



Scotiabank

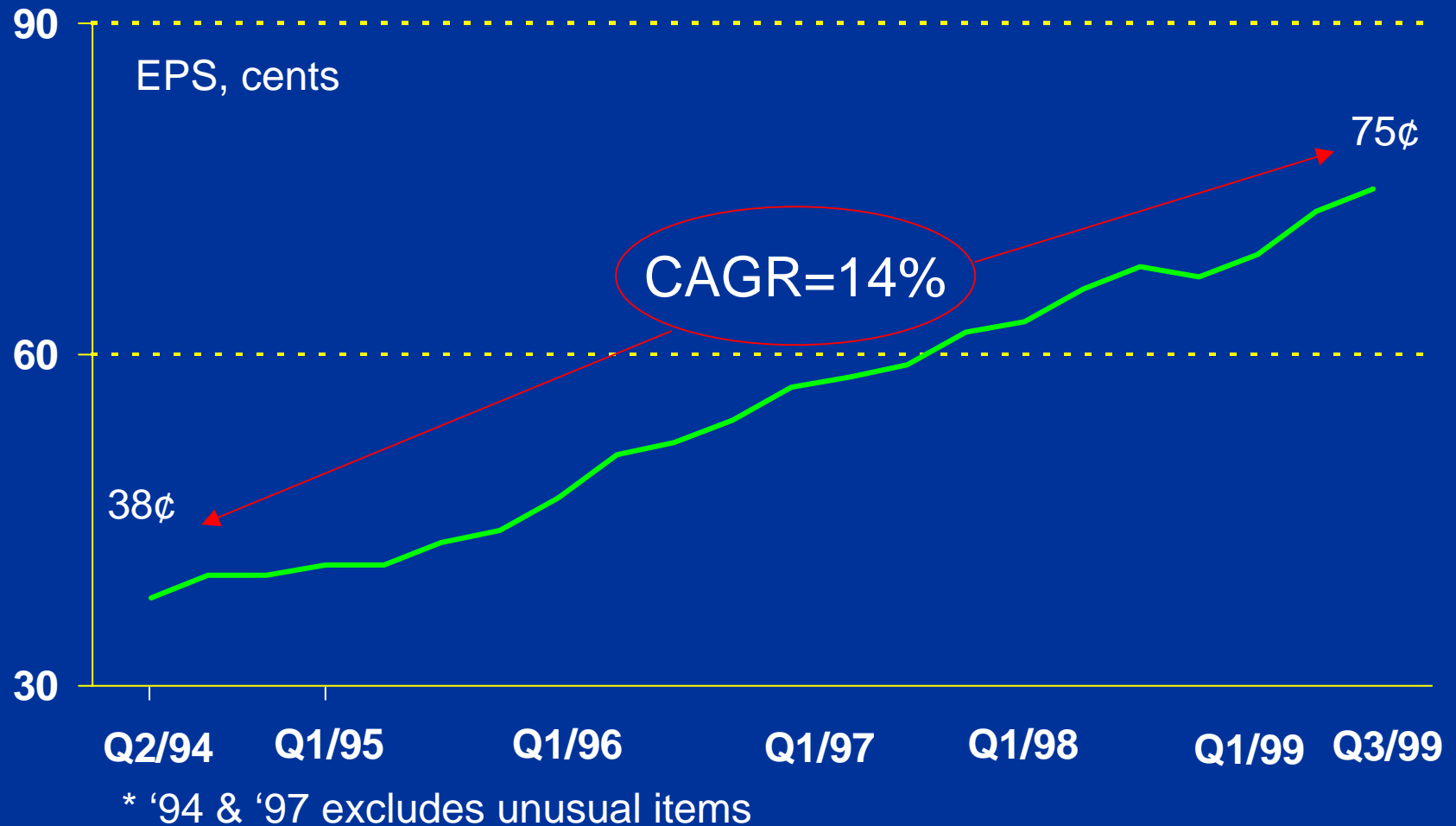
Investor Presentation

July 31, 1999

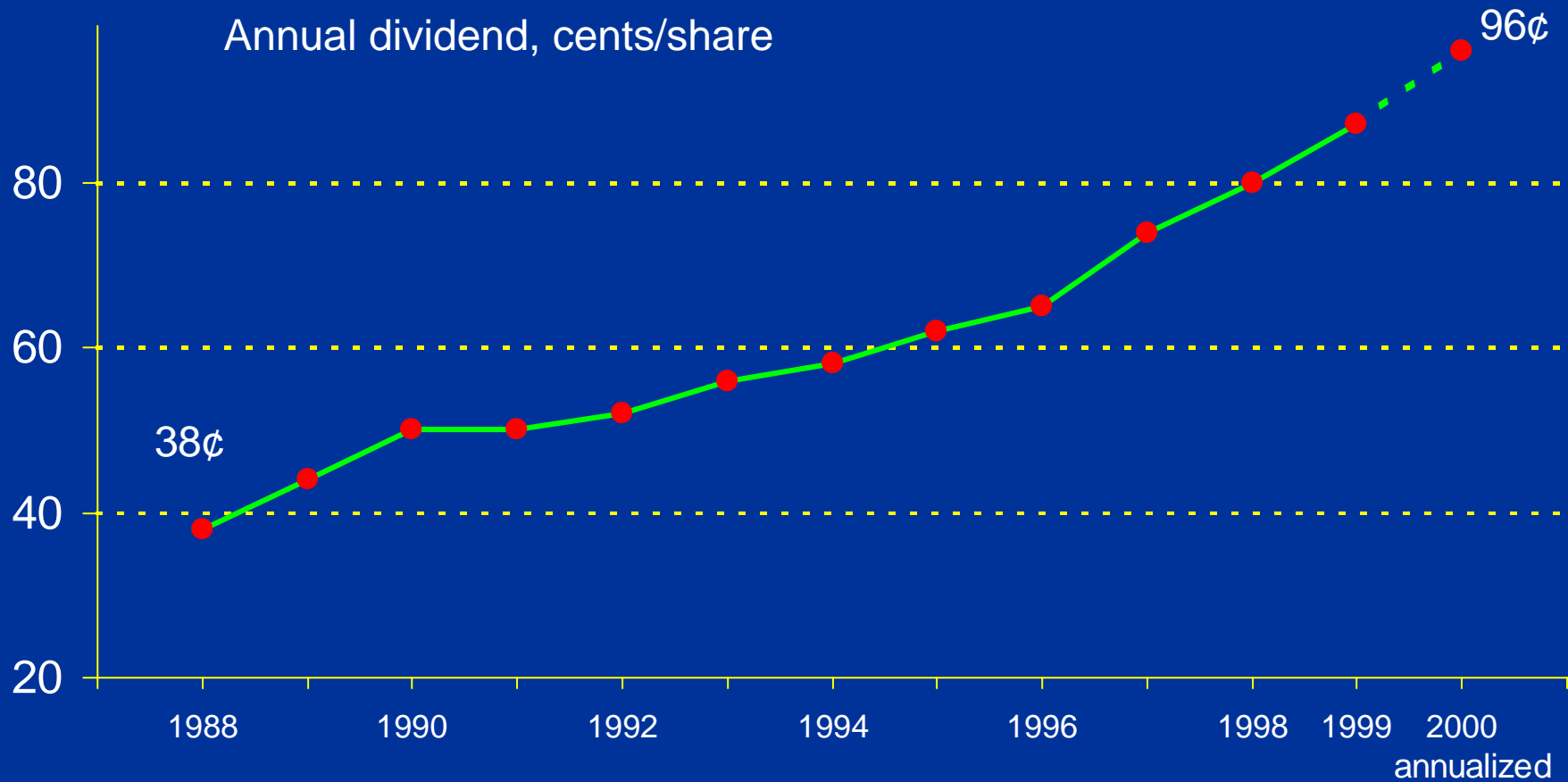
Performance highlights

- net income: \$397 million, +11% year-over-year
 - strong revenue momentum
 - good contribution from all businesses
- stable asset quality
- strengthened capital ratios
- increase in dividend: +3 cents

Continuing record of earnings growth



Consistent record of increasing dividends



Exceeded 1999 targets to date

	<u>9 months 1999</u>		<u>1999 Goals</u>	<u>Medium Term Goals</u>
ROE	15.3%	vs.	14%+	16-18%
EPS growth	10.2%	vs.	10%+	12-15%
Productivity	59.9%*	vs.	<60%	<60%
Tier 1	8.0%	vs.	7%	7.5%+

* excluding special gain of \$77 million in Q1/99

Solid growth in core operating income

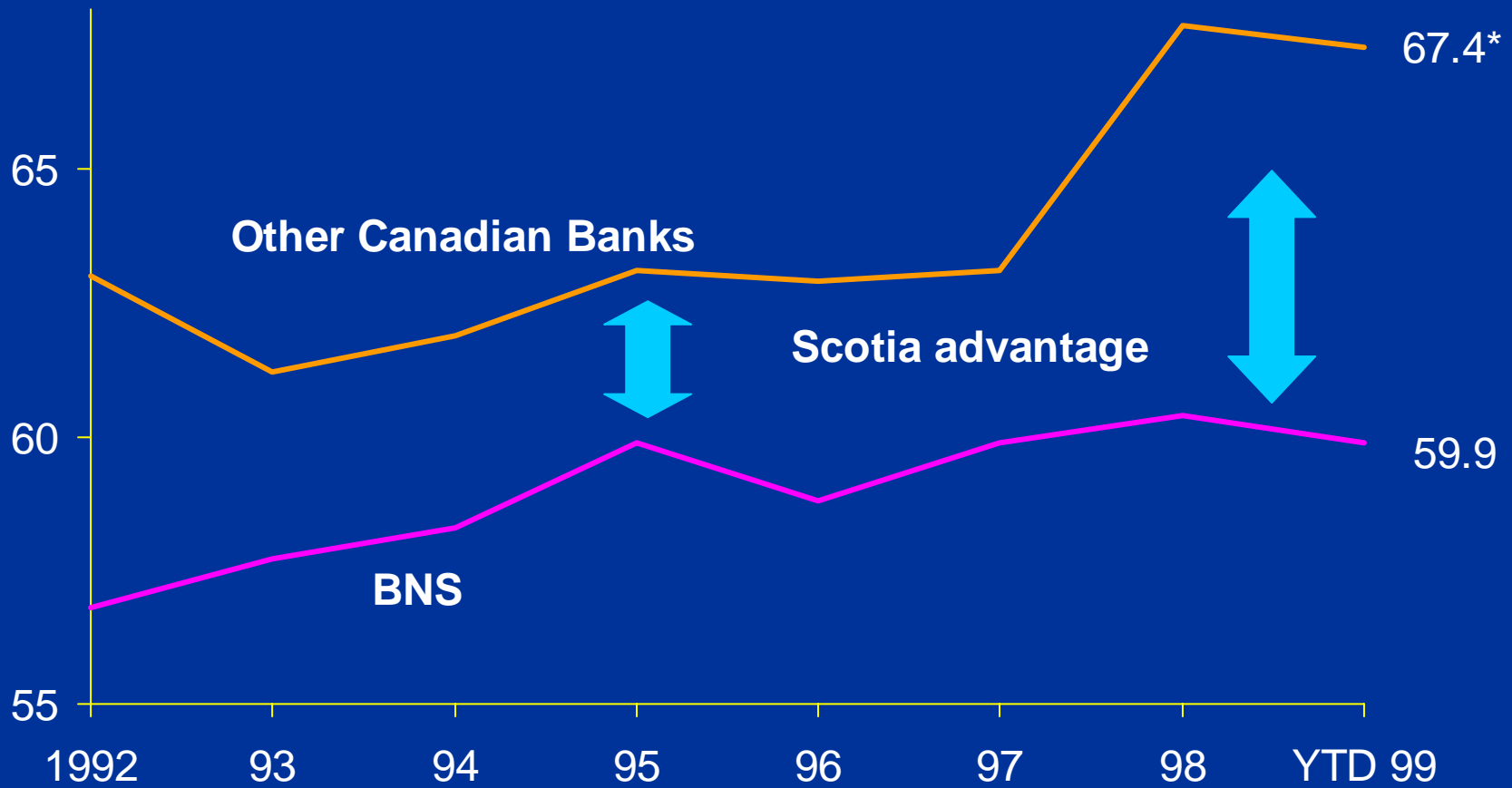
\$ millions

<u>Q3/99</u>	<u>Q3/98</u>	<u>change</u>		<u>YTD/99</u>	<u>YTD/98</u>	<u>change</u>
1,193	1,152	4 %	Net interest income (TEB)	3,608	3,320	9 %
719	648	11 %	Other income*	2,124	1,920	11 %
1,912		6 %	Total revenues	5,732	5,240	9 %
	1,800					
1,196	1,133	6 %	Total non-interest expenses	3,520	3,303	7 %
716	667	7 %	Operating income (TEB)	2,212	1,937	14 %
89	65		* <u>Excludes:</u>	241	248	
(22)	-		Security gains	(22)	-	
			Real Estate write-down			

Non-interest expenses

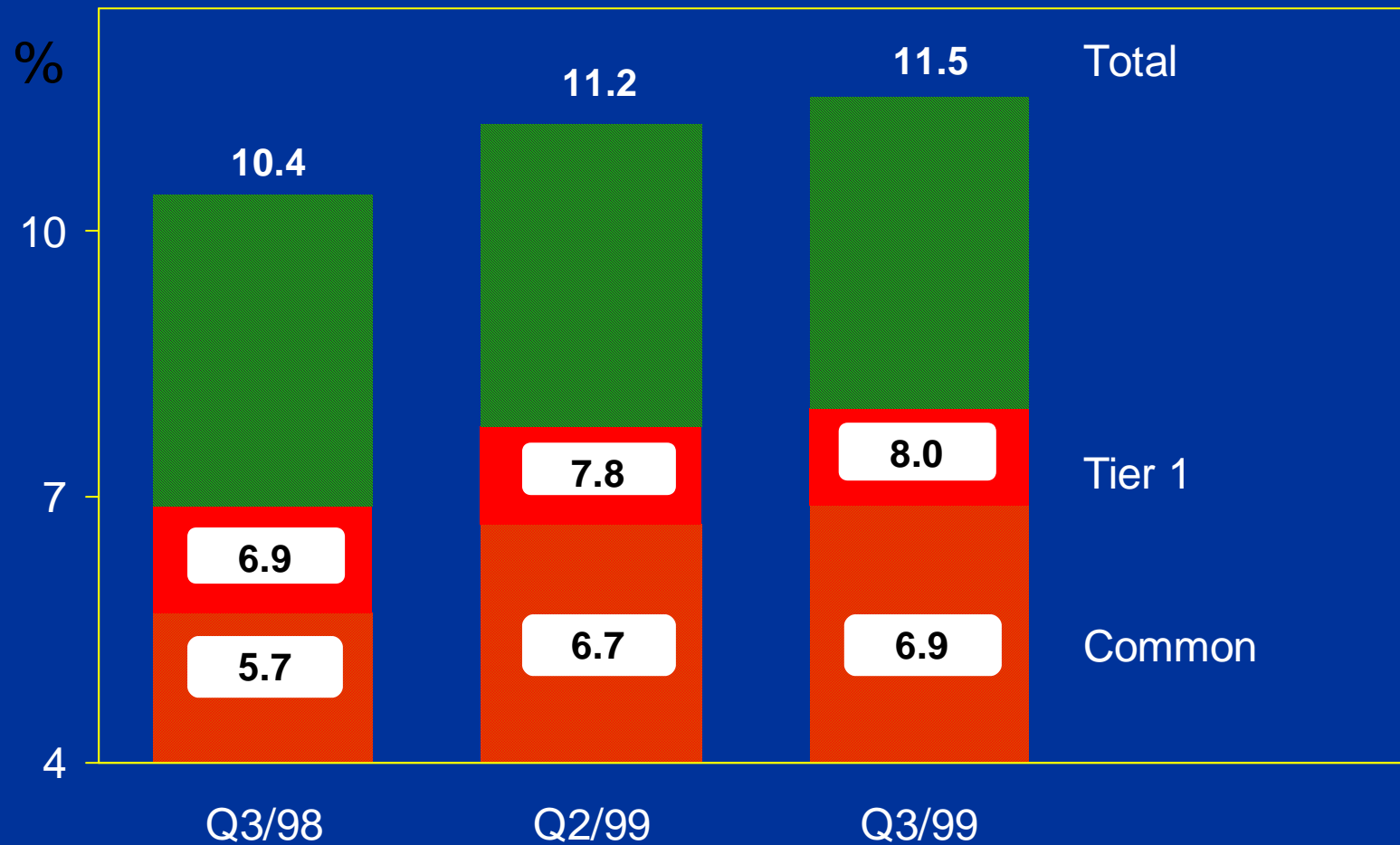
	<u>Q3/Q3</u>
Reported Increase in Expenses	<u>5.6%</u>
● Performance Related	2.0%
● Strategic Initiatives	1.7%
● Base	1.9%

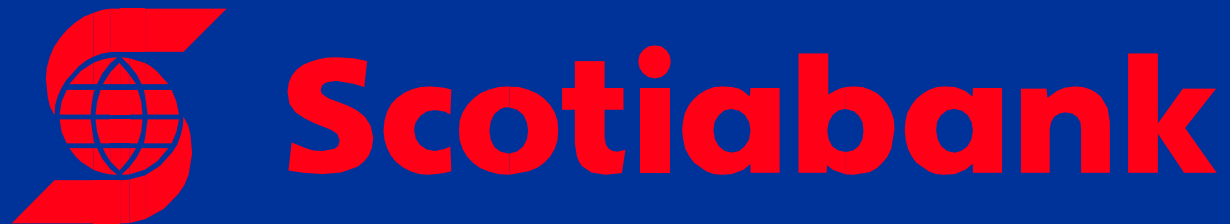
Productivity advantage expenses as a % of revenues



* Q2/99 YTD

Capital ratios: strengthening





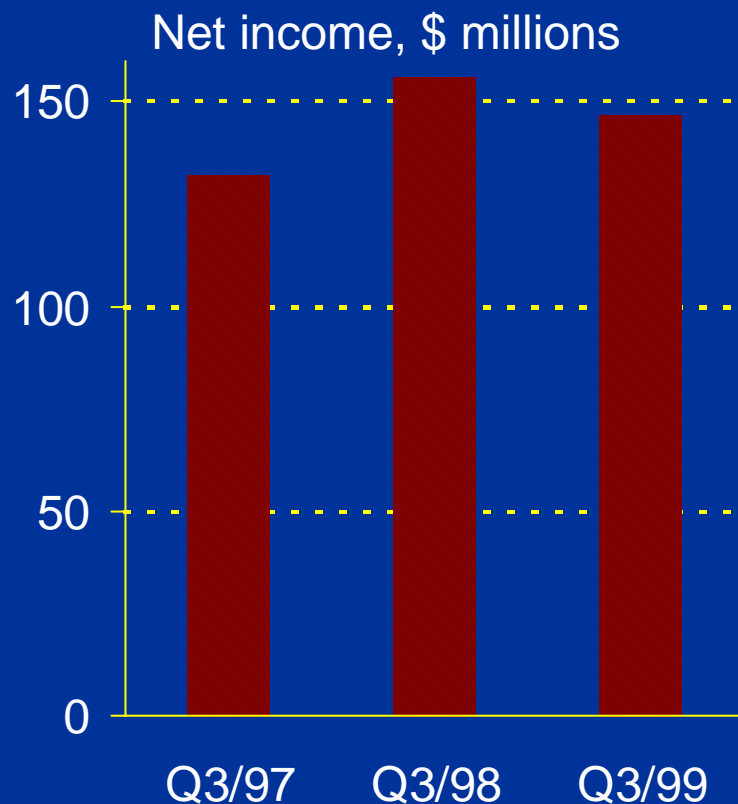
Business Lines

Domestic Retail & Commercial

International

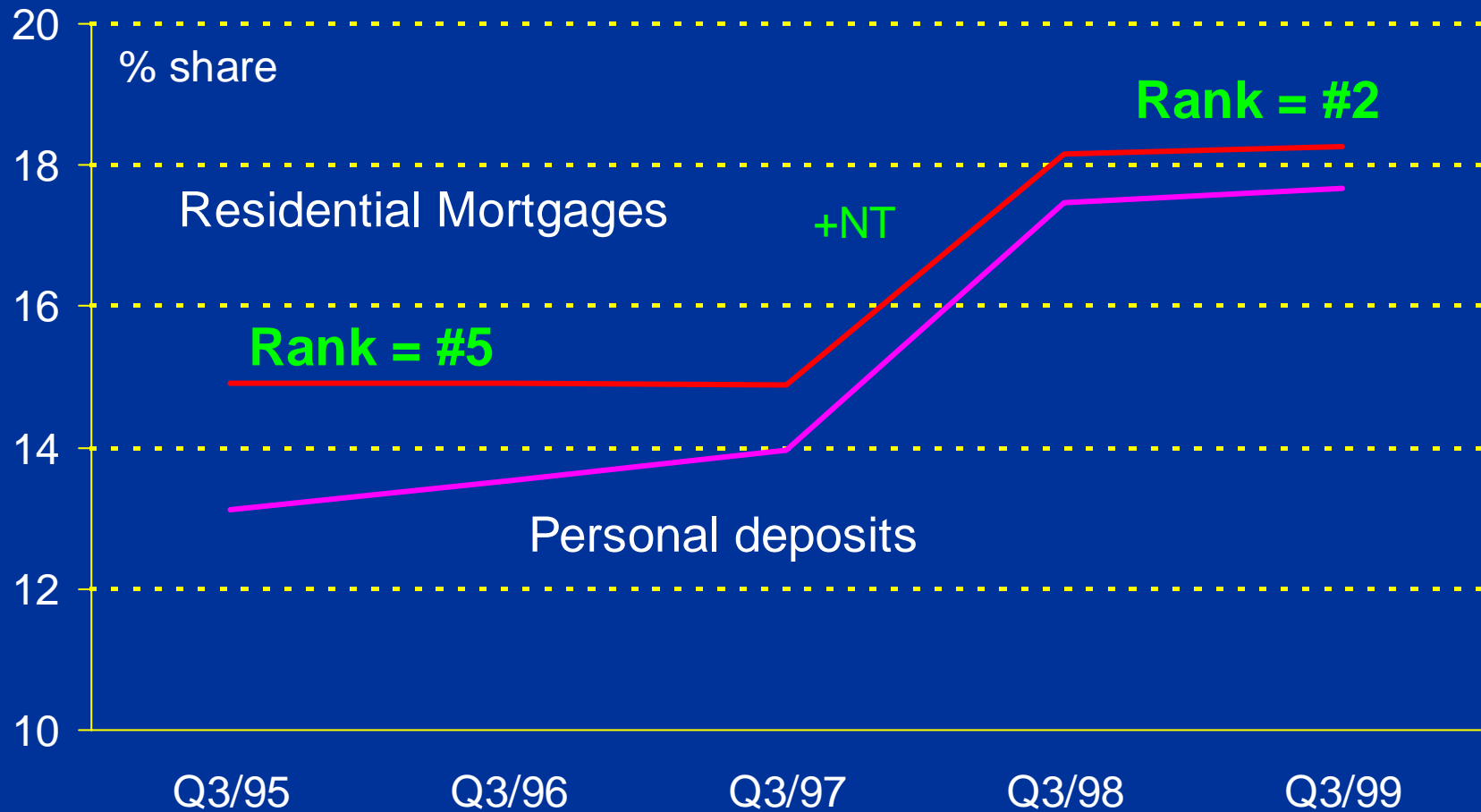
Corporate & Investment

Domestic Retail & Commercial

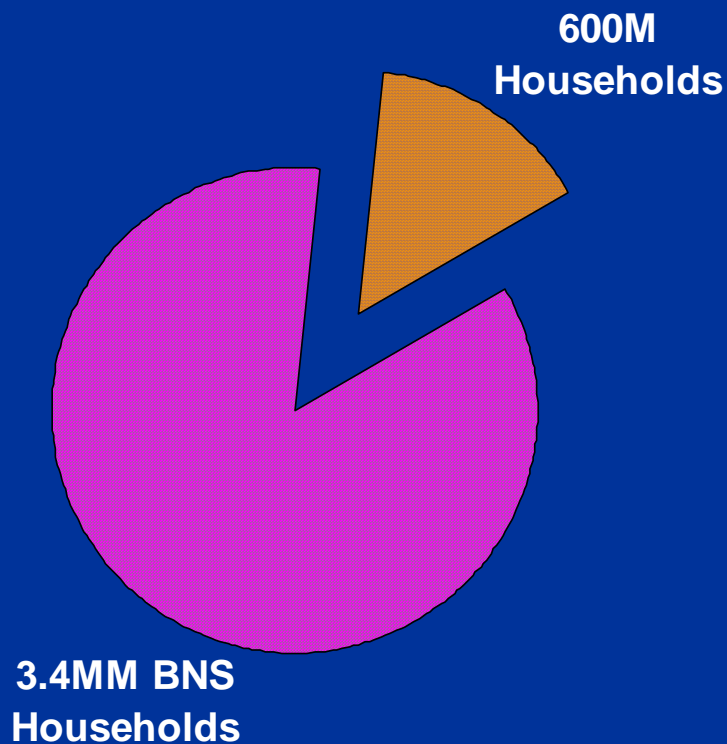


- good volume growth
 - mortgages up 10%
 - business lending up 8%
- some margin pressure
- strong fee income
- technology initiatives

Strong market share performance



National Trust integration completed



- branches now all converted
- systems fully integrated
- customer retention better than target

Customer sales & service initiatives

- sales & service program
 - successful pilot (Markham, Ont.)
 - national roll-out starting Q1/2000
- paperless teller platform
- substantial cost savings in 1999/2000

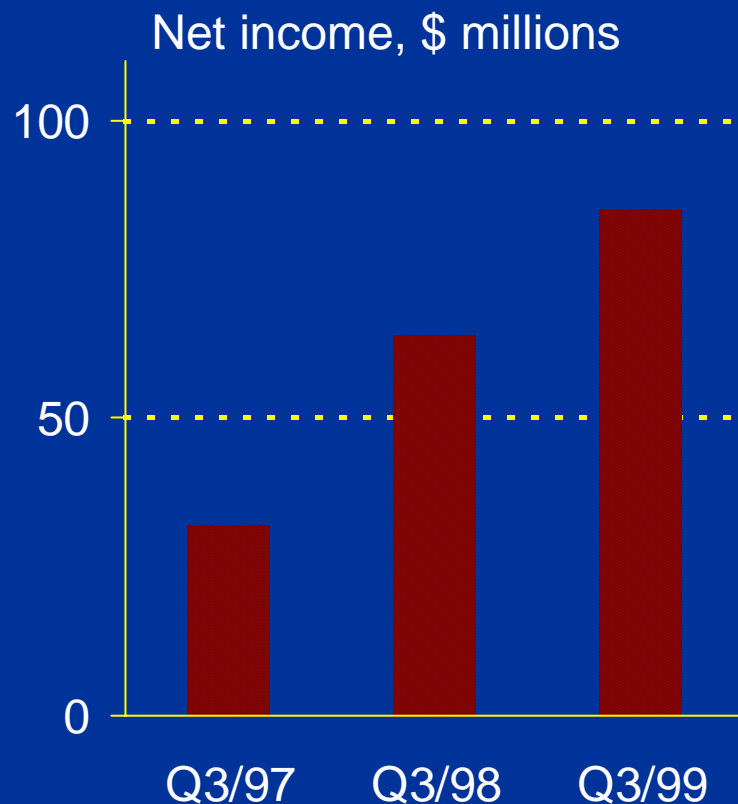
Electronic Banking

3 new initiatives this quarter

- partnership with Rogers Cantel
 - Interactive Messaging
- mobile Point-of-Sale terminals
- ABM access to investment and balance inquiries



International - continuing turnaround



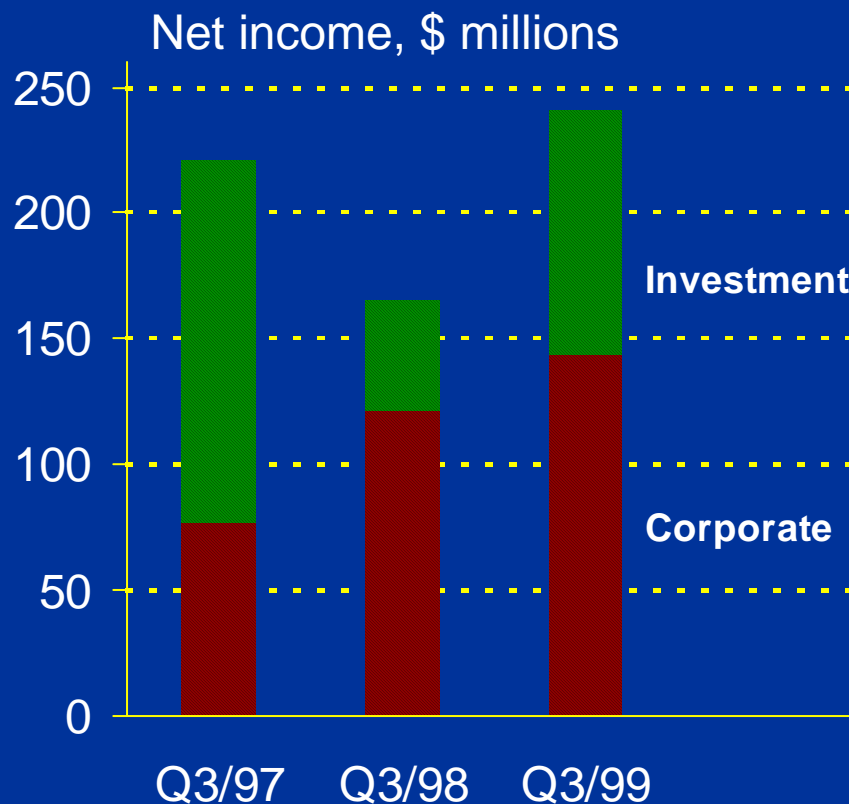
- excellent results in the Caribbean
- lower credit losses in Asia
- progress in Latin America

International - priorities



- building our investments in 3 key markets
 - Mexico, Argentina & Chile
 - acquired control of Banco Sud Americano (Chile)
- expanding presence in India
 - Scotiabank
 - 5th branch (Hyderabad)

Corporate & Investment Banking - strong performance



- strong credit fees
 - US, Canada & Europe
- solid quarter for several areas in Scotia Capital Markets
- good Treasury performance

Corporate & Investment Banking priorities

- integration of Corporate Banking and Scotia Capital Markets - on track for Nov. 1, 1999
- pricing and ROE discipline
- managing risk asset growth

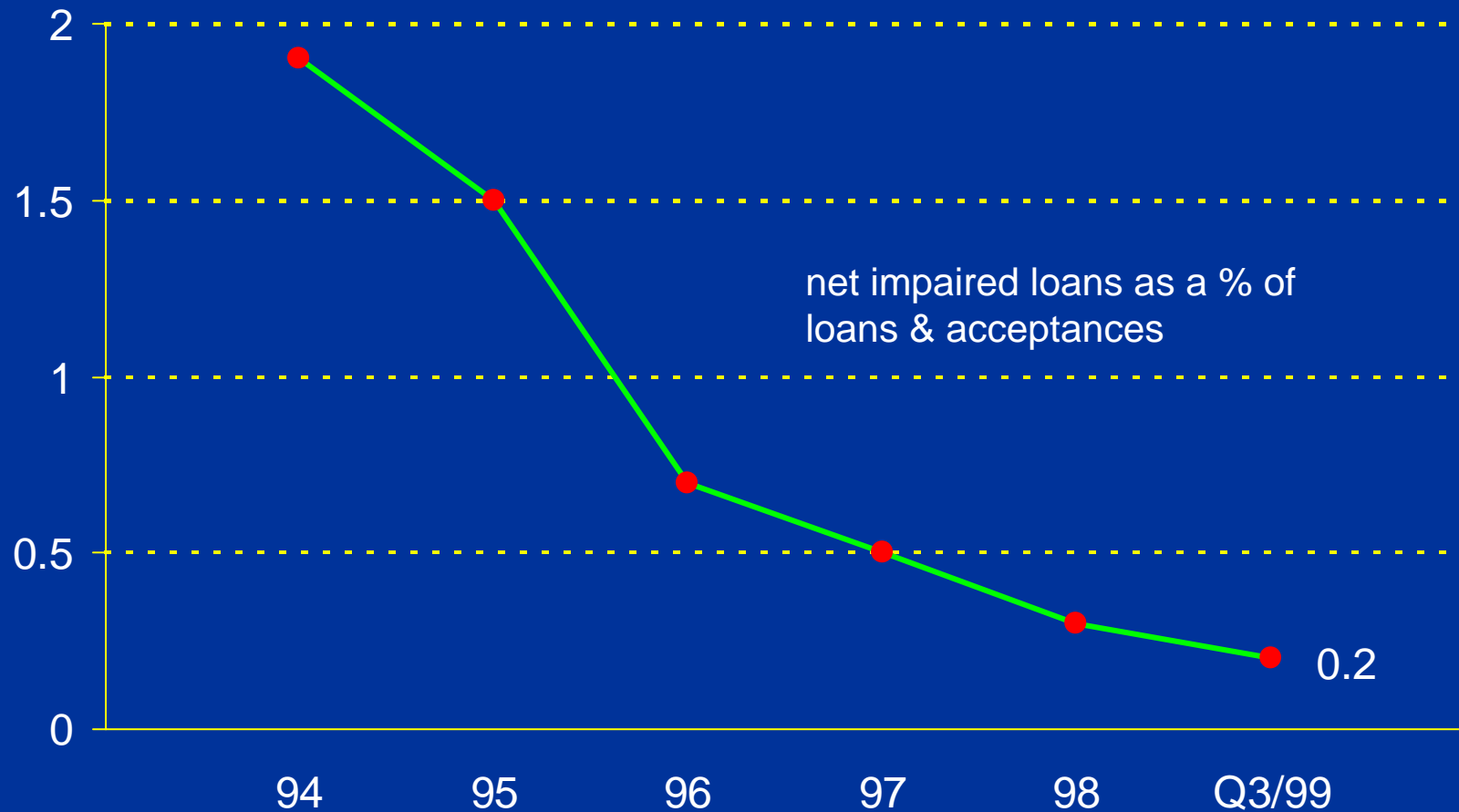


Risk Management

Risk management overview

- specific credit losses for 1999 unchanged at \$435mm
- net impaired loans:
 - decreases in Canada
 - formation in U.S.
- Asia & Latin America portfolios stable
- review of general provisions in Q4

Steadily improving net impaired loans



Emerging markets: low risk portfolio

July 31, 1999 - US\$ billions

	Asia	Latin America	Total	% of total assets
Total cross-border exposure	2.5	3.0	5.5	3.6
- less Trade	0.4	0.5	0.9	0.5
- less Bradys/Govt Securities	0.2	1.3	1.5	1.0
Remaining exposure	1.9	1.2	3.1	2.1%

Going forward

- on track to meet or exceed 1999 targets
- capitalize on revenue opportunities for 2000 & beyond
- focus on improving ROE
- maintain productivity leadership
- strengthen balance sheet

This presentation includes forward-looking statements about objectives, strategies, and expected financial results to assist investors and others in assessing The Bank of Nova Scotia's prospective financial condition and results. Such forward-looking statements are inherently subject to uncertainties beyond the Bank's control, including but not limited to economic and financial conditions globally, regulatory developments in Canada and elsewhere, technological developments, and competition. The reader is cautioned that the Bank's actual performance could differ materially from such forward-looking statements.



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