

Investor Presentation



Second Quarter, 2014

May 27, 2014



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



Q2 2014 Overview

- **Strong results**
 - Net income of \$1.8 billion, up 14% from last year
 - Diluted EPS up 14% to \$1.39
 - ROE: 16.3%
- **Revenue growth of 10% from last year**
- **Capital position continues to be strong at 9.8%**
- **Share buyback program of up to 1% announced**
- **Quarterly dividend maintained at \$0.64 per share**

Strategic Priorities

Canadian Banking

- Transform retail and deepen relationships within targeted customer segments
- Build on our expertise in payments and accelerate credit card growth
- Leverage commercial banking platform to achieve greater market penetration
- Extend Tangerine's offerings to meet banking needs of self-directed customers
- Improve operational excellence and deliver sustained cost savings

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 region of Latin America

Global Wealth & Insurance

- Focus on acquiring and building loyal and profitable client relationships
- Expand international capabilities in key wealth and insurance businesses
- Continue to build scale in global asset management
- 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

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Financial Review



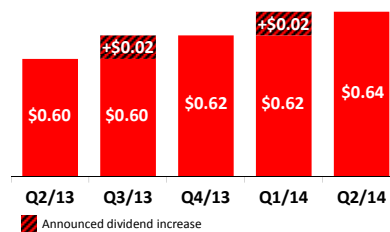
Sean McGuckin
Chief Financial Officer



Q2 2014 Financial Performance

\$ millions, except EPS	Q2/14	Q/Q	Y/Y
Revenues ¹	\$5,809	1%	10%
Expenses	\$2,995	(4%)	5%
Net Income	\$1,800	5%	14%
Diluted EPS	\$1.39	5%	14%
ROE	16.3%	90 bps	(20 bps)
Productivity Ratio ¹	51.6%	(260 bps)	(230 bps)
Basel III CET1 Ratio	9.8%	34 bps	121 bps

Dividends Per Common Share



(1) Taxable equivalent basis

Highlights

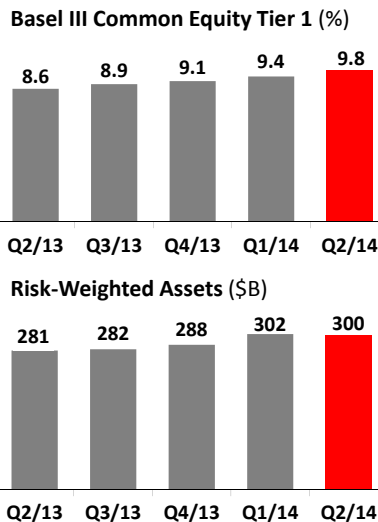
- **Strong EPS growth Y/Y**
 - Strong results in CB and GWI with solid performances from IB and GBM
- **Revenue growth of 10% Y/Y**
 - Higher asset growth and core banking margin
 - Increased banking and wealth management fees
 - Underwriting fees, trading revenues and gains on investment securities also up
 - Positive impact of FX
- **Expenses up 5% Y/Y**
 - Higher staffing levels and compensation costs
 - Technology and marketing costs up to support Tangerine rebranding and business growth
 - Positive operating leverage of 2.1% YTD
- **Basel III CET1 ratio of 9.8%**

Strong results across our businesses



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Capital



Highlights

- **Q2/14 internal capital generation of \$921 million**
- **Risk-weighted assets down \$2 billion from previous quarter to \$300 billion**
 - Reduction due to FX
 - Higher on balance sheet lending amounts, offset by lower investment securities/ securitizations and lower loan commitments
- **Continuing to deploy capital into the four business lines**
- **Share buyback announced for up to 1% of outstanding shares**

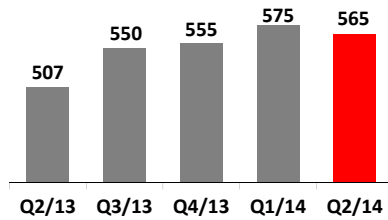
Capital position remains strong



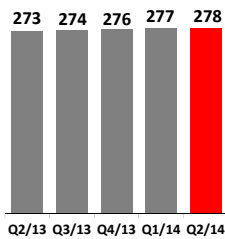
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Canadian Banking

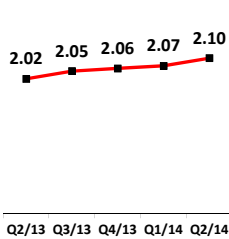
Net Income¹ (\$MM)



Average Assets (\$B)



Net Interest Margin (%)



Highlights

- Strong quarter, net income up 12% Y/Y
- Good loan growth of 3% Y/Y
 - Double digit growth in credit card and consumer auto loan volumes
 - Mortgage growth largely offset by the Tangerine mortgage run-off
- NIM up 3 bps Q/Q, 8 bps Y/Y
- Slight increase in PCLs due to mix
- Expenses up only 2.7% Y/Y excluding Tangerine brand transition costs
- Positive operating leverage of 1.9% YTD

Margin expansion and positive operating leverage

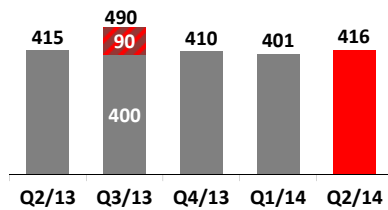
(1) Attributable to equity holders of the Bank

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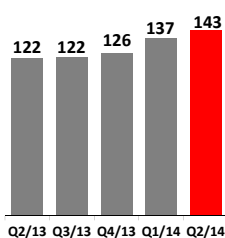
International Banking

Net Income¹ (\$MM)

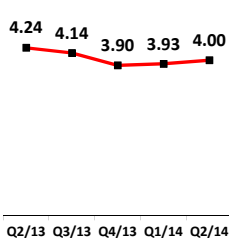


Net one-time benefit in International Banking

Average Assets (\$B)



Net Interest Margin (%)



Highlights

- Solid quarter, net income flat Y/Y
 - Lower contributions from associated corporations
- Strong loan growth of 14% Y/Y
 - Broad-based growth in LatAm & Asia
- Very good deposit growth of 16% Y/Y
- PCL ratio up 4 bps Y/Y, primarily driven by commercial PCLs and Colpatría credit mark run-off
- NIM slightly higher this quarter, but down 24 bps Y/Y
 - Lower interest rates in key markets
 - Regulatory changes
 - Shift in asset mix
- Expenses down 1% Y/Y
 - Good expense control across all regions

Strong asset growth and expense control offset by lower NIM and higher PCLs

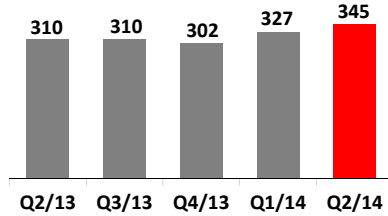
(1) Attributable to equity holders of the Bank

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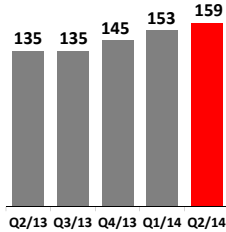


Global Wealth & Insurance

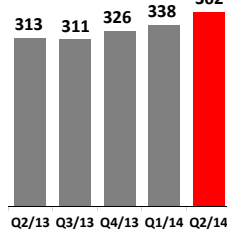
Net Income¹ (\$MM)



AUM (\$B)



AUA (\$B)



Highlights

- **Strong quarter, net income up 11% Y/Y**
 - Wealth Management revenue grew by 14% Y/Y
 - Insurance revenue up 4% Y/Y
- **18% AUM & 16% AUA growth Y/Y**
 - Higher net sales
 - Improved financial markets
 - Acquisition of AFP Horizonte in Peru
- **Increasing ROE**
- **Positive operating leverage of 0.8% YTD**

Strong performance in asset management businesses

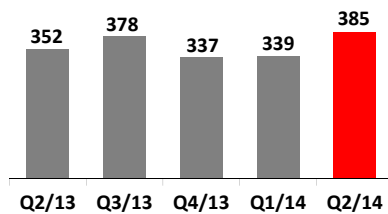
(1) Attributable to equity holders of the Bank

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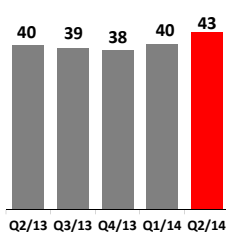


Global Banking & Markets

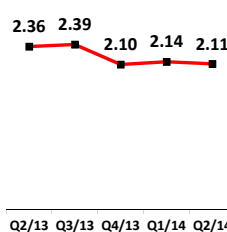
Net Income¹ (\$MM)



Average Loans² (\$B)



Net Interest Margin³ (%)



Highlights

- **Net income up 9% Y/Y**
 - Stronger investment banking and fixed income results
 - Securities gain in U.S. lending
 - Partially offset by higher tax rate
- **Loan growth of 8% Y/Y**
- **NIM down 3 bps Q/Q, 25 bps Y/Y**
- **Credit performance remains strong**
- **Focus on managing expenses**
 - Expenses down 1% Y/Y after adjusting for FX translation

Good growth in fixed income and investment banking

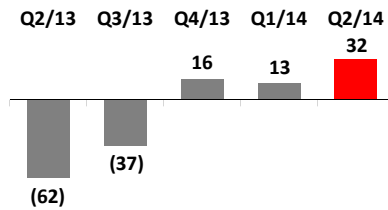
(1) Attributable to equity holders of the Bank
 (2) Average Business & Government Loans & Acceptances
 (3) Global Corporate & Investment Banking only

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Other Segment¹

Net Income² (\$MM)



Highlights

- Net income up Y/Y
 - Higher revenues from asset/liability management
 - Higher net gains on investment securities

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

Risk Review



Stephen Hart
Chief Risk Officer

Credit Quality

- **Credit fundamentals remain strong**
 - Modest increase in PCL ratio – up 2 bps Q/Q to 36 bps
 - Loss rates in Canadian Banking up slightly
 - International Banking loss rates up due to higher provisions in the Caribbean, partially offset by decreases in Latin America
 - GBM credit performance continues to be strong
- **Increase in net formations of impaired loans to \$598 million**
 - Higher formations in International Retail and Commercial
- **Market risk remains well-controlled**
 - Average 1-day all-bank VaR: \$18.1MM vs. \$19.8MM in Q1/14
 - Two trading loss days in Q2/14

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Provisions for Credit Losses

(\$ millions)	Q2/13	Q3/13	Q4/13	Q1/14	Q2/14
Canadian Retail	106	103	106	118	127
Canadian Commercial	30	5	10	16	13
	136	108	116	134	140
International Retail	180	177	170	187	196
International Commercial	14	17	37	32	34
	194	194	207	219	230
Global Wealth & Insurance	1	1	–	–	–
Global Banking & Markets	12	11	(2)	3	5
Total	343	314	321	356	375
PCL ratio (bps) on impaired loans	35	31	31	34	36

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.

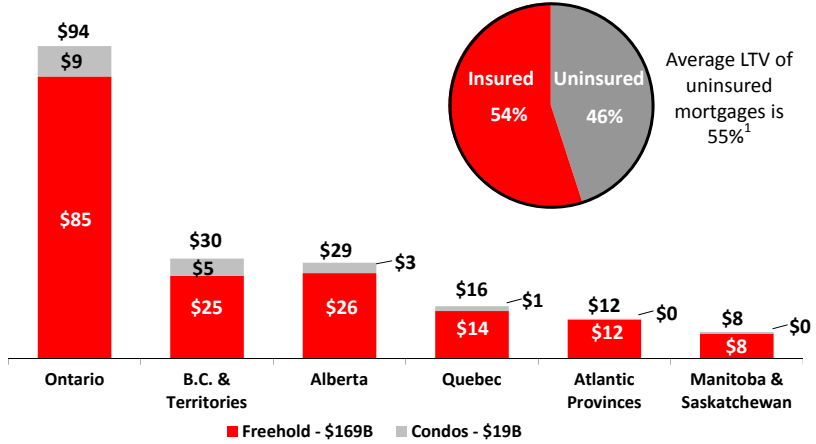
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Canadian Residential Mortgage Portfolio

(\$ billions, as at April 30, 2014)

Total Portfolio: \$188 billion



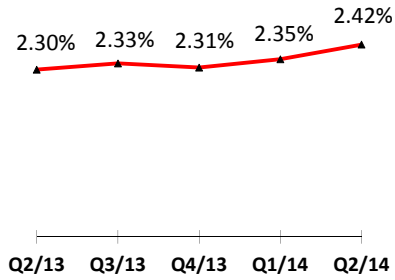
(1) LTV calculated based on the total outstanding balance secured by the property. Property values indexed using Teranet and CREA data
 (2) Some figures on bar chart may not add due to rounding



Appendix



Core Banking Margin (TEB)¹



Quarter-over-Quarter

- Improved margins in Canadian Banking and International Banking
- Lower funding and liquidity cost in Other segment as maturing high rate deposits were replaced with lower interest rates

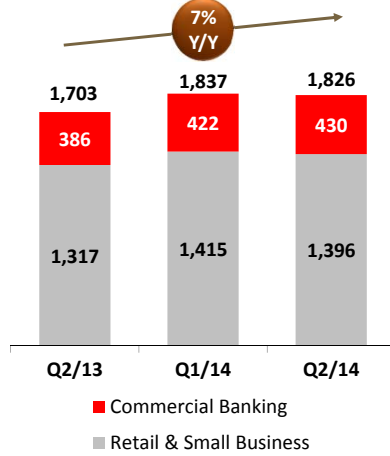
(1) Represents net interest income (TEB) as a % of average earning assets excluding bankers acceptances and total average assets relating to the Global Capital Markets business within Global Banking & Markets.

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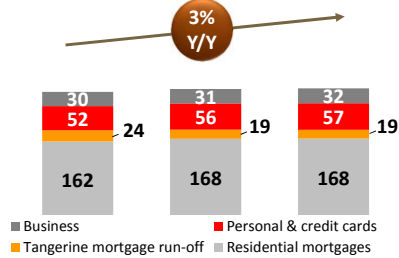


Canadian Banking – Revenue & Volume Growth

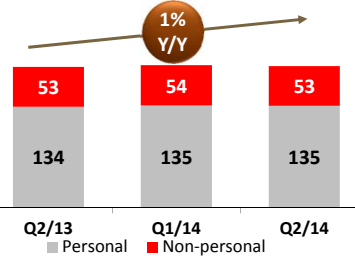
Revenues (TEB) (\$ millions)



Average loans & acceptances (\$ billions)



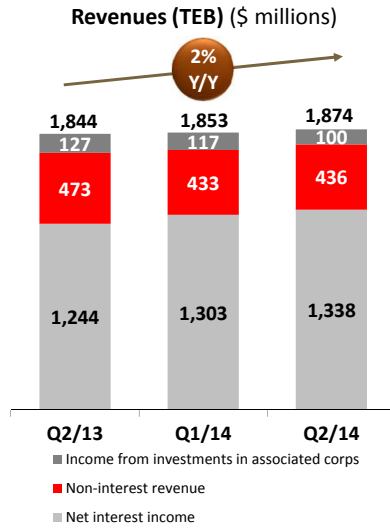
Average deposits (\$ billions)



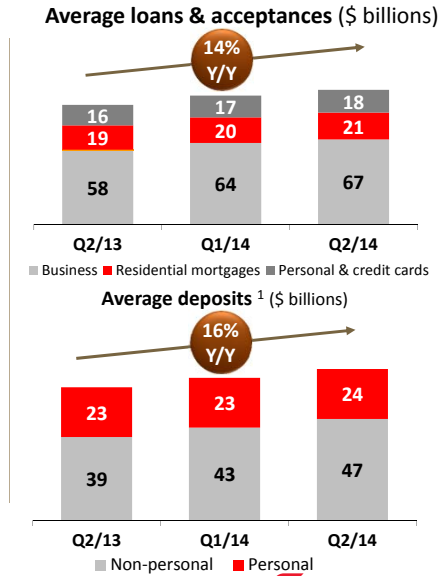
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International Banking – Revenue & Volume Growth



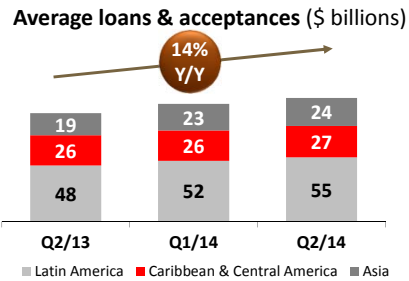
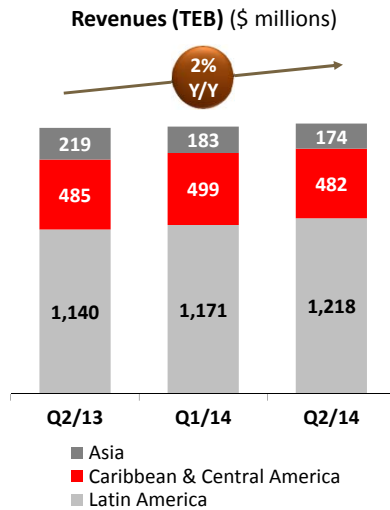
(1) Including deposits from banks



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International Banking – Regional Growth



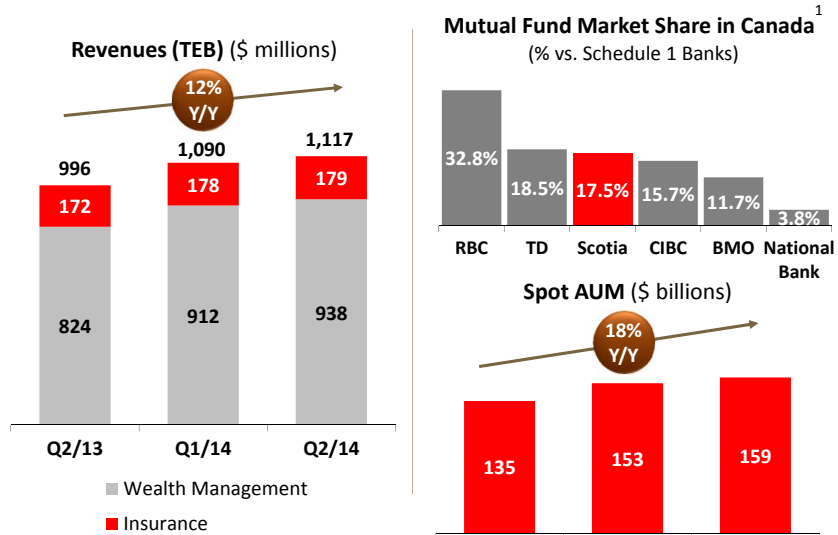
Constant FX Volume growth Y/Y	Retail	Commercial ¹	Total
Latin America	13%	11%	12%
C&CA	1%	-9%	-4%
Asia	N/A	19%	19%
Total	9%	10%	9%

(1) Excludes bankers acceptances

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Global Wealth & Insurance – Revenues & Volumes

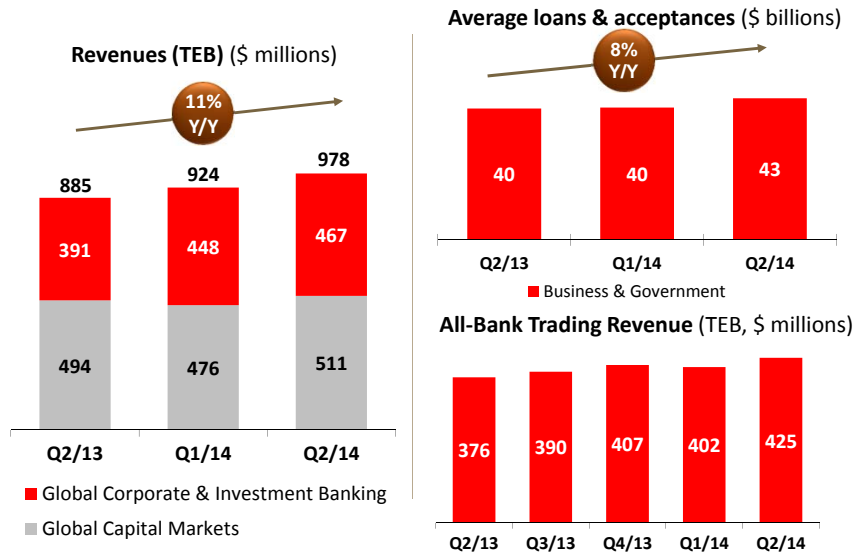


(1) Source: IFIC member firms as of March 2014. Excludes Scotiabank's investment in CI Financial and Tangerine. May not add due to rounding.

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Global Banking & Markets – Revenues & Volumes



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Economic Outlook in Key Markets

Real GDP (Annual % Change)				
Country	2000-12 Avg.	2013	2014F	2015F
Mexico	2.4	1.1	2.7	3.7
Peru	5.5	5.6	5.3	5.6
Chile	4.5	4.1	3.6	4.3
Colombia	4.2	4.3	4.5	4.6
Costa Rica	4.3	3.6	3.9	4.1
Dominican Republic	5.2	4.1	4.5	4.5
Thailand	4.2	2.8	2.0	4.0
2000-12 Avg.				
Canada	2.2	2.0	2.2	2.5
U.S.	1.9	1.9	2.6	3.2

Source: Scotia Economics, as of May 21, 2014

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PCL Ratios

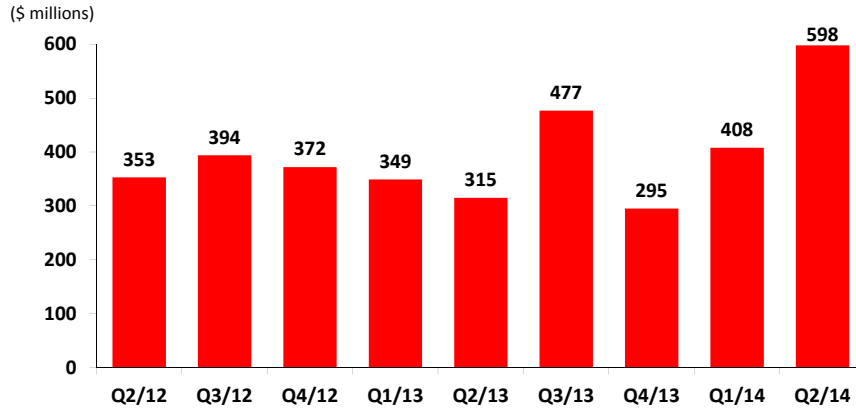
(Total PCL as % of average loans & BAs)	Q2/13	Q3/13	Q4/13	Q1/14	Q2/14
Canadian Banking					
Retail	0.18	0.17	0.17	0.19	0.22
Commercial	0.42	0.06	0.13	0.20	0.16
Total	0.21	0.16	0.17	0.19	0.21
International Banking					
Retail	2.15	2.06	1.93	2.08	2.11
Commercial	0.10	0.11	0.25	0.20	0.21
Total	0.87	0.84	0.87	0.87	0.91
Global Wealth & Insurance	0.10	0.05	–	–	0.01
Global Banking & Markets					
Corporate Banking	0.13	0.12	(0.02)	0.03	0.05
All Bank	0.35	0.31	0.31	0.34	0.36

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.

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Net Formations of Impaired Loans¹

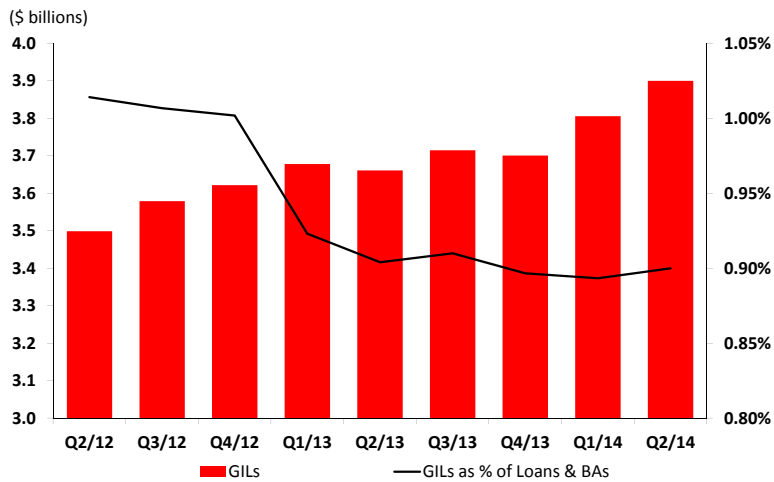


(1) Excludes Federal Deposit Insurance Corporation (FDIC) guaranteed loans related to the acquisition of R-G Premier Bank of Puerto Rico

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Gross Impaired Loans¹



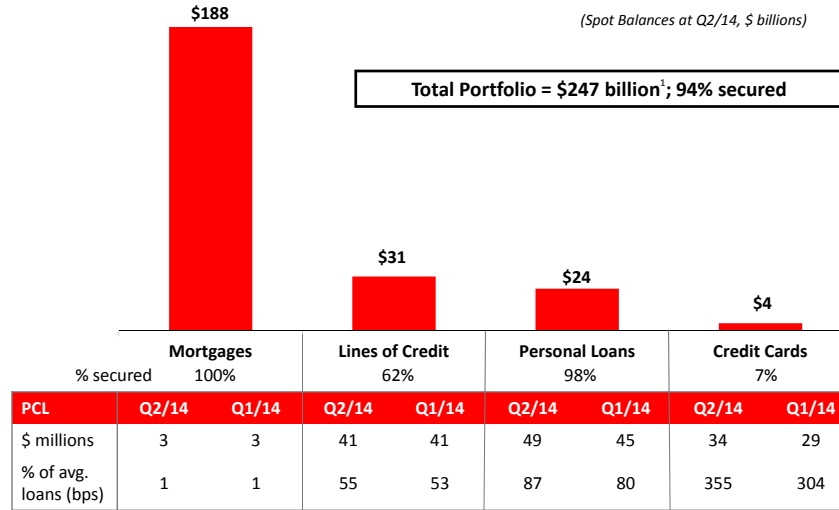
(1) Excludes Federal Deposit Insurance Corporation (FDIC) guaranteed loans related to the acquisition of R-G Premier Bank of Puerto Rico

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Canadian Banking Retail: Loans and Provisions

(Spot Balances at Q2/14, \$ billions)



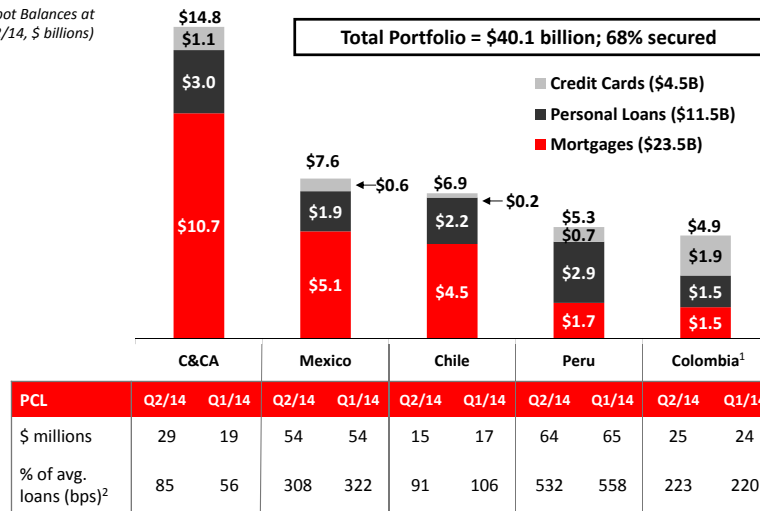
(1) Includes Tangerine balances of \$23 billion

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International Retail Loans and Provisions

(Spot Balances at Q2/14, \$ billions)



Note: Excludes non-material portfolios, except Total Portfolio

(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.

(2) Q1/14 restated to reflect enhanced methodology.

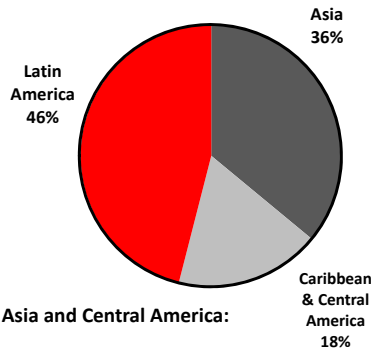
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International Banking Commercial Lending Portfolio

Q2/14 = \$67 billion

(Average Balances)



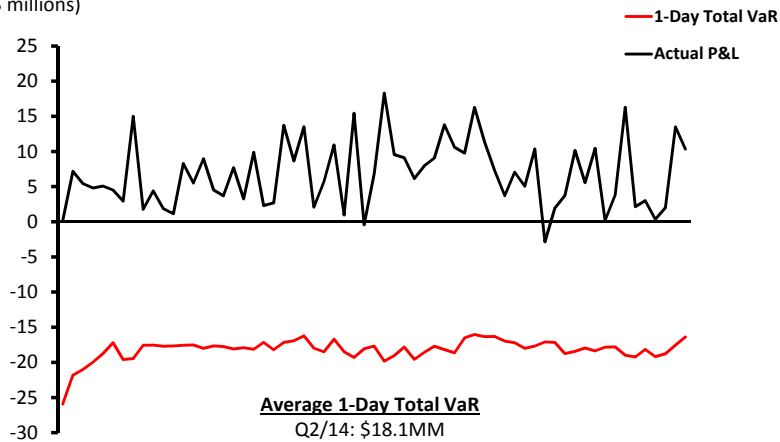
- Portfolios in Latin America, Asia and Central America:
 - Performing well
 - Well secured
- Continue to closely manage Caribbean portfolio
- Strong pipeline growth Y/Y
- Solid client growth in the mid-market segment

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Q2 2014 Trading Results and One-Day Total VaR

(\$ millions)



Average 1-Day Total VaR

Q2/14: \$18.1MM

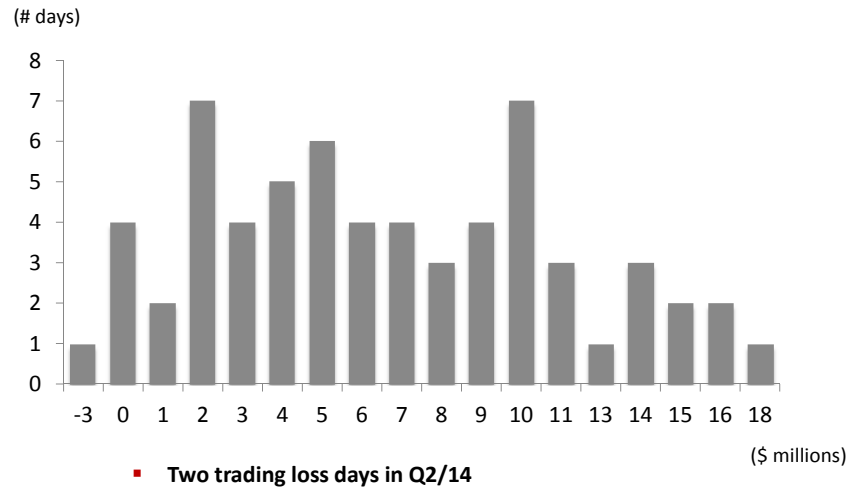
Q1/14: \$19.7MM

Q2/13: \$16.8MM

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Q2 2014 Trading Results



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