

Building the  
better bank  
every day



**TD Bank Financial Group**  
Fixed Income Presentation  
December 2009

# Caution regarding forward-looking statements



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, including 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 2010 and beyond and the 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 to understand 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 2010 for the Bank are set out in the Bank’s 2009 Management’s Discussion and Analysis (MD&A) under the heading “Economic Summary and Outlook” and for each of our business segments, under the heading “Business Outlook and Focus for 2010.” 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 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 2009 MD&A 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 monetary and economic policies and in the foreign exchange rates for currencies of those jurisdictions; competition in markets in which the Bank operates, from established competitors and new entrants; defaults by other financial institutions; the accuracy and completeness of information we receive on customers and counterparties; the development and introduction of new products and services and new distribution channels; the Bank’s ability to execute its strategies, including its integration, growth and acquisition strategies, and those of its subsidiaries internationally; changes in accounting policies 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 competition for funding; the Bank’s ability to attract, develop and retain key executives; reliance on third parties to provide components of the Bank’s business infrastructure and to successfully and reliably deliver our products and services; the failure of third parties to comply with their obligations to the Bank or its affiliates relating to the care and control of 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 including changes in tax laws; unexpected judicial or regulatory proceedings or outcomes; 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; international conflicts and terrorism; acts of God, such as earthquakes; the effects of disease, illness or other public health emergencies; 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, please see the Risk Factors and Management section of the Bank’s 2009 MD&A. 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 our behalf, except as required under applicable securities legislation.

## Overview of TD Bank Financial Group

Treasury and Balance Sheet Management

Appendix

# TD Bank Financial Group

## Key Takeaways



- 1 The first truly North American bank**
  - Leader in customer service and convenience in Canada and the U.S.
  - Leveraging North American platform, synergies and brand for growth
- 2 Lower risk retail focus**
  - 78% adjusted earnings from retail<sup>1,2</sup>
  - Better return for risk undertaken<sup>1</sup>
- 3 Conservative risk management**
  - Strong credit culture
  - Robust capital, liquidity, and risk management
- 4 Consistently investing for the future**
  - Operate with excellence
  - Continue investing in core growth engines

**Growing through global recession and recovery**

1. Based 2009 adjusted earnings. For the purpose of calculating contribution by each business segment, adjusted earnings from the Corporate segment is excluded. The Bank's financial results 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 Q4 2009 Report to Shareholders (td.com/investor) for further explanation, a list of the items of note and a reconciliation of adjusted earnings to reported basis (GAAP) results.

2. Retail includes Canadian Personal and Commercial Banking, Wealth Management, and U.S. Personal and Commercial Banking segments.

# TD Bank Financial Group

## A Top 10 Bank in North America



| Q4 2009 <sup>1</sup><br>(In U.S.\$B) <sup>2</sup>       | TD      | Compared to:                |                                   |
|---|---------|-----------------------------|-----------------------------------|
|   |         | Canadian Peers <sup>7</sup> | North American Peers <sup>8</sup> |
| Total Assets  | \$515   | 2 <sup>nd</sup>             | 6 <sup>th</sup>                   |
| Total Deposits  | \$361   | 2 <sup>nd</sup>             | 6 <sup>th</sup>                   |
| Market Cap <sup>3</sup>                                 | \$54.9  | 2 <sup>nd</sup>             | 6 <sup>th</sup>                   |
| Adj. Net Income <sup>4</sup> (Trailing 4 Quarters)      | \$4.1   | 2 <sup>nd</sup>             | 5 <sup>th</sup>                   |
| Adj. Retail Earnings <sup>5</sup> (Trailing 4 Quarters) | \$3.4   | 1 <sup>st</sup>             | 1 <sup>st</sup>                   |
| Tier 1 Capital Ratio                                    | 11.3%   | 4 <sup>th</sup>             | 6 <sup>th</sup>                   |
| Avg. # of Full-Time Equivalent Staff                    | ~66,000 | 3 <sup>rd</sup>             | 7 <sup>th</sup>                   |
| Moody's Rating <sup>6</sup>                             | Aaa     | n/a                         | n/a                               |

**TD is top 10 in North America**

1. Q4 2009 is defined as the period from August 1 to October 31, 2009.  
2. Balance sheet metrics are converted to U.S. dollars at an exchange rate of 0.9243 USD/CAD (as at October 30, 2009). Income statement metrics are converted to U.S. dollars at the average quarterly exchange rate of 0.9304 for Q4/09, 0.8829 for Q3/09, 0.8034 for Q2/09, 0.8152 for Q1/09, 0.9100 USD/CAD for Q4/08.  
3. As at November 25, 2009.  
4. Based on adjusted results defined on slide #4.  
5. Based on retail defined on slide #4.  
6. For long term debt, as at October 31, 2009.  
7. Canadian Peers – other big 4 banks (RY, BNS, BMO and CM) adjusted on a comparable basis to exclude identified non-underlying items. Based on Q4/09 results. Canadian Banks Q4/09 results ended October 31, 2009.  
8. North American Peers refer to Canadian Peers and U.S. Peers. U.S. Peers – including Money Center Banks (C, BAC, JPM) and Top 3 Super-Regional Banks (WFC, PNC, USB). Adjusted on a comparable basis to exclude identified non-underlying items. For U.S. Peers, based on their Q3/09 results. U.S. Banks Q3/09 results ended September 30, 2009.

# Financial Results

| (C\$MM) <sup>1</sup>               | Q4 2009  | QoQ   | YoY    | F2009     | YoY    |
|------------------------------------|----------|-------|--------|-----------|--------|
| <b>Revenue</b>                     | \$ 4,718 | 1%    | 30%    | \$ 17,860 | 22%    |
| <b>Provision for Credit Losses</b> | 521      | -6%   | 81%    | 2,480     | 133%   |
| <b>Expenses</b>                    | 3,095    | 2%    | 31%    | 12,211    | 29%    |
| <b>Adjusted Net Income</b>         | \$ 1,307 | 0%    | 97%    | \$ 4,716  | 24%    |
| <b>Adjusted EPS (diluted)</b>      | \$ 1.46  | -1%   | 85%    | \$ 5.35   | 10%    |
| <b>Tier 1 Capital</b>              | 11.3%    | 20bps | 150bps | 11.3%     | 150bps |

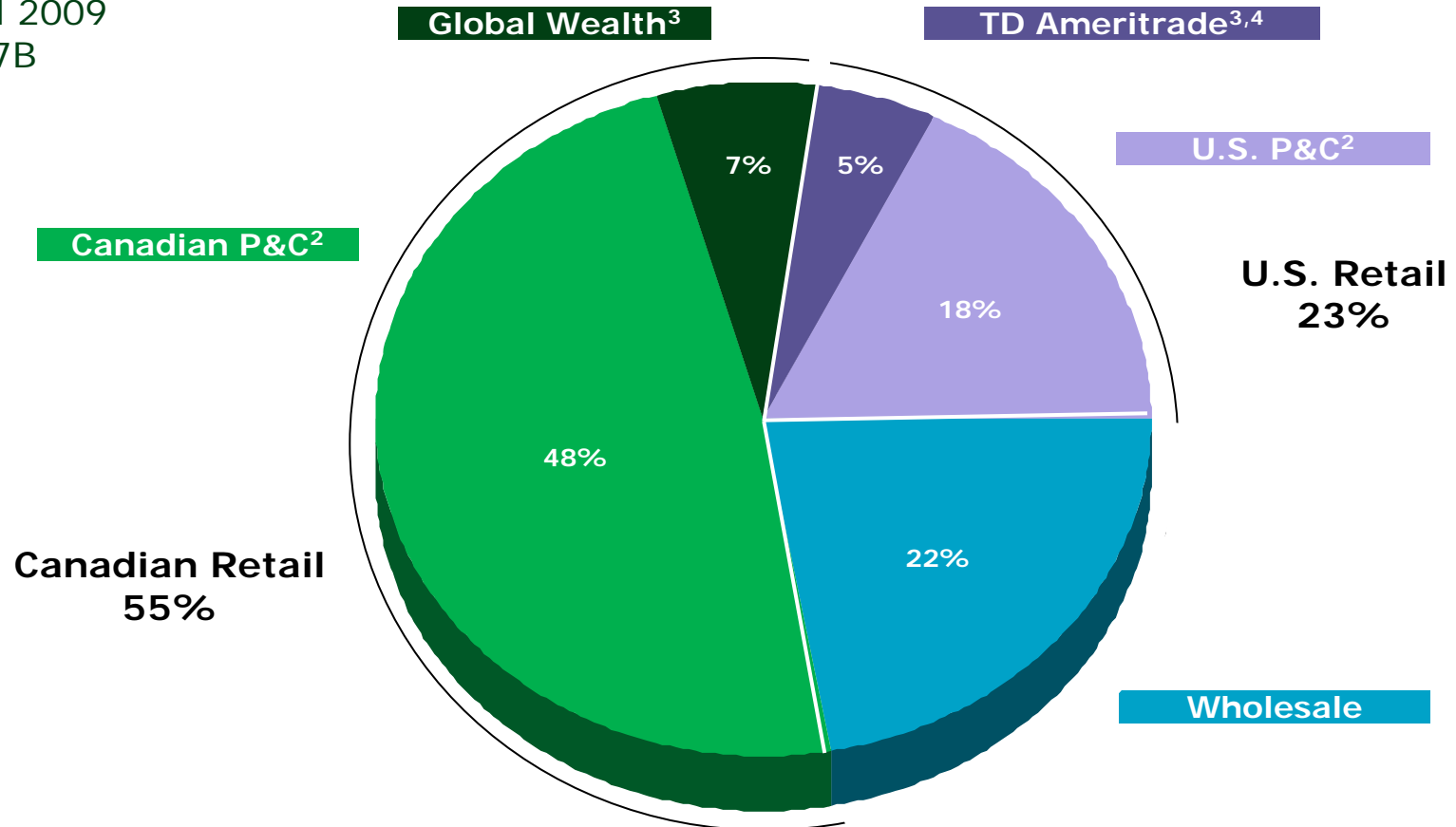
**Strong performance through tough economic conditions**

1. Adjusted results are defined on slide #4.

# Earnings by Segment

## Adjusted Earnings<sup>1</sup>

Fiscal 2009  
C\$4.7B



**78% of earnings from retail operations**

1. Based on adjusted earnings as defined on slide #4.  
2. "P&C" refers to Personal and Commercial Banking.  
3. "Global Wealth" and "TD Ameritrade" make up the Wealth Management business segment.  
4. TDBFG has an investment in TD Ameritrade.

# Major Businesses

## Canadian Personal and Commercial Banking

- Lead in customer service and convenience
- Strong market position
- Continue investing in organic growth

## Wealth Management

- Leading market positions
- Continue focused investments for the future
- Investment in TD Ameritrade

## U.S. Personal and Commercial Banking

- Lead in customer service and convenience
- Enviable footprint with continued organic growth
- Disciplined credit culture

## Wholesale Banking

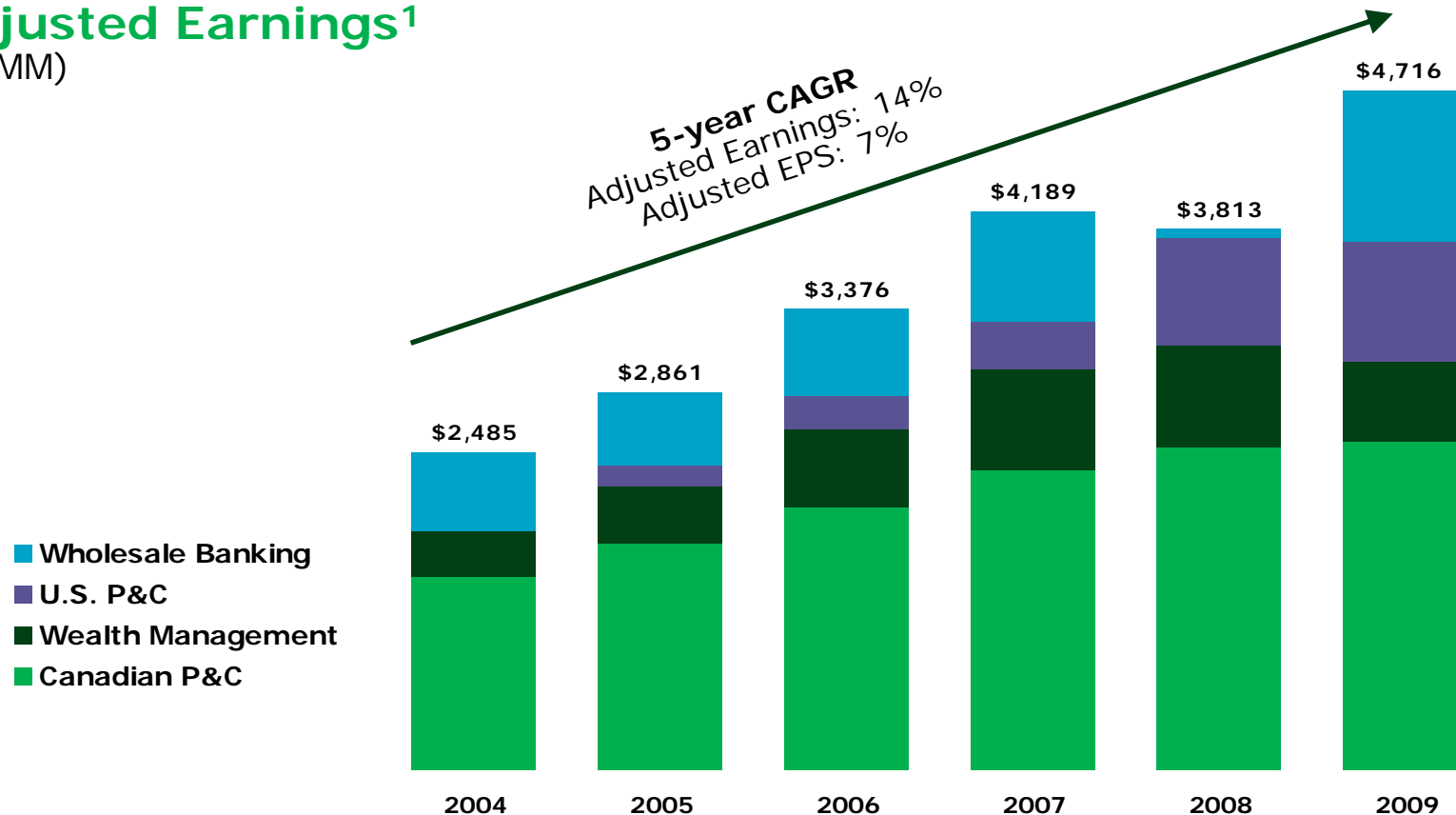
- Focus on client-driven franchise businesses
- Integrated North American dealer
- Solid returns without going out the risk curve

**Consistent strategy across businesses**



# Simple Strategy, Consistent Focus, Superior Execution

## Adjusted Earnings<sup>1</sup> (C\$MM)



- Wholesale Banking
- U.S. P&C
- Wealth Management
- Canadian P&C

| Retail as % of Adj. Earnings | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|------------------------------|------|------|------|------|------|------|
|                              | 75%  | 81%  | 81%  | 80%  | 98%  | 78%  |

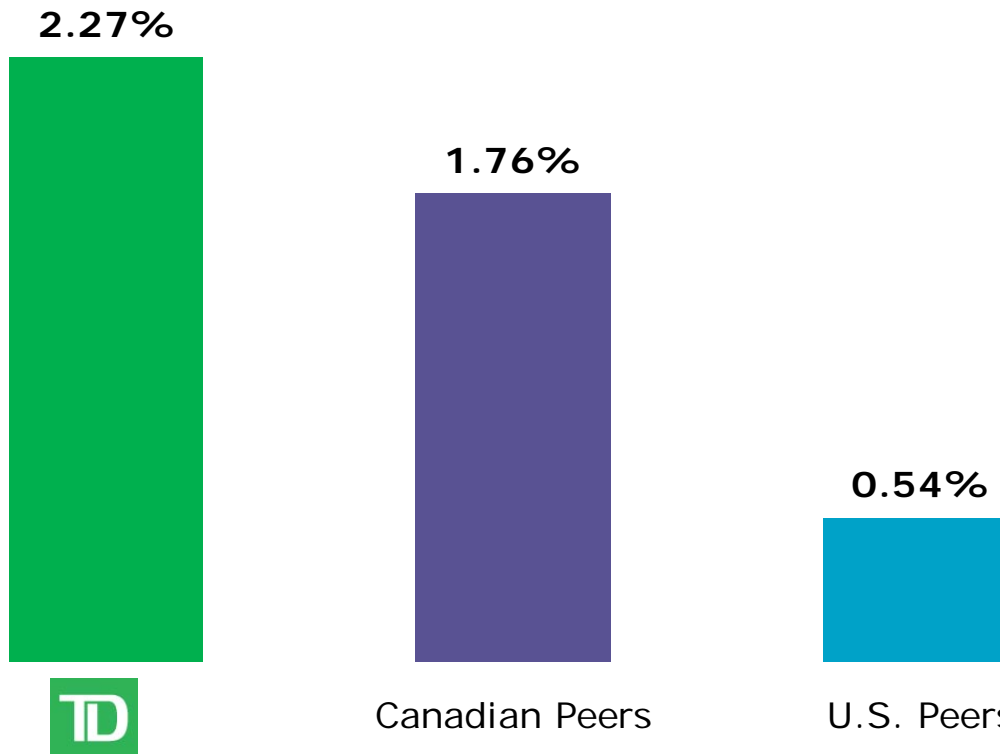
**Solid growth and return across businesses**

1. See slide #4 for definition of Adjusted Earnings. Also see the Canadian P&C, Wealth, U.S. P&C, Wholesale segment discussions in the Business Segment Analysis section in the 2008, 2007, and 2006 Annual Reports, and see starting on page 17 of the 2008 Annual Report for an explanation of how the Bank reports and a reconciliation of the Bank's non-GAAP measures to reported basis (GAAP) results for FY06-FY08 and see pages 140 to 141 of the 2008 Annual Report for a reconciliation for 10 years ending FY08.

# Strong Focus on Risk-Return

## Return on Risk-Weighted Assets<sup>1,2,3</sup>

2009



**Better return for risk undertaken**

1. TD based on fiscal 2009 adjusted earnings, as described on slide #4. Return on risk-weighted assets is adjusted net income available to common shareholders divided by average RWA.

2. Canadian Peers – other big 4 banks (RY, BNS, BMO and CM) adjusted on a comparable basis to exclude identified non-underlying items. Based on fiscal 2009 results.

3. U.S. Peers – including Money Center Banks (C, BAC, JPM) and Top 3 Super-Regional Banks (WFC, PNC, USB). Adjusted on a comparable basis to exclude identified non-underlying items. Based on YTD Q3 2009 results.

# Disciplined Credit Culture

- Disciplined underwriting standards
  - Focus on high quality originations
  - Originate loans to hold
  
- Sound monitoring and control processes in place across all portfolios
  
- Pragmatic approach to the current economic environment
  - Don't underreact
    - Monitor and address emerging credit concerns swiftly
  - Don't overreact
    - Keep lending – continue to originate high quality loans

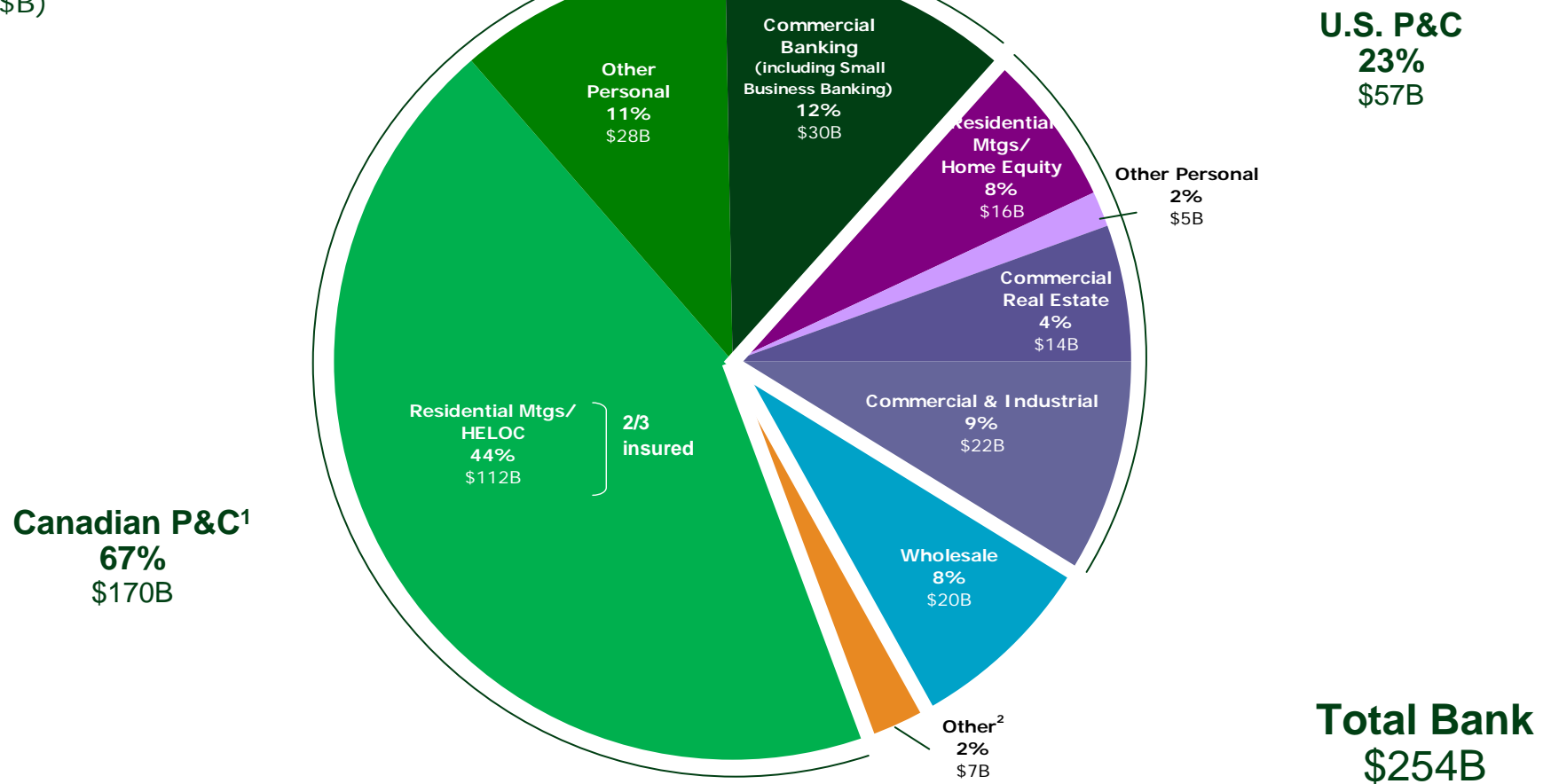
**Credit philosophy resulting in well-positioned portfolio**

# Gross Lending Portfolio: Loans and Acceptances




## Balances

Q4 2009  
(C\$B)



1. Excluding Securitized Residential Mortgage/Home Equity Off-Balance Sheet of \$57B.  
 2. Other includes Wealth Management and Corporate Segment. Corporate Segment includes residential mortgages booked by TD Capital Trust (approximately \$2B).

# Credit Quality

| %   | GILs / Avg<br>Loans + BAs | Allowance for<br>Credit Losses /<br>GILs | NCOs / Avg<br>Loans + BAs |
|---|---------------------------|--|---------------------------|
|  | 0.87                      | 114                                      | 0.62                      |
| Cdn Peer Avg  | 1.57                      | 75                                       | 0.80                      |
| U.S. Peer Avg   | 3.28                      | 121                                      | 3.15                      |

**Well-positioned loan portfolio**

1. TD and Canadian Peers results are as of Q4/09. U.S. peers results are as of Q3/09. Canadian Peers include other big 4 banks (RY, BNS, BMO and CM). U.S. Peers include Money Center Banks (C, BAC, JPM) and Top 3 Super-Regional Banks (WFC, PNC, USB).

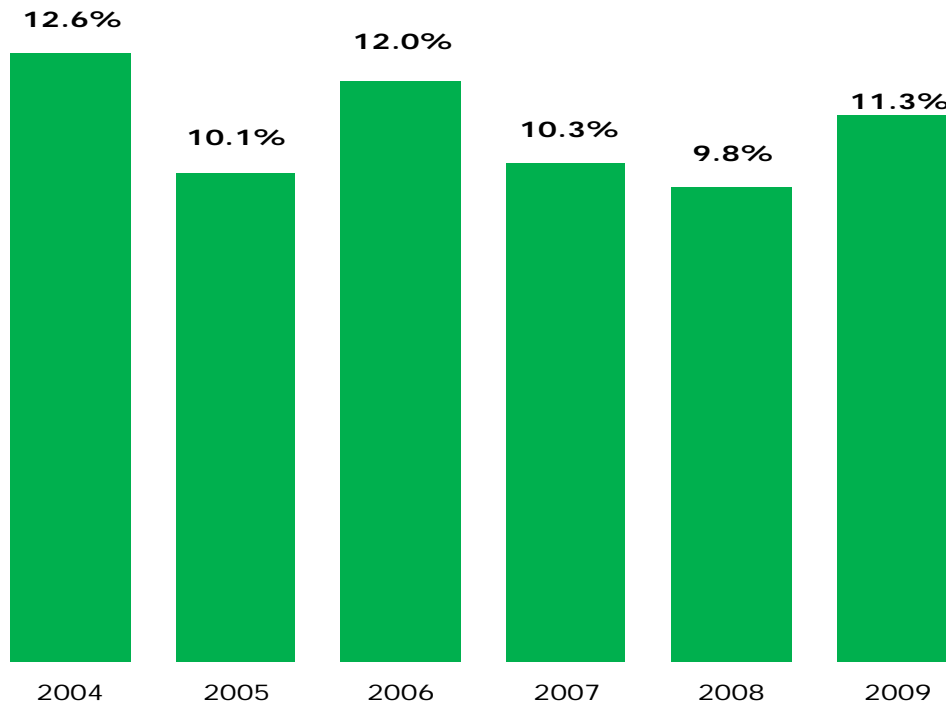
- ① The first truly North American bank
- ② Lower risk retail focus
- ③ Conservative risk management
- ④ Consistently investing for the future

Overview of TD Bank Financial Group

Treasury and Balance Sheet Management

Appendix

# Tier 1 Capital Ratio



- Disciplined capital management
- 76% of Tier 1 Capital consists of tangible common equity<sup>1</sup>
- Risk-weighted assets is 34% of total assets<sup>1</sup>
- Strategic hedges in place to minimize foreign exchange impacts
- Retail-focused earnings mix provide stable earnings anchor

**Strong capital position**



# Credit Ratings

## Rating<sup>1</sup>

| Moody's | S&P | Fitch | DBRS |
|---------|-----|-------|------|
| Aaa     | AA- | AA-   | AA   |

**One of the few banks rated Aaa by Moody's in the world**

1. As at October 31, 2009. Moody's: Issuer Rating, S&P: LT Foreign Issuer Credit, Fitch: LT Issuer Default Rating, DBRS: Senior Unsecured Debt.

- Enterprise-wide risk management policies and practices
- Risk measurement and quantification
  - Scenario analysis
  - Stress testing
- Integrated risk monitoring and reporting
  - To senior management and Board of Directors
- Regular review, evaluation, and approval of risk policies
  - Executive Committees
  - Risk Committee of the Board

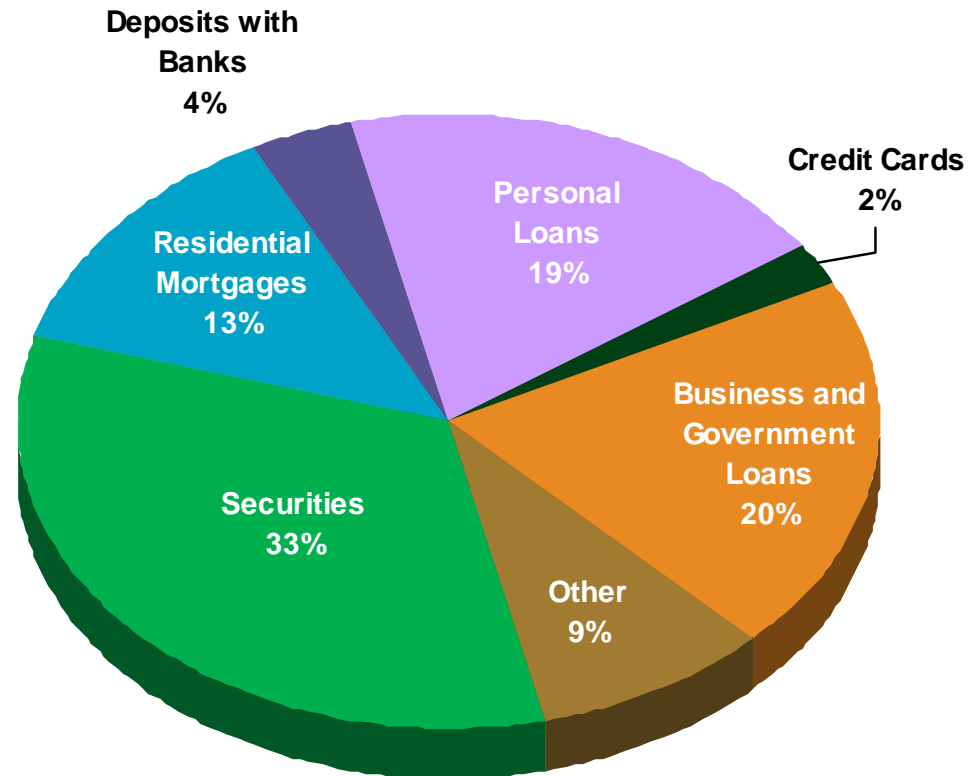
- **Global liquidity risk management policy**
  - Low reliance on wholesale funding
  - Incorporate off-balance sheet exposures into liquidity plan
  - Monitors global funding market conditions and potential impacts to our funding access on a daily basis
  
- **Match terms of assets and liabilities**
  - Do not engage in liquidity carry trade
  
- **Transfer price all costs to businesses**
  - Build liquidity costs into product pricing
  
- **Risk Committee of the Board reviews and approves all asset/liability management market risk policies**
  - Receives reports on compliance with risk limits

**Conservative liquidity policies**

- Large base of stable retail and commercial deposits
  - Limits on amount of deposits we can hold from any one depositor
- Large user of securitization program, primarily via Canada Mortgage Bond (CMB)
- Minimal reliance on wholesale funding historically
  - Wholesale funding diversified geographically, by currency and by distribution network
  - Limit amount of wholesale funding that can mature in a given time period
- TD continues to grow

**Expand and diversify funding sources**

# Earning Asset Mix<sup>1</sup>



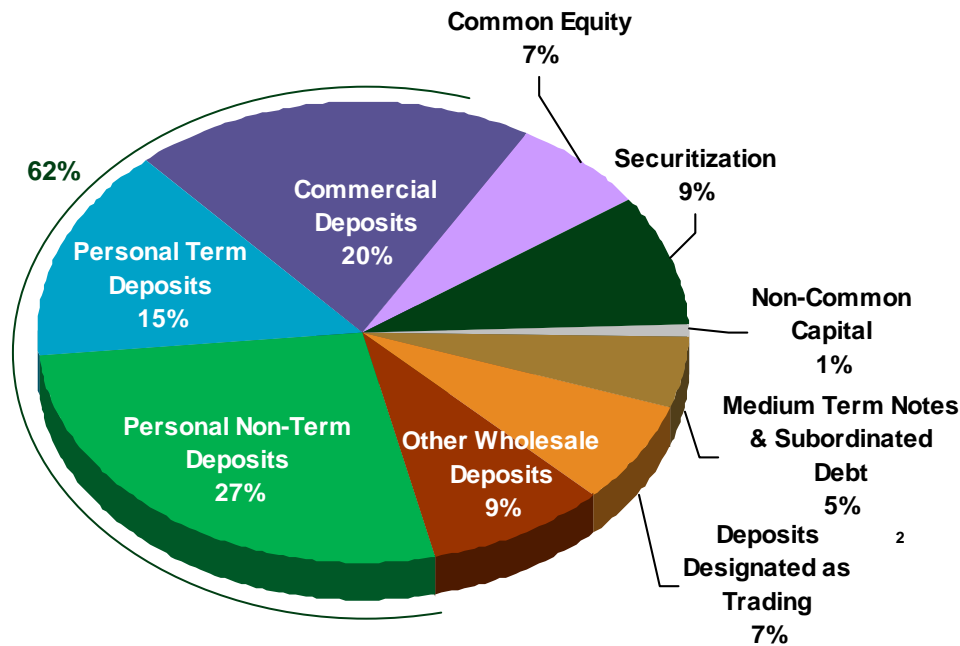
3

**Structurally liquid balance sheet**

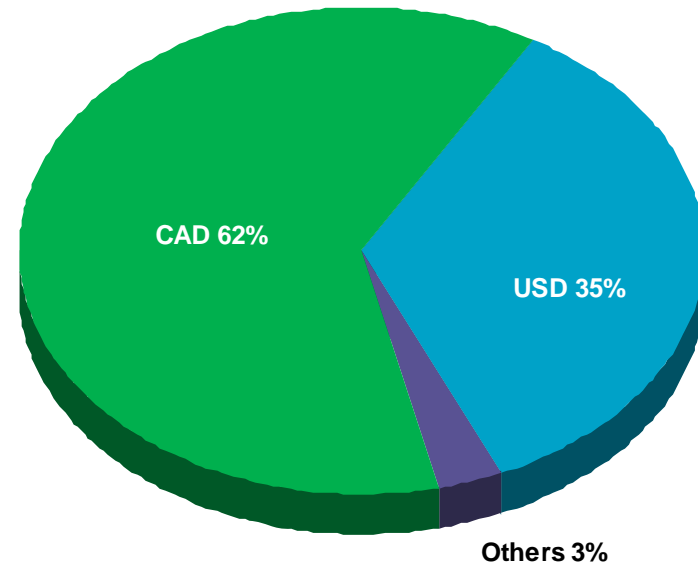
1. Average for year ended October 31, 2009.

# Funding Mix<sup>1</sup>

**By Instrument<sup>1</sup>**



**By Currency**

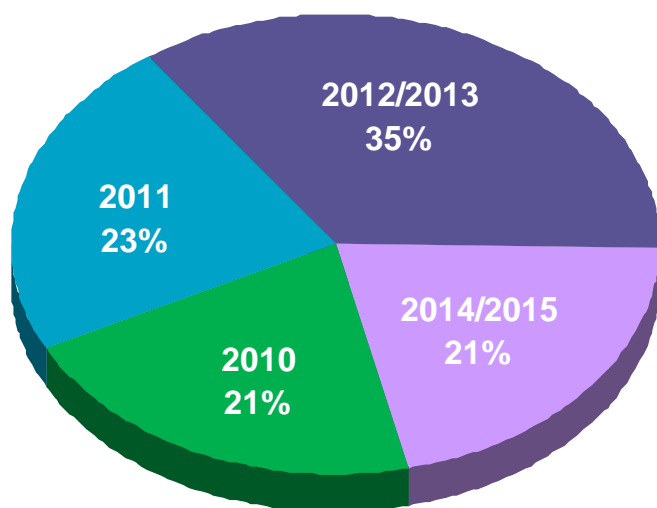


**Personal and commercial deposits are our primary source of funds**

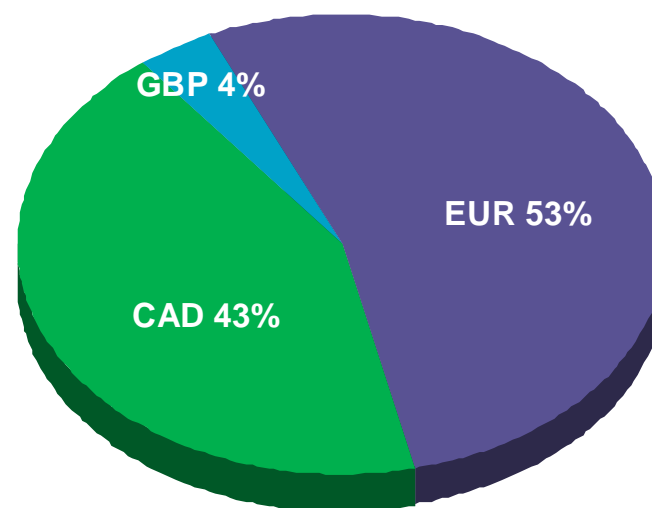
1. As of October 31, 2009. Excludes liabilities which do not create funding which are: acceptances, trading derivatives, and other liabilities.  
 2. Canadian GAAP describes these as 'deposits designated as trading'.

# Medium Term Notes<sup>1</sup>

### By Maturity



### By Currency



**Diversified funding sources**

1. As of October 31, 2009.

# Key Takeaways

- Strong capital base
- Excellent credit ratings
- Proactive and disciplined risk management
- Attractive balance sheet composition
- Diverse funding strategy to support growth plans



Overview of TD Bank Financial Group

Treasury and Balance Sheet Management

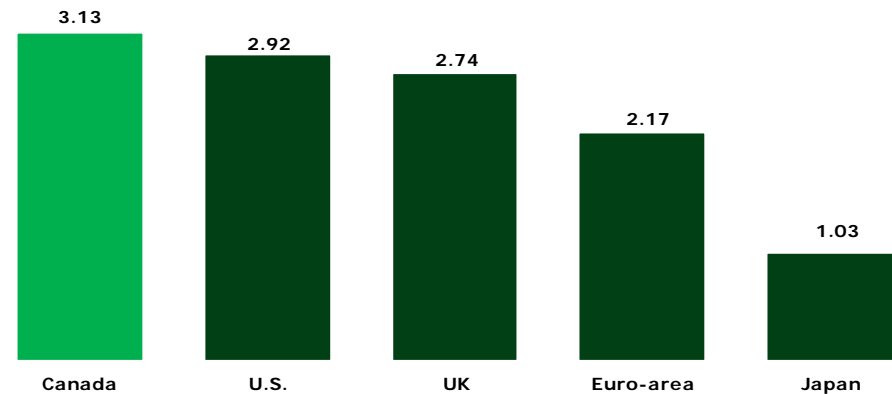
Appendix

# Canadian Economy: Canadian Strengths

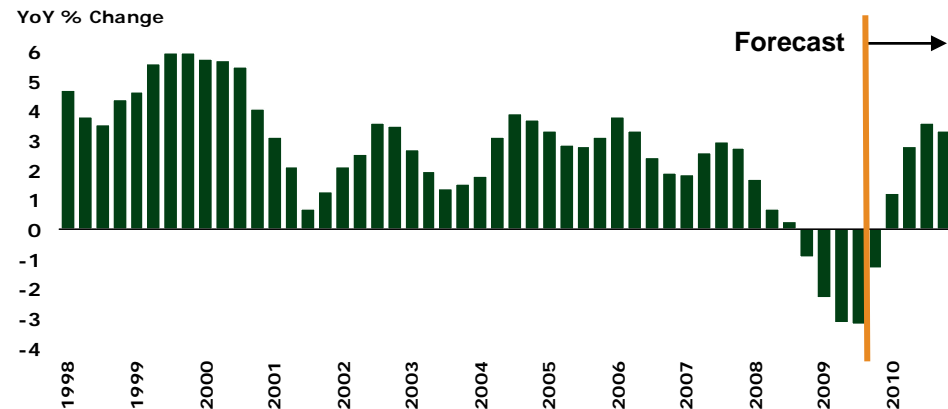
**Canadian economy  
outperformed over  
last decade**

**Canadian economy  
out of recession and  
global economic  
recovery will spur  
demand for  
commodities from  
emerging markets**

Average Annual Real GDP<sup>1</sup> Growth, 1997 - 2008



Canadian Real GDP Growth<sup>2</sup>



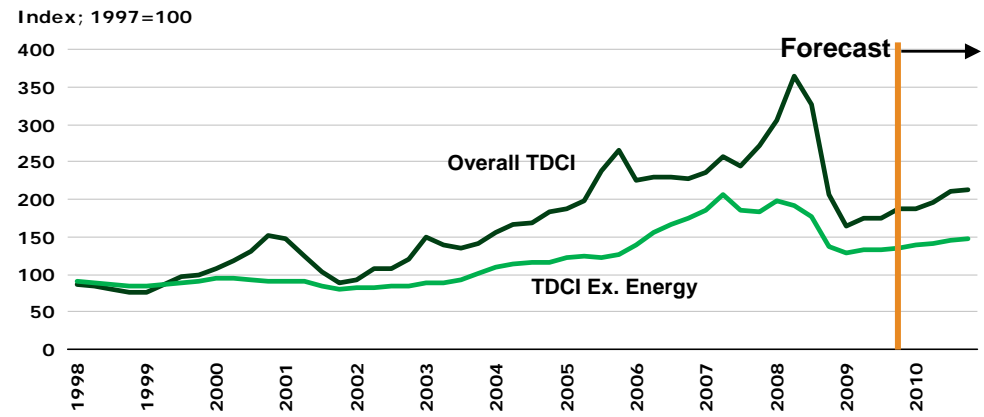
1. Seasonally adjusted, chained figures used; Source: National Statistical Agencies/ Haver Analytics  
2. SAAR, Mil.Chn.2002.C\$; Forecast by TD Economics; Source: Statistics Canada

# Canadian Economy: Near Term Slowdown

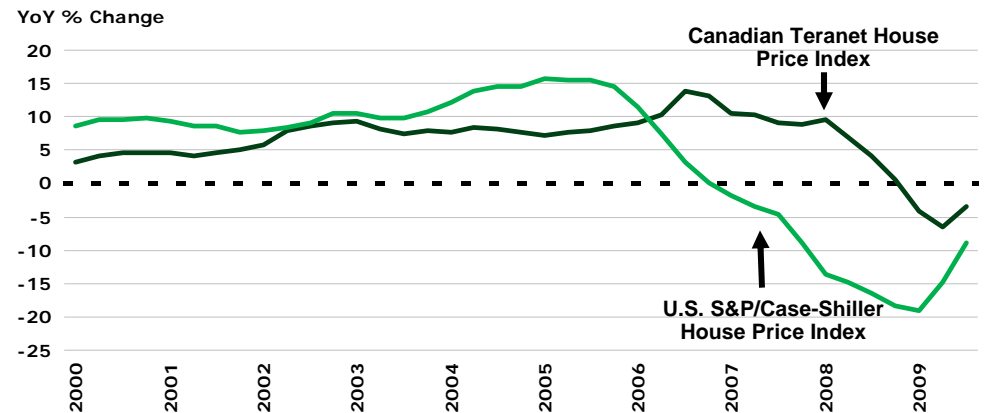
**Commodity prices have corrected from record high levels, but have most likely bottomed out**

**Canadian housing market correction not severe; U.S. real estate market is recovering**

TD Commodity Price Index<sup>1</sup>



U.S. and Canadian Housing Prices<sup>2</sup>



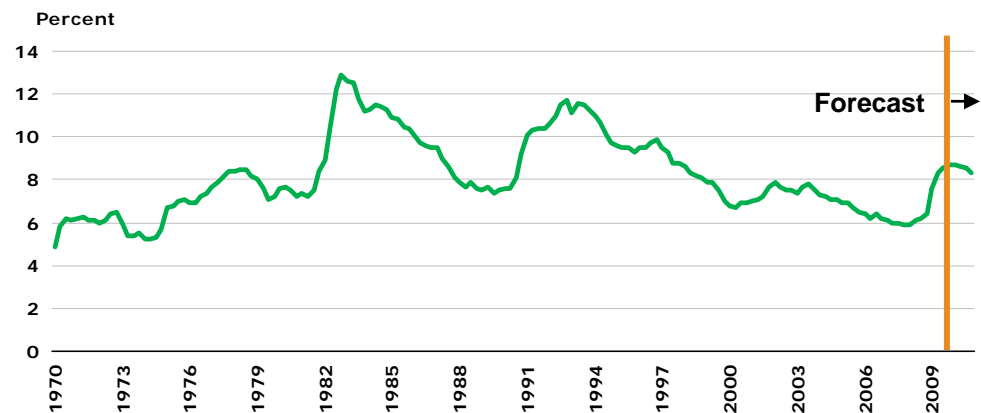
1. Index of 18 Canadian resources commodity prices in USD; Source: TD Economics; Last actual 2009 Q2; Forecast as at June 2009  
 2. Source: Teranet-National Bank Index, S&P/Case-Shiller; last date plotted: Q2 2009

# Canadian Economy: Long Term Support

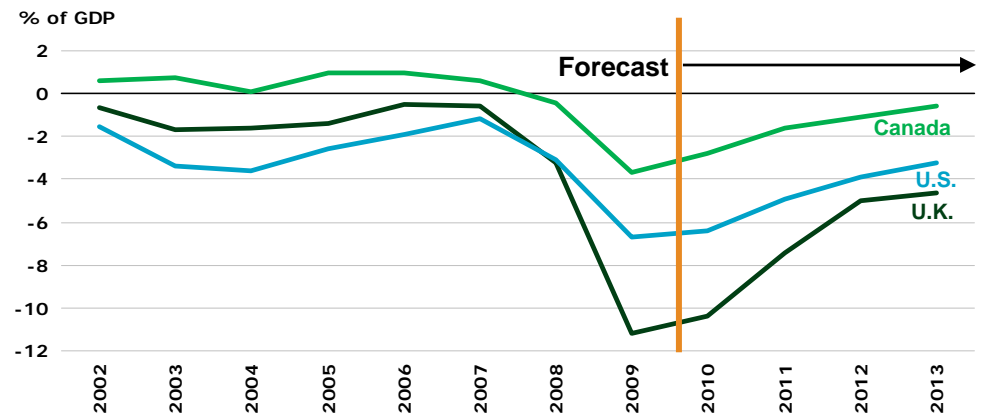
**Unemployment will continue to rise, but will likely remain below prior peaks**

**Government finances in sound shape relative to other countries, and fiscal stimulus will provide boost to economy**

Canadian Unemployment<sup>1</sup>



Canadian Federal Finances<sup>2</sup>



1. Forecast by TD Economics as at June 2009; Source: Statistics Canada

2. Source: National statistical agencies and governments; forecasts by the Dept. of Finance, HM Treasury, and the OMB.

# Solid Financial System in Canada



- **Strong retail and commercial banks**
  - Conservative lending standards
  - All major wholesale dealers owned by Canadian banks, with stable retail earnings base to absorb any wholesale write-offs
- **Responsive government**
  - Extension of program to buy back government-guaranteed mortgages provided liquidity to market while offering financial benefits to taxpayers
- **Judicious bank regulatory system**
  - One single regulator for all major banks
  - Conservative capital rules, with requirements that are above world standards
  - Capital requirements based on risk-weighted assets, encouraging banks to hold lower-risk assets
  - Principles-based regime, rather than rules-based
  - Focus on ensuring management and board understand risks taken by institution and build infrastructure to monitor and manage risk
- **Proactive response by central bank**
  - Ensure adequate liquidity in the system
- **Continuing support by equity market**
  - Willingness by investors to invest in Canadian banks help build capital ratios with private dollars
- **Fundamentally different mortgage market in Canada**
  - Originate mortgage to hold, resulting in high underwriting standards

**The world's soundest banking system<sup>1</sup>**

# Canadian Mortgage Market is Different from the U.S.

|                         | Canada  | U.S.   |
|-------------------------|---|--|
| Product                 | <ul style="list-style-type: none"> <li>Conservative product offerings: Fixed or variable interest rate option</li> </ul>                  | <ul style="list-style-type: none"> <li>Outstanding mortgages include earlier exotic products (interest only, options ARMs)</li> </ul>  |
|                         | <ul style="list-style-type: none"> <li>Borrowers typically qualified using the 3 year posted fixed rate</li> </ul>                        | <ul style="list-style-type: none"> <li>Borrowers often qualified using discounted teaser rates → payment shock on expiry (underwriting standards have since been tightened)</li> </ul> |
|                         | <ul style="list-style-type: none"> <li>2% of the mortgage credit outstanding estimated to be non-prime</li> </ul>                         | <ul style="list-style-type: none"> <li>10% of mortgage credit outstanding estimated to be non-prime</li> </ul>   |
| Underwriting            | <ul style="list-style-type: none"> <li>Terms usually 5 years or less, renewable at maturity</li> </ul>                                    | <ul style="list-style-type: none"> <li>30 year term most common</li> </ul>   |
|                         | <ul style="list-style-type: none"> <li>Amortization up to a maximum of 35 years (40 years no longer available since Oct. 2008)</li> </ul> | <ul style="list-style-type: none"> <li>Amortization usually 30 years, can be up to 50 years</li> </ul>   |
|                         | <ul style="list-style-type: none"> <li>Mortgage insurance mandatory if LTV over 80%, covers full loan amount</li> </ul>                   | <ul style="list-style-type: none"> <li>Mortgage insurance often used to cover portion of LTV over 80%</li> </ul>   |
| Regulation and Taxation | <ul style="list-style-type: none"> <li>Mortgage interest not tax deductible</li> </ul>  | <ul style="list-style-type: none"> <li>Mortgage interest is tax deductible, creating an incentive to borrow</li> </ul>   |
|                         | <ul style="list-style-type: none"> <li>Lenders have recourse to both borrower and property in most provinces</li> </ul>                   | <ul style="list-style-type: none"> <li>Lenders have limited recourse in most jurisdictions</li> </ul>  |
| Sales Channel           | <ul style="list-style-type: none"> <li>External broker channel originated up to 30%</li> </ul>  | <ul style="list-style-type: none"> <li>External broker channel originated up to 70% at peak</li> </ul>   |

# Canadian Personal and Commercial Banking Overview

## Key Businesses

### ■ Canadian Banking

- Personal Banking
  - Retail operations provide a full range of financial products and services
  - Over 11 million personal and small business customers
  - More than 1,100 branches across Canada
  - More than 2,600 automated banking machines
  - Multiple channels: telephone, internet
- Commercial Banking
  - Serves the need of medium-sized Canadian businesses
  - Provides broad range of products and services to meet their financing, investment, cash management, international trade, and day-to-day banking needs

### ■ Global Insurance

- Offers broad range of insurance products, including:
  - Home and automobile coverage, life and health insurance in Canada and the U.S.
  - Business property and casualty business in the U.S.
  - Credit protection coverage on TD Canada Trust lending products

 **Canada Trust**

 **Commercial Banking**

 **Insurance**

| As at Q4 2009                        | In C\$    |
|--------------------------------------|-----------|
| <b>Total Assets</b>                  | \$183B    |
| <b>Total Deposits<sup>1</sup></b>    | \$178B    |
| <b>Total Loans<sup>2</sup></b>       | \$177B    |
| <b>Adjusted Earnings<sup>3</sup></b> | \$2,472MM |
| <b>Employees<sup>4</sup></b>         | 33,000+   |

1. Total Deposits based on total of average personal and business deposits during Q4 2009.  
2. Total Loans based on total of average personal and business loans during Q4 2009.  
3. For trailing 4 quarters (Q1 to Q4 2009). See slide #4 for definition of adjusted earnings.  
4. Average number of full-time equivalent staff during Q4 2009.

# Wealth Management Overview

## Key Businesses

- **Online Brokerage**
  - Canada
  - U.S.
    - 45% equity investment in TD Ameritrade
  - Europe
    - U.K., Ireland
    - Luxembourg: Majority shareholder in Internaxx
  
- **Advice-Based Businesses**
  - Canada
    - Financial Planning
    - Private Investment Advice
      - Full service brokerage
    - Private Client Group
      - Private banking, trust, discretionary asset management
  - U.S.
    - Financial Advisory
    - Private Bank
  
- **Asset Management**
  - Canada
    - Retail mutual funds
    - Institutional asset management

-  **Waterhouse**
-  **AMERITRADE**
-  **Wealth Management**
-  **Asset Management**

| As at Q4 2009                        | In C\$  |
|--------------------------------------|---------|
| <b>Total Assets</b>                  | \$21B   |
| <b>AUA<sup>1</sup></b>               | \$191B  |
| <b>AUM<sup>2</sup></b>               | \$171B  |
| <b>Adjusted Earnings<sup>3</sup></b> | \$597MM |
| <b>Employees<sup>4</sup></b>         | 6,700+  |

1. Assets under administration as at the end of Q4 2009.  
 2. Assets under management as at the end of Q4 2009.  
 3. For trailing 4 quarters (Q1 to Q4 2009). See slide #4 for definition of adjusted earnings.  
 4. Average number of full-time equivalent staff during Q4 2009.



# U.S. Personal and Commercial Banking Overview

## Key Businesses

### ■ Personal Banking

- Over 1,000 stores
- 2,600 ATMs
- Multiple channels: telephone, internet
- More than 6.5 million customers

### ■ Commercial Banking

- Offers a broad range of products and services to meet customers' financing, investment, cash management, international trade, and day-to-day banking needs



**Bank**

America's Most Convenient Bank®

| As at Q4 2009                        | In C\$  |
|--------------------------------------|---------|
| <b>Total Assets</b>                  | \$154B  |
| <b>Total Deposits<sup>1</sup></b>    | \$86B   |
| <b>Total Loans<sup>2</sup></b>       | \$57B   |
| <b>Adjusted Earnings<sup>3</sup></b> | \$909MM |
| <b>Employees<sup>4</sup></b>         | 19,000+ |

1. Total Deposits based on total of average personal and business deposits during Q4 2009.  
2. Total Loans based on total of average personal and business loans during Q4 2009.  
3. For trailing 4 quarters (Q1 to Q4 2009). See slide #4 for definition of adjusted earnings.  
4. Average number of full-time equivalent staff during Q4 2009.

# Wholesale Banking Overview

## Key Businesses

- **Investment Banking**
  - Advisory, underwriting, and corporate lending
- **Equities**
  - Trading, facilitation, execution services, and research
- **Rates and Foreign Exchange**
  - Trading, facilitation, execution services, trade finance, and cash management services

## **Securities**

| As at Q4 2009                        | In C\$    |
|--------------------------------------|-----------|
| <b>Risk Weighted Assets</b>          | \$34B     |
| <b>Adjusted Earnings<sup>1</sup></b> | \$1,137MM |
| <b>Employees<sup>2</sup></b>         | 3,000+    |

1. For trailing 4 quarters (Q1 to Q4 2009). See slide #4 for definition of adjusted earnings.  
2. Average number of full-time equivalent staff during Q4 2009.

# Gross Lending Portfolio

## Includes B/As



### Balances (C\$B unless otherwise noted)

|   | Q3/09            | Q4/09            |
|---|------------------|------------------|
| <b>Canadian Personal &amp; Commercial Portfolio</b>                   | <b>\$ 162.9</b>  | <b>\$ 170.3</b>  |
| <b>Personal<sup>1</sup></b>   | <b>\$ 133.4</b>  | <b>\$ 140.6</b>  |
| Residential Mortgages   | 52.1             | 55.8             |
| Home Equity Lines of Credit (HELOC)                                   | 53.5             | 56.2             |
| Unsecured Lines of Credit   | 9.3              | 9.4              |
| Credit Cards  | 7.2              | 7.4              |
| Other Personal  | 11.3             | 11.8             |
| <b>Commercial Banking (including Small Business Banking)</b>          | <b>\$ 29.5</b>   | <b>\$ 29.7</b>   |
| <b>U.S. Personal &amp; Commercial Portfolio</b> (all amounts in US\$) | <b>US\$ 52.7</b> | <b>US\$ 53.1</b> |
| <b>Personal</b>   | <b>US\$ 18.9</b> | <b>US\$ 19.6</b> |
| Residential Mortgages   | 6.3              | 6.8              |
| Home Equity Lines of Credit (HELOC) <sup>2</sup>                      | 8.2              | 8.4              |
| Indirect Auto   | 3.0              | 3.1              |
| Credit Cards <sup>3</sup>   | 0.7              | 0.7              |
| Other Personal  | 0.7              | 0.6              |
| <b>Commercial Banking</b>   | <b>US\$ 33.8</b> | <b>US\$ 33.5</b> |
| Non-residential Real Estate   | 8.5              | 8.7              |
| Residential Real Estate   | 3.7              | 3.9              |
| Commercial and Industrial (C&I)                                       | 21.5             | 20.9             |
| <b>FX on U.S. Personal &amp; Commercial Portfolio</b>                 | <b>\$ 4.1</b>    | <b>\$ 4.3</b>    |
| <b>U.S. Personal &amp; Commercial Portfolio (C\$)</b>                 | <b>\$ 56.8</b>   | <b>\$ 57.4</b>   |
| <b>Wholesale Portfolio</b>  | <b>\$ 21.2</b>   | <b>\$ 20.2</b>   |
| <b>Other<sup>4</sup></b>  | <b>\$ 5.2</b>    | <b>\$ 6.4</b>    |
| <b>Total</b>  | <b>\$ 246.1</b>  | <b>\$ 254.3</b>  |

1. Excluding Securitized Residential Mortgage/Home Equity Off-Balance Sheet: Q3/09 \$53B; Q4/09 \$57B.

2. U.S. HELOC includes Home Equity Lines of Credit and Home Equity Loans.

3. For purposes of this Credit Portfolio Review, U.S. Credit Cards are included in the U.S. Personal & Commercial portfolio. U.S. Credit Cards are managed by the Canadian P&C Segment.

4. Other includes Wealth Management and Corporate Segment. Corporate Segment includes residential mortgages booked by TD Capital Trust (approximately \$2B).

Note: Some amounts may not total due to rounding. Data excludes the impact of Debt securities classified as loans in 2009.

# Portfolio Highlights



## Canadian Personal

- Gross impaired loans in the Real Estate Secured Lending portfolio decreased slightly quarter over quarter due to the rebound in house prices
- Loss rates in VISA and Unsecured Lines of Credit remain high; these portfolios remain vulnerable to increases in unemployment and bankruptcies

## Canadian Commercial and Wholesale

- Portfolios continue to perform well
- Continued signs of deterioration in Commercial credit quality suggest increased PCLs in 2010
- Losses expected to remain well below historical peaks

## U.S. Personal

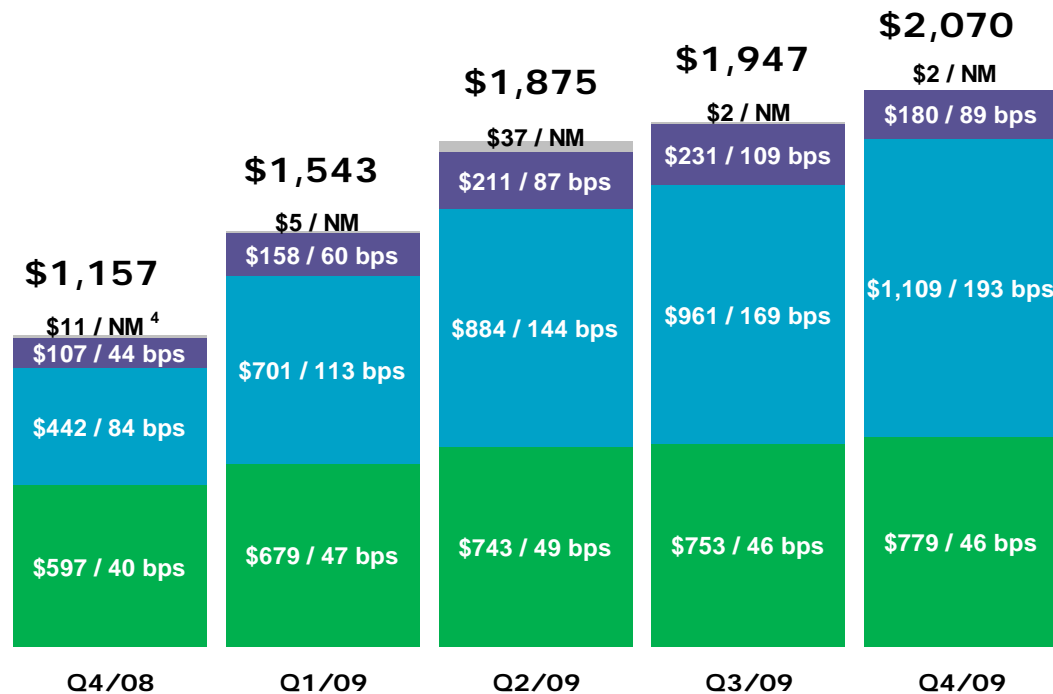
- Losses in Personal portfolio continue a moderate upward trend
- However, borrower credit quality continues to improve with new originations in the growing Real Estate Secured portfolio

## U.S. Commercial

- Commercial Real Estate (CRE), and specifically Residential for Sale, remains the area of greatest concern, but exposure to this segment being reduced
- Non-Residential CRE is performing acceptably
- Fundamentals in the Commercial & Industrial portfolio are sound

# Gross Impaired Loans ("GIL") by Portfolio

## GIL<sup>1</sup>: \$MM and Ratios<sup>2</sup>



### Highlights

- Gross Impaired Loans continued upward trend, but within expectation
- Canadian P&C was stable at 46 bps
- U.S. P&C was up \$148MM (24 bps) over Q3/09 due to continued pressure on default rates
- Wholesale portfolio was down \$51MM QoQ due to a combination of loan sales, write-offs and recoveries
- Specific allowance as a percentage of gross impaired loans was 24.8%, down from 27.5% in Q3/09
- Upward trend in GIL is expected to continue

|                         | Q4/08 | Q1/09 | Q2/09 | Q3/09 | Q4/09 |            |
|-------------------------|-------|-------|-------|-------|-------|------------|
| <b>TD</b>               | 50    | 65    | 77    | 79    | 81    | <i>bps</i> |
| Cdn Peers <sup>5</sup>  | 91    | 105   | 126   | 139   | NA    | <i>bps</i> |
| U.S. Peers <sup>6</sup> | 154   | 215   | 271   | 328   | NA    | <i>bps</i> |

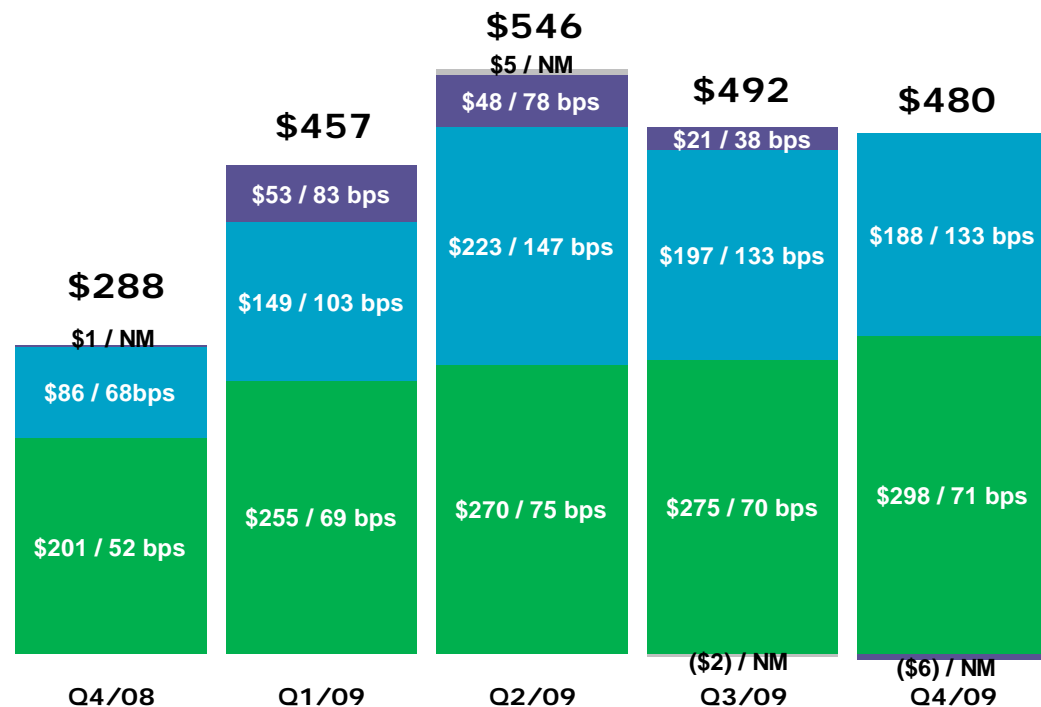
- Other<sup>3</sup>
- Wholesale Portfolio
- U.S. P&C Portfolio
- Canadian P&C Portfolio

1. Gross Impaired Loans (GIL) are presented on a credit portfolio basis  
 2. GIL Ratio - Gross Impaired Loans/Gross Loans & Acceptances (both are spot) by portfolio  
 3. Other includes Wealth Management and Corporate Segment  
 4. NM: not meaningful  
 5. Average of Canadian Peers – BMO, BNS, CIBC, RBC  
 6. Average of U.S. Peers – BAC, C, JPM, PNC, USB, WFC (Non-performing loans/Total gross loans)  
 Note: Data excludes the impact of Debt securities classified as loans in 2009.

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



## PCL<sup>1</sup>: \$MM and Ratios<sup>2</sup>



## Highlights

- PCL was stable quarter over quarter
- PCL in Canadian P&C was split evenly between Commercial and Personal portfolios
- GA for Canadian portfolios maintained at Q3 level
- U.S. P&C held at 133 bps
  - PCL volume declines predominantly in Commercial portfolio
  - However, continuing to build general reserves
- GA of \$1.8B combined with Specific ACL of \$513MM produced GIL coverage of 112%, down from 116% in Q3
- Renewed pressure expected in 2010

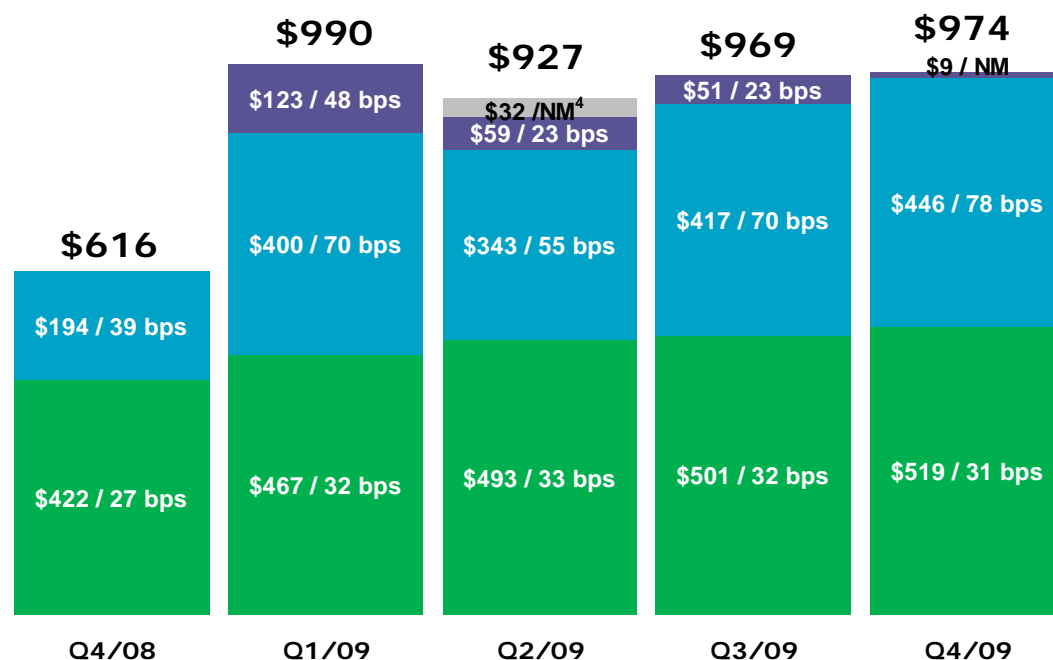
| TD <sup>6</sup>         | 50  | 77  | 93  | 80  | 77 | bps |
|-------------------------|-----|-----|-----|-----|----|-----|
| Cdn Peers <sup>7</sup>  | 53  | 68  | 82  | 86  | NA | bps |
| U.S. Peers <sup>8</sup> | 430 | 392 | 436 | 404 | NA | bps |

- Other<sup>4</sup>
- Wholesale Portfolio<sup>5</sup>
- U.S. P&C Portfolio
- Canadian P&C Portfolio

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 – Provision for Credit Losses on a quarterly annualized basis/Average Net Loans & Acceptances (2 point average).  
 3. NM: not meaningful.  
 4. Other includes Wealth Management and Corporate Segment.  
 5. Wholesale PCL excludes premiums on credit default swaps (CDS): Q4/09 \$9MM.  
 6. Total PCL includes increase in general allowance for U.S. P&C (Q4/09 \$82MM) and VFC (included in Canadian P&C – Q4/09 \$25MM).  
 7. Average of Canadian Peers – BMO, BNS, CIBC, RBC; peer PCLs exclude increases in GAs.  
 8. Average of U.S. Peers – BAC, C, JPM, PNC, USB, WFC.  
 Note: Data excludes the impact of Debt securities classified as loans in 2009.

# Gross Impaired Loan Formations by Portfolio

## GIL Formations<sup>1</sup>: \$MM and Ratios<sup>2</sup>



### Highlights

- Gross Impaired Loan Formations have remained relatively stable since increasing in Q1/09
- Formations in Canadian P&C continued to hold steady at 31 bps
  - Rate of increase appears to have stabilized in Personal portfolio
  - Commercial credit portfolio showing continuing signs of deteriorating credit quality
- Formations in U.S P&C portfolio continued upward trend at a moderate pace
  - Defaults remain elevated

|                         | Q4/08 | Q1/09 | Q2/09 | Q3/09 | Q4/09 |            |
|-------------------------|-------|-------|-------|-------|-------|------------|
| <b>TD</b>               | 27    | 42    | 38    | 40    | 39    | <i>bps</i> |
| Cdn Peers <sup>5</sup>  | 31    | 45    | 43    | 44    | NA    | <i>bps</i> |
| U.S. Peers <sup>6</sup> | 118   | 100   | 127   | 128   | NA    | <i>bps</i> |

- Other<sup>3</sup>
- Wholesale Portfolio
- U.S. P&C Portfolio
- Canadian P&C Portfolio

1. Gross Impaired Loan formations represent additions to Impaired Loans & Acceptances during the quarter and are presented on a credit portfolio basis.  
 2. GIL Formations Ratio - Gross Impaired Loan Formations/Average Gross Loans & Acceptances.  
 3. Other includes Wealth Management and Corporate Segment.  
 4. NM: not meaningful.  
 5. Average of Canadian Peers – BMO, BNS, CIBC, RBC.  
 6. Average of US Peers – BAC, C, JPM, PNC, USB, WFC (Non-Accrual Asset addition/Average Gross Loans).  
 Note: Date excludes the impact of Debt securities classified as loans in 2009.

# Investor Relations Contacts



**Phone:**

416-308-9030  
or 1-866-486-4826

**Email:**

[tdir@td.com](mailto:tdir@td.com)

**Website:**

[www.td.com/investor](http://www.td.com/investor)



**Best Investor Relations by  
Sector: Financial Services**

**Best Investor Relations by  
a CEO**

**Best Retail Investor  
Communications**



Building the  
better bank  
every day

 **Bank Financial Group**