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NEWS RELEASE

SCOTIABANK TO REDEEM PREFERENCE SHARES

The Bank of Nova Scotia Jamaica Limited (“Scotiabank”) on Friday, July 1, 2011 obtained approval from the Supreme Court to convene a meeting of the holders of the Variable Rate Redeemable Preference Shares (“Scheme Shares”) in accordance with the Company’s Articles of Incorporation for the purpose of considering and if thought fit, approving a Scheme of Arrangement to cancel and redeem the Scheme Shares.

On May 1, 2007, The Bank of Nova Scotia Jamaica Limited made a bonus issue of 100,000,000 variable rate redeemable cumulative preference shares at a value of \$1.00 each to holders of the Bank’s ordinary shares, at a rate of one preference share for every thirty ordinary shares. At that time, it formed a part of the scheme of arrangement that was undertaken with the formation of Scotia Group Jamaica Limited and the acquisition of Dehring Bunting & Golding Limited, now Scotia Investments Jamaica Limited.

The redemption of the preference shares would be at a price of \$1.20 per share, reflecting a premium over the last trading price (as at July 1, 2011). It will also provide immediate liquidity to shareholders. Speaking on the matter, Mr. Bruce Bowen, President & CEO of Scotiabank said:

“The preference shares did not constitute a part of the Bank’s capital base and their redemption will have no effect on the Bank’s operating capabilities under the Banking Act. However, the redemption of the preference shares will enhance the efficiency of the Bank by eliminating various costs associated with the administration of the shares.”

Scotiabank Jamaica will be notifying its shareholders and distributing an Explanatory Circular ahead of the Extraordinary General meeting which it intends to summon shortly in accordance with the direction of the Court.

Information on Scotiabank

Scotiabank has been in Jamaica since 1889 and is the premier financial institution in the country with just over 2,000 employees and 39 branches island wide. Scotiabank is a subsidiary of Scotiabank Group which offers a diverse range of products and services including personal, commercial, and small business banking; wealth management; insurance; and mortgages. The Group is an award winning institution having been named on numerous occasions as the Bank of the Year and Best Bank in Jamaica by international financial publications - the Banker, Latin Finance, Euromoney, and Global Finance magazines. The Scotiabank Group has \$325 billion in assets (as at October 31, 2010). For more information please visit www.jamaica.scotiabank.com.

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