

Scotiabank acquires Royal Bank of Scotland's wholesale banking operation in Colombia

TORONTO, March 1 /CNW/ - As part of its ongoing growth strategy, Scotiabank today announced that it has completed an agreement to acquire Royal Bank of Scotland's wholesale banking operations in Colombia ("RBSC"). While still subject to regulatory approvals, this represents Scotiabank's first acquisition in this country and would make it the only Canadian-owned wholesale institution with a presence in Colombia. Terms of the transaction were not disclosed but are not financially material to Scotiabank.

"Scotiabank has deep roots and a long history in the Caribbean, Central America and Latin America and we are proud to again grow our operations in this region," said Rob Pitfield, Scotiabank Group Head, International Banking. "The acquisition of this operation complements our strategy of investing in high growth markets where we anticipate increased demand for financial services. Latin America is an increasingly important part of Scotiabank's international strategy and we have built a strong and unique franchise by delivering superior service."

"This announcement marks Scotiabank's introduction to the Colombian market enhancing an already unique Latin American footprint that includes Mexico, Belize, El Salvador, Panama, Costa Rica, Dominican Republic, Peru, Venezuela, Brazil and Chile. Scotiabank is also the largest bank in the Caribbean and Central American region," said Pitfield.

The RBSC platform offers deposit, loan and capital markets products to corporate and commercial customers in Colombia. It will be managed under the Bank's Global Wholesale Banking initiative, which brings together the product and sectoral expertise of Scotia Capital with the specialized regional experience of International Banking to deliver comprehensive client coverage across five continents.

"This agreement illustrates the kind of opportunity that the Scotiabank Group is uniquely positioned to support," said Mike Durland, Group Head, Global Capital Markets and Co-Chief Executive Officer, Scotia Capital. "We are an experienced wholesale bank with a long history in international markets, and our presence in Latin America gives us a competitive advantage as a partner for Colombia's multinationals. Colombia is the fifth largest market in the region, and we look forward to the opportunity to serve new corporate clients in this country or those seeking to invest here."

"Today's announcement is very good news for our business based in Colombia. Scotiabank has ambitious plans for the Colombian market and that makes this an exciting opportunity for our staff and our customers. There will obviously be no change for some time while we await clearance from regulators for the sale to proceed, but we now have clarity on the next steps for our business in Colombia," said Russell Gibson, Divisional Head for RBS Latin America.

"I would like to take this opportunity to pay tribute to our leadership team and all the staff who work in RBS Colombia. They have remained resolute in their focus on serving our

customers during this period of uncertainty and I am confident will continue to do so as we transition to new owners in the months ahead," added Fabio Castellanos, Country Executive, RBS Colombia.

In Latin America, Scotiabank has 31,867 employees, 2,473 automated banking machines (ABMs) and 1,411 branches, kiosks and other offices in the region, including affiliates. Scotiabank has been in El Salvador since 1997, where it is the fourth-largest bank; in Peru since 1997, where it is the third-largest bank; Mexico since 1967, where it is the sixth-largest commercial bank; and Chile since 1990, where it is the sixth-largest bank.

Scotiabank has been part of the Caribbean and Central America since 1889. It is now the leading bank in the region, with operations in 27 countries, including affiliates. The Bank has 11,906 employees in the region, including affiliates, serving more than two million customers, with 410 branches, kiosks and other offices, plus about 799 automated banking machines.

Scotiabank is one of North America's premier financial institutions and Canada's most international bank. With close to 68,000 employees, Scotiabank Group and its affiliates serve approximately 12.8 million customers in some 50 countries around the world. Scotiabank offers a diverse range of products and services including personal, commercial, corporate and investment banking. With more than \$496 billion in assets (as at October 31, 2009), Scotiabank trades on the Toronto (BNS) and New York Exchanges (BNS). For more information, please visit www.scotiabank.com.

Scotia Capital is the wholesale banking arm of the Scotiabank Group, offering a wide variety of products to corporate, government and institutional clients. Scotia Capital provides full-service coverage across the NAFTA region, and also serves selected niche markets globally through two divisions, Global Capital Markets and Global Corporate and Investment Banking. It has 28 offices and more than 300 relationship managers organized around industry specialties. For more information, please visit www.scotiacapital.com.

For further information: Scotiabank: Elsa Mercado, elsa_mercado@scotiacapital.com or (416) 866-3631; RBS: Pholida Phengsomphone, pholida.phengsomphone@rbs.com or (203) 897 3350