



Building strong relationships with customers, investors, employees and communities for *generations*



Q2 2006 Investor Presentation

Thursday May 25, 2006

Forward-Looking Statements

From time to time, the Bank makes written and oral forward-looking statements, including in this presentation, in other filings with Canadian regulators or the U.S. Securities and Exchange Commission (SEC), and in other communications. All such statements are made pursuant to the "safe harbour" provisions of the United States Private Securities Litigation Reform Act of 1995 and any applicable Canadian securities legislation. Forward-looking statements include, among others, statements regarding the Bank's objectives and targets and strategies to achieve them, the outlook for the Bank's business lines, and the Bank's anticipated financial performance. Forward-looking statements are typically identified by words such as "believe", "expect", "anticipate", "intend", "estimate", "plan", "may" and "could". By their very nature, these statements require us to make assumptions and are subject to inherent risks and uncertainties, general and specific, which may cause actual results to differ materially from the expectations expressed in the forward-looking statements. Some of the factors that could cause such differences include: the credit, market, liquidity, interest rate, operational, reputational, insurance, strategic, foreign exchange, regulatory, legal and other risks discussed in the management discussion and analysis section in other regulatory filings made in Canada and with the SEC, including the Bank's 2005 Annual Report; general business and economic conditions in Canada, the United States and other countries in which the Bank conducts business, as well as the effect of changes in monetary policy in those jurisdictions and changes in the foreign exchange rates for the currencies of those jurisdictions; the degree of competition in the markets in which the Bank operates, both from established competitors and new entrants; legislative and regulatory developments; the accuracy and completeness of information the Bank receives on customers and counterparties; the development and introduction of new products and services in markets; expanding existing distribution channels; developing new distribution channels and realizing increased revenue from these channels, including electronic commerce-based efforts; the Bank's ability to execute its integration, growth and acquisition strategies, including those of its subsidiaries, particularly in the U.S.; changes in accounting policies and methods the Bank uses to report its financial condition, including uncertainties associated with critical accounting assumptions and estimates; the effect of applying future accounting changes; global capital market activity; consolidation in the Canadian financial services sector; the Bank's ability to attract and retain key executives; reliance on third parties to provide components of the Bank's business infrastructure; technological changes; change in tax laws; unexpected judicial or regulatory proceedings; continued negative impact of the United States litigation environment; unexpected changes in consumer spending and saving habits; the possible impact on the Bank's businesses of international conflicts and terrorism; acts of God, such as earthquakes; the effects of disease or illness on local, national or international economies; the effects of disruptions to public infrastructure, such as transportation, communications, power or water supply; and management's ability to anticipate and manage the risks associated with these factors and execute the Bank's strategies. A substantial amount of the Bank's business involves making loans or otherwise committing resources to specific companies, industries or countries. Unforeseen events affecting such borrowers, industries or countries could have a material adverse effect on the Bank's financial results, businesses, financial condition or liquidity. The preceding list is not exhaustive of all possible factors. Other factors could also adversely affect the Bank's results. For more information see the discussion starting on page 56 of the 2005 Annual Report. All such factors should be considered carefully when making decisions with respect to the Bank, and undue reliance should not be placed on the Bank's forward-looking statements. The Bank does not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time by or on its behalf.



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Highlights: Solid Performance

Net income \$MM (based on segment results, adjusted where applicable)

	<u>Q2/06</u>	<u>Q1/06</u>	<u>Q2/05</u>	<u>YoY</u>	<u>QoQ</u>
Canadian Retail ¹	\$ 578	\$ 581	\$ 489	18%	-1%
U.S. Retail ²	98	98	30	227%	0%
Wholesale	140	199	165	-15%	-30%
Corporate	(36)	(43)	(12)	NM	NM
Adjusted net income ³	\$ 780	\$ 835	\$ 672	16%	-7%
Reported EPS	\$ 1.01	\$ 3.20	\$ 0.86	17%	-68%
Adjusted EPS	\$ 1.09	\$ 1.15	\$ 1.00	9%	-5%
Tier 1 capital	12.1%	11.9%	10.0%	2.1%	0.2%
Tangible common equity	9.0%	8.8%	6.9%	2.1%	0.2%

1. See slide 7.
 2. See slide 18.
 3. The Bank's financial results prepared in accordance with GAAP are referred to as "reported" results. The Bank also utilizes "adjusted" earnings (i.e., reported earnings excluding "items of note", net of tax) to assess each of its businesses and measure overall Bank performance. Adjusted net income, adjusted earnings per share (EPS) and related terms used in this presentation are not defined terms under GAAP and may not be comparable to similar terms used by other issuers. See page 5 of the Q2 2006 Report to Shareholders (td.com/investor) for an explanation of how the Bank reports and a reconciliation of adjusted earnings to reported basis (GAAP) results.

Q2 2006 Earnings

 Bank Financial Group

	<u>\$ MM</u>		<u>EPS</u>
Reported net income and EPS		\$ 738	\$ 1.01
Items of note	<u>Pre-Tax</u>	<u>Post-Tax</u>	<u>EPS</u>
	\$ MM	\$ MM	
Amortization of intangibles	\$ 126	\$ 86	\$ 0.11
Gains on Ameritrade transaction, net of costs	\$ 5	\$ 5	\$ 0.01
AcG-13 impact	\$ (16)	\$ (10)	\$ (0.01)
General allowance release	\$ (60)	\$ (39)	\$ (0.05)
Ameritrade timing impact	NA	NA	\$ 0.02
Excluding above items of note			<u>EPS</u>
Adjusted net income and EPS		\$ 780	\$ 1.09

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Q2 2006 Operating Performance

 Bank Financial Group

Canadian Retail:

Personal & Commercial Banking
Wealth Management

U.S. Retail:

Personal & Commercial Banking
Wealth Management

Wholesale Banking

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Canadian Retail¹

TD Bank Financial Group

P&L \$MM

	<u>Q2/06</u>	<u>Q1/06</u>	<u>Q2/05</u>	<u>YoY</u>	<u>QoQ</u>
Revenue	\$ 2,293	\$ 2,295	\$ 2,062	11%	0%
PCL	78	99	91	-14%	-21%
Expenses	1,343	1,317	1,240	8%	2%
Net Income	\$ 578	\$ 581	\$ 489	18%	-1%
Efficiency ratio	58.6%	57.4%	60.1%	-1.6%	1.2%

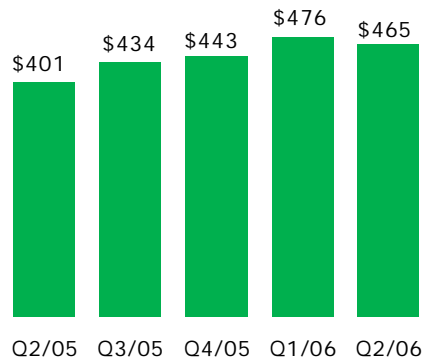
1. "Canadian Retail" results in this presentation consist of Canadian Personal and Commercial Banking business segment results included in the Bank's reports to shareholders for the relevant periods and Canadian Wealth Management results, a subset of the Wealth Management business segment results of the Bank, as explained on slide 14 and following of this presentation.

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Canadian Personal and Commercial Banking

TD Bank Financial Group

Net Income \$MM

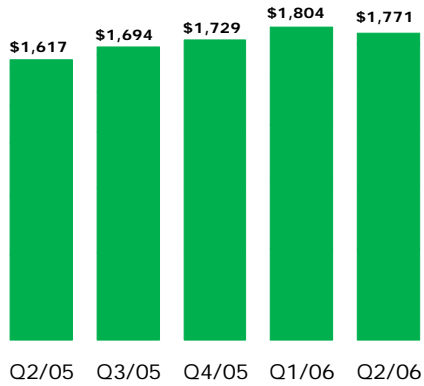


Notes

- Net income \$465 million:
 - Down 2% or \$11 million from Q1/06 but up 16% from Q2/05
 - Short quarter impact of \$24 million versus Q1/06

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Total revenue \$MM

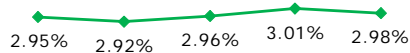


Notes

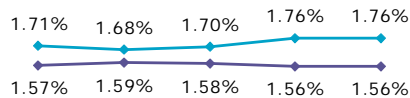
- Total revenue \$1.8 billion:
 - Down 2% from Q1/06 and up 10% from Q2/05.
 - Short quarter impact of \$47 million versus Q1/06.
 - Strong growth in personal and business deposits, real estate secured lending and credit cards.

Net interest margin %

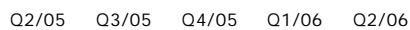
NIM on average earning assets



NIM on deposits



NIM on loans



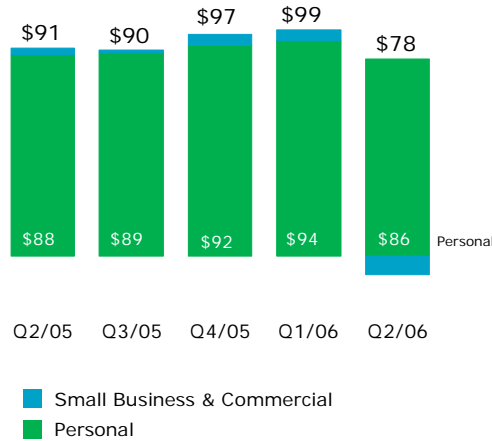
Notes

- Net interest margin on average earning assets up 3 bps YoY but down 3 bps QoQ
 - Sequential decline due to higher volume growth of lower margin products

Canadian Personal and Commercial Banking



PCL \$MM
(excluding impact of securitization)



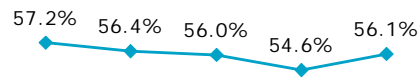
Notes

- PCL \$78 million (before securitization):
 - Down \$21 million from Q1/06 and \$13 million from Q2/05
 - Personal PCL of \$86 million was \$2 million lower than Q2/05. Small Business & Commercial reversal of \$8 million
- PCL securitization impact:
 - \$8 million for Q2/06 (\$9 million in Q2/05)

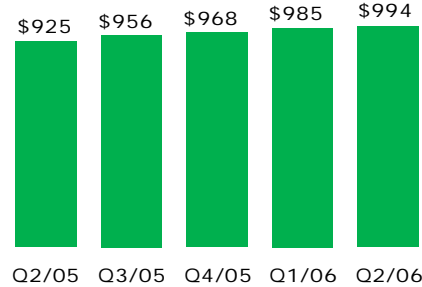
Canadian Personal and Commercial Banking



Efficiency ratio %



Expenses \$



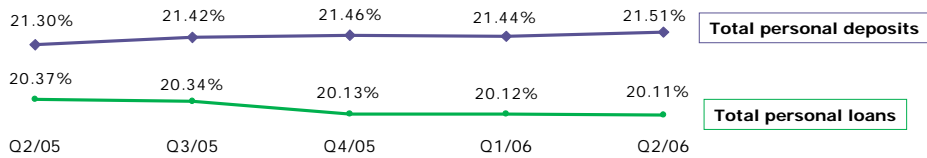
Notes

- Expenses \$994 million:
 - Up 1% from Q1/06 and 7% from Q2/05
 - Short quarter impact of \$10 million
 - YoY increase reflects higher compensation, marketing and systems development and infrastructure projects

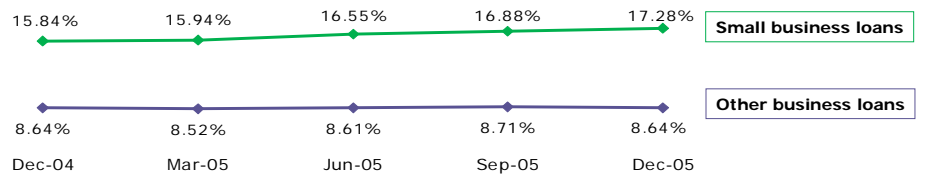
Canadian Personal and Commercial Banking

Market share trend %

Personal loans & deposits (including securitized loan amounts)



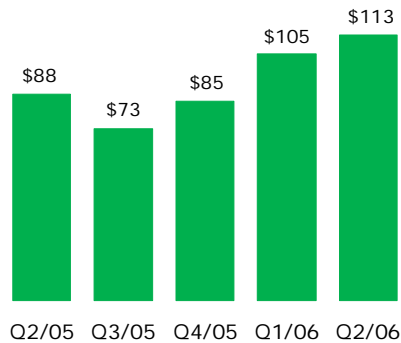
Business loans¹



1. Small business loans (<250K) and Other business loans (250K to 5MM) share to December 2005. Source: CBA Business Lending

Canadian Wealth Management¹

Net Income \$MM

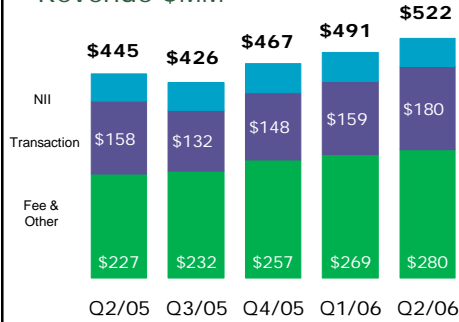


Notes

- Net income of \$113 million:
 - Up 8% from Q1/06 and up 28% or \$25 million from Q2/05
 - Short quarter impact \$5 million versus Q1/06

1. "Canadian Wealth Management" results in this presentation consist of Wealth Management business segment results included in the Bank's reports to shareholders for the relevant periods, but excluding the Bank's equity share in TD Ameritrade in Q2/06, and excluding TD Waterhouse U.S.A. in prior quarters. Wealth Management business segment results include TD Waterhouse U.K., but in Q2/06 do not include TD Waterhouse Bank now included in the Corporate segment results.

Revenue \$MM



Notes

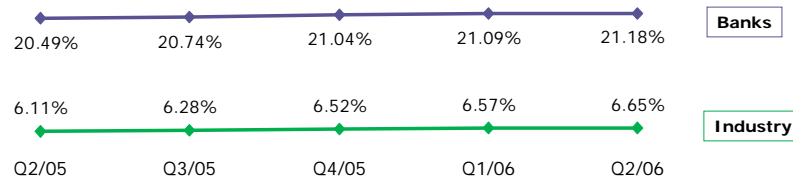
- Total revenue \$522 million
–Up 17% from Q2/05 and up 6% from Q1/06
- Total expenses \$349 million:
–Up 11% from Q2/05 and up 5% from Q1/06

Expenses \$MM

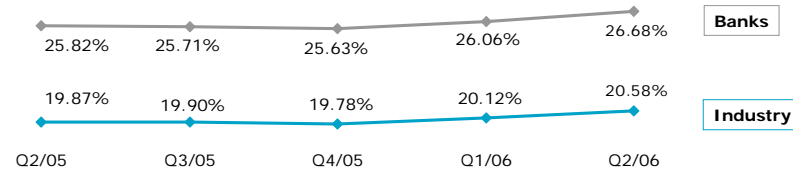


Market share trend %

Long-term funds



Money market funds



Canadian Retail:

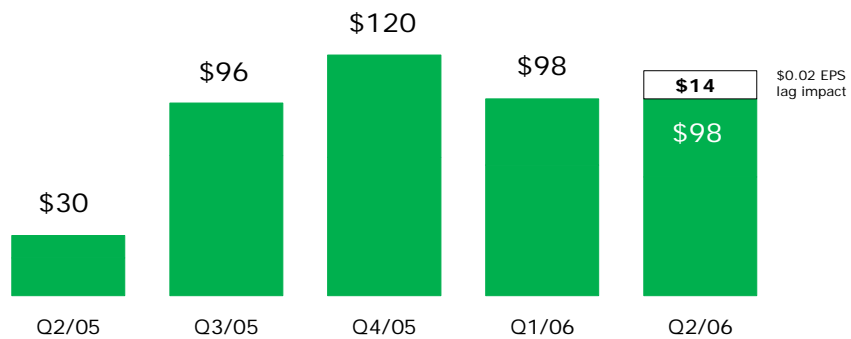
Personal & Commercial Banking
Wealth Management

U.S. Retail:

Personal & Commercial Banking
Wealth Management

Wholesale Banking

Net Income \$MM (adjusted where applicable)

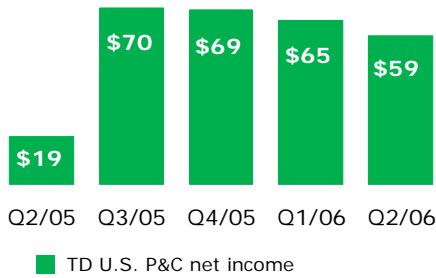


1. "U.S. Retail" results in this presentation consist of U.S. Personal and Commercial Banking business segment results included in the Bank's reports to shareholders for the relevant periods and U.S. Wealth Management, a subset of the Wealth Management business segment of the Bank, which includes the Bank's equity share in TD Ameritrade in Q2/06 and TD Waterhouse U.S.A. in prior quarters.

Net Income¹ \$MM

TD Banknorth Inc. adjusted net income (\$US)

Q1/05	Q2/05	Q3/05	Q4/05	Q1/06
\$112	\$109	\$110	\$108	\$116



Notes

- Net income \$59MM
- Down 9% or \$6 million from Q1/06
- Q1/06 adversely impacted by
 - margin compression
 - Hudson expenses
 - Merger/restructuring charges
- TD Banknorth Inc. adjusted net income up 7% versus Q4/05
- TD U.S. P&C net income has not been adjusted for TD Banknorth merger and restructuring charges (approximately C\$10MM)

1. TD U.S. P&C Q1/06 adjusted net income of \$65MM excludes \$19MM (after-tax) item of note related to the TD Banknorth balance sheet restructuring charge.

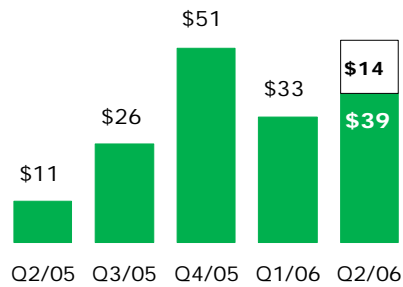
TD Banknorth Inc. Q1/06 commentary

- Margin down 13 bps QoQ - reflects competitive deposit pricing
- Credit quality remains very strong - excellent asset quality
- Expenses ex HU up only \$4MM QoQ - mainly stock-based comp
- Loan volume up 9% YoY ex Hudson - similar to peer organic growth
- Deposit volume up 1% YoY ex Hudson – intense regional competition

Hudson acquisition showing initial signs of success

- Average deposits per branch
- Account openings
- Home equity lending
- Branch turnover

Net Income¹ \$MM



Notes

- Bank's equity share in TD Ameritrade net income \$39MM. \$14 million illustrates the impact of the \$0.02 EPS timing lag
 - Q2/06 reflects TD AMTD acquisition while prior quarters include TDW USA

1. "U.S. Wealth Management" consists of the Bank's equity share in TD Ameritrade in Q2/06 and TD Waterhouse U.S.A. in prior quarters.

TD Ameritrade Q2/06 commentary

- TD AMTD Q2/06 \$0.22 EPS ex Knight second-best quarter in firm's history
- Operating margin 50%
- Asset-based revenue mix now 50% - up from 39% last year

TD Ameritrade summary statistics

- Trades per day
- Customer assets
- Qualified accounts

Canadian Retail:

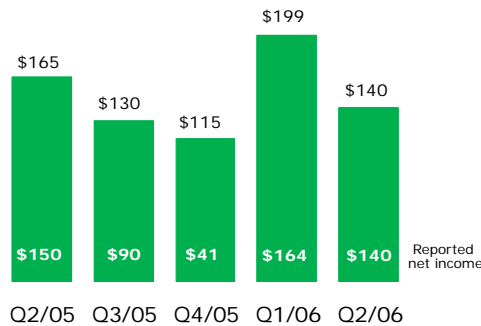
Personal & Commercial Banking
Wealth Management

U.S. Retail:

Personal & Commercial Banking
Wealth Management

Wholesale Banking

Net Income¹ \$MM



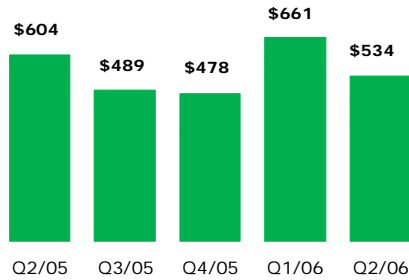
Notes

- Adjusted net income of \$140 million:
 - Down 30% or \$59 million from Q1/06 and 15% or \$25 million from Q2/05

1. Q1/06 adjusted net income of \$199MM excludes \$35MM (after-tax) item of note related to restructuring costs for repositioning of global structured products businesses. Q4/05 adjusted net income of \$115MM excludes \$70MM (after-tax) item of note related to loss on repositioning global structured products portfolios and \$4MM (after-tax) item of note related to restructuring costs. Q3/05 adjusted net income of \$130MM excludes \$30MM (after-tax) item of note relating to repositioning a global structured products portfolio and \$10MM (after-tax) item of note related to restructuring costs. Q2/05 excludes \$15MM (after-tax) item of note related to restructuring costs.

Wholesale Banking

Revenue (TEB)¹ \$MM



Notes

- Total revenue of \$534MM
 - Down 19% from Q1/06 and 12% from Q2/05.
 - Decrease in revenue due to weaker trading results in credit and equity partly offset by FX and energy trading and security gains

Expenses² \$MM

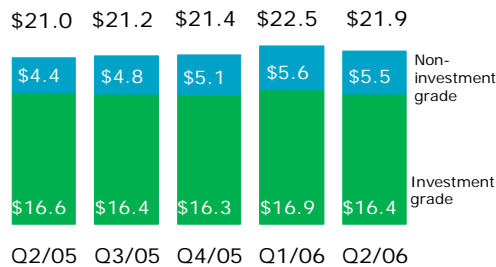


1. Q4/05 and Q3/05 revenue adjusted to exclude \$107MM and \$46MM, respectively; items of note related to repositioning global structured products businesses.
2. Q1/06, Q4/05, Q3/05 and Q2/05 expenses adjusted to exclude \$50MM, \$6MM, \$15MM and \$22MM, respectively; items of note related to restructuring incurred for the repositioning of the structured products businesses.

Wholesale Banking

Corporate lending and market risk

Net Exposure¹ (C\$ Billion)



Credit Protection (\$B)

Q2/05	Q3/05	Q4/05	Q1/06	Q2/06
\$3.7	\$3.6	\$3.2	\$3.0	\$2.9

PCL & Credit Protection Expense (\$MM)

	Q2/05	Q3/05	Q4/05	Q1/06	Q2/06
CP	\$13	\$13	\$13	\$12	\$11
PCL	Nil	Nil	Nil	\$17	Nil

Value at Risk (VaR) (\$MM)

Q2/05	Q3/05	Q4/05	Q1/06	Q2/06
\$9.7	\$9.1	\$10.3	\$10.0	\$11.0

1. Net Exposure = Committed + Uncommitted Utilized - Cash Collateral - Specific Allowance - Credit Protection

Summary

- Adjusted net income of \$780MM up 16% YoY
- Adjusted EPS of \$1.09 up 9% YoY
- On track to achieve 7% to 10% growth
- Canadian retail very strong
 - Canadian P&C continuing to deliver double-digit growth
 - Wealth Management strategy clearly working
- U.S. P&C performance in line with expectations
 - Early signs positive for Hudson
- Good start for TD Ameritrade
- Wholesale – solid domestic franchise performance

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