Bank of Nova Scotia Jamaica Limited

unaudited results for the Fourth quarter

ended October 31, 2003

SCOTIABANK'S MOST OUTSTANDING YEAR ON RECORD

Fiscal 2003 Highlights (Year over Year)

Net Income of $5,457 million, up $1,587 million or 41%
Earnings per share of $3.73, up 41%
ROE 34.22%, compared to 29.16%
Productivity ratio of 49.46% compared to 49.97%
Fourth quarter dividend of 40 cents per share and a special dividend of 38 oents per share, totaling 78 cents for the final quarter.

Scotiabank delivered it's most outstanding year on record, exceeding virtually all performance goals despite considerable challenges in the economic environment. Scotiabank today announced results for the fourth quarter of 2003 reporting net profit of $1,801 million, an increase of $844 million over net profit for the fourth quarter of 2002, and $224 million above net profit for the quarter ended July 31, 2003. Net Profit for the year ended October 31, 2003 was $5,457 million compared with $3,870 million a year ago.

Scotiabank has embraced the implementation of International Financial Reporting Standards (IFRS) in Jamaica and adopted IFRS as at November 1, 2002. The accompanying statements are IFRS compliant and the financial effects of IFRS adoption are reported in the attached

Statement of Changes in Equity. The 2002 financial Information has been restated accordingly.

Earnings Per Share (EPS) for the quarter were $1.23, compared to 65 cents for last year, and $1.08 at the end of the previous quarter. Return on Average Equity (ROE) annualized for the quarter was 42.30%. Year-to-date EPS grew to $3.73 up from $2.64, while Return on Average Equity was 34.22%.

The Board of Directors at its meeting held today, approved an interim dividend of 40 cents per stock unit and a special dividend of 38 cents, totaling 78 cents per share, payable on January 12, 2004 to stockholders on record at December 17, 2003. This dividend will take the year to date distribution to $1.75, a 52% increase over the $1.15 paid last year.

Mr. W. E. Clarke, Managing Director, said, despite renewed challenges in the economy, Scotiabank delivered record results again this quarter. These results are the direct outcome of our overall strategy, which remains grounded in our core strengths, and focused on sound fundamentals - solid execution of our plans, careful management of risks and expenses, and a total commitment to customer satisfaction by our team of skilled; and dedicated employees.

REVENUES

This year's results were driven by strong revenue growth, rising to $14,461 million, an increase of 36.27% over last year.

NET INTEREST INCOME

Net interest income was $12,027 million, up $3,268 million or 37% from last year. The increase was primarily due to growth in average total earning assets and improved yields during the quarter.

OTHER REVENUE

Other revenue, excluding Insurance Premium Income, was $2,209 million, up $497 million when compared with last year. Insurance Premium is attributable to ScotiaMINT, the interest sensitive life insurance policy, marked by Scotia Jamaica Life Insurance Company Limited. Net premium Income increased by $84 million (an increuse of 60%) when compared with the same period last year. ScotiaMINT continues to enjoy the largest share off the local interest sensitive insurance market, experiencing a record high of $3.3 billion in gross premium income for the year.

NON-INTEREST EXPENSES

Scotiabanks productivity ratio continues to lead the banking industry and is a significant factor in the Bank's ability to produce record results. The productivity ratio (non-interest expense as a percentage of total revenue) - a key measure of cost effectiveness - was 49.46%. If insurance premium and related actuarial expenses were excluded to recognize the significant dissimilarities between the revenue/expense pattern of the insurance business and the other financial services offered by the Scotiabank group, the productivity ratio for the period was 40.12%, which is significantly better than the International benchmark of 60%.

Non-Interest Expenses excluding Change in Policyholders' Reserve and Loan Loss Provisions, were $5,624 million, an increase of $1,318 million over last year, which is primarlly-due to increases in staff related costs. Actuarial Reserves for ScotiaMINT's life insurance fund is directly attributed to the business in force.

CREDIT QUALITY

Non-performing Loans increased from $907 million a year ago to $964 million, an increase of $57 million due to continued weak economic conditions, adversely affecting some of our borrowing customers. This was also $4 million above the $960 million outstanding as at July 31, 2003. The Group's non-performing loans now represent 1.98% of its total loans and 0.65% of total assets.

The IFRS Loan Loss Provisioning requirements are computed using a different methodology from the Regulatory requirement. The difference in the amount computed under the two methodologies is reported as Loan Loss Reserve in the equity component of the Balance Sheet. The loan loss provision as determined by IFRS is $655 million, of which $357 million is specific and $298 million is general. The loan loss provision as determined by Regulatory Requirement is $1,462 million of which $721 million is specific and $741 million is general. The total regulatory provision of $1,462 million exceeds total non-performing loans by $498 million, hence these loans are more than fully provided for.

BALANCE SHEET

Total assets as at October 31,2003, were $148 billion, an increase of $21 billion (16%) from the previous year and $9 billon above July 31, 2003. Loans increased by $8.7 billion (21.9%) year over year. This was the highest growth among all asset categories. Performing

Loans as at October 31, 2003 were $47.7 billion, up $8.6 billion over the previous year and $2 billion from the previous quarter. Cash Resources increased by $3 billion due mainly to continued growth in deposits, while Investments and Repurchase Agreements increased by $7 billion. Retirement Benefit Asset repress its the net of the present value of pension obligation and the fair value of the pension plan assets as determined by independent actuaries.

Deposits grew to $91.3 billion, up 13.90% from the previous year, reflecting continued confidence in Scotlabank.

CAPITAL

Scotiabank continued to strengthen its capital through solid growth in earning. Total stockholders' equity grew to $17.7 billion, $1,774 million or 11% higher than the previous quarter and $3.6 billion or 26% higher than last year.

SCOTIABANK'S COMMITMENT TO THE COMMUNITY

During this fiscal year Scotiabank continued to make tangible contributions to the communities in which we do business, through Scotiabank Jamaica Foundation, and other public relations activities. The corporate responsibility being consistently demonstrated by Scotlabank is in our judgment, unparalleled in the Jamaican business community.

Scotiabank Jamaica Foundation (SJF) provides funding for projects in the health and education sectors, with specific focus on those persons in the society who are less fortunate. Donations by the Foundation this year were $43.4 Million with additional commitments for 2004 totaling approximately $89 Million. Major projects for 2004 include expansion of the Accident and Emergency Unit at the University Hospital of the West Indies, building and equipping a health center for maternal and child care in Downtown Kingston, commitments to Northern Caribbean University, and our ongoing support to the Golden Age Home, Renal Units at Cornwall Regional and Kingston Public hospitals, GSAT scholarships and Jamaica Cancer Society.

In addition to the $43.4 million donated by SJF, Scotlabank expended a further $39 Million to a wide cross section of outreach projects to civic organizations, churches, schools and community projects. This brings the total donations and commitments during the year to $171 million.

Micro Enterprise Financing Limited (MEFL), the joint venture project that was seeded with $60 million for micro finance lending continues to expand in the targeted economic zones.

Scotiabank Jamaica thanks its many customers and shareholders for their continued display of confidence on the Bank. To our team of skilled and dedicated employee, we say thanks for your support, as we continue to work together on our vision to remain the financial institution of choice in Jamaica by providing quality service that exceeds our customers, expectations.

CONSOLIDATED FINANCIAL STATEMENTS

	For the three months ended			For the year ended	
($ millions)	**October 2003**	**July 2003**	**October 2002**	**October 2003**	**October 2002**
GROSS OPERATING INCOME	**5,738**	**5,447**	**4,034**	**19,690**	**15,547**
INTEREST INCOME					
Loans and deposits with banks	3,390	3,371	2,456	11,918	9,475
Securities	1,703	1,413	1,027	5,338	4,219
	5,093	4,784	3,483	17,256	13,694
INTEREST EXPENSES					
Deposits	1,342	1,375	1,211	5,229	4,935
Net interest income	3,751	3,409	2,272	12,027	8,759
Provision for credit losses	(70)	(8)	(16)	(87)	(98)
Net interest income after provision for credit losses	3,681	3,401	2,256	11,940	8,661
Net fee and commission income	428	389	426	1,463	1,324
Insurance premium income	65	62	42	225	141
Gains less losses from foreign					

currencies	131	211	86	694	376
Other operating income	21	1	(3)	52	12
	645	663	551	2,434	1,853
TOTAL OPERATING INCOME	**4,326**	**4,064**	**2,807**	**14,374**	**10,514**
OPERATING EXPENSES					
Staff costs	1,035	911	678	3,536	2,624
Premise and equipment, including depreciation	237	203	174	842	705
Change in policyholders's reserves	478	385	249	1,442	899
Other operating expenses	333	349	366	1,246	977
	2,083	1,848	1,467	7,066	5,205
PROFIT BEFORE TAXATION	**2,243**	**2,216**	**1,340**	**7,308**	**5,309**
Taxation	(422)	(639)	(383)	(1,851)	(1,439)
Net Profit	**1,801**	**1,577**	**957**	**5,457**	**3,870**
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Earning per share based on 1,463,616,000 shares	**123**	**108**	**65**	**373**	**264**
Dividend per share (cents)	**78**	**36**	**30.5**	**175**	**115**
Dividend payout ratio	**63.38%**	**33.42%**	**46.92%**	**46.92%**	**43.56%**
Return on average equity (annualised)	**42.30%**	**41.47%**	**27.66%**	**34.22%**	**29.16%**
Return on assets (annualised)	**4.86%**	**4.51%**	**3.01%**	**3.68%**	**3.04%**
Book value per common shares	**12.06**	**10.85%**	**9.61**	**12.06**	**9.61**
P/E Multiple	**3.64**	**3.49**	**5.99**	**4.80**	**5.93**
Productivity ratio	**48.97%**	**45.58%**	**52.53%**	**49.46%**	**49.97%**
Productivity ratio (excluding Life Insurance Business)	**38.68%**	**36.68%**	**44.37%**	**40.12%**	**42.06%**

Consolidated Balance Sheet

($ millions)	Year eneded October 31 2003	Year eneded October 31 2002
ASSETS		
CASH RESOURCES	35,343	32,345
INVESTMENTS		
Originated Securities	25,910	24,627
Securities available for sale	5,220	2,687
	31,130	27,314
GOVERNMENT SECURITIES UNDER REPURCHASE AGREEMENT	17,249	14,121
LOANS, AFTER MAKING PROVISIONS FOR LOSSES	48,075	39,420
OTHER ASSETS		
Customers'Liablility under acceptances, guarantees and letters of credit	4,721	5,388
Real estate & equipment at cost, less depreciation	1,994	1,797
Deferred tax asset	116	69
Retirement Benefit Asset	2,978	2,749
Other assets	6,549	4,164
	16,358	14,167
TOTAL ASSETS	**148,155**	**127,367**

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LIABILITIES		
DEPOSITS		
Deposits by public	87,067	76,948
Other deposits	4,248	3,189
	91,315	80,137
OTHER LIABILITIES		
Acceptances, guarantees & Letters of Credit	4,721	5,388
Liabilities under repurchase agreements	15,293	11,567
Deferred tax liability	1,110	1,022
Retirement Benefit Obligation	235	190
Other liabilities	6,350	6,664
	27,709	24,831
POLICY HOLDER'S FUND	11,475	8,333
SHAREHOLDERS'EQUITY		
Capital- Authorized. 1,500,000,000 ordinary shares		
Issued and fully paid, 1,463,616,000		
Ordinary stock units of $1 each	1,464	1,464
Reserve Fund	1,695	1,735
Retained Earnings Reserve	5,920	5,299
Loan Loss Reserve	807	807
Other Reserves	27	27
Investment Cumulative Remeasurement result from		
Available for Sale Financial Assets	23	23
Dividends Proposed	1,142	446
Unappropriated Profits	6,578	4,265
	17,656	14,066
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	148,155	127,367
	=========	=========

Director

Director

Consolidated Statement of Cash Flows

($ millions)	Year end October 31 2003	Year end October 31 2002
Cash flows provided by operating activities		
Net Income	5,457	3,810
Adjustments to net income to determine Net Cash Flows.		
Depreciation	277	240
Policyholders reserve	3,141	2,502
Other, net	229	(32)
	9,104	6,580
Cash flows provided by/ (used in) investing activities		
Investment securities (net purchases and proceeds	(3,816)	(1,621)
Loans	(8,761)	(13,514)
Government Securities Purchased Under Repurchase	(3,128)	565
Other, net	(2,001)	(116)
	(17,706)	(14,656)
Cash flows provided by (used in) financing activities		
Deposits	10,120	9,138
Dividends paid	(1,866)	(1,639)

Other, net	3,006	5,975
	11,260	13,474
Net change in cash	2,658	5,398
Cash at beginning of period	30,011	24,613
Cash at and of period	32,669	30,011
	========	========
Represented by:		
Cash Resources	35,343	32,345
Cheques and other instruments in transit, net	(2,674)	(2,334)
CASH AT END OF PERIOD	**32,669**	**30,011**
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Consolidated Statement of Changes in Shareholders Equity

($ millions)	**Share Capital**	**Reserve Fund**	**Earnings Reserve**	**Capital Reserve**	**Other Reserve**	**Retained Loan Loss Reserve**	**from on AFS assets**	**Cumulative Remeasure-ment Proposed Dividends**	**Paid and Unappropriated Profits**	**Total**
Balance at 31 October 2001 - previously reported	**1,464**	**1,735**	**4,549**	**500**	**27**	**-**	**-**	**-**	**1,828**	**10,103**
Adoption of Internallonal Financial Reporting Standards										
IFRS 10 - Events after the Balance Sheet Date	-	-	-	-	-	-	-	-	402	402
IFRS 12 - Income taxes	-	-	-	-	-	-	(15)	-	(1,005)	(1,020)
IFRS 16 - Property, Plant and Equipment	-	-	-	(500)	-	-	-	-	65	(435)
IFRS 19 - Employee berieffis	-	-	-	-	-	-	-	-		
- Pension asset	-	-	-	-	-	-	-	-	2,159	2,159
- Post retirement benefits	-	-	-	-	-	-	-	-	(166)	(166)

- Staff benefits	-	-	-	-	-	-	-	-	(39)	(39)
IFRS 39 - Financial Instruments										
- Recognition and Measurement	-	-	-	-	-	-	46	-	(14)	32
- Loan Loss Provision	-	-	-	-	-	845	-	-	-	845
Dividends Proposed	-	-	-	-	-	-	-	402	(402)	-
Balance at 31 October 2001 as restated	**1,464**	**1,735**	**4,549**	**-**	**27**	**845**	**31**	**402**	**2,828**	**11,881**
Restated Net profit	-	-	-	-	-	-	-	-	3,870	3,870
Retained earnings transfer	-	-	750	-	-	-	-	-	(750)	-
Dividends paid	-	-	-	-	-	-	-	(402)	(1,237)	(1,639)
Dividends proposed	-	-	-	-	-	-	-	446	(446)	-
Loan Loss Provision	-	-	-	-	-	(38)	-	-	-	(38)
Gain(losses) from changes in fair value, net of tax	-	-	-	-	-	-	(8)	-	-	(8)
Balance at 31 October 2002	**1,464**	**1,735**	**5,299**	**-**	**27**	**807**	**23**	**446**	**4,265**	**14,066**
Net profit	-	-	-	-	-	-		-	5,457	5,457
Retained earnings transfer	-	-	850	-	-	-	-	-	(850)	-
Transfers	-	(40)	(229)	-	-	-	-	-	269	-
Dividends paid	-	-	-	-	-	-	-	(446)	(1,421)	(1,967)
Dividends proposed	-	-	-	-	-	-	-	1,142	(1,142)	-
Gainst(losses) from changes in fair value, net of tax	-	-	-	-	-	-	-	-	-	-
Balance at 31 October 2003	**1,464**	**1,695**	**5,920**	**-**	**27**	**807**	**23**	**1,142**	**6,578**	**17,656**

Segment Reporting Information

Consolidated Statement of Income

For the year ended

October 31, 2003

	Financial Services	Management Services	Insurance Services	Other	Investment Consol. adj.	Group Total
External Revenues	11,081	408	2,578	94	-	14,461
Revenue from other segments	8	7		-	(15)	0
	11,389	415	2,578	94	(15)	14,461
Operating expenses	(5,280)	(119)	(1,698)	(71)	15	(7,153)
Profit before taxation	6,109	296	880	23	-	7,308
Income Tax Expense						(1,851)
Net profit						5,457
						=======

	Financial Services	Management Services	Insurance Services	Other	Investment Consol. adj.	Group Total
External Revenues	8,806	273	1,460	72	-	10,611
Revenue from other segments	20	6	-	-	(26)	0
	8,826	279	1,460	72	(26)	10,611
Operating expenses	(4,067)	(96)	(1,108)	(53)	22	(5,302)
Profit before taxation	4,759	183	352	19	(4)	5,309
Income Tax Expense						(1,439)
Net profit						3,870
						=======

For the three month ended

	Financial Services	Management Services	Insurance Services	Other	Investment Consol. adj.	Group Total
External Revenues	3,377	122	869	28	-	4,396
Revenue from other segments	2	2	-	-	(4)	0
	3,379	124	869	28	(4)	4,396
Operating expenses	(1,576)	(39)	525	(17)	4	(2,153)
Profit before taxation	1,803	85	344	11	-	2,243
Income Tax Expense						(442)
Net proft						1,801
						=======

	Financial Services	**Management Services**	**Insurance Services**	**Other**	**Investment Consol. adj.**	**Group Total**
External Revenues	2,149	66	591	17	-	2,823
Revenue from other segments	9	2	-	-	(11)	0
	2,158	68	591	17	(11)	2,823
Operating expenses	(955)	(26)	(497)	(12)	7	(1,483)
Profit before taxation	1,203	42	94	5	(4)	1,340
Income Tax Expense						(383)
Net proft						957
						=======

	Financial Services	**Management Services**	**Insurance Services**	**Other**	**Investment Consol. adj.**	**Group Total**
External Revenues	3,198	116	725	33	-	4,072
Revenue from other segments	6	2	-	-	(8)	0
	3,204	118	725	33	(8)	4,072

Operating expenses	(1,366)	(26)	(449)	(19)	4	(1,856)
Profit before taxation	1,838	92	276	14	(4)	2,216
Income Tax Expense						(639)
Net profit						1,577

Consolidated Balance Sheet

As at October 31, 2003

	Financial Services	Management Services	Insurance Services	Other	Investment Consol. adj.	Group Total
Segment assets	120,288	21,659	13,562	252	(7,606)	148,155
Segment liabilities	105,372	20,819	11,568	145	7,405	130,499

As at October 31, 2002

	Financial Services	Management Services	Insurance Services	Other	Investment Consol. adj.	Group Total
Segment assets	108,994	8,839	9,489	216	(10,171)	127,367
Segment liabilities	96,565	18,207	8,370	128	(9,969)	113,301

Notes to the Consolidated Financial Statements

1. Basis of presentation

These consolidated financial statements have been prepared in accordance with and comply with standards issued by the International Accounting Standards Board.

As at November 12002, the Group adopted International Financial Reporting Standards. The financial effect of this adoption is reported in the Consolidated Statement of Changes in Shareholders' Equity.

2. Investment Securities

Investment securities are classified as originated or available for sale, and are initially recognised at cost. Management determines an appropriate classification at the time of purchase.

Originated investment securities are subsequently re-measured at amortised cost.

Available for sale investment securities are subsequently re-measured at fair value. On adoption, the difference between the original carrying amount and the fair value of these Investments was credited to the Cumulative Re-measurement from AFS assets (see Consolidated Statement of Changes in Shareholders Equity). Gains and losses arising from the change in the fair value of these securities are recognised as changes in the Cumulative Re-measurement from AFS assets.

3. Loan loss provision

A provision is established on the difference between the carrying amount and the recoverable amount of loans. The recoverable amount being the present value of expected future cash flows, discounted based on the interest rate at inception or last reprice date of the loan. Regulatory loan loss reserve requirements that exceed these amounts are maintained within a loan loss reserve in the equity component at the Balance Sheet.

4. Employee benefits

Pension asset-The group participates in a defined benefit pension plan. The pension costs are assessed using the projected unit credit method. Under this method, the cost of providing pensions is charged to the income statement, and the net of the present value of the pension obligation and the fair value of the plan assets, is reflected as an asset on the balance sheet.

Other post-retirement obligations - The Group provides post retirement healthcare benefits to retirees. The method of accounting used to recognise the liability is similar to that for the defined benefit pension plan.

5. Deferred taxation

Deferred income ne tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts

6. Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation less any impairment losses.

7. Provisions

A provision is made for the estimated liability for annual vacation leave as a result of services redered by employees up to the balance sheet date.

8. Cash and cash equivalents

For the purposes of the cash flow statement, cash cash equivalents comprise cash resources and cheques In transit.

9. Segment reporting

The Group is organised into three main business segments:

Financial services - This incorporates retail and corporate - banking services

Investment Management Services - This Includes investment and pension funds management and administration of trust accounts

Insurance services - This incorporates the provision of life insurance.

Other operations of the Group comprise general insurance brokeraging.