

Investor Presentation



Fourth Quarter, 2014

December 5, 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 2014 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 2014 Annual Report); the effect of applying future accounting changes (see “Controls and Accounting Policies – Future accounting developments” in the Bank’s 2014 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; increasing cyber security risks which may include theft of assets, unauthorized access to sensitive information or operational disruptions; 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 65 of the Bank’s 2014 Annual Report. Material economic assumptions underlying the forward-looking statements contained in this document are set out in the 2014 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 2014 Overview

- **Good performance in 2014**
 - Net income of \$7.3 billion, or \$7.0 billion excluding notable items¹
 - Adjusted diluted EPS of \$5.43, up 8% from last year, excluding notable items¹
 - Reported ROE: 16.1%, or 15.5% excluding notable items
- **Revenue growth of 9% from last year, excluding notable items**
- **Capital position remains very strong at 10.8%**
- **Repurchased 4.5 million shares under NCIB**
- **Quarterly dividend increased twice in 2014, total of 7%**

(1) Includes all items in November 4, 2014 announcement other than the additional loan loss provisions of \$76 million (after-tax)

Medium-term Financial Objectives

Metric	Objective	2014 Results	2014 Performance within Medium-term Objectives
EPS Growth ^{1, 2}	5-10%	8%	✓
ROE ¹	15-18%	15.5%	✓
Operating Leverage ^{1, 2}	Positive	2.0%	✓
Capital	Maintain strong ratios	10.8%	✓

(1) Excludes \$290 million notable items related to \$555 million gain in Q3/14 net of notable items of \$265 million impact in Q4/14

(2) Excludes \$90 million notable items related to International Banking in Q3/13

Financial Review



Sean McGuckin
Chief Financial Officer

2014 Adjusted Earnings

	Net Income Available to Common Shareholders (\$MM)	Diluted EPS (\$ per share)
Reported Results	6,916	5.66
CI Gain	(555)	(0.45)
Notable items in Q4 ¹	265	0.22
Adjusted results	6,626	5.43

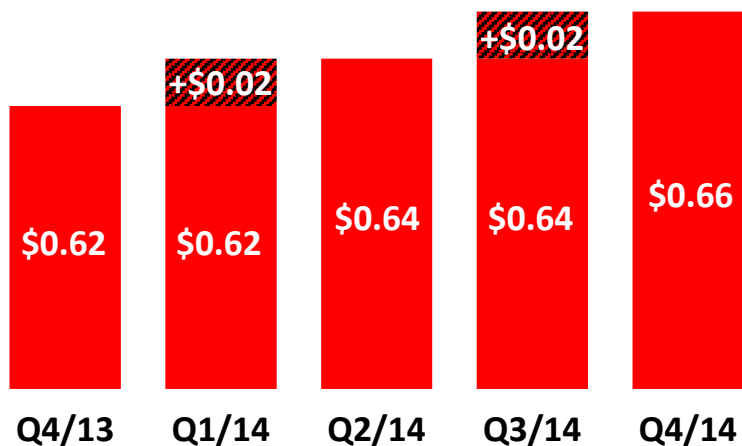
- Adjusted diluted earnings per share of \$5.43 in 2014, compared to \$5.04 in 2013
- Solid underlying EPS growth of 8% for the year


(1) Includes all items in November 4, 2014 announcement other than the additional loan loss provisions of \$76 million (after-tax)

Q4 2014 Financial Performance

\$ millions, except EPS	Q4/14	Q/Q	Y/Y
Net Income ²	\$1,703	-5%	+2%
Diluted EPS ²	\$1.32	-6%	+2%
Revenues ^{1, 2}	\$5,925	+0%	+8%
Expenses ²	\$3,158	+1%	+6%
Productivity Ratio ²	53.3%	+40bps	-110bps
Basel III CET1 Ratio	10.8%	-10bps	+170bps

Dividends Per Common Share



 Announced dividend increase

(1) Taxable equivalent basis

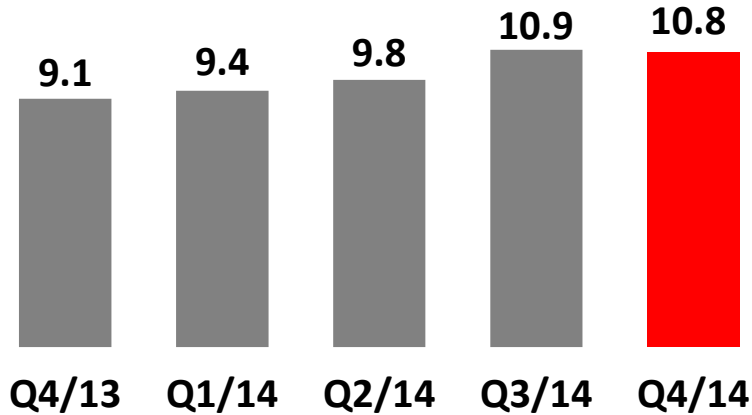
(2) Adjusted for notable items: After-tax gain of \$555 million in Q3/14, \$265 million of notable items in Q4/14 and net benefit of \$90 million in Q3/13

Highlights

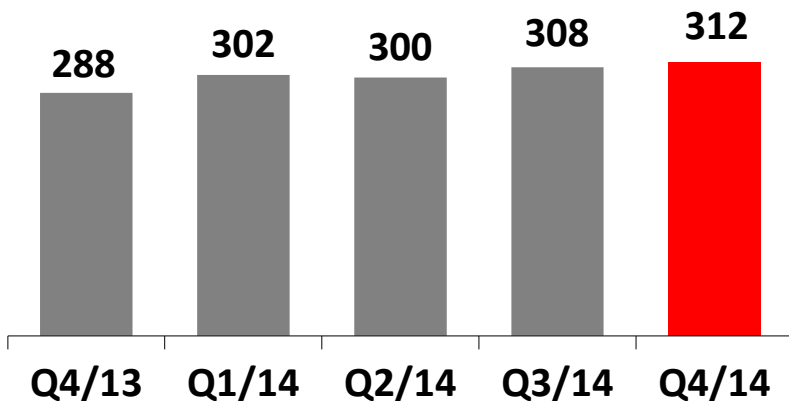
- **EPS growth of 2% Y/Y²**
 - Driven by good results across our businesses
- **Revenue growth of 8% Y/Y²**
 - Strong asset growth
 - Higher core banking margin
 - Higher underwriting, banking fees and wealth management revenues
 - Positive impact of FX
- **Expenses up 6% Y/Y²**
 - Higher volume-related expenses and pension and benefit costs
 - Higher costs to support planned growth initiatives
 - Negative impact of FX
 - Positive operating leverage of 2% for full year²
- **Basel III CET1 ratio of 10.8%**

Capital – Strong Position

Basel III Common Equity Tier 1 (CET 1) (%)



CET 1 Risk-Weighted Assets (\$B)



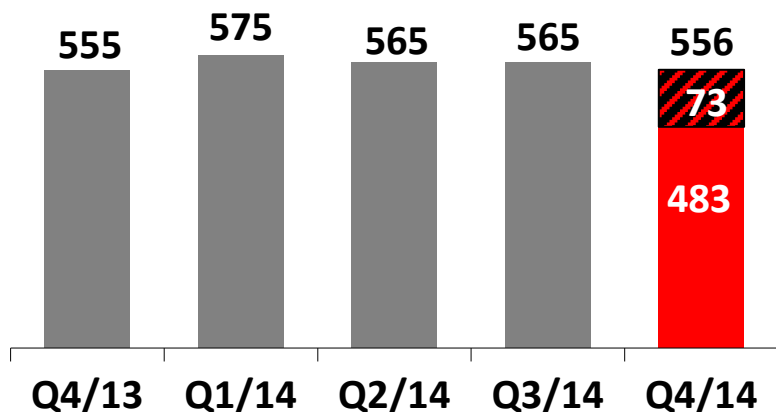
Highlights

- 2014 internal capital generation of \$3.8 billion
- Repurchased 4.5 million shares under NCIB in 2014 (2.5 million in Q4)
- Investment in Canadian Tire Financial Services during the quarter (~-20 bps)
- Risk-weighted assets up \$4.7 billion Q/Q to \$312 billion
 - Increase in retail lending
 - Foreign currency translation

Capital position remains strong

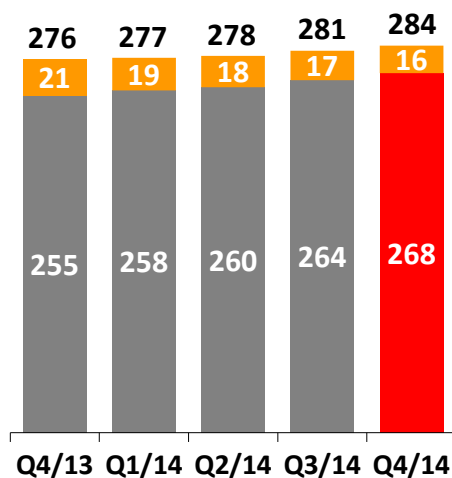
Canadian Banking

Net Income¹ (\$MM)



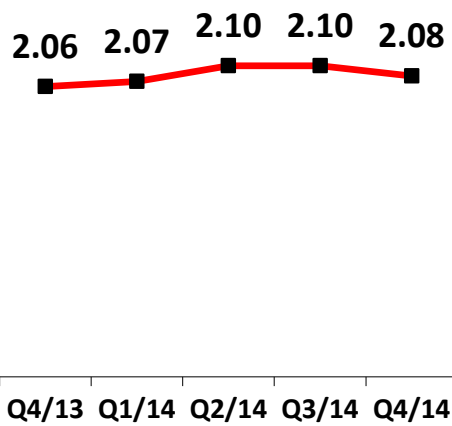
Net after-tax notable items in Q4/14

Average Assets (\$B)



Tangerine run-off mortgage portfolio

Net Interest Margin (%)



Highlights

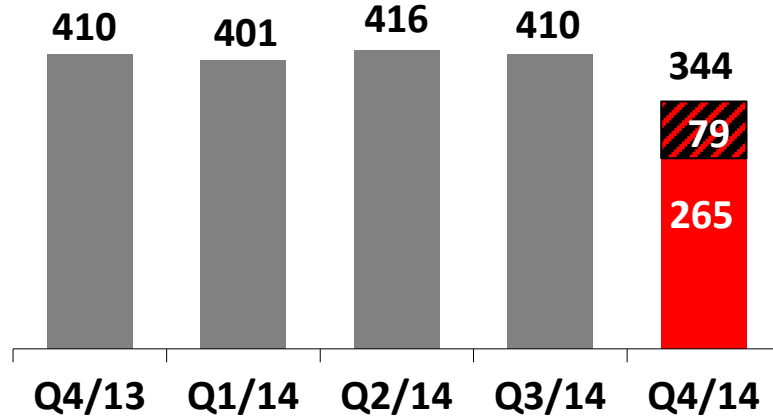
- **Net income stable Y/Y²**
- **Loan growth of 3% Y/Y**
 - Excluding Tangerine run-off portfolio, loans grew 5%, mainly driven by mortgages
 - Double digit growth in personal loans and credit cards
 - High single digit business loan growth
- **Deposits up 2% Y/Y, 6% growth in retail core deposits**
- **NIM up 2 bps Y/Y**
- **Higher PCLs² mainly due to change in asset mix and change in loss parameters**
- **Expenses up 4% Y/Y²**
 - Volume growth (particularly credit cards and automotive loans)
- **Positive operating leverage of 1.3% for 2014²**

Margin expansion Y/Y and positive operating leverage

(1) Attributable to equity holders of the Bank
 (2) Adjusted for notable items in Q4/14

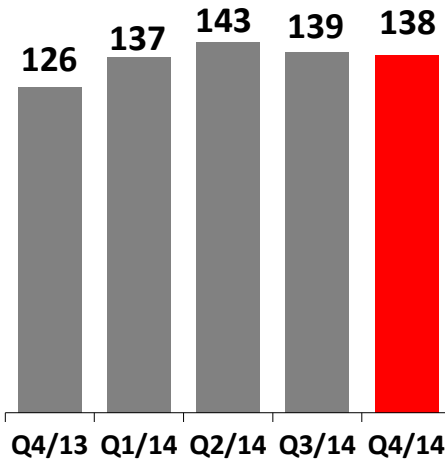
International Banking

Net Income¹ (\$MM)

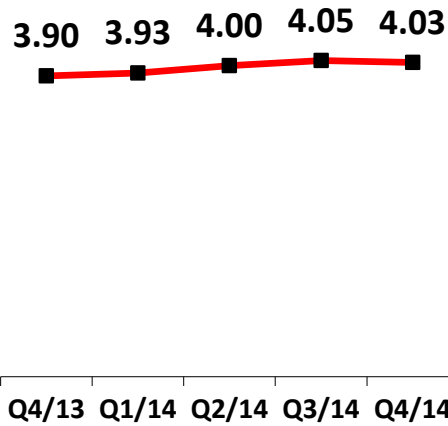


Net after-tax notable items in Q4/14

Average Assets (\$B)



Net Interest Margin (%)



Highlights

- **Adjusting for notable items, net income -16% Y/Y²**
 - Strong performance from Asia offset by weaker performance from Latin America and Caribbean
 - Lower income from associated corporations
- **Loans up 8% and deposits up 11% Y/Y**
 - Strong loan growth in Latin America up 15%
- **NIM up 13 bps Y/Y, down 2 bps Q/Q**
- **Higher PCLs Y/Y**
 - Higher Caribbean commercial loan losses
 - Higher retail provisions in Mexico and Caribbean
- **Expenses up 8%² Y/Y**
 - Higher expenses due to inflationary increases, negative impact of F/X and initiatives to support business volume growth

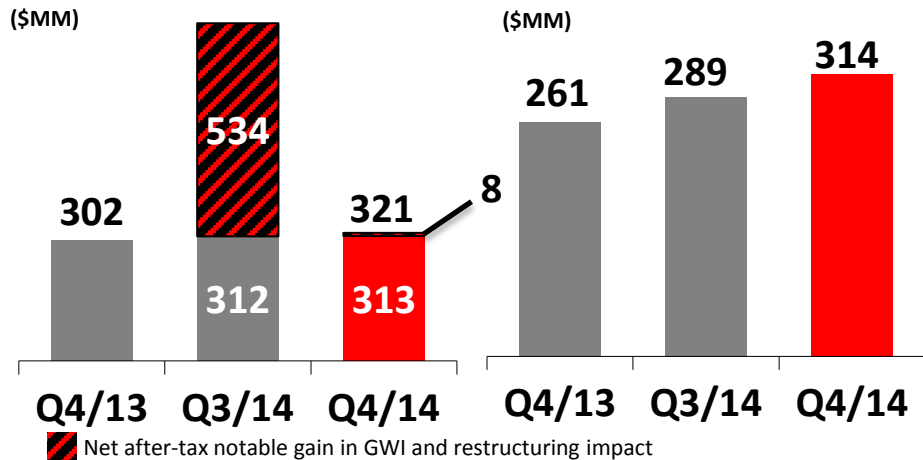
Strong asset growth, wider margin and higher PCLs

(1) Attributable to equity holders of the Bank

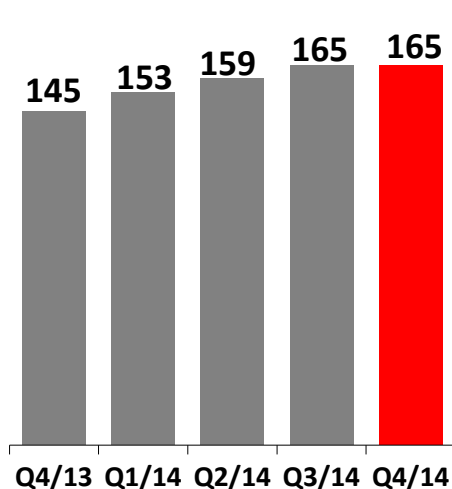
(2) Excluding notable items in Q4/14

Global Wealth & Insurance

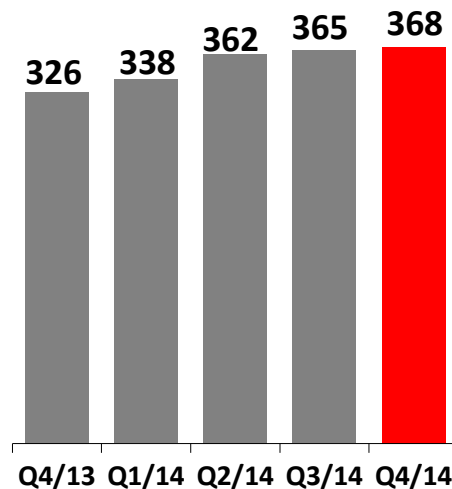
Reported Net Income¹ Adjusted Net Income^{1,2}



AUM (\$B)



AUA (\$B)



Highlights

- Excluding CI and restructuring, underlying net income up 20% Y/Y²
 - Double digit growth in mutual fund fees and brokerage revenues
 - Strong insurance results
- Adjusted revenue growth of 15% Y/Y²
- 13% growth in AUM & AUA Y/Y
 - Strong net sales through branch network
- Underlying expenses up 12% Y/Y²
 - Mostly volume driven and performance based compensation

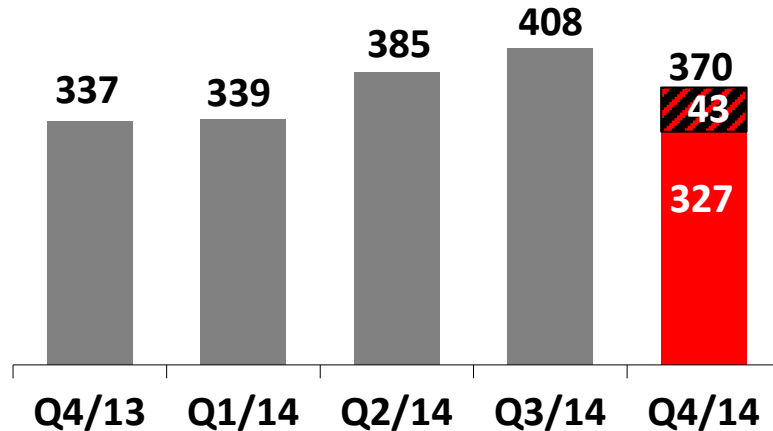
Strong performance across all businesses

(1) Attributable to equity holders of the Bank

(2) Adjusted for CI gain, CI contribution and restructuring charges

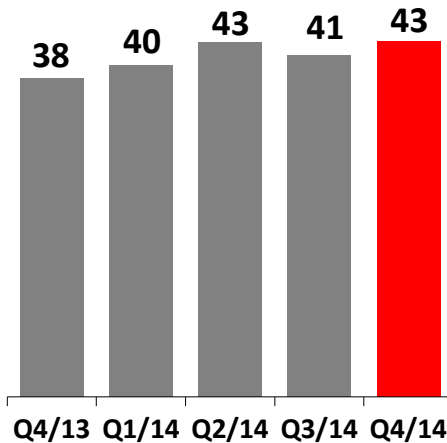
Global Banking & Markets

Net Income¹ (\$MM)

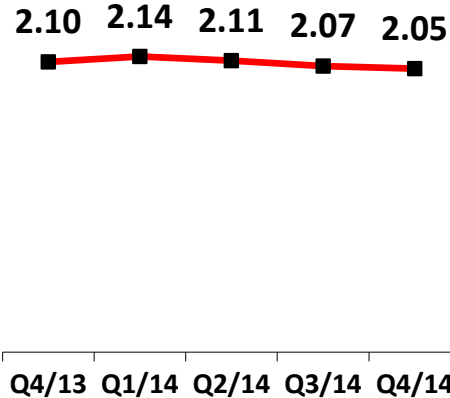


Net after-tax notable items in Q4/14

Average Loans² (\$B)



Net Interest Margin³ (%)



Highlights

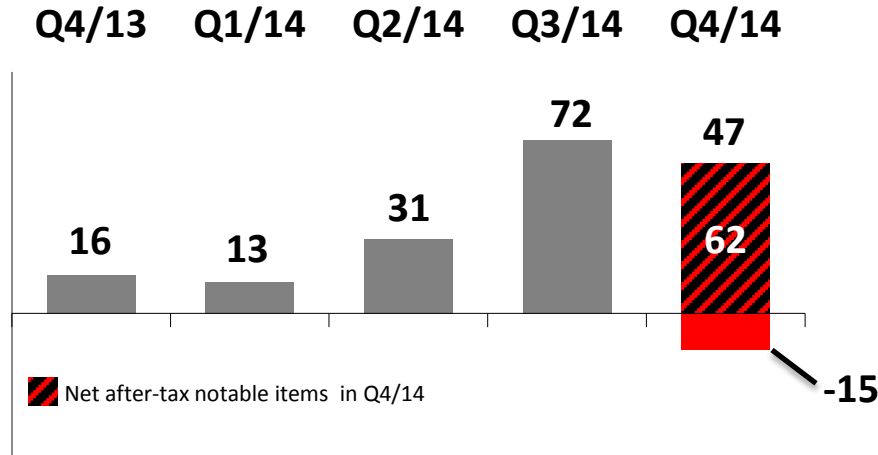
- **Adjusting for notable items, net income up 10% Y/Y⁴**
 - Strong quarter in investment banking
 - Strong results in equities
- **Loan growth of 12% Y/Y**
- **NIM down 2 bps Q/Q, 5 bps Y/Y**
- **Credit performance remains very strong**
- **Expenses up 2% Y/Y⁴**
 - Due mainly to higher share-based payments, technology, salaries and support costs

Strong quarter in investment banking

(1) Attributable to equity holders of the Bank
 (2) Average Business & Government Loans & Acceptances
 (3) Global Corporate & Investment Banking only
 (4) Adjusted for notable items in Q4/14

Other Segment¹

Net Income² (\$MM)



Highlights

- **Adjusted 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

- **Underlying credit fundamentals remain strong**
 - Increase in PCL ratio – up 16 bps Q/Q to 53 bps
 - Adjusting for certain loan losses¹, the underlying PCL ratio was flat Q/Q at 37 bps
 - Underlying Canadian Banking loss rate was flat¹ Q/Q
 - Underlying International Banking loss rate was up 5 bps¹ Q/Q due to higher retail provisions in Latin America
 - Energy portfolio remains high quality
- **Increase in net formations of impaired loans to \$816 million**
 - Largely due to one commercial account in Puerto Rico
- **Market risk remains well-controlled**
 - Average 1-day all-bank VaR: \$23.8MM vs. \$21.5MM in Q3/14
 - Seven trading loss days in Q4/14

(1) Adjusted for Q4/14 accelerated loan write-offs for bankrupt retail accounts (\$62 million), loss estimate changes (\$26 million) and Caribbean loan loss (\$83 million) - (all amounts are pre-tax)

PCL Ratios

(Total PCL as % of average loans & BAs)	Q4/13	Q1/14	Q2/14	Q3/14	Q4/14 Reported	Q4/14 Adjusted ¹
Canadian Banking						
Retail	0.17	0.19	0.22	0.22	0.36	0.22
Commercial	0.13	0.20	0.16	0.18	0.13	0.13
Total	0.17	0.19	0.21	0.22	0.33	0.21
International Banking						
Retail	1.93	2.08	2.11	2.16	2.23	2.23
Commercial	0.25	0.20	0.21	0.23	0.76	0.23
Total	0.87	0.87	0.91	0.95	1.32	1.00
Global Wealth & Insurance	–	–	0.01	0.07	0.03	0.03
Global Banking & Markets	(0.02)	0.03	0.05	0.01	0.00	0.00
All Bank	0.31	0.34	0.36	0.37	0.53	0.37

(1) Adjusted for Q4/14 accelerated loan write-offs for bankrupt retail accounts (\$62 million), loss estimate changes (\$26 million) and Caribbean loan loss (\$83 million) - (all amounts are pre-tax)

2015 Outlook



Brian Porter

President & Chief Executive Officer



2015 Business Line Outlook

Canadian Banking

- Strong growth in auto, commercial banking and credit cards
- Some margin expansion, partly from changing asset mix
- Higher loan loss ratio, also reflecting mix, with margins growing faster than PCLs
- Begin to capitalize on structural cost reductions by late 2015
- Strong growth in wealth management, particularly in the branch channel

International Banking

- Economic recovery will accelerate in 2015, particularly in the second half, driven by U.S. growth and LatAm economic reforms
- Asset growth expected to continue at high single digits with strong growth in each of our four key markets
- Optimization of our branch network and investment in technology
- Well positioned for stronger earnings growth beginning in latter half of 2015

Global Banking & Markets

- Focus on corporate lending to provide more stable earnings growth
- Margins to remain stable with strong credit quality in the loan book
- Revenue growth will be challenging due to market volatility, particularly in fixed income and commodities
- Growth will be driven in all regions and as well as through the integration of our portfolio in Asia

2015 Outlook

Medium-term Financial Objectives	
EPS Growth	5-10%
ROE	15-18%
Operating Leverage	Positive
Capital	Maintain strong ratios

- **Medium-term financial objectives remain unchanged**
- **Underlying performance expected to be within these ranges**
 - Earnings¹ growth to moderate, and may be at or near low end of range
 - Investing in technology, processes and people to drive continuous improvement in customer experience
 - Restructuring initiatives expected to generate ongoing efficiencies, particularly in the second half of 2015

Well positioned to drive shareholder value over the medium and long term

(1) Excluding notable items in 2014

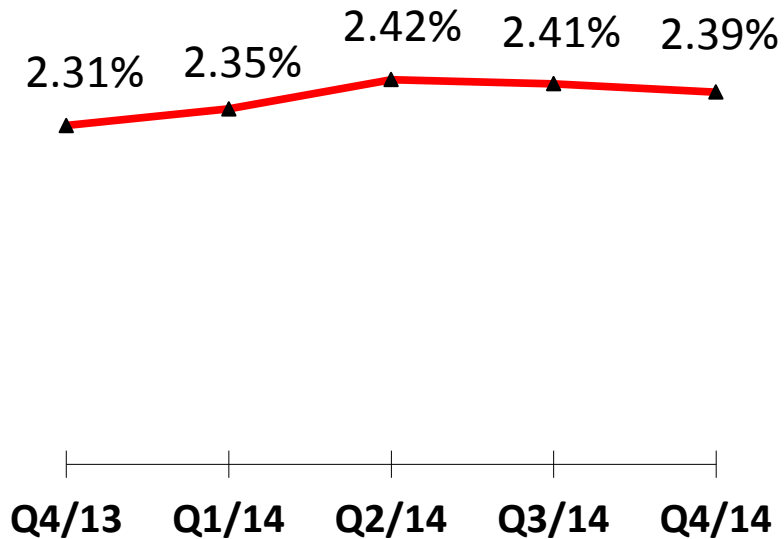
Appendix



Q4 2014 Notable Items and Additional Loan Losses

(\$MM)	Pre-tax	After-tax	Per Share
Restructuring charges			
Canadian Banking	36	27	
International Banking	41	32	
Global Wealth & Insurance	11	8	
Global Banking & Markets	29	21	
Other	31	22	
	148	110	\$0.09
Accounting Estimates			
Revaluation of monetary assets in Venezuela	47	47	
Accelerated loan write-offs: unsecured Canadian bankrupt retail	62	46	
Funding valuation adjustment on derivatives	30	22	
Legal provisions	55	40	
	342	265	\$0.22
Total – Notable Items			
Additional Loan Loss Provisions			
Caribbean loan loss	83	57	
Canadian Banking loss estimate changes	26	19	
	109	76	\$0.06
Total Pre-Announced Items	451	341	\$0.28

Core Banking Margin (TEB)¹

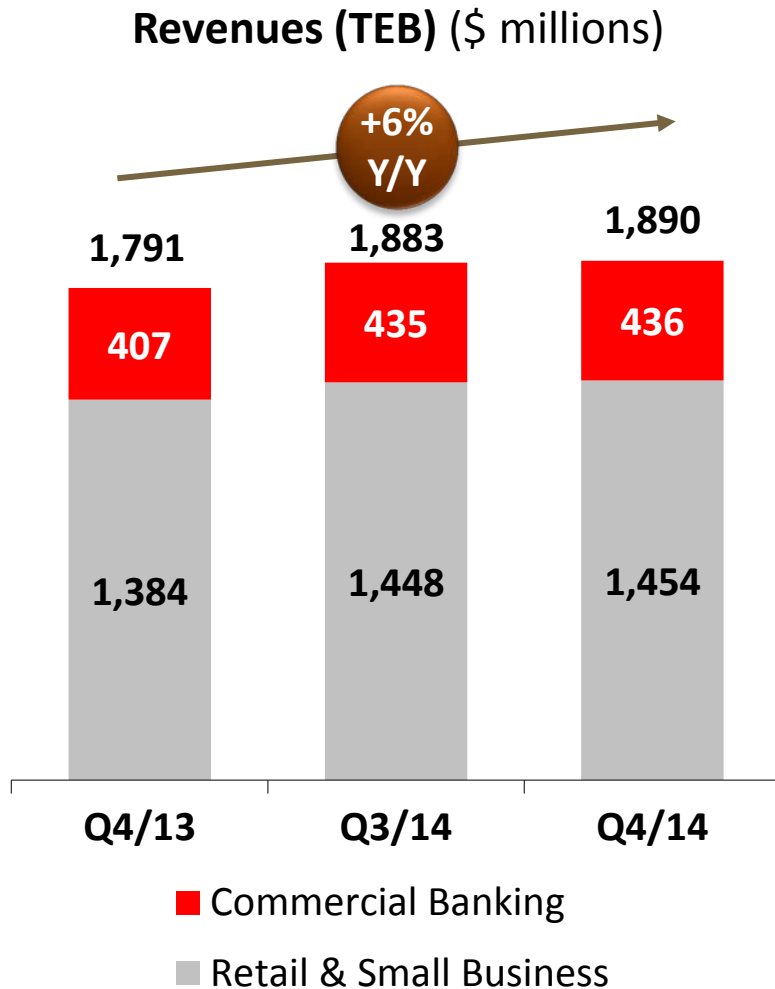


Year-over-Year

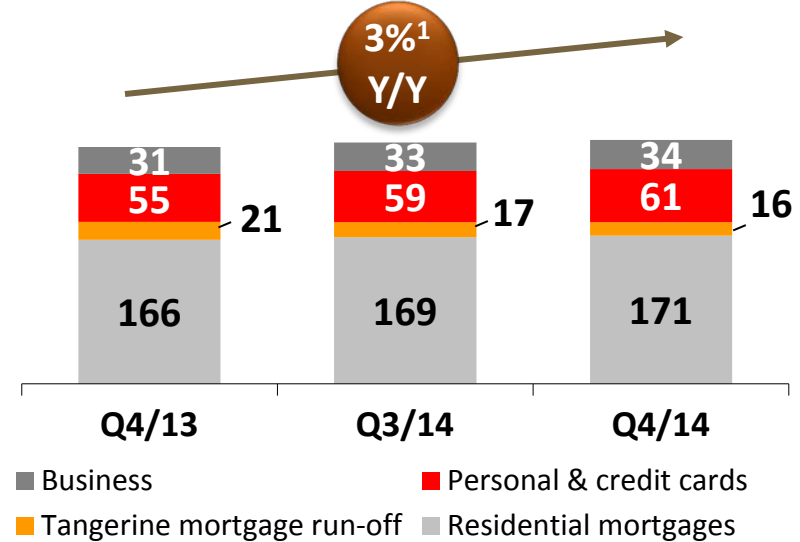
- Increase due mainly to improved margin Canadian Banking and lower funding and liquidity costs as maturing high-rate debentures and deposits were replaced with funding at lower current rates

(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.

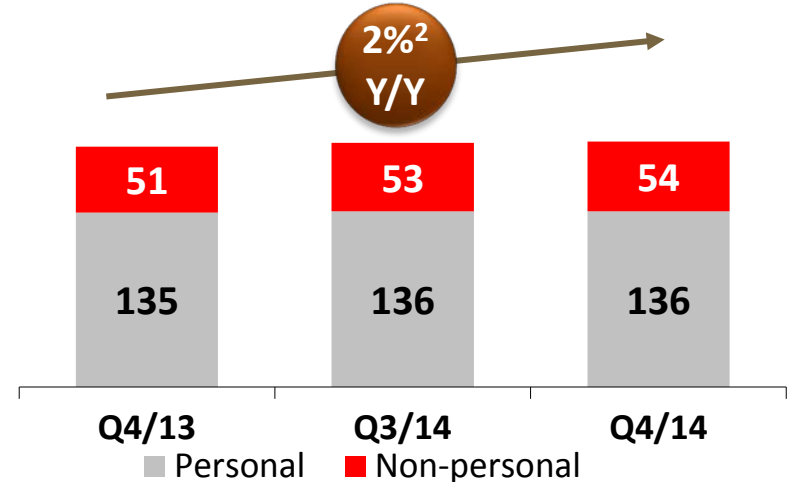
Canadian Banking – Revenue & Volume Growth



Average loans & acceptances (\$ billions)



Average deposits (\$ billions)

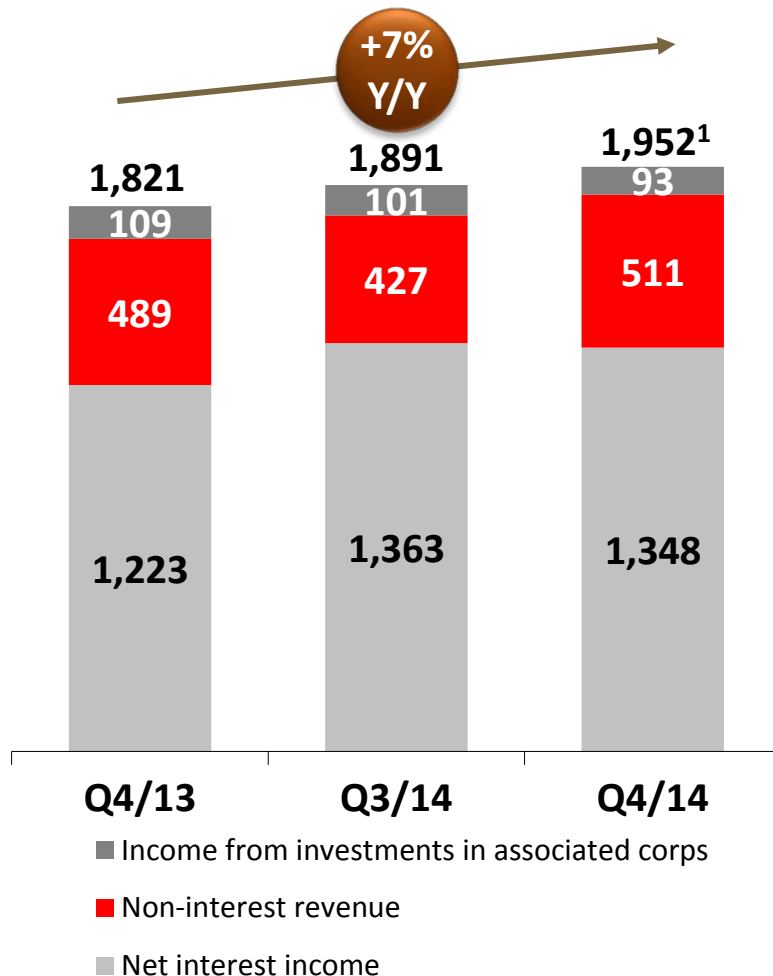


(1) Excluding Tangerine run-off portfolio, loans & acceptances increased 5% year-over-year

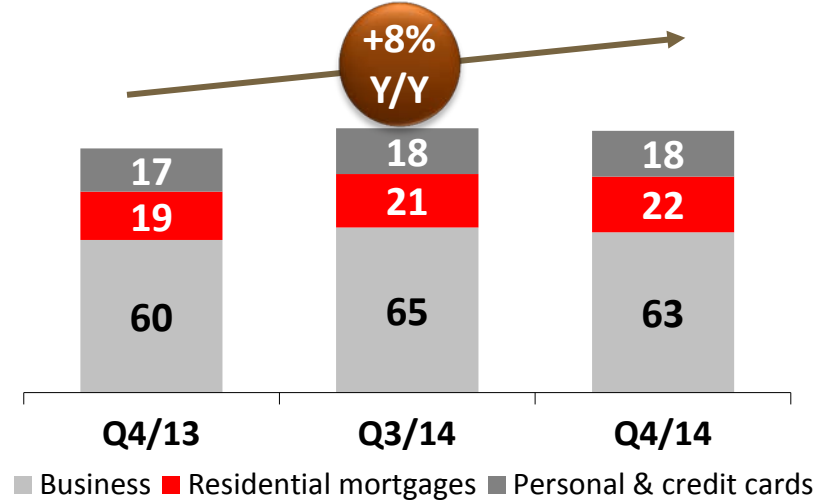
(2) Excluding GICs, average deposits increased 6% year-over-year

International Banking – Revenue & Volume Growth

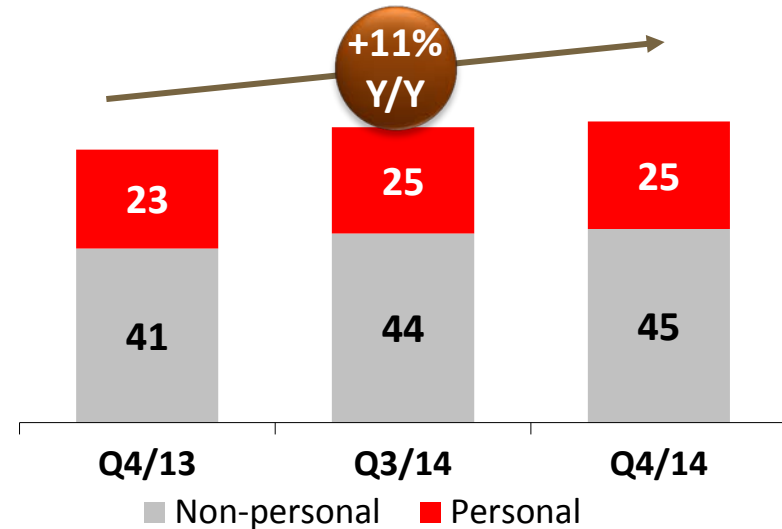
Revenues (TEB) (\$ millions)



Average loans & acceptances (\$ billions)



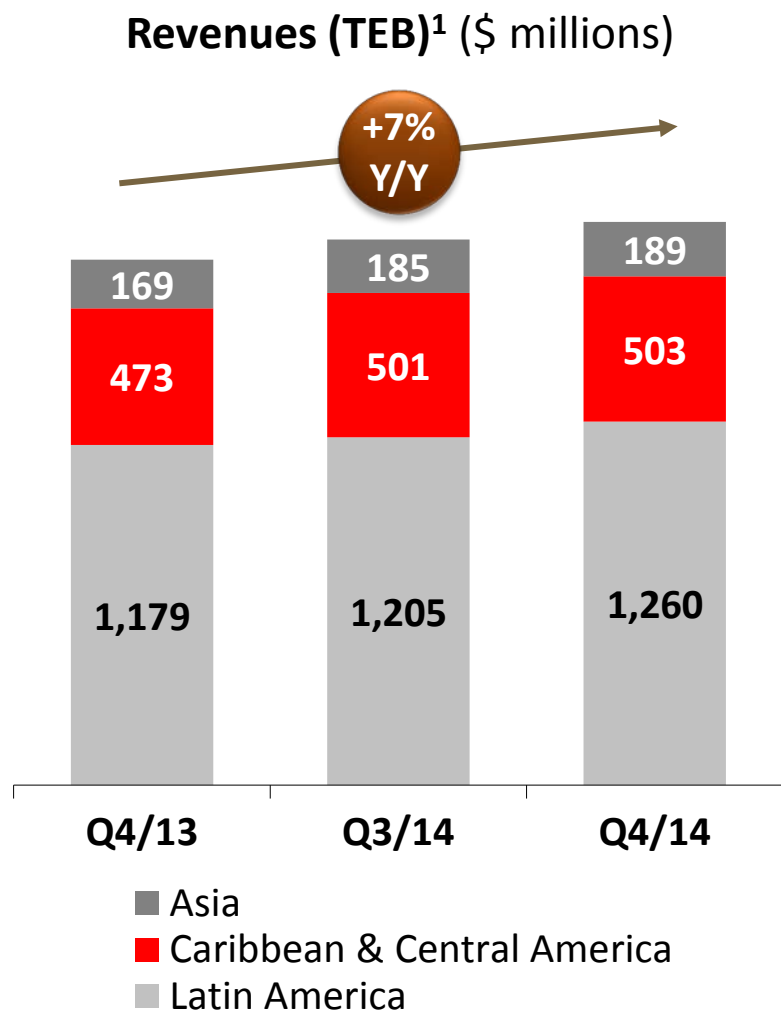
Average deposits² (\$ billions)



(1) Excluding \$47 million related to Venezuela in Q4/14

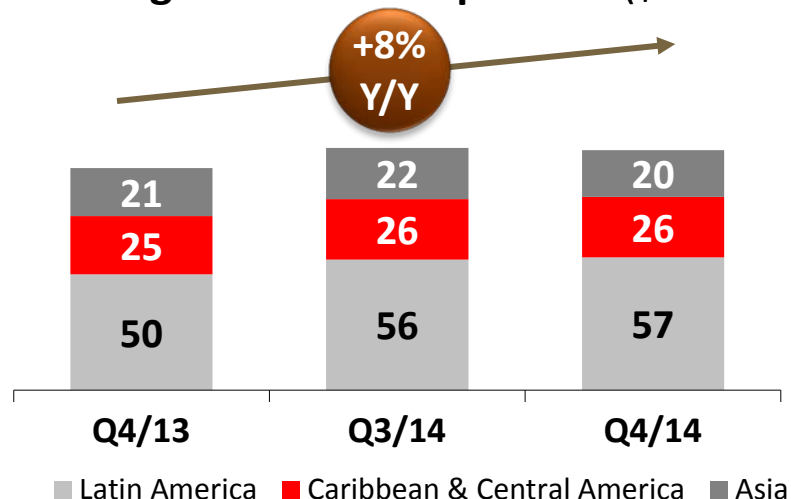
(2) Includes deposits from banks

International Banking – Regional Growth



(1) Excluding \$47 million related to Venezuela in Q4/14
(2) Excludes bankers acceptances

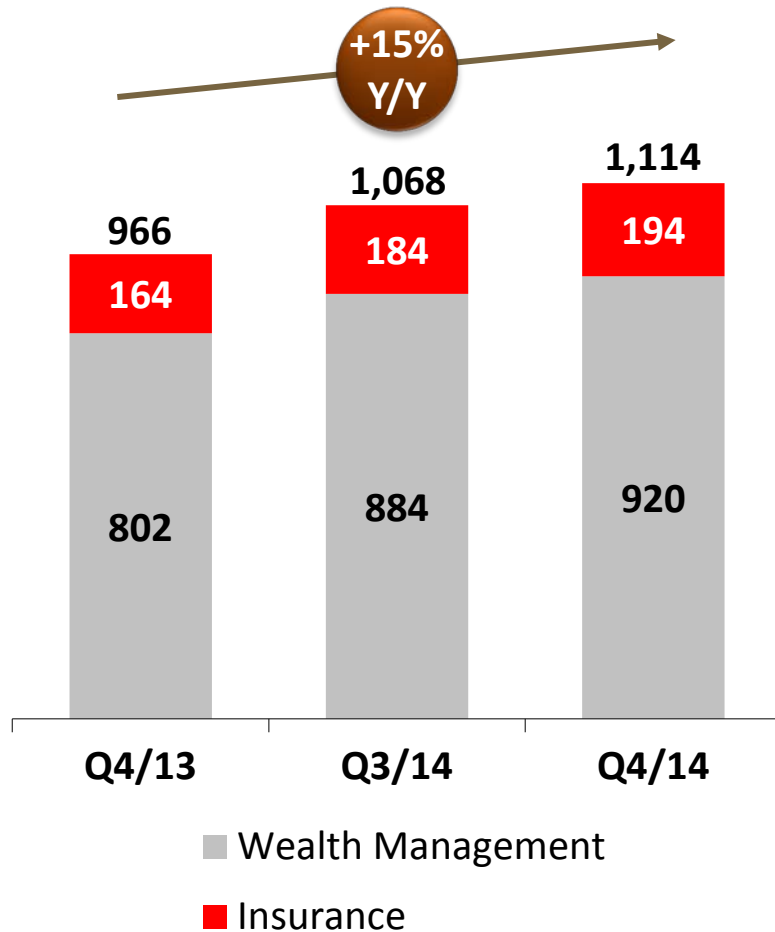
Average loans & acceptances (\$ billions)



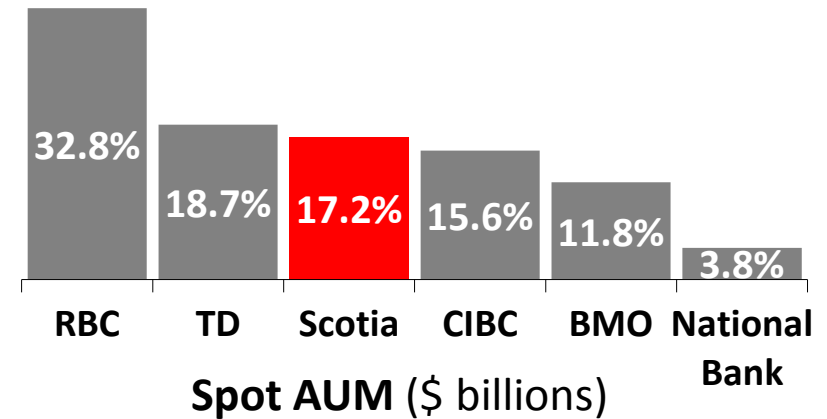
<i>Constant FX Loan Volumes Y/Y</i>	Retail	Commercial ²	Total
Latin America	14%	11%	13%
C&CA	1%	-6%	-2%
Asia	N/A	-10%	-10%
Total	9%	1%	4%

Global Wealth & Insurance – Revenue & Volume Growth

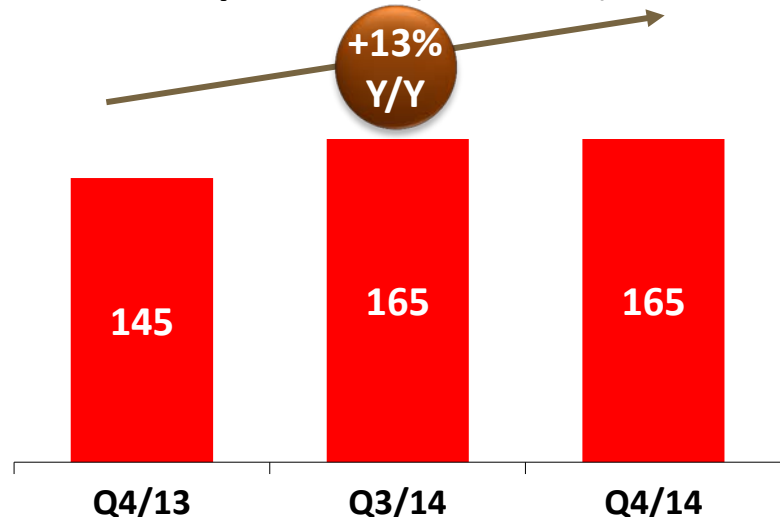
Adjusted Revenues (TEB)¹ (\$ millions)



Mutual Fund Market Share in Canada²
(% vs. Major Schedule 1 Banks)



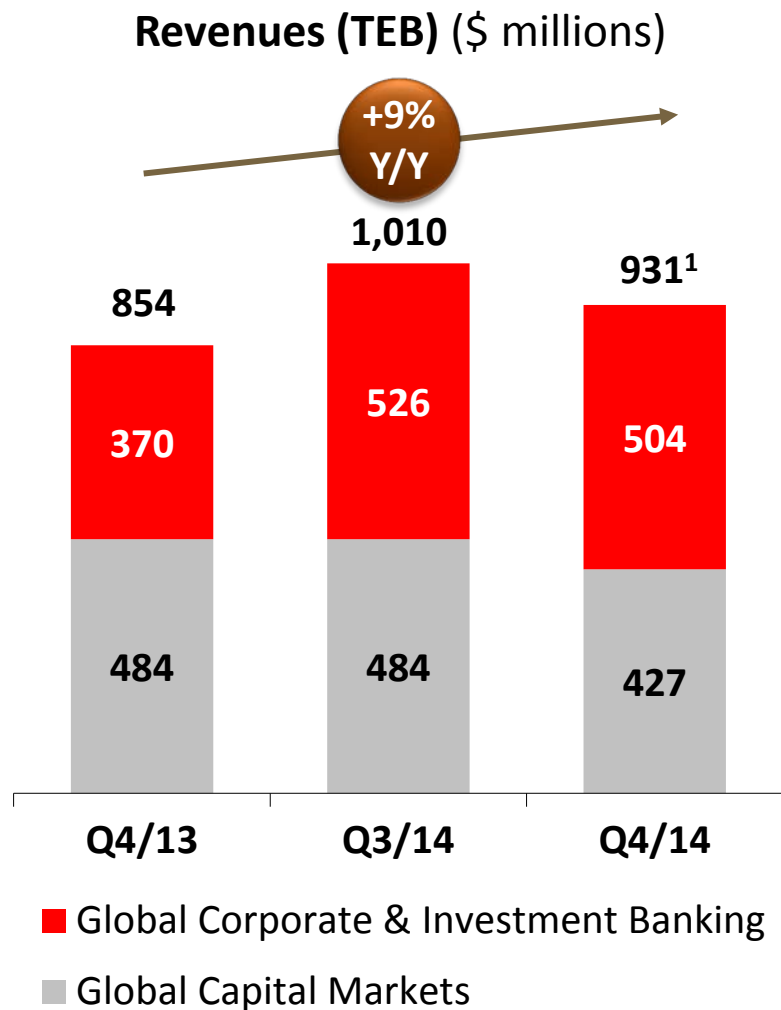
Spot AUM (\$ billions)



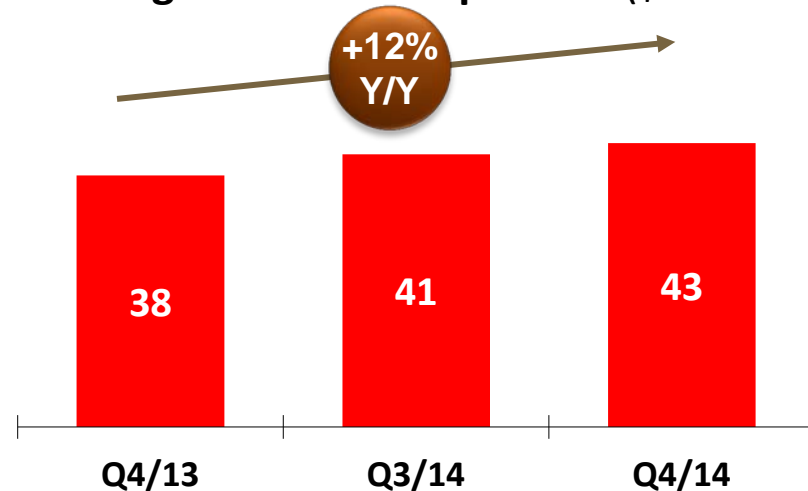
(1) Adjusted for CI gain and lower CI contribution for all periods.

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

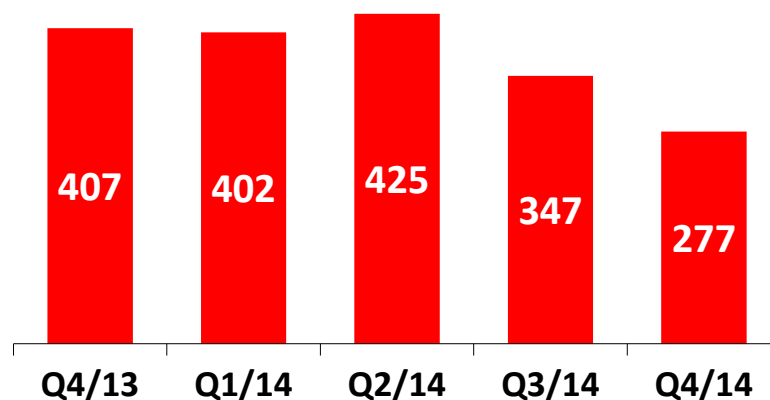
Global Banking & Markets – Revenue & Volume Growth



Average loans & acceptances (\$ billions)



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



(1) Adjusted for Funding Valuation Adjustment.

Economic Outlook in Key Markets

Country	Real GDP (Annual % Change)			
	2000-13 Avg.	2014F	2015F	2016F
Mexico	2.4	2.1	3.3	3.7
Peru	5.6	2.6	5.0	5.8
Chile	4.4	1.8	2.7	3.9
Colombia	4.2	5.0	4.5	4.5
Costa Rica	4.2	3.6	3.8	4.5
Dominican Republic	4.7	6.0	4.8	5.2
Thailand	4.1	1.0	3.8	4.0
	2000-13 Avg.	2014F	2015F	2016F
Canada	2.2	2.4	2.3	2.0
U.S.	1.9	2.3	3.3	3.1

Source: Scotia Economics, as of December 2, 2014

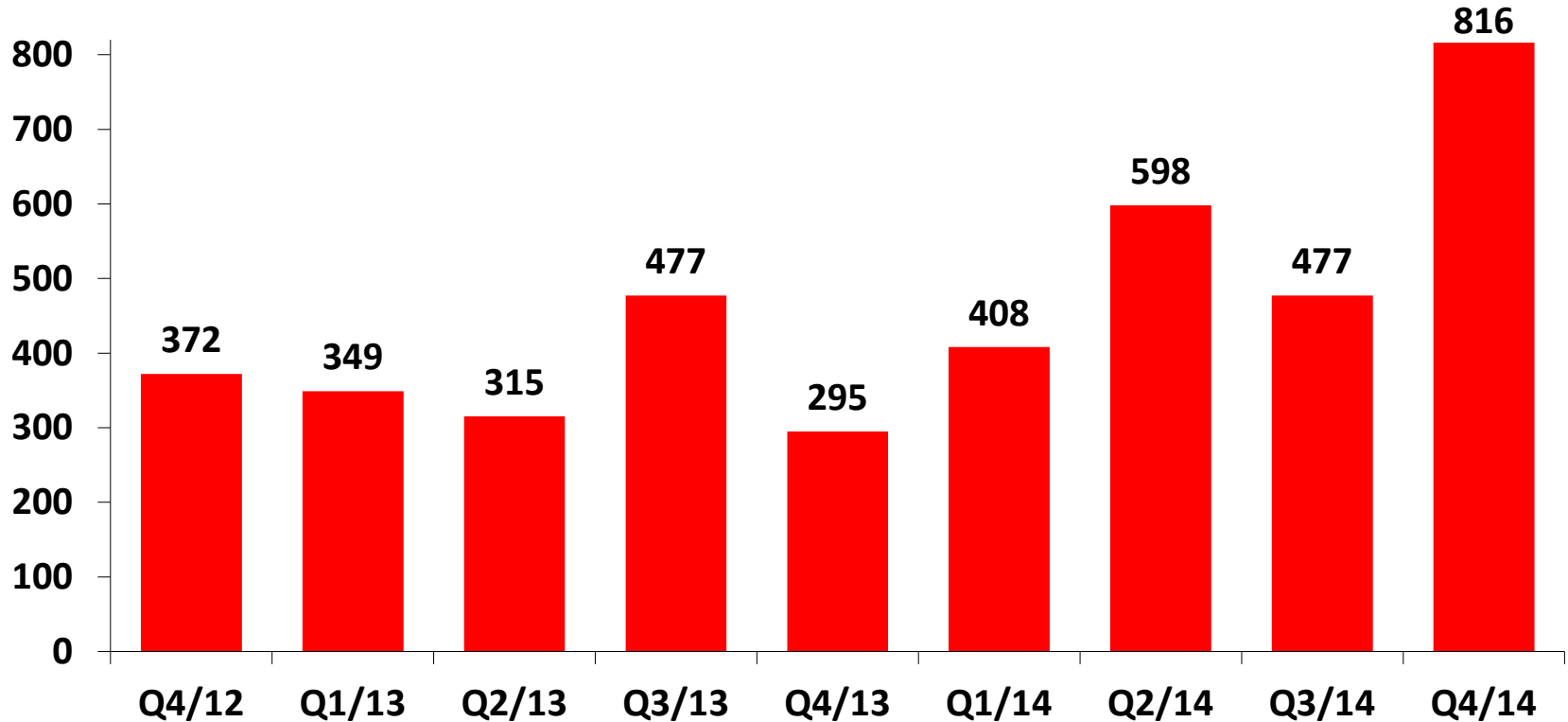
Provisions for Credit Losses

(\$ millions)	Q4/13	Q1/14	Q2/14	Q3/14	Q4/14 Reported	Q4/14 Adjusted ¹
Canadian Retail	106	118	127	137	225	137
Canadian Commercial	10	16	13	14	11	11
	116	134	140	151	236	148
International Retail	170	187	196	206	218	218
International Commercial	37	32	34	38	120	37
	207	219	230	244	338	255
Global Wealth & Insurance	–	–	–	2	–	–
Global Banking & Markets	(2)	3	5	1	–	–
	321	356	375	398	574	403
Total	321	356	375	398	574	403
PCL ratio (bps) – Total PCL as % of average loans and BAs	31	34	36	37	53	37

(1) Adjusted for Q4/14 accelerated loan write-offs for bankrupt retail accounts (\$62 million), loss estimate changes (\$26 million) and Caribbean loan loss (\$83 million) - (all amounts are pre-tax)

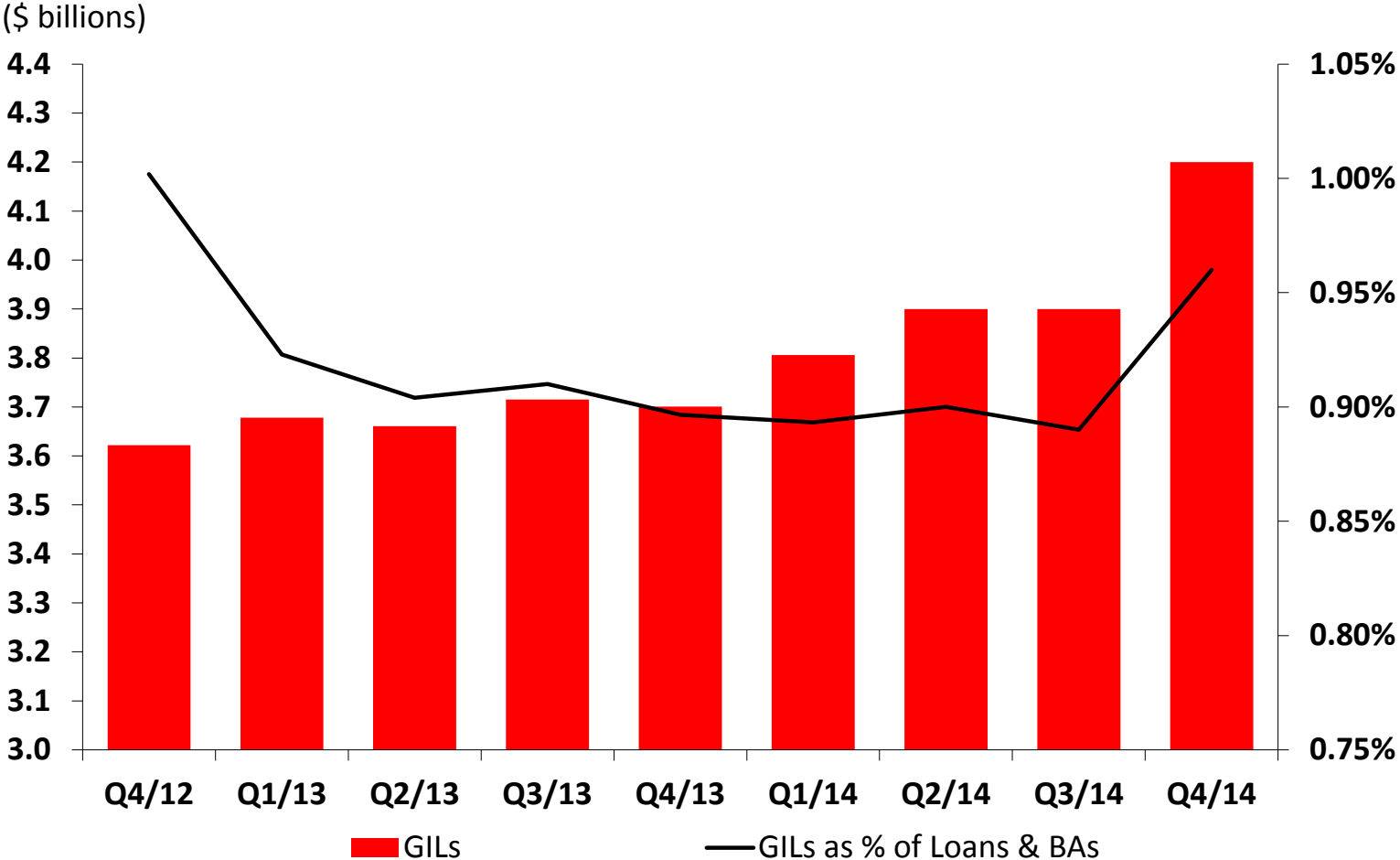
Net Formations of Impaired Loans¹

(\$ millions)



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

Gross Impaired Loans¹

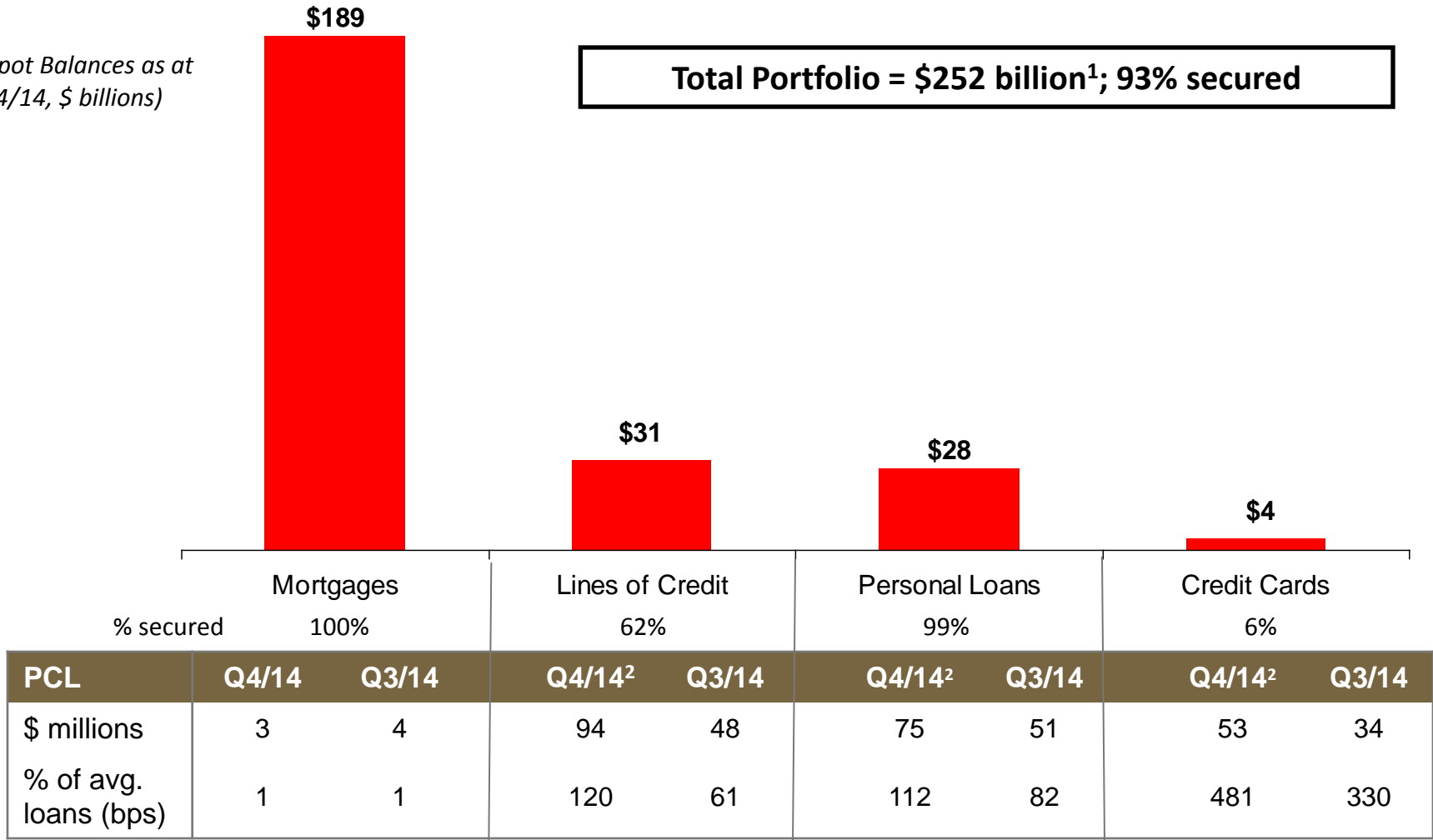


(1) Excludes Federal Deposit Insurance Corporation (FDIC) guaranteed loans related to the acquisition of R-G Premier Bank of Puerto Rico

Canadian Banking Retail: Loans and Provisions

(Spot Balances as at Q4/14, \$ billions)

Total Portfolio = \$252 billion¹; 93% secured



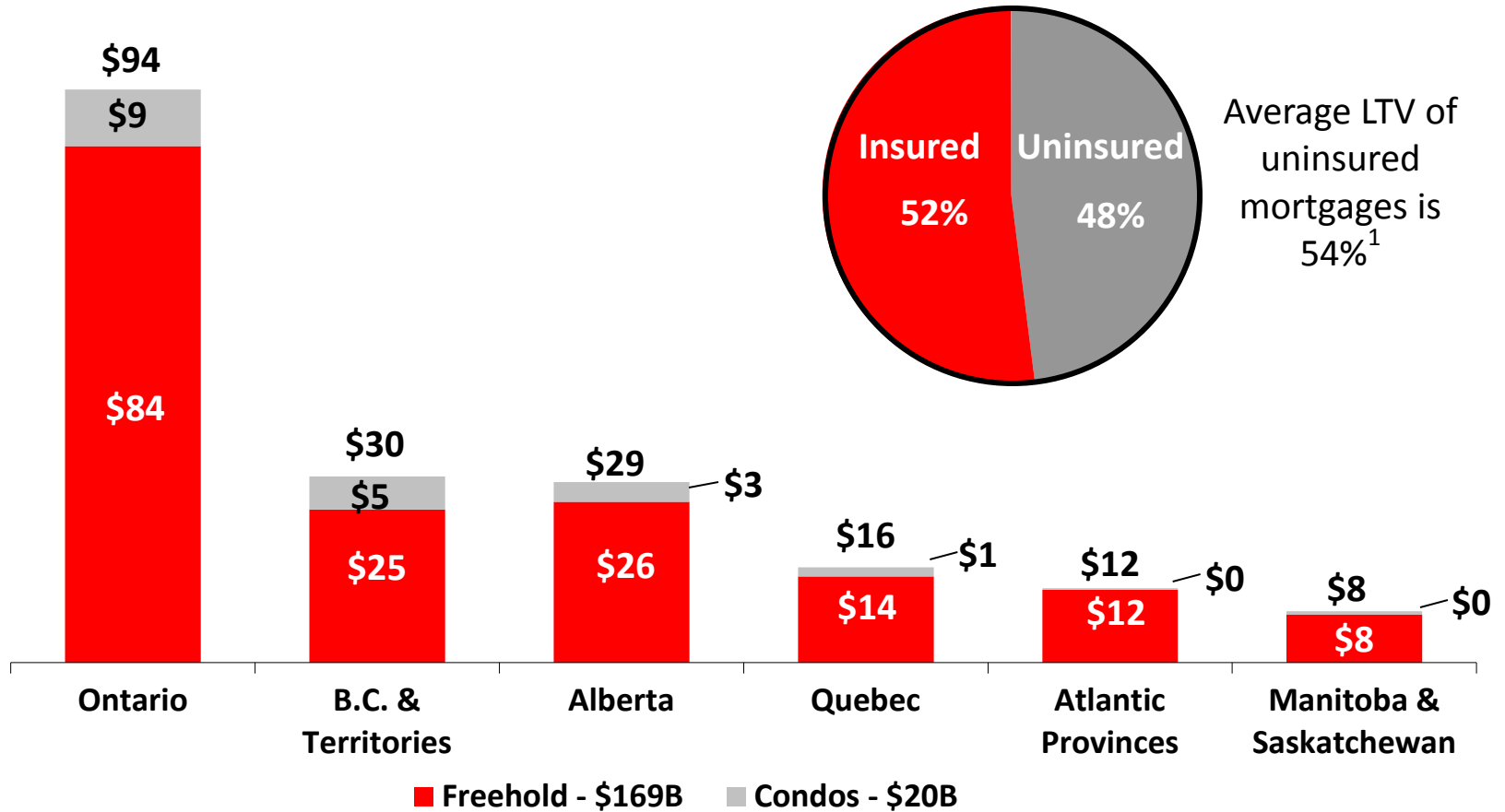
(1) Includes Tangerine balances of \$20 billion

(2) Increase in Q4/14 ratios largely due to loss estimate changes (\$26 million) and adjustment to write-off policy on unsecured bankrupt retail accounts in order to accelerate write-offs upon a bankruptcy filing (\$62 million). Excluding the preceding items, adjusted PCL rates at Q4/14 would have been: Lines of Credit 56 bps, Personal Loans 76 bps and Credit Cards 354 bps. - (all amounts are pre-tax)

Canadian Residential Mortgage Portfolio

(Spot Balances as at Q4/14, \$ billions)

Total Portfolio: \$189 billion



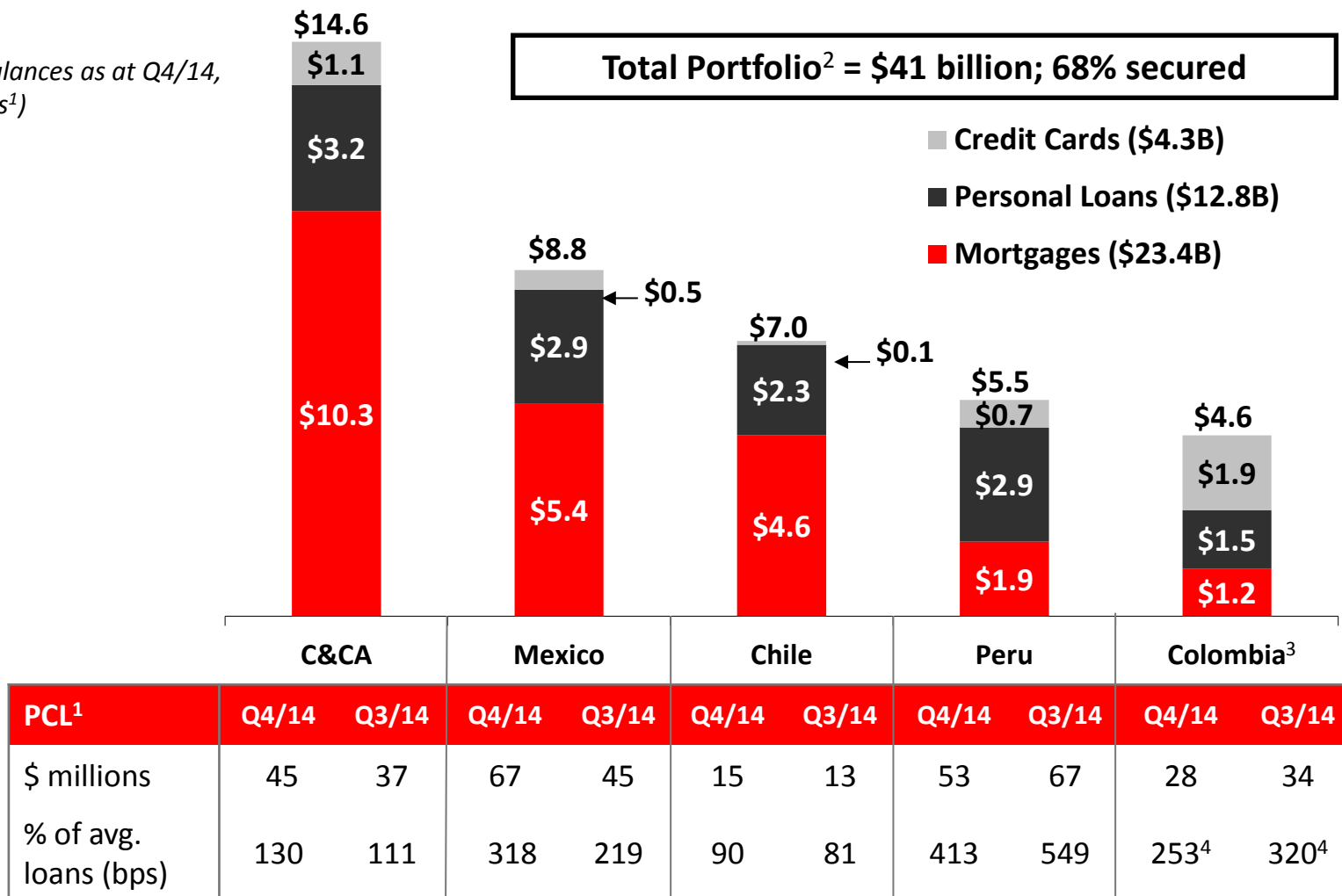
(1) LTV calculated based on the total outstanding balance secured by the property. Property values indexed using Teranet and CREA data
 (2) Some figures on bar chart may not add due to rounding

International Retail Loans and Provisions

(Spot Balances as at Q4/14, \$ billions¹)

Total Portfolio² = \$41 billion; 68% secured

- Credit Cards (\$4.3B)
- Personal Loans (\$12.8B)
- Mortgages (\$23.4B)



(1) Restated amounts to conform with current presentation.

(2) Total Portfolio includes other smaller portfolios.

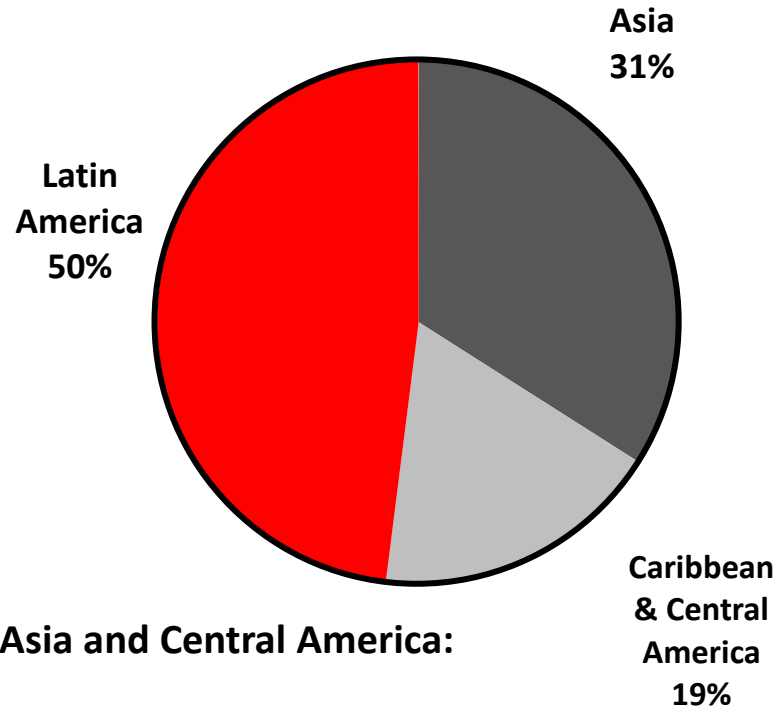
(3) Purchased portfolio recorded at fair value, which includes a discount for expected credit losses. The bank expects to see increased provisions as the purchased portfolio in Colombia rolls over and reaches a steady state.

(4) Includes the benefits from the Colpatría credit mark, excluding the credit mark, the ratio would be 494 bps for Q4/14 and 489 bps for Q3/14

International Banking Commercial: Lending Portfolio

Q4/14 = \$63 billion

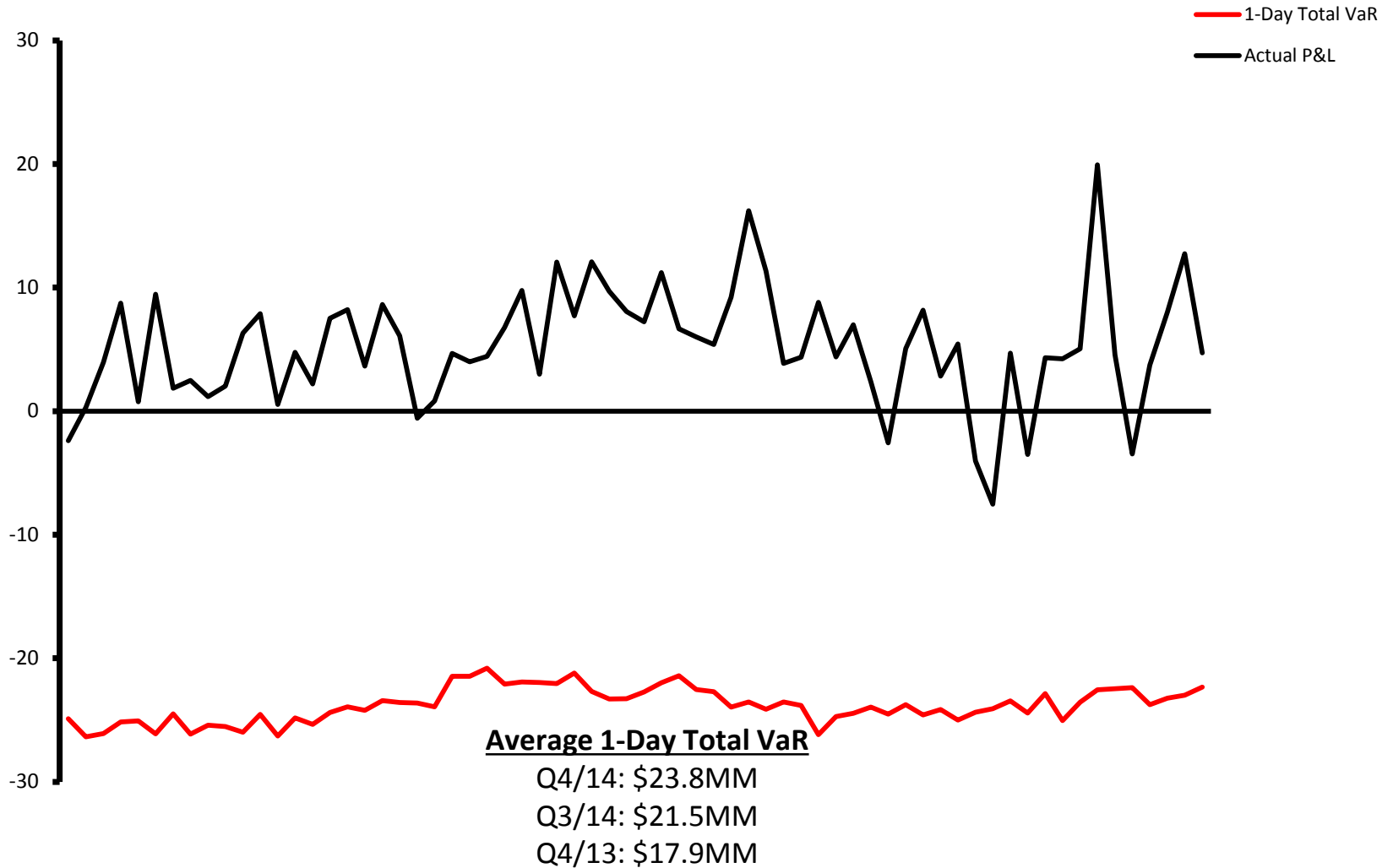
(Average Balances)



- **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

Q4 2014 Trading Results and One-Day Total VaR

(\$ millions)



Q4 2014 Trading Results and One-Day Total VaR

