



Stockbrokers' Meeting 2009

"Customer is Boss"

**Scotiabank's Hospitality Suite, QPCC
Tuesday 6th January 2009**



Welcome

Stockbrokers' Meeting 2009

Agenda

Welcoming Remarks: *Richard P. Young, MD*

Financials: *Adrian Lezama, AGM, Finance*

Sales and Service: *Earl Gill, Senior GM, Retail and Small Business*

Complementary Businesses: *Robert Soverall, GM, ScotiaLife & Richard P. Young, MD*

Efficiency Platform: *Mahadeo Seebarath, GM Business Support*

Human Resources: *Martin de Gannes, GM Human Resources*

Q & A

Closing Remarks: *Richard P. Young, MD*

Core Purpose

**To be the best
at helping customers
become financially better off
by providing
relevant solutions
to their unique needs.**

Key Strategic Initiatives

Driving
sustained, profitable
growth

C U S T O M E R



Sales & Service



Complementary
Businesses



Efficiency
Platform



Acquisitions

People

The Scotia Way

Customer comes first

Team is everything

We empower our people

**Proud to serve our
Communities**

 **OneTeamOneGoal**



Financials

Adrian Lezama
AGM, Finance

Overview

2008 Another Record Year

- Profits after Tax up 16.38% to \$431.8MM
- EPS : 244.9¢ - up 16.38%
- ROE : 25.38% vs. 25.39%
- ROA : 3.34% vs. 3.58%

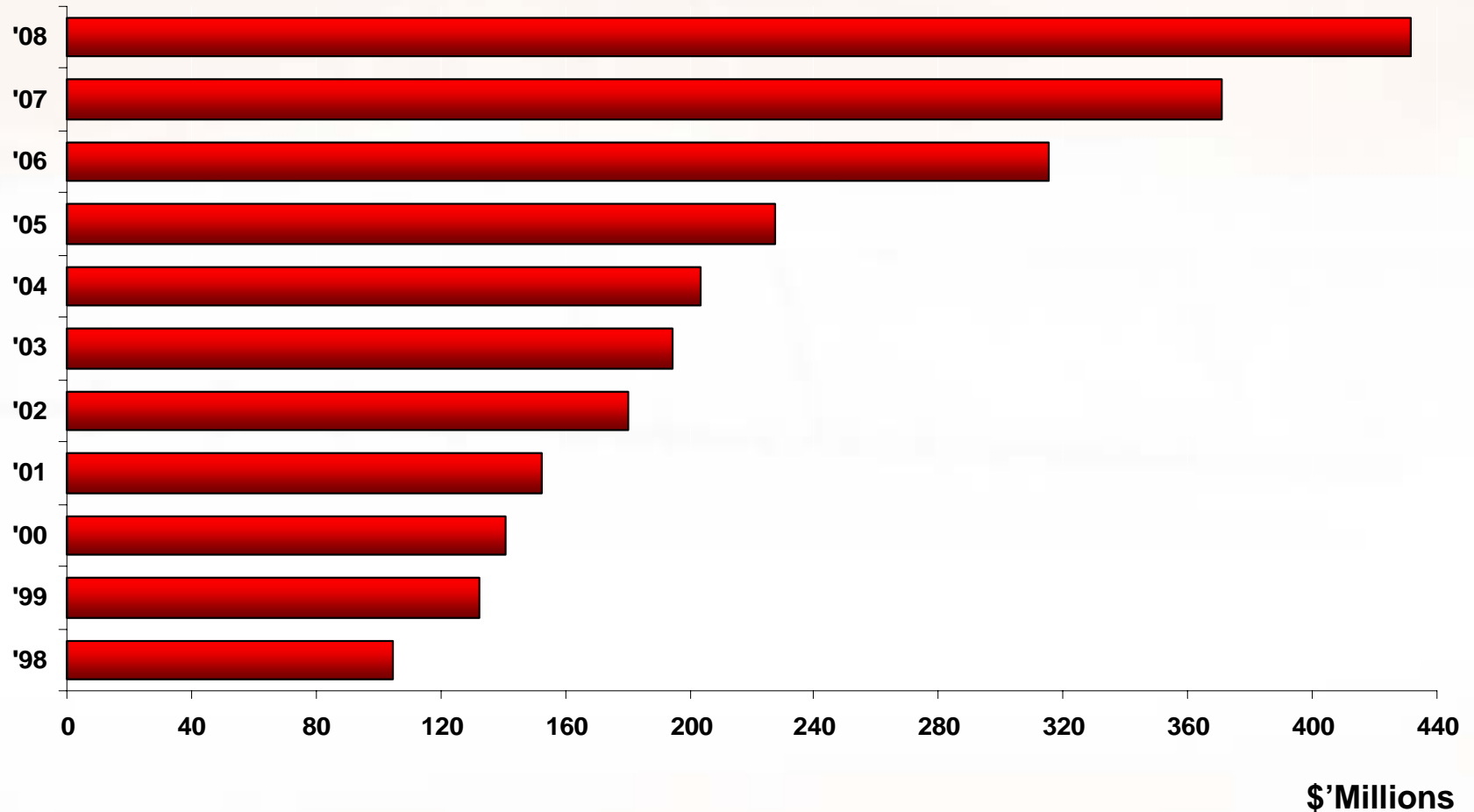
Overview

2008 Another Record Year

- Dividend growth up 12 cents to 96 cents
- Strong Capital Ratio – 16.18%
- Adequate Cash reserves \$1.2B vs. \$0.5B
- Loan Growth : \$1.7B or 18.7% to \$10.5B
- Issued \$800 million fixed rate bond

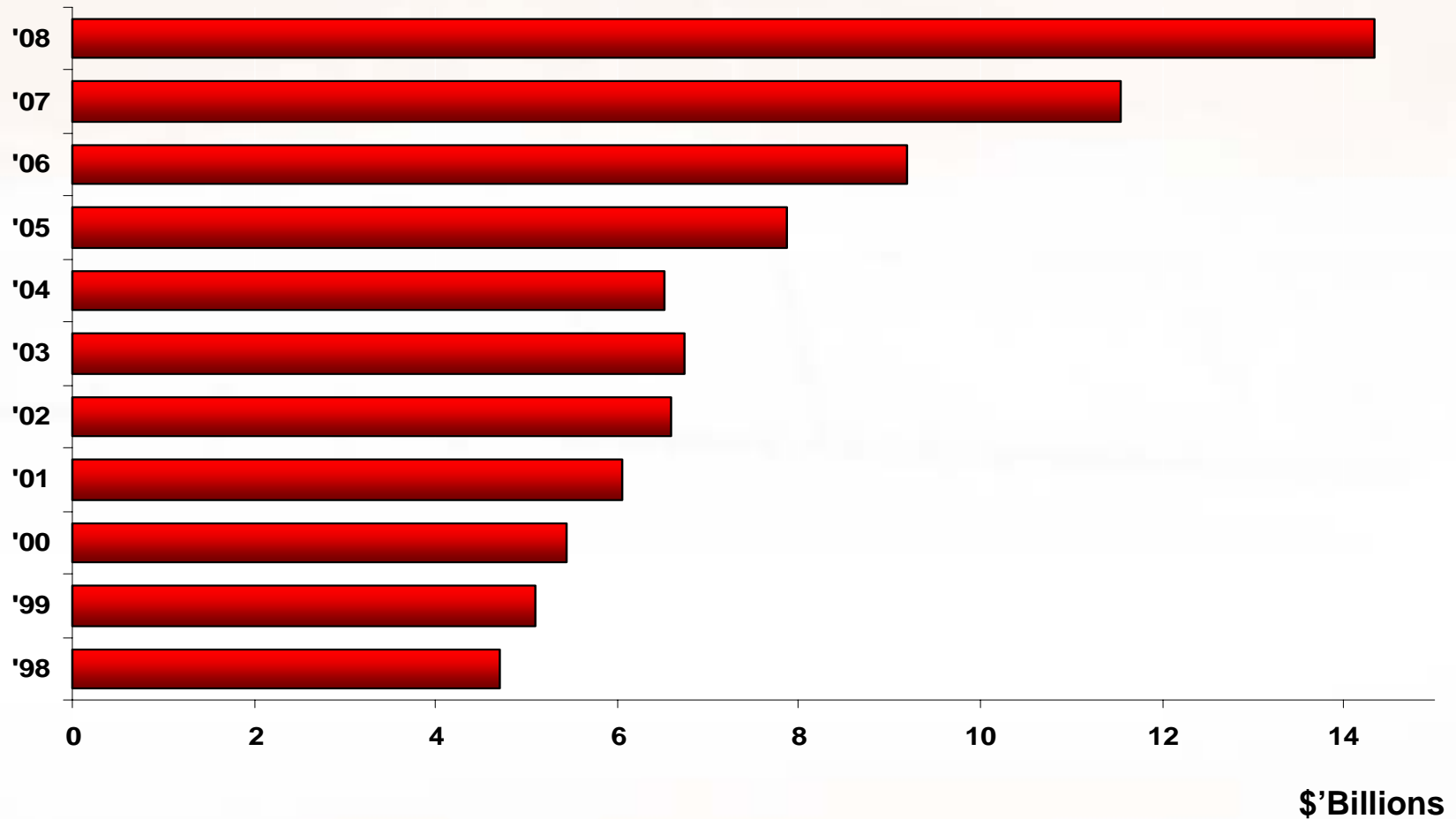
Consistent Earnings

10 year Compounded Annual Growth Rate (CAGR) 15%

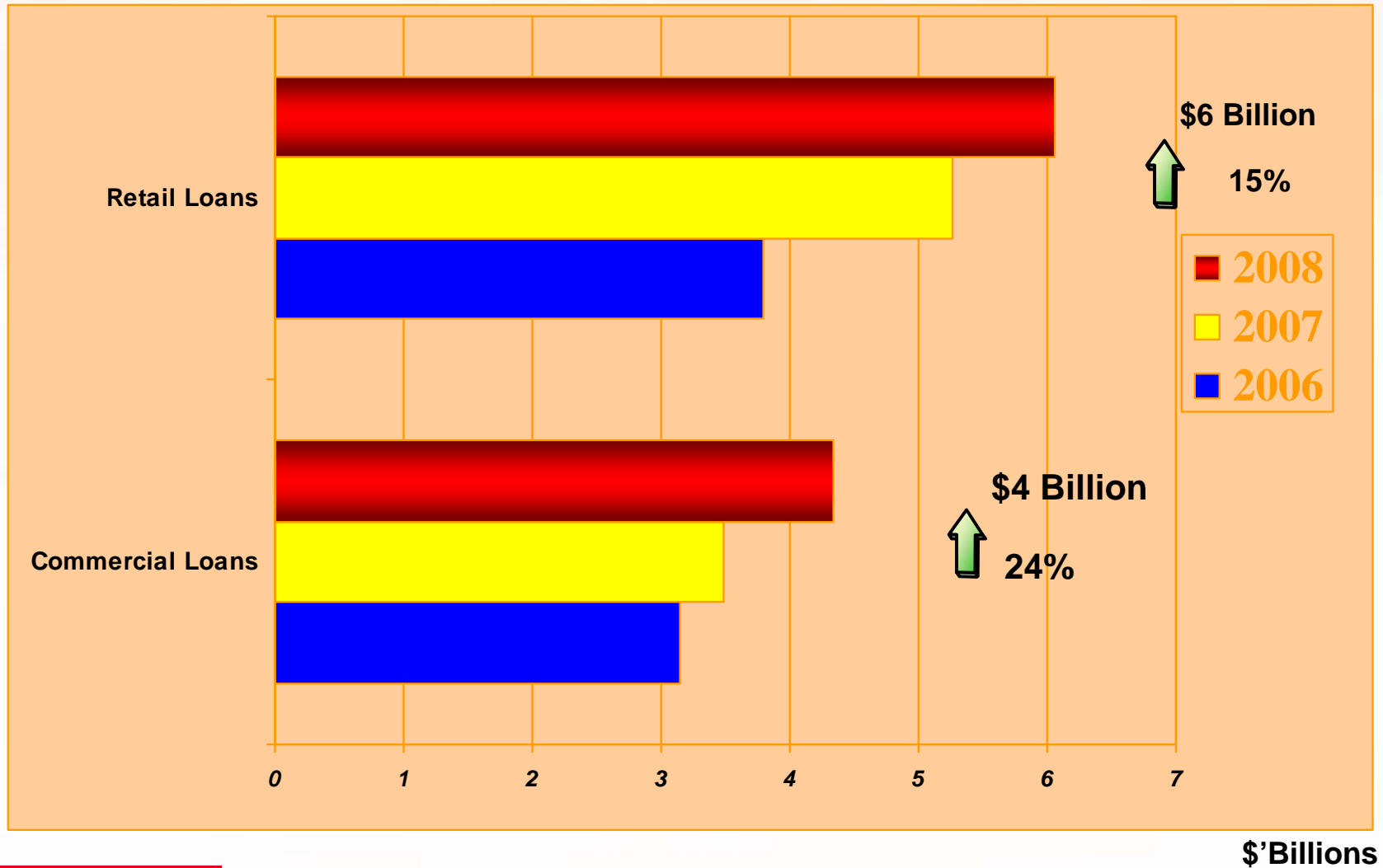


Strong Balance Sheet

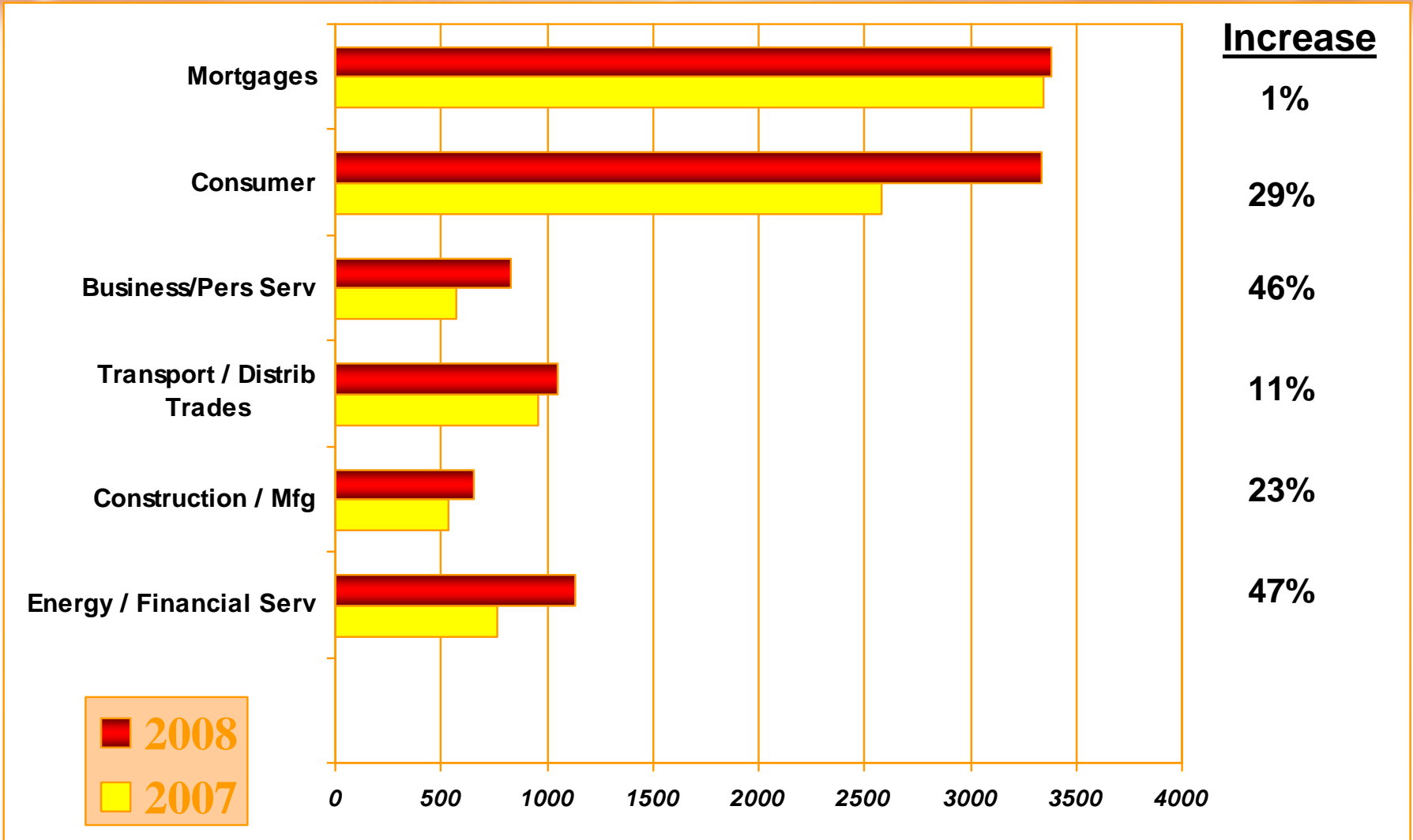
10 Year CAGR 12%



Outstanding Loans



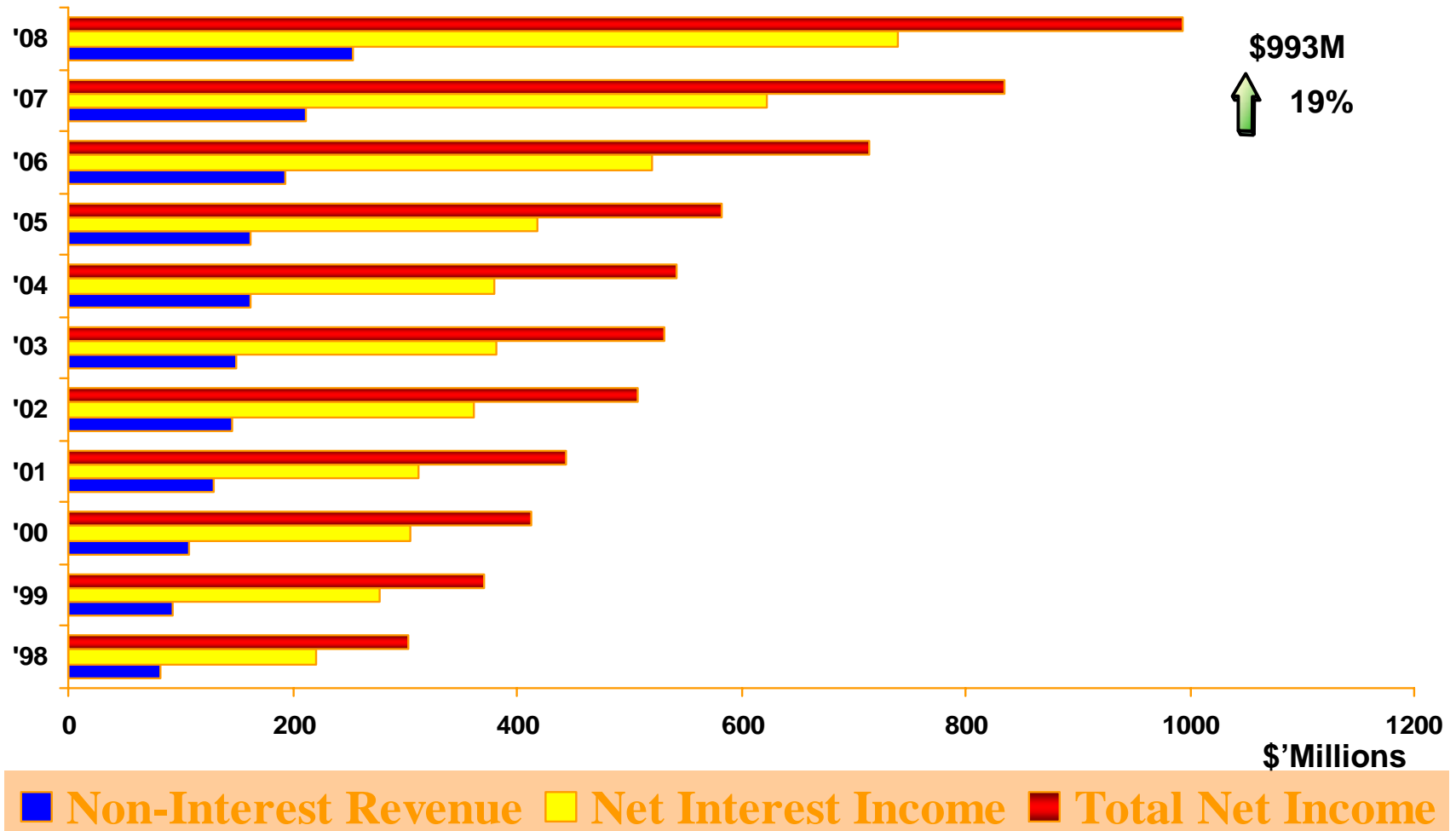
Credit Concentration



\$'Millions

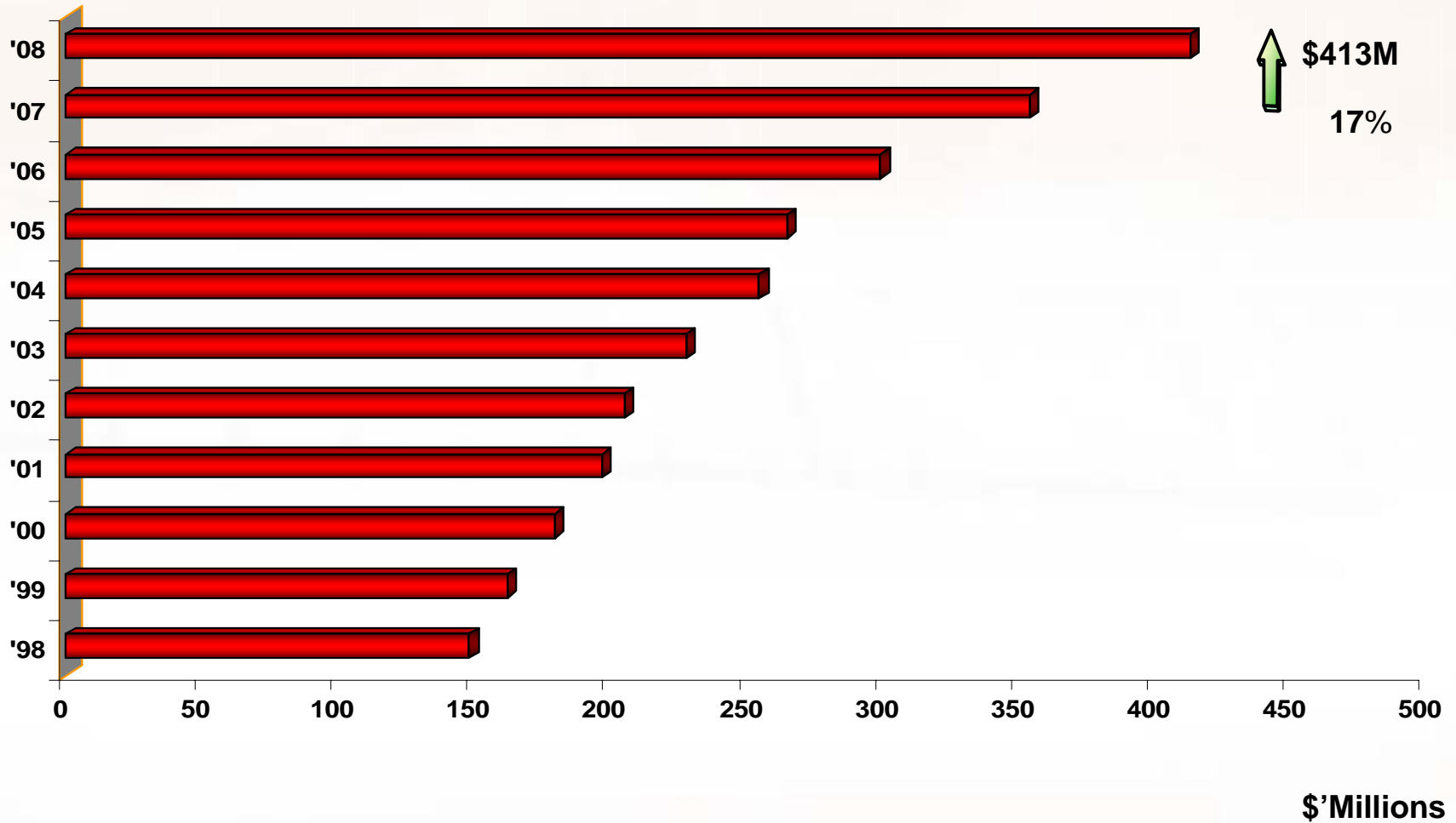
Net Interest and Non-Interest Revenue

10 Year CAGR 13%

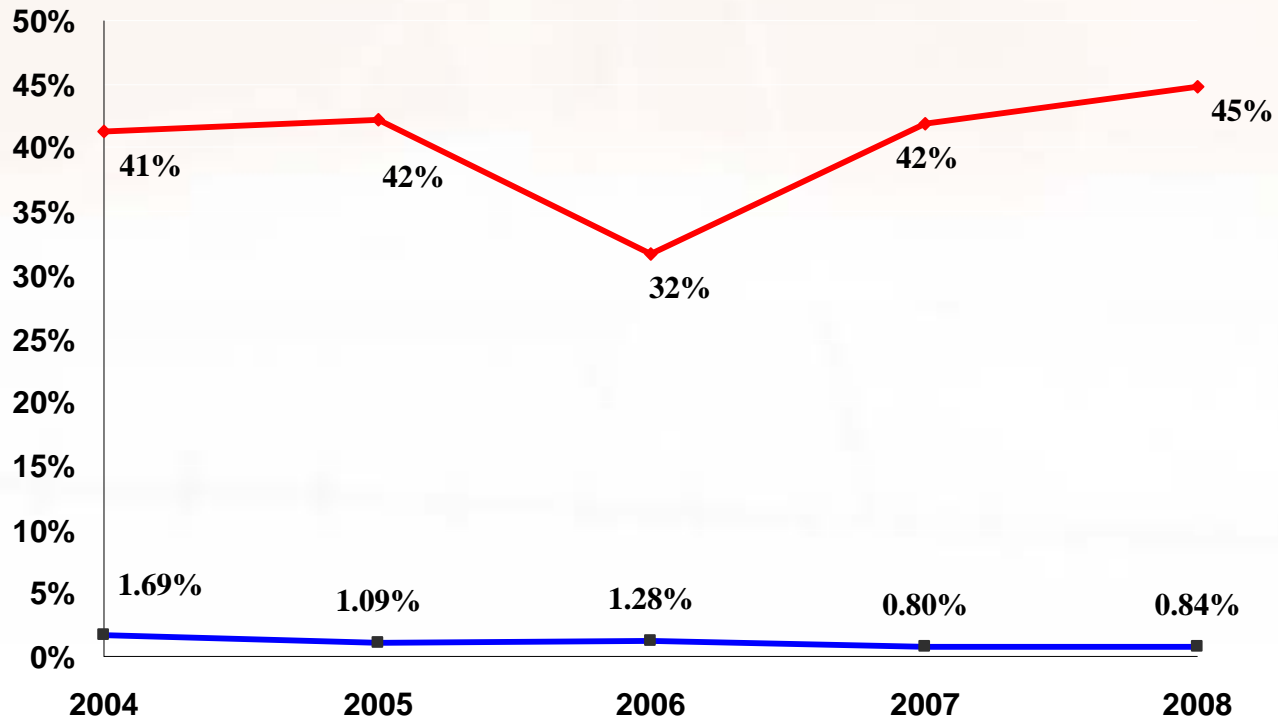


Total Expenses before Loan Losses

10 Year CAGR 11%



Credit Quality

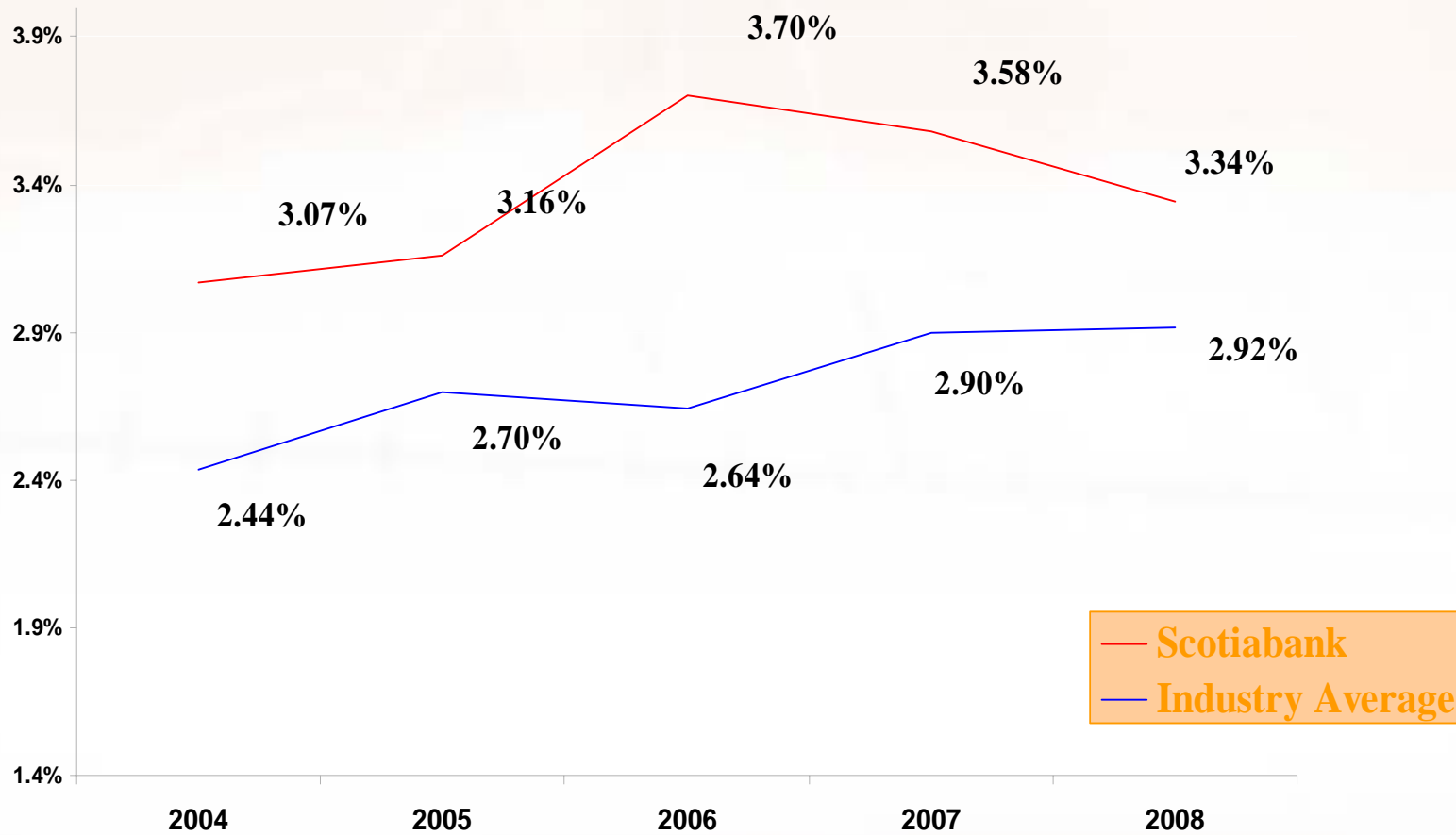


■ NAL/ Total Loans

◆ LLP/NAL

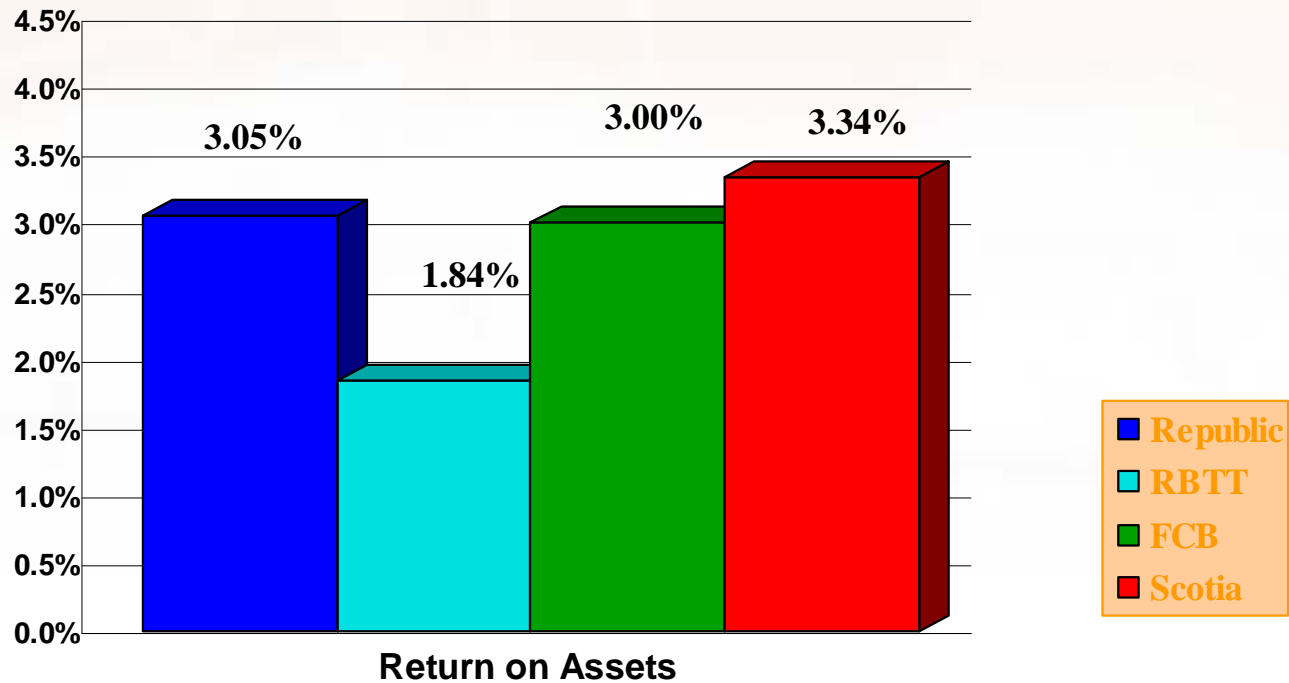
Performance Ratios

Return on Assets



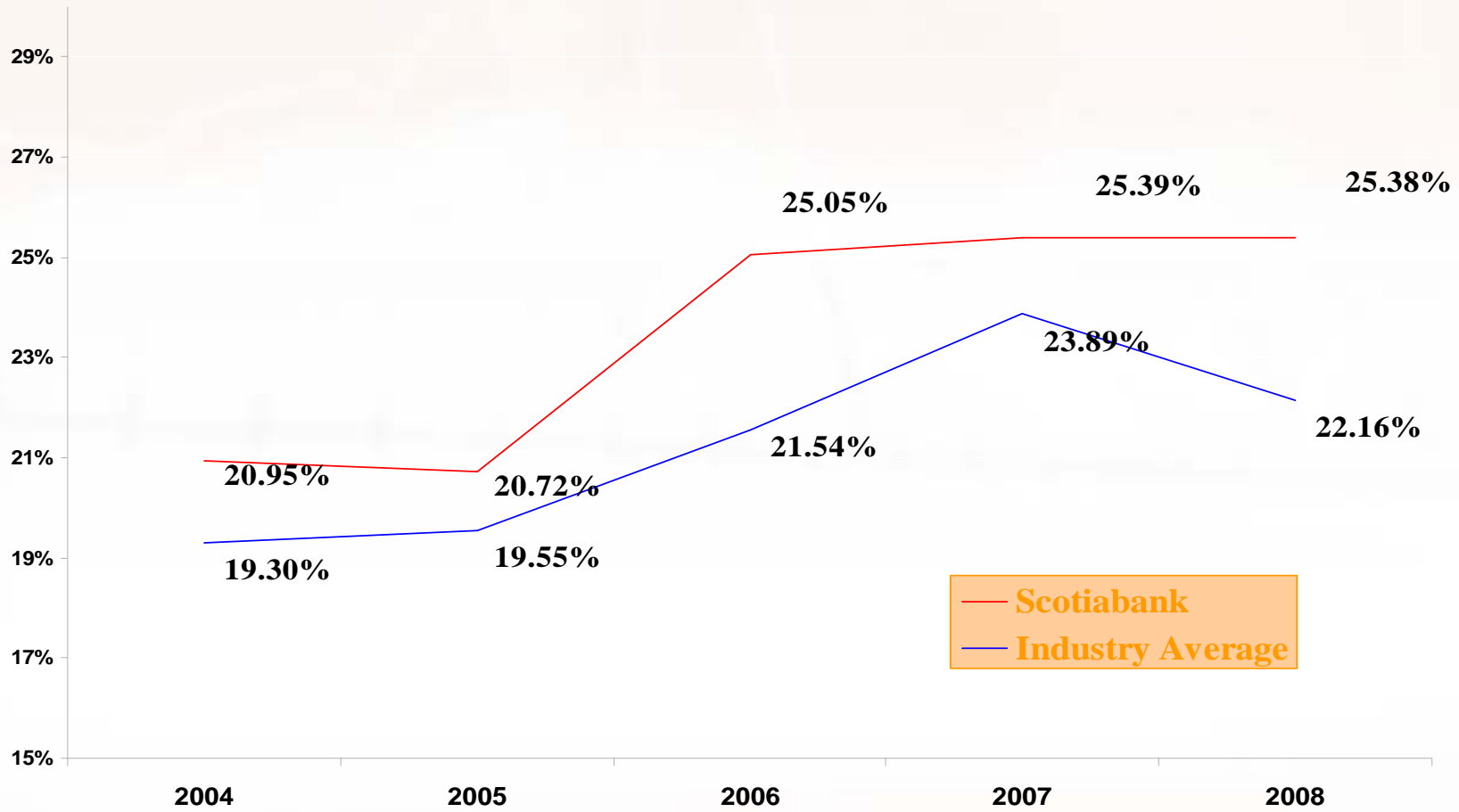
Performance Ratios

Return on Assets



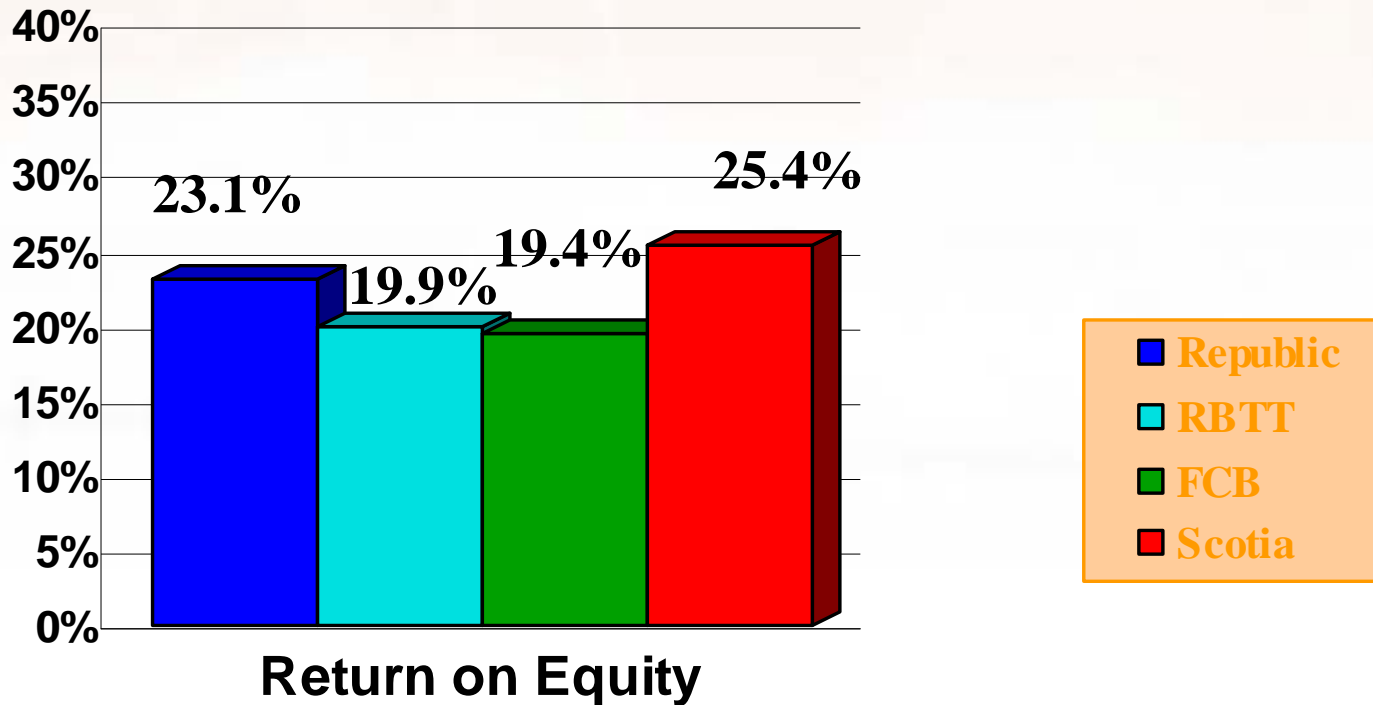
Performance Ratios

Return on Equity



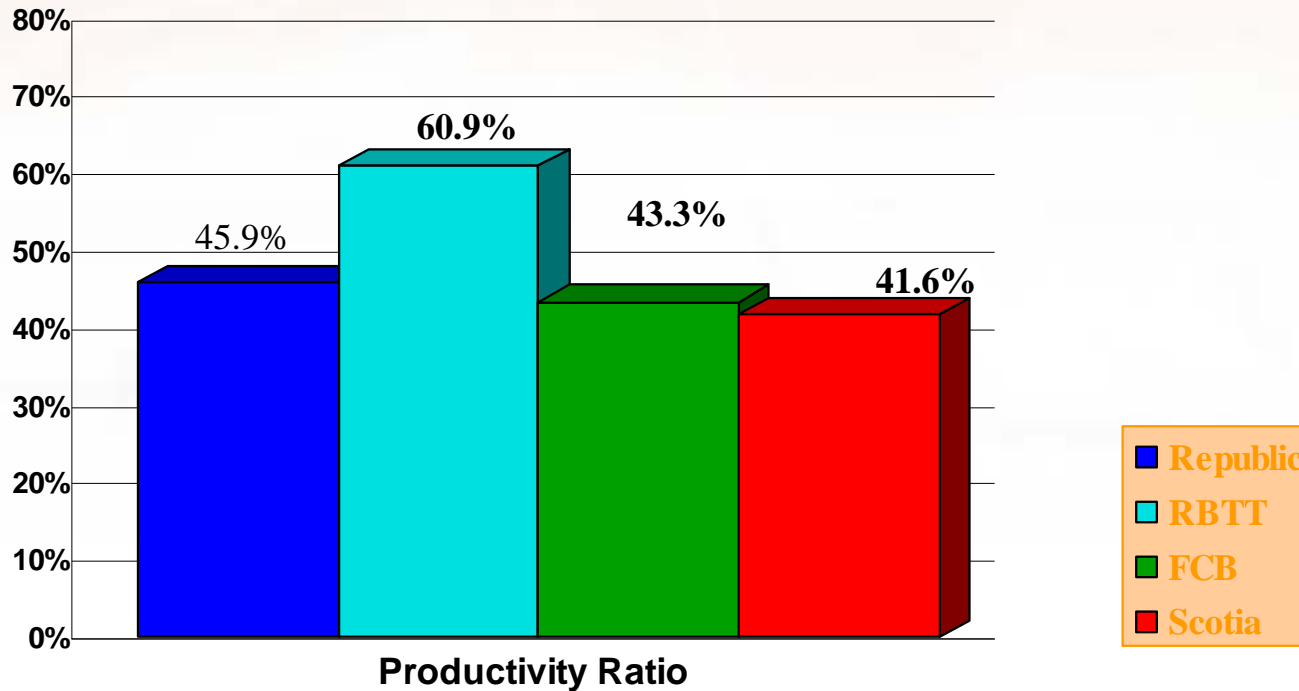
Performance Ratios

Return on Equity



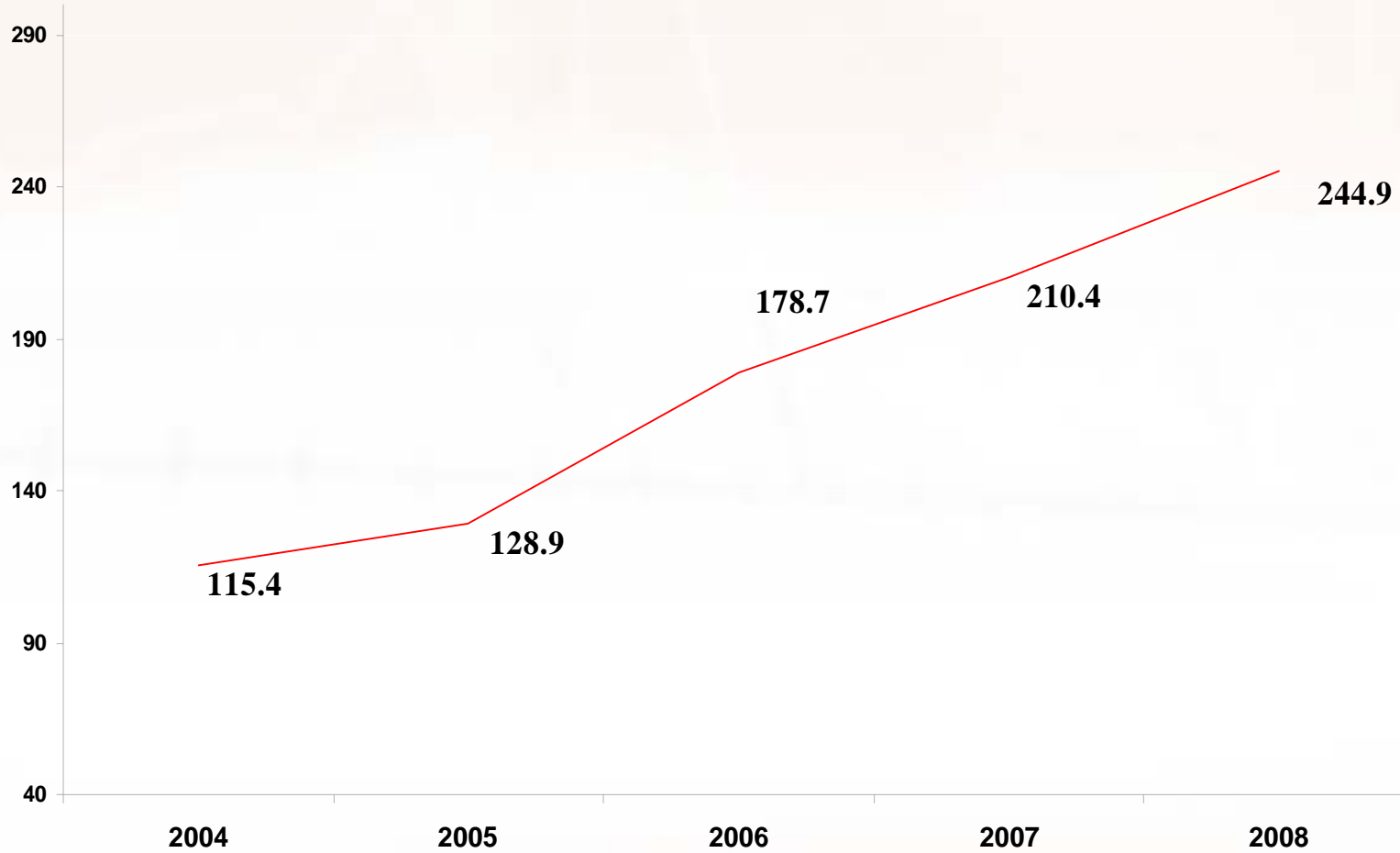
Performance Ratios

Productivity (the lower % the better)



Earnings per Share

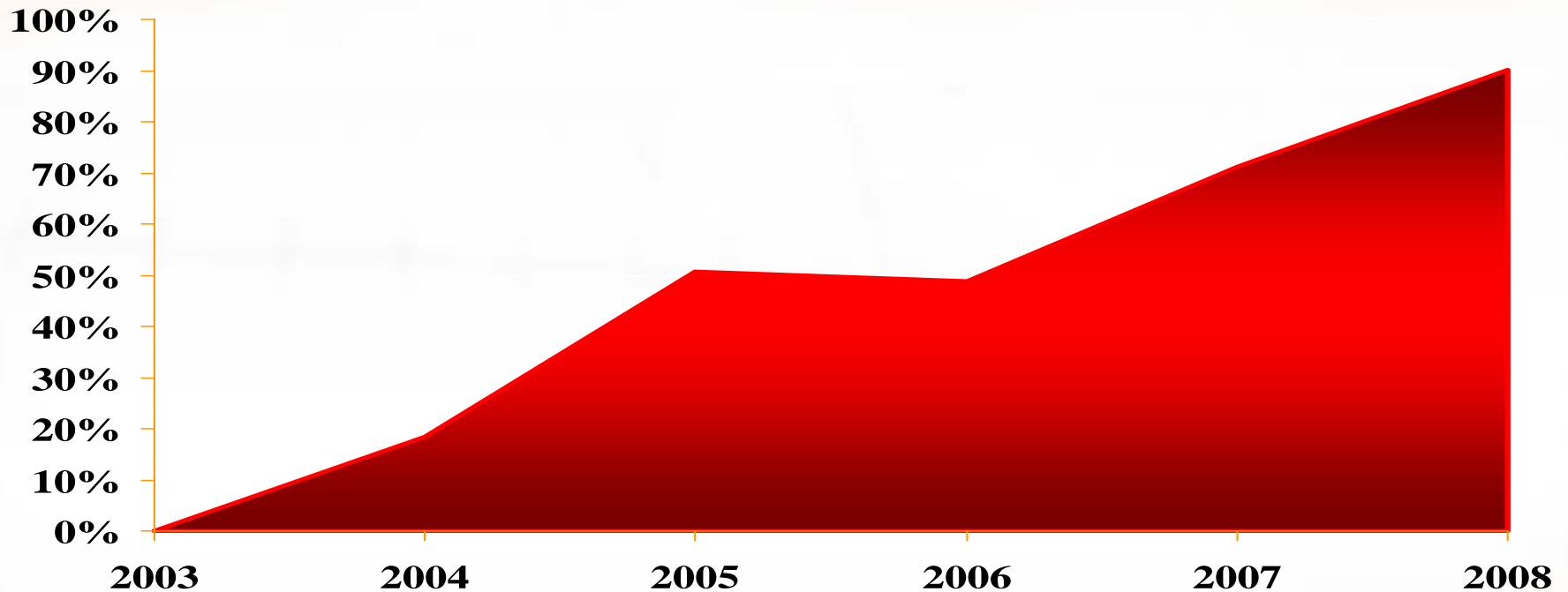
Cents



Return to Shareholders

Share price appreciation plus dividends received

5 year CAGR 38%



Consistent Dividend Growth

10 Year CAGR 14%

Cents



Dividend per share adjusted for bonus issues



Sales and Service

Earl Gill

Senior GM, Retail and Small Business

Sales and Service

Improved Customer Convenience & Access: Growing our Footprint

- Retail Sales Outlet
 - ✓ Trincity Mall: October 2008
- Retail Sales Centre Expansion
 - ✓ Debe: 5th January 2009
- Branch Split
 - ✓ Lowlands, Scarborough: November 2008
- Branch Expansion
 - ✓ Trincity Mall: 2009

Sales and Service

Improved Customer Convenience & Access: Growing our Footprint

- External Sales Force
 - ✓ Mortgage Specialists
 - ✓ Business Development Assistants both in New Car and Roll On Roll Off markets

Sales and Service

**Segment Focus:
Financial Solutions for customers' unique needs**

- **Small Business Banking**
 - ✓ External launch: June 2008
 - ✓ Theme: “Working together to grow your business”
 - ✓ Products range includes: Savings, Chequing, CMS Overdraft protection, Credit Line, Term Loans and Credit Cards.

Sales and Service

Small Business Banking: Contribution to the Economy



Create Jobs



Social & Community Projects



Trained Labour



Growth

Sales and Service

Small Business Banking



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Sales and Service

**Segment Focus:
Financial Solutions for customers' unique needs**

- **Scotiabank Be**
 - ✓ External launch: April 2008
 - ✓ Young adults 18-30 yrs, part-time & full time students
 - ✓ High Interest savings account: Be Money account

Sales and Service

**Segment Focus:
Financial Solutions for customers' unique needs**

- **Credit Cards**
 - ✓ **Aero Platinum Visa**
 - Launched: April 2008
 - Unique loyalty programme – no blackout periods, no restrictions; cruises, air travel, car
 - Prestigious platinum status for customers who prefer a 'mileage plan'
 - ✓ **PriceSmart Diamond Credit Card**
 - Launched November 2008
 - Unique loyalty cashback programme – up to 3% cashback on purchases

Sales and Service

- Savings and Investment Focus
 - ✓ Encouraging regular savings: launch of Automatic Savings Plan (ASP)
 - ✓ Rewarding regular savings: Scotia Savings Reward Plan (SSRP)
 - ✓ Encouraging investment: understanding customers' risk appetite and tailoring investment solutions

Sales and Service

- Continued reinforcement of Sales & Service disciplines

Sales and Service

Customer Experience Strategy: Customer is Boss

- **Vision:**

To become the Bank of Choice in T&T by offering an unmatched level of service across all channels



Complementary Businesses:

ScotiaLife
Scotia Private Client Group
Scotia Investments
Merchant Banking Unit

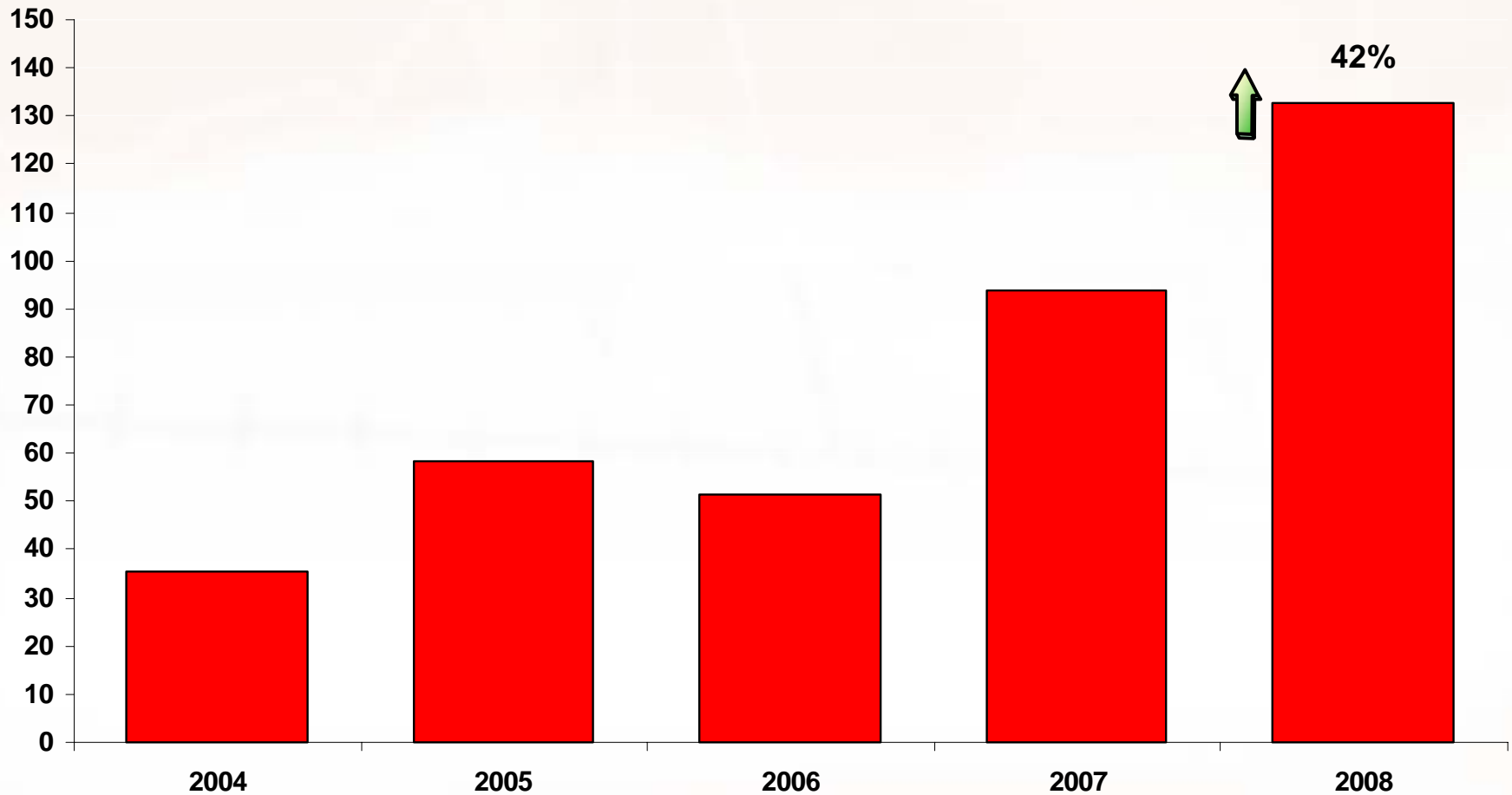
Robert Soverall, GM, ScotiaLife
Richard P. Young, MD

ScotiaLife Trinidad and Tobago Limited

- Launched in April 2004
- Licensed to conduct long-term insurance business under the Insurance Act, 1980
- Savings and Wealth
 - ✓ Universal life – blend of savings and insurance
 - ✓ Deferred annuity
- Group Creditor Insurance
- Sales officers are state licensed and trained

ScotiaLife: Premium Income

\$' Millions



Scotia Private Client Group

- Scotia Private Client Group (SPCG)
 - ✓ External launch: Nov 2008
 - ✓ “Individuality. Well placed”
 - ✓ SPCG will be instrumental in providing the best in class wealth management solutions to high net worth clients
- SPCG Model
 - ✓ Specialist team providing services including ***private banking, local and international brokerage and introductions to; wealth structuring, international private banking and third party service providers***
 - ✓ Clients rely on the expertise and in-depth knowledge of the SPCG team to meet their investment and financial life goals
 - ✓ The specialists take a proactive approach to help create a complementary financial solution tailored to the clients unique needs
 - ✓ SPCG provides solutions that encompass the whole financial picture – designed to complement the existing portfolios of any sophisticated client

Scotia Investments

Scotia Investments

- ✓ Launch: January 2009
- ✓ “The power to build your future”
- ✓ Local brokerage firm which derives its investments from the CARICOM market
- ✓ Strong knowledge of both local and global financial markets

Merchant Banking Unit

- Investment banking arm for Trinidad & Tobago and wider Caribbean region
- Product suite:
 - ✓ Structured Finance
 - ✓ Underwriting
 - ✓ Syndication
 - ✓ Advisory Services
 - ✓ Derivatives
- Objective is to deliver a complete product set to our client base covering the spectrum of both traditional and tailor made financial solutions



Efficiency Platform

Mahadeo Seebarath
GM, Business Support

Shared Services

Shared Services Concept extend to the major/critical areas of the Bank's operations:

- ✓ Retail Banking
- ✓ Commercial Banking
- ✓ Operating Systems

Comprises of two arms:

- ✓ Transactional Processing
- ✓ Consultative Support

Shared Services: Commercial Banking

- The Business Support Centre (BSC) was created to remove the administrative activities associated with the commercial portfolio.
- The BSC was fully implemented in 2008 and the model continues to be refined in order to achieve the optimal operating level.

Major Process Improvements 2008

- Signature Card Imaging
- Triple Des Upgrade
- Enhanced Security Procedures in Internet Banking



Human Resources

Martin de Gannes
GM, Human Resources

Human Resources

Employer Of Choice

- Continued Enhancement of Employee Selection Criteria Process
- 75 Employees awarded long service – 20, 25, 30, 35 & up yrs!
- Review and maintenance of a competitive compensation programme for all levels

Human Resources

Employer Of Choice

- OSH - **100%** of locations showed **IMPROVEMENT** in compliance ratings year over year
- Wellness – Testing & Education

Human Resources

Leadership Development

- Leadership Behaviours rollout to all staff (Jan – Apr)
- Leadership Rootmap (business game) rollout to all staff
- 75% of the Bank participated in training (31 in-house workshops)
- Supervisory Management Programmes upgraded for Junior Levels of Supervision

Human Resources

Leadership Development

- Fundamentals of Coaching Excellence – rolled out to Middle/Junior Management
- Workshop with Teller Supervisors – to reinforce their role on frontline – service, KYC
- Scotiabank Women's Network

Employee Relations

- Town Hall Strategy
- Employee Survey – Positive Results Held
 - ✓ Employee Satisfaction
 - ✓ Diversity
 - ✓ Knowledge of Strategy
- Positive Internal Satisfaction Survey
- HR Passport launched

Employer of Choice External Recognition

- Champion Employer of the Year (Large Categ.) Winner
(Employers' Consultative Association)
- Team Finalist National Safety Awards (Top 5)
(Occupational Safety & Health Authority)
- Corporate Social Responsibility Leadership Award –
Recognizing the Value of People (Top 3)
(South Chamber of Industry & Commerce)

ONLY BANK TO RECEIVE THESE AWARDS!!!



Thank You

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Questions & Answers

Stockbrokers' Meeting 2009

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