TD Waterhouse Expands Services for Active Traders Through Acquisition of Direct Access Broker RJT.com

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NEW YORK, Aug. 15 /CNW/ -- In a strategic move to expand its offering for active traders, TD Waterhouse Group, Inc. (NYSE: TWE; TSE), the global online financial services firm, today announced that it has signed definitive agreements to acquire R.J. Thompson Holdings, Inc. ("RJT"), a privately-held direct access brokerage firm in Omaha, Nebraska.

Financial terms of the all-cash deal were not disclosed. TD Waterhouse expects the acquisition could cost up to four cents a share in the first year after acquisition due to retention and performance incentives as well as funding costs and will be accretive thereafter. Subject to receipt of regulatory approvals and the satisfaction of certain closing conditions, the transaction is expected to close in the fourth fiscal quarter of 2001.

RJT will continue operating in Omaha, Nebraska as a separate unit serving the needs of active traders. RJT's customers enjoy access to tools such as:

-- Direct access to market makers and ECNs;

-- Automatic updates of account information for immediate notification of executions, order modifications, and other essential account information;

-- Automatic updating of real-time balances, positions and P&L calculations allowing active investors to immediately see the impact their trades and the market's activity have on their portfolio;

-- The ability to enter multiple order tickets simultaneously; and

-- Streaming real-time market data and Level II quotes.

"The acquisition of RJT is an excellent opportunity for us to further expand our presence in the active trader arena, one of the most vibrant segments of the market," said Steve McDonald, Chief Executive Officer of TD Waterhouse. "Offering customized services for specific investor groups will help drive success in our industry and this acquisition leaves TD Waterhouse well-positioned to capitalize on this developing dynamic."

Richard J. Rzasa, Chief Information Officer of TD Waterhouse added, "Direct access to market makers and ECNs is a priority for many active traders. Through the acquisition of RJT, we will build a leading-edge offering for this segment by expanding on the functionality of RJT's direct access platform and over time combining it with the robust product, service and technology offerings TD Waterhouse already has in place."

As part of the agreement, Randy Thompson and Greg Gilgenast of RJT, both pioneers in the development of online investing technology, will join TD Waterhouse as Managing Director, Active Trader Division and Senior Vice President, respectively.

"RJT's trading platform was developed to meet active traders demand for quick, reliable order execution, dynamically updating account information and direct access to the markets," said Randy Thompson, CEO of RJT. "Joining the TD Waterhouse family offers a unique opportunity for us to continue developing new technology solutions, while leveraging their experience and resources." RJT has consistently ranked number one in the J.P. Morgan H&Q Quarterly Brokerage Reports and in June 2001, was one of eight brokerage firms named as Forbes' Best of the Web.

RJT's technology is slated to be integrated into TD Waterhouse's U.S. platform in the first half of 2002, providing TD Waterhouse's active customers with access to many of the features

currently available through RJT. Prior to completion of this integration, TD Waterhouse's customers who would like to take advantage of RJT's platform are encouraged to open a separate account with RJT.

About R. J. Thompson

Located in Omaha, Nebraska, R.J. Thompson Securities (RJT.com) is a nationally-recognized direct access brokerage firm registered in all fifty states and is a wholly owned subsidiary of R. J. Thompson Holdings, Inc. RJT.com offers real-time streaming Level I and II quotes, real-time balances, real-time positions, real-time P&L, real-time order history, one click trading, Direct Access functionality, smart order routing, automated short sales feature, electronic trade confirmations, and extended hours trading. The firm has approximately 13,440 active trader customer accounts and handles approximately 5,600 trades per day. Member NASD and SIPC. InfoComp International, Inc., a wholly-owned subsidiary of R. J. Thompson Holdings is a leader in the development of state-of-the-art software solutions for the financial services industry, including a full range of integrated software products that allow independent broker/dealers and clearing firms to offer enhanced front-end services to their clients.

About TD Waterhouse

TD Waterhouse Group, Inc., (NYSE: TWE; TSE) provides investors with a broad range of brokerage, mutual fund, banking and other consumer financial products on an integrated basis. Worldwide, TD Waterhouse currently services 3.1 million active customer accounts in the United States, Canada, the United Kingdom, Australia, and Hong Kong. The firm also has joint ventures in Japan, India and Luxembourg to serve investors in those countries. TD Waterhouse can be found on the Internet at (www.tdwaterhouse.com) and on America Online at Keyword: TD Waterhouse.

TD Waterhouse's majority owner is TD Bank (NYSE: TD; TSE), which holds approximately 89% of the outstanding share capital of TD Waterhouse. Headquartered in Toronto, Canada, with offices around the world, TDBank Financial Group offers a full range of financial products and services to approximately 13 million customers worldwide.

This release contains projections and other forward-looking statements regarding future events and our future financial performance. These statements are based on management's current beliefs and expectations. These beliefs and expectations are based on assumptions that are subject to risks and uncertainties that may cause actual results to differ materially from these statements. The forward-looking statements contained in this release speak only as of the date hereof and we do not undertake any obligation to provide updates on or corrections of such statements in the future as a result of subsequent developments or otherwise. The risks and uncertainties that may cause actual results to differ materially from these statements include, but are not limited to, (i) changes in general economic conditions and prevailing interest rates, (ii) market volatility or further sustained decreases in the market prices of securities generally, (iii) significant increases or decreases in trading activity by our customers, (iv) customer attrition, (v) the development and acceptance of new products and services, (vi) system delays and failures, (vii) increased competition (viii) the failure to close the transaction with RJT, and (ix) the delay or failure in integrating RJT's technology as expected. For a discussion of risks and uncertainties that may cause actual results to differ from those reflected in such forward-looking statements, please refer to our filings with the Securities and Exchange Commission, including the information included under the heading "Item 1. Business-Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended October 31, 2000.

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