



LAURENTIAN
BANK

Fourth Quarter and Year 2007 Results Conference call

**Presented by Réjean Robitaille, President
and CEO
And
Robert Cardinal, CFO**

Analysts and Institutional Investors
December 4, 2007



LAURENTIAN
BANK

Forward-Looking Statements

In this document and in other documents filed with Canadian regulatory authorities or in other communications, Laurentian Bank of Canada (the "Bank") may from time to time make written or oral forward-looking statements within the meaning of applicable securities legislation, including statements regarding the Bank's business plan and financial objectives. These statements typically use the conditional, as well as words such as prospects, believe, estimate, forecast, project, expect, anticipate, plan, may, should, could, would or the negative of these terms or variations of them 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 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 Bank cautions readers against placing undue reliance on forward-looking statements when making decisions, as the actual results could differ appreciably 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 cautions that the foregoing list of factors is not exhaustive. For more information on the risk, uncertainties and assumptions that would cause the Bank's actual results to differ from current expectations, please also refer to the Bank's public filings available at

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.

Net income, significant items

To facilitate analysis, net income excluding certain items has been presented in the document. In management's opinion, these items, which have been excluded, should not be considered when analysing the Bank's performance. Net income, excluding special items is not based on Canadian generally accepted accounting principles and may not be comparable to another company's net income.

For questions on this presentation, please contact:

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gladys.caron@banquelaurentienne.ca

Results

- Diluted EPS of \$3.48 versus \$2.48 in 2006
- ROE of 10.9% versus 8.2% in 2006

Main facts

- Profitability and efficiency improvement
- Increased revenues in all business lines
- Strong loan and deposit growth

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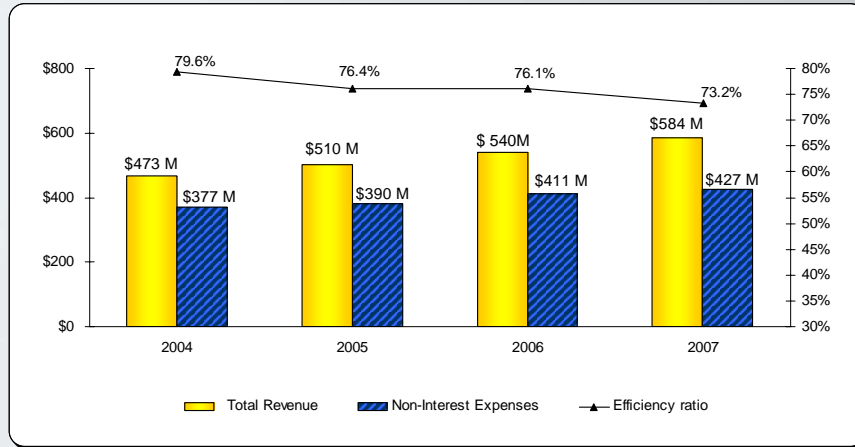
Performance Indicators	2006 Performance	2007 Objectives	2007 Performance
Return on Equity	8.2%	8% to 9%	10.9%
Diluted Net Income per Share	\$2.48	\$2.55 to \$2.85	\$3.48
Total Revenue	\$540M	\$550M to \$560M	\$584M
Efficiency Ratio	76.1%	75% to 73.5%	73.2%
Tier 1 Capital Ratio	10.3%	Minimum of 9.5%	9.8%
Credit Quality (PCL Ratio) ¹	0.24%	0.24% to 0.21%	0.24%

(1) PCL ratio is calculated over Average Assets

The objectives above are solely intended to provide the reader with information about how management measures its performance. It is not intended to disclose the Bank's expectations for future financial results.

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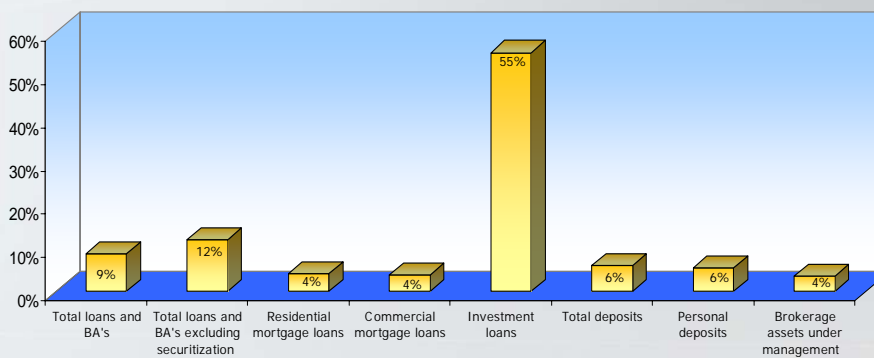
Efficiency Ratio



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Main Portfolio - Growth

Q4 2007 growth over Q4 2006 (Consolidated)



Segmented (excluding securitization)

Retail Financial Services

- Total loans: +7% (+\$597M)
- Total deposits: +6% (\$373M)

Commercial Financial Services

- Total loans: +15% (+\$318M)
- Real estate financing: +22% (+\$240M)

B2B Trust

- Investment loans: +55% (+\$791M)
- Total deposits: +9% (+\$454M)

Laurentian Bank Securities

- Brokerage assets under administration: +4% (+\$71M)

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- **Minimal exposure to the securities issued by the conduits covered by the “Montreal agreement”**
 - \$2.9M or \$2.0M after taxes reduction of the value of the asset-backed securities portfolio
 - Representing 15% of the value of these securities
 - Supporting the “Montreal agreement”

- **Announcement of a 10% increase of quarterly dividend**
 - From \$0.29 to \$0.32 per common share

- **Approval by employees of the renewal of the collective agreement**

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In millions of \$
except per share amounts

	Q4 2007	Q3 2007	Q4 2006	Variation	
				Q4 07 vs Q4 06	Q4 07 vs Q3 07
Net Interest Income	97.7	101.8	92.1	6%	-4%
Other Income	47.9	49.3	45.0	6%	-3%
Total Revenue	145.6	151.0	137.1	6%	-4%
Provisions for credit losses	10.0	10.0	10.0	0%	0%
Non-Interest Expenses	105.8	108.4	104.8	1%	-2%
Income Taxes	4.1	9.5	4.1	1%	-56%
Net Income from continuing operations	25.7	23.2	18.1	42%	11%
Net Income from discontinued operations*	4.4	-	4.4	0%	n.a.
Net Income	30.2	23.2	22.6	34%	30%
Preferred shares dividends	3.0	3.0	2.8	7%	0%
Net Income available to common shareholders	27.2	20.2	19.7	38%	35%
GAAP					
EPS (diluted)	\$1.14	\$0.85	\$0.84	36%	34%
Return on Equity	13.8%	10.5%	10.8%		
From continuing operations					
EPS (diluted)	\$0.95	\$0.85	\$0.65	47%	12%
Return on Equity	11.6%	10.5%	8.4%		
Significant items*					
Tax adjustments, VISA restructuring, charge related to ABS	-3.6	-	-2.1		
Excluding special items and from continuing operations					
Net income	22.1	23.2	16.0	38%	-4%
EPS (diluted)	\$0.80	\$0.85	\$0.56	43%	-6%
Return on Equity	9.7%	10.5%	7.2%		

*Q4 2007: VISA restructuring of \$4M or \$3.3M net of income taxes

*Q4 2007: favorable tax adjustment of \$2.2M resulting from the resolution of certain tax exposures

*Q4 2007: charge of \$2.9M (\$2.0M net of income taxes) related to the asset-backed securities portfolios

*Q4 2007: recognition of \$5.2M or \$4.4M after taxes of deferred gain on the sale of BLC-EdR

*Q4 2006: recognition of \$5.2M or \$4.4M after taxes of deferred gain on the sale of BLC-EdR

*Q4 2006: favorable tax adjustments of \$2.1M resulting from corporate reorganizations and other tax planning strategies

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Highlights – 2007

In millions of \$ except per share amounts	2007	2006	Variation 2007 vs 2006
Net Interest Income	390.2	357.2	9%
Other Income	193.7	182.6	6%
Total Revenue	583.9	539.8	8%
Provisions for credit losses	40.0	40.0	0%
Non-Interest Expenses	427.4	410.8	4%
Income Taxes	26.4	23.4	13%
Income from continuing operations	90.1	65.6	37%
Net Income from discontinued operations*	4.4	4.8	-7%
Net Income	94.5	70.3	34%
Preferred shares dividends	12.0	11.8	2%
Net Income available to common shareholders	82.6	58.6	41%
GAAP			
EPS (diluted)	\$3.48	\$2.48	41%
Return on Equity	10.9%	8.2%	
From continuing operations			
EPS (diluted)	\$3.29	\$2.28	44%
Return on Equity	10.3%	7.5%	
Significant items*			
Tax adjustments, VISA restructuring, charge related to ABS portfolio	-7.1		
Tax adjustment and Gain on the sale of Brome Financial Corporation		-3.3	
Excluding special items and from continuing operations			
Net income	83.0	62.2	33%
EPS (diluted)	\$2.99	\$2.13	40%
Return on Equity	9.4%	7.0%	

*2007 results included favorable tax adjustments of \$6M, VISA restructuring gain of \$4M or \$3.3M net of income taxes; recognition of \$5.2M or \$4.4M after taxes of deferred gain on the sale of BLC-EdR; charge of \$2.9M (\$2.0M net of income taxes) related to the asset-backed securities portfolios

* 2006 results included recognition of \$5.2M or \$4.4M after taxes of deferred gain on the sale of BLC-EdR, tax charge of \$11 million or \$0.47 per share related to the revaluation of future tax assets, tax reduction expenses of \$10.672 million or \$0.45 per share, gain from the sale of Brome: \$0.9M or \$0.04/share included in other revenues, tax expense reduction: \$2.398M or \$0.10/share

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Stronger and Less Volatile Earnings

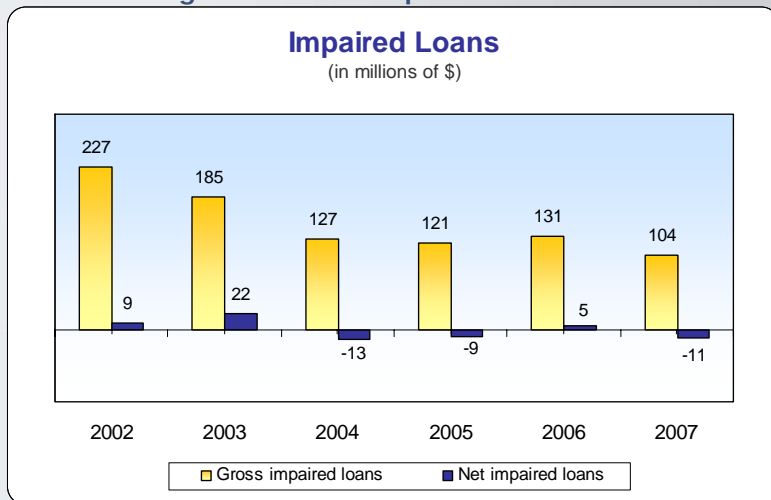
2007 vs 2006

Net interest margin improvement	✓
Loan and deposit growth	✓
Other income increased even with less securitization income	✓
Stable loan losses	✓
Positive operating leverage	✓
Lower effective tax rate	✓

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Performance Indicators	2008 Objectives
Return on Equity	9.5% to 10.5%
Diluted Net Income per Share	\$3.30 to \$3.60
Total Revenue	+ 5% (\$615 M)
Efficiency Ratio	74% to 72%
Tier 1 Capital Ratio	Minimum of 9.5%

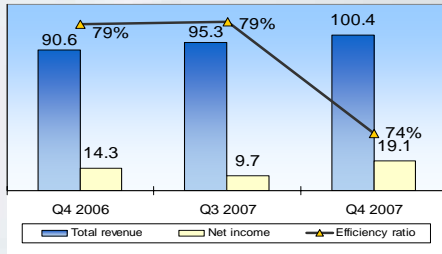
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Evolution of gross and net impaired loans




Retail Financial Services

In millions of \$
Quarter over Quarter



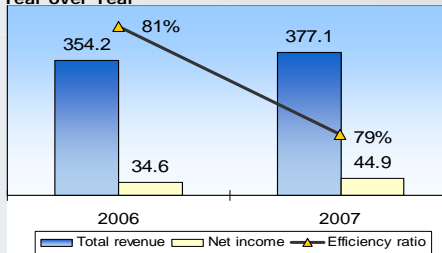
Q4 2007 versus Q4 2006

- Total revenue growth of 11%
- Net income growth of 34%
- Both Q4 2006 and Q4 2007 included a \$5.2M of income from discontinued operations or \$4.4M net of taxes

Main drivers

- Average loan growth: +7% (+\$575M)
- Average deposit growth: +6% (+\$409M)
- Net gain of \$3.3M from VISA worldwide restructuring

In millions of \$
Year over Year



2007 versus 2006

- Total revenue growth of 6%
- Net income growth of 30%
- Both 2006 and 2007 included a \$5.2M of income from discontinued operations or \$4.4M net of taxes

Main drivers

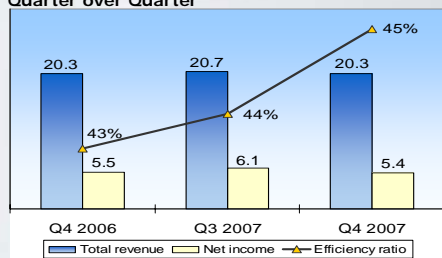
- Average loan growth and deposit growth
- Lower income taxes

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Commercial Financial Services

In millions of \$
Quarter over Quarter



Q4 2007 versus Q4 2006

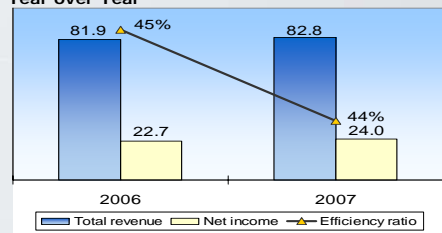
- Stable total revenue
- Net income relatively stable, reflecting stable revenues, provision for credit losses and non-interest expenses

Main drivers

- Average loan growth: +14% (+\$306M)
- Average deposit growth: +25% (\$25M)

In millions of \$

Year over Year



2007 versus 2006

- Total revenue growth of 1%
- Net income increased by 6% partly due to lower provision for credit losses and non-interest expenses

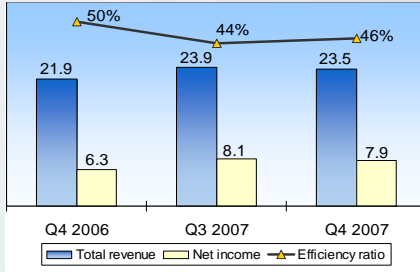
Main drivers

- Average loan and deposit growth
- Improvement in the Real estate financing sector and the small- and medium-commercial sector in Quebec

2006 total revenue included a gain on sale of \$0.9M and revenue of \$1.3M generated by Brome Financial Corporation in Q1 2006

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In millions of \$

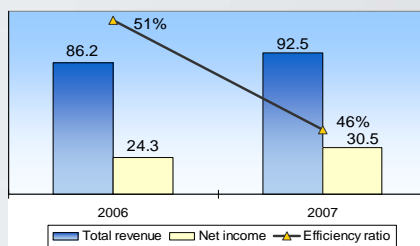
Quarter over Quarter

Q4 2007 versus Q4 2006

- Total revenue growth of 8%
- Net income growth of 25%

Main drivers

- Investment loan growth: +55% (+\$791M)
- Average loan growth: +26% (+707M)
- Average deposit growth: +9% (+\$489M)

In millions of \$

Year over Year

2007 versus 2006

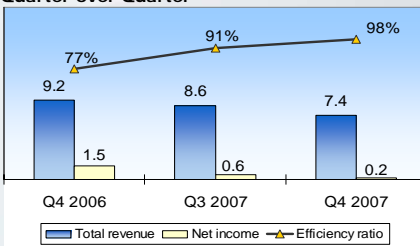
- Total revenue growth of 7%
- Net income growth of 25%

Main drivers

- Investment loan growth
- Average loan growth and deposit growth

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In millions of \$

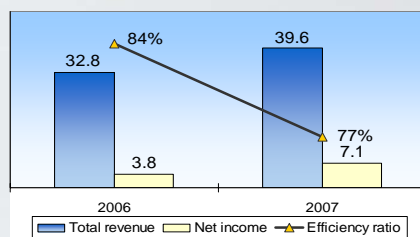
Quarter over Quarter

Q4 2007 versus Q4 2006

- Total revenue decreased by \$1.8M, mostly due to the charge related to the asset-back securities portfolio of \$2.1M
- Net income decreased by \$1.3M, mostly due to the charge of \$1.4M net of income taxes related to the asset-back securities portfolio
- Excluding this charge, net income would have increased by \$0.1M

Main driver

- AUA growth: +4% (+\$71M)

In millions of \$

Year over Year

2007 versus 2006

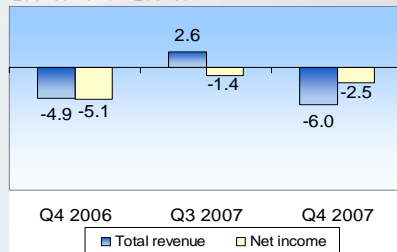
- Total revenue growth of 21% mainly due to the \$4.4 pre-tax gain of MXX
- Net income increased by \$3.2M mainly as a result of the \$3.7M net of taxes gain on sale of a portion of the MXX shares (during Q2 2007) which was partly offset by the \$1.4M net of income tax charge to reflect the adjustment to the estimated fair value of the ABS investments
- Excluding these 2 items, net income would have increased by \$1M or 25%, mainly as a result of the good performance of the institutional brokerage activities

Main driver

- AUA growth

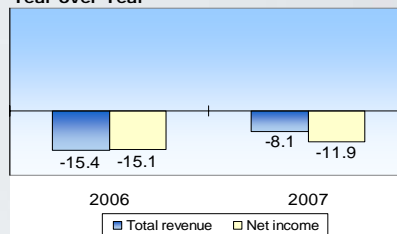
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In millions of \$

Quarter over Quarter

Q4 2007 versus Q4 2006

- Total revenue was lower by \$1.1M
- Net income increased by \$2.6M or 51%
- Income tax recovery of \$2.2M resulting from the resolution of various tax exposures more than offset the lower net interest margin related to the compressed Prime-BA spread
- Charge of \$0.8M (\$0.5M net of income taxes) related to the asset-backed securities portfolios

In millions of \$

Year over Year

2007 versus 2006

- Total revenue improved by \$7.3M
- Net income improved by \$3.1M
- Significant improvement in net interest income
- Improvement in treasury and financial market operations
- Resolution of various tax exposures

2007 results included the resolution of various tax exposures

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During Q4 2007

- Continuation of initiatives to increase efficiency
- 3 new products (wealth management) : Income ActionGIC, Blue Chip ActionGIC and Global Growth ActionGIC
- Relocation of a commercial center in Ontario, from Markham to Thornhill
- Addition of new employees to support business development

Some of the strategies and initiatives in the pipeline for 2008

- Optimization of processes
- Upgrading of all ABMs
- Improvement of our customer information system
- Increase of sales force efficiency
- Expansion in targeted markets

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Strong year 2007

- Higher total revenue coming from
 - Organic growth
 - High-quality sources of revenue
- Efficiency improvement at many levels
- Credit quality improving
- Stronger net income from continuing operations

For 2008, we are maintaining our 3 priorities

- To increase profitability
- To improve efficiency
- To further develop our human capital



Overview of Laurentian Bank

- **3rd-largest institution in Quebec in terms of branches and 7th largest Canadian Schedule 1 chartered bank based on assets**
- **Assets (as at October 31, 2007)**
 - Balance sheet: \$17.8 billion
 - Assets under administration: \$15.6 billion
- **Main markets: Province of Quebec (Canada) with significant activities elsewhere in Canada (41% of total loans outside of Quebec as at October 31, 2007)**
- **157 retail branches**
- **3,289 employees (FTE)**
- **Founded in 1846**

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Laurentian Bank's Strengths

Conservative financial position

- **Strong balance sheet and capital ratios**
- **Strong proportion of insured mortgages**
- **Limited capital market exposure compared to peer group**
- **Large proportions of personal loans secured**

Strategic focus and flexibility

- **Selective regional positioning**
- **Specific market segments outside Quebec**
- **Experienced management team and committed employees**
- **Quality and efficiency of our products and services**

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Positioning in Quebec

- With 157 retail, 21 commercial and 12 brokerage branches, Quebec is LBC's main market. All business lines are active in this market
- Retail network is the 3rd largest in Quebec

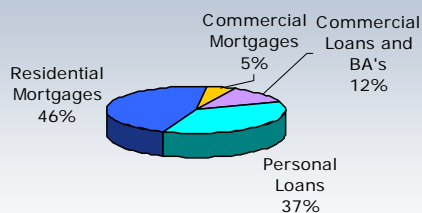
Positioning elsewhere in Canada

- Target specific niches where LBC has distinctive advantages, that is:
 - B2B Trust
 - Commercial Financial Services
 - Indirect points-of-sale network
 - Laurentian Bank Securities
 - Mortgages and Deposits through brokers

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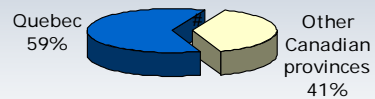
Loan Portfolio

As at October 31, 2007



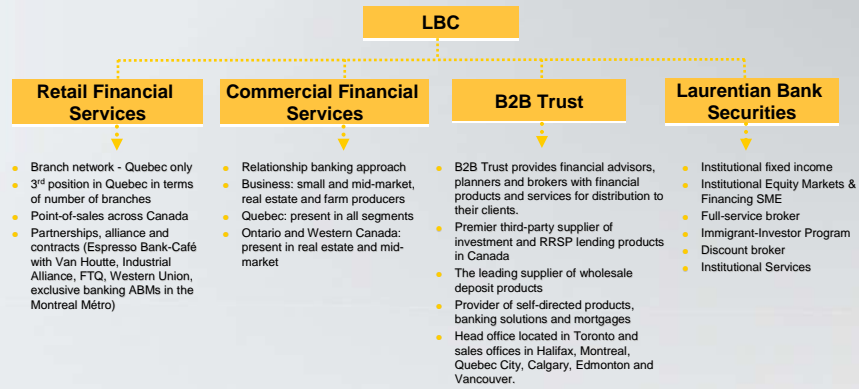
Geographic Distribution of Loans

As at October 31, 2007



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Four Business Lines



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Strong Capital Ratios

As of October 31, 2007	Tier 1 Capital Ratio	
	in %	Rank
TD	10.3%	1 st
LBC	9.8%	2nd
Scotia*	9.7%	3 rd
CIBC*	9.7%	3 rd
BMO	9.5%	4 th
RBC	9.4%	5 th
NBC	9.0%	6 th
Aver. Big 6	9.6%	

As of October 31, 2007	Total Capital Ratio	
	in %	Rank
CIBC*	13.7%	1 st
TD	13.0%	2 nd
NBC	12.4%	3 rd
BMO	11.7%	4 th
LBC	11.6%	5th
RBC	11.5%	6 th
Scotia*	10.6%	7 th
Aver. Big 6	12.2%	

As of October 31, 2007	Tangible Common Equity as a % of RWA	
	in %	Rank
Scotia*	7.7%	1 st
LBC	7.5%	2nd
TD	7.4%	3 rd
BMO	7.2%	4 th
CIBC*	6.9%	5 th
NBC	6.8%	6 th
RBC	6.8%	6 th
Aver. Big 6	7.1%	

As of July 31, 2007 for CIBC and Scotia for all capital ratios

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Portfolios

As at October 31, 2007

Retail Financial Services

- \$6.0 billion in residential mortgage loans
- \$0.5 billion in lines of credit
- \$6.0 billion in personal deposits

B2B Trust

- \$5.4 billion in brokered deposits
- \$2.3 billion in investment and RRSP loans
- \$1.1 billion in mortgages
- \$5.2 billion in assets under administration

Commercial Financial Services

- \$1.2 billion in commercial loans
- \$0.7 billion in commercial mortgage loans
- \$0.1 billion in business deposits

Laurentian Bank Securities

- Total assets under management of \$2.0 billion for full service brokerage and discount brokerage

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Management Committee

Réjean Robitaille

President and Chief Executive Officer

- ✓ CEO at Laurentian Bank since 2006 and with the Bank since 1988

Robert Cardinal

Senior Executive Vice-President Finance, Administration and Strategic Development, and Chief Financial Officer

- ✓ At Laurentian Bank since 1991

Bernard Piché

Senior Executive Vice-President Treasury, Capital Markets and Brokerage

- ✓ At Laurentian Bank since 1994

Luc Bernard

Executive Vice-President Retail Financial Services and SME's

- ✓ At Laurentian Bank since 2001

François Desjardins

President and Chief Executive Officer B2B Trust

- ✓ At Laurentian Bank since 1991

Lorraine Pilon

Executive Vice-President Corporate Affairs and Secretary

- ✓ At Laurentian Bank since 1990

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