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NEWS RELEASE

Scotia Group Jamaica Limited

Disclosure Statement on the National Debt Exchange Offer February 20, 2013

The Government of Jamaica launched a National Debt Exchange Offer (NDX) on Tuesday, February 12, 2013 as part of a medium term economic programme to create a platform for sustainable economic growth.

In summary, the NDX is an offer to all holders of domestic marketable securities, both USD and JMD, for a par to par exchange with no reduction in principal amount, a reduction in interest rates and an extension in the maturity profile of the debt. The Government is targeting 100% participation from all bond holders and hopes to complete this exercise as a precursor to obtaining multilateral funding support from the International Monetary Fund.

The Board of Directors of Scotia Group Jamaica Limited (“Scotia Group Jamaica”) and its subsidiaries have discussed the impact of accepting the NDX Offer and have approved the full participation in the Offer.

In commenting on this decision, Bruce Bowen, President and CEO of Scotia Group Jamaica, stated that “the NDX Offer represents a significant opportunity for the government to improve the fiscal imbalance and long term sustainability of the country’s debt dynamics. The respective Boards felt that full participation in the NDX Offer was prudent and in the best interest of all our stakeholders.”

While the transaction will have a negative impact on our income statement, Scotia Group Jamaica's key capital adequacy ratios will remain above the regulatory requirements after the transaction is completed.

Scotiabank Group has been in Jamaica for over 123 years and is well capitalized to manage any effects from this program. Our strong commitment to risk management and oversight and prudent capital management are principles that will continue to serve Scotia Group Jamaica well.