

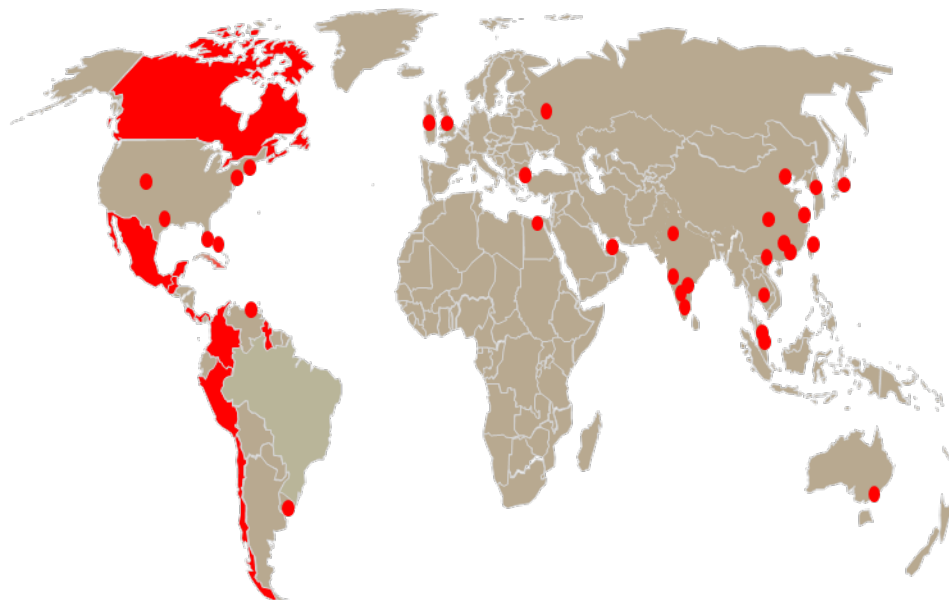


Investor Presentation

September 2014



Scotiabank – Canada's Most International Bank



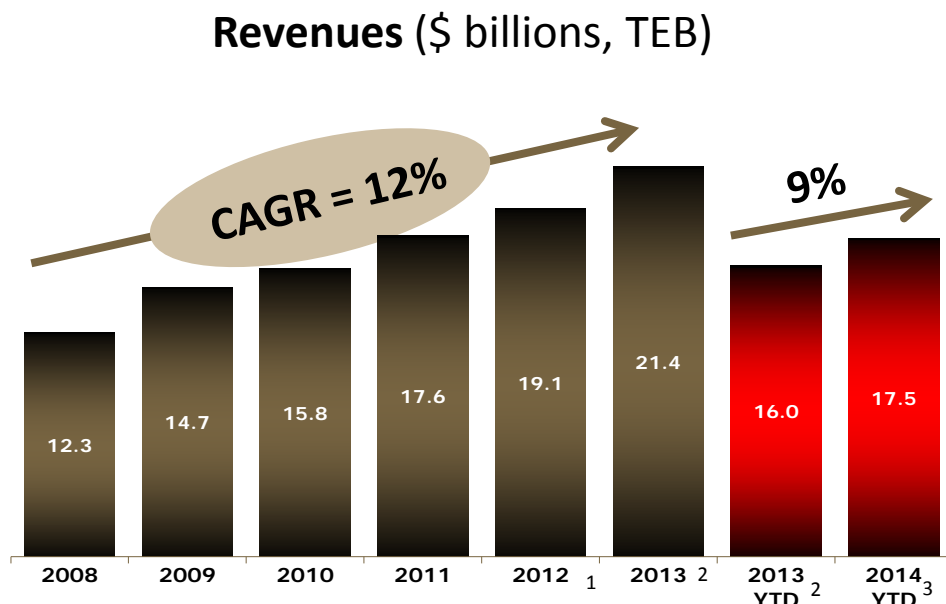
- Full range of services in retail, commercial, corporate or trade finance products
- Selective services in retail, commercial, corporate and investment banking or capital markets businesses

As at Q3, 2014 (C\$)	Scotiabank	Canadian Peer Rank ¹
Total Assets	\$792B	3 rd
Market Capitalization	\$87B	3 rd
Q3/14 Net Income ²	\$1.8B	3 rd
ROE	20.6%	2 nd
Productivity Ratio ^{2, 3}	52.9%	3 rd
Capital Ratio ⁴	10.9%	1 st
Geographic Footprint	>55 countries	
# of Employees	86,949	

Scotiabank Credit Ratings ⁵				
	Moody's	Fitch	DBRS	S&P
Senior Rating	Aa2	AA-	AA	A+
Outlook	Negative	Stable	Stable	Negative

- (1) Canadian Peers include BMO, CIBC, RBC, and TD
- (2) Excludes notable CI gain in Q3/14
- (3) Taxable Equivalent Basis
- (4) Basel III "all-in" Common Equity Tier 1 Ratio
- (5) A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revisions or withdrawals at any time

Sustainable and Profitable Revenue Growth



- **Strategic Priorities**

- Increasing customer focus
- Enhancing leadership depth, diversity and deployment
- Organizing to better serve our customers and reduce structural costs

- **Areas of Growth**

- Latin America and Asia
- Global offering in wealth management
- Insurance
- Deposits and payments

Note: Reflects adoption of IFRS as of fiscal 2011 and IFRS changes effective November 1, 2013

(1) Excludes real estate gains in 2012

(2) Excludes gain on sale of a subsidiary by an associated corporation in Thailand

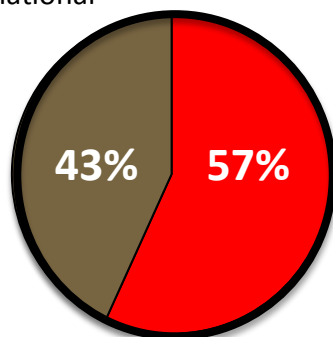
(3) Excludes notable CI gain in Q3/14

Diversified and Growing Businesses

Strong Canadian Base

Target: 50/50

International



Canada

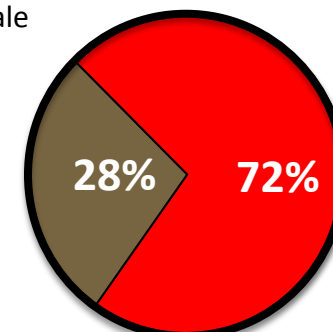
Presence in High Growth Markets



Focus on Lower Risk P&C

Target: 70/30

Wholesale



Personal & Commercial

Diversification creates stability and lowers risk

CANADIAN BANKING

Strong Core Canadian Base

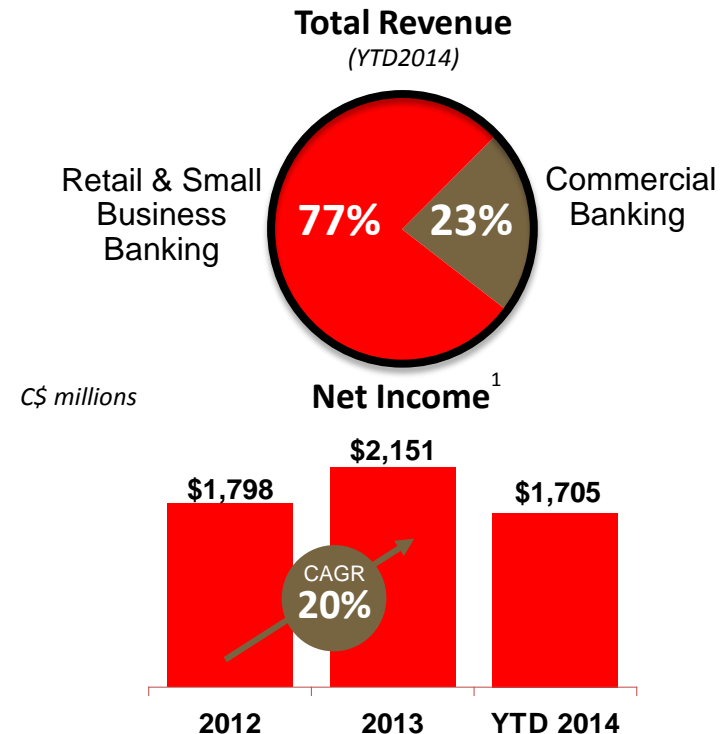
Highlights:

- Contributed 34% of YTD Q3/14 consolidated net income
- Double digit growth in personal loans and credit cards

Strategic Priorities:

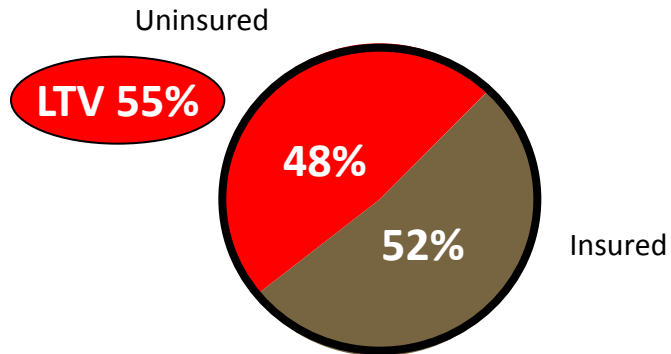
- Transform retail and deepen relationships within targeted customer segments
- Build on our expertise in payments and accelerate credit card growth
- Leverage commercial banking platform to achieve greater market penetration
- Extend Tangerine's offerings to meet banking needs of self-directed customers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

As at Q3 2014	In C\$
Total Assets (avg.)	\$281B
Total Deposits (avg.)	\$188B
Q3/14 Net Income ¹	\$565MM
Productivity Ratio	51.4%
Branches	1,038
# of Employees	19,899

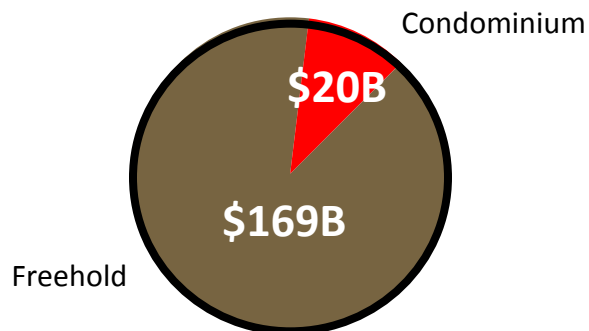


(1) Attributable to equity holders

Canadian Residential Real Estate Portfolio



Total portfolio: \$189B at Q3/14



Market features

- Conservative product offerings; fixed and variable, usually 5 years or less
- Mandatory insurance on LTV >80%, paid upfront by borrower, coverage for life of mortgage
- Max 25 year amortization on LTV >80%, max 30 years on uninsured
- Mortgage interest not tax deductible
- In most provinces, full lender recourse to borrower and property
- CMHC insurance not available on homes >\$1 million, requiring down payment of at least 20%
- Banks use “originate and hold” model
- External broker channel accounts for ~40% of Scotiabank mortgage originations
- \$847 million outstanding to Canadian condo developers as at Q3/14
- \$19 billion in HELOCs, primarily uninsured

Unmatched Presence in Higher Growth Markets

Highlights:

- Contributed 24% of YTD Q3/14 consolidated net income
- Strong performances from Latin America and Asia regions

Strategic Priorities:

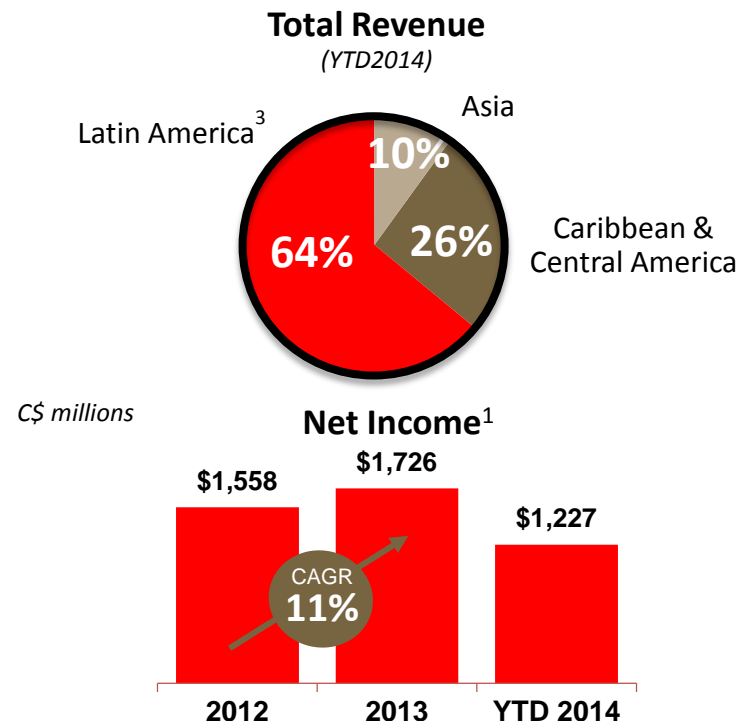
- Leverage expertise in key markets with a focus on becoming the primary bank to our customers
- Optimize our operating model to maximize efficiency to best serve our customers
- Make it easier for our customers to do business with us
- Drive growth and scale in our highest priority markets of Mexico, Peru, Colombia and Chile

(1) Attributable to equity holders

(2) Excludes affiliates

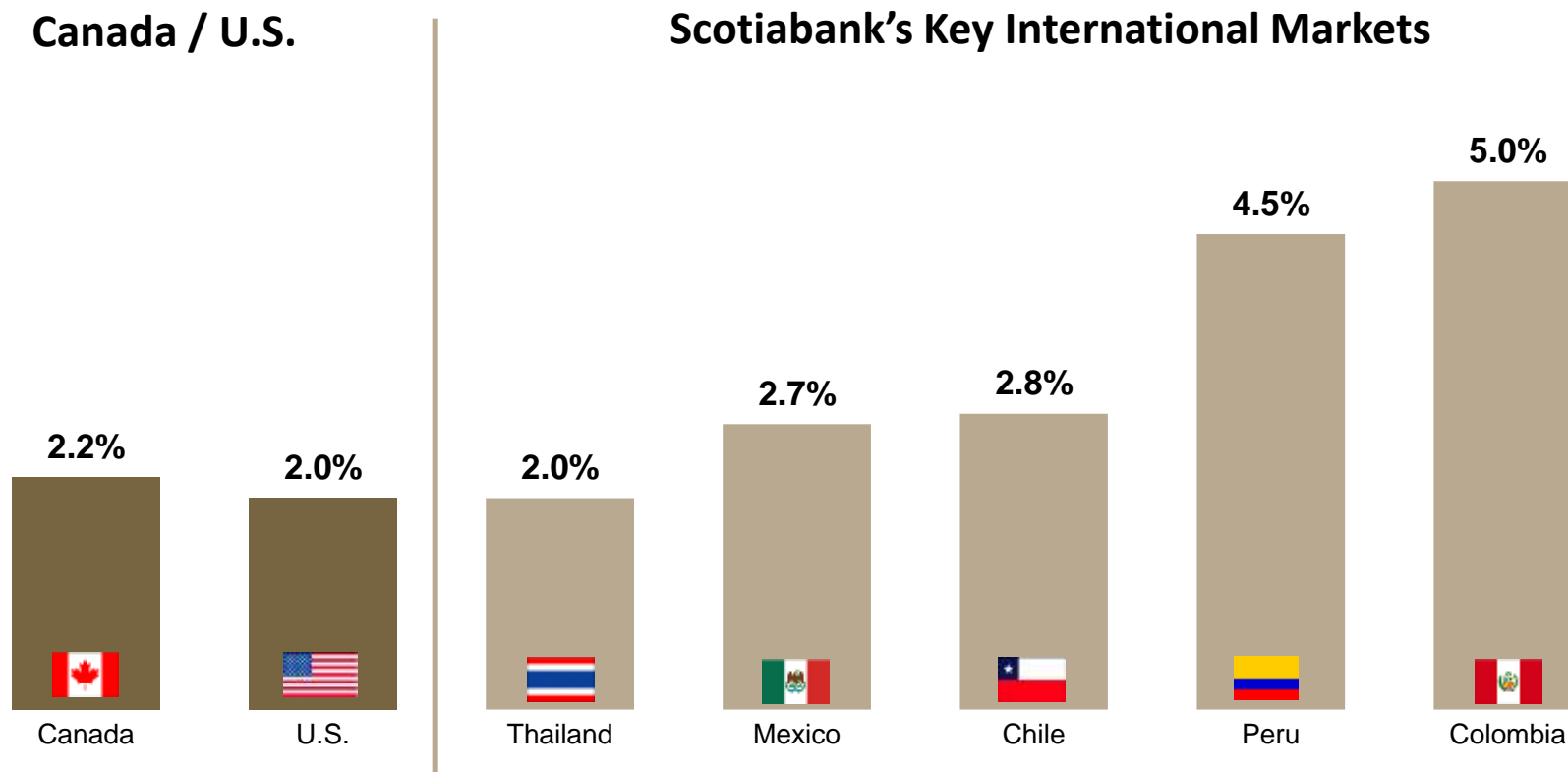
(3) Includes Mexico

As at Q3 2014	In C\$
Total Assets (avg.)	\$139B
Total Deposits (avg.)	\$69B
Q3/14 Net Income ¹	\$410MM
Productivity Ratio	56.3%
Branches ²	1,954
# of Employees ²	47,022



Higher Growth Markets

2014 Real GDP Growth Forecast

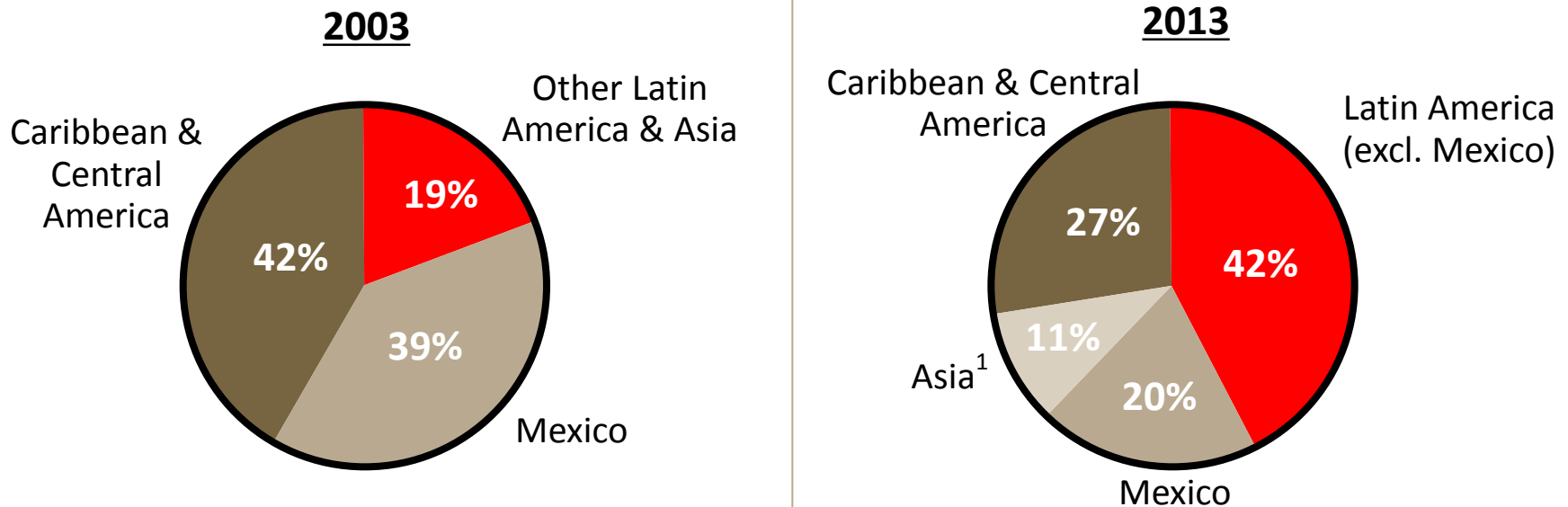


No Significant Exposure to the BRICs

Source: Scotia Economics, as of July 31, 2014.

Broad Diversification in International Banking

International Banking Geographic Revenue Split



Diversification Geographically = Lower Risk

(1) Excludes a \$150MM gain related to the sale of a subsidiary by an associated corporation in Thailand in Q3/13

Significant Growth in Wealth and Insurance

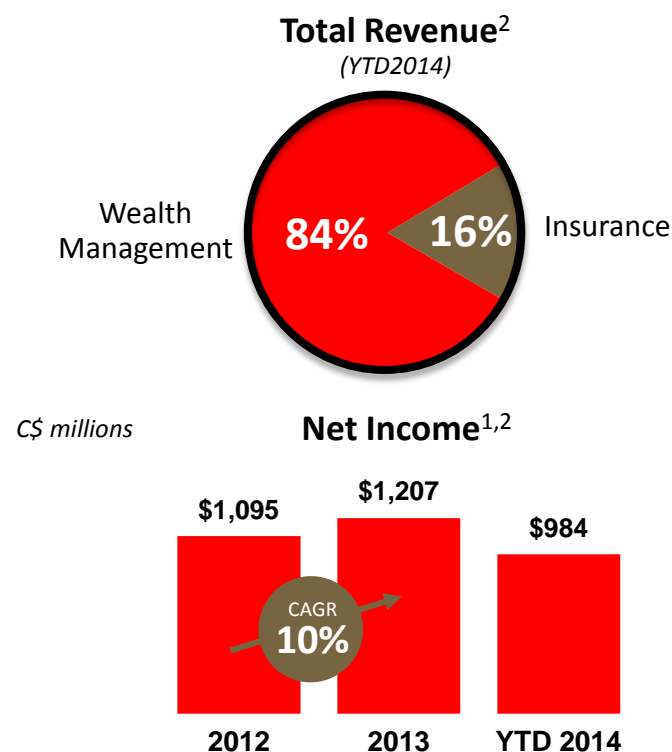
Highlights:

- Contributed 19% of YTD Q3/14 consolidated net income
- The quarter reflected notable CI gain of \$534MM after tax

Strategic Priorities:

- 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

As at Q3 2014	In C\$
AUM	\$165B
AUA	\$365B
Q3/14 Net Income ^{1, 2}	\$312MM
Productivity Ratio ²	63.5%
# of Employees	7,546



(1) Attributable to equity holders

(2) Excludes notable CI gain of \$534MM after-tax in Q3/14

Niche Focus in Select Products, Geographies and Industries

Highlights:

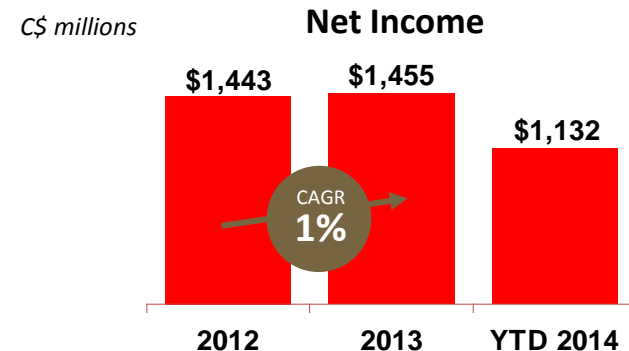
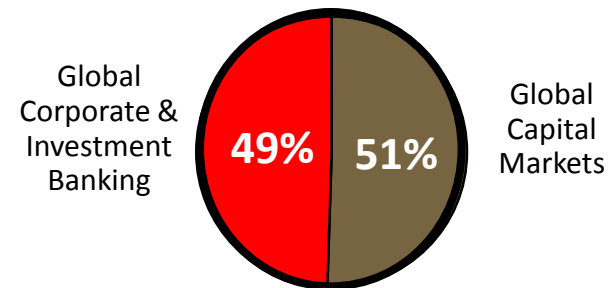
- Contributed 22% of YTD Q3/14 consolidated net income
- Record quarter in investment banking, strong results in equities

Strategic Priorities:

- 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

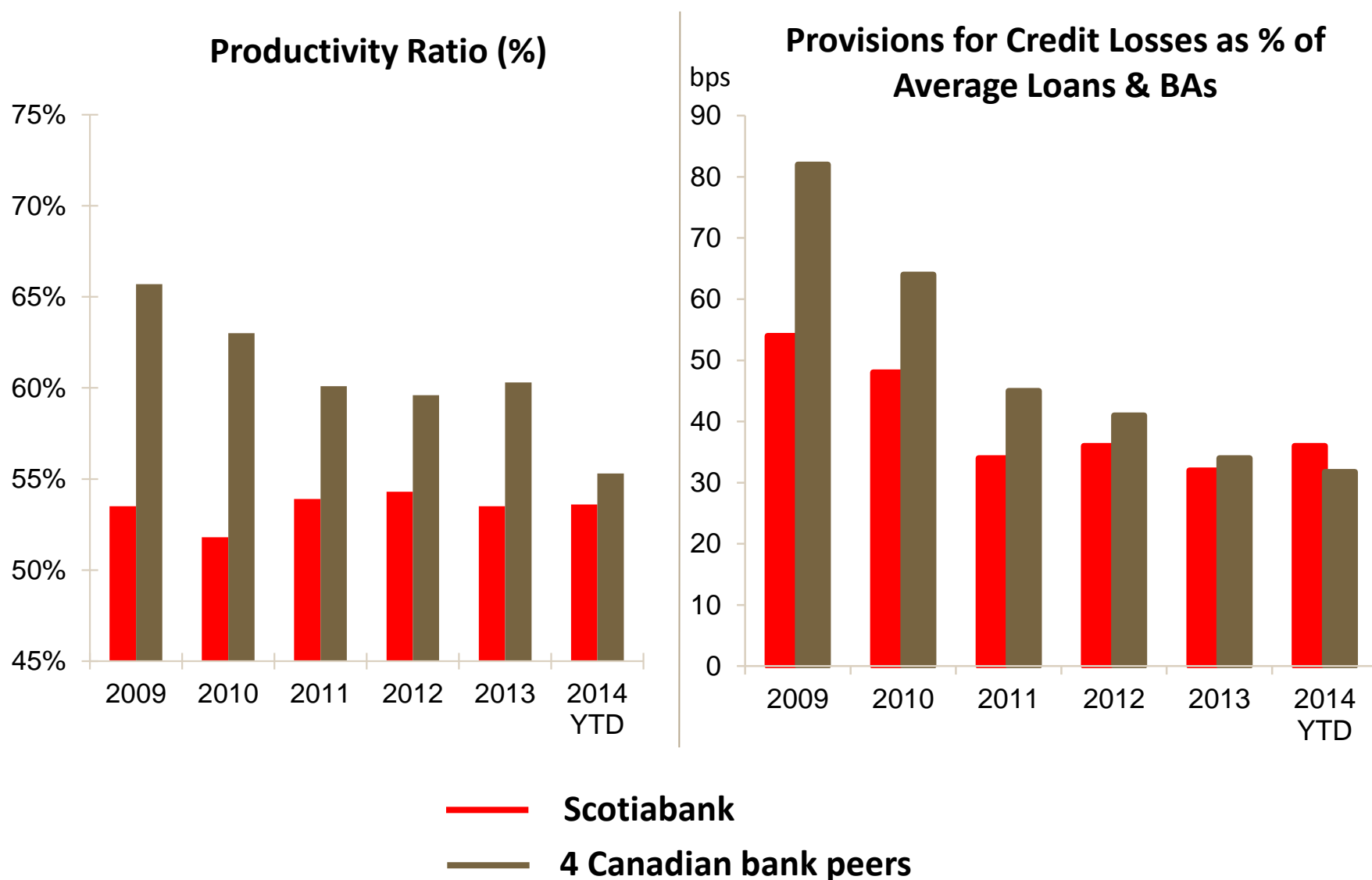
As at Q3 2014	In C\$
Total Assets (avg.)	\$286B
Total Deposits (avg.)	\$49B
Q3/14 Net Income ¹	\$408MM
Productivity Ratio	43.6%
# of Employees	2,049

Total Revenue
(YTD 2014)



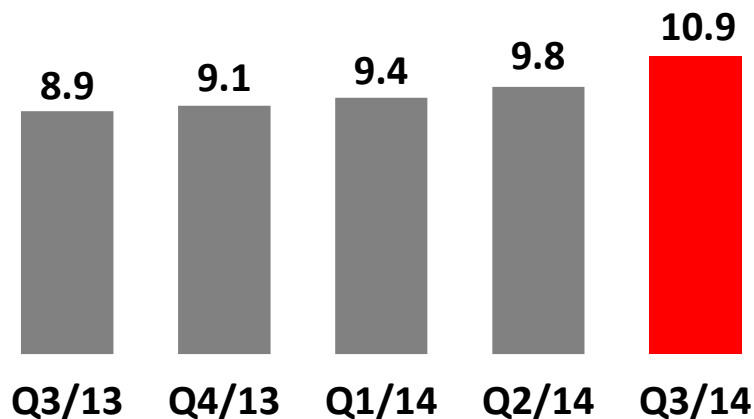
(1) Attributable to equity holders

Strong Cost and Risk Culture

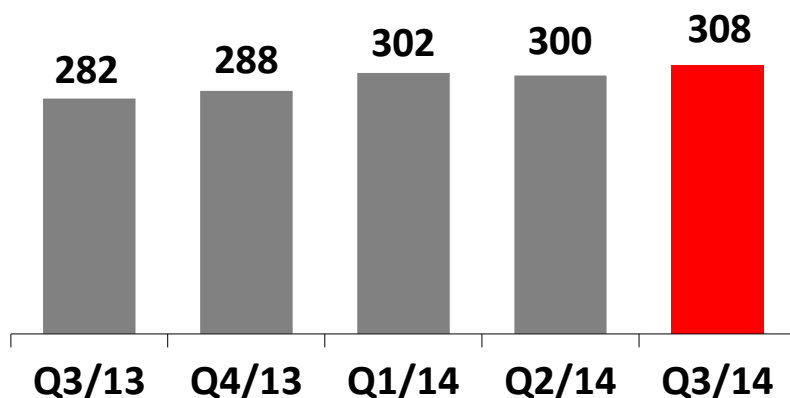


Capital – very strong position

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



CET 1 Risk-Weighted Assets (\$B)



Highlights

- CI transaction added 116 bps to CET 1
- Q3/14 internal capital generation of \$900 million
- Repurchased 2 million shares under NCIB
- Risk-weighted assets up \$8 billion from previous quarter to \$308 billion
 - Growth in personal and business lending
 - Impact from sale of CI and carrying value of the remaining investment
 - Partially offset by lower FX

Capital position very strong

Leadership is a Competitive Advantage

■ Executive Management Team

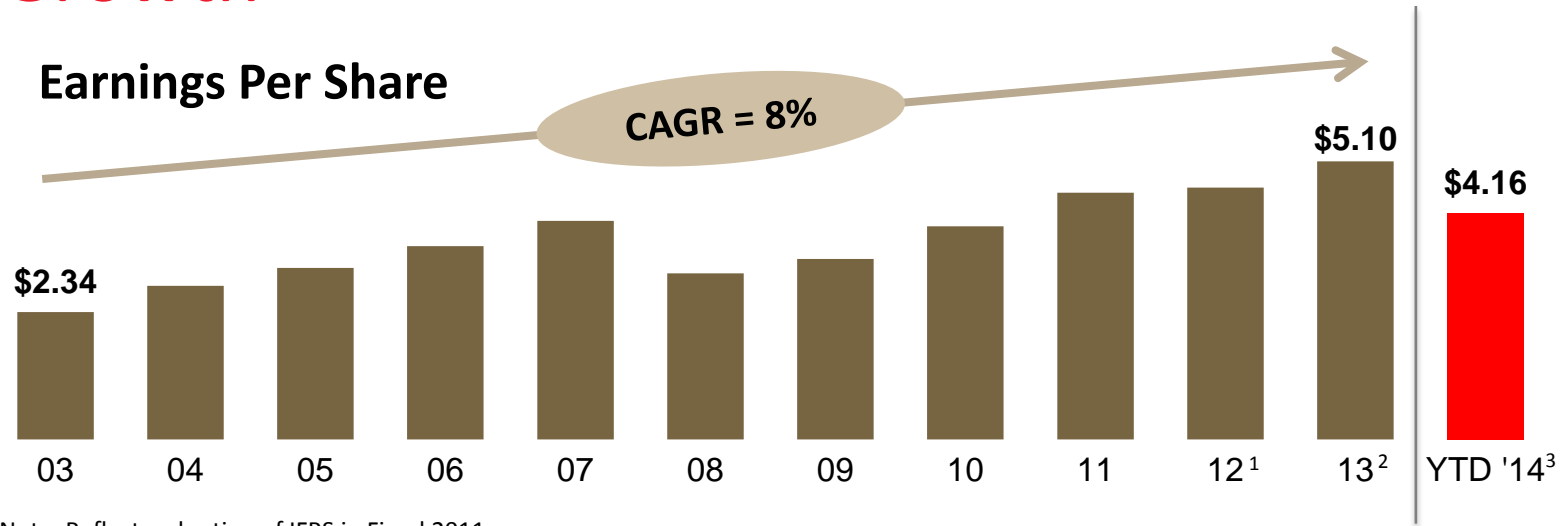
- 23 member Executive Management Team led by President & CEO, Brian J. Porter
- Highly experienced: average Scotiabank tenure of 24 years and average industry experience of 30 years
- 4 Group Heads lead the Bank's four business lines
- 16 Executive Vice Presidents
- Women represent 35% of the Executive Management Team population

■ Global Talent Pool

- Global business platform provides broad spectrum of talent and opportunities within the organization
- Approximately 1,400 high potential employees globally at the Director and above level, 32% of whom are women – strong talent pipeline
- Ongoing commitment to developing customer-focused leaders
- Significant investment in leadership development at all levels

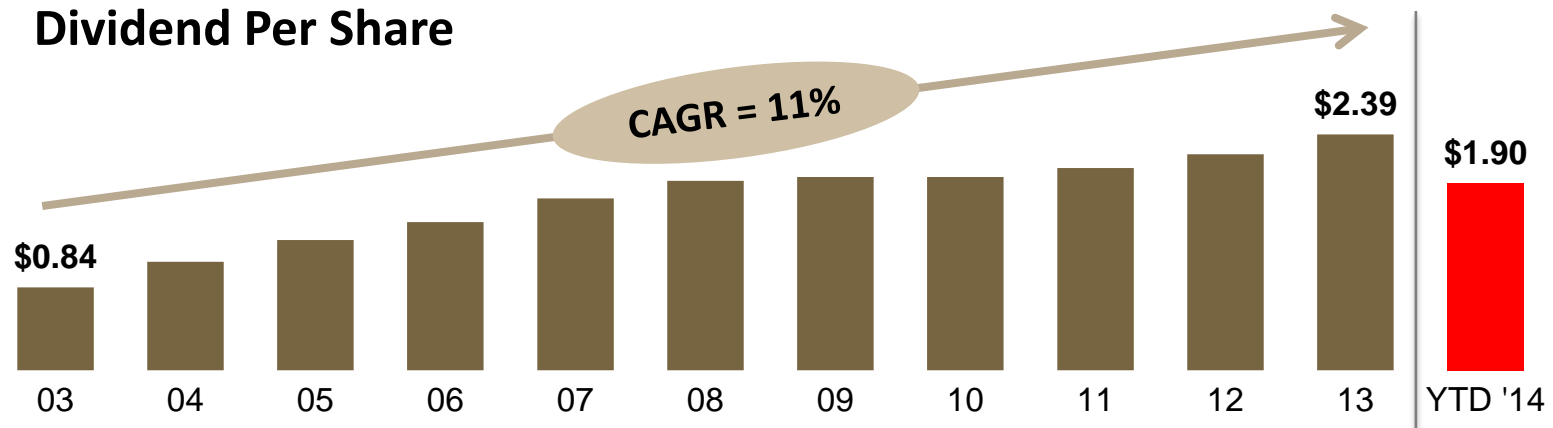
Solid Track Record of Earnings and Dividend Growth

Earnings Per Share



Note: Reflects adoption of IFRS in Fiscal 2011

Dividend Per Share

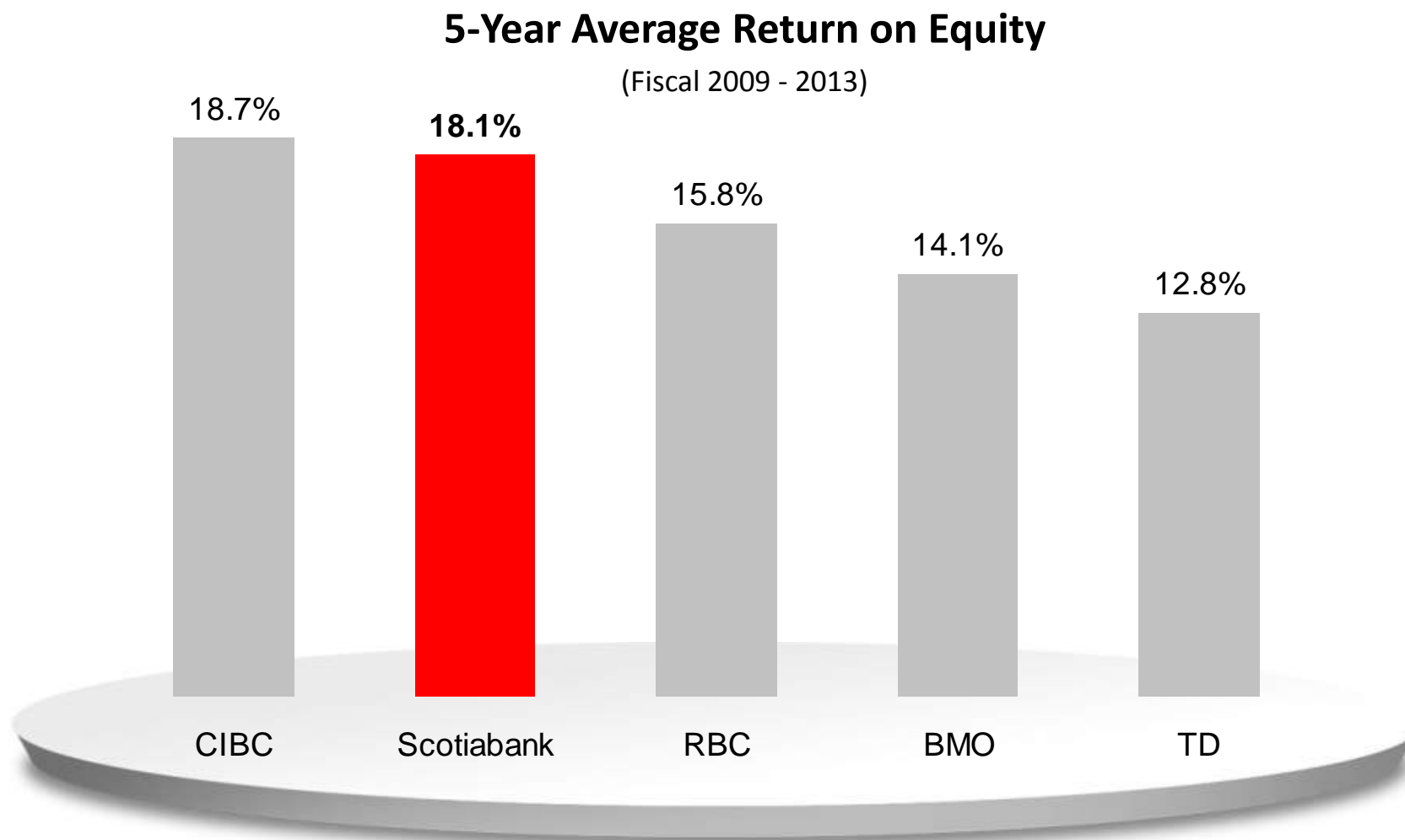


(1) Excluding 2012 real estate gains of \$0.61 per share.

(2) Adjusting for net benefit in Q3/13 of \$0.07 per share due to non-recurring items in International Banking

(3) Excludes notable CI gain of \$0.45 per share in Q3/14

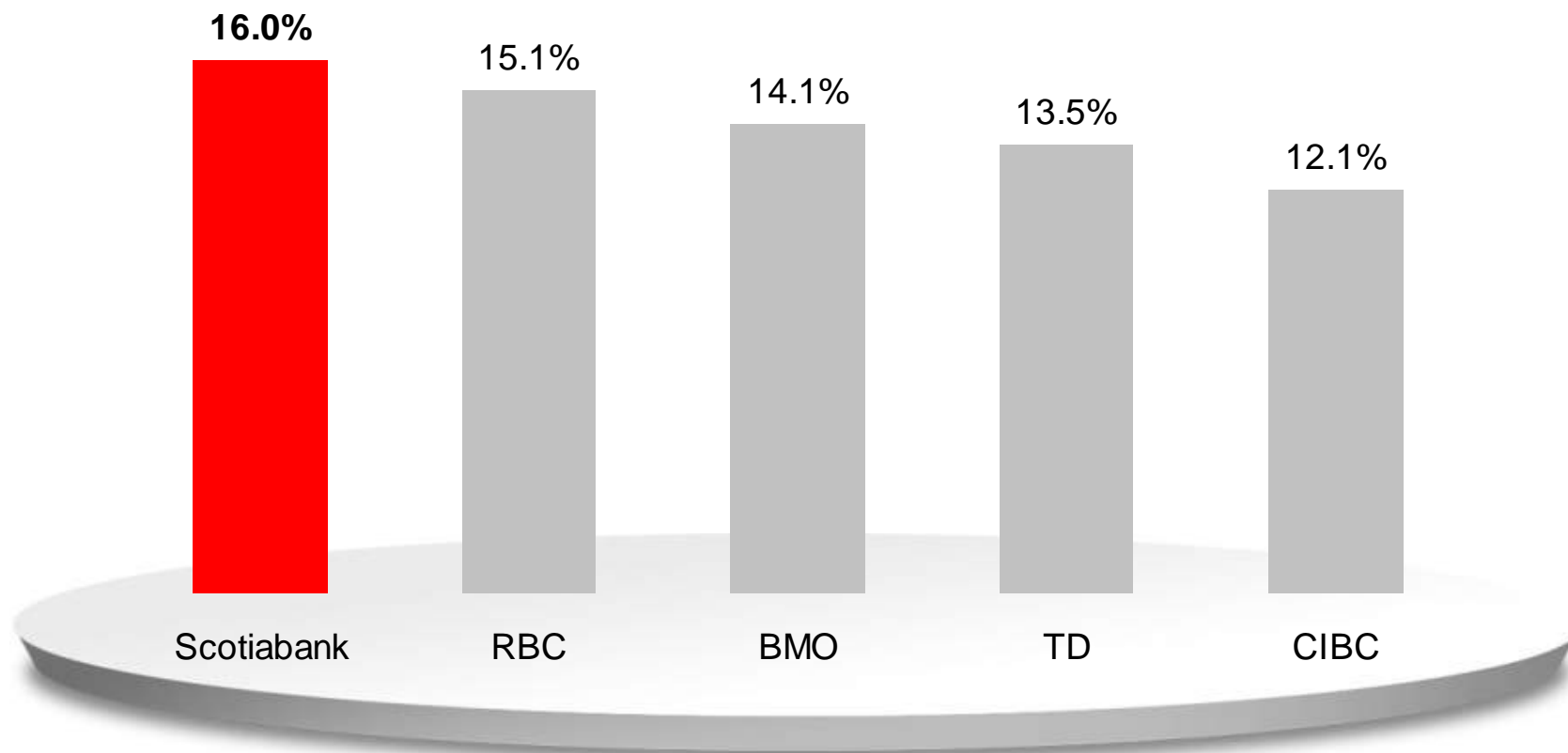
ROE Compares Favourably to Canadian Peers



Note: 2009 and 2010 ROE based on CGAAP. Following years under IFRS.

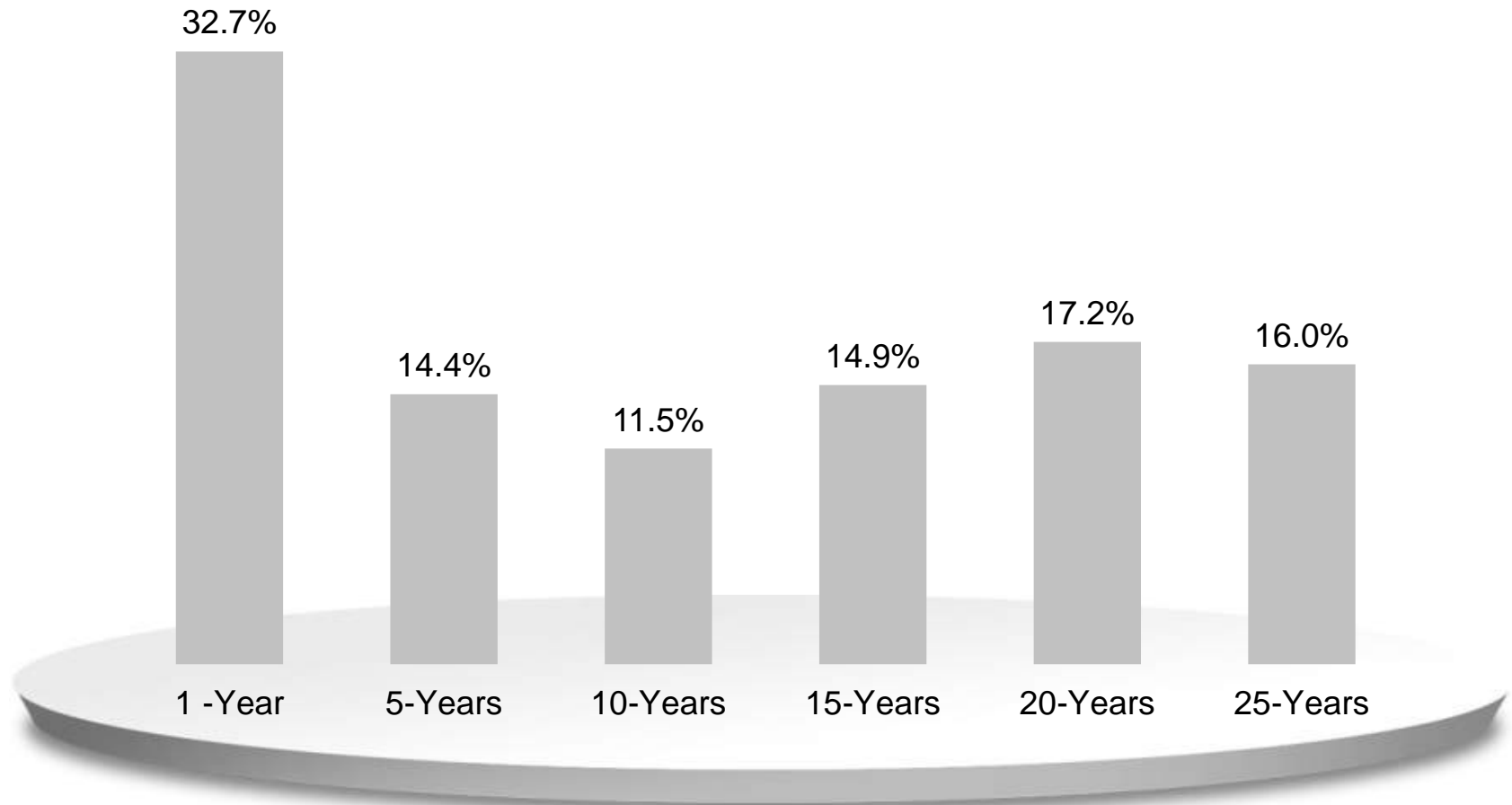
Superior Long-Term Total Shareholder Returns¹

25-Year Total Shareholder Returns



(1) Compound annual growth rate for a stock, which includes share price appreciation and re-invested dividends. Calculated in Canadian dollars. Source: Bloomberg, as at July 31, 2014.

Double-Digit Total Shareholder Returns¹



(1) Compound annual growth rate for a stock, which includes share price appreciation and re-invested dividends. Calculated in Canadian dollars. Source: Bloomberg, as at July 31, 2014.

Medium-Term Financial Objectives

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

Why Invest in Scotiabank?

- **A unique, straightforward and successful bank model**
 - Diversified and growing businesses; each provides sustainable and profitable revenue growth
- **Track record of delivering consistent earnings and dividend growth**
- **Execution capabilities**
- **Well positioned for growth**

Above average returns, with below average risk

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.

Notes

Investor Relations Contact Information

Peter Slan

Senior Vice President

416-933-1273

peter.slan@scotiabank.com

Steve Hung

Director

416-933-8774

steven.hung@scotiabank.com

Charles Lee

Director

416-866-5793

charles.lee@scotiabank.com

For further information please visit:

www.scotiabank.com/investorrelations