PRESS RELEASE
For immediate release

DECEMBER 4, 2007

LAURENTIAN BANK REPORTS NET INCOME OF $94.5 MILLION FOR 2007, COMPARED WITH $70.3 MILLION FOR 2006

For the year ended October 31, 2007, Laurentian Bank reported a net income of $94.5 million or diluted earnings of $3.48 per common share, compared with $70.3 million or diluted earnings of $2.48 per common share in 2006. Return on common shareholders' equity was 10.9% in 2007, compared with 8.2% in 2006. Income from continuing operations increased by 37% to $90.1 million or diluted earnings of $3.29 per common share for 2007, excluding income from discontinued operations of $4.4 million related to the recognition of a portion of the deferred gain from the sale of BLC-Edmond de Rothschild Asset Management Inc., as detailed on page 7. For 2006, income from continuing operations was $65.6 million or diluted earnings of $2.28 per common share, excluding income from discontinued operations of $4.7 million.

For the fourth quarter ended October 31, 2007, the Bank reported a net income of $30.2 million or diluted earnings of $1.14 per common share, compared with $22.6 million or diluted earnings of $0.84 per common share for the fourth quarter of 2006. Return on common shareholders' equity was 13.8% for the fourth quarter of 2007 versus 10.8% for the same quarter of 2006. The results from continuing operations reached $25.7 million or diluted earnings of $0.95 per common share for the fourth quarter of 2007, compared with $18.1 million or diluted earnings of $0.65 per common share for 2006.

As detailed in the following sections, the results for the fourth quarter ended October 31, 2007 benefited from certain significant items: a $4.0 million ($3.3 million net of income taxes or $0.14 diluted per common share) gain resulting from the worldwide restructuring of Visa and a favourable tax adjustment of $2.2 million ($0.09 diluted per common share) resulting from the resolution of certain tax exposures. During the fourth quarter, the Bank also recorded a $2.9 million ($2.0 million net of income taxes or $0.09 diluted per common share) charge related to its $20 million portfolio of securities issued by conduits covered by the "Montreal Agreement". The Bank was also affected by certain other items related to the liquidity and credit crisis, as detailed on page 6. The results for the fourth quarter of 2006 included a favourable tax adjustment of $2.1 million ($0.09 diluted per common share) resulting from corporate reorganizations and other tax planning strategies.

Commenting on the results for the year, Mr. Robitaille, President and Chief Executive Officer, stated: “2007 was a very good year for us. The strong loan and deposit growth and our efficient cost control contributed positively to our profitability and to the attainment of all the objectives that we had set a year ago. The increase to the quarterly dividend of $0.03 per common share, to $0.32 per common share, announced today is a testimonial to these accomplishments and reflects our confidence in improving our performance. We must however remain dedicated to ensure our long-term growth. As regards to the ABCP issue, we reviewed rigorously the situation and decided to reduce the value of our investments totalling $20 million by 15%." Mr. Robitaille further added, “I am also very happy that we came to an agreement in principle with our employee's union on the terms of the upcoming collective agreement for the next four years. This further demonstrates the valued cooperation between the Bank and its employees, and is perfectly in line with the Bank’s human capital priority."

FINANCIAL REVIEW

The following sections present a summary analysis of the Bank’s financial condition and operating results for the year ended October 31, 2007, as well as for the fourth quarter of 2007. The analysis should be read in conjunction with the unaudited financial information for the fourth quarter of 2007. The Bank's audited annual consolidated financial statements and accompanying Management Discussion and Analysis are also available on the Bank's website at www.laurentianbank.ca.

How Management measures its performance – a look-back to 2007 objectives and Objectives for 2008

The following summarizes the Bank’s performance with regard to its 2007 objectives and presents management’s objectives for 2008.

The objectives below are solely intended to provide the reader with information about how management measures its performance. It is not intended to disclose the Bank's expectations for future financial results.

Performance Indicators	2007 Objectives	2007 Performance	2008 Objectives(1)
Return on common shareholders’ equity	8% to 9%	10.9%	9.5% to 10.5%
Diluted net income per share	$2.55 to $2.85	$3.48	$3.30 to $3.60
Total revenue	$550 to $560 million	$584 million	+ 5% ($615 million)
Efficiency ratio	75% to 73.5%	73.2%	74% to 72%
Tier 1 capital ratios	Minimum of 9.5%	9.8%	Minimum of 9.5%
Credit quality (loan losses as a % of average assets)	0.24% to 0.21%	0.24%	n.a.(2)

(1) these objectives for 2008 should be read concurrently with the following paragraphs.

(2) no specific objective was set for credit quality for 2008 as it is closely related to the Return on common shareholders’ equity and Diluted net income per share indicators. Management will nonetheless continue to closely monitor the quality of its loan portfolio.

As shown in the table above, the Bank met or exceeded all of its objectives for 2007. Revenue grew significantly as a result of higher loan and deposit volumes and overall improvements in all business segments, while cost control measures limited increases in expenses.

The results for the year also benefited from certain items as detailed below:

- A $4.0 million gain ($3.3 million net of income taxes or $0.14 diluted per common share) resulting from the Visa worldwide restructuring; and
- Various favourable tax adjustments for $6.0 million ($0.25 diluted per common share); partially offset by
- A $2.9 million ($2.0 million net of income taxes or $0.09 diluted per common share) charge related to its asset-backed securities portfolio.

Excluding these items, return on common shareholders' equity would have been 10.0% and diluted net income per share $3.18, still exceeding objectives for 2007.

The objectives set for 2008, described in the table above, take into account that the Bank will not necessarily benefit from similar items next year. These objectives take into account certain planned costs associated with initiatives aimed at accelerating the Bank's growth, as well as the uncertainties related to the prevailing liquidity and credit crisis in Canada and the United States described further on pages 6 and 7.

Highlights

For the year

- Net income improved by 34% to $94.5 million in 2007, from $70.3 million in 2006.
- Total revenue increased by 8% and stood at $583.9 million in 2007, compared with $539.8 million in 2006. The continuous improvement in net interest income and other income reflect the growth in loan and deposits portfolios resulting from recent development initiatives and relatively stable market conditions.
- Non-interest expenses rose by 4% to $427.4 million in 2007 from $410.8 million in 2006. The increase essentially results from higher salaries and employee benefits, since cost control measures contributed to limiting increases in other expenses.
- The provision for credit losses remained unchanged at $40.0 million for 2007.
- Income tax expense related to continuing operations was $26.4 million in 2007, for an effective tax rate of 22.7%, compared with $23.4 million in 2006, for an effective tax rate of 26.3%. The income tax expense for 2007 and 2006 includes the effect of certain tax items, as detailed below in the analysis of consolidated results section.
- Results for the year included the significant items detailed above.

- Results for 2006 included the effect of certain tax adjustments amounting to $2.1 million ($0.09 diluted per common share) resulting from corporate reorganizations and other tax planning strategies. Other tax adjustments which were recorded during the year generally offset each other.

For the fourth quarter

- Net income improved by 34% to $30.2 million for the fourth quarter of 2007, compared with $22.6 million in 2006.
- Total revenue increased by 6% and stood at $145.6 million in 2007, compared with $137.1 million in 2006, mainly as a result of higher net interest income and despite the effect of the liquidity and credit crisis.

- Non-interest expenses rose to $105.8 million in 2007 from $104.8 million in 2006.
- The provision for credit losses remained unchanged at $10.0 million for 2007.
- Income tax expense related to continuing operations was $4.1 million in 2007, for an effective tax rate of 13.8%, compared with $4.1 million in 2006, for an effective tax rate of 18.5%.
- Results for the fourth quarter of 2007 included the following significant items:

  - a $4.0 million ($3.3 million net of income taxes or $0.14 diluted per common share) gain resulting from the Visa worldwide restructuring;
  - the recognition of a $2.2 million ($0.09 diluted per common share) tax benefit following the resolution of certain tax exposures; and
  - the impact of the credit and liquidity crisis, including a $2.9 million ($2.0 million net of income taxes or $0.09 diluted per common share) charge related to the asset-backed securities portfolio.

- Results for the fourth quarter of 2006 included a favourable tax adjustment of $2.1 million ($0.09 diluted per common share) resulting from corporate reorganizations and other tax planning strategies.

Total revenue was $583.9 million in 2007, compared with $539.8 million in 2006. Net interest income improved by 9% to $390.2 million in 2007, from $357.2 million in 2006. The increase resulted mainly from growth in loans and deposits portfolios and, to a lesser extent, to higher net interest margin, which was 2.31% in 2007.

Other income was $193.7 million in 2007, compared with $182.6 million in 2006. The $11.1 million increase in 2007 is mainly attributable to growth in core activities, including higher fees on deposits and card services, on mutual funds sales, from brokerage activities and from treasury and financial market activities. Other income also includes the $4.0 million gain on Visa worldwide restructuring.

Total revenue for the fourth quarter of 2007 amounted to $145.6 million, compared with $137.1 million for the fourth quarter in 2006. Net interest income improved by 6%, or $5.6 million, despite the negative effect of higher funding costs, as discussed on page 6. Other income stood at $47.9 million for the fourth quarter of 2007, compared with $45.0 million for the fourth quarter of 2006. The increase is mainly attributable to the Visa gain as other revenues remained relatively stable. Also noteworthy are the $3.0 million gain resulting from the securitization of residential mortgages and the $2.8 million loss on the revaluation of seller-swaps, as discussed on page 7.

The **provision for credit losses** amounted to $40.0 million for 2007, the same level as for 2006. Considering the increase in loan volumes, this level of loan losses actually reflects an improvement year over year. The surge in the Canadian dollar and energy prices remain sources of concern for their possible impact on the economy. However, so far the Canadian economy has shown resilience and has been able to adapt. For the fourth quarter, the provision for credit losses stood at $10.0 million, the same level as a year ago.

Gross impaired loans improved to $103.9 million as at October 31, 2007, from $130.6 million as at October 31, 2006. Net impaired loans stood at −$11.4 million (−0.1% of total loans, bankers' acceptances and assets purchased under reverse repurchase agreements) as at October 31, 2007, while they stood at $5.4 million (0.0%) a year ago.

Non-interest expenses were $427.4 million in 2007, while they stood at $410.8 million in 2006. The $16.6 million increase is mainly related to higher salaries and employee benefits, as a combined effect of salary increases, new hirings and performance-based compensation. The total number of employees on a full-time equivalent basis increased from 3,238 at October 31, 2006, to 3,289 at October 31, 2007, essentially to support growth initiatives in the Retail Financial Service segment. Increases of over $3.0 million in variable compensation, reflecting the achievement of objectives for 2007 and over $3.0 million in stock-based compensation also contributed to the higher level of salaries and employee benefits during the year. Premises and technology expenses increased slightly to $111.5 million in 2007, compared with $108.1 million in 2006, mainly as a result of higher depreciation on capitalized technology developments and higher rent and property taxes. Other expenses decreased slightly to $86.6 million in 2007, compared with $89.1 million in 2006, mainly as a result of lower taxes and insurance costs. Overall, the increase in revenues of 8% more than offset the increase in expenses of 4%, which led to the improvement of the efficiency ratio to 73.2% in 2007, from 76.1% in 2006.

For the fourth quarter of 2007, non-interest expenses amounted to $105.8 million, compared with $104.8 million for the fourth quarter of 2006. The year over year increase is largely attributable to the higher salaries and premises and technology expenses, as noted above, as well as to the higher advertising and business development expenses. These were slightly offset by the effect of corporate reorganization on the capital tax charge.

Income tax expense for fiscal 2007 was $26.4 million (22.7% effective tax rate) compared with $23.4 million (26.3% effective tax rate) for 2006.

Reconciliation of the income tax expense from continuing operations to the dollar amount of income tax using the statutory rate

	For the three-month periods ended						*For the years ended*			
(in millions of dollars)	**October 31, 2007**		July 31, 2007		October 31, 2006		**October 31, 2007**		October 31, 2006	
Income taxes at statutory rate	$9.8	32.8%	$10.8	33.1%	$7.3	32.9%	$38.4	33.0%	$29.3	32.9%
Changes resulting from :										
Lower tax rate on foreign credit insurance operations	(1.0)	(3.3)	(0.6)	(1.9)	(0.8)	(3.8)	(3.6)	(3.0)	(2.4)	(2.7)
Tax-exempt revenues	(1.2)	(4.0)	(0.3)	(0.9)	(0.3)	(1.1)	(2.4)	(2.1)	(1.1)	(1.2)
	$7.6	25.5%	$9.9	30.3%	$6.2	28.0%	$32.4	27.9%	$25.8	29.0%
Resolution of income tax exposures	(2.2)	(7.4)	(1.1)	(3.4)	–	–	(3.3)	(2.9)	(11.3)	(12.7)
Tax rate changes	(0.2)	(0.6)	0.4	1.1	–	–	(0.7)	(0.7)	8.6	9.7
Gain on repatriation of foreign retained earnings	–	–	–	–	–	–	–	–	4.5	5.1
Recognition of previously unrecognized temporary differences	–	–	–	–	(2.8)	(10.8)	–	–	(2.8)	(3.2)
Non taxable portion of capital gains	(0.7)	(2.3)	–	–	–	–	(1.5)	(1.3)	–	–
Corporate reorganization and other	(0.4)	(1.4)	0.3	1.1	0.7	1.3	(0.5)	(0.3)	(1.4)	(1.6)
	$4.1	13.8%	$9.5	29.1%	$4.1	18.5%	$26.4	22.7%	$23.4	26.3%

As detailed in the table above, certain transactions and tax rate changes, as well as the resolution of various tax exposures contributed to reducing the effective tax rate in 2007 and 2006. Excluding the impact of these items, the effective tax rate for 2007 would have been 27.9%, compared with 29.0% in 2006. The lower tax rate for 2007 results mainly from higher revenues from tax-exempt revenues (dividends from Canadian entities).

Note 18 to the annual consolidated financial statements provides further information on the income tax expense.

On October 30, 2007, the Conservative government delivered a Budget Speech, including further reductions to the income tax rates. As the Conservative Party forms a minority government, proposed amendments to the Income Tax Act will not be considered to be substantively enacted for accounting purposes until the proposals have passed third reading in the House of Commons. As a result, the Bank has not reflected the effect of the proposed changes in its consolidated financial statements. Based on the Bank's analysis, the proposed changes would imply a revaluation of the future tax assets, which would lead to an income tax charge between $4.0 and $5.0 million in the period in which the changes would be substantively enacted. However, going forward, the applicable statutory income tax rate would be reduced.

Liquidity and Credit Crisis

The Bank only held very limited holdings (approximately $20 million) in securities issued by conduits covered by the "Montreal Agreement" and is not a direct participant in the sub-prime mortgage loan market. However, the Bank was also indirectly affected, as detailed below.

Asset-backed commercial paper and other asset-backed investments
At October 31, 2007, the Bank held investments in non-bank conduits asset-backed commercial paper (ABCP) covered by the "Montreal Agreement" and other investments issued by these conduits for an amount of approximately $20 million. As a result of the liquidity issue in the ABS market, the Bank has adjusted the estimated fair value of these investments and taken a charge in the fourth quarter of $2.9 million ($2.0 million net of income taxes or $0.09 diluted per common share).

These investments have not traded in an active market since mid-August 2007, and there are currently no market quotations available. As a result, the Bank has relied on valuation techniques considering the best available public information regarding market conditions and other factors that a market participant would consider for such investments to estimate the fair values.

Continuing uncertainties regarding the value of the assets, which underlie the investments, the amount and timing of cash flows and the outcome of the restructuring process planned under the "Montreal Agreement" could give rise to further changes in the value of the Bank's investments.

Effect of the change in the prime-BA spread

As part of their operations, banks continuously borrow funds from various sources to finance their lending activities and other liquidity requirements. A significant portion of these borrowings is based on the bankers' acceptances (BA) rate. Banks will then lend to their clients based on the prime rate. As a result of the credit crisis, the BA rate increased during the fourth quarter, while the prime rate remained unchanged. This prime-BA spread, which, over the last years, had been relatively stable at around 165 basis points, has averaged 142 basis points during the fourth quarter. The higher funding costs associated with the compressed prime-BA spread led to a reduction in net interest income of approximately $2.7 million for the fourth quarter.

General funding status

The Bank mainly relies on its stable $11.6 billion retail deposit portfolio to fund its operations. This preferred source of funding has been little affected by the recent market conditions and continues to be particularly advantageous. Over the last five years, the Bank has also relied on securitization activities to meet specific funding needs. In this respect, the Bank used the Canada Mortgage Bonds (CMB) program and bank-sponsored securitization conduits. As a result of the prevailing liquidity and credit crisis, bank-sponsored conduits have had serious difficulties to fund additional assets and have significantly increased their funding costs. However, the CMB program has remained fully effective. During the fourth quarter, the Bank has securitized $405 million of residential mortgages through this program, which generated a $3.0 million gain.

Seller-swaps

As part of its funding strategies, the Bank has relied on residential mortgages securitization through bank-sponsored conduits. As part of these transactions, the Bank has entered into interest-rate swaps (seller-swaps) where it pays to the securitization conduits the variable funding cost. As a result of the liquidity and credit crisis, these funding costs have increased, which resulted in a $2.8 million decrease in the fair value of the seller-swaps. This decrease in value was recorded in other income from securitization activities.

Discontinued Operations

In fiscal 2005, the Bank sold its asset management activities to Industrial Alliance Insurance and Financial Services Inc. As part of this transaction, a portion of the proceeds was subject to recovery clauses, based on net annual sales of mutual funds. Consequently, a $26.2 million portion of the gain on sale was initially deferred. As net sales at the end of November 2007 significantly exceeded minimum requirements, a $5.2 million gain ($4.4 million, net of income taxes) was recognized during the fourth quarter of 2007. For the same reason, a similar $5.2 million gain was also recognized in the fourth quarter of 2006 and 2005. Discontinued operations for 2006 also included revenues related to a separate recovery clause on institutional assets under management and other adjustments for $0.5 million ($0.4 million, net of income taxes). As at October 31, 2007, the remaining portion of the deferred gain amounted to $10.4 million. Note 5 to the annual consolidated financial statements provides additional information regarding this transaction.

Analysis of Financial Condition

Balance sheet assets stood at $17.8 billion at October 31, 2007, compared with $17.3 billion at October 31, 2006.

As at October 31, 2007, liquidities, including cash resources, securities and assets purchased under reverse repurchase agreements, decreased by $651 million, compared with levels as at October 31, 2006. This decrease results from the Bank's tighter liquidity management and the strong loan growth during the year. As noted below, the securities are now classified as Available-for-sale, Held-for-trading or Designated as held-for-trading, as of November 1, 2006, to conform to the new accounting standards.

The loans and bankers' acceptances portfolio increased by more than $1.1 billion or 9% since the beginning of the year to $13.5 billion as at October 31, 2007, compared with $12.4 billion at October 31, 2006. Personal loans increased by $790 million in 2007, mainly as a result of the strong growth in B2B Trust's investment loan portfolio. The home equity lines of credit also increased significantly since the beginning of the year. The residential mortgage portfolio increased by $247 million in 2007. Considering the increase of $523 million in securitized loans, as shown in the table below, total residential mortgage loan growth was $770 million over the same period.

Residential Mortgages Portfolio

	As at October 31		
(in millions of dollars)	**2007**	**2006**	**Net growth**
Residential mortgage loans, as reported on the balance sheet	$6,233	$5,986	247
Securitized loans	1,562	1,039	523
Total residential mortgage loans, including securitized loans	$7,795	$7,025	770

Commercial mortgages increased by $25.6 million in 2007, while commercial loans, including bankers' acceptances, increased by $41.9 million, essentially in Quebec in small- and medium-sized businesses.

Personal deposits increased by $615.1 million in 2007 to reach $11.6 billion at October 31, 2007 mainly through the B2B Trust channel and the Bank's branch network. Business and other deposits increased by $169.2 million during the same period as a result of new deposits raised from small businesses and municipalities. As at October 31, 2007, personal deposits accounted for 83% of total deposits of $13.9 billion.

Shareholders' equity stood at $1,004.7 million as at October 31, 2007, compared with $946.4 million at October 31, 2006. The increase mainly results from net income generated since the beginning of the year, net of declared dividends, as well as by the favourable adjustment to Accumulated other comprehensive income (AOCI) resulting from the revaluation by the Bank of its shares of the Montréal Exchange following its initial listing on the Toronto Stock Exchange. The Bank's book value per common share, excluding AOCI, was $33.34 at October 31, 2007, compared with $31.18 as at October 31, 2006. There were 23,815,813 common shares and 165,027 share purchase options outstanding as at November 28, 2007.

The total capital of the Bank, comprised of shareholders' equity and debentures, was $1,154.7 million as at October 31, 2007, compared with $1,096.4 million as at October 31, 2006. The increase of $58 million results from the same items as noted above. The BIS Tier 1 and Total capital ratios stood at 9.8% and 11.6%, respectively, as at October 31, 2007, compared with 10.3% and 12.4% as at October 31, 2006. The variance is mainly related to the strong loan growth in 2007.

At its meeting on December 4, 2007, the Board of Directors approved a $0.03, or 10%, raise in the quarterly dividend to $0.32 per common share. This increase reflects the continued improvement in profitability, as well as the Management's and the Board's confidence in the Bank's future performance. The dividend will be payable on February 1, 2008 to shareholders of record on January 2, 2008. On November 7, 2007, the Board of Directors also declared regular dividends on the various series of preferred shares to shareholders of record on December 10, 2007.

Assets under administration stood at $15.6 billion at October 31, 2007, compared with $14.7 billion at October 31, 2006. Most classes of assets under administration have increased during the year as a result of organic growth, market performance and securitization activities.

Adoption of CICA's accounting standards on *Financial Instruments – Recognition and Measurement, Hedges and Comprehensive Income*

On November 1, 2006, the Bank adopted the new accounting standards on financial instruments issued by the Canadian Institute of Chartered Accountants (CICA). The effect of the adoption of these standards on shareholders' equity as at November 1, 2006, was relatively limited and is detailed in notes 3 and 4 to the annual consolidated financial statements of the Bank.

With regard to the calculation of the Return on common shareholders' equity ratio, the Bank has considered that Net income is the best measure of profitability and that Common shareholders' equity, excluding the Accumulated other comprehensive income, would be used as a measure of capital. The calculation of the Bank's book value will also be based on Common shareholders' equity, excluding Accumulated other comprehensive income.

SEGMENTED INFORMATION

All business segments improved their performance in 2007 as a result of increases in revenues and effective cost control.

Higher loan and deposits volumes, combined with relatively stable loan losses, contributed to improving the B2B Trust, Retail Financial Services and Commercial Financial Services results. Laurentian Bank Securities growth strategies also started to show tangible results with core revenues improving by more than 15%. The continued improvement in net interest income in the Other segment also contributed significantly to 2007 results.

Net Income Contributions

(in millions of $)	Retail Financial Services	Commercial Financial Services	B2B Trust	Laurentian Bank Securities	Other	Total
2007	44.9 [40.5 from cont. operations]	24.0	30.5	7.1	(12.0)	94.5 [90.1 from cont. operations]
2006	34.6 [30.2 from cont. operations]	22.7	24.3	3.8	(15.1) [(15.4) from cont. operations]	70.3 [65.6 from cont. operations]
Q4-2007	19.1 [14.7 from cont. operations]	5.4	7.9	0.2	(2.5)	30.2 [25.7 from cont. operations]
Q3-2007	9.7	6.1	8.1	0.6	(1.4)	23.2
Q4-2006	14.3 [9.8 from cont. operations]	5.5	6.3	1.5	(5.1)	22.6 [18.1 from cont. operations]

Retail Financial Services

Net income for the Retail Financial Services business segment improved by $10.3 million, or 30%, compared with 2006, reflecting revenue growth derived from higher loan and deposit portfolios, as well as the recognition of a $4.0 million ($3.3 million net of income taxes) gain resulting from the Visa worldwide restructuring. Mutual fund sales, deposit service charges and card service revenues have also improved compared with a year ago.

At $25.6 million for 2007, loan losses were $2.6 million higher than in 2006, mainly as a result of higher volumes, since the overall credit quality remained good.

Non-interest expenses for 2007 increased by $9.8 million, or 3%, compared with 2006, reflecting higher salary charges resulting from the expansion in the retail banking operations and higher advertising and business development expenses.

The income tax expense was $14.0 million (25.7% effective tax rate) for 2007, compared with $13.8 million (31.5% effective tax rate) for 2006. This improvement in the effective tax rate resulted essentially from the lower taxes on revenues from credit insurance operations and on the Visa gain.

Discontinued operations contributed $5.2 million ($4.4 million net of income taxes) in 2007 and 2006, since net sales threshold significantly exceeded minimum requirements as at October 31 of both years.

Net income for the fourth quarter of 2007 improved by $4.8 million, or 34%, compared with the fourth quarter of 2006, essentially for the same reasons as noted above.

During the fourth quarter of 2007, Retail Financial Services added to its range of products with the introduction of three new guaranteed investment certificates (GIC): Income *Action*GIC, Blue Chip *Action*GIC and Global Growth *Action*GIC. These latest products offer both investment protection and high return potential, while they also represent a new step forward in the Bank's strategy designed to consolidate its wealth management products and services.

Commercial Financial Services

Net income for the Commercial Financial Services business segment improved by $1.3 million, or 6%, compared with 2006. Improvements in the real estate financing operations and in the small- and medium-sized business operations in Quebec more than offset lower profitability in commercial lending in Ontario.

At $10.4 million for 2007, loan losses were $0.7 million lower than in 2006, benefiting from the good economic conditions prevailing in Canada. Non-interest expenses for 2007 decreased by $0.3 million, compared with 2006, reflecting the strict cost control during the year. The income tax expense was $12.0 million (33.5% effective tax rate) for 2007, compared with $11.4 million (33.5% effective tax rate) for 2006.

Net income for the fourth quarter of 2007 stood at $5.4 million, compared with $5.5 million in 2006, as revenues, loan losses and expenses remained very stable.

To further enhance proximity with its clients, Commercial Financial Services has relocated a business centre in Ontario at the beginning of November 2007. This initiative will enable the business segment to develop closer relations with its clients and offer them more efficient services. With seven commercial and real estate financing centres in Ontario and Western Canada, Commercial Financial Services is resolutely pursuing a niche market strategy which is proving to be both efficient and noticeably profitable.

B2B Trust

Net income for the B2B Trust business segment improved by $6.2 million, or 25%, compared with 2006, reflecting higher net interest income derived from increase in loan and deposit portfolios. Loan losses related to the investment loan portfolio remained low during the year, while initiatives to further reduce the exposure to the line of credit portfolio permitted to reduce losses by more than $2.2 million. Non-interest expenses for 2007 remained well under control, despite the increase in activities.

Net income for the fourth quarter of 2007 improved by $1.6 million, or 25%, compared with the fourth quarter of 2006, essentially for the same reasons as noted above.

The significant increase in loans and deposits is attributable to B2B Trust's initiatives in designing products and simplifying key processes. As at October 31, 2007, investment loans volumes had increased by 55%, compared to 2006, while maintaining rigorous underwriting practices. B2B Trust upholds its leading position in the Canadian investment loans market, foremost through its distribution agreements with some of the largest mutual funds companies.

Laurentian Bank Securities

Net income for the Laurentian Bank Securities business segment improved by $3.3 million, or 84%, compared with 2006. These results were significantly impacted by the $4.4 million ($3.7 million net of income taxes) gain on sale on a portion of the Montréal Exchange shares held by the Bank and a $2.1 million ($1.4 million net of income taxes) charge to reflect the adjustment to the estimated fair value of the asset-backed securities. Excluding these items, the contribution rose by $1.0 million, or 25%, essentially as a result of the performance of the institutional brokerage division.

Non-interest expenses for 2007 slightly increased by $3.2 million, or 12%, compared with 2006, reflecting the costs associated with the expansion in the retail brokerage operations and the introduction of the Institutional Equity division.

Net income for the fourth quarter of 2007 decreased by $1.3 million essentially as a result of the charge related to the asset-backed securities portfolio, as noted above. Excluding the effect of this charge, net income would have increased by $0.1 million compared to the fourth quarter of 2006, reflecting the growth in operations.

During the fourth quarter of 2007, Laurentian Bank Securities has focused on a rigorous performance of its activities and operations, with regard to both its growth strategies and day-to-day management. It also went ahead with new hirings in some strategic positions within its Retail Brokerage, Institutional Equity and Institutional Fixed Income divisions in order to reinforce its foundations et accelerate its development.

Other sector

Net income for the Other segment improved by $3.1 million, or 21%, compared with 2006, reflecting the significant improvement in net interest margin and income from treasury and financial market operations during the year, as well as the resolution of various tax exposures during the year. These improvement were partially offset by lower securitization revenues and increases in performance-based compensation.

Results for the fourth quarter of 2007 improved by $2.6 million, or 51%, compared with the fourth quarter of 2006. The income tax recovery of $2.2 million resulting from the resolution of various tax exposures more than offset the lower margins on liquidities and the effect of a $0.8 million ($0.5 million net of income taxes) charge related to the ABS portfolio, as noted above. Also noteworthy during the quarter, is the $3.0 million gain resulting from the securitization of residential mortgages, which was offset by the reduction in value of seller-swaps for $2.8 million, as detailed on page 7.

Dividends – New Taxation Regime

Effective January 1, 2006, the Federal Government implemented a new dividend tax regime for dividends paid by Canadian corporations to their shareholders. Certain provinces have also replicated the federal regulations governing such dividends. In accordance with this new regime, the Bank advises that all dividends declared in 2006 and 2007 were eligible dividends and that all future dividends will be eligible, unless indicated otherwise.

About Laurentian Bank

Laurentian Bank of Canada is a banking institution operating across Canada and offering diversified financial services to its clients. Distinguishing itself through excellence in service, as well as through its simplicity and proximity, the Bank serves individual consumers and small and medium-sized businesses. The Bank also offers its products to a wide network of independent financial intermediaries through B2B Trust, as well as full-service brokerage solutions through Laurentian Bank Securities.

Laurentian Bank is well established in the Province of Quebec, operating the third-largest retail branch network. Elsewhere throughout Canada, it operates in specific market segments where it holds an enviable position. Laurentian Bank of Canada has close to $18 billion in balance sheet assets and more than $15 billion in assets under administration. Founded in 1846, the Bank employs close to 3,300 people.

Non-GAAP financial measures

The Bank uses both generally accepted accounting principles (“GAAP”) and certain non-GAAP measures to assess performance such as return on common shareholders’ equity and efficiency ratios. Non-GAAP measures do not have any standardized meaning prescribed by GAAP and are unlikely to be comparable to any similar measures presented by other companies. The Bank believes that these non-GAAP financial measures provide investors and analysts with useful information so that they can better understand the financial results and perform a better analysis of the Bank growth and profitability potential.

Caution Regarding Forward-Looking Statements

In this document and in other documents filed with Canadian regulatory authorities or in other communications, Laurentian Bank of Canada (the “Bank”) may from time to time make written or oral forward-looking statements within the meaning of applicable securities legislation, including statements regarding the Bank's business plan and financial objectives. These statements typically use the conditional, as well as words such as prospects, believe, estimate, forecast, project, expect, anticipate, plan, may, should, could, would or the negative of these terms or variations of them or similar terminology.

By their very nature, forward-looking statements are based on assumptions and involve inherent risks and uncertainties, both general and specific in nature. It is therefore possible that the forecasts, projections and other forward-looking statements will not be achieved or will prove inaccurate. Although the Bank believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct.

The Bank cautions readers against placing undue reliance on forward-looking statements when making decisions, as the actual results could differ appreciably from the opinions, plans, objectives, expectations, forecasts, estimates and intentions expressed in such forward-looking statements due to various material factors. Among other things, these factors include capital market activity, changes in government monetary, fiscal and economic policies, changes in interest rates, inflation levels and general economic conditions, legislative and regulatory developments, competition, credit ratings, scarcity of human resources and technological environment. The Bank cautions that the foregoing list of factors is not exhaustive. For more information on the risk, uncertainties and assumptions that would cause the Bank's actual results to differ from current expectations, please also refer to the Bank's public filings available at www.sedar.com.

The Bank does not undertake to update any forward-looking statements, whether oral or written, made by itself or on its behalf, except to the extent required by securities regulations.

Conference Call

Laurentian Bank invites media representatives and the public to listen to the financial analysts' conference call to be held on Tuesday, December 4, 2007, at 2 p.m. Eastern Standard Time. The live, listen-only, toll-free call-in number is 1-866-540-8136.

You may listen to a playback of the call at any time from 6:00 p.m. Tuesday, December 4, 2007, until midnight Monday, December 24, 2007, by dialling the following number: 1-800-408-3053 Code 3230440 #.

The conference call can also be heard through the Investors' Relations section of the Laurentian Bank website at www.laurentianbank.ca. The website also offers additional financial information.

– 30 –

Chief Financial Officer: Robert Cardinal, (514) 284-4500, #7535
Media and Investors Relations contact: Gladys Caron, (514) 284-4500, #7511; cell (514) 893-3963

FINANCIAL HIGHLIGHTS

IN MILLIONS OF DOLLARS, UNLESS OTHERWISE INDICATED (UNAUDITED)	Q4-07	Q4-06	VARIATION	FOR THE YEARS ENDED OCTOBER 31 2007	OCTOBER 31 2006	VARIATION
Earnings						
Net income	$ 30.2	$ 22.6	34 %	$ 94.5	$ 70.3	34 %
Income from continuing operations	$ 25.7	$ 18.1	42 %	$ 90.1	$ 65.6	37 %
Net income available to common shareholders	$ 27.2	$ 19.7	38 %	$ 82.6	$ 58.6	41 %
Return on common shareholders' equity	13.8 %	10.8 %		10.9 %	8.2 %	
Per common share						
Diluted net income	$ 1.14	$ 0.84	36 %	$ 3.48	$ 2.48	40 %
Diluted income from continuing operations	$ 0.95	$ 0.65	46 %	$ 3.29	$ 2.28	44 %
Dividends	$ 0.29	$ 0.29	- %	$ 1.16	$ 1.16	- %
Book value				$ 33.34	$ 31.18	7 %
Share price - close				$ 43.70	$ 29.05	50 %
Financial position						
Balance sheet assets				$ 17,787	$ 17,296	3 %
Assets under administration				$ 15,636	$ 14,725	6 %
Loans, bankers' acceptances and assets purchased under reverse repurchase agreements, net				$ 13,969	$ 13,117	6 %
Personal deposits				$ 11,565	$ 10,949	6 %
Shareholders' equity and debentures				$ 1,155	$ 1,096	5 %
Number of common shares (in thousands)				23,811	23,620	1 %
Net impaired loans as a % of loans, bankers' acceptances and assets purchased under reverse repurchase agreements				(0.1) %	- %	
Risk-weighted assets				$ 9,724	$ 8,702	12 %
Capital ratios						
Tier I BIS capital ratio				9.8 %	10.3 %	
Total BIS capital ratio				11.6 %	12.4 %	
Assets to capital multiple				15.8 x	16.1 x	
Tangible common equity as a percentage of risk-weighted assets				7.5 %	7.7 %	
FINANCIAL RATIOS						
Per common share						
Price / earnings ratio				12.5 x	11.7 x	
Market to book value				131 %	93 %	
Dividend yield	2.65 %	3.99 %		2.65 %	3.99 %	
Dividend payout ratio	25.4 %	34.7 %		33.3 %	46.7 %	
As a percentage of average assets						
Net interest income	2.26 %	2.19 %		2.31 %	2.14 %	
Provision for credit losses	0.23 %	0.24 %		0.24 %	0.24 %	
Net income	0.70 %	0.54 %		0.56 %	0.42 %	
Net income available to common shareholders	0.63 %	0.47 %		0.49 %	0.35 %	
Profitability						
Other income (as a % of total revenue)	32.9 %	32.8 %		33.2 %	33.8 %	
Efficiency ratio (non-interest expenses as a % of total revenue)	72.6 %	76.5 %		73.2 %	76.1 %	
OTHER INFORMATION						
Number of full-time equivalent employees				3,289	3,238	
Number of branches				157	158	
Number of automated banking machines				338	325	

The unaudited financial information provided therein do not reflect all of the information and disclosures required by Canadian generally accepted accounting principles for complete financial statements. Accordingly, the financial information should be read in conjunction with the annual consolidated audited financial statements as at October 31, 2007 available on the Bank's web site at www.laurentianbank.ca.

CONSOLIDATED BALANCE SHEET

IN THOUSANDS OF DOLLARS (UNAUDITED)	OCTOBER 31 2007 [1]	OCTOBER 31 2006
ASSETS		
Cash resources		
Cash and non-interest-bearing deposits with other banks	$ 65,245	$ 70,907
Interest-bearing deposits with other banks	283,255	98,722
	348,500	169,629
Securities		
Available-for-sale	917,676	-
Held-for-trading	1,086,958	1,675,058
Designated as held-for-trading	669,745	-
Investment	-	1,567,222
	2,674,379	3,242,280
Assets purchased under reverse repurchase agreements	540,304	802,546
Loans		
Personal	4,958,176	4,168,026
Residential mortgages	6,232,778	5,985,656
Commercial mortgages	684,625	659,014
Commercial and other	1,556,831	1,476,977
	13,432,410	12,289,673
Allowance for loan losses	(115,322)	(125,153)
	13,317,088	12,164,520
Other		
Customers' liabilities under acceptances	111,891	149,818
Property, plant and equipment	137,691	111,291
Derivative financial instruments	62,745	96,980
Future tax assets	86,534	101,048
Goodwill	53,790	53,790
Other intangible assets	14,114	15,333
Other assets	439,810	388,724
	906,575	916,984
	$ 17,786,846	$ 17,295,959
LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits		
Personal	$ 11,564,530	$ 10,949,473
Business, banks and other	2,314,178	2,145,028
	13,878,708	13,094,501
Other		
Obligations related to assets sold short	868,675	1,077,009
Obligations related to assets sold under repurchase agreements	928,987	1,100,385
Acceptances	111,891	149,818
Derivative financial instruments	70,851	81,807
Other liabilities	773,053	696,019
	2,753,457	3,105,038
Subordinated debentures	150,000	150,000
Shareholders' equity		
Preferred shares	210,000	210,000
Common shares	256,445	251,158
Contributed surplus	105	518
Retained earnings	537,254	485,334
Treasury shares	-	(590)
Accumulated other comprehensive income	877	-
	1,004,681	946,420
	$ 17,786,846	$ 17,295,959

1 Information for 2007 takes into account the changes to accounting policies related to financial instruments - refer to notes 3 and 4 of the Annual consolidated financial statements of 2007.

CONSOLIDATED STATEMENT OF INCOME

IN THOUSANDS OF DOLLARS, EXCEPT PER SHARE AMOUNTS (UNAUDITED)	FOR THE THREE-MONTH PERIODS ENDED OCTOBER 31 2007	JULY 31 2007	OCTOBER 31 2006[1]	FOR THE YEARS ENDED OCTOBER 31 2007	OCTOBER 31 2006[1]
Interest income					
Loans	$ **222,042**	$ 214,778	$ 199,015	$ **837,092**	$ 755,009
Securities	**13,004**	13,386	17,317	**58,000**	70,446
Deposits with other banks	**5,117**	3,453	2,419	**13,802**	11,721
	240,163	231,617	218,751	**908,894**	837,176
Interest expense					
Deposits	**125,297**	118,675	114,293	**466,867**	438,335
Other liabilities	**15,186**	9,225	10,411	**44,089**	28,920
Subordinated debentures	**1,950**	1,950	1,965	**7,738**	12,714
	142,433	129,850	126,669	**518,694**	479,969
Net interest income	**97,730**	101,767	92,082	**390,200**	357,207
Other income					
Fees and commissions on loans and deposits	**22,320**	23,206	21,262	**88,703**	84,615
Income from brokerage operations	**6,454**	7,664	8,896	**32,359**	31,418
Income from treasury and financial market operations	**3,912**	6,516	4,168	**19,286**	15,206
Income from sales of mutual funds	**3,493**	3,521	2,911	**13,406**	10,637
Credit insurance income	**3,492**	2,453	3,222	**12,557**	12,578
Income from registered self-directed plans	**2,231**	2,490	2,325	**9,652**	10,515
Securitization income	**1,407**	1,236	1,035	**6,418**	9,972
Gains on disposal and on modification in ownership interest	**4,000**	-	-	**4,000**	931
Other	**583**	2,189	1,158	**7,345**	6,728
	47,892	49,275	44,977	**193,726**	182,600
Total revenue	**145,622**	151,042	137,059	**583,926**	539,807
Provision for credit losses	**10,000**	10,000	10,000	**40,000**	40,000
Non-interest expenses					
Salaries and employee benefits	**56,302**	58,602	55,529	**229,290**	213,583
Premises and technology	**28,477**	27,758	27,322	**111,559**	108,151
Other	**20,978**	22,013	21,967	**86,561**	89,081
	105,757	108,373	104,818	**427,410**	410,815
Income from continuing operations before income taxes	**29,865**	32,669	22,241	**116,516**	88,992
Income taxes	**4,130**	9,491	4,105	**26,394**	23,436
Income from continuing operations	**25,735**	23,178	18,136	**90,122**	65,556
Income from discontinued operations, net of income taxes	**4,423**	-	4,422	**4,423**	4,776
Net income	$ **30,158**	$ 23,178	$ 22,558	$ **94,545**	$ 70,332
Preferred share dividends, including applicable taxes	**2,996**	2,990	2,811	**11,966**	11,766
Net income available to common shareholders	$ **27,162**	$ 20,188	$ 19,747	$ **82,579**	$ 58,566
Average number of common shares outstanding (in thousands)					
Basic	**23,783**	23,662	23,616	**23,678**	23,605
Diluted	**23,843**	23,728	23,639	**23,728**	23,649
Income per common share from continuing operations					
Basic	$ **0.96**	$ 0.85	$ 0.65	$ **3.30**	$ 2.28
Diluted	$ **0.95**	$ 0.85	$ 0.65	$ **3.29**	$ 2.28
Net income per common share					
Basic	$ **1.14**	$ 0.85	$ 0.84	$ **3.49**	$ 2.48
Diluted	$ **1.14**	$ 0.85	$ 0.84	$ **3.48**	$ 2.48

1 Comparatives were reclassified as a result of the recognition on a gross basis of income related to brokerage activities - refer to note 2.3 of the Annual consolidated financial statements of 2007.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

IN THOUSANDS OF DOLLARS (UNAUDITED)	FOR THE THREE-MONTH PERIODS ENDED OCTOBER 31 2007	JULY 31 2007	FOR THE YEAR ENDED OCTOBER 31 2007
Net income	$ **30,158**	$ 23,178	$ **94,545**
Other comprehensive income (loss), net of income taxes			
Change in unrealized gains (losses) on available-for-sale securities	**(1,143)**	(2,816)	**15,333**
Reclassification to income of realized gains and losses on available-for-sale securities	**209**	(336)	**(1,581)**
Change in gains (losses) on derivatives designated as cash flow hedges	**11,760**	(4,686)	**5,677**
	10,826	(7,838)	**19,429**
Comprehensive income	$ **40,984**	$ 15,340	$ **113,974**

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

IN THOUSANDS OF DOLLARS (UNAUDITED)	FOR THE YEARS ENDED OCTOBER 31 2007	OCTOBER 31 2006
Preferred shares		
Balance at beginning and end of year	$ **210,000**	$ 210,000
Common shares		
Balance at beginning of year	**251,158**	249,633
Issued during the year	**5,287**	1,525
Balance at end of year	**256,445**	251,158
Contributed surplus		
Balance at beginning of year	**518**	73
Attribution of shares under the performance-based share agreement	**(590)**	-
Stock-based compensation	**177**	445
Balance at end of year	**105**	518
Retained earnings		
Previous balance at beginning of year	**485,334**	454,124
Impact of adopting the new accounting policy regarding financial instruments, net of income taxes	**(3,185)**	-
Restated balance at beginning of year	**482,149**	454,124
Net income	**94,545**	70,332
Dividends		
Preferred shares, including applicable taxes	**(11,966)**	(11,766)
Common shares	**(27,474)**	(27,356)
Balance at end of year	**537,254**	485,334
Treasury shares		
Balance at beginning of year	**(590)**	(590)
Attribution of shares	**590**	-
Balance at end of year	**-**	(590)
Accumulated other comprehensive income		
Balance at beginning of year	**-**	-
Impact of adopting the new accounting policy regarding financial instruments, net of income taxes	**(18,552)**	-
Other comprehensive income, net of income taxes	**19,429**	-
Balance at end of year	**877**	-
Shareholders' equity	$ **1,004,681**	$ 946,420

CONSOLIDATED STATEMENT OF CASH FLOWS

IN THOUSANDS OF DOLLARS (UNAUDITED)	FOR THE THREE-MONTH PERIODS ENDED OCTOBER 31 2007	JULY 31 2007	OCTOBER 31 2006	FOR THE YEARS ENDED OCTOBER 31 2007	OCTOBER 31 2006
Cash flows relating to operating activities					
Net income	**$ 30,158**	$ 23,178	$ 22,558	**$ 94,545**	$ 70,332
Adjustments to determine net cash flows relating to operating activities:					
Provision for credit losses	**10,000**	10,000	10,000	**40,000**	40,000
Gains on securitization operations	**(3,003)**	(1,055)	-	**(6,683)**	(6,161)
Net loss (gain) on disposal of property, plant and equipment	**317**	-	3	**(63)**	29
Net gain from discontinued operations	**(5,185)**	-	(5,182)	**(5,185)**	(5,714)
Gains on disposal and on modification in ownership interest	**(4,000)**	-	-	**(4,000)**	(931)
Net loss (gain) on sale of investment securities	**-**	-	(98)	**-**	1,421
Net loss (gain) on sale of other than held-for-trading securities	**(559)**	(711)	-	**1,812**	-
Future income taxes	**4,976**	8,943	3,101	**23,959**	8,036
Depreciation and amortization	**7,432**	7,187	7,180	**28,612**	27,193
Net change in held-for-trading securities	**138,614**	(100,836)	(153,982)	**238,213**	(590,977)
Change in accrued interest receivable	**(4,319)**	11,914	(3,424)	**10,813**	1,605
Change in assets relating to derivative financial instruments	**9,960**	(18,981)	21,595	**34,235**	46,473
Change in accrued interest payable	**32,919**	(21,213)	29,412	**6,748**	40,224
Change in liabilities relating to derivative financial instruments	**(35,879)**	39,159	(24,132)	**(10,956)**	(23,519)
Other, net	**51,627**	40,750	54,527	**15,293**	61,309
	233,058	(1,665)	(38,442)	**467,343**	(330,680)
Cash flows relating to financing activities					
Net change in deposits	**11,342**	371,471	(421,681)	**784,207**	(602,437)
Change in obligations related to assets sold short	**(65,414)**	26,091	122,124	**(208,334)**	350,946
Change in obligations related to assets sold under repurchase agreements	**(212,433)**	(165,752)	476,905	**(171,398)**	1,040,320
Issuance of subordinated debentures	**-**	-	-	**-**	150,000
Redemption of subordinated debentures	**-**	-	-	**-**	(150,000)
Issuance of common shares	**3,205**	1,573	210	**5,287**	1,525
Dividends, including applicable taxes	**(9,900)**	(9,856)	(9,654)	**(39,440)**	(39,122)
	(273,200)	223,527	167,904	**370,322**	751,232
Cash flows relating to investing activities					
Change in available-for-sale and designated as held-for-trading securities					
Acquisitions	**(434,686)**	(2,015,904)	-	**(6,888,907)**	-
Proceeds from sales and maturity	**426,213**	2,221,718	-	**7,224,590**	-
Change in investment securities					
Acquisitions	**-**	-	(2,905,462)	**-**	(12,881,435)
Proceeds from sales and maturity	**-**	-	2,977,052	**-**	13,168,669
Change in loans	**(504,632)**	(963,207)	(171,958)	**(2,095,543)**	(1,150,389)
Change in assets purchased under reverse repurchase agreements	**215,542**	255,362	(264,378)	**262,242**	(294,473)
Proceeds from mortgage loan securitizations	**403,274**	310,904	-	**892,035**	631,896
Additions to property, plant and equipment	**(18,289)**	(14,257)	(15,442)	**(54,481)**	(43,002)
Proceeds from disposal of property, plant and equipment	**45**	1	18	**1,270**	423
Net change in interest-bearing deposits with other banks	**(51,474)**	(13,596)	264,664	**(184,533)**	161,069
Net cash flows from the sale of a subsidiary	**-**	-	-	**-**	(140)
	35,993	(218,979)	(115,506)	**(843,327)**	(407,382)
Net change in cash and non-interest-bearing deposits with other banks during the period	**(4,149)**	2,883	13,956	**(5,662)**	13,170
Cash and non-interest-bearing deposits with other banks at beginning of period	**69,394**	66,511	56,951	**70,907**	57,737
Cash and non-interest-bearing deposits with other banks at end of period	**$ 65,245**	$ 69,394	$ 70,907	**$ 65,245**	$ 70,907
Supplemental disclosure relating to cash flows:					
Interest paid during the period	**$ 109,069**	$ 150,074	$ 93,979	**$ 518,456**	$ 440,922
Income taxes paid during the period	**$ (8,214)**	$ 5,895	$ 1,558	**$ 6,871**	$ 18,832

OTHER INCOME

IN THOUSANDS OF DOLLARS (UNAUDITED)	Q4	Q3	Q2	Q1	2007 TOTAL
Fees and commissions on loans and deposits					
Deposit service charges	$ 12,675	$ 13,083	$ 12,599	$ 12,291	$ 50,648
Lending fees	5,904	5,963	5,663	5,882	23,412
Card service revenues	3,741	4,160	3,345	3,397	14,643
Sub-total - fees and commissions on loans and deposits	22,320	23,206	21,607	21,570	88,703
Other					
Income from brokerage operations	6,454	7,664	9,693	8,548	32,359
Income from treasury and financial market operations	3,912	6,516	4,274	4,584	19,286
Income from sales of mutual funds	3,493	3,521	3,318	3,074	13,406
Credit insurance income	3,492	2,453	3,030	3,582	12,557
Income from registered self-directed plans	2,231	2,490	2,572	2,359	9,652
Securitization income	1,407	1,236	3,215	560	6,418
Gain on modification in ownership interest	4,000	-	-	-	4,000
Other	583	2,189	2,456	2,117	7,345
Sub-total - other	25,572	26,069	28,558	24,824	105,023
Total - other income	$ 47,892	$ 49,275	$ 50,165	$ 46,394	$ 193,726
As a % of average assets	1.11 %	1.16 %	1.23 %	1.11 %	1.15 %

IN THOUSANDS OF DOLLARS (UNAUDITED)	Q4	Q3	Q2	Q1	2006 TOTAL
Fees and commissions on loans and deposits					
Deposit service charges	$ 12,055	$ 12,096	$ 11,926	$ 11,836	$ 47,913
Lending fees	5,865	6,414	5,303	6,096	23,678
Card service revenues	3,342	3,587	2,983	3,112	13,024
Sub-total - fees and commissions on loans and deposits	21,262	22,097	20,212	21,044	84,615
Other					
Income from brokerage operations	8,896	7,020	8,280	7,222	31,418
Income from treasury and financial market operations	4,168	5,102	2,889	3,047	15,206
Income from sales of mutual funds	2,911	2,717	2,636	2,373	10,637
Credit insurance income	3,222	3,131	3,249	2,976	12,578
Income from registered self-directed plans	2,325	2,540	2,893	2,757	10,515
Securitization income	1,035	2,245	3,554	3,138	9,972
Gain on disposal	-	-	-	931	931
Other	1,158	1,681	1,587	2,302	6,728
Sub-total - other	23,715	24,436	25,088	24,746	97,985
Total - other income	$ 44,977	$ 46,533	$ 45,300	$ 45,790	$ 182,600
As a % of average assets	1.07 %	1.10 %	1.11 %	1.10 %	1.09 %

NON - INTEREST EXPENSES

IN THOUSANDS OF DOLLARS (UNAUDITED)	Q4	Q3	Q2	Q1	2007 TOTAL
Salaries and employee benefits					
Salaries	$ 36,882	$ 37,606	$ 36,266	$ 36,160	$ 146,914
Employee benefits	12,617	13,655	13,809	12,965	53,046
Performance-based compensation	6,803	7,341	8,045	7,141	29,330
Sub-total - salaries and employee benefits	56,302	58,602	58,120	56,266	229,290
Premises and technology					
Equipment and computer services	10,655	10,402	11,291	10,103	42,451
Rent and property taxes	8,715	8,617	8,750	8,461	34,543
Depreciation	7,127	6,883	6,814	6,569	27,393
Maintenance and repairs	1,595	1,424	1,208	1,200	5,427
Public utilities	262	296	417	309	1,284
Other	123	136	88	114	461
Sub-total - premises and technology	28,477	27,758	28,568	26,756	111,559
Other					
Fees and commissions	5,251	5,208	4,845	3,649	18,953
Taxes and insurance	4,094	4,431	4,590	5,641	18,756
Communications and travelling expenses	4,634	4,631	4,677	4,373	18,315
Advertising and business development	4,143	4,534	4,433	3,660	16,770
Stationery and publications	1,420	1,418	1,691	1,705	6,234
Recruitment and training	419	684	708	982	2,793
Other	1,017	1,107	1,319	1,297	4,740
Sub-total - other	20,978	22,013	22,263	21,307	86,561
Total - non-interest expenses	$ 105,757	$ 108,373	$ 108,951	$ 104,329	$ 427,410
As a % of average assets	2.44 %	2.54 %	2.67 %	2.49 %	2.54 %

IN THOUSANDS OF DOLLARS (UNAUDITED)	Q4	Q3	Q2	Q1	2006 TOTAL
Salaries and employee benefits					
Salaries	$ 35,225	$ 36,647	$ 34,102	$ 34,814	$ 140,788
Employee benefits	12,727	12,426	12,903	11,923	49,979
Performance-based compensation	7,577	4,328	3,369	7,542	22,816
Sub-total - salaries and employee benefits	55,529	53,401	50,374	54,279	213,583
Premises and technology					
Equipment and computer services	10,485	10,526	10,769	10,244	42,024
Rent and property taxes	8,399	8,345	8,372	8,451	33,567
Depreciation	6,874	6,249	6,348	6,502	25,973
Maintenance and repairs	1,327	1,211	1,209	1,177	4,924
Public utilities	265	276	364	316	1,221
Other	(28)	162	188	120	442
Sub-total - premises and technology	27,322	26,769	27,250	26,810	108,151
Other					
Fees and commissions	5,357	5,210	4,903	3,688	19,158
Taxes and insurance	5,983	5,732	6,110	6,090	23,915
Communications and travelling expenses	4,436	4,666	4,371	4,061	17,534
Advertising and business development	3,124	3,837	3,728	4,611	15,300
Stationery and publications	1,412	1,443	1,490	1,622	5,967
Recruitment and training	383	612	490	611	2,096
Other	1,272	1,575	1,273	991	5,111
Sub-total - other	21,967	23,075	22,365	21,674	89,081
Total - non-interest expenses	$ 104,818	$ 103,245	$ 99,989	$ 102,763	$ 410,815
As a % of average assets	2.49 %	2.43 %	2.46 %	2.46 %	2.46 %

REGULATORY CAPITAL - BIS

IN THOUSANDS OF DOLLARS (UNAUDITED)	AS AT OCTOBER 31 2007	AS AT OCTOBER 31 2006
Tier I capital		
Common shares	$ 256,445	$ 250,568
Contributed surplus	105	518
Retained earnings	537,254	485,334
Non-cumulative preferred shares	210,000	210,000
Less: goodwill	(53,790)	(53,790)
Total - Tier I capital (A)	950,014	892,630
Tier II capital		
Subordinated debentures	150,000	150,000
General allowances	65,250	65,250
Unrealized gains on available for sale equity securities	11,698	-
Total - Tier II capital	226,948	215,250
Securitization and other	(45,525)	(28,469)
Regulatory capital - BIS (B)	$ 1,131,437	$ 1,079,411
Total risk-weighted assets (C)	$ 9,723,950	$ 8,702,241
Tier I BIS capital ratio (A/C)	9.8 %	10.3 %
Total BIS capital ratio (B/C)	11.6 %	12.4 %
Assets to capital multiple	15.8 x	16.1 x
Tangible common equity as a percentage of risk-weighted assets	7.5 %	7.7 %

RISK-WEIGHTED ASSETS

IN THOUSANDS OF DOLLARS (UNAUDITED)	AS AT OCTOBER 31 2007	AS AT OCTOBER 31 2006
Balance sheet items		
Cash resources	$ 85,613	$ 41,931
Securities	328,325	481,035
Mortgage loans	2,636,531	2,400,540
Other loans and customers' liability under acceptances	5,906,449	5,146,909
Other assets	476,308	462,541
General allowances	65,250	65,250
Total - balance sheet items	9,498,476	8,598,206
Off-balance sheet items		
Derivative financial instruments	28,647	26,620
Credit-related commitments	196,827	77,415
Total - risk-weighted assets	$ 9,723,950	$ 8,702,241

ASSETS UNDER ADMINISTRATION

IN THOUSANDS OF DOLLARS (UNAUDITED)	AS AT OCTOBER 31 2007	AS AT OCTOBER 31 2006
Self-directed RRSPs and RRIFs	$ 8,429,223	$ 8,415,222
Clients' brokerage assets	1,994,766	1,923,658
Institutional	1,823,965	1,724,998
Mortgage loans under management	1,742,466	1,223,020
Mutual funds	1,615,886	1,405,164
Other - Personal	29,988	33,246
Total - assets under administration	$ 15,636,294	$ 14,725,308