TD Bank Group (TDBG)

Supplemental Financial Information: Q4/2010 Guide to Reader

Page 1 - Highlights

Page 1 line 21 – Why are the average number of diluted common shares outstanding up vs. last year?

Q4's average diluted shares were up 18.6MM or 2% from the same quarter last year. This increase was caused by the share issuance in Q3 and Q4 related to the acquisitions of Riverside and The South Financial Group, Inc., and normal course additions from the dividend re-investment plan ("DRIP") and stock options.

Page 1 line 24 – What factors contributed to the quarter-over-quarter increase of $10.7 billion in the Risk-weighted assets?

Q4/2010 Risk-weighted assets were up $10.7 billion or 6% compared to last quarter. The increase was primarily the result of volume growth in U.S. Personal & Commercial banking from the acquisition of the South Financial Group, Inc., and volume growth in residential mortgages and home equity lines of credit in Canadian Personal & Commercial banking.

Page 3 – Adjustments for items of note, Net of Income Taxes

Page 3 Line 11 – Why was the tax charge of $121 million related to an agreement with the Canada Revenue Agency treated as an item of note?

The Bank resolved several outstanding tax matters related to Wholesale Banking strategies that have been previously reassessed by the Canada Revenue Agency (CRA) and that were awaiting resolution by the CRA appeals division or the courts. The Bank no longer enters into these types of strategies and as a result management does not believe it is reflective of the underlying earnings of the segment which resulted in its treatment as an item of note.

Page 5 - Canadian Personal and Commercial Banking

Page 5 lines 3, 5 - What was the year-over-year operating leverage in Q4/10?

Operating leverage was 1%: revenue increased 10% year-over-year, while expenses increased 9%.

Revenue for the quarter was $2,668 million, an increase of $234 million, or 10%, compared with the fourth quarter last year, primarily due to strong volume growth in real estate secured lending, financing services, personal and business deposits, and insurance.

Non-interest expenses for the quarter were $1,331 million, an increase of $105 million, or 9%, compared with the fourth quarter last year, largely due to project-related costs, which included costs related to a project cancellation, the timing of business investments, and higher employee compensation costs.

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Page 6 – Wealth Management

Page 6 line 8 – Why was the contribution from TD Ameritrade down from the same quarter last year?

The Bank's reported investment in TD Ameritrade generated net income for the quarter of $33 million, a decrease of $26 million, or 44%, compared with the fourth quarter last year. The decrease was due to lower earnings and the translation effect of a stronger Canadian dollar. For its fourth quarter ended September 30, 2010, TD Ameritrade reported net income of US$114 million, a decrease of US$43 million, or 27%, compared with the fourth quarter last year. For more information on TD Ameritrade's results, go to *www.amtd.com/investors*.

Page 6 line 16/17 – Why did the assets under administration and assets under management increase compared to last year?

Assets under administration of $224 billion as at October 31, 2010, increased by $33 billion, or 17%, from October 31, 2009. Assets under management of $183 billion as at October 31, 2010, increased by $12 billion, or 7%, from October 31, 2009. These increases were driven by market appreciation and net new client assets.

Page 9 – Wholesale Banking Segment

Page 9 line 21 – What were the main reasons for the decrease in Net Income (Loss) compared to the same quarter last year?

Wholesale Banking reported net income for the quarter was $95 million, a decrease of $277 million, or 74%, on a reported basis, and $216 million, a decrease of $156 million, or 42%, on an adjusted basis, compared with the fourth quarter last year. There were no items of note in the prior year. The decrease was due to lower fixed income, credit and equity trading, and lower underwriting fees, partially offset by improved currency trading, investment banking income, and gains in the investment portfolio. In the fourth quarter last year, results were very strong as financial markets recovered at a rapid pace resulting in significantly improved asset values and market liquidity. The operating environment in the current quarter had decreased client volumes and offered fewer trading opportunities compared to same quarter last year.

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Page 10 – Corporate Segment

Page 10 line 14 – What are the main reasons for the decrease in Net Income – Adjusted - from $(54) million in Q4/09 to $(163) million this quarter?

Corporate segment's reported net loss for the quarter was $290 million, compared with a reported net loss of $262 million in the fourth quarter last year. Adjusted net loss for the quarter was $163 million, compared with an adjusted net loss of $54 million. Compared with the fourth quarter last year, the higher adjusted net loss was primarily attributable to higher net corporate expenses and the impact of favourable tax-related items last year, partially offset by favourable hedging and treasury activities in the fourth quarter this year. The current quarter included a charge of $22 million related to a write-down of our investment in Symcor.

Page 12 – Non-interest income

Page 12 line 9 – What caused the decrease of $96 million in trading income (loss) from the same quarter last year?

Trading income declined by $96 million compared to last year primarily driven by improved credit valuations last year due to tightening of credit spreads and improved liquidity as capital markets rebounded.