

Bank of Nova Scotia Jamaica Limited 2001

Directors' Report

The Directors submit herewith the Statement of Consolidated Revenue, Expenses, Unappropriated Profits, Assets and Liabilities of the Bank for the year ended October 31, 2001.

The Consolidated Statement of Revenue and Expenses shows pre-tax profit for the year of \$4,418 Million from which there has been provided \$1,204 Million for corporate income tax, leaving a balance of \$3,214 Million.

The appropriation of earnings detailed in the financial statements includes:

- i. An interim dividend of 27.5 cents per stock unit to stockholders on record as at December 19, 2001, payable on January 10, 2002. This brings the total distribution for the year to \$1.00 per stock unit compared with 82 cents per stock unit for the previous year.

- ii. A transfer of \$950,000,000 to the Retained Earnings Reserve.

In view of the interim dividends paid, and to be paid, as mentioned above, the Directors do not recommend the declaration of a final dividend at the Annual General Meeting to be held on February 15, 2002.

Mr. Bruce Birmingham, Mr. Orville Cox, Mr. David Henriques and Mr. William McConnell retire from the Board by rotation in accordance with Article 90 and being eligible offer themselves for re-election.

Mr. Joseph M. Matalon resigned from the Board on April 12, 2001. The Board wishes to express

its sincere appreciation to Mr. Matalon for his contribution to the Bank.

It is with regret that the Directors advise of the passing of Director, Mr. J. Brooke Frizzell who died on March 21, 2001.

Mr. Anthony Chang, Professor Celia Christie and Mr. Warren McDonald were appointed to the Board on February 5, 2001 and Mr. James Meek was appointed May 17, 2001.

The Auditors, PricewaterhouseCoopers, have signified their willingness to continue in office.

Your Directors wish to thank the Management and Staff of the Bank for their performance during the year under review.

On behalf of the Board

B.R. Birmingham
Chairman, Kingston, Jamaica
November 29, 2001
