



Kingston, Jamaica
Tuesday, January 3, 2012

Contacts: Scotiabank
Klao Bell-Lewis – Manager, Public & Corporate
klao.bell-lewis@scotiabank.com
Tel: 876. 922.1000 ext 22166 or 876.295-0811

Despite Economic Outlook, Scotiabank Set to Grow Loans - Mortgage Portfolio, Strategic Partnerships, Big Drivers

Buoyed by its above target performance in 2011 which saw increases in its loan portfolio by \$4.2B (4.3%) to \$99.9B Scotiabank Group is set to aggressively develop its loan portfolio as part of its 2012 growth strategy.

This mirrors the bank's consistent performance in experiencing year on year growth in loans over the years. (For example in 2009, loans stood at \$92.2B and in 2007, \$76.7B.)

"For the 2011 financial year, we reduced lending rates on retail and commercial loans to remain competitive and stimulate loan growth." said Jacqueline Sharp, Chief Financial Officer.

The bank's growth strategy, in spite of the ongoing tempestuous global economy, is hinged on its success in: mortgages, creating unique financing options for government agencies and the private sector, facilitating micro-loans through Credi-Scotia, and expanding its distribution channels.

Expounding on some of the partnerships and unique financing options, Mrs. Sharp said: "We recently signed a commitment letter with the National Water Commission for a loan syndication of US\$115 million for further expansion of the water supply system. We have a strong partnership with the Used Car Dealers Association and the Medical Association of Jamaica and we are very happy with the responsiveness of the small business and microfinance sectors to the loan rates and terms we have made available."

Known to be a leader in creative and unique financing, the bank has in recent years facilitated initiatives such as the Scotia Farm Programme, introduced in April 2010 to provide a \$100 million crop financing fund which made loans available to qualified farmers at an interest rate of 9.95% per annum. The programme is supported by the Ministry of Agriculture, and the Rural Agricultural Development Authority (RADA).

Scotiabank will also be eyeing opportunities presented in the mortgage sector where it experienced encouraging growth of over 35% in 2011. Despite negative national economic trends, its mortgage portfolio in the Building Society (SJBS) grew by \$2.7B year over year, compared to a growth of \$802 million (12%) in 2010. In 2011 SJBS had the highest volume of mortgage sales in its 17-year history.

"We targeted first-time home owners and professionals and made the strategic move to lower our mortgage interest rate to 10.75%. These initiatives contributed to a surge in loan demand during the second half of the year," Mrs. Sharp said.

###