

TD Bank Financial Group (TDBFG)

Follow up Q&A from Conference Call

Update on Q4 2008 Results: November 20, 2008

Total Capital Ratio for Q4 2008

12%

AFS securities portfolio: where there are mark-to-market adjustments, what portion of the portfolio will affect Tier 1 capital?

According to Office of the Superintendent of Financial Institutions Canada (OSFI) guidelines, here are the general treatments of mark-to-market adjustments on AFS securities for calculating Tier 1 capital:

Type of securities	Tier 1 capital impact
Equity	<ul style="list-style-type: none"> Accumulated net after-tax unrealized loss on AFS equity securities reported in OCI is deducted from Tier 1 capital Accumulated net after-tax unrealized gain on AFS equity securities reported in OCI is added to Tier 2 capital
Investment in securitized exposures	<ul style="list-style-type: none"> For third party investors, 50% of investments in securitization exposures with long-term credit ratings B+ and below, and in unrated exposures, are deducted from Tier 1 capital; 50% are deducted from Tier 2 capital For originating banks, 50% of retained securitization exposures that are rated below investment grade (below BBB-), are deducted from Tier 1 capital; 50% are deducted from Tier 2 capital
Debt	<ul style="list-style-type: none"> No capital impact from mark-to-market adjustments on AFS securities

For capital calculation guidelines, please visit the OSFI website at www.osfi-bsif.gc.ca.

Financial results for Q4 2008 and fiscal 2008 will be released on December 4, 2008. For further information, please visit www.td.com/investor.