

# MEDIA RELEASE

**Scotiabank Trinidad & Tobago Limited declares a record \$371.1 million in profits.**

	<b>2007 \$'000</b>	<b>2006 \$'000</b>	<b>Increase %</b>
Income after Tax	371,072	315,060	17.78%
Net Loans to Customers	8,831,529	6,982,560	26.48%
Total Assets	11,555,205	9,192,341	25.70%
Deposits	8,452,126	6,772,531	24.80%
Total Liabilities	9,963,845	7,814,785	27.50%
Shareholders Equity	1,570,038	1,353,324	16.01%
Return on Equity	25.39%	25.05%	
Return on Assets	3.58%	3.52%	
Earnings per Share	210.4 cents	178.7 cents	17.78%
Dividend per Share	84 cents	70 cents	20.00%

Scotiabank Trinidad and Tobago Limited and its Subsidiaries reported a record Profit After Tax of \$371.1 million for the year ended October 31, 2007 bringing Earnings Per Share (EPS) to 210.4 cents. This represents an impressive growth of 17.8% year over year, 15 successive years of increased earnings. Shareholders continue to benefit from the Group's success with increased dividends over the period.

The Managing Director attributed their continued growth to the Bank's aggressive asset building supported by focused deposit gathering and efficient operations with its continued cost management strategies while operating in a highly competitive and a progressively tighter liquidity environment.

Based on the Group's performance, the Board of Directors has approved a fourth interim dividend of 21 cents per ordinary share payable on December 31, 2007 to shareholders on record as at December 11, 2007. This final dividend brings total dividends earned to 84 cents for the fiscal 2007, an additional 20% when compared to 2006.

## **NET INTEREST INCOME**

Net Interest Income (NII) for the year was \$622.2 million, a 19.5% increase over the prior year's \$520.5 million. NII continued to be driven by aggressive portfolio growth and effective cost management.

## **OTHER INCOME**

Other Income, which includes commissions and fees, grew by 9.7% to \$212.8 million for the year and contributed 25.5% to Total Revenue.

## **REVENUES**

The Bank earned \$834.95 million in Total Revenues in fiscal 2007, which represents an increase of 16.9% or \$120.5 million when compared to the \$714.5 million achieved in the prior period.

## **NON-INTEREST EXPENSES**

While we continue to maintain our cost management strategies, Non Interest Expenses increased by 17.3%. The main cost drivers were increased Salaries and Staff Benefits costs, which were necessary to maintain a competitive market position in compensation and additional Premises expenditure spent to upgrade the security systems within our branch network. This became necessary due to increased security risk and our commitment to provide a safe and secure environment for our customers and staff.

## **BALANCE SHEET**

For the year to October 31, 2007 Total Assets grew by a record \$2.4 billion closing the year at \$11.6 billion. This was driven by aggressive growth in the Bank's loan portfolio, which increased by 26.5% to \$8.8 billion.

Deposits at the Central Bank continued to show high growth moving from \$962.1 million to \$1.4 billion at the end of the year. This 40% growth was due to additional statutory requirements placed on Commercial Banks as the Central Bank continued with its tight monetary policy stance.

Customer Deposits grew by 24.8% to \$8.5 billion for the year to October 31, 2007 representative of the market's confidence in our continued performance. Total Liabilities increased by 27.5% to \$9.96 billion compared to \$7.8 billion in 2005. In addition to growth in Customer Deposits, Other Deposit Liabilities also contributed to growth in Total Liabilities.

## **SHAREHOLDERS' EQUITY**

The Group continued to strengthen Shareholders' Equity through increased retained earnings. Total shareholders' equity grew to \$1.6 billion, 16% or \$216.7 million higher than the previous year.

The Bank's capital adequacy ratio measured 19.13% as at October 31, 2007 that is well above the minimum capital adequacy ratio of 8% specified by regulators and is consistent with international standards.

## **COMMUNITY INITIATIVES**

Scotiabank has been existent in Trinidad and Tobago for 53 years and in addition to revenue generation, the Bank strives to give back to the communities in which we partner. In 2007, Corporate Social Responsibility was top of mind. The Bank saw an increased level of participation in its Women Against Breast Cancer initiatives from its annual 5k Classic to its inaugural Charity Dragonboat Festival that was done in collaboration with United Way Trinidad and Tobago. Over one thousand women throughout Trinidad and Tobago benefited from free breast cancer screening, mammograms and ultrasounds under the umbrella of the Scotiabank Women Against Breast Cancer programme in October 2007. Scotiabank recently donated \$400,000 to various non-governmental organizations via the Foundation for the Enhancement and Enrichment of Life (F.E.E.L). Scotiabankers got directly involved when they ventured out into their communities and assisted various non-governmental organizations, schools and shelters for the young, socially displaced and elderly. Their activities included painting, refurbishing and donating much needed resources such as appliances, furniture, computers and equipment.

In the coming year, Scotiabank will also be celebrating the 10<sup>th</sup> anniversary of its Scotiabank Women Against Breast Cancer Programme as well as being the Official Bank of West Indies cricket.

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