



LAURENTIAN
BANK

4th Quarter 2012 CONFERENCE CALL

Réjean Robitaille, President & CEO

Michel C. Lauzon, CFO

December 5, 2012 at 2 p.m.

1-866-696-5910, Code 1404266



In this document and in other documents filed with Canadian regulatory authorities or in other communications, Laurentian Bank of Canada may from time to time make written or oral forward-looking statements within the meaning of applicable securities legislation. Forward-looking statements include, but are not limited to, statements regarding the Bank's business plan and financial objectives. The forward-looking statements contained in this document are used to assist the Bank's security holders and financial analysts in obtaining a better understanding of the Bank's financial position and the results of operations as at and for the periods ended on the dates presented and may not be appropriate for other purposes. Forward-looking statements typically use the conditional, as well as words such as prospects, believe, estimate, forecast, project, expect, anticipate, plan, may, should, could and would, or the negative of these terms, variations thereof or similar terminology.

By their very nature, forward-looking statements are based on assumptions and involve inherent risks and uncertainties, both general and specific in nature. It is therefore possible that the forecasts, projections and other forward-looking statements will not be achieved or will prove to be inaccurate. Although the Bank believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct.

The *pro forma* impact of Basel III on regulatory capital ratios is based on the Bank's interpretation of the proposed rules announced by the Basel Committee on Banking Supervision (BCBS) and related requirements of the Office of the Superintendent of Financial Institutions Canada (OSFI). Changes to the interpretation of Basel III rules may impact the Bank's analysis.

The Bank cautions readers against placing undue reliance on forward-looking statements when making decisions, as the actual results could differ considerably from the opinions, plans, objectives, expectations, forecasts, estimates and intentions expressed in such forward-looking statements due to various material factors. Among other things, these factors include capital market activity, changes in government monetary, fiscal and economic policies, changes in interest rates, inflation levels and general economic conditions, legislative and regulatory developments, competition, credit ratings, scarcity of human resources and technological environment. The Bank further cautions that the foregoing list of factors is not exhaustive. For more information on the risks, uncertainties and assumptions that would cause the Bank's actual results to differ from current expectations, please also refer to the Bank's Annual Report under the title "Integrated Risk Management Framework" and other public filings available at www.sedar.com.

With respect to the anticipated benefits from the acquisitions of the MRS Companies and AGF Trust and the Bank's statements with regards to these transactions being accretive to earnings, such factors also include, but are not limited to: the fact that synergies may not be realized in the time frame anticipated; the ability to promptly and effectively integrate the businesses; reputational risks and the reaction of B2B Bank's or MRS Companies' and AGF Trust's customers to the transaction; and diversion of management time on acquisition-related issues.

The Bank does not undertake to update any forward-looking statements, whether oral or written, made by itself or on its behalf, except to the extent required by securities regulations.

NON-GAAP FINANCIAL MEASURES

The Bank has adopted IFRS as its accounting framework. IFRS are the generally accepted accounting principles (GAAP) for Canadian publicly accountable enterprises for years beginning on or after January 1, 2011.

The Bank uses both GAAP and certain non-GAAP measures to assess performance. Non-GAAP measures do not have any standardized meaning prescribed by GAAP and are unlikely to be comparable to any similar measures presented by other companies. These non-GAAP financial measures are considered useful to investors and analysts in obtaining a better understanding of the Bank's financial results and analyzing its growth and profit potential more effectively.



- **Net income increased:** reported net income up 14% and adjusted net income up 8% year-over-year
- **Balance sheet growth continued:** loans and deposits increased by 21% and 20% respectively year-over-year
- **Credit quality excellent** owing to our proactive strategies
- **MRS and AGF Trust** already contributing to profitability
- **Dividend raised** by \$0.02 per share per quarter to \$0.49

In millions of Canadian dollars, except per share and percentage amounts

	2012	2011	Variation	Q4-2012	Q4-2011	Variation
Net income	\$140.5	\$123.7	14%	\$45.7	\$26.7	71%
Diluted EPS	\$4.98	\$4.65	7%	\$1.51	\$0.99	53%
ADJUSTED MEASURES *						
Net income	\$140.7	\$130.4	8%	\$36.2	\$33.4	8%
Diluted EPS	\$4.98	\$4.93	1%	\$1.17	\$1.26	-7%

*Excluding adjusting items, see page 6



	2012 OBJECTIVES	2012 RESULTS
Revenue growth	> 5%	8%
Adjusted efficiency ratio *	73% to 70%	73.1%
Adjusted return on common shareholders' equity *	11.0% to 13.5%	12.0%
Adjusted diluted earnings per share *	\$4.80 to \$5.40	\$4.98

*Excluding adjusting items, see page 6



GAIN ON ACQUISITION AND ITS EXPECTED FUTURE IMPACT

	Gain on acquisition 2012	Expected impact of amortization of net premium on purchased financial instruments					Total
		2012*	2013	2014	2015	2016 to 2022	
In millions of Canadian dollars							
Net premium on purchased financial instruments	\$ 30.2	\$ (0.5)	\$ (4.5)	\$ (5.9)	\$ (6.0)	\$ (13.3)	\$ (30.2)
Contingent consideration	(5.9)	-	-	-	-	-	-
Increase (decrease) in income before income taxes	24.3	(0.5)	(4.5)	(5.9)	(6.0)	(13.3)	(30.2)
Income taxes (recovered)	7.9	(0.1)	(1.2)	(1.5)	(1.6)	(3.5)	(7.9)
Increase (decrease) in net income	\$ 16.4	\$ (0.4)	\$ (3.3)	\$ (4.4)	\$ (4.4)	\$ (9.8)	\$ (22.3)

* Actual amortization recorded in 2012



IMPACT OF ADJUSTING ITEMS, NET OF INCOME TAXES

In millions of Canadian dollars, except per share amounts *

	2012	2011	Q4-2012	Q4-2011
Impact on net income				
Reported net income	\$ 140.5	\$ 123.7	\$ 45.7	\$ 26.7
Adjusting items, net of income taxes				
Gain on acquisition and amortization of net premium on purchased financial instruments	(16.0)	-	(16.0)	-
Cost related to business combinations and other				
MRS Companies	13.9	1.2	4.7	1.2
AGF Trust	2.2	-	1.7	-
Compensation for the termination in 2012 of a mutual fund distribution agreement	-	5.5	-	5.5
	0.2	6.7	(9.5)	6.7
Adjusted net income	\$ 140.7	\$ 130.4	\$ 36.2	\$ 33.4
Impact on diluted earnings per share				
Reported diluted earnings per share	\$ 4.98	\$ 4.65	\$ 1.51	\$ 0.99
Adjusting items	-	0.28	(0.34)	0.28
Adjusted diluted earnings per share	\$ 4.98	\$ 4.93	\$ 1.17	\$ 1.26

* Certain totals do not add due to rounding

Symbol: LB, TSX

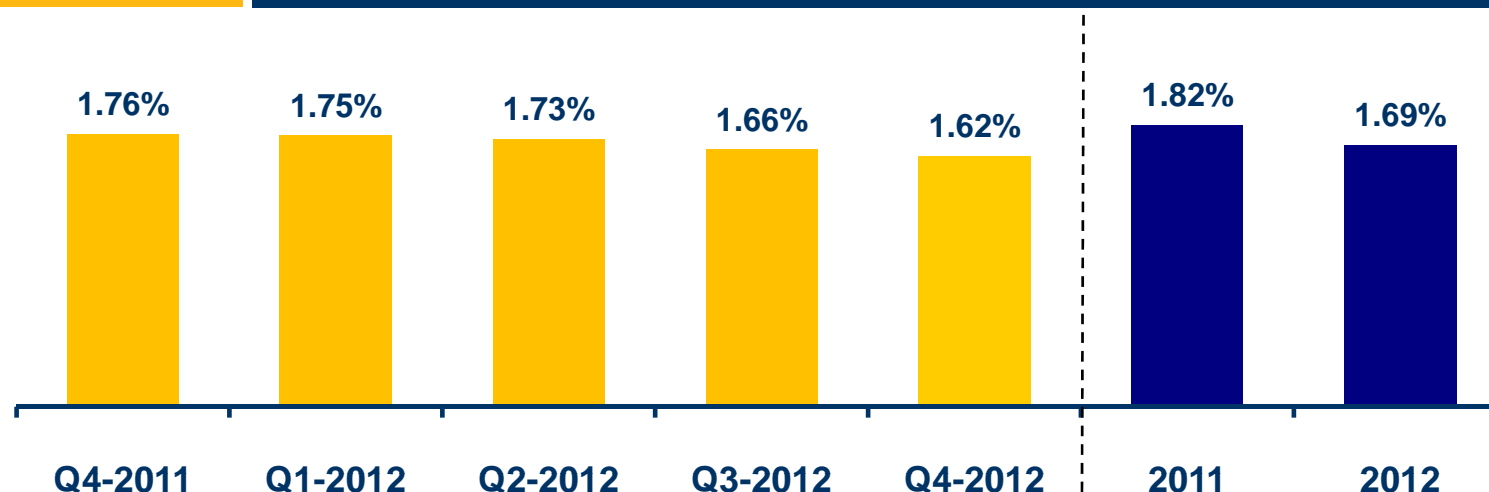


In millions of Canadian dollars, except per share
and percentage amounts

	2012	2011	Variation
Net interest income	\$531.0	\$504.5	5%
Other income	265.6	233.8	14%
Total revenue	796.6	738.3	8%
Gain on acquisition and amortization of net premium on purchased financial instruments	23.8	-	n.m.
Provision for loan losses	33.0	51.1	-35%
Non-interest expenses (including T&I Costs)	604.5	530.1	14%
Income taxes	42.4	33.4	27%
Net income	\$140.5	\$123.7	14%
Preferred share dividends	12.8	12.4	3%
Net income available to common shareholders	\$127.7	\$111.3	15%
Diluted EPS	\$4.98	\$4.65	7%
Return on common shareholders' equity	12.1%	12.2%	-10 bps
Efficiency ratio	75.9%	71.8%	410 bps
Effective tax rate	23.2%	21.3%	190 bps
ADJUSTED MEASURES *			
Adjusted net income	\$140.7	\$130.4	8%
Adjusted diluted EPS	\$4.98	\$4.93	1%
Adjusted return on common shareholders' equity	12.0%	12.9%	-90 bps
Adjusted efficiency ratio	73.1%	70.6%	250 bps

* Excluding adjusting items, see page 6

Symbol: LB, TSX



➤ 13 bps decline in NIM between 2011 and 2012 is mainly explained by:

- - 10 bps reflecting the continuing very low interest rate environment, a flatter yield curve and competitive pricing
- - 6 bps due to higher liquidity level and mix
- + 3 bps due to MRS and AGF Trust's higher margin loans

➤ 4 bps decline in NIM between Q3-2012 and Q4-2012 is mainly explained by:

- - 2 bps due to pricing
- - 5 bps reflecting a lower seasonal volume of loan prepayments
- - 3 bps due to higher liquidity level and mix
- + 6 bps from AGF Trust's higher margin loans

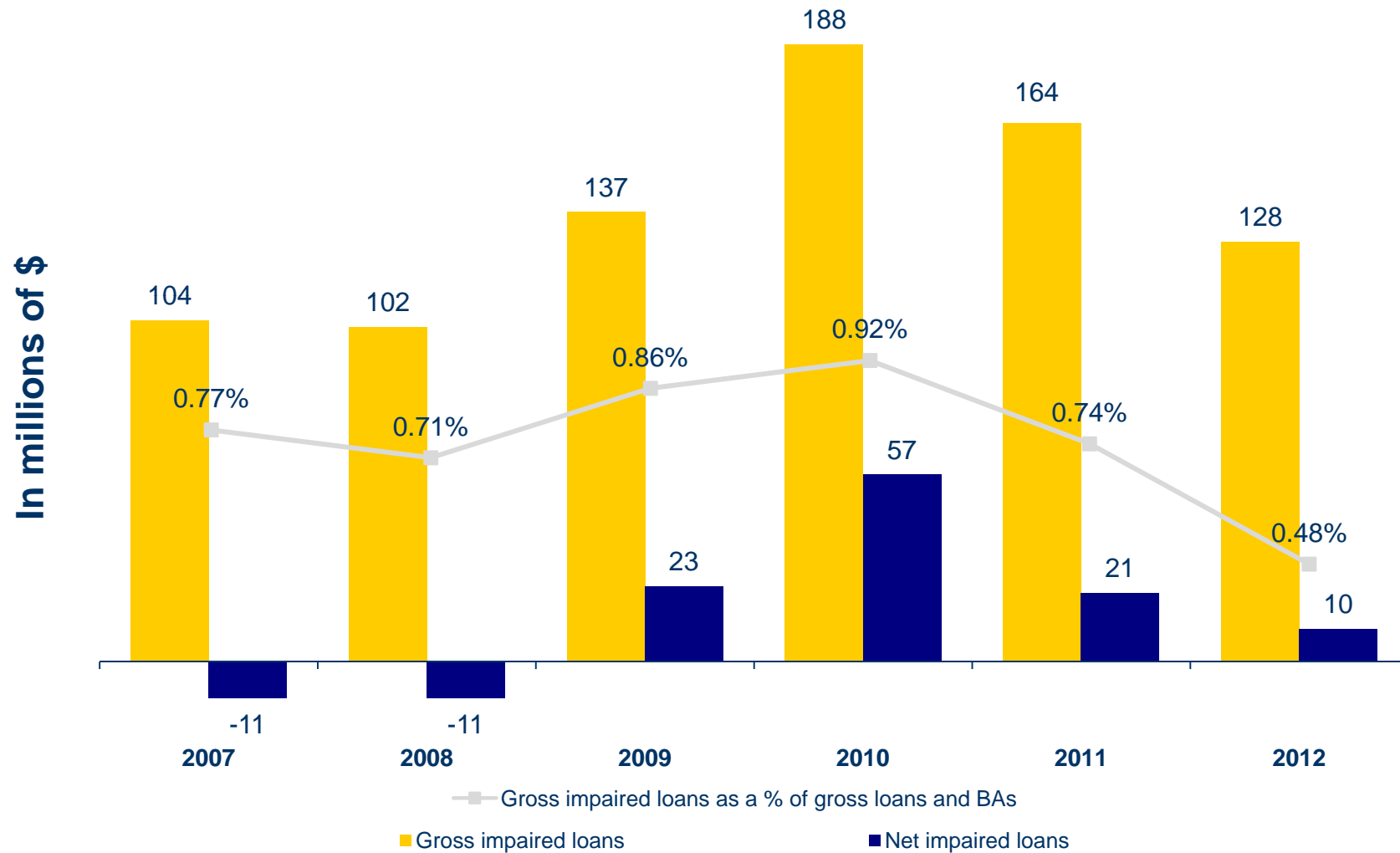


In millions of Canadian dollars	2012	2011	Variation
Fees and commissions on loans and deposits	\$95.0	\$92.4	3%
Income from brokerage operations	54.8	48.4	13%
Investment account fees	29.1	7.3	301%
Card service revenues	24.9	22.7	10%
Income from sales of mutual funds	18.0	17.3	4%
Income from treasury and financial market operations	17.5	20.9	-16%
Credit insurance income	15.5	18.6	-16%
Other income	10.7	6.3	69%
Total *	\$265.6	\$233.9	14%

* 2012 does not add due to rounding



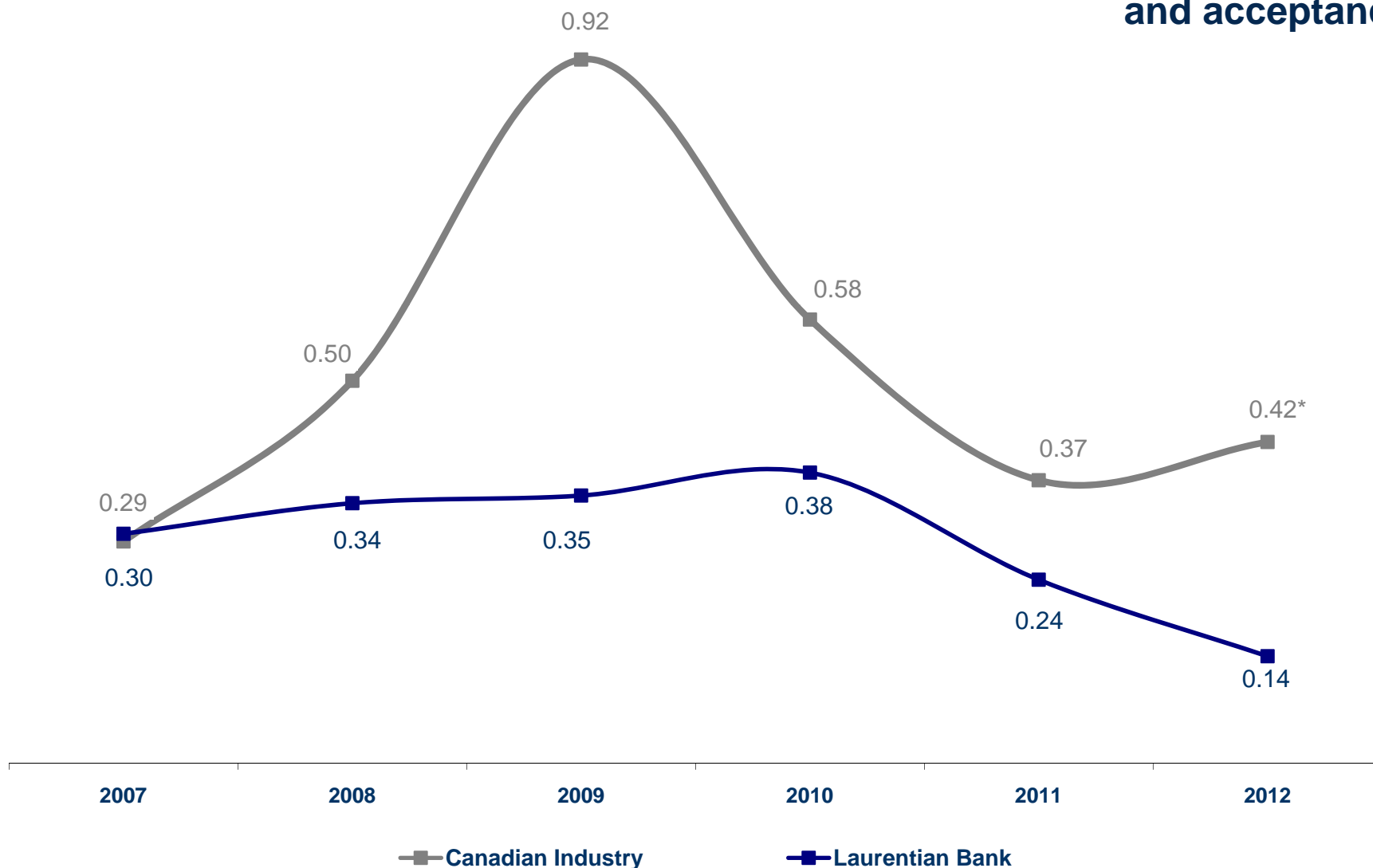
	FOR THE THREE MONTHS ENDED			FOR THE YEAR ENDED	
	October 31, 2012	July 31, 2012	October 31, 2011	2012	2011
In thousands of \$ (except percentage amounts)					
Personal loans and Visa cards	\$ 7,568	\$ 5,715	\$ 7,689	\$ 25,328	\$ 23,341
Residential mortgage loans	1,416	1,256	(283)	3,454	113
Commercial mortgage loans	(1,929)	13	3,737	1,527	17,404
Commercial loans and other	945	516	1,856	2,691	10,222
TOTAL	\$ 8,000	\$ 7,500	\$ 12,999	\$ 33,000	\$ 51,080
As a % of avg. loans and BAs	0.12%	0.13%	0.24%	0.14%	0.24%



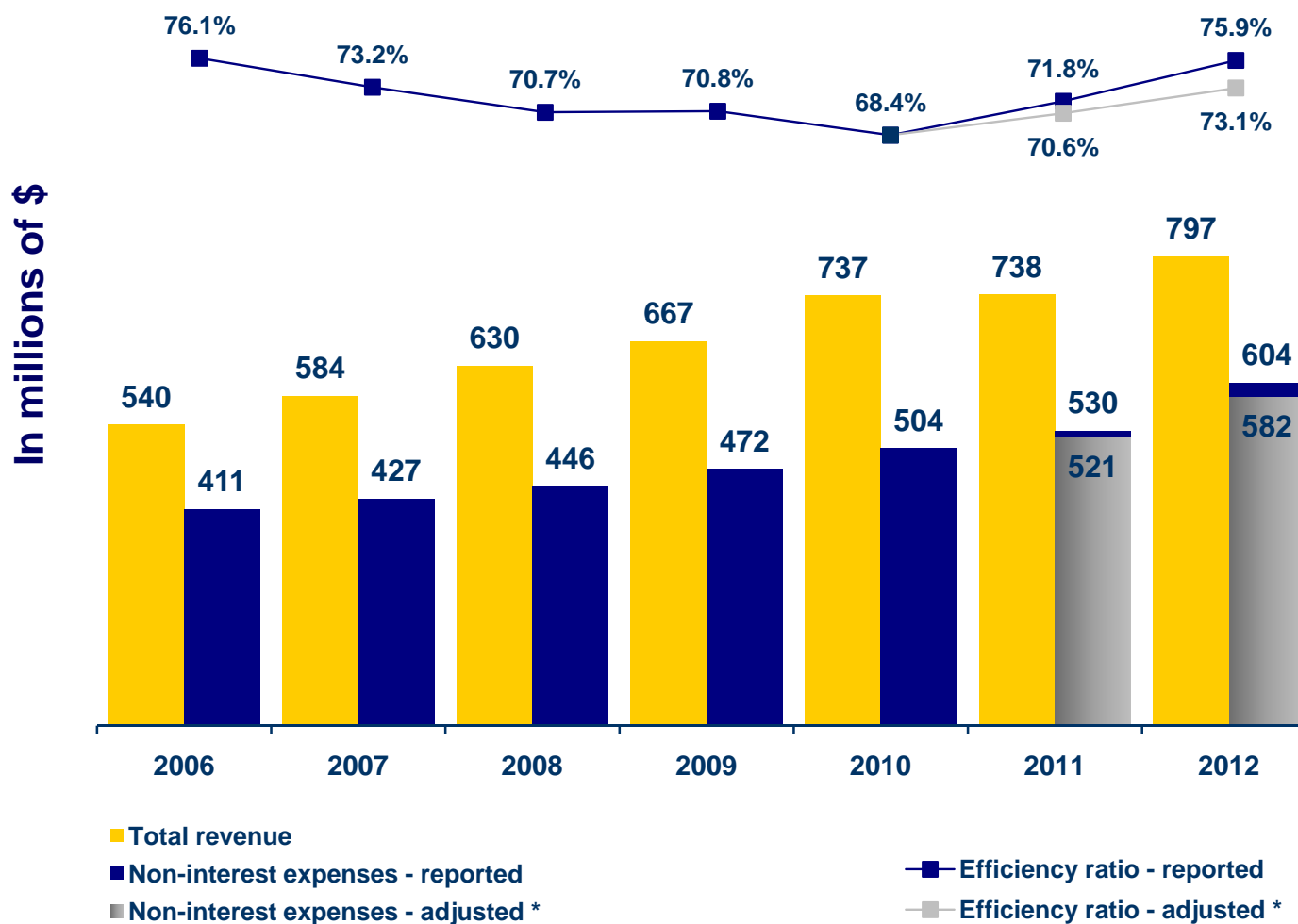


STABLE AND LOW LOAN LOSSES

Provision for loan losses as a % of loans and acceptances



* For the nine-month period ended July 31, 2012
Figures prior to 2011 not restated under IFRS.



* Excluding adjusting items, see page 6



In millions of Canadian dollars	2012	2011	2012 vs 2011	Q4 2012	Q3 2012	Q4 2011	Q4-2012 vs Q3-2012	Q4-2012 vs Q4-2011
Non-interest expenses (NIE)	\$604.5	\$530.1	14%	\$165.4	\$149.0	\$137.2	11%	21%
T&I Costs	22.0	9.0	144%	8.8	7.2	9.0	22%	-2%
NIE excluding T&I Costs	582.5	521.1	12%	156.6	141.8	128.2	10%	22%
MRS Companies	30.1	-	n.m.	8.8	6.6	-	33%	n.m.
AGF Trust	8.3	-	n.m.	8.3	-	-	n.m.	n.m.
NIE excluding acquisitions and T&I Costs	\$544.1	\$521.1	4%	\$139.5	\$135.2	\$128.2	3%	9%

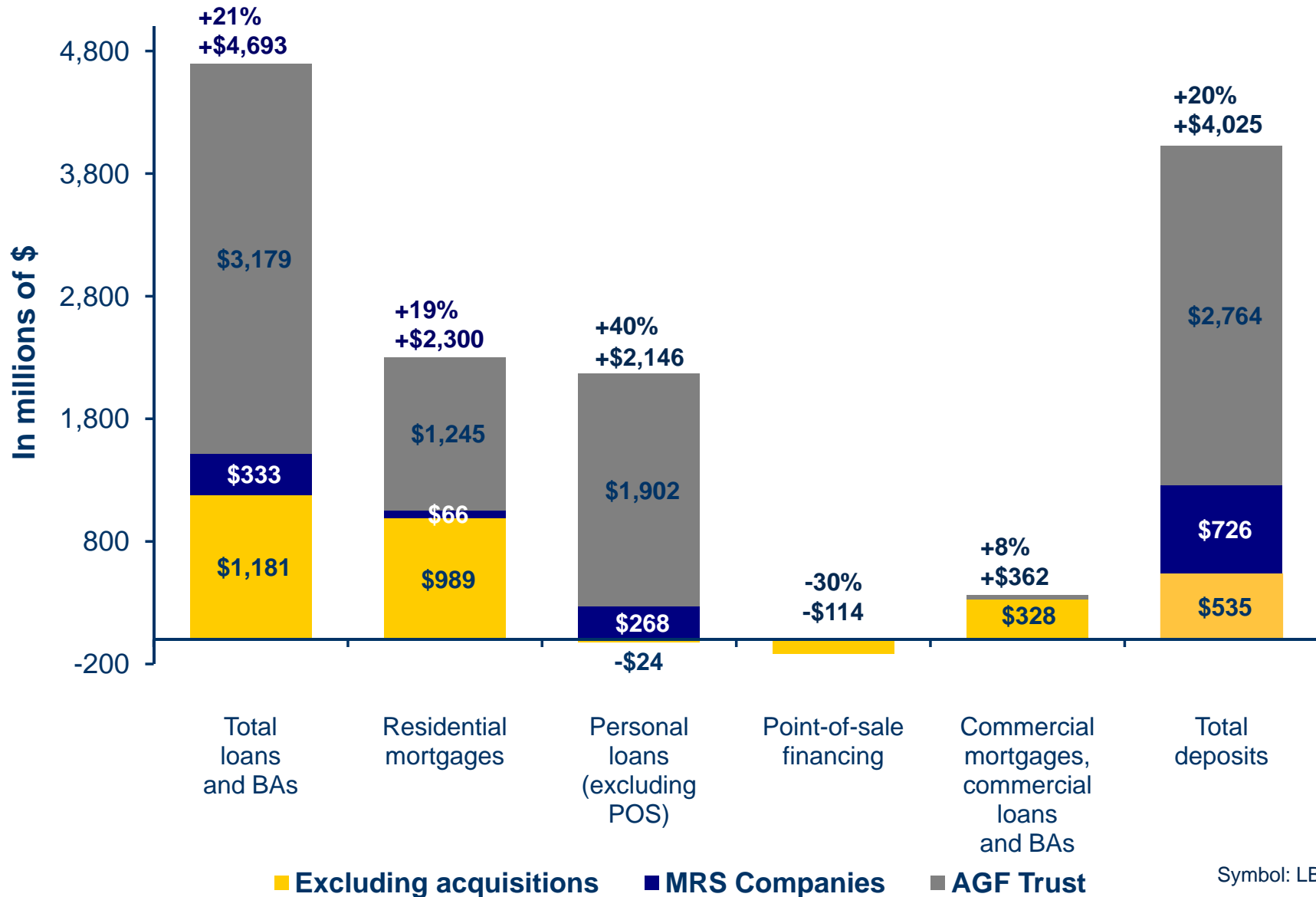


In millions of Canadian dollars

	Q4-2012 vs Q3-2012	Q4-2012 vs Q4-2011
Salary and other compensation expenses	\$2.1	\$4.9
Premises and technology	(1.2)	1.2
Other miscellaneous	(0.6)	1.3
	0.3	7.4
Severance costs	2.0	2.0
B2B Bank advertising	1.0	1.0
HST & capital taxes	1.0	0.9
Total variation	\$4.3	\$11.3



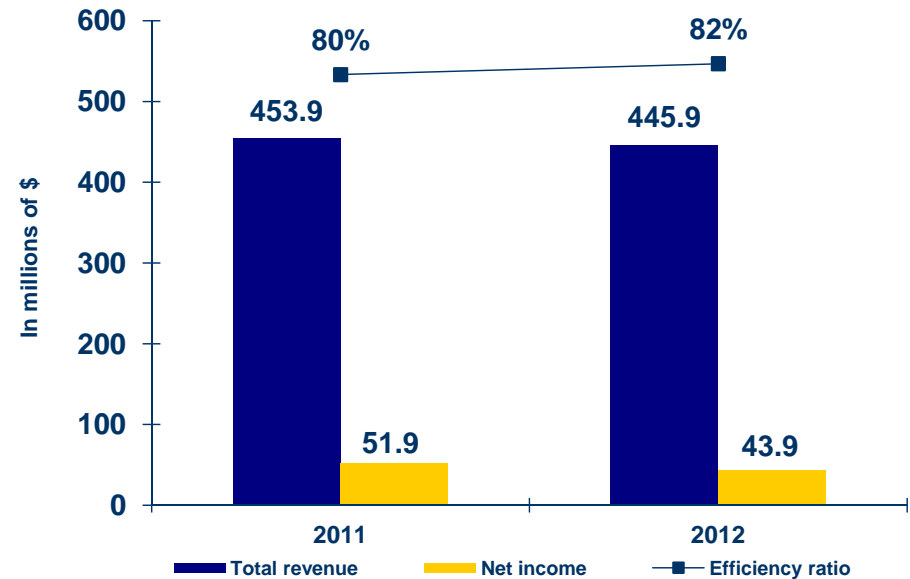
Year ended October 31, 2012





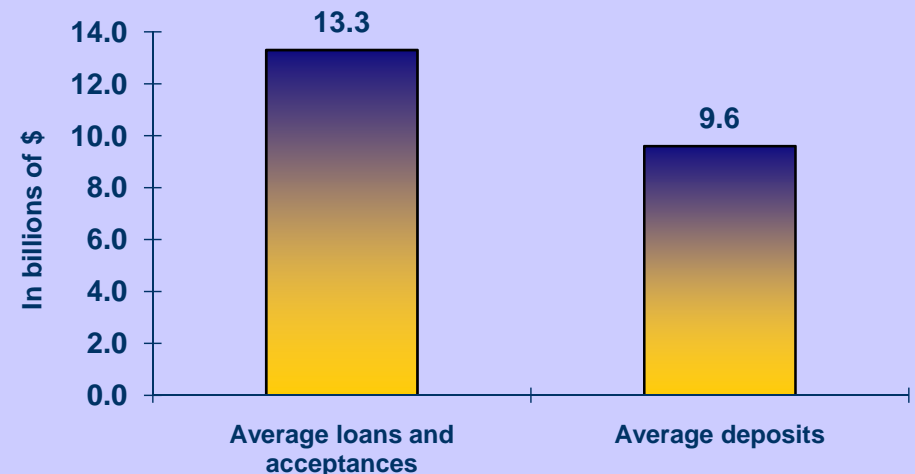
2012 Highlights

- Net income: down 15% Y/Y
- Net interest income : - 3% Y/Y: strong growth in loans and deposits did not fully compensate for lower NIM owing to low interest rate environment
- Solid loan and deposit growth: 6% and 5% Y/Y
- Other income up 2%: higher card revenues and deposit fees offset by lower credit insurance income
- Non-interest expense: 1% Y/Y due to cost control initiatives
- Loan loss provision: relatively stable despite increased volumes



Business Segment Profile

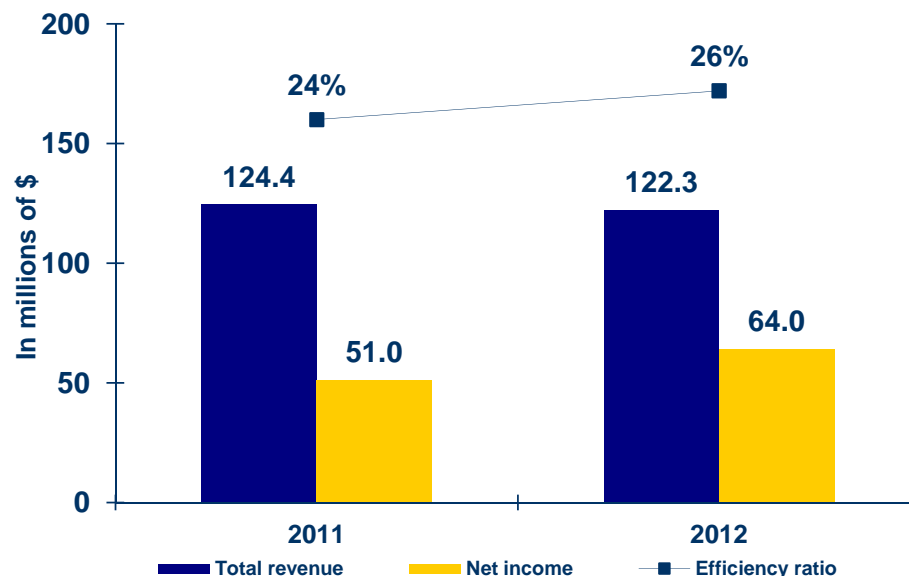
- Provides financial products and services for retail and SME in Québec
- 3rd largest branch network in Québec with 157 branches
- 426 ATMs
- 26 commercial banking centers





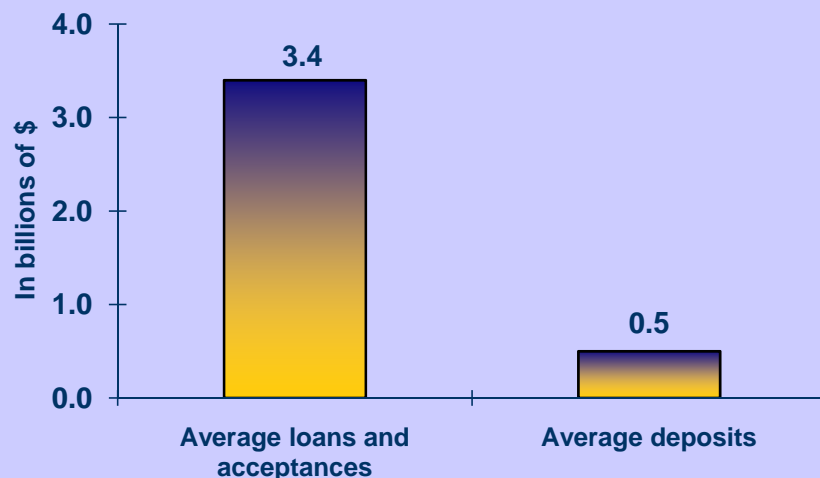
2012 Highlights

- Net income: up 25% Y/Y
- Net interest income: down \$2.8 M Y/Y due to margin compression
- Solid average growth in loans and BAs: 10% Y/Y
- Non-interest expenses: up \$1.4 M Y/Y, due to additional headcount to support higher business activity
- Lower loan losses: \$3.0 M vs \$22.7 M reflecting excellent credit



Business Segment Profile

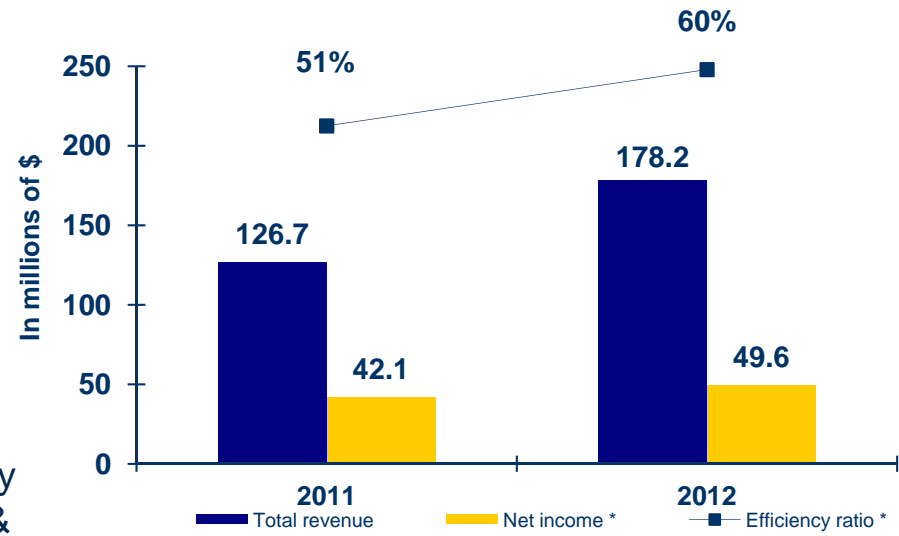
- Offers real estate financing for commercial property and commercial banking for medium-sized enterprises across Canada
- 14 real estate and commercial banking centers in B.C., Alberta, Ontario and Québec





2012 Highlights

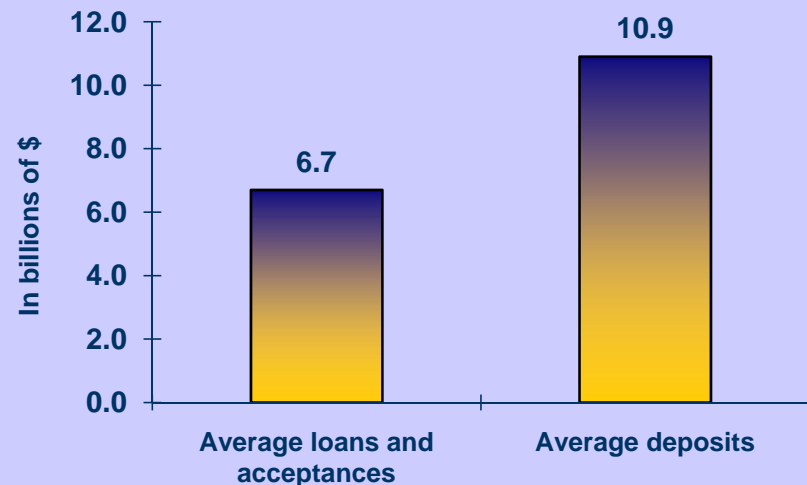
- Adjusted net income \$49.6 M excluding (after tax) T&I Costs: \$22.0 M vs \$1.3 M in 2011
- Total revenue: up 41% Y/Y
- Net interest income: up 22% Y/Y mainly due to MRS & AGF Trust
- Solid average loan and deposit growth: 25% and 18% respectively Y/Y
- Other income: Up 301% due to MRS
- Loan losses: \$6.0 M vs \$4.3 M in 2011
- Non-interest expenses excluding T&I Costs: slightly higher 6% Y/Y excluding \$38.4 M related to MRS & AGF Trust



* Excluding adjusting items, see page 6

Business Segment Profile

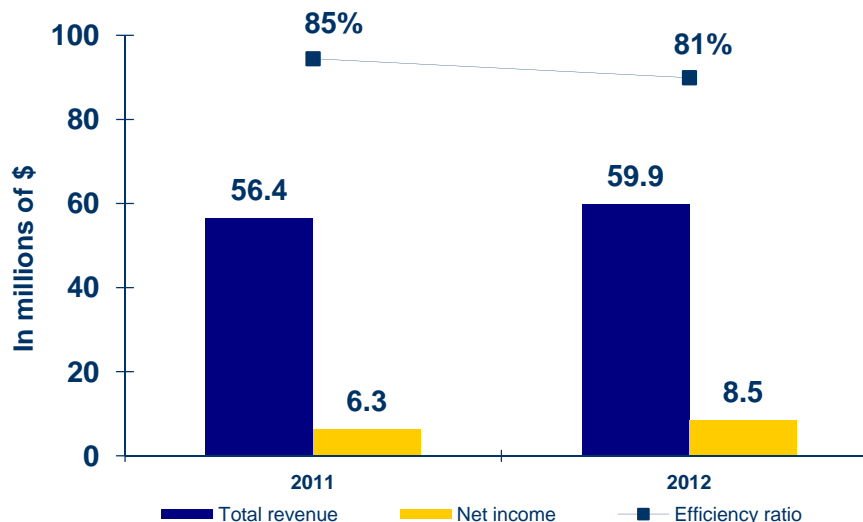
- Provides personal banking products such as investment loans, mortgages, high interest accounts, GIC's and investment accounts and services distributed through a network of financial advisors and brokers to their clients
- Canadian leader in serving the financial advisor and broker market





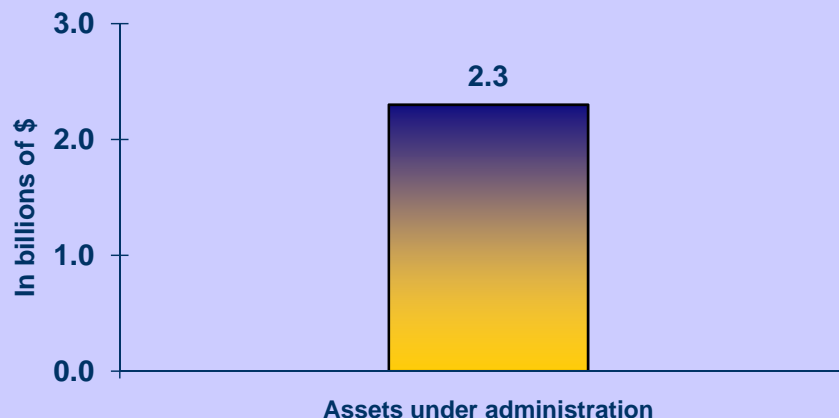
2012 Highlights

- Net income: up 36% Y/Y
- Total revenue: increased by 6% due to improved underwriting and trading activities
- Non-interest expenses: up \$0.5 M due to higher performance-based compensation reflecting higher market-driven income



Business Segment Profile

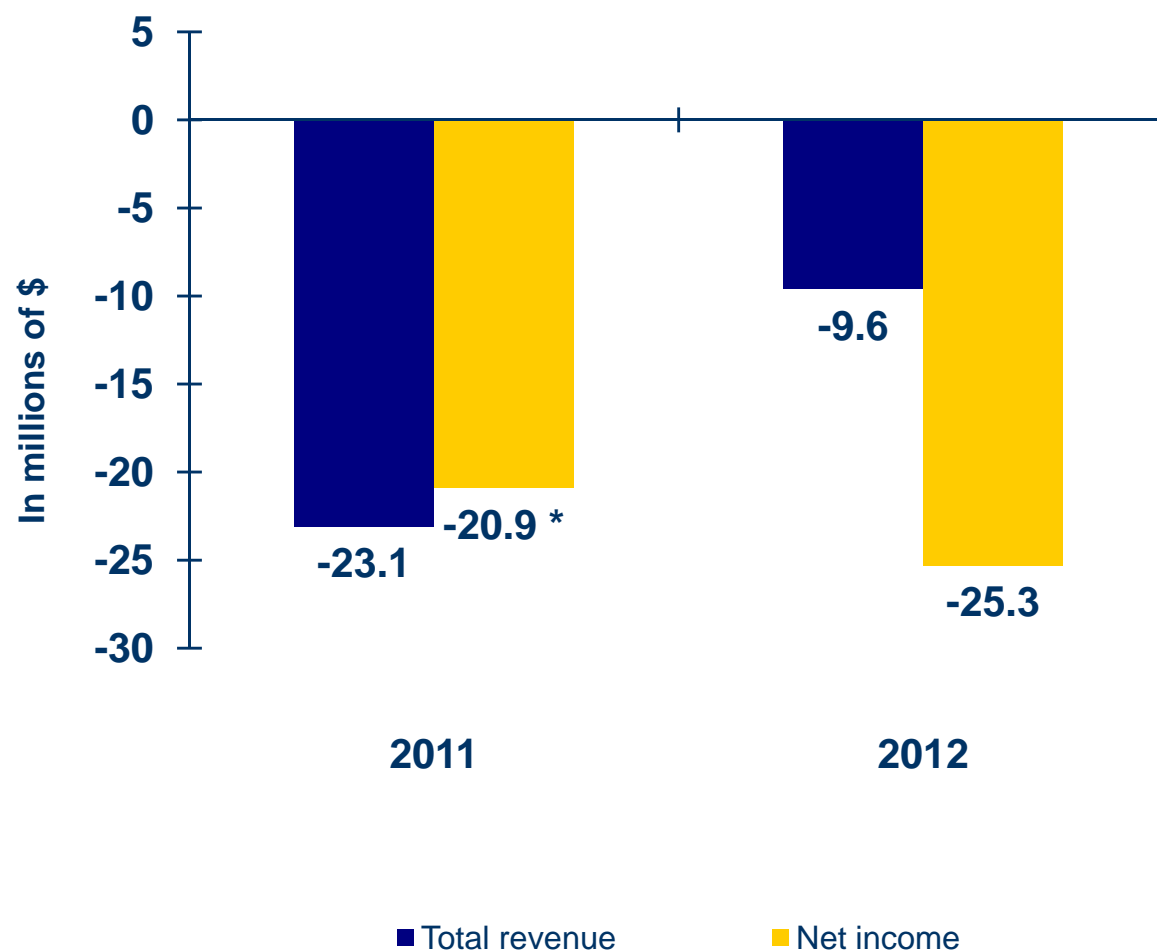
- Integrated broker serving Institutional and Retail investors
- Bank-related capital market activities
- Recognized and choice provider of Fixed Income
- 16 retail brokerage offices in Québec, Ontario and Manitoba





2012 Highlights

- Net interest income: improved by \$14.3 M from 2011 due to good market positioning and transfer pricing adjustments
- Non-interest expenses: increased by \$14.2 M to \$29.4 M largely due to higher pension costs, employee benefits expenses as well as higher professional service fees related to the AIRB project and other regulatory compliance projects

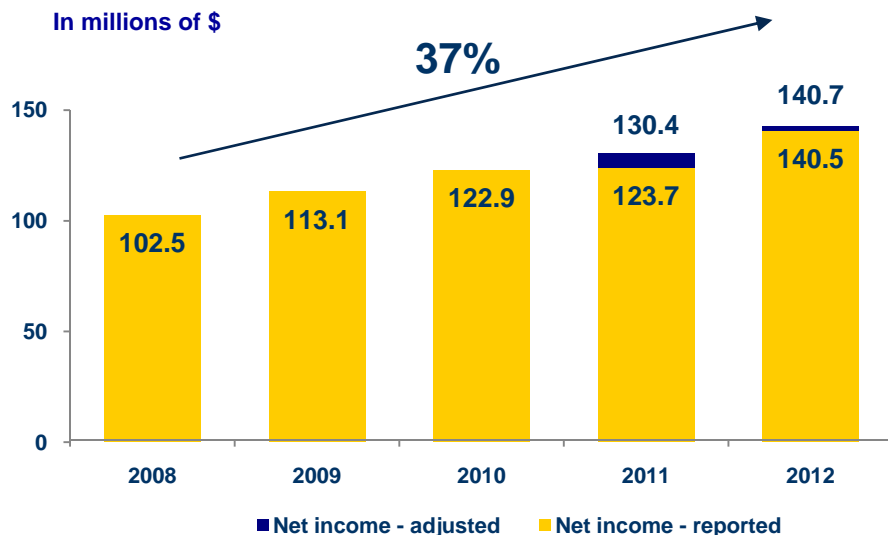


* Excluding an after-tax \$5.5 million compensation for the termination in 2012 of a mutual fund distribution agreement

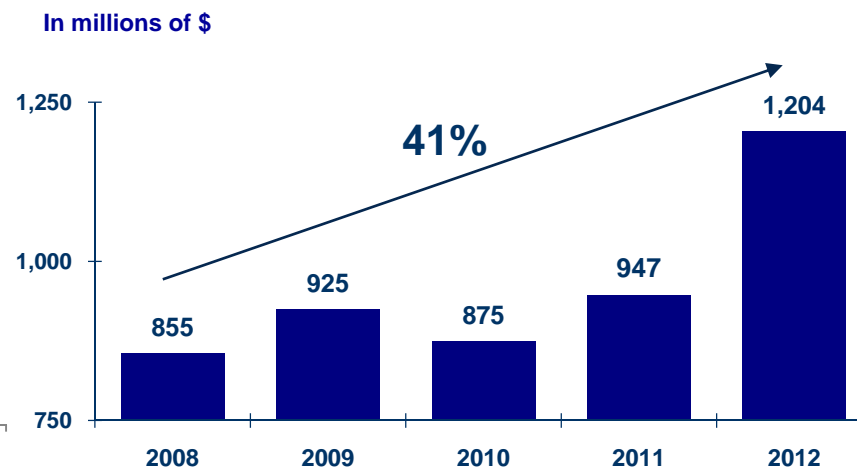


SUSTAINED EARNINGS AND BALANCE SHEET GROWTH

Net income*

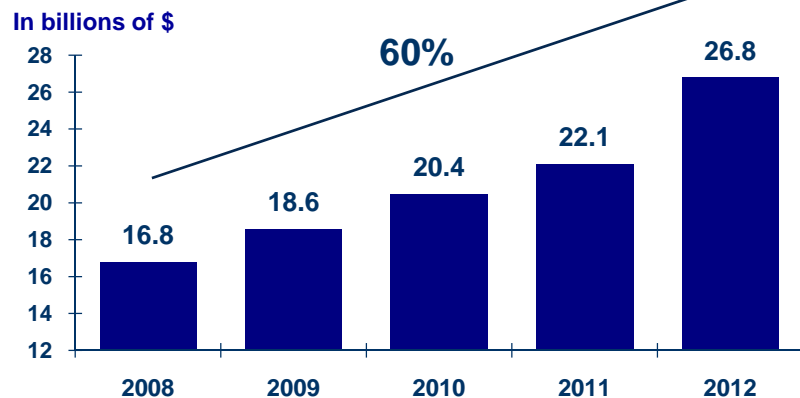


Common shareholders' equity**

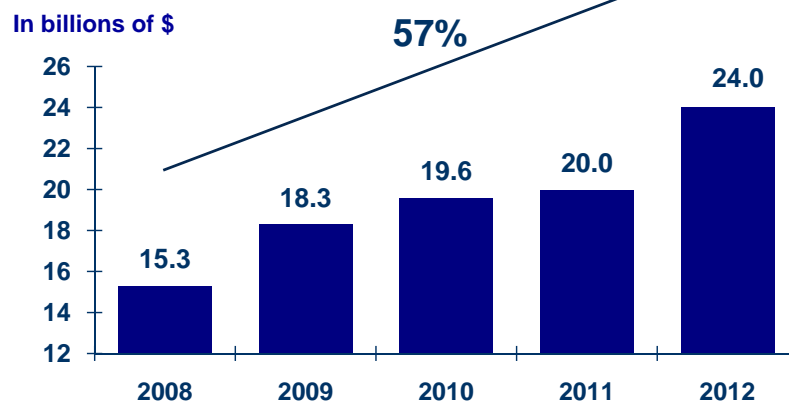


Loans and BAs**

(Including securitized loans prior to 2010)



Deposits**



* Figures prior to 2011 not restated under IFRS

** Figures prior to 2010 not restated under IFRS.



	2012 RESULTS	2013 OBJECTIVES
Revenue growth	8%	> 5%
Adjusted efficiency ratio *	73.1%	72.5% to 69.5%
Adjusted return on common shareholders' equity *	12.0%	10.5% to 12.5%
Adjusted net income *	\$140.7 M	\$145 M to \$165 M
Common equity tier 1 ratio	n.a.	> 7.0%

* Excluding adjusting items, see page 6

➤ **We will achieve our objectives by:**

- Completing the integration of the MRS Companies and AGF Trust
- Continuing to improve the client experience
- Adding higher margin products to our business mix
- Furthering our focus on growing Other income
- Continuing to carefully control costs



- **Réjean Robitaille**, President and Chief Executive Officer
- **Michel C. Lauzon**, Executive Vice-President and Chief Financial Officer
- **Luc Bernard**, Executive Vice-President, Retail and SME Financial Services
- **François Desjardins**, Executive Vice-President of the Bank and President and Chief Executive Officer of B2B Bank
- **Pierre Minville**, Executive Vice-President and Chief Risk Officer
- **Lorraine Pilon**, Executive Vice-President, Corporate Affairs, Human Resources and Secretary
- **Michel C. Trudeau**, Executive Vice-President, Capital Markets of the Bank, and President and Chief Executive Officer of Laurentian Bank Securities Inc.
- **Stéphane Therrien**, Executive Vice-President, Real Estate and Commercial
- **Gilles Godbout**, Executive Vice-President, Operations and Systems and Chief Information Officer
- **Louis Marquis**, Senior Vice-President, Credit
- **Stéphanie Pelletier**, Vice-President, Finance
- **André Lopresti**, Vice-President and Chief Accountant
- **Gladys Caron**, Vice-President, Public Affairs, Communications and Investor Relations
- **Susan Cohen**, Director, Investor Relations

APPENDICES



- **3rd largest financial institution in Québec** in terms of branches and **7th largest Canadian Schedule I chartered bank** based on assets
- **More than 235 points of service** across Canada, including **157 retail branches** and **426 ABMs**
- **Nearly \$35 billion of assets** on balance sheet as of October 31, 2012
- **Main markets:** Province of Québec with significant activities elsewhere in Canada (39% of total loans come from outside of Québec)
- **Over 4,200 employees**
- **Founded in 1846**



For the year ended October 31, 2012

Retail & SME-Québec

Real Estate & Commercial

B2B Bank

LB Securities & Capital Markets

% of total revenue ⁽¹⁾ **55%**

15%

22%

8%

% of net income ⁽¹⁾⁽²⁾ **26%**

39%

30%

5%

- Financial products and services for retail and SME in Québec

- Real estate financing for commercial property and commercial banking for medium-sized enterprises across Canada

- Personal banking products such as investment loans, mortgages, high interest accounts, GIC's and investment accounts and services distributed through a network of financial advisors and brokers to their clients

- Integrated broker serving Institutional and Retail investors; Bank-related capital market activities

- Approximately 2,300 employees
- 157 retail branches in Québec
- 26 commercial offices in Québec

- Approximately 140 employees
- 14 offices in Ontario, Western Canada and Québec

- Approximately 850 employees

- Approximately 250 employees
- 16 offices in Québec, Ontario and Manitoba

- \$10.9 B in residential mortgage loans and home equity lines of credit
- \$0.4 B in personal lines of credit
- \$1.3 B in average commercial loans – SME Québec
- Total deposits: \$9.7 B
- Assets under administration \$2.1B

- \$2.4 B in commercial mortgage loans
- \$1.0 B in commercial loans
- Total deposits: \$0.5 B

- \$4.9 B in investment and RRSP loans
- \$5.4 B in brokered mortgages
- Total deposits: \$13.0 B
- Assets under administration \$23.8B

- Assets under administration: \$2.3 B

(1) Excluding Other segment

(2) Excluding adjusting items, see page 6



In millions of Canadian dollars, except per share and percentage amounts

	Q4-2012	Q4-2011	Variation
Net interest income	\$142.4	\$126.4	13%
Other income	68.0	56.0	21%
Total revenue	210.4	182.4	15%
Gain on acquisition and amortization of net premium on purchased financial instruments	23.8	-	n.m.
Provision for loan losses	8.0	13.0	-38%
Non-interest expenses	165.4	137.1	21%
Income taxes	15.1	5.6	172%
Net income	\$45.7	\$26.7	71%
Diluted EPS	\$1.51	\$0.99	53%
Return on common shareholders' equity	14.2%	9.9%	430 bps
Efficiency ratio	78.6%	75.2%	340 bps
Effective tax rate	24.9%	17.2%	770 bps
ADJUSTED MEASURES *			
Adjusted net income	\$36.2	\$33.4	8%
Adjusted diluted EPS	\$1.17	\$1.26	-7%
Adjusted return on common shareholders' equity	10.9%	12.7%	-180 bps

* Excluding adjusting items, see page 6



Réjean Robitaille

President and Chief Executive Officer
President of Laurentian Bank since 2006
With Laurentian Bank since 1988

Michel C. Lauzon

**Executive Vice-President
and Chief Financial Officer**
With Laurentian Bank since 2009
and from 1988 to 1998

Luc Bernard

**Executive Vice-President
Retail and SME Financial Services**
With Laurentian Bank since 2001

François Desjardins

**Executive Vice-President of the Bank
President and Chief Executive Officer of
B2B Bank**
With Laurentian Bank since 1991

Gilles Godbout

**Executive Vice-President, Operations and
Systems and Chief Information Officer**
With Laurentian Bank since May 2012
and from 1987 to 1999

Pierre Minville

Executive Vice-President, and Chief Risk Officer
With Laurentian Bank since 2000

Lorraine Pilon

**Executive Vice-President
Corporate Affairs, Human Resources, and
Secretary**
With Laurentian Bank since 1990

Stéphane Therrien

**Executive Vice-President, Real Estate and
Commercial**
With Laurentian Bank since February 2012

Michel C. Trudeau

**Executive Vice-President, Capital Markets of the
Bank and President and Chief Executive Officer of
Laurentian Bank Securities Inc.**
With Laurentian Bank since 1999



**L. Denis Desautels O.C.,
FCPA, FCA (2001)**

Chairman of the Board
Laurentian Bank of Canada
Chartered Accountant and
Corporate Director

Pierre Anctil (2011)

President and CEO of Fiera
Axium Infrastructure

Lise Bastarache (2006)

Economist and Corporate
Director

Jean Bazin C.R. (2002)

Counsel
Fraser Milner Casgrain LLP

Richard Bélanger (2003)

President
Toryvel Group Inc.

Isabelle Courville (2007)

President
Hydro-Québec TransÉnergie

Pierre Genest (2006)

Chairman of the Board
SSQ, Life Insurance Company
Inc.

Michel Labonté (2009)

Corporate Director

**Jacqueline C. Orange
(2008)**

Corporate Director

Marie-France Poulin (2009)

Vice-President
Camanda Group

Réjean Robitaille (2006)

President and Chief Executive
Officer
Laurentian Bank of Canada

Michelle R. Savoy (2012)

Corporate Director

**Jonathan I. Wener C.M.
(1998)**

Chairman of the Board
Canderel Management Inc.



Gladys Caron - Vice-President, Public Affairs,
Communications and Investor Relations
514-284-4500 ext. 7511

Susan Cohen - Director, Investor Relations
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