TD Bank Group
Reader's Guide to F2011 International Financial Reporting Standards (IFRS) Supplemental Package

Thursday January 26th, 2012

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.

Executive Summary

- Adjusted net income[1] increased under IFRS in F2011 versus Canadian GAAP (CGAAP) results
  - Accounting differences increase adjusted net income by $77MM[2]
  - Presentation changes required under IFRS includes $104MM[2] of non-controlling interests (NCI) in adjusted net income. No impact to earnings-per-share (EPS).
  - Adjusted diluted EPS under IFRS of $6.86[3], up 1%, as per Q4 2011 guidance
- Total assets increased $46B, mainly from on-balance sheet treatment of securitized mortgages and HELOCs
- No major impacts to business segment reporting
- The IFRS impact on Tier 1 capital is approximately $1.9B (Basel II Tier 1 ratio down by 89 bps), which includes $387MM for the quarter ending Jan 31 2012. The IFRS impact on the Basel III Common Equity Tier 1 (CET1) ratio will be moderated as a result of certain Basel III deductions.
- As previously disclosed, TD Insurance has been moved from Canadian Personal & Commercial Banking to a new reporting segment, Wealth and Insurance

IFRS is an accounting change only
– it remains business as usual at TD

1. 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 "Non-GAAP financial measures" section of the IFRS Press Release – Jan 26, 2012 (td.com/investor) for further explanation, a list of the items of note, and a reconciliation of non-GAAP measures. For more information of a general nature, see "How the Bank Reports" in the Bank's 2011 Management's Discussion & Analysis.
2. Reported net income increased $156 million under IFRS in F2011 versus CGAAP; excluding the impact of non-controlling interests, the increase in reported net income was $52 million.
3. Reported diluted earnings per share were $6.43 under IFRS in F2011, versus CGAAP results of $6.41

Transition to IFRS

Changes in Financial Reporting

- The Bank will prepare financial statements under IFRS beginning Q1 2012
- IFRS supplemental information package contains quarterly and annual results for 2011 prepared in accordance with IFRS
- Adjusted net income under IFRS includes $77MM of accounting differences versus CGAAP and $104MM of non-controlling interests[1]

Adjusted Net Income

- F2011 IFRS earnings are higher than CGAAP results - adjusted net income is $181MM higher and reported net income is $156MM higher. The difference of $25MM is due to items of note impacts.

(millions of Canadian dollars)	*For the three months ended*					
	Q4 2011	Q3 2011	Q2 2011	Q1 2011	YTD 2011	Change
Net income– reported – Canadian GAAP	**$1,566**	**$1,450**	**$1,332**	**$1,541**	**$5,889**	
Significant accounting differences between Canadian GAAP and IFRS:						
Derecognition of financial instruments (securitizations)	9	19	26	(16)	38	
Employee Benefits	18	18	17	17	70	
Share-based payments	(13)	(5)	14	(9)	(13)	
Loan origination costs	6	8	(7)	9	16	$156
Business combinations	9	(25)	(1)	(2)	(19)	
Other	(32)	(2)	(2)	(4)	(40)	
Non-controlling interest	26	27	25	26	104	
Net income– reported – IFRS	**$1,589**	**$1,490**	**$1,404**	**$1,562**	**$6,045**	
Items of note, net of income taxes – Canadian GAAP	**68**	**128**	**119**	**47**	**362**	
Differences between Canadian GAAP and IFRS	(1)	17	1	8	25	25
Items of note, net of income taxes – IFRS	**67**	**145**	**120**	**55**	**387**	
Net income– adjusted – IFRS	**$1,656**	**$1,635**	**$1,524**	**$1,617**	**$6,432**	$181

1. Adjusted results are defined in footnote 1 on slide 3. The comparable reported results are set out in footnote 2 on slide 3.

Key Elements of IFRS for TD

IFRS / Canadian GAAP Differences

Category	Change under IFRS	Income Statement Impact
Derecognition of financial instruments (securitizations)	▪ Majority of securitizations are no longer derecognized – the Bank no longer recognizes up-front gains/losses on sale ▪ Interest income and interest expense from securitized mortgages and liabilities that are now recorded on-balance sheet	▪ Timing of mortgage income ▪ Increase in net interest income and decrease in non-interest income
Employee benefits	▪ The Bank has elected to recognize unamortized actuarial gains and losses related to pension plans in opening retained earnings	▪ Lower pension expense
Share-based payments	▪ Share-based payments are recognized on a longer, but earlier basis under IFRS – focus on period of service instead of period for entitlement	▪ Timing of expenses
Loan originations	▪ Certain loan origination costs, including commitment costs to provide a fixed rate mortgage commitment, are expensed immediately ▪ Costs are no longer deferred and recognized over the expected life of a loan	▪ Timing of expenses
Business combinations	▪ Changes are items of note, with no impact to adjusted net income ▪ Certain direct acquisition related costs must be expensed as incurred under IFRS instead of being included in the purchase price allocation ▪ Lower amortization for intangibles as a result of adopting IFRS rules for business combinations on and after Jan 1, 2007 ▪ Recognize contingent consideration in purchase price on acquisition date and mark to market subsequent changes in fair value	▪ Higher reported acquisition costs ▪ Lower reported amortization of intangibles ▪ Mark to market through earnings on a reported basis
Non-controlling interests	▪ NCI is not deducted from the calculation of net income, but continues to be deducted in EPS calculations	▪ Higher net income

Derecognition of Financial Instruments

Accounting Differences – IFRS vs. CGAAP

- Under CGAAP, the Bank derecognizes securitized mortgages as control is relinquished. An up-front gain or loss on sale is recognized – the future margin is foregone and the securitized mortgages are no longer on the balance sheet.
- Under IFRS, the Bank does not derecognize mortgages under Canadian Housing Trust (CHT) program as it retains certain risks and rewards of ownership
- CHT mortgages did not pass the IFRS risk and reward test. The Bank has moved securitized mortgages and related securitization liabilities on balance sheet.

Impacts to the Supplemental Information package

- Assets and liabilities increased as a result of securitization adjustments
- Interest income and interest expense related to the Bank's securitized mortgages and securitization liabilities are recorded in NII
- Non-interest income has decreased as CGAAP up-front gains are reversed and replaced with NII from securitized mortgages
- Segments impacted: Corporate and Wholesale

Securitization activities result in the majority of IFRS financial statement line item changes

1. A description of the financial statement impacts from derecognition are included in Note 34 of the Bank's 2011 Annual Financial Statements available at td.com/investor

Non-Controlling Interests in Subsidiaries

Approach to Non-Controlling Interests in Subsidiaries

- IFRS results in changes to the presentation of non-controlling interests in subsidiaries[1] on the income statement.
- Under CGAAP, NCI was deducted in the calculation of net income. Under IFRS, NCI is not deducted from the calculation of net income, but is deducted in net income applicable to common shareholders and EPS calculations.

Consolidated IFRS Income Statement

	F2011
Income before income taxes and equity in net income of an associated company	**7,125**
Provision for income taxes	(1,326)
Equity in net income of an associated company, net of income taxes	246
Net Income – reported	**6,045**
Adjustments for items of note	387
Net Income – adjusted[2]	**6,432**
Preferred dividends	(180)
Net income available to common shareholders and non controlling interests in subsidiaries	**6,252**
Attributable to:	
Non-controlling interests	**104**
Common shareholders	6,148

Under CGAAP non-controlling interests was deducted from net income

1. NCI includes Series A Preferred stock issued by Northgroup Preferred Capital Corporation (Northgroup REIT), a subsidiary of TD Bank N.A., and Series 2008 TD CaTS III securities, issued by CaTS III
2. Adjusted results are defined in footnote 1 on slide 3

IFRS Impact on Income Statement

Adjustments by Segment – IFRS vs. CGAAP

F2011, CAD millions	*Supp Pack*	CAD P&C	Wholesale	U.S. P&C	Wealth & Ins.	Corporate	Total
Net Interest Income	*pg 11*	(17)	56	106	6	679	**830**
Non-Interest Income	*pg 12*	(2)	(62)	(60)	(4)	(634)	**(762)**
Non-Interest Expenses	*pg 13*	4	-	147	4	(191)	**(36)**
Provision for Credit Loss	*pg 27*	4	-	21	-	-	**25**
Income Taxes	*pg 1*	(7)	(8)	(54)	-	96	**27**
Reporting of Non-Controlling Interests	*pg 34*	-	-	-	-	104	**104**
Net Income – Reported		(20)	2	(68)	(2)	244	**156**
Adjustment for Items of Note, Net of Tax	*pg 3*	-	-	13	-	12	**25**
Net Income – Adjusted[1]		(20)	2	(55)	(2)	256	**181**

- Most significant impacts are in Corporate segment
- Derecognition increases NII and decreases Non-Interest Income
- Small impact to CAD P&C - Previous disclosures removed the impact of securitization and presented results as if the Bank had not securitized – a similar approach to IFRS
- See slide 15 for additional information on segment adjustments

1. Adjusted results are defined in footnote 1 on slide 3

IFRS Impact on Income Statement

Net-Interest Income, F2011 – IFRS Supp Pack Page 11

- Increase in Net-Interest Income of $830MM (line 11) compared to CGAAP is mainly related to differences in accounting for securitization under IFRS
- Interest income increased by $2.4B (line 4) mainly from:
  - Interest income from on-balance sheet securitized mortgages (line 1)
  - Reversal of MBS interest income recognized under CGAAP (line 2)
- Interest expenses increased by $1.6B (line 10) mainly from:
  - Interest expense from on-balance sheet securitization liabilities (line 6)

Selected Impacts, CAD millions	Page; Line	CGAAP F2011	IFRS Impact					IFRS F2011
			Q4	Q3	Q2	Q1	Total	
Net-Interest Income (NII)	11; 11	12,831	248	211	180	191	830	13,661

IFRS Impact on Income Statement

Non-Interest Income, F2011 – IFRS Supp Pack Page 12

- Decrease in Non-Interest Income of $762MM (line 22) compared to CGAAP is mainly related to differences in accounting for securitization under IFRS
- Non-Interest Income decreased from factors including:
  - Reversal of Day 1[1] CGAAP securitization gains (line 11)
  - Reversal of mark to market on retained interest in securitized mortgages (line 9)
  - Certain loan commitment costs are expensed immediately under IFRS and are no longer deferred over the life of a loan (line 19)

Selected Impacts, CAD millions	Page; Line	CGAAP F2011	IFRS Impact Q4	IFRS Impact Q3	IFRS Impact Q2	IFRS Impact Q1	IFRS Impact Total	IFRS F2011
Non-Interest Income	12; 22	8,763	(250)	(174)	(146)	(192)	(762)	8,001

1. Day 1 gains are the gains / losses that result from the securitization of mortgages

IFRS Impact on Income Statement

Non-Interest Expenses, F2011 – IFRS Supp Pack Page 13

- Decrease in Non-Interest Expenses of $36MM (line 26) compared to CGAAP is the result of offsetting expense impacts
- Non-interest expenses increased mainly from:
  - Lower pension expense as unamortized actuarial losses were recognized in IFRS opening balance sheet retained earnings and no longer need to be amortized (line 4)
  - Lower amortization for intangibles as a result of adopting IFRS rules for business combinations on and after Jan 1, 2007 (line 15)[1]
- Non-interest expenses decreased mainly from:
  - Increase in share-based payment expenses due to longer/earlier amortization (line 4)
  - Business combination expenses, such as severance and direct transaction costs, which are expensed under IFRS and not capitalized to the purchase price (line 4)[1]
  - Expensing indirect loan origination costs as incurred under IFRS (line 4)

Selected Impacts, CAD millions	Page; Line	CGAAP F2011	IFRS Impact Q4	IFRS Impact Q3	IFRS Impact Q2	IFRS Impact Q1	IFRS Impact Total	IFRS F2011
Non-Interest Expenses	13; 26	13,083	6	(1)	(38)	(3)	(36)	13,047

1. IFRS adjustments considered items of note and do not impact adjusted net income

IFRS Impact on Income Statement

Provision for Credit Losses, F2011 – IFRS Supp Pack Page 27

- Increase in Provision for Credit Losses of $25MM (line 19) compared to CGAAP has no impact on net earnings
- Provision for credit losses increased due to:
  - Positive impact from the discount accretion on specific allowances are recorded in NII rather than as a reduction in PCL (line 4)

Selected Impacts, CAD millions	Page / Line	CGAAP F2011	IFRS Impact					IFRS F2011
			Q4	Q3	Q2	Q1	Total	
Total Provision for Credit Losses	27; 19	1,465	6	6	6	7	25	1,490

IFRS Impact on Income Statement

Income Tax, F2011 – IFRS Supp Pack Page 1

- Increase in Income Tax of $27MM (line 10) compared to CGAAP
- Provision for (recovery of) income taxes (line 10) increased mainly from:
  - Deferred tax liability for the Bank's pro rata share of the earnings and profits of TD Ameritrade under IFRS. So long as the bank does not have the intent to dispose of its investment in TD Ameritrade, IFRS requires that the Bank assume it will recover its investment through dividends which are subject to a U.S. withholding tax.

Selected Impacts, CAD millions	Page / Line	CGAAP F2011	IFRS Impact					IFRS F2011
			Q4	Q3	Q2	Q1	Total	
Provision for (recovery of) income taxes	1; 10	1299	(11)	19	19	0	27	1,326

IFRS Impact on Income Statement

Items of Note, Net of Income Taxes, F2011 – IFRS Supp Pack Page 3

- Increase in Items of Note of $25MM (line 6) compared to CGAAP is primarily related to IFRS accounting for business combinations
- Amortization of intangibles decreased by $35MM (line 1):
  - The Bank has applied IFRS on all business combinations on and after Jan 1, 2007. A portion of the intangibles from the TD Banknorth privatization are no longer recognized and therefore do not need to be amortized under IFRS.
- Other acquisition impacts increased by $54MM (lines 3 and 5):
  - Certain business combination acquisition related costs are expensed as incurred under IFRS. Under CGAAP these costs were part of the purchase price allocation.
  - Contingent consideration for the Chrysler Financial acquisition is recognized in the purchase price on the acquisition date under IFRS, with subsequent fair value changes recorded in income statement. Under CGAAP these costs were recorded as part of the purchase price once amounts could be reasonably estimated.

Selected Impacts, CAD millions	Page / Line	CGAAP F2011	IFRS Impact					IFRS F2011
			Q4	Q3	Q2	Q1	Total	
Total Items of Note	3; 6	362	(1)	17	1	8	25	387

Segment Reporting

Impact of IFRS on Segment Reporting

Segment	Selected impacts from IFRS
Canadian Personal and Commercial Banking	▪ Minimal impact from IFRS ▪ Previous CAD P&C disclosures removed the impact of securitization and presented results as if the Bank had not securitized – a similar approach to IFRS
Wealth and Insurance	▪ Minimal impact from IFRS ▪ Results include movement of TD Insurance to Wealth and Insurance segment
U.S. Personal and Commercial Banking	▪ Loan origination costs (indirect costs, certain rate locks) are expensed immediately and are no longer deferred and recognized over life of the loan ▪ Business combinations under IFRS requires termination and severance costs associated with acquisitions to be expensed immediately. Considered items of note, with no impact to adjusted net income.
Wholesale	▪ Minimal impact from IFRS
Corporate	▪ Increase in NII and decrease in other-interest income from re-recognition of mortgage loans on balance sheet ▪ Lower pension expense from electing to record unamortized actuarial gains and losses to opening retained earnings ▪ Upfront expensing of certain fixed-rate commitments versus deferring and amortizing ▪ Expensing of direct transaction costs and mark to market of contingent consideration related to Chrysler Financial acquisition. Considered items of note, with no impact to adjusted net income.

IFRS Impact on Balance Sheet

Balance Sheet, F2011 – IFRS Supp Pack Page 14

- Changes under IFRS primarily related to opening balance sheet[1] adjustments outlined as part of the Bank's Q4 2011 investor call
  - Retroactively applied IFRS to value acquisitions at closing date, not announcement date. Lowers goodwill with no impact to tangible book value.
  - IFRS lowered Tier 1 capital relative to CGAAP, with the largest items related to pensions, de-recognition and loan related costs
- Securitized mortgages reflected in loans and financial assets, as well as in new securitization liabilities categories on the balance sheet

CAD billions[3]	Line	IFRS	CGAAP	Change	Primary Driver
Loans	*15*	$380	$306	$74	Securitized mortgages are now on-balance sheet
Financial Assets[2]	*7*	232	253	(21)	MBS accounted for as AFS replaced with mortgages
Goodwill	*20*	12	14	(2)	$2.1B decrease from opening balance sheet elections
All other assets		109	113	(5)	
Total Assets	*27*	733	686	46	
Securitization liabilities at fair value	*30*	$28	n/a	$28	On-balance sheet securitization liabilities (new line items)
at amortized cost	*41*	26	n/a	26	
Common Shares	*51*	17	18	(1)	Reduction on opening balance sheet of $0.9B
Retained Earnings	*56*	18	24	(6)	$6.1B reduction on opening balance sheet
Acc. other comprehensive income	*57*	3	1	2	$2.9B Cumulative Translation Adjustment (CTA) was reclassified on opening balance sheet
All other liabilities and shareholders equity		641	643	(3)	
Total Liabilities & Shareholders Equity	*61*	733	686	46	

1. Opening balance sheet adjustments reflect the Bank's transition to IFRS. The adjustments were as of Nov 1, 2010 and were reported as part of the Bank's 2011 Annual Consolidated Financial Statement disclosures.
2. Financial Assets under IFRS includes Derivatives, which were classified as Other Assets under CGAAP
3. Numbers may not add up due to rounding

Key Performance Indicators

Key Performance Indicators under CGAAP and IFRS

F2011	CGAAP	IFRS
Diluted EPS – Adjusted[1]	$6.82	$6.86
Net Income – Adjusted[1] (excluding NCI) ($MM)	$6,071	$6,148
Adjusted Return on Equity[1]	15.4%	17.3%
Book Value Per Share	$48.23	$43.43
Efficiency Ratio	60.6%	60.2%
Net Interest Margin (NIM)	2.37%	2.31%
PCL / Average Loans	48 bps	42 bps

- Earnings impact ~1%
- Approximately half of the book value per share decrease was due to lower goodwill
- NIM down 6 bps due to higher cost of funding for securitized liabilities compared to deposits
- Better credit metrics reflect loan volumes from re-recognition of mostly insured mortgage loans

Minimal impact from IFRS

1. Adjusted results are defined in footnote 1 on slide 3. Reported diluted earnings per share were $6.43 under IFRS in F2011, versus CGAAP results of $6.41. Reported net income to common, excluding NCI was $5,865 million under IFRS in F2011, versus CGAAP results of $5,709 million. Reported return on equity was 16.2% under IFRS in F2011, versus CGAAP results of 14.5%.

Wealth and Insurance

Insurance Movement to Wealth and Insurance Segment

- Effective November 1 2011, the results for the TD Insurance business were moved from Canadian P&C to Wealth and Insurance
- The move aligns the financial reporting for Insurance with the leadership structure at the Bank, with Wealth and Insurance now reporting to a single senior executive
- Supplemental Information package includes additional information on the Insurance operation (page 6)
  - Insurance revenue, net of claims and related expenses (line 2)
  - Breakdown of Total Net Income – Insurance (line 14)
  - Gross originated insurance premiums (line 22)

Investor Relations Contacts

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

Email:
tdir@td.com

Website:
www.td.com/investor

Best investment community meetings

Best investor relations by a CFO:
Large cap

Best investor relations by a CEO:
Large cap

Grand prix for best overall investor relations: Large cap

Best Investor Relations by Sector:
Financial Services

TD Bank Group
Reader's Guide to F2011 International Financial Reporting Standards (IFRS) Supplemental Package

Thursday January 26th, 2012