



**A different kind of bank**



**Q1 2007 Investor Presentation**  
 Thursday February 22, 2007

**Forward-Looking Statements**

From time to time, the Bank makes written and oral forward-looking statements, including in this report, 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 applicable Canadian securities legislation. Forward-looking statements include, among others, statements regarding the Bank's objectives and targets for 2007 and beyond and strategies to achieve them, the outlook for the Bank's business lines, and the Bank's anticipated financial performance. The economic assumptions for 2007 for each of the business segments are set out in the 2006 Annual Report under the headings "Economic Outlook" and "Business Outlook and Focus for 2007". 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 the Bank 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: 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 2006 Annual Report; general business and economic conditions in Canada, the U.S. 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; developing new distribution channels and realizing increased revenue from these channels; the Bank's ability to execute its integration, growth and acquisition strategies, including those of its subsidiaries, particularly in the U.S.; the ability to obtain the approval of TD Banknorth stockholders, or any required governmental approvals, of the proposed merger between TD Banknorth and a wholly owned subsidiary of the Bank and the ability to satisfy other conditions to such transaction on the proposed terms and schedule; the impact of the factors enumerated above on TD Banknorth's financial results, businesses, financial condition or liquidity; 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; the Bank's ability to attract and retain key executives; reliance on third parties to provide components of the Bank's business infrastructure; the failure of third parties to comply with their obligations to the Bank or its affiliates as such obligations relate to the handling of personal information; technological changes; the use of new technologies in unprecedented ways to defraud the Bank or its customers; change in tax laws; unexpected judicial or regulatory proceedings; continued negative impact of the U.S. 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, communication, 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 Bank's 2006 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. Additional factors that could cause TD Bank Financial Group's and TD Banknorth's results to differ materially from those described in the forward looking statements can be found in the 2006 Annual Report on Form 40-F for TD Bank Financial Group and the 2005 Annual Report on Form 10-K of TD Banknorth filed with the Securities and Exchange Commission and available at the Securities and Exchange Commission's Internet site (<http://www.sec.gov>).



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**Q1 2007 Highlights**

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

	<u>Q1/06</u>	<u>Q4/06</u>	<u>Q1/07</u>	<u>YoY</u>	<u>QoQ</u>
Canadian Retail <sup>1</sup>	\$ 581	\$ 596	\$ 666	15%	12%
U.S. Retail <sup>2</sup>	98	116	128	31%	10%
Wholesale	199	146	197	-1%	35%
Corporate	(43)	17	18	NM	NM
Adjusted net income <sup>3</sup>	\$ 835	\$ 875	\$ 1,009	21%	15%
Reported EPS (diluted)	\$ 3.20	\$ 1.04	\$ 1.26	-61%	21%
Adjusted EPS (diluted)	\$ 1.15	\$ 1.20	\$ 1.38	20%	15%
Tier 1 capital	11.9%	12.0%	11.9%	0.0%	-0.1%
Tangible common equity	8.8%	9.1%	9.0%	0.2%	-0.1%

1. Explained in footnote 1 on slide 7.  
 2. Explained in footnote 1 on 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 "How the Bank Reports" in the Q1 2007 Report To Shareholders ([td.com/investor](http://td.com/investor)) for an explanation and a reconciliation of adjusted earnings to reported basis (GAAP) results.

## Q1 2007 Earnings

 **TD Bank Financial Group**

	\$ MM		EPS
Reported net income and EPS	\$921		\$ 1.26
<b>Items of note</b>	<u>Pre-Tax</u>	<u>Post-Tax</u>	<u>EPS</u>
	\$ MM	\$ MM	
Amortization of intangibles	\$ 118	\$ 83	\$ 0.11
Change in fair value of Credit Default Swaps hedging the corporate loan book	\$ 8	\$ 5	\$ 0.01
<b>Excluding above items of note</b>			<u>EPS</u>
Adjusted net income and EPS	\$ 1,009		\$ 1.38

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## Q1 2007 Operating Performance

 **TD 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 Retail<sup>1</sup>

**TD Bank Financial Group**

### P&L \$MM

	<u>Q1/06</u>	<u>Q4/06</u>	<u>Q1/07</u>	<u>YoY</u>	<u>QoQ</u>
Revenue	\$ 2,295	\$ 2,452	\$ 2,561	12%	4%
PCL	99	132	138	39%	5%
Expenses	1,317	1,425	1,423	8%	0%
<b>Net Income</b>	<b>\$ 581</b>	<b>\$ 596</b>	<b>\$ 666</b>	<b>15%</b>	<b>12%</b>
Efficiency ratio	57.4%	58.1%	55.6%	-1.8%	-2.6%

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 of this presentation.

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## Canadian Personal and Commercial Banking

**TD Bank Financial Group**

### Net Income \$MM



### Notes

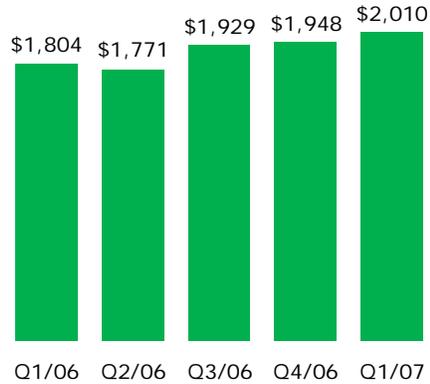
- Net income of \$544 million:
  - Up 9% or \$43 million from Q4/06 and up 14% from Q1/06

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## Canadian Personal and Commercial Banking

**TD Bank Financial Group**

### Total revenue \$MM



### Notes

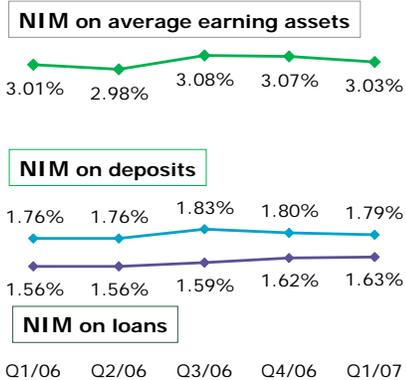
- Total revenue \$2.0 billion:
  - Up 3% from Q4/06 and 11% from Q1/06
  - YoY revenue growth due to volume growth across most products

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## Canadian Personal and Commercial Banking

**TD Bank Financial Group**

### Net interest margin %



### Notes

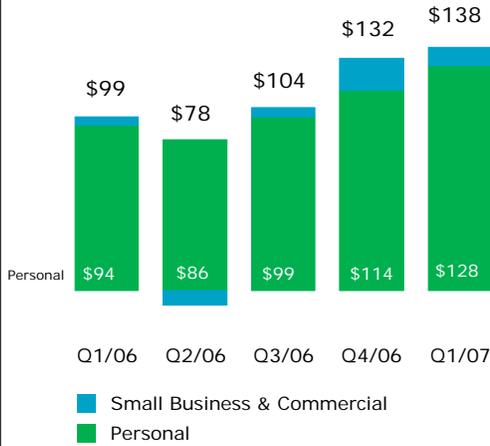
- Net interest margin on average earning assets up 2 bps YoY but down 4 bps QoQ:
  - Margin expansion primarily from higher loan margin and VFC

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## Canadian Personal and Commercial Banking

**TD Bank Financial Group**

**PCL \$MM**  
(excluding impact of securitization)



### Notes

- PCL \$138 million (before securitization):
  - Up \$6 million from Q4/06 and \$39 million from Q1/06
  - Personal up YoY due to volume growth and VFC
  - SB&C up YoY on lower recoveries and reversals
- PCL securitization impact:
  - \$4 million for Q1/07 (\$8 million in Q1/06)

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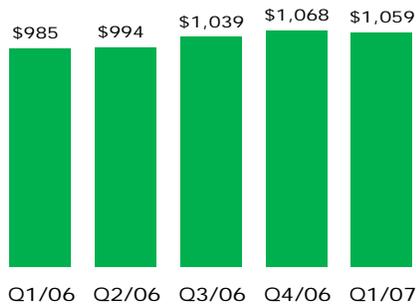
## Canadian Personal and Commercial Banking

**TD Bank Financial Group**

**Efficiency ratio %**



**Expenses \$**



### Notes

- Expenses \$1,059 million:
  - Down 1% from Q4/06 and up 8% from Q1/06
  - YoY increase reflects a commitment to growing the business – personnel, marketing, initiatives

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# Canadian Personal and Commercial Banking

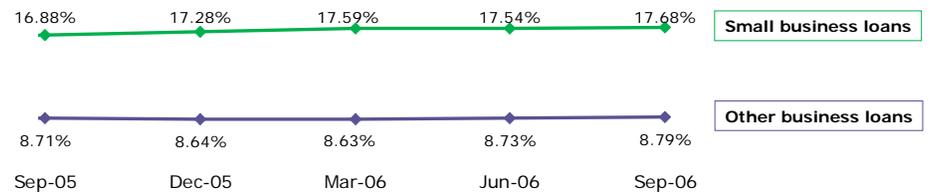


## Market share trend %

Personal loans & deposits<sup>1</sup> (including securitized loan amounts)



## Business loans<sup>2</sup>



1. Deposit market share has changed from Q4/06 presentation due to the restatement by OSFI of Personal Term deposit volumes of other banks from January 2006 to October 2006.
2. Small business loans (<250K) and Other business loans (250K to 5MM) share to September 2006. Source: CBA Business Lending

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# Canadian Wealth Management<sup>1</sup>



## Net Income \$MM



## Notes

- Net income of \$122 million:  
–Up 28% from Q4/06 and 16% or \$17 million from 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 Q1/07, Q4/06, Q3/06 and Q2/06, and excluding TD Waterhouse U.S.A. in Q1/06. Wealth Management business segment results include TD Waterhouse U.K., but beginning in Q2/06 do not include TD Waterhouse Bank now included in the Corporate segment results.

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Revenue \$MM



Notes

- Total revenue \$551million:  
–Up 9% from Q4/06 and up 12% from Q1/06
- Total expenses \$364 million:  
–Up 2% from Q4/06 and 10% versus Q1/06

Expenses \$MM

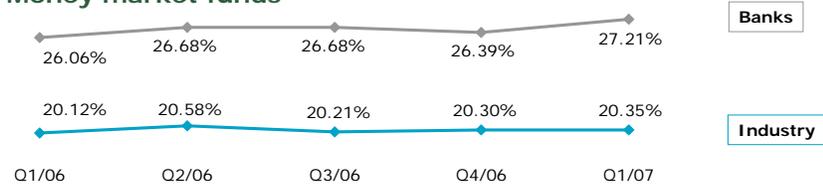


Mutual Fund Market share trend %

Long-term funds



Money market funds



**Canadian Retail:**

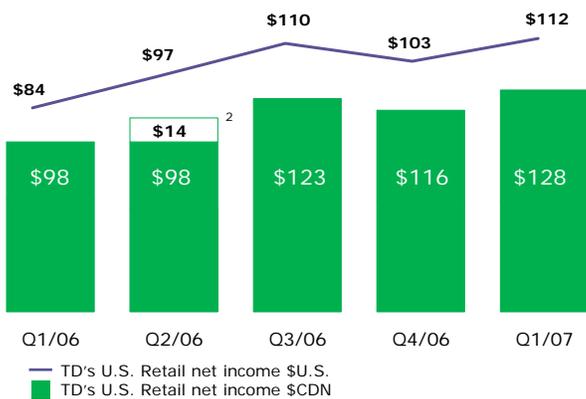
Personal & Commercial Banking  
Wealth Management

**U.S. Retail:**

Personal & Commercial Banking  
Wealth Management

**Wholesale Banking**

Net Income \$MM (adjusted where applicable)

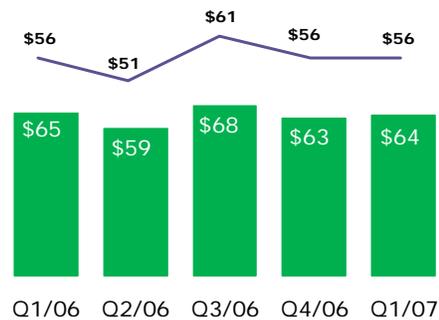


1. "U.S. Retail" results in this presentation consist of U.S. Personal and Commercial Banking business segment results included in the Bank's reports to shareholders for the relevant periods and U.S. Wealth Management, a subset of the Wealth Management business segment of the Bank. U.S. Wealth Management is the Bank's equity share in TD Ameritrade in Q1/07, Q4/06, Q3/06 and Q2/06 and earnings from TD Waterhouse U.S.A. in Q1/06. TD's U.S. Retail net income in \$US is the corresponding \$CDN net income divided by the average FX rate for the respective calendar quarter for TD Banknorth and TD Ameritrade.  
 2. \$14 million or \$0.02 is a one-time adjustment to EPS (see Q2 2006 items of note) related to the closing of the Ameritrade transaction and the one-month lag between fiscal and quarter ends.

## U.S. Personal & Commercial Banking

TD Bank Financial Group

### Net Income (adjusted<sup>1</sup>) \$MM



### Notes

- Net income \$64MM:

–Up 2% or \$1 million from Q4/06 and down 2% or \$1 million from Q1/06

- TD's U.S. P&C net income \$U.S.
- TD's U.S. P&C net income \$CDN

1. TD's 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's U.S. P&C net income in \$US is the corresponding \$CDN net income divided by the average FX rate for the calendar quarter for TD Banknorth.

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## U.S. Personal & Commercial Banking

TD Bank Financial Group

### TD Banknorth Inc. Q4/06 commentary

#### Adjusted net income \$U.S.<sup>1</sup>

Q4/05	Q1/06	Q2/06	Q3/06	Q4/06
\$108	\$116	\$128	\$117	\$118

- Challenging environment in Northeastern footprint
- Margin down 6 bps QoQ – intense competition for both loans and deposits
- NPA's increased from historically low levels
- Expenses down 1.4% QoQ – reduced salary, marketing and merger/restructuring
- Loans up 6.3% vs 2005 ex HU, flat vs Q3/06 – slightly weaker than peers QoQ
- Deposits up 1.0% vs 2005 ex HU, up 1.2% vs Q3/06 – slightly better than peers QoQ

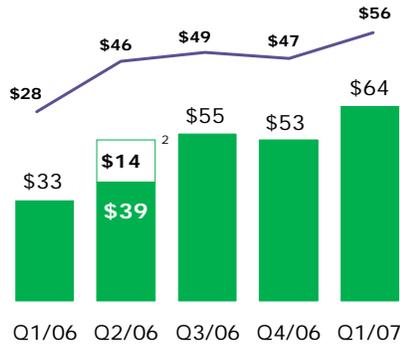
1. For additional information and a reconciliation of GAAP to adjusted earnings please see TD Banknorth's 4th Quarter 2006 earnings, dated January 24, 2007 available at [www.tdbanknorth.com/investorrelations](http://www.tdbanknorth.com/investorrelations)

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## U.S. Wealth Management

TD Bank Financial Group

### Net Income<sup>1</sup> \$MM



- TD's U.S. Wealth Management net income \$U.S.
- TD's U.S. Wealth Management net income \$CDN

### Notes

- TDBFG's equity share in TD Ameritrade \$64MM
- TD Ameritrade Inc.'s net income improved to US\$146MM in Q1/07 from US\$128MM in Q4/06<sup>3</sup>
- Average trades/day up 16% QoQ as trading increased after a seasonal slowdown

1. "U.S. Wealth Management" consists of the Bank's equity share in TD Ameritrade in Q1/07, Q4/06, Q3/06 and Q2/06 and TD Waterhouse U.S.A. in Q1/06. TD's U.S. Wealth Management net income in \$US is the corresponding \$CDN net income divided by the average FX rate for the calendar quarter for TD Ameritrade.
2. \$14 million or \$0.02 is a one-time adjustment to EPS (see Q2 2006 items of note) related to the closing of the Ameritrade transaction and the one-month lag between fiscal and quarter ends.
3. For additional information and an explanation of TD Ameritrade's Non-GAAP Net Income, please see Form 8-K reported released on January 16, 2007 available at [www.amtd.com/investors/sec.cfm](http://www.amtd.com/investors/sec.cfm)

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## Q1 2007 Operating Performance

TD Bank Financial Group

### Canadian Retail:

Personal & Commercial Banking  
Wealth Management

### U.S. Retail:

Personal & Commercial Banking  
Wealth Management

### Wholesale Banking

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Net Income (adjusted<sup>1</sup>) \$MM



Notes

- Net income of \$197 million:
  - Up 35% or \$51 million from Q4/06 and down 1% YoY or \$2 million from Q1/06

1. Q1/06 adjusted net income of \$199MM excludes \$35MM (after-tax) item of note related to restructuring costs for exiting of global structured products businesses.

Revenue (TEB)\$MM



Notes

- Total revenue of \$635MM:
  - Up 29% versus Q4/06 but down 4% YoY.

Expenses (adjusted<sup>1</sup>) \$MM



1. Q1/06 expenses adjusted to exclude \$50MM item of note related to restructuring incurred for the exiting of the structured products businesses.

- ① A very strong quarter
- ② Excellent growth from Canadian P&C and Wealth Management
- ③ Dividend raised by \$.05 or 10%, to \$0.53

## ADDITIONAL INFORMATION AND WHERE TO FIND IT

In connection with the proposed merger between TD Banknorth and a wholly-owned subsidiary of The Toronto-Dominion Bank, TD Banknorth filed a revised preliminary proxy statement with the Securities and Exchange Commission on February 13, 2007. TD Banknorth will also file a definitive proxy statement with the Securities and Exchange Commission in connection with the proposed merger. **Stockholders of TD Banknorth are urged to read the definitive proxy statement regarding the proposed merger when it becomes available, because it will contain important information.** Stockholders will be able to obtain a free copy of the definitive proxy statement as well as other filings containing information about TD Bank Financial Group and TD Banknorth, when available, without charge, at the Securities and Exchange Commission's Internet site (<http://www.sec.gov>). In addition, copies of the definitive proxy statement can be obtained, when available, without charge, by directing a request to TD Bank Financial Group, 66 Wellington Street West, Toronto, ON M5K 1A2, Attention: Investor Relations, (416) 308-9030, or to TD Banknorth Inc., Two Portland Square, P.O. Box 9540, Portland, ME 04112-9540, Attention: Investor Relations, (207) 761-8517.

TD Bank Financial Group, TD Banknorth, their respective directors and executive officers and other persons may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction. Information regarding TD Bank Financial Group's directors and executive officers is available in its Annual Report on Form 40-F for the year ended October 31, 2006, which was filed with the Securities and Exchange Commission on December 11, 2006, and its notice of annual meeting and proxy circular for its most recent annual meeting, which was filed with the Securities and Exchange Commission on February 24, 2006. Information regarding TD Banknorth's directors and executive officers is available in TD Banknorth's proxy statement for its most recent annual meeting, which was filed with the Securities and Exchange Commission on March 30, 2006. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, are contained in the revised preliminary proxy statement and Amendment No. 1 to the Schedule 13E-3 transaction statement filed with the Securities and Exchange Commission on February 13, 2007.

**TD Bank Financial Group**



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