

INVESTOR PRESENTATION

FIRST QUARTER 2019

February 26, 2019



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 U.S. Securities and Exchange Commission, or in other communications. All such statements are made pursuant to the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995 and any applicable Canadian securities legislation. Forward-looking statements may include, but are not limited to, statements made in this document, the Management’s Discussion and Analysis in the Bank’s 2018 Annual Report under the headings “Outlook” and in other statements regarding the Bank’s objectives, strategies to achieve those objectives, the regulatory environment in which the Bank operates, anticipated financial results (including those in the area of risk management), and the outlook for the Bank’s businesses and for the Canadian, U.S. 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,” “may,” “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 the Bank’s control and the effects of which can be difficult to predict, 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 and funding; significant market volatility and interruptions; the failure of third parties to comply with their obligations to the Bank and its affiliates; changes in monetary policy; legislative and regulatory developments in Canada and elsewhere, including changes to, and interpretations of tax laws and risk-based capital guidelines and reporting instructions and liquidity regulatory guidance; changes to the Bank’s credit ratings; operational (including technology) and infrastructure risks; 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; 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; critical accounting estimates and the effects of changes in accounting policies and methods used by the Bank as described in the Bank’s annual financial statements (See “Controls and Accounting Policies – Critical accounting estimates” in the Bank’s 2018 Annual Report) and updated by quarterly reports; 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 disruption; anti-money laundering; consolidation in the financial services sector in Canada and globally; competition, both from new entrants and established competitors; judicial and regulatory proceedings; natural disasters, including, but not limited to, earthquakes and hurricanes, and disruptions to public infrastructure, such as transportation, communication, power or water supply; the possible impact of international conflicts and other developments, including terrorist activities and war; the effects of disease or illness on local, national or international economies; 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 of the Bank’s 2018 Annual Report.

Material economic assumptions underlying the forward-looking statements contained in this document are set out in the 2018 Annual Report under the headings “Outlook”, as updated by quarterly reports. The “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 factors is not exhaustive of all possible risk factors and other factors could also adversely affect the Bank’s results. 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 forward-looking statements contained in this document are presented for the purpose of assisting the holders of the Bank’s securities and financial analysts in understanding the Bank’s financial position and results of operations as at and for the periods ended on the dates presented, as well as the Bank’s financial performance objectives, vision and strategic goals, and may not be appropriate for other purposes. Except as required by law, 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.

SCOTIABANK OVERVIEW

Brian Porter

President & Chief Executive Officer

Q1 2019 OVERVIEW

- **Solid performance with some businesses impacted by market volatility**
 - Net income of \$2.2 billion (adjusted¹ net income of \$2.3 billion)
 - Diluted EPS of \$1.71 (adjusted¹ diluted EPS of \$1.75)
 - ROE of 13.5% (adjusted¹ ROE of 13.7%)
 - Strong asset and deposit growth across all business segments
- **Strong performance in International Banking**
- **Quarterly dividend increase of 2 cents to \$0.87; up 6% Y/Y**
- **Capital position remains strong**
 - CET1 ratio of 11.1%
 - Pro-forma increase of 10 bps from announced divestitures, net of acquisitions

¹ Figures adjusted for Acquisition-related costs, including integration and amortization costs related to current acquisitions, and amortization of intangibles related to current and past acquisitions

FINANCIAL REVIEW

Raj Viswanathan
Chief Financial Officer

INTEGRATION UPDATE

Integration efforts are progressing well and on track for closed acquisitions

- **Significant progress with BBVA Chile and MD Financial**
 - Customer retention rates are very high
 - Key integration metrics are strong
 - Realization of synergies are on track and as expected
- **On track to achieve ~\$0.15 adjusted diluted EPS accretion in 2020 for acquisitions announced in 2018**

Integration Highlights

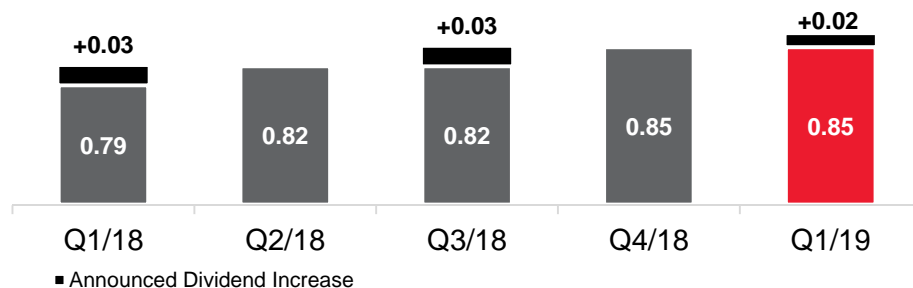
BBVA Chile	MD Financial
<ul style="list-style-type: none"> • \$30 million of synergies captured to date, or \$70 million of annualized benefits representing ~45% of total target synergies • Approximately 16 bps increase in combined market share for loans year-over-year • All channels have been re-branded (online, branches etc.) • Integration execution on track and expected to be completed by the end of 2019 	<ul style="list-style-type: none"> • 98% client retention. Minimal advisor attrition. • >1,600 cross-referrals between Scotiabank and MD Financial • 775 new physician banking customers since closing

Q1 2019 FINANCIAL PERFORMANCE

Strong revenue and balance sheet growth

\$MM, except EPS	Q1/19	Y/Y	Q/Q
Reported			
Net Income	\$2,247	(4%)	(1%)
Diluted EPS	\$1.71	(8%)	-
Revenue	\$7,604	+7%	+2%
Expenses	\$4,171	+19%	+3%
Productivity Ratio	54.9%	+550bps	+30bps
Core Banking Margin	2.45%	(1bp)	(2bps)
PCL Ratio ¹	47bps	+5bps	+8bps
PCL Ratio on Impaired Loans ¹	47bps	+4bps	+5bps
Adjusted²			
Net Income	\$2,291	(3%)	(2%)
Diluted EPS	\$1.75	(6%)	(1%)
Expenses	\$4,110	+18%	+4%
Productivity Ratio	54.1%	+500bps	+80bps

DIVIDENDS PER COMMON SHARE



YEAR-OVER-YEAR HIGHLIGHTS

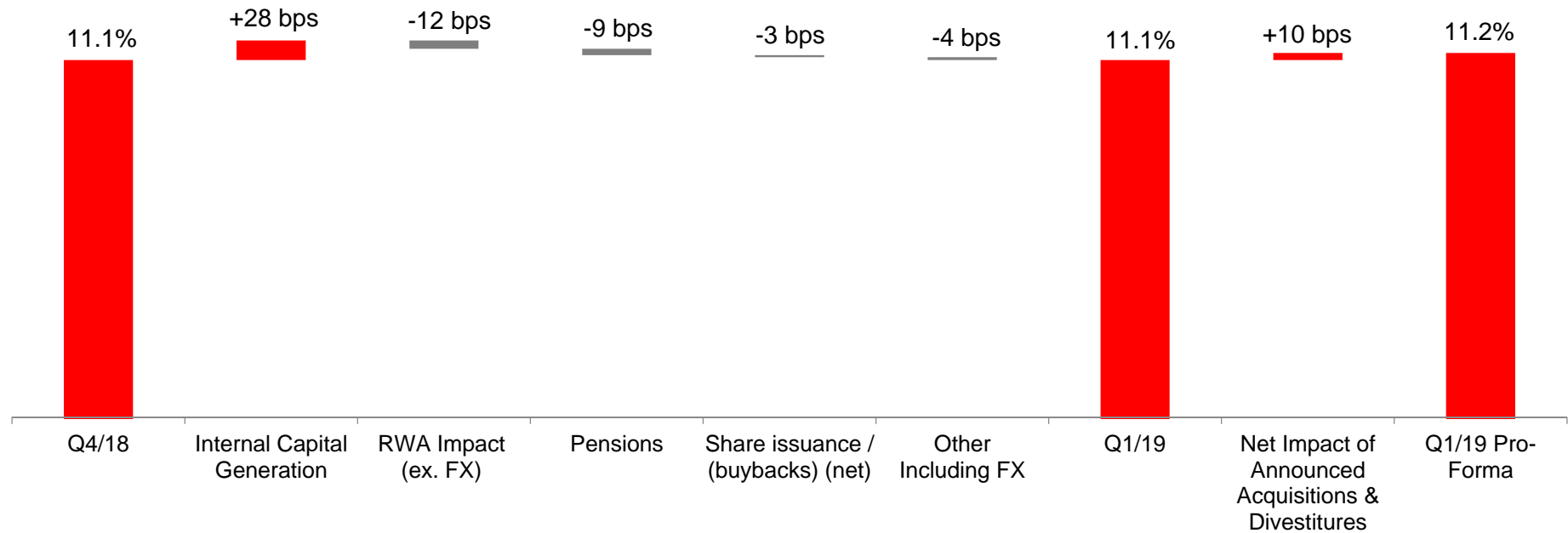
- **Adjusted Net Income down 3%²**
- **Excluding pension revaluation benefit, diluted EPS was in-line with last year**
- **Revenue up 7%**
 - Mostly relating to acquisitions
 - Net interest income up 9%
 - Non-interest income up 6%
- **Expenses up 18%²**
 - Acquisitions and the prior year's benefits re-measurement contributed to approximately two-thirds of the expense growth
 - Remaining growth due to technology, regulatory initiatives, share-based payments, other business growth expenses
- **PCL ratio¹ on impaired loans up 4 bps**

¹ Provision for credit losses on certain assets – loans, acceptances and off-balance sheet exposures

² Adjusted for Acquisition-related costs, including integration and amortization costs related to current acquisitions, amortization of intangibles related to current and past acquisitions

CAPITAL POSITION REMAINS STRONG

Expect CET 1 ratio to remain above 11% in 2019



- **Strong internal capital generation**
- **9 bps reduction from the re-measurement of pension and post-retirement obligations**
- **Repurchased 3.25 million shares in Q1/19**
- **Expect 10 bps increase from announced acquisitions and divestitures**

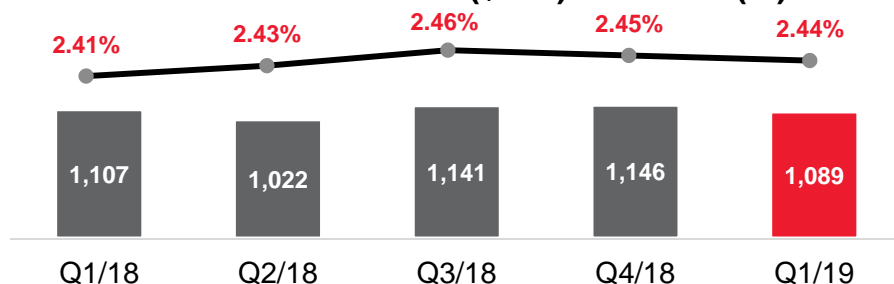
CANADIAN BANKING

Strong deposit growth and higher NIM

FINANCIAL PERFORMANCE AND METRICS (\$MM)¹

	Q1/19	Y/Y	Q/Q
Reported			
Revenue	\$3,415	+3%	(1%)
Expenses	\$1,730	+8%	(1%)
PCLs	\$233	+11%	+18%
Net Income	\$1,073	(3%)	(4%)
Productivity Ratio	50.6%	+200bps	(10bps)
Net Interest Margin	2.44%	+3bps	(1bp)
PCL Ratio ²	0.27%	+2bps	+4bps
PCL Ratio on Impaired Loans ²	0.27%	-	+5bps
Adjusted³			
Expenses	\$1,709	+7%	-
Net Income	\$1,089	(2%)	(5%)
Productivity Ratio	50.0%	+160bps	+50bps

ADJUSTED NET INCOME^{1,3} (\$MM) AND NIM (%)



¹ Attributable to equity holders of the Bank

² Provision for credit losses on certain assets – loans, acceptances and off-balance sheet exposures

³ Adjusted for Acquisition-related costs, including integration and amortization costs related to current acquisitions, and amortization of intangibles related to current and past acquisitions

YEAR-OVER-YEAR HIGHLIGHTS

- **Adjusted Net Income down 2%³**
 - Lower real estate gains and prior year Interac gain reduced net income by 4%
 - Higher PCLs related to one commercial account
 - Includes the impact of acquisitions
 - Asset and deposit growth, margin expansion
- **Revenue up 3%**
 - Includes impact of acquisitions
 - Net interest income up 5%
- **Loan growth of 4%**
 - Business loans up 10%
 - Residential mortgages up 3%; credit cards up 7%
- **Deposit growth of 9%**
 - Personal up 7%; Non-Personal up 12%
- **NIM up 3 bps**
 - Primarily driven by the impact of prior rate increases
- **Expenses up 7%³**
 - Includes impact of acquisitions
 - Investments in technology and regulatory initiatives
- **PCL ratio² up 2 bps to 27 bps**

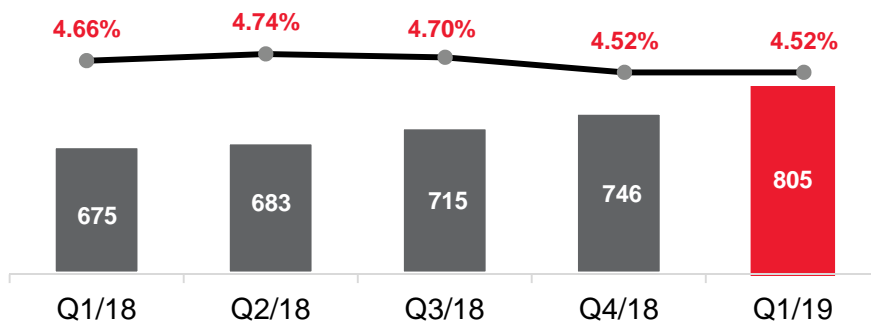
INTERNATIONAL BANKING

Strong performance across the Pacific Alliance

FINANCIAL PERFORMANCE AND METRICS (\$MM)^{1, 2}

	Q1/19	Y/Y	Q/Q
Reported			
Revenue	\$3,331	+22%	+6%
Expenses	\$1,742	+20%	+1%
PCLs	\$470	+37%	+14%
Net Income	\$782	+16%	+10%
Productivity Ratio	52.3%	(100bps)	(260bps)
Net Interest Margin	4.52%	(14bps)	-
PCL Ratio ³	1.28%	+2bps	+23bps
PCL Ratio on Impaired Loans ³	1.23%	(2bps)	+3bps
Adjusted⁵			
Expenses	\$1,702	+18%	+2%
Net Income	\$805	+18%	+8%
Productivity Ratio	51.1%	(180bps)	(190bps)

ADJUSTED NET INCOME^{1,5} (\$MM) AND NIM⁵ (%)



¹ Attributable to equity holders of the Bank

² Y/Y and Q/Q growth rates (%) are on a constant dollars basis, while metrics and change in bps are on a reported basis

³ Provision for credit losses on certain assets – loans, acceptances and off-balance sheet exposures

⁴ Net Interest Margin is on a reported basis

⁵ Adjusted for Acquisition-related costs, including integration and amortization costs related to current acquisitions, and amortization of intangibles related to current and past acquisitions

YEAR-OVER-YEAR HIGHLIGHTS²

- **Adjusted Net Income up 18%⁵**
 - Includes impact from alignment of reporting period in Peru which contributed 6%
 - Strong asset and deposit growth across the Pacific Alliance
- **Revenues up 22%**
 - Includes impact of acquisitions
 - Pacific Alliance up 31% includes impact of acquisitions
- **Loans up 29%**
 - Pacific Alliance up 44% includes impact of Chile and Colombia acquisitions
- **NIM down 14 bps**
 - Driven by the business mix impact of acquisitions (BBVA Chile)
- **Expenses up 18%⁵**
 - Includes impact of acquisitions
 - Business volume growth and inflation
 - Productivity ratio improvement of 180bps⁵
- **Positive operating leverage of 4.2%⁵**
- **PCLs ratio reflects stable credit quality**

GLOBAL BANKING AND MARKETS

Market volatility negatively impacted results

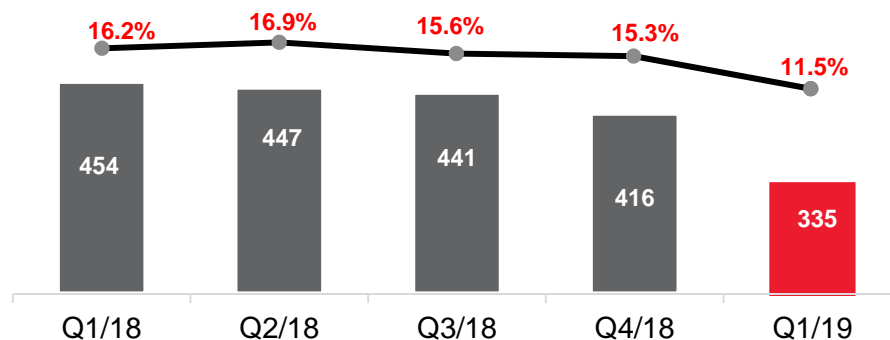
FINANCIAL PERFORMANCE AND METRICS¹ (\$MM)

	Q1/19	Y/Y	Q/Q
Revenue	\$1,075	(10%)	-
Expenses	\$645	+13%	+17%
PCLs	(\$16)	N/A	N/A
Net Income	\$335	(26%)	(20%)
Productivity Ratio	60.0%	+1200bps	+850bps
Net Interest Margin	1.80%	(23bps)	+8bps
PCL Ratio ²	(0.07%)	(3bps)	+2bps
PCL Ratio on Impaired Loans ²	(0.01%)	-	+6bps

YEAR-OVER-YEAR HIGHLIGHTS

- **Reported Net Income down 26%**
- **Revenue down 10%**
 - Non-interest revenue down by 12% due to lower fixed income trading, partly offset by higher equity trading and fee income
- **NIM down 23 bps**
 - Mainly driven by lower lending margins and loan origination fees
- **Loans up 15%**
 - Strong corporate growth across Canada and the U.S.
- **Expenses up 13%**
 - Higher regulatory and technology investments
- **PCL ratio² improved by 3 bps to (7 bps)**
 - Improving credit quality in oil and gas portfolio

NET INCOME¹ AND ROE

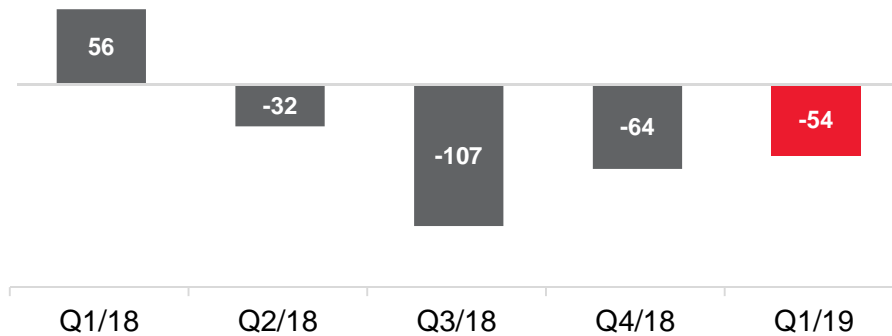


¹ Attributable to equity holders of the Bank

² Provision for credit losses on certain assets – loans, acceptances and off-balance sheet exposures

OTHER SEGMENT¹

NET INCOME² (\$MM)



YEAR-OVER-YEAR HIGHLIGHTS

- Lower gains on investment securities, lower asset/liability management activities and higher non-interest expenses due to the benefits re-measurement credit in Q1/18
- Partly offset by lower taxes

¹ Represents smaller operating segments including Group Treasury and corporate adjustments

² Attributable to equity holders of the Bank

RISK REVIEW

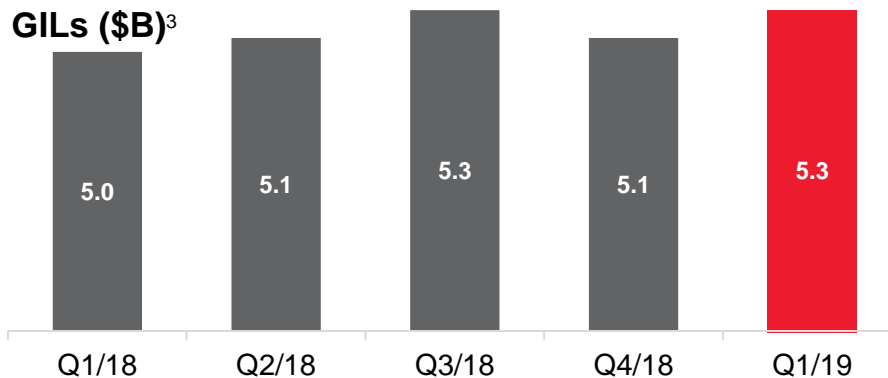
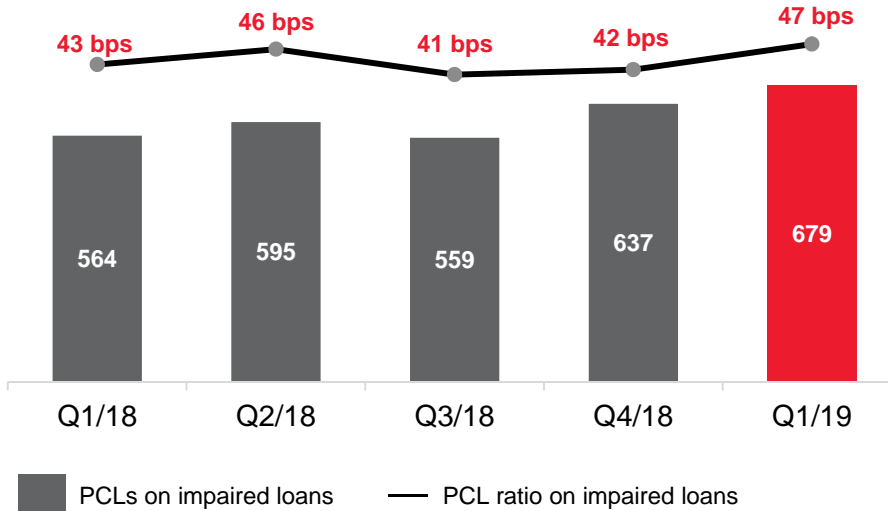
Daniel Moore

Chief Risk Officer

RISK REVIEW

Credit fundamentals remain strong

PCLs (\$MM) AND PCL RATIO ON IMPAIRED LOANS^{1,2}



¹ Provision for credit losses on certain assets – loans, acceptances and off-balance sheet exposures

² Excludes acquisition-related costs including Day 1 impact on acquired performing loans

³ Excludes impact of acquisitions in Q3/18 of \$0.2B

YEAR-OVER-YEAR HIGHLIGHTS

- PCLs¹ on impaired loans of \$679 million were up 7% Q/Q and 20% Y/Y primarily due to acquisitions**
 - Higher retail provisions in International Banking driven by acquisitions and underlying portfolio growth
- PCL ratio¹ on impaired loans was up 5 bps Q/Q and up 4 bps Y/Y**
 - PCLs ratio on impaired loans in Canadian Retail Banking down 1 bp Y/Y
- The PCL ratio¹ was 47 bps, up 8 bps Q/Q and up 5 bps Y/Y**
- GILs were up 3% Q/Q and 6% Y/Y**
 - Driven by acquisitions and underlying portfolio growth

PCL RATIOS

Stable underlying credit

		Q1/18		Q2/18		Q3/18		Q4/18		Q1/19	
	(As a % of Average Net Loans & Acceptance)	PCLs on Impaired Loans	Total PCLs	PCLs on Impaired Loans	Total PCLs	PCLs on Impaired Loans	Total PCLs (adj)	PCLs on Impaired Loans	Total PCLs	PCLs on Impaired Loans	Total PCLs
Canadian Banking											
	Retail	0.29	0.28	0.28	0.28	0.25	0.24	0.25	0.25	0.28	0.28
	Commercial	0.11	0.08	0.09	0.09	(0.04)	0.06	0.06	0.15	0.21	0.23
	Total	0.27	0.25	0.25	0.25	0.21	0.21	0.22	0.23	0.27	0.27
International Banking											
	Retail	2.28	2.39	2.26	2.16	2.36	2.25 ³	2.38	2.21	2.33	2.36
	Commercial	0.28	0.20 ¹	0.55	0.34 ¹	0.38	0.31 ^{1,3}	0.07	(0.06)	0.19	0.26
	Total	1.25²	1.26^{1,2}	1.38²	1.22^{1,2}	1.33	1.23⁴	1.20	1.05	1.23	1.28
Global Banking and Markets											
		(0.01)	(0.04)	0.02	(0.05)	(0.06)	(0.05)	(0.07)	(0.09)	(0.01)	(0.07)
	All Bank	0.43	0.42	0.46	0.42	0.41	0.40	0.42	0.39	0.47	0.47

¹ Excludes provision for credit losses on debt securities and deposit with banks

² Not comparable to prior periods, which were net of acquisition benefits

³ On an adjusted basis; adjusted for Day 1 PCLs from acquisitions

NET WRITE-OFFS

Relatively stable net write-off ratios

	Q1/18	Q2/18	Q3/18	Q4/18	Q1/19
(As a % of Average Net Loans & Acceptances)^{1, 2}					
Canadian Banking	0.25%	0.26%	0.23%	0.23%	0.28%
International Banking	1.38%	1.26%	1.14%	1.24%	1.34%
Global Banking and Markets	0.05%	0.08%	-	(0.03)%	-
All Bank	0.46%	0.45%	0.39%	0.45%	0.50%

¹ Annualized

² Net write-offs are net of recoveries

APPENDIX

DILUTED EPS RECONCILIATION

	Q1/19	Q4/18	Q3/18
Diluted EPS (\$ per share)			
Reported	\$1.71	\$1.71	\$1.55
Impact of Acquisition-related costs on diluted earnings per share ¹	\$0.04	\$0.06	\$0.21
Adjusted	\$1.75	\$1.77	\$1.76

¹ Acquisition-related costs includes integration and amortization costs related to current acquisitions, amortization of intangibles related to current and past acquisitions and the Day 1 PCL impact on acquired performing loans in Q3/18

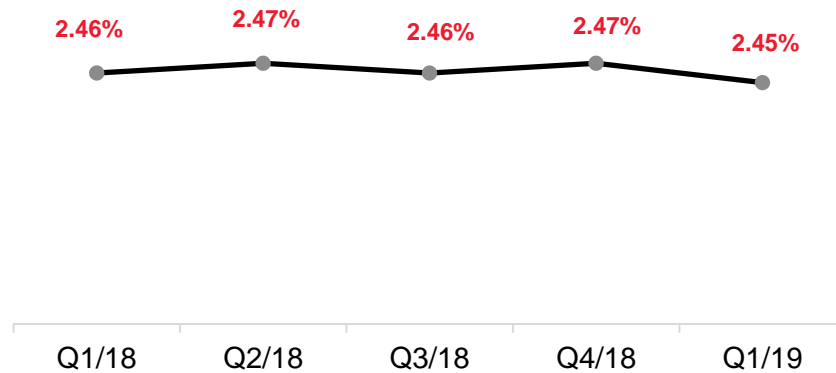
SUMMARY OF ADJUSTING ITEMS

Adjusting Items (Pre-Tax)	Q1/18	Q4/18	Q1/19		
(\$MM)					
Acquisition-Related Costs					
Integration Costs	-	75		31	
Canadian Banking	-	28		7	
<i>Canadian Banking ex. Wealth</i>	-	-		-	
International Banking	-	47		24	
Amortization of Intangibles¹	18	27		30	
Canadian Banking	7	14		14	
<i>Canadian Banking ex. Wealth</i>	5	5		5	
International Banking	11	13		16	
Total (Pre-Tax)	18	102		61	
Adjusting Items (After-Tax and NCI)	Q1/18	Q4/18	Q1/19		
(\$MM)			Tax	NCI	After-Tax and NCI
Acquisition-Related Costs					
Integration Costs	-	45	9	5	17
Canadian Banking	-	21	1	-	6
<i>Canadian Banking ex. Wealth</i>	-	-	-	-	-
International Banking	-	24	8	5	11
Amortization of Intangibles²	13	20	8	-	22
Canadian Banking	5	10	4	-	10
<i>Canadian Banking ex. Wealth</i>	4	4	1	-	4
International Banking	8	10	4	-	12
Total (After-Tax and NCI)	13	65	17	5	39

¹ Excludes amortization of intangibles related to software (pre-tax)

² Excludes amortization of intangibles related to software (after-tax)

STABLE CORE BANKING MARGIN



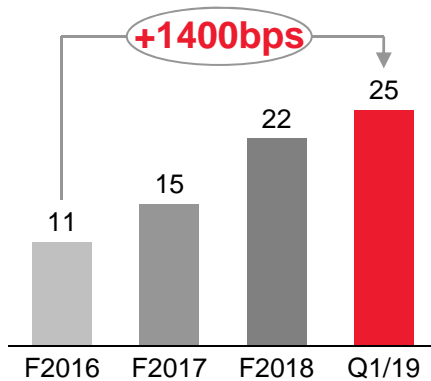
YEAR-OVER-YEAR HIGHLIGHTS

- Change in business mix from the impact of International Banking acquisitions and higher margins in Canadian Banking
- More than offset by lower margins in Global Banking and Markets and lower contribution from asset/liability management activities

DIGITAL PROGRESS UPDATE

Progressing well against 2018 Investor Day digital targets

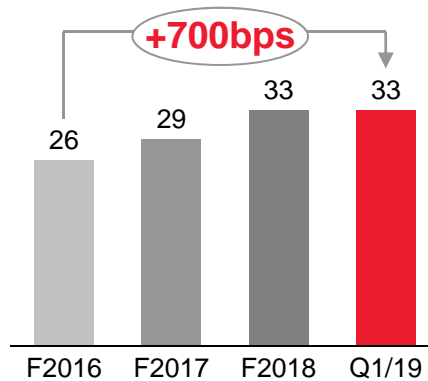
Digital Retail Sales¹



Goal
>50%

- Strong progress made in all five key markets across various product suites including deposits, personal loans, insurance, etc.

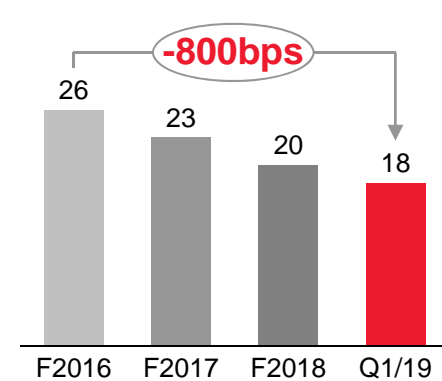
Digital Adoption²



Goal
>70%

- Adoption grew 400bps against Q1 of last year; stable compared to year end

In-Branch Financial Transactions³



Goal
<10%

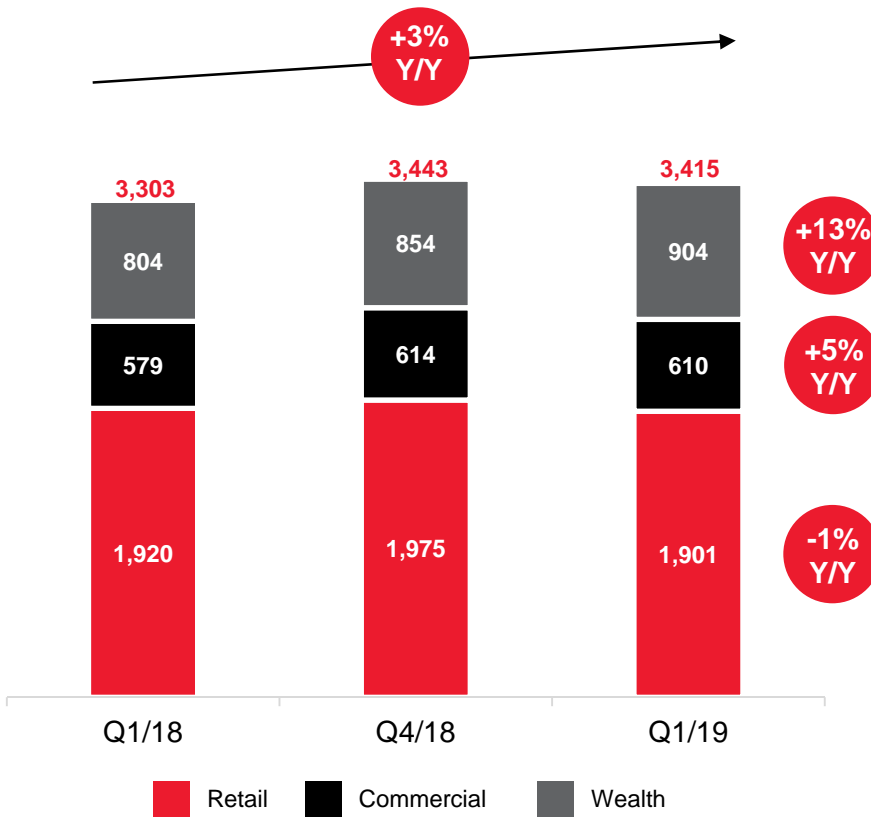
- In-branch transactions continued to decline at a steady pace

¹ Canada: F2017 22%, F2018 26%, Q1/19 28% PACs: F2017 13%, F2018 19%, Q1/19 24%
² Canada: F2017 36%, F2018 38%, Q1/19 39% PACs: F2017 20%, F2018 26%, Q1/19 27%
³ Canada: F2017 17%, F2018 15%, Q1/19 13% PACs: F2017 29%, F2018 24%, Q1/19 22%

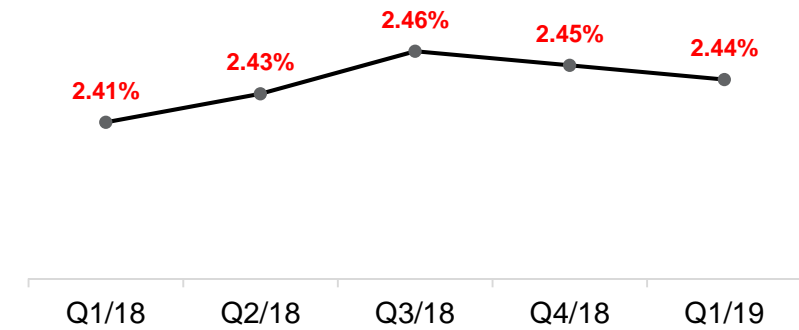
CANADIAN BANKING – REVENUES, NIM & PRODUCTIVITY

Good commercial lending and wealth management revenue growth

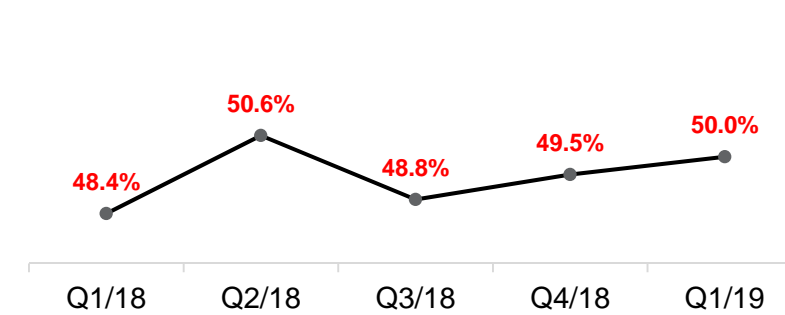
REVENUE (TEB) (\$MM)



NIM



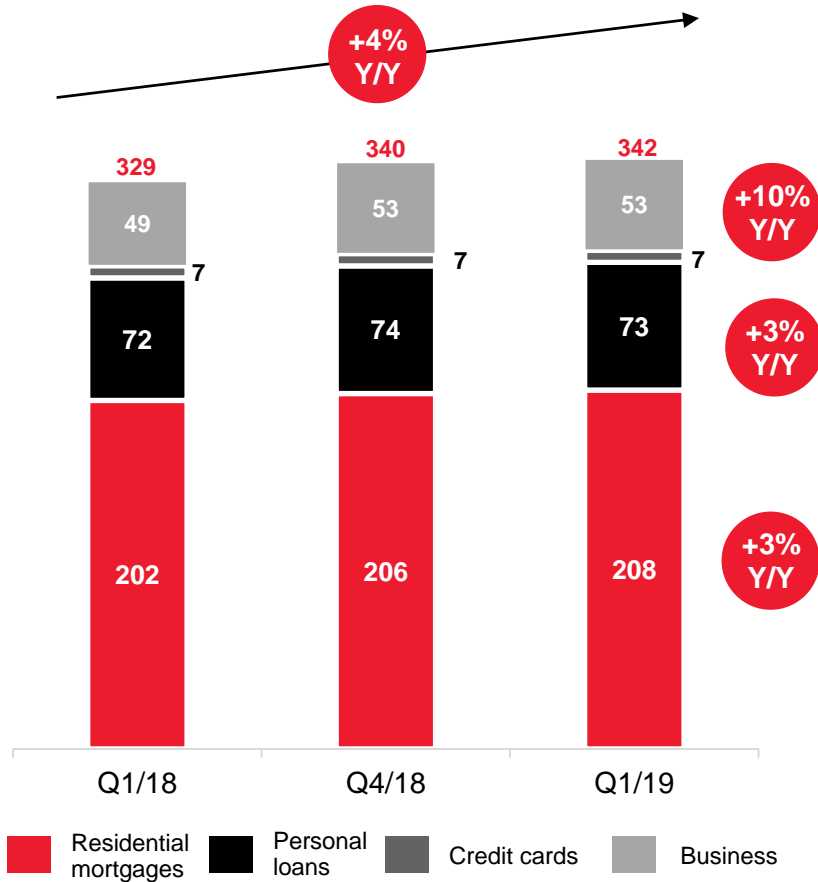
ADJUSTED PRODUCTIVITY RATIO



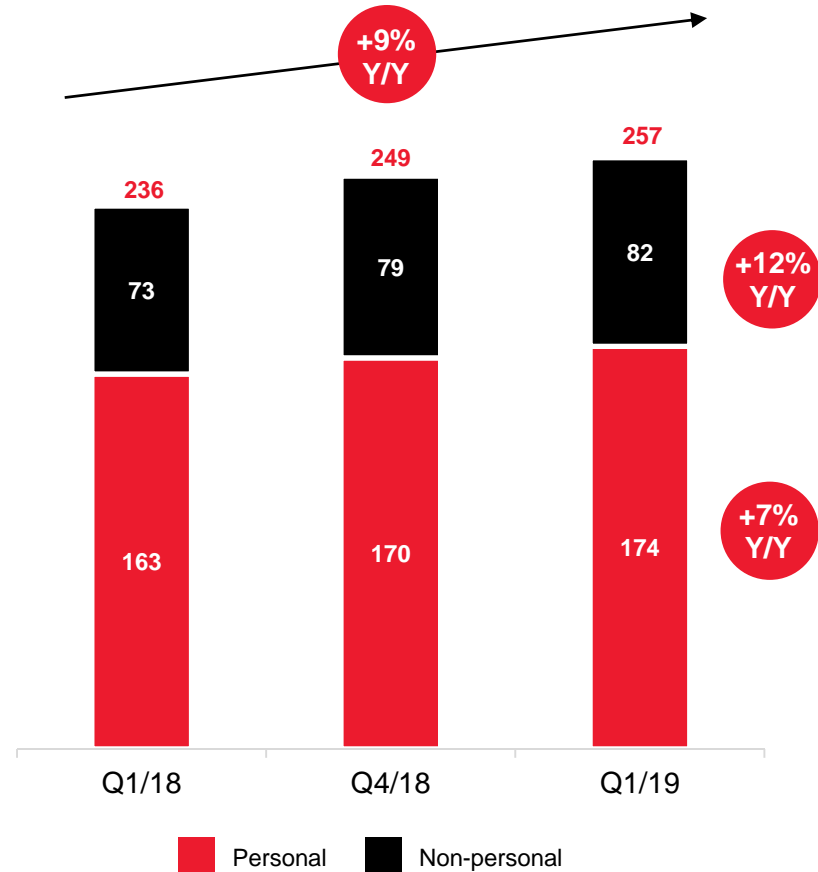
CANADIAN BANKING – VOLUME GROWTH

Strong business loan growth, and continue to grow retail deposits

AVERAGE LOANS & ACCEPTANCES (\$B)¹



AVERAGE DEPOSITS (\$B)¹



¹ May not add due to rounding

GLOBAL WEALTH MANAGEMENT

Award winning global wealth management operation

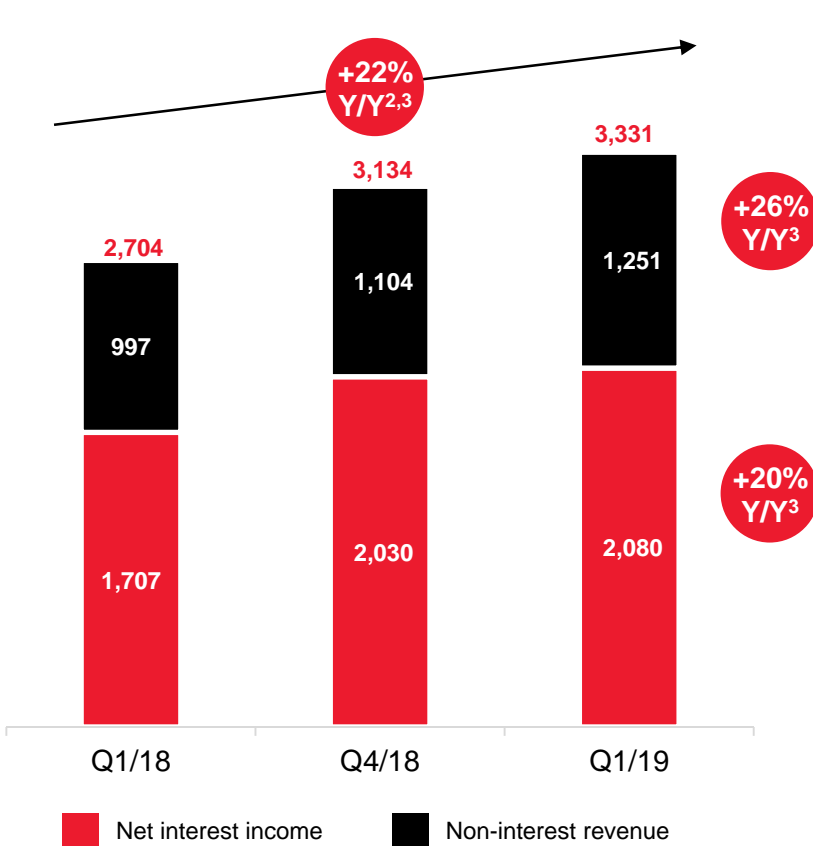
Scotia Global Asset Management	Scotia Wealth Management
<ul style="list-style-type: none"> • Record number of FundGrade A+ awards and 5 Lipper awards in Q1 • At the end of Q1 in terms of percentage of assets in Top 2 quartiles: <ul style="list-style-type: none"> • ScotiaFunds #1 ranked among Banks for 1-yr and 5-yr performance • Dynamic Funds #1 among independents in 1-yr and 3-yr performance • Combined 94% of Scotia and Dynamic Funds assets in Top 2 Quartiles in 1-yr returns 	<ul style="list-style-type: none"> • ScotiaMcLeod ranked #1 in revenue and assets per advisor¹ • Scotiastock ranked #1 in Trust & Foundation assets and Total Estate revenue¹ • Scotia iTRADE A- grade in Globe & Mail Online Brokerage Report Card <ul style="list-style-type: none"> • “One of the most polished, well-rounded brokers out there”

¹ Per Investor Economics

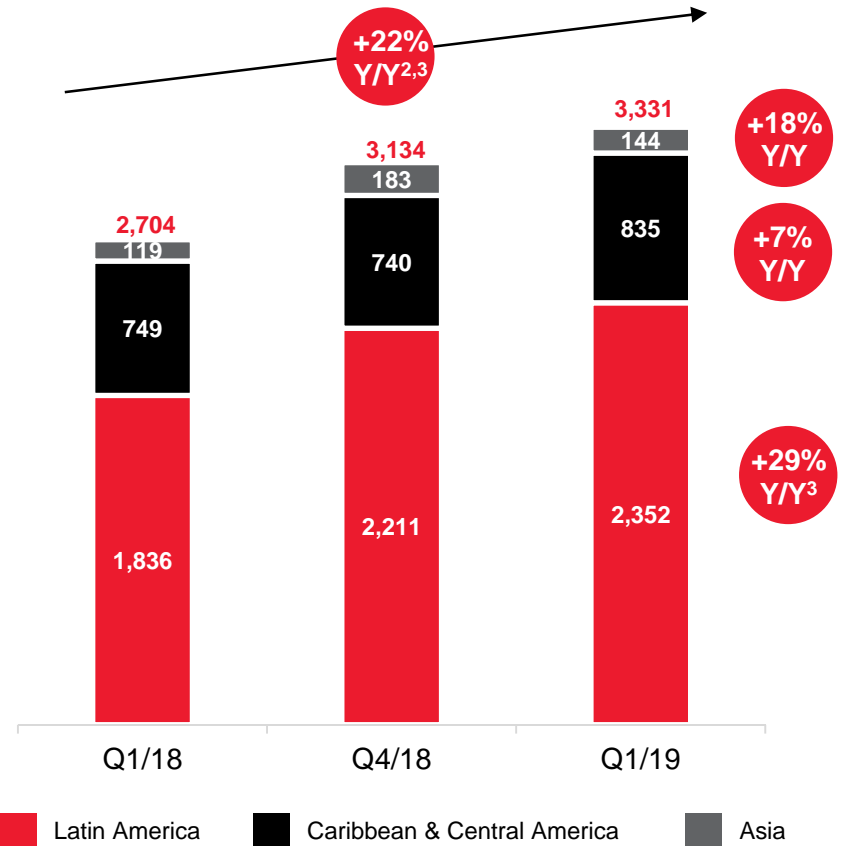
INTERNATIONAL BANKING – REVENUE GROWTH

Latin America, driven by the Pacific Alliance, continues to deliver strong revenue growth

BY TYPE (TEB) (\$MM)¹



BY REGION (TEB) (\$MM)¹

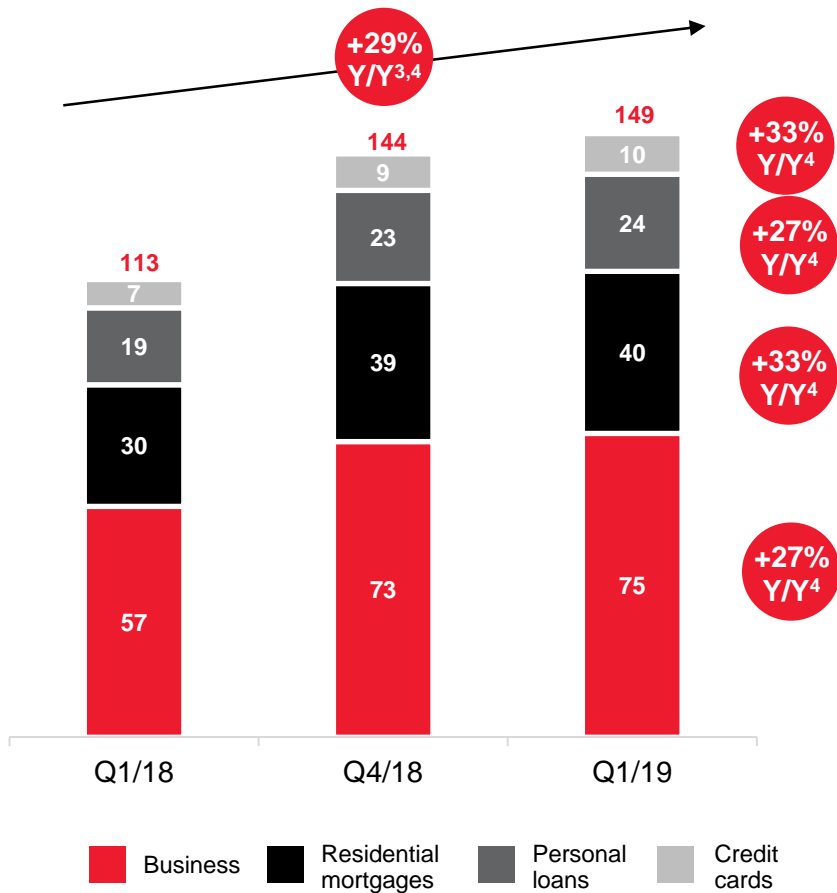


¹ Y/Y growth rates are on a constant dollar basis
² Revenue growth of 23% Y/Y on a reported basis
³ Includes the impact of acquisitions

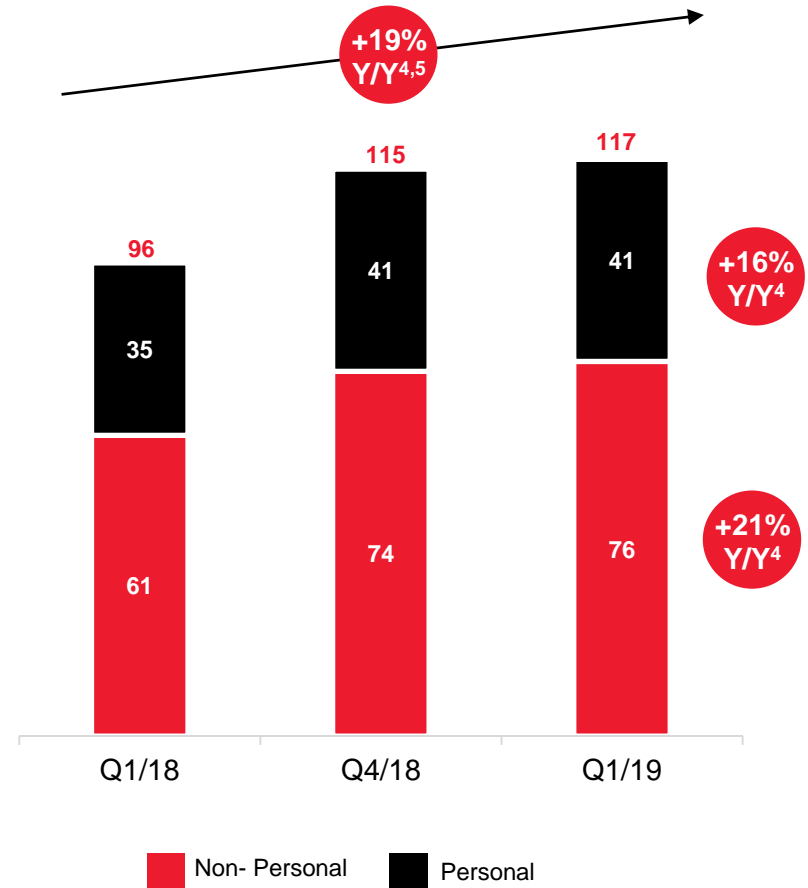
INTERNATIONAL BANKING – VOLUME GROWTH

Strong loan and deposit growth

AVERAGE LOANS & ACCEPTANCES (\$B)¹



AVERAGE DEPOSITS (\$B)^{1,2}



¹ Y/Y growth rates are on a constant dollar basis

² Includes deposits from banks

³ Average loans & acceptances growth of 32% Y/Y on a reported basis

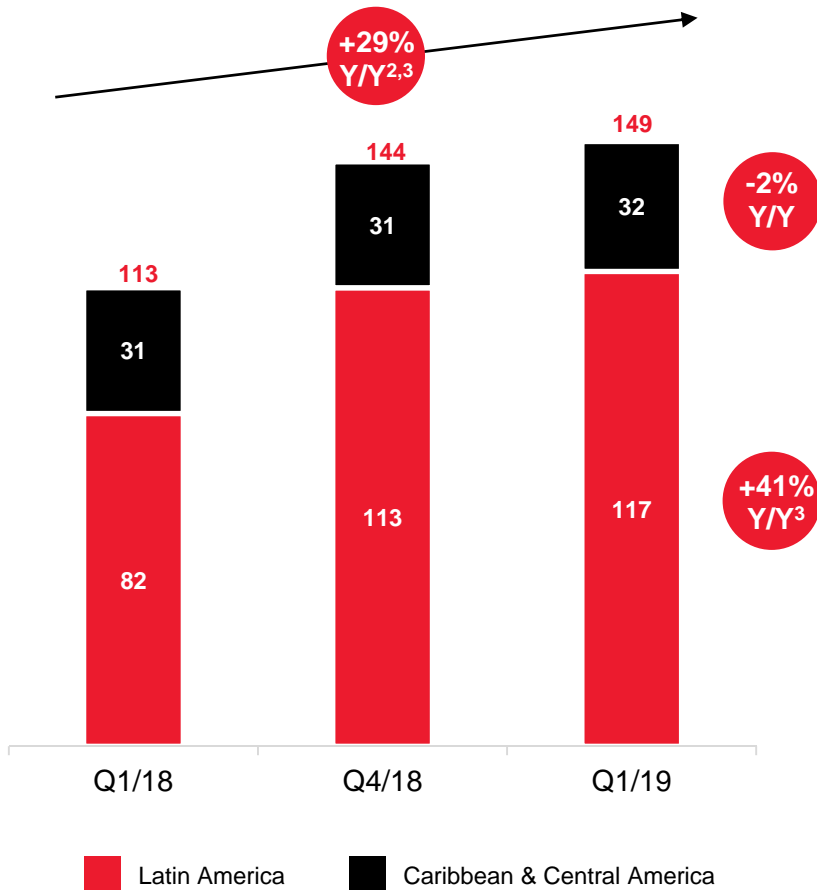
⁴ Includes the impact of acquisitions

⁵ Average deposits growth of 22% Y/Y on a reported basis

INTERNATIONAL BANKING – REGIONAL LOAN GROWTH

Strong loan growth in Latin America bolstered by acquisitions

AVERAGE LOANS & ACCEPTANCES (\$B)¹



CONSTANT DOLLAR LOAN VOLUMES, Y/Y

	Retail	Commercial ⁴	Total
Latin America	47%	36%	41%
C&CA	-	(4%)	(2%)
Total	31%	27%	29%

¹ Y/Y growth rates are on a constant dollar basis

² Average loans & acceptances growth of 32% Y/Y on a reported basis

³ Includes the impact of acquisitions

⁴ Excludes bankers acceptances

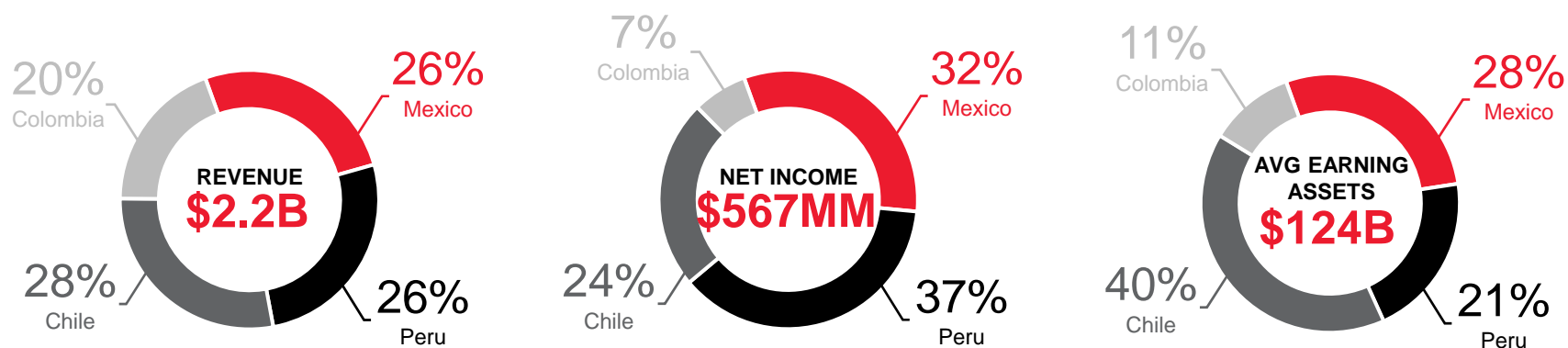
INTERNATIONAL BANKING – PACIFIC ALLIANCE

Continue to deliver strong results across the Pacific Alliance countries

FINANCIAL PERFORMANCE AND METRICS (\$MM)^{1, 2, 3}

	Q1/19	Q4/18	Q1/18	Q/Q	Y/Y
Revenue (\$MM)	2,192	2,046	1,668	+8%	+31%
Expenses (\$MM)	1,006	1,003	792	+1%	+28%
Net Income (\$MM)	567	462	454	+23%	+23%
NIM	4.61%	4.62%	4.84%	(1bps)	(23bps)
Productivity Ratio	45.9%	49.0%	47.5%	(310bps)	(160bps)

GEOGRAPHIC DISTRIBUTION⁴



¹ Attributable to equity holders of the Bank

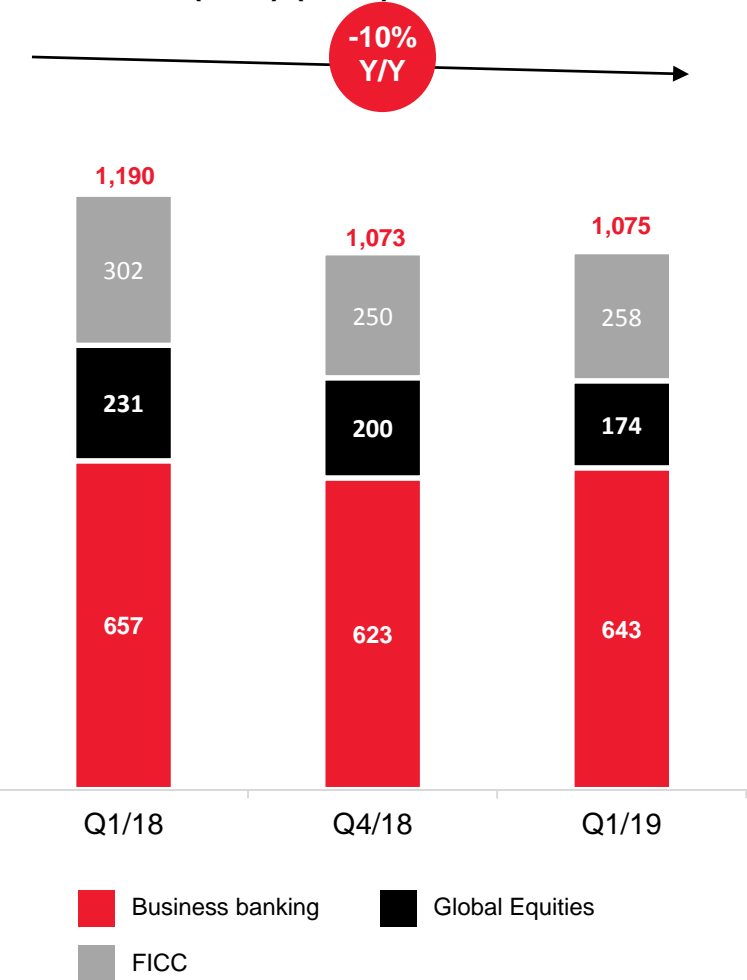
² Y/Y and Q/Q growth rates (%) are on a constant dollars basis, while metrics and change in bps are on a reported basis

³ Adjusted for Acquisition-related costs, including integration and amortization costs related to current acquisitions, and amortization of intangibles related to current and past acquisitions

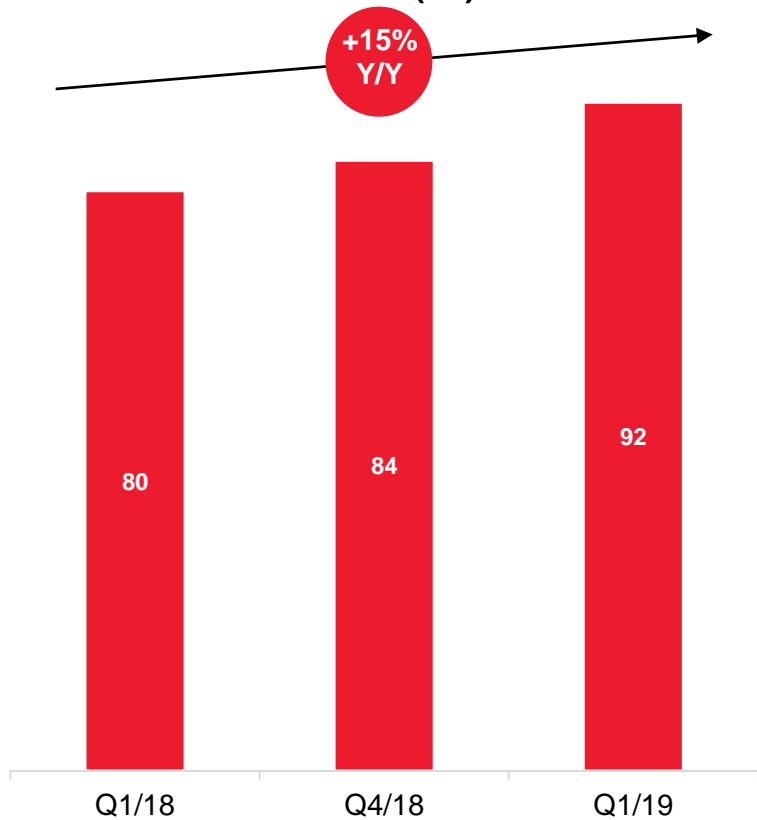
⁴ For the 3 months ended January 31, 2019

GLOBAL BANKING AND MARKETS – REVENUE AND LOANS

REVENUE (TEB) (\$MM) ¹



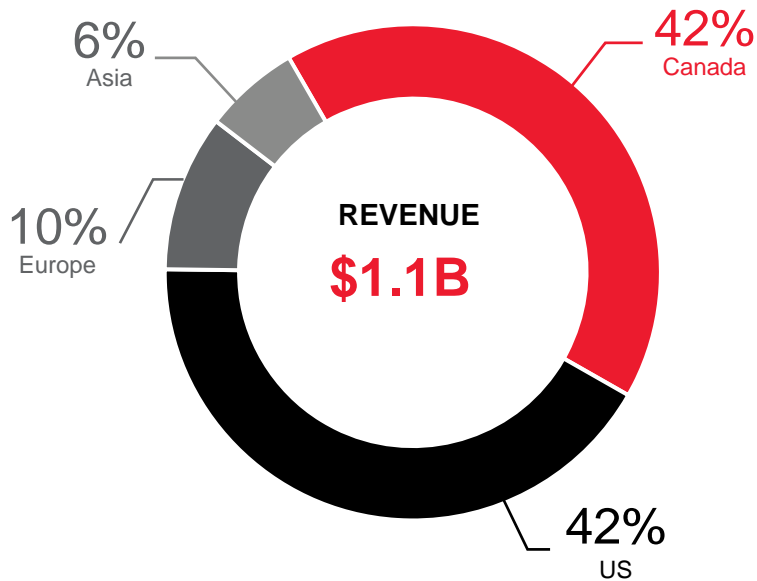
AVERAGE BUSINESS AND GOVERNMENT LOANS & ACCEPTANCES (\$B)



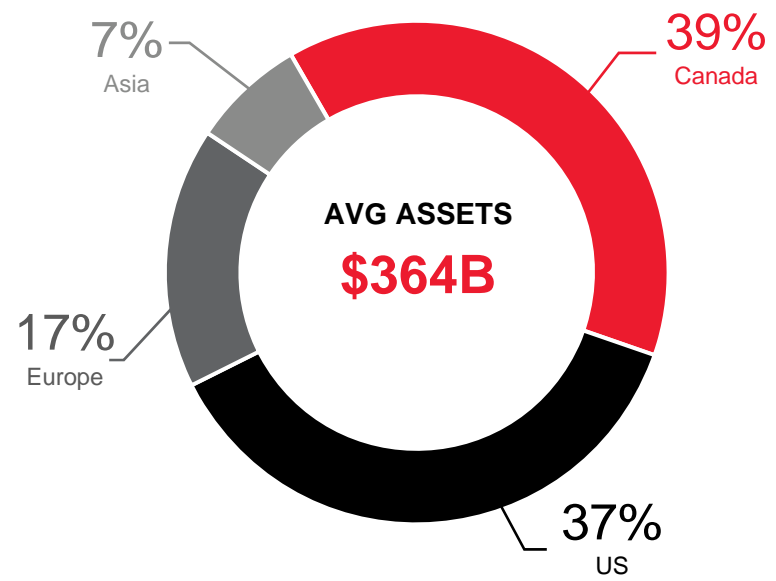
¹ Latin America revenue contribution and assets reported in International Banking's results

GLOBAL BANKING AND MARKETS – REGIONAL AND BUSINESS LINE COMPOSITION

GEOGRAPHIC REVENUE^{1,2}



ASSETS BY GEOGRAPHY^{1,2}

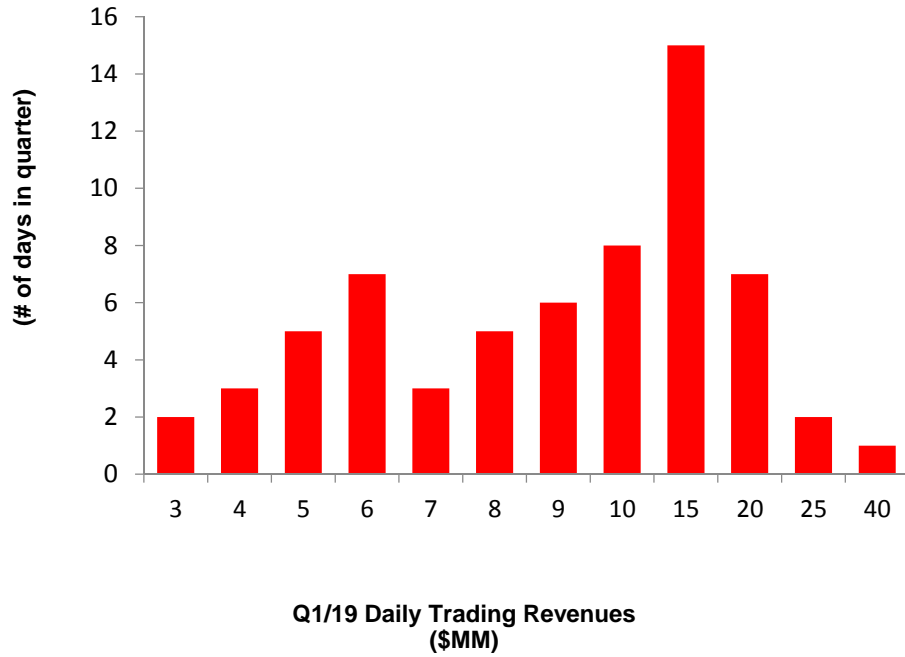


¹ For the 3 months ended January 31, 2019

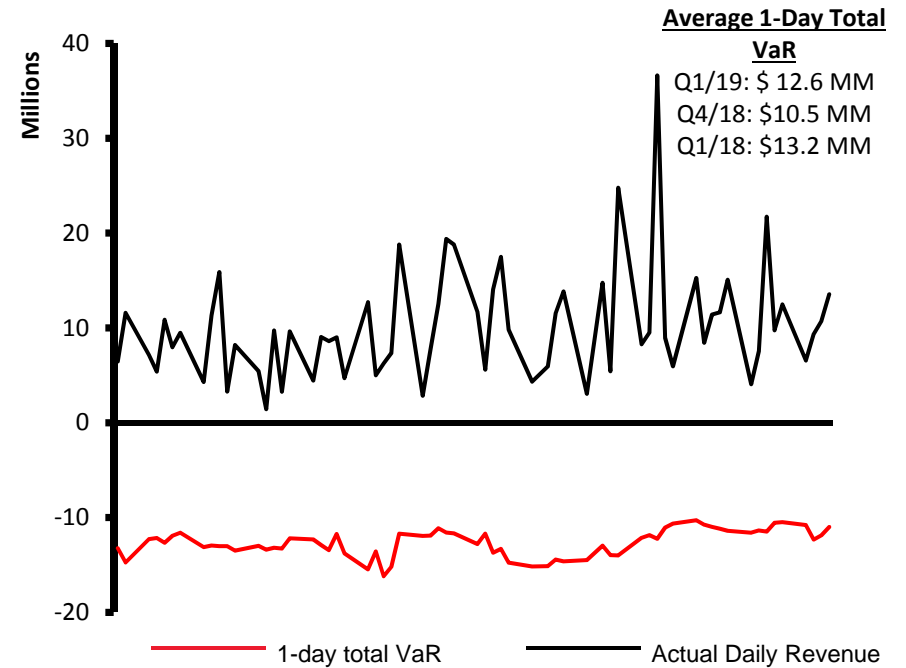
² Latin America revenue contribution and assets reported in International Banking's results

TRADING RESULTS

0 TRADING LOSS DAYS IN Q1/19









Q1/19 TRADING REVENUE AND ONE-DAY TOTAL VAR



ECONOMIC OUTLOOK IN KEY MARKETS

Macro economic growth outlook remains positive for the Pacific Alliance countries

Real GDP (Annual % Change)

Country	2017	2018F	2019F
 Canada	3.0	2.0	1.8
 U.S.	2.2	2.9	2.4
 Mexico	2.1	2.0	1.6
 Peru	2.5	3.6	4.0
 Chile	1.5	4.2	3.2
 Colombia	1.8	2.6	3.4





Source: Scotia Economics, as of February 7, 2019

SCOTIABANK IN THE PACIFIC ALLIANCE COUNTRIES

Well positioned to grow now and in the future

Key Highlights of Pacific Alliance countries (PACs)

Population^{1,2}	• 230 million. 6.2x Canada's population. Projected growth outpaces Canada, other EM ³ and G7 countries; median age ⁴ of 29
Government	
Presidential Elections	• No elections scheduled until 2021
Financial Stability	• All sovereign credit ratings in IG category with central banks' policy targeting inflation since 1999
Economy	
GDP ¹	• 9th largest economy in the world
Exports ⁵	• 64% of exports related to manufacturing
Trade Partners ⁵	• US, China and Canada are the PACs' largest trading partners, representing 72% of exports
Business Environment	
HDI Score Rank ⁶	• Rank "High" or "Very High" (United Nations, 2017)
Banking Penetration ¹	• Under-banked with average banking penetration at ~50% compared to over 90% in Canada and the U.S.
Foreign Direct Investment ¹	• FDI averaging 3.2% of GDP compared to 1.7% in Canada and the U.S.

	 Mexico	 Peru	 Chile	 Colombia	PACs (Total/Average)
Scotiabank Market Share⁷	7.1%	17.7%	14.0%	6.2%	11.5%
Market Share Ranking⁷	6th	3rd	3rd	5th	4th
Strengths	Auto and mortgages	Commercial, personal and Mortgages	Commercial, personal and Mortgages	Credit Cards and personal	Well positioned
Average Total Loans⁸(C\$B)	\$28.1	\$20.5	\$45.6	\$12.2	\$106.3
Revenue⁹(C\$B)	\$0.6	\$0.6	\$0.6	\$0.4	\$2.2
Net Income after NCI^{9,10}(C\$MM)	\$182	\$212	\$135	\$39	\$567
ROE^{9,10}	25%	28%	9%	10%	16%
# of Employees^{11,12}	13,214	11,080	9,257	9,689	43,240

¹ Source: World Bank 2017

² Population growth: World Bank DataBank 2017-2022

³ EM countries include: Argentina, Brazil, China, Greece, India, Indonesia, Poland, South Africa, Turkey, and Russia

⁴ Source: The World Factbook, CIA 2017

⁵ Source: United Nation Conference on Trade and Development (UNCTAD) 2017; Organization for Economic Co-operation and Development (OECD) 2016

⁶ Human Development Index. Source: United Nations Development Programme (UNDP) 2017. For more information, please refer to: http://hdr.undp.org/sites/default/files/2018_human_development_statistical_update.pdf

⁷ Ranking based on publicly traded banks by total loans market share as of December 2018

⁸ Average loan balances over Q1/19

⁹ For the quarter ended January 31, 2019

¹⁰ Earnings adjusted for acquisition –related costs including integration and amortization costs related to current acquisitions, and amortization of intangibles related to current and past acquisitions

¹¹ Employees are reported on a full-time equivalent basis

¹² As of January 31, 2019

¹³ May not add due to rounding

PROVISION FOR CREDIT LOSSES

(\$MM)	Q1/18		Q2/18		Q3/18		Q4/18		Q1/19	
	PCLs on Impaired Loans	Total PCLs	PCLs on Impaired Loans	Total PCLs	PCLs on Impaired Loans	Total PCLs (adj.)	PCLs on Impaired Loans	Total PCLs	PCLs on Impaired Loans	Total PCLs
Canadian Banking										
Canadian Retail	206	200	193	193	179	174	181	179	201	202
Canadian Commercial	14	10	11	12	(5)	7	7	19	28	31 ¹
Total Canadian Banking	220	210	204	205	174	181	188	198	229	233
International Banking										
International Retail	306	320	308	294	337	320 ³	412	384	416	421
International Commercial	40	24 ¹	80	46 ¹	60	47 ^{1, 3}	54 ¹	28 ¹	35	49 ¹
Total	346²	344^{1, 2}	388²	340^{1, 2}	397²	367^{1, 2, 3}	466^{1, 2}	412^{1, 2}	451	470
Global Banking and Markets	(2)	(9)	3	(11)	(12)	(10)	(17)	(20)¹	(1)	(16)
Other	-	(1)¹	-	-	-	1¹	-	-	-	1¹
All Bank	564	544	595	534	559	539	637	590	679	688

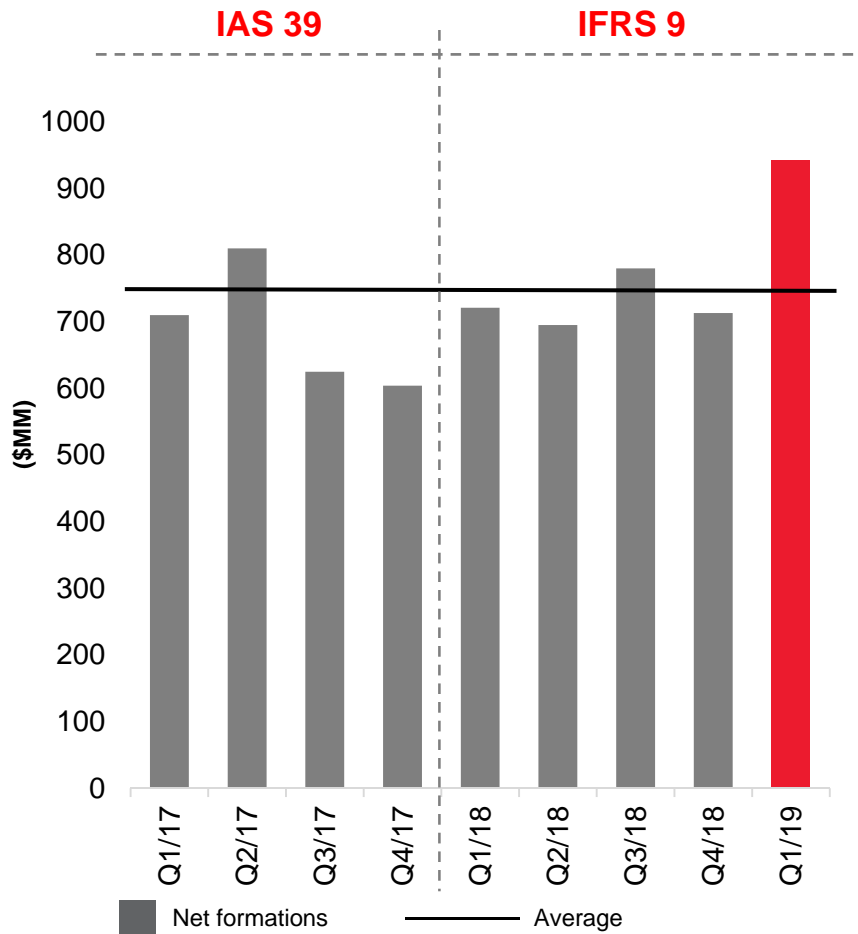
¹ Includes provision for credit losses on debt securities and deposit with banks of \$2 million in Canadian Banking, \$2 million (Q1/18: -\$5 million, Q2/18: -\$4 million, Q3/18: \$Nil, Q4/18: \$41 million (impaired) and \$40 million (total)) in International Banking, \$nil in Global Banking and Markets (Q4/18: \$1 million) and -\$1 million (Q1/18: -\$1million, Q2/18: \$Nil, Q3/18: \$1 Million, Q4/18: \$1 million) in Other

² Not comparable to periods prior to Q1/18, which were net of acquisition benefits

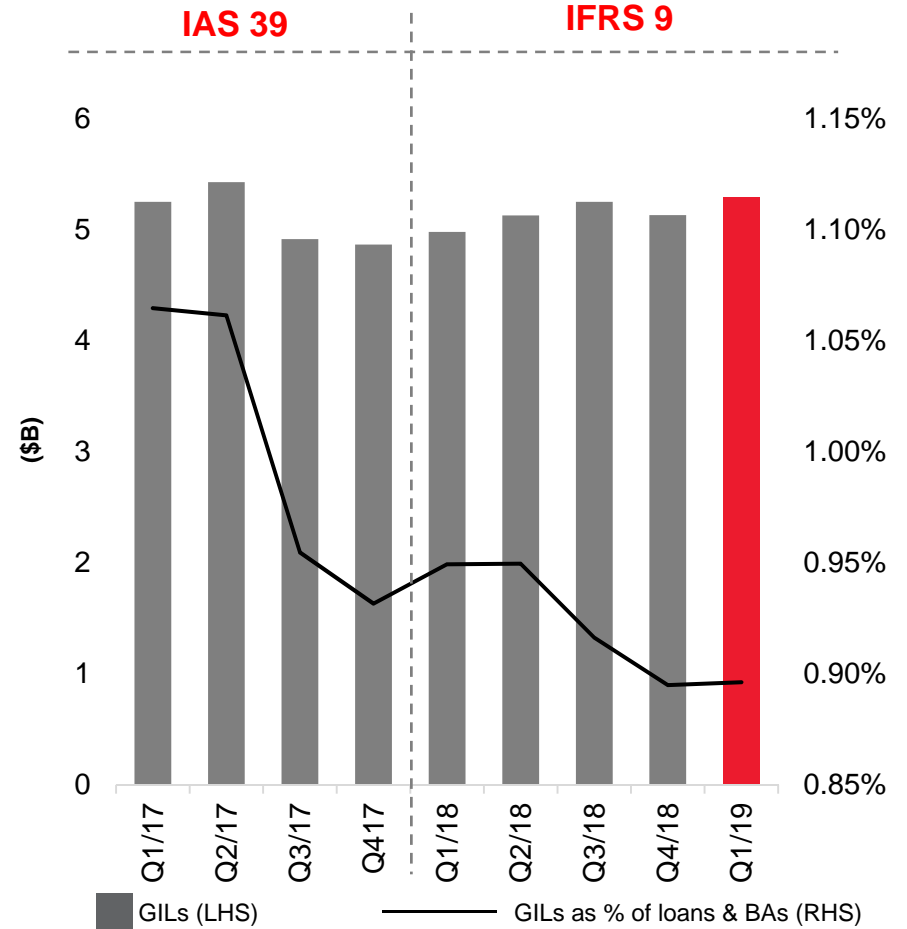
³ Figures on an adjusted basis; adjusted for Day 1 PCLs from acquisitions

IMPAIRED LOANS

NET FORMATIONS OF IMPAIRED LOANS^{1,2}



GROSS IMPAIRED LOANS^{1,2,3}



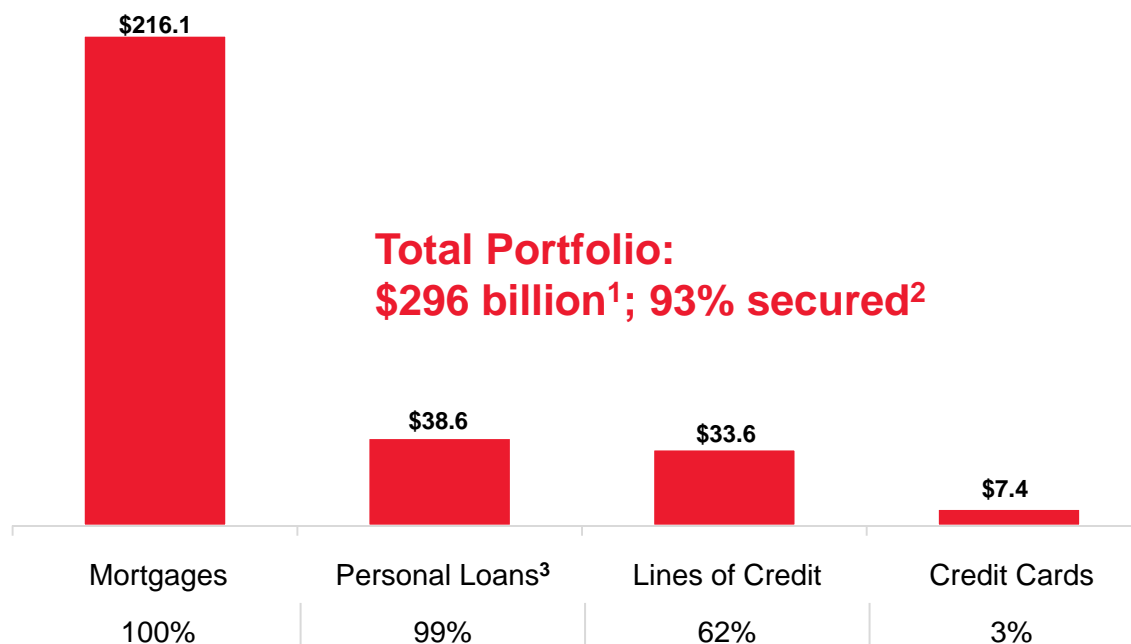
¹ Prior to Q1/18, excludes loans acquired under the Federal Deposit Insurance Corporation (FDIC) guarantee related to the acquisition of R-G Premier Bank of Puerto Rico. Effective Q1/18, includes loans acquired under the Federal Deposit Insurance Corporation (FDIC) guarantee related to the acquisition of R-G Premier Bank of Puerto Rico

² 2018 amounts are based on IFRS 9. Prior period amounts were based on IAS 39

³ Excludes impact of acquisitions in Q3/18 of \$0.2B

CANADIAN RETAIL: LOANS AND PROVISION

(Spot Balances as at Q1/19, \$B)



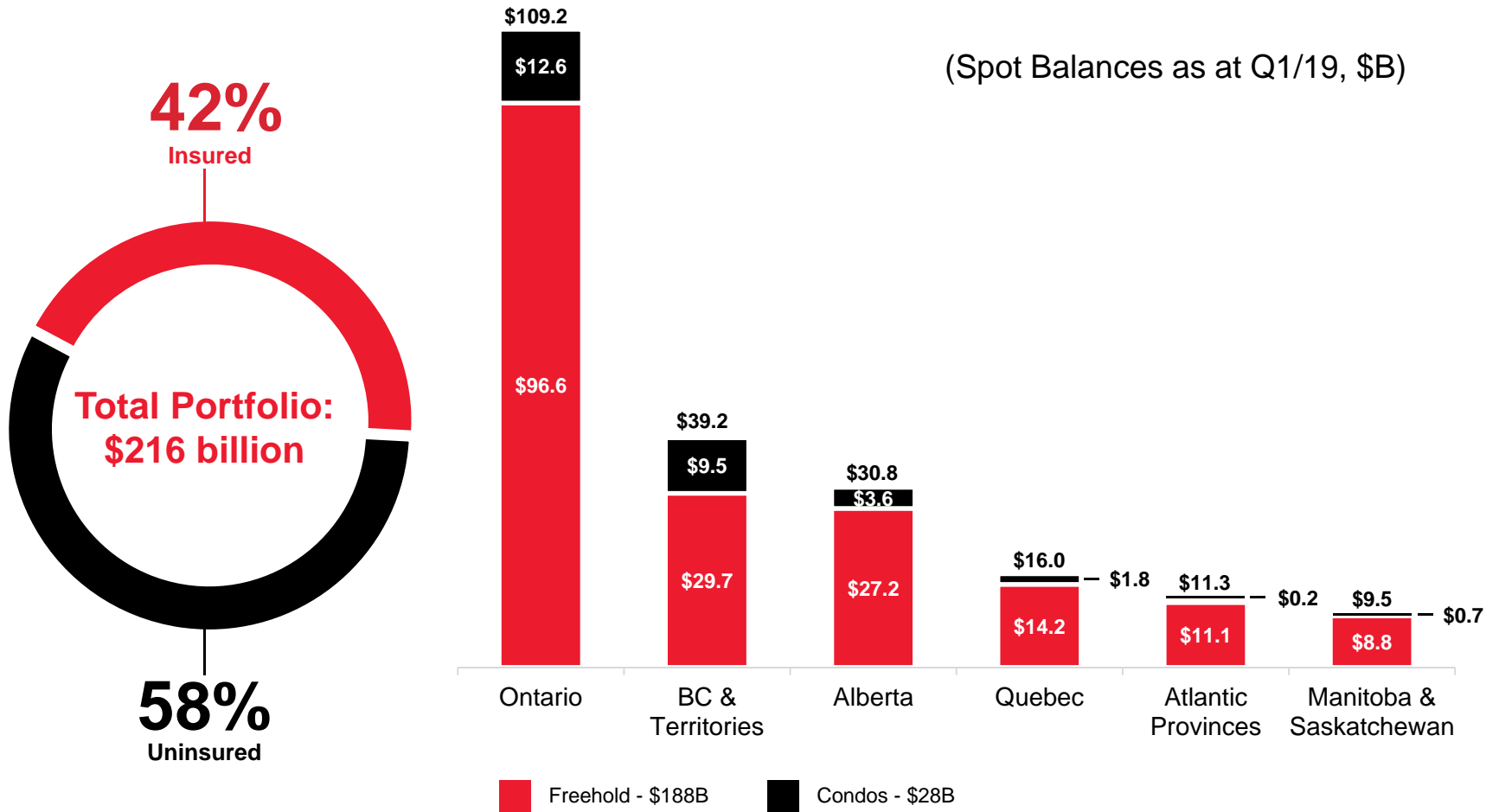
PCL	Mortgages		Personal Loans ³		Lines of Credit		Credit Cards	
	Q1/19	Q4/18	Q1/19	Q4/18	Q1/19	Q4/18	Q1/19	Q4/18
PCLs on Impaired Loans								
\$ millions	6	6	71	71	61	55	63	49
% of avg. net loans (bps)	1	1	69	69	75	68	349	283
PCLs								
\$ millions	12	0	82	73	65	55	43	51
% of avg. net loans (bps)	2	0	80	70	81	68	241	292

¹ Includes Tangerine balances of \$6 billion

² 81% secured by real estate; 12% secured by automotive

³ 99% are automotive loans

CANADIAN RESIDENTIAL MORTGAGE PORTFOLIO



Average LTV of uninsured mortgages is 55%¹

New originations² average LTV of 64% in Q1/19

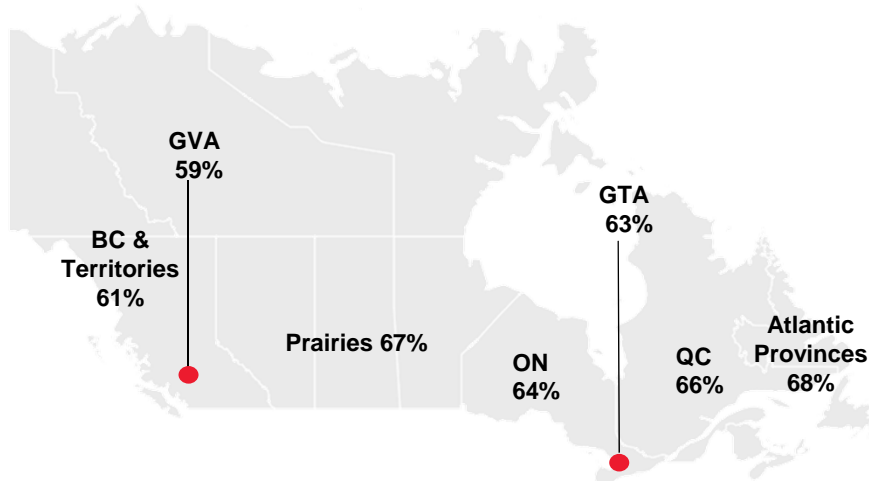
¹ LTV calculated based on the total outstanding balance secured by the property. Property values indexed using Teranet HPI data.

² New originations defined as newly originated uninsured residential mortgages and have equity lines of credit, which include mortgages for purchases refinances with a request for additional funds and transfer from other financial institutions.

Q1 2019 CANADIAN RESIDENTIAL MORTGAGES

Credit fundamentals remain strong

NEW ORIGINATIONS UNINSURED LTV* DISTRIBUTION



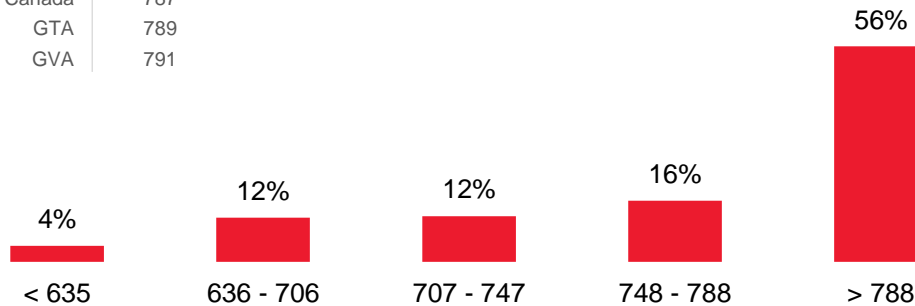
	Q1/18	Q4/18	Q1/19
Canada			
Total Originations (\$B)	10.3	10.5	9.3
Uninsured LTV	64%	63%	64%
GTA			
Total Originations (\$B)	3.4	3.2	3.2
Uninsured LTV	63%	62%	63%
GVA			
Total Originations (\$B)	1.5	1.1	1.0
Uninsured LTV	62%	59%	59%

*Average LTV ratios for our uninsured residential mortgages originated during the quarter

FICO® DISTRIBUTION – CANADIAN UNINSURED PORTFOLIO¹

Average FICO® Score

Canada	787
GTA	789
GVA	791



- <0.70% of uninsured portfolio has a FICO® score of <620 and an LTV >65%
- Canadian uninsured mortgage portfolio is \$124 billion as at Q1/2019

FICO is a registered trademark of Fair Isaac Corporation

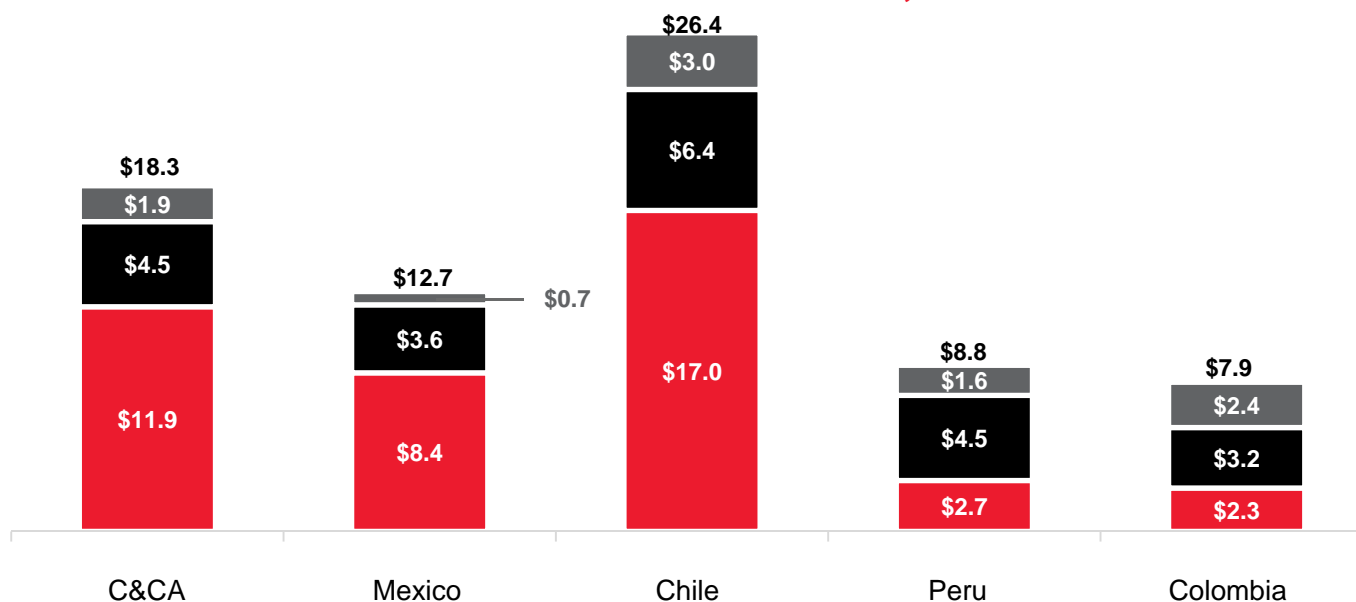
¹ FICO® distribution for Canadian uninsured portfolio based on score ranges at origination

INTERNATIONAL RETAIL: LOANS AND PROVISION

(Spot Balances as at Q1/19, \$B¹)

**Total Portfolio¹:
\$76 billion; 67% secured**

- Mortgages (\$42.3B)
- Personal loans (\$22.2B)
- Credit cards (\$9.6B)



PCL	C&CA		Mexico		Chile		Peru		Colombia	
	Q1/19	Q4/18	Q1/19	Q4/18	Q1/19	Q4/18	Q1/19	Q4/18	Q1/19	Q4/18
PCLs on Impaired Loans										
\$ millions	63	65	59	60	75	86	106	78	101	110
% of avg. net loans (bps)	138	147	199	206	120	145	517	400	554	582
PCLs										
\$ millions	78	45	69	63	96	79	74	84	89	101
% of avg. net loans (bps)	170	101	233	216	155	134	364	432	485	532

¹ Total Portfolio includes other smaller portfolios

RETAIL 90+ DAYS PAST DUE LOANS

Favourable credit quality across all markets and products

CANADA		Q1/18	Q2/18	Q3/18	Q4/18	Q1/19
	Mortgages	0.20%	0.19%	0.20%	0.20%	0.21%
	Personal Loans	0.63%	0.57%	0.56%	0.56%	0.58%
	Credit Cards	1.18%	1.08%	0.89%	0.91%	0.95%
	Secured and Unsecured Lines of Credit	0.30%	0.30%	0.28%	0.29%	0.30%
	Total	0.29%	0.27%	0.27%	0.28%	0.29%
INTERNATIONAL		Q1/18	Q2/18	Q3/18 ¹	Q4/18 ¹	Q1/19 ¹
	Mortgages	3.82%	3.70%	3.28%	3.18%	3.24%
	Personal Loans	3.68%	3.64%	3.45%	3.56%	3.59%
	Credit Cards	3.02%	2.87%	3.03%	2.96%	3.01%
	TOTAL	3.66%	3.56%	3.31%	3.25%	3.30%

¹ Includes acquisitions in Chile and Colombia.

FX MOVEMENTS VERSUS CANADIAN DOLLAR

Currency	Q1/19	Q4/18	Q1/18	Canadian (Appreciation) / Depreciation	
				Q/Q	Y/Y
SPOT					
U.S. Dollar	0.761	0.760	0.813	(0.2%)	6.4%
Mexican Peso	14.56	15.43	15.13	5.7%	3.8%
Peruvian Sol	2.547	2.561	2.615	0.6%	2.6%
Colombian Peso	2363	2,446	2,301	3.4%	(2.7%)
Chilean Peso	499.2	528.7	490.1	5.6%	(1.8%)
AVERAGE					
U.S. Dollar	0.751	0.768	0.791	2.2%	5.1%
Mexican Peso	14.89	14.59	15.04	(2.1%)	1.0%
Peruvian Sol	2.522	2.542	2.558	0.8%	1.4%
Colombian Peso	2396	2326	2,336	(3.0%)	(2.6%)
Chilean Peso	509.8	516.1	495.0	1.2%	(3.0%)

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