NOTES FOR A SPEECH BY ROBERT CARDINAL,
SENIOR EXECUTIVE VICE-PRESIDENT
FINANCE, ADMINISTRATION AND STRATEGIC DEVELOPMENT AND CHIEF FINANCIAL OFFICER, TO THE ANNUAL MEETING OF THE SHAREHOLDERS OF LAURENTIAN BANK,
9:30 A.M. ON MARCH 11, 2008
AT THE MONUMENT-NATIONAL, IN MONTREAL

Caution regarding forward-looking statements

This speech and related communications may contain forward-looking statements, including statements regarding the business and anticipated financial performance of Laurentian Bank. These statements are subject to a number of risks and uncertainties. Actual results may differ from results contemplated by the forward-looking statements. Such differences may be caused by factors which include, among others, global capital market activity, changes in government monetary and economic policies, changes in interest rates, inflation levels and general economic conditions, legislative and regulatory developments, competition and technological change. When relying on forward-looking statements to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and should not place undue reliance on such forward-looking statements. The Laurentian Bank does not undertake to update any forward-looking statements, oral or written, made by itself or on its behalf.

Only the delivered speech shall be considered as authoritative

NOTES FOR THE SPEECH
OF ROBERT CARDINAL

SENIOR EXECUTIVE VICE-PRESIDENT
FINANCE, ADMINISTRATION AND STRATEGIC DEVELOPMENT, AND CHIEF
FINANCIAL OFFICER
LAURENTIAN BANK

ANNUAL SHAREHOLDERS'
MEETING
OF LAURENTIAN BANK

MARCH 11, 2008

Thank you, Réjean, good morning Ladies and Gentlemen.

Fiscal 2007 was a very good year for Laurentian Bank. Our net income was $94.5 million, representing a 34% increase versus 2006. Return on common equity was 10.9%, higher than our original objective of 8% to 9%. Last year, this return amounted to 8.2%.

Diluted earnings per share increased by 40%, from $2.48 to $3.48 in 2007.

These results include 19 cents per share coming from the activities that were abandoned related to the sale in December 2004 of the co-owned company LBC-Edmond de Rothschild, versus 20 cents per share in 2006.

On a continuing operations basis, that is excluding the abandoned activities I just mentioned, the net income of Laurentian Bank reached $90.1 million or $3.29 diluted per common share, versus $65.6 million or $2.28 diluted per common share in 2006, resulting in a strong increase of 37% and 44% compared with 2006.

Our total income was $583.9 million, up 8% from 2006. These solid results are directly due to the strategies that we have been implementing over these past few years. More specifically, the following elements had an impact in 2007:

- tight expense management;
- maintaining credit quality;
- effective fiscal strategies;
- improved net interest margin and increased other income, and
- strong growth of our loan and deposit portfolios.

Now, let's look at each of these items and how they contributed to our results.

By well balancing our expenses and investments, and increasing our revenues, the efficiency ratio was 73.2%, representing a significant improvement over 2006's ratio of 76.1%. Revenues increased by 8%, whereas non-interest expenses only went up by 4%. Each business line improved its operational efficiency over the year, which reflects the real importance and priority that the Bank gives to this indicator.

Our credit quality remained stable. Our loan losses as a percentage of average assets reached 0.24% in 2007, which is in line with our objective. The level of specific and general provisions impaired loans net improved in 2007 at – $11.4 million as of October 31, 2007, whereas they had reached + $5.4 million on the same date in 2006.

The Bank benefited from a tax rate of 22.7% in 2007, due to some adjustments in 2007. Without these adjustments, the tax rate would have been 27.9% versus 29% in 2006. The fiscal strategies used during 2007 consistently helped reduce the Bank's effective tax rate to 27.9%, that is, by more than 1% compared with 2006 and this, on a recurring basis. This drop in tax rate is coming from increased investments in Canadian securities, which generate non-taxable income, such as dividends, as well as a corporate reorganization, which, in turn, reduced the tax rate on credit insurance operations.

Laurentian Bank's net interest margin increased from 2.14% in 2006 to 2.31%. This increase is mainly the result of growth in loans and deposits portfolios for retail banking as well as tighter assets and liabilities management. Net interest income grew by 9%.

Other income also improved, showing 6% growth primarily due to an increase in revenues on deposits, credit-card services and mutual-fund sales. Income from brokerage operations, treasury activities and financial market operations also increased.

This year was especially marked by the growth of our loans and deposits portfolios. As an example, total loans generated by Retail Financial Services increased 7% compared with that in 2006, and this was particularly due to the growth in mortgage and personal loan portfolios. B2B Trust's investment loans portfolio grew by 55%, whereas its deposits portfolio increased by 9%. The commercial loan portfolio went up by 15%. Lastly, the real-estate financing sector performed very well, posting a growth of 22%.

Now let's have an overview at the performance of each of our business lines.

All our business lines performed well in 2007. Retail Financial Services benefited from the growth in loans and deposits, but also from the increase in mutual-fund sales and commissions on deposits and credit cards during the year. The contribution of the business line went up by 30%, for a total of $44.9 million. The sector also benefited from a $4 million gain from the VISA worldwide restructuring.

Commercial Financial Services slightly improved their contribution, which was $24 million in 2007, representing a 6% increase over the previous year.

B2B Trust had already showed an excellent performance in 2006, and continued to perform well in 2007, with a 7% increase in revenues , and a 25% rise in its net income, taking it to $30.5 million.

Our fourth business line, Laurentian Bank Securities, continued to show good financial performance, with net income of $7.1 million versus $3.8 million in 2006.

The Other sector, which includes corporate sectors, such as Treasury, also showed improved results. The net income of this sector went up by $3.2 million versus that in 2006. This improvement is essentially due to an increase in the net interest margin, increased revenues from treasury and financial markets, and the resolution of various fiscal risks.

I would also like to remind everyone that the Bank's exposure to non-bank sponsored asset-backed commercial paper covered by the "Montreal Agreement" is limited. If fact, the Bank only held approximately $20 million, which is less than 1% of liquidities as of October 31, 2007. Out of this amount, we took a 15% charge of the value of these securities, equivalent to $2.9 million. I would like to point out that the Bank does not directly participate on the subprime mortgage market and is well capitalized, with a Tier 1 capital ratio that was at 9.8% as of October 31, 2007.

2008 Objectives

For the 2008 financial year, our objectives for the return on common shareholders' equity is between 9.5% and 10.5%, for a net diluted income per common share of between $3.30 and $3.60. Our total revenue objective was set at $615 million, based on 5% growth. The efficiency ratio objective is in the range of 74% to 72%. This range shows an improvement versus the range in 2006 when the ratio fluctuated between 75% and 73.5%.

The objective of the Tier 1 capital ratio was maintained to a minimum of 9.5%.

Now let's look at our results for the first quarter of 2008 that we announced on February 27. First quarter results included an unfavourable tax adjustment of $5.6 million following the adoption of the Federal budget last fall. If we exclude this item, financial results remain in line with our performance indicators for 2008, with a return on common shareholders' equity of 10.9%. This exceeds our objective for 2008, set between 9.5% and 10.5%, as I mentioned earlier. The diluted earnings per common share reached $0.91, higher than the targeted annual scale between $3.30 and $3.60. The efficiency ratio was 71.9%, a better result than the targeted objective.

Total revenue for the first quarter of 2008 was $151.1 million, for a 7% increase, versus the first quarter in 2007. Among other things, this increase was due to an increase in the net interest income of 5% or $4.3 million, which primarily came from the growth in our loan and deposit volumes. Other income rose by

$5.1 million or 11% due to the growth in securitization income, treasury income and financial markets revenues, as well as income from the sale of mutual funds.

Regarding capital ratios, the Bank has complied with the new Basel Framework since November 1, 2007. The tier 1 capital ratio was 10.3%, which corresponds to our objective of a minimum of 9.5% for 2008. The ratio has increased versus the 9.8% on October 31, 2007, mainly due to the impact of the new Basel Framework.

In conclusion, management is pleased with the financial performance in terms of revenues and net income for 2007 and for the first quarter of 2008. We will continue working on developing growth sectors, improving our efficiency and making profitable investments, such as investing in the development of our human capital.

Thank you for your attention... I now give back the floor to Mr. Desautels.