



Anatol von Hahn

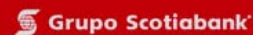
President & CEO

Grupo Scotiabank (Mexico)

National Bank Financial

2006 Canadian Financial Services Conference

March 29, 2006



Forward-looking statements

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 and in any applicable Canadian and Mexican securities legislation. These statements include comments with respect to objectives, strategies to achieve those objectives, expected financial results (including those in the area of risk management) for Grupo Financiero Scotiabank Inverlat, S.A. de C.V. and its subsidiaries (collectively, "Scotiabank Mexico"), and the outlook for the Scotiabank Mexico's businesses and for the Mexican 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 and Scotiabank Mexico caution 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 Mexico and globally; fluctuations in interest rates and currency values; liquidity; the effect of changes in monetary policy; legislative and regulatory developments in Mexico and elsewhere; the accuracy and completeness of information Scotiabank Mexico receives on customers and counterparties; the timely development and introduction of new products and services in receptive markets; Scotiabank Mexico's ability to expand existing distribution channels and to develop and realize revenues from new distribution channels; Scotiabank Mexico's ability to complete and integrate acquisitions and its other growth strategies; changes in accounting policies and methods Scotiabank Mexico 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; Mexican and global capital markets activity; Scotiabank Mexico's ability to attract and retain key executives; reliance on third parties to provide components of Scotiabank Mexico's business infrastructure; unexpected changes in consumer spending and saving habits; technological developments; consolidation in the Mexican 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 Scotiabank Mexico's anticipation of and success in managing the risks implied by the foregoing. A substantial amount of Scotiabank Mexico'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 Scotiabank Mexico's financial results, businesses, financial condition or liquidity. These and other factors may cause Scotiabank Mexico's actual performance to differ materially from that contemplated by forward-looking statements.

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Agenda

- Market overview & position
- Core strengths
- Strong performance
- Four strategic initiatives



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Mexico – Excellent Opportunities



Demographics

Total population (million)	32	105
Population under 25 years (%)	31	53

Economics

GDP (2005 – US\$B)	\$1,130	\$737
Estimated GDP (2006 – real growth)	2.8%	3.4%
Exchange rate (01/06 – C\$ & MXP vs. US\$)	1.15	10.5

Banking Penetration

Chequing accts/100 households (Sept.05)	90+	36
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Market Position - Opportunity to Grow Market Share

(As at Dec. 31, 2005)

		Market Position
Market Share		
Deposits	6%	#6
Loans*	9%	#6
Return on Equity	28%	#2
Capital Ratio	15%	#2

* Performing Loans, excludes Loans to IPAB (banks only)

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Core Strength - Strong, Established Franchise

- 1MM+ customers
 - concentrated in higher value segments
- Named Mexican Bank of the Year
- Recognized as one of the top 50 employers in Mexico



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Growing Distribution Network

- Branches in the top 100 markets



- 6 regions
- 438 branches
- 7,000 employees
- 1,000+ ATMs
- Call Centres in Mexico City & Monterrey
- Telephone & Internet Banking

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Core Strengths - Strong Local Leadership & Central Support

- Seasoned local team leveraging Scotiabank expertise
 - Sales & service
 - Shared services
 - Credit risk management
 - Auto finance
 - Marketing / brand management



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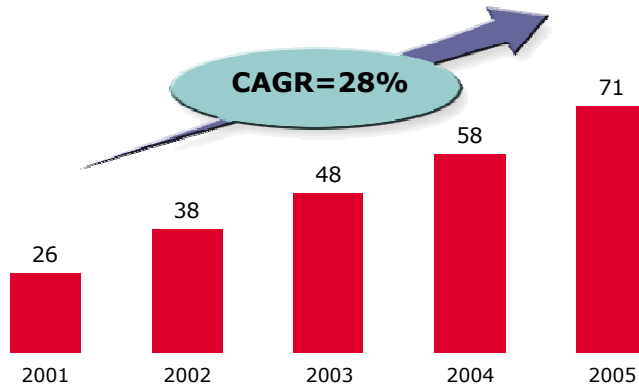
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Strong Loan Growth...

(Dec 31st, in MXP Billion)

Performing Loans



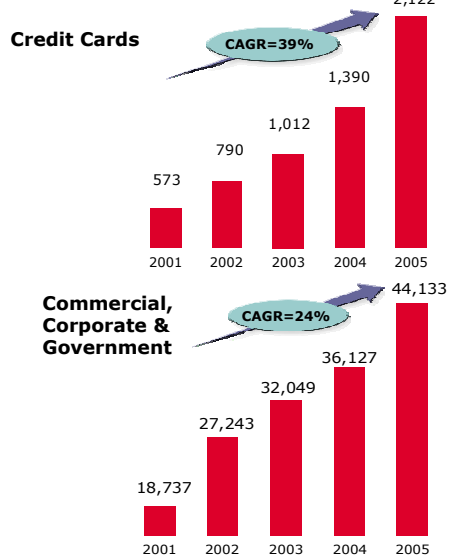
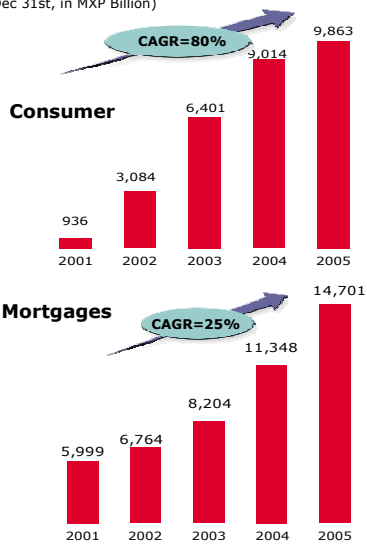
Mexican GAAP. Consolidated, annual average - Excludes loans to IPAB

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...In All Categories

(Dec 31st, in MXP Billion)



Mexican GAAP. Consolidated, annual average

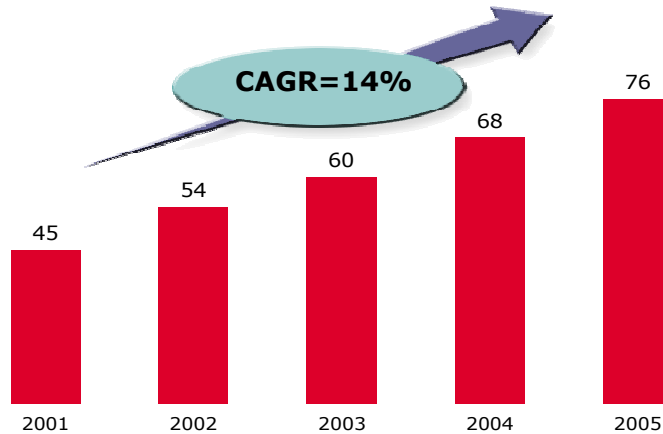
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...More Low Cost Deposits

(Dec 31st, in MXP Billion)

Demand & Term Deposits



Mexican GAAP. Consolidated, annual average

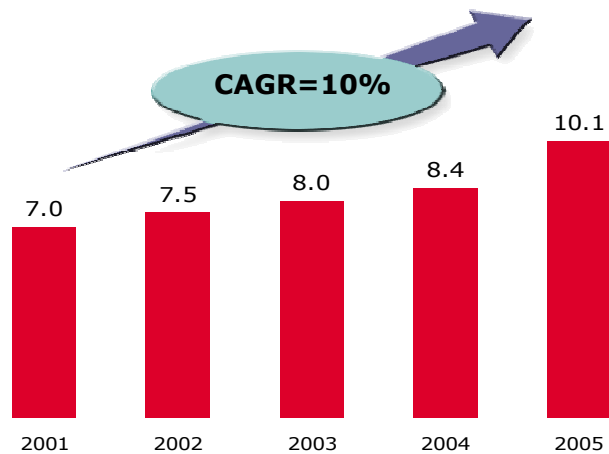
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...Higher Revenues

(Dec 31st, in MXP Billion)

Total Revenues



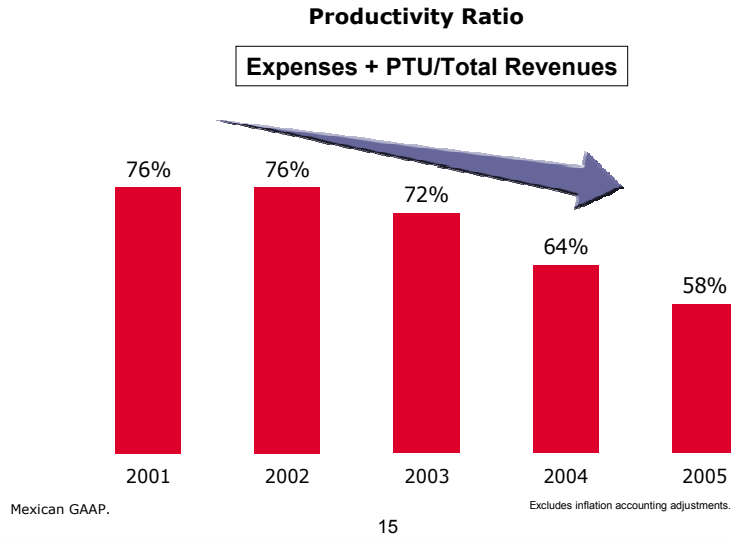
Mexican GAAP. Inflation adjusted (Constant P\$ as at December 2005)

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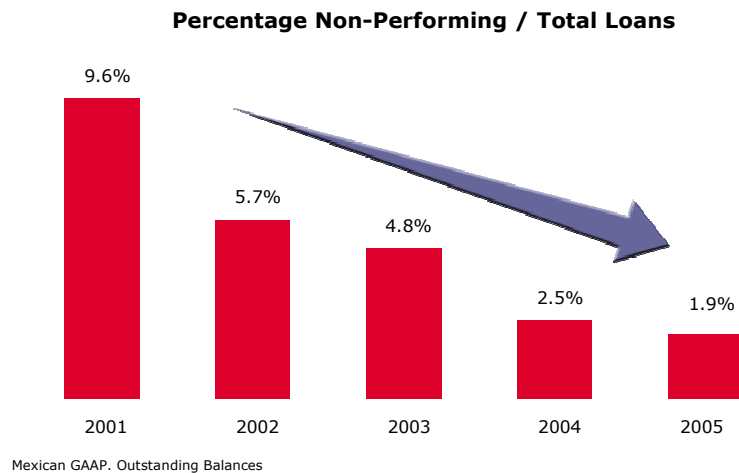
...Improved Productivity

(As at Dec 31st)



...and Improved Risk Control

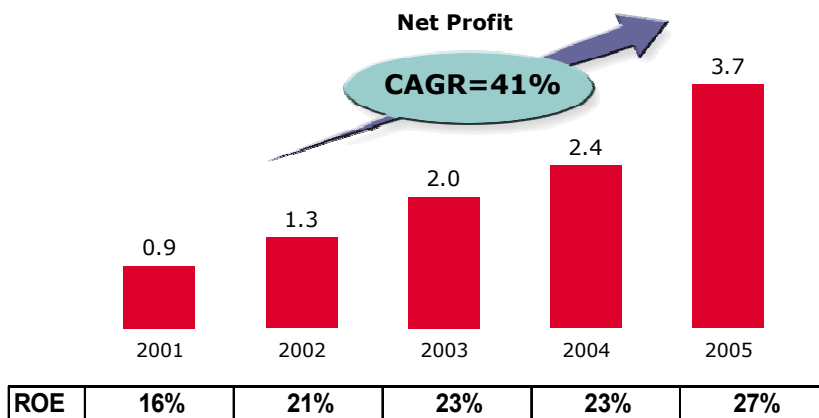
(As at Dec 31st)





...Resulting in higher \$\$ Profits and ROE

(Dec 31st, in MXP Billion)



Mexican GAAP. Inflation adjusted. (Constant P\$ as at December 2005)

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Four Strategic Initiatives

Driving sustained, profitable growth



Sales & Service



Complementary
Businesses



Efficiency
Platform




Acquisitions

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Sales & Service

Activity		Best Practice	Comments
Planning	10%	10%	Very acceptable
Selling	27%	56%	Needs to improve
Administration & Service	34%	8%	Needs to improve
Sales management	12%	12%	Very acceptable
Other	17%	14%	Needs to improve

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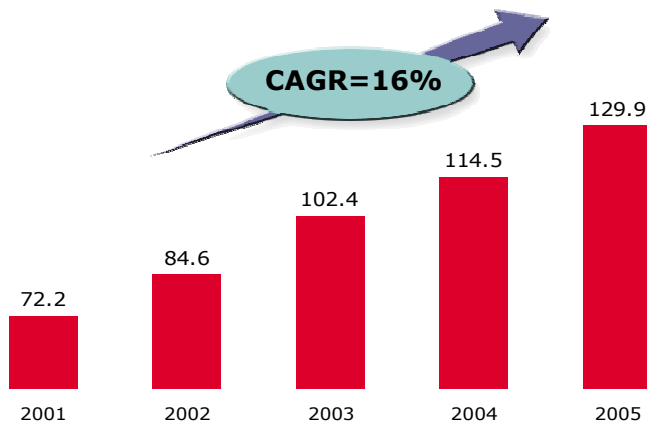
Acquisitions

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Wealth Management – Assets Under Management Growth

(Dec 31st, in MXP Billion)



Mexican GAAP. Outstanding Balances. Inflation adjusted (Constant P\$ as at December 2005)

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Wealth Management

- Enhance distribution
 - Private Banking & brokerages in Bank Branches
 - 29 locations up & running ...expanding to 50
- Focus on mutual funds
 - 4 new funds in 2005
 - Increase third party distribution
 - Leverage Bank Branch network
- Advisory Sales Development Platform



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Wholesale & Treasury– Joining Forces with Scotia Capital

- Leverage relationship with Scotia Capital
- Industry Focus
 - Coverage of 8 broad industry groups
- Cross-sell to Mexican & multinational clients



	League table position	
	2002	2005
Lead Arranger	18	12
Arranger	14	8
Arranger/Co-Arranger	18	10
No. of deals in the Mexican market	35	40

Source: Loan Pricing Corporation, January 2006

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Wholesale & Treasury Initiatives

- Deepen securitization product offering
- Increase trading on the longer end of the yield curve
- Develop secondary market for corporate paper
- Expand foreign exchange business



 \$3,500,000,000 Commercial paper Lead Manager Scotia Capital	 \$4,500,000,000 Commercial paper Lead Manager Scotia Capital	 \$800,000,000 Bond Distribution Group Scotia Capital	 \$5,000,000,000 Commercial paper Distribution Group Scotia Capital	 \$4,000,000,000 Commercial paper Lead Manager Scotia Capital
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Four Strategic Initiatives

Driving sustained, profitable growth



Sales & Service



Complementary Businesses



Efficiency Platform

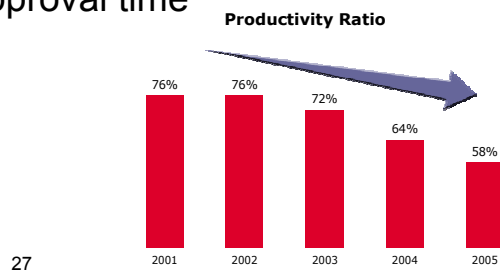


Acquisitions



Significant Improvements in Past 5 years

- Reduced staff from 11,000+ to 7,000 (1996-2006)
- Centralized back-office functions
- Expanded alternate delivery channels
- Reduced retail credit approval time

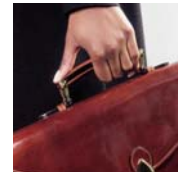


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...and More to Come

- Leverage Scotiabank experience
 - Shared Services
 - International Banking Platform
 - Outsourcing
- Divest non-core business activities
 - Merchant POS business
- Process Re-engineering Initiatives



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Four Strategic Initiatives

Driving sustained, profitable growth



Sales & Service



Complementary
Businesses



Efficiency
Platform



Acquisitions

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Acquisitions & Start-ups Priority Targets

- Bancassurance
- Afores
- Sofoles
- Leasing & Factoring
- Car loan and credit card portfolios
- Large customer data bases



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Ahead of our 2007 targets

Productivity Improvements

- Improve productivity below 60%
- Reduced to 58%



Credit Improvements

- High credit standards
- NPL/Total loans at 1.9%



Network Growth

- Grow branch network by 50 to 100 branches
- Adding 50 branches in 2006



Earnings Growth

- Double earnings (in pesos)
- 2002 to 2005 = 172%



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Ambitious Plan

Organic growth

+

Acquisitions

=

10%
market share

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