

# SUPPLEMENTARY FINANCIAL INFORMATION



October 31, 2007

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# HIGHLIGHTS



	QUARTERLY TREND								FULL YEAR			
	2007				2006				2005	2007	2006	2005
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4			
<b>Operating Performance:</b>												
Net Income (\$MM)	954	1,032	1,039	1,020	897	936	894	852	811	4,045	3,579	3,209
Net Income available to Common Shareholders (\$MM)	938	1,016	1,028	1,012	890	928	887	844	803	3,994	3,549	3,184
EPS (\$) - basic	0.95	1.03	1.04	1.02	0.90	0.94	0.90	0.85	0.81	4.04	3.59	3.19
- diluted	0.95	1.02	1.03	1.01	0.89	0.93	0.89	0.84	0.80	4.01	3.55	3.15
ROE (%)	21.0	21.7	22.4	22.1	21.1	22.8	23.2	21.6	20.5	22.0	22.1	20.9
Net Interest Margin (%) (1)	1.87	1.86	1.93	1.91	1.89	1.98	1.97	1.97	1.97	1.89	1.95	2.00
Productivity Ratio (TEB) (%)	54.4	53.0	53.8	53.6	56.9	53.8	55.3	55.2	57.8	53.7	55.3	56.3
Effective Tax Rate (%)	17.1	21.8	21.1	21.0	18.0	20.2	17.9	20.5	20.4	20.3	19.2	20.5
Effective Tax Rate (TEB) (%)	29.9	27.2	27.0	26.8	26.5	26.3	25.5	26.9	25.8	27.7	26.3	26.3
<b>Cash Flow:</b>												
Cash Net Income available to Common Shareholders (\$MM) (2)	946	1,023	1,035	1,020	898	934	893	849	809	4,024	3,574	3,203
Cash EPS (\$) - basic (2)	0.96	1.04	1.04	1.03	0.91	0.95	0.90	0.86	0.81	4.07	3.62	3.21
- diluted (2)	0.96	1.03	1.03	1.02	0.90	0.93	0.89	0.85	0.80	4.04	3.57	3.16
Cash ROE (%) (2)	21.1	21.9	22.6	22.2	21.3	23.0	23.3	21.7	20.7	22.2	22.3	21.1
<b>Balance Sheet:</b>												
Total Assets (\$B)	411.5	408.1	411.7	396.5	379.0	365.0	357.0	325.0	314.0			
Loans and Acceptances (\$B)	238.7	233.0	226.3	222.7	212.3	202.9	192.2	180.7	178.0			
Deposits (\$B)	288.5	287.0	291.6	277.0	263.9	255.2	247.6	227.5	217.4			
Common Shareholders' Equity (\$B)	17.2	18.4	18.7	18.9	16.9	16.5	15.8	15.6	15.5			
<b>Credit Quality:</b>												
Net Impaired Loans (\$MM) (3)	601	584	579	579	570	479	579	659	681			
General Allowance for Credit Losses (\$MM)	1,298	1,298	1,298	1,323	1,307	1,330	1,330	1,330	1,330			
Net Impaired Loans as % of Loans and Acceptances (3)	0.25	0.25	0.26	0.26	0.27	0.24	0.30	0.36	0.38			
Specific Provisions (\$MM)	95	92	45	63	92	74	35	75	81	295	276	275
- % of Average Loans and Acceptances	0.16	0.16	0.08	0.12	0.18	0.15	0.08	0.17	0.18	0.13	0.14	0.16
<b>Risk-Weighted Capital Ratios (%):</b>												
Tier 1	9.3	9.7	10.1	10.4	10.2	10.0	10.2	10.8	11.1			
Total	10.5	10.6	11.4	11.7	11.7	11.6	11.9	12.7	13.2			
Tangible Common Equity	7.2	7.7	8.0	8.4	8.3	8.4	8.5	9.0	9.3			
Risk-Weighted Assets (\$B)	218.3	219.8	213.1	206.8	197.0	190.3	180.1	168.9	162.8			

(1) Net Interest Income (TEB) as % of Average Total Assets.

(2) Excludes amortization of intangibles (net of taxes).

(3) Net Impaired Loans are Impaired Loans less Specific Allowance for Credit Losses.

# COMMON SHARE AND OTHER INFORMATION



	QUARTERLY TREND								FULL YEAR			
	2007				2006				2005	2007	2006	2005
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4			
<b>Valuation:</b>												
Book Value per Share (\$)	17.45	18.71	18.90	18.99	17.13	16.66	15.98	15.76	15.64	17.45	17.13	15.64
Share Price (\$) - High	53.49	54.67	54.73	53.39	49.50	47.24	48.67	49.80	44.22	54.73	49.80	44.22
- Low	46.70	48.91	49.34	48.80	45.36	41.55	45.03	42.89	40.31	46.70	41.55	36.41
- Close	53.48	49.45	53.39	50.76	49.30	45.55	46.52	46.25	42.99	53.48	49.30	42.99
Share Price (Closing) as % Book Value	306.5	264.3	282.5	267.3	287.8	273.4	291.1	293.5	274.9	306.5	287.8	274.9
Price (Closing)/Earnings Ratio (X) (1)	13.2	12.4	13.7	13.5	13.7	13.0	13.9	14.2	13.5	13.2	13.7	13.5
Market Capitalization (\$MM)	52,612	48,578	52,840	50,397	48,783	45,022	45,950	45,696	42,568	52,612	48,783	42,568

## Dividends:

Common Dividends Paid (\$MM)	442	445	417	416	386	385	356	356	338	1,720	1,483	1,317
Common Dividends/Share (\$)	0.45	0.45	0.42	0.42	0.39	0.39	0.36	0.36	0.34	1.74	1.50	1.32
Payout Ratio (%)	47.1	43.7	40.6	41.2	43.3	41.5	40.1	42.2	42.1	43.1	41.8	41.4
Dividend Yield (%)	3.6	3.5	3.2	3.3	3.3	3.5	3.1	3.1	3.2	3.4	3.3	3.3

## Shares:

Number of Common Shares Outstanding at Period End (MM)	984	982	990	993	990	988	988	988	990			
Average Number of Common Shares Outstanding (MM) -- Basic	983	988	992	991	989	988	988	989	995	989	988	998
-- Diluted	991	996	1,001	1,001	1,000	999	1,001	1,002	1,008	997	1,001	1,012

## Share Buybacks:

Number of Common Shares Purchased (M)	-	7,680	4,357	-	777	1,300	1,900	3,671	6,371	12,037	7,648	26,097
Average Purchase Price (\$)	-	51.47	53.52	-	46.53	44.84	45.66	45.87	42.33	52.21	45.71	40.51

## Other Information:

Employees	58,113	57,152	55,926	54,889	54,199	53,095	52,363	47,166	46,631
Branches and Offices	2,331	2,289	2,242	2,225	2,191	2,147	2,132	1,968	1,959
ABMs	5,283	5,127	5,069	5,018	4,937	4,833	4,781	4,498	4,449

## Senior Debt Credit Ratings:

Standard & Poor's	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-
Moody's	Aa1	Aa1	Aa1	Aa3	Aa3	Aa3	Aa3	Aa3	Aa3

(1) based on trailing 4 quarters' EPS.

# CONSOLIDATED STATEMENT OF INCOME AND NET INCOME AVAILABLE TO COMMON SHAREHOLDERS BY BUSINESS SEGMENT



(\$ MM)

## CONSOLIDATED STATEMENT OF INCOME:

	QUARTERLY TREND								FULL YEAR			
	2007				2006				2005	2007	2006	2005
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4			
Interest Income (TEB)	5,578	5,446	5,348	5,194	5,084	4,825	4,223	3,990	3,715	21,566	18,122	14,129
Interest Expense	3,646	3,533	3,445	3,313	3,301	3,009	2,579	2,385	2,134	13,937	11,274	7,932
Net Interest Income (TEB)	1,932	1,913	1,903	1,881	1,783	1,816	1,644	1,605	1,581	7,629	6,848	6,197
Other Income (see Page 9)	1,362	1,389	1,308	1,333	1,216	1,173	1,186	1,225	1,154	5,392	4,800	4,529
Total Revenue (TEB)	3,294	3,302	3,211	3,214	2,999	2,989	2,830	2,830	2,735	13,021	11,648	10,726
Taxable Equivalent Adjustment (TEB)	216	101	109	105	131	100	113	96	75	531	440	326
Total Revenue	3,078	3,201	3,102	3,109	2,868	2,889	2,717	2,734	2,660	12,490	11,208	10,400
Provision for Credit Losses	95	92	20	63	32	74	35	75	36	270	216	230
Total Non-interest Expenses (see Page 10)	1,792	1,752	1,726	1,724	1,708	1,608	1,565	1,562	1,579	6,994	6,443	6,043
Net Income before the undernoted:	1,191	1,357	1,356	1,322	1,128	1,207	1,117	1,097	1,045	5,226	4,549	4,127
Provision for Income Taxes	204	296	286	277	203	244	200	225	214	1,063	872	847
Non-controlling Interest in Net Income of Subsidiaries	33	29	31	25	28	27	23	20	20	118	98	71
<b>Net Income</b>	<b>954</b>	<b>1,032</b>	<b>1,039</b>	<b>1,020</b>	<b>897</b>	<b>936</b>	<b>894</b>	<b>852</b>	<b>811</b>	<b>4,045</b>	<b>3,579</b>	<b>3,209</b>
Preferred Dividends Paid	16	16	11	8	7	8	7	8	8	51	30	25
Net Income available to Common Shareholders	938	1,016	1,028	1,012	890	928	887	844	803	3,994	3,549	3,184
Amortization of Intangibles (net of taxes)	8	7	7	8	8	6	6	5	6	30	25	19
<b>Cash Net Income available to Common Shareholders</b>	<b>946</b>	<b>1,023</b>	<b>1,035</b>	<b>1,020</b>	<b>898</b>	<b>934</b>	<b>893</b>	<b>849</b>	<b>809</b>	<b>4,024</b>	<b>3,574</b>	<b>3,203</b>

## NET INCOME AVAILABLE TO COMMON SHAREHOLDERS BY BUSINESS SEGMENT:

	2007 Q4	2007 Q3	2007 Q2	2007 Q1	2006 Q4	2006 Q3	2006 Q2	2006 Q1	2005 Q4	2007	2006	2005
Domestic Banking (1)	434	391	364	361	335	319	296	329	326	1,550	1,279	1,253
International Banking	353	270	293	316	268	285	268	233	174	1,232	1,054	800
Scotia Capital	226	276	318	294	235	278	276	258	229	1,114	1,047	915
Other (2)	(75)	79	53	41	52	46	47	24	74	98	169	216
<b>Total Bank</b>	<b>938</b>	<b>1,016</b>	<b>1,028</b>	<b>1,012</b>	<b>890</b>	<b>928</b>	<b>887</b>	<b>844</b>	<b>803</b>	<b>3,994</b>	<b>3,549</b>	<b>3,184</b>

(1) includes Wealth Management.

(2) represents smaller operating segments including Group Treasury and corporate adjustments.

**BUSINESS SEGMENT PERFORMANCE -- DOMESTIC BANKING**


(\$MM)	QUARTERLY TREND								FULL YEAR			
	2007				2006				2005	2007	2006	2005
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4			
Net Interest Income (TEB)	954	1,006	942	953	957	932	884	909	929	3,855	3,682	3,576
Other Income	663	537	530	518	498	480	485	472	474	2,248	1,935	1,819
Total Revenue (TEB)	1,617	1,543	1,472	1,471	1,455	1,412	1,369	1,381	1,403	6,103	5,617	5,395
Provision for Credit Losses	(78)	(77)	(66)	(74)	(58)	(69)	(88)	(64)	(69)	(295)	(279)	(274)
Non-interest Expenses	(927)	(892)	(870)	(870)	(912)	(879)	(845)	(833)	(870)	(3,559)	(3,469)	(3,296)
Provision for Income Taxes (TEB)	(173)	(179)	(169)	(164)	(147)	(143)	(138)	(153)	(136)	(685)	(581)	(566)
<b>Net Income</b>	<b>439</b>	<b>395</b>	<b>367</b>	<b>363</b>	<b>338</b>	<b>321</b>	<b>298</b>	<b>331</b>	<b>328</b>	<b>1,564</b>	<b>1,288</b>	<b>1,259</b>
Preferred Dividends Paid	(5)	(4)	(3)	(2)	(3)	(2)	(2)	(2)	(2)	(14)	(9)	(6)
<b>Net Income available to Common Shareholders</b>	<b>434</b>	<b>391</b>	<b>364</b>	<b>361</b>	<b>335</b>	<b>319</b>	<b>296</b>	<b>329</b>	<b>326</b>	<b>1,550</b>	<b>1,279</b>	<b>1,253</b>
Amortization of Intangibles (net of taxes)	6	6	5	6	7	4	5	5	4	23	21	17
<b>Cash Net Income available to Common Shareholders</b>	<b>440</b>	<b>397</b>	<b>369</b>	<b>367</b>	<b>342</b>	<b>323</b>	<b>301</b>	<b>334</b>	<b>330</b>	<b>1,573</b>	<b>1,300</b>	<b>1,270</b>
ROE (%)	37.0	31.8	32.0	31.1	27.3	26.3	27.3	30.5	30.1	33.0	27.8	31.0
Net Interest Margin (%)	2.33	2.56	2.58	2.58	2.62	2.67	2.74	2.78	2.89	2.51	2.70	2.90
Productivity Ratio (%)	57.3	57.8	59.1	59.1	62.7	62.3	61.7	60.3	62.0	58.3	61.8	61.1
<b>Average Balances (\$B):</b>												
Total Assets	163	156	149	146	145	139	132	130	127	154	136	123
Residential Mortgages	104	98	94	91	90	85	80	78	76	97	83	74
Personal Loans	35	34	33	33	33	32	31	31	31	34	32	29
Business Loans & Acceptances	24	24	22	22	22	22	21	21	20	23	21	20
Personal Deposits	77	76	75	74	73	72	71	70	68	76	71	67
Non-personal Deposits	41	41	39	40	39	36	34	34	33	40	36	32
<b>Other:</b>												
Branches	1,005	988	981	977	972	967	964	953	954			
Wealth Management Offices	99	98	98	99	100	99	99	97	97			
Employees	21,827	21,637	21,253	20,865	20,810	20,728	20,498	19,945	19,661			
ABMs	2,852	2,808	2,782	2,761	2,742	2,703	2,680	2,656	2,624			

**BUSINESS SEGMENT PERFORMANCE -- INTERNATIONAL BANKING**


(\$MM)	QUARTERLY TREND								FULL YEAR			
	2007				2006				2005	2007	2006	2005
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4			
Net Interest Income (TEB)	710	703	679	670	628	607	542	529	506	2,762	2,306	1,969
Other Income	380	250	300	297	267	237	220	215	202	1,227	939	793
Total Revenue (TEB)	1,090	953	979	967	895	844	762	744	708	3,989	3,245	2,762
Provision for Credit Losses	(27)	(25)	(30)	(19)	(8)	(24)	(1)	(27)	(16)	(101)	(60)	(70)
Non-interest Expenses	(582)	(558)	(577)	(562)	(555)	(477)	(443)	(452)	(486)	(2,279)	(1,927)	(1,712)
Provision for Income Taxes (TEB)	(89)	(65)	(44)	(43)	(34)	(29)	(25)	(10)	(10)	(241)	(98)	(103)
Non-controlling Interest in Net Income of Subsidiaries	(33)	(29)	(31)	(25)	(28)	(27)	(23)	(20)	(20)	(118)	(98)	(71)
<b>Net Income</b>	<b>359</b>	<b>276</b>	<b>297</b>	<b>318</b>	<b>270</b>	<b>287</b>	<b>270</b>	<b>235</b>	<b>176</b>	<b>1,250</b>	<b>1,062</b>	<b>806</b>
Preferred Dividends Paid	(6)	(6)	(4)	(2)	(2)	(2)	(2)	(2)	(2)	(18)	(8)	(6)
<b>Net Income available to Common Shareholders</b>	<b>353</b>	<b>270</b>	<b>293</b>	<b>316</b>	<b>268</b>	<b>285</b>	<b>268</b>	<b>233</b>	<b>174</b>	<b>1,232</b>	<b>1,054</b>	<b>800</b>
Amortization of Intangibles (net of taxes)	1	1	2	1	1	1	-	-	1	5	2	1
<b>Cash Net Income available to Common Shareholders</b>	<b>354</b>	<b>271</b>	<b>295</b>	<b>317</b>	<b>269</b>	<b>286</b>	<b>268</b>	<b>233</b>	<b>175</b>	<b>1,237</b>	<b>1,056</b>	<b>801</b>
ROE (%)	21.3	16.1	18.7	22.2	21.1	23.9	26.2	22.9	17.5	19.5	23.4	21.6
Net Interest Margin (%)	4.32	4.27	4.03	4.09	4.20	4.19	4.15	4.06	3.93	4.18	4.15	3.95
Productivity Ratio (%)	53.4	58.6	58.9	58.1	62.0	56.5	58.1	60.8	68.6	57.1	59.4	62.0
<b>Average Balances (\$B):</b>												
Total Assets	65	65	69	65	59	57	54	52	51	66	56	50
Personal Loans & Mortgages	15	15	15	14	13	12	12	11	10	15	12	10
Business Loans & Acceptances	26	25	28	26	23	22	19	19	19	26	21	18
Securities	15	15	16	14	13	13	13	14	14	15	13	14
Total Deposits	48	49	50	48	44	43	40	38	37	49	41	37
<b>Other:</b>												
Branches and Offices	1,178	1,154	1,114	1,100	1,070	1,030	1,019	870	860			
Employees	26,829	26,087	25,545	24,919	24,447	23,311	23,063	18,463	18,297			
ABMs	2,431	2,319	2,287	2,257	2,195	2,130	2,101	1,842	1,825			

**BUSINESS SEGMENT PERFORMANCE -- SCOTIA CAPITAL**


(\$MM)	QUARTERLY TREND								FULL YEAR			
	2007				2006				2005	2007	2006	2005
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4			
Net Interest Income (TEB)	364	231	296	269	251	262	229	209	201	1,160	951	849
Other Income	156	413	360	361	324	351	351	411	338	1,290	1,437	1,320
Total Revenue (TEB)	520	644	656	630	575	613	580	620	539	2,450	2,388	2,169
Provision for Credit Losses	10	10	51	30	(26)	19	54	16	7	101	63	71
Non-interest Expenses	(225)	(267)	(262)	(259)	(216)	(232)	(253)	(254)	(198)	(1,013)	(955)	(929)
Provision for Income Taxes (TEB)	(76)	(107)	(125)	(105)	(97)	(120)	(104)	(122)	(117)	(413)	(443)	(390)
<b>Net Income</b>	<b>229</b>	<b>280</b>	<b>320</b>	<b>296</b>	<b>236</b>	<b>280</b>	<b>277</b>	<b>260</b>	<b>231</b>	<b>1,125</b>	<b>1,053</b>	<b>921</b>
Preferred Dividends Paid	(3)	(4)	(2)	(2)	(1)	(2)	(1)	(2)	(2)	(11)	(6)	(6)
<b>Net Income available to Common Shareholders</b>	<b>226</b>	<b>276</b>	<b>318</b>	<b>294</b>	<b>235</b>	<b>278</b>	<b>276</b>	<b>258</b>	<b>229</b>	<b>1,114</b>	<b>1,047</b>	<b>915</b>
Amortization of Intangibles (net of taxes)	1	-	-	1	-	1	1	-	1	2	2	1
<b>Cash Net Income available to Common Shareholders</b>	<b>227</b>	<b>276</b>	<b>318</b>	<b>295</b>	<b>235</b>	<b>279</b>	<b>277</b>	<b>258</b>	<b>230</b>	<b>1,116</b>	<b>1,049</b>	<b>916</b>
ROE (%)	24.2	27.7	33.4	30.7	26.2	31.9	35.4	32.3	27.4	29.0	31.3	28.4
Net Interest Margin (%)	0.96	0.59	0.79	0.71	0.71	0.76	0.73	0.72	0.70	0.76	0.73	0.76
Productivity Ratio (%)	43.3	41.5	39.9	41.1	37.6	37.8	43.6	41.0	36.7	41.3	40.0	42.8
<b>Average Balances (\$B):</b>												
Total Assets	150	156	153	150	140	136	128	115	114	152	130	112
Business Loans & Acceptances	41	43	41	41	36	32	30	29	28	42	32	29
Securities Purchased Under Resale Agreements	23	23	20	22	22	19	19	18	21	22	20	19
Securities -- Trading	57	63	61	58	53	52	51	46	44	60	50	43
-- Other	6	6	14	14	14	14	11	6	5	10	11	5
Deposits with Banks	7	6	5	4	3	3	4	3	2	6	3	2
Total Deposits	29	24	28	25	26	22	21	20	22	26	22	20
Employees	1,468	1,471	1,395	1,418	1,382	1,410	1,354	1,369	1,379			

**BUSINESS SEGMENT PERFORMANCE -- OTHER (1)**


(\$MM)	QUARTERLY TREND								FULL YEAR			
	2007				2006				2005	2007		
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2007	2006	2005
Net Interest Income (2)	(312)	(128)	(123)	(116)	(184)	(85)	(124)	(138)	(130)	(679)	(531)	(523)
Other Income	163	189	118	157	127	105	130	127	140	627	489	597
Total Revenue	(149)	61	(5)	41	(57)	20	6	(11)	10	(52)	(42)	74
Provision for Credit Losses	-	-	25	-	60	-	-	-	42	25	60	43
Non-interest Expenses	(58)	(35)	(17)	(33)	(25)	(20)	(24)	(23)	(25)	(143)	(92)	(106)
Provision for Income Taxes (2)	134	55	52	35	75	48	67	60	49	276	250	212
<b>Net Income</b>	<b>(73)</b>	<b>81</b>	<b>55</b>	<b>43</b>	<b>53</b>	<b>48</b>	<b>49</b>	<b>26</b>	<b>76</b>	<b>106</b>	<b>176</b>	<b>223</b>
Preferred Dividends Paid	(2)	(2)	(2)	(2)	(1)	(2)	(2)	(2)	(2)	(8)	(7)	(7)
<b>Net Income available to Common Shareholders</b>	<b>(75)</b>	<b>79</b>	<b>53</b>	<b>41</b>	<b>52</b>	<b>46</b>	<b>47</b>	<b>24</b>	<b>74</b>	<b>98</b>	<b>169</b>	<b>216</b>
Amortization of Intangibles (net of taxes)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Cash Net Income available to Common Shareholders</b>	<b>(75)</b>	<b>79</b>	<b>53</b>	<b>41</b>	<b>52</b>	<b>46</b>	<b>47</b>	<b>24</b>	<b>74</b>	<b>98</b>	<b>169</b>	<b>216</b>
<b>Average Balances (\$B):</b>												
Total Assets	31	32	33	30	30	32	29	25	25	31	29	24
Deposits with Banks	14	14	13	11	13	12	12	11	11	13	12	11
Securities	13	13	13	13	12	13	12	12	11	13	12	10
Total Deposits	95	97	89	85	80	77	71	62	58	91	73	56

(1) represents smaller operating segments including Group Treasury and corporate adjustments.

(2) includes elimination of the tax-exempt income gross-up reported in net interest income and provision for income taxes in the three business segments reported on pages 4 to 6.



# NET INTEREST MARGIN, TRADING REVENUE AND ASSETS UNDER ADMINISTRATION & MANAGEMENT



	QUARTERLY TREND								FULL YEAR			
	2007				2006				2005	2007	2006	2005
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4			
<b>NET INTEREST MARGIN:</b>												
Net Interest Income (TEB) (\$MM)	1,932	1,913	1,903	1,881	1,783	1,816	1,644	1,605	1,581	7,629	6,848	6,197
Net Interest Income (TEB) as % of Average Total Assets	1.87	1.86	1.93	1.91	1.89	1.98	1.97	1.97	1.97	1.89	1.95	2.00
Net Interest Income (TEB) as % of Average Earning Assets	2.11	2.07	2.14	2.11	2.10	2.23	2.21	2.21	2.20	2.11	2.18	2.25
<b>TRADING REVENUE (TEB) (\$MM):</b>												
Securities Trading	(1)	(2)	24	44	25	6	34	80	28	65	145	175
Foreign Exchange and Precious Metals Trading	91	85	81	66	70	67	78	86	68	323	301	295
Derivative and Other Trading	64	229	151	137	159	114	147	165	111	581	585	464
<b>Total</b>	<b>154</b>	<b>312</b>	<b>256</b>	<b>247</b>	<b>254</b>	<b>187</b>	<b>259</b>	<b>331</b>	<b>207</b>	<b>969</b>	<b>1,031</b>	<b>934</b>
Reported in Other Income	(67)	217	151	149	138	99	157	243	126	450	637	594
Reported in Net Interest Income	221	95	105	98	116	88	102	88	81	519	394	340
<b>Total</b>	<b>154</b>	<b>312</b>	<b>256</b>	<b>247</b>	<b>254</b>	<b>187</b>	<b>259</b>	<b>331</b>	<b>207</b>	<b>969</b>	<b>1,031</b>	<b>934</b>
<b>DEFERRED REVENUES (\$MM):</b>	<b>338</b>	<b>288</b>	<b>287</b>	<b>267</b>	<b>243</b>	<b>243</b>	<b>253</b>	<b>243</b>	<b>251</b>			
<b>ASSETS UNDER ADMINISTRATION (\$B):</b>												
Personal												
Retail Brokerage	77.4	77.9	76.3	74.0	69.7	67.5	70.1	66.2	64.2			
Investment Management and Trust	53.1	56.5	62.8	62.7	59.5	56.0	57.4	56.3	57.0			
	130.5	134.4	139.1	136.7	129.2	123.5	127.5	122.5	121.2			
Mutual Funds	24.8	24.5	23.6	21.4	19.8	18.6	19.5	18.4	18.4			
Institutional	39.8	39.9	45.7	45.0	42.9	38.8	41.5	33.2	31.8			
<b>Total</b>	<b>195.1</b>	<b>198.8</b>	<b>208.4</b>	<b>203.1</b>	<b>191.9</b>	<b>180.9</b>	<b>188.5</b>	<b>174.1</b>	<b>171.4</b>			
<b>ASSETS UNDER MANAGEMENT (\$B):</b>												
Personal	11.2	11.1	10.9	11.1	10.0	9.8	9.9	9.7	9.4			
Mutual Funds	15.9	15.9	15.4	13.5	13.2	12.6	13.3	12.9	13.4			
Institutional	4.3	4.0	4.1	4.6	4.6	4.2	3.7	3.6	3.8			
<b>Total</b>	<b>31.4</b>	<b>31.0</b>	<b>30.4</b>	<b>29.2</b>	<b>27.8</b>	<b>26.6</b>	<b>26.9</b>	<b>26.2</b>	<b>26.6</b>			

## OTHER INCOME



(\$MM)	QUARTERLY TREND								FULL YEAR			
	2007				2006				2005	2007	2006	2005
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4			
<b>Card Revenues</b>	<b>92</b>	92	89	93	83	78	71	75	67	<b>366</b>	307	251
<b>Deposit and Payment Services</b>												
Deposit Services	<b>161</b>	167	159	165	160	159	150	153	149	<b>652</b>	622	581
Other Payment Services	<b>43</b>	41	40	41	36	39	33	36	32	<b>165</b>	144	120
	<b>204</b>	208	199	206	196	198	183	189	181	<b>817</b>	766	701
<b>Mutual Funds</b>	<b>78</b>	77	73	68	63	60	60	58	52	<b>296</b>	241	193
<b>Investment Management, Brokerage and Trust Services</b>												
Retail Brokerage	<b>135</b>	139	141	138	121	115	126	119	114	<b>553</b>	481	427
Personal and Corporate Trust	<b>28</b>	31	31	30	31	27	31	26	29	<b>120</b>	115	111
Investment Management and Custody	<b>22</b>	22	23	20	19	17	18	16	16	<b>87</b>	70	62
	<b>185</b>	192	195	188	171	159	175	161	159	<b>760</b>	666	600
<b>Credit Fees</b>												
Commitment and Other Credit Fees	<b>93</b>	111	98	101	97	110	104	103	104	<b>403</b>	414	436
Acceptance Fees	<b>33</b>	32	31	31	30	30	28	28	27	<b>127</b>	116	106
	<b>126</b>	143	129	132	127	140	132	131	131	<b>530</b>	530	542
<b>Trading Revenues</b>	<b>(67)</b>	217	151	149	138	99	157	243	126	<b>450</b>	637	594
<b>Investment Banking</b>												
Underwriting Fees and Other Commissions	<b>100</b>	126	137	135	122	113	114	104	121	<b>498</b>	453	493
Foreign Exchange and Other	<b>64</b>	58	58	59	53	54	48	51	50	<b>239</b>	206	187
	<b>164</b>	184	195	194	175	167	162	155	171	<b>737</b>	659	680
<b>Net Gain on Securities, other than Trading</b>	<b>148</b>	134	79	127	64	105	108	94	109	<b>488</b>	371	414
<b>Other</b>	<b>432</b>	142	198	176	199	167	138	119	158	<b>948</b>	623	554
<b>Total Other Income</b>	<b>1,362</b>	1,389	1,308	1,333	1,216	1,173	1,186	1,225	1,154	<b>5,392</b>	4,800	4,529
% of Total Revenue (TEB)	<b>41.3</b>	42.1	40.7	41.5	40.5	39.2	41.9	43.3	42.2	<b>41.4</b>	41.2	42.2

# NON-INTEREST EXPENSES



(\$MM)	QUARTERLY TREND								FULL YEAR			
	2007				2006				2005	2007	2006	2005
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4			
<b>Salaries and Employee Benefits</b>												
Salaries	595	584	571	565	558	539	505	498	515	2,315	2,100	1,963
Stock-based Compensation	27	20	29	57	50	23	27	64	42	133	164	140
Other Performance-based Compensation	236	278	259	244	217	241	249	229	180	1,017	936	880
Pension and Other Employee Benefits	105	131	145	137	141	137	147	143	124	518	568	505
	<b>963</b>	<b>1,013</b>	<b>1,004</b>	<b>1,003</b>	<b>966</b>	<b>940</b>	<b>928</b>	<b>934</b>	<b>861</b>	<b>3,983</b>	<b>3,768</b>	<b>3,488</b>
<b>Premises and Technology</b>												
Net Premises Rent	50	50	49	48	46	46	44	45	45	197	181	176
Premises Repairs and Maintenance	22	17	17	19	17	16	13	14	15	75	60	50
Property Taxes	16	18	16	15	17	17	16	11	15	65	61	61
Computer Equipment, Software and Data Processing	170	148	144	141	152	139	135	123	145	603	549	519
Depreciation	56	56	53	56	50	49	48	45	38	221	192	173
Other Premises Costs	48	46	50	48	40	46	42	43	44	192	171	169
	<b>362</b>	<b>335</b>	<b>329</b>	<b>327</b>	<b>322</b>	<b>313</b>	<b>298</b>	<b>281</b>	<b>302</b>	<b>1,353</b>	<b>1,214</b>	<b>1,148</b>
<b>Communications</b>												
Telecommunications	19	19	17	18	19	17	16	16	17	73	68	64
Stationery, Postage and Courier	57	57	58	55	56	53	51	48	49	227	208	191
	<b>76</b>	<b>76</b>	<b>75</b>	<b>73</b>	<b>75</b>	<b>70</b>	<b>67</b>	<b>64</b>	<b>66</b>	<b>300</b>	<b>276</b>	<b>255</b>
<b>Advertising and Business Development</b>												
Advertising and Promotion	60	42	42	49	41	33	27	25	54	193	126	139
Travel and Business Development	34	29	28	27	32	26	26	22	27	118	106	93
	<b>94</b>	<b>71</b>	<b>70</b>	<b>76</b>	<b>73</b>	<b>59</b>	<b>53</b>	<b>47</b>	<b>81</b>	<b>311</b>	<b>232</b>	<b>232</b>
<b>Professional</b>	<b>81</b>	<b>53</b>	<b>48</b>	<b>45</b>	<b>58</b>	<b>46</b>	<b>38</b>	<b>32</b>	<b>55</b>	<b>227</b>	<b>174</b>	<b>186</b>
<b>Business and Capital Taxes</b>	<b>33</b>	<b>37</b>	<b>34</b>	<b>39</b>	<b>36</b>	<b>37</b>	<b>23</b>	<b>37</b>	<b>30</b>	<b>143</b>	<b>133</b>	<b>147</b>
<b>Other</b>												
Employee Training	18	13	10	12	16	13	10	8	20	53	47	45
Amortization of Intangibles	12	11	11	12	12	10	8	8	9	46	38	29
Other	153	143	145	137	150	120	140	151	155	578	561	513
	<b>183</b>	<b>167</b>	<b>166</b>	<b>161</b>	<b>178</b>	<b>143</b>	<b>158</b>	<b>167</b>	<b>184</b>	<b>677</b>	<b>646</b>	<b>587</b>
<b>Total Non-Interest Expenses</b>	<b>1,792</b>	<b>1,752</b>	<b>1,726</b>	<b>1,724</b>	<b>1,708</b>	<b>1,608</b>	<b>1,565</b>	<b>1,562</b>	<b>1,579</b>	<b>6,994</b>	<b>6,443</b>	<b>6,043</b>
Productivity Ratio (TEB) (%)	<b>54.4</b>	<b>53.0</b>	<b>53.8</b>	<b>53.6</b>	<b>56.9</b>	<b>53.8</b>	<b>55.3</b>	<b>55.2</b>	<b>57.8</b>	<b>53.7</b>	<b>55.3</b>	<b>56.3</b>

# BALANCE SHEET



(\$MM)	QUARTERLY TREND								
	2007				2006				2005
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Cash Resources	29,195	28,776	31,122	26,384	23,376	24,181	25,667	23,940	20,505
Securities - Trading	59,685	63,797	71,547	64,307	62,490	57,600	58,417	51,873	50,007
- Available for Sale	28,426	28,636	28,456	36,037	-	-	-	-	-
- Investment	-	-	-	-	32,870	33,593	29,634	25,989	23,285
- Equity Accounted Investments	724	424	171	171	142	132	124	151	167
	88,835	92,857	100,174	100,515	95,502	91,325	88,175	78,013	73,459
Securities Purchased under Resale Agreements	22,542	26,834	25,867	24,129	25,705	22,535	22,208	20,058	20,578
Loans - Residential Mortgages	102,154	99,000	94,706	92,055	89,590	85,541	81,575	77,042	75,520
- Personal and Credit Cards	41,734	41,360	40,408	39,757	39,058	38,245	36,857	35,331	34,695
- Business and Government	85,500	84,778	83,424	83,067	76,733	72,568	67,407	62,608	62,681
- Sub-total	229,388	225,138	218,538	214,879	205,381	196,354	185,839	174,981	172,896
Allowance for Credit Losses	(2,241)	(2,423)	(2,505)	(2,620)	(2,607)	(2,695)	(2,706)	(2,434)	(2,469)
- Total Net Loans	227,147	222,715	216,033	212,259	202,774	193,659	183,133	172,547	170,427
Customers' Liability under Acceptances	11,538	10,289	10,277	10,431	9,555	9,200	9,104	8,147	7,576
Derivative Instruments	21,960	16,635	16,186	12,529	12,098	13,771	18,240	14,311	12,867
Land, Buildings and Equipment	2,271	2,296	2,308	2,344	2,256	2,209	2,178	1,926	1,934
Goodwill	1,134	1,140	1,176	1,121	873	688	639	497	498
Other Intangible Assets	273	287	301	317	294	267	269	226	235
Other Assets	6,615	6,286	8,266	6,441	6,573	7,146	7,366	5,286	5,946
<b>Total Assets</b>	<b>411,510</b>	<b>408,115</b>	<b>411,710</b>	<b>396,470</b>	<b>379,006</b>	<b>364,981</b>	<b>356,979</b>	<b>324,951</b>	<b>314,025</b>
Deposits - Personal	100,823	98,171	97,218	96,823	93,450	91,904	90,718	86,289	83,953
- Banks	26,406	32,146	36,466	31,201	29,392	28,072	32,567	27,606	24,103
- Business and Government	161,229	156,668	157,919	148,995	141,072	135,249	124,363	113,652	109,389
- Total	288,458	286,985	291,603	277,019	263,914	255,225	247,648	227,547	217,445
Other Liabilities									
- Securities Sold Under Repurchase Agreements	28,137	31,223	29,577	29,612	33,470	29,117	29,960	24,902	26,032
- Securities Sold Short	16,039	21,322	21,521	18,201	13,396	14,663	10,961	10,513	11,250
- Derivative Instruments	24,689	15,352	14,167	12,106	12,869	13,715	18,087	15,882	13,004
- Other	33,173	31,042	31,796	36,647	34,789	32,168	30,916	26,608	26,865
- Total	102,038	98,939	97,061	96,566	94,524	89,663	89,924	77,905	77,151
Subordinated Debentures	1,710	1,774	2,301	2,340	2,271	2,275	2,268	2,578	2,597
Capital Instrument Liabilities	500	750	750	750	750	750	750	750	750
Equity - Preferred Shares	1,635	1,290	1,290	945	600	600	600	600	600
- Common Shares and Contributed Surplus	3,566	3,521	3,539	3,520	3,425	3,393	3,363	3,339	3,317
- Retained Earnings	17,460	16,967	16,763	16,376	15,843	15,372	14,884	14,433	14,126
- Accumulated Other Comprehensive Income (Loss)	(3,857)	(2,111)	(1,597)	(1,046)	(2,321)	(2,297)	(2,458)	(2,201)	(1,961)
- Common Equity	17,169	18,377	18,705	18,850	16,947	16,468	15,789	15,571	15,482
- Total Equity	18,804	19,667	19,995	19,795	17,547	17,068	16,389	16,171	16,082
<b>Total Liabilities and Shareholders' Equity</b>	<b>411,510</b>	<b>408,115</b>	<b>411,710</b>	<b>396,470</b>	<b>379,006</b>	<b>364,981</b>	<b>356,979</b>	<b>324,951</b>	<b>314,025</b>

## AVERAGE BALANCE SHEET



(\$MM)	QUARTERLY TREND								FULL YEAR			
	2007				2006				2005	2007	2006	2005
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4			
Deposits with Other Banks	<b>26,944</b>	26,785	25,461	22,407	23,163	21,339	21,000	18,457	19,098	<b>25,399</b>	20,989	17,990
Securities - Trading	<b>62,854</b>	69,775	67,227	64,059	58,489	59,433	57,151	53,021	51,851	<b>65,968</b>	57,022	49,664
- Other	<b>28,741</b>	27,595	36,650	35,153	33,649	33,368	29,980	25,551	22,991	<b>31,997</b>	30,643	22,463
	<b>91,595</b>	97,370	103,877	99,212	92,138	92,801	87,131	78,572	74,842	<b>97,965</b>	87,665	72,127
Securities Purchased under Resale Agreements	<b>26,461</b>	26,877	23,426	26,461	25,820	23,070	23,366	22,190	24,328	<b>25,826</b>	23,614	23,007
Loans - Residential Mortgages	<b>100,777</b>	96,477	93,163	90,982	89,091	83,437	78,225	76,510	74,537	<b>95,367</b>	81,845	71,613
- Personal and Credit Cards	<b>41,051</b>	40,255	39,564	38,680	38,205	37,324	36,083	34,767	34,041	<b>39,890</b>	36,599	33,748
- Business and Government	<b>76,838</b>	78,765	78,413	75,298	69,052	64,664	59,643	57,828	57,726	<b>77,320</b>	62,823	57,375
- Total	<b>218,666</b>	215,497	211,140	204,960	196,348	185,425	173,951	169,105	166,304	<b>212,577</b>	181,267	162,736
Total Earning Assets	<b>363,666</b>	366,529	363,904	353,040	337,469	322,635	305,448	288,324	284,572	<b>361,767</b>	313,535	275,860
Customers' Liability under Acceptances	<b>11,316</b>	10,881	10,653	10,419	9,574	9,339	8,992	8,138	7,749	<b>10,819</b>	9,011	7,365
Other Assets	<b>33,819</b>	31,736	29,787	28,080	27,551	31,804	28,429	25,988	25,264	<b>30,889</b>	28,163	26,149
<b>Total Assets</b>	<b>408,801</b>	409,146	404,344	391,539	374,594	363,778	342,869	322,450	317,585	<b>403,475</b>	350,709	309,374
Deposits - Personal	<b>97,544</b>	96,542	96,246	94,233	92,184	89,825	87,183	84,546	82,617	<b>96,140</b>	88,445	81,265
- Banks	<b>28,450</b>	35,480	32,306	30,817	29,377	29,868	29,120	25,581	23,586	<b>31,759</b>	28,481	23,646
- Business and Government	<b>164,171</b>	155,615	152,475	146,891	141,347	130,553	121,289	113,902	111,818	<b>154,808</b>	126,818	106,607
- Total	<b>290,165</b>	287,637	281,027	271,941	262,908	250,246	237,592	224,029	218,021	<b>282,707</b>	243,744	211,518
Other Liabilities	<b>96,999</b>	98,737	100,423	97,722	91,358	93,786	85,940	78,966	80,072	<b>98,665</b>	87,210	78,796
Subordinated Debentures	<b>1,749</b>	2,191	2,326	2,286	2,270	2,268	2,307	2,591	2,600	<b>2,137</b>	2,359	2,614
Capital Instrument Liabilities	<b>750</b>	750	750	750	750	750	750	750	750	<b>750</b>	750	750
Shareholders' Equity												
- Preferred Shares	<b>1,365</b>	1,290	1,040	630	600	600	600	600	600	<b>1,082</b>	600	490
- Common Shares, Contributed Surplus, Retained Earnings and Accumulated Other Comprehensive Income (Loss)	<b>17,773</b>	18,541	18,778	18,210	16,708	16,128	15,680	15,514	15,542	<b>18,134</b>	16,046	15,206
- Total	<b>19,138</b>	19,831	19,818	18,840	17,308	16,728	16,280	16,114	16,142	<b>19,216</b>	16,646	15,696
<b>Total Liabilities and Shareholders' Equity</b>	<b>408,801</b>	409,146	404,344	391,539	374,594	363,778	342,869	322,450	317,585	<b>403,475</b>	350,709	309,374

# CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY



(\$MM)	QUARTERLY TREND								FULL YEAR			
	2007				2006				2005	2007	2006	2005
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4			
<b>Preferred Shares:</b>												
Balance at Beginning of Period	1,290	1,290	945	600	600	600	600	600	600	600	600	300
Preferred Shares Issued	345	-	345	345	-	-	-	-	-	-	-	300
<b>Balance at End of Period</b>	<b>1,635</b>	<b>1,290</b>	<b>1,290</b>	<b>945</b>	<b>600</b>	<b>600</b>	<b>600</b>	<b>600</b>	<b>600</b>	<b>600</b>	<b>1,635</b>	<b>600</b>
<b>Common Shares and Contributed Surplus:</b>												
Balance at Beginning of Period	3,521	3,539	3,520	3,425	3,393	3,363	3,339	3,317	3,314	3,314	3,425	3,317
Common Shares Issued less Purchased for Cancellation	45	(18)	19	95	32	30	24	22	3	3	141	88
<b>Balance at End of Period</b>	<b>3,566</b>	<b>3,521</b>	<b>3,539</b>	<b>3,520</b>	<b>3,425</b>	<b>3,393</b>	<b>3,363</b>	<b>3,339</b>	<b>3,317</b>	<b>3,317</b>	<b>3,566</b>	<b>3,317</b>
<b>Retained Earnings:</b>												
Balance at Beginning of Period	16,967	16,763	16,376	15,843	15,372	14,884	14,433	14,126	13,909	13,909	15,843	13,239
Cumulative Effect of Adopting New Accounting Policies	-	-	-	(61)	-	-	-	(25)	-	-	(61)	-
Adjusted Balance at Beginning of Period	16,967	16,763	16,376	15,782	15,372	14,884	14,433	14,101	13,909	13,909	15,782	13,239
Net Income	954	1,032	1,039	1,020	897	936	894	852	811	811	4,045	3,209
Dividends - Preferred	(16)	(16)	(11)	(8)	(7)	(8)	(7)	(8)	(8)	(8)	(51)	(25)
- Common	(442)	(445)	(417)	(416)	(386)	(385)	(356)	(356)	(338)	(338)	(1,720)	(1,317)
Premium on Purchase of Shares for Cancellation	-	(368)	(218)	-	(33)	(55)	(80)	(156)	(248)	(248)	(586)	(973)
Other	(3)	1	(6)	(2)	-	-	-	-	-	-	(10)	(7)
<b>Balance at End of Period</b>	<b>17,460</b>	<b>16,967</b>	<b>16,763</b>	<b>16,376</b>	<b>15,843</b>	<b>15,372</b>	<b>14,884</b>	<b>14,433</b>	<b>14,126</b>	<b>14,126</b>	<b>17,460</b>	<b>14,126</b>
<b>Accumulated Other Comprehensive Income (Loss) (1):</b>												
Balance at Beginning of Period	(2,111)	(1,597)	(1,046)	(2,321)	(2,297)	(2,458)	(2,201)	(1,961)	(1,620)	(1,620)	(2,321)	(1,783)
Cumulative Effect of Adopting New Accounting Policies	-	-	-	683	-	-	-	-	-	-	683	-
Other Comprehensive Income-												
Net Change in Unrealized Foreign Currency Translation Losses	(1,697)	(465)	(588)	522	(24)	161	(257)	(240)	(341)	(341)	(2,228)	(178)
Net Change in Unrealized Gains on available-for-sale Securities	14	(146)	17	48	-	-	-	-	-	-	(67)	-
Net Change in Gains on Derivative Instruments, designated as cash flow hedges	(63)	97	20	22	-	-	-	-	-	-	76	-
Total	(1,746)	(514)	(551)	592	(24)	161	(257)	(240)	(341)	(341)	(2,219)	(178)
<b>Balance at End of Period</b>	<b>(3,857)</b>	<b>(2,111)</b>	<b>(1,597)</b>	<b>(1,046)</b>	<b>(2,321)</b>	<b>(2,297)</b>	<b>(2,458)</b>	<b>(2,201)</b>	<b>(1,961)</b>	<b>(1,961)</b>	<b>(3,857)</b>	<b>(1,961)</b>
<b>Total Shareholders' Equity at End of Period</b>	<b>18,804</b>	<b>19,667</b>	<b>19,995</b>	<b>19,795</b>	<b>17,547</b>	<b>17,068</b>	<b>16,389</b>	<b>16,171</b>	<b>16,082</b>	<b>16,082</b>	<b>18,804</b>	<b>16,082</b>
<b>Composition of Accumulated Other Comprehensive Income (Loss):</b>												
Unrealized Foreign Currency Translation Losses	(4,549)	(2,852)	(2,387)	(1,799)	(2,321)	(2,297)	(2,458)	(2,201)	(1,961)	(1,961)	(4,549)	(1,799)
Unrealized Gains on available-for-sale Securities	639	625	771	754	-	-	-	-	-	-	639	754
Gains on Derivative Instruments, designated as cash flow hedges	53	116	19	(1)	-	-	-	-	-	-	53	(1)
Total	(3,857)	(2,111)	(1,597)	(1,046)	(2,321)	(2,297)	(2,458)	(2,201)	(1,961)	(1,961)	(3,857)	(1,046)

(1) Accumulated Other Comprehensive Income balances prior to Q1/07 were previously reported as Cumulative Foreign Currency Translation Losses.

# REGULATORY CAPITAL



(\$MM)	QUARTERLY TREND									FULL YEAR				
	2007				2006				2005	2007	2006	2005		
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4					
<b>REGULATORY CAPITAL:</b>														
Common Shares, Contributed Surplus & Retained Earnings	21,026	20,488	20,302	19,896	19,268	18,765	18,247	17,772	17,443	21,026	19,268	17,443		
OCI - Accumulated Foreign Currency Translation Losses	(4,549)	(2,852)	(2,387)	(1,799)	(2,321)	(2,297)	(2,458)	(2,201)	(1,961)	(4,549)	(2,321)	(1,961)		
Non-Cumulative Preferred Shares	1,635	1,290	1,290	945	600	600	600	600	600	1,635	600	600		
Innovative Capital Instruments	2,750	3,000	3,000	3,000	3,000	2,250	2,250	2,250	2,250	2,750	3,000	2,250		
Non-Controlling Interest in Subsidiaries	497	505	496	491	435	411	387	310	306	497	435	306		
Goodwill	(1,134)	(1,140)	(1,176)	(1,121)	(873)	(688)	(639)	(497)	(498)	(1,134)	(873)	(498)		
Tier 1 Capital	20,225	21,291	21,525	21,412	20,109	19,041	18,387	18,234	18,140	20,225	20,109	18,140		
OCI - Accumulated Net Unrealized Gains (after-tax) on available-for-sale Equity Securities	298	350	368	374	-	-	-	-	-	-	-	-		
Debentures (net of amortization) (1)	2,452	1,531	2,043	2,060	2,046	2,105	2,100	2,407	2,420	2,452	2,046	2,420		
Eligible General Allowance (2)	1,298	1,298	1,298	1,323	1,307	1,330	1,330	1,330	1,330	1,298	1,307	1,330		
Tier 2 Capital	4,048	3,179	3,709	3,757	3,353	3,435	3,430	3,737	3,750	4,048	3,353	3,750		
Investment in Insurance Entities, Associated Corporations & Other	(1,292)	(1,158)	(942)	(949)	(476)	(457)	(406)	(436)	(358)	(1,292)	(476)	(358)		
<b>Total Regulatory Capital</b>	<b>22,981</b>	<b>23,312</b>	<b>24,292</b>	<b>24,220</b>	<b>22,986</b>	<b>22,019</b>	<b>21,411</b>	<b>21,535</b>	<b>21,532</b>	<b>22,981</b>	<b>22,986</b>	<b>21,532</b>		
<b>CHANGES IN REGULATORY CAPITAL:</b>														
<b>Total Capital, Beginning of Period</b>	<b>23,312</b>	<b>24,292</b>	<b>24,220</b>	<b>22,986</b>	<b>22,019</b>	<b>21,411</b>	<b>21,535</b>	<b>21,532</b>	<b>21,539</b>	<b>22,986</b>	<b>21,532</b>	<b>20,864</b>		
<b>Internally Generated Capital</b>														
Net Income	954	1,032	1,039	1,020	897	936	894	852	811	4,045	3,579	3,209		
Preferred and Common Share Dividends	(458)	(461)	(428)	(424)	(393)	(393)	(363)	(364)	(346)	(1,771)	(1,513)	(1,342)		
	496	571	611	596	504	543	531	488	465	2,274	2,066	1,867		
<b>External Financing</b>														
Debentures (net of amortization) (1)	921	(512)	(17)	14	(59)	5	(307)	(13)	(75)	406	(374)	(73)		
Innovative Capital Instruments	(250)	-	-	-	750	-	-	-	-	(250)	750	-		
Preferred Shares	345	-	345	345	-	-	-	-	-	1,035	-	300		
Common Shares Issued less Purchased for Cancellation	45	(18)	19	95	32	30	24	22	3	141	108	88		
Premium on Purchase of Shares for Cancellation	-	(368)	(218)	-	(33)	(55)	(80)	(156)	(248)	(586)	(324)	(973)		
	1,061	(898)	129	454	690	(20)	(363)	(147)	(320)	746	160	(658)		
<b>Other</b>														
OCI - Net Change in Foreign Currency Translation Gains Losses	(1,697)	(465)	(588)	522	(24)	161	(257)	(240)	(341)	(2,228)	(360)	(178)		
OCI - Net Change in Net Unrealized Gains (after-tax) on available-for-sale Equity Securities	(52)	(18)	(6)	374	-	-	-	-	-	298	-	-		
Non-controlling Interest in Subsidiaries	(8)	9	5	56	24	24	77	4	10	62	129	26		
Other (3)	(131)	(179)	(79)	(768)	(227)	(100)	(112)	(102)	179	(1,157)	(541)	(389)		
	(1,888)	(653)	(668)	184	(227)	85	(292)	(338)	(152)	(3,025)	(772)	(541)		
<b>Total Capital Generated (Used)</b>	<b>(331)</b>	<b>(980)</b>	<b>72</b>	<b>1,234</b>	<b>967</b>	<b>608</b>	<b>(124)</b>	<b>3</b>	<b>(7)</b>	<b>(5)</b>	<b>1,454</b>	<b>668</b>		
<b>Total Capital, End of Period</b>	<b>22,981</b>	<b>23,312</b>	<b>24,292</b>	<b>24,220</b>	<b>22,986</b>	<b>22,019</b>	<b>21,411</b>	<b>21,535</b>	<b>21,532</b>	<b>22,981</b>	<b>22,986</b>	<b>21,532</b>		

OCI = Other Comprehensive Income

(1) includes Scotia Trust Subordinated Notes - Series A.

(2) Under OSFI Guidelines, the general allowance is included in Tier 2 capital up to a maximum of 0.875% of risk-weighted assets.

(3) Represents changes to eligible general allowance, regulatory capital deductions for goodwill, securitization-related amounts and investments in insurance entities (beginning Q1/07) and associated corporations, and other charges (credits) to retained earnings. Q1/07 includes a \$61MM charge (Q1/06: \$25MM charge) for cumulative effect of adopting new accounting policy on financial instruments (2006: stock-based compensation).

## RISK-WEIGHTED ASSETS AND CAPITAL RATIOS



	QUARTERLY TREND									
	2007				2006				2005	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	
<b>RISK-WEIGHTED ASSETS (\$B):</b>										
On Balance Sheet Assets										
0 - 20% Cash Resources	4.3	4.3	4.5	3.7	4.4	4.4	4.5	3.4	2.8	
0 - 100% Securities	10.7	10.0	9.7	13.2	12.3	12.0	10.9	10.4	7.4	
0 - 50% Residential Mortgages	35.0	33.9	32.1	31.4	30.3	28.9	27.3	26.0	25.3	
0 - 100% Loans & Acceptances (1)	113.0	112.4	110.3	109.7	103.5	99.3	92.7	87.2	85.1	
0 - 100% Other Assets	8.1	7.3	8.8	7.4	8.2	8.0	7.5	6.4	5.3	
	171.1	167.9	165.4	165.4	158.7	152.6	142.9	133.4	125.9	
Off Balance Sheet Assets										
Indirect Credit Instruments	30.9	34.2	32.6	30.4	29.1	28.8	28.4	28.1	29.7	
Interest Rate, Foreign Exchange and Other Derivative Instruments	6.3	6.2	6.7	4.9	4.2	4.1	5.1	3.9	3.9	
Market Risk -- Risk Assets Equivalent	10.0	11.5	8.4	6.1	5.0	4.8	3.7	3.5	3.3	
<b>Total Risk-Weighted Assets</b>	<b>218.3</b>	<b>219.8</b>	<b>213.1</b>	<b>206.8</b>	<b>197.0</b>	<b>190.3</b>	<b>180.1</b>	<b>168.9</b>	<b>162.8</b>	
<b>RISK-WEIGHTED CAPITAL RATIOS (%):</b>										
Tier I	9.3	9.7	10.1	10.4	10.2	10.0	10.2	10.8	11.1	
Total	10.5	10.6	11.4	11.7	11.7	11.6	11.9	12.7	13.2	
Tangible Common Equity	7.2	7.7	8.0	8.4	8.3	8.4	8.5	9.0	9.3	

(1) includes Securities Purchased under Resale Agreements



# DERIVATIVES



						Oct 31/07	Jul 31/07	Oct 31/06
(\$MM)	Notional Amount	Credit Risk Amount	Potential Future Exposure	Credit Risk Equivalent Amount	CRE/Loans & Acceptances (%)	Risk-Weighted Balance	Risk-Weighted Balance	Risk-Weighted Balance
<u>Interest Rate Contracts:</u>								
Futures and Forward Rate Agreements	120,401	9	8	17	-	7	6	8
Swaps	565,265	3,470	2,748	6,218	2.6	1,512	1,707	1,344
Options Purchased	58,419	147	48	195	0.1	46	58	62
Options Written	38,247	-	-	-	-	-	-	-
<u>Foreign Exchange Contracts:</u>								
Futures, Spot and Forwards	276,945	7,579	2,685	10,264	4.3	2,860	1,570	1,403
Swaps	97,513	8,652	5,012	13,664	5.7	3,236	2,651	2,120
Options Purchased	2,623	158	30	188	0.1	82	39	35
Options Written	2,598	-	-	-	-	-	-	-
<u>Other Derivative Contracts:</u>								
Equity	38,310	667	2,319	2,986	1.2	887	1,339	739
Credit	80,625	1,058	4,383	5,441	2.3	1,565	1,734	682
Other	6,121	220	479	699	0.3	297	243	273
<b>Total Derivatives</b>	<b>1,287,067</b>	<b>21,960</b>	<b>17,712</b>	<b>39,672</b>	<b>16.6</b>	<b>10,492</b>	9,347	6,666
Less: Impact of Master Netting Agreements		11,841	6,228	18,069	7.6	4,167	3,227	2,484
<b>Total after Netting</b>		<b>10,119</b>	<b>11,484</b>	<b>21,603</b>	<b>9.0</b>	<b>6,325</b>	6,120	4,182

## GROSS IMPAIRED LOANS



(\$MM)	QUARTERLY TREND								2005 Q4
	2007				2006				
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	
<b>GROSS IMPAIRED LOANS:</b>									
<u>Domestic</u>									
Retail	391	362	366	362	374	346	339	332	311
Commercial	197	207	228	264	263	254	238	194	201
	<b>588</b>	<b>569</b>	<b>594</b>	<b>626</b>	<b>637</b>	<b>600</b>	<b>577</b>	<b>526</b>	<b>512</b>
<u>International</u>									
Retail	426	488	486	460	411	390	384	333	319
Commercial	471	576	602	592	569	604	645	435	413
	<b>897</b>	<b>1,064</b>	<b>1,088</b>	<b>1,052</b>	<b>980</b>	<b>994</b>	<b>1,029</b>	<b>768</b>	<b>732</b>
<u>Scotia Capital</u>									
Canada	18	18	18	18	18	18	19	20	25
U.S.A.	11	18	20	107	119	138	224	257	331
Europe	30	40	66	73	116	94	106	192	220
	<b>59</b>	<b>76</b>	<b>104</b>	<b>198</b>	<b>253</b>	<b>250</b>	<b>349</b>	<b>469</b>	<b>576</b>
<b>Total Gross Impaired Loans</b>	<b>1,544</b>	<b>1,709</b>	<b>1,786</b>	<b>1,876</b>	<b>1,870</b>	<b>1,844</b>	<b>1,955</b>	<b>1,763</b>	<b>1,820</b>
Specific Allowance for Credit Losses	(943)	(1,125)	(1,207)	(1,297)	(1,300)	(1,365)	(1,376)	(1,104)	(1,139)
<b>Total Net Impaired Loans after Specific Allowance</b>	<b>601</b>	<b>584</b>	<b>579</b>	<b>579</b>	<b>570</b>	<b>479</b>	<b>579</b>	<b>659</b>	<b>681</b>
General Allowance for Credit Losses	(1,298)	(1,298)	(1,298)	(1,323)	(1,307)	(1,330)	(1,330)	(1,330)	(1,330)
<b>Total Net Impaired Loans after General Allowance</b>	<b>(697)</b>	<b>(714)</b>	<b>(719)</b>	<b>(744)</b>	<b>(737)</b>	<b>(851)</b>	<b>(751)</b>	<b>(671)</b>	<b>(649)</b>

### CHANGES IN GROSS IMPAIRED LOANS:

	Domestic Retail	Domestic Commercial	International	Scotia Capital	General Allowance	Total
Q3/07 Gross Impaired Loans	362	207	1,064	76		1,709
New Classifications	234	30	77	1		342
Declassifications, payments and sales	(127)	(22)	(23)	(12)		(184)
Net Classifications	107	8	54	(11)		158
Write-Offs	(78)	(18)	(119)	-		(215)
Forex	-	-	(102)	(6)		(108)
<b>Q4/07 Gross Impaired Loans</b>	<b>391</b>	<b>197</b>	<b>897</b>	<b>59</b>		<b>1,544</b>
Allowance for Credit Losses	(252)	(107)	(537)	(47)	(1,298)	(2,241)
<b>Q4/07 Net Impaired Loans</b>	<b>139</b>	<b>90</b>	<b>360</b>	<b>12</b>	<b>(1,298)</b>	<b>(697)</b>

# NET IMPAIRED LOANS AND ALLOWANCE FOR CREDIT LOSSES



(\$MM)	QUARTERLY TREND									
	2007				2006				2005	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	
<b>NET IMPAIRED LOANS:</b>										
<u>Domestic</u>										
Retail	139	120	125	131	130	123	121	120	95	
Commercial	90	88	90	114	115	88	77	75	88	
	<b>229</b>	<b>208</b>	<b>215</b>	<b>245</b>	<b>245</b>	<b>211</b>	<b>198</b>	<b>195</b>	<b>183</b>	
<u>International</u>										
Retail	115	137	113	94	61	55	110	89	73	
Commercial	245	220	216	145	146	103	78	90	52	
	<b>360</b>	<b>357</b>	<b>329</b>	<b>239</b>	<b>207</b>	<b>158</b>	<b>188</b>	<b>179</b>	<b>125</b>	
<u>Scotia Capital</u>										
Canada	2	2	2	2	2	1	1	2	5	
U.S.A.	4	3	3	58	45	83	160	188	249	
Europe	6	14	30	35	71	26	32	95	119	
	<b>12</b>	<b>19</b>	<b>35</b>	<b>95</b>	<b>118</b>	<b>110</b>	<b>193</b>	<b>285</b>	<b>373</b>	
<b>Total Net Impaired Loans after Specific Allowance</b>	<b>601</b>	<b>584</b>	<b>579</b>	<b>579</b>	<b>570</b>	<b>479</b>	<b>579</b>	<b>659</b>	<b>681</b>	
General Allowance for Credit Losses	(1,298)	(1,298)	(1,298)	(1,323)	(1,307)	(1,330)	(1,330)	(1,330)	(1,330)	
<b>Total Net Impaired Loans after General Allowance</b>	<b>(697)</b>	<b>(714)</b>	<b>(719)</b>	<b>(744)</b>	<b>(737)</b>	<b>(851)</b>	<b>(751)</b>	<b>(671)</b>	<b>(649)</b>	
Coverage Ratio (%) (1)	<b>145.1</b>	141.8	140.3	139.7	139.4	146.1	138.4	138.1	135.7	
<b>ALLOWANCE FOR CREDIT LOSSES:</b>										
Balance, Beginning of Period	2,433	2,516	2,631	2,618	2,706	2,717	2,445	2,475	2,572	
Acquisition of Subsidiaries	1	10	17	26	18	-	335	7	24	
Write-offs	(215)	(179)	(136)	(168)	(150)	(142)	(120)	(131)	(160)	
Recoveries	50	38	64	34	36	50	56	39	68	
Provision for Credit Losses	95	92	20	63	32	74	35	75	36	
Foreign Currency Adjustment and Other	(112)	(44)	(80)	58	(24)	7	(34)	(20)	(65)	
<b>Balance, End of Period</b>	<b>2,252</b>	<b>2,433</b>	<b>2,516</b>	<b>2,631</b>	<b>2,618</b>	<b>2,706</b>	<b>2,717</b>	<b>2,445</b>	<b>2,475</b>	
<u>Comprised of:</u>										
Specific Allowance	943	1,125	1,207	1,297	1,300	1,365	1,376	1,104	1,139	
General Allowance	1,298	1,298	1,298	1,323	1,307	1,330	1,330	1,330	1,330	
Other Liabilities	11	10	11	11	11	11	11	11	6	
<b>Total Allowance for Credit Losses</b>	<b>2,252</b>	<b>2,433</b>	<b>2,516</b>	<b>2,631</b>	<b>2,618</b>	<b>2,706</b>	<b>2,717</b>	<b>2,445</b>	<b>2,475</b>	

(1) Specific and General Allowances for Credit Losses as a percentage of Total Gross Impaired Loans.

## CROSS BORDER EXPOSURES TO SELECT COUNTRIES IN ASIA AND LATIN AMERICA



Outstandings (net of provisions), US\$ millions

	<u>Loans</u>	<u>Trade</u>	<u>Interbank Deposits</u>	<u>Govt./ Other Sec.</u>	<u>Invest. in Affiliates</u>	<u>Other (1)</u>	<u>Oct 31/07 Total</u>	<u>Jul 31/07 Total</u>	<u>Oct 31/06 Total</u>
<b>ASIA</b>									
South Korea	824	485	-	389	-	58	<b>1,756</b>	1,504	1,251
Japan	760	75	22	77	-	50	<b>984</b>	920	1,008
India	828	629	4	278	-	64	<b>1,803</b>	1,551	1,357
Malaysia	187	5	-	309	149	-	<b>650</b>	759	760
Hong Kong	416	54	1	328	-	23	<b>822</b>	835	963
China	443	1,019	12	18	-	24	<b>1,516</b>	1,225	880
Thailand	23	16	-	102	207	-	<b>348</b>	364	187
Other (2)	269	269	218	159	-	8	<b>923</b>	738	730
<b>Total</b>	<b>3,750</b>	<b>2,552</b>	<b>257</b>	<b>1,660</b>	<b>356</b>	<b>227</b>	<b>8,802</b>	7,896	7,136
<b>LATIN AMERICA</b>									
Mexico	1,374	88	-	502	2,053	1	<b>4,018</b>	3,837	3,644
Chile	795	2	-	-	440	-	<b>1,237</b>	1,119	1,066
Brazil	601	722	-	312	-	12	<b>1,647</b>	1,191	1,306
Peru	147	32	-	26	585	-	<b>790</b>	717	511
El Salvador	212	15	-	-	328	-	<b>555</b>	529	508
Costa Rica	598	42	-	-	402	-	<b>1,042</b>	1,014	680
Venezuela	4	4	-	3	82	-	<b>93</b>	93	144
Other (3)	626	37	6	44	-	-	<b>713</b>	667	614
<b>Total</b>	<b>4,357</b>	<b>942</b>	<b>6</b>	<b>887</b>	<b>3,890</b>	<b>13</b>	<b>10,095</b>	9,167	8,473

(1) includes forex contracts, precious metals, derivatives (positive mark-to-market).

(2) includes Indonesia, The Philippines, Singapore and Taiwan.

(3) includes Argentina, Colombia, Panama and Uruguay.

## ASSET SECURITIZATION, RESERVES AND INTEREST RATE SENSITIVITY



	QUARTERLY TREND									
	2007				2006				2005	
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	
<b>ASSET SECURITIZATION (\$MM):</b>										
Balance, Beginning of Period	12,103	11,988	11,955	12,083	12,736	13,517	8,395	8,610		8,678
Acquisition of subsidiaries	-	-	335	-	-	-	5,469	-		-
Securitizations	1,010	1,351	605	861	703	699	712	437		479
Paydowns/Maturities	(1,068)	(1,236)	(907)	(989)	(1,356)	(1,480)	(1,059)	(652)		(547)
Balance, End of Period										
Personal Loans	414	452	505	170	170	170	170	596		809
Mortgages	11,631	11,651	11,483	11,785	11,913	12,566	13,347	7,799		7,801
	12,045	12,103	11,988	11,955	12,083	12,736	13,517	8,395		8,610
<b>INVESTMENT SECURITIES - UNREALIZED GAINS (LOSSES) (\$MM):</b>										
Bonds of Emerging Markets	530	527	676	667	658	593	584	697		683
Other Fixed Income	(14)	(103)	(33)	(80)	(88)	(153)	(166)	(45)		(30)
Common and Preferred Shares	456	536	565	574	521	457	523	543		506
	972	960	1,208	1,161	1,091	897	941	1,195		1,159
<b>INTEREST RATE SENSITIVITY (\$B):</b>										
	Within 3 Months	3 to 12 Months	Cumulative Under 1 Year	Over 1 Year	Non-Interest Rate Sensitive					
<b>Canadian Currency Gap</b>										
October 31, 2007	16.9	(10.9)	6.0	4.3	(10.3)					
July 31, 2007	12.1	(11.5)	0.6	8.7	(9.3)					
October 31, 2006	7.3	(8.6)	(1.3)	11.2	(9.9)					
<b>Foreign Currency Gap</b>										
October 31, 2007	(7.5)	4.1	(3.4)	18.2	(14.8)					
July 31, 2007	(12.3)	4.5	(7.8)	19.9	(12.1)					
October 31, 2006	(8.0)	4.2	(3.8)	16.4	(12.6)					
<b>Total Currency Gap</b>										
October 31, 2007	9.4	(6.8)	2.6	22.5	(25.1)					
July 31, 2007	(0.2)	(7.0)	(7.2)	28.6	(21.4)					
October 31, 2006	(0.7)	(4.4)	(5.1)	27.6	(22.5)					

( ) denotes liability gap

Note: Based on the Bank's interest rate positions at October 31, 2007, an immediate and sustained 100 basis point rise in interest rates, across all currencies and maturities, would increase net income after-tax by approximately \$79MM over the next 12 months, and lower the common shareholders' equity, in present value terms, by approximately \$550MM.