Investor Presentation
First Quarter, 2010

March 9, 2010

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 harbour" provisions of the United States Private Securities Litigation Reform Act of 1995 and any applicable Canadian securities legislation. Forward-looking statements may include comments with respect to 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 the results of its operations, including uncertainties associated with critical accounting assumptions and estimates; the effect of applying future accounting changes; 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 discussion starting on page 62 of the Bank's 2009 Annual Report.

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.

The "Outlook" sections in this document are based on the Bank's views and the actual outcome is uncertain. Readers should consider the above-noted factors when reviewing these sections.

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

Rick Waugh

President & Chief Executive Officer

Q1 2010 Overview

- **Strong Quarter – EPS up 14% vs. Q1/09**
- **Strong ROE – 17.4% in Q1/10**
- **Industry-leading credit performance**
- **Record revenues**
- **Expenses remain well managed**
- **Strong capital position – Tier 1 from 10.7% to 11.2%**

Financial Review

Luc Vanneste

Executive Vice-President &
Chief Financial Officer

Strong Quarter

Q1/10	Q4/09	Q1/10 vs. Q4/09		Q1/09	Q1/10 vs. Q1/09
988	902	10%	Net Income ($MM)	842	17%
$0.91	$0.83	10%	EPS	$0.80	14%
17.4%	16.4%	1.0%	ROE	16.2%	1.2%
50.5%	54.2%	(3.7)%	Productivity Ratio	58.7%	(8.2)%

Year-over-year earnings comparison

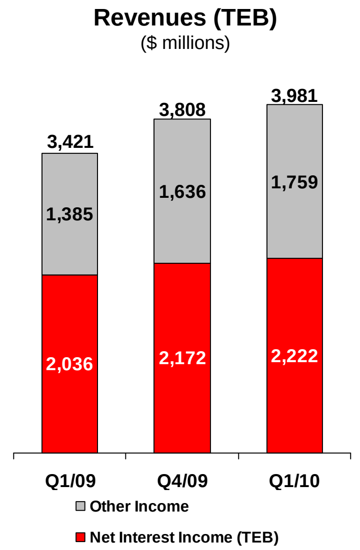
Q1 earnings benefited from…

- Higher net interest margin
- Strong trading & wealth mgmt.
- Significantly lower writedowns

Partly offset by…

- Significantly higher tax rate:
  - $55MM writedown of future tax assets
- Negative impact of forex
- Modest increase in specific provisions

Record Revenues



Q1/10 vs. Q4/09 Revenues

+ Net interest income up 2%
- + Retail asset growth, wider spreads in Canadian retail
- + Positive impact of financial instruments (FI)

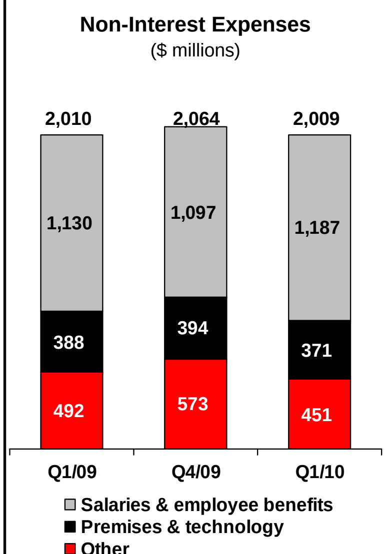
+ Other income up 8%
- + Higher trading revenues & net securities gains
- + Positive impact of FI
- - Lower credit & underwriting fees vs. exceptional Q4
- - $32MM writedown of investment in Venezuelan affiliate

Q1/10 vs. Q1/09 Revenues

+ Net interest income up 9%
- + Asset re-pricing, higher retail assets
- + Positive impact from FI
- - Negative impact of FX, lower corporate loan volumes

+ Other income up 27%
- + Lower AFS securities writedowns
- + Strong trading & mutual fund revenues
- - Lower securitization & non-trading FX revenues
- - Negative impact of FX

Disciplined Expense Management



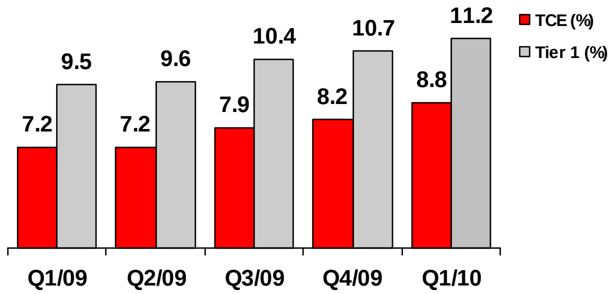
Q1/10 vs. Q4/09 Expenses

- **Expenses down 3% from seasonally high Q4/09**
  - + Seasonal declines in advertising, professional fees & technology expenses
  - + Lower legal provisions
  - + $23MM relating to VISA rewards points in Q4/09
  - - Higher salaries & benefits, largely due to higher stock-based compensation

Q1/10 vs. Q1/09 Expenses

- **Expenses flat with Q1/09**
  - + Positive impact of FX
  - + Lower technology expenses & business taxes
  - - Higher stock-based compensation

Strong Capital Ratios

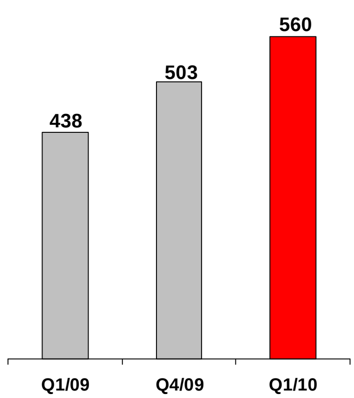


Capital

- Continue to grow capital ratios
- Strong internal capital generation
- Strong DRIP participation
- Decrease in RWA
- Actively participating in discussions on proposed capital rules

Canadian Banking: Another Record Quarter

Net Income
($ millions)



Q1/10 vs. Q4/09

+ Revenues up 2%
+ Volume growth, stable margin
+ Stronger commercial banking revenues

+ PCLs down $10MM

+ Expenses down 3%
+ $23MM relating to VISA rewards points in Q4/09
+ Lower discretionary costs

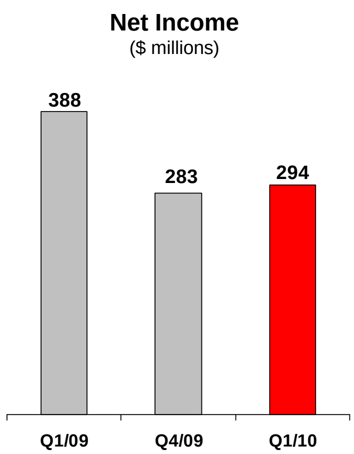
Q1/10 vs. Q1/09

+ Revenues up 13%
+ 17bps increase in margin, retail volume growth
+ Stronger wealth management revenues

- PCLs up $25MM

- Expenses up 3%
- Higher wealth management commissions & stock-based compensation
- Growth initiative spending

International Banking: Earning Through Challenges



Q1/10 vs. Q4/09

- **Revenues up 10%**
  - + Positive impact of FI & higher securities gains
  - - Writedown on investment in Venezuelan affiliate
- **PCLs up $10MM, significantly higher tax rate**

+ **Expenses down 5%**
  - + Release of legal provision in Peru
  - + Lower advertising & professional fees

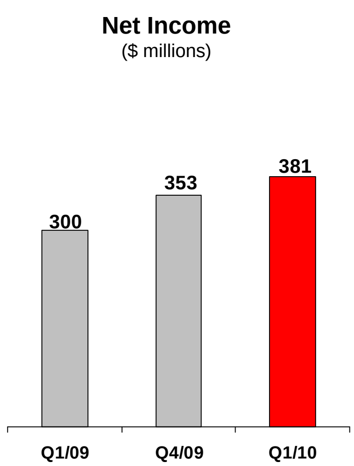
Q1/10 vs. Q1/09

+ **Revenues down 3%, up 8% ex. FX**
  - + Positive impact of FI & acquisitions
  - + Higher securities gains, widespread transaction driven growth
  - - $32MM writedown on investment in Venezuelan affiliate

- **PCLs up $61MM, significantly higher tax rate**

+ **Expenses down 9%, down 1% ex. FX**
  - + Release of legal provision in Peru
  - - Higher stock based compensation

Scotia Capital: Strong & Diversified Revenues, Lower Loan Losses



Q1/10 vs. Q4/09

- **Revenues down 1%**
  - - Strong credit fees, but down vs. record Q4
  - + Higher trading revenues

+ **PCLs down $49MM**

- **Expenses up 8%**
  - - Higher performance-based compensation, salaries & technology costs
  - + Lower legal provisions

Q1/10 vs. Q1/09

+ **Revenues up 28%**
  - + 2nd best trading quarter ever
  - + Higher loan origination & credit fees
  - + Wider spreads
  - - Reduced loan volumes

- **PCLs up $4MM**
- **Expenses up 6%**
  - - Higher performance-based compensation

Other Segment [1]

($ millions)	Q1/10	Q4/09	Q1/09
Funding Net Interest Income	(114)	(106)	(92)
Broker Deposits [2]	--	(49)	(18)
Net Securitization Revenues [3]	(135)	(139)	2
AFS Securities Writedowns	(36)	(49)	(224)
Financial Instruments	17	28	(111)
Expenses & Net Other Items	21	27	27
Taxes (Excl. TEB Offset)	55	51	132
Sub-Total	**(192)**	**(237)**	**(284)**
Ontario Tax Writedown	(55)	--	--
Total Other	**(247)**	**(237)**	**(284)**

(1) Includes Group Treasury and other corporate items, which are not allocated to a business line
(2) Effective Q1/10, Broker deposits were transferred to Canadian Banking
(3) Represents the impact to the Other segment of CMB securitization revenues recognized in other income, and the reduction in mortgage net interest income earned as a result of removing the mortgages from the Balance Sheet

Scotiabank

Risk Review

Brian Porter

Group Head, Risk & Treasury

Q1/10 Risk Overview

- **Risk in credit portfolios continues to be well managed**

($ millions)	Q1/10	Q4/09	Q1/09
Net Impaired Loan Formations	511	627	778
Specific Provisions	372	424	281

- **Strong coverage ratios**

	Q1/10	Q4/09	Q1/09
Earnings coverage of PCL [1]	5.1x	4.0x	4.8x
Total Allowance as a % of GIL	71%	73%	91%
Total Allowance as a % of Loans & BAs	1.06%	1.03%	0.86%

(1) Pre-tax, pre-provision income to total PCL

Net Impaired Loan Formations Moderating

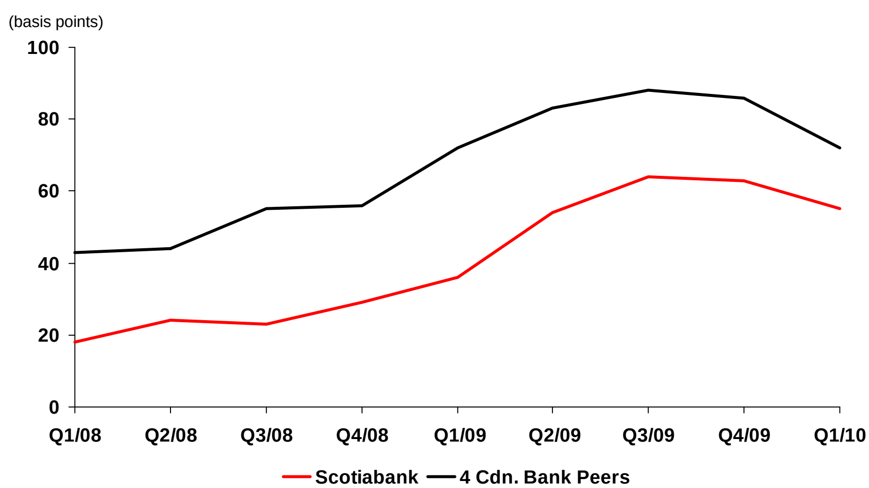
($ millions)	Q1/09	Q2/09	Q3/09	Q4/09	Q1/10
Canadian Retail	218	246	167	205	184
Canadian Commercial	31	98	67	24	42
	249	**344**	**234**	**229**	**226**
International Retail	336	264	276	254	259
International Commercial	133	93	232	5	135
	469	**357**	**508**	**259**	**394**
Scotia Capital	**60**	**303**	**161**	**139**	**(109)**
Total	**778**	**1,004**	**903**	**627**	**511**

Decline in Specific Provisions Quarter-over-Quarter

($ millions)	Q1/09	Q2/09	Q3/09	Q4/09	Q1/10
Canadian Retail	122	126	137	159	140
Canadian Commercial	33	52	33	33	41
	155	**178**	**170**	**192**	**181**
International Retail	130	125	146	122	130
International Commercial	(14)	(10)	33	45	47
	116	**115**	**179**	**167**	**177**
Scotia Capital	**10**	**109**	**117**	**65**	**14**
Total	**281**	**402**	**466**	**424**	**372**
PCL ratio (bps)	36	54	64	63	55

Provisions: Consistently Outperforming Canadian Peers

Specific PCL as a % of Average Loans & BAs



2010 Risk Outlook

- **Asset quality remains strong**
  - Retail portfolios performing as expected
  - Corporate portfolios performing better than expected
- **2010 provisions**
  - Retail provisions likely to stay at somewhat elevated levels
  - Overall, provisions appear to have crested

Canadian Banking
2010 Outlook

Chris Hodgson

Group Head, Canadian Banking

Canadian Banking: 2010 Outlook

- **Record quarterly NIAT**
  - #1 in mutual fund net sales & market share gains among the banks
  - #1 in mortgage market share gains among the banks
- **PCLs stable**
- **Expenses well managed**
- **2010 growth opportunities**
  - Wealth Management, Insurance & Commercial Banking

International Banking 2010 Outlook

Rob Pitfield

Group Head, International Banking

International Banking: 2010 Outlook

- Asset and revenue growth as economies rebound
- Continue to prudently manage risk
- Disciplined expense management
- Seeking opportunistic acquisitions

Scotia Capital
2010 Outlook

Mike Durland

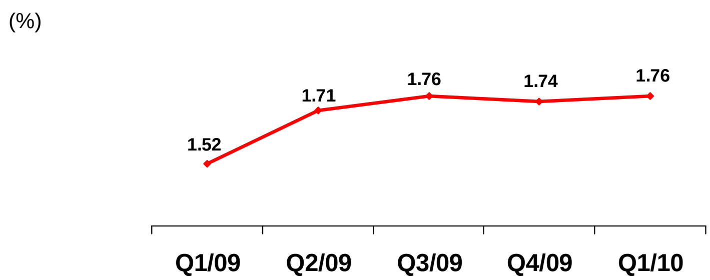
Group Head, Global Capital Markets
& Co-CEO, Scotia Capital

Scotia Capital: 2010 Outlook

- **Portfolio continues to perform well**
- **Loan volumes contracting**
- **Loan loss provisions were better than expected but not certain to remain at this level**
- **Capital markets normalizing**

Appendix

Stable Net Interest Margin



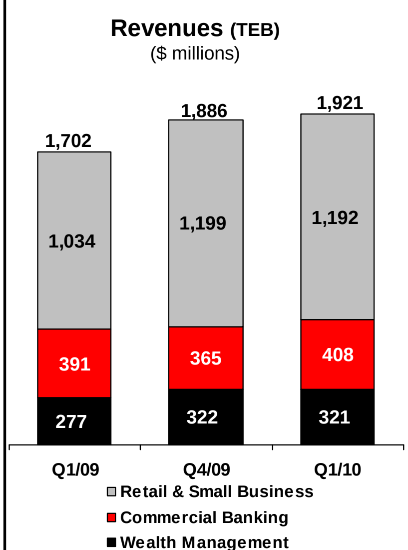
Q1 margin benefited from…

- Wider spreads on retail assets in Canadian Banking
- Positive impact of FI
- Decrease in non-earning assets

Offset by…

- Increase in low yielding DWBs

Canadian Banking: Higher Margin, Wealth Management Revenues



Q1/10 vs. Q4/09 Revenues

+ Increased Commercial Banking revenues due to:
  + Lower write-down on securities
  + Increased credit fees
  + Higher spreads

Q1/10 vs. Q1/09 Revenues

Retail & Small Business

+ Higher margin
+ Increased assets & deposits

Commercial Banking

+ Higher credit fees
- Lower asset levels, decrease in margin

Wealth Management

+ Higher mutual fund fees due to strong net sales, increased asset values & CI
+ Stronger full service brokerage & Private Client Group revenues

Canadian Banking: Volume Growth

($ billions)	Q1/10	Q4/09	Q1/09	Y/Y	Q/Q
	Average Balances				
Residential Mortgages (1)	125.1	122.9	118.2	6.9	2.2
Personal Loans	37.6	36.9	33.0	4.6	0.7
Credit Cards (2)	9.3	9.3	9.1	0.2	-
Non-Personal Loans & Acceptances	24.0	23.6	26.3	(2.3)	0.4
Personal Deposits (3)	104.3	93.5	91.4	12.9	10.8
Non-Personal Deposits	58.4	54.1	48.8	9.6	4.3
Wealth Mgmt. AUA (Spot)	141.6	136.8	115.7	25.9	4.8

(1) Before securitization
(2) Includes ScotiaLine VISA
(3) Effective November 1, 2009, $10 billion of broker sourced deposits were transferred from the Other segment into Canadian Banking.

Canadian Banking: Market Share

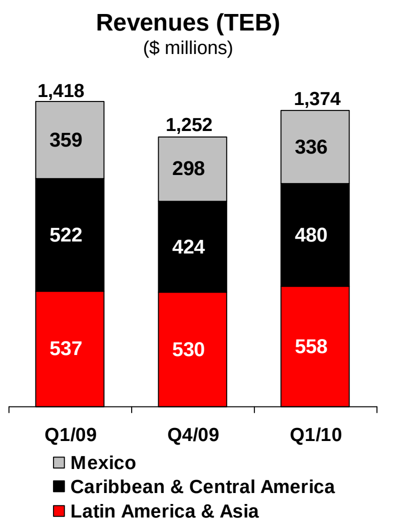
Market Share (%) [1]	Q1/09	Q2/09	Q3/09	Q4/09	Q1/10
Residential Mortgages	19.94	20.02	20.06	20.14	20.23
Total Personal Lending	17.84	17.94	17.85	17.90	18.29
Total Personal Deposits	11.25	11.26	11.12	10.91	10.85
Mutual Funds	7.61	7.63	7.93	8.35	8.84

(1) Market share statistics are issued on a one-month lag basis. (Q1 10: December 2009)

Total Personal Lending market share is based on a comparison with the big six banks.
Total Personal Deposits market share is based on a comparison with the total industry.
Mutual Funds market share is based on a comparison with total banks.

Sources: Mutual Funds – IFIC; Personal Lending and Personal Deposits – Bank of Canada

International Banking: Solid Underlying Revenues



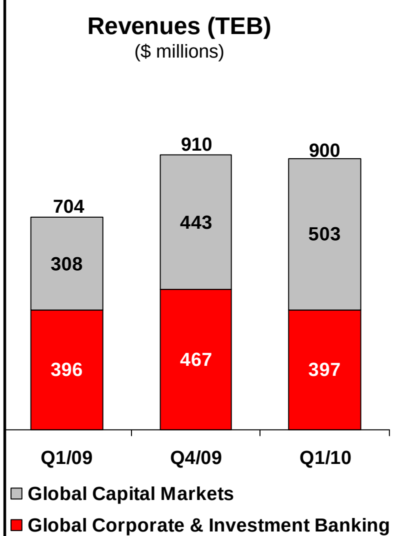
Q1/10 vs. Q4/09 Revenues

- **Up 10%**
- **Mexico**
  + Higher trading revenues & mutual fund fees
  + Gain from sale of pension business
- **Caribbean & Central America**
  + Higher spreads & positive impact of FI
  + Securities gains
- **Latin America & Asia**
  + Positive impact of FI & higher credit fees
  - Writedown on investment in Venezuelan affiliate

Q1/10 vs. Q1/09 Revenues

- **Down 3%, up 8% excluding FX** (impacted all regions)
- **Mexico**
  - Lower treasury gains
  + Gain from sale of pension business
- **Caribbean & Central America**
  - Lower retail & commercial loan volumes
  + Higher spreads
- **Latin America & Asia**
  + Higher securities gains
  - $32MM writedown on investment in Venezuelan affiliate

Scotia Capital: Diversified Revenue Strength



Q1/10 vs. Q4/09 Revenues

Global Capital Markets
+ Higher derivatives & precious metals revenues
- Lower revenues from institutional equity

Global Corporate & Investment Banking
- Lower credit fees vs. record in Q4/09
- Decreased loan volumes & advisory fees
+ MTM gains on investments

Q1/10 vs. Q1/09 Revenues

Global Capital Markets
+ 2nd best trading quarter ever
+ Significantly stronger derivatives revenues, partly due to derivative trading losses in Q1/09
- Lower fixed income & FX revenues

Global Corporate & Investment Banking
+ Wider spreads, higher credit & loan origination fees & MTM gains on investments
- Reduced loan volumes, lower investment banking revenues

Economic Outlook in Key Markets

Real GDP (Annual % Change)	2010E	2009F	2008	2000-07 Avg.
Mexico	4.2	(6.5)	1.3	2.9
Peru	4.2	1.4	9.8	5.1
Chile	5.0	(1.5)	3.2	4.4
Jamaica	(0.5)	(4.0)	(1.0)	1.5
Trinidad & Tobago	2.5	(2.5)	2.3	8.2
Costa Rica	1.8	(1.5)	2.9	4.7
Dominican Republic	3.2	2.5	5.3	5.4
Thailand	4.0	(2.3)	2.9	4.9
	2010E	2009F	2008	2000-07 Avg.
Canada	2.7	(2.4)	0.4	2.9
U.S.	3.1	(2.5)	0.4	2.6

Source: Scotia Economics, as of March 8th

Unrealized Securities Gains

($ millions)	Q1/10	Q4/09
Emerging Market Debt	383	461
Other Debt	672	512
Equities	190	40
	1,245	**1,013**
Net Fair Value of Derivative Instruments and Other Hedge Amounts	(217)	(185)
Total	**1,028**	**828**

Trend in PCL Ratios

(Specific PCL as % average of loans & BAs)	Q1/09	Q2/09	Q3/09	Q4/09	Q1/10
Canadian Banking					
Retail	0.30	0.32	0.33	0.37	0.32
Commercial	0.50	0.83	0.52	0.55	0.68
Total	**0.33**	**0.39**	**0.36**	**0.40**	**0.37**
International Banking					
Retail	2.26	2.17	2.59	2.30	2.41
Commercial	(0.12)	(0.09)	0.32	0.48	0.50
Total	**0.68**	**0.69**	**1.13**	**1.13**	**1.19**
Scotia Capital					
Corporate Banking	**0.07**	**0.80**	**1.01**	**0.65**	**0.15**
All Bank	**0.36**	**0.54**	**0.64**	**0.63**	**0.55**

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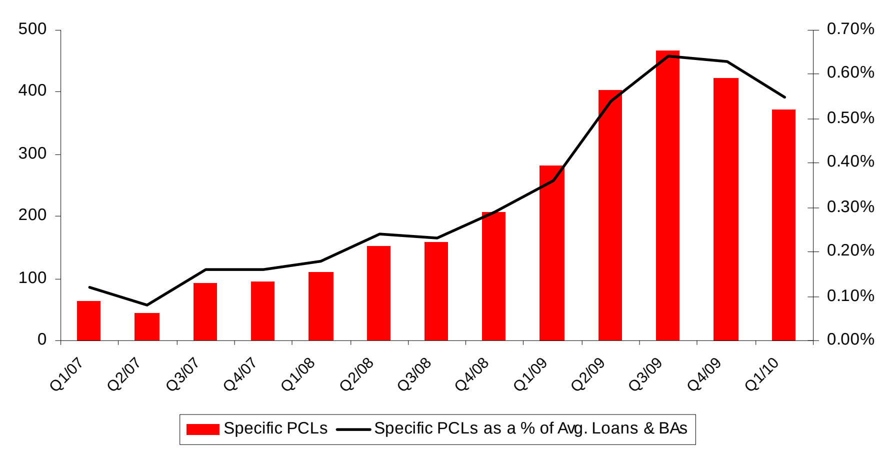
Trend in Specific Provisions

($ millions)



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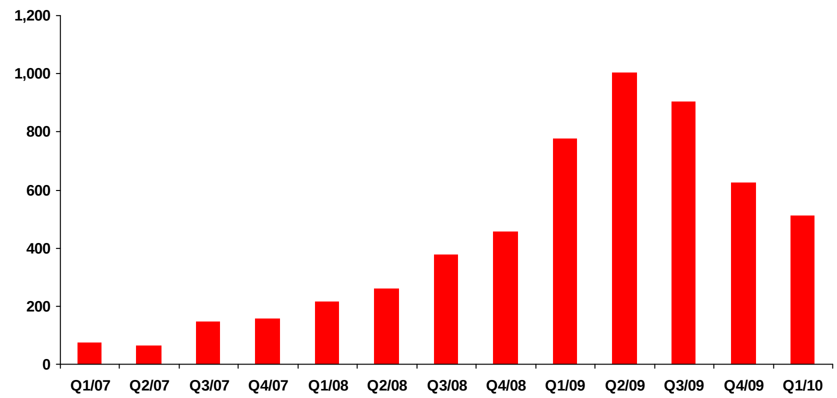
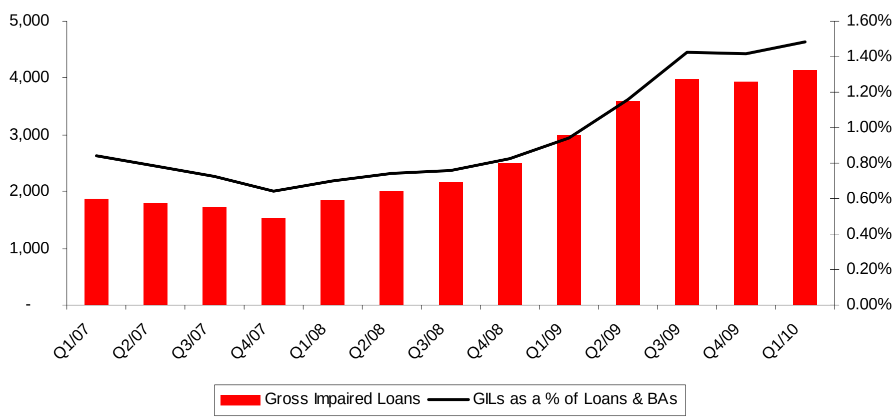
Trend in Net Impaired Loan Formations

($ millions)



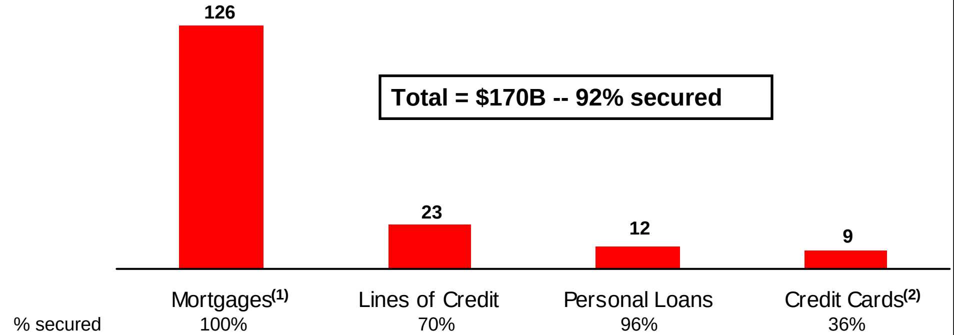
Trend in Gross Impaired Loans

($ millions)



Canadian Retail: Loans and Provisions

(balances at Q1/10, $ billions)



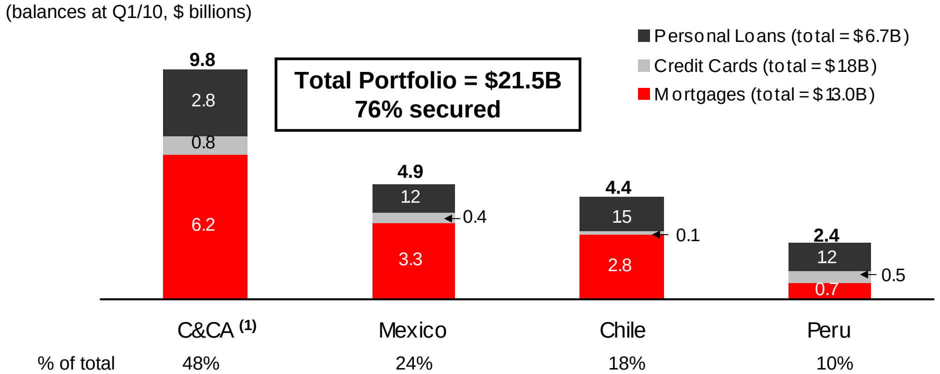
PCL	Q1/10	Q4/09	Q1/10	Q4/09	Q1/10	Q4/09	Q1/10	Q4/09
$ millions	1	(4) [3]	26	36	60	65	51	60
% of avg. loans (bps)	<1bp	N/A	45	63	204	229	221	258

(1) Before securitizations of $17 billion & mortgages converted to MBS of $20 billion; 52% insured; LTV in mid-50s for uninsured portfolio

(2) Includes $6 billion of Scotialine VISA
(3) Recovery of provisions for mortgages reflects lower than expected write-offs

International Retail: Loans and Provisions

(balances at Q1/10, $ billions)

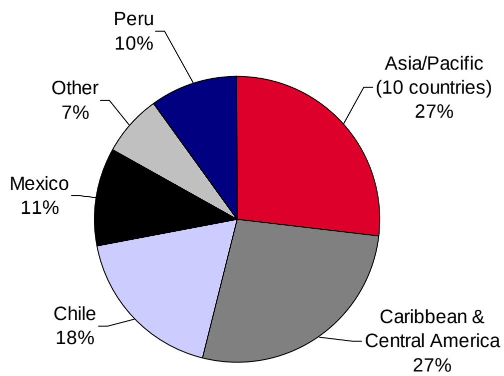


PCL	Q1/10	Q4/09	Q1/10	Q4/09	Q1/10	Q4/09	Q1/10	Q4/09
$ millions	35	31	48	38	22	14	25	38
% of avg. loans (bps)	140	121	403	306	205	136	426	657

(1) Caribbean and Central America

International Commercial: Lending Portfolio

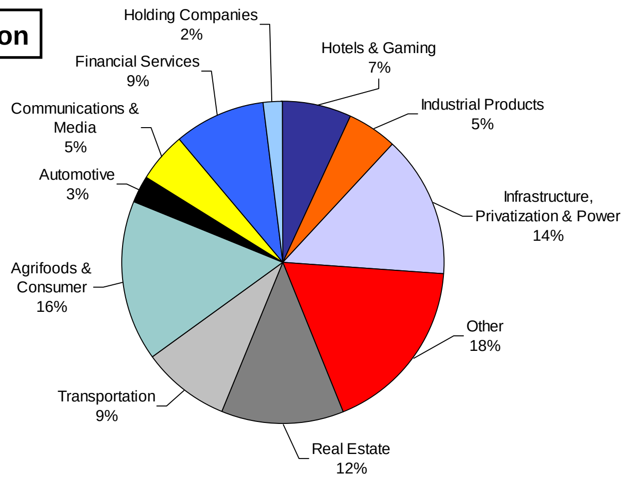
Q1/10 = $33 billion



- Well secured
- Portfolios in Asia/Pacific and Peru are performing well
- Closely monitoring portfolios in Mexico and Caribbean & Central America

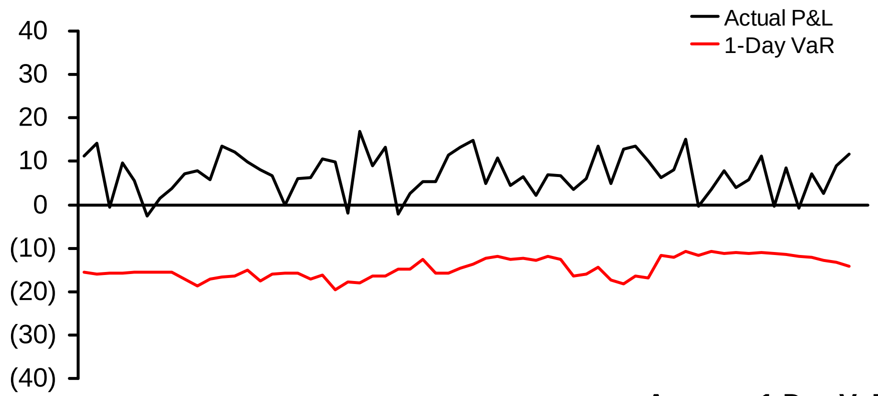
International Commercial: Lending Portfolio

Q1/10 = $33 billion



- Well secured
- Good diversification
- Closely monitoring Caribbean hotel exposures

Trading Results Within One-Day VaR

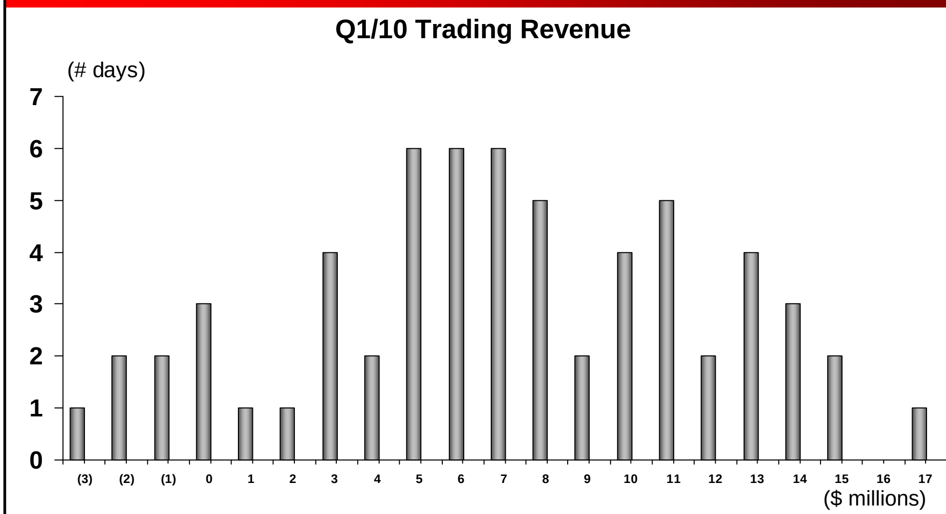


Average 1-Day VaR

Q1/10: $14.6MM

Q4/09: $15.0MM

Trading Revenue



- 87% of days had positive results in Q1/10