TD Bank Financial Group (TDBFG)
Supplemental Financial Information: Q1/08 Guide to Reader

TD Bank Financial Group
Investor Relations

1. Additional Information

Page 1 - Highlights

Page 1 line 32 - Impaired loans up 42% QoQ to $521 million

The change in gross impaired includes two items that do not reflect any change in the quality of the Bank's balance sheet. These 2 items are a change in methodology for impairment in retail mortgages - see Supplemental Financial Information page 17 footnote 2 - and an impaired loan that was credit protected.

Page 2 - Shareholder Value

Page 2 line 4 - Most of the segments reported lower invested capital QoQ while total bank invested capital increased

The individual segments are calculated based on a "bottom up" risk-based approach plus their share of goodwill and intangibles. The goodwill and intangibles balance can move with foreign exchange rates, which it did this quarter, reducing U.S. P & C invested capital. Additionally, most segments had a slight reduction related to the new invested capital methodology. The total Bank invested capital is based on the total common equity held by the Bank plus the impact of any previously amortized intangibles or goodwill. Common equity increased due to net income less dividends plus options and DRIP this quarter and there was an increase in common equity due to positive OCI movement of approximately $400 million.

Page 2 line 10 - Effective tax rate up 800 bps versus Q4/07

Q4/07 was favourably impacted by the lower tax rate on the Visa gain and higher Wholesale TEB revenue. The tax rate on an adjusted TEB basis in Q1/08 was similar when compared to Q4/07 and Q1/07.

Page 5 - Canadian Personal & Commercial Banking Segment

Page 5 line 5 - Canadian P&C expenses flat but announced longer branch hours and increased FTE

Extended hours and new branches increased expenses QoQ but was more than offset by lower discretionary and variable spending.

Page 5 line 15 - Personal loans up $5 billion (including securitized amounts) QoQ

QoQ increase was driven primarily by strong RESL and Personal Lending growth.

Page 6 – Wealth Management Segment

Page 6 line 4 - Expenses down $20 million QoQ

Due mainly to a number of timing-related expenses.

Page 6 line 15 - AUA down $7 billion to $178 billion
Page 6 line 16 - AUM up $10 billion to $170 billion

Our assets under management of $170 billion was up mainly on the addition of net new client assets and an increase in mutual fund assets managed for TD Ameritrade clients.

Page 7 – U.S. Personal & Commercial Banking Segment

Page 7 line 4 – PCL down C$9 million YoY

Non-performing assets declined QoQ resulting in lower reported PCL's this quarter.

Page 7 line 5 - Expenses down C$25 million QoQ

Key drivers included the stronger C$, lower core operating costs and reduced restructuring expenses.

Page 8 – Wholesale Banking Segment

Page 8 line 4 - PCL up $32 million YoY and $52 million QoQ

Due to two specific provisions on Merchant Banking loans in the current quarter partially offset by lower provisions in the corporate loan book due mainly to a single credit exposure in Q1/07. Q4/07 had a recovery on a single credit exposure. The cost of Credit Default Swap protection was flat.

Page 8 line 17 - Gross drawn loans up $2 billion

The growth is largely due to new facilities, as opposed to existing, and is in line with our strategy to be a "Top 3" dealer by growing the domestic franchise.

Page 8 lines 20 to 23 - Total trading-related revenue down $133 million YoY

Trading revenue was down from a very strong first quarter in 2007 as strength in FX and Interest Rate trading, which benefited from market volatility and lower interest rates, was more than offset by continued weakness in vanilla credit products due to credit spread widening as well as divergence in normal pricing relationships in bond, loan and credit default swap markets. Also, revenues in our equity businesses were down versus last year. Our non-trading Domestic Franchise revenue was up slightly from last year on higher M&A fees partially offset by weaker syndications and underwriting revenue.

Page 9 – Corporate Segment

Page 9 line 29 - Unallocated expenses increased $18 million after-tax QoQ

Corporate unallocated expenses increased due to number of timing related items.

Page 11 - Other Income

Page 11 lines 10 and 15 - Insurance revenue down QoQ and YoY, even after adding back Q1/08 item of note

Our Insurance business includes net interest income earned on assets. There was a QoQ increase due to interest rate reductions that offsets a large portion of the reduction in Insurance revenue. From a business line perspective, results are flat as NII & other income splits varied this quarter.

Page 11 line 7 - Security gains up $92 million QoQ

Due to higher Merchant Bank gains. Security gains can be volatile as the Bank sells securities to maximize overall portfolio returns. Additionally, the timing of Merchant Banking gains can depend on deal specifics that may not be under control of TDBFG.

Page 11 line 18 - Other down $96 million QoQ

This line includes the one time gain from the Visa IPO in Q4/07 and is partially offset by the impact of the change in fair value of credit default swaps hedging the loan portfolio. The combination of the movement in these items accounts for both the QoQ and YoY variance.

Page 12 – Non-Interest Expenses

Page 12 line 1 - Salary down $30 million QoQ

The decrease is due to lower severance costs.

Page 12 line 2 - Incentive compensation up $58 million QoQ

This is due to higher performance-driven variable compensation in Wholesale Banking reflecting higher security gains.

Page 12 line 16 - Professional and advisory fees down $24 million QoQ

Mainly due to timing.

Page 12 line 18 - Capital and business taxes down $11 million QoQ

Mainly due to the decrease in the Ontario capital tax rate.

Page 13 - Balance Sheet

Page 13 line 9 - Securities purchased under reverse repo agreements up $6.6 billion QoQ

Driven by increased volumes stemming from customer demand for reverse repos and yield opportunities.

Page 13 line 24 - Other assets up $4.1 billion QoQ

All driven by an increase in Wholesale Broker Receivables largely due to higher balances in Fixed Income and repurchase agreements related to higher trade volumes near quarter end.

Page 13 line 39 - Subordinated notes up $2.5 billion QoQ

Issued $2.5 billion in Sub-debt on Nov. 1st, 2007.

Page 13 line 43 - Preferred Shares up $450 million QoQ

Issued series Q Prefs Jan. 31, 2008, $200MM, and series P Prefs Nov.1 2007, $250MM.

Page 14 - Unrealized gains (losses) on Banking Book Equities

Page 14 line 8 - Unrealized gains down $335MM QoQ

The change was due to a fairly even combination of realized gains and market movement.

Page 21 – Change in Accumulated Other Comprehensive Income

Page 21 lines 1 to 6 - AFS securities up $313 million QoQ

Reflects the after tax impact of movement in the market value of our securities that are classified as Available for Sale, including public equities and debt securities. The $313 million increase in the quarter was largely due to an increase in TDBFG's MBS securities, due to interest rate reductions, and higher values in Merchant Banking, TD Banknorth, TD Meloche Monnex, and other. These increases were partially offset by lower Head Office Portfolio market value.

Page 21 line 15 - Net change in gains on derivatives designated as cash flow hedges up $268 million QoQ

The change moves with the rate we are paying on our swaps, which usually pay a floating interest rate and receive a fixed interest rate. As there was a sharp decline in rates QoQ we experienced a large gain on the swaps. This line includes the impact of both interest rate and cash flow FX hedges. The primary drivers were the change in fair value on the interest rates hedges and the change in fair value on TD net investment of self-sustaining foreign subsidiaries.