

Scotiabank

SCOTIABANK TRINIDAD AND TOBAGO LIMITED

To Our Shareholders

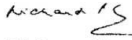
The Directors are pleased to announce that the Scotiabank Group realised net income after tax of \$122.8 million for the period ended 31 January 2010 which was an increase of 2.7% over the comparative period, a year ago.

The Group has produced positive results, notwithstanding the challenging economic times. This was achieved through focused

and incisive leadership over its core banking operations, and in particular, effective cost containment strategies and interest management.

The economy has made loan growth particularly difficult and management continues to pay close attention to loan losses. We anticipate the present economic conditions to continue in the next quarter.

On the basis of performance to date, the Directors have resolved that the Bank pay a first interim dividend of 25 cents per ordinary share (2009 - 25 cents) on 6 April 2010 to shareholders on record as at 9 March 2010.


R.P. Young - Managing Director
25 February 2010

Consolidated Statement of Financial Position (Stated in \$'000)

	UNAUDITED As at 31 January 2010	UNAUDITED As at 31 January 2009	AUDITED As at 31 October 2009
ASSETS			
Cash on hand and in transit	\$ 82,218	\$ 80,893	\$ 83,281
Due from banks and related companies	1,518,450	591,874	1,161,750
Treasury bills	672,453	284,011	721,075
Deposits with Central Bank	2,740,765	2,485,204	2,648,623
Net loans to customers	10,380,203	10,934,992	10,325,293
Assets purchased under resale agreements	8,271	13,288	8,271
Investment securities	693,114	618,741	658,275
Investment in associate companies	12,105	9,684	12,105
Property, plant and equipment	250,062	216,446	243,085
Miscellaneous assets	149,128	145,345	150,918
Goodwill	2,951	2,974	2,951
Total Assets	\$ 16,509,720	\$ 15,383,552	\$ 16,015,627
LIABILITIES AND SHAREHOLDERS' EQUITY			
LIABILITIES			
Deposits	\$ 12,454,205	\$ 11,363,287	\$ 11,919,474
Due to banks and related companies	90,060	483,256	250,040
Other liabilities	205,108	192,778	204,246
Securities sold under repurchase agreement	50,255	81,172	80,317
Provision for taxation	35,624	48,792	32,996
Policyholders' funds	379,487	291,597	354,831
Debt security in issue	1,000,000	1,000,000	1,000,000
Deferred tax liability	33,440	17,951	25,016
Total Liabilities	14,248,179	13,478,833	13,866,920
SHAREHOLDERS' EQUITY			
Stated capital	267,563	267,563	267,563
Statutory reserve fund	357,563	297,563	337,563
Investment revaluation reserve	68,177	(6,590)	34,034
Retained earnings	1,568,238	1,346,283	1,509,547
Total Shareholders' Equity	2,261,541	1,904,719	2,148,707
Total Liabilities and Shareholders' Equity	\$ 16,509,720	\$ 15,383,552	\$ 16,015,627

Consolidated Statement of Income (Stated in \$'000)

	UNAUDITED Three months ended 31 January 2010	UNAUDITED Three months ended 31 January 2009	AUDITED Year ended 31 October 2009
NET INTEREST AND OTHER INCOME			
Net interest income	\$ 215,003	\$ 198,564	\$ 831,867
Other income	83,973	74,207	303,111
Net interest and other income	298,976	272,771	1,134,978
NON-INTEREST EXPENSES			
Loan loss expense	19,645	10,138	86,932
Other	120,671	109,051	462,551
Non-interest expenses	140,316	119,189	549,483
INCOME BEFORE TAXATION	158,660	153,582	585,495
Provision for taxation	(35,883)	(34,053)	(130,444)
INCOME AFTER TAXATION	\$ 122,777	\$ 119,529	\$ 455,051
Dividends Paid & Proposed for financial year	\$ 44,086	\$ 44,086	\$ 176,344
Dividends per share	25.0c	25.0c	100.0c
Earnings per share	69.6c	67.8c	258.0c
Return on Equity	22.09%	25.38%	22.86%
Return on Total Assets	3.00%	3.19%	3.00%
Market Value	\$ 33.13	\$ 25.71	\$ 30.02

Consolidated Statement of Comprehensive Income (Stated in \$'000)

	UNAUDITED Three months ended 31 January 2010	UNAUDITED Three months ended 31 January 2009	AUDITED Year ended 31 October 2009
OTHER COMPREHENSIVE INCOME:			
Income after taxation	\$ 122,777	\$ 119,529	\$ 455,051
Changes in fair value, net of tax	34,143	(3,212)	37,512
TOTAL COMPREHENSIVE INCOME, NET OF TAX	\$ 156,920	\$ 116,317	\$ 492,563

Consolidated Statement of Changes in Shareholders' Equity

For the period ended 31 January 2010 (Stated in \$'000)

	Stated Capital	Statutory Reserve	Investment Revaluation Reserve	Retained Earnings	Total Shareholders' Equity
Three months ended 31 January 2010					
Balance as at 31 October 2009	\$ 267,563	337,563	34,034	1,509,547	2,148,707
Other comprehensive income, net of tax					
- Changes in fair value, net of tax	-	-	34,143	-	34,143
- Net profit for the period	-	-	-	122,777	122,777
Transfer to statutory reserve	-	20,000	-	(20,000)	(4,086)
Dividends paid	-	-	-	(44,086)	(44,086)
Balance as at 31 January 2010	\$ 267,563	357,563	68,177	1,568,238	2,261,541
Three months ended 31 January 2009					
Balance as at 31 October 2008	\$ 267,563	297,563	(3,478)	1,270,840	1,832,488
Other comprehensive income, net of tax					
- Changes in fair value, net of tax	-	-	(3,212)	-	(3,212)
- Net profit for the period	-	-	-	119,529	119,529
Transfer to statutory reserve	-	-	-	(44,086)	(44,086)
Dividends paid	-	-	-	(44,086)	(44,086)
Balance as at 31 January 2009	\$ 267,563	297,563	(6,690)	1,346,283	1,904,719
Year ended 31 October 2009					
Balance as at 31 October 2008	\$ 267,563	297,563	(3,478)	1,270,840	1,832,488
Other comprehensive income, net of tax					
- Changes in fair value, net of tax	-	-	37,512	-	37,512
- Net profit for the period	-	-	-	455,051	455,051
Transfer to statutory reserve	-	40,000	-	(40,000)	-
Dividends paid	-	-	-	(176,344)	(176,344)
Balance as at 31 October 2009	\$ 267,563	337,563	34,034	1,509,547	2,148,707

Consolidated Statement of Cash Flows (Stated in \$'000)

	UNAUDITED Three months ended 31 January 2010	UNAUDITED Three months ended 31 January 2009	AUDITED Year ended 31 October 2009
Cash flows from / (used in) operating activities			
Net income before taxes	\$ 158,660	\$ 153,582	\$ 585,495
(Increase) / Decrease in loans	(54,912)	(458,689)	151,011
Decrease in assets purchased under resale agreement	-	588	5,605
Increase in deposits	534,732	1,691,659	2,247,846
Decrease in securities sold under repurchase agreement	(30,062)	(86,807)	(87,662)
Taxation paid	(35,308)	(28,769)	(144,144)
Other adjustments to reconcile income before Taxation to net cash from operating activities	(221,013)	(1,548,609)	(1,865,818)
Net cash from operating activities	\$ 352,097	\$ (277,045)	\$ 892,333
Cash flows used in investing activities			
Decrease / (Increase) in investments	\$ 9,782	\$ (15,012)	\$ (3,569)
Purchase of property, plant & equipment	(10,778)	(11,156)	(50,524)
Investment in subsidiary	-	(478)	(455)
Proceeds from disposal of property, plant & equipment	-	-	10
Net cash used in investing activities	\$ (996)	\$ (26,646)	\$ (54,538)
Cash flows used in financing activities			
Dividends paid	(44,086)	(44,086)	(176,344)
Net cash used in financing activities	\$ (44,086)	\$ (44,086)	\$ (176,344)
Increase / (Decrease) in cash and cash equivalents	\$ 307,015	\$ (347,777)	\$ 661,451
Cash and cash equivalents, beginning of period	1,966,106	1,304,655	1,304,655
Cash and cash equivalents, end of period	\$ 2,273,121	\$ 956,878	\$ 1,966,106
Cash and cash equivalents			
Cash on hand and in transit	\$ 82,218	\$ 80,893	\$ 83,281
Due from banks and related companies	1,518,450	591,974	1,161,750
Treasury bills	672,453	284,011	721,075
Cash and cash equivalents	\$ 2,273,121	\$ 956,878	\$ 1,966,106

Significant Accounting Policies

Basis of Preparation

These financial statements, in all material aspects, have been prepared in accordance with International Financial Reporting Standards. The accounting policies used in the preparation of the financial statements are the same as were followed in the financial statements as at 31 October 2009, except for the adoption of amendments to IAS 1 which became effective for annual periods beginning on or after 1 January 2009. This amendment required the inclusion of an additional financial statement, the "Statement of Comprehensive Income".

Comparative Information

Comparative amounts in the Consolidated Statement of Income have been restated to conform to presentation changes in the current financial period.