



Investor Presentation

Fourth Quarter, 2013



Caution Regarding Forward-Looking Statements

Our public communications often include oral or written forward-looking statements. Statements of this type are included in this document, and may be included in other filings with Canadian securities regulators or the United States Securities and Exchange Commission, or in other communications. All such statements are made pursuant to the "safe harbour" provisions of the United States Private Securities Litigation Reform Act of 1995 and any applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, statements made in this document, the Management's Discussion and Analysis in the Bank's 2013 Annual Report under the headings "Overview – Outlook", for Group Financial Performance "Outlook", for each business segment "Outlook" and in other statements regarding the Bank's objectives, strategies to achieve those objectives, expected financial results (including those in the area of risk management), and the outlook for the Bank's businesses and for the Canadian, United States and global economies. Such statements are typically identified by words or phrases such as "believe", "expect", "anticipate", "intent", "estimate", "plan", "may increase", "may fluctuate", and similar expressions of future or conditional verbs, such as "will", "should", "would" and "could". By their very nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, and the risk that predictions and other forward-looking statements will not prove to be accurate. Do not unduly rely on forward-looking statements, as a number of important factors, many of which are beyond our control, could cause actual results to differ materially from the estimates and intentions expressed in such forward-looking statements. These factors include, but are not limited to: the economic and financial conditions in Canada and globally; fluctuations in interest rates and currency values; liquidity; significant market volatility and interruptions; the failure of third parties to comply with their obligations to us and our affiliates; the effect of changes in monetary policy; legislative and regulatory developments in Canada and elsewhere, including changes in tax laws; the effect of changes to our credit ratings; amendments to, and interpretations of, risk-based capital guidelines and reporting instructions and liquidity regulatory guidance; operational and reputational risks; the risk that the Bank's risk management models may not take into account all relevant factors; the accuracy and completeness of information the Bank receives on customers and counterparties; the timely development and introduction of new products and services in receptive markets; the Bank's ability to expand existing distribution channels and to develop and realize revenues from new distribution channels; the Bank's ability to complete and integrate acquisitions and its other growth strategies; changes in accounting policies and methods the Bank uses to report its financial condition and financial performance, including uncertainties associated with critical accounting assumptions and estimates (see "Controls and Accounting Policies – Critical accounting estimates" in the Bank's 2013 Annual Report); the effect of applying future accounting changes (see "Controls and Accounting Policies – Future accounting developments" in the Bank's 2013 Annual Report); global capital markets activity; the Bank's ability to attract and retain key executives; reliance on third parties to provide components of the Bank's business infrastructure; unexpected changes in consumer spending and saving habits; technological developments; fraud by internal or external parties, including the use of new technologies in unprecedented ways to defraud the Bank or its customers; consolidation in the Canadian financial services sector; competition, both from new entrants and established competitors; judicial and regulatory proceedings; acts of God, such as earthquakes and hurricanes; the possible impact of international conflicts and other developments, including terrorist acts and war on terrorism; the effects of disease or illness on local, national or international economies; disruptions to public infrastructure, including transportation, communication, power and water; and the Bank's anticipation of and success in managing the risks implied by the foregoing. A substantial amount of the Bank's business involves making loans or otherwise committing resources to specific companies, industries or countries. Unforeseen events affecting such borrowers, industries or countries could have a material adverse effect on the Bank's financial results, businesses, financial condition or liquidity. These and other factors may cause the Bank's actual performance to differ materially from that contemplated by forward-looking statements. For more information, see the "Risk Management" section starting on page 60 of the Bank's 2013 Annual Report. Material economic assumptions underlying the forward-looking statements contained in this document are set out in the 2013 Annual Report under the headings "Overview – Outlook", and for each business segment "Outlook". These "Outlook" sections are based on the Bank's views and the actual outcome is uncertain. Readers should consider the above-noted factors when reviewing these sections. The preceding list of important factors is not exhaustive. When relying on forward-looking statements to make decisions with respect to the Bank and its securities, investors and others should carefully consider the preceding factors, other uncertainties and potential events. The Bank does not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time by or on its behalf. Additional information relating to the Bank, including the Bank's Annual Information Form, can be located on the SEDAR website at www.sedar.com and on the EDGAR section of the SEC's website at www.sec.gov.



Overview

Brian Porter

President & Chief Executive Officer



Fiscal 2013 Overview

- **Strong financial results in 2013**
 - Adjusted net income of \$6.6 billion, up 15% from 2012
 - Adjusted EPS up 10% from 2012
 - Positive operating leverage
 - ROE: 16.4%
- **Revenue growth of 12% from last year (excl. one-time items)**
- **Prudent risk management and disciplined cost control**
- **Strong capital build continues**
- **Quarterly dividend increased twice in 2013, total of 9%**
- **Economic environment more stable, but with a moderate growth outlook**



Strategic Priorities

Canadian Banking

- Deepen existing relationships within targeted customer segments
- Build on the strength of our expertise in payments
- Leverage commercial banking platform to achieve greater market penetration
- Extend ING Direct's "savings" value proposition to meet the banking needs of self-directed customers

International Banking

- Leverage expertise in key markets with a focus on becoming the primary bank to our customers
- Optimize our operating model to maximize efficiency to best serve our customers
- Make it easier for our customers to do business with us
- Drive growth and scale in our priority regions of Latin America and Asia

Global Wealth & Insurance

- Continue to build scale in global asset management
- Focus on our high net worth offering to deliver integrated customer solutions
- Build insurance business with quality products for targeted customer segments
- Drive growth in Global Transaction Banking through integrated cash management, payments and trade finance solutions

Global Banking & Markets

- Strengthen customer relationships and product capabilities to enhance profitability
- Optimize our coverage model to drive cross-sell
- Grow our business in regions that capitalize on the Bank's existing geographic footprint

5

Fiscal 2013 Financial Targets

| Metric | Objective | 2013 Results | Achieved |
|-------------------------|------------------------|--------------------|----------|
| EPS Growth ¹ | 5-10% | 10.2% ² | ✓ |
| ROE | 15-18% | 16.4% | ✓ |
| Productivity Ratio | <56% | 53.5% | ✓ |
| Capital | Maintain strong ratios | 9.1% | ✓ |

(1) Excluding real estate gains in 2012

(2) Excludes \$90MM net benefit related to non-recurring items in International Banking in Q3/13

6

Medium-Term Financial Objectives

| Metric | Objective |
|--------------------|------------------------|
| EPS Growth | 5-10% |
| ROE | 15-18% |
| Operating Leverage | Positive |
| Capital | Maintain strong ratios |

Financial Review

Sean McGuckin
Chief Financial Officer

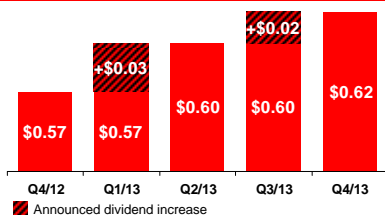
Q4 2013 Financial Performance

| \$ millions, except EPS | Q4/13 | Q/Q ¹ | Y/Y |
|-------------------------|---------|------------------|----------|
| Revenues | \$5,493 | 1% | 11% |
| Expenses | \$2,949 | 1% | 9% |
| Net Income | \$1,703 | 1% | 12% |
| Diluted EPS | \$1.30 | 0% | 10% |
| ROE | 15.7% | (40 bps) | (70 bps) |
| Productivity Ratio | 53.7% | (30 bps) | 120 bps |
| Basel III CET1 Ratio | 9.1% | 20 bps | N/A |

Highlights

- **Double-digit EPS growth Y/Y**
 - Solid operating performance across most business lines, particularly Canadian Banking
- **Strong revenue growth of 11% Y/Y**
 - Solid broad-based asset growth and acquisitions
 - Slightly lower core banking margin both Y/Y and Q/Q
 - Increased banking and wealth management fees
 - Higher trading revenues and securities gains
- **Solid expense control Y/Y**
 - Acquisitions accounted for ~50% of increase
 - Positive operating leverage
 - Continuing to prudently invest for future growth
- **Basel III CET1 ratio of 9.1%**

Dividends Per Common Share



Good finish to the year

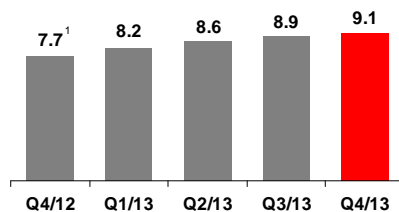


(1) Excludes \$90MM net benefit related to non-recurring items in International Banking in Q3/13

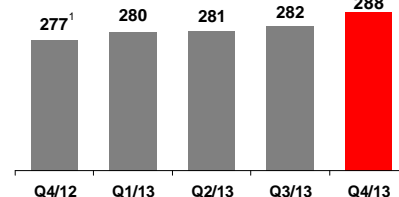
9

Capital

Basel III Common Equity Tier 1 (%)



Risk-Weighted Assets (\$B)



Highlights

- **2013 internal capital generation of \$3.3 billion**
- **Risk weighted assets up \$5.9 billion or 2% from previous quarter to \$288 billion**
 - Foreign exchange partially contributed to increase
- **Continuing to redeploy capital into our four business lines**

Well-positioned for evolving regulatory environment

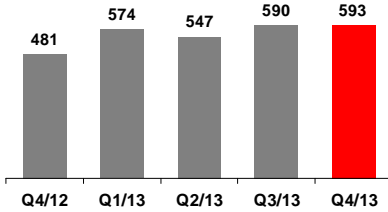


(1) Proforma including the CVA capital charge subsequently deferred to 2014 and adjusted for the ING DIRECT acquisition

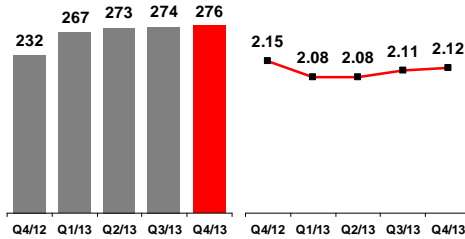
10

Canadian Banking

Net Income¹ (\$MM)



Average Assets (\$B) Net Interest Margin (%)



Highlights

- Record quarter, net income up 13% Y/Y excluding ING
- Solid organic loan growth of 6% Y/Y
 - Particularly strong growth in auto loans
- Good deposit growth
- Strong credit performance
 - PCLs remain low
- NIM up 1 bp Q/Q
- Positive operating leverage of 1.3% for 2013

Record results, stable NIM, solid volume growth and expense control



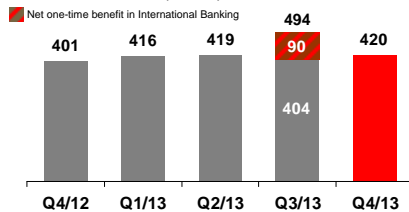
Scotiabank

(1) Attributable to equity holders of the Bank

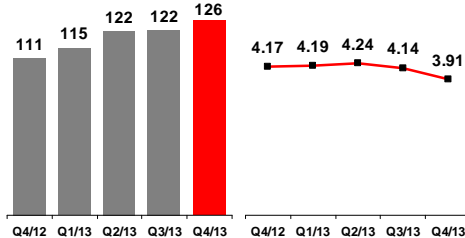
11

International Banking

Net Income¹ (\$MM)



Average Assets (\$B) Net Interest Margin (%)



Highlights

- Net income up 5% Y/Y
 - Revenue growth of 8%
 - Gain on sale of a non-core business in Peru of \$25MM after-tax
 - Higher tax recoveries last year
- Double-digit volume growth
 - Latin America & Asia key driver
- Margin compression
 - Broad-based
 - Asset mix changes
 - Regulatory reform, competition & rate cuts
- Disciplined expense management
 - Underlying (excl. FX) expense increase of 2% Y/Y, due entirely to Credito Familiar
 - Positive operating leverage of 1.7% for 2013

Good quarter despite NIM challenges



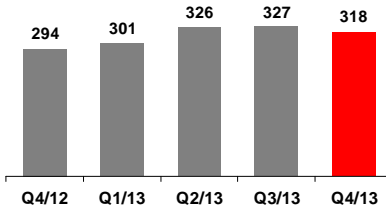
Scotiabank

(1) Attributable to equity holders of the Bank

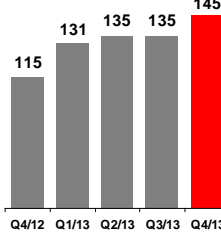
12

Global Wealth & Insurance

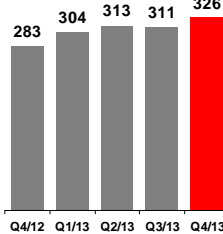
Net Income¹ (\$MM)



AUM² (\$B)



AUA² (\$B)



Highlights

- **Net income up 8% Y/Y**
 - Strong mutual fund fees growth
 - Solid brokerage revenues
 - Strong insurance results
 - Increased contribution from CI Financial
 - AFP Horizonte integration costs
- **Strong AUM & AUA growth**
 - Good market conditions
 - Strong ScotiaFunds net sales
- **Successfully integrated AFP Horizonte operations into Profuturo in Peru**

GWI delivering solid, balanced results



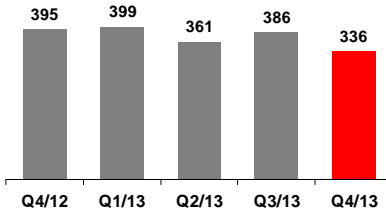
Scotiabank

(1) Attributable to equity holders of the Bank
(2) Excludes Scotiabank's investment in CI Financial

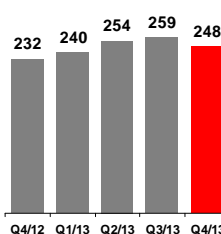
13

Global Banking & Markets

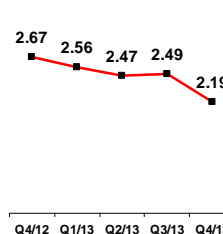
Net Income¹ (\$MM)



Average Assets (\$B)



Net Interest Margin² (%)



Highlights

- **Net income down 15% Y/Y**
 - Near record results in Q4/12
 - Sluggish market conditions for issuance and M&A activity
 - Revenues lower across most business lines
- **Modest loan growth Y/Y**
- **NIM impacted by one-time adjustment**
- **Credit quality remains strong**
 - PCLs remain low

Slowdown in market activity contributing to softer quarter



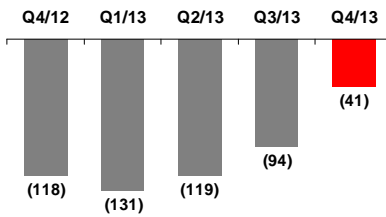
Scotiabank

(1) Attributable to equity holders of the Bank
(2) Global Corporate & Investment Banking only

14

Other Segment¹

Net Income² (\$MM)



Highlights

- **Smaller net loss Y/Y and Q/Q**
 - Higher securities gains
 - \$20MM costs related to share issuance in Q4/12
 - Reflect the impact of asset/liability management activities

(1) Includes Group Treasury, smaller operating segments, and other corporate items which are not allocated to a business line. The results primarily reflect the impact of asset/liability management activities.
(2) Attributable to equity holders of the Bank.



Risk Review

Stephen Hart
Chief Risk Officer



Credit Quality

- **Credit quality remains solid and well within risk appetite**
 - Solid credit performance with All-Bank PCL ratio remaining low at 32 bps
 - Modest uptick in International Commercial PCLs
- **Net formations of impaired loans normalized to \$315 million this quarter**
 - Primarily due to a one-time jump in formations last quarter mainly driven by Colombia acquisition
- **Market risk remains low and well-controlled**
 - Average 1-day All-Bank VaR: \$17.9MM vs. \$17.4MM in Q3/13
 - One trading loss day in Q4/13

Provisions for Credit Losses

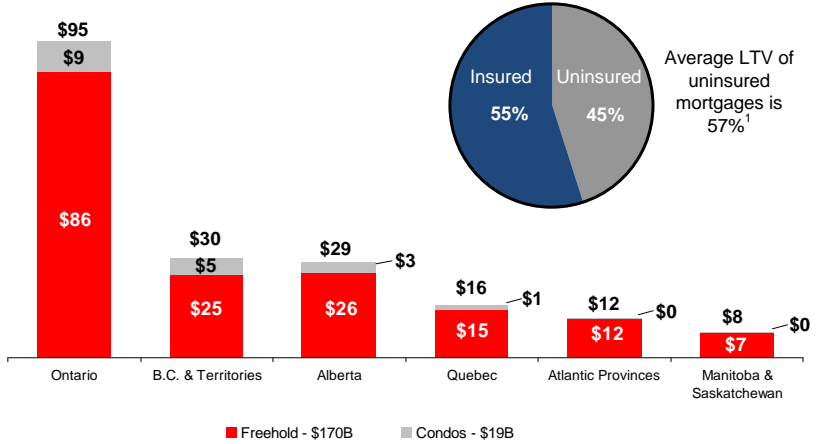
| (\$ millions) | Q4/12 | Q1/13 | Q2/13 | Q3/13 | Q4/13 |
|-------------------------------------|------------|------------|------------|------------|------------|
| Canadian Retail | 99 | 108 | 106 | 103 | 106 |
| Canadian Commercial | 33 | 10 | 30 | 5 | 9 |
| | 132 | 118 | 136 | 108 | 115 |
| International Retail | 159 | 171 | 180 | 177 | 170 |
| International Commercial | 17 | 15 | 14 | 17 | 37 |
| | 176 | 186 | 194 | 194 | 207 |
| Global Wealth & Insurance | 2 | 1 | 1 | 1 | – |
| Global Banking & Markets | 11 | 5 | 12 | 11 | 7 |
| Total | 321 | 310 | 343 | 314 | 329 |
| PCL ratio (bps) on performing loans | 36 | 32 | 35 | 31 | 32 |

Note: International Banking's total includes the impact of Colombian purchased portfolio. The Bank expects the PCL ratio to rise with the maturity of the acquired portfolio. See page 28 of the 2013 Annual Report.

Canadian Banking: Residential Mortgage Portfolio

(\$ billions, as at October 31, 2013)

Total Portfolio: \$189 billion



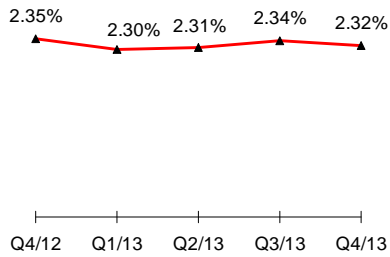
(1) LTV calculated based on the total outstanding balance secured by the property. Property values indexed using Teranet and CREA data
 (2) Some figures on bar chart may not add due to rounding



Appendix



Core Banking Margin (TEB)¹



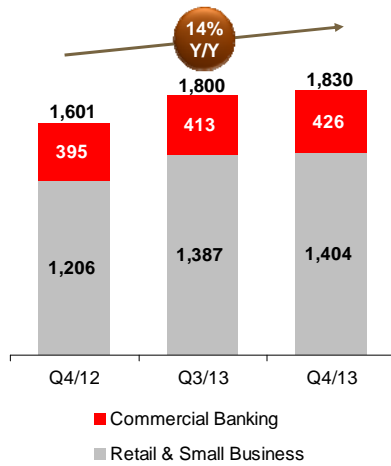
Quarter-over-Quarter

- Margin compression in International Banking and Global Banking & Markets
- Lower volumes of DWBs

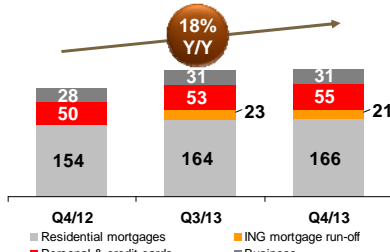
(1) Represents net interest income (TEB) as a % of average earning assets excluding bankers acceptances and total average assets relating to the Global Capital Markets business within Global Banking and Markets.

Canadian Banking – Revenue & Volume Growth

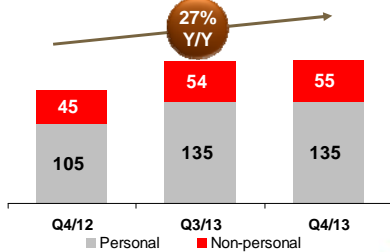
Revenues (TEB) (\$ millions)



Average loan & acceptances (\$ billions)

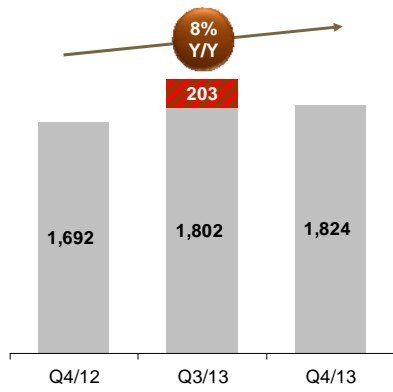


Average deposits (\$ billions)



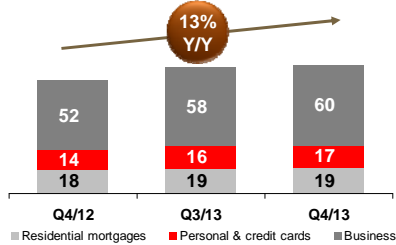
International Banking – Revenue & Volume Growth

Revenues (TEB) (\$ millions)

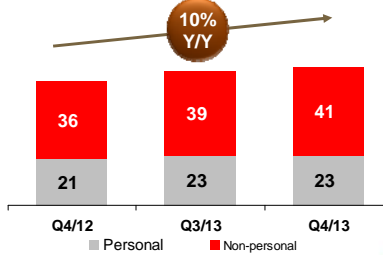


\$203MM (TEB) gain on sale of a subsidiary by an associated corporation in Thailand

Average loan & acceptances (\$ billions)

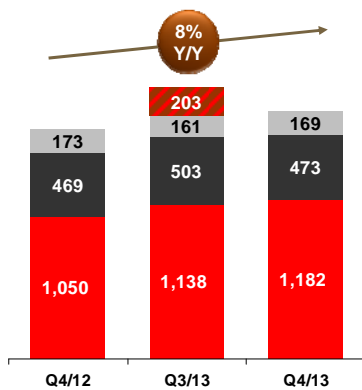


Average deposits (\$ billions)



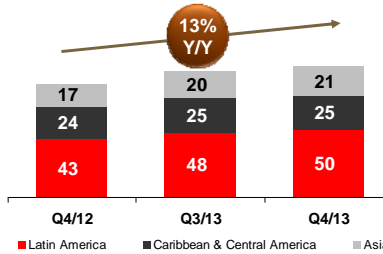
International Banking – Regional Growth

Revenues (TEB) (\$ millions)



One-time gain in Thailand
Asia
Caribbean & Central America
Latin America

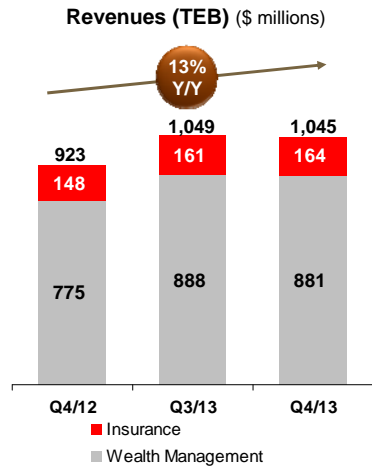
Average loan & acceptances (\$ billions)



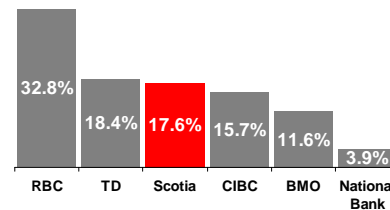
| FX Adjusted Volume growth Y/Y | Retail | Commercial ¹ | Total |
|-------------------------------|------------|-------------------------|------------|
| Latin America | 16% | 12% | 13% |
| C&CA | 3% | -7% | -2% |
| Asia | N/A | 19% | 19% |
| Total | 10% | 10% | 10% |

(1) Excludes bankers acceptances

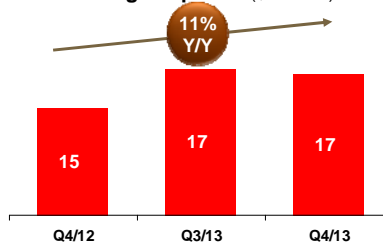
Global Wealth & Insurance – Revenues & Volumes



Mutual Fund Market Share in Canada¹ (% vs. Schedule 1 Banks)



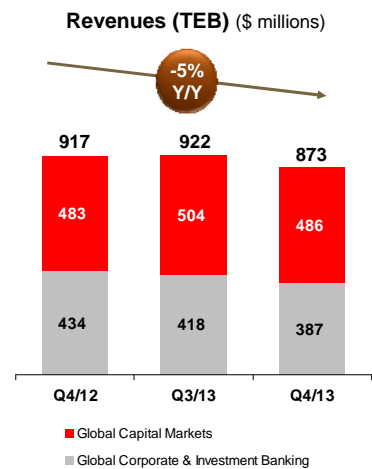
Average deposits (\$ billions)



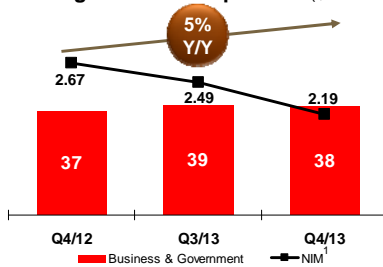
(1) Source: IFC member firms as at September 2013. Excludes Scotiabank's investment in CI Financial and ING Direct. Note: Inclusion of ING Direct would add ~20 bps.

25

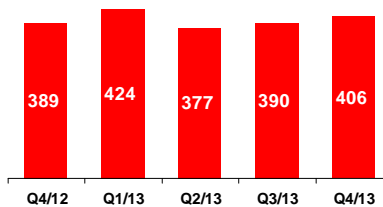
Global Banking & Markets – Revenues, Volumes & NIM



Average loan & acceptances (\$ billions)



All-Bank Trading Revenue (TEB, \$ millions)



(1) Global & Corporate Investment Banking only

26

Economic Outlook in Key Markets

| Real GDP (Annual % Change) | | | | |
|----------------------------|--------------|-------|-------|-------|
| Country | 2000-12 Avg. | 2013F | 2014F | 2015F |
| Mexico | 2.4 | 1.3 | 3.3 | 3.7 |
| Peru | 5.7 | 5.1 | 5.4 | 5.6 |
| Chile | 4.5 | 4.4 | 4.4 | 4.7 |
| Colombia | 4.2 | 4.2 | 4.8 | 4.5 |
| Costa Rica | 4.3 | 3.3 | 3.9 | 4.0 |
| Dominican Republic | 5.2 | 2.5 | 3.5 | 3.8 |
| Thailand | 4.2 | 3.5 | 4.0 | 4.5 |
| 2000-12 Avg. | | | | |
| Canada | 2.2 | 1.7 | 2.2 | 2.5 |
| U.S. | 1.9 | 1.6 | 2.5 | 3.0 |

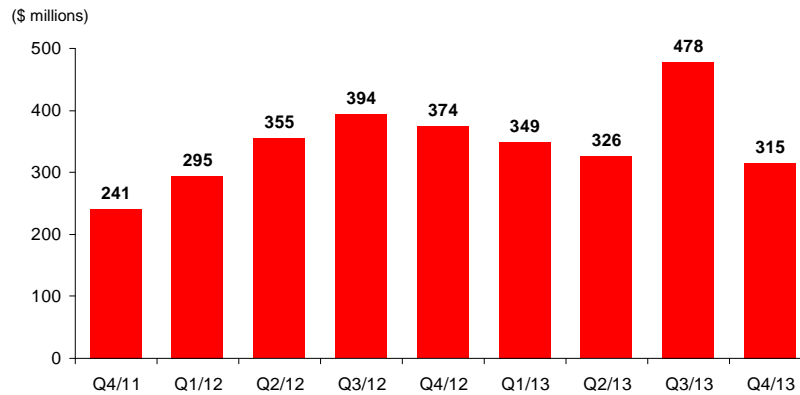
Source: Scotia Economics, as of November 29, 2013.

PCL Ratios

| (Total PCL as % of average loans & BAs) | Q4/12 | Q1/13 | Q2/13 | Q3/13 | Q4/13 |
|---|-------------|-------------|-------------|-------------|-------------|
| Canadian Banking | | | | | |
| Retail | 0.20 | 0.18 | 0.18 | 0.17 | 0.17 |
| Commercial | 0.46 | 0.14 | 0.42 | 0.06 | 0.13 |
| Total | 0.23 | 0.18 | 0.21 | 0.16 | 0.17 |
| International Banking | | | | | |
| Retail | 2.03 | 2.12 | 2.15 | 2.06 | 1.93 |
| Commercial | 0.13 | 0.12 | 0.10 | 0.11 | 0.25 |
| Total | 0.84 | 0.87 | 0.87 | 0.84 | 0.87 |
| Global Wealth & Insurance | 0.08 | 0.04 | 0.10 | 0.05 | – |
| Global Banking & Markets | | | | | |
| Corporate Banking | 0.12 | 0.05 | 0.13 | 0.12 | 0.07 |
| All Bank | 0.36 | 0.32 | 0.35 | 0.31 | 0.32 |

Note: International Banking's total includes the impact of Colombian purchased portfolio. The Bank expects the PCL ratio to rise with the maturity of the acquired portfolio. See page 28 of the 2013 Annual Report.

Net Formations of Impaired Loans¹

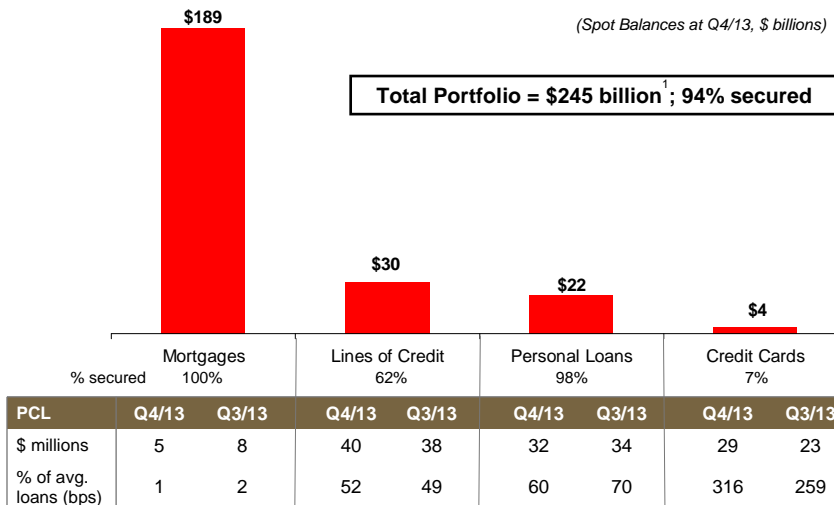


(1) Excludes Federal Deposit Insurance Corporation (FDIC) guaranteed loans related to the acquisition of R-G Premier Bank of Puerto Rico

Canadian Banking Retail: Loans and Provisions

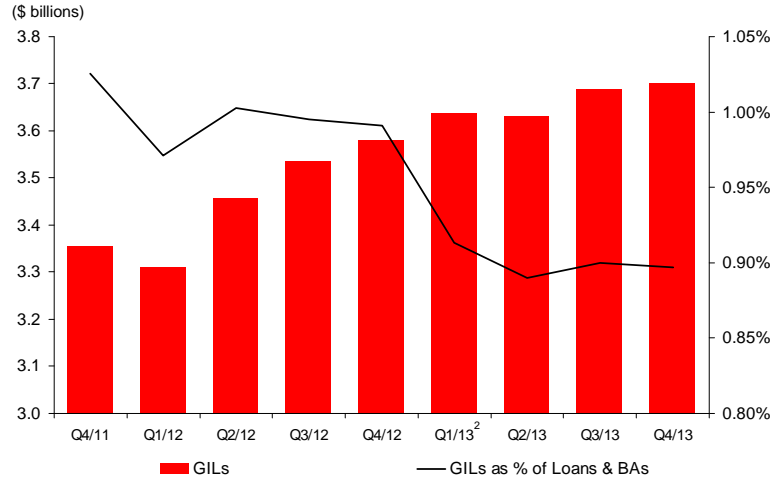
(Spot Balances at Q4/13, \$ billions)

Total Portfolio = \$245 billion¹ ; 94% secured



1) Includes ING DIRECT balances of \$25 billion

Gross Impaired Loans¹



- (1) Excludes Federal Deposit Insurance Corporation (FDIC) guaranteed loans related to the acquisition of R-G Premier Bank of Puerto Rico
- (2) Decline in ratio in Q1/13 primarily due to ING DIRECT acquisition

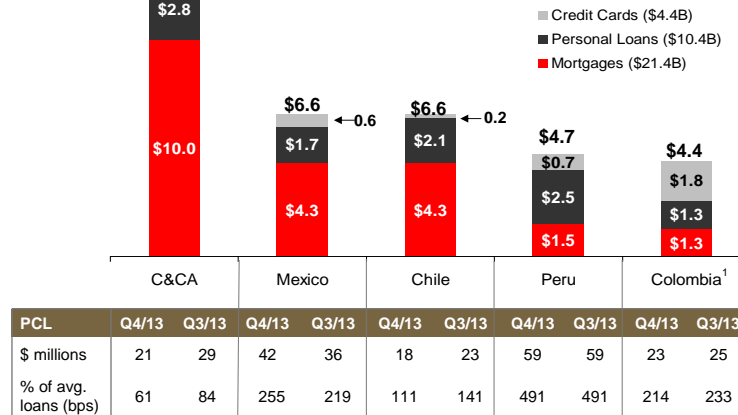


31

International Retail Loans and Provisions

(Spot Balances at Q4/13, \$ billions)

Total Portfolio = \$36.7 billion; 68% secured



Note: Excludes non-material portfolios

(1) Purchased portfolio recorded at fair value, which includes a discount for expected credit losses. The bank expects to see increased provisions as the purchased portfolio in Colombia rolls over and reaches a steady state.

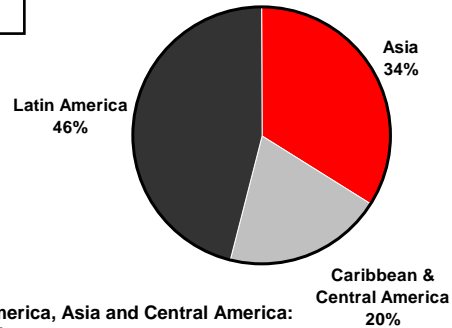


32

International Banking Commercial Lending Portfolio

Q4/13 = \$60 billion

(Average Balances)



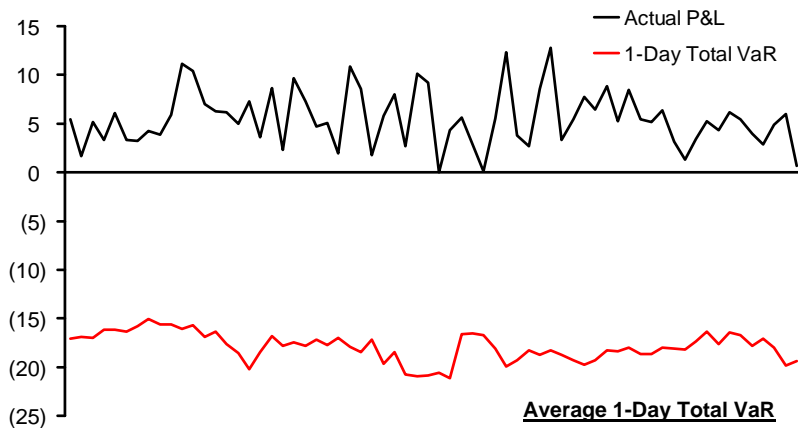
- Portfolios in Latin America, Asia and Central America:
 - Performing well
 - Well secured
- Closely managing Caribbean portfolio
- Strong pipeline growth Y/Y
- Solid client growth in the mid-market segment



33

Q4 2013 Trading Results and One-Day Total VaR

(\$ millions)



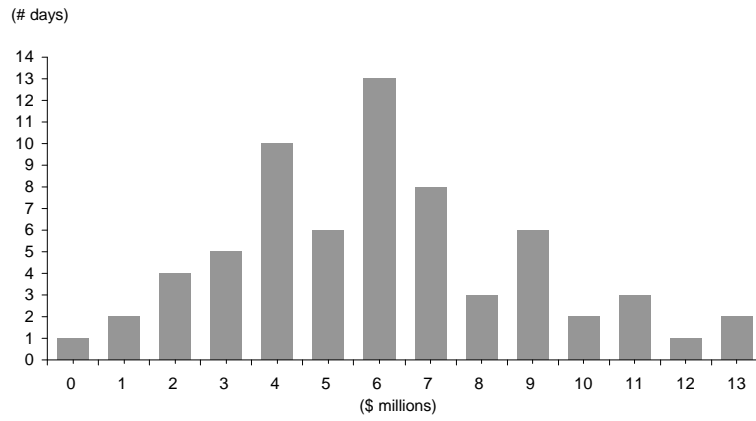
Average 1-Day Total VaR

Q4/13: \$17.9MM
 Q3/13: \$17.4MM
 Q4/12: \$19.0MM



34

Q4 2013 Trading Revenue Distribution



- One trading loss day in Q4/13