SUPPLEMENTARY FINANCIAL INFORMATION

Scotiabank

July 31, 2007

INDEX

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HIGHLIGHTS

Scotiabank

	QUARTERLY TREND									YEAR-TO-DATE		FULL YEAR	
	2007			2006				2005					
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	**2007**	2006	2006	2005
Operating Performance:													
Net Income ($MM)	**1,032**	1,039	1,020	897	936	894	852	811	784	**3,091**	2,682	3,579	3,209
Net Income available to Common Shareholders ($MM)	**1,016**	1,028	1,012	890	928	887	844	803	775	**3,056**	2,659	3,549	3,184
EPS ($) - basic	**1.03**	1.04	1.02	0.90	0.94	0.90	0.85	0.81	0.78	**3.09**	2.69	3.59	3.19
- diluted	**1.02**	1.03	1.01	0.89	0.93	0.89	0.84	0.80	0.77	**3.06**	2.66	3.55	3.15
ROE (%)	**22.7**	23.4	23.0	21.1	22.8	23.2	21.6	20.5	19.9	**23.2**	22.5	22.1	20.9
Net Interest Margin (%) (1)	**1.86**	1.93	1.91	1.89	1.98	1.97	1.97	1.97	1.97	**1.90**	1.98	1.95	2.00
Productivity Ratio (TEB) (%)	**53.0**	53.8	53.6	56.9	53.8	55.3	55.2	57.8	56.4	**53.5**	54.7	55.3	56.3
Effective Tax Rate (%)	**21.8**	21.1	21.0	18.0	20.2	17.9	20.5	20.4	20.3	**21.3**	19.6	19.2	20.5
Effective Tax Rate (TEB) (%)	**27.2**	27.0	26.8	26.5	26.3	25.5	26.9	25.8	26.3	**27.0**	26.2	26.3	26.3
Cash Net Income available to Common Shareholders ($MM) (2)	**1,023**	1,035	1,020	898	934	893	849	809	780	**3,078**	2,676	3,574	3,203
Cash EPS ($) - basic (2)	**1.04**	1.04	1.03	0.91	0.95	0.90	0.86	0.81	0.79	**3.11**	2.71	3.62	3.21
- diluted (2)	**1.03**	1.03	1.02	0.90	0.93	0.89	0.85	0.80	0.77	**3.08**	2.67	3.57	3.16
Cash ROE (%) (2)	**22.8**	23.6	23.1	21.3	23.0	23.3	21.7	20.7	20.0	**23.3**	22.6	22.3	21.1
Balance Sheet:													
Total Assets ($B)	**408.1**	411.7	396.5	379.0	365.0	357.0	325.0	314.0	317.5				
Loans and Acceptances ($B)	**233.0**	226.3	222.7	212.3	202.9	192.2	180.7	178.0	176.2				
Deposits ($B)	**287.0**	291.6	277.0	263.9	255.2	247.6	227.5	217.4	220.0				
Common Shareholders' Equity ($B)	**18.4**	18.7	18.9	16.9	16.5	15.8	15.6	15.5	15.6				
Credit Quality:													
Net Impaired Loans ($MM) (3)	**584**	579	579	570	479	579	659	681	573				
General Allowance for Credit Losses ($MM)	**1,298**	1,298	1,323	1,307	1,330	1,330	1,330	1,330	1,375				
Net Impaired Loans as % of Loans and Acceptances (3)	**0.25**	0.26	0.26	0.27	0.24	0.30	0.36	0.38	0.33				
Specific Provisions ($MM)	**92**	45	63	92	74	35	75	81	85	**200**	184	276	275
- % of Average Loans and Acceptances	**0.16**	0.08	0.12	0.18	0.15	0.08	0.17	0.18	0.19	**0.12**	0.13	0.14	0.16
Risk-Weighted Capital Ratios (%):													
Tier 1	**9.7**	10.1	10.4	10.2	10.0	10.2	10.8	11.1	11.1				
Total	**10.6**	11.4	11.7	11.7	11.6	11.9	12.7	13.2	13.1				
Tangible Common Equity	**7.7**	8.0	8.4	8.3	8.4	8.5	9.0	9.3	9.3				
Risk-Weighted Assets ($B)	**219.8**	213.1	206.8	197.0	190.3	180.1	168.9	162.8	163.8				

(1) Net Interest Income (TEB) as % of Average Total Assets.
(2) Excludes amortization of intangibles (net of taxes).
(3) Net Impaired Loans are Impaired Loans less Specific Allowance for Credit Losses.

COMMON SHARE AND OTHER INFORMATION

Scotiabank

	QUARTERLY TREND									YEAR-TO-DATE		FULL YEAR	
	2007			2006				2005					
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	**2007**	2006	2006	2005
Valuation:													
Book Value per Share ($)	**18.71**	18.90	18.99	17.13	16.66	15.98	15.76	15.64	15.68	**18.71**	16.66	17.13	15.64
Share Price ($) - High	**54.67**	54.73	53.39	49.50	47.24	48.67	49.80	44.22	42.64	**54.73**	49.80	49.80	44.22
- Low	**48.91**	49.34	48.80	45.36	41.55	45.03	42.89	40.31	39.19	**48.80**	41.55	41.55	36.41
- Close	**49.45**	53.39	50.76	49.30	45.55	46.52	46.25	42.99	41.75	**49.45**	45.55	49.30	42.99
Share Price (Closing) as % Book Value	**264.3**	282.5	267.3	287.8	273.4	291.1	293.5	274.9	266.3	**264.3**	273.4	287.8	274.9
Price (Closing)/Earnings Ratio (X) (1)	**12.4**	13.7	13.5	13.7	13.0	13.9	14.2	13.5	13.6	**12.4**	13.0	13.7	13.5
Market Capitalization ($MM)	**48,578**	52,840	50,397	48,783	45,022	45,950	45,696	42,568	41,547	**48,578**	45,022	48,783	42,568
Dividends:													
Common Dividends Paid ($MM)	**445**	417	416	386	385	356	356	338	339	**1,278**	1,097	1,483	1,317
Common Dividends/Share ($)	**0.45**	0.42	0.42	0.39	0.39	0.36	0.36	0.34	0.34	**1.29**	1.11	1.50	1.32
Payout Ratio (%)	**43.7**	40.6	41.2	43.3	41.5	40.1	42.2	42.1	43.7	**41.8**	41.3	41.8	41.4
Dividend Yield (%)	**3.5**	3.2	3.3	3.3	3.5	3.1	3.1	3.2	3.3	**3.3**	3.2	3.3	3.3
Shares:													
Number of Common Shares Outstanding at Period End (MM)	**982**	990	993	990	988	988	988	990	995				
Average Number of Common Shares Outstanding (MM) -- Basic	**988**	992	991	989	988	988	989	995	995	**990**	988	988	998
-- Diluted	**996**	1,001	1,001	1,000	999	1,001	1,002	1,008	1,009	**999**	1,001	1,001	1,012
Share Buybacks:													
Number of Common Shares Purchased (M)	**7,680**	4,357	-	777	1,300	1,900	3,671	6,371	1,136	**12,037**	6,871	7,648	26,097
Average Purchase Price ($)	**51.47**	53.52	-	46.53	44.84	45.66	45.87	42.33	41.66	**52.21**	45.62	45.71	40.51
Other Information:													
Employees	**55,994**	54,908	53,937	53,251	52,232	51,503	47,166	46,631	46,269				
Branches and Offices	**2,289**	2,242	2,225	2,191	2,147	2,132	1,968	1,959	1,944				
ABMs	**5,127**	5,069	5,018	4,937	4,833	4,781	4,498	4,449	4,411				
Senior Debt Credit Ratings:													
Standard & Poor's	**AA-**	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-				
Moody's	**Aa1**	Aa1	Aa3	Aa3	Aa3	Aa3	Aa3	Aa3	Aa3				

(1) based on trailing 4 quarters' EPS.

CONSOLIDATED STATEMENT OF INCOME AND NET INCOME AVAILABLE TO COMMON SHAREHOLDERS BY BUSINESS SEGMENT

Scotiabank

($ MM)	QUARTERLY TREND									YEAR-TO-DATE		FULL YEAR	
	2007			2006				2005					
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	**2007**	2006	2006	2005
CONSOLIDATED STATEMENT OF INCOME:													
Interest Income (TEB)	**5,446**	5,348	5,194	5,084	4,825	4,223	3,990	3,715	3,645	**15,988**	13,038	18,122	14,129
Interest Expense	**3,533**	3,445	3,313	3,301	3,009	2,579	2,385	2,134	2,084	**10,291**	7,973	11,274	7,932
Net Interest Income (TEB)	**1,913**	1,903	1,881	1,783	1,816	1,644	1,605	1,581	1,561	**5,697**	5,065	6,848	6,197
Other Income (see Page 9)	**1,389**	1,308	1,333	1,216	1,173	1,186	1,225	1,154	1,128	**4,030**	3,584	4,800	4,529
Total Revenue (TEB)	**3,302**	3,211	3,214	2,999	2,989	2,830	2,830	2,735	2,689	**9,727**	8,649	11,648	10,726
Taxable Equivalent Adjustment (TEB)	**101**	109	105	131	100	113	96	75	81	**315**	309	440	326
Total Revenue	**3,201**	3,102	3,109	2,868	2,889	2,717	2,734	2,660	2,608	**9,412**	8,340	11,208	10,400
Provision for Credit Losses	**92**	20	63	32	74	35	75	36	85	**175**	184	216	230
Total Non-interest Expenses (see Page 10)	**1,752**	1,726	1,724	1,708	1,608	1,565	1,562	1,579	1,517	**5,202**	4,735	6,443	6,043
Net Income before the undernoted:	**1,357**	1,356	1,322	1,128	1,207	1,117	1,097	1,045	1,006	**4,035**	3,421	4,549	4,127
Provision for Income Taxes	**296**	286	277	203	244	200	225	214	205	**859**	669	872	847
Non-controlling Interest in Net Income of Subsidiaries	**29**	31	25	28	27	23	20	20	17	**85**	70	98	71
Net Income	**1,032**	1,039	1,020	897	936	894	852	811	784	**3,091**	2,682	3,579	3,209
Preferred Dividends Paid	**16**	11	8	7	8	7	8	8	9	**35**	23	30	25
Net Income available to Common Shareholders	**1,016**	1,028	1,012	890	928	887	844	803	775	**3,056**	2,659	3,549	3,184
Amortization of Intangibles (net of taxes)	**7**	7	8	8	6	6	5	6	5	**22**	17	25	19
Cash Net Income available to Common Shareholders	**1,023**	1,035	1,020	898	934	893	849	809	780	**3,078**	2,676	3,574	3,203
NET INCOME AVAILABLE TO COMMON SHAREHOLDERS BY BUSINESS SEGMENT:													
Domestic Banking (1)	**391**	364	361	335	319	296	329	326	319	**1,116**	944	1,279	1,253
International Banking	**270**	293	316	268	285	268	233	174	234	**879**	786	1,054	800
Scotia Capital	**276**	318	294	235	278	276	258	229	200	**888**	812	1,047	915
Other (2)	**79**	53	41	52	46	47	24	74	22	**173**	117	169	216
Total Bank	**1,016**	1,028	1,012	890	928	887	844	803	775	**3,056**	2,659	3,549	3,184

(1) includes Wealth Management.
(2) represents corporate adjustments and smaller operating segments including Group Treasury.

BUSINESS SEGMENT PERFORMANCE -- DOMESTIC BANKING

Scotiabank

($MM)	QUARTERLY TREND									YEAR-TO-DATE		FULL YEAR	
	2007			2006				2005					
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	**2007**	2006	2006	2005
Net Interest Income (TEB)	**1,006**	942	953	957	932	884	909	929	905	**2,901**	2,725	3,682	3,576
Other Income	**537**	530	518	498	480	485	472	474	453	**1,585**	1,437	1,935	1,819
Total Revenue (TEB)	**1,543**	1,472	1,471	1,455	1,412	1,369	1,381	1,403	1,358	**4,486**	4,162	5,617	5,395
Provision for Credit Losses	**(77)**	(66)	(74)	(58)	(69)	(88)	(64)	(69)	(63)	**(217)**	(221)	(279)	(274)
Non-interest Expenses	**(892)**	(870)	(870)	(912)	(879)	(845)	(833)	(870)	(825)	**(2,632)**	(2,557)	(3,469)	(3,296)
Income Taxes (TEB)	**(179)**	(169)	(164)	(147)	(143)	(138)	(153)	(136)	(149)	**(512)**	(434)	(581)	(566)
Net Income	**395**	367	363	338	321	298	331	328	321	**1,125**	950	1,288	1,259
Preferred Dividends Paid	**(4)**	(3)	(2)	(3)	(2)	(2)	(2)	(2)	(2)	**(9)**	(6)	(9)	(6)
Net Income available to Common Shareholders	**391**	364	361	335	319	296	329	326	319	**1,116**	944	1,279	1,253
Amortization of Intangibles (net of taxes)	**6**	5	6	7	4	5	5	4	5	**17**	14	21	17
Cash Net Income available to Common Shareholders	**397**	369	367	342	323	301	334	330	324	**1,133**	958	1,300	1,270
ROE (%)	**31.8**	32.0	31.1	27.3	26.3	27.3	30.5	30.1	31.2	**31.6**	28.0	27.8	31.0
Net Interest Margin (%)	**2.56**	2.58	2.58	2.62	2.67	2.74	2.78	2.89	2.88	**2.57**	2.73	2.70	2.90
Productivity Ratio (%)	**57.8**	59.1	59.1	62.7	62.3	61.7	60.3	62.0	60.8	**58.7**	61.4	61.8	61.1
Average Balances ($B):													
Total Assets	**156**	149	146	145	139	132	130	127	124	**151**	134	136	123
Residential Mortgages	**98**	94	91	90	85	80	78	76	74	**94**	81	83	74
Personal Loans	**34**	33	33	33	32	31	31	31	29	**34**	31	32	29
Business Loans & Acceptances	**24**	22	22	22	22	21	21	20	21	**23**	21	21	20
Personal Deposits	**76**	75	74	73	72	71	70	68	67	**75**	71	71	67
Non-personal Deposits	**41**	39	40	39	36	34	34	33	33	**40**	35	36	32
Other:													
Branches	**988**	981	977	972	967	964	953	954	953				
Wealth Management Offices	**98**	98	99	100	99	99	97	97	97				
Employees	**21,637**	21,253	20,865	20,810	20,728	20,498	19,945	19,661	19,599				
ABMs	**2,808**	2,782	2,761	2,742	2,703	2,680	2,656	2,624	2,620				

BUSINESS SEGMENT PERFORMANCE -- INTERNATIONAL BANKING

Scotiabank

($MM)	QUARTERLY TREND									YEAR-TO-DATE		FULL YEAR	
	2007			2006				2005					
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	**2007**	2006	2006	2005
Net Interest Income (TEB)	**703**	679	670	628	607	542	529	506	512	**2,052**	1,678	2,306	1,969
Other Income	**250**	300	297	267	237	220	215	202	237	**847**	672	939	793
Total Revenue (TEB)	**953**	979	967	895	844	762	744	708	749	**2,899**	2,350	3,245	2,762
Provision for Credit Losses	**(25)**	(30)	(19)	(8)	(24)	(1)	(27)	(16)	(21)	**(74)**	(52)	(60)	(70)
Non-interest Expenses	**(558)**	(577)	(562)	(555)	(477)	(443)	(452)	(486)	(447)	**(1,697)**	(1,372)	(1,927)	(1,712)
Income Taxes (TEB)	**(65)**	(44)	(43)	(34)	(29)	(25)	(10)	(10)	(28)	**(152)**	(64)	(98)	(103)
Non-controlling Interest in Net Income of Subsidiaries	**(29)**	(31)	(25)	(28)	(27)	(23)	(20)	(20)	(17)	**(85)**	(70)	(98)	(71)
Net Income	**276**	297	318	270	287	270	235	176	236	**891**	792	1,062	806
Preferred Dividends Paid	**(6)**	(4)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	**(12)**	(6)	(8)	(6)
Net Income available to Common Shareholders	**270**	293	316	268	285	268	233	174	234	**879**	786	1,054	800
Amortization of Intangibles (net of taxes)	**1**	2	1	1	1	-	-	1	-	**4**	1	2	1
Cash Net Income available to Common Shareholders	**271**	295	317	269	286	268	233	175	234	**883**	787	1,056	801
ROE (%)	**16.1**	18.7	22.2	21.1	23.9	26.2	22.9	17.5	24.1	**18.8**	24.3	23.4	21.6
Net Interest Margin (%)	**4.27**	4.03	4.09	4.20	4.19	4.15	4.06	3.93	3.98	**4.13**	4.14	4.15	3.95
Productivity Ratio (%)	**58.6**	58.9	58.1	62.0	56.5	58.1	60.8	68.6	59.7	**58.5**	58.4	59.4	62.0
Average Balances ($B):													
Total Assets	**65**	69	65	59	57	54	52	51	51	**66**	54	56	50
Personal Loans & Mortgages	**15**	15	14	13	12	12	11	10	10	**15**	12	12	10
Business Loans & Acceptances	**25**	28	26	23	22	19	19	19	19	**26**	20	21	18
Securities	**15**	16	14	13	13	13	14	14	14	**15**	13	13	14
Total Deposits	**49**	50	48	44	43	40	38	37	38	**49**	40	41	37
Other:													
Branches and Offices	**1,154**	1,114	1,100	1,070	1,030	1,019	870	860	846				
Employees	**24,929**	24,527	23,967	23,545	22,494	22,249	18,463	18,297	17,899				
ABMs	**2,319**	2,287	2,257	2,195	2,130	2,101	1,842	1,825	1,791				

BUSINESS SEGMENT PERFORMANCE -- SCOTIA CAPITAL

Scotiabank

($MM)	QUARTERLY TREND 2007 Q3	2007 Q2	2007 Q1	2006 Q4	2006 Q3	2006 Q2	2006 Q1	2005 Q4	2005 Q3	YEAR-TO-DATE 2007	YEAR-TO-DATE 2006	FULL YEAR 2006	FULL YEAR 2005
Net Interest Income (TEB)	**231**	296	269	251	262	229	209	201	202	**796**	700	951	849
Other Income	**413**	360	361	324	351	351	411	338	316	**1,134**	1,113	1,437	1,320
Total Revenue (TEB)	**644**	656	630	575	613	580	620	539	518	**1,930**	1,813	2,388	2,169
Provision for Credit Losses	**10**	51	30	(26)	19	54	16	7	(2)	**91**	89	63	71
Non-interest Expenses	**(267)**	(262)	(259)	(216)	(232)	(253)	(254)	(198)	(214)	**(788)**	(739)	(955)	(929)
Income Taxes (TEB)	**(107)**	(125)	(105)	(97)	(120)	(104)	(122)	(117)	(100)	**(337)**	(346)	(443)	(390)
Net Income	**280**	320	296	236	280	277	260	231	202	**896**	817	1,053	921
Preferred Dividends Paid	**(4)**	(2)	(2)	(1)	(2)	(1)	(2)	(2)	(2)	**(8)**	(5)	(6)	(6)
Net Income available to Common Shareholders	**276**	318	294	235	278	276	258	229	200	**888**	812	1,047	915
Amortization of Intangibles (net of taxes)	**-**	-	1	-	1	1	-	1	-	**1**	2	2	1
Cash Net Income available to Common Shareholders	**276**	318	295	235	279	277	258	230	200	**889**	814	1,049	916
ROE (%)	**27.7**	33.4	30.7	26.2	31.9	35.4	32.3	27.4	24.7	**30.5**	33.1	31.3	28.4
Net Interest Margin (%)	**0.59**	0.79	0.71	0.71	0.76	0.73	0.72	0.70	0.70	**0.70**	0.74	0.73	0.76
Productivity Ratio (%)	**41.5**	39.9	41.1	37.6	37.8	43.6	41.0	36.7	41.3	**40.8**	40.8	40.0	42.8
Average Balances ($B):													
Total Assets	**156**	153	150	140	136	128	115	114	114	**153**	126	130	112
Business Loans & Acceptances	**43**	41	41	36	32	30	29	28	29	**42**	30	32	29
Securities Purchased Under Resale Agreements	**23**	20	22	22	19	19	18	21	21	**22**	19	20	19
Securities -- Investment	**6**	14	14	14	14	11	6	5	5	**11**	10	11	5
-- Trading	**63**	61	58	53	52	51	46	44	44	**61**	50	50	43
Deposits with Banks	**6**	5	4	3	3	4	3	2	2	**5**	3	3	2
Total Deposits	**24**	28	25	26	22	21	20	22	22	**25**	21	22	20
Employees	**1,471**	1,395	1,418	1,382	1,410	1,354	1,369	1,379	1,376				

BUSINESS SEGMENT PERFORMANCE -- OTHER (1)

Scotiabank

($MM)	QUARTERLY TREND 2007 Q3	2007 Q2	2007 Q1	2006 Q4	2006 Q3	2006 Q2	2006 Q1	2005 Q4	2005 Q3	YEAR-TO-DATE 2007	YEAR-TO-DATE 2006	FULL YEAR 2006	FULL YEAR 2005
Net Interest Income (2)	**(128)**	(123)	(116)	(184)	(85)	(124)	(138)	(130)	(139)	**(367)**	(347)	(531)	(523)
Other Income	**189**	118	157	127	105	130	127	140	122	**464**	362	489	597
Total Revenue	**61**	(5)	41	(57)	20	6	(11)	10	(17)	**97**	15	(42)	74
Provision for Credit Losses	**-**	25	-	60	-	-	-	42	1	**25**	-	60	43
Non-interest Expenses	**(35)**	(17)	(33)	(25)	(20)	(24)	(23)	(25)	(31)	**(85)**	(67)	(92)	(106)
Income Taxes (2)	**55**	52	35	75	48	67	60	49	72	**142**	175	250	212
Net Income	**81**	55	43	53	48	49	26	76	25	**179**	123	176	223
Preferred Dividends Paid	**(2)**	(2)	(2)	(1)	(2)	(2)	(2)	(2)	(3)	**(6)**	(6)	(7)	(7)
Net Income available to Common Shareholders	**79**	53	41	52	46	47	24	74	22	**173**	117	169	216
Amortization of Intangibles (net of taxes)	**-**	-	-	-	-	-	-	-	-	**-**	-	-	-
Cash Net Income available to Common Shareholders	**79**	53	41	52	46	47	24	74	22	**173**	117	169	216
Average Balances ($B):													
Total Assets	**32**	33	30	30	32	29	25	25	25	**32**	29	29	24
Deposits with Banks	**14**	13	11	13	12	12	11	11	11	**13**	12	12	11
Securities	**13**	13	13	12	13	12	12	11	10	**13**	12	12	10
Total Deposits	**97**	89	85	80	77	71	62	58	56	**90**	70	73	56

(1) represents corporate adjustments and smaller operating segments including Group Treasury.

(2) includes elimination of the tax-exempt income gross-up reported in net interest income and provision for income taxes in the three business segments reported on pages 4 to 6.

NET INTEREST MARGIN, TRADING REVENUE AND ASSETS UNDER ADMINISTRATION & MANAGEMENT

Scotiabank

	QUARTERLY TREND									YEAR-TO-DATE		FULL YEAR	
	2007			2006				2005					
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	**2007**	2006	2006	2005
NET INTEREST MARGIN:													
Net Interest Income (TEB) ($MM)	**1,913**	1,903	1,881	1,783	1,816	1,644	1,605	1,581	1,561	**5,697**	5,065	6,848	6,197
Net Interest Income (TEB) as % of Average Total Assets	**1.86**	1.93	1.91	1.89	1.98	1.97	1.97	1.97	1.97	**1.90**	1.98	1.95	2.00
Net Interest Income (TEB) as % of Average Earning Assets	**2.07**	2.14	2.11	2.10	2.23	2.21	2.21	2.20	2.20	**2.11**	2.22	2.18	2.25
TRADING REVENUE (TEB) ($MM):													
Securities Trading	**(2)**	24	44	25	6	34	80	28	33	**66**	120	145	175
Foreign Exchange and Precious Metals Trading	**85**	81	66	70	67	78	86	68	57	**232**	231	301	295
Derivative and Other Trading	**229**	151	137	159	114	147	165	111	123	**517**	426	585	464
Total	**312**	256	247	254	187	259	331	207	213	**815**	777	1,031	934
Reported in Other Income	**217**	151	149	138	99	157	243	126	133	**517**	499	637	594
Reported in Net Interest Income	**95**	105	98	116	88	102	88	81	80	**298**	278	394	340
Total	**312**	256	247	254	187	259	331	207	213	**815**	777	1,031	934
DEFERRED REVENUES ($MM):	**288**	287	267	243	243	253	243	251	269				
ASSETS UNDER ADMINISTRATION ($B):													
Personal													
Retail Brokerage	**77.9**	76.3	74.0	69.7	67.5	70.1	66.2	64.2	60.8				
Investment Management and Trust	**56.5**	62.8	62.7	59.5	56.0	57.4	56.3	57.0	56.3				
	134.4	139.1	136.7	129.2	123.5	127.5	122.5	121.2	117.1				
Mutual Funds	**24.5**	23.6	21.4	19.8	18.6	19.5	18.4	18.4	17.7				
Institutional	**39.9**	45.7	45.0	42.9	38.8	41.5	33.2	31.8	31.9				
Total	**198.8**	208.4	203.1	191.9	180.9	188.5	174.1	171.4	166.7				
ASSETS UNDER MANAGEMENT ($B):													
Personal	**11.1**	10.9	11.1	10.0	9.8	9.9	9.7	9.4	8.4				
Mutual Funds	**15.9**	15.4	13.5	13.2	12.6	13.3	12.9	13.4	12.3				
Institutional	**4.0**	4.1	4.6	4.6	4.2	3.7	3.6	3.8	3.3				
Total	**31.0**	30.4	29.2	27.8	26.6	26.9	26.2	26.6	24.0				

OTHER INCOME

Scotiabank

($MM)	2007 Q3	2007 Q2	2007 Q1	2006 Q4	2006 Q3	2006 Q2	2006 Q1	2005 Q4	2005 Q3	YTD 2007	YTD 2006	Full Year 2006	Full Year 2005
Card Revenues	**92**	89	93	83	78	71	75	67	66	**274**	224	307	251
Deposit and Payment Services													
Deposit Services	**167**	159	165	160	159	150	153	149	151	**491**	462	622	581
Other Payment Services	**41**	40	41	36	39	33	36	32	33	**122**	108	144	120
	208	199	206	196	198	183	189	181	184	**613**	570	766	701
Mutual Funds	**77**	73	68	63	60	60	58	52	50	**218**	178	241	193
Investment Management, Brokerage and Trust Services													
Retail Brokerage	**139**	141	138	121	115	126	119	114	101	**418**	360	481	427
Personal and Corporate Trust	**31**	31	30	31	27	31	26	29	27	**92**	84	115	111
Investment Management and Custody	**22**	23	20	19	17	18	16	16	15	**65**	51	70	62
	192	195	188	171	159	175	161	159	143	**575**	495	666	600
Credit Fees													
Commitment and Other Credit Fees	**111**	98	101	97	110	104	103	104	113	**310**	317	414	436
Acceptance Fees	**32**	31	31	30	30	28	28	27	27	**94**	86	116	106
	143	129	132	127	140	132	131	131	140	**404**	403	530	542
Trading Revenues	**217**	151	149	138	99	157	243	126	133	**517**	499	637	594
Investment Banking													
Underwriting Fees and Other Commissions	**126**	137	135	122	113	114	104	121	115	**398**	331	453	493
Foreign Exchange and Other	**58**	58	59	53	54	48	51	50	47	**175**	153	206	187
	184	195	194	175	167	162	155	171	162	**573**	484	659	680
Net Gain on Investment Securities	**134**	79	127	64	105	108	94	109	109	**340**	307	371	414
Other	**142**	198	176	199	167	138	119	158	141	**516**	424	623	554
Total Other Income	**1,389**	1,308	1,333	1,216	1,173	1,186	1,225	1,154	1,128	**4,030**	3,584	4,800	4,529
% of Total Revenue (TEB)	**42.1**	40.7	41.5	40.5	39.2	41.9	43.3	42.2	41.9	41.4	41.4	41.2	42.2

NON-INTEREST EXPENSES

Scotiabank

($MM)	QUARTERLY TREND 2007 Q3	2007 Q2	2007 Q1	2006 Q4	2006 Q3	2006 Q2	2006 Q1	2005 Q4	2005 Q3	YEAR-TO-DATE 2007	YEAR-TO-DATE 2006	FULL YEAR 2006	FULL YEAR 2005
Salaries and Employee Benefits													
Salaries	**584**	571	565	558	539	505	498	515	494	**1,720**	1,542	2,100	1,963
Stock-based Compensation	**20**	29	57	50	23	27	64	42	38	**106**	114	164	140
Other Performance-based Compensation	**278**	259	244	217	241	249	229	180	208	**781**	719	936	880
Pension and Other Employee Benefits	**131**	145	137	141	137	147	143	124	134	**413**	427	568	505
	1,013	1,004	1,003	966	940	928	934	861	874	**3,020**	2,802	3,768	3,488
Premises and Technology													
Net Premises Rent	**50**	49	48	46	46	44	45	45	43	**147**	135	181	176
Premises Repairs and Maintenance	**17**	17	19	17	16	13	14	15	12	**53**	43	60	50
Property Taxes	**18**	16	15	17	17	16	11	15	16	**49**	44	61	61
Computer Equipment, Software and Data Processing	**148**	144	141	152	139	135	123	145	129	**433**	397	549	519
Depreciation	**56**	53	56	50	49	48	45	38	46	**165**	142	192	173
Other Premises Costs	**46**	50	48	40	46	42	43	44	42	**144**	131	171	169
	335	329	327	322	313	298	281	302	288	**991**	892	1,214	1,148
Communications													
Telecommunications	**19**	17	18	19	17	16	16	17	16	**54**	49	68	64
Stationery, Postage and Courier	**57**	58	55	56	53	51	48	49	50	**170**	152	208	191
	76	75	73	75	70	67	64	66	66	**224**	201	276	255
Advertising and Business Development													
Advertising and Promotion	**42**	42	49	41	33	27	25	54	34	**133**	85	126	139
Travel and Business Development	**29**	28	27	32	26	26	22	27	24	**84**	74	106	93
	71	70	76	73	59	53	47	81	58	**217**	159	232	232
Professional	**53**	48	45	58	46	38	32	55	44	**146**	116	174	186
Business and Capital Taxes	**37**	34	39	36	37	23	37	30	38	**110**	97	133	147
Other													
Employee Training	**13**	10	12	16	13	10	8	20	11	**35**	31	47	45
Amortization of Intangibles	**11**	11	12	12	10	8	8	9	6	**34**	26	38	29
Other	**143**	145	137	150	120	140	151	155	132	**425**	411	561	513
	167	166	161	178	143	158	167	184	149	**494**	468	646	587
Total Non-Interest Expenses	**1,752**	1,726	1,724	1,708	1,608	1,565	1,562	1,579	1,517	**5,202**	4,735	6,443	6,043
Productivity Ratio (TEB) (%)	**53.0**	53.8	53.6	56.9	53.8	55.3	55.2	57.8	56.4	**53.5**	**54.7**	55.3	56.3

BALANCE SHEET

Scotiabank

($MM)	2007 Q3	2007 Q2	2007 Q1	2006 Q4	2006 Q3	2006 Q2	2006 Q1	2005 Q4	2005 Q3
	QUARTERLY TREND								
Cash Resources	**28,776**	31,122	26,384	23,376	24,181	25,667	23,940	20,505	22,135
Securities - Trading	**63,797**	71,547	64,307	62,490	57,600	58,417	51,873	50,007	50,541
- Available for Sale	**29,060**	28,627	36,208	33,012	33,725	29,758	26,140	23,452	23,235
	92,857	100,174	100,515	95,502	91,325	88,175	78,013	73,459	73,776
Securities Purchased under Resale Agreements	**26,834**	25,867	24,129	25,705	22,535	22,208	20,058	20,578	23,290
Loans - Residential Mortgages	**99,000**	94,706	92,055	89,590	85,541	81,575	77,042	75,520	73,867
- Personal and Credit Cards	**41,360**	40,408	39,757	39,058	38,245	36,857	35,331	34,695	33,981
- Business and Governments	**84,778**	83,424	83,067	76,733	72,568	67,407	62,608	62,681	63,604
- Sub-total	**225,138**	218,538	214,879	205,381	196,354	185,839	174,981	172,896	171,452
Allowance for Credit Losses	**(2,423)**	(2,505)	(2,620)	(2,607)	(2,695)	(2,706)	(2,434)	(2,469)	(2,565)
- Total Net Loans	**222,715**	216,033	212,259	202,774	193,659	183,133	172,547	170,427	168,887
Acceptances	**10,289**	10,277	10,431	9,555	9,200	9,104	8,147	7,576	7,353
Trading Derivatives' Market Valuation	**14,407**	14,313	10,688	10,369	11,929	16,685	12,926	11,622	11,334
Land, Buildings and Equipment, net	**2,296**	2,308	2,344	2,256	2,209	2,178	1,926	1,934	1,947
Goodwill	**1,140**	1,176	1,121	873	688	639	497	498	546
Other Intangible Assets	**287**	301	317	294	267	269	226	235	219
Other Assets	**8,514**	10,139	8,282	8,302	8,988	8,921	6,671	7,191	8,046
Total Assets	**408,115**	411,710	396,470	379,006	364,981	356,979	324,951	314,025	317,533
Deposits - Personal	**98,171**	97,218	96,823	93,450	91,904	90,718	86,289	83,953	83,840
- Banks	**32,146**	36,466	31,201	29,392	28,072	32,567	27,606	24,103	24,912
- Business and Governments	**156,668**	157,919	148,995	141,072	135,249	124,363	113,652	109,389	111,257
- Total	**286,985**	291,603	277,019	263,914	255,225	247,648	227,547	217,445	220,009
Other Liabilities									
- Securities Sold Under Repurchase Agreements	**31,223**	29,577	29,612	33,470	29,117	29,960	24,902	26,032	27,003
- Securities Sold Short	**21,322**	21,521	18,201	13,396	14,663	10,961	10,513	11,250	9,976
- Trading Derivatives' Market Valuation	**12,780**	12,214	11,039	11,211	11,815	15,746	13,639	11,193	12,049
- Other	**33,614**	33,749	37,714	36,447	34,068	33,257	28,851	28,676	28,926
- Total	**98,939**	97,061	96,566	94,524	89,663	89,924	77,905	77,151	77,954
Subordinated Debentures	**1,774**	2,301	2,340	2,271	2,275	2,268	2,578	2,597	2,617
Capital Instrument Liabilities	**750**	750	750	750	750	750	750	750	750
Equity - Preferred Shares	**1,290**	1,290	945	600	600	600	600	600	600
- Common Shares and Contributed Surplus	**3,521**	3,539	3,520	3,425	3,393	3,363	3,339	3,317	3,314
- Retained Earnings	**16,967**	16,763	16,376	15,843	15,372	14,884	14,433	14,126	13,909
- Accumulated Other Comprehensive Income (Loss)	**(2,111)**	(1,597)	(1,046)	(2,321)	(2,297)	(2,458)	(2,201)	(1,961)	(1,620)
- Common Equity	**18,377**	18,705	18,850	16,947	16,468	15,789	15,571	15,482	15,603
- Total Equity	**19,667**	19,995	19,795	17,547	17,068	16,389	16,171	16,082	16,203
Total Liabilities and Shareholders' Equity	**408,115**	411,710	396,470	379,006	364,981	356,979	324,951	314,025	317,533

AVERAGE BALANCE SHEET

Scotiabank

($MM)	QUARTERLY TREND 2007 Q3	2007 Q2	2007 Q1	2006 Q4	2006 Q3	2006 Q2	2006 Q1	2005 Q4	2005 Q3	YEAR-TO-DATE 2007	YEAR-TO-DATE 2006	FULL YEAR 2006	FULL YEAR 2005
Deposits with Other Banks	**26,785**	25,461	22,407	23,163	21,339	21,000	18,457	19,098	18,063	**24,878**	20,257	20,989	17,990
Securities - Trading	**69,775**	67,227	64,059	58,489	59,433	57,151	53,021	51,851	51,712	**67,018**	56,528	57,022	49,664
- Available for Sale	**27,595**	36,650	35,153	33,649	33,368	29,980	25,551	22,991	22,832	**33,094**	29,629	30,643	22,463
	97,370	103,877	99,212	92,138	92,801	87,131	78,572	74,842	74,544	**100,112**	86,157	87,665	72,127
Securities Purchased under Resale Agreements	**26,877**	23,426	26,461	25,820	23,070	23,366	22,190	24,328	23,853	**25,612**	22,870	23,614	23,007
Loans - Residential Mortgages	**96,477**	93,163	90,982	89,091	83,437	78,225	76,510	74,537	71,986	**93,544**	79,403	81,845	71,613
- Personal and Credit Cards	**40,255**	39,564	38,680	38,205	37,324	36,083	34,767	34,041	34,144	**39,499**	36,058	36,599	33,748
- Business and Governments	**78,765**	78,413	75,298	69,052	64,664	59,643	57,828	57,726	58,758	**77,483**	60,724	62,823	57,375
- Total	**215,497**	211,140	204,960	196,348	185,425	173,951	169,105	166,304	164,888	**210,526**	176,185	181,267	162,736
Total Earning Assets	**366,529**	363,904	353,040	337,469	322,635	305,448	288,324	284,572	281,348	**361,128**	305,469	313,535	275,860
Acceptances	**10,881**	10,653	10,419	9,574	9,339	8,992	8,138	7,749	7,455	**10,651**	8,821	9,011	7,365
Other Assets	**31,736**	29,787	28,080	27,551	31,804	28,429	25,988	25,264	25,531	**29,730**	28,470	28,163	26,149
Total Assets	**409,146**	404,344	391,539	374,594	363,778	342,869	322,450	317,585	314,334	**401,509**	342,760	350,709	309,374
Deposits - Personal	**96,542**	96,246	94,233	92,184	89,825	87,183	84,546	82,617	82,158	**95,668**	87,185	88,445	81,265
- Banks	**35,480**	32,306	30,817	29,377	29,868	29,120	25,581	23,586	24,778	**32,874**	28,179	28,481	23,646
- Business and Governments	**155,615**	152,475	146,891	141,347	130,553	121,289	113,902	111,818	108,627	**151,651**	121,922	126,818	106,607
- Total	**287,637**	281,027	271,941	262,908	250,246	237,592	224,029	218,021	215,563	**280,193**	237,286	243,744	211,518
Other Liabilities	**98,736**	100,425	97,723	91,358	93,786	85,940	78,966	80,072	79,322	**98,939**	85,914	87,210	78,796
Subordinated Debentures	**2,191**	2,326	2,286	2,270	2,268	2,307	2,591	2,600	2,625	**2,267**	2,389	2,359	2,614
Capital Instrument Liabilities	**750**	750	750	750	750	750	750	750	750	**750**	750	750	750
Shareholders' Equity													
- Preferred Shares	**1,290**	1,040	630	600	600	600	600	600	600	**985**	600	600	490
- Common Shares, Contributed Surplus and Retained Earnings	**20,396**	20,098	19,551	19,017	18,506	18,010	17,595	17,333	16,992	**19,973**	18,050	18,294	16,872
- Accumulated Other Comprehensive Income (Loss)	**(1,854)**	(1,322)	(1,342)	(2,309)	(2,378)	(2,330)	(2,081)	(1,791)	(1,518)	**(1,598)**	(2,229)	(2,248)	(1,666)
- Total	**19,832**	19,816	18,839	17,308	16,728	16,280	16,114	16,142	16,074	**19,360**	16,421	16,646	15,696
Total Liabilities and Shareholders' Equity	**409,146**	404,344	391,539	374,594	363,778	342,869	322,450	317,585	314,334	**401,509**	342,760	350,709	309,374

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Scotiabank

($MM)	QUARTERLY TREND 2007 Q3	2007 Q2	2007 Q1	2006 Q4	2006 Q3	2006 Q2	2006 Q1	2005 Q4	2005 Q3	YEAR-TO-DATE 2007	YEAR-TO-DATE 2006	FULL YEAR 2006	FULL YEAR 2005
Preferred Shares:													
Balance at Beginning of Period	**1,290**	945	600	600	600	600	600	600	600	**600**	600	600	300
Preferred Shares Issued	**-**	345	345	-	-	-	-	-	-	**690**	-	-	300
Balance at End of Period	**1,290**	1,290	945	600	600	600	600	600	600	**1,290**	600	600	600
Common Shares and Contributed Surplus:													
Balance at Beginning of Period	**3,539**	3,520	3,425	3,393	3,363	3,339	3,317	3,314	3,242	**3,425**	3,317	3,317	3,229
Common Shares Issued less Purchases for Cancellation	**(18)**	19	95	32	30	24	22	3	72	**96**	76	108	88
Balance at End of Period	**3,521**	3,539	3,520	3,425	3,393	3,363	3,339	3,317	3,314	**3,521**	3,393	3,425	3,317
Retained Earnings:													
Balance at Beginning of Period	**16,763**	16,376	15,843	15,372	14,884	14,433	14,126	13,909	13,517	**15,843**	14,126	14,126	13,239
Cumulative Effect of Adopting New Accounting Policies	**-**	-	(61)	-	-	-	(25)	-	-	**(61)**	(25)	(25)	-
Adjusted Balance at Beginning of Period	**16,763**	16,376	15,782	15,372	14,884	14,433	14,101	13,909	13,517	**15,782**	14,101	14,101	13,239
Net Income	**1,032**	1,039	1,020	897	936	894	852	811	784	**3,091**	2,682	3,579	3,209
Dividends - Preferred	**(16)**	(11)	(8)	(7)	(8)	(7)	(8)	(8)	(9)	**(35)**	(23)	(30)	(25)
- Common	**(445)**	(417)	(416)	(386)	(385)	(356)	(356)	(338)	(339)	**(1,278)**	(1,097)	(1,483)	(1,317)
Premium on Redemption and Repurchase of Shares	**(368)**	(218)	-	(33)	(55)	(80)	(156)	(248)	(44)	**(586)**	(291)	(324)	(973)
Other	**1**	(6)	(2)	-	-	-	-	-	-	**(7)**	-	-	(7)
Balance at End of Period	**16,967**	16,763	16,376	15,843	15,372	14,884	14,433	14,126	13,909	**16,967**	15,372	15,843	14,126
Accumulated Other Comprehensive Income (1):													
Balance at Beginning of Period	**(1,597)**	(1,046)	(2,321)	(2,297)	(2,458)	(2,201)	(1,961)	(1,620)	(1,415)	**(2,321)**	(1,961)	(1,961)	(1,783)
Cumulative Effect of Adopting New Accounting Policies	**-**	-	683	-	-	-	-	-	-	**683**	-	-	-
Other Comprehensive Income-													
Net Change in Unrealized Foreign Currency Translation Gains (Losses)	**(465)**	(588)	522	(24)	161	(257)	(240)	(341)	(205)	**(531)**	(336)	(360)	(178)
Net Change in Unrealized Gains on available-for-sale Securities	**(146)**	17	48	-	-	-	-	-	-	**(81)**	-	-	-
Net Change in Gains on Derivative Instruments, designated as cash flow hedges	**97**	20	22	-	-	-	-	-	-	**139**	-	-	-
Total	**(514)**	(551)	592	(24)	161	(257)	(240)	(341)	(205)	**(473)**	(336)	(360)	(178)
Balance at End of Period	**(2,111)**	(1,597)	(1,046)	(2,321)	(2,297)	(2,458)	(2,201)	(1,961)	(1,620)	**(2,111)**	(2,297)	(2,321)	(1,961)
Total Shareholders' Equity at End of Period	**19,667**	19,995	19,795	17,547	17,068	16,389	16,171	16,082	16,203	**19,667**	17,068	17,547	16,082
Composition of Accumulated Other Comprehensive Income:													
Unrealized Foreign Currency Translation Gains (Losses)	**(2,852)**	(2,387)	(1,799)	(2,321)	(2,297)	(2,458)	(2,201)	(1,961)	(1,620)				
Unrealized Gains on available-for-sale Securities	**625**	771	754	-	-	-	-	-	-				
Gains on Derivative Instruments, designated as cash flow hedges	**116**	19	(1)	-	-	-	-	-	-				
Total	**(2,111)**	(1,597)	(1,046)	(2,321)	(2,297)	(2,458)	(2,201)	(1,961)	(1,620)				

(1) Accumulated Other Comprehensive Income balances prior to Q1/07 were previously reported as Cumulative Foreign Currency Translation Losses.

REGULATORY CAPITAL

Scotiabank

($MM)	Q3 2007	Q2 2007	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006	Q4 2005	Q3 2005	Full Year 2006	Full Year 2005
REGULATORY CAPITAL:											
Common Shares, Contributed Surplus & Retained Earnings	**20,488**	20,302	19,896	19,268	18,765	18,247	17,772	17,443	17,223	19,268	17,443
OCI - Accumulated Foreign Currency Translation Gains (Losses)	**(2,852)**	(2,387)	(1,799)	(2,321)	(2,297)	(2,458)	(2,201)	(1,961)	(1,620)	(2,321)	(1,961)
Non-Cumulative Preferred Shares	**1,290**	1,290	945	600	600	600	600	600	600	600	600
Innovative Capital Instruments	**3,000**	3,000	3,000	3,000	2,250	2,250	2,250	2,250	2,250	3,000	2,250
Non-Controlling Interest in Subsidiaries	**505**	496	491	435	411	387	310	306	296	435	306
Goodwill	**(1,140)**	(1,176)	(1,121)	(873)	(688)	(639)	(497)	(498)	(546)	(873)	(498)
Tier 1 Capital	**21,291**	21,525	21,412	20,109	19,041	18,387	18,234	18,140	18,203	20,109	18,140
OCI - Accumulated Net Unrealized Gains (after-tax) on available-for-sale Equity Securities	**350**	368	374	-	-	-	-	-	-	-	-
Debentures (net of amortization)	**1,531**	2,043	2,060	2,046	2,105	2,100	2,407	2,420	2,495	2,046	2,420
Eligible General Allowance (1)	**1,298**	1,298	1,323	1,307	1,330	1,330	1,330	1,330	1,375	1,307	1,330
Tier 2 Capital	**3,179**	3,709	3,757	3,353	3,435	3,430	3,737	3,750	3,870	3,353	3,750
Investment in Insurance Entities, Associated Corporations & Other	**(1,158)**	(942)	(949)	(476)	(457)	(406)	(436)	(358)	(534)	(476)	(358)
Total Regulatory Capital	**23,312**	24,292	24,220	22,986	22,019	21,411	21,535	21,532	21,539	22,986	21,532
CHANGES IN REGULATORY CAPITAL:											
Total Capital, Beginning of Period	**24,292**	24,220	22,986	22,019	21,411	21,535	21,532	21,539	21,484	21,532	20,864
Internally Generated Capital											
Net Income	**1,032**	1,039	1,020	897	936	894	852	811	784	3,579	3,209
Preferred and Common Share Dividends	**(461)**	(428)	(424)	(393)	(393)	(363)	(364)	(346)	(348)	(1,513)	(1,342)
	571	611	596	504	543	531	488	465	436	2,066	1,867
External Financing											
Debentures (net of amortization)	**(512)**	(17)	14	(59)	5	(307)	(13)	(75)	(13)	(374)	(73)
Innovative Capital Instruments	**-**	-	-	750	-	-	-	-	-	750	-
Preferred Shares	**-**	345	345	-	-	-	-	-	-	-	300
Common Shares and Contributed Surplus	**(18)**	19	95	32	30	24	22	3	72	108	88
Premium on Redemption and Repurchase of Shares	**(368)**	(218)	-	(33)	(55)	(80)	(156)	(248)	(44)	(324)	(973)
	(898)	129	454	690	(20)	(363)	(147)	(320)	15	160	(658)
Other											
OCI - Net Change in Foreign Currency Translation Gains (Losses)	**(465)**	(588)	522	(24)	161	(257)	(240)	(341)	(205)	(360)	(178)
OCI - Change in Net Unrealized Gains (after-tax) on available-for-sale Equity Securities	**(18)**	(6)	374	-	-	-	-	-	-	-	-
Non-controlling Interest in Subsidiaries	**9**	5	56	24	24	77	4	10	6	129	26
Other (2)	**(179)**	(79)	(768)	(227)	(100)	(112)	(102)	179	(197)	(541)	(389)
	(653)	(668)	184	(227)	85	(292)	(338)	(152)	(396)	(772)	(541)
Total Capital Generated (Used)	**(980)**	72	1,234	967	608	(124)	3	(7)	55	1,454	668
Total Capital, End of Period	**23,312**	24,292	24,220	22,986	22,019	21,411	21,535	21,532	21,539	22,986	21,532

OCI = Other Comprehensive Income

(1) Under OSFI Guidelines, the general allowance is included in Tier 2 capital up to a maximum of 0.875% of risk-weighted assets.

(2) Represents changes to eligible general allowance, regulatory capital deductions for goodwill, securitization-related amounts and investments in insurance entities (beginning Q1/07) and associated corporations, and other charges (credits) to retained earnings. Q1/07 includes a $61MM charge (Q1/06: $25MM charge) for cumulative effect of adopting new accounting policy on financial instruments (2006: stock-based compensation).

RISK-WEIGHTED ASSETS AND CAPITAL RATIOS

Scotiabank

		QUARTERLY TREND							
		2007		2006				2005	
		Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
RISK-WEIGHTED ASSETS ($B):										
On Balance Sheet Assets										
0 - 20%	Cash Resources	**4.3**	4.5	3.7	4.4	4.4	4.5	3.4	2.8	3.2
0 - 100%	Securities	**10.0**	9.7	13.2	12.3	12.0	10.9	10.4	7.4	7.2
0 - 50%	Residential Mortgages	**33.9**	32.1	31.4	30.3	28.9	27.3	26.0	25.3	24.6
0 - 100%	Loans & Acceptances (1)	**112.4**	110.3	109.7	103.5	99.3	92.7	87.2	85.1	87.5
0 - 100%	Other Assets	**7.3**	8.8	7.4	8.2	8.0	7.5	6.4	5.3	5.3
		167.9	165.4	165.4	158.7	152.6	142.9	133.4	125.9	127.8
Off Balance Sheet Assets										
Indirect Credit Instruments		**34.2**	32.6	30.4	29.1	28.8	28.4	28.1	29.7	28.9
Interest Rate, Foreign Exchange and Other Derivative Instruments		**6.2**	6.7	4.9	4.2	4.1	5.1	3.9	3.9	3.7
Market Risk -- Risk Assets Equivalent		**11.5**	8.4	6.1	5.0	4.8	3.7	3.5	3.3	3.4
Total Risk-Weighted Assets		**219.8**	213.1	206.8	197.0	190.3	180.1	168.9	162.8	163.8
RISK-WEIGHTED CAPITAL RATIOS (%):										
Tier I		**9.7**	10.1	10.4	10.2	10.0	10.2	10.8	11.1	11.1
Total		**10.6**	11.4	11.7	11.7	11.6	11.9	12.7	13.2	13.1
Tangible Common Equity		**7.7**	8.0	8.4	8.3	8.4	8.5	9.0	9.3	9.3

(1) includes Securities Purchased under Resale Agreements

DERIVATIVES

Scotiabank

($MM)	Notional Principal Amount	Credit Risk Amount	Potential Future Exposure	Credit Risk Equivalent Amount	CRE/Loans & Acceptances (%)	**Jul 31/07 Risk-Weighted Balance**	Apr 30/07 Risk-Weighted Balance	Jul 31/06 Risk-Weighted Balance
Interest Rate Contracts:								
Futures and Forward Rate Agreements	107,370	3	13	16	-	**6**	5	5
Interest Rate Swaps	574,369	4,198	2,810	7,008	3.0	**1,707**	1,354	1,395
Options Purchased	47,077	170	51	221	0.1	**58**	48	65
Options Written	26,142	-	-	-	-	**-**	-	-
Foreign Exchange Contracts:								
Futures, Spot and Forwards	252,544	3,109	2,539	5,648	2.4	**1,570**	1,653	1,787
Currency Swaps	103,583	5,650	5,300	10,950	4.7	**2,651**	2,458	2,071
Options Purchased	2,224	79	27	106	0.1	**39**	41	46
Options Written	2,026	-	-	-	-	**-**	-	-
Other Derivative Contracts:								
Equity	40,028	1,667	2,364	4,031	1.7	**1,339**	2,487	710
Credit	74,983	1,603	4,279	5,882	2.5	**1,734**	1,168	574
Other	6,336	156	501	657	0.3	**243**	251	251
Total Derivatives	**1,236,682**	**16,635**	**17,884**	**34,519**	**14.8**	**9,347**	9,465	6,904
Less: Impact of Master Netting Agreements		7,942	4,994	12,936	5.5	**3,227**	2,820	2,740
Total after Netting		**8,693**	**12,890**	**21,583**	**9.3**	**6,120**	6,645	4,164

GROSS IMPAIRED LOANS

Scotiabank

($MM)	QUARTERLY TREND								
	2007			2006				2005	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
GROSS IMPAIRED LOANS:									
Domestic									
Retail	**362**	366	362	374	346	339	332	311	255
Commercial	**207**	228	264	263	254	238	194	201	184
	569	594	626	637	600	577	526	512	439
International									
Retail	**488**	486	460	411	390	384	333	319	363
Commercial	**576**	602	592	569	604	645	435	413	420
	1,064	1,088	1,052	980	994	1,029	768	732	783
Scotia Capital									
Canada	**18**	18	18	18	18	19	20	25	33
U.S.A.	**18**	20	107	119	138	224	257	331	355
Europe	**40**	66	73	116	94	106	192	220	153
	76	104	198	253	250	349	469	576	541
Total Gross Impaired Loans	**1,709**	1,786	1,876	1,870	1,844	1,955	1,763	1,820	1,763
Specific Allowance for Credit Losses	**(1,125)**	(1,207)	(1,297)	(1,300)	(1,365)	(1,376)	(1,104)	(1,139)	(1,190)
Total Net Impaired Loans after Specific Allowance	**584**	579	579	570	479	579	659	681	573
General Allowance for Credit Losses	**(1,298)**	(1,298)	(1,323)	(1,307)	(1,330)	(1,330)	(1,330)	(1,330)	(1,375)
Total Net Impaired Loans after General Allowance	**(714)**	(719)	(744)	(737)	(851)	(751)	(671)	(649)	(802)

CHANGES IN GROSS IMPAIRED LOANS:

	Domestic Retail	Domestic Commercial	International	Scotia Capital	General Allowance	Total
Q2/07 Gross Impaired Loans	366	228	1,088	104		1,786
New Classifications	193	9	117	1		320
Declassifications, payments and sales	(116)	(8)	(24)	(25)		(173)
Net Classifications	77	1	93	(24)		147
Write-Offs	(81)	(22)	(75)	(1)		(179)
Forex	-	-	(42)	(3)		(45)
Q3/07 Gross Impaired Loans	**362**	**207**	**1,064**	**76**		**1,709**
Allowance for Credit Losses	(242)	**(119)**	(707)	(57)	(1,298)	(2,423)
Q3/07 Net Impaired Loans	**120**	**88**	**357**	**19**	**(1,298)**	**(714)**

NET IMPAIRED LOANS AND ALLOWANCE FOR CREDIT LOSSES

Scotiabank

($MM)	QUARTERLY TREND								
	2007			2006				2005	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
NET IMPAIRED LOANS:									
Domestic									
Retail	**120**	125	131	130	123	121	120	95	74
Commercial	**88**	90	114	115	88	77	75	88	55
	208	215	245	245	211	198	195	183	129
International									
Retail	**137**	113	94	61	55	110	89	73	42
Commercial	**220**	216	145	146	103	78	90	52	70
	357	329	239	207	158	188	179	125	112
Scotia Capital									
Canada	**2**	2	2	2	1	1	2	5	4
U.S.A.	**3**	3	58	45	83	160	188	249	254
Europe	**14**	30	35	71	26	32	95	119	74
	19	35	95	118	110	193	285	373	332
Total Net Impaired Loans after Specific Allowance	**584**	579	579	570	479	579	659	681	573
General Allowance for Credit Losses	**(1,298)**	(1,298)	(1,323)	(1,307)	(1,330)	(1,330)	(1,330)	(1,330)	(1,375)
Total Net Impaired Loans after General Allowance	**(714)**	(719)	(744)	(737)	(851)	(751)	(671)	(649)	(802)
Coverage Ratio (%) (1)	**141.8**	140.3	139.7	139.4	146.1	138.4	138.1	135.7	145.5
ALLOWANCE FOR CREDIT LOSSES:									
Balance, Beginning of Period	**2,516**	2,631	2,618	2,706	2,717	2,445	2,475	2,572	2,599
Acquisition of Subsidiairies	**10**	17	26	18	-	335	7	24	35
Write-offs	**(179)**	(136)	(168)	(150)	(142)	(120)	(131)	(160)	(188)
Recoveries	**38**	64	34	36	50	56	39	68	53
Provision for Credit Losses	**92**	20	63	32	74	35	75	36	85
Foreign Currency Adjustment and Other	**(44)**	(80)	58	(24)	7	(34)	(20)	(65)	(12)
Balance, End of Period	**2,433**	2,516	2,631	2,618	2,706	2,717	2,445	2,475	2,572
Comprised of:									
Specific Allowance	**1,125**	1,207	1,297	1,300	1,365	1,376	1,104	1,139	1,190
General Allowance	**1,298**	1,298	1,323	1,307	1,330	1,330	1,330	1,330	1,375
Other Liabilities	**10**	11	11	11	11	11	11	6	7
Total Allowance for Credit Losses	**2,433**	2,516	2,631	2,618	2,706	2,717	2,445	2,475	2,572

(1) Specific and General Allowances for Credit Losses as a percentage of Total Gross Impaired Loans.

CROSS BORDER EXPOSURES TO SELECT COUNTRIES IN ASIA AND LATIN AMERICA

Scotiabank

Outstandings (net of provisions), US$ millions

	Loans	Trade	Interbank Deposits	Govt./ Other Sec.	Invest. in Affiliates	Other (1)	Jul 31/07 **Total**	Apr 30/07 Total	Jul 31/06 Total
ASIA									
Korea	725	330	-	399	-	50	**1,504**	1,670	1,235
Japan	704	54	22	78	-	62	**920**	947	984
India	751	516	-	263	-	21	**1,551**	1,344	1,098
Malaysia	331	9	-	282	137	-	**759**	767	800
Hong Kong	345	33	50	393	-	14	**835**	994	1,027
China	401	777	24	12	-	11	**1,225**	1,094	750
Thailand	10	13	-	102	238	1	**364**	208	163
Other (2)	254	185	144	152	-	3	**738**	826	628
Total	**3,521**	**1,917**	**240**	**1,681**	**375**	**162**	**7,896**	7,850	6,685
LATIN AMERICA									
Mexico	1,306	61	-	531	1,939	-	**3,837**	3,831	3,387
Chile	717	7	-	-	393	2	**1,119**	1,209	863
Brazil	271	601	-	312	-	7	**1,191**	1,149	647
Peru	148	39	-	27	502	1	**717**	597	469
El Salvador	208	10	-	-	311	-	**529**	521	467
Costa Rica	608	16	-	-	390	-	**1,014**	865	322
Venezuela	3	8	-	3	79	-	**93**	134	145
Other (3)	575	40	6	46	-	-	**667**	639	601
Total	**3,836**	**782**	**6**	**919**	**3,614**	**10**	**9,167**	8,945	6,901

(1) includes forex contracts, precious metals, derivatives (positive mark-to-market).
(2) includes Indonesia, The Philippines, Singapore and Taiwan.
(3) includes Argentina, Colombia, Panama and Uruguay.

ASSET SECURITIZATION, RESERVES AND INTEREST RATE SENSITIVITY

Scotiabank

	QUARTERLY TREND								
	2007			2006				2005	
	Q3	**Q2**	Q1	Q4	Q3	Q2	Q1	Q4	Q3
ASSET SECURITIZATION ($MM):									
Balance, Beginning of Period	**11,653**	11,955	12,083	12,736	13,517	8,395	8,610	8,678	8,757
Securitizations	**1,351**	605	861	703	699	712	437	479	450
Paydowns/Maturities	**(758)**	(563)	(643)	(682)	(717)	(1,059)	(652)	(547)	(529)
Maple Trust's Mortgage-backed Securities	**(425)**	(344)	(346)	(674)	(763)	5,469	-		
Balance, End of Period									
Personal Loans	**170**	170	170	170	170	170	596	809	809
Credit Card	**-**	-	-	-	-	-	-	-	-
Mortgage-backed Securities	**11,651**	11,483	11,785	11,913	12,566	13,347	7,799	7,801	7,869
	11,821	11,653	11,955	12,083	12,736	13,517	8,395	8,610	8,678
INVESTMENT SECURITIES - UNREALIZED GAINS (LOSSES) ($MM):									
Bonds of Emerging Markets	**527**	676	667	658	593	584	697	683	
Other Fixed Income	**(103)**	(33)	(80)	(88)	(153)	(166)	(45)	(30)	
Common and Preferred Shares	**536**	565	574	521	457	523	543	506	
	960	1,208	1,161	1,091	897	941	1,195	1,159	

INTEREST RATE SENSITIVITY ($B):	Within 3 Months	3 to 12 Months	Cumulative Under 1 Year	Over 1 Year	Non-Interest Rate Sensitive
Canadian Currency Gap					
July 31, 2007	**12.1**	**(11.5)**	**0.6**	**8.7**	**(9.3)**
April 30, 2007	10.9	(7.5)	3.4	6.1	(9.5)
July 31, 2006	6.8	(8.7)	(1.9)	11.6	(9.7)
Foreign Currency Gap					
July 31, 2007	**(12.3)**	**4.5**	**(7.8)**	**19.9**	**(12.1)**
April 30, 2007	(1.0)	(2.7)	(3.7)	18.8	(15.1)
July 31, 2006	(3.4)	(0.1)	(3.5)	15.6	(12.1)
Total Currency Gap					
July 31, 2007	**(0.2)**	**(7.0)**	**(7.2)**	**28.6**	**(21.4)**
April 30, 2007	9.9	(10.2)	(0.3)	24.9	(24.6)
July 31, 2006	3.4	(8.8)	(5.4)	27.2	(21.8)

( ) denotes liability gap

Note: Based on the Bank's interest rate positions at July 31, 2007, an immediate and sustained 100 basis point rise in interest rates, across all currencies and maturities, would increase net income after-tax by approximately $92MM over the next 12 months, and lower the common shareholders' equity, in present value terms, by approximately $701MM.