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MEDIA RELEASE

SCOTIA GROUP JAMAICA LIMITED REPORTS 11 CONSECUTIVE YEARS OF RECORD RESULTS

FISCAL 2007 HIGHLIGHTS

- **Net Income of $7,610 million**
- **Net Income available to common shareholders of $7,493 million**
- **Earnings per share of $2.48**
- **Return on Average Equity 24.01%**
- **Productivity ratio of 55.34%**
- **Fourth Quarter dividend of 30 cents per share**

Scotia Group Jamaica Limited (Scotia Group) today reported record results for the fiscal year of $7,493 million net income available to common shareholders, an increase of $694 million or 10.2% when compared to the same period last year. We also delivered strong results for the fourth quarter with net profit of $2,126 million, which was $152 million above the net income for the quarter ended July 31, 2007 and $311 million above the net income for the quarter ended October 31, 2006.

William E. Clarke, President and CEO said “Our strategy of diversifying across business lines has once again allowed us to achieve record results and to meet our key financial targets for 2007. All our business lines contributed significantly to our net income, in spite of increased operating costs and reduction in interest margins resulting from lower market interest rates, as we focused on growing volumes and increasing our non-interest income. Now that the reorganization of the Group is completed, our outlook for 2008 is very positive, as we have now laid the foundation to become leaders in wealth management and wealth creation”.

The contribution to net income by our subsidiaries are outlined below:-

	$' million	% Contribution
The Bank of Nova Scotia Jamaica Limited	4,932	65.83%
Scotia Jamaica Life Insurance Limited	1,381	18.43%
Dehring, Bunting and Golding Limited	556	7.42%
Scotia Jamaica Investment Management Limited	169	2.26%
Scotia Jamaica Building Society	389	5.19%
Other	66	0.87%
Net Income attributable to common shareholders	7,493	100.00%

Our retail portfolio continues to achieve solid results with excellent growth of over $8 Billion in our Scotia Plan Loans, Mortgages (SJBS) and Credit card portfolios.

Earnings per share (EPS) for the year was $2.48, compared to $2.32 for last year, while Return on Average Equity (ROE) remains very strong at 24.01%.

The Board of Directors today, approved an interim dividend of 30 cents per stock unit, payable on January 10, 2008 to stockholders on record at December 4, 2007.

REVENUES

Total Revenue comprising net interest revenue and other income was $22,765 million, an increase of $3,115 million or 15.85% from prior year.

NET INTEREST INCOME

Net interest income was $17,478 million, up $1,955 million when compared to last year. This is as a result of strong portfolio volume growth primarily in our retail portfolio, as net interest margin continue to trend downwards in line with market interest rates. Interest income earned from securities also increased, due to volume growth in the investment, pledged assets and repurchase agreement portfolios.

OTHER REVENUE

Other revenue, excluding Insurance Premium Income, was $4,669 million, up $972 million when compared with last year driven mainly by the growth in foreign exchange trading profit and credit related fees. Insurance Premium is attributable to ScotiaMINT, the interest sensitive life insurance policy and Creditor Life insurance, marketed by Scotia Jamaica Life Insurance Company Limited. Combined net premium income for both products increased by approximately $188 million when compared to prior year. SJLIC reported gross premium income of $4.8 billion for the twelve month period.

NON-INTEREST EXPENSES AND PRODUCTIVITY

The Group continues to pay close attention to expense control and risk management. Our productivity ratio (non-interest expense as a percentage of total revenue) - a key measure of cost efficiency - was 55.34%. If insurance premium and related actuarial expenses were excluded, to recognize the significant dissimilarities between the revenue/expense pattern of the insurance business and the other financial services offered by the Scotiabank group, the productivity ratio for the period was 45.81%, which is significantly better than the international benchmark of 60%.

Non-interest Expenses excluding Change in Policyholders' Reserve and Loan Loss Provisions, were $9,620 million, an increase of $1,757 million over last year of which $535 Million relate to the inclusion of DB&G in the consolidated results. The balance of $1,222 million was due to increased staff costs, amortization of the intangible assets resulting from the acquisition of DB&G, advertising and public relations (sponsorship of World Cup Cricket) and computer related expenses. Policyholders Reserves for ScotiaMINT's life insurance fund is directly attributed to the business in force.

CREDIT QUALITY

Non-performing Loans at October 31, 2007 were $2,109 million, of which $792 million relates to the consolidation of DB&G. The non-performing loans for the BNSJ Group were $1,316 million, this was an increase of $307 million when compared to $1,009 million a year ago, and $90 million above the previous quarter ended July 31, 2007. The BNSJ Group's non-performing loans now represent 1.82% of total loans and 0.64% of total assets compared to 1.68% and 0.50% respectively in prior year.

The IFRS Loan Loss Provisioning requirements are computed using a different methodology from the Regulatory requirement. The difference in the amount computed under the two methodologies is reported as Loan Loss Reserve in the equity component of the Balance Sheet. The Group's loan loss provision as determined by IFRS is $857 million, of which $667 million is specific and $190 million is general.

The loan loss provision as determined by Regulatory Requirement is $1,902 million, of which $355 million relates to provisions established by DB&G. BNSJ Group's loan loss provision is $1,548 million which exceeds total non-performing loans by $232 million, and provides coverage of 118% of BNSJ Group's non performing loans. Over the years, we continue to experience significant growth in the loan portfolio, however the loan loss provision has remained relatively stable, due to Scotiabank's strong credit policy and loan administration procedures, which has ensured the high quality of the loan portfolio.

BALANCE SHEET

Total assets increased year over year by $63 Billion or 32% to $263 Billion as at October 31, 2007. The consolidation of DB&G contributed $40 Billion to the growth in assets. The Group's performing loans were $75 billion, up $16 Billion over the previous year, as we continue to experience significant growth in retail lending, and have seen an improvement in the demand for commercial loans. Investments, pledged assets and repurchase agreements increased by $43 Billion of which $33 Billion relates to the consolidation of DB&G. Retirement Benefit Asset represents the net of the present value of pension obligation and the fair value of the pension plan assets as determined by independent actuaries.

Deposits grew to $137.9 billion, up $17 billion 14.43% from the previous year, reflecting continued confidence in Scotiabank.

CAPITAL

Scotia Group's capital base continues to be very strong. Total shareholders equity grew to $34 billion, $6.9 Billion more than prior year, this was due mainly to an increase of $3.6 Billion in the share capital of Scotia Group Jamaica Limited consistent with the Scheme of Arrangement.

RECENT DEVELOPMENTS

At a meeting of the Board held today, the Hon. William McConnell and Mr. Joseph Matalon resigned as directors. Ms. Barbara Alexander, Attorney at Law, Mr. Mark Golding, Attorney at Law, Mr. Jeffrey Hall, CEO Jamaica Producers Group Limited and Mr. Pasquelle Minicucci, SVP Scotiabank Canada, were appointed directors of the company.

OUR COMMITMENT TO THE COMMUNITY

In 2007, Scotiabank executed several projects and programs which further demonstrated our commitment to our Corporate Social Responsibility and to improving the communities in which we live and work. In demonstrating this commitment, the Scotiabank Jamaica Foundation has donated $495 million to Education, Health and Community projects in Jamaica since 1996. In fiscal 2007, the Foundation donated a total of $55 million to various projects.

In Education, we awarded 247 new and on-going scholarships and bursaries to students at the secondary and tertiary level totaling $20 million. We expanded the Breakfast Feeding Programme beyond Holy Family Infant & Primary School, Kingston to include Bamboo Primary & Junior High, St. Ann; Norwich Primary and Drapers All Age, Portland; and Whitfield All Age, Kingston to provide meals for approximately 500 students daily, at a cost of $1 million annually. The 300 seat Lecture Theatre at the Montego Bay Community College was also completed at a cost of $25 million.

In Health Care, we equipped the Scotiabank Centennial Accident and Emergency Unit , at the University Hospital of the West Indies with a new Digital X-ray Unit, Ultrasound unit and six Infusion Pumps at a cost of $32 million. The Foundation also contributed $1.4 million for an additional six dialysis machines at the Scotiabank Jamaica Foundation Haemodalysis Center at Cornwall Regional Hospital bringing the number of units installed at that facility to 16. Funds were also provided for the expansion of the treatment area. The Scotiabank Jamaica Foundation Accident and Emergency Unit at the Port Antonio Hospital also benefited from painting and roof repairs.

Scotia Group 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 great execution by our team of skilled and dedicated employees and their consistent focus on customer satisfaction. We thank them for their professionalism, commitment and for being a great team.

Scotia Group Jamaica Limited
Statement of Consolidated Revenues & Expenses

	For the three months ended			For the year ended	
Audited	**October**	**July**	**October**	**October**	**October**
($ millions)	**2007**	**2007**	**2006**	**2007**	**2006**
GROSS OPERATING INCOME	**8,929**	**8,676**	**7,234**	**31,690**	**27,047**
INTEREST INCOME					
Loans and deposits with banks	3,782	3,869	3,444	14,661	13,506
Securities	3,579	3,376	2,657	11,742	9,414
	7,361	7,245	6,101	26,403	22,920
INTEREST EXPENSE					
Deposits and repurchase agreements	2,594	2,682	2,056	8,925	7,397
Net interest income	4,767	4,563	4,045	17,478	15,523
Provision for credit losses	-124	-101	-103	-526	-302
Net interest income after provision for credit losses	4,643	4,462	3,942	16,952	15,221
Net fee and commission income	829	748	756	3,119	2,782
Insurance premium income	174	152	126	618	430
Gains less losses from foreign currencies	361	293	218	1,067	880
Other operating income	204	238	33	483	35
	1,568	1,431	1,133	5,287	4,127
TOTAL OPERATING INCOME	**6,211**	**5,893**	**5,075**	**22,239**	**19,348**
OPERATING EXPENSES					
Staff costs	1,490	1,411	1,153	5,403	4,651
Premises and equipment, including depreciation	411	434	333	1,508	1,235
Amortisation of intangible assets	135	-	-	135	-
Changes in policyholders' reserves	640	647	577	2,452	2,169
Other operating expenses	779	711	514	2,574	1,977
	3,455	3,203	2,577	12,072	10,032
PROFIT BEFORE TAXATION	**2,756**	**2,690**	**2,498**	**10,167**	**9,316**
Taxation	**-547**	**-682**	**-683**	**-2,557**	**-2,517**
PROFIT AFTER TAXATION	2,209	2,008	1,815	7,610	6,799
ATTRIBUTABLE TO:					
Stockholders of the company	2,126	1,974	1,815	7,493	6,799
Minority interest	83	34	-	117	-
NET INCOME	**2,209**	**2,008**	**1,815**	**7,610**	**6,799**
Earnings per share based on 3,111,572,984 shares (cents)	**68**	**63**	**62**	**248**	**232**
Return on average equity	**25.16%**	**25.34%**	**27.08%**	**24.01%**	**26.35%**
Return on assets annualised	**3.23%**	**3.06%**	**3.63%**	**2.85%**	**3.40%**
Productivity ratio	**56.49%**	**55.12%**	**51.76%**	**55.34%**	**52.59%**
Productivity ratio (excluding Life Insurance Business)	**47.70%**	**45.48%**	**41.63%**	**45.81%**	**42.48%**

Scotia Group Jamaica Ltd.
Consolidated Balance Sheet

	Year ended October 31	Year ended October 31
Audited		
($ millions)	**2007**	**2006**
ASSETS		
CASH RESOURCES	55,104	59,802
INVESTMENTS		
Held To Maturity	39,225	34,451
Financial assets at fair value through statement of revenue and expenses	1,125	238
Securities available for sale	21,646	13,456
	61,996	48,145
PLEDGED ASSETS	34,665	19,782
CAPITAL MANAGEMENT AND GOVERNMENT SECURITIES FUND	14,060	-
GOVERNMENT SECURITIES UNDER REPURCHASE AGREEMENT	1,156	602
LOANS, AFTER MAKING PROVISIONS FOR LOSSES	76,667	59,588
OTHER ASSETS		
Customers' Liability under acceptances, guarantees and letters of credit	7,829	3,961
Real estate and equipment at cost, less depreciation	2,702	2,350
Taxation Recoverable	1,293	675
Retirement Benefit Asset	4,840	4,287
Other assets	286	648
Intangible Assets	2,528	-
		-
	19,478	11,920
TOTAL ASSETS	**263,126**	**199,840**
LIABILITIES		
DEPOSITS		
Deposits by public	131,018	113,280
Other deposits	6,860	7,210
	137,878	120,490
OTHER LIABILITIES		
Acceptances, guarantees and Letters of Credit	7,829	3,961
Liabilities under repurchase agreements	31,530	18,234
Promissory Notes	607	-
Capital Management and Government Securities Fund	14,060	-
Redeemable Preference Shares	100	-
Deferred Taxation	1,794	1,561
Retirement Benefit Obligation	723	487
Assets Held in Trust on behalf of Participants	53	-
Other liabilities	5,310	4,010
	62,006	28,253
POLICY HOLDER'S FUND	26,974	23,709
EQUITY		
Capital and reserves attributable to the company's shareholders		
Capital- Issued and fully paid, 3,111,572,984 Ordinary stock units, no par value	6,570	2,927
Reserve Fund	3,161	3,158
Retained Earnings Reserve	5,993	5,243
Capital Reserve	69	0
Loan Loss Reserve	1,046	807
Other Reserves	27	27
Investment Cumulative Remeasurement result from Available for Sale Financial Assets	(212)	275
Unappropriated Profits	17,679	14,953
	34,333	27,390
Minority Interest	1,935	-
	36,268	27,390
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**263,126**	**199,840**

Director Director

SCOTIA GROUP JAMAICA LIMITED

Consolidated Statement of Changes in Shareholders' Equity

Audited

($ millions)	Share Capital	Reserve Fund	Retained Earnings Reserve	Capital Reserve	Other Reserves	Loan Loss Reserve	Cumulative Remeasurement from AFS financial Assets	Unappropriated Profits	Minority Interest	Total
Balance at 31 October 2005	2,927	3,158	4,493	-	27	807	195	11,919		**23,526**
Unrealised Gains/(Losses) on available-for-sale investments, net of taxes							151			**151**
Realised (Gains)/Losses on available-for-sale investments transferred to Statement of Revenue & Expenses							(71)			**(71)**
Net profit	-	-	-		-	-	-	6,799		**6,799**
Retained earnings transfer	-	-	750		-	-	-	(750)		**-**
Dividends paid	-	-	-		-	-	-	(3,015)		**(3,015)**
Balance at 31 October 2006	**2,927**	**3,158**	**5,243**	**-**	**27**	**807**	**275**	**14,953**	**-**	**27,390**
Unrealised Gains/(Losses) on available-for-sale investments, net of taxes							**(454)**			**(454)**
Realised (Gains)/Losses on available-for-sale investments transferred to Statement of Revenue & Expenses							**(33)**			**(33)**
Net profit	-	-	-		-	-	-	7,493	117	**7,610**
Reserves relating to acquisition of subsidiary		3			-	(19)				**(16)**
Transfer of gain relating to sale of subsidiary				69						**69**
Loan Loss Reserve Transfer						258		(258)		**-**
Issue of preference shares								(100)		**(100)**
Issue of shares	3,643									**3,643**
Retained earnings transfer	-	-	750		-	-	-	(750)		**-**
Minority interests' net assets of acquired subsidiaries									1,818	**1,818**
Dividends paid	-	-	-		-	-	-	(3,659)		**(3,659)**
Gains/(losses) from changes in fair value, net of tax	-	-	-		-	-		-		**-**
Balance as at 31 October 2007	**6,570**	**3,161**	**5,993**	**69**	**27**	**1,046**	**(212)**	**17,679**	**1,935**	**36,268**

Scotia Group Jamaica Limited
Condensed Consolidated Statement of Cash Flows

(Audited) *($ millions)*	**Year Ended October 31, 2007**	**Year Ended October 31, 2006**
Cash flows provided by / (used in) operating activities		
Net Income	7,610	6,799
Adjustments to net income		
Depreciation	366	324
Impairment losses on loans	526	302
Gain on sale of subsidiary	(188)	-
Amortisation of intangible assets	135	-
Other, net	807	(268)
	9,256	7,157
Changes in operating assets and liabilities		
Loans	(17,440)	(1,633)
Deposits	17,716	5,710
Policyholders reserve	3,265	3,754
Other, net	9,700	(3,581)
	22,497	11,407
Cash flows provided by / (used in) investing activities		
Investments	(41,480)	(10,366)
Repurchase Agreements, net	27,229	9,095
Property, plant and equipment, net	(705)	(657)
Acquisition of subsidiary	(4,912)	-
	(19,868)	(1,928)
Cash flows used in financing activities		
Issue of share capital	3,643	-
Dividends paid	(3,659)	(3,015)
	(16)	(3,015)
Effect of exchange rate on cash and cash equivalents	2,198	1,189
Net change in cash and cash equivalents	4,811	7,653
Cash and cash equivalents at beginning of year	25,623	17,970
Cash and cash equivalents at end of period	**30,434**	**25,623**
Represented by :		
Cash Resources	24,550	25,805
Statutory reserves at BOJ	(10,601)	(9,318)
Interest bearing deposits with banks, non operating	14,181	11,419
Treasury bills and bonds less than 90 days	5,541	600
Cheques and other instruments in transit, net	(3,237)	(2,883)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**30,434**	**25,623**

SCOTIA GROUP JAMAICA LIMITED

Segment Reporting Information

Consolidated Statement of Income

Audited

For the period ended October 31, 2007

($'000s)	Treasury	Retail Banking	Corporate Banking	Investment Management Services	Insurance Services	Other	Eliminations	Group Total
Gross External Revenues	6,836,094	9,405,862	5,916,624	4,904,674	4,533,396	5,599	87,617	31,689,866
Revenues from other segments	(4,358,866)	2,768,441	1,463,669	106,779	21,334	11,948	(13,305)	-
Total Revenues	2,477,228	12,174,303	7,380,293	5,011,453	4,554,730	17,547	74,312	31,689,866
Expenses	(107,725)	(8,862,232)	(5,390,296)	(4,295,410)	(2,870,891)	(9,396)	13,305	(21,522,645)
Unallocated expenses								
Profit Before Tax	2,369,503	3,312,071	1,989,997	716,043	1,683,839	8,151	87,617	**10,167,221**
Income tax expense								(2,557,161)
Net profit								**7,610,060**

Consolidated Balance Sheet

As at October 31, 2007

($'000s)	Treasury	Retail Banking	Corporate Banking	Investment Management Services	Insurance Services	Other	Eliminations	Group Total
Segment assets	78,802,142	44,346,569	43,711,417	69,161,160	33,702,394	166,549	-11,743,163	258,147,068
Unallocated assets								4,978,563
Total Assets								263,125,631
Segment liabilities	236,512	76,913,730	69,065,909	52,129,931	27,128,507	55,545	-2,975,951	222,554,183
Unallocated liabilities								4,304,915
Total liabilities								226,859,098
Other Segment items:								
Capital Expenditure	-	311,226	225,778	172,544	9,035	-		718,583
Impairment losses on loans	-	486,255	36,810	2,851	-	-		525,916
Depreciation	-	197,022	131,037	32,611	4,976	540		366,186

SCOTIA GROUP JAMAICA LIMITED

Segment Reporting Information

Consolidated Statement of Income

Audited

($'000s)	For the period ended October 31, 2006							
	Treasury	Retail Banking	Corporate Banking	Investment Management Services	Insurance Services	Other	Eliminations	Group Total
Gross External Revenues	6,404,275	7,894,080	6,096,609	2,575,019	4,069,182	7,362		27,046,527
Revenues from other segments	(3,908,230)	2,827,047	1,109,849	81,662	16,137	16,541	(143,006)	-
Total Revenues	2,496,045	10,721,127	7,206,458	2,656,681	4,085,319	23,903	(143,006)	27,046,527
Expenses	(100,329)	(7,603,960)	(5,265,921)	(2,337,928)	(2,563,693)	(2,078)	143,006	(17,730,903)
Unallocated expenses								
Profit before taxation	2,395,716	3,117,167	1,940,537	318,753	1,521,626	21,825	-	**9,315,624**
Income tax expense								(2,516,716)
Net profit								**6,798,908**

Consolidated Balance Sheet

($'000s)	As at October 31, 2006							
	Treasury	Retail Banking	Corporate Banking	Investment Management Services	Insurance Services	Other	Eliminations	Group Total
Segment assets	76,488,592	34,972,133	35,880,558	19,953,269	29,143,600	176,138	-1,679,742	194,934,549
Unallocated assets								4,905,566
Total Assets								199,840,115
Segment liabilities	1,593,918	69,438,983	57,510,245	18,413,556	23,911,713	61,058	-1,479,451	169,450,022
Unallocated liabilities								3,000,538
Total liabilities								172,450,560
Other Segment items:								
Capital Expenditure	-	351,882	304,473	450	5,862	-		662,667
Impairment losses on loans	-	290,574	11,999	(579)	-	-		301,994
Depreciation	-	177,957	137,990	2,722	4,337	680		323,686

1. Identification

During the fiscal year, a Scheme of Arrangement was undertaken that resulted in the reorganization of the Group as follows:-

The Bank of Nova Scotia Jamaica Limited became a wholly owned subsidiary of Scotia Group Jamaica Limited by the exchange of 2,927,232,000 shares.

Scotia Group Jamaica Limited acquired 77.01% interest in Dehring, Bunting and Golding Limited.

Dehring, Bunting and Golding Limited acquired 100% interest in Scotia Jamaica Investment Management Limited from the Bank of Nova Scotia Jamaica Limited.

2. Basis of presentation

These consolidated financial statements have been prepared in accordance with and comply with International Financial Reporting Standards.

Comparative information

The Bank of Nova Scotia Jamaica Limited effected a reorganization as a part of the Scheme of Arrangement which occurred during 2007, whereby the shareholders of the Bank exchanged their shares in the Bank for shares in the company. Resulting from this reorganization, the comparative information in the consolidated financial statements and other financial information for prior years represents the consolidated financial statements and other financial information for the Bank of Nova Scotia Jamaica Limited.

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 unrealised gains and losses are eliminated in preparing the consolidated financial statements.

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

3. Financial Assets

The Group classifies its financial assets in the following categories: financial assets at fair value through statement of revenue and expenses; 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 Statement of Revenue and Expenses

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, financial assets at fair value through statement of revenue and expenses are carried at fair value. Loans and receivables investment is carried at amortised cost using the effective interest method. Gains and losses arising from changes in the fair value of the 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 equity.

Interest calculated using the effective interest method is recognized in the statement of revenue and expenses.

4. Insurance 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.

5. Loan loss provision
A 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 reprice 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 Balance Sheet.

6. Employee benefits
The Group operates both a defined benefits 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 income statement, 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 balance sheet.

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 it relates.

7. 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.

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

9. 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.
Cash and cash equivalents are carried at amortised cost in the balance sheet.

10. Segment reporting
The Group is organized into five main business segments:

- Retail Banking – incorporating personal banking services, personal customer current accounts, saving deposits, custody, 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 Bank's liquidity and investment management function, management of correspondent bank relationships, as well as foreign currency trading;
- Investment Management Services – incorporating investments and pension fund management and the administration of trust accounts;
- Insurance Services – incorporating the provision of life insurance and
- Other operations of the Group comprise non trading subsidiaries.

Transactions between the business segments are on normal commercial terms and conditions.