

NOTES FOR THE SPEECH BY MR. RÉJEAN ROBITAILLE,  
PRESIDENT AND CHIEF EXECUTIVE OFFICER  
AT LAURENTIAN BANK'S  
ANNUAL MEETING OF SHAREHOLDERS  
MARCH 16, 2010 AT 9:30 AM  
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SPEECH BY RÉJEAN ROBITAILLE  
PRESIDENT AND CHIEF EXECUTIVE OFFICER

LAURENTIAN BANK

AT

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ANNUAL MEETING OF SHAREHOLDERS

MARCH 16, 2010

**MR. RÉJEAN ROBITAILLE**  
**PRESIDENT AND CHIEF EXECUTIVE OFFICER**  
**ANNUAL MEETING OF SHAREHOLDERS – MARCH 16, 2010**

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Dear shareholders,

Ladies and Gentlemen,

Good morning,

I am very pleased to welcome you to this annual meeting today in order to outline our activities and accomplishments during fiscal 2009, a truly remarkable year for us. In fact, in 2009, we achieved record-breaking performance for the third consecutive year, including our profitability, with net income of \$113 million and loans and deposits that grew by nearly \$5 billion.

I am particularly proud of the fact that we are the sole Canadian bank to have reported increased earnings per share during each of the five previous years, in the context of unprecedented uncertainty. When we embarked on the past fiscal year, financial institutions around the world were facing a historic economic and financial situation. Not only did we successfully navigate through this crisis, but we emerged from it with a more solid foundation than ever. Indeed, our balance sheet is now more robust than it has ever been, and the accelerated growth of our loan and deposit portfolios testifies to the quality of the execution of our strategies.

In sum, we have learned to get the most from our business model, which is built on solidity and benefits from our complementary operations, while fully exploiting a strategic advantage — our agility. Laurentian Bank is more solid than ever and always as agile!

This is a winning combination from every vantage point — a combination that has enabled us to achieve exceptional results. During 2009, Laurentian Bank's deposits reached unparalleled growth of approximately 19%, and loans increased by a significant 10%. This progression attests to the effectiveness of our distribution networks and our ability to develop our presence in our target markets — two elements that have allowed us to go further.

Over the past three years, our loan portfolio has grown by 28%, and this was accomplished without compromising our credit quality, while the diversification of our products has allowed us to grow our deposits by 40%. In fact today, our assets total more than \$23 billion.

Our positive performance is undeniably tied to the effective execution of our business plan and to our highly targeted approach driven by three strategic priorities. The first of these priorities — profitability — has served to assure our development. Our net income, earnings per common share and total revenue have all increased substantially over the past three years. More specifically, net income grew by 20%, earnings per share by 22%, and total revenue rose by 14%. As such, when it comes to profitability, it's definitely mission accomplished.

With regards to our second strategic priority — efficiency — we've also seen a marked improvement during the past three years, as demonstrated by our performance indicators. This ratio represents what it costs us to generate our revenues and illustrates our enhanced efficiency over the years.

It is through the growth of revenues, the disciplined control of expenses, and the use of increasingly efficient tools and systems that we have been able to improve our efficiency. That is why investment is essential for the long-term development of the Bank. Our ability to maintain a proper balance between short- and long-term considerations was also a factor in improving our efficiency and, thereby, our profitability. This balance will continue to be at the heart of the Bank's strategy in the years to come.

Finally, we have also made considerable progress with respect to our third strategic priority — the development of our human capital — and the best graphics to illustrate the results... are those I have presented. It is our employees who generated these sales... our employees who designed, developed and implemented the systems and approaches to make us more efficient. It is they who managed the volatility of the financial markets. Our employees ensure that we are increasingly known and recognized for the quality of our service. They deserve our wholehearted congratulations!

As part of the major progress made by the Bank, the overall portrait of our activities has greatly changed. I would like to take a little time now to give you a brief overview of each of our four business segments and of their accomplishments over the past fiscal year.

The Retail and SME Québec segment encompasses our 156 branches, 406 automatic banking machines, 12 commercial business centres, and our seven agricultural business centres. The segment's total loans now exceed \$11 billion, and total deposits are more than \$8 billion. This business segment also constitutes the third largest branch network in Québec. As such, the Bank has a strong presence in the Montréal region, with 100 branches, including 65 on the Island of Montréal alone. However, we have also established our presence throughout the rest of the province, be it in Québec City, the Outaouais, or the various other regions.

Furthermore, this segment has garnered considerable attention this year by being granted the exclusive contract to operate automatic banking machines throughout the Montréal subway system. With the 72 machines that are now operating within this network, we are truly concretizing our proximity approach by enabling consumers to have even more ready access to their money.

This contract provides us with unprecedented visibility among network users who number nearly one million daily.

As well, we continue to setting ourselves apart from competitors with our unique financial services boutique concept continues to attract client interest and appreciation. 30 of these boutiques are now in place. We will continue to invest in our network, by opening new branches and by reconfiguring and renovating existing locations, in order to better serve our clientele.

The Bank has also made substantial investments over the past few years in its business intelligence tools such that it now enjoys an important competitive edge in this area. Armed with a better knowledge of our clients' profiles and behaviours, we can more proactively respond to their needs and, therefore, personalize our approach.

This enhanced client knowledge contributes as well to the evolution of our distribution strategies. For instance, we have continued to expand our mobile banking service offerings for our personal banking clients by providing them with access to mortgage and investment product specialists who can meet with them in the comfort of their homes.

Moreover, we are the only institution to offer clients comprehensive consulting services via advisors personally assigned to them and accessible by phone or e-mail. These advisors offer the same services and advice as those in our branches, without our clients having to leave home.

Moreover, Laurentian Bank is very active among companies in Québec and elsewhere in Canada. In order to respond to the realities of different businesses, we have regrouped our product and service offerings among teams that have developed particular specialties and areas of expertise. Our SME Québec teams, SME Ontario, National Accounts and Real Estate Financing, are very active in their respective markets by way of our 32 offices across Canada. Among these is our brand-new Real Estate Financing office in Québec City.

These groups originate almost \$4 billion of loans on the Bank's balance sheet. Last year alone, loan growth exceeded 20%. We also demonstrated our agility throughout the year. In fact, our teams reacted extremely quickly, while certain competitors were deciding to withdraw from this market due to difficulties associated with the financial crisis. We took advantage of opportunities that presented themselves which enabled us to accelerate portfolio growth in these sectors, while maintaining our prudent risk management approach.

We take great pride in serving the thousands of commercial clients that put their trust in us. Moreover, it is our aim to expand our presence and activity within the area of business financing.

Now, on to B2B Trust. This subsidiary has four sales offices in Canada, total loans of more than \$4 billion, and deposits of over \$9 billion.

B2B Trust enjoyed another very good year of growth. The highlight of the year was the launch of the High Interest Investment Account, which, in less than 12 months, generated about \$3 billion in deposits for B2B Trust. In addition to demonstrating the product's undeniable pertinence, this success allowed B2B Trust to again confirm its leadership among financial intermediaries.

This subsidiary also expanded its distribution channels in 2009. More specifically, we concluded four new distribution agreements for our investment and RRSP loans. In so doing, B2B Trust now has a total of 66 such agreements in place, and about 15,000 independent financial advisors are doing business with our subsidiary. B2B now serves the majority of the most important mutual-fund investment firms who do not have internally the appropriate financing structure and prefer to partner with a recognized investment loan supplier.

Furthermore, throughout the year, B2B Trust showed its firm commitment to supporting both advisors and clients by developing new products and improving its administrative processes. For instance, the group launched a privileged mortgage partner program and introduced the 3 for 1 investment loan, as well as B2B Trust Select loans. And, in order to continue to make life easier for financial advisors who do business with us, we have also made a number of new improvements to our EASE online loan application tool.

Our fourth segment — Laurentian Bank Securities — also reported an excellent year, with net income of \$8.6 million, up fivefold as compared to the previous year. This profit represented 8% of the Bank's net income. Laurentian Bank Securities has 15 branches in Québec and Ontario and has assets under management of close to \$2 billion.

The Institutional Fixed Income division contributed substantially to the improvement in profitability. Although Fixed Income constitutes our principal strength, we continued to expand our Institutional Equity and Retail brokerage operations as well. Our Institutional Equity division serves the market for small cap companies. During the past year alone, this group of eight analysts who now cover 50 companies participated in 15 public issues.



Laurentian Bank's continuously improving performance is attributable to the efforts of each of our employees, as well as to a group of individuals with whom I work in close collaboration — our Executive Committee. I would like to now take a few moments to introduce the members of this Committee to you.

- Michel Lauzon, Executive Vice-President and Chief Financial Officer
- François Desjardins, Executive Vice-President of the Bank, and President and Chief Executive Officer of B2B Trust
- Luc Bernard, Executive Vice-President, Retail Financial Services and SME
- Lorraine Pilon, Executive Vice-President, Corporate Affairs and Secretary

I would also like to introduce the two officers in charge of the Real Estate and Commercial Financing and Laurentian Bank Securities and Capital Markets segments, respectively — Mr. Paul Hurtubise and Mr. Michel Trudeau.

Furthermore, I wish to extend my sincere gratitude to Bernard Piché, who held the position of Senior Executive Vice-President of Treasury, Financial Markets and Brokerage, and who has decided to retire after 16 years of loyal service to the Bank. Bernard's expertise, dedication and rigour served as major assets to the organization, and I wish him all the best for the years to come.

With respect to Laurentian Bank's immediate future, we intend to pursue our growth strategies in 2010 with the same determination, and we have great confidence in the Bank's long-term development. Indeed, with a return on shareholders' equity of 12.3%, our first quarter results support that conviction.

It is with this same dynamic approach that we will pursue our development for the benefit of both our shareholders and our clients. Indeed, our clients are at the very heart of our strategies. In fact, all indicators confirm that our clients appreciate our approach, with several surveys and third party studies validating their high rate of satisfaction.

Léger Marketing's last survey on the most respected companies ranked Laurentian Bank as the second most admired financial institution by Québécois... We are extremely proud of this distinction, particularly because this marked the second consecutive year that we have earned it.

Aside from its performance and client service, Laurentian Bank has also been distinguished for its corporate responsibility. In that regard, the Bank was designated one of the 20 best corporate citizens in Québec by Responsible Investment Group, in May 2009.

It is our long-term vision that drives our commitment and all our efforts to fulfill our responsibilities to our clientele, our employees, our shareholders and partners, and to the communities in which we are pursuing our development.

On the subject of community involvement, I am pleased to report that there are several organizations that benefited from Laurentian Bank's financial support during the past year. We strongly encourage our employees to get involved in their communities as well, and we are delighted to lend our support to the organizations that are close to their heart.

These results are also very much attributable to certain key stakeholders. I've already highlighted the invaluable support of our employees, who I thank most sincerely. And then there are the more than one million clients who put their trust in us. They are most definitely our *raison d'être*.

The members of the Board of Directors provide us with the good governance that has made Laurentian Bank such a solid, well managed and constantly growing financial institution; I thank them for their ongoing support. Finally, the support and trust of our shareholders are also indispensable to assure our growth, and we are extremely grateful to be able to count on you as well.

Like other Canadian banks, Laurentian Bank will need to adapt to an environment that will be increasingly overseen and regulated. One of the pending changes in that regard will affect capital rules that banks will be obliged to adhere to. These new standards are expected to take effect this year. We sincerely hope that the coming changes will take into account the fact that the Canadian banking system is recognized as being among the most solid and reliable in the world, and that its development should not be hampered by over-regulation. The parties involved in the banking sector have demonstrated their clear will to collaborate with the federal regulator over the last two years in order to assure that our industry remains as solid as possible.

Over the past three years, Laurentian Bank has succeeded in adapting to an uncertain environment, and the progress we've made has helped to secure the sustained development of the Bank in 2010 and beyond. More solid than ever, and always as agile, Laurentian Bank therefore has its sights firmly set on the future with great optimism and confidence.

Thank you.