

## To Our Shareholders

The Directors are pleased to announce that Scotiabank Trinidad and Tobago Limited ("the Group") realized net income after taxation of \$157 million for the quarter ended 31 January 2016, an increase of \$22 million or 17% over the prior year.

The Group continues to excel in its sales and origination efforts in the retail banking segment with net loans increasing by \$830 million (7%) over the prior year. This strong growth coupled with our focus on improving net interest margins through enhanced treasury management strategies has resulted in a \$36 million (16%) increase in net interest income over the prior year. Non-interest income of \$126 million increased marginally by 1%, driven by increases in core business activities in our retail and corporate/commercial segments.

Total assets of \$22 billion increased by \$0.7 billion or 3% over the prior year driven by increases in our major interest earning assets. Our deposit portfolio increased by \$1 billion or 6% over the prior year as customers continue to invest with confidence in the Group.

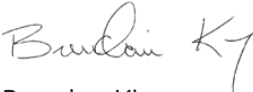
The Group continues to focus on controlling the growth of our non-interest expenses and improving operational efficiency and our

productivity ratio improved to 43.6% from 45.8% in 2015. This ratio continues to make us an industry leader in delivering quality products and services in a cost efficient manner.


Our strong growth in loans has been matched by improving credit quality with our ratio of non-accrual loans to total loans decreasing from 1.96% to 1.63% and our loan loss expense declined by \$8 million or 53% over the prior year.

Based on these results, the Directors are pleased to announce a quarterly dividend of 40 cents per share (2015 – 40 cents), payable on 9th April 2016 to shareholders on record as of 11th March 2016.

7 March 2016



Brendan King  
Chairperson



Anya M. Schnoor  
Managing Director

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION (STATED IN \$'000)

	UNAUDITED As at 31 January 2016	UNAUDITED As at 31 January 2015	AUDITED As at 31 October 2015
<b>ASSETS</b>			
Cash on hand and in transit	\$ 213,936	\$ 122,277	\$ 115,337
Due from banks and related companies	790,336	1,919,497	1,496,569
Treasury bills	2,240,576	1,396,312	1,824,834
Deposits with Central Bank	3,026,645	3,460,058	3,103,462
Net loans to customers	13,474,896	12,644,952	13,090,950
Investment securities	2,182,969	1,702,784	2,201,318
Investment in associate companies	27,738	24,118	26,938
Property, plant and equipment	249,686	247,989	251,616
Miscellaneous assets	43,699	68,844	41,242
Goodwill	2,951	2,951	2,951
<b>TOTAL ASSETS</b>	<b>\$ 22,253,432</b>	<b>\$ 21,589,782</b>	<b>\$ 22,155,217</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>LIABILITIES</b>			
Deposits	\$ 17,054,384	\$ 16,062,376	\$ 16,837,090
Due to banks and related companies	85,883	25,773	41,899
Other liabilities	347,001	338,103	381,434
Provision for taxation	32,194	36,000	29,015
Policyholders' funds	1,132,040	931,659	1,099,602
Debt security in issue	-	618,000	-
Deferred tax liability	35,551	44,407	31,122
<b>TOTAL LIABILITIES</b>	<b>18,687,053</b>	<b>18,056,318</b>	<b>18,420,162</b>
<b>SHAREHOLDERS' EQUITY</b>			
Stated capital	267,563	267,563	267,563
Statutory reserve fund	637,563	607,563	637,563
Investment revaluation reserve	(10,845)	26,253	(2,524)
Retained earnings	2,672,098	2,632,085	2,832,453
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>3,566,379</b>	<b>3,533,464</b>	<b>3,735,055</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>\$ 22,253,432</b>	<b>\$ 21,589,782</b>	<b>\$ 22,155,217</b>

### CONSOLIDATED STATEMENT OF INCOME (STATED IN \$'000)

	UNAUDITED Three months ended 31 January 2016	UNAUDITED Three months ended 31 January 2015	AUDITED Year ended 31 October 2015
<b>NET INTEREST AND OTHER INCOME</b>			
Net Interest Income	\$ 267,469	\$ 231,002	\$ 974,623
Other Income	125,757	124,598	497,300
Total Revenue	393,226	355,600	1,471,923
<b>NON-INTEREST EXPENSES</b>			
	171,394	163,080	656,073
<b>INCOME BEFORE TAXATION AND LOAN LOSS</b>	<b>221,832</b>	<b>192,520</b>	<b>815,850</b>
Loan loss expense	7,586	16,021	38,558
<b>INCOME BEFORE TAXATION</b>	<b>214,246</b>	<b>176,499</b>	<b>777,292</b>
Provision for taxation	57,182	41,853	211,155
<b>INCOME AFTER TAXATION</b>	<b>\$ 157,064</b>	<b>\$ 134,646</b>	<b>\$ 566,137</b>
Dividends per share	40.0c	40.0c	300.0c
Earnings per share	89.1c	76.4c	321.0c

### CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME (STATED IN \$'000)

	UNAUDITED Three months ended 31 January 2016	UNAUDITED Three months ended 31 January 2015	AUDITED Year ended 31 October 2015
<b>NET INCOME FOR THE YEAR</b>	<b>\$ 157,064</b>	<b>\$ 134,646</b>	<b>\$ 566,137</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Remeasurement of defined benefit liability (asset), net of tax	-	-	10,492
Revaluation of available-for-sale investments, net of tax	(8,321)	(3,395)	(32,172)
<b>TOTAL COMPREHENSIVE INCOME, ATTRIBUTABLE TO EQUITY HOLDERS</b>	<b>\$ 148,743</b>	<b>\$ 131,251</b>	<b>\$ 544,457</b>

# SCOTIABANK TRINIDAD AND TOBAGO LIMITED

## FINANCIAL RESULTS FOR THE PERIOD ENDED 31 JANUARY 2016



### CONSOLIDATED STATEMENT OF CASH FLOWS (STATED IN \$'000)

	UNAUDITED As at 31 January 2016	UNAUDITED As at 31 January 2015	AUDITED As at 31 October 2015
<b>Cash flows from operating activities</b>			
Net income before taxes	\$ 214,246	\$ 176,499	\$ 777,292
Change in loans	(375,610)	(834,301)	(1,269,534)
Change in deposits	217,318	850,930	1,625,455
Taxation paid	(48,030)	(27,744)	(169,491)
Other adjustments to reconcile income before taxation to net cash from operating activities	87,307	(72,461)	528,648
<b>Net cash from operating activities</b>	<b>95,231</b>	<b>92,923</b>	<b>1,492,370</b>
<b>Cash flows used in investing activities</b>			
Change in Treasury Bills with original maturity date due over 3 months	\$ (314,640)	\$ 328,698	\$ (298,973)
Change in investments	31,151	(143,596)	(696,195)
Purchase of property, plant and equipment	(1,998)	(9,542)	(28,971)
<b>Net cash from (used in) investing activities</b>	<b>(285,487)</b>	<b>175,560</b>	<b>(1,024,139)</b>
<b>Cash flows used in financing activities</b>			
Dividends paid	(317,419)	(123,441)	(335,056)
Decrease in debt security in issue	-	-	(618,000)
<b>Net cash used in financing activities</b>	<b>(317,419)</b>	<b>(123,441)</b>	<b>(953,056)</b>
Decrease in cash and cash equivalents	\$ (507,675)	\$ 145,042	\$ (484,825)
<b>Cash and cash equivalents, beginning of period</b>	<b>1,611,906</b>	<b>2,096,731</b>	<b>2,096,731</b>
<b>Cash and cash equivalents, end of period</b>	<b>1,104,231</b>	<b>2,241,773</b>	<b>1,611,906</b>
<b>Cash and cash equivalents</b>			
Cash on hand and in transit	\$ 213,936	\$ 122,277	\$ 115,337
Due from banks and related companies	790,336	1,919,497	1,496,569
Treasury bills with original maturity date not exceeding 3 months	99,959	199,999	-
<b>Cash and cash equivalents</b>	<b>1,104,231</b>	<b>2,241,773</b>	<b>1,611,906</b>

### SEGMENT REPORTING FOR THE PERIOD ENDED 31 JANUARY 2016 (STATED IN \$'000)

	Retail Corporate & Commercial Banking	Trust & Merchant Banking	Insurance Services	Other	Total
<b>UNAUDITED Three months ended 31 January 2016</b>					
<b>Total Revenue</b>	\$ 354,763	1,322	36,300	841	393,226
<b>Material non-cash items</b>					
Depreciation	4,128	8	-	-	4,136
<b>Income before taxation</b>	\$ 183,269	1,102	29,041	834	214,246
<b>Assets</b>	\$ 13,474,896	33,391	1,940,162	6,804,983	22,253,432
<b>Liabilities</b>	\$ 17,054,384	1,268	1,213,807	417,594	18,687,053
<b>UNAUDITED Three months ended 31 January 2015</b>					
<b>Total Revenue</b>	\$ 306,458	2,324	45,982	835	355,600
<b>Material non-cash items</b>					
Depreciation	4,207	22	-	-	4,229
<b>Income before taxation</b>	\$ 134,158	2,952	38,566	823	176,499
<b>Assets</b>	\$ 12,644,952	247,333	1,657,174	7,040,323	21,589,782
<b>Liabilities</b>	\$ 16,062,376	8,017	1,014,514	971,411	18,056,318
<b>AUDITED Year ended 31 October 2015</b>					
<b>Total Revenue</b>	\$ 1,294,614	11,349	162,654	3,306	1,471,923
<b>Material non-cash items</b>					
Depreciation	17,486	61	-	-	17,547
<b>Income before taxation</b>	\$ 627,656	5,328	137,077	7,231	777,292
<b>Assets</b>	\$ 13,090,950	30,530	1,868,516	7,165,221	22,155,217
<b>Liabilities</b>	\$ 16,837,090	-	1,160,828	422,244	18,420,162

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 JANUARY 2016 (STATED IN \$'000)

	Stated Capital	Statutory Reserve	Investment Revaluation Reserve	Retained Earnings	Total Shareholders' Equity
<b>UNAUDITED Three months ended 31 January 2016</b>					
<b>Balance as at 31 October 2015</b>	\$ 267,563	637,563	(2,524)	2,832,453	3,735,055
Net income for the year	-	-	-	157,064	157,064
<b>Other comprehensive income, net of tax</b>					
- Revaluation of available-for-sale investments	-	-	(8,321)	-	(8,321)
<b>Total comprehensive income</b>	\$ -	-	(8,321)	157,064	148,743
<b>Transactions with owners, recorded directly into equity</b>					
Dividends paid	-	-	-	(317,419)	(317,419)
<b>Balance as at 31 January 2016</b>	\$ 267,563	637,563	(10,845)	2,672,098	3,566,379
<b>UNAUDITED Three months ended 31 January 2015</b>					
<b>Balance as at 31 October 2014</b>	\$ 267,563	582,563	29,648	2,645,880	3,525,654
Net income for the year	-	-	-	134,646	134,646
<b>Other comprehensive income, net of tax</b>					
- Revaluation of available-for-sale investments	-	-	(3,395)	-	(3,395)
<b>Total comprehensive income</b>	\$ -	-	(3,395)	134,646	131,251
<b>Transactions with owners, recorded directly into equity</b>					
Transfer to statutory reserve	-	25,000	-	(25,000)	-
Dividends paid	-	-	-	(123,441)	(123,441)
	-	25,000	-	(148,441)	(123,441)
<b>Balance as at 31 January 2015</b>	\$ 267,563	607,563	26,253	2,632,085	3,533,464
<b>AUDITED Year ended 31 October 2015</b>					
<b>Restated balance as at 31 October 2014</b>	\$ 267,563	582,563	29,648	2,645,880	3,525,654
Net income for the year	-	-	-	566,137	566,137
<b>Other comprehensive income, net of tax</b>					
- Revaluation of available-for-sale investments	-	-	(32,172)	-	(32,172)
- Remeasurement of defined benefit obligation	-	-	-	10,492	10,492
<b>Total comprehensive income</b>	\$ -	-	(32,172)	576,629	544,457
<b>Transactions with owners, recorded directly into equity</b>					
Transfer to statutory reserve	-	55,000	-	(55,000)	-
Dividends paid	-	-	-	(335,056)	(335,056)
	-	55,000	-	(390,056)	(335,056)
<b>Balance as at 31 October 2015</b>	\$ 267,563	637,563	(2,524)	2,832,453	3,735,055

#### Significant Accounting Policies:

#### Basis of preparation

These financial statements, in all material aspects, have been prepared in accordance with International Financial Reporting Standards. The accounting policies used in the preparation of the financial statements are the same as were followed in the financial statements as at 31 October 2015.

#### Comparative information

Comparative amounts in the Consolidated Statement of Income have been restated to conform to presentation changes in the current financial period.