

Scotiabank Concludes Transaction to Expand in Brazil

TORONTO AND SÃO PAULO, Oct. 3, 2011 /CNW/ - Scotiabank today announced the completion of a transaction expanding its Latin American operations through an agreement with Commerzbank AG to acquire Dresdner Bank Brasil S.A. - Banco Múltiplo (DBB). Terms of the transaction are not financially material to Scotiabank and were not disclosed. The transaction has been confirmed by the Banco Central do Brasil.

"Scotiabank's footprint in Latin America and the purchase of DBB reinforces our global commitment to achieving sustainable revenue growth and earning strong returns on capital while prudently managing risk," said Steve McDonald, Group Head, Global Corporate and Investment Banking, and Co-Chief Executive Officer (CEO), Scotia Capital. "This new wholesale operating platform will accelerate our organic growth strategy in the Brazilian market."

While DBB has operated as a wholesale bank, it also has a multiple banking license, enabling it to offer a range of financial services. Scotiabank retains this license as part of the acquisition and will operate as Scotiabank Brasil S.A. Banco Multiplo.

"Scotiabank is very optimistic about the opportunity in Brazil and we see tremendous potential for continued expansion of our wholesale business in key Latin American markets, where we have significant strategic strength - such as oil and gas, power, metals and mining, agriculture and infrastructure," said Mike Durland, Group Head, Global Capital Markets, and Co-CEO, Scotia Capital. "Leveraging Scotiabank's long, proud history across the region provides deep market insight and an ability to offer unique expertise to meet the needs of corporate and institutional clients."

The largest and most populous country in South America, the Federative Republic of Brazil is South America's leading economic power. With more than 190 million people - including about 70 per cent between the ages of 15 and 64 years - Brazil has the fifth-largest population in the world. The Gross Domestic Product (GDP) is an estimated US\$2.3 trillion in 2011, the seventh-largest GDP in the world, measured in Purchasing Power Parity (PPP) terms by International Monetary Fund (IMF) standards. The nation has large and well-developed energy, agriculture, mining, manufacturing, and service sectors, which serve as the foundation for the country's economy.

"The completion of this acquisition signifies a further strengthening of Scotiabank's robust Latin American presence," said Brian Porter, Group Head, International Banking. "With more than 40 years in Brazil through our representative office, the addition of the Dresdner Bank operations and the multiple banking license gives us the option to broaden our future services in a very attractive market."

In Latin America, Scotiabank has operations in Brazil, Chile, Colombia, Mexico, Peru, Uruguay and Venezuela. The Bank has more than 26,000 employees, 2,249 automated banking machines (ABMs) and 1,255 branches, kiosks and other offices in the region, including affiliates.

"This transaction demonstrates the ability of Scotiabank Group's Global Wholesale Banking (GWB) initiative to capitalize on key opportunities by better co-ordinating wholesale banking efforts across various geographies," said Mr. Durland. "GWB allows us to combine the product and sectoral expertise of Scotia Capital with the specialized regional expertise of International Banking to deliver comprehensive client coverage across five continents."

Mr. Porter added: "This is a collaborative effort that will provide our clients with the best possible products, service and insight. Together, our combination of strengths will ensure revenue growth across our global corporate platform."

Scotia Capital is the global corporate and investment banking and capital markets division of the Scotiabank Group. We help corporate, institutional and government clients in Canada and around the globe seize opportunities, unlock value, and achieve their financial goals. Scotia Capital has 29 offices and more than 300 relationship managers organized around industry specialties. For more information, please visit www.scotiacapital.com.

Scotiabank is one of North America's premier financial institutions and Canada's most international bank. With more than 70,000 employees, Scotiabank Group and its affiliates serve some 18.6 million customers in more than 50 countries around the world. Scotiabank offers a broad range of products and services including personal, commercial, corporate and investment banking. With assets above \$567 billion (as at July 31, 2011), Scotiabank trades on the Toronto (BNS) and New York Exchanges (BNS). For more information please visit www.scotiabank.com.

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