LAURENTIAN BANK
OF CANADA

NOTES FOR A SPEECH BY RAYMOND MCMANUS, PRESIDENT AND CHIEF EXECUTIVE OFFICER, TO THE ANNUAL MEETING OF THE SHAREHOLDERS OF LAURENTIAN BANK, 9 A.M. ON MARCH 16, 2005, AT THE WINDSOR HOTEL, IN MONTREAL

Caution regarding forward-looking statements

This speech and related communications may contain forward-looking statements, including statements regarding the business and anticipated financial performance of Laurentian Bank. These statements are subject to a number of risks and uncertainties. Actual results may differ from results contemplated by the forward-looking statements. Such differences may be caused by factors which include, among others, global capital market activity, changes in government monetary and economic policies, changes in interest rates, inflation levels and general economic conditions, legislative and regulatory developments, competition and technological change. When relying on forward-looking statements to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and should not place undue reliance on such forward-looking statements. The Laurentian Bank does not undertake to update any forward-looking statements, oral or written, made by itself or on its behalf.

Only the delivered speech shall be considered as authoritative

NOTES FOR A SPEECH BY RAYMOND MCMANUS, PRESIDENT AND CHIEF EXECUTIVE OFFICER, TO THE ANNUAL MEETING OF THE SHAREHOLDERS OF LAURENTIAN BANK, 9 A.M. ON MARCH 16, 2005, AT THE WINDSOR HOTEL, IN MONTREAL

Ladies and Gentlemen,

Good morning.

2004 was a very active year for Laurentian Bank. Collectively, the Board of Directors, the Management Committee, managers and employees focused their energy on refocusing the Bank and using our strengths. Laurentian Bank is a Quebec bank, solidly rooted here, and renowned in Canada in specific areas.

I'm very proud to tell you that we have accomplished a great deal last year. We predominantly worked along 2 lines: refocusing our activities to ensure our growth and developing our profitability.

Specifically, in the last few months we announced several strategic decisions and actions. All of these decisions were made in keeping with a long-term vision, to ensure the future profitability of the Bank. In parallel, we have highlighted a series of measures to support the sustainable growth of the Bank's business volumes.

Looking back at the most important transactions, the sale of BLC-Edmond de Rothschild to Industrial Alliance stands out. Since the creation of this joint venture, we had made a concerted effort to penetrate the highly competitive fund management market. Despite our efforts, it would have taken us many years to become a major player in this market. In contrast, our branches constitute an excellent distribution network, and we wanted to further develop this strength.

This is precisely what Industrial Alliance has offered. The 10-year distribution agreement provides product stability, which will free us to concentrate uniquely on distribution. Although this partnership was forged only a few months ago, we are confident that our decision will generate real advantages for the Bank.

In financial terms, this transaction generated a net gain of $5.2 million, posted in the first quarter of 2005. This agreement could enable us to recognize up to $34.5 million in additional gains in the next 5 or 6 years.

NOTES FOR A SPEECH BY RAYMOND MCMANUS, PRESIDENT AND CHIEF EXECUTIVE OFFICER, TO THE ANNUAL MEETING OF THE SHAREHOLDERS OF LAURENTIAN BANK, 9 A.M. ON MARCH 16, 2005, AT THE WINDSOR HOTEL, IN MONTREAL

Our long-term vision also motivated us to privatize B2B Trust. This decision will help us reduce our costs, notably the expenses associated with public companies. Once again, the privatization of B2B Trust triggered additional expenses this year, but has already begun to generate savings.

Many other operations-related transactions were carried out, involving outsourcing or the sale of less strategic activities or portfolios. In addition, we redeemed two series of preferred shared and two series of debentures to reduce our financing costs.

These transactions mark the Bank's completion of its principal actions intended to refocus its activities. We will now focus on developing the sectors of Retail Financial Services and Commercial Financial Services, together with our subsidiaries B2B Trust and Laurentian Bank Securities.

In terms of business growth, we have two major achievements to report. First, 2004 saw the launching of our new corporate positioning, embodied by the slogan DARE. DARE perfectly conveys the essence of Laurentian Bank: audacity, freshness, dynamism and flexibility. Received enthusiastically by external stakeholders and our employees alike, DARE has re-energized the Bank.

In addition, we resumed television advertising this past winter. Our corporate colours and the signage in our branches were also revamped. This was an enormous task, which has already yielded benefits, particularly in terms of awareness and sales. Our RRSP and mutual fund sales reached record levels in 2004, and our sales of mortgage products surpassed projected volumes. These results are partly

attributable to our integrated marketing activities and the effective use of our data warehouse.

Last summer, the Espresso Bank-Café-project was born. The culmination of a partnership with Café-Bistro Van Houtte, this initiative has yielded excellent results. Laurentian Bank is the only financial institution in Canada to offer its clients this type of concept. Our clients are as thrilled as we are with our Bank-Café. I would also like to announce today that we will be opening this year a second Espresso Bank-Café, on Laurier Avenue, in the Plateau Mont-Royal district.

In November, we opened our new financial services boutiques in Blainville, Gatineau, La Prairie, Mascouche and Sainte-Dorothée. Our branch at Place de la Cité, in the Québec City area, was also renovated in line with this concept. These branches are highly innovative, both in terms of design and the client experience. Our clients will enjoy visiting our Library zone and our Café corner, and their children can play in special kids' areas. It's an entirely novel approach to relations between our customers and employees.

I'm also pleased to announce that we will be opening three new financial services boutiques in the coming months, in Boisbriand, Chambly and Vaudreuil. In parallel with these openings, we will also invest in renovation of our existing branches.

In January, Laurentian Bank became the only financial institution to operate automatic banking machines in the metro stations of Montréal. We were selected following a call for tenders. In addition to the 7 ABMs already in place, 10 new ABMs were installed to replace those of competitors.

Commercial Financial Services also launched initiatives to stimulate its growth. New points of services were opened for real estate financing and agricultural financing. The sector also intensified its advertising activities by waging a campaign in specialized media.

The real estate financing sector experienced an excellent year. The Bank is ranked among the leaders in this sector in Canada, thanks to its competent and renowned team. We are currently working on improving our supply of term financing products to boost our business volume in this market. We also plan to increase our presence in Western Canada in the coming months.

NOTES FOR A SPEECH BY RAYMOND MCMANUS, PRESIDENT AND CHIEF EXECUTIVE OFFICER, TO THE ANNUAL MEETING OF THE SHAREHOLDERS OF LAURENTIAN BANK, 9 A.M. ON MARCH 16, 2005, AT THE WINDSOR HOTEL, IN MONTREAL

Our commercial financing, micro-businesses and agricultural financing sectors have taken actions to bolster the growth of their portfolios. We have also put in place highly targeted business development activities in these sectors to expand our clientele base and boost our volume.

For its part, B2B Trust continued to focus on the development of its principal markets. Its new product, the 100% Accelerator Loan, has been very well received by clients, who appreciate its flexibility and simplicity. Also, the new RRSP loan application and adjudication Internet system, EASE, is gaining in popularity at a growing pace. EASE automatically analyses loan requests, and clients receive an answer within seconds.

Our subsidiary Laurentian Bank Securities reported an excellent performance in 2004, with a contribution to net revenues that nearly doubled that of the previous fiscal year. The Laurentian Bank Securities team also took concrete steps to

consolidate its offering of products and services. In addition to its new transactional platform for discount brokerage, it put in place a Private Portfolio service directed at

the most affluent clientele. It also increased its sales force to better ensure sustained development.

For its part, Treasury, Financial Markets and Brokerage saw significant variations in revenues. We have reviewed our policies and implemented tighter asset and liability management. We started implementing this strategy at the end of fiscal 2004, and the results have already translated into improved net interest margins in the first quarter of 2005.

In terms of labour relations, the past few months have been very important for the Bank. The arbitration board rendered its final decision on the contents of the collective agreements a few days ago. The new agreement takes into consideration the reality of the Bank, and provides added flexibility, while ensuring that the unionized employees will continue to enjoy favourable working conditions. I believe that we have truly forged a partnership with the Union. For me, this is a source of great satisfaction.

Our employees are the pillars of our company. We count on them, on their attachment to our Bank, as well as on their skills and dedication. They make a huge difference.

These joint efforts by the Union and the Bank to enhance our labour relations have led us to discuss co-operative projects with the representatives of the Fédération des travailleurs du Québec. I am therefore pleased to announce that Laurentian Bank and the FTQ have decided to team up to supply financial products to all 550,000 members of the FTQ. You will be kept informed of any developments as they unfold.

It is also our employees as a whole that enabled us to achieve excellent performance in customer service this year. Two surveys have confirmed the leadership of Laurentian Bank in terms of service quality.

The Commercial Financial Services sector was ranked among the leading Canadian financial institutions based on customer satisfaction. 93% of our commercial clients say they are satisfied with all the products and services of Laurentian Bank.

Regarding Retail Financial Services, a study conducted among clients of 10 financial institutions found that Laurentian Bank has received the most positive feedback by its clients. Our clients are also more loyal to Laurentian Bank compared with clients of competitors.

These results, the fruit of sustained work, encourage us to continue our efforts.

As you know, our results for 2004 did not measure up to our expectations. Yet we are confident that with the actions taken in the past year, our results will gradually improve.

In 2004, our return on equity was 4.6%, including special items, and our earnings per share stood at $1.33, versus our objective of $1.44.

Our capital ratios remained solid. Our Tier 1 capital ratio was 10.5%, compared with the objective of 9.5%. Our total capital ratio was 14%, versus the objective of 13%. Active management of our capital during the year helped us maintain financial solidity and will allow to improve the return on equity.

I would like to draw your attention to the quality of our credit, which has improved significantly. Our impaired loans decreased by over 30% by the end of fiscal 2004, and net impaired loans fell from $22 million in 2003 to minus $13 million at October 31, 2004.

Our objectives for 2005 and 2006 are to constantly bolster our business volumes and our profitability. Accordingly, we hope to attain a return on equity of 4.5% to 5.5% in 2005 and from 7% to 8% in 2006. These figures correspond, on a per share basis, to $1.30 to $1.60 per share in 2005 and $2.05 to $2.35 per share in 2006. We have set the objectives for growth of total revenues at 4% to 6% for 2005 and 7% to 9% for 2006. Moreover, we hope to maintain solid capital ratios, with a minimum of 9.5% for Tier 1 capital and 13% for total capital.

The results of first quarter 2005 illustrate improvements in many areas. With net revenues of $17.3 million in first quarter 2005, we have achieved a return on equity of 8.3%. This figure includes the gain on the sale of BLC-Edmond de Rothschild. Without this special item, we would have posted a return of 5.3%, which is situated in the target bracket for this year. This return corresponds to a diluted income of $0.60 per share and $0.38 per share excluding the sale of BLC-Edmond de Rothschild.

In the coming months we will continue to take the necessary steps to power our growth, while adopting a vigilant approach to expenses.

I had announced last quarter I had set three objectives for 2005. My first objective will be to fully attain our business plan. This business plan remains extremely appropriate to the

Bank's situation. The first quarter results and our activities in several areas attest to this. We will therefore continue in the same direction and will not deviate from this path. The recent developments with our Union indicate that we are on the right track with respect to my second objective.

As I stated in December**,** my third objective for 2005 is to try and convince one of the big five Canadian chartered banks to combine their Quebec retail operations with Laurentian Bank.

Considering that the total market share of the five major banks in Quebec is less than 25%, it is fair to say that some of them are in a similar position as we were in Ontario and Western Canada. Given this fact, I am convinced that a combination of our retail operations would be advantageous for one of these banks. As far as Laurentian Bank is concerned, we will consider such an opportunity if it constitutes a win-win agreement and is accretive to our shareholders. I would also like to add that this objective does not call into question our business plan. On the contrary, it would only accelerate its implementation and further the Bank's development.

Discipline, rigour and accountability will continue to be central concerns. We have all the assets we need to succeed: our size, our targeted positioning, our culture of service quality, the strength of our brand in Quebec, our partnerships with Industrial Alliance and Van Houtte, our innovation capacities and our 158-year history. We fully intend to make the most of these strengths.

Our 3000 employees are committed and determined. They have actively participated in implementing the Bank's plan, in which they strongly believe. Actions taken in the past year will help us advance toward our principal target, to become the unbeatable number 3 bank in Quebec and a performing niche player across Canada.

Thank you for your attention.