

**Q2 2007**  
**Strategic Overview**  
(Check Against Delivery)  
**Ed Clark, President and CEO**

Thanks for joining us.

Colleen will give you details on how we did in our second quarter of 2007. From my point of view, there are 4 things I hope you take away from today's presentation.

One – It was another quarter of outstanding performance for us. We delivered adjusted earnings per share growth of 25% over last year.

Two – We have enormous strength in all of our Canadian businesses. They're making an excellent contribution, and are demonstrating the benefits of focused strategies, and consistent investment.

Three – We're making progress in our U.S. operations. We reached a couple significant milestones there recently, and are confident about our long-term prospects.

Four – With such a strong first half of the year, and with our expectation to maintain these adjusted earnings per share levels in the second half, I'm confident that we will exceed - by a significant margin - our earnings objectives for 2007.

**Canadian Retail Operations**

When it comes to our Canadian retail operations, we clearly continue to be a leader.

In TD Canada Trust, we had incredibly strong operating leverage as revenue growth of 12% clearly outpaced expense growth of 4% producing record productivity – despite the shorter quarter -- and we continue to improve our already great levels of customer satisfaction.

Let me comment on where we stand with our focus on managing expenses. Earlier this year we said we expected revenues to slow. So we wanted to slow expense growth, while still investing in our businesses for the future.

Clearly, revenue growth continued to grow faster than we expected. Combine that with our expense discipline and you get exceptional earnings growth.

We continue to worry about the effects of the high Canadian dollar on Central Canada. And we still expect some slowing in revenue growth -- but we will keep expenses growing less quickly so we maintain our 3% revenue / expense gap.

Canadian Wealth Management continues to perform well. Strong volumes in rising markets created a positive environment for our integrated offering. As a result of the action we took on re-pricing, our Discount Brokerage results were flat on a year over year basis, while good bottom line growth was exhibited by Mutual Funds and our advice-based businesses.

The strategy to grow our advice channels and Mutual Funds was one that we set out four years ago. The investments we made for the future - and continue to make - are really proving themselves out.

### **Wholesale Bank**

Turning to Wholesale. We had an exceptionally strong quarter. In fact, the highest quarterly net income we've had since Q4 of 2001.

Our momentum as a top 3 dealer in Canada clearly continued this quarter as we were #1 in:

- Canadian equity underwriting
- mergers & acquisitions among the Canadian banks
- block trading
- government debt underwriting; and
- corporate debt underwriting

This business has really come a long way. The restructuring of our structured products business that we completed last year was not easy. It was the right move, removing long-tail risk, and complex risk management requirements. Now, what you're seeing this year is the power of the franchise that we've built. Yes, good markets clearly helped our performance. But the reality is: you're now seeing the outcome of the tough decisions and hard work that was going on in the Wholesale bank over the last few years.

Looking forward, we expect the second half of 2007 will look similar to the second half of 2006 in terms of earnings – a very good year for this business.

### **U.S. Operations**

In terms of our U.S. operations – both reached milestones recently.

With TD Banknorth, it was the successful privatization of the company – a positive outcome.

We know the US banking environment is particularly challenging right now and TD Banknorth is delivering below our expectations. As we outlined in our May 7<sup>th</sup>

call, we have taken the decisive actions which we believe are necessary.

We have shared with you that we expect base level adjusted earnings of \$123 million for Q4 or about \$500 million on a full year basis for 2008.

We will not be satisfied with earnings at these levels. Our focus is on turning TD Banknorth into a consistent earnings growth engine. Bharat and his team are working hard to deliver better results – starting in Q4 of this year, and moving into 2008.

I hope you'll attend our TD Banknorth Investor Day the morning of June 28<sup>th</sup> for a deeper look at our plans for growth. I think you'll be impressed with the team and the concrete actions they're taking.

With TD Ameritrade - their milestone that they announced last week was the conversion of their clearing system. The conversion went very well. This essentially completes the transition of TD Waterhouse USA clients to the TD Ameritrade platform.

They can now focus on their long-term potential to grow organically and deliver value to our shareholders. This strategy is an integral part of our goal to become a leading North American financial institution.

### **Closing**

Clearly we have had a spectacular first half of 2007. Looking forward, we expect to maintain our current levels of adjusted earnings per share in the second half of the year.

I'm confident that we will well exceed our earnings objectives for 2007.

With that, I'll turn things over to Colleen.

### **Overall Call Closing**

Let me wrap up with the 4 messages I hope you'll take away from today's meeting.

One – It was another quarter of outstanding performance for us.

Two – We have enormous strength in all of our Canadian businesses.

Three – We're making great progress in our U.S. operations.

Four – I'm confident that we will exceed - by a significant margin - our earnings objectives for 2007.

With that, I'll end the meeting. Thanks for your time today.