TD BANK FINANCIAL GROUP
UBS BEST OF AMERICAS CONFERENCE
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Material economic assumptions underlying the forward-looking statements contained in this presentation are set out in the Bank's 2009 Annual Report under the heading "Economic Summary and Outlook", as updated in the Third Quarter 2010 Report to Shareholders; and for each of the business segments, under the headings "Business Outlook and Focus for 2010", as updated in the Third Quarter

2010 Report to Shareholders under the headings “Business Outlook”; and for the Corporate segment in the report under the heading “Outlook”.

Any forward-looking statements contained in this presentation represent the views of management only as of the date hereof and are presented for the purpose of assisting the Bank’s shareholders and analysts in understanding the Bank’s financial position, objectives and priorities and anticipated financial performance as at and for the periods ended on the dates presented, and may not be appropriate for other purposes. 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.

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PRESENTATION

Unidentified Audience Member

Good morning. We're good to go. It's my distinct pleasure this morning to introduce Bharat Masrani, Group Head of U.S. Personal & Commercial Banking, TD Bank Financial Group and President & CEO of TD Bank, America's Most Convenient Bank. TD is the leading retail bank in Canada and one of the 10 largest in North America. It has distinguished itself by its clear leadership and service in the consumer space and prudent risk management approach.

Bharat has held various leadership positions at the Bank, including Chief Risk Officer. Beyond the recent spotlight on TD Bank, it's particularly timely to have Bharat Masrani at the UBS Best of Americas Conference as we are now seeing a distinctly different strategy being employed by (technical difficulty). This strategy is one of growth in the North America's retail U.S. P&C franchise. Bharat, we look forward to hearing more on that. Thank you.

Bharat Masrani - TD Bank Financial Group - Group Head, U.S. Personal & Commercial Banking

Thank you very much. Great to be here. You know I went to school in the UK as a young boy so, and I have family here, so it's always a pleasure to be in London. On behalf of TD Bank Financial Group, thank you for this opportunity to provide you with an update on TD's strategy both in Canada and the U.S. and to answer any questions you may have.

Before I begin, I'm sure you've heard this before, let me get the legalities out of the way. We are a bank, after all. This presentation contains forward-looking statements and actual results could differ materially from what is discussed. Any forward-looking statements contained in this presentation represent the view of management only as of today and are presented for the purpose of assisting the bank's shareholders and analysts in understanding the bank's financial position, objectives, priorities and anticipated performance as at and for the period ended on the dates presented and may not be appropriate for other purposes.

Certain material assumptions were applied in making this statement and you can find additional information about such assumptions and the material risk factors that could cause actual results to differ in our Q3 2010 MD&A and 2009 Annual Report, which can be found on our website at td.com.

Please turn to slide four. At the outset, let me provide you with a brief overview of TD Bank Financial Group and the businesses we are in. TD is a universal bank with a 155-year old history in Canada and in various businesses around the globe. This slide shows how our businesses are organized from a segment and brand perspective. We are organized around four main segments as follows.

In Canada, our Personal and Commercial Bank, commercial business includes our retail bank, TD Canada Trust. And we have the number one or number two market share in most retail products. Our strategy is to lead in the service and convenience space and in July we were ranked number one in customer satisfaction in Canada by JD Power for the fifth consecutive year. And just last week, we received the Synovate Award for Excellence in Customer Service for the sixth year in a row. It's quite an accomplishment.

We operate a leading insurance business in Canada through TD Insurance and are the largest direct provider of auto insurance across the country.

We are a major player in the Wealth business with our asset management, advice-based businesses, and online brokerage in Canada and the UK through TD Waterhouse and in the US, through our 45% investment in TD AMERITRADE. Many of you likely know that TD Waterhouse is UK's leading execution-only broker by retail market share.

In the U.S., we operate as TD Bank, America's most convenient bank. We are the 11th largest bank by asset and as Group Head of the U.S. P&C business, I'll share more about this business with you in a few minutes.

Lastly, we also operate a Wholesale business under the brand TD Securities with offices in Canada, the U.S., Europe and Asia. Our strategy is to run a lower risk wholesale franchise which reduces the volatility of earnings and provides consistent returns without going up the risk curve.

Taken as a whole, our businesses are designed to leverage TD's global brand positioning and to deliver consistent results through various economic cycles.

Please turn to slide five. Let me talk a bit about our overall strategy. At TD Bank Financial Group, we have a simple strategy with a consistent focus, to be the better bank. For us this involves a process of continuous improvement to meet the evolving needs of our customers and is a journey, not a destination. We are a growth-oriented North American bank with a lower risk, retail focus, which allows us to consistently deliver superior risk adjusted returns over time.

Let me give you an example. Our Q3 return on risk-weighted assets was 2.65% stronger than our Canadian peers and over three times higher than our US peers. What this demonstrates is that we are good managers of capital. We understand how to manage risk/reward and we have shown that we can deliver a significantly higher rate of return for every dollar of risk we take.

We are the leader in service and convenience in both Canada and the US and this has allowed us to grow organically, historically and through this credit cycle. We are in the franchise-building business. Over the long run we believe this is the only way to create sustainable and growing earnings and we've been extremely successful in executing this strategy.

And lastly, we are disciplined risk managers, only taking risks we understand and can manage. This simple philosophy has served us particularly well through this credit cycle. Let me just share two examples. In 2006, we unwound our complex structured products businesses, well before the market meltdown in those products, because it did not fit our risk appetite and we did not want to incur the unmanageable tail risk associated with those products. We were not in the subprime mortgage business, either in the U.S. or Canada and avoided the sub-prime losses incurred by other financial institutions.

In hindsight, these two decisions to exit the structured products business and to avoid sub-prime were the right calls and they have allowed us to take advantage of our balance sheet strength, from both a capital and liquidity perspective to continue to grow through this downturn, while other financial institutions have either failed or been significantly weakened.

Please turn to slide six. This slide shows our earnings mix on our fiscal third quarter which ended July 31, 2010. Here you can see that in Q3, 88% of our adjusted earnings came from Retail, with approximately 65% coming from Canadian Retail and 23% from the U.S. Retail. The balance of our earnings came from our Wholesale business which is a franchise dealer focused on building customer-driven relationships. This Retail focus with its lower risk allows us to deliver consistent earnings over the long run, without exposing our balance sheet to undue tail risk.

Please turn to slide seven. This chart shows our strategy, how our strategy has delivered consistently over time. Our five-year compounded annual growth rate is 16% for adjusted earnings in US dollars and 7% for adjusted earnings per share. To put this in perspective, through organic growth and a series of acquisitions in the U.S., we have nearly doubled our 2004 adjusted earnings of $2.5 billion to over $4.7 billion in 2009. Quite a remarkable achievement through this credit cycle. What's important to also note is that each of our businesses have grown over time, and that we remained profitable through the worst economic recession since the Great Depression.

You can also see that we've substantially grown our adjusted earnings from the U.S. since first entering the market in 2005. On the whole our 2009 adjusted earnings were up 24% compared to 2008, despite the fact that loan-loss has more than doubled compared to 2008. And this momentum has continued into 2010. Most recently, we delivered over $1.3 billion in high-quality, adjusted earnings in Q3, driven by our strong Retail franchises and more normalized Wholesale results.

Please turn to slide eight. I've talked about some of the businesses we are in, our strategy and our consistent results. So where does this position us in North America and against some of our global peers? We are now the top 10 North American bank across a variety of metrics. Number two in adjusted retail earnings, number four based on North American deposits and number six by either total assets or market cap. We have weathered the recent economic storm extremely well and we are particularly proud that Euromoney recently named TD Bank Financial Group as the best bank in North America for the second year in a row. I should point out that we don't design our strategy to win awards. We win awards because of how we execute our strategy.

Please turn to slide nine. This slide shows how we would compare with regard to various metrics with some of our global peers including many European banks. What I'd like to highlight is that although our balance sheet may be smaller than many of these banks, our market cap compares quite favorably and our Tier 1 capital ratio at 12.5% is the strongest among these peer banks.

Please turn to slide 10. Over the past several years the global economy has been hit by one crisis after another. I don't need to tell you that. In the U.S., the downturn was often compared to the Great Depression and has been aptly named the Great Recession. Not an operating environment particularly friendly to financial institutions.

So how did TD respond? Nearly two years ago in December 2008, our President and CEO, Ed Clark, compared the economic recession to a valley. As a management team, our job was to cross the valley. Although we knew we would eventually get to there, we didn't know either how deep or how wide the valley was, but cross the valley we would. How?

By carefully managing our capital, liquidity and risk. By keeping a close eye on discretionary spending. By continuing to take prudent risks we could understand and manage. By ensuring that we kept our business model intact. By leveraging the strength of our balance sheet to take market share from our competitors. By continuing to invest in our franchise, our people, products and technology.

To give you a few examples, last year we opened 57 locations in the U.S. and Canada, hired over 150 business bankers and 75 client-servicing advisors in Canada and invested heavily in our systems to accommodate our growth. At a time when others were retrenching, we continued to invest in our service and convenience model. And this has allowed us to emerge from the recession with momentum on our side and that's where we are today.

Please turn to slide 11. Let me turn my attention for a few minutes to the U.S., where I have the distinct pleasure of serving as President and CEO of TD Bank, America's Most Convenient Bank. From a retail banking perspective, we first entered the U.S. in 2005 and today, just over five years later, we currently have more than 1,100 stores and 20,000 employees up and down the East Coast. When you include the pending acquisition of The South Financial Group, subject to both regulatory and shareholder approval, on a pro forma basis we will have more than 1,200 locations from Maine to Florida.

We are located in four of the top-10 MSAs, metropolitan statistical areas, in the United States, with access to over 53 million customers within five miles of one of our stores. We have a significant presence in major metropolitan markets such as New York and Philadelphia, with an emerging presence in others including Boston, Washington D.C. and Miami. Our strategy is to own the service and convenience space in the U.S. just as we do in Canada, by providing our customers with legendary service and unparalleled convenience, which we affectionately call Wow! the customer. It is what has made us so successful today and what will enable our success going forward.

Please turn to slide 12. This slide shows you our growth both in terms of number of stores and earnings since entering the US with the acquisition of a 51% interest in Banknorth, a northern New England-based bank. In 2008, we completed the acquisition of Commerce Bank headquartered in New Jersey, a bank with a well-deserved reputation for its service and convenience model, much like TD Canada Trust in Canada.

And in 2010, we have not stopped. Earlier this year, we acquired three banks in Florida in an FDIC-assisted transaction and in May, we announced our intention to acquire The South Financial Group, headquartered in Greenville, South Carolina. That deal remains subject to shareholder and regulatory approval. Assuming we receive these approvals, we now expect closing about September 30 of this year.

From an earnings perspective, we have grown our U.S. adjusted earnings from $130 million in 2005 to $781 million last year and $733 million through the first three quarters of this year.

During the same time, we've increased our number of locations, both through acquisition and de novo, from just under 400 to over 1,200 on a proforma basis, pending the regulatory and shareholder approval with respect to The South Financial Group transaction. Our de novo strategy is one of our core competencies. In 2009, we opened 33 new stores and are on track to open a like number this year with plans to increase that to more than 50 in 2011.

We remain confident in our ability to grow our U.S. earnings despite the current challenging economic environment. At our recent Investor Day in June, we laid out a three-year roadmap of how we hope to achieve an earnings target of $1.6 billion over the next few years. I would encourage any of you who are interested to take a look at our Investor Day presentation, to go to our Investor Relations section of td.com.

Please turn to slide 13. So how will we continue to win in the United States? Through a combination of things, but it starts with a simple premise. We have a customer-centric model built on delivering our customers a legendary experience day-in and day-out in our stores, online, our ATMs and through our 24/7 365-day call centers and providing them with unparalleled convenience. It is a key differentiator in U.S. banking and one that is difficult to copy.

We then deliver an experience through a Regional Banking model which delivers the entire bank, Retail, Commercial, wealth, insurance, mortgages, credit cards at the point closest to the customers, our stores, by senior bankers empowered to make local decisions. It is a model that has proven to be extremely effective at driving organic growth in major markets like New York, where since first entering the market in 2001, we have become a major player in one of the most competitive markets in the world.

Combine these two key elements with a disciplined risk management culture, a more comprehensive suite of products to offer our 6.5m U.S.-based customers, or fans as we call them, our strategic relationship with TD AMERITRADE and the capabilities that TD Bank Financial Group brings to the table from a North American perspective, and you have a winning combination.

Please turn to slide 14. So what do we see for TD Bank Financial Group looking forward? In short, a combination of tailwinds and headwinds. For those of you who know TD, you know we don't just share the good news. We believe in transparency. With that in mind, let's talk about some of the challenges on the horizon.

So what are the headwinds? First, the pace of economic recovery in the U.S. appears to be moderating. Unemployment has remained stubbornly high and consumer confidence remains relatively low. So we should not expect a snap-back recovery that some were predicting. Second, historically low interest rates are not friendly to a deposit-rich bank like TD Bank Financial Group and this creates its own set of problems.

Third, regulatory uncertainty continues to be a potential headwind. But we recently received some clarity on financial reform in the US with the passage of the Dodd-Frank Bill. The legislation is currently in the rule making process and the exact impact is unknown. Having said that, we're monitoring the process closely and are confident that we will be able to adapt to whatever changes are implemented. And where there's clarity, for example, with changes to Regulation E governing the rules around overdrafts, we have solid mitigation plans in place.

On the capital front, it is clear that the world is moving to higher capital levels and we support this position. The good news is that we had an extremely strong balance sheet going into this crisis and have maintained a high level of capital and profitability to help address such eventualities.

What about the tailwinds? First, as I mentioned earlier, throughout the recession we've continued to invest in our franchise through de novo locations, people and technology and we'll leverage these investments going forward. Second, asset quality continues to improve both in the US and Canada and this translates into reduced provisions for credit losses and are already providing an earnings boost. In fact, PCLs are currently the lowest levels they have been in over two years. And lastly, we continue to see solid organic growth opportunities from our maturing stores and by cross-selling additional products and services to our existing customers. Taken as a whole, these tailwinds will position us well as we head into 2010-11.

Please turn to slide 15. In conclusion, let me leave you with these simple takeaways. First, at TD Bank Financial Group we have a relentless focus on executing on our customer-centric strategy of building the better bank. Second, we have consistently demonstrated our ability to outperform, even in a tough economic environment. And third, we are well positioned to emerge from the recession with momentum on our side and are extremely optimistic about our future as a leading North American bank.

Thank you for this opportunity to share my thoughts with you and I look forward to taking your questions. Thank you.

QUESTION AND ANSWER

Francesco Alobocetta - *UBS - Analyst*

Thank you. It's [Francesco Alobocetta] from UBS. Question is on AMERITRADE. Looks like they stopped buying back shares because they don't want you to own more than 50%, which obviously would be an issue being naturally a listed company in the U.S. How do you see them investing their excess capital at this point? Is your partnership becoming even more strategic? Does it make sense to remain at 47%?

Bharat Masrani - TD Bank Financial Group - Group Head, U.S. Personal & Commercial Banking

Obviously TD AMERITRADE is a publicly listed company so I will reserve my comments and let TD AMERITRADE answer some of the specific questions you made. But from a TD Bank Financial Group perspective, we're very happy with our position in TD Ameritrade. Not only do we have a strategic partnership, but it is a core part of our business. From a global perspective, online brokerage is a business that TD has been in for many, many years and TD AMERITRADE today would be the largest by their number of trades in the United States. So we are extremely pleased with our position.

With respect to the buybacks and how does this impact various shareholdings, we've already made public the fact that we have a very good understanding with TD AMERITRADE. Our shareholding will go up and down based on what they do on specific strategies that they may employ, but it is reasonable to assume that our position at the current level is an appropriate position for TD to be at.

With respect to what would they do with their excess capital, I'm sure, Fred Tomczyk, the CEO, has great plans as to what he wants to do and I will refer your question to him.

Francesco Alobocetta - *UBS - Analyst*

(inaudible question - microphone inaccessible).

Bharat Masrani - TD Bank Financial Group - Group Head, U.S. Personal & Commercial Banking

Sorry, with TD AMERITRADE? Yes. In the U.S. market, we have a unique positioning, that we have, in TD Bank Financial Group, not only do we have a leading retail bank but, as you've pointed out, a strategic relationship with TD AMERITRADE where we are the largest shareholder. So this gives us opportunities that others frankly have not had and we have started to work together with TD Bank, America's Most Convenient Bank, not only provides deposit services, which is where the excess funds from the brokerage are swept into, but we started a pilot, for example in New York City, where we are offering TD AMERITRADE products and services to our banking clients through various of our stores.

The pilot is going extremely well. In fact we're finding that the investors who have -- would like services from moving from bank deposits into other forms of investing up to $500,000 or $750,000, TD AMERITRADE is a first-class offering for those customers. And so we have a serious effort going on and the initial results have been very, very encouraging. In addition, we have also started a pilot for TD AMERITRADE customers to get banking products such as home equity loans, credit cards etc.

So I feel very encouraged that these initiatives are going very well. There is tremendous momentum in both organizations and frankly it's a unique opportunity that we can take advantage of and I'm confident we will.

Andy Nigg - ***Vontobel - Analyst***

Andy Nigg, Vontobel. I just have a question on your acquisitions in the US. You could argue the timing of some of your acquisitions wasn't that good and in hindsight maybe the price you paid was a little high. What have you changed going forward to avoid that happening?

Bharat Masrani - TD Bank Financial Group - Group Head, U.S. Personal & Commercial Banking

People ask me that, you know, and I guess hindsight always is perfect as to what timing you should do. But, you know, overall, where have we ended up? If you look at our US business from a retail banking perspective, we have close to 1,200 stores from Maine to Florida. We have positioning that is second to none. We are a leader in service and convenience that is hard to emulate. I am not aware of any bank of our size and profile that is growing organically in every business line that it operates in, within the retail space in the United States. We are one of the few banks that has de novo capabilities to go into a market like we demonstrated in New York, where we did not buy anybody and today we are a leading bank in New York City. So we are very happy with where we've ended up.

Now your point, could you argue that you could have paid a little less here or a little more there? I guess so. But from where I sit, the position we have is a fantastic position. It's in the right markets and frankly, if 30 years ago somebody had told me that if you have aspirations to build a U.S. bank and this is the franchise you'll end up with, I'd say where do I sign up, because that's what we've got. And as we showed you in many of the slides, we went through this downturn, the financial panic, the deepest recession than many of us have known, quite well. We've been profitable right through and have grown market share. So I'm very happy with where we are.

As you saw on the slides, we did acquire the FDIC-assisted transaction. We did acquire The South Financial. We announced the acquisition of that bank as well. So overall, I think with the combination of acquisitions and organic growth, we are building a franchise that we are very proud of.

Jonathan Hughes ***- UBS - Analyst***

Thank you. Jonathan Hughes from UBS. I just wanted to pick up on the points on service. How important do you think service really is, particularly in the commoditized areas of banking where the products are pretty much generalized across all banks? I think personally when I buy banking products myself, price is still the primary driver.

Bharat Masrani - TD Bank Financial Group - Group Head, U.S. Personal & Commercial Banking

My belief is that the only sustainable start in banking is through the sales convenience, that price can be matched in a nanosecond. You can go on the Internet and get the cheapest mortgage or a product feature can be matched as well. The only sustainable positioning in banking we find is service and convenience and frankly, it does work for us so I'll give you a few examples.

Convenience mainly for -- most banks would define convenience as hours, that I'm open when others are not open. Yes, we define convenience similarly, but we take the definition to a new level. Are we convenient when it rains for you? Are we convenient if you have a dog when you come to our stores in the U.S.? Are we convenient if you have children? So we do take it to a new level and, frankly, a lot of people have accused us of being retailers. I say I'll accept that accusation because we are retailers that happen to be in banking, and that's what we offer. We offer a value proposition that is unique, it is hard to emulate and we take this very seriously.

So talking about service specifically, we talk to thousands of our customers every night to see how they feel about the bank. In the U.S. alone we speak to 800 customers every night and we measure that success. We measure the success based on what we call our Customer Wow! Index. So here we take customers and how do we convert them to fans. That's what we do. And it is remarkable the correlation between those scores and the amount of business and the number of new customers you get.

So, although I'm sure there are a lot of customers that think they would like to bank based on price, but we are finding all the statistics, all the research we do -- and we're serious about this. This is not just being hokey bankers or anything like that. But we see that service and convenience does drive growth. It does drive a client base that is more profitable for the bank and, frankly, is more sustainable.

Jonathan Hughes *- UBS - Analyst*

So just following up on that, the elements of cross-sell, what's the sort of average number of products that the customer may have of yours, and if you could contrast that across your peers as well, that would be useful. Thanks.

Bharat Masrani - TD Bank Financial Group - Group Head, U.S. Personal & Commercial Banking

Yes, so we are on a journey. TD Bank Financial Group in Canada, we are a universal bank similar to what you might see with a lot of the high street banks in the UK, in fact more universal than even some of the high street banks in the UK. In the U.S., the franchises that we acquired are first-class brand franchises, but essentially they were more traditional banks that would not offer all the products, which relied mainly on deposits and some loans.

So we are on a journey on the cross-sell. In fact I'd refer you to our Investor Day presentation a few weeks ago in New York - it's on our website td.com -- where we talk about how much progress we've made and where do we intend to take that. And I feel good about that.

To give you some statistics, today if a customer did not have a mortgage with us, they'd have two-plus products with us. If they had a mortgage with us, they would have four-plus products with us. We only built our mortgage platform in the U.S., like in the last year and half or so. So we're growing that business quite well. And the four-plus products would compare quite well from a market perspective. Two-plus products would not. So we are on a journey and I see a tremendous upside for the bank as we move more towards the universal offering through all of our channels in the U.S.

Unidentified Audience Member

Hi. With the regulation, there's obviously negative ramifications for fee streams, whether it's overdraft or dividend [inaudible] and it seems from a lot of the larger peers in the United States there's a universal consensus that fees to consumer will go up, debit rewards will come down, so on and so forth. What's your view on that and will the consumer accept that or will there be irrational players that perhaps take a lot of market share from bigger banks? Thanks.

Bharat Masrani - TD Bank Financial Group - Group Head, U.S. Personal & Commercial Banking

It's a fascinating question and obviously a lot of debate going on in the U.S. Let's take the example of regulation with the overdraft product, which is now regulated. Especially for people who do not know, previously in the U.S., you could overdraw your account by using any of your methods of banking, either by writing a cheque or a preauthorized debit transaction, or an on-demand debit when you go to a restaurant, or through the ATM. So for ATMs and on-demand debit, when you do it in a restaurant or a coffee shop, now require explicit opting-in by customers before a bank is allowed to overdraw the account and charge a fee. That's the difference.

It's interesting being from Canada. In Canada the checking product or what I would call retail banking products are more on a package basis. So if you want package A, this gives you so many services, it will cost Y for a month to get those services, and not heavily reliant on overdraft revenue. Whereas in the U.S. approximately 15% of customers who use overdrafts essentially subsidize 85% of the customers that have checking accounts because they did not pay any fees. The accounts are free checking.

And frankly this existed in the United States in the '70s as well. Because that's the time, in the 1970s, that's the time when there was regulation on how much interest you could pay on savings accounts. Then it was easy to say you can have cross subsidy and offer those accounts and attract more volume. And then those things were removed and you moved into more of a packaged product like we have in Canada and I think it's my understanding that the UK also has that. And then in the mid '90s, we had overdrafts come in and started to provide huge revenue streams for certain banks so they went back into free checking.

So I give you that history because I feel this will evolve back to a package type of product. And will there some market disruption? Absolutely. Any change will have some disruption. But frankly I see a transition over the next little while where these services will be offered to all of our checking customers and, frankly, fees will offset some of these headwinds that you talk about. Like some of my competitors have already announced packages in December and I see this as an evolution that will stick because that's how it has happened previously and that's how it has evolved in many other countries.

Unidentified Audience Member

Could I just ask, given the relatively benign outlook for loan growth over the next few years, do you think you're overcapitalized?

Bharat Masrani - TD Bank Financial Group - Group Head, U.S. Personal & Commercial Banking

Overcapitalized? On the one hand, we believe that's a great strength and it has been for our Bank. 12.5% Tier 1 capital and, what is it, a few minor decimal points under 10% of core common equity capital, has been a great anchor for the Bank. I think the new capital rules are evolving. We'll see how that works out based on the annex that was released recently, based on what you hear we're going to evolve, I like our position.

Unidentified Audience Member

Okay, no more further questions. Thank you very much.

Bharat Masrani - *TD Bank Financial Group - Group Head, U.S. Personal & Commercial Banking*

Thank you. Thanks very much.