



PRESS RELEASE

Scotia Investments Board accepts recommendation of Independent Committee to support Scotia Group's proposal to take SIJL private.

[Kingston, Jamaica, June 12, 2017] – Scotia Investments Jamaica Limited (“**Scotia Investments**”) hereby announces that on 8th June 2017 it received a formal written proposal from its parent company, Scotia Group Jamaica Limited (“**Scotia Group**”) to consider and, if thought fit, initiate a Scheme of Arrangement to take Scotia Investments private by cancellation of the shares held by all the minority shareholders at a price of J\$38.00 per share. Under the proposal shareholders whose shares are listed on the Jamaica Stock Exchange will have the option to elect to receive payment in United States dollars (“US\$”), based on the weighted average selling rate for United States dollars published by the Bank of Jamaica three (3) business days before the settlement date. In the case of shares cross-listed on the Trinidad & Tobago Stock Exchange, the consideration stated above will be payable in United States dollars based on the conversion rate stated above.

The Scotia Group proposal is that the transaction be undertaken by way of a court-approved Scheme of Arrangement under the Companies Act, 2004. Completion of the transaction would therefore be conditional *inter alia* upon the Scheme of Arrangement being approved by the requisite majorities of the Scotia Investments shareholders prescribed under the Companies Act 2004 and also approved and sanctioned by the Supreme Court of Jamaica.

The Scotia Group proposal was preceded by an expression of interest from Scotia Group that the transaction was under active consideration at a possible price of J\$38.00 per share. In anticipation of a formal offer or proposal from Scotia Group, Scotia Investments immediately summoned a meeting of its directors to consider the development. The directors resolved to constitute a Committee of Independent Directors under the chairmanship of Mrs. Audrey Richards. The Independent Directors are those directors who have no cross-directorship with any other company (other than a subsidiary of Scotia Investments) within the BNS Group (including but not limited to the local Scotia Group of companies) and are not employed by any company within the BNS Group. The Committee was charged with the task of dealing with a possible proposal or offer from Scotia Group in an independent and transparent manner.

Mrs. Richards, as chair of the Committee of Independent Directors, said:

“Our first task was to identify and engage a reputable and competent firm of independent financial consultants to consider whether a price of J\$38.00 was fair and to provide us with a Fairness Opinion in the event that a formal proposal or offer was made by Scotia Group. The Committee was authorized to give the matter its full consideration and to act in the best interest of all shareholders and has done so.”

Pursuant to the forgoing the Committee selected Ernst & Young Services Limited (“EY”) to undertake the fair value determination. EY subsequently reported that a value of J\$38.00 per share was within the fair value range for the shares of the Company in an arm’s length transaction between a willing buyer and a willing seller. Relying on the EY Fairness Opinion and taking into account all relevant circumstances, including the low volumes on which the shares generally trade the Committee of Independent Directors unanimously recommended, to the full board, that the Scotia Group proposal received on 8th June 2017 should be put to shareholders. The Board has accepted that recommendation and accordingly, Scotia Investments will be initiating a Scheme of Arrangement to secure the approval of its shareholders and the Court.

Scotia Investments is a leading securities dealer in Jamaica. Its shares are listed on the Jamaica Stock Exchange and cross-listed on the Trinidad & Tobago Stock Exchange. It began operations in 1992 as Dehring Bunting & Golding Limited (“DB&G”). That same year it converted to a public company, made an initial public offer and was listed on the Jamaica Stock Exchange. In 2006 The Bank of Nova Scotia (BNS Toronto”) and its Jamaica subsidiary, The Bank of Nova Scotia Jamaica Limited (“BNSJ”) made a joint take-over bid to acquire a controlling interest in DB&G. The bid was successful and culminated in the bidders obtaining 77.01% of DB&G. Subsequent to the bid, a Scheme of Arrangement was undertaken pursuant to which the shares acquired by BNS Toronto and BNSJ were vested in Scotia Group.

For more information on Scotia Investment Jamaica Limited please visit www.scotiainvestmentsjm.com

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