



Acquisition of Maple Financial Group's Mortgage Business

February 14, 2006



This document includes forward-looking statements which are made pursuant to the "safe harbour" provisions of the United States Private Securities Litigation Reform Act of 1995. These statements 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. Forward-looking 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. The Bank cautions readers not to place undue reliance on these statements, as a number of important factors 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; the effect of changes in monetary policy; legislative and regulatory developments in Canada and elsewhere; 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; consolidation in the Canadian financial services sector; changes in tax laws; competition, both from new entrants and established competitors; judicial and regulatory proceedings; acts of God, such as earthquakes; 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 54 in the Management's Discussion & Analysis section of the Bank's 2004 Annual Report.

The Bank cautions that the foregoing 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 foregoing 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 behalf of the Bank.

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.



Agenda

- Transaction Summary
- Strong Mortgage Growth
- Successful Operating Model
- Investment Rationale
- Summary

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Transaction Summary

<input type="checkbox"/> Acquiring	➤ Mortgage business of Maple Financial Group
<input type="checkbox"/> Investment	➤ \$233 million for shares of Maple Trust ➤ Accretive to earnings
<input type="checkbox"/> Staffing	All Maple Trust employees – nearly 200, including ➤ 9 members of senior management team ➤ 45 Mortgage Development Managers (MDMs)
<input type="checkbox"/> Required Approvals	➤ Minister of Finance/OSFI ➤ Commissioner of Competition
<input type="checkbox"/> Expected Closing	➤ March 31, 2006

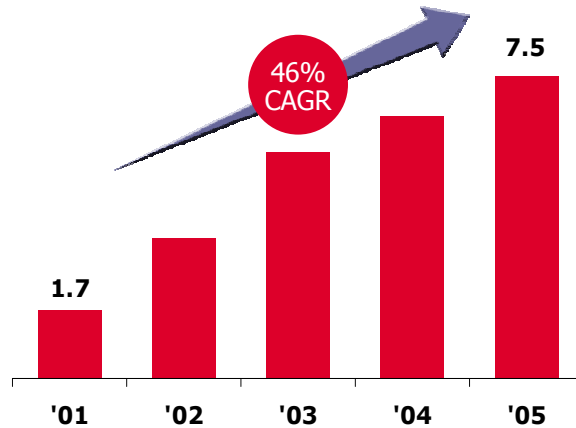
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Strong Mortgage Growth

(\$ billion)

Mortgages Under Administration



- **2005 Mortgage Originations: \$2.9 billion**
- **Mortgages on Balance sheet as of Oct. 31, 2005: \$1.6 billion**

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Successful Operating Model

- Mortgages originated primarily through 45 MDMs
 - "high touch" service model
 - build deep relationships with high volume top-tier mortgage brokers (12-15 each)
 - empowered, experienced staff execute independently from remote locations
 - fast turnaround
- National brand
 - majority of borrowers in Ontario, Alberta and British Columbia
- Relationship, customer service and application processing

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Investment Rationale

- 1 Enhance mortgage market position**
 - **Improves share in fast-growing mortgage broker segment**
 - Channel originates 25%
- 2 Cross-sell opportunity**
 - **42,000 new customers**
 - **Broader range of Scotia products**
- 3 Synergies**
 - **Lower funding & operational costs**
- 4 Innovative business model**
 - **Superior service**
- 5 Low risk**
 - **Low delinquency**

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Enhanced Market Position

Market share: Oct. 31, 2005

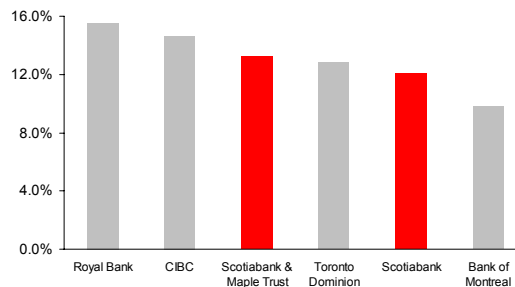
Mortgage broker channel origination

- #2 with 15% share
- Doubles origination volumes

Share of mortgage market

- #3 (up from #4)
- Up 110 bps to 13.2%

Overall mortgage market share



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Summary

**Improve position
in fast-growing
mortgage broker channel**



**Successful
business model**



**Significant
synergy potential**

