

2nd quarter 2011
CONFERENCE CALL

Réjean Robitaille, President & CEO

Michel C. Lauzon, CFO

June 2, 2011 at 2:00 p.m.

1-866-696-5910, Code 2421638

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. 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, 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 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). The pro-forma impact of Basel III on regulatory capital ratios also includes the anticipated impact of International Financial Reporting Standards (IFRS) conversion. The Basel rules and impact of IFRS conversion could be subject to further change, which may impact the results of 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 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 www.sedar.com.

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 uses both generally accepted accounting principles (“GAAP”) and certain non-GAAP measures to assess its performance. Non-GAAP measures do not have any standardized meaning and are unlikely to be comparable to any similar measures presented by other companies. The Bank believes that these non-GAAP financial measures provide investors and analysts with useful information so that they can better understand financial results and analyze the Bank’s growth and profitability potential more effectively.

For questions on this presentation, please contact:

Gladys Caron, Vice-President, Public Affairs, Communications and Investor Relations
Tel: 514 284-4500, extension 7511 • Cell: 514 893-3963
gladys.caron@banquelaurentienne.ca

- **Profitability increased** year-over-year
- **Balance sheet growth continued** year-over-year, across all business lines
- **Credit quality improved** with significant reductions in impaired loans and lower loan losses
- **Investments pursued** to support our distinctive business unit positioning and foster growth
- **Dividend raised** by 8% or \$0.03 per share per quarter to \$0.42

	Q2-2011	Q2-2010	Variance
Net income	\$30.1 M	\$28.3 M	6%
Diluted EPS	\$1.13	\$1.06	7%
ROE	10.7%	10.9%	-20 bps

Q2 - 2011 HIGHLIGHTS

- Quarterly dividend increased to \$0.42 per share from \$0.39
- Strong growth in other income from diversified sources
- Relatively stable margins Q/Q
- Ongoing investment in business development
- Significant reduction in impaired loans
- Lower provisions for loan losses
- Continued loan and deposit growth



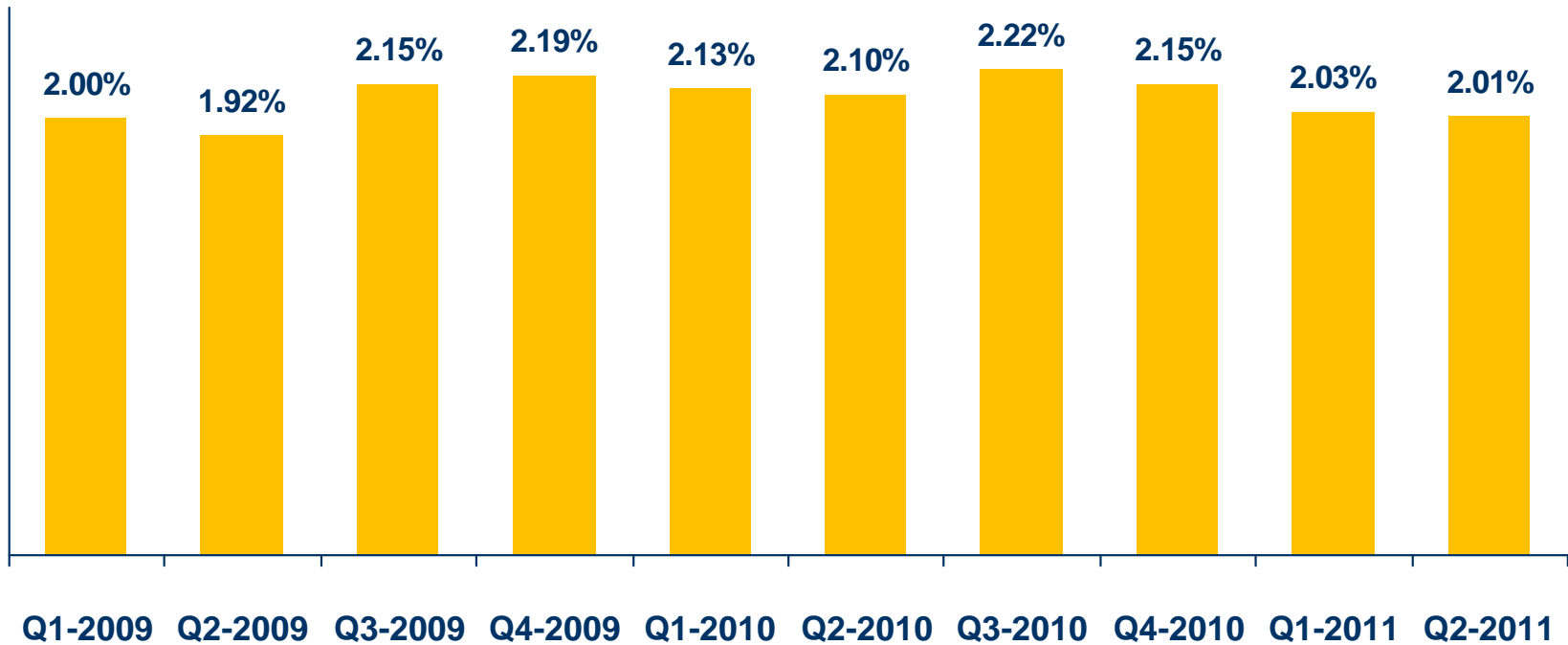
	2011 OBJECTIVES	For the 6 months ended April 30, 2011 RESULTS
Return on common shareholders' equity	11.0% to 13.0%	11.3%
Diluted earnings per share	\$4.80 to \$5.40	\$2.40
Revenue growth	> 5%	5%
Efficiency ratio	70% to 67%	70.8%

FINANCIAL HIGHLIGHTS

Q2-2011 vs Q2-2010

In millions of dollars, except per share amounts

	<u>Q2-2011</u>	<u>Q2-2010</u>	<u>Variation</u> <u>Q2-2011 vs</u> <u>Q2-2010</u>
Net interest income	116.4	117.6	-1%
Other income	69.3	60.5	15%
Total revenue	185.7	178.1	4%
Provision for loan losses	12.0	16.0	-25%
Non-interest expenses	134.8	123.5	9%
Income taxes	8.8	10.2	-14%
Net income	30.1	28.3	6%
Preferred share dividends	3.1	3.1	1%
Net income available to common shareholders	27.0	25.3	7%
Diluted EPS	\$1.13	\$1.06	7%
Return on common shareholders' equity	10.7%	10.9%	-20 bps
Efficiency ratio	72.6%	69.4%	323 bps
Effective tax rate	22.5%	26.5%	-400 bps



Other income increased by 15% in Q2-2011 vs Q2-2010

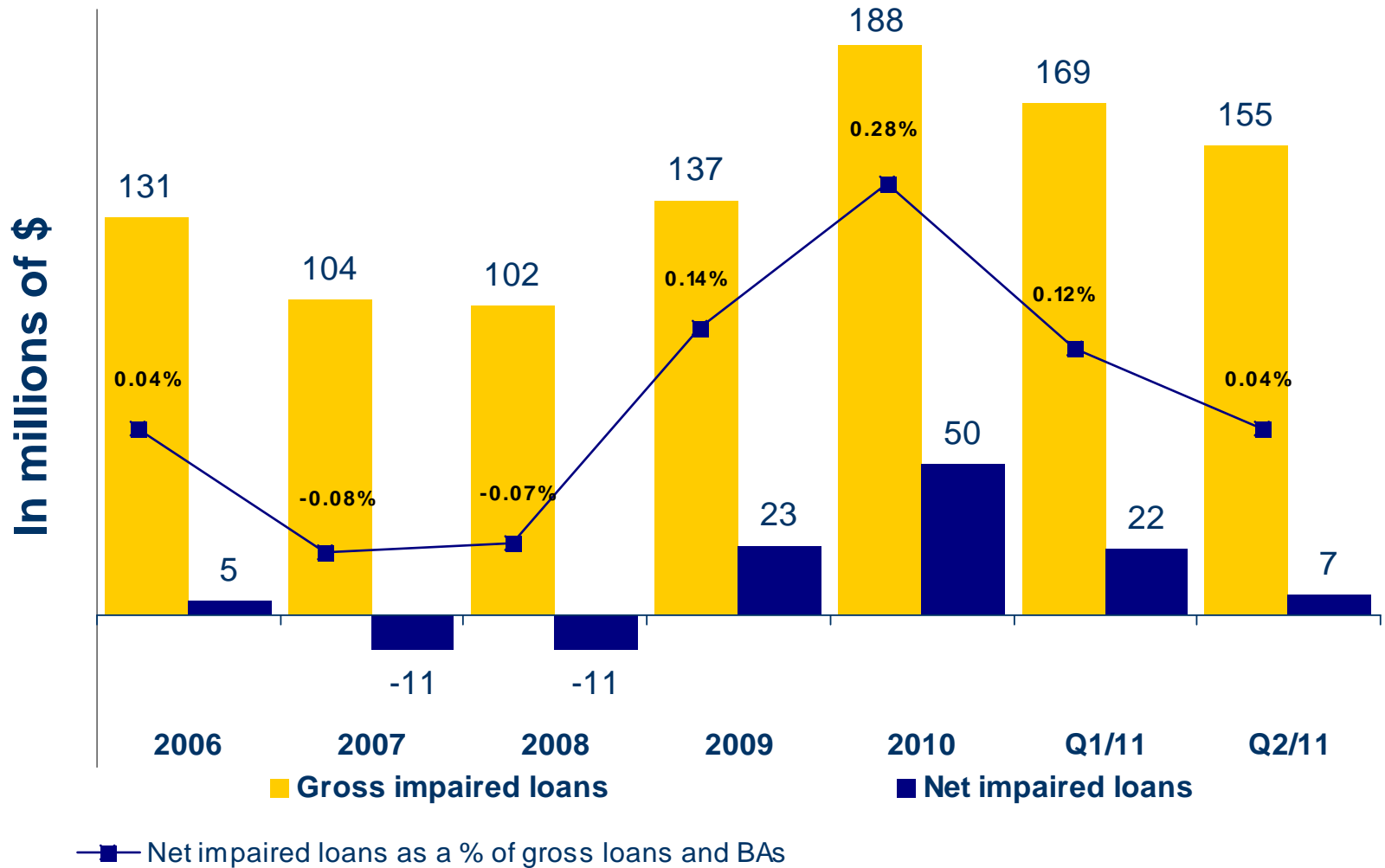
Driven by: (\$M)	<u>Q2-11</u>	<u>Q2-10</u>	<u>Q2-11/Q2-10</u>
▪ Securitization income	7.6	0.3	n.m.
▪ Income from brokerage operations	16.6	13.7	21%
▪ Income from sales of mutual funds	4.5	3.8	18%
▪ Card service revenues	5.6	4.8	17%
Partially offset by: (\$M)			
▪ Fees and commissions on loans and deposits	22.6	23.7	-5%
▪ Other (incl. inc. from reg. self-directed plans)	4.0	5.0	-21%
▪ Income from treasury & financial market op.	4.0	4.6	-12%
▪ Credit insurance income	4.5	4.6	-1%

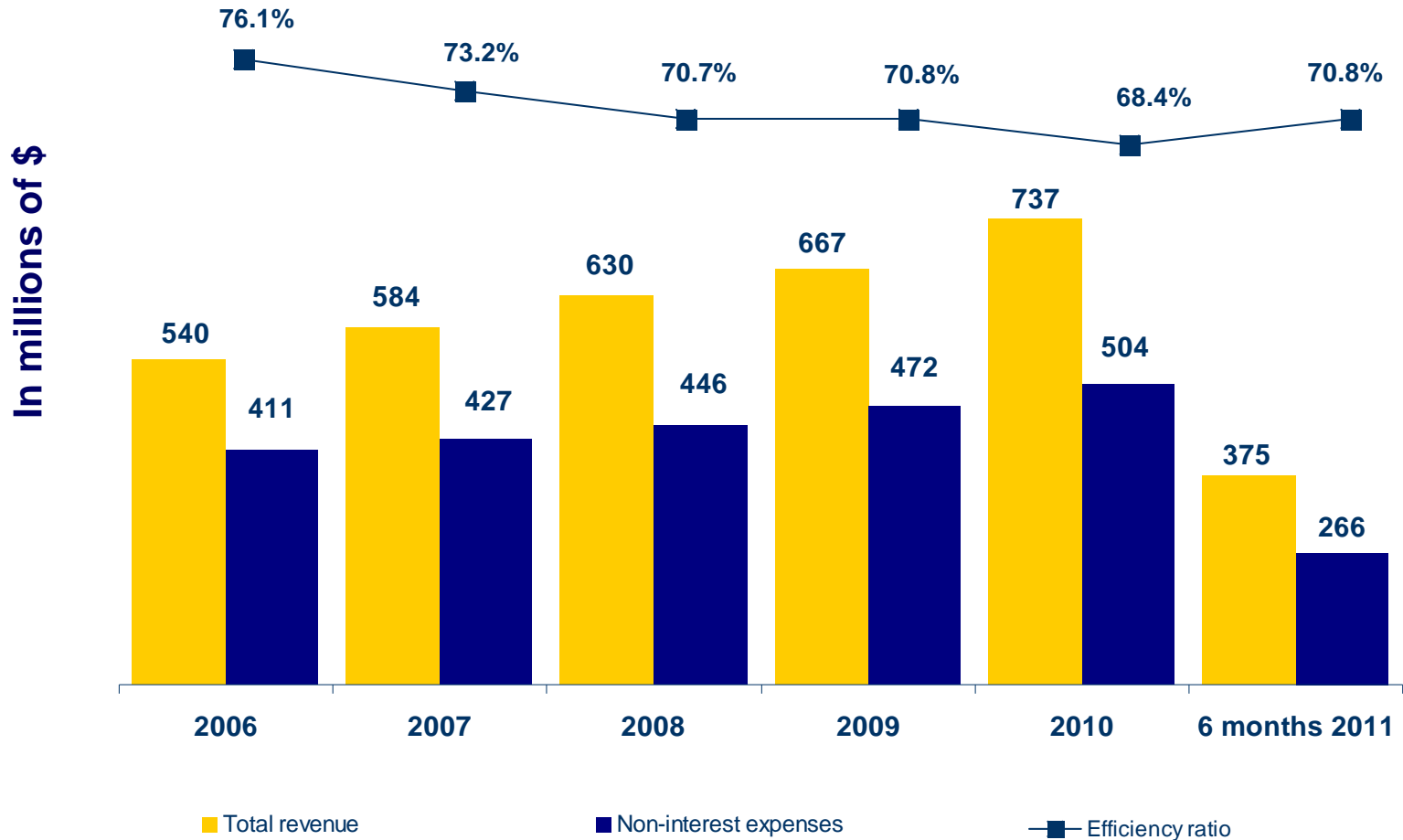
FOR THE THREE MONTHS ENDED

In thousands of \$	April 30, 2011	January 31, 2011	April 30, 2010
Personal loans and Visa cards	5,842	5,895	7,591
Residential mortgage loans	2,601	1,266	170
Commercial mortgage loans	804	3,428	3,069
Commercial loans and other	2,753	4,411	5,170
TOTAL	12,000	15,000	16,000
As a % of avg. loans and BAs	0.28	0.34	0.39



Improvement in impaired loans



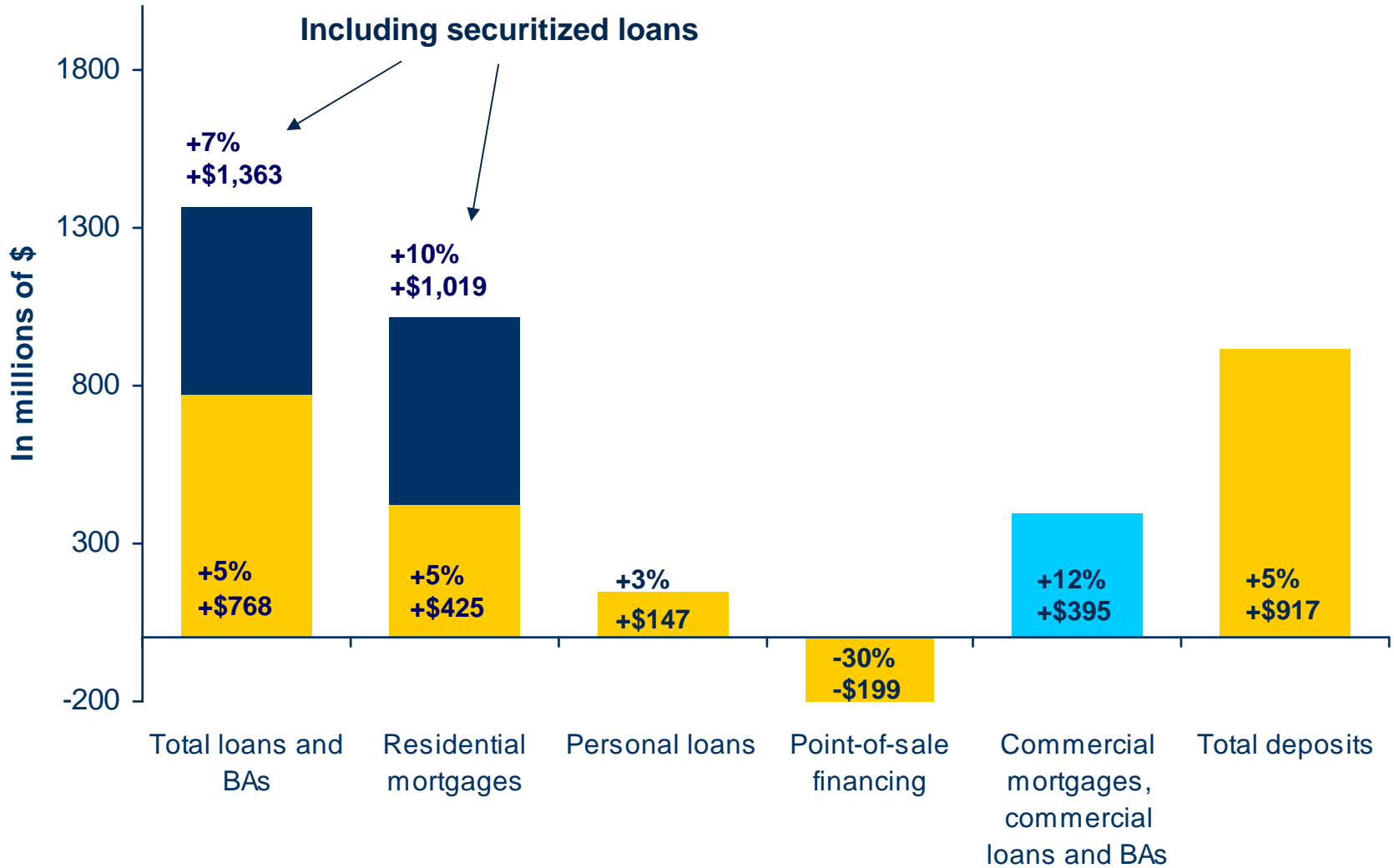


Non-interest expenses increased by \$11.3M in Q2-11 vs Q2-10 due to:

Salary increases	\$1.5M
Increased headcount	\$1.5M
Other salary and employee benefits	\$2.2M
Pension and payroll taxes	\$2.6M
Technology costs and premises	\$2.8M
Other	<u>\$0.7M</u>
Total	\$11.3M

MAIN PORTFOLIO GROWTH

12 months ended April 30, 2011



	Impact at transition	Impact going forward
Securitization	Gross-up of the balance sheet of approximately \$3.5B Relatively neutral on equity	Higher assets and liabilities on balance sheet Higher net interest income Lower net interest margins and other income
Employee benefits	Potential reduction of retained earnings of \$95M	Decrease in pension costs
Loan provisioning and Business combinations	Potential impact should be limited	N/A
ROE	N/A	Higher
EPS	N/A	Neutral

BUSINESS SEGMENTS PERFORMANCE

For the quarter ended April 30, 2011

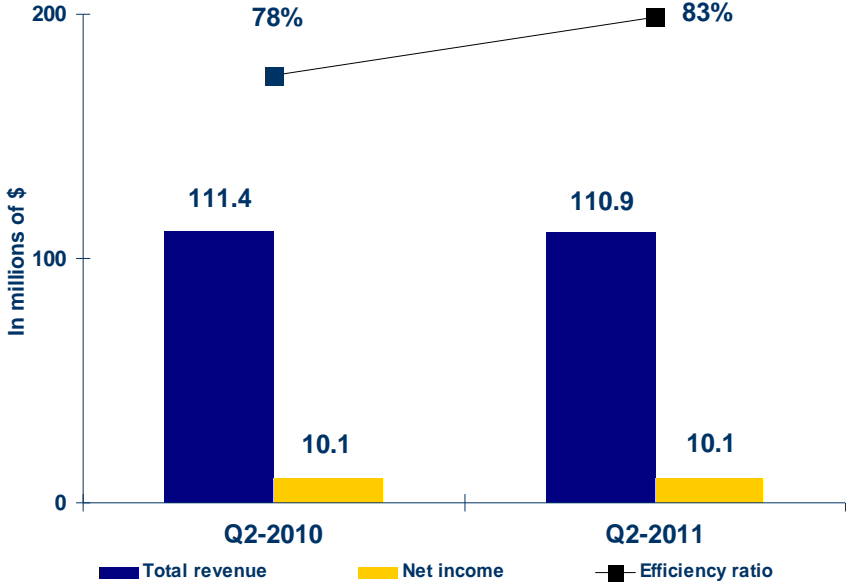
	Retail & SME Québec	Real Estate & Commercial	B2B Trust	LBS & Capital Markets	Other ⁽¹⁾	TOTAL
Total revenue (growth Q2-2011 versus Q2-2010)	\$110.9 M 0%	\$29.7 M + 2%	\$30.7 M + 4%	\$17.9 M + 17%	-\$3.4 M *n.m.	\$185.7 M + 4%
Net income (growth Q2-2011 versus Q2-2010)	\$10.1 M 0%	\$12.5 M - 8%	\$10.3 M - 9%	\$2.7 M + 6%	-\$5.5 M *n.m.	\$30.1M + 6%

(1) The business segment Other includes employees working in Treasury, Finance and Technology, Risk Management, Corporate Affairs and Human Resources.

(*) n.m.: not meaningful

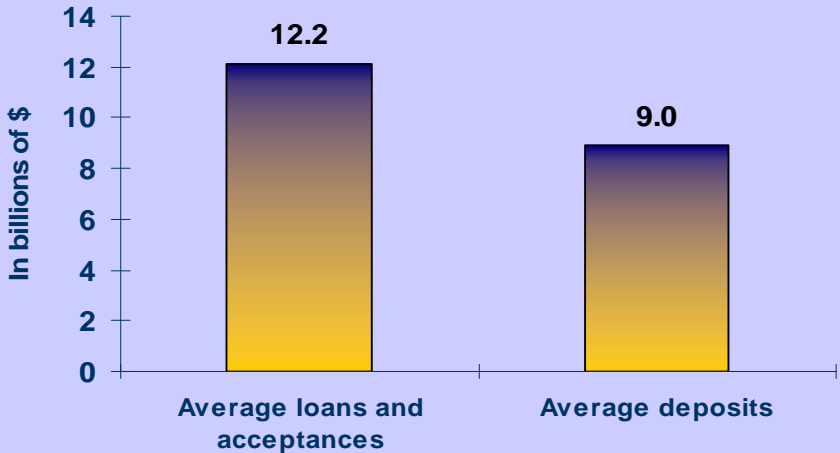
Q2-2011 Highlights

- Net income: flat YoY
- Other income growth reflecting increases in core revenues: 2% YoY
- Net interest income impacted by competitive loan and deposit pricing: -2% YoY
- Solid loan growth: 6% YoY
- Non-interest expenses up due to higher salaries, payroll taxes and pension costs: increase of \$4.4 million YoY
- Lower loan loss provision: \$6.8 vs \$11.5 M



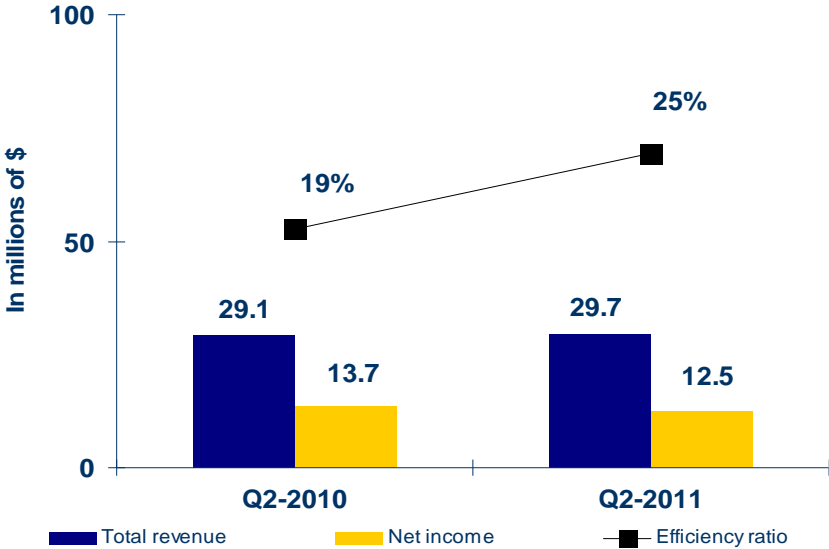
Business Segment Profile

- Complete range of services and products to retail clients and SMEs
- 3rd largest branch network in Québec with 157 branches
- 422 ATMs
- 23 commercial banking centers



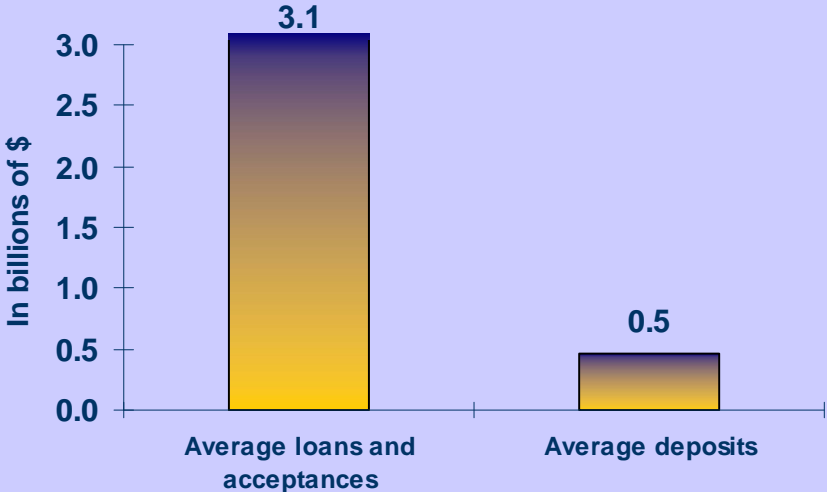
Q2-2011 Highlights

- Net income: -8% YoY
- Strong growth in net interest income: 6% YoY
- Solid growth in loans and BAs: 9% YoY
- Non-interest expenses: up \$1.7 M YoY, higher salary expenses and allocated costs; Q2-2010 included \$0.7 M of recoveries for specific operational issues
- Higher loan losses: \$4.8 M vs \$4.0 M in Q2-2010



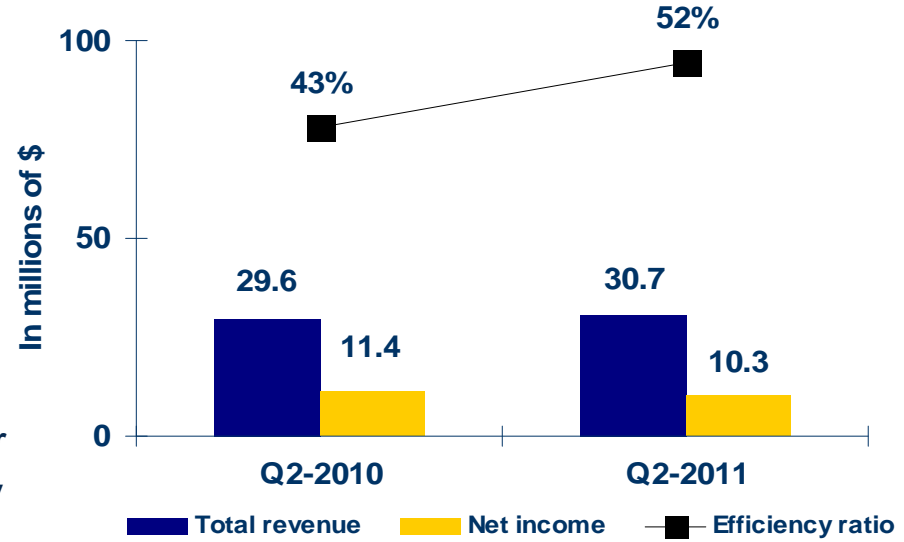
Business Segment Profile

- Construction loans and term financing in major Canadian cities, mainly residential condo and housing projects, shopping centers and office buildings
- 8 real estate financing centers in Canada
- 4 commercial financing centers in Ontario and 2 in Québec



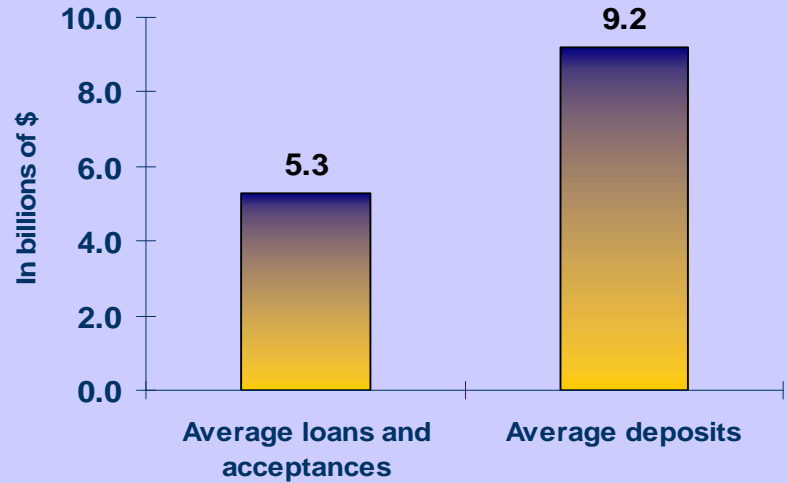
Q2-2011 Highlights

- Net income: -9% YoY
- Good growth in net interest income: 5% YoY due to volume growth and better margins on HIIA and term deposits
- Solid loan growth: 7% YoY
- Lower loan losses: \$0.4 M vs \$0.5 M in Q2-2010
- Non-interest expenses up \$3.3M due to higher salaries and benefits and allocated technology costs to support business development



Business Segment Profile

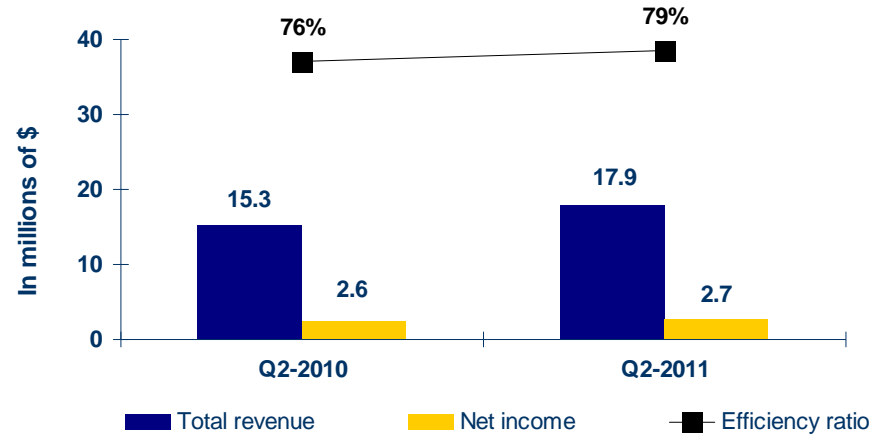
- Specializes exclusively in serving the financial intermediary community (financial advisors, mortgage brokers, insurance agents)
- Offers banking products as a third-party, such as investment and RRSP loans, prime mortgages and deposits
- Offices in Toronto, Montreal, Calgary and Vancouver



LAURENTIAN BANK SECURITIES & CAPITAL MARKETS

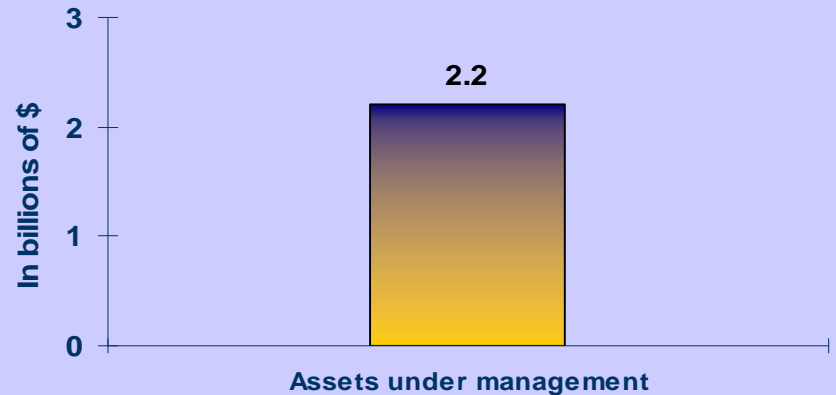
Q2-2011 Highlights

- Net income growth: 6% YoY
- Improved performance from all business divisions
- Strong revenue growth: 17% YoY
- Non-interest expenses up \$2.5 M YoY due to higher variable compensation



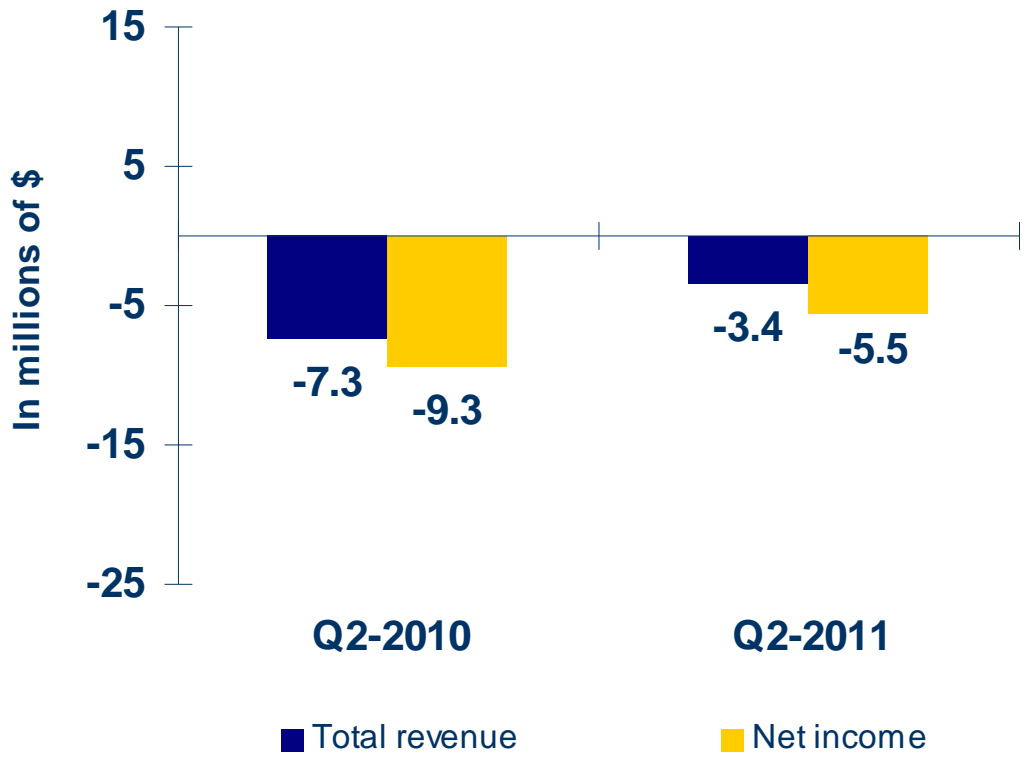
Business Segment Profile

- Complete range of brokerage services offered to institutional and retail clients
- 15 retail brokerage offices in Québec and Ontario
- Well-recognized in the Canadian Institutional Fixed Income arena



Q2-2011 Highlights

- An increase in other income due to the higher securitization of mortgage loans more than offset lower net interest income owing to the lower yield on securities



AS WE CELEBRATE 165 YEARS OUR RAISON D'ÊTRE REMAINS THE SAME

It's all about our **CLIENTS!**

- **Retail and SME Québec – providing our clients with proximity and innovation**
- **Real Estate and Commercial – offering clients fast turnaround time and uncompromising execution**
- **B2B Trust – providing independent financial advisors with operational excellence**
- **Laurentian Bank Securities – offering clients integrated brokerage services by a Bank-owned firm with a boutique mentality**

- **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 Trust
- **Lorraine Pilon**, Executive Vice-President, Corporate Affairs and Secretary
- **Michel C. Trudeau**, Senior Vice-President, Capital Markets of the Bank, and President and Chief Executive Officer of Laurentian Bank Securities Inc.
- **Louis Marquis**, Senior Vice-President, Credit
- **Stéfanie Pelletier**, Vice-President, Finance
- **Pierre Minville**, Senior Vice-President and Chief Risk Officer
- **André Lopresti**, Vice-President and Chief Accountant
- **Gladys Caron**, Vice-President, Public Affairs, Communications and 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 200 points of service** across Canada, including **157 retail branches** and **422 ABMs**
- **\$24.0 billion of assets** on balance sheet as of April 30, 2011
- **Main markets:** Province of Québec with significant activities elsewhere in Canada (37% of total loans come from outside of Québec)
- **More than 3,700 employees**
- **Founded in 1846**

For the 6 months ended April 30, 2011

Retail & SME Québec

Real Estate & Commercial

B2B Trust

LB Securities & Capital Markets

% of total revenue ⁽¹⁾ **59%**

16%

16%

9%

% of net income ⁽¹⁾ **28%**

35%

29%

8%

- Personal Banking: Transactional, financing and investment products and services
- Small and Medium-Sized Enterprises: Financing solutions and services such as exchange transactions, electronic banking and processing of international transactions
- Approximately 2,600 employees
- 157 retail branches in Québec
- 22 commercial offices in Québec

- Real estate financing throughout Canada
- Commercial financing in Ontario
- Commercial financing in Québec

- Approximately 125 employees
- 14 offices in Ontario, Western Canada and Québec

- Financial products and services offering
- Distributed through a network of more than 15,000 independent financial advisors for distribution to their clients throughout Canada

- Approximately 400 employees
- Sales offices in Montréal, Calgary, Halifax and Vancouver

Complete range of brokerage services offered through a network of 15 offices in Québec and Ontario

- Institutional – Fixed Income
- Institutional – Equity
- Retail Brokerage Services
- Business Services

Bank-related capital market activities

- Approximately 225 employees
- 15 offices in Québec and Ontario

- \$9.5 billion in residential mortgage loans and home equity lines of credit
- \$0.4 billion in personal lines of credit
- \$0.9 billion in average commercial loans - SME Québec
- Total deposits: \$9.2 B

- \$0.7 billion in commercial loans
- \$1.6 billion in commercial mortgage loans
- Total deposits: \$0.5 B

- \$3.0 billion in investment and RRSP loans
- \$2.3 billion in brokered mortgages
- Total deposits: \$9.3 B
- Assets under administration: \$3.9 B

- Assets under administration: \$2.2 B

⁽¹⁾ Excluding Other segment

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

Lorraine Pilon

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

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 Trust**
With Laurentian Bank since 1991

L. Denis Desautels O.C., 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.

Ève-Lyne Biron (2003)

President and General Manager
Laboratoire Médical Biron 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

Jonathan I. Wener C.M. (1998)

Chairman of the Board
Canderel Management Inc.