

## Scotiabank bids to acquire majority shares in Dehring Bunting & Golding Ltd.

(announced: October 20, 2006)

### INVESTOR FACT SHEET

#### Transaction Summary

<b>Bid</b>	Scotiabank and Scotiabank Jamaica will jointly bid to acquire up to 80% (min. of 75%) of shares of Dehring Bunting & Golding Ltd.	
<b>Price</b>	J\$21.08 (C\$0.36 and TT\$2.00) for each share	
<b>Premium</b>	8% above market price as at October 13, 2006	
<b>Transaction Value</b>	C\$85-90 million	
<b>Transaction Multiple</b>	1.8X P/B	
<b>Consideration</b>	100% cash offer	
<b>Agreements</b>	Lock up agreements with principal shareholders Management agreements in place	
<b>Financial Impact</b>	Immediately accretive Minimal capital impact for BNS	
<b>Expected Closing</b>	Offer process approximately two months	
<b>Required Approvals</b>	Jamaica & Trinidad Stock Exchanges Financial Services Commission of Jamaica Securities & Exchange Commission in Trinidad Bank of Jamaica (Central Bank) Office of the Superintendent of Financial Institutions (OSFI)	

#### Company Profile

<b>Description</b>	Jamaica's fourth-largest security dealer and largest equity broker	
<b>Ownership</b>	Listed on Jamaican and recently on Trinidadian Stock Exchange	
<b>Customer relationships</b>	23,000+	
<b>Offices</b>	8 in Jamaica, 1 in Trinidad	
<b># of Employees</b>	200+	
<b>Financials</b>	Assets (at 03/31/06)	J\$31 billion (C\$530 million)
	AUM (at 06/30/06)	J\$33 billion (C\$560 million)

## **Investment Rationale**

### **1. Build presence in the wealth management sector**

Complements existing dominant P&C banking business in Jamaica  
Consistent with strategy to expand presence in investments & wealth management area  
Quickly establishes footprint and achieves scale in wealth management  
Strong track record for earnings growth

### **2. Successful wealth management operation**

Reputation for providing solid financial advice and solutions, and exceptional service  
Trained and knowledgeable staff  
Entrepreneurial dealer culture and performance-based compensation structure

### **3. Strong cross sell potential**

BNS J products to DB&G customers  
DB&G products to BNS J customers  
Full product suite for future customers

### **4. Innovative product offerings**

Full suite of investment and wealth management products and services

- repurchase agreements
- managed/pooled funds
- foreign exchange trading
- securities trading (fixed income & equity)
- unit trusts/mutual funds