



LAURENTIAN
BANK

PRESS RELEASE

For immediate release

TWO NEW MORTGAGE LOAN SOLUTIONS FROM LAURENTIAN BANK

Montreal, June 20, 2007 – Laurentian Bank of Canada presents two new mortgage options: Up to 7% Cashback¹ and Adjustable Rate². These new mortgage loan products have been designed to meet the needs of a diversified clientele looking for a product more adapted to their particular situation. With the launch of these new highly competitive offers, Laurentian Bank further strengthens its position of a household bank.

Up to 7% Cashback Mortgage

This 7-year fixed-rate mortgage loan with cashback of up to 7% of the borrowed capital is particularly suited for clients who take out their first mortgage and who seek stability in interest rates. With this loan product, the client is protected from rate fluctuations for 7 years. Moreover, first-time homebuyers often have many projects in mind, and this cashback offer of up to 7% of the borrowed amount is not negligible. It will help new homeowners pay for expenses related to moving, renovations, furniture purchase, a happy occasion like a new baby, or will simply allow them to take vacations that they have been dreaming of for so long.

While this mortgage loan product was designed with first-time buyers in mind, it also meets the needs of people who are on a somewhat tight budget with little flexibility and who need cash right away. With this new offer, the client gets the stability of payments for a period of 7 years with cashback at the time of the disbursement of the mortgage loan. Why wait to start your projects!

Adjustable Rate Mortgage

The Adjustable Rate mortgage solution targets experienced buyers who are financially comfortable and who have certain tolerance for rate fluctuations. This loan product is particularly suited for people who hesitate between a fixed rate and a variable rate, since the adjustable rate option offers the best of both worlds! With a term of 5 years, the interest rate is fixed for the first year and is subsequently adjusted every six months. Thus, clients get a great rate in the first year, allowing them a little break. Moreover, what makes this mortgage loan product especially attractive is the reference index – it is based on the closed 6-month fixed rate, which is one of the lowest mortgage interest rates. In a nutshell, the client benefits from low short-term interest rates (closed 6-month fixed rate) that Laurentian Bank further improves with an additional rate rebate of 1.50% in the first year and 0.50% in subsequent years (every 6 months).

About Laurentian Bank

Laurentian Bank of Canada is a Quebec banking institution that operates across Canada and is dedicated to meeting its clients' financial needs through excellence in service, as well as through its simplicity and proximity. The Bank serves individual consumers and small and medium-sized businesses, as well as financial advisors through B2B Trust. It also provides full-service brokerage solutions through its Laurentian Bank Securities subsidiary. Laurentian Bank is well established in the Province of Quebec, operating the third largest retail branch network and is also a performing player in specific market segments elsewhere in the country. Laurentian Bank of Canada has over \$17 billion in balance sheet assets and \$15 billion in assets under administration. Founded in 1846, the Bank employs more than 3,300 people. Its common shares are listed on the Toronto Stock Exchange (TSX: LB). For more information, please visit www.laurentianbank.ca.

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1. Up to 7% Cashback

The 7% cashback percentage is applicable to a seven (7) year closed term at the interest rate posted by the Bank. Maximum cashback applicable on the 7% cashback offer is \$35,000. Combinations of cashback and interest rate rebates are also available for a closed term of seven (7) years: 5% cashback with a 0.25% interest rate rebate, or a 4% cashback with a 0.50% interest rate rebate. Maximum cashback payable is \$25,000 for the 5% cashback option and \$20,000 for the 4% cashback option. The annual percentage rate (APR) associated with the 7% offer as at June 14, 2007, is 7.70%. As at June 14, 2007, the APR associated with the 5% cashback option is 7.45%, and the APR associated with the 4% cashback option is 7.20%. All APR mentioned are based on a \$150,000 mortgage loan amortized over 25 years with a 7-year term. Cashback is calculated based on the capital amount borrowed and used. All quoted interest rate rebates correspond to the maximum rebate granted on the interest rate posted by the Bank on the date of the loan application and according to the percentage of the cashback option requested. Limited-time offer. New mortgage applications only. Subject to change without notice. Cannot be combined with any other offer. Subject to credit approval by Laurentian Bank of Canada.

2. Adjustable Rate

The annual percentage rate (APR) assumes a fixed interest rate for a 6-month closed term at 6.75% for the entire term of the loan (rate in effect June 14, 2007). A 1.50% rebate applies on the closed 6-month fixed interest rate for the first 12 months. A 0.50% rebate applies on the interest rate for subsequent revisions. The annual percentage rate (APR) is 6.05% based on a loan of \$150,000 amortized over 25 years with a 5-year closed term. Following the date of the disbursement, the applicable interest and payment rates will be revised after the first 12 months and subsequently every 6 months according to Laurentian Bank's 6-month closed fixed rate in effect. Limited-time offer. Subject to change without notice. Cannot be combined with any other offer. Subject to credit approval. Certain conditions apply.