

CONSOLIDATED BALANCE SHEET HIGHLIGHTS (STATED IN \$'000)

	UNAUDITED As at April 30, 2006	UNAUDITED As at April 30, 2005	AUDITED As at October 31, 2005
ASSETS			
CASH RESOURCES			
Cash	\$ 65,386	\$ 64,851	\$ 47,681
Other cash resources	335,256	345,751	445,083
Deposits with Central Bank	710,854	501,621	583,675
Treasury bills	76,377	134,121	265,129
	1,187,873	1,046,344	1,341,568
NET LOANS TO CUSTOMERS	6,269,978	4,923,873	5,536,564
INVESTMENTS	554,544	629,672	647,460
OTHER ASSETS			
Customers' liability under acceptances, guarantees and letters of credit, per contra	873,734	727,094	834,341
Property, plant and equipment	186,181	174,759	182,933
Miscellaneous assets	145,301	142,777	151,947
	1,205,216	1,044,630	1,169,221
TOTAL ASSETS	\$ 9,217,611	\$ 7,644,519	\$ 8,694,813
LIABILITIES AND SHAREHOLDERS' EQUITY			
LIABILITIES			
Deposits	\$ 6,623,017	\$ 5,591,331	\$ 6,155,889
Other fund-raising instruments	6,659	7,482	7,511
Other deposit liabilities	9,705	46,202	3,679
Other liabilities	29,289	84,348	96,333
Securities sold under repurchase agreement	90,000	-	94,000
Acceptances, guarantees and letters of credit, per contra	873,734	727,094	834,341
Provision for taxation	17,685	21,647	32,534
Policyholders' liabilities	98,629	54,061	81,812
Debt security in issue	200,000	-	200,000
	7,948,718	6,532,165	7,506,099
DEFERRED TAX LIABILITY	25,241	27,004	26,374
SHAREHOLDERS' EQUITY			
Stated capital	117,563	117,563	117,563
Statutory reserve fund	252,748	212,035	222,748
Proposed dividend	27,039	22,337	27,039
Investment revaluation reserve	12,082	25,690	20,537
Retained earnings	834,220	707,725	774,453
	1,243,652	1,085,350	1,162,340
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 9,217,611	\$ 7,644,519	\$ 8,694,813

CONSOLIDATED INCOME STATEMENT (STATED IN \$'000)

	UNAUDITED Six months ended April 30, 2006	UNAUDITED Six months ended April 30, 2005	AUDITED Year ended October 31, 2005
NET INTEREST AND OTHER INCOME			
Net Interest Income	\$ 245,751	\$ 199,390	\$ 418,980
Other Income	82,727	74,185	162,900
Net Interest and Other Income	328,478	273,575	581,880
NON-INTEREST EXPENSES			
Salaries and staff benefits	67,142	67,089	133,597
Premises and technology	28,262	25,993	58,528
Communications and marketing	12,092	9,248	20,635
Loan loss expense	3,906	1,998	5,165
Other	29,047	24,192	52,259
Non-Interest Expenses	140,449	128,520	270,184
INCOME BEFORE TAXATION	188,029	145,055	311,696
Provision for taxation	(44,183)	(41,827)	(84,463)
INCOME AFTER TAXATION	\$ 143,846	\$ 103,228	\$ 227,233
Dividends Paid & Proposed for financial year	\$ 54,079	\$ 44,674	\$ 94,049
Dividends per share	46.0c	38.0c	80.0c
Earnings per share	122.4c	87.8c	193.3c
Return on Equity	24.11%	19.74%	20.72%
Return on Total Assets	3.24%	2.75%	2.81%
Market Value	\$ 39.25	\$ 39.94	\$ 39.50



Scotiabank

SCOTIABANK TRINIDAD AND TOBAGO LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE PERIOD ENDED APRIL 30, 2006 (STATED IN \$'000)

SIX MONTHS ENDED APRIL 30, 2006

Balance as at October 31, 2005

Changes in fair value, net of tax

Net income for the period

Transfer to statutory reserve

Dividends proposed

Dividends paid

Balance as at April 30, 2006

	Stated Capital	Statutory Reserve	Proposed Dividend	Investment Revaluation Reserve	Retained Earnings	Total Shareholders' Equity
\$ 117,563	222,748	27,039	20,537	774,453	1,162,340	
-	-	-	(8,455)	-	(8,455)	
-	-	-	-	143,846	143,846	
-	30,000	-	-	(30,000)	-	
-	-	54,079	-	(54,079)	-	
-	-	(54,079)	-	-	(54,079)	
\$ 117,563	252,748	27,039	12,082	834,220	1,243,652	

SIX MONTHS ENDED APRIL 30, 2005

Balance as at October 31, 2004

Changes in fair value, net of tax

Net income for the period

Transfer to statutory reserve

Dividends proposed

Dividends paid

Balance as at April 30, 2005

	Stated Capital	Statutory Reserve	Proposed Dividend	Investment Revaluation Reserve	Retained Earnings	Total Shareholders' Equity
\$ 117,563	192,035	23,513	28,943	669,170	1,031,224	
-	-	-	(3,253)	-	(3,253)	
-	-	-	-	103,228	103,228	
-	20,000	-	-	(20,000)	-	
-	-	44,673	-	(44,673)	-	
-	-	(45,849)	-	-	(45,849)	
\$ 117,563	212,035	22,337	25,690	707,725	1,085,350	

YEAR ENDED OCTOBER 31, 2005

Balance as at October 31, 2004

Changes in fair value, net of tax

Gains transferred to net income, net of tax

Net income for the year

Adjustment to deferred tax provisions through retained earnings

Transfer to statutory reserve

Dividends proposed

Dividends paid

Balance as at October 31, 2005

	Stated Capital	Statutory Reserve	Proposed Dividend	Investment Revaluation Reserve	Retained Earnings	Total Shareholders' Equity
\$ 117,563	192,035	23,513	28,943	669,170	1,031,224	
-	-	-	(7,606)	-	(7,606)	
-	-	-	(800)	-	(800)	
-	-	-	-	227,233	227,233	
-	-	-	-	2,812	2,812	
-	30,713	-	-	(30,713)	-	
-	-	94,049	-	(94,049)	-	
-	-	(90,523)	-	-	(90,523)	
\$ 117,563	222,748	27,039	20,537	774,453	1,162,340	

CONSOLIDATED CASH FLOW (STATED IN \$'000)

	UNAUDITED Six months ended April 30, 2006	UNAUDITED Six months ended April 30, 2005	AUDITED Year ended October 31, 2005
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income before taxes	\$ 188,029	\$ 145,055	\$ 311,696
Increase in loans	(733,414)	(325,704)	(938,396)
Increase in deposits	462,277	291,633	950,220
Taxation paid	(60,274)	(43,114)	(72,137)
Other adjustments to reconcile income before taxation to net cash from operating activities	(34,872)	8,941	49,819
Net cash (used in) / from operating activities	\$ (178,254)	\$ 76,811	\$ 301,202
CASH FLOWS USED IN INVESTING ACTIVITIES			
Decrease / (increase) in investments	\$ 84,570	\$ (49,323)	\$ (71,956)
Purchase of property, plant & equipment	(12,323)	(15,858)	(38,264)
Proceeds from disposal of property, plant & equipment	365	1,007	4,076
Net cash from / (used in) investing activities	\$ 72,612	\$ (64,174)	\$ (106,144)
CASH FLOWS USED IN FINANCING ACTIVITIES			
Dividends paid	\$ (54,079)	\$ (45,849)	\$ (90,523)
Increase in debt security in issue	-	-	200,000
Net cash (used in) / from financing activities	\$ (54,079)	\$ (45,849)	\$ 109,477
(Decrease) / Increase in cash and cash equivalents	\$ (159,721)	\$ (33,212)	\$ 304,535
Cash and cash equivalents, beginning of period	1,337,889	1,033,354	1,033,354
Cash and cash equivalents, end of period	\$ 1,178,168	\$ 1,000,142	\$ 1,337,889
CASH AND CASH EQUIVALENTS			
Cash resources	\$ 1,187,873	\$ 1,046,344	\$ 1,341,568
Other deposit liabilities	(9,705)	(46,202)	(3,679)
Cash and cash equivalents	\$ 1,178,168	\$ 1,000,142	\$ 1,337,889

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 October 31, 2005.

TO OUR SHAREHOLDERS

We are pleased to report another successful quarter for the Scotiabank Group, with income after tax recorded at \$143.8 million for the period ended April 30, 2006.

The results reflect an increase of 39.35% over the comparative period. The increased profitability of the Group is testimony to our continued focus on Sales and Service disciplines, which has resulted in growth in Net loans to customers of approximately \$1.35 billion or 27.3% over the second quarter of fiscal 2005. Strong growth in the areas of Retail, Commercial and Corporate lending contributed to the overall loan increases for the period. Additionally the 5% reduction in the corporate tax rate and continued discipline in controlling non-interest expenses contributed to the excellent performance.

On the basis of performance to date, the Directors have resolved that the Bank pay a second interim dividend of 23 cents per ordinary share (2005 - 19 cents) on June 23, 2006 to shareholders on record as at June 02, 2006.

Additionally, the Shareholders of the Bank have approved a Bonus Issue of Fifty-eight Million Seven Hundred and Eighty-one Thousand Two Hundred and Fifty (58,781,250) new Ordinary Shares, to be distributed among the Shareholders of the Bank in proportion of One (1) Ordinary Share for every Two (2) Ordinary Shares held by such Shareholders as are registered at the close of business on a date to be determined by the Directors subject to regulatory approval and licenses. The Bonus Issue will be financed by capitalising One Hundred and Fifty Million Dollars (\$150,000,000) from Retained Earnings. The Bonus Issue will increase the Issued and Fully Paid Shares from One Hundred and Seventeen Million Five Hundred and Sixty-two Thousand Five Hundred (117,562,500) to One Hundred and Seventy-six Million Three Hundred and Forty-three Thousand Seven Hundred and Fifty (176,343,750). It should be noted that the second interim dividend will apply to shares held prior to the Bonus Issue.

May 23, 2006
Richard P. Young
Managing Director