

MEDIA RELEASE

MARCH 1, 2011



SCOTIA GROUP JAMAICA REPORTS FIRST QUARTER RESULTS

FIRST QUARTER 2011 HIGHLIGHTS

- **Net Income of \$2,687 million**
- **Net Income available to common shareholders of \$2,592 million**
- **Earnings per share of \$0.83**
- **Return on Average Equity of 19.16%**
- **Productivity ratio of 54.38%**
- **First quarter dividend of 37 cents per share**

Scotia Group Jamaica Limited (Scotia Group) today reported net income for the first quarter ended January 31, 2011 of \$2,687 million compared to \$2,804 million for the same period last year and \$2,881 million for the previous quarter ended October 31, 2010.

Earnings per share (EPS) for the quarter was \$0.83 compared to \$0.86 for the same period last year, while the Return on Average Equity (ROE) was 19.16%.

The Board of Directors today approved a first interim dividend of 37 cents per stock unit payable on April 11, 2011, to stockholders on record at March 21, 2011.

Bruce Bowen, President and CEO said "The country continues to be faced with challenging economic conditions which is mirrored in our customers' capacity to save and grow their business. Despite this, Scotia Group Jamaica has reported strong results and continues to grow its market share across key segments while leading the industry on interest rate reductions for lending products. Going forward we will continue to shift our business model to one that is less reliant on net interest revenue and as such remain focused on the development of innovative and value-added product solutions, implementation of cost management and efficiency initiatives and the provision of a quality customer experience."



For further information contact: Jackie Sharp, Senior Vice President & CFO • Tel: 876-922-1000 • Fax: 876-967-4300

The contribution to net income attributable to common shareholders by major subsidiaries is outlined below:-

\$'Million	2011	% Contribution
The Bank of Nova Scotia Jamaica Limited (BNSJ)	1,071	41%
Scotia Jamaica Life Insurance Company Limited (SJLIC)	1,065	41%
Scotia DBG Investments Limited (Scotia DBG)*	321	13%
Scotia Jamaica Building Society (SJBS)	139	5%
Other subsidiaries	(4)	0%
<small>* Excludes minority interest</small>		
Net Income attributable to common shareholders	2,592	100%

REVENUES

Total Operating Income, comprising net interest income and other revenue, was \$7,273 million, this represents a decline of \$278 million or 3.68% relative to prior year.

NET INTEREST INCOME

Net interest income for the quarter was \$5,784 million, down \$784 million or 11.94% when compared to last year. The decline in interest margins was due to the significantly lower yields on the securities and loan portfolios, as market interest rates continued to decline post JDX. Scotiabank continues to lower retail and commercial lending rates, and currently has the lowest base lending rate in the market.

OTHER REVENUE

Other revenue for the period was \$1,975 million, up \$566 million when compared with prior year. This was due primarily to increased insurance revenue, fees and commission income.

OPERATING EXPENSES AND PRODUCTIVITY

Our productivity ratio (operating expense/total revenue) - a key measure of cost efficiency - was 54.38%, compared to 52.10% in 2010. Operating Expenses was \$3,733 million for the quarter, representing a marginal increase over prior year. The growth in expenses was contained due to our increased efforts to implement strategies to improve efficiencies and apply tighter expense management.



CREDIT QUALITY

Non-performing loans at January 31, 2011 totaled \$4,247 million, up \$581 million over prior year, and \$32 million above the previous quarter ended October 31, 2010. This growth is reflective of the challenging economic conditions and the financial difficulties being faced by both retail and commercial borrowers. Non-performing loans now represent 4.43% of total gross loans compared to 3.90% one year ago. The Group's total loan loss provision at January 31, 2011 was \$4,110 million, providing 97% coverage of the total non-performing loans.

BALANCE SHEET

Total assets increased year over year by \$4.7 billion to \$326 billion as at January 31, 2011. This was due mainly to the net growth of \$3.9 billion in the cash resources and investment portfolios, and \$1.2 billion in the loan portfolio. Customer liabilities (deposits, repo liabilities and policyholder's funds) stood at \$251 billion, reflecting continued confidence in Scotiabank despite challenging market conditions.

CAPITAL

Total shareholders equity grew to \$58 billion, \$8 billion more than the prior year. We continue to maintain a strong capital position to enable us to take advantage of future growth opportunities.

OUR COMMITMENT TO COMMUNITY

During the quarter, Scotia Group continued its commitment to being a leader in corporate philanthropy. During the period, "Scotia Goes Green" was launched which focuses on building awareness around preserving the environment and providing support to organizations involved in this effort. A total of 9,500 trees were given to customers as gifts during December as a demonstration of our commitment to reforestation; and displays were mounted at our branches island wide to enlighten our customers about some of the environmental issues.

Scotia Foundation and Scotiabank donated a total of \$20 million to Student Care, Health Care and Community Care projects.

In Student Care the Foundation made the first donation of \$6.3 million towards the purchase of equipment for the Agriculture Laboratory now being constructed at the Northern Caribbean University; provided bursaries and scholarships in the amount of \$1.4 million to students currently enrolled in our scholarship programme; and continued to support the breakfast programme in two of seven schools islandwide.



In Health Care the Foundation continued its maintenance of the Scotiabank Centennial Accident and Emergency Unit at the University Hospital of the West Indies and the Jamaica Cancer Society's Mobile Mammography Unit. Also several corrective surgeries were performed at the Kingston Public Hospital for students suffering with Scoliosis.

In Community Care the Foundation continued its support of the residents of Cluster F at the Golden Age Home and the Bank made charitable donations to various community initiatives totaling \$11.8 million.

AWARDS

Scotia Group was awarded First Runner Up, for Best Practices Corporate Disclosure and Second Runner Up, Best Practices – PSOJ Corporate Governance, at the Jamaica Stock Exchange Best Practices Awards.

Scotia Group Jamaica takes this opportunity to thank all of our stakeholders. To our customers, thank you for your loyalty and your business. To our shareholders, thank you for the commitment, trust and confidence you continue to show in us. Our continued success is as a result of the great execution by our team of skilled and dedicated employees and we thank them for their professionalism and commitment.



Scotia Group Jamaica Limited
Consolidated Statement of Income
Period ended January 31, 2011

Unaudited (\$millions)	For the three months ended		
	January 2011	October 2010	Restated January 2010
Gross Operating Income	9,892	9,760	12,045
Interest Income	7,917	7,943	10,636
Interest Expense	(2,133)	(2,246)	(4,068)
Net Interest Income	5,784	5,697	6,568
Impairment losses on loans	(486)	(260)	(426)
Net interest income after impairment losses	5,298	5,437	6,142
Net fee and commission income	1,113	1,108	824
Insurance revenue	493	301	263
Net foreign exchange trading income	306	299	283
Net gains /(losses) on financial assets	16	1	6
Other revenue	47	108	33
	1,975	1,817	1,409
Total Operating Income	7,273	7,254	7,551
Operating Expenses			
Salaries and staff benefits	2,028	1,786	2,070
Property expenses, including depreciation	471	439	455
Amortisation of intangible assets	51	124	42
Other operating expenses	1,183	1,246	1,163
	3,733	3,595	3,730
Profit before taxation	3,540	3,659	3,821
Taxation	(853)	(778)	(1,017)
Profit for the period	2,687	2,881	2,804
Attributable to:-			
Stockholders of the Parent Company	2,592	2,808	2,688
Non-Controlling Interest	95	73	116
Earnings per share based on 3,111,572,984 shares (cents)	83	90	86
Return on average equity (annualized)	19.16%	21.63%	23.20%
Return on assets (annualized)	3.21%	3.45%	3.37%
Productivity ratio	54.38%	51.30%	52.10%



Scotia Group Jamaica Limited
Consolidated Statement of Comprehensive Income
Period ended January 31, 2011

Unaudited (\$millions)	For the three months ended	
	January 2011	Restated January 2010
Profit for the period	2,687	2,804
Other comprehensive income		
Unrealised gains/ (losses) on available for sale financial assets	507	(426)
Realised gains on available for sale financial assets	(9)	0
	498	(426)
Taxation	(80)	127
Other comprehensive income, net of tax	418	(299)
Total comprehensive income for the period	3,105	2,505
Attributable to:-		
Stockholders of the Parent Company	3,007	2,391
Non-Controlling Interest	98	114



Scotia Group Jamaica Ltd.
Consolidated Statement of Financial Position
January 31, 2011

<i>Unaudited</i> (\$ millions)	Period ended January 31	Year ended October 31	Period ended January 31
	2011	2010	2010
ASSETS			
CASH RESOURCES	54,166	59,048	61,034
INVESTMENTS			
Held to maturity	14,758	14,470	54,515
Financial assets at fair value through profit and loss	137	128	47
Securities available for sale	76,439	71,311	25,988
	<u>91,334</u>	<u>85,909</u>	<u>80,560</u>
PLEGDED ASSETS	65,137	64,029	64,311
GOVERNMENT SECURITIES UNDER REPURCHASE AGREEMENT	751	200	-
LOANS, AFTER MAKING PROVISIONS FOR LOSSES	93,907	95,814	92,751
OTHER ASSETS			
Customers' liabilities under acceptances, guarantees and letters of credit	6,681	6,261	9,120
Property, plant, and equipment	3,536	3,574	3,478
Deferred taxation	12	12	42
Taxation recoverable	1,148	1,472	1,280
Retirement benefit asset	6,800	6,642	5,983
Other assets	375	934	421
Intangible assets	1,823	1,873	2,078
	<u>20,375</u>	<u>20,768</u>	<u>22,402</u>
ASSETS CLASSIFIED AS HELD FOR SALE	59	56	-
TOTAL ASSETS	<u>325,729</u>	<u>325,824</u>	<u>321,058</u>
LIABILITIES			
DEPOSITS			
Deposits by public	143,034	146,664	147,678
Other deposits	11,080	11,215	10,364
	<u>154,114</u>	<u>157,879</u>	<u>158,042</u>
OTHER LIABILITIES			
Acceptances, guarantees and letters of credit	6,681	6,261	9,120
Liabilities under repurchase agreements	45,090	45,026	44,167
Promissory notes	2	8	42
Capital management and government securities funds	14,485	15,157	16,251
Redeemable preference shares	100	100	100
Deferred taxation	2,928	2,845	2,101
Retirement benefit obligation	1,606	1,502	1,220
Assets held in trust on behalf of participants	42	42	42
Other liabilities	5,781	5,515	5,224
	<u>76,715</u>	<u>76,456</u>	<u>78,287</u>
POLICY HOLDERS' FUND	37,382	36,891	35,481
LIABILITIES ASSOCIATED WITH ASSETS HELD FOR SALE	5	6	-
SHAREHOLDERS' EQUITY			
Share capital	6,570	6,570	6,570
Reserve fund	3,249	3,249	3,221
Retained earnings reserve	10,742	10,742	9,927
Capital reserve	9	9	9
Loan loss reserve	2,224	2,093	1,988
Other reserves	13	13	13
Cumulative remeasurement result from available for sale financial assets	803	388	(1,539)
Unappropriated profits	31,401	30,091	26,776
	<u>55,011</u>	<u>53,155</u>	<u>46,965</u>
NON-CONTROLLING INTERESTS	2,502	2,437	2,303
	<u>57,513</u>	<u>55,592</u>	<u>49,268</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>325,729</u>	<u>325,824</u>	<u>321,058</u>

Approved for issue by the Board of Directors on March 1, 2011 and signed on its behalf by:

 Director
 Director

Scotiabank Group Media Release

SCOTIA GROUP JAMAICA LIMITED

Consolidated Statement of Changes in Shareholders' Equity
January 31, 2011
Unaudited

(\$millions)	Share Capital	Reserve Fund	Retained Earnings Reserve	Capital Reserve	Other Reserves	Loan Loss Reserve	Cumulative Remeasurement from AFS Financial Assets	Unappropriated Profits	Total	Non-controlling interests	Total Equity
Balance at 31 October 2009	6,570	3,218	9,610	9	13	1,716	(1,242)	25,831	45,725	2,219	47,944
Net profit	-	-	-	-	-	-	-	2,688	2,688	116	2,804
Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-
Unrealised losses on available-for-sale securities, net of tax	-	-	-	-	-	-	(297)	-	(297)	(2)	(299)
Total comprehensive income	-	-	-	-	-	-	(297)	2,688	2,391	114	2,505
Transfer to Retained Earnings Reserve	-	-	317	-	-	-	-	(317)	-	-	-
Transfer to Loan Loss Reserve	-	-	-	-	-	272	-	(272)	-	-	-
Transfer to Reserve Fund	-	3	-	-	-	-	-	(3)	-	-	-
Net movement in reserves for non-controlling interests	-	-	-	-	-	-	-	-	-	2	2
Dividends Paid	-	-	-	-	-	-	-	(1,151)	(1,151)	(32)	(1,183)
Balance at 31 January 2010	6,570	3,221	9,927	9	13	1,988	(1,539)	26,776	46,965	2,303	49,268
Balance at 31 October 2010	6,570	3,249	10,742	9	13	2,093	388	30,091	53,155	2,437	55,592
Net profit	-	-	-	-	-	-	-	2,592	2,592	96	2,687
Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-
Unrealised gains on available-for-sale securities, net of tax	-	-	-	-	-	-	420	-	420	4	424
Realised gains on available-for-sale securities, net of tax	-	-	-	-	-	-	(5)	-	(5)	(1)	(6)
Total comprehensive income	-	-	-	-	-	-	415	2,592	3,007	98	3,105
Transfer to Retained Earnings Reserve	-	-	-	-	-	-	-	-	-	-	-
Transfer to Loan Loss Reserve	-	-	-	-	-	131	-	(131)	-	-	-
Transfer to Reserve Fund	-	-	-	-	-	-	-	-	-	-	-
Net movement in reserves for non-controlling interests	-	-	-	-	-	-	-	-	-	(1)	(1)
Dividends Paid	-	-	-	-	-	-	-	(1,151)	(1,151)	(32)	(1,183)
Balance at 31 January 2011	6,570	3,249	10,742	9	13	2,224	803	31,401	55,011	2,502	57,513



Scotia Group Jamaica Limited
Condensed Statement of Consolidated Cash Flows
January 31, 2011

Unaudited (\$ millions)	2011	2010
Cash flows provided by / (used in) operating activities		
Profit for the year	2,687	2,804
Items not affecting cash:		
Depreciation	125	114
Impairment losses on loans	486	426
Amortisation of intangible assets	51	42
Other, net	(4,934)	(5,552)
	(1,585)	(2,166)
Changes in operating assets and liabilities		
Loans	1,392	(996)
Deposits	(3,335)	5,969
Policyholders reserve	491	1,073
Securities sold under repurchase agreement	(211)	(1,680)
Financial Assets at fair value through profit and loss	(9)	59
Other, net	6,480	8,124
	3,223	10,383
Cash flows provided by / (used in) investing activities		
Investments	(3,272)	(1,284)
Repurchase Agreements, net	-	551
Property, plant and equipment, Intangibles, net	(84)	(157)
	(3,356)	(890)
Cash flows used in financing activities		
Dividends paid	(1,183)	(1,183)
	(1,183)	(1,183)
Effect of exchange rate on cash and cash equivalents	29	55
Net change in cash and cash equivalents	(1,287)	8,365
Cash and cash equivalents at beginning of period	34,795	15,796
Cash and cash equivalents at end of period	33,508	24,161
Represented by :		
Cash resources	54,166	61,034
Less statutory reserves at Bank of Jamaica	(15,421)	(17,923)
Less amounts due from Bank of Jamaica greater than ninety days	-	(16,793)
Less amounts due from other banks greater than ninety days	(8,291)	(2,927)
Less accrued interest on cash resources	(94)	(2,319)
Reverse repurchase agreements and bonds less than ninety days	6,145	5,575
Cheques and other instruments in transit, net	(2,997)	(2,486)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	33,508	24,161



SCOTIA GROUP JAMAICA LIMITED

Segment Reporting Information

Consolidated Statement of Income

January 31, 2011

Unaudited

(\$ millions)	Treasury	Retail Banking	Corporate Banking	Investment Management Services	Insurance Services	Other	Eliminations	Group Total
Net External Revenues	1,235	2,839	1,308	950	1,424	3	-	7,759
Revenues from other segments	(584)	258	317	7	10	1,152	(1,160)	-
Total Revenues	651	3,097	1,625	957	1,434	1,155	(1,160)	7,759
Expenses	(17)	(2,285)	(1,348)	(302)	(218)	(6)	(43)	(4,219)
Unallocated expenses								
Profit Before Tax	634	812	277	655	1,216	1,149	(1,203)	3,540
Taxation								(853)
Profit for the period								2,687

Consolidated Balance Sheet

(\$ millions)	Treasury	Retail Banking	Corporate Banking	Investment Management Services	Insurance Services	Other	Eliminations	Group Total
Segment assets	83,088	57,459	52,232	70,852	56,083	10,449	(11,703)	318,460
Unallocated assets								7,269
Total Assets								325,729
Segment liabilities	-	89,864	75,135	61,684	37,782	59	(3,093)	261,431
Unallocated liabilities								6,785
Total liabilities								268,216
Other Segment items:								
Capital Expenditure	-	33	53	3	-	-	-	89
Impairment losses on loans	-	236	255	(5)	-	-	-	486
Depreciation and amortisation	-	79	39	57	1	-	-	176



SCOTIA GROUP JAMAICA LIMITED

Segment Reporting Information

Consolidated Statement of Income

January 31, 2010

Unaudited

(\$ millions)	Treasury	Retail Banking	Corporate Banking	Investment Management Services	Insurance Services	Other	Eliminations	Group Total
Net External Revenues	2,006	2,159	1,313	1,073	1,425	1	-	7,977
Revenues from other segments	(1,157)	626	536	(11)	1	1,159	(1,154)	-
Total Revenues	849	2,785	1,849	1,062	1,426	1,160	(1,154)	7,977
Expenses	(17)	(2,444)	(1,127)	(313)	(211)	(6)	(38)	(4,156)
Unallocated expenses								
Profit Before Tax	832	341	722	749	1,215	1,154	(1,192)	3,821
Taxation								(1,017)
Profit for the period								2,804

Consolidated Balance Sheet

(\$ millions)	Treasury	Retail Banking	Corporate Banking	Investment Management Services	Insurance Services	Other	Eliminations	Group Total
Segment assets	90,013	51,541	57,588	73,378	49,200	10,108	(17,734)	314,094
Unallocated assets								6,964
Total Assets								321,058
Segment liabilities	358	90,577	82,930	64,168	35,847	433	(8,153)	266,160
Unallocated liabilities								5,630
Total liabilities								271,790
Other Segment items:								
Capital Expenditure	-	87	70	-	-	-	-	157
Impairment losses on loans	-	399	31	(4)	-	-	-	426
Depreciation and amortisation	-	59	45	47	1	4	-	156



**SCOTIA GROUP JAMAICA LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JANUARY 31, 2011**

1. Identification

Scotia Group Jamaica Limited (the Company) is a 71.78% subsidiary of The Bank of Nova Scotia, which is incorporated and domiciled in Canada and is the ultimate parent.

The Company is the parent of the Bank of Nova Scotia Jamaica Limited (100%) and Scotia DBG Investments Limited (77.01%).

2. Basis of presentation

These consolidated financial statements have been prepared in accordance with and comply with International Financial Reporting Standards. New and revised standards that became effective this year did not have any material impact on the financial statements and the accounting policies are consistent with those applied in the audited financial statements for the year ended October 31, 2010. These financial statements are presented in Jamaican dollars, which is the Group's functional currency.

Basis of consolidation

The consolidated financial statements include the assets, liabilities, and results of operations of the Company and its subsidiaries presented as a single economic entity. Intra-group transactions, balances, and unrealized gains and losses are eliminated in preparing the consolidated financial statements.

The purchase method of accounting required by IFRS 3 is used to account for the acquisition of subsidiaries by the Group. The cost of acquisition is measured as the fair value of assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Comparative information

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

3. Financial Assets

The Group classifies its financial assets in the following categories: financial assets at fair value through profit and loss; loans and receivables; held-to-maturity; and available-for-sale financial assets. Management determines the classification of its investments at initial recognition.

Financial Assets at Fair Value through Profit and Loss

This category includes a financial asset acquired principally for the purpose of selling in the short term or if so designated by management.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money or services directly to a debtor with no intention of trading the receivable.

Held-to-Maturity

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity.

Available-for-sale

Available-for-sale investments are those intended to be held for an indefinite period of time, and may be sold in response to needs for liquidity or changes in interest rates or equity prices.

Available-for-sale investments and financial assets at fair value through profit and loss are carried at fair value. Loans and receivables are carried at amortised cost using the effective interest method. Gains and losses arising from changes in the fair value of trading securities are included in the statement of revenue and expenses in the period in which they arise. Gains and losses arising from changes in the fair value of available-for-sale financial assets are recognized directly in the statement of comprehensive income. Interest calculated using the effective interest method is recognized in the statement of revenue and expenses.



SCOTIA GROUP JAMAICA LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JANUARY 31, 2011

4. Pledged Assets

Assets are pledged as collateral under Repurchase Agreements, Capital Management Fund, and Government Securities Fund obligations, as well as mandatory Reserve deposits held with the Bank Of Jamaica (BOJ).

(\$millions)	Asset		Related Liability	
	2011	2010	2011	2010
Securities Sold under Repurchase Agreements	45,195	45,601	40,413	44,167
Securities with BOJ and other Financial Institutions	<u>5,488</u> 50,683	<u>4,149</u> 49,750	<u>4,677</u> 45,090	<u>-</u> 44,167
Capital Management and Government Securities Funds	<u>14,454</u>	<u>14,561</u>	<u>14,485</u>	<u>16,251</u>
	<u>65,137</u>	<u>64,311</u>	<u>59,575</u>	<u>60,418</u>

5. Insurance and investment contracts

Insurance contracts are those contracts that transfer significant insurance risks. Such contracts may also transfer financial risk. As a general guideline, the Group defines as significant insurance risk, the possibility of having to pay benefits at the occurrence of an insured event that is at least 10% more than the benefits payable if the insured event did not occur.

6. Loan loss provision

IFRS loan loss 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 repriced date of the loan. Regulatory loan loss provisioning requirements that exceed these amounts are maintained within a loan loss reserve in the equity component of the statement of financial position.

7. Employee benefits

The Group operates both a defined benefit and a defined contribution pension plan, the assets of which are held in separate trustee-administered funds.

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 statement of revenue and expenses, 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 statement of financial position.

Other post-retirement obligations – The Group provides post retirement healthcare and group life insurance benefits to retirees. The method of accounting used to recognize the liability is similar to that for the defined benefit pension plan.

Defined contribution plan- contributions to this plan are charged to the statement of revenue and expenses in the period to which they relate.

8. Deferred taxation

Deferred income 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.



**SCOTIA GROUP JAMAICA LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JANUARY 31, 2011**

9. Property, plant and equipment

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

10. Assets classified as held for sale

The assets and liabilities of Asset Management Company Limited, a subsidiary which provides credit financing for the hire-purchase of consumer durables, have been presented as held for sale. This followed an approval by the Board of Directors prior to the 2010 financial year-end to sell the company.

11. Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents include notes and coins on hand, unrestricted balances held with Bank of Jamaica, amounts due from other banks, and highly liquid financial assets with original maturities of less than three months, which are readily convertible to known amounts of cash, and are subject to insignificant risk of changes in their fair value.

12. Segment reporting

The Group is organized into six main business segments:

- Retail Banking – incorporating personal banking services, personal customer current accounts, saving deposits, credit and debit cards, customer loans and mortgages;
- Corporate and Commercial Banking – incorporating non-personal direct debit facilities, current accounts, deposits, overdrafts, loans and other credit facilities and foreign currency transactions;
- Treasury – incorporating the Group's liquidity and investment management function, management of correspondent bank relationships, as well as foreign currency trading;
- Investment Management Services- incorporating investments, unit trusts, pension and other fund management, brokerage and advisory services, and the administration of trust accounts.
- Insurance Services – incorporating the provision of life and medical insurance, individual pension administration and investment management;
- Other operations of the Group comprise non trading entities.

Transactions between the business segments are on normal commercial terms and conditions. The Group's operations are located mainly in Jamaica.

