Investor Presentation

First Quarter, 2014

March 4, 2014

Scotiabank

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 forwardlooking 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.

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Overview

Brian Porter
President & Chief Executive Officer

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Q1 2014 Overview

- **Good results to begin the year**
  - Net income of $1.7 billion, up 6.5% from last year
  - Diluted EPS up 6.5% to $1.32
  - ROE: 15.4%
- **Revenue growth of 9% from last year**
- **Capital position continues to be very strong**
- **Quarterly dividend increased by 2 cents or 3% to $0.64 per share**
- **Investments in stable LatAm economies are important to long-term growth**

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Strategic Priorities

Canadian Banking

- Deepen existing relationships within targeted customer segments
- Build on the strength of our expertise in payments
- Leverage commercial banking platform to achieve greater market penetration
- Extend ING Direct's "savings" value proposition to meet the banking needs of self-directed customers

International Banking

- 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 priority regions of Latin America and Asia

Global Wealth & Insurance

- 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

Global Banking & Markets

- 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

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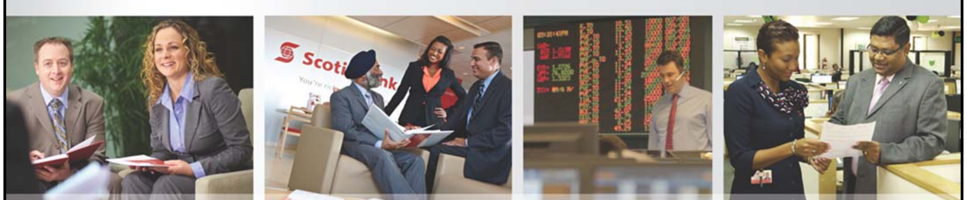
Financial Review



Sean McGuckin

Chief Financial Officer

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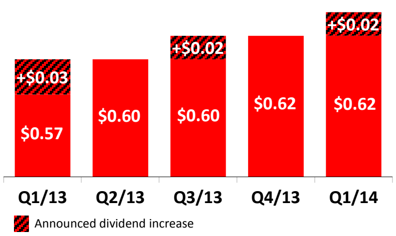
Q1 2014 Financial Performance

$ millions, except EPS	Q1/14	Q/Q	Y/Y
Revenues	$5,725	5%	9%
Expenses	$3,105	4%	10%
Net Income	$1,709	2%	6%
Diluted EPS	$1.32	2%	6%
ROE	15.4%	(40 bps)	(140 bps)
Productivity Ratio	54.2%	20 bps	(30 bps)
Basel III CET1 Ratio	9.4%	30 bps	120 bps

Dividends Per Common Share



Highlights

- **Solid EPS growth Y/Y**
  - Canadian Banking & GWI had strong results, with more moderate performances from International Banking & GBM
- **Revenue growth of 9% Y/Y**
  - Higher core banking margin and asset growth
  - Increased banking and wealth management fees
  - Positive impact of FX
  - Lower trading revenues offset by higher securities gains
- **Expenses up 10% Y/Y**
  - Excluding FX and acquisitions, expenses up 7%
  - Higher costs to support business growth
- **Basel III CET1 ratio of 9.4%**

Good start to the year

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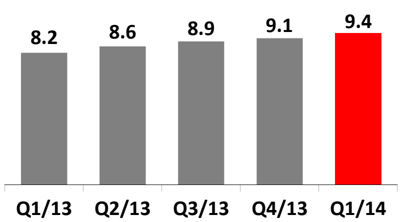
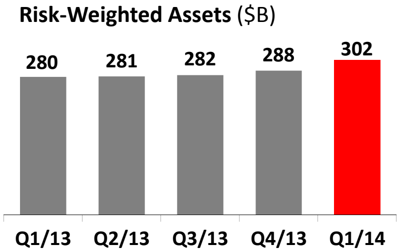
Capital

Basel III Common Equity Tier 1 (%)



Risk-Weighted Assets ($B)



Highlights

- **Q1/14 internal capital generation of $860 million**
- **Risk-weighted assets up $14 billion or 5% from previous quarter to $302 billion**
  - FX and underlying business growth
  - Basel III CVA phase-in
- **Continuing to redeploy capital into our four business lines**
- **DRIP discount eliminated effective for Q2 dividend**

Capital position remains strong

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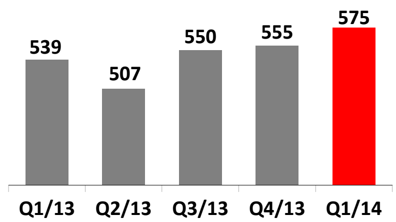
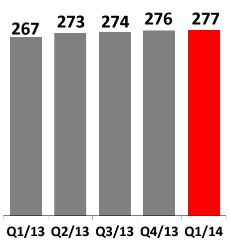
Canadian Banking

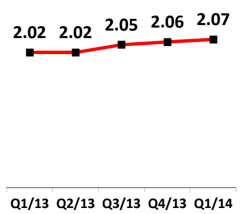
Net Income[1] ($MM)



Average Assets ($B)



Net Interest Margin (%)



Highlights

- **Good quarter, net income up 7% Y/Y**
- **Solid loan growth of 5% Y/Y**
  - Particularly strong growth in credit cards and consumer auto loans
  - Reported growth suppressed by ING mortgage run-down
- **Good deposit growth of 5% Y/Y**
- **Credit performance remains stable**
  - Increase in PCLs due to modest shift in product mix
- **NIM up 1 bp Q/Q**
- **Positive operating leverage of 1.1% Y/Y**

Solid volume growth and positive operating leverage

(1) Attributable to equity holders of the Bank

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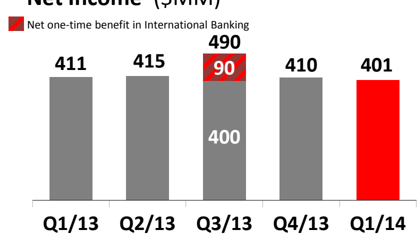
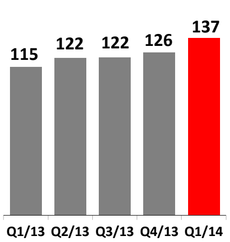
International Banking

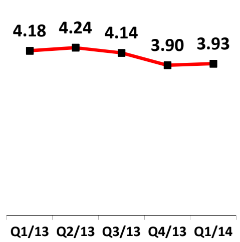
Net Income[1] ($MM)



Average Assets ($B)



Net Interest Margin (%)



Highlights

- **Stable quarter, net income down 2% Y/Y**
- **Strong double-digit loan growth of 17% Y/Y**
  - Broad-based growth in LatAm & Asia
- **Very good deposit growth of 13% Y/Y**
- **Credit performance remains stable**
  - PCL ratio unchanged at 87 bps
- **Small rebound in NIM, up 3 bps Q/Q**
- **Expenses up 11% Y/Y**
  - Negative FX impact
  - Higher remuneration & inflation

Strong asset growth offset by lower margins, higher expenses and PCLs

(1) Attributable to equity holders of the Bank

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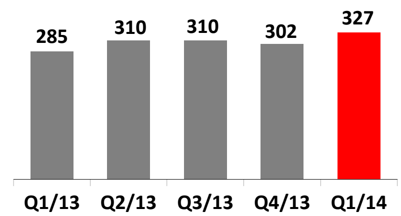
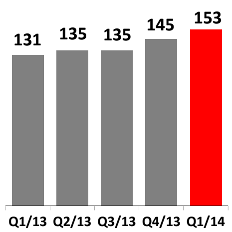
Global Wealth & Insurance

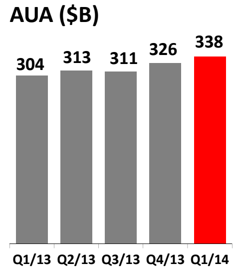
Net Income[1] ($MM)



AUM ($B)



AUA ($B)



Highlights

- **Very good quarter, net income up 15% Y/Y**
  - Strong broad-based results
  - Recent acquisitions
- **Double-digit AUM & AUA growth Y/Y**
  - New client acquisitions
  - Improved market conditions
  - Acquisition of AFP Horizonte in Peru
- **Positive operating leverage of 0.4% Y/Y**

Very good results across all businesses

(1) Attributable to equity holders of the Bank

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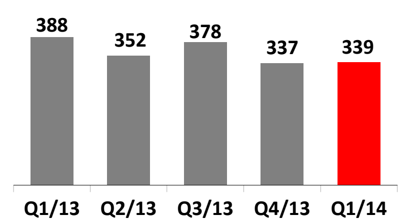
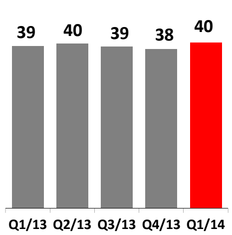
Global Banking & Markets

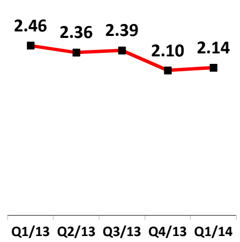
Net Income[1] ($MM)



Average Loans[2] ($B)



Net Interest Margin[3] (%)



Highlights

- **Net income down 13% Y/Y**
  - Continuing market challenges in certain capital market businesses & U.S. lending
  - Higher investment banking fees
  - Results stable Q/Q
- **Modest loan growth of 2% Y/Y**
- **NIM up 4 bps Q/Q**
- **Credit performance remains strong**
- **Expenses up 12% Y/Y**
  - Higher remuneration, technology and support costs

Strong corporate & investment banking results partly offsetting weaker capital markets

(1) Attributable to equity holders of the Bank
(2) Average Business & Government Loans & Acceptances
(3) Global Corporate & Investment Banking only

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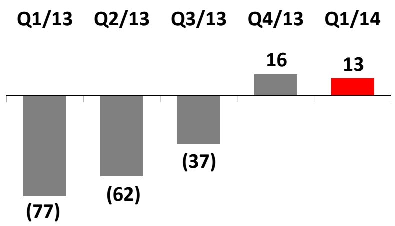
Other Segment[1]

Net Income[2] ($MM)



Highlights

- **Net income up Y/Y**
  - Higher revenues from asset/liability management
  - Increased securities gains
  - Higher taxes

(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

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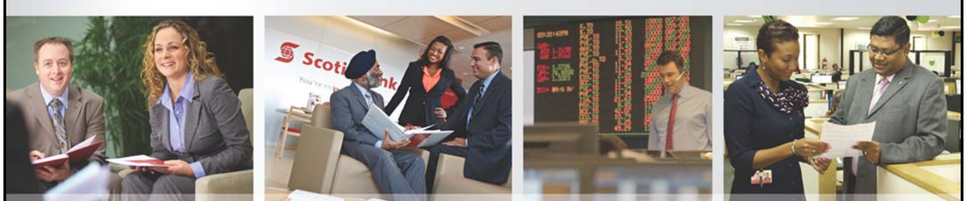
Risk Review



Stephen Hart

Chief Risk Officer

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Credit Quality

- **Credit fundamentals remain strong**
  - Modest increase in PCL ratio – up 3 bps Q/Q to 34 bps
  - Loss rates in Canadian Banking up slightly from historical lows
  - International Banking loss rates stable
  - GBM credit performance exceptionally strong
- **Increase in net formations of impaired loans to $408 million**
  - Retail growth in Peru & Mexico
  - Lower commercial recoveries in Colombia
- **Market risk remains well-controlled**
  - Average 1-day All-Bank VaR: $19.8MM vs. $17.9MM in Q4/13
  - Two trading loss days in Q1/14

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Provisions for Credit Losses

($ millions)	Q1/13	Q2/13	Q3/13	Q4/13	Q1/14
Canadian Retail	108	106	103	106	118
Canadian Commercial	10	30	5	10	16
	118	**136**	**108**	**116**	**134**
International Retail	171	180	177	170	187
International Commercial	15	14	17	37	32
	186	**194**	**194**	**207**	**219**
Global Wealth & Insurance	**1**	**1**	**1**	**–**	**–**
Global Banking & Markets	**5**	**12**	**11**	**(2)**	**3**
Total	**310**	**343**	**314**	**321**	**356**
PCL ratio (bps) on impaired loans	32	35	31	31	34

Note: International Banking's total includes the impact of Colombian purchased portfolio. The Bank expects the PCL ratio to rise with the maturity of the acquired portfolio. See page 28 of the 2013 Annual Report.

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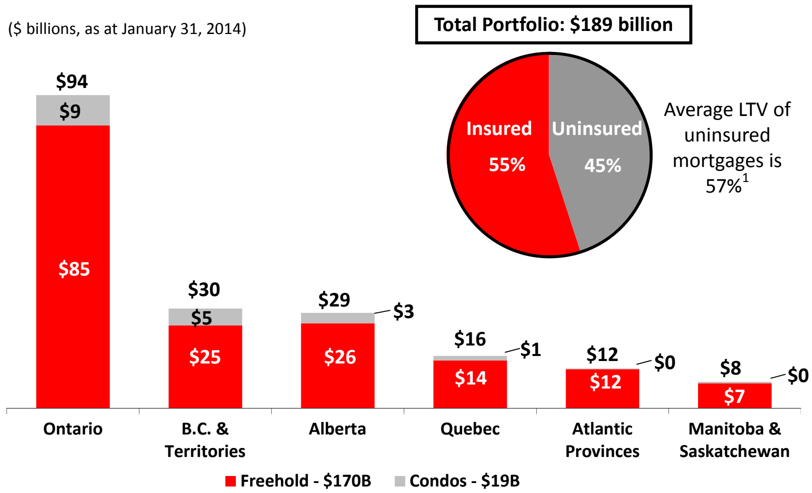
Canadian Residential Mortgage Portfolio

($ billions, as at January 31, 2014)



(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

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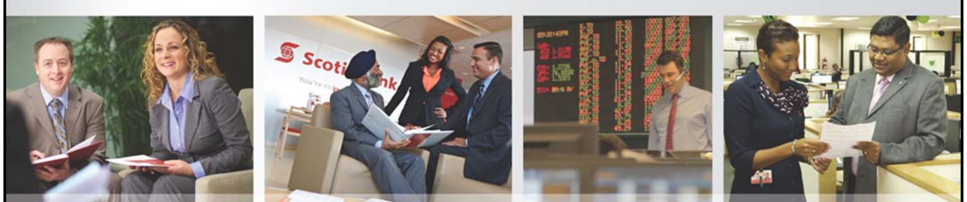
Appendix



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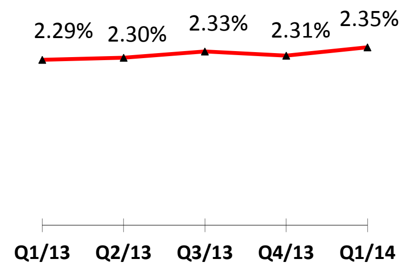
Core Banking Margin (TEB)[1]



Quarter-over-Quarter

- **Margin expansion in International Banking and Canadian Banking**
- **Lower interest cost in Other segment**
- **Higher volumes of DWBs**

(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 and Markets.

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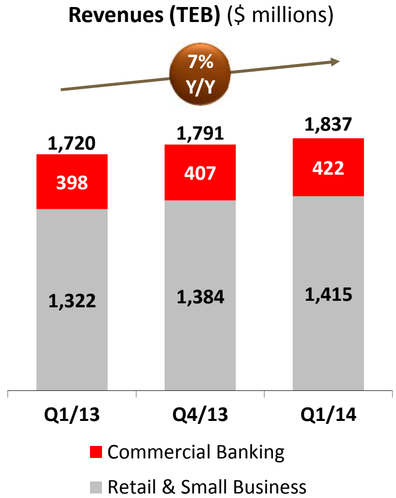
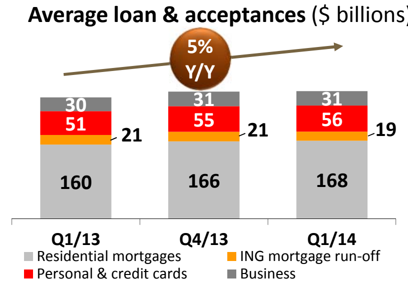
Canadian Banking – Revenue & Volume Growth

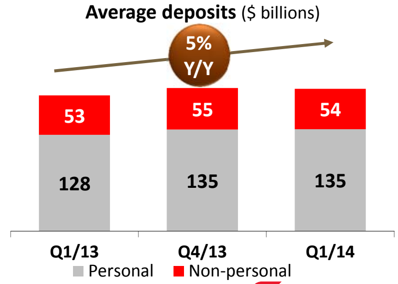
Revenues (TEB) ($ millions)



Average loan & acceptances ($ billions)



Average deposits ($ billions)



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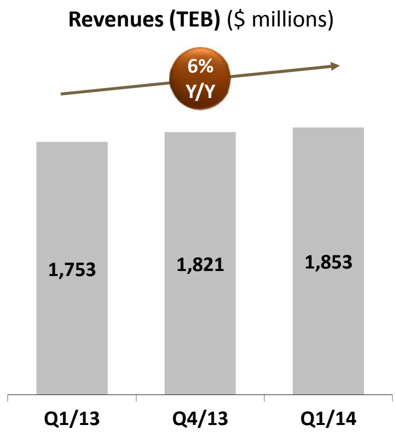
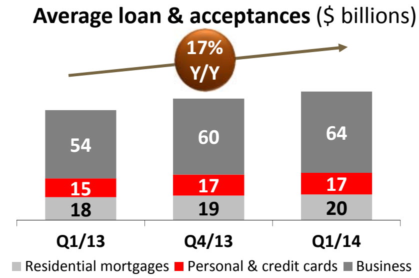
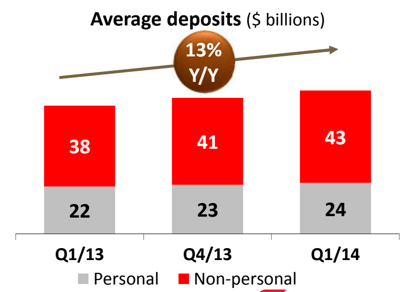
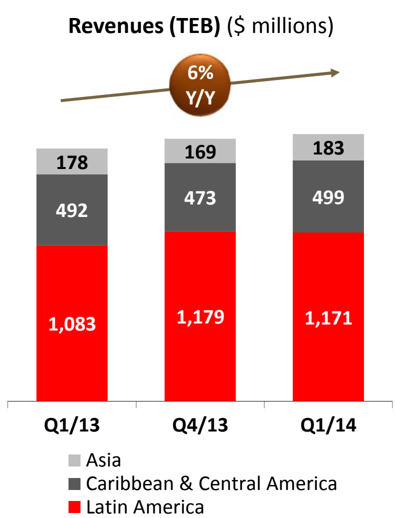
International Banking – Revenue & Volume Growth

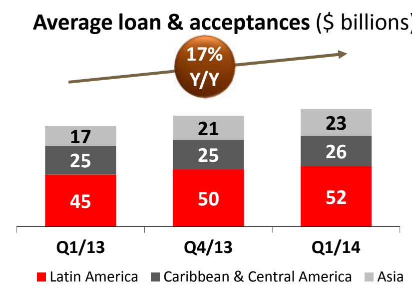






International Banking – Regional Growth

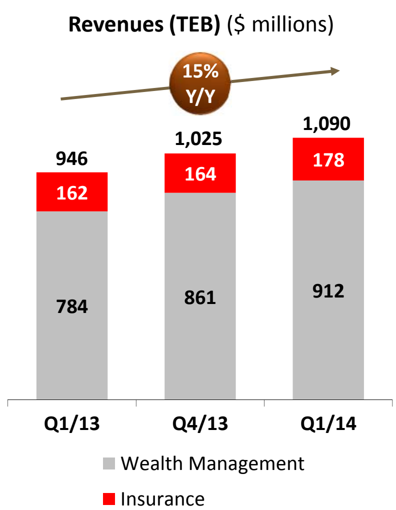


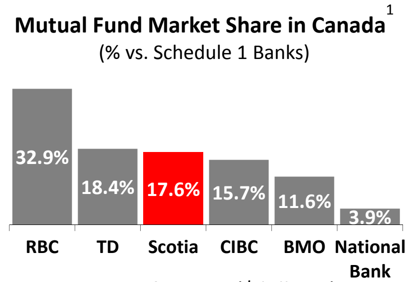


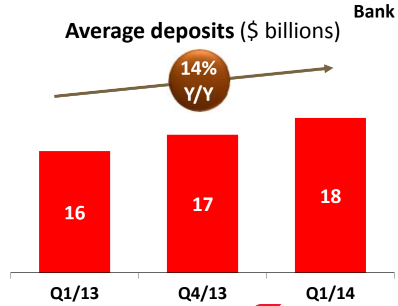
Constant FX Volume growth Y/Y	Retail	Commercial[1]	Total
Latin America	16%	10%	13%
C&CA	2%	-3%	-1%
Asia	N/A	28%	28%
Total	10%	13%	12%

(1) Excludes bankers acceptances

Global Wealth & Insurance – Revenues & Volumes







(1) Source: IFIC member firms as of December 2013. Excludes Scotiabank's investment in CI Financial and ING Direct.
May not add due to rounding.

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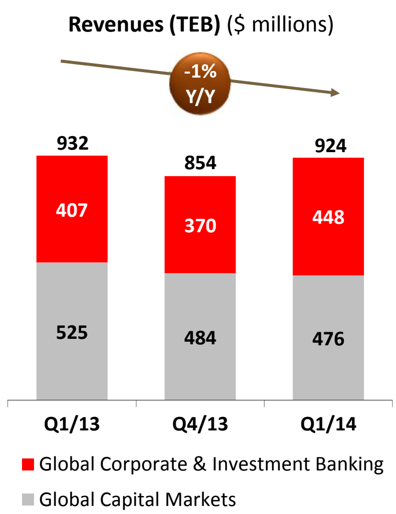
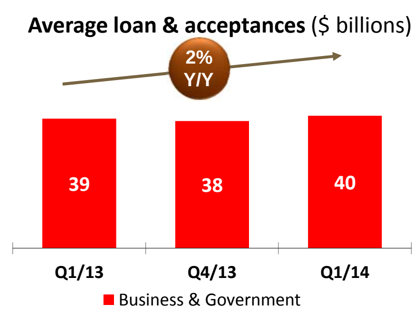
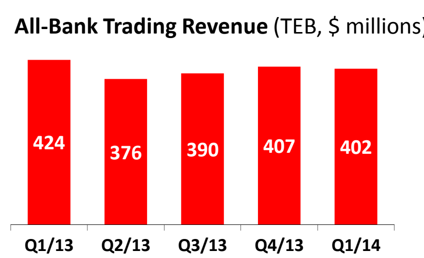
Global Banking & Markets – Revenues & Volumes







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Economic Outlook in Key Markets

Country	Real GDP (Annual % Change) 2000-12 Avg.	2013F	2014F	2015F
Mexico	2.4	1.1	2.7	3.7
Peru	5.7	5.1	5.4	5.6
Chile	4.5	4.0	4.1	4.5
Colombia	4.2	4.1	4.5	4.5
Costa Rica	4.3	3.0	3.9	4.1
Dominican Republic	5.2	2.7	3.5	3.8
Thailand	4.2	2.8	3.5	4.5
	2000-12 Avg.	2013F	2014F	2015F
Canada	2.2	2.0	2.2	2.5
U.S.	1.9	1.9	2.8	3.0

Source: Scotia Economics, as of February 28, 2014

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PCL Ratios

(Total PCL as % of average loans & BAs)	Q1/13	Q2/13	Q3/13	Q4/13	Q1/14
Canadian Banking					
Retail	0.18	0.18	0.17	0.17	0.19
Commercial	0.14	0.42	0.06	0.13	0.20
Total	**0.18**	**0.21**	**0.16**	**0.17**	**0.19**
International Banking					
Retail	2.12	2.15	2.06	1.93	2.08
Commercial	0.12	0.10	0.11	0.25	0.20
Total	**0.87**	**0.87**	**0.84**	**0.87**	**0.87**
Global Wealth & Insurance	**0.04**	**0.10**	**0.05**	–	–
Global Banking & Markets					
Corporate Banking	**0.05**	**0.13**	**0.12**	**(0.02)**	**0.03**
All Bank	**0.32**	**0.35**	**0.31**	**0.31**	**0.34**

Note: International Banking's total includes the impact of Colombian purchased portfolio. The Bank expects the PCL ratio to rise with the maturity of the acquired portfolio. See page 28 of the 2013 Annual Report.

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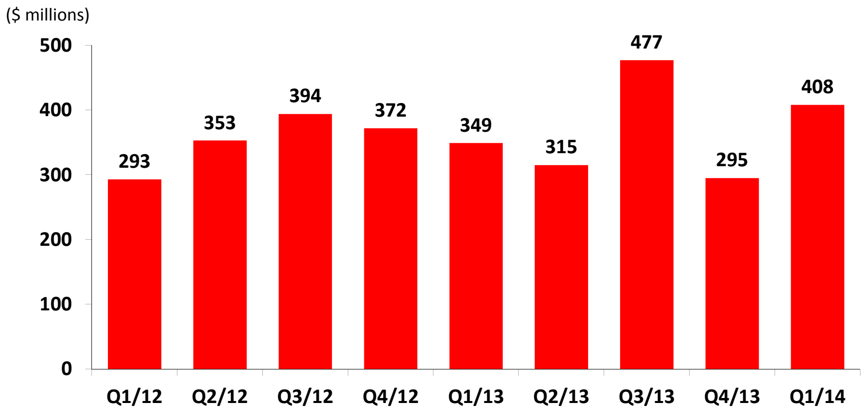
Net Formations of Impaired Loans[1]



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

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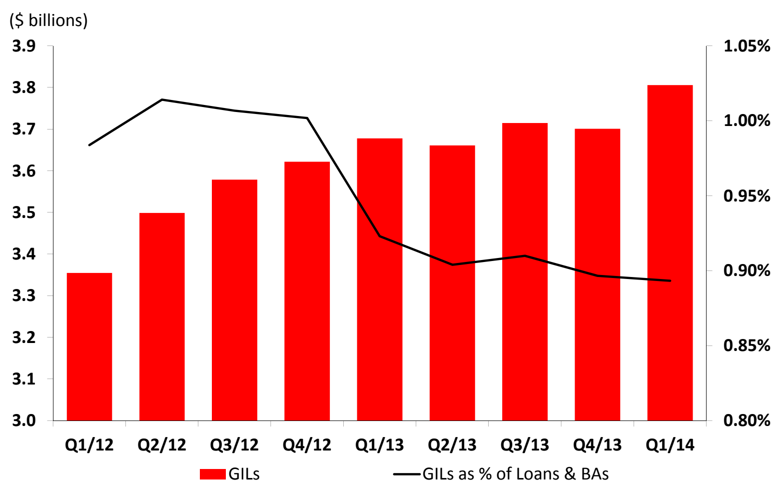
Gross Impaired Loans[1]



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

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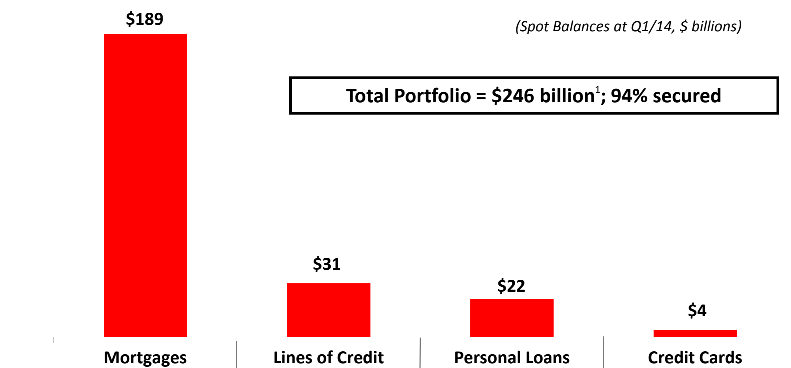
Canadian Banking Retail: Loans and Provisions

(Spot Balances at Q1/14, $ billions)

Total Portfolio = $246 billion[1]; 94% secured



	Mortgages		Lines of Credit		Personal Loans		Credit Cards	
% secured	100%		62%		98%		7%	
PCL	**Q1/14**	**Q4/13**	**Q1/14**	**Q4/13**	**Q1/14**	**Q4/13**	**Q1/14**	**Q4/13**
$ millions	3	5	41	40	45	32	29	29
% of avg. loans (bps)	1	1	53	52	80	60	304	316

1) Includes ING DIRECT balances of $24 billion

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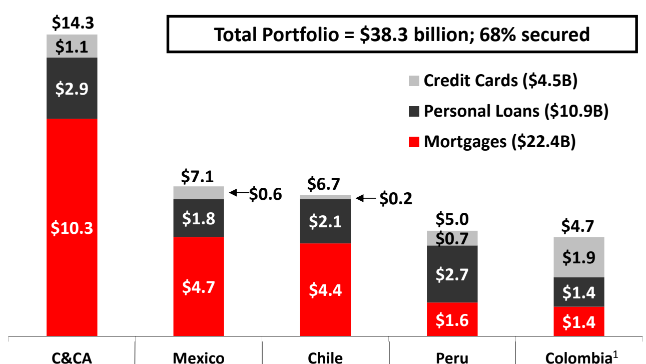
International Retail Loans and Provisions

(Spot Balances at Q1/14, $ billions)

Total Portfolio = $38.3 billion; 68% secured



PCL	**C&CA Q1/14**	**C&CA Q4/13**	**Mexico Q1/14**	**Mexico Q4/13**	**Chile Q1/14**	**Chile Q4/13**	**Peru Q1/14**	**Peru Q4/13**	**Colombia[1] Q1/14**	**Colombia[1] Q4/13**
$ millions	19	21	54	42	17	18	65	59	24	23
% of avg. loans (bps)	54	61	314	255	104	111	535	491	211	214

Note: Excludes non-material portfolios
(1) 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.

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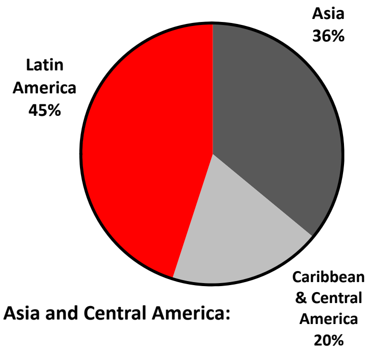
International Banking Commercial Lending Portfolio

Q1/14 = $64 billion

(Average Balances)



- **Portfolios in Latin America, Asia and Central America:**
  - **Performing well**
  - **Well secured**
- **Closely managing Caribbean portfolio**
- **Strong pipeline growth Y/Y**
- **Solid client growth in the mid-market segment**

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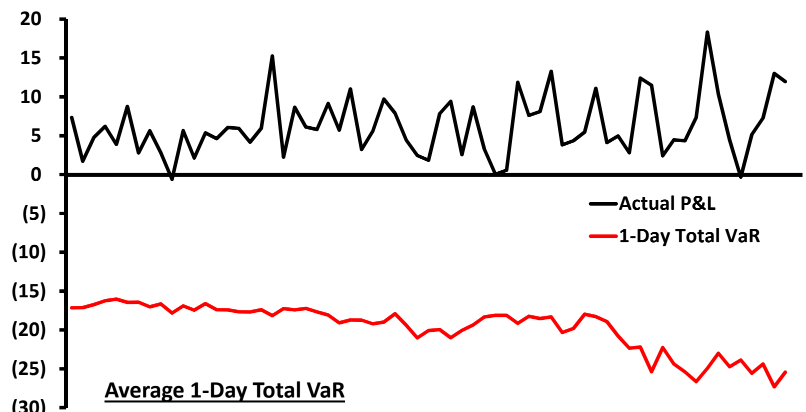
Q1 2014 Trading Results and One-Day Total VaR

($ millions)



Average 1-Day Total VaR

Q1/14: $19.8MM

Q4/13: $17.9MM

Q1/13: $17.4MM

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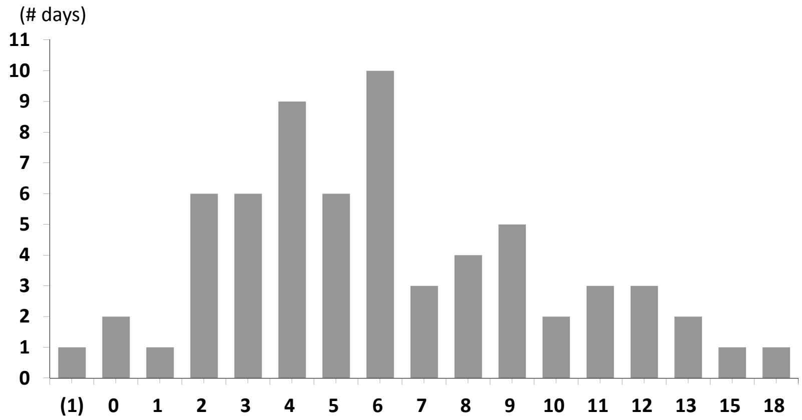
Q1 2014 Trading Results and One-Day Total VaR



- **Two trading loss days in Q1/14**

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