

Investor Presentation



Third Quarter, 2014

August 26, 2014



Caution Regarding Forward-Looking Statements

Our public communications often include oral or written forward-looking statements. Statements of this type are included in this document, and may be included in other filings with Canadian securities regulators or the United States Securities and Exchange Commission, or in other communications. All such statements are made pursuant to the "safe harbour" provisions of the United States Private Securities Litigation Reform Act of 1995 and any applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, statements made in this document, the Management's Discussion and Analysis in the Bank's 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.



Overview



Brian Porter

President & Chief Executive Officer



Q3 2014 Overview

- **Another good quarter**
 - Net income of \$2.4 billion, or \$1.8 billion excluding gain
 - Diluted EPS of C\$1.40, up 9% from last year, excluding gain and non-recurring items
 - Reported ROE: 20.6%
- **Revenue growth of 9% from last year, excluding gain and non-recurring items**
- **Capital position is very strong at 10.9%**
- **Repurchased 2 million shares under NCIB**
- **Quarterly dividend increased by \$0.02 to \$0.66 per share**



Strategic Priorities

Canadian Banking

- 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

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 region of Latin America

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



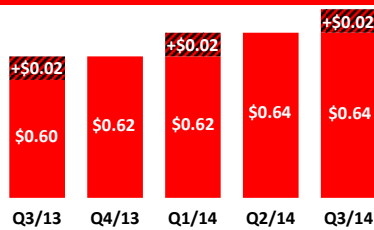
Q3 2014 Financial Performance

\$ millions, except EPS	Q3/14	Q/Q	Y/Y
Net Income ²	\$1,796	0%	+8%
Diluted EPS ²	\$1.40	+1%	+9%
Revenues ^{1,2}	\$5,932	+2%	+9%
Expenses ²	\$3,140	+5%	+7%
Productivity Ratio ²	52.9%	+130bps	-90bps
Basel III CET1 Ratio	10.9%	+110bps	+200bps

Highlights

- **EPS growth of 9% Y/Y²**
 - Driven by good results across our businesses
- **Revenue growth of 9% Y/Y²**
 - Strong asset growth
 - A higher core banking margin, partly reflecting maturity of higher cost funding
 - Higher underwriting, banking fees and securities gains
 - Positive impact of FX
- **Expenses up 7% Y/Y²**
 - Higher volume related and stock-based expenses
 - Higher across most operating expense categories to support planned growth initiatives
 - Negative impact of FX translation
 - Positive operating leverage of 2% YTD²
- **Basel III CET1 ratio of 10.9%**

Dividends Per Common Share



■ Announced dividend increase

(1) Taxable equivalent basis

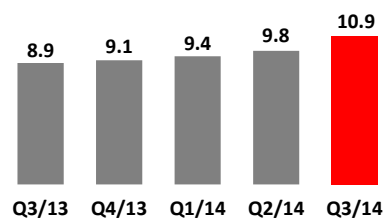
(2) Adjusted for after-tax gain of \$555 million in Q3/14 and after-tax net benefit of \$90 million from non-recurring items in Q3/13

Good results across our businesses

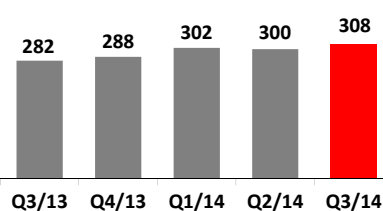


Capital – very strong position

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

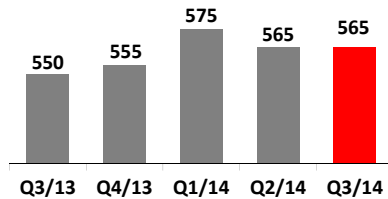
Capital position very strong



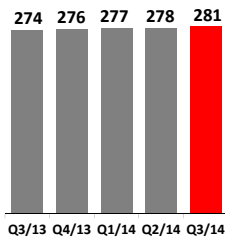
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Canadian Banking

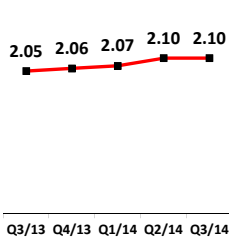
Net Income¹ (\$MM)



Average Assets (\$B)



Net Interest Margin (%)



(1) Attributable to equity holders of the Bank

Highlights

- **Good quarter, net income up 3% Y/Y**
- **Loan growth of 3% Y/Y**
 - Double digit growth in personal loans and credit cards
 - High single digit business loan growth
 - Mortgage growth largely offset by the Tangerine mortgage run-off
- **NIM stable Q/Q, but up 5 bps Y/Y**
- **Higher PCLs due mainly to growth in card and auto loans, lower commercial provision reversals**
- **Expenses up 7% Y/Y**
 - Volume growth (particularly credit cards), Tangerine brand transition costs, stock-based compensation and business initiatives
- **Positive operating leverage of 1.3% YTD**

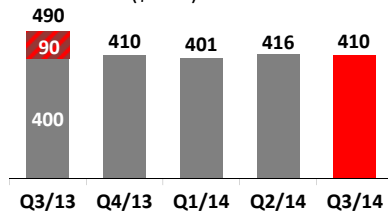
Margin expansion and positive operating leverage



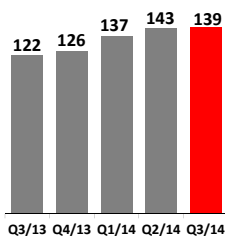
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International Banking

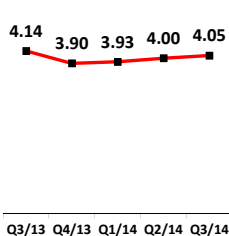
Net Income¹ (\$MM)



Average Assets (\$B)



Net Interest Margin (%)



(1) Attributable to equity holders of the Bank

(2) Excluding non-recurring items

Highlights

- **Net income +3% Y/Y²**
 - Strong performances from Latin America and Asia regions
- **Strong volume growth, loans up 11% Y/Y and deposits up 12% Y/Y**
- **NIM down 9 bps Y/Y, up 5 bps Q/Q**
- **Lower securities gains Y/Y**
- **Higher PCLs Y/Y**
 - Lower acquisition benefits in Latin America
 - Higher provisions in the Caribbean
- **Expenses up 4% Y/Y²**
 - Good expense control across all regions

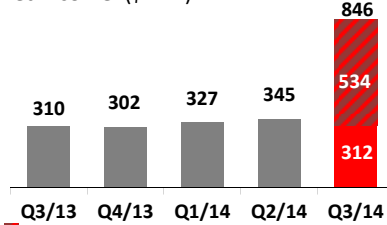
Strong asset growth, partly offset by lower margin and higher PCLs



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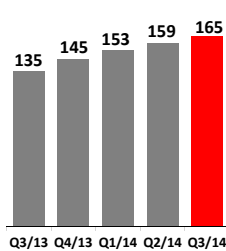
Global Wealth & Insurance

Net Income¹ (\$MM)

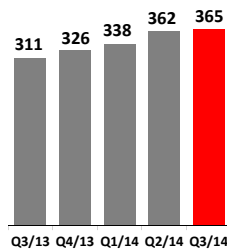


■ Net after-tax notable gain in GWI

AUM (\$B)



AUA (\$B)



(1) Attributable to equity holders of the Bank

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Highlights

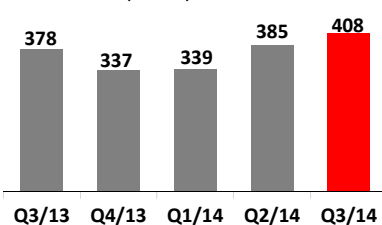
- Q3/14 reflects a net after-tax gain of \$534 million related to CI transaction
- Adjusting for CI gain and lower contribution from CI, underlying earnings were up 6% Y/Y
- Adjusted revenue growth of 10% Y/Y
- 22% AUM & 17% AUA growth Y/Y
- Expenses up 13% Y/Y was mostly volume driven and performance based compensation

Solid performance across all businesses

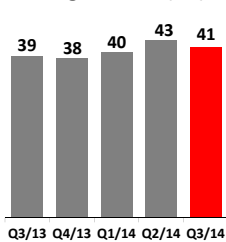


Global Banking & Markets

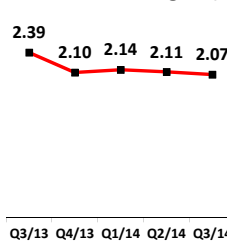
Net Income¹ (\$MM)



Average Loans² (\$B)



Net Interest Margin³ (%)



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

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Highlights

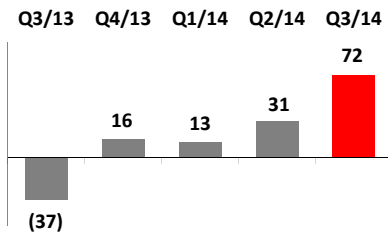
- Net income up 8% Y/Y
 - Record quarter in investment banking
 - Strong results in equities
 - Positive impact from FX
- Loan growth of 6% Y/Y
- NIM down 4 bps Q/Q, 32 bps Y/Y, mainly from lower loan origination fees
- Credit performance remains very strong
- Expenses up 12% Y/Y
 - Due mainly to higher stock-based and performance-related compensation, technology, salaries and support costs

Record quarter in investment banking



Other Segment¹

Net Income² (\$MM)



Highlights

- Net income up Y/Y
 - Higher revenues from asset/liability management
 - Higher net gains on investment securities

(1) Includes Group Treasury, smaller operating segments, and other corporate items which are not allocated to a business line. The results primarily reflect the net impact of asset/liability management activities.
(2) Attributable to equity holders of the Bank

Risk Review



Stephen Hart
Chief Risk Officer

Credit Quality

- **Credit fundamentals remain strong**
 - Modest increase in PCL ratio – up 1 bps Q/Q to 37 bps
 - Loss rate in Canadian Banking up slightly Q/Q
 - International Banking loss rate was up Q/Q due to higher retail and commercial provisions in Latin America and the Caribbean and Central America
 - GBM credit performance continues to be strong
- **Decrease in net formations of impaired loans to \$477 million**
 - Lower formations largely across all divisions
- **Market risk remains well-controlled**
 - Average 1-day all-bank VaR: \$21.5MM vs. \$18.1MM in Q2/14
 - One trading loss day in Q3/14

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PCL Ratios

(Total PCL as % of average loans & BAs)	Q3/13	Q4/13	Q1/14	Q2/14	Q3/14
Canadian Banking					
Retail	0.17	0.17	0.19	0.22	0.22
Commercial	0.06	0.13	0.20	0.16	0.18
Total	0.16	0.17	0.19	0.21	0.22
International Banking					
Retail	2.06	1.93	2.08	2.11	2.16
Commercial	0.11	0.25	0.20	0.21	0.23
Total	0.84	0.87	0.87	0.91	0.95
Global Wealth & Insurance	0.05	–	–	0.01	0.07
Global Banking & Markets					
Corporate Banking	0.12	(0.02)	0.03	0.05	0.01
All Bank	0.31	0.31	0.34	0.36	0.37

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.

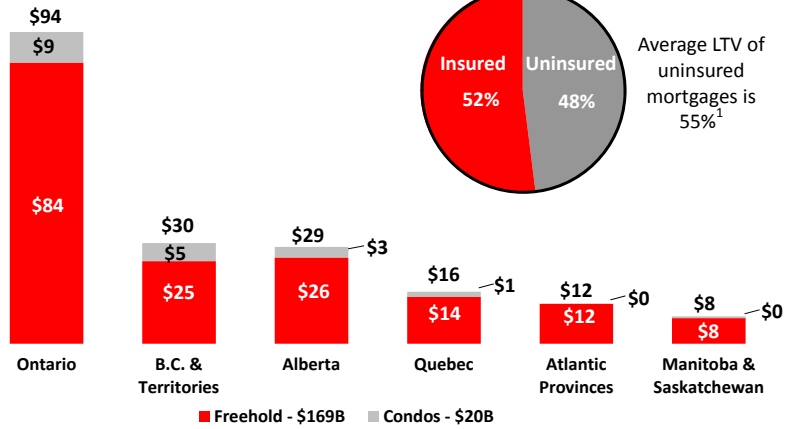
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Canadian Residential Mortgage Portfolio

(\$ billions, as at July 31, 2014)

Total Portfolio: \$189 billion

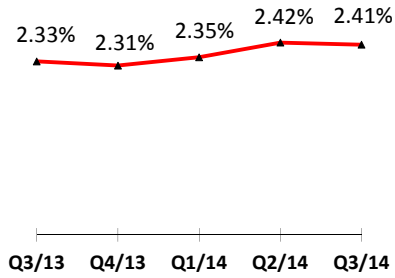


(1) LTV calculated based on the total outstanding balance secured by the property. Property values indexed using Teranet and CREA data
 (2) Some figures on bar chart may not add due to rounding

Appendix



Core Banking Margin (TEB)¹



Year-over-Year

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

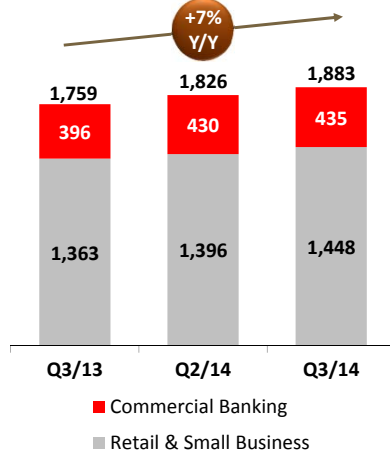
(1) Represents net interest income (TEB) as a % of average earning assets excluding bankers acceptances and total average assets relating to the Global Capital Markets business within Global Banking & Markets.

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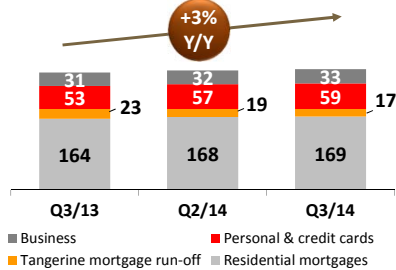


Canadian Banking – Revenue & Volume Growth

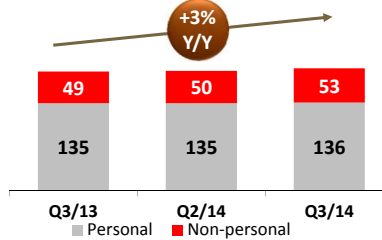
Revenues (TEB) (\$ millions)



Average loans & acceptances (\$ billions)



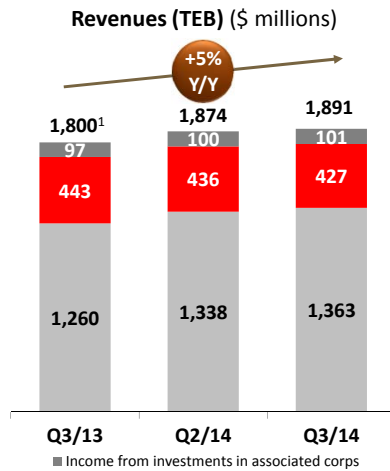
Average deposits (\$ billions)



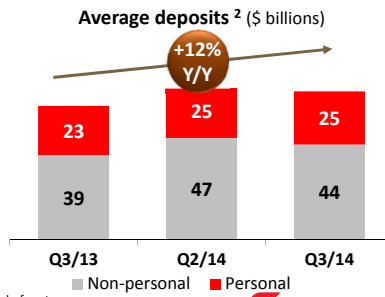
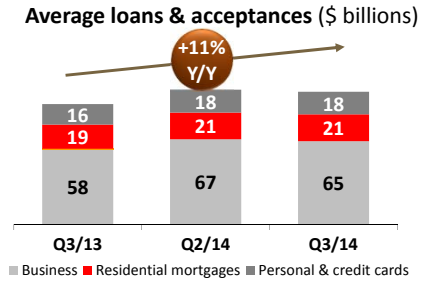
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International Banking – Revenue & Volume Growth

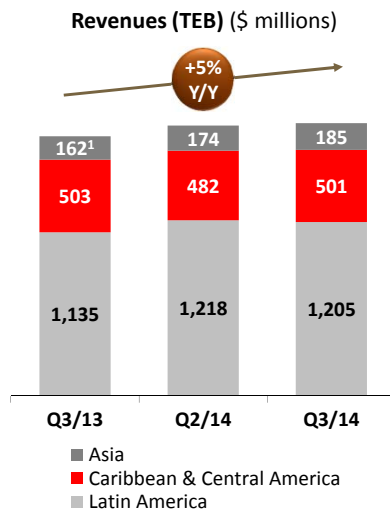


- (1) Excluding non-recurring gain from associated company of \$203 million before tax
 (2) Including deposits from banks

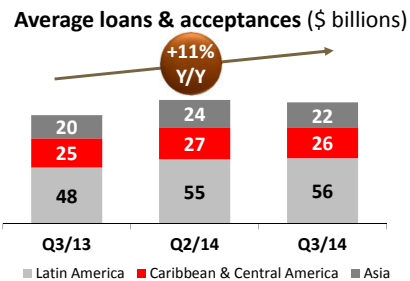


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International Banking – Regional Growth



- (1) Excluding non-recurring gain from associated company of \$203 million before tax
 (2) Excludes bankers acceptances

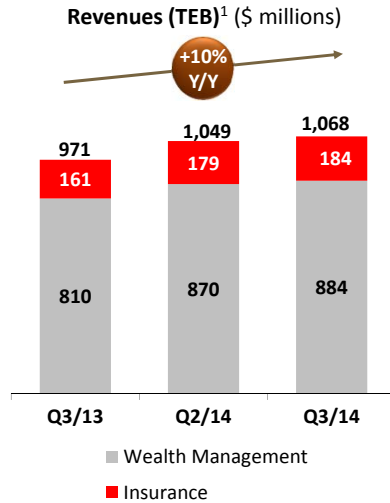


Constant FX Loan Volumes Y/Y	Retail	Commercial ²	Total
Latin America	14%	14%	14%
C&CA	1%	-8%	-3%
Asia	N/A	8%	8%
Total	9%	8%	8%

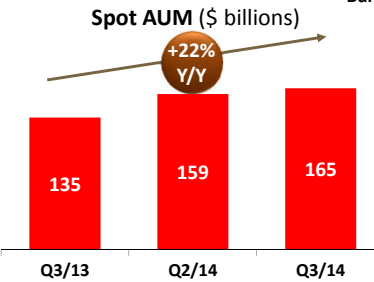
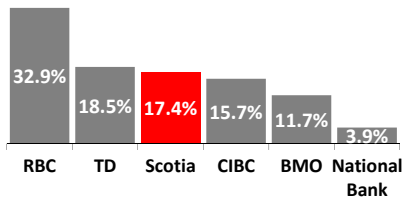


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Global Wealth & Insurance – Revenue & Volume Growth



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



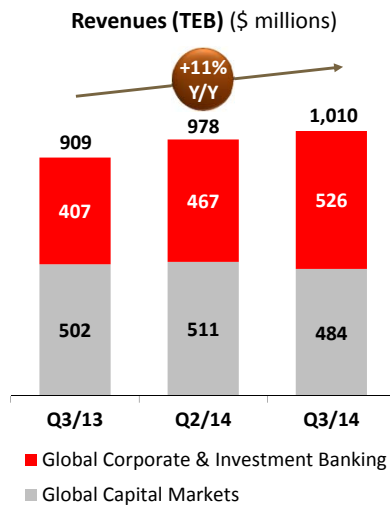
(1) Adjusted for CI gain and lower contribution from CI for all periods.

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

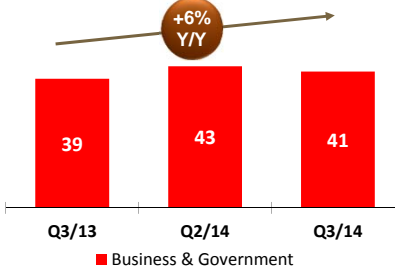
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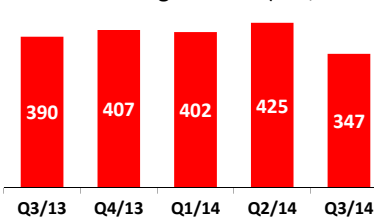
Global Banking & Markets – Revenue & Volume Growth



Average loans & acceptances (\$ billions)



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



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Economic Outlook in Key Markets

Real GDP (Annual % Change)				
Country	2000-12 Avg.	2013	2014F	2015F
Mexico	2.4	1.1	2.7	3.7
Peru	5.5	5.6	4.5	5.8
Chile	4.5	4.1	2.8	3.8
Colombia	4.2	4.7	5.0	5.0
Costa Rica	4.3	3.6	2.8	3.5
Dominican Republic	5.2	4.1	4.5	5.0
Thailand	4.2	2.9	2.0	4.0
2000-12 Avg.				
Canada	2.2	2.0	2.2	2.5
U.S.	1.9	2.2	2.0	3.2

Source: Scotia Economics, as of July 31, 2014

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Provisions for Credit Losses

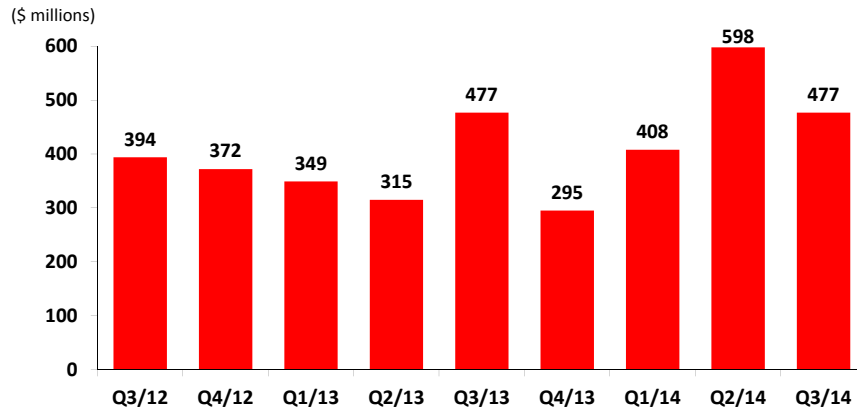
(\$ millions)	Q3/13	Q4/13	Q1/14	Q2/14	Q3/14
Canadian Retail	103	106	118	127	137
Canadian Commercial	5	10	16	13	14
	108	116	134	140	151
International Retail	177	170	187	196	206
International Commercial	17	37	32	34	38
	194	207	219	230	244
Global Wealth & Insurance	1	–	–	–	2
Global Banking & Markets	11	(2)	3	5	1
Total	314	321	356	375	398
PCL ratio (bps) – Total PCL as % of average loans and BAs	31	31	34	36	37

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 Loans¹

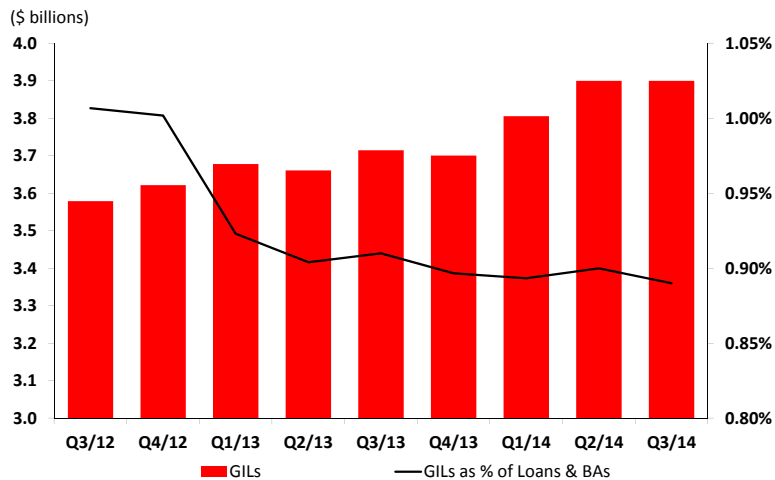


(1) Excludes Federal Deposit Insurance Corporation (FDIC) guaranteed loans related to the acquisition of R-G Premier Bank of Puerto Rico

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Gross Impaired Loans¹

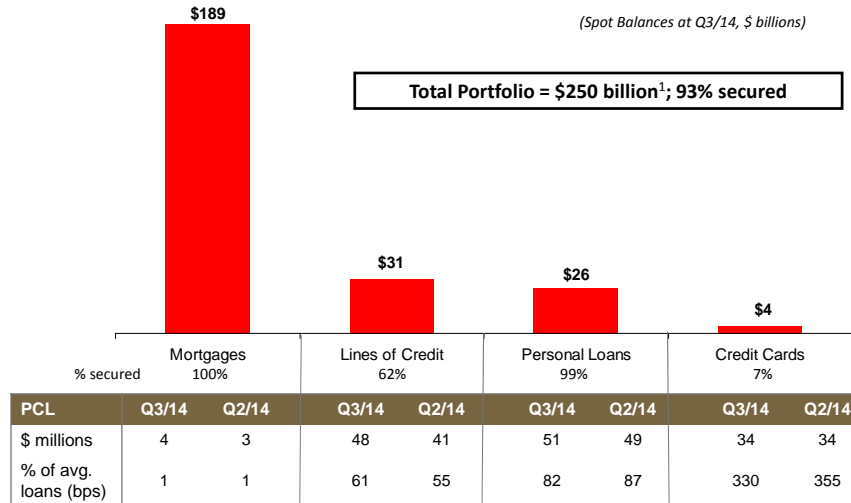


(1) Excludes Federal Deposit Insurance Corporation (FDIC) guaranteed loans related to the acquisition of R-G Premier Bank of Puerto Rico

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Canadian Banking Retail: Loans and Provisions

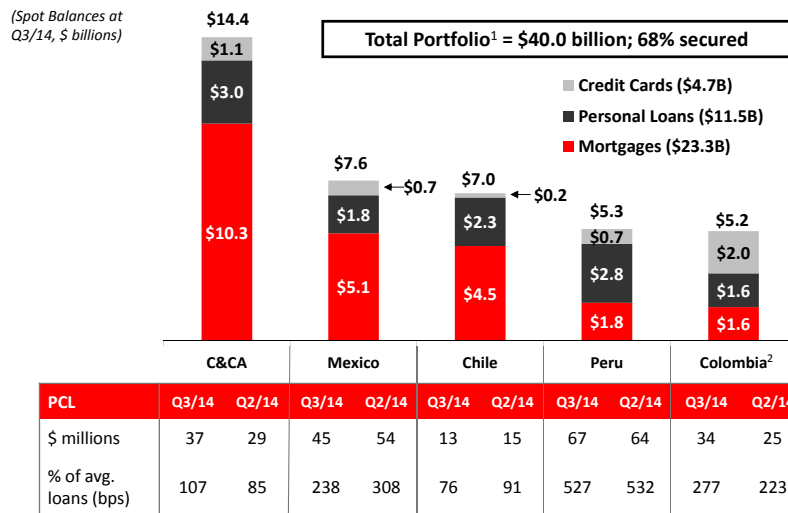


1) Includes Tangerine balances of \$21 billion

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International Banking Retail: Loans and Provisions



(1) Total Portfolio includes less-material portfolios

(2) 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.

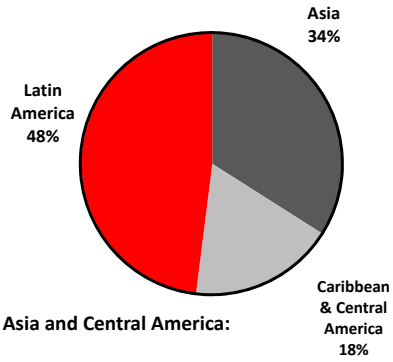
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International Banking Commercial: Lending Portfolio

Q3/14 = \$65 billion

(Average Balances)



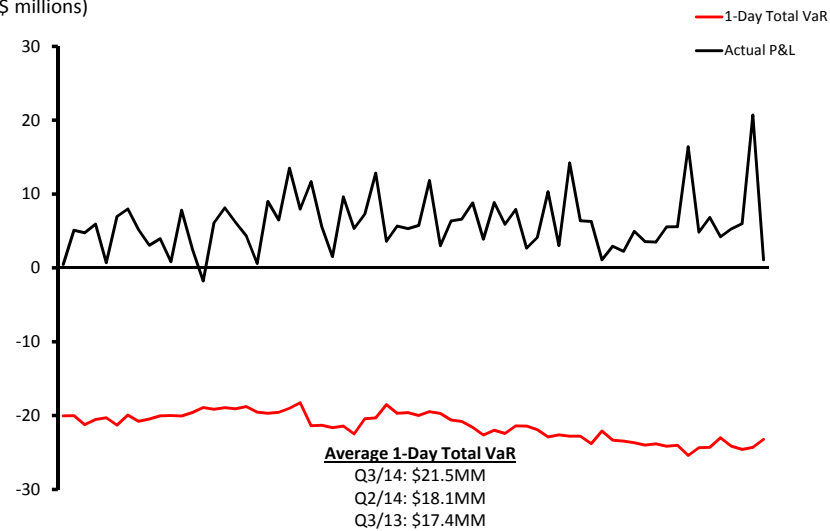
- Portfolios in Latin America, Asia and Central America:
 - Performing well
 - Well secured
- Continue to closely manage Caribbean portfolio
- Strong pipeline growth Y/Y
- Solid client growth in the mid-market segment

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Q3 2014 Trading Results and One-Day Total VaR

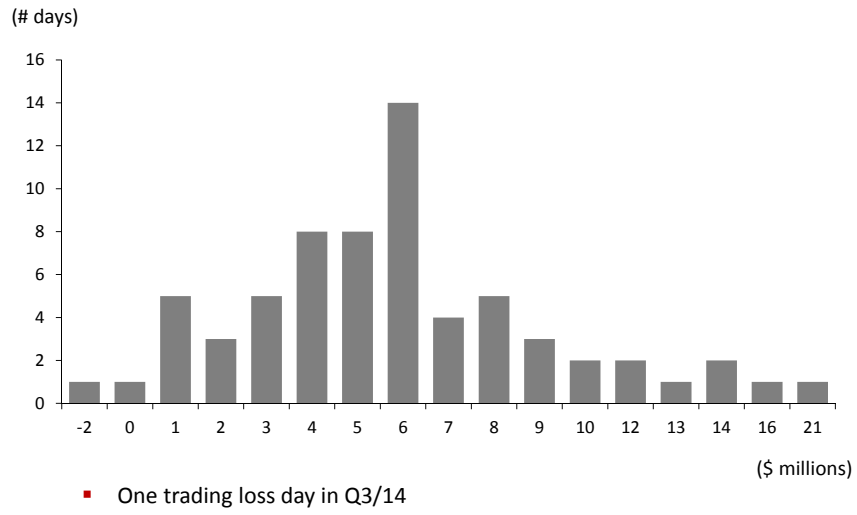
(\$ millions)



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Q3 2014 Trading Results and One-Day Total VaR



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