MEDIA RELEASE

Scotiabank reports a record quarter's results

Nine month highlights compared to the same period a year ago

- Net income of $225.4 million, up $63.4 million or 39.1%
- Simultaneously, Earnings per share of 191.8 cents, up 39.1% from 137.9 cents
- Dividends per share 69 cents, up 21.1% from 57 cents
- Return on Assets 3.29%%, compared to 2.79%
- Return on Equity 24.46%, compared to 20.15%.
- Productivity Ratio of 41.15%, compared to 45.55%
- Share Price of $37.97 as at quarter end, compared to $39.50

Scotiabank Trinidad and Tobago Limited and its Subsidiaries today reported record after tax profits of $225.4 million for the period ended July 31, 2006, an increase of 39.1% over the comparative period one year ago.

Earnings Per Share (EPS) for the period was 191.8 cents, compared to 137.9 cents over the similar period last year. Return on Average Equity (ROE) for the period was 24.46% and the Productivity Ratio of 41.15% remains the best in the Sector.

The Board of Directors has resolved that the Bank pay a third interim dividend of 23 cents per ordinary share payable on September 26, 2006 to shareholders on record at September 5, 2006.

With respect to the bonus issue, which shareholders approved on May 23, 2006, the necessary regulatory approvals are still being sought.

REVENUES
Total revenue, comprising net interest income and other revenue, was $510.3 million, an increase of 20% or $85.1 million over the comparative period for last year.

NET INTEREST INCOME
Net Interest Income was $380.8 million, an increase of 23.9% or $73.5 million over the comparative period one year ago and is attributed to strong loan growth coupled with focused treasury management.

OTHER REVENUE
Other Revenue, which includes commissions and fees, was recorded at $129.5 million, which was a 9.9% increase over last year.

NON-INTEREST EXPENSES

Scotiabank's productivity ratio continues to be the best in the banking industry, as we continue to derive benefits, both in terms of enhanced customer service and increased productivity, from our ongoing technology initiatives. The productivity ratio (non-interest expense as a percentage of total revenue), a key measure of cost effectiveness, was 41.15%.

BALANCE SHEET

Total assets, as at July 31, 2006, were $9.6 billion, an increase of $1.6 billion or 19.5% over the same period last year. Cash Resources increased marginally by $164.1 million due primarily due to a decrease in surplus funds placed on the inter-bank market. This was partially offset with an increase in funds held with the Central Bank due to a new deposit requirement introduced for commercial banks during quarters two and three. Net loans outstanding have increased by $1.38 billion or 25.7% due to equally strong growth in the areas for consumer, commercial and corporate lending. Investments have decreased by $32.8 million or 5.5%, over the previous period last year, while Deposits are recorded at $6.9 billion, a 20% increase over the same period.

CAPITAL

The Group continued to strengthen its capital through growth in earnings. Total shareholders' equity grew to $1.3 billion, 16.3% or $182 million higher than the previous year.

A capital adequacy ratio of 8%, for Trinidad and Tobago banks, has been set by the Central Bank of Trinidad and Tobago, and is consistent with international standards. The Bank's capital adequacy ratio stood at 19.26% as at July 31, 2006 (2005: 17.88%).

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