

NOTES FOR THE SPEECH
OF RÉJEAN ROBITAILLE

PRESIDENT AND CHIEF EXECUTIVE OFFICIER
LAURENTIAN BANK

ANNUAL SHAREHOLDERS'
MEETING
OF LAURENTIAN BANK

MARCH 11, 2008

LAURENTIAN BANK - ANNUAL SHAREHOLDERS' MEETING, MARCH 11, 2008
SPEECH OF RÉJEAN ROBITAILLE, PRESIDENT AND CEO

Thank you, Mr. Desautels.

Dear Shareholders and Partners,
Mesdames et Messieurs,
Ladies and Gentlemen,

Hello,

I am proud to be speaking to you today at the end of my first full fiscal year as President and CEO of Laurentian Bank.

I am taking this opportunity to thank the members of the Board of Directors for having confidence in me in this position. I am thrilled with the Bank's growth, and I am happy to be a part of it. It is also a privilege for me to work with such a high-calibre board.

What also makes me very happy is to see how determined and dynamic our employees are in using their skills and contributing to the everyday development of the Bank, which has brought us these great results. In particular, it has been through the leadership of our management team that we are quickly growing.

Allow me to introduce them:

- Luc Bernard, Executive Vice-President, Retail and SME Québec
- Robert Cardinal, Senior Executive Vice-President and Chief Financial Officer
- François Desjardins, Executive Vice-President of the Bank, and President and CEO of B2B Trust

- Bernard Piché, Senior Executive Vice-President, Treasury, Capital Markets and Brokerage
- and Lorraine Pilon, Executive Vice-President, Corporate Affairs and Secretary.

Our team is dedicated to meet our short- and long-term objectives with energy and efficiency, and to continue developing Laurentian Bank. I would like to thank each of its members for their commitment.

We had excellent results in 2007, due to the strict planning over the past few years. Today, we can see how far the Bank has come in accelerating the development of its sectors of activity, further increasing its profitability and implementing fruitful initiatives.

Let us take a look at the main points for these results, which attest to our good performance. The net income diluted per common share was \$3.48, , up 40% versus 2006. The return on common shareholders' equity was 10.9% in 2007 compared with 8.2% the previous year.

All four business lines have improved their net income and contributed to the growth of the organization. The net income of Retail Financial Services increased by 30%, and net income of B2B Trust grew by 25%. The contribution of Commercial Financial Services remained stable.

The well balanced distribution of our net income is a definite advantage for the Bank. Indeed, 42% of net income comes from Retail Services, 29% from B2B Trust, 22% from Commercial Financial Services and 7% from our brokerage subsidiary, Laurentian Bank Securities. We thus benefit from a good sectorial diversification. As well, the origin of our loans ensures us good geographical distribution, with 59% of loans coming from Quebec and 41% from other provinces.

One of the highlights of 2007 was definitely the increased volume of portfolios, with loans and banker's acceptances up by 9%, and deposits by 6%. This represents an increase of more than \$2 billion in volume.

With these results, we were able to announce at the end of the year that all our annual objectives had been reached for the year and that some had even been surpassed. The Tier 1 capital ratio and credit quality were attained, whereas the return on common shareholders' equity, the diluted net income per share, total revenue and the efficiency ratio surpassed our expectations.

Improvements continued into the first quarter, as returns on common shareholders' equity, excluding a special tax item, were 10.9%.

In view of these strong results and confidence in the future development of the organization, last December the Board of Directors approved an increase in quarterly dividends of 10% or 3¢ per common share, bringing it to \$0.32 per share.

In a moment, our Chief Financial Officer, Robert Cardinal, will give you more information on our financial situation, especially on the results of the 2007 fiscal year and the first quarter of 2008.

Outstanding accomplishments

One of the highlights of 2007 that I am pleased about is that our unionized employees voted in favour of the agreement in principle between the Bank and the Union to renew the collective agreement. This new agreement with its four-year term attests to the remarkable improvement of the Bank's work relations. I would like to thank all those who directly or indirectly contributed to this important undertaking. In this case, I salute Daniel Larose, President of the

Union, who proved to be a great interlocutor: Like us, he was able to see that both the employees' and Bank's interests can be compatible.

Fiscal 2007 also bore fruit in terms of human capital development, which is one of our priorities. We have indeed deployed an entirely new, performance management program more closely suited to the Bank's reality. All of our managers signed on for a training program, and we are enthused by their positive response. For us, this is a major milestone in our efforts to better satisfy our employees by ensuring a setting that will allow them to succeed and develop.

We also deployed a series of new programs, notably to ensure the smooth integration of new employees. In keeping with our philosophy of the gradual deployment of our projects, we have prioritized the development of programs for employees who work directly with customers. This way, as soon as employees are hired, we can make sure that they integrate into the Bank's culture and apply our high standards of quality service.

The Bank has continued to show initiative by launching a new program at the very end of the year to strengthen managers' individual skills. This initiative, known as *Leaders in Action*, is highly focused on the customer experience and aims to establish a common vision and language for all managers in the branch network. This program is offered through the Laurentian Bank Academy. The Academy refers to both our new development centre opened last November and to all the training and development programs available to our employees in order to help them develop and make the most of their talents and skills.

By heavily investing in its human capital, the Bank is convinced that it has a solid foundation that will support the organization's long-term development.

Along other lines, our subsidiary B2B Trust continued growing in 2007. By signing at the very end of the year an agreement with AIM Trimark

Investments, one of the largest investment management companies in Canada, B2B Trust now has more than 50 distribution alliances for its investment loan and RRSP loan programs. B2B Trust now serves all 25 main mutual-fund investment firms that do not have internal loan programs and prefer to partner with a recognized investment loan supplier.

For mortgage loans, Laurentian Bank positioned itself in line with its wish to simplify and facilitate the management of its customers' banking needs. The solid expertise of advisors in this area has contributed to making this positioning a real asset for guiding our customers. It was with this objective in mind that a Web site was developed for first-time homebuyers, www.labanquedemamaison.ca. It has been particularly successful, since it was recognized in Toronto, during the Digital Marketing Awards, and in Montreal, during the Boomerang Awards Gala.

In line with our objective of being the best bank for all of our customers, and thus be their main banker, we will continue to increase our quality standards to always better serve them. In this way, we equipped ourselves with sophisticated customer information management tools in order to know better the needs of our customers.

Our business customers, which include many SMEs, also benefit from services that are more and more attuned to their reality and concerns. The Bank developed for these customers the Business Performance packages, two new credit cards, Business Visa and Visa Business Performance, as well as a new bank card. These new features clearly show our willingness to continue developing this market segment.

The Bank has also continued establishing its image with its target customers through advertising campaigns, which continue to receive the public's support. This approach asserts our positioning concerning family customers.

In order to more actively penetrate their respective markets, Commercial Financial Services and Laurentian Bank Securities also revised their image to differentiate themselves from their competition and reinforce their positioning.

We very recently finished replacing our entire ATM network to make it more user-friendly. As well, 14 new other ATMs over the year were added.

Furthermore, seven relocations and conversions of branches into financial services boutiques were completed, which improved the overall efficiency of the network. The 21 financial services boutiques continue to be greatly appreciated by customers, with their warm ambiance fostering proximity.

We also opened our second Espresso Bank-Café on the Mont-Royal Plateau. This innovative concept, specifically adapted to urban areas, provides a different approach to banking services, with the goal of enhancing the customer experience and simplifying banking business management in a friendly setting.

Our positioning

Our vision of the future has come out of these many developments. This vision entails thorough analysis of our current positioning and the state of our markets and the financial services industry. This vision also rests on proper appreciation of the Bank's strengths and on our long-term development potential.

It is clear that, for Bank Management, our positioning will remain well targeted. As well, we are set on developing in the business segments where we are most competitive, that is

- Retail customers, mainly in Quebec
- SME and real-estate developers in Canada
- Independent financial intermediaries, all across Canada.

It is therefore important to remember that a high portion of Laurentian Bank's activities are outside Quebec, that is 41% of our loans.

In many of our markets, we hold enviable competitive positions. Thus, in operating the third largest retail branch network in Quebec, we benefit from a prime engine of growth. We are especially well established in Montreal's banking market. This strong historical presence in the metropolitan region gives us a very interesting position in many cultural communities. In 2004, we were the first bank to offer money transfers, person to person, through a partnership with Western Union. We are very proud of this closeness with cultural communities and the representivity of these communities among our employees.

Our B2B Trust subsidiary is the top third-party supplier of investment loans, and the leading supplier of wholesale deposit products in Canada.

We currently occupy a strong position in the real-estate market with a high-calibre team and offices in many cities throughout Canada, including Calgary, Vancouver, Toronto and Montreal.

With Laurentian Bank Securities, we have a select place in the Institutional Fixed Income sector where we rank eighth in Canada. Our Institutional-Equity division is quickly developing due to the niche position that we adopted by focusing on the small capitalization companies. These market segments correspond very well with the entrepreneurial nature of Laurentian Bank.

We intend to continue building the organization upon these strong foundations. To do so, we will continue building on the three priorities that we set last year, namely increasing profitability, improving operational efficiency and developing our human capital. A lot of work has been done here and we are already seeing tangible results.

These sound foundations represent real assets for our shareholders: first of all, a very good financial situation, with a sound balance sheet and capital ratios. We also have, to our credit, a high proportion of insured mortgages and personal banking deposits. As we have explained various times, our exposure to non-bank asset-backed commercial paper is very limited, and has had a low impact on our annual review.

Given our very favourable situation, I would like to sincerely thank all our employees: their involvement and dedication to the Bank and all of our customers are the basis of our success. Every day, they contribute to improving our work processes, and therefore our effectiveness and profitability.

As for our shareholders and customers, I would like to renew our commitment to remain ever attentive to their best interests. In this area, as everywhere else, the Bank will always pursue excellence. We ask that you continue putting your trust in the Bank's development.

I will conclude by sharing an observation: Today, as a financial institution, Laurentian Bank sits on a solid foundation and demonstrates its capacity to exploit its high potential for growth. There is no doubt in my mind that we will continue our strong growth.

I would like to thank you, and now would ask Robert Cardinal, Chief Financial Officer, who will tell you more about our results.