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NEWS RELEASE

SCOTIABANK REDUCES BASE LENDING RATE AND INTRODUCES 8.95 % LOAN FUND FOR PRIVATE SECTOR BUSINESSES

Scotiabank is reducing its Base Lending Rate and introducing another Productive Sector Growth Fund as a further means of bolstering economic recovery in Jamaica.

Effective May 1, 2011, Scotiabank will reduce its Base Lending Rate by 100 basis points to 15.75 % down from 16.75 %. This represents the third reduction in the Bank's Base Rate since June 1, 2010 and is now the lowest it has been in over 27 years. Scotiabank already has the lowest Base Lending Rate in Jamaica, and with this further reduction will again differentiate itself as the leader in reducing borrowing rates.

Bruce Bowen, Scotiabank Group's President & Chief Executive Officer said, "As one of the country's largest and most successful financial services groups, we are once again taking the lead in lowering rates and making loans more affordable to our customers."

Base Lending Rate is a benchmark rate for commercial and small business variable rate loans. Consumer loans and special commercial loan programmes are priced separately based upon the specific features of those facilities.

Productive Sector Growth Fund

In order to underline Scotiabank's commitment to supporting the growth in the economy, the bank is concurrently announcing an additional $500 Million Productive Sector Growth Loan Fund.

This offer will be made available at a concessionary interest rate of **8.95%**, **down from the previous 9.95%**, to Jamaican businesses in the productive sector to fund projects that will create employment, generate exports or replace imports.

Borrowers within the manufacturing, agriculture, tourism, export and distribution sectors will benefit from the new 8.95 % fixed for up to 7 years at a maximum of $20 Million. The Fund also includes a special $50 Million pool of funding for start-up small businesses where borrowers with a history of 2 years or less can access between $2- $5 Million under the same terms and conditions.

For more information regarding the Private Sector Growth Fund, interested businesses should contact their nearest Scotiabank branch.

The launch of this new Fund demonstrates Scotiabank's continued commitment to the growth of the Jamaican economy – the last similar offer from Scotiabank which provided $735 Million of funds was only 18 months ago.

Low Interest Rate Loans
Scotiabank has a long history of leadership in providing the lowest base lending rates in Jamaica and of providing innovative and low cost financing programmes to stimulate private sector investment.

Over the past 12 years Scotiabank has launched special loan programmes offering a total of J$5.8 Billion at below market interest rates ranging from 7.0 %-10.25 %. These programmes have enabled small and medium sizes companies to expand their businesses, hire employees and increase export earnings in the manufacturing, distribution, tourism and agricultural sectors.

Information on Scotiabank
Scotiabank has been in Jamaica since 1889 and is the premier financial institution in the country with just over 2,000 employees and 39 branches island wide. Scotiabank is a subsidiary of Scotiabank Group which offers a diverse range of products and services including personal, commercial, and small business banking; wealth management; insurance; and mortgages. The Group is an award winning institution having been named on numerous occasions as the Bank of the Year and Best Bank in Jamaica by international financial publications - the Banker, Latin Finance, Euromoney, and Global Finance magazines.

The Scotiabank Group has $325 billion in assets (as at October 31, 2010). For more information please visit www.jamaica.scotiabank.com.

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