



**LAURENTIAN BANK
OF CANADA**

PRESS RELEASE

For immediate release

**2005 ANNUAL MEETING OF THE SHAREHOLDERS OF LAURENTIAN BANK:
COMMITTED**

Montreal, March 7, 2006 – At the Annual Meeting of the Shareholders of Laurentian Bank of Canada, which took place today at the Imperial in Montreal, Mr. Raymond McManus, President and Chief Executive Officer of Laurentian Bank, presented an overview of the organization's accomplishments in fiscal 2005.

Mr. McManus talked about the positive results reported by the Bank in December 2005 and stressed the importance to stay the course and never lose sight of the Bank's orientations. "We've refocused our operations, which is a crucial element in the improvement of our results. With this phase behind us, we can channel our efforts into the development and growth of our four core business lines: Retail Financial Services, Commercial Financial Services, B2B Trust and Laurentian Bank Securities."

He thanked the Bank's employees for their efforts and dedication. "These results were made possible thanks to the commitment of all of our employees. They prove our dedication and determination to maintain the momentum going forward and to strengthen our positioning in the markets where we operate."

Clear strategy: concrete results

In 2005, the Bank achieved considerable growth in various portfolios. Its mutual fund portfolios increased by 14% and its mortgage loan portfolios by 8%. The Bank's RRSP campaigns and mortgage loan sales reached a record high in 2005.

The Agricultural Financing sector stood out with a significant number of new loans, generating a 10% increase in its assets. The Bank's Real Estate and SME Financing operations in Quebec and Ontario achieved a 5% to 6% increase in their assets. B2B Trust also had a very good year and showed excellent growth in its portfolios, especially with a 12% increase in investment loans. Laurentian Bank Securities' full service brokerage assets under management grew by more than 10% in 2005.

These results were made possible thanks to the concrete efforts and solid steps by the lines of business with the goal to promote and boost the Bank's growth and development. Laurentian Bank has enhanced its line of products and services. It has considerably expanded and modernized its network of branches and of points of service, and has deployed effective and efficient marketing and business development strategies.

Therefore, since November 1, 2004, thirteen new points of service have been added to the Bank's branch network: eight financial services boutiques and two commercial banking centres. The new points of service include three new offices of Laurentian Bank Securities. During the year, Laurentian Bank Securities also recruited 25 investment advisors to expand its team. 20%

of the Bank's retail branch network has been renovated. Finally, to make its services more accessible, the Bank added 20 new ATM installations.

With the launch of new investment products such as the Canadian Growth *Action*GIC, the VISA Reward Me card, the exclusive *Complicité* Program for the FTQ members, the new banking solution program for small and medium-sized businesses, improved RRSP loans and investment loans offered by B2B Trust, as well as M3, a multi-dimensional Managed Account Program, and the new fixed-income discount brokerage platform offered by the Brokerage subsidiary, the Bank's clients have access to a wide range of highly competitive products and services.

Positive financial results in 2005

From the financial point of view, one of the highlights of fiscal 2005 was the significant improvement in the Bank's net interest margin. The Bank has completely revised its asset and liability management approach, which resulted in a \$58 million or 22% increase in net interest income in 2005, while its net interest margin stood at 1.99% in 2005, up from 1.64% in 2004.

Therefore, the Bank has attained, and even surpassed, all its earnings objectives for 2005. The Bank reported net income of \$65.3 million in 2005, compared to \$39.9 million in 2004, a 64% increase. Return on common shareholders' equity stood at 7.8%. Diluted net income per common share was up 70%, from \$1.33 to \$2.26. The results for the First Quarter of 2006 announced on February 28, 2006, are also satisfactory. Return on common shareholders' equity stood at 7.9% for the First Quarter.

Celebrating 160 years of history in 2006

In conclusion, Mr. McManus talked about Laurentian Bank's 160th anniversary to be celebrated in May. "Building on our ample experience and profound knowledge, we are determined to continue on the road of growth and improvement. We want to be a leading financial institution in Quebec and a performing player in select markets across Canada," said Mr. McManus.

About Laurentian Bank of Canada

Laurentian Bank of Canada, is a Quebec banking institution operating across Canada dedicated to meeting the financial needs of its clients through the excellence of its service, its simplicity and its proximity. The Bank serves individual consumers, small and medium-sized businesses as well as, through B2B Trust, independent financial advisors. It also provides full-service brokerage solutions through the Laurentian Bank Securities subsidiary. Laurentian Bank is well established in the Province of Quebec, operating the third largest retail branch network and is a performing player in specific market segments elsewhere in the country. Laurentian Bank of Canada has over \$16 billion in balance sheet assets and \$15 billion in assets under administration. Founded in 1846, the Bank employs more than 3,000 people. Its common shares are listed on the Toronto Stock Exchange (TSX: LB). For more information, please visit www.laurentianbank.ca.

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