

**NOTES FOR A SPEECH BY DENIS DESAUTELS, O.C.  
CHAIRMAN OF THE BOARD, TO THE ANNUAL MEETING OF  
THE SHAREHOLDERS OF LAURENTIAN BANK,  
9:30 A.M. ON MARCH 10, 2009  
AT THE MONUMENT-NATIONAL, IN MONTREAL**

**Caution regarding forward-looking statements**

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Only the delivered speech shall be considered as authoritative

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OF DENIS DESAUTELS

CHAIRMAN OF THE BOARD  
LAURENTIAN BANK

ANNUAL SHAREHOLDERS'  
MEETING  
OF THE LAURENTIAN BANK

MARCH 10, 2009

**MR. DENIS DESAUTELS**

**ANNUAL SHAREHOLDERS' MEETING, MARCH 10, 2009**

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Dear Shareholders,  
Ladies and Gentlemen,

Fiscal 2008 was an excellent year for Laurentian Bank — both from a growth and profitability standpoint — with the organization surpassing its original financial objectives. Under the leadership of our President and Chief Executive Officer, Réjean Robitaille, the management team clearly showed that the business strategy adopted by the Bank can bear fruit and that its prudent and rigorous approach is the right one.

From our perspective, the members of the Board of Directors and I have continued to exercise great vigilance with regard to managing the risks confronting financial institutions within today's challenging context. For example, our institution has very limited exposure to the securities issued by conduits covered under the Montreal Accord. Neither are we directly exposed to complex structured credit products, nor to high-risk mortgage loans, better known as subprime loans.

The prudent approach of the Bank's management, the rigour with which the Board and its committees carry out their work, and the regulations that govern the financial sector and to which our institution is subject, all serve to assure that Laurentian Bank is administered in accordance with the best possible business and governance practices, and in the best interests of shareholders.

We are very fortunate to be able to count on a highly competent management team in which I would like to reaffirm our total confidence. This is a solid and remarkably dedicated team whose exceptional dynamism and discipline is truly worthy of praise.

It is important to keep in mind that the retention of competent managers is crucial for an organization. That is why we must offer competitive compensation programs. However, we are resolute in our insistence that these programs also ensure managers are motivated to work in the best interests of the Bank, our shareholders, and our clients.

Our compensation programs are structured to take both short-term and long-term profitability into account. Our long-term compensation programs are designed to satisfy three guiding principles. First, compensation must be aligned with the interests of shareholders and managers alike. Second, remuneration must take performance into account. Finally, there must be a link between performance and the passage of time.

According to one of our compensation programs, the members of the Management Committee, including Mr. Robitaille, are obliged to convert 50% of their short-term annual bonus into restricted stock units. In practice, that means that they must transform half of their short-term bonus into long-term remuneration. These stock units have the same value when issued as the Bank's common shares and subsequently fluctuate based on the variation of the stock price, as is the case for regular shareholders.

Therefore, the Board is of the opinion that, with a significant portion of compensation being subject to share price fluctuation over a minimum period of three years, the three guiding principles are being met.

As such, the members of the Board and I are completely comfortable with the compensation paid to management in 2008, particularly given that the Bank not only achieved but actually exceeded its financial objectives. In view of the challenges of the past year, such performance is even more notable.

In addition to the Bank's competent management, I'm privileged to be serving on a Board composed of individuals of the highest calibre. Each member is recognized in his or her own right for the expertise within the individual's respective sector. Essentially, the strength of our Board of Directors rests in the complementary experience within the team. In fact, several of our members are intimately familiar with the financial and banking sectors, thus enhancing our ability to effectively direct the complex activities of our business.

At the end of 2008, Michel C. Lauzon, who was appointed to the Board last year, accepted to join the ranks of the Bank's management team as Executive Vice-President and Chief Financial Officer, subsequent to Mr. Robert Cardinal's decision to take his retirement. Although his time on the Board was brief, we were impressed with and greatly appreciated the benefit of his wealth of experience. We are convinced that the Bank will be well served with Michel holding this strategic position, and we all wish him well. As Mr. Lauzon's replacement on the Board, we are proposing Mr. Michel Labonté. With a distinguished career in the banking sector that spans numerous years, Mr. Labonté is an ideal candidate for Directorship.

I can assure you that the Board of Directors is firmly committed to working for the best interests of our Bank's shareholders and clients with all the rigour that this responsibility demands. In 2009, we will continue to place good governance among our highest priorities. In fact, we are proud and delighted that our efforts

in this regard were recognized with a *Board Games* award. The *Globe and Mail* reported on this accomplishment, ranking the Bank 28<sup>th</sup> among 241 companies that are members of the S&P/TSX index.

In conclusion, I wish to thank all those who contribute each day to the Bank's growth and development. In return, they can be assured of the organization's recognition and support.

I would now like to invite our new Chief Financial Officer, Mr. Michel C. Lauzon, to present the financial results for fiscal 2008 and the first quarter of 2009.