TD Bank Financial Group
Investor Relations

Ed Clark Annual Meeting Remarks
TD Bank Financial Group
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(Check Against Delivery)

INTRODUCTION

Delighted to be here in Vancouver.

Obviously when people think of Vancouver today, they think of the Olympics. Turin was a proud and exciting moment for Canadians this year – all the more exciting knowing the Olympics are coming to Vancouver in 4 years. We know that Vancouver will make us proud.

2005 was a proud year for TD bank as well. We celebrated our 150th anniversary. And we had even more reason to celebrate because we had a fantastic year financially and strategically.

I have a simple message today. We have laid out to investors a straightforward and compelling strategy. It's working.

WHAT WE WANT TO BE

Our vision is to be the better bank – a leading North American financial institution. With an integrated, customer focus. Every day we want to run our bank better than we did the previous day, and better than those with whom we compete.

When you put our business strategies together, we're offering shareholders a financial services company which is also a growth company. A growth company with a difference. One that didn't get that growth by extending out the risk curve. So how do we do that?

We build strong franchise businesses. And we embed in each business the same philosophy of what to do.

Focus on the customer. It all starts with the customer and meeting their needs.

Operate with excellence. Shareholder value in financial services is created by executing better. By constantly looking at your processes and figuring out how to do it better.

Take a measured approach to risk taking. That doesn't mean don't take on risk – far from it. We are in the risk taking business. It means that we take on risk where we like the risk/reward trade-off. And we understand the consequences of being wrong.

Build for the future. Our leaders are focused not just on meeting current market expectations, but on producing growth 2 to 3 years from now. They must meet short-term expense targets, but invest in the future at the same time.

We have a strong capital position and continue to generate about a billion and a half dollars in capital each year. That's over and above the amount necessary to pay our dividends, which grow in line with the growth in our sustainable earnings.

That capital has allowed us to make strategic acquisitions like our proposed acquisition of 100% of VFC – a non-prime auto lender, our 56% stake in TD Banknorth, and our 33% stake in TD Ameritrade.

HOW WE'RE DOING

A growth company with a unique risk profile. Sounds fine. But does it work in practice? So far, so good.

Our adjusted Earnings per Share were up 10% from 2004. Total profit on the same basis was up 15%.

Our business mix has a greater share of high return, lower risk, faster growth businesses.

This translates into a better return for each dollar of risk we take. Indeed we earn 33% more than the average of our bank peers, for every dollar of risk we take. The story gets even better. Look at our market cap. Simply put, we've become a much bigger company.

We've moved into the coveted category of one of the 10 largest banks in North America with a market cap of about
$40 billion US dollars.

In today's world of consolidation, being a heavy-weight contender **does** matter. Shareholder returns and growth without extending out the risk curve matter much more. But if you can grow in size <u>and</u> achieve excellent returns, that's even better.

So we have better growth. We earn a better return for every dollar of risk that we take. We're able to do this because each of our businesses is doing what they said they would do. So let's take a look at each of them.

TD CANADA TRUST

TD Canada Trust – our personal and commercial bank in Canada is focused on three things:

- delivering superior customer service

- leveraging businesses where we have less than our natural market share

- and doing a great job at managing expenses through continuous process improvement.

All this adds up to growing revenue faster than expenses, and delivering double-digit earnings growth as consistently as possible. How are we doing?

TD Canada Trust has simply blown the lights out. They've delivered double digit earnings growth 16 out of the 20 quarters since the first full year of the TDCT merger.

Clearly our customers are feeling the difference. If you look across a series of independent external surveys that the industry uses to measure success, customers tell us
we're # 1:
We're #1 in overall customer service in Canada.

Our eBank is #1 in customer satisfaction in North America compared to all types of companies surveyed who provide phone and web access – not just banks.

We were the # 1 consumer Internet bank in Canada

We have the #1 secure web site among Canadian banks

We were the #1 bank among 6 of the largest ethnic populations in Canada

We have the best distribution system in Canada. Staffed by wonderful customer-focused employees, backed up by a powerful brand. We are going to continue to consistently outperform our competition.

WEALTH MANAGEMENT

Domestic wealth management is also a fantastic story. It's a story about the power of integration and consistent investment in the future.

Wealth Management has extended the economies of scale of our leading Discount brokerage business to the whole of its operations. At the same time, we've aggressively grown our advice capability and are delivering a consistent client experience across all of Wealth Management.

We also exploited the power of integration across TD Bank – thanks to a great two-way partnership between Wealth Management and TD Canada Trust. Customers are being better served by each business. Our cross-business referrals have become a clear competitive differentiator.

2005 showed us we're on the right track.

We added 147 net new client-facing advisors last year. And we will add at least another 130 this year.

TD Mutual Funds dominated at the Canadian Investment Awards. We've been #2 in net sales in long-term mutual funds for 3 years in a row.

We're now the 5th largest mutual fund company in Canada.

We continue to grow our customer base and we saw a 12% increase in the assets they invest with us last year – exceeding our target.

The result of this focused effort is an increase of 94% in the last three years in domestic wealth management earnings. In 2006 we're confident we can continue to outperform.

DOMESTIC RETAIL
Together, our domestic retail businesses are a powerhouse. TD Canada Trust and Domestic Wealth Management together earned 2 billion dollars last year and continued to outpace their competitors.

Indeed over the last two years our average year-over-year growth in revenue is 3 percentage points higher than the average of our peers.

Profit growth is over 6 percentage points higher. Indeed, we beat the competition every quarter for the last 9 quarters. That's a remarkable achievement in a highly competitive market.

WHOLESALE
Wholesale banking is another business success story. We're proving out our TD Securities strategy:

We've aggressively grown our domestic franchise. In 2000, which was an excellent year for TD Securities, we led 10 equity deals in Canada. In 2005 we led 35.

We're also leveraging this strength to meet the global needs of our Canadian and non-Canadian customers.

And we've kept the best of a leading derivatives group and exited areas where we didn't like the risk/reward trade-off.

In 2005 we were:
- #1 in institutional equity trading

- #2 in fixed income trading and government origination
- #3 in underwriting for all financings

We did all this while reducing our market Risk Weighted assets to half the level of our peer group. And reducing corporate loans outstanding to levels dramatically below our peers.

This translates into a Wholesale operation that earns a better rate of return with lower risk. Wholesale's adjusted return on invested capital was over 22% last year in line with our target of 15-22%.

Making our Wholesale banking strategy work didn't come without a price. We made the difficult decision to exit our global structured products business. This represented a real cost to the bank and I take ownership for that.

It's important to deal decisively with issues like this so you can stay focused on the main game of growing the business for the future.

US RETAIL

Let's talk about what we're doing in the United States.

As you know we currently own 56% of TD Banknorth, and TD Banknorth recently acquired Hudson United. We also exchanged our ownership in TD Waterhouse USA for a 32.5% position in the new TD Ameritrade and have indicated our intention to buy up to 37.5%.

So we have a two-prong approach in the United States -- giving us the best U.S. platform among Canadian banks.

Yes, I know banking in the United States is having a rough ride these days. Rising short term interest rates, while positive for TD Ameritrade, are a negative for organic growth at TD Banknorth, and the United States banking market generally.

This doesn't change the fact, though, that we made the right decision to move into the US retail space. You can't build a credible North American financial institution without a strong US retail presence.

We will be prudent in growing in the United States, but we will not sit back and miss an opportunity to build a sustainable platform.

With TD Banknorth, we want to have sustainable positions in each of the markets in the Northeastern United States where we choose to compete.

We want TD Ameritrade to be a top 3 player in the US on-line brokerage business. The combination of TD Waterhouse and Ameritrade gives us strength in both the long-term investor market and active trader space.

As a result of the merger, TD Bank is on track to more than double its earnings from on-line brokerage in the United States over the next two years.[1]

Investors are being given a choice as Canadian banks seek different ways to grow. Some banks are focused on buying back shares… others are making substantial investments in their wholesale operations outside their domestic franchises…others are investing in their international businesses.

Ours remains rooted in outperforming in Canada, where all of our businesses have excellent organic growth potential. And we have now added a strong US retail platform that gives us optionality and long-term growth potential. Together, this will give us above average growth.

A Word of Caution

But a word of caution. Our absolute share performance has clearly been outstanding for the last three years.

But we have benefited from great credit markets, and a robust economy. These have produced very good volume growth in all our businesses. But life teaches you that market cycles remain, and slower growth will make it more difficult to sustain such rapid absolute growth forever.

Nor would it be realistic for me to promise you that we will outperform our competitors in relative terms in share price every single year. When you are focused on both the medium and short term – and when you face the strong competitors we do -- there may be years where we will under-perform.

What I can promise you is that we will work very hard to make sure that doesn't happen. And that we won't shift strategies if it does. Obviously we will correct mistakes as we have done in the past, and shift course if it makes sense to do so.

But we know where we're headed. Great banks are built by staying focused. We're building a better bank -- indeed we're building a great North American financial institution.

CELEBRATING PEOPLE

[1] Based on the outlook for TD AMERITRADE fiscal year 2007 earnings announced by TD AMERITRADE on January 25, 2006. Assumes the realization of synergies from the transaction with TD Waterhouse U.S.A., certain revenue expectations and other factors as discussed in the TD AMERITRADE press release, presentation slides and outlook statement of that date (www.amtd.com/investors).

But being a great company means more than just having great strategies and great results. It's also about being a great employer.

The success I've been talking about is thanks to our employees at TD. In the end, people are all that matter. Our people at TD are the best. I want to thank them for a job very well done.

We have more than 50,000 employees at TD. We want to give them every reason to be proud of our company. That means supporting them as they grow their careers. Having them satisfied and engaged in their work.

We want to be an employer of choice. We still have more work to do here. But our employee survey results would tell us we're on the right track.

As we strive to be an even better employer, we face another challenge too. We're in the midst of a major demographic shift where we have to replace a whole cohort of leaders.

Yes, we have to get the job done today. But we also have to make sure it gets done in the future. That means developing leaders is a huge priority for us.

Diversity is a very important part of these efforts.

We have to continue to grow the role of women in our executive ranks. We have to find ways for women to take time off and successfully return to the workplace.

We need more visible minorities in leadership roles.
We want to be a barrier-free environment for people with disabilities. We must be a company where everyone's sexual orientation is supported and all our employees feel comfortable.

Our diversity program is a business strategy for us – integrated into our performance culture. It's focused on giving us a competitive leadership advantage.

VISION IN ACTION
We have 56 TD employees with us today who are TD's best of the best. They're our Vision in Action recipients for 2005 – the highest recognition we have at TD to celebrate excellence. They're here because they exemplify our Guiding Principles. Those principles are the values most important to us at TD.

So to these 56 employees let me say thank you. You go above and beyond. And to your spouses, partners and guests who are here today – thanks to you as well for supporting our people on their path to be the best.

You saw pictures of our Vision in Action recipients as you walked into today's meeting. But I'd ask them now to stand. Please join me in a round of applause for all that they do to make TD so successful.

MAKING A DIFFERENCE IN COMMUNITIES

Employees tell us that TD's community involvement is something that makes them proud. It's also something we know our customers expect from us. Never was that more true than last year when we celebrated our 150th anniversary.

It was a year of great stories.
TD employees and customers gave 3 and a half million dollars to the Children's Miracle Network. Nearly half a million of that went to the BC Children's Hospital.

18,000 volunteers in British Columbia were part of the TD Canada Trust Shore-Line Clean up.

Over 100,000 Canadians have seen our renowned Inuit art collection.

Our communities are important to us at TD. By our actions, we clearly say: we care.

PUBLIC POLICY

Let me pause for a moment now and talk about something you don't usually hear from me. I'm not one for using these meetings as a public policy platform. I know you're not with us today to hear about politics. You're here because, as shareholders, you want to know how TD is doing.

But I'm sure someone from the press will ask me about big bank and cross-pillar mergers. So let me tell you where I stand.

I think a strong financial services sector is important to Canada and its economy. The financial services industry directly employs almost 600,000 people in Canada

The 5 largest banks pay over $7 billion in taxes in Canada

But there is a huge dilemma for all those who work in the banking industry – Canadians have ambivalent feelings toward their banks. They love their local branch. But politicians are wary of doing anything for the big banks, fearing some political fall-out.

So why as a financial services industry have we been so unsuccessful in getting support from Canadians – even for policy changes which most experts agree would make Canadians better off?

Partly because we don't frequently answer their most basic question: What's in it for me? And partly because the banking industry has concentrated on the merger issue.

Frankly, Canadians replied: we don't care. That's your agenda, not ours.

The result of this stand-off is that we've all lived through an extended period of uncertainty.

Mergers are a legitimate option in almost any industry. Financial services is no exception. If mergers were to go ahead, TD would definitely be at the table. But we also believe the financial services industry can continue to make a strong contribution to Canada without big bank or cross pillar mergers.

We are pleased that we now appear to be getting some clarity. The government has indicated its 5 priorities. And big bank mergers is not one of them. If they become a priority, though, the government has indicated they will let us, and the public, know.

This means we can now focus on issues that make Canadians better off, while also supporting the government's productivity and growth agenda.

An example of this focus could be simple and minor modifications to insurance rules.

Our position, and that of the Canadian Bankers Association, is straightforward. We are NOT asking to sell insurance in the branches.

We ARE asking to:
-- give information about insurance products in a bank branch when customers ask;

-- send useful and relevant insurance product information to customers who need it; and,

-- refer customers to an insurance professional

We want to make sure that Canadians' financial needs are met, and those who are now underserved, get the protection they need.

Here's the situation: a customer is in a branch. He or she clearly has an insurance need or question and wants to talk to an insurance professional about it. Right now we have to say, sorry we can't help you.

Instead, we should do right by that customer. Give them some basic information and refer them so they get the insurance they need. That would make Canadians better off.

Now would this hurt the insurance industry and particularly the insurance agents? We don't believe so. Insurance agents are our customers too. We have no desire, or intention, to weaken the insurance agent industry. In fact, we can learn from what was done in Quebec.

Quebec opened the market even further than we are asking, allowing the Caisses to sell insurance in their branches. The Caisses have about a 30% banking market share in Quebec. That's over 1.5 times bigger than the largest banks have in Canada.

The result was an overall increase in the insurance business. Insurance agents were doing more business and customers had more options. We have seen this phenomenon in lots of markets. Allow more participants and the whole market grows. Everyone benefits.

Together, the financial services and insurance industries can make a difference in the lives of Canadians and the strength of our economy. That's the agenda we need to have.

THANK YOU

Before I close I'd like to comment on the role and importance of your Board of Directors. I've always said I'd rather have a strong board than a weak one.

Today's business environment makes this ever more true. The regulatory environment, corporate governance, business complexity – as a CEO I know I don't have all the magic answers.

I'm very fortunate to have a strong, independent Board of Directors led by John Thompson. So I want to thank you John, and the Board of Directors, for your wise counsel and staunch support.

I'd also like to acknowledge and thank our customers. This year's Annual Report features some who have been with us for generations. To all our customers, we thank you for your trust and loyalty.

CONCLUSION

To sum up, I hope you're leaving today with the message that 2005 was a fantastic year for TD Bank Financial Group.

We're very optimistic about our future. Here's one last slide to show you why. I've saved the best for last.

This shows you that our shareholder return has exceeded peer average for the last 3 years…the last 2 years….last year. And so far this year. That's what I call remarkable.

Our actions and our results will speak for themselves.
Thank you.

Caution Regarding Forward Looking Statements

This presentation contains forward-looking statements within the meaning of U.S. and Canadian securities laws. 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. Such statements include, but are not limited to, statements relating to anticipated financial and operating results, TD Bank Financial Group's plans, objectives, expectations and intentions and other statements including words such as "anticipate," "believe," "plan," "estimate," "expect," "intend," "will," "should," "may," and other similar expressions. 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 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 timely development and introduction of new products and services in receptive 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.; the parties' ability to accurately forecast the anticipated financial results of TD Ameritrade; 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 securities 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.