LAURENTIAN BANK
OF CANADA

PRESS RELEASE

For immediate release

FACTORS TO INFLUENCE QUEBECERS' RETIREMENT PLANNING

Montreal, February 28, 2005 – This year, RRSP advertising campaigns and the media coverage of the subject were tinged with uncertainty due to the socioeconomic changes that have taken place over time. Quebecers now face new challenges when planning and investing for retirement.

Carlos Leitao, Strategist and Chief Economist at Laurentian Bank Securities, pointed out that "there are five key factors that are at the origin of changes in retirement planning strategies over the last few years: increasing life expectancy, nature of the government pension programs, changes in private pension plans offered by large companies, job market evolution, as well as inflation corrective measures by Central Banks. To ensure comfortable retirement, Quebecers must consider these factors when establishing their action plans since these factors will affect their available income."

Life expectancy
The life expectancy of Quebecers has been steadily increasing, and is now 74.6 years for men and 81 years for women. It would be realistic to assume that we could live to be 85 or 90. Thus, the retirement life will become much longer compared to the number of working years. It means that Quebecers would need to have more savings to provide for their "golden years".

Government pension programs
The government pension programs were not intended to be the only source of income at retirement. They are to provide a minimum level of income to ensure that people stay above the poverty line. The public systems are well capitalized, however they cannot provide 70% of the income necessary to maintain your current standard of living when retired. Thus, when planning for retirement, Quebecers have to ensure a certain level of additional income that would allow them to maintain a standard of living that they enjoy.

Private pension plans offered by large companies
People can no longer rely on employer-sponsored private pension plans. Companies often choose define contribution plans for new members. As a result, the amounts paid at retirement are not indexed any more. Moreover, such plans become less accessible. According to a 2004 study by Statistics Canada, a growing number of employees are offered temporary jobs, which in most cases do not give access to pension fund benefits. In 2004, 23% of all women hired during the year were temporary employees, which is more than double of the 11% in 1989. As to their male colleagues, 20% of them occupied temporary positions in 2004, compared to just 12% in 1989.

Job market evolution
The job market has changed drastically in the last few years. People change jobs more often and a growing number of individuals choose to be self-employed. Based on the results of the

annual labour force survey by Statistics Canada published in January 2005, the number of people who are self-employed doubled in twenty-eight years, going from 1,185,000 in 1976 to 2,451,800 in 2004.

Inflation

We live in a world where Central Banks stabilize inflation. And low inflation means lower rate of return for the economy. Interest rates usually stay below 4% to 6%, and it is therefore taking longer for the capital to grow. To make sure you have sufficient funds accumulated at retirement, it is important to start contributing early and systematically.

About Laurentian Bank

Founded in 1846, Laurentian Bank ranks seventh among Canadian Schedule I banks, with assets in excess of $16 billion and close to $15 billion in assets under management. The Bank offers highly competitive products and superior personalized service to meet the banking and financial needs of individuals, small and medium-sized businesses and independent financial advisors. The Bank's common shares are traded on the Toronto Stock Exchange (ticker symbol: LB). The address of the Bank's website is www.laurentianbank.ca.

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