TD BANK FINANCIAL GROUP
BARCLAYS CAPITAL GLOBAL FINANCIAL SERVICES CONFERENCE
TUESDAY, SEPTEMBER 15, 2009

DISCLAIMER

FORWARD-LOOKING INFORMATION

From time to time, the Bank makes written and oral forward-looking statements, including in this document, in other filings with Canadian regulators or the U.S. Securities and Exchange Commission (SEC), and in other communications. In addition, the Bank's senior management may make forward-looking statements orally to analysts, investors, representatives of the media and others. All such statements are made pursuant to the "safe harbour" provisions of the U.S. Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation. Forward-looking statements include, among others, statements regarding the Bank's objectives and targets for 2009 and beyond, and strategies to achieve them, the outlook for the Bank's business lines, and the Bank's anticipated financial performance. The forward-looking information contained in this document is presented for the purpose of assisting our shareholders and analysts in understanding our financial position as at and for the periods ended on the dates presented and our strategic priorities and objectives, and may not be appropriate for other purposes. The economic assumptions for 2009 for the Bank are set out in the Bank's 2008 Annual Report under the heading "Economic Summary and Outlook" and for each of our business segments, under the heading "Business Outlook and Focus for 2009." Forward-looking statements are typically identified by words such as "will", "should", "believe", "expect", "anticipate", "intend", "estimate", "plan", "may" and "could". By their very nature, these statements require us to make assumptions and are subject to inherent risks and uncertainties, general and specific. Especially in light of the current, unprecedented financial and economic environment, such risks and uncertainties may cause actual results to differ materially from the expectations expressed in the forward-looking statements. Some of the factors – many of which are beyond our control and the effects of which can be difficult to predict – that could cause such differences include: credit, market (including equity and commodity), liquidity, interest rate, operational, reputational, insurance, strategic, foreign exchange, regulatory, legal and other risks discussed in the Bank's 2008 Annual Report and in other regulatory filings made in Canada and with the SEC; 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 existing and newly introduced monetary and economic policies 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; defaults by other financial institutions in Canada, the U.S. and other countries; 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 strategies, including its integration, growth and acquisition strategies and those of its subsidiaries, particularly in the U.S.; changes in accounting policies (including future accounting changes) and methods the Bank uses to report its financial condition, including uncertainties associated with critical accounting assumptions and estimates; changes to our credit ratings; global capital market activity; increased funding costs for credit due to market illiquidity and increased competition for funding; 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 and the organized efforts of increasingly sophisticated parties who direct their attempts to defraud the Bank or its customers through many channels; legislative and regulatory developments; change in tax laws; unexpected judicial or regulatory proceedings; the U.S. securities litigation environment; unexpected changes in consumer spending and saving habits; the adequacy of the Bank's risk management framework, including the risk that the Bank's risk management models do not take into account all relevant factors; 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; and the effects of disruptions to public infrastructure, such as transportation, communication, power or water supply. 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 businesses, financial results, financial condition or liquidity. The preceding list is not exhaustive of all possible risk factors and other factors could also adversely affect the Bank's results. For more information, see the discussion starting on page 64 of the Bank's 2008 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. Any forward-looking information or statements contained in this document represent the views of management only as of the date hereof. 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, except as required under applicable securities legislation.

PARTICIPANTS

Bharat Masrani	Group Head U.S. Personal and Commercial Banking, TD Bank Financial Group
Bruce Harting	Barclays Capital – Analyst

PRESENTATION

Bruce Harting – Barclays Capital – Analyst

This presentation is TD Bank Financial Group. Bharat Masrani is the Group Head, US Personal and Commercial Banking and TD Bank Financial Group, President and CEO of TD Bank. He started his career in 1987 with the bank, progressed through a number of positions and responsibilities.

In 1999, Bharat also served as Senior Vice President and Chief Executive Officer of TD Waterhouse Investor Services in Europe and took on the role of Vice Chair and Chief Risk Officer at Corporate Office TD Bank Financial Group. It was in November 2006 he was appointed President of TD Banknorth and then in March 2007 assumed the additional role of CEO.

Look forward to your comments today, Bharat.

Bharat Masrani – TD Bank Financial Group – Group Head U.S. Personal and Commercial Banking

Thanks very much, Bruce. It's great to be here in New York and to have this opportunity to present at the Barclays Conference and great to see some familiar faces in the crowd.

Before I begin, I would like to mention that this presentation contains forward-looking statements and actual results could differ materially. These statements are intended to assist your understanding of our financial position for periods presented and our strategic priorities and objectives and may not be appropriate for other purposes.

Certain material factors or assumptions were applied in making these statements. For additional information, please see our latest annual report and quarterly report available at td.com. These documents include a description of factors and could cause actual results to differ.

This afternoon, I'd like to provide you with an overview of our US personal and commercial banking business, TD Bank, America's Most Convenient Bank, and then open it up to take your questions. Let me begin with a quick overview of TD Bank Financial Group. TD is 154-year-old bank headquartered in Toronto, Canada. We are a top-10 bank in North America with over $500 billion in assets and $360 billion in deposits.

At TD, we have an enduring strategy to run a growth-oriented North American bank with a lower-risk retail focus. In fact, year to date, retail earnings make up approximately 80% of group's total earnings. We have a conservative risk-management philosophy with a strong credit culture and balance sheet and best-in-class capital liquidity and risk management, the same features that you'll see at TD Bank, America's Most Convenient Bank. Lastly, we continuously invest for the future in areas where we have a competitive advantage to increase market share and add shareholder value.

This slide shows you a snapshot of the key businesses at TD Bank Financial Group. Our Canadian Personal & Commercial Bank, which includes our insurance business, provides a full range of financial products and services to approximately 11 million personal and small-business customers.

Within wealth management, we have our Canadian business, which includes our industry-leading online brokerage operation, a large mutual fund business, and our advice business. We also have a US-online brokerage business through our equity investment in TD Ameritrade. In fact, you may have heard Fred Tomczyk, CEO of TD Ameritrade, speak at the conference earlier this morning.

In the US, we have a personal and commercial banking business, like I said, through TD Bank, America's Most Convenient Bank, which was formed through the merger of TD Banknorth and Commerce Bank. I will talk more about this business in a moment. Finally, our wholesale bank, TD Securities, consists of an investment banking and capital markets franchise and a corporate banking business. Taken together, TD Bank Financial Group delivers consistent returns with a lower risk profile.

Let me move to the business that I manage, which is the US Personal & Commercial bank, TD Bank, America's Most Convenient Bank. At TD Bank, our goal is to own the customer service and convenience space in the United States just as we do in Canada. For the fourth year in a row, TD Bank, America's Most Convenient Bank, was ranked highest in customer satisfaction by J.D. Power, a particularly significant achievement considering that we were in the middle of a major integration and a testament to our continuing ability to provide not just good but legendary service to our customers.

Across our network, we are open 50% longer than the competition. We have more than 1,000 stores in the US, about the same number as in Canada, and are the only bank in North America to have this level of presence on both sides of the border. We now operate in five of the top-10 growth markets in the US.

Through the market turmoil, while other competitors were pulling back, we were able to continue to grow by taking relationship clients away from many of our competitors. For example, in 2009, even in a tough US environment, we continue to have strong results driven by solid business fundamentals. We've experienced 14% loan growth and 8% deposit growth year-over-year, all while maintaining a strong asset quality.

At TD Bank, we have a disciplined credit culture, which is one of the reasons we are so well positioned today. While our business has not been immune to the economic downturn, we believe that we will continue to be a positive outlier to our peers. Why is that? We operate primarily in the US Northeast, which has had a better housing experience than the rest of the country. We offer plain vanilla -- some might call it boring -- loan products, built on conservative lending practices.

Lastly, we use our own people and distribution systems, not third-party commissioned sales people. We believe strongly in operational excellence and will continue to leverage best-in-class capabilities from across the TD Bank Financial Group organization. We are well positioned for growth and to continue to take market share wherever we operate.

Let me turn -- let me talk a bit about what differentiates TD Bank, America's Most Convenient Bank, from the competition. You're probably familiar with the TD brand, especially if you live or work in the Manhattan area, having re-branded our legacy Commerce stores in November of last year.

We are uniquely positioned as America's most convenient bank. We have a WOW! culture which enables us to provide our customers with legendary customer service. Our WOW! culture is deeply embedded in our brand, processes, and culture throughout the company, from the front lines to the corporate support functions and gives us a competitive advantage, which cannot easily be replicated by others.

So, what is WOW! all about? It's about being open seven days a week, 361 days a year, across most of our networks. It's about having the most convenient hours in all the markets we are in. It's about all of the ways we provide our customers with a legendary experience. From our free penny arcades to instant-issue debit cards to live 24/7 call center support to free pens and treats for your dog. It all supports a culture of providing a WOW! customer experience. In fact, at TD Bank, America's Most Convenient Bank, we create fans out of our customers.

And we don't just rely on anecdotes to determine how well we are doing. As part of our customer WOW! index, we call nearly 800 customers everyday and ask them about their recent banking experience. Stores are rewarded for their CWI scores, which encourages them to continue to go that extra mile to ensure that we continue to WOW! our customers.

We also practice something called retailtainment. It gets our customers and employees jazzed about being part of TD. The picture in the middle of the slide is one of our recent store openings. Check out the person on stilts. It's creating excitement around our store. It's things like that that create buzz around our store openings and turns them into major events whenever and wherever we open a new store.

Lastly, I mentioned Penny. These machines are legendary among our fans. People cannot believe that we are willing to count their change for free. Our view is that we are a bank. Why not make it convenient for people to deposit their money with us? And they love it. If you have any doubt, just ask your kids. And I mean that.

We bought Commerce in 2008 and are finalizing our integration. I'll give you an update on that in a few minutes. As we move forward and bring our companies together, we believe that there is a significant opportunity to cross-sell additional products and services to our more than 6.5 million customers. We've imported best practices from our experience in Canada and are adapting them for the US market.

We are implementing what we call SR, our sales revenue system, across our franchise. This system allows us to establish goals at the employee level and encourages employees to look at holistic solutions for our customers across all of our product offerings. For our commercial clients, we offer bank-at-work programs and have been extremely successful at opening personal accounts by leveraging our extensive commercial relationships.

Post integration, we see significant opportunities to further cross-sell mortgage, wealth, insurance, and corporate banking products to our clients. We are leveraging our capabilities at TD Securities in New York to ensure that we offer our middle-market clients corporate banking services as they continue to grow. And through our investment in TD Ameritrade, we will leverage that partnership as well. Lastly, we will continue to invest in our de novo strategy by opening new stores in growth markets across the franchise.

I know many of you are interested in our loan portfolio and how we have performed through this credit cycle. At TD Bank, we have a diversified loan portfolio, both geographically and by product type, which has performed extremely well through this tough economic environment. Commercial loans make up about two-thirds of the portfolio. Within commercial, about two-thirds of those are C&I loans, while one-third relates to commercial real estate loans.

Our C&I loans continue to perform acceptably through this cycle with stable delinquency levels. Within commercial real estate, our residential for-sale portfolio remains the area of greatest concern. However, this segment makes up only 2% of the total US portfolio and we continue to monitor it closely. Approximately one-third of our total US portfolio consists of personal loans. Our in-footprint lending strategy serves us well in our real estate secured portfolio. And our borrowers continue to have strong FICO scores.

Our US credit card portfolio is experiencing some pressure, as would be expected, although we continue to be a positive outlier. And the impact is limited by the relatively small size of this portfolio. We believe that our sound credit underwriting standards combined with a strategy to only originate and hold credit exposure within our geographic footprint will continue to ensure that losses are maintained at manageable levels. In summary, we continue to selectively take relationship accounts away from our competitors and grow our loan book, all the while managing our credit risk closely as the economic environment evolves.

I mentioned we have a conservative credit culture. This chart shows our credit performance since the beginning of the financial crisis. What you can see is that both our NPL to total loans and net charge-offs to average loans continue to outperform our peers with net charge-offs to average loans being 68 basis points as of June 30th, 2009, as compared to 2.96% for our US peers. Although we are not immune to the economic downturn, we believe that we will continue to be a positive outlier from an asset quality perspective.

Looking ahead, we expect the banking environment in the US to remain challenging. However, we are experiencing both headwinds and tailwinds in this environment. First, the headwinds -- the weak economy will continue to impact our margins and PCLs, our provisions for credit losses. Although we are seeing some signs of easing in deposit pricing pressures, the near-zero-rate environment will likely continue to put pressure on our margin.

In addition, the recession in the US will put upward pressure on both non-performing loans and our provisions as PCLs tend to be a lagging indicator and are the last to decline, even as the economy tends to recover. While we will continue to build reserves, we do not expect our PCLs to grow at the same pace as they did this year.

With respect to tailwinds, even in a tough US market, we continue to see solid loan demand, although growing at a slower pace as companies maintain a cautious outlook. As I mentioned earlier at the end of our fiscal third quarter, our loan book was up 14% from a year ago and we continue to take market share. We also experienced good growth in retail and commercial deposits, growing at over 8% year-over-year. Given market conditions, we see an opportunity to selectively take share with relationship clients and we intend to do so.

On the deposit front, with our strong service and convenience model and as one of the few banks around the world with a continued AAA rating, we have been a net recipient of flight-to-quality moves in the US, and we expect core deposits to continue to grow. As I mentioned earlier, we also continue to invest in organic de novo growth, opening new stores every year. And we will continue to see the benefit of investments as we have made in our network over the past several years.

Post-conversion with the integration behind us, we will move forward as one bank, TD Bank, America's Most Convenient Bank, from Maine to Florida. We remain cautious in our outlook for the US economy and are positioning the business accordingly.

Let me give you a quick update on our integration. The merger of TD Banknorth and Commerce was not your typical rip and replace integration. Instead, we pursued a best-of-breed strategy to create an enduring platform from which to grow. Although more complex and costly, it was the right thing to do.

The integration is well on track and we are heading into the final stretch. We have met all of our major milestones. We are coming together as one bank with one model built on providing our customers with unparalleled convenience and WOW! legendary service. In less than two weeks, we will extend our brand, TD Bank, America's Most Convenient Bank, into New England and upstate New York.

We recognize that we are in the people business and our 23,000 dedicated employees are critical to our success. We continuously serve our employees and they have remained incredibly engaged through this integration. To date, we've re-branded our mid-Atlantic stores, converted our TD Banknorth customers onto the new product set, and are on track for a successful systems conversion by the end of the fiscal year.

In summary, I have four key takeaways for you regarding our personal and commercial business in the United States. First, at TD Bank, America's Most Convenient Bank, we intend to own the service and convenience space in all of our markets. Second, we have an enviable footprint and scale from Maine to Florida with additional opportunity for organic growth. Third, we have a disciplined credit culture. And although we are not immune to the economic slowdown, we continue to be a positive outlier.

And fourth, operational excellence is a mantra at TD. And as the economy improves, we will emerge with momentum on our side. With respect to TD Bank Financial Group, as investors, you should expect us to continue our strategy of investing in franchise businesses to produce consistent earnings with a lower risk profile.

Thank you very much. And with that, let me open it up to take your questions. Thank you. Wow, I must've been good.

QUESTION AND ANSWER

Unidentified Audience Member

Two questions -- one, can you comment a little bit about your view of the FDIC deals that you've seen so far and then comment on margin outlook and when, what -- how are you positioning for if and when the Fed does start to tighten again? Thanks.

Bharat Masrani – TD Bank Financial Group – Group Head U.S. Personal and Commercial Banking

So, just to give you a -- to go back a bit to give you some context, the franchise we have now in the United States, just under 1,100 stores in high-growth markets, Maine to Florida, coming together as one bank, the integration has gone well. And with Commerce, as some of you may recall, we did acquire this unique capability of de novo store growth.

So, Commerce was famous -- legacy Commerce famous -- in walking into a market and taking share. And we have maintained that capability such that we are opening new stores continuously. In fact, I think this year, we'll open approximately 32 new stores. Next year, we'll open a similar amount. And then, my intent would be from then on to increase that as well. So, we do have sufficient scale and a de novo strategy that allows us to grow in our markets.

Having said that, obviously, where it makes sense to make strategic acquisitions, we will do so. And you mentioned, Bruce, FDIC-assisted deals. I mean, we will look at acquisitions where they make sense. And if they're compelling, we'll move forward. The FDIC-assisted deals do provide you with a situation where asset risk is essentially removed from a transaction. And currently in the market, one of the big risks in acquisition is that there is not enough visibility on asset value.

So, an assisted deal removes that uncertainty from a deal and hence, they're attractive. So as a bank, are we interested in looking at transactions that fall into that category? Absolutely. And so, I think it is fair to assume that if the right opportunity were to come by, we would seriously consider it.

With respect to margins, the compression has been -- and I don't have to tell you folks -- it's been quite dramatic. If you look at our year-over-year numbers, the third quarterly results that we released a few weeks ago, the compression has been about 50 basis points. And that is not an insignificant sum. I mean, you know our balance sheet. And that's not that surprising, given that we have near-zero rates in the US.

But as a bank, I feel we are well positioned. We manage our balance sheet very closely. We are a bank that will not go out and play the duration game as much. So, when do -- when the rates do recover, when markets do normalize, we should see our product margins come back to the level they should have. As to how long that takes, I mean, who knows? But it is reasonable to assume that once the cycle evolves, those margins should strengthen. And that should bode well for our institution.

I think there's a question at the back there.

Unidentified Audience Member

Could you comment on the likelihood in your view of a second special assessment from the FDIC this year and the possibility of another one again in 2010?

Bharat Masrani – TD Bank Financial Group – Group Head U.S. Personal and Commercial Banking

So, I'll comment on what's out there in the -- you know there was one assessment that all of us paid. And I think the part that should be emphasized that there are normal rate of premiums that we paid to the FDIC have gone up substantially as well. So, it's not just the special assessment. It's the normal premiums that all banks pay have gone up, which probably does not have as much visibility because they don't get segregated as easily in each bank statement. But it is important to keep that in mind that the cost of deposit insurance has gone up quite significantly over the past few years.

As to a second special assessment, I mean, you see the numbers as I do. It looks like the deposit fund -- there's going to be more demands on the deposit fund over the next year or two. And is there a chance there could be a second assessment? There's always the possibility.

As a bank, I think we are a deposit-heavy bank and that's a nice position to have. But the cost of getting those deposits is going up. Is that a reasonable assumption over the next year or so that there could be one? Yes. How much or what's the probability of that, I couldn't tell you that. But the overall cost of deposit insurance is up significantly over the past few years.

Unidentified Audience Member

In doing your due diligence on FDIC-assisted transactions, have you gotten any pushback from the FDIC on the basis that you're a non-domestic headquartered institution?

Bharat Masrani – TD Bank Financial Group – Group Head U.S. Personal and Commercial Banking

Not -- sorry, what was the last part of your question?

Unidentified Audience Member

That you're not headquartered in the United States.

Bharat Masrani – TD Bank Financial Group – Group Head U.S. Personal and Commercial Banking

Absolutely not. There is -- we're a large US-nationally chartered bank. And I have had no pushback in any way from the FDIC or any other regulator in the United States. So we have absolutely no issue in bidding on any one of these assets as they come along. And through the due diligence, I did not encounter anything that would suggest otherwise.

Unidentified Audience Member

And just to follow up on that point, I think you're the 27th largest bank holding company in the US right now by assets, which would probably surprise a lot of people. But your regulatory capital ratios fall below the FDIC requirements in all three dimensions. And so I'm wondering -- have you had any conversations with the FDIC about streaming capital to your US bank holding company ahead of an FDIC-assisted deal? And if yes, if you were to stream more capital into the US, would it -- what do you think OSFI’s response would be to that in terms of the larger group? Thanks.

Bharat Masrani – TD Bank Financial Group – Group Head U.S. Personal and Commercial Banking

I think we should clarify we -- our bank, our chartered banks here are more than well capitalized in the United States. I think what you're talking about is the holding company. And there, those holding companies that have lot of structures that go in from a tax-planning perspective when you acquire banks, et cetera. So, I think the more sort of operative ratios for us are in the chartered banks. And then we've had no issues on any regulatory front to suggest that we don't have adequate capital. In fact, we are one of the better capitalized banks in the United States.

Unidentified Audience Member

Just getting back to the bank holding company level, though, you are substantially below adequate or well-capitalized levels in the three categories. So, do you think it could be even a political issue should a non-US bank partake in an FDIC-assisted deal? Obviously, we've seen that already with BBVA. But they do qualify as well capitalized according to the FDIC at the bank holding company level. Do you not foresee any potential issues given the fact that the bank holding company is below FDIC-required capital levels?

Bharat Masrani – TD Bank Financial Group – Group Head U.S. Personal and Commercial Banking

It's a good think I'm in banking and not in politics. I don't see it as an issue. The overall group has tier I capital of 11.2%. This is TD Bank Financial Group, and within which nearly three-quarters of that capital is tangible common equity. So, it's one of the higher capitalized banks in the free world. Our US business, like I said, where it matters, we've got more than adequate capital. Would it have issues, like you point out? I don't think so. If there are, we'll deal with it as we encounter them.

Unidentified Audience Member

Just wondering if you could give us a sense of where you think that or where you would like or where you feel it's feasible to have your sustainable ROE or ROA going forward once the crisis has reasonably settled down a bit.

Bharat Masrani – TD Bank Financial Group – Group Head U.S. Personal and Commercial Banking

Yes, so the -- in our case, if you look at our balance sheet, we do have less loans than we have deposits. And through this crisis, that's not a bad situation to have. So obviously, a one-off, the explicit strategies we outlined when we acquired Commerce is to build up that capability. And we have. So if you look at our growth numbers, our loan growth is stronger. But we start with a huge deposit base. So I think as we move forward and become more of a bigger player in the loan markets, both in the personal and commercial, I think the ROAs will start to show better traction.

The great thing about our business is that on an operating basis, so every dollar of organic earnings we generate in our business comes in at an operating ROE as to the amount of capital we need to generate that organic dollar of earnings well into the 20s. So, as long as we continue to grow, as long as you believe that markets ultimately will normalize and therefore the margins will be restored and you believe our proposition that we will be a positive outlier through our cycle, I think all those combined would show that not only can we sustain through a cycle, but we should be able to show good numbers.

There's one behind you, Bruce. Sorry.

Unidentified Audience Member

Could you throw some light in terms of the ongoing progress on integration effort as it relates to synergies, savings, or some of the cross-selling opportunities that you've referred to? Some metrics and numbers would be helpful. Thank you.

Bharat Masrani – TD Bank Financial Group – Group Head U.S. Personal and Commercial Banking

So, great question. Integrations by their nature tend to be difficult and sometimes highly risky. And like I mentioned in my remarks, we purposely decided to take the option of going with the best of breed instead of doing the rip and replace. If you go back -- and I see some familiar faces who might've followed Banknorth previously -- Banknorth was a culmination of 20-odd acquisitions.

And most of them would've followed the rip and replace, whereby you buy the bank on a Sunday night. And by Tuesday night, you know what systems you're going to follow, what's the management team. And on the 89th day, you've integrated. And I could get up here and say one bank, we've delivered. And life is wonderful. And that works very well for that profile.

But in this case, we acquired a unique franchise in Commerce that has the WOW! factor, as I talked about, a high-growth, organic growth machine. And frankly, it was a franchise that was not dressed up for sale. People tend to forget most of the acquisitions that are out there have been dressed up for sale. So, this was a great asset from our perspective that we needed to find an integration strategy that would maintain the WOW! factor, the customer-centric model, the positioning, the value proposition around convenience and service.

How do we maintain that but at the same time have a backend platform that was scalable, that was in keeping with the AAA-rated TD Bank Financial Group that was robust, et cetera, in providing more product capability? And hence, we decided to go with this more complex, more risky, and frankly more expensive proposition of maintaining those both. And we thought of that about 18, 19 months ago. And it's gone remarkably well.

So, some metrics -- we are right at the final stretch of this. So through this integration, I'm told -- and maybe people can correct me -- but this is the only major bank that has gone through an integration of this size and won J.D. Power for the fourth year in a row. So, we did maintain our service proposition, provide legendary customer service, through a major integration.

We did convert the TD Banknorth customer base to the new product set. We did re-brand in the mid-Atlantic one year prior to our product, to our systems conversion, by providing multi-bank services. So, we were able to consolidate stores and provide both Banknorth and Commerce Bank services through one store. We successfully did that. We grew our loans. We grew our deposits. Our customer WOW! index that I talk about shows well. And frankly, we've been able to do that [right in] through a major economic downturn and a major integration. So, I think we feel pretty good about that.

So, what will happen by the end of this fiscal quarter? The big part of our footprint that is not yet re-branded -- it's still TD Banknorth -- that's in New England gets re-branded two weeks from now as TD Bank, America's Most Convenient Bank. The systems conversion will be done. So, we're under one platform from Maine to Florida. It'll give us more product capability and, frankly, better service because we'll be removing some of the complexities of the multi-bank offering we've had out there.

So overall, I feel very good that we've been able to do this very successfully through turmoil and at the same time delivering the numbers that we said we would. So, those are the big-picture metrics I would point to. Internally, obviously, we follow 1,600 metrics of different kinds. But those would be the big-picture numbers for you.

Unidentified Audience Member

Do you feel like you have an opportunity here to bring up the loan-to-deposit ratio? Or are you seeing opportunities to make loans? Or you just continue to be cautious relative to your underwriting metrics within your various markets? And maybe you can just compare US if you can to Canada, even though that's not your area?

Bharat Masrani – TD Bank Financial Group – Group Head U.S. Personal and Commercial Banking

Yes, so I'd say that having been in banking many years and specifically in the commercial banking business, in the failed cycle in lending, high-quality, established commercial clients from the competition is not an easy thing to do. But through this cycle, it's been interesting for me to watch -- and we've been a recipient, the positive recipient of that -- is how major relationships have moved banks.

And so, I would say that in our case, a lot of the growth that you're seeing is picking up share because through -- when you have a downturn like we've had, loan growth itself is going to be pretty soft. If you have great clients who are not losing money, then they're only going to borrow if the economic activity is out there. Otherwise, if they're lousy clients and they'll borrow to finance losses, you don't want them to be doing that.

So, I see a core -- your core growth has not been strong. And that is to be expected through a recession. But I think gaining market share has been particularly unique through this cycle. And we welcome that because we've had the balance sheet. We've had the funding. We've had the rating. And frankly, not having the losses like some of our competitors have had has given us the unique opportunity in the market.

And our presence, I think it's helpful when you are very successful in New York. And it does provide a profile that gives us -- it opens doors for us that perhaps it might not have previously. So, I'd say loan growth through the recession generally would be challenging. But we've been able to maintain some good numbers there by taking share.

The comparison to Canada -- so Canada to date, although some of the numbers might suggest the downturn has been as bad, the length of the downturn has not been anywhere close to the US And I would say it's not -- appears to be not as widespread, such that there is good momentum. And secondly, I think the Canadian market with, for example, at TD, we have huge market shares.

In most markets, we have 20-odd percent of the overall national market. That gives us a unique positioning in the Canadian marketplace. And frankly, we've had losses in Canada. But our businesses there have not only gained share but have earned through those losses. Our earnings out of our Canadian, for example, personal and commercial bank is up at a very healthy rate notwithstanding the higher PCLs. It's not only earned through that. It's well past it.

So, fantastic franchise in Canada. The markets have been more kind than what we've had in the US. And frankly, the Canadian business has been also able to maintain margins better than the US environment because the rates never went down to zero. So, it helps a bit. And then it's a different structure as well. So, the Canadian situation is different. But I've been quite impressed with what we've been able to do in the US in a short period of time.

Unidentified Audience Member

There have been FDIC-assisted deals if not in your footprint adjacent to your footprint or in your footprint. And I guess the press has reported that you have bid at least in one case and maybe in others. Could you maybe explain why you have yet to be successful or why you think you have not yet been successful at those bids and how you're looking at these attractive deals in maybe a less optimistic way than your competitors?

Bharat Masrani – TD Bank Financial Group – Group Head U.S. Personal and Commercial Banking

So obviously, I can't comment on any specific situation, as you would expect. But like I said earlier, we would look at strategic acquisitions and would obviously consider anything that made sense. So, we'll continue to do that. As to how do we think about deals generally, obviously, we are -- our view -- and I might be biased in saying that -- a disciplined buyer.

Issues, such as how do we bring together cultures and the value proposition that we want to offer, are kind of important to us. That goes pretty well into how we make assessments of deals and, frankly, how complementary and not complementary they are in what we are trying to achieve.

So, a lot of factors go into that. And visibility on assets -- you talk about FDIC-assisted deals. So obviously, that factor becomes much less of an issue. Notwithstanding that, you still want to look at how you would service the loans because how they get repaid over what timeframe does impact your economics as well. So, there is a huge number of inputs that go into this.

And so, I don't think it'd be appropriate for me to comment on what basis would we bid versus what our competitors would bid. But let's put it this way. In our case, if we were in a bidding situation, we would bid in an appropriate manner that we thought was right for our organization and that fit within not only our strategic imperatives but our financial imperatives as well.

Thank you. Thanks very much, Bruce. Thank you.