



**Q4 2011
Strategic Overview
Ed Clark, Group President and CEO
(Check against delivery)**

Thanks, Rudy, and thanks, everyone, for joining us today. I hope I don't hurt anyone's feelings if I don't stay for the exciting discussion of IFRS after the investor meeting.

Colleen's going take you through the fourth quarter results in detail, but I'd like to give you my thoughts about the quarter and the year. Then, I'd like to focus on what our feelings are about 2012.

Now, obviously, this quarter was an excellent finish to a record year for TD with all of our business delivering strong results. Total adjusted earnings grew 30 percent with double digit increases for each of our businesses.

Our personal and commercial banking businesses on both sides of the border continue to have strong loan and deposit growth. And our wealth business saw strong inflows of new client assets. Wholesale bounced back from a tough third quarter to turn in a strong result with much improved trading revenues despite the continued challenging global environment, helped as well by higher security gains. Overall, it was clearly a great quarter.

So, let me take a look back at 2011. I think the last 12 months really speak to the earnings power of our retail focused business model and the growth it's capable of delivering.



This time last year, our full year adjusted earnings just crossed the \$5 billion mark for the first time. Well, now, we've crossed the \$6 billion mark. That's a 20 percent growth over last year in an environment which, to put it mildly, has been rather challenging and uncertain.

If you look at each of our businesses, all of them made really strong contributions and thrived despite the headwinds they faced. The growth in performance of TD Canada Trust in 2011 was nothing short of spectacular. TD Canada Trust set the pace for the rest of the industry in terms of delivering the best customer service and convenience, again, winning a number of prominent accolades.

With 17 percent earnings growth this year and a remarkable 13 percent compounded growth since 2006, TD Canada Trust remains an incredible growth leader. We've driven this growth through a relentless focus on reinvesting in our franchises to make sure we always stay ahead of the competition. Twenty-four new branches, Sunday hours, a significant investment in additional small business and commercial officers are examples of how we've invested to stay ahead.

Our insurance business also had a very strong year, driven by strong premium growth and improved claims management. This is another business in which we've consistently invested and where we're now seeing good returns.

Our global wealth business also had a record year with 27 percent earnings growth. We continue to do well at gathering new client assets and improving client satisfaction



metrics. We also saw healthy trading volumes, a byproduct of the volatility in the markets. The business is focused on offering our retail and business banking clients legendary TD service and leveraging our leadership position in online brokerage.

TD Bank, America's Most Convenient Bank, had another strong year, despite some very tough regulatory and economic headwinds. We delivered strong growth while continuing to build out our Maine to Florida footprint, opening 37 new stores and wowing our customers. We also successfully integrated the South Financial Group, giving us a top five position in South Carolina where we have just announced a major hub investment. We're confident about our ability to continue to win market share, even in a difficult economy. We have outperformed our US peer groups by a wide margin in terms of loan growth. Through a combination of strong organic growth and acquisitions, our US adjusted earnings grew 33 percent this year, a powerful indicator that our service and convenience proposition does work.

Our wholesale bank finished a difficult year on a strong note and showed that by having a diversified client focused business model, you can withstand harsh operating conditions like those we faced in 2011. We've got a business that now competes for the number one or two position relative to its Canadian peers, a tremendous accomplishment. It wasn't long ago where we set out our sights on being a top three dealer. We've clearly reached that goal.

These results again show that our strategy of growing a North American bank without going out the risk curve by



investing in franchises with repeatable earnings potential allows us to outperform in challenging operating conditions. Our successes this year are also getting recognized by Euro Money, a leading business magazine which named TD as the best bank in North America for the third year in a row.

Now, none of this could have been achieved without the people who run this bank and their dedication to meeting the needs of our customers and clients. Our team of over 85,000 employees was outstanding this year. On behalf of the Board and the entire senior executive team, I'd like to take this opportunity to thank them for their efforts.

I'm also very pleased to announce and welcome that 1,700 employees from MBNA Canada have now joined TD Bank. We are delighted to have you on board. The MBNA acquisition closed today, making us a top tier dual card issuer in Canada. We now have a unique position in the marketplace with strong affinity positions in both insurance and credit cards.

Outlook

Let me now share a few thoughts about 2012. In the last six months, we've certainly seen a negative shift in the mood about the global environment. There's still lots of uncertainty about how Europe's debt issues will ultimately be resolved.

Clearly, there is some tail risk of a major political failure. The most likely outcome currently seems to be a series of muddling along adjustments. The likely net effect will be slower growth and possibly a mild recession.



In the United States, we're seeing some signs of recovery. Businesses now have strong balance sheets and have achieved significant productivity increases. They are investing but are reluctant to do so boldly because of the risks in Europe, worries about the US political polarization and the continued fragility in the mood of the US consumer.

Absent the problems in Europe, it's not impossible that the US economy would get some real traction. Given, however, the current European outlook, we expect slow growth and at best only moderate reductions in unemployment rates. Interest rates are at historic lows and are not likely to rise significantly any time soon.

Despite the global headwinds, we're feeling positive about TD in this environment. Our possibly pessimistic view of the economic outlook is not matched by a pessimistic view of our prospects. We have seen that a business model built on service and convenience combined with continuous reinvestment will always outperform on a relative basis. We enter 2012 with strong momentum.

TD Canada Trust should deliver solid growth despite low rates, and we expect a slowdown in consumer lending. We expect loan growth will continue in the mid to high single digit range with a strong contribution from business banking volumes and continued personal loan growth, though at a slower rate than we've seen in the last couple of years. Offsetting this growth will be continued margin pressures. We'll manage our expenses very closely to ensure that we deliver positive operating leverage.



In the United States, we delivered a record year in 2011 despite the impact of the new overdraft regulations and tough economic conditions. We're confident we can do the same with the new interchange regulations, which are expected, as you know, to take away approximately \$50 to \$60 million in growth revenue per quarter next year. We've said we'll recover this over the next two years by introducing new products and optimizing our fee structure. We'll continue to reinvest in our franchise by opening 30 new stores and continue to grow our loans and deposits at a faster rate than our competitors. We expect that our US business will see modest earnings growth next year, despite the impact of interchange fees.

Our wealth business has good momentum and should continue to see steady flows from new clients, despite the volatile markets. While difficult to predict, we expect to see decent growth from wealth if the capital markets hold up.

Our insurance business, which will be combined with wealth starting in fiscal 2012, should continue its strong growth trajectory with the MBNA acquisition and expected premium growth adding to the bottom line.

Turning to our wholesale bank, while this is a difficult business to do forecasting, TD Securities should see continued growth in our core dealer operations next year. Offsetting this will be the fact we're unlikely to see the same level of security gains that we saw in 2011. We expect this business to generate a solid risk adjusted return on capital next year, despite the tough trading environment.



We will continue to invest in the future of our franchises while ensuring that expenses don't grow faster than revenues. In terms of earnings outlook, we remain committed to our medium term target of 7 to 10 percent adjusted EPS growth. Given the economic and regulatory headwinds we face, we'll have our work cut out to get there. But, that's certainly what we would like to do. I'm confident that we have a proven business model and an extraordinary management team to ensure we continue to grow in both relative and absolute terms in these tough times.

Capital

Let me make a few comments about our capital. We're in a very strong position going into 2012. We expect that our Basel III common equity tier one ratio on a fully phased in basis will be comfortably above 7 percent by the second quarter of 2012 and will be about 7.5 percent by the first quarter of 2013. In 2011, we generated over \$2.5 billion in excess capital through earnings growth and after raising our dividends twice, another impressive achievement. With that said, we'll continue to manage our capital very prudently.

With that, let me wrap up and turn the call over to Colleen.

Call Closing

Well, obviously it was a pretty fantastic quarter, up 30 percent and a pretty fantastic year, up 20 percent. And frankly, a year where we did better than I think we thought we were going to do going into the year.



I would say we are certainly not unaware of the tail risks that are out there. And I think we've been managing the organization against those tail risks. And we're not unaware that we're looking at a growth trajectory for the world and certainly for North America, that's slower than one might have wanted with probably interest rates that are lower than one might have wanted.

And so, I think we find that, before we start wallowing in pessimism, we have to keep on putting the fact that we have continued to outperform, and I'd say as an organization we probably underestimate the advantage of outperforming. And so, by being able to take market share on both sides of the border and continue to adapt to make the kind of changes that you have to do to make money in this environment, those capabilities turn out to be worth a lot of money in the end.

And so, that's why when we look at next year, we're still focused on maintaining earnings growth of 7 to 10. We're telling you that that's going to be hard work to do that, but it's certainly what our mission statement tells us that we should be trying to do.

Thank you very much.



CAUTION REGARDING FORWARD-LOOKING STATEMENTS

From time to time, the Bank makes written and/or oral forward-looking statements, including in this presentation, in other filings with Canadian regulators or the U.S. Securities and Exchange Commission, and in other communications. In addition, representatives of the Bank may make forward-looking statements orally to analysts, investors, the media and others. All such statements are made pursuant to the “safe harbour” provisions of, and are intended to be forward-looking statements under, applicable Canadian and U.S. securities legislation, including the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements include, but are not limited to, statements made in this presentation, the Bank’s 2011 Management’s Discussion and Analysis (“MD&A”) under the headings “Economic Summary and Outlook” and, for each business segment, “Business Outlook and Focus for 2012” and in other statements regarding the Bank’s objectives and priorities for 2012 and beyond and strategies to achieve them, and the Bank’s anticipated financial performance. 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 the Bank to make assumptions and are subject to inherent risks and uncertainties, general and specific. Especially in light of the uncertainty related to the financial, economic and regulatory environments, such risks and uncertainties – many of which are beyond the Bank’s control and the effects of which can be difficult to predict – may cause actual results to differ materially from the expectations expressed in the forward-looking statements. Risk factors that could cause such differences include: credit, market (including equity, commodity, foreign exchange, and interest rate), liquidity, operational (including technology), reputational, insurance, strategic, regulatory, legal, environmental, and other risks, all of which are discussed in the 2011 MD&A. Additional risk factors include the impact of recent U.S. legislative developments, as discussed under “Significant Events in 2011” in the “Financial Results Overview” section of the 2011 MD&A; changes to and new interpretations of capital and liquidity guidelines and reporting instructions; increased funding costs for credit due to market illiquidity and competition for funding; and the failure of third parties to comply with their obligations to the Bank or its affiliates relating to the care and control of information. We caution that the preceding list is not exhaustive of all possible risk factors and other factors could also adversely affect the Bank’s results. For more detailed information, please see the “Risk Factors and Management” section of the 2011 MD&A. All such factors should be considered carefully, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements, when making decisions with respect to the Bank and we caution readers not to place undue reliance on the Bank’s forward-looking statements.

Material economic assumptions underlying the forward-looking statements contained in this presentation are set out in the 2011 MD&A under the headings “Economic Summary and Outlook” and, for each business segment, “Business Outlook and Focus for 2012”, as updated in subsequently filed quarterly Reports to Shareholders.

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.