

Speech by Raymond McManus
President and Chief Executive Officer

I am very happy to welcome you to our the Annual Meeting of Shareholders. It is a unique occasion to review our performance for 2005 and to present our key orientations and targets for the next year.

Also, I would like to use this opportunity to express my sincere appreciation to our shareholders. Over the last few years, you have put your trust in us by showing patience and steadfast support for the Bank's Management and Board of Directors in the face of significant changes. Thank you! I want to assure you that we are fully committed in pursuing the profitable development and growth of our organization while respecting the principles of transparency, integrity and ethics.

With our positive results announced last December, I find it much more enjoyable to be here today. Last year, I announced to the Board of Directors and to the public that our Business Plan, launched in 2003, would take a year longer to be fully implemented, that is four years in total. We are now starting our third year of the Plan, and I am convinced we are on the right track to achieve good profitability.

We must, however, stay the course and never lose sight of our goals. We've refocused our operations, which is a crucial element. Now we can make the best use of our financial and human resources. With this phase behind us, we can channel our efforts into the development and growth of our four core business segments: Retail Financial Services, Commercial Financial Services, B2B Trust and Laurentian Bank Securities.

This is exactly what we did in 2005. We achieved considerable growth in various portfolios. And growth is essential to our development. In particular, I would like to highlight the strong performance of Retail Financial Services and B2B Trust. Both lines of business showed good profitability and volume growth.

It was a good year for Laurentian Bank Securities, as well especially with regard to its Full Service Brokerage division. Consolidation became the general theme for the year with many new advisors joining the team and three new offices being opened. With these initiatives – which resulted in additional costs – this business line is now better equipped to ensure its further development.

Over the past two years, Commercial Financial Services suffered a slight setback in revenues, particularly due to our decision to withdraw from the corporate loan market. But its growth is now starting to rebound.

Throughout fiscal 2005, our lines of business carried out various initiatives with the goal of promoting the Bank's development and growth. We improved our line of products and services. We considerably expanded and modernized our network of branches and points of service. We deployed marketing and business development strategies that are even more effective, and we also continued to enhance our partnership.

These results were made possible thanks to the commitment of all of our employees. They are proving our dedication and determination to maintaining the momentum going forward and to strengthen our positioning in the markets where we operate.

It is also thanks to the knowledge and savvy of each member of the Management Committee that we have succeeded in our repositioning efforts.

I would like to take a moment to present them to you:

- Mr. Robert Cardinal, Senior Executive Vice-President, Finance, Administration and Strategic Development, and Chief Financial Officer;
- Mr. Bernard Piché, Senior Executive Vice-President, Treasury, Capital Markets and Brokerage;
- Ms. Lorraine Pilon, Executive Vice-President, Corporate Affairs and Human Resources, and Secretary;

- Mr. Réjean Robitaille, Senior Executive Vice-President, Retail and Commercial Financial Services; and
- Mr. André Scott, Executive Vice-President, Commercial Financial Services.

The commitment of the Management Committee members is firm. We are a true team. That is why, this year, I have decided to share the presentation of our results with some members of the Committee. Therefore, Robert Cardinal will present our financial highlights, Bernard Piché will talk about the operations of the Treasury sector and of Laurentian Bank Securities, and Réjean Robitaille will review the results of the three lines of business under his management serving our retail and commercial clients.

However, rest assured that our collective presentation will be no longer than last year's speech, despite the number of contributors.

In general, the Bank's financial condition is sound. Our cash and capital ratios are comparable to those of the other large Canadian banks, and our credit quality is satisfactory. Each of these elements is crucial in the pursuit of our Business Plan and will ensure our development and growth in the months and years to come.

We are proud of the Bank's performance in fiscal 2005, but we must not lose sight of our long-term objectives. We have become better managers and better operators over the last few years. We will keep our focus and we will continue to improve in order to build a bank that is even stronger.

In this regard, maintaining close relations with our Union is a top priority. In 2005, we completed several significant steps, including signing an agreement with the *Fédération des travailleurs et travailleuses du Québec* (FTQ) to offer a banking program designed exclusively for the 550,000 FTQ members and their families.

The commitment and dedication of all of our employees is crucial in the development and growth of the Bank. Without their support, our plan wouldn't have been possible. In fact, at

all levels within our organization, employees have adhered to the strategies and objectives of our Business Plan with enthusiasm and determination.

In order to strengthen their commitment even further, last February we launched a new Employee Share Purchase Plan. We hope that this Plan will appeal to many employees and will further motivate them towards the future success of our Bank.

In May, Laurentian Bank will celebrate its 160th anniversary. We are determined to continue on the road of growth and improvement. We want to be a leading financial institution in Quebec and a performing player in specific markets across Canada, recognized for offering the best products with a quality of service unsurpassed by any bank.

I believe in Laurentian Bank. I am confident that we hold all the necessary tools to ensure sustained growth and a promising future for our Bank.