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Scotiabank Financial Summit

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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 any applicable Canadian securities legislation. 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; operational and reputational risks; 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 on risks the Bank faces, please see the Risk Management section in the Bank's 2006 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 Securities and Exchange Commission's (SEC) website at www.sec.gov.



Key messages

1. Benefiting from diversification

2. Three key priorities

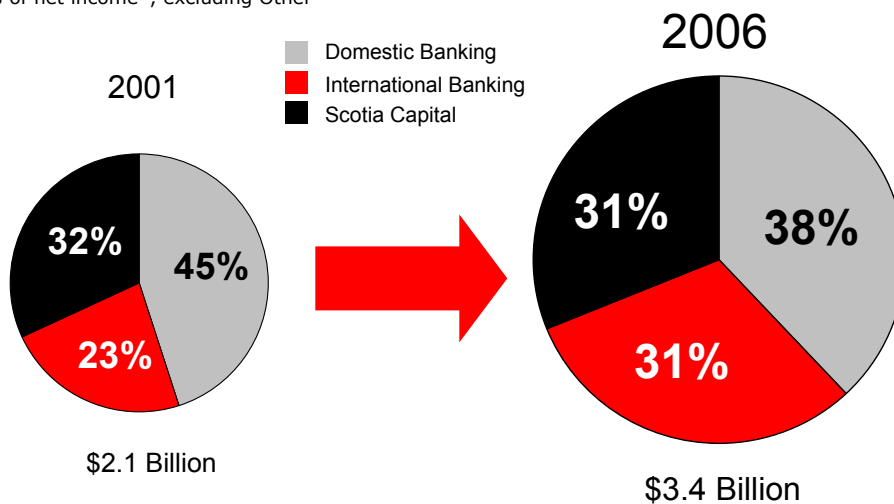
- sustainable revenue growth
- capital management
- leadership

3. Better positioned today



Diversification Three growth platforms

% of net income*, excluding Other

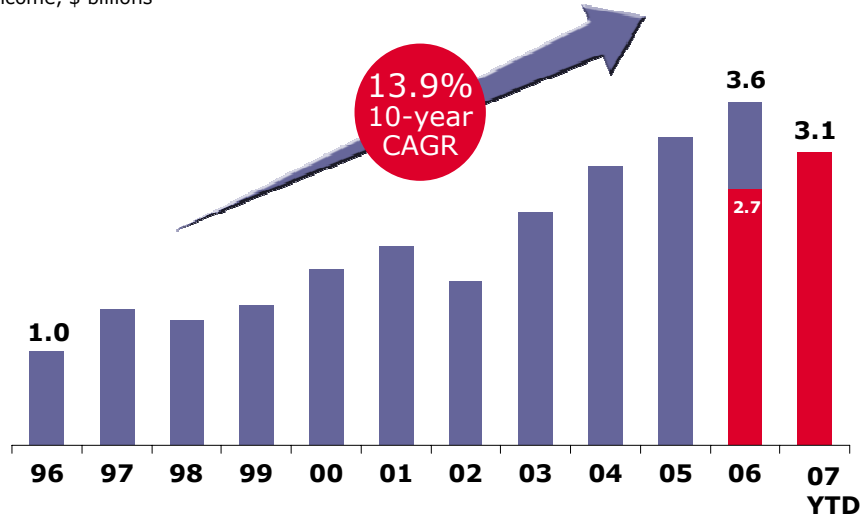


* available to common shareholders



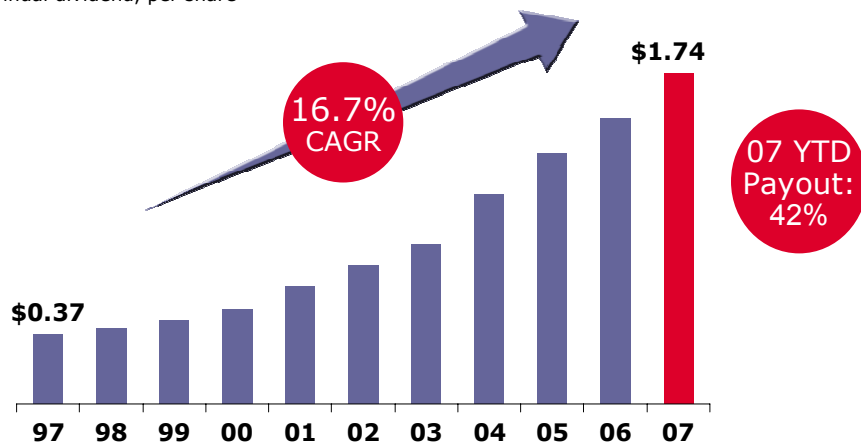
Diversification – supports sustainable earnings growth

net income, \$ billions



Diversification – supports robust dividend growth

annual dividend, per share



Target payout ratio of 35% to 45%



3 key priorities Sustainable revenue growth

Organic

- opportunities in all businesses

Acquisitions

- focus on in-country acquisitions, where we have existing operations
- benefits
 - gain scale and critical mass
 - synergies
 - leverage core strengths
 - acquire specialized expertise in new customer segments and delivery channels

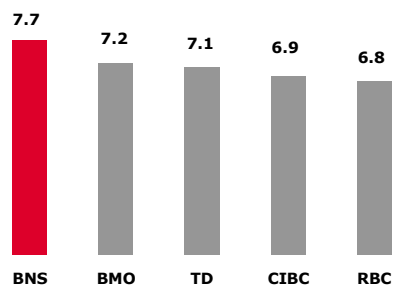


3 key priorities Capital management

- **Business growth**
- **Dividend increases**
- **Share buybacks**

Tangible Common Equity Ratios

July 31, 2007 (%)





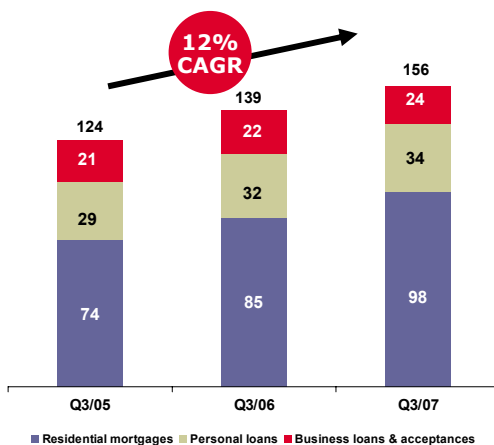
3 key priorities Strong leadership

- **significant leadership depth**
- **global talent pool**
- **objective is to make leadership a competitive advantage**



Sustainable revenue growth Domestic Banking

average earning assets (incl. acceptances), \$ billions



Market share gains yr/yr

Residential mortgages	+18 bp
Total personal lending	+8 bp
Small business lending	+ 49 bp
Personal term deposits	+21 bp
Total personal deposits	+5 bp
Mutual funds	+8 bp

- **YTD earnings growth of 18%**
- **ROE of 31.6%**



Domestic: many growth opportunities

Organic

- **initiatives focused on:**
 - **key customer segments** – small business, emerging affluent, multicultural
 - **high margin products** – mutual funds, credit cards, insurance
- **expand sales & distribution capacity**
- **leverage new investment platform**

Acquisitions

- **leverage Maple, Travelers, NBG**



Domestic: accelerate Wealth Management growth

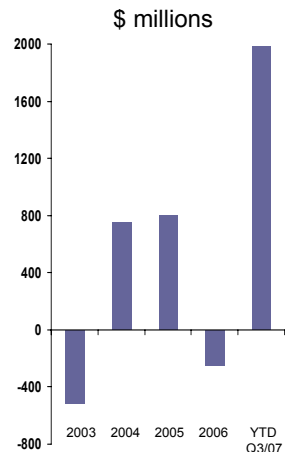
Mutual funds – key priority

- new management team
- opportunity to capture +\$50 B of fund balances that customers hold elsewhere
- leverage extensive branch network
- focus on profitable long-term funds

Brokerage/Private Client – increase revenue & assets per advisor

- leverage our leading “team of experts” model to capture assets, complementary business
- aggressively target new client acquisition
- focus on fee-based assets

Net mutual fund sales

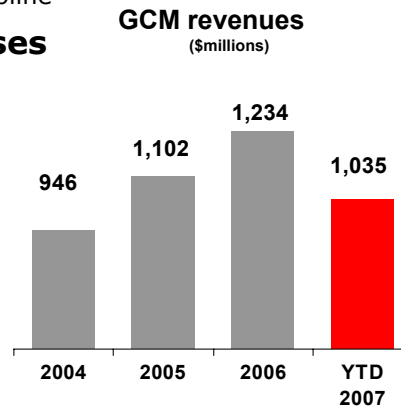




Sustainable revenue growth Scotia Capital

Global Capital Markets

- **Growing revenues**
 - while maintaining strong trading discipline
- **Diversified trading businesses**
- **Leverage strengths in:**
 - precious metals
 - derivatives
 - foreign exchange
- **Cross-sell from corporate lending customers**



Sustainable revenue growth Scotia Capital

Global Corporate & Investment Banking

- **Growing revenues & maintaining returns**
 - while maintaining **strong credit discipline**
 - leveraging long-standing relationships
- Building **global specializations – energy, mining**
 - leverage Scotia Waterous
 - develop or acquire additional expertise
- Enhance **NAFTA platform** with additional product capabilities
 - cash management and trade finance



Sustainable revenue growth International Banking



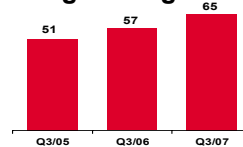
- **Compelling demographics**

- large population
- median age: 25 years
- low banking penetration

- **Strong franchises**

- 10%+ market share in most countries
- extensive branch & ABM network

- **Strong asset growth**



International: investing for organic growth

- **Continue to aggressively expand distribution**

- targeting a further 140 new branches, including 100 in Mexico
- new channels - specialized sales forces, call centres, direct mail

- **New product initiatives**

- credit cards
- small business

- **New high-potential segments**

- wealth management (mass affluent)
- consumer finance
- young adult

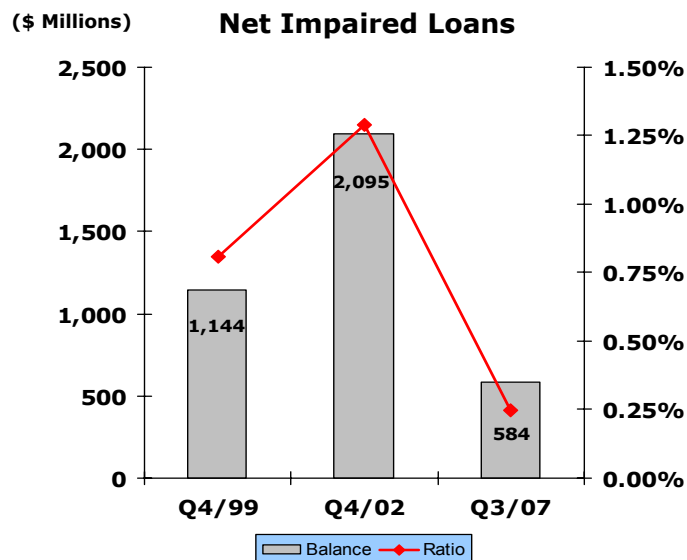


International: on-strategy acquisitions to drive growth

- **\$2.3 billion of acquisitions/investments in past 2 yrs**
 - **Central & South America** – Chile, Costa Rica, Peru
 - **Caribbean** – DB&G (Jamaica), Citibank portfolios (Dominican Republic), Puerto Rico
 - **Asia** - Thailand
- **successfully executed integrations**



Better positioned today Credit quality





Better positioned today More diversified

Loans and acceptances by geography

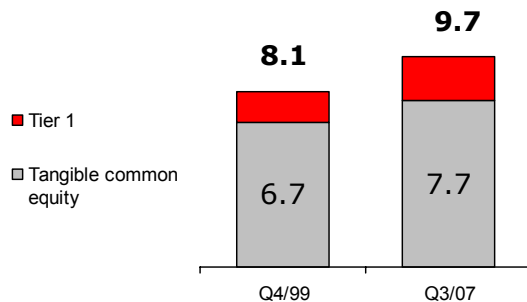


- reduced exposure to U.S.
- good diversification outside Canada



Better positioned today Higher capital and liquidity

Stronger capital ratios (%)



Higher level of liquidity

	Q4/99	Q3/07
Liquid assets as % of total assets	20%	26%



Summary

1. Benefiting from diversification

2. Three key priorities

- sustainable revenue growth
- capital management
- leadership

3. Better positioned today



Q & A