

**Scotia Capital and Grupo Financiero Scotiabank Inverlat Join Forces to Execute Key Mergers and Acquisitions Transaction in Mexico**

**TORONTO, MEXICO CITY, March 14, 2005** – Scotia Capital and Grupo Financiero Scotiabank Inverlat today announced they served as financial advisors for one of the largest merger-and-acquisition deals in Mexico during the past year.

The transaction features Mexico's fifth-largest retailer, Grupo Comercial Chedraui, acquiring 30 retail stores from France's Carrefour Group, the world's second largest retailer. Terms of the transaction – which includes 16 stores in Mexico City – were not released.

“This transaction is a prime example of how Scotiabank Group is beginning to leverage its wholesale banking capabilities across the region defined by the North American Free Trade Agreement (NAFTA),” said Rick Waugh, Scotiabank's President and Chief Executive Officer. “This deal demonstrates the calibre and quality of services we provide NAFTA clients by leveraging local relationships and global expertise.”

A global leader, Carrefour has more than 10,378 stores in 32 countries and consolidated sales of US\$118.7 billion.

Grupo Comercial Chedraui is a privately owned retailer that operates 64 hypermarkets, primarily in the south and east of Mexico. Hypermarkets are stores that take the benefits of the superstore even further, using their greater size to give the customer a wider range and depth of products.

This transaction solidifies Grupo Comercial Chedraui's position as the No. 5 retailer in the country. It also provides a strong foothold in the highly attractive metropolitan Mexico City market, propelling it to the No. 4 retailer in the metro area.

“Our operations in Mexico will play an increasingly important role for Scotia Capital as part of our NAFTA wholesale banking platform,” added Rick Waugh. “Our NAFTA platform will allow us to better serve corporate and institutional investor clients across Canada, the U.S. and Mexico.

Grupo Financiero Scotiabank Inverlat provides retail, corporate and investment banking services in Mexico. Scotia Capital represents the corporate and investment banking businesses of the Scotiabank Group outside of Mexico.

Scotiabank is one of North America's premier financial institutions and Canada's most international bank. With approximately 48,000 employees, Scotiabank Group and its affiliates serve about 10 million customers in some 50 countries around the world. Scotiabank offers a diverse range of products and services including personal, commercial, corporate and investment banking. With US\$242 billion in assets (as at January 31, 2005), Scotiabank trades on the Toronto (BNS) and New York (BNS) Stock Exchanges. For more information please visit [www.scotiabank.com](http://www.scotiabank.com).

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