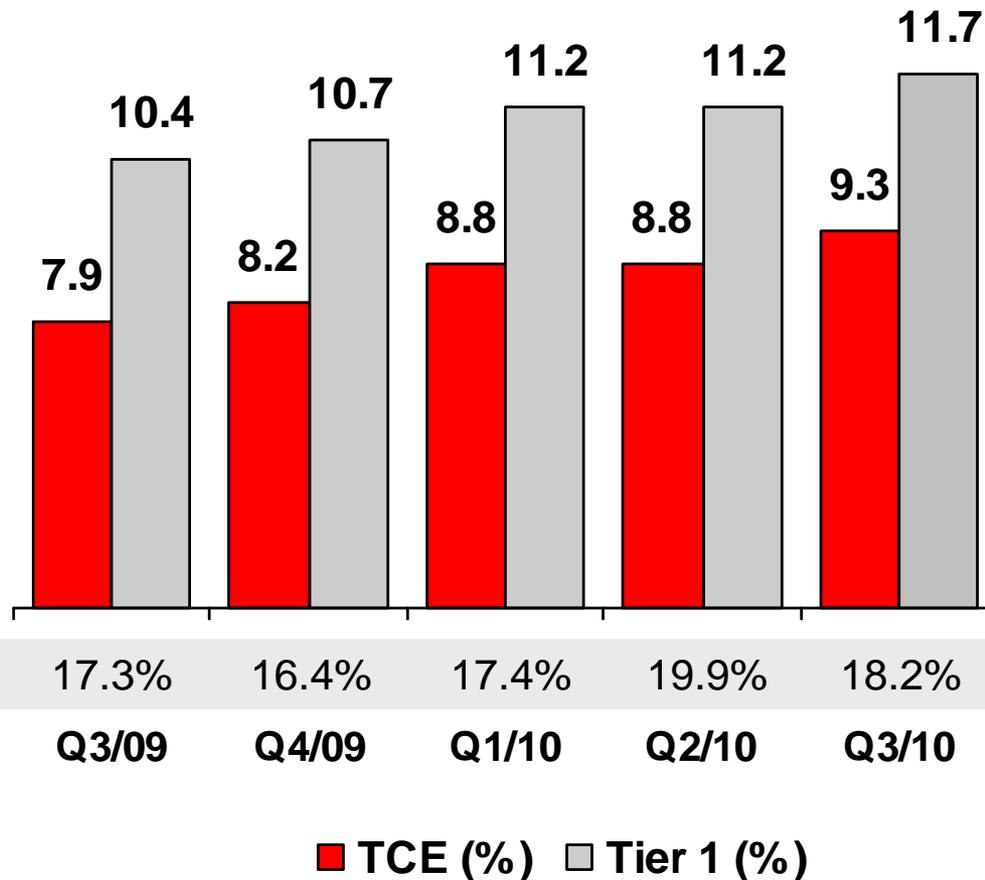
Disciplined Risk Management: Consistently Outperforming Canadian Peers

Specific PCLs as % of Average Loans & BAs



Continued strong risk management performance

Effective Capital Management



- **Strong ratios by global standards**
 - Avoided dilutive public offering of common equity
- **High quality capital**
- **Investing in businesses**
 - Organic
 - Acquisitions
- **Consistent dividends**
- **Deliver strong ROE**

Regulatory Environment: Basel III

**Proposals essentially
finalized**

Impact

**Tighter and more
consistent definition
of capital**

**Higher capital levels
internationally**

**Scotiabank's
current business
model well able to
meet current and
future regulatory
requirements**

Outlook for Balance of 2010

Objective	Target	YTD Q3/10
ROE	16% to 20%	18.5%
EPS Growth	7% to 12%	17.3%
Productivity Ratio	< 58%	50.9%
Capital ratios	Strong Capital Ratios	Tier 1 = 11.7% TCE = 9.3%

Well positioned to meet and exceed full year targets

Key Takeaways

1. Organizational changes as a result of growing international wealth opportunities
2. Well diversified and balanced growth platform
3. Strong and experienced leadership team will support execution of initiatives
4. Strength in regulatory and economic capital

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 harbour” provisions of the United States Private Securities Litigation Reform Act of 1995 and any applicable Canadian securities legislation. Forward-looking statements may include comments with respect to the Bank’s objectives, strategies to achieve those objectives, expected financial results (including those in the area of risk management), and the outlook for the Bank’s businesses and for the Canadian, United States 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,” “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 our control, 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; significant market volatility and interruptions; the failure of third parties to comply with their obligations to us and our affiliates; the effect of changes in monetary policy; legislative and regulatory developments in Canada and elsewhere, including changes in tax laws; the effect of changes to our credit ratings; amendments to, and interpretations of, risk-based capital guidelines and reporting instructions and liquidity regulatory guidance; operational and 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 in receptive markets; 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; changes in accounting policies and methods the Bank uses to report its financial condition and the results of its operations, including uncertainties associated with critical accounting assumptions and estimates; the effect of applying future accounting changes; 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; consolidation in the Canadian financial services sector; competition, both from new entrants and established competitors; judicial and regulatory proceedings; acts of God, such as earthquakes and hurricanes; the possible impact of international conflicts and other developments, including terrorist acts and war on terrorism; the effects of disease or illness on local, national or international economies; disruptions to public infrastructure, including transportation, communication, power and water; 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 discussion starting on page 62 of the Bank’s 2009 Annual Report.

The preceding list of important factors is not exhaustive. 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 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.

The “Outlook” sections in this document are based on the Bank’s views and the actual outcome is uncertain. Readers should consider the above-noted factors when reviewing these sections.

Additional information relating to the Bank, including the Bank’s Annual Information Form, can be located on the SEDAR website at www.sedar.com and on the EDGAR section of the SEC’s website at www.sec.gov.

Investor Relations Contact Information

Peter Slan

Senior Vice-President 416-933-1273 peter.slan@scotiabank.com

Mahendra Shah

Director 416-866-7579 mahendra.shah@scotiabank.com

Mark Michalski

Director 416-866-6905 mark.michalski@scotiabank.com

For further information please visit www.scotiabank.com/investorrelations