# Building the better bank every day

**TD Bank Financial Group**

## Q2 2009 Investor Presentation

**Thursday May 28, 2009**

# Caution regarding forward-looking statements

TD Bank Financial Group

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; continued negative impact of 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.

# Strategic Overview

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1. Good performance in Q2
2. Earned through higher credit losses
3. Growth opportunities in all businesses
4. Strong capital
5. Cautious but optimistic for remainder of 2009

# Q2 2009 Highlights

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## Net income $MM

| | Q2/08 | Q1/09 | Q2/09 | QoQ | YoY |
|---|---|---|---|---|---|
| **Canadian Retail[1]** | $ 697 | $ 659 | $ 667 | 1% | -4% |
| **U.S. Retail[1] (adjusted)** | 197 | 384 | 329 | -14% | 67% |
| ***Total Retail*** | *894* | *1,043* | *996* | *-5%* | *11%* |
| | | | | | |
| **Wholesale** | 93 | 265 | 173 | -35% | 86% |
| **Corporate (adjusted)** | (14) | (159) | (80) | 50% | N/M[4] |
| **Adjusted net income[2,3]** | $ 973 | $ 1,149 | $ 1,089 | -5% | 12% |
| | | | | | |
| **Reported EPS (diluted)** | $ 1.12 | $ 0.82 | $ 0.68 | -17% | -39% |
| **Adjusted EPS (diluted)** | $ 1.32 | $ 1.34 | $ 1.23 | -8% | -7% |
| | | | | | |
| **Tier 1 capital ratio** | 9.1% | 10.1% | 10.9% | 80bps | 180bps |

- Solid contribution from all businesses
- Strong capital position

1. "Canadian Retail" results in this presentation consist of Canadian Personal and Commercial Banking segment results included in the Bank's reports to shareholders/earnings releases *(td.com/investor)* for the relevant periods, and Global Wealth Management results, a subset of Wealth Management segment results of the Bank, consisting of that segment's results included in the Bank's reports to shareholders/earnings releases for the relevant periods but excluding the Bank's equity share in TD Ameritrade. "U.S. Retail" results in this presentation consist of U.S. Personal and Commercial Banking segment adjusted results included in the Bank's reports to shareholders for the relevant periods and the Bank's equity share in TD Ameritrade.
2. The Bank's financial results/earnings releases prepared in accordance with GAAP are referred to as "reported" results. The Bank also utilizes non-GAAP financial measures referred to as "adjusted" results (i.e. reported results excluding "items of note", net of income taxes) 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 Bank's 2nd Quarter 2009 Press Release and MD&A for further explanation, a list of the items of note, and a reconciliation of non-GAAP measures.
3. Reported net income for Q2/08, Q1/09 and Q2/09 was $852MM, $712MM and $618MM, respectively, and QoQ and YoY changes on a reported basis were -13.2% and -27.5%, respectively. For information on reported results for U.S. Personal and Commercial Banking segment and the Corporate segment, see the Bank's reports to shareholders/earnings releases for the relevant quarters.
4. Not meaningful.

# Q2 2009 Earnings:
## Items of Note

TD Bank Financial Group

| | MM | EPS |
|---|---|---|
| **Reported net income and EPS (diluted)** | **$618** | **$0.68** |

| **Items of note** | Pre Tax (MM) | After Tax (MM) | EPS |
|---|---|---|---|
| *Amortization of intangibles* | $187[1] | $127[1] | $0.14 |
| *Change in fair value of CDS hedging the corporate loan book* | $61 | $44 | $0.05 |
| *Integration charges relating to the Commerce acquisition* | $77 | $50 | $0.06 |
| *Change in fair value of derivatives hedging the reclassified portfolio* | $166 | $134 | $0.16 |
| *Increase in General Allowance* | $110 | $77 | $0.09 |
| *Settlement of TD Banknorth shareholder litigation* | $58 | $39 | $0.05 |
| **Excluding above items of note** | | | |
| *Adjusted net income and EPS (diluted)* | | $1,089 | $1.23 |

1. Includes amortization of intangibles expense of $16MM, net of tax, for TD Ameritrade equity pick-up.

# Canadian P&C

TD Bank Financial Group

## P&L $MM

| | Q2/08 | Q1/09 | Q2/09 | QoQ | YoY |
|---|---|---|---|---|---|
| **Revenue** | $ 2,134 | $ 2,292 | $ 2,276 | -1% | 7% |
| **PCL** | 191 | 266 | 286 | 8% | 50% |
| **Expenses** | 1,095 | 1,186 | 1,143 | -4% | 4% |
| **Net Income** | $ 582 | $ 584 | $ 589 | 1% | 1% |
| **Efficiency ratio** | 51.3% | 51.7% | 50.2% | -150bps | -110bps |
| **NIM** | 2.96% | 2.82% | 2.94% | 12bps | -2bps |

- Broad-based volume growth
- Earning through increased loan losses
- Improvement in efficiency ratio

# Wealth Management

TD Bank Financial Group

## P&L $MM

| | Q2/08 | Q1/09 | Q2/09 | QoQ | YoY |
|---|---|---|---|---|---|
| Revenue | $ 558 | $ 528 | $ 528 | 0% | -5% |
| Expenses | 387 | 419 | 414 | -1% | 7% |
| Net Income (Global Wealth) | $ 115 | $ 75 | $ 78 | 4% | -32% |
| Equity in NI of TD AMTD[1] | 67 | 77 | 48 | -38% | -28% |
| **Net Income** | $ 182 | $ 152 | $ 126 | -17% | -31% |
| Efficiency ratio | 69.4% | 79.4% | 78.4% | -100bps | 900bps |
| AUM ($B) | 174 | 170 | 168 | -1% | -3% |
| AUA ($B) | 187 | 163 | 174 | 7% | -7% |

- Client engagement remains strong despite market challenges
- Pressure on asset-based businesses; strong transaction volume
- Continued growth in new accounts and net new client assets

1. TD AMERITRADE Holding Corp.

# U.S. P&C

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## P&L $MM (U.S. dollars)

*(adjusted, where applicable)*

| | Q2/08 | Q1/09 | Q2/09 | QoQ | YoY |
|---|---|---|---|---|---|
| **Revenue** | $ 472 | $ 985 | $ 1,029 | 4% | 118% |
| **PCL** | 46 | 115 | 161 | 40% | 250% |
| **Expenses[1]** | 244 | 573 | 600 | 5% | 146% |
| **Net Income[1]** | $ 129 | $ 253 | $ 226 | -11% | 75% |
| **Net Income[1] (C$)** | $ 130 | $ 307 | $ 281 | -8% | 116% |
| **Efficiency ratio[1]** | 51.7% | 58.2% | 58.3% | 10bps | 660bps |
| **NIM** | 3.73% | 3.62% | 3.58% | -4bps | -15bps |

- Strong loan and deposit growth
- Earning through increased loan losses
- Managing margin pressure in low rate environment

1. Q2/08 expenses and net income exclude restructuring and integration charges of US$48MM pre-tax and US$30MM after tax (C$30MM after tax), respectively, relating to the acquisition of Commerce, disclosed as an item of note for the segment in the Bank's 2nd Quarter 2008 Press Release *(td.com/investor)*. Q1/09 expenses and net income exclude restructuring and integration charges of US$87MM pre-tax and US$55MM after tax (C$67MM after tax), respectively, relating to the acquisition of Commerce, disclosed as an item of note for the segment in the Bank's 1st Quarter 2009 Report to Shareholders *(td.com/investor)*. Q2/09 expenses and net income exclude integration charges of US$61MM pre-tax and US$40MM after tax (C$50MM after tax), respectively, relating to the acquisition of Commerce, disclosed as an item of note for the segment in the Bank's 2nd Quarter 2009 Press Release. Reported expenses for Q2/08, Q1/09 and Q2/09 were US$292MM, US$660MM and US$661MM, respectively, and QoQ and YoY changes on a reported basis were 0.2% and 126.4% respectively. Reported net income for Q2/08, Q1/09 and Q2/09 was US$99MM (C$100MM), US$198MM (C$240MM) and US$186MM (C$231MM), respectively, and QoQ and YoY changes on a reported basis were -6.1% and 87.9% in US$ and -3.8% and 131.0% in C$, respectively.

# Wholesale

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## P&L $MM

| | Q2/08 | Q1/09 | Q2/09 | QoQ | YoY |
|---|---|---|---|---|---|
| **Revenue** | $ 428 | $ 839 | $ 620 | -26% | 45% |
| **PCL** | 10 | 66 | 59 | -11% | N/M |
| **Expenses** | 291 | 388 | 356 | -8% | 22% |
| **Net Income** | $ 93 | $ 265 | $ 173 | -35% | 86% |

- Strong performance while continuing to reduce risk profile
- Strength in franchise businesses
- Good progress on business repositioning

# Tier 1 Capital Ratio

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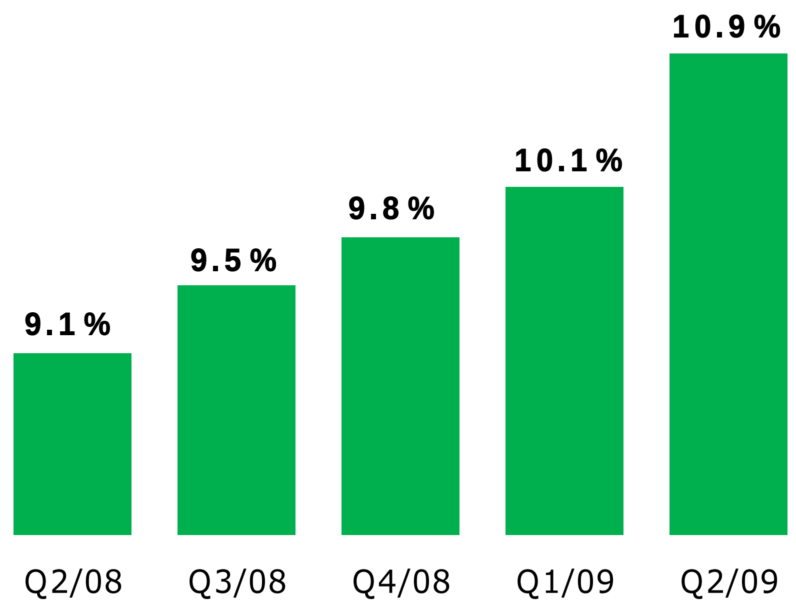


## Highlights

- Tier 1 Capital Ratio: 10.9%
  - Issuances
    - Preferred shares
    - DRIP
  - Decreased RWA
    - Less volatile market environment
    - Strategic decision to exit equity investment portfolio

**Strong capital position**

# Additional Information:
## Available-for-sale securities - Summary

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- Expanded disclosures this quarter
- More than 2/3rds of AFS book in government securities
- Former Commerce securities portfolio trending positively
- OCI deficit for AFS down by 47% vs. Q1

# Integration Update:
Q2 2009

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- All integration milestones met during the quarter including successful systems testing and conversion programs ✓
- Rollout of new Teller platform successfully initiated ✓
- Marketing and communications program launched targeting TD Banknorth customers in advance of conversion of enhanced product set on May 30th ✓
- Opened 24 stores this fiscal year – on track for 30 ✓
- Together as one bank from a systems, products, and people perspective – second half of '09 **On track**
- Rebrand remaining stores in the second half of '09 **On track**
- Achieve $310 million in cost synergies **On track**

# Gross Lending Portfolio
## Includes B/As

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## Balances ($B)

| | Q2/09 | |
|---|---|---|
| **Canadian Personal & Commercial** | **$150** | |
| **Personal[1]** | **$127** | |
| Residential Mortgages | 51 | 2/3 insured |
| Home Equity Lines of Credit (HELOC) | 49 | |
| Unsecured Lines of Credit | 8 | |
| Credit Cards | 7 | |
| Other Personal | 12 | |
| **Commercial Banking (including Small Business Banking)** | **$23** | |
| **U.S. Personal & Commercial** | **$62** | |
| **Personal** | **$21** | |
| Residential Mortgages | 7 | |
| Home Equity | 10 | |
| Indirect Auto | 3 | |
| Credit Cards | 0.7 | |
| Other Personal | 0.7 | |
| **Commercial Banking** | **$41** | |
| Non-residential Real Estate | 10 | |
| Residential Real Estate | 5 | |
| Commercial and Industrial (C&I) | 26 | |
| **Wholesale** | **$24** | |
| **Other[2]** | **$6** | |
| **Total** | **$243** | |

1. Excluding Securitized Residential Mortgage/Home Equity of $52B Off-Balance Sheet
2. Other includes Wealth Management and Corporate Segment. Corporate Segment includes approximately $2B of residential mortgages booked by TD Capital Trust.

Note: Some amounts may not total due to rounding

# Gross Impaired Loans ("GIL") by Portfolio

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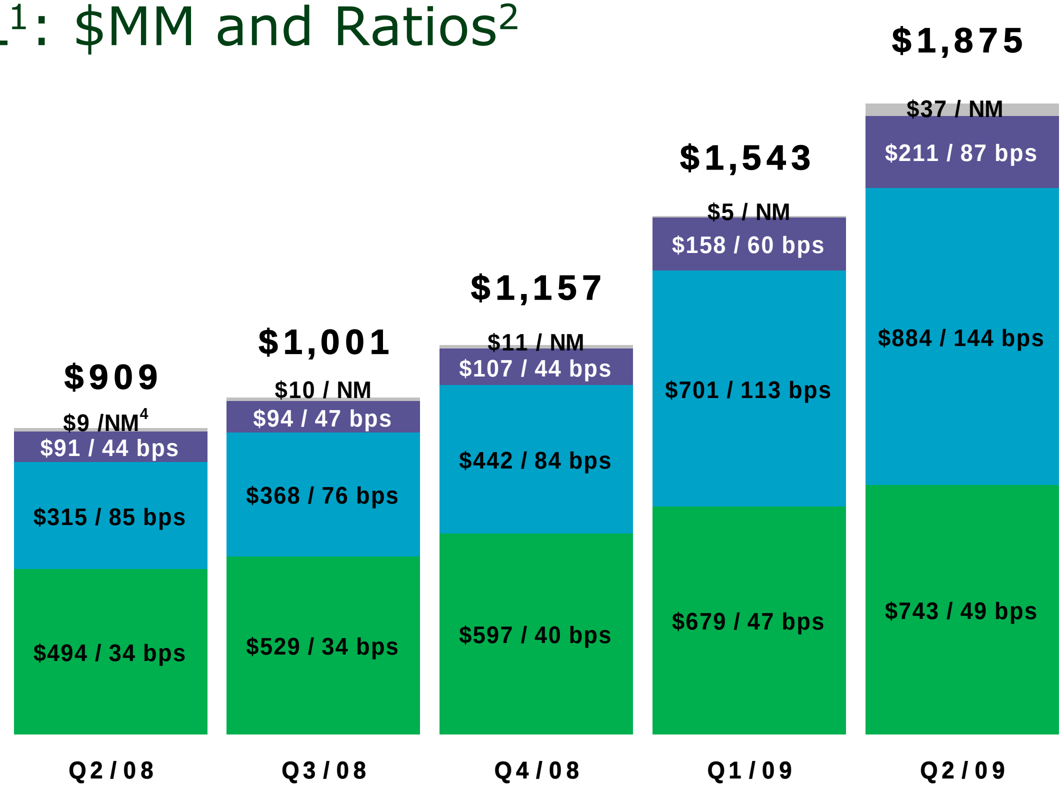
## GIL[1]: $MM and Ratios[2]




| | | | | | | |
|---|---|---|---|---|---|---|
| TD | 41 | 43 | 50 | 65 | 77 | *bps* |
| Cdn Peers[5] | 76 | 77 | 91 | 105 | NA | *bps* |
| U.S. Peers[6] | 102 | 119 | 154 | 215 | NA | *bps* |

### Highlights

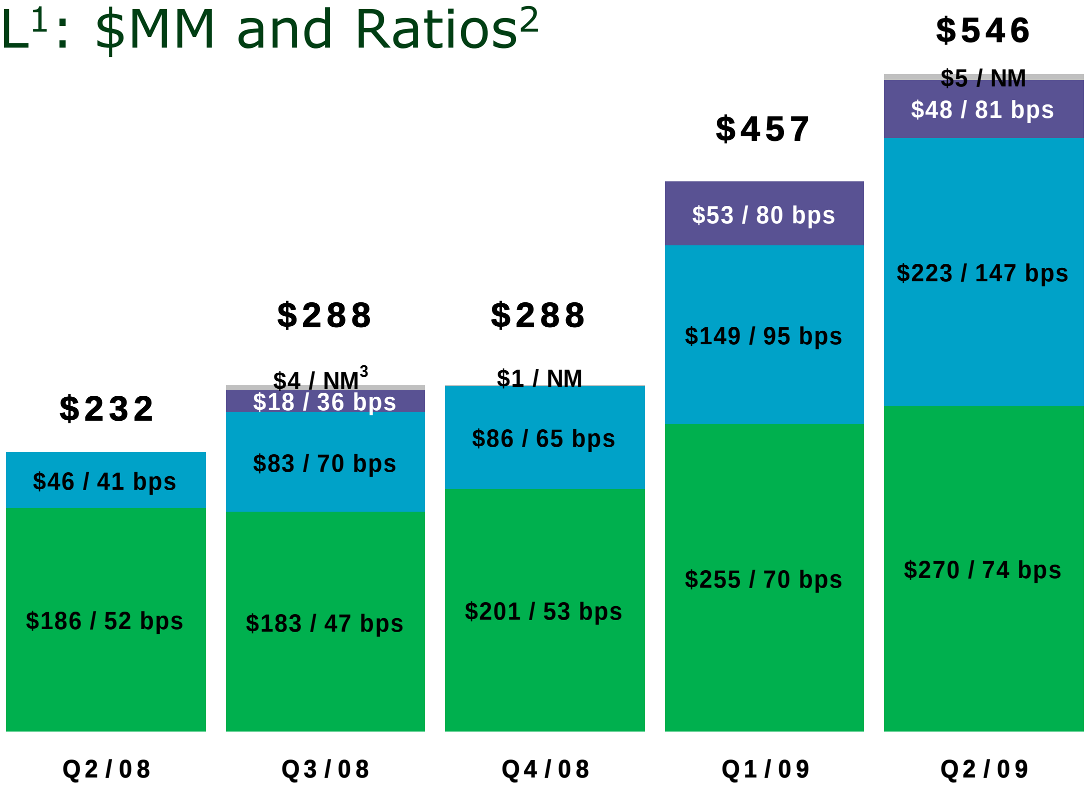
- Increase reflects the continuing challenges in the Canadian and US economies
- Specific Allowances (SA) as a % of Gross Impaired Loans was up QoQ from 25.0% to 27.6%
- SA ratio[7] level lower than historically, due to:
  - Change in definition of Gross Impaired Loans in 2007 to include defaulted CMHC and other insured mortgages
  - U.S. portfolio, where standard is to write-off impaired loans more rapidly

1. Gross Impaired Loans (GIL) are presented on a portfolio basis
2. GIL Ratio - Gross Impaired Loans/Spot Gross Loans & Acceptances by segment
3. Other includes Wealth Management and Corporate Segment
4. NM: not meaningful
5. Canadian Peers – BMO, BNS, CIBC, RBC
6. U.S. Peers – BAC, C, JPM, PNC, USB, WFC (Non-performing loans/Total gross loans, source SNL Financial)
7. Specific Allowance ratio = Specific Allowance / GIL

# Provision for Credit Losses ("PCL") by Portfolio

TD Bank Financial Group

## PCL[1]: $MM and Ratios[2]




| | | | | | | |
|---|---|---|---|---|---|---|
| TD[6] | 42 | 50 | 50 | 76 | 92 | *bps* |
| Cdn Peers[7] | 38 | 57 | 65 | 68 | NA | *bps* |
| U.S. Peers[8] | 232 | 258 | 385 | 383 | NA | *bps* |

**Other[4]**
**Wholesale[5]**
**U.S. P&C**
**Canadian P&C**

### Highlights

- Increases evident in every segment
- Taking into account General Allowances of $1.7B and Specific Allowances of $517MM, GIL coverage ratio was maintained at 116%
- TD's loan portfolios remain acceptably positioned to ride out the current economic conditions in both Canada and the U.S.
- Further upward pressure on PCL is expected

1. Provision for Credit Losses (PCL) is presented on a portfolio basis (this differs slightly from presentation of Segment-based PCL in other disclosures)
2. PCL Ratio – Provisions for Credit Loss/Spot Gross Loans & Acceptances on a quarterly annualized basis
3. NM: not meaningful
4. Other includes Wealth Management and Corporate Segment
5. Wholesale PCL excludes premiums on credit default swaps (CDS) of $11MM
6. Q1/09 and Q2/09 totals exclude Canadian P&C general allowance of $80MM and $110MM respectively
7. Canadian Peers – BMO, BNS, CIBC, RBC; peer PCLs exclude increases in GAs
8. U.S. Peers – BAC, C, JPM, PNC, USB, WFC

# Portfolio Information

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### Canadian Personal

- GILs in the Real Estate Secured Loan portfolio are increasing but we expect minimal losses given the high level of insured exposure and acceptable LTVs
- VISA and Unsecured Lines of Credit are higher risk as exposure is vulnerable to current economic conditions – less than 12.5% of total Canadian Personal portfolio outstandings

### Canadian Commercial and Wholesale

- Portfolios continue to perform well; exposure well diversified across industries
- Commercial losses expected to lag recession, but portfolio is well positioned

### U.S. Personal

- Acceptable borrower credit quality; 91% of RESL borrowers have FICO > 620
- Delinquency rates, while elevated over historical norms, remain stable and compare favourably to peers

### U.S. Commercial

- Commercial Real Estate, and specifically Residential for Sale, remains the area of greatest concern
- Office and Retail real estate are performing better than expected, but further softening is anticipated
- Pro-active approach to risk mitigation across the portfolio

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# Appendix

# Canadian Lending:
## TDCT versus Economy

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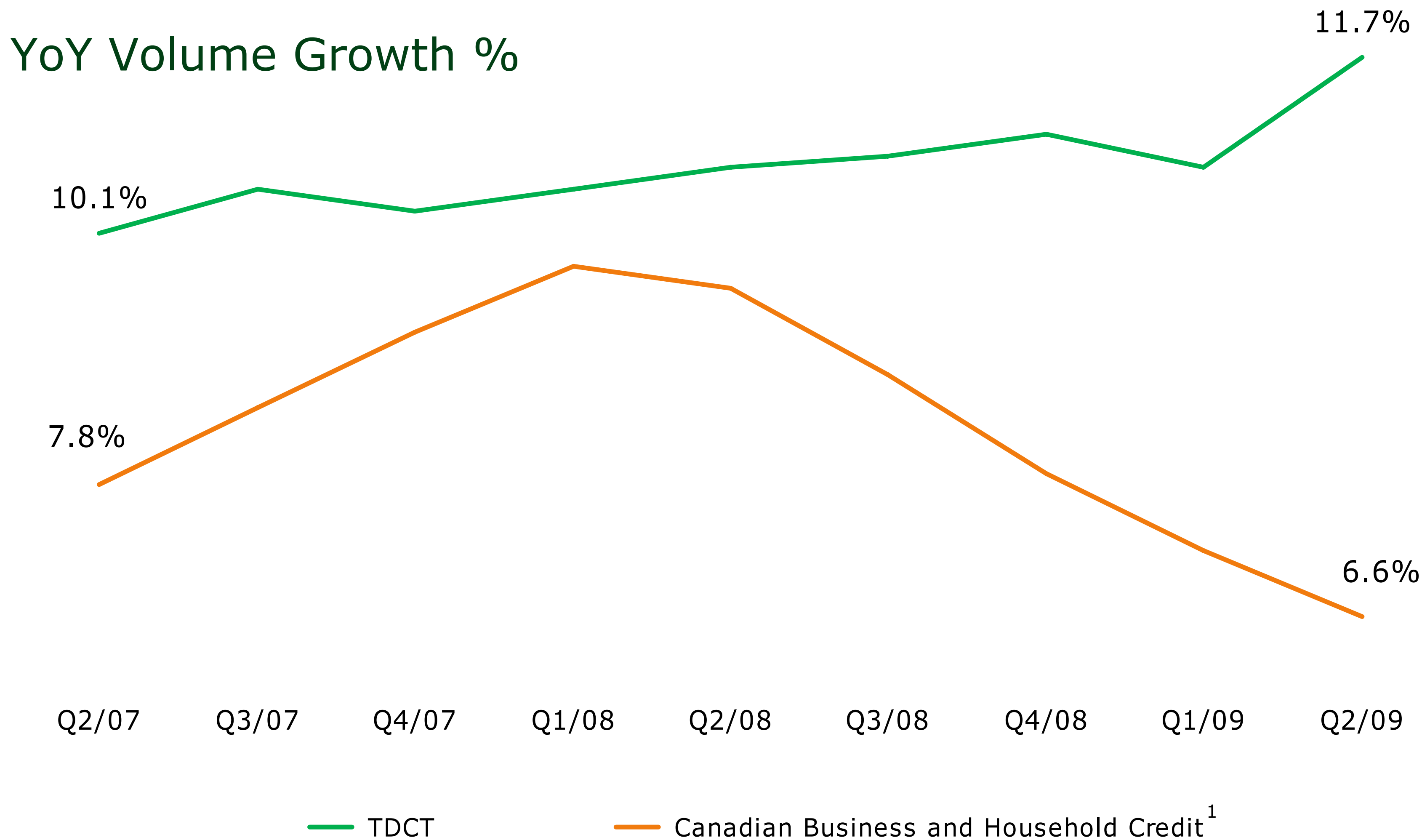
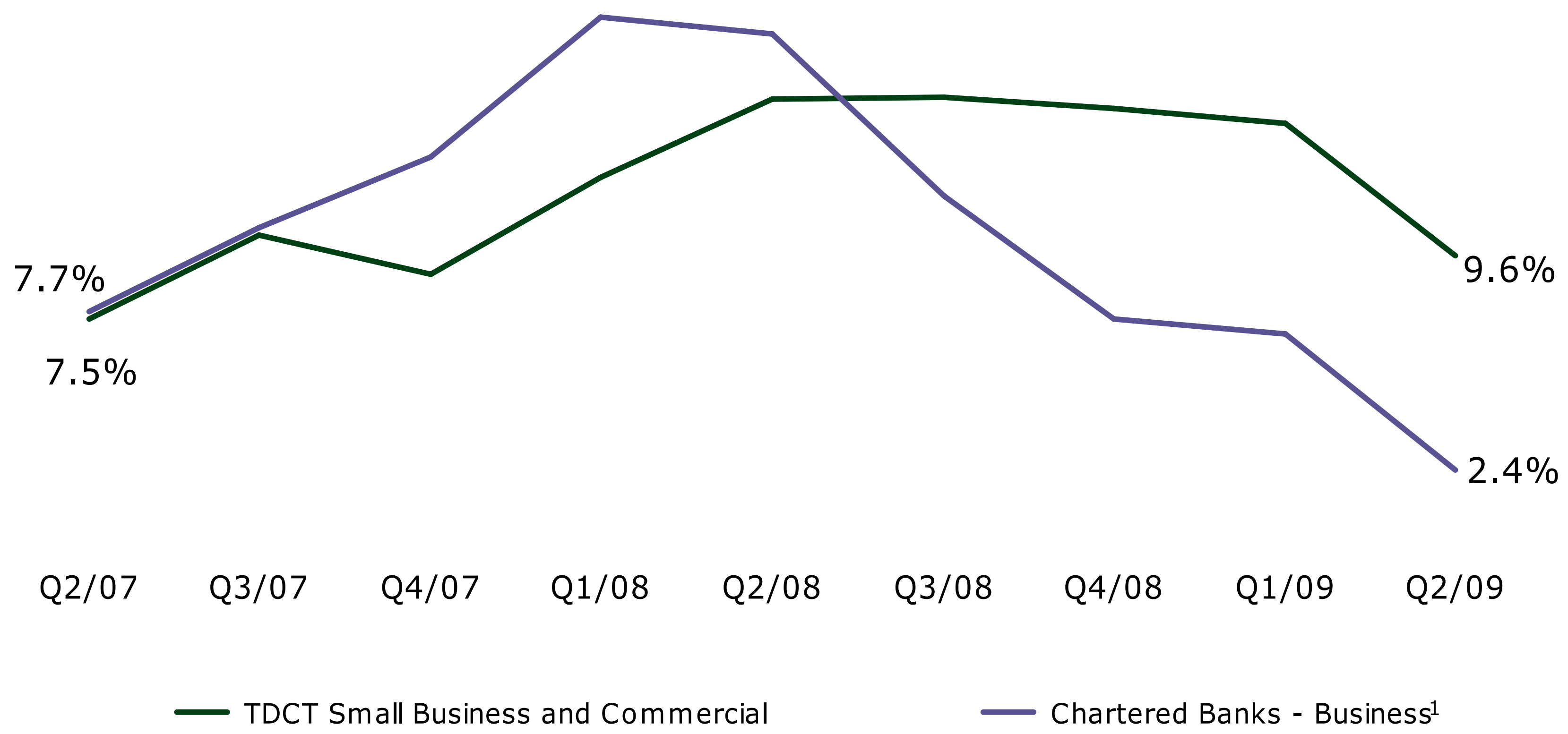



1. Canadian average business and household credit based on a two month lag. Source: Bank of Canada

# Canadian Lending: TDCT Small Business & Commercial Bank versus Chartered Banks

TD Bank Financial Group

## Average YoY Volume Growth %




1. Chartered banks average loan growth includes business credit and non-residential mortgages. Based on a one month lag. Source: Bank of Canada

# Q2 2009 Earnings:
## Items of Note

TD Bank Financial Group

| | MM | EPS |
|---|---|---|
| **Reported net income and EPS** (diluted) | **$618** | **$0.68** |

| Items of note | Pre Tax (MM) | After Tax (MM) | EPS | Segment | Revenue / Expense Line Item[2] |
|---|---|---|---|---|---|
| *Amortization of intangibles* | $187[1] | $127[1] | $0.14 | Corporate | pg 13, line 13 |
| *Change in fair value of CDS hedging the corporate loan book* | $61 | $44 | $0.05 | Corporate | pg 12, line 18 |
| *Integration charges relating to the Commerce acquisition* | $77 | $50 | $0.06 | U.S. P&C | pg 13[3] |
| *Change in fair value of derivatives hedging the reclassified portfolio* | $166 | $134 | $0.16 | Corporate | pg 12, line 18 |
| *Increase in General Allowance* | $110 | $77 | $0.09 | Corporate | N/A |
| *Settlement of TD Banknorth shareholder litigation* | $58 | $39 | $0.05 | Corporate | pg 13, line 22 |
| **Excluding above items of note** | | | | | |
| *Adjusted net income and EPS (diluted)* | | $1,089 | $1.23 | | |

1. Includes equity pick-up for TD Ameritrade of $16MM, net of tax.
2. This column refers to our Q2/09 Supplementary Financial Information package, which is available on our website at *td.com/investor*.
3. Integration charges relating to the Commerce acquisition impact multiple lines on page 13.

# Canadian Personal & Commercial Banking

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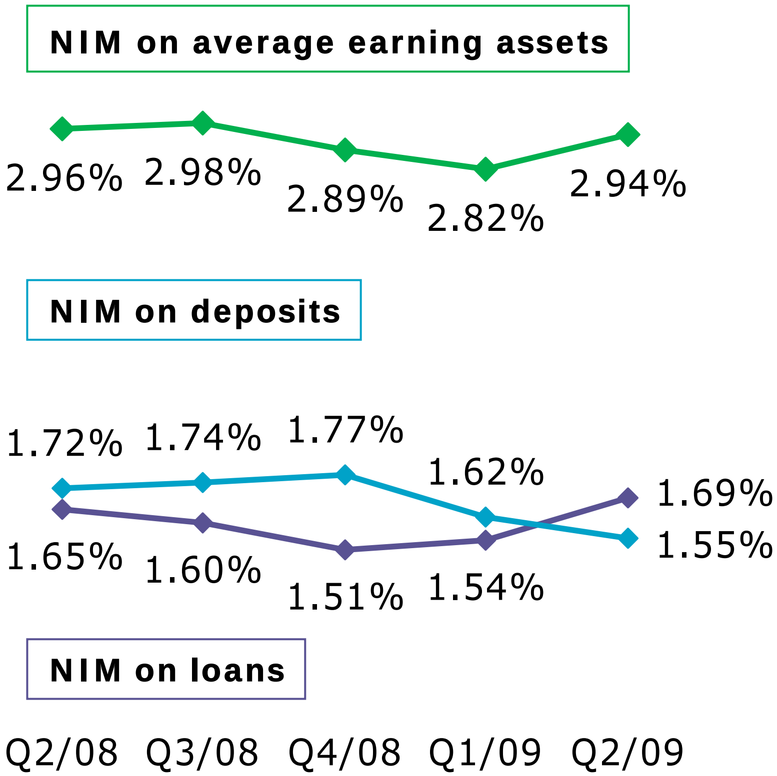
## Net interest margin %




## Notes

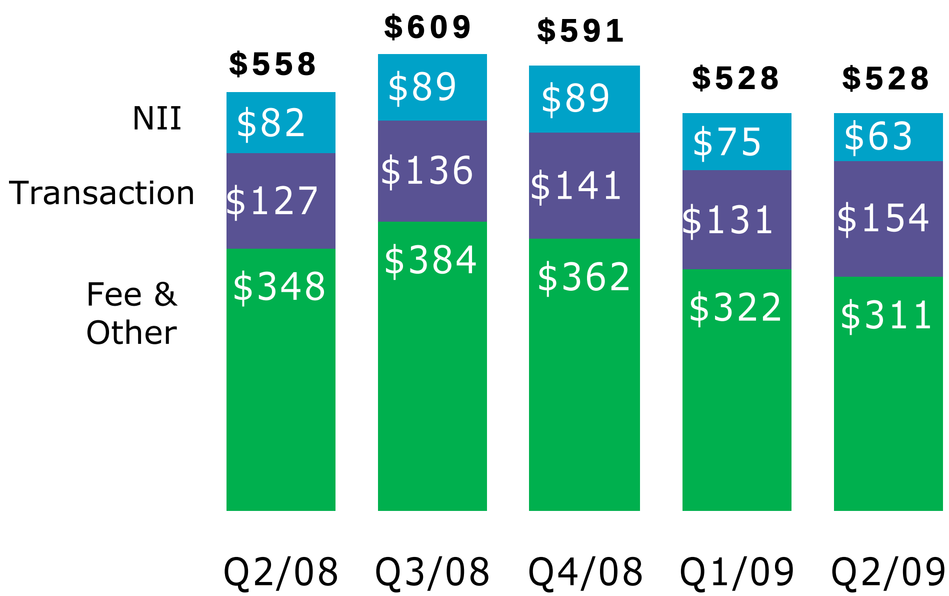
- Net interest margin on average earning assets down 2bps YoY and up 12bps QoQ:
  - Strong volume growth across most banking products

**QoQ margin expansion mainly due to pricing changes**

# Wealth Management

TD Bank Financial Group

## Revenue $MM




## Notes

- Revenue $528 million:
  - Down 5% from Q2/08 and flat compared to Q1/09
  - Lower NII and fees were offset by higher transaction revenue

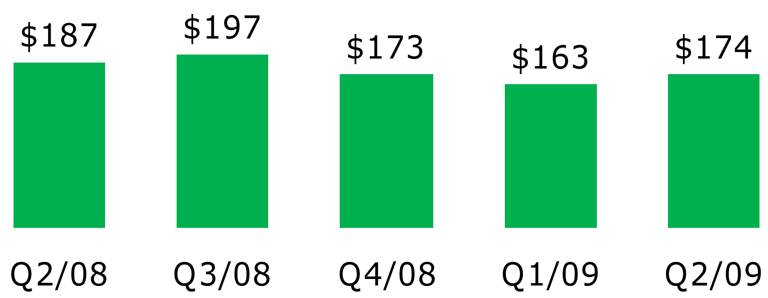
**Revenues down due to lower asset values**

# Wealth Management

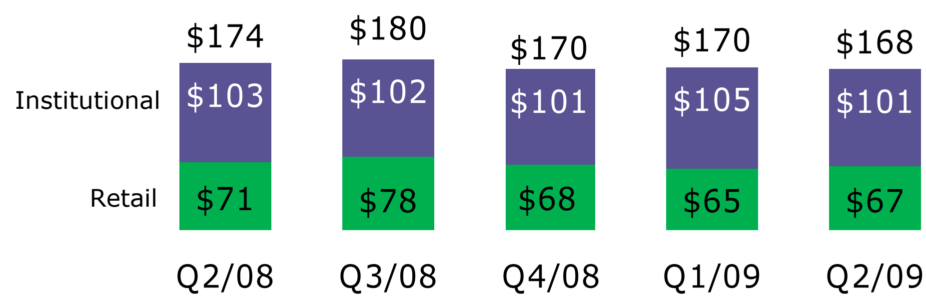
TD Bank Financial Group

## Performance Metrics

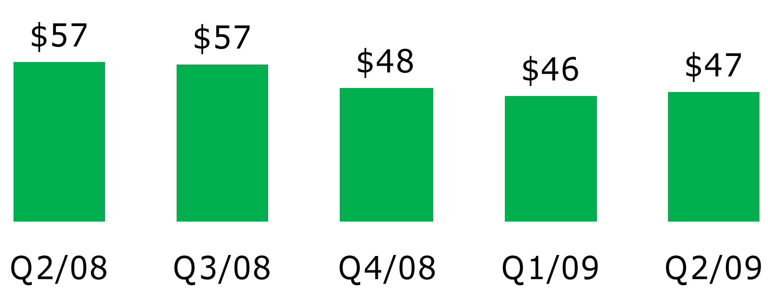
### AUA ($B)



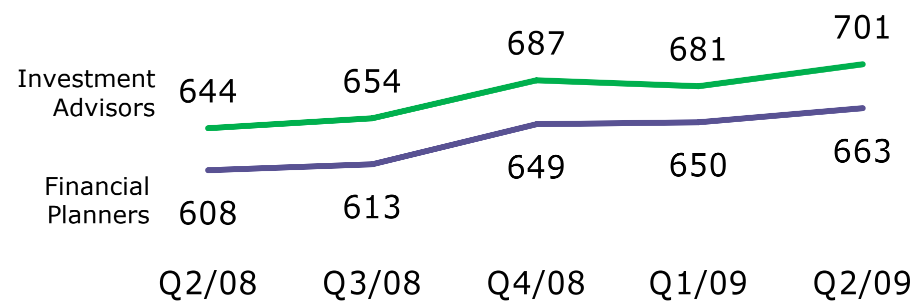

### AUM ($B)




### Mutual Funds AUM ($B)




### Advisors & Planners



# TD Ameritrade

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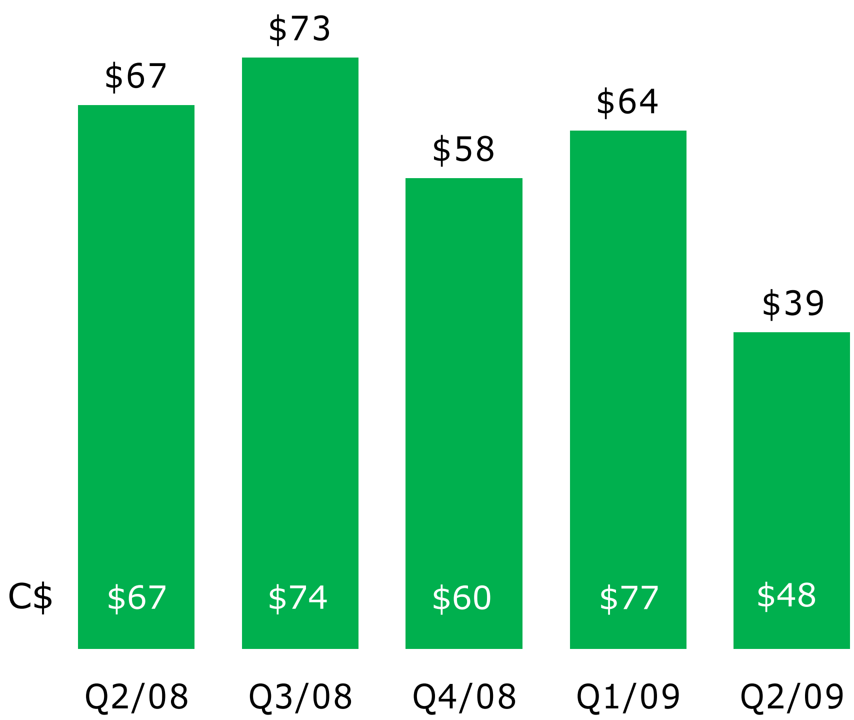
## TD Equity Share of Net Income[1]
US$MM




## Notes

- TDBFG's equity share in TD Ameritrade C$48 million in Q2/09
- TD Ameritrade's net income US $132 million in Q2/09[2]
- Average trades per day: 325,000; up 8% YoY

**Strong asset gathering and trading volume**

1. TD's equity share of net income in US$ is the corresponding C$ net income contribution of TD Ameritrade to the Wealth Management segment included in the Bank's reports to shareholders/earnings releases (*td.com/investor*) for the relevant quarters, divided by the average FX rate.
2. For additional information please see TD AMERITRADE Holding Corporation's current report dated April 21, 2009 available at *amtd.com/investors/sec.cfm*.

# TD Bank, N.A.[1]: Impact due to Reporting - Period Alignment of U.S. Entities

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| | |
|---|---|
| TD Bank, N.A.'s results for Oct, Nov, and Dec/08 → | included in TDBFG's Q1/09 results |
| TD Bank, N.A.'s results for Feb, March, and Apr/09 → | included in TDBFG's Q2/09 results |
| TD Bank, N.A.'s results for January/09 → | included in retained earnings[2] |

*C$, MM*

| | | | |
|---|---|---|---|
| U.S. P&C Segment adjusted earnings for January/09 | | $54 | |
| Less: | Amortization of intangibles | 23 | |
| | Integration charges | 16 | |
| | Earnings from non-lagged businesses | 11 | |
| Total | | $ 4 | → booked in retained earnings for month of January/09 |

**All U.S. P&C units' reporting schedule now aligned with rest of bank**

1. TD Bank, N.A. includes Commerce and TD Banknorth.
2. As per CICA Section 1506, Jan/09 reported net income for businesses no longer on a one-month lag are included in retained earnings.

# Additional Information:
## Goodwill and Intangibles

TD Bank Financial Group

$MM

| Goodwill | Q4/08 | Q2/09 |
|---|---|---|
| Canada Trust | 956 | 956 |
| Banknorth[1] | 6,728 | 7,539 |
| Commerce[1] | 6,538 | 7,273 |
| Other[2] | 620 | 616 |
| **Total** | **14,842** | **16,384** |

| Intangibles[3] | Q4/08 | Q2/09 |
|---|---|---|
| Canada Trust | 702 | 585 |
| Banknorth[1] | 897 | 889 |
| Commerce[1] | 1,457 | 1,498 |
| Other[2] | 85 | 90 |
| **Total** | **3,141** | **3,062** |

- Good franchise value
- Continue to deliver solid earnings performance

**No impairment: Long-term view taken on testing**

1. Q4/08 foreign exchange rate: 1.0642; Q2/09 foreign exchange rate: 1.1930.
2. Includes acquisitions such as Newcrest and VFC.
3. Gross of future tax liability.

For more information, see Note 5 on pages 101 and 102 in the 2008 Annual Report *(td.com/investor)*, and page 16 of the Q2/09 Supplemental Financial Information package.

# Additional Information:
## Available-for-sale securities

TD Bank Financial Group

| $MM, fair value | Q4/08 | Q2/09 |
|---|---|---|
| **Government-related securities[1]** | | |
| Canadian government – Mortgage backed securities | $28,791 | $28,738 |
| – Other securities | $10,608 | $9,285 |
| U.S. government | 5,158 | 16,618 |
| Other OECD government guaranteed debt | 22 | 10,847 |
| | **$44,579** | **$65,488** |
| **Other debt securities** | | |
| Asset-backed securities | $8,889 | $10,752 |
| Non-agency CMO portfolio | 8,435 | 8,214 |
| Corporate and other debt | 2,562 | 3,134 |
| | **$19,886** | **$22,100** |
| **Bonds reclassified from trading** | **$7,355** | **$6,992** |
| **Equity securities[2]** | | |
| Preferred shares | $500 | $403 |
| Common shares | 3,087 | 1,698 |
| | **$3,587** | **$2,101** |
| **Total available-for-sale securities** | **$75,407** | **$96,681** |

1. Government issued, guaranteed or insured securities.
2. Equity securities with a carrying value of $1,576MM (Q4/08 - $1,496MM) do not have quoted market prices and are carried at cost. The fair value of these equity securities was $1,776MM (Q4/08 - $1,782MM) and is included in the table above.

# Additional Information:
## Available-for-sale securities - Summary

TD Bank Financial Group

| Q2/09 | % of AFS Securities | % of Total Assets |
|---|---|---|
| Government-related securities[1] | 68% | 11% |
| Other debt securities | 23% | 4% |
| Bonds reclassified from trading | 7% | 1% |
| Equity securities | 2% | 0% |
| Total | 100% | 17% |

**Majority of AFS book primarily low risk**

1. Government issued, guaranteed or insured securities.

# Additional Information:
## TD Bank, N.A. – Securities Portfolio

TD Bank Financial Group

| USD $B | Amortized cost Q2/09 | FV Q2/09 | FV as a % of Amortized cost | Portfolio Aggregate Unrealized Gain / (Loss) | Ratings AAA | AA | A | Other |
|---|---|---|---|---|---|---|---|---|
| **Alt-A** | 3.4 | 2.7 | 79% | (0.7) | 80% | 6% | 3% | 11% |
| **Jumbo** | 4.7 | 4.2 | 89% | (0.5) | | | | |
| **ABS** | 8.5 | 8.1 | 95% | (0.4) | 98% | 0% | 0% | 2% |
| **Total** | 16.6 | 15.0 | 90% | (1.6) | | | | |

- Portfolio written down upon acquisition: Alt-A: $1.0; Jumbo: $0.5; ABS: $0.2
- Ratings are post-resecuritization
- Unrealized loss down $0.7 QoQ

**We continue to be comfortable with this portfolio**

# Accounting Change:
## Master Netting Agreements – U.S. GAAP[1]

TD Bank Financial Group

**Prior to November 1, 2008**

- Derivative asset and liability balances with counterparties with master netting agreements were presented on a gross basis

**Effective November 1, 2008**

- Derivative asset and liability balances with counterparties that have master netting agreements have been presented on a net basis, and the cash collateral received/posted against these derivative balances has been offset

**Financial Statements Affected:** U.S. GAAP Balance Sheet and Reconciliations

- Decrease in derivatives balances of ~$60B
- Filed semi-annually with the SEC[2]

**Result:** Alignment with U.S. peer reporting

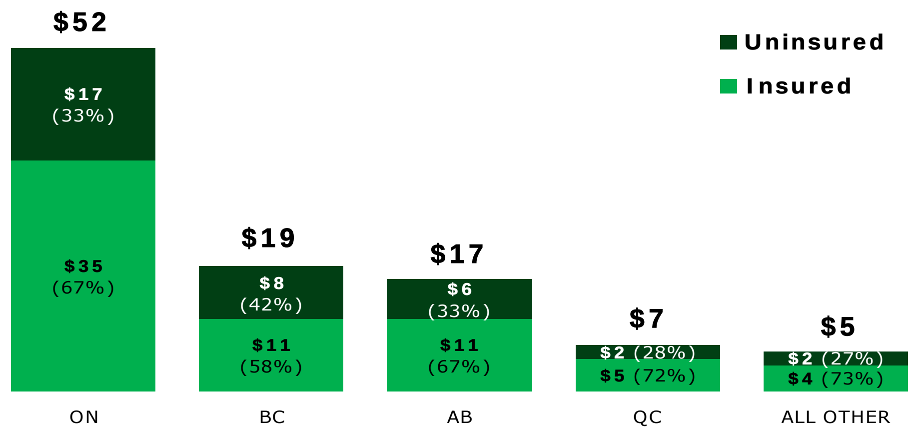
1. For more information, refer to FASB Staff Position (FSP) – 39-1, *Amendment to FASB Interpretation 39*.
2. U.S. GAAP Financial Statements and Reconciliations also available at *td.com/investor*.

# Canadian Personal Banking

TD Bank Financial Group

| Canadian Personal Banking | Q2/09 Gross Loans ($B) | GIL/Loans | GIL ($MM) | PCL[1] ($MM) |
|---|---|---|---|---|
| Residential Mortgages | 51 | 0.54% | 272 | 1 |
| Home Equity Lines of Credit (HELOC) | 49 | 0.17% | 85 | 1 |
| Unsecured Lines of Credit | 8 | 0.69% | 59 | 69 |
| Credit Cards | 7 | 1.14% | 79 | 97 |
| Other Personal | 12 | 0.51% | 61 | 53 |
| **Total Canadian Personal Banking** | **$127** | **0.44%** | **$556** | **221[2]** |
| Change vs. Q1/09 | **$5** | **0.03%** | **$52** | **$13** |

**Real Estate Secured Lending Portfolio[2] ($B)**
Geographic and Insured/Uninsured Distribution




| | ON | BC | AB | QC | ALL OTHER |
|---|---|---|---|---|---|
| LTV[3] Q1/09 | 54 | 51 | 55 | 54 | 52 |
| LTV[3] Q2/09 | 55 | 55 | 56 | 56 | 53 |

## Highlights

- Declining house prices and rising delinquencies are impacting Real Estate Secured Lending (RESL) portfolio
  - Nominal risk of loss as 68% of the RESL book is insured
  - Average Loan to Value (LTV) of on-balance sheet assets (both insured and uninsured) < 55%
  - 71% of HELOCs are in first lien position
- Visa Cards and Unsecured Lines of Credit most vulnerable during downturn
  - Strong correlation with unemployment rate
  - Represent less than 12.5% of total Canadian Personal portfolio
  - Portfolio is being actively managed

1. PCL excludes General Allowance increase for VFC ($22MM)
2. Excluding Securitized Residential Mortgage/Home Equity of $52B Off-Balance Sheet
3. Loan To Value based on Seasonally Adjusted Average Price by Major City (Canadian Real Estate Association): Q1/09 - December 2008 Index; Q2/09 – March 2009 Index

# Cdn Commercial and Wholesale Banking

TD Bank Financial Group

| Cdn Commercial and Wholesale Banking | Q2/09 Gross Loans/BAs ($B) | GIL ($MM) | PCL ($MM) |
|---|---|---|---|
| Commercial Banking[1] | 23 | 187 | 27 |
| Wholesale | 24 | 211 | 48 |
| **Total Cdn Commercial and Wholesale** | **$47** | **$398** | **$75** |
| Change vs. Q1/09 | **($2)** | **$65** | **$7** |

| Industry Breakdown | Q2/09 Gross Loans/BAs ($B) | Gross Impaired Loans ($MM) | Specific Allowances ($MM) |
|---|---|---|---|
| Resources | 7.4 | 116 | 57 |
| Real Estate - Non-residential | 3.7 | 4 | 1 |
| Real Estate - Residential | 3.3 | 12 | 5 |
| Consumer | 6.6 | 40 | 7 |
| Financial | 8.0 | 66 | 50 |
| Govt-PSE-Health & Social Svcs | 4.0 | 9 | 4 |
| Industrial/Manufacturing | 3.2 | 75 | 33 |
| Automotive | 1.6 | 29 | 5 |
| Agriculture | 2.3 | 12 | 4 |
| Other | 7.3 | 35 | 19 |
| **Total** | **$47** | **$398** | **$185** |

### Highlights

- Canadian Commercial and Wholesale portfolios performing well
- Loan commitments are well diversified across industries
- Over 70% of Wholesale portfolio commitments are to Investment Grade counterparties
- Sound monitoring and control processes in place
- Performance within expectation for current environment

1. Includes Small Business Banking

# U.S. Personal Banking

TD Bank Financial Group

| U.S. Personal Banking | Q2/09 Gross Loans ($B) | GIL/Loans | GIL ($MM) | PCL[1] ($MM) |
|---|---|---|---|---|
| Residential Mortgages | 7 | 1.55% | 102 | 16 |
| Home Equity | 10 | 0.56% | 56 | 17 |
| Indirect Auto | 3 | 0.25% | 9 | 6 |
| Credit Cards | 0.7 | 3.12% | 23 | 19 |
| Other Personal | 0.7 | 0.86% | 6 | 8 |
| **Total U.S. Personal Banking** | **$21** | **0.91%** | **$196** | **$66** |
| Change vs. Q1/09 (Dec. 31/08) | **$0.6** | **0.04%** | **$16** | **$44** |

**Real Estate Secured Lending Portfolio**
Loan to Value (LTV) Distribution and FICO Scores[2]

| Current Estimated LTV | Residential Mortgages | 1st Lien HELOCs | 2nd Lien HELOCs | Total |
|---|---|---|---|---|
| **>80%** | 21% | 13% | 33% | 24% |
| **61-80%** | 63% | 25% | 36% | 42% |
| **<=60%** | 16% | 62% | 31% | 34% |
| | | | | |
| **Current FICO Score >700** | 71% | 81% | 76% | 75% |

## Highlights

- Acceptable borrower credit quality
  - 75% of RESL borrowers have FICO above 700, 91% above 620
- No exposure to subprime, Alt-A, Low Doc and Option ARM lending
- In footprint lending strategy – no exposure to hardest hit markets (California, Nevada, Arizona)
- Minimal exposure in Florida (1% of outstandings)
- Delinquency rates, while elevated over historical norms, remain stable and compare favourably to peers
- Potential remains for further weakening

1. PCL excludes General Allowance increase in U.S. P&C of $103MM.
2. Loan To Value as of March 2009, based on Loan Performance Home Price Index
   FICO Scores updated February 2009

# U.S. Commercial Banking

TD Bank Financial Group

| U.S. Commercial Banking | Q2/09 Gross Loans/BAs ($B) | GIL ($MM) | PCL[1] ($MM) |
|---|---|---|---|
| **Commercial Real Estate (CRE)** | **15** | **402** | **24** |
| Non-residential Real Estate | 10 | 135 | 12 |
| Residential Real Estate | 5 | 267 | 12 |
| **Commercial and Industrial (C&I)** | **26** | **286** | **30** |
| **Total U.S. Commercial Banking** | **$41** | **$688** | **$54** |
| Change vs. Q1/09 (Dec. 31/08) | **No change** | **$172** | **$13** |

| Commercial Real Estate | Q2/09 Gross Loans/BAs ($B) | Gross Impaired Loans ($MM) |
|---|---|---|
| **Non-residential Real Estate** | **10.3** | **135** |
| Office | 3.3 | 10 |
| Retail | 2.8 | 45 |
| Industrial | 1.9 | 10 |
| Hotel | 0.6 | 17 |
| REITs | 0.5 | 0 |
| Commercial Land | 0.4 | 35 |
| Other | 0.7 | 19 |
| **Residential Real Estate** | **4.8** | **267** |
| Residential for Sale | 2.4 | 206 |
| Apartments | 2.1 | 53 |
| Other | 0.3 | 8 |
| **Total U.S. Commercial Real Estate** | **15.1** | **402** |

## Highlights

- Commercial Real Estate, and specifically Residential for Sale, remains area of greatest concern
- Office and Retail real estate are performing better than expected, but further softening is anticipated
- Commercial and Industrial credit quality remains stable
- Pro-active approach to risk mitigation across all portfolios

1. PCL excludes General Allowance increase in U.S. P&C of $103MM.

# Automotive Position

TD Bank Financial Group

| Q2/09 | | | | |
|---|---|---|---|---|
| | Gross Loans/BAs ($MM) | | | |
| **Automotive Sector** | **Canadian Commercial & Wholesale** | **U.S. Commercial** | **Total** | **% of Sector** |
| Auto Manufacturers | 80 | 5 | 85 | 3% |
| Auto Parts Manufacturers | 350 | 55 | 405 | 14% |
| After-market Parts & Service | 255 | 525 | 780 | 27% |
| New/Used Dealers | 245 | 560 | 805 | 28% |
| Vehicle Financing & Leasing | 670 | 135 | 805 | 28% |
| **Total** | **$1,600** | **$1,280** | **$2,880** | **100%** |
| **Percent of Portfolio** | **3.4%** | **3.2%** | **3.3%** | |

### Highlights

- Overall exposure is nominal relative to total portfolio
- Exposure to Detroit 3 manufacturers is negligible
- Auto Parts Manufacturing exposure is limited to Tier 1 suppliers
- Minimal exposure to single nameplate dealerships
- Gross impaired loans represent less than 3% of sector outstandings
- Overall, sector exposure is manageable

# Building the better bank every day

**Bank Financial Group**

## Q2 2009 Investor Presentation

**Thursday May 28, 2009**