



# **SUPPLEMENTAL FINANCIAL INFORMATION**

*(Released on January 26, 2012 for the adoption of International Financial Reporting Standards and changes in Segment Reporting)*

**For the Year Ended October 31, 2011**

---

## **Investor Relations Department**

For further information contact:

Kelly Milroy or David Lambie

416-308-9030

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

**For the Year Ended October 31, 2011**

The supplemental information contained in this package is designed to improve the readers' understanding of the financial performance of TD Bank Group (TD or the Bank). This information should be used in conjunction with the accompanying Press Release dated January 26, 2012. For acronyms used in this package, see the "Acronyms" section of this document.

**How the Bank Reports**

Effective November 1, 2011, the Bank prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS), the current generally accepted accounting principles (GAAP), and refers to results prepared in accordance with IFRS as the "reported" results. The Bank also utilizes non-GAAP financial measures referred to as "adjusted" results to assess each of its segments and to measure overall Bank performance. The Bank removes "items of note", net of income taxes, from reported results as items of note relate to items which management does not believe are indicative of underlying business performance. The items of note are listed on page 3 of this package. The Bank believes that adjusted results provide the reader with a better understanding of how management views the Bank's performance.

As explained, adjusted results are different from reported results determined in accordance with GAAP. Adjusted results, items of note, and related terms are non-GAAP financial measures as these are not defined terms under GAAP and, therefore, may not be comparable to similar terms used by other issuers. A reconciliation between the Bank's reported and adjusted results is provided in the accompanying Press Release.

**Segmented Information**

For management reporting purposes, the Bank's operations and activities are organized around four key businesses operating in a number of locations in key financial centres around the globe: Canadian Personal and Commercial Banking (CAD P&C), including TD Canada Trust and TD Auto Finance Canada; Wealth and Insurance, including TD Waterhouse, an investment in TD Ameritrade Holding Corporation (TD Ameritrade) and TD Insurance; U.S. Personal and Commercial Banking (U.S. P&C) including TD Bank, America's Most Convenient Bank and TD Auto Finance U.S.; and Wholesale Banking, including TD Securities. Integration, restructuring and direct transaction costs related to the acquisition of Chrysler Financial and the Bank's other activities are grouped into the Corporate segment.

Effective July 4, 2011, executive responsibilities for the TD Insurance business were moved from Group Head, Canadian Banking, Auto Finance, and Credit Cards, TD to the Group Head, Wealth and Insurance, and Corporate Shared Services, TD. In this document, the Bank has updated the corresponding segment reporting results retroactively for 2011.

The Bank measures and evaluates the performance of the segments based on our management structure and is not necessarily comparable with other financial services companies. Results of each business segment reflect revenue, expenses, and assets generated by the businesses in that segment. Due to the complexity of the Bank, its management reporting model uses various estimates, assumptions, allocations, and risk-based methodologies for funds transfer pricing, inter-segment revenue, income tax rates, capital, indirect expenses, and cost transfers to measure business segment results. Transfer pricing of funds is generally applied at market rates. Inter-segment revenue is negotiated between each business segment and approximates the value provided by the distributing segment. Income tax provision or recovery is generally applied to each segment based on a statutory tax rate and may be adjusted for items and activities unique to each segment.

The Bank measures and evaluates the performance of each segment based on adjusted results, economic profit, and return on invested capital. Economic profit is adjusted net income, less a charge for average invested capital. Each segment's invested capital represents the capital required for economic risks, including credit, market, and operational risks, plus the purchased amounts of goodwill and intangible assets, net of impairment write downs. Return on invested capital is adjusted net income, divided by average invested capital. Economic profit and return on invested capital are not defined terms under GAAP and, therefore, may not be comparable to similar terms used by other issuers.

Amortization of intangible expenses is included in the Corporate segment. Accordingly, net income for the operating business segments is presented before amortization of intangibles, as well as any other items of note not attributed to the operating segments. Net interest income within Wholesale Banking is calculated on a taxable equivalent basis (TEB), which means that the value of the non-taxable or tax-exempt income, including dividends, is adjusted to its equivalent before-tax value. Using TEB allows the Bank to measure income from all securities and loans consistently and makes for a more meaningful comparison of net interest income with similar institutions. The TEB increase to net interest income and provision for income taxes reflected in Wholesale Banking results is reversed in the Corporate segment.

Shaded numbers have not been recalculated under IFRS and are based on Canadian GAAP.

For information on the Bank's Canadian GAAP Supplemental Financial Information, see the link: [http://www.td.com/document/PDF/investor/2011/Q4\\_11\\_Supp\\_Pack\\_E.pdf](http://www.td.com/document/PDF/investor/2011/Q4_11_Supp_Pack_E.pdf)

## For the Year Ended October 31, 2011

## Table of Contents

	Page		Page
Highlights	1	Provision for Credit Losses	27
Shareholder Value	2	Provision for Credit Losses by Industry Sector and Geographic Location	28-29
Adjustments for Items of Note, Net of Income Taxes	3	Acquired Credit-Impaired Loans by Geographic Location	30-31
Segmented Results Summary	4	Analysis of Change in Equity	32
Canadian Personal and Commercial Banking Segment	5	Change in Accumulated Other Comprehensive Income, Net of Income Taxes	33
Wealth and Insurance Segment	6	Analysis of Change in Non-Controlling Interests and Investment in	
U.S. Personal and Commercial Banking Segment		TD Ameritrade	34
Canadian Dollars	7	Derivatives	
U.S. Dollars	8	Notional Principal	35
Wholesale Banking Segment	9	Credit Exposure	36
Corporate Segment	10	Gross Credit Risk Exposure	37-38
Net Interest Income and Margin	11	Exposures Covered By Credit Risk Mitigation	39
Non-Interest Income	12	Standardized Credit Risk Exposures	40
Non-Interest Expenses	13	AIRB Credit Risk Exposures: Retail Risk Parameters	41
Balance Sheet	14	AIRB Credit Risk Exposures: Non-Retail Risk Parameters	42
Unrealized Gain (Loss) on Banking Book Equities and Assets under		AIRB Credit Risk Exposures: Undrawn Commitments and EAD on	
Administration and Management	15	Undrawn Commitments	43
Goodwill, Other Intangibles, and Restructuring Costs	16	AIRB Credit Risk Exposures: Loss Experience	44
Loan Securitization	17	Securitization Exposures	45
Loans Managed	18	Risk-Weighted Assets	46
Gross Loans and Acceptances by Industry Sector and Geographic Location	19-20	Capital Position	47
Impaired Loans	21	Adjustments for Items of Note, Net of Income Taxes - Footnotes	48
Impaired Loans by Industry Sector and Geographic Location	22-23	Glossary	49
Allowance for Credit Losses	24	Acronyms	50
Allowance for Credit Losses by Industry Sector and Geographic Location	25-26		

## Highlights



### FOR THE PERIOD ENDED

#### Income Statement (\$ millions)

Net interest income	1	\$	3,532	\$	3,514	\$	3,259	\$	3,356	\$	13,661
Non-interest income	2		2,131		1,870		1,897		2,103		8,001
Total revenue	3		5,663		5,384		5,156		5,459		21,662
Provision for credit losses											
Loans	4		350		320		309		355		1,334
Debt securities classified as loans	5		3		3		3		66		75
Acquired credit-impaired loans	6		(13)		57		37		—		81
Total provision for credit losses	7		340		380		349		421		1,490
Non-interest expenses	8		3,488		3,206		3,163		3,190		13,047
Net income before provision for income taxes	9		1,835		1,798		1,644		1,848		7,125
Provision for (recovery of) income taxes	10		310		367		306		343		1,326
Income before equity in net income of an investment in an associate	11		1,525		1,431		1,338		1,505		5,799
Equity in net income of an investment in an associate, net of income taxes	12		64		59		66		57		246
Net income - reported	13		1,589		1,490		1,404		1,562		6,045
Adjustment for items of note, net of income taxes	14		67		145		120		55		387
Net income - adjusted	15		1,656		1,635		1,524		1,617		6,432
Preferred dividends	16		48		43		40		49		180
Net income available to common shareholders and non-controlling interests in subsidiaries - adjusted	17	\$	1,608	\$	1,592	\$	1,484	\$	1,568	\$	6,252

#### Attributable to:

Non-controlling interests - adjusted	18	\$ 26	\$ 27	\$ 25	\$ 26	\$ 104
Common shareholders - adjusted	19	1,582	1,565	1,459	1,542	6,148

#### Earnings per Common Share (\$) and Average Number of Shares (millions) <sup>1</sup>

Basic earnings						
Reported	20	\$ 1.70	\$ 1.60	\$ 1.52	\$ 1.69	\$ 6.50
Adjusted	21	1.77	1.77	1.65	1.75	6.94
Diluted earnings						
Reported	22	1.68	1.58	1.50	1.67	6.43
Adjusted	23	1.75	1.75	1.63	1.73	6.86
Average number of common shares outstanding						
Basic	24	893.8	886.6	883.1	879.3	885.7
Diluted	25	909.0	902.5	901.0	896.4	902.9

#### Balance Sheet (\$ billions)

Total assets	26	\$ 732.8	\$ 713.6	\$ 678.4	\$ 664.1	\$ 732.8
Total equity	27	44.0	40.9	39.0	39.3	44.0

#### Risk Metrics (\$ millions, except as noted)

Risk-weighted assets <sup>2</sup>	28	\$ 218.8	\$ 207.8	\$ 202.7	\$ 199.2	\$ 218.8
Tier 1 capital <sup>2</sup>	29	28.5	26.8	25.8	25.4	28.5
Tier 1 capital ratio <sup>2</sup>	30	13.0 %	12.9 %	12.7 %	12.7 %	13.0 %
Total capital ratio <sup>2</sup>	31	16.0	16.3	16.3	16.2	16.0
After-tax impact of 1% increase in interest rates on: <sup>2</sup>						
Common shareholders' equity (\$ millions)	32	(111)	(62)	(143)	(115)	(111)
Annual net income (\$ millions)	33	(29)	(17)	(31)	(23)	(29)
Net impaired loans - personal, business, and government (\$ millions) <sup>3</sup>	34	2,063	2,008	1,990	2,077	2,063
Net impaired loans - personal, business, and government as a % of net loans <sup>3</sup>	35	0.56 %	0.56 %	0.57 %	0.61 %	0.56 %
Provision for credit losses as a % of net average loans <sup>3</sup>	36	0.36	0.42	0.41	0.48	0.42
Rating of senior debt:						
Moody's	37	Aaa	Aaa	Aaa	Aaa	Aaa
Standard and Poor's	38	AA-	AA-	AA-	AA-	AA-

<sup>1</sup> EPS is computed by dividing net income attributable to common shareholders by the weighted average number of common shares outstanding during the period. As a result, the sum of the quarterly EPS figures may not equal the year-to-date EPS.

<sup>2</sup> The amounts are calculated based on Canadian GAAP.

<sup>3</sup> Excludes acquired credit-impaired (ACI) loans and debt securities classified as loans. For additional information on ACI loans, see pages 30 to 31.

## Shareholder Value



(\$ millions, except as noted)  
FOR THE PERIOD ENDED

### Business Performance

Net income available to common shareholders and non-controlling interests in subsidiaries - reported  
Economic profit <sup>1</sup>  
Average common equity  
Average invested capital  
Return on common equity  
Adjusted return on common equity  
Return on invested capital  
Return on risk-weighted assets <sup>2</sup>  
Efficiency ratio - reported  
Effective tax rate  
Reported  
Adjusted (TEB)  
Net interest margin  
Average number of full-time equivalent staff

LINE #	2011				Full Year 2011
	Q4	Q3	Q2	Q1	
1	\$ 1,541	\$ 1,447	\$ 1,364	\$ 1,513	\$ 5,865
2	594	649	596	641	2,469
3	38,131	35,027	34,060	34,542	35,568
4	43,566	40,380	39,331	39,722	40,877
5	15.8 %	16.1 %	16.1 %	17.1 %	16.2 %
6	16.5	17.7	17.6	17.7	17.3
7	14.4	15.4	15.2	15.4	15.0
8	2.95	2.97	2.88	3.06	2.95
9	61.6	59.6	61.3	58.4	60.2
10	16.9	20.4	18.6	18.6	18.6
11	22.4	24.5	22.6	23.4	23.2
12	2.26	2.33	2.30	2.34	2.31
13	77,360	77,168	74,423	73,534	75,631

### Common Share Performance

Closing market price (\$)  
Book value per common share (\$)  
Closing market price to book value  
Price-earnings ratio  
Reported  
Adjusted  
Total market return on common shareholders' investment  
Number of common shares outstanding (millions)  
Total market capitalization (\$ billions)

14	\$ 75.23	\$ 76.49	\$ 81.92	\$ 74.96	\$ 75.23
15	43.43	40.59	38.59	38.99	43.43
16	1.73	1.88	2.12	1.92	1.73
17	11.7	13.1	14.8	14.1	11.7
18	11.0	11.8	13.3	12.7	11.0
19	5.7 %	8.1 %	12.2 %	23.0 %	5.7 %
20	901.0	888.8	886.1	882.1	901.0
21	\$ 67.8	\$ 68.0	\$ 72.6	\$ 66.1	\$ 67.8

### Dividend Performance

Dividend per common share  
Dividend yield  
Common dividend payout ratio  
Reported  
Adjusted

22	\$ 0.68	\$ 0.66	\$ 0.66	\$ 0.61	\$ 2.61
23	3.5 %	3.1 %	3.1 %	3.3 %	3.4 %
24	40.3	41.2	43.5	36.1	40.2
25	38.6	37.4	40.0	34.8	37.7

<sup>1</sup> The rate charged for invested capital was 9.0% in 2011.

<sup>2</sup> The amounts are calculated based on Canadian GAAP.

# Adjustments for Items of Note, Net of Income Taxes<sup>1</sup>



## FOR THE PERIOD ENDED

LINE #	2011					Full Year 2011
	Q4	Q3	Q2	Q1		
1	\$ 95	\$ 94	\$ 99	\$ 103	\$ 391	
2	(37)	(9)	(7)	(75)	(128)	
3	(1)	39	20	24	82	
4	(9)	(5)	(2)	3	(13)	
5	19	26	10	—	55	
6	\$ 67	\$ 145	\$ 120	\$ 55	\$ 387	
7	\$ 0.10	\$ 0.11	\$ 0.11	\$ 0.12	\$ 0.43	
8	(0.04)	(0.01)	(0.01)	(0.08)	(0.14)	
9	—	0.04	0.02	0.02	0.09	
10	(0.01)	—	—	—	(0.01)	
11	0.02	0.03	0.01	—	0.06	
12	\$ 0.07	\$ 0.17	\$ 0.13	\$ 0.06	\$ 0.43	

<sup>1</sup> For detailed footnotes to the items of note, see page 48.

## Segmented Results Summary



(\$ millions, except as noted)  
FOR THE PERIOD ENDED

### Net Income - Adjusted

Canadian Personal and Commercial Banking  
Wealth and Insurance <sup>1</sup>  
U.S. Personal and Commercial Banking  
Total Retail  
Wholesale Banking  
Corporate  
Total Bank

LINE #	2011				Full Year 2011
	Q4	Q3	Q2	Q1	
1	\$ 754	\$ 795	\$ 733	\$ 769	\$ 3,051
2	343	349	316	306	1,314
3	294	334	316	326	1,270
4	1,391	1,478	1,365	1,401	5,635
5	280	112	188	235	815
6	(15)	45	(29)	(19)	(18)
7	\$ 1,656	\$ 1,635	\$ 1,524	\$ 1,617	\$ 6,432

### Return on Invested Capital

Canadian Personal and Commercial Banking  
Wealth and Insurance <sup>1</sup>  
U.S. Personal and Commercial Banking  
Wholesale Banking  
Total Bank

8	36.0 %	38.0 %	36.2 %	37.2 %	36.9 %
9	25.9	27.1	25.6	22.8	25.3
10	7.2	8.5	7.9	7.8	7.8
11	31.5	13.1	23.3	28.8	24.3
12	14.4 %	15.4 %	15.2 %	15.4 %	15.0 %

### Percentage of Net Income Mix <sup>2</sup>

Total Retail  
Wholesale Banking  
Total Bank

13	83 %	93 %	88 %	86 %	87 %
14	17	7	12	14	13
15	100 %	100 %	100 %	100 %	100 %

### Geographic Contribution to Total Revenue <sup>3</sup>

Canada  
United States  
Other International  
Total Bank

16	67 %	65 %	61 %	62 %	64 %
17	25	27	27	26	26
18	8	8	12	12	10
19	100 %	100 %	100 %	100 %	100 %

<sup>1</sup> Effective Q1 2012, the insurance business was transferred from CAD P&C to Wealth and Insurance (formally called Wealth Management). The prior period results have been reclassified.

<sup>2</sup> Percentages exclude the Corporate segment results.

<sup>3</sup> TEB amounts are not included.

**RESULTS OF OPERATIONS**

(\$ millions, except as noted)  
FOR THE PERIOD ENDED

(\$ millions, except as noted) FOR THE PERIOD ENDED	LINE #	2011				Full Year 2011
		Q4	Q3	Q2	Q1	
Net interest income	1	\$ 1,840	\$ 1,834	\$ 1,729	\$ 1,787	\$ 7,190
Non-interest income	2	621	591	564	566	2,342
Total revenue	3	2,461	2,425	2,293	2,353	9,532
Provision for credit losses	4	212	205	192	215	824
Non-interest expenses	5	1,193	1,106	1,074	1,060	4,433
Net income before income taxes	6	1,056	1,114	1,027	1,078	4,275
Income taxes	7	302	319	294	309	1,224
Net income - reported	8	754	795	733	769	3,051
Adjustments for items of note, net of income taxes	9	—	—	—	—	—
Net income - adjusted	10	\$ 754	\$ 795	\$ 733	\$ 769	\$ 3,051
Average invested capital (\$ billions)	11	\$ 8.3	\$ 8.3	\$ 8.3	\$ 8.2	\$ 8.3
Economic profit <sup>2</sup>	12	587	627	571	603	2,388
Return on invested capital	13	36.0 %	38.0 %	36.2 %	37.2 %	36.9 %
<b>Key Performance Indicators (\$ billions, except as noted)</b>						
Risk-weighted assets <sup>3</sup>	14	\$ 73	\$ 72	\$ 70	\$ 68	\$ 73
Average loans - personal						
Residential mortgages	15	141.0	136.2	131.8	129.0	134.5
Consumer instalment and other personal						
HELOC	16	63.8	64.1	64.3	64.5	64.2
Other	17	26.7	26.3	25.1	24.5	25.7
Credit card	18	8.5	8.4	8.2	8.4	8.3
Total average loans - personal	19	240.0	235.0	229.4	226.4	232.7
Average loans and acceptances - business <sup>4</sup>	20	36.6	35.7	34.6	33.1	35.0
Average deposits						
Personal	21	135.9	135.5	134.3	134.6	135.1
Business	22	63.9	62.4	60.7	59.0	61.5
Margin on average earning assets including securitized assets	23	2.71 %	2.77 %	2.77 %	2.81 %	2.76 %
Efficiency ratio	24	48.4 %	45.6 %	46.8 %	45.0 %	46.5 %
Number of Canadian retail branches at period end	25	1,150	1,134	1,131	1,129	1,150
Average number of full-time equivalent staff	26	30,065	30,110	29,538	29,540	29,815

<sup>1</sup> Effective Q1 2012, the insurance business was transferred from CAD P&C to Wealth and Insurance (formally called Wealth Management). The prior period results have been reclassified.

<sup>2</sup> The rate charged for invested capital was 8.0% in 2011.

<sup>3</sup> The amounts are calculated based on Canadian GAAP.

<sup>4</sup> Include securitized assets.



**RESULTS OF OPERATIONS**

(\$ millions, except as noted)  
FOR THE PERIOD ENDED

(\$ millions, except as noted) FOR THE PERIOD ENDED	LINE #	2011				Full Year 2011
		Q4	Q3	Q2	Q1	
Net interest income	1	\$ 136	\$ 139	\$ 134	\$ 133	\$ 542
Insurance revenue, net of claims and related expenses <sup>2</sup>	2	308	296	254	309	1,167
Other non-interest income	3	595	594	592	550	2,331
Total revenue	4	1,039	1,029	980	992	4,040
Non-interest expenses	5	669	640	648	659	2,616
Net income before income taxes	6	370	389	332	333	1,424
Income taxes	7	81	88	73	75	317
Wealth and Insurance net income, before TD Ameritrade	8	289	301	259	258	1,107
Equity in net income of an investment in an associate, net of income taxes <sup>3</sup>	9	54	48	57	48	207
Total Wealth and Insurance net income - reported	10	343	349	316	306	1,314
Adjustments for items of note, net of income taxes	11	—	—	—	—	—
Total Wealth and Insurance net income - adjusted	12	\$ 343	\$ 349	\$ 316	\$ 306	\$ 1,314
<b>Breakdown of Total Net Income</b>						
Wealth	13	\$ 139	\$ 146	\$ 151	\$ 130	\$ 566
Insurance	14	150	155	108	128	541
TD Ameritrade	15	54	48	57	48	207
<b>Total Wealth and Insurance</b>						
Average invested capital (\$ billions)	16	\$ 5.3	\$ 5.1	\$ 5.1	\$ 5.3	\$ 5.2
Economic profit <sup>4</sup>	17	209	221	192	173	795
Return on invested capital	18	25.9 %	27.1 %	25.6 %	22.8 %	25.3 %
<b>Key Performance Indicators (\$ billions, except as noted)</b>						
<b>Wealth <sup>5</sup></b>						
Risk-weighted assets <sup>6</sup>	19	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9
Assets under administration	20	241	242	248	242	241
Assets under management	21	189	191	190	186	189
<b>Insurance</b>						
Gross originated insurance premiums	22	873	928	812	713	3,326
<b>Total Wealth and Insurance</b>						
Efficiency ratio <sup>5</sup>	23	64.4 %	62.2 %	66.1 %	66.4 %	64.8 %
Average number of full-time equivalent staff	24	11,831	12,014	12,083	12,009	11,984

<sup>1</sup> Effective Q1 2012, the insurance business was transferred from CAD P&C to Wealth and Insurance (formally called Wealth Management). The prior period results have been reclassified.

<sup>2</sup> For the three months ended October 31, July 31, April 30, and January 31, 2011, the claims and related expenses were \$580 million, \$555 million, \$544 million, and \$500 million respectively. For the year ended October 31, 2011, the claims and related expenses were \$2,179 million.

<sup>3</sup> The equity in net income of an investment in an associate includes the net impact of internal management adjustments which are reclassified to other reporting lines in the Corporate segment.

<sup>4</sup> The rates charged for invested capital for North American and international businesses were 9.5% and 13.0% respectively in 2011. The rate charged for invested capital for the TD Ameritrade business line was 11.0% in 2011.

<sup>5</sup> Excludes TD Ameritrade.

<sup>6</sup> The amounts are calculated based on Canadian GAAP.

## RESULTS OF OPERATIONS

(\$ millions, except as noted)  
FOR THE PERIOD ENDED

(\$ millions, except as noted) FOR THE PERIOD ENDED		LINE #	2011				Full Year 2011
			Q4	Q3	Q2	Q1	
Net interest income		1	\$ 1,124	\$ 1,093	\$ 1,073	\$ 1,102	\$ 4,392
Non-interest income		2	339	393	310	300	1,342
Total revenue		3	1,463	1,486	1,383	1,402	5,734
Provision for credit losses							
Loans		4	143	114	136	141	534
Debt securities classified as loans		5	3	3	3	66	75
Acquired credit-impaired loans <sup>1</sup>		6	(16)	57	37	–	78
Total provision for credit losses		7	130	174	176	207	687
Non-interest expenses		8	980	931	839	843	3,593
Net income before income taxes		9	353	381	368	352	1,454
Income taxes		10	58	86	72	50	266
Net income - reported		11	295	295	296	302	1,188
Adjustments for items of note, net of income taxes <sup>2</sup>		12	(1)	39	20	24	82
Net income - adjusted		13	\$ 294	\$ 334	\$ 316	\$ 326	\$ 1,270
Average invested capital (\$ billions)		14	\$ 16.3	\$ 15.7	\$ 16.3	\$ 16.6	\$ 16.2
Economic profit (loss) <sup>3</sup>		15	(75)	(21)	(41)	(51)	(188)
Return on invested capital		16	7.2 %	8.5 %	7.9 %	7.8 %	7.8 %
Key Performance Indicators (\$ billions, except as noted)							
Risk-weighted assets <sup>4</sup>		17	\$ 98	\$ 92	\$ 90	\$ 88	\$ 98
Average loans - personal							
Residential mortgages		18	12.7	11.5	11.2	10.5	11.5
Consumer instalment and other personal							
HELOC		19	9.6	9.1	8.9	8.9	9.1
Other		20	12.0	11.6	7.6	5.8	9.3
Total average loans - personal		21	34.3	32.2	27.7	25.2	29.9
Average loans and acceptances - business		22	43.2	41.2	41.0	41.9	41.8
Average debt securities classified as loans		23	4.0	4.0	4.2	4.8	4.3
Average deposits							
Personal		24	53.7	51.8	52.1	51.6	52.3
Business		25	49.9	46.0	46.0	46.3	47.0
TD Ameritrade insured deposit accounts		26	56.7	48.1	46.3	46.0	49.3
Margin on average earning assets (TEB) <sup>5</sup>		27	3.60 %	3.70 %	3.77 %	3.85 %	3.73 %
Efficiency ratio - reported		28	67.0 %	62.7 %	60.7 %	60.1 %	62.7 %
Non-interest expenses - adjusted (\$ millions)		29	970	866	809	806	3,451
Efficiency ratio - adjusted		30	66.3 %	58.3 %	58.5 %	57.5 %	60.2 %
Number of U.S. retail stores as at period end <sup>6</sup>		31	1,281	1,283	1,285	1,280	1,281
Average number of full-time equivalent staff		32	25,387	25,033	23,447	22,882	24,193

<sup>1</sup> Includes all Federal Deposit Insurance Corporation (FDIC) covered loans and other ACI loans.

<sup>2</sup> Items of note relate primarily to integration and restructuring charges recorded in connection with U.S. P&C acquisitions. See footnote 4 on page 48.

<sup>3</sup> The rate charged for invested capital was 9.0% in 2011.

<sup>4</sup> The amounts are calculated based on Canadian GAAP.

<sup>5</sup> For calculating margin on average earning assets, TEB is included. The impact of TEB is not material. However, no TEB is included in the separate disclosure for total revenue and income taxes.

<sup>6</sup> Includes full service retail banking stores.

## RESULTS OF OPERATIONS

(US\$ millions, except as noted)  
FOR THE PERIOD ENDED

(US\$ millions, except as noted) FOR THE PERIOD ENDED	LINE #	2011				Full Year 2011
		Q4	Q3	Q2	Q1	
Net interest income	1	\$ 1,123	\$ 1,131	\$ 1,103	\$ 1,098	\$ 4,455
Non-interest income	2	335	405	323	300	1,363
Total revenue	3	1,458	1,536	1,426	1,398	5,818
Provision for credit losses						
Loans	4	143	118	139	141	541
Debt securities classified as loans	5	3	3	3	66	75
Acquired credit-impaired loans <sup>1</sup>	6	(16)	59	39	–	82
Total provision for credit losses	7	130	180	181	207	698
Non-interest expenses	8	978	963	863	839	3,643
Net income before income taxes	9	350	393	382	352	1,477
Income taxes	10	58	89	74	51	272
Net income - reported	11	292	304	308	301	1,205
Adjustments for items of note, net of income taxes <sup>2</sup>	12	(1)	41	20	24	84
Net income - adjusted	13	\$ 291	\$ 345	\$ 328	\$ 325	\$ 1,289
Average invested capital (US\$ billions)	14	\$ 16.3	\$ 16.4	\$ 16.6	\$ 16.3	\$ 16.4
Economic profit (loss) <sup>3</sup>	15	(80)	(25)	(36)	(46)	(187)
<b>Key Performance Indicators (US\$ billions, except as noted)</b>						
Risk-weighted assets <sup>4</sup>	16	\$ 98	\$ 96	\$ 95	\$ 88	\$ 98
Average loans - personal						
Residential mortgages	17	12.7	11.9	11.5	10.5	11.7
Consumer instalment and other personal						
HELOC	18	9.4	9.4	9.1	8.9	9.2
Other	19	12.2	12.0	7.9	5.8	9.4
Total average loans - personal	20	34.3	33.3	28.5	25.2	30.3
Average loans and acceptances - business	21	43.1	42.6	42.1	41.7	42.4
Average debt securities classified as loans	22	4.0	4.2	4.4	4.8	4.4
Average deposits						
Personal	23	53.6	53.6	53.5	51.4	53.0
Business	24	49.8	47.5	47.2	46.1	47.7
TD Ameritrade insured deposit accounts	25	56.6	49.8	47.5	45.8	49.9
Non-interest expenses - adjusted (US\$ millions)	26	968	896	831	802	3,497

## Key Performance Indicators (US\$ billions, except as noted)

Risk-weighted assets<sup>4</sup>

Average loans - personal

Residential mortgages

Consumer instalment and other personal

HELOC

Other

Total average loans - personal

Average loans and acceptances - business

Average debt securities classified as loans

Average deposits

Personal

Business

TD Ameritrade insured deposit accounts

Non-interest expenses - adjusted (US\$ millions)

<sup>1</sup> Includes all FDIC covered loans and other ACI loans.

<sup>2</sup> Items of note relate primarily to integration and restructuring charges recorded in connection with U.S. P&C acquisitions. See footnote 4 on page 48.

<sup>3</sup> The rate charged for invested capital was 9.0% in 2011.

<sup>4</sup> The amounts are calculated based on Canadian GAAP.

**RESULTS OF OPERATIONS**

(\$ millions, except as noted)  
FOR THE PERIOD ENDED

LINE #	2011						Full Year 2011	
	Q4		Q3		Q2		Q1	
1	\$	444	\$	432	\$	395	\$	388
2		282		27		186		342
3		726		459		581		730
4		3		6		7		6
5		395		330		344		399
6		328		123		230		325
7		48		11		42		90
8		280		112		188		235
9		—		—		—		—
10	\$	280	\$	112	\$	188	\$	235
11	\$	3.5	\$	3.4	\$	3.3	\$	3.2
12		175		12		90		137
13		31.5 %		13.1 %		23.3 %		28.8 %
14	\$	35	\$	32	\$	31	\$	31
15		8		8		7		8
16		54.4 %		71.9 %		59.2 %		54.7 %
17		3,626		3,612		3,438		3,388
18	\$	31	\$	(22)	\$	122	\$	150
19		131		67		119		111
20		121		68		62		109
21	\$	283	\$	113	\$	303	\$	370

**Key Performance Indicators (\$ billions, except as noted)**

Risk-weighted assets<sup>3</sup>  
Gross drawn<sup>4</sup>  
Efficiency ratio  
Average number of full-time equivalent staff

**Trading-Related Income (Loss) (TEB)<sup>5</sup>**

Interest rate and credit  
Foreign exchange  
Equity and other  
Total trading-related income (loss)

<sup>1</sup> Includes the cost of credit protection incurred in hedging the lending portfolio.

<sup>2</sup> The rate charged for invested capital was 12.0% in 2011.

<sup>3</sup> The amounts are calculated based on Canadian GAAP.

<sup>4</sup> Includes gross loans and bankers' acceptances, excluding letters of credit and before any cash collateral, credit default swaps (CDS), reserves, etc., for the corporate lending business.

<sup>5</sup> Includes trading-related income reported in net interest income and non-interest income.

## RESULTS OF OPERATIONS

(\$ millions)  
FOR THE PERIOD ENDED

(\$ millions) FOR THE PERIOD ENDED	LINE #	Q4	Q3	2011	Q2	Q1	Full Year 2011
Net interest income <sup>1,2</sup>	1	\$ (12)	\$ 16	\$ (72)	\$ (54)	\$ (122)	
Non-interest income <sup>2</sup>	2	(14)	(31)	(9)	36	(18)	
Total revenue	3	(26)	(15)	(81)	(18)	(140)	
Provision for credit losses <sup>2</sup>	4	(5)	(5)	(26)	(7)	(43)	
Non-interest expenses	5	251	199	258	229	937	
Net income before income taxes and equity in net income of an investment in an associate	6	(272)	(209)	(313)	(240)	(1,034)	
Income taxes <sup>1</sup>	7	(179)	(137)	(175)	(181)	(672)	
Equity in net income of an investment in an associate, net of income taxes	8	10	11	9	9	39	
Net income (loss) - reported	9	(83)	(61)	(129)	(50)	(323)	
Adjustments for items of note, net of income taxes <sup>3</sup>	10	68	106	100	31	305	
Net income (loss) - adjusted available to common shareholders and non-controlling interests in subsidiaries	11	\$ (15)	\$ 45	\$ (29)	\$ (19)	\$ (18)	
<b>Decomposition of Adjustments for Items of Note, Net of Income Taxes <sup>3</sup></b>							
Amortization of intangibles (Footnote 2)	12	\$ 95	\$ 94	\$ 99	\$ 103	\$ 391	
Fair value of derivatives hedging the reclassified available-for-sale securities portfolio (Footnote 3)	13	(37)	(9)	(7)	(75)	(128)	
Fair value of credit default swaps hedging the corporate loan book, net of provision for credit losses (Footnote 5)	14	(9)	(5)	(2)	3	(13)	
Integration costs, restructuring costs, direct transaction costs, and changes in fair value of contingent consideration relating to the Chrysler Financial acquisition (Footnote 6)	15	19	26	10		55	
Total adjustments for items of note	16	\$ 68	\$ 106	\$ 100	\$ 31	\$ 305	
<b>Decomposition of Items included in Net Income (Loss) - Adjusted</b>							
Net corporate expenses	17	\$ (97)	\$ (70)	\$ (103)	\$ (97)	\$ (367)	
Other	18	56	88	49	52	245	
Non-controlling interests	19	26	27	25	26	104	
Net income (loss) - adjusted	20	\$ (15)	\$ 45	\$ (29)	\$ (19)	\$ (18)	

<sup>1</sup> Includes the elimination of TEB adjustments reported in the Wholesale Banking results.

<sup>2</sup> Operating segment results are presented excluding the impact of asset securitization programs, which are reclassified in the Corporate segment.

<sup>3</sup> For detailed footnotes to the items of note, see page 48.

# Net Interest Income and Margin



(\$ millions, except as noted)  
FOR THE PERIOD ENDED

## Interest Income

Loans  
Securities  
Deposits with banks  
Total interest income

## Interest Expense

Deposits  
Securitization liabilities  
Subordinated notes and debentures  
Preferred shares and capital trust securities  
Other  
Total interest expense

## Net Interest Income (NII)

TEB adjustment

## Net Interest Income (TEB)

Average total assets (\$ billions)  
Average earning assets (\$ billions)

Net interest margin as a % of average earning assets

## Impact on Net Interest Income due to Impaired Loans

Net interest income recognized on impaired debt securities classified as loans  
Net interest income foregone on impaired loans  
Recoveries  
Total

LINE #	2011				Full Year 2011
	Q4	Q3	Q2	Q1	
1	\$ 4,336	\$ 4,326	\$ 4,116	\$ 4,232	\$ 17,010
2	907	903	831	889	3,530
3	80	89	94	106	369
4	5,323	5,318	5,041	5,227	20,909
5	1,135	1,095	1,096	1,140	4,466
6	284	320	317	314	1,235
7	160	162	168	173	663
8	61	50	47	50	208
9	151	177	154	194	676
10	1,791	1,804	1,782	1,871	7,248
11	3,532	3,514	3,259	3,356	13,661
12	94	67	63	87	311
13	\$ 3,626	\$ 3,581	\$ 3,322	\$ 3,443	\$ 13,972
14	\$ 745	\$ 696	\$ 675	\$ 667	\$ 696
15	621	598	580	570	592
16	2.26 %	2.33 %	2.30 %	2.34 %	2.31 %
17	\$ (50)	\$ (47)	\$ (52)	\$ (56)	\$ (205)
18	27	27	27	30	111
19	(1)	(8)	(1)	(1)	(11)
20	\$ (24)	\$ (28)	\$ (26)	\$ (27)	\$ (105)

# Non-Interest Income



(\$ millions) FOR THE PERIOD ENDED		LINE #	2011				Full Year 2011
			Q4	Q3	Q2	Q1	
<b>Investment and Securities Services</b>							
TD Waterhouse fees and commissions		1	\$ 119	\$ 101	\$ 120	\$ 119	\$ 459
Full-service brokerage and other securities services		2	148	156	168	159	631
Underwriting and advisory		3	70	101	99	108	378
Investment management fees		4	65	51	48	51	215
Mutual fund management		5	233	243	234	231	941
Total investment and securities services		6	635	652	669	668	2,624
<b>Credit fees</b>		7	176	169	157	169	671
<b>Net gains (losses) from financial assets <sup>1</sup></b>		8	201	107	25	60	393
<b>Trading income (loss)</b>		9	(55)	(200)	26	102	(127)
<b>Service charges</b>		10	437	398	375	392	1,602
<b>Loan securitizations</b>		11	1	7	1	1	10
<b>Card services</b>		12	257	258	225	219	959
<b>Insurance revenue, net of claims and related expenses<sup>2</sup></b>		13	308	296	254	309	1,167
<b>Trust fees</b>		14	36	39	40	39	154
<b>Other income</b>							
Foreign exchange - non-trading		15	43	40	45	38	166
Income from financial instruments designated at fair value through profit or loss							
Trading-related income (loss) <sup>3</sup>		16	2	4	1	5	12
Related to insurance subsidiaries <sup>2</sup>		17	9	18	(2)	(27)	(2)
Securitization liabilities <sup>3</sup>		18	(139)	(227)	(17)	161	(222)
Loan commitments		19	(17)	9	(25)	(61)	(94)
Other <sup>4</sup>		20	237	300	123	28	688
Total other income (loss)		21	135	144	125	144	548
<b>Total non-interest income</b>		22	\$ 2,131	\$ 1,870	\$ 1,897	\$ 2,103	\$ 8,001

<sup>1</sup> Includes available-for-sale (AFS) securities.

<sup>2</sup> The result of the Bank's insurance business within Wealth and Insurance segment includes both insurance revenue, net of claims and related expenses and the income from investments that fund policy liabilities which are designated at fair value through profit or loss within the Bank's property and casualty insurance subsidiaries.

<sup>3</sup> Includes \$8 million for the year ended October 31, 2011 (three months ended January 31, 2011, April 30, 2011, and July 31, 2011 - \$(2) million, \$(4) million, and \$6 million, respectively) related to securities designated at fair value through profit or loss which have been combined with derivatives to form economic hedging relationships, and \$(222) million related to securitization liabilities designated at fair value through profit or loss for the year ended October 31, 2011 (three months ended January 31, 2011, April 30, 2011, and July 31, 2011 - \$161 million, \$(17) million, and \$(227) million, respectively).

<sup>4</sup> Includes change in fair value of CDS hedging the corporate loans book and a substantial portion of change in fair value of derivatives hedging the reclassified AFS debt securities portfolio.

## Non-Interest Expenses



(\$ millions) FOR THE PERIOD ENDED		LINE #	2011				Full Year 2011				
			Q4	Q3	Q2	Q1					
<b>Salaries and Employee Benefits</b>											
Salaries	1	\$	1,163	\$	1,099	\$	1,023	\$	1,034	\$	4,319
Incentive compensation	2		357		329		367		395		1,448
Pension and other employee benefits	3		222		239		246		255		962
Total salaries and employee benefits	4		1,742		1,667		1,636		1,684		6,729
<b>Occupancy</b>											
Rent	5		170		162		161		166		659
Depreciation	6		80		73		75		78		306
Other	7		91		77		76		76		320
Total occupancy	8		341		312		312		320		1,285
<b>Equipment</b>											
Rent	9		54		53		57		54		218
Depreciation	10		46		33		47		35		161
Other	11		113		102		101		106		422
Total equipment	12		213		188		205		195		801
<b>Amortization of Other Intangibles</b>											
Software	13		54		43		33		31		161
Other	14		123		120		124		129		496
Total amortization of other intangibles	15		177		163		157		160		657
<b>Restructuring Costs</b>		16	—		—		—		—		—
<b>Marketing and Business Development</b>	17		203		137		140		113		593
<b>Brokerage-Related Fees</b>	18		77		78		84		81		320
<b>Professional and Advisory Services</b>	19		267		230		235		212		944
<b>Communications</b>	20		73		69		65		64		271
<b>Other Expenses</b>											
Capital and business taxes	21		34		54		34		32		154
Postage	22		45		42		49		41		177
Travel and relocation	23		45		47		39		41		172
Other	24		271		219		207		247		944
Total other expenses	25		395		362		329		361		1,447
<b>Total</b>	26	\$	3,488	\$	3,206	\$	3,163	\$	3,190	\$	13,047



# Balance Sheet



(\$ millions)		2011				
AS AT		Q4	Q3	Q2	Q1	
ASSETS						
Cash and Due from Banks	1	\$ 3,096	\$ 2,899	\$ 3,086	\$ 2,609	
Interest-Bearing Deposits with Banks	2	21,016	17,541	14,319	17,794	
Trading loans, securities, and other <sup>1</sup>	3	73,620	69,158	70,986	67,614	
Derivatives	4	60,249	51,538	49,945	40,210	
Financial assets designated at fair value through profit or loss	5	4,236	2,794	2,203	2,155	
Available-for-sale securities	6	93,520	86,791	85,321	89,967	
	7	231,625	210,281	208,455	199,946	
Securities Purchased Under Reverse Repurchase Agreements	8	53,599	68,155	50,341	49,429	
Loans						
Residential mortgages <sup>2</sup>	9	155,471	149,983	143,986	140,204	
Consumer instalment and other personal						
HELOC	10	75,396	75,123	75,077	75,454	
Other	11	39,993	39,280	38,793	31,949	
Credit card	12	8,986	9,208	8,954	8,977	
Business & government <sup>2</sup>	13	93,144	87,030	82,025	84,135	
Debt securities classified as loans	14	6,511	6,189	6,388	6,907	
	15	379,501	366,813	355,223	347,626	
Allowance for loan losses	16	(2,314)	(2,289)	(2,313)	(2,348)	
Loans, net of allowance for loan losses	17	377,187	364,524	352,910	345,278	
Other						
Customers' liability under acceptances	18	7,815	9,293	9,383	7,822	
Investment in TD Ameritrade	19	5,159	4,896	4,803	5,314	
Goodwill	20	12,257	11,805	11,674	12,104	
Other intangibles	21	1,844	1,813	1,924	2,076	
Land, buildings, equipment, and other depreciable assets	22	4,083	4,063	4,357	3,839	
Current income tax receivable	23	288	251	761	583	
Deferred tax assets	24	1,196	1,227	1,119	1,231	
Other assets	25	13,617	16,894	15,224	16,059	
	26	46,259	50,242	49,245	49,028	
<b>Total Assets</b>	27	<b>\$ 732,782</b>	<b>\$ 713,642</b>	<b>\$ 678,356</b>	<b>\$ 664,084</b>	
LIABILITIES						
Trading deposits	28	\$ 29,613	\$ 29,894	\$ 30,919	\$ 23,436	
Derivatives	29	62,111	54,857	54,155	43,861	
Securitization liabilities at fair value	30	27,725	27,462	27,092	27,049	
Other financial liabilities designated at fair value through profit or loss	31	32	24	52	53	
	32	119,481	112,237	112,218	94,399	
Deposits						
Personal						
Non-term	33	199,493	185,003	177,908	176,899	
Term	34	69,210	70,435	72,395	74,960	
Banks	35	11,659	12,066	12,133	10,234	
Business & government	36	169,066	158,988	142,465	150,813	
	37	449,428	426,492	404,901	412,906	
Other						
Acceptances	38	7,815	9,293	9,383	7,822	
Obligations related to securities sold short	39	24,427	24,132	21,878	24,307	
Obligations related to securities sold under repurchase agreements	40	22,074	28,055	21,126	21,337	
Securitization liabilities at amortized cost	41	26,054	27,269	26,647	23,641	
Provisions	42	536	444	439	460	
Current income tax payable	43	167	428	494	296	
Deferred tax liabilities	44	574	587	521	544	
Other liabilities	45	24,418	28,916	26,530	23,926	
	46	106,065	119,124	107,018	102,333	
Subordinated Notes and Debentures	47	11,543	12,079	12,268	12,280	
Liability for Preferred Shares	48	32	580	580	582	
Liability for Capital Trust Securities	49	2,229	2,210	2,324	2,331	
<b>Total Liabilities</b>	50	<b>688,778</b>	<b>672,722</b>	<b>639,309</b>	<b>624,831</b>	
EQUITY						
Common shares	51	17,491	16,572	16,367	16,049	
Preferred shares	52	3,395	3,395	3,395	3,395	
Treasury shares						
Common	53	(116)	(104)	(104)	(82)	
Preferred	54	—	—	—	(1)	
Contributed surplus	55	212	211	204	220	
Retained earnings	56	18,213	17,322	16,487	15,731	
Accumulated other comprehensive income (loss)	57	3,326	2,072	1,237	2,477	
	58	42,521	39,468	37,586	37,789	
	59	1,483	1,452	1,461	1,464	
<b>Total Equity</b>	60	<b>44,004</b>	<b>40,920</b>	<b>39,047</b>	<b>39,253</b>	
<b>Total Liabilities and Equity</b>	61	<b>\$ 732,782</b>	<b>\$ 713,642</b>	<b>\$ 678,356</b>	<b>\$ 664,084</b>	

<sup>1</sup> Includes trading securities, trading loans and commodities.

<sup>2</sup> Excludes loans classified as trading since the Bank intends to sell the loans immediately or in the near term.

# Unrealized Gain (Loss) on Banking Book Equities and Assets Under Administration and Management



(\$ millions)		LINE #	2011				
AS AT			Q4	Q3	Q2	Q1	
<b>Banking Book Equities</b>							
Publicly traded							
Balance sheet and fair value		1	\$ 350	\$ 438	\$ 478	\$ 560	
Unrealized gain (loss) <sup>1</sup>		2	52	66	111	92	
Privately held							
Balance sheet and fair value		3	1,716	1,777	1,647	1,737	
Unrealized gain (loss) <sup>2</sup>		4	106	214	89	83	
Total banking book equities							
Balance sheet and fair value		5	2,066	2,215	2,125	2,297	
Unrealized gain (loss)		6	158	280	200	175	
<b>Assets Under Administration</b> <sup>3</sup>							
U.S. Personal and Commercial Banking							
Wealth and Insurance		7	\$ 14,945	\$ 13,741	\$ 13,437	\$ 14,006	
		8	240,882	242,328	247,545	242,210	
<b>Total</b>		9	\$ 255,827	\$ 256,069	\$ 260,982	\$ 256,216	
<b>Assets Under Management</b>							
Wealth and Insurance		10	\$ 188,975	\$ 190,929	\$ 190,012	\$ 185,948	

<sup>1</sup> Unrealized gain (loss) on publicly traded AFS securities is included in other comprehensive income (OCI).

<sup>2</sup> Unrealized gain (loss) for privately held equities is neither recognized in the balance sheet through OCI nor through the income statement.

<sup>3</sup> Exclude mortgage backed securities (under CAD P&C), coming back on balance sheet as mortgages due to IFRS implementation, as they no longer meet Office of the Superintendent of Financial Institutions Canada's (OSFI's) definition of Assets under Administration.

# Goodwill, Other Intangibles<sup>1</sup>, and Restructuring Costs



(\$ millions)		LINE #	2011				Full Year 2011
AS AT			Q4	Q3	Q2	Q1	
<b>Goodwill</b>							
Balance at beginning of period		1	\$ 11,805	\$ 11,674	\$ 12,104	\$ 12,313	\$ 12,313
Arising during the period							
U.S. Personal and Commercial Banking		2	6	30	150	(11)	175
Other		3	1	4	—	—	5
Foreign exchange and other adjustments		4	445	97	(580)	(198)	(236)
Balance at end of period		5	\$ 12,257	\$ 11,805	\$ 11,674	\$ 12,104	\$ 12,257
<b>Other Intangible Assets</b>							
Balance at beginning of period		6	\$ 1,346	\$ 1,455	\$ 1,650	\$ 1,804	\$ 1,804
Arising during the period		7	—	—	—	—	—
Amortized in the period		8	(122)	(121)	(124)	(128)	(495)
Foreign exchange and other adjustments		9	50	12	(71)	(26)	(35)
Balance at end of period		10	\$ 1,274	\$ 1,346	\$ 1,455	\$ 1,650	\$ 1,274
<b>Deferred Tax Liability on Other Intangible Assets</b>							
Balance at beginning of period		11	\$ (481)	\$ (515)	\$ (582)	\$ (585)	\$ (585)
Arising during the period		12	—	—	—	—	—
Recognized in the period		13	39	38	39	41	157
Foreign exchange and other adjustments		14	(19)	(4)	28	(38)	(33)
Balance at end of period		15	\$ (461)	\$ (481)	\$ (515)	\$ (582)	\$ (461)
<b>Net Other Intangibles Closing Balance</b>							
		16	\$ 813	\$ 865	\$ 940	\$ 1,068	\$ 813
<b>Total Goodwill and Net Other Intangibles Closing Balance</b>							
		17	\$ 13,070	\$ 12,670	\$ 12,614	\$ 13,172	\$ 13,070
<b>Restructuring Costs</b>							
Balance at beginning of period		18	\$ 5	\$ 6	\$ 7	\$ 11	\$ 11
Expensed during the period		19	—	—	—	—	—
Amount utilized during the period:							
Wholesale Banking		20	—	—	—	(1)	(1)
U.S. Personal and Commercial Banking		21	—	(1)	(1)	(3)	(5)
Foreign exchange and other adjustments		22	—	—	—	—	—
Balance at end of period		23	\$ 5	\$ 5	\$ 6	\$ 7	\$ 5

<sup>1</sup> Excludes the balance and amortization of software, which is otherwise included in other intangibles.

# Loan Securitization<sup>1</sup>



(\$ millions)

## Residential Mortgages Securitized and Sold to Third Parties<sup>2</sup>

Balance at beginning of period  
Securitized  
Proceeds reinvested in securitizations  
Amortization  
Balance at end of period

## Personal Loans - HELOC and Automobile Loans<sup>3</sup>

Balance at beginning of period<sup>4</sup>  
Proceeds reinvested in securitizations  
Amortization  
Accumulation  
Balance at end of period

## Commercial Mortgages

Balance at beginning of period  
Securitized  
Amortization  
Balance at end of period

## Total Loan Securitization

## Mortgage-Backed Securities Retained<sup>5</sup>

Closing balance

## Impact of Securitization on Income Before Tax

Net interest income forgone  
Non-interest income (loss)  
Total impact

LINE #	2011				Full Year 2011
	Q4	Q3	Q2	Q1	
1	\$ 44,663	\$ 44,591	\$ 43,805	\$ 43,443	\$ 43,443
2	2,034	2,059	2,713	1,245	8,051
3	1,793	1,837	1,307	1,902	6,839
4	(4,051)	(3,824)	(3,234)	(2,785)	(13,894)
5	44,439	44,663	44,591	43,805	44,439
6	5,423	5,982	6,480	6,555	6,642
7	805	784	727	832	3,148
8	(805)	(858)	(740)	(832)	(3,235)
9	(323)	(485)	(485)	(162)	(1,455)
10	5,100	5,423	5,982	6,393	5,100
11	802	751	759	613	613
12	3	117	7	151	278
13	(22)	(66)	(15)	(5)	(108)
14	\$ 783	\$ 802	\$ 751	\$ 759	\$ 783
15	\$ 50,322	\$ 50,888	\$ 51,324	\$ 50,957	\$ 50,322
16	\$ 28,818	\$ 26,522	\$ 26,149	\$ 24,632	\$ 28,818
17	\$ (53)	\$ (42)	\$ (39)	\$ (41)	\$ (175)
18	139	115	93	103	450
19	\$ 86	\$ 73	\$ 54	\$ 62	\$ 275

<sup>1</sup> The amounts are calculated based on Canadian GAAP.

<sup>2</sup> Credit exposure is not retained on residential mortgages securitized.

<sup>3</sup> Credit exposure is not retained on \$1,100 million of HELOC securitization.

<sup>4</sup> In Q2 2011, includes \$87 million of automobile loans acquired as part of the Bank's acquisition of Chrysler Financial.

<sup>5</sup> Reported as available-for-sale securities under government and government-insured securities in Note 3 to the Bank's 2011 audited Consolidated Financial Statements.

# Loans Managed<sup>1,2,3</sup>



(\$ millions)  
AS AT

LINE  
#

2011  
Q4

2011  
Q3

## Type of Loan

Residential mortgages <sup>1</sup>

Consumer instalment and other personal

Credit card

Business and government <sup>1</sup>

## Total Loans Managed

Less: Business and government loans securitized and sold to third parties

## Total Loans Managed, Net of Loans Securitized

		Gross loans	Gross impaired loans	Year-to-date write-offs, net of recoveries		Gross loans	Gross impaired loans	Year-to-date write-offs, net of recoveries
1	\$	154,792	\$ 789	\$ 37	\$	149,309	\$ 763	\$ 25
2		114,374	415	625		113,264	401	455
3		8,986	85	376		9,208	80	289
4		90,014	1,204	424		83,896	1,188	308
5		368,166	2,493	1,462		355,677	2,432	1,077
6		736	—	—		754	—	—
7	\$	367,430	\$ 2,493	\$ 1,462	\$	354,923	\$ 2,432	\$ 1,077

2011  
Q2

2011  
Q1

## Type of Loan

Residential mortgages <sup>1</sup>

Consumer instalment and other personal

Credit card

Business and government <sup>1</sup>

## Total Loans Managed

Less: Business and government loans securitized and sold to third parties

## Total Loans Managed, Net of Loans Securitized

		Gross loans	Gross impaired loans	Year-to-date write-offs, net of recoveries		Gross loans	Gross impaired loans	Year-to-date write-offs, net of recoveries
8	\$	143,301	\$ 768	\$ 16	\$	139,444	\$ 786	\$ 9
9		112,542	374	293		106,732	376	150
10		8,954	89	193		8,977	90	97
11		78,343	1,216	190		79,780	1,329	105
12		343,140	2,447	692		334,933	2,581	361
13		647	—	—		636	—	—
14	\$	342,493	\$ 2,447	\$ 692	\$	334,297	\$ 2,581	\$ 361

<sup>1</sup> Excludes loans classified as trading as the Bank intends to sell the loans immediately or in the near term, and loans designated at fair value through profit or loss for which no allowance is recorded.

<sup>2</sup> Excludes ACI loans and debt securities classified as loans.

<sup>3</sup> Amounts include securitized mortgages that remain on balance sheet under IFRS.

# Gross Loans and Acceptances by Industry Sector and Geographic Location<sup>1</sup>



(\$ millions) AS AT		LINE #	2011 Q4				2011 Q3			
By Industry Sector			Canada	United States	Int'l	Total	Canada	United States	Int'l	Total
<b>Personal</b>										
Residential mortgages <sup>2</sup>		1	\$ 142,297	\$ 12,495	\$ –	\$ 154,792	\$ 138,259	\$ 11,050	\$ –	\$ 149,309
Consumer instalment and other personal										
HELOC		2	65,531	9,654	–	75,185	65,793	9,124	–	74,917
Other		3	28,987	10,190	12	39,189	29,159	9,175	13	38,347
Credit card		4	8,094	892	–	8,986	8,377	831	–	9,208
Total personal		5	244,909	33,231	12	278,152	241,588	30,180	13	271,781
<b>Business &amp; Government <sup>2</sup></b>										
Real estate										
Residential		6	10,738	3,101	–	13,839	10,433	3,099	–	13,532
Non-residential		7	5,899	9,443	220	15,562	5,448	9,034	268	14,750
Total real estate		8	16,637	12,544	220	29,401	15,881	12,133	268	28,282
Agriculture		9	2,751	229	–	2,980	2,741	187	–	2,928
Automotive		10	1,249	1,274	–	2,523	1,253	1,222	–	2,475
Financial		11	8,235	2,729	2,026	12,990	6,884	2,310	1,728	10,922
Food, beverage, and tobacco		12	1,043	1,228	218	2,489	1,166	1,225	242	2,633
Forestry		13	388	317	2	707	395	291	28	714
Government, public sector entities, and education		14	4,212	2,390	313	6,915	4,453	2,265	286	7,004
Health and social services		15	2,962	4,271	28	7,261	2,953	4,078	27	7,058
Industrial construction and trade contractors		16	1,341	1,105	–	2,446	1,354	1,063	–	2,417
Metals and mining		17	634	903	63	1,600	698	811	154	1,663
Pipelines, oil, and gas		18	1,850	801	80	2,731	1,794	780	80	2,654
Power and utilities		19	1,082	969	135	2,186	1,046	920	161	2,127
Professional and other services		20	1,830	2,875	16	4,721	1,872	2,735	11	4,618
Retail sector		21	2,035	2,327	–	4,362	1,976	2,208	–	4,184
Sundry manufacturing and wholesale		22	1,497	2,636	33	4,166	1,410	2,393	5	3,808
Telecommunications, cable, and media		23	909	1,050	152	2,111	852	1,015	190	2,057
Transportation		24	541	2,845	160	3,546	561	2,529	142	3,232
Other		25	2,524	1,360	74	3,958	2,468	1,018	173	3,659
Total business & government		26	51,720	41,853	3,520	97,093	49,757	39,183	3,495	92,435
<b>Other Loans</b>										
Debt securities classified as loans		27	653	3,804	2,054	6,511	382	3,868	1,939	6,189
Acquired credit-impaired loans <sup>3</sup>		28	19	5,541	–	5,560	23	5,678	–	5,701
Total other loans		29	672	9,345	2,054	12,071	405	9,546	1,939	11,890
<b>Total Gross Loans and Acceptances</b>		30	\$ 297,301	\$ 84,429	\$ 5,586	\$ 387,316	\$ 291,750	\$ 78,909	\$ 5,447	\$ 376,106
<b>Portfolio as a % of Total Gross Loans and Acceptances</b>										
<b>Personal</b>										
Residential mortgages <sup>2</sup>		31	36.7 %	3.3 %	– %	40.0 %	36.8 %	2.9 %	– %	39.7 %
Consumer instalment and other personal										
HELOC		32	16.9	2.5	–	19.4	17.5	2.4	–	19.9
Other		33	7.5	2.6	–	10.1	7.8	2.4	–	10.2
Credit card		34	2.1	0.2	–	2.3	2.2	0.3	–	2.5
Total personal		35	63.2	8.6	–	71.8	64.3	8.0	–	72.3
<b>Business &amp; Government <sup>2</sup></b>		36	13.4	10.8	0.9	25.1	13.2	10.5	0.9	24.6
<b>Other Loans</b>										
Debt securities classified as loans		37	0.2	1.0	0.5	1.7	0.1	1.0	0.5	1.6
Acquired credit-impaired loans <sup>3</sup>		38	–	1.4	–	1.4	–	1.5	–	1.5
Total other loans		39	0.2	2.4	0.5	3.1	0.1	2.5	0.5	3.1
<b>Total Gross Loans and Acceptances</b>		40	76.8 %	21.8 %	1.4 %	100.0 %	77.6 %	21.0 %	1.4 %	100.0 %

<sup>1</sup> Based on geographic location of unit responsible for recording revenue.

<sup>2</sup> Excludes loans classified as trading as the Bank intends to sell the loans immediately or in the near term, and loans designated at fair value through profit or loss for which no allowance is recorded.

<sup>3</sup> Includes all FDIC covered loans and other ACI loans.

# Gross Loans and Acceptances by Industry Sector and Geographic Location<sup>1</sup> (Continued)



(\$ millions)		LINE #	2011 Q2				2011 Q1			
AS AT			Canada	United States	Int'l	Total	Canada	United States	Int'l	Total
<b>By Industry Sector</b>										
<b>Personal</b>										
Residential mortgages <sup>2</sup>		1	\$ 132,820	\$ 10,481	\$ —	\$ 143,301	\$ 129,162	\$ 10,282	\$ —	\$ 139,444
Consumer instalment and other personal										
HELOC		2	66,085	8,769	—	74,854	66,109	9,123	—	75,232
Other		3	28,458	9,218	12	37,688	27,502	3,986	12	31,500
Credit card		4	8,180	774	—	8,954	8,183	794	—	8,977
Total personal		5	235,543	29,242	12	264,797	230,956	24,185	12	255,153
<b>Business &amp; Government <sup>2</sup></b>										
Real estate										
Residential		6	10,041	3,052	—	13,093	9,655	3,432	—	13,087
Non-residential		7	5,220	8,851	250	14,321	4,920	8,977	284	14,181
Total real estate		8	15,261	11,903	250	27,414	14,575	12,409	284	27,268
Agriculture		9	2,735	221	27	2,983	2,751	214	32	2,997
Automotive		10	1,179	1,215	—	2,394	1,103	1,273	1	2,377
Financial		11	5,658	2,302	1,269	9,229	5,237	2,339	953	8,529
Food, beverage, and tobacco		12	1,075	1,098	267	2,440	996	1,162	283	2,441
Forestry		13	388	269	27	684	350	356	28	734
Government, public sector entities, and education		14	3,694	2,091	287	6,072	3,724	2,132	242	6,098
Health and social services		15	2,858	3,975	29	6,862	2,916	4,062	29	7,007
Industrial construction and trade contractors		16	1,262	1,022	—	2,284	1,172	1,074	—	2,246
Metals and mining		17	648	723	60	1,431	581	662	67	1,310
Pipelines, oil, and gas		18	1,545	710	79	2,334	1,810	865	76	2,751
Power and utilities		19	975	862	228	2,065	895	933	341	2,169
Professional and other services		20	1,854	2,769	11	4,634	1,819	2,852	9	4,680
Retail sector		21	2,033	2,285	—	4,318	2,018	2,381	—	4,399
Sundry manufacturing and wholesale		22	1,462	2,159	83	3,704	1,444	2,095	102	3,641
Telecommunications, cable, and media		23	855	1,098	196	2,149	1,076	1,081	199	2,356
Transportation		24	539	1,903	146	2,588	489	2,108	254	2,851
Other		25	2,288	1,110	96	3,494	2,349	670	93	3,112
Total business & government		26	46,309	37,715	3,055	87,079	45,305	38,668	2,993	86,966
<b>Other Loans</b>										
Debt securities classified as loans		27	379	3,997	2,012	6,388	401	4,526	1,980	6,907
Acquired credit-impaired loans <sup>3</sup>		28	31	6,311	—	6,342	—	6,422	—	6,422
Total other loans		29	410	10,308	2,012	12,730	401	10,948	1,980	13,329
<b>Total Gross Loans and Acceptances</b>		30	\$ 282,262	\$ 77,265	\$ 5,079	\$ 364,606	\$ 276,662	\$ 73,801	\$ 4,985	\$ 355,448
<b>Portfolio as a % of Total Gross Loans and Acceptances</b>										
<b>Personal</b>										
Residential mortgages <sup>2</sup>		31	36.4 %	2.9 %	— %	39.3 %	36.3 %	2.9 %	— %	39.2 %
Consumer instalment and other personal										
HELOC		32	18.1	2.4	—	20.5	18.6	2.6	—	21.2
Other		33	7.8	2.5	—	10.3	7.8	1.1	—	8.9
Credit card		34	2.3	0.2	—	2.5	2.3	0.2	—	2.5
Total personal		35	64.6	8.0	—	72.6	65.0	6.8	—	71.8
<b>Business &amp; Government <sup>2</sup></b>										
		36	12.7	10.4	0.8	23.9	12.7	10.9	0.8	24.4
<b>Other Loans</b>										
Debt securities classified as loans		37	0.1	1.1	0.6	1.8	0.1	1.3	0.6	2.0
Acquired credit-impaired loans <sup>3</sup>		38	—	1.7	—	1.7	—	1.8	—	1.8
Total other loans		39	0.1	2.8	0.6	3.5	0.1	3.1	0.6	3.8
<b>Total Gross Loans and Acceptances</b>		40	77.4 %	21.2 %	1.4 %	100.0 %	77.8 %	20.8 %	1.4 %	100.0 %

<sup>1</sup> Based on geographic location of unit responsible for recording revenue.

<sup>2</sup> Excludes loans classified as trading as the Bank intends to sell the loans immediately or in the near term, and loans designated at fair value through profit or loss for which no allowance is recorded.

<sup>3</sup> Includes all FDIC covered loans and other ACI loans.

# Impaired Loans<sup>1,2,3</sup>



(\$ millions, except as noted)  
AS AT

LINE #	Q4	Q3	2011	Q2	Q1	Full Year 2011
<b>CHANGE IN GROSS IMPAIRED LOANS BY SEGMENT</b>						
<b>Personal, Business, and Government Loans</b>						
Balance at beginning of period	1	\$ 2,432	\$ 2,447	\$ 2,581	\$ 2,535	\$ 2,535
Additions	2	594	580	568	602	2,344
Canadian Personal and Commercial Banking	3	342	361	255	315	1,273
U.S. Personal and Commercial Banking <sup>4</sup>	4	4	(14)	(8)	2	(16)
Other	5	346	347	247	317	1,257
- in USD	6	9	-	-	-	9
- foreign exchange	7	949	927	815	919	3,610
Wholesale Banking	8	(532)	(546)	(485)	(452)	(2,015)
Total Additions	9	417	381	330	467	1,595
Return to performing status, repaid or sold	10	(425)	(423)	(386)	(395)	(1,629)
Net new additions	11	69	27	(78)	(26)	(8)
Write-offs	12	61	(15)	(134)	46	(42)
Foreign exchange and other adjustments	13	\$ 2,493	\$ 2,432	\$ 2,447	\$ 2,581	\$ 2,493
Change during the period						
<b>Total Gross Impaired Loans - Balance at End of Period</b>						
<b>GROSS IMPAIRED LOANS BY SEGMENT</b>						
<b>Personal, Business, and Government Loans</b>						
Canadian Personal and Commercial Banking	14	\$ 1,098	\$ 1,068	\$ 1,094	\$ 1,115	\$ 1,098
U.S. Personal and Commercial Banking	15	1,351	1,374	1,361	1,395	1,351
- in USD	16	(4)	(61)	(73)	2	(4)
- foreign exchange	17	1,347	1,313	1,288	1,397	1,347
Wholesale Banking	18	45	47	65	69	45
Other	19	3	4	-	-	3
<b>Total Gross Impaired Loans</b>	20	\$ 2,493	\$ 2,432	\$ 2,447	\$ 2,581	\$ 2,493
<b>NET IMPAIRED LOANS BY SEGMENT</b>						
<b>Personal, Business, and Government Loans</b>						
Canadian Personal and Commercial Banking	21	\$ 892	\$ 866	\$ 890	\$ 896	\$ 892
U.S. Personal and Commercial Banking	22	1,143	1,158	1,127	1,141	1,143
- in USD	23	(4)	(51)	(61)	2	(4)
- foreign exchange	24	1,139	1,107	1,066	1,143	1,139
Wholesale Banking	25	32	35	34	38	32
<b>Total Net Impaired Loans</b>	26	\$ 2,063	\$ 2,008	\$ 1,990	\$ 2,077	\$ 2,063
<b>Net Impaired Loans as a % of Net Loans</b>	27	0.56 %	0.56 %	0.57 %	0.61 %	0.56 %

<sup>1</sup> Includes customers' liability under acceptances.

<sup>2</sup> Excludes ACI loans and debt securities classified as loans. For additional information on ACI loans, see pages 30 to 31.

<sup>3</sup> Amounts include securitized mortgages that remain on balance sheet under IFRS.

<sup>4</sup> Includes a small portion of personal and commercial loans booked in U.S. entities, but managed by CAD P&C.



# Impaired Loans by Industry Sector and Geographic Location<sup>1,2,3</sup>



(\$ millions)		LINE #	2011 Q4				2011 Q3			
AS AT										
By Industry Sector										
Personal										
Residential mortgages		1	\$ 611	\$ 178	\$ -	\$ 789	\$ 596	\$ 167	\$ -	\$ 763
Consumer instalment and other personal										
HELOC		2	193	97	-	290	186	92	-	278
Other		3	115	10	-	125	114	9	-	123
Credit card		4	70	15	-	85	66	14	-	80
Total personal		5	989	300	-	1,289	962	282	-	1,244
Business & Government										
Real estate										
Residential		6	21	287	-	308	20	279	-	299
Non-residential		7	7	321	-	328	2	313	-	315
Total real estate		8	28	608	-	636	22	592	-	614
Agriculture		9	7	4	-	11	7	4	-	11
Automotive		10	1	23	-	24	1	35	-	36
Financial		11	4	20	-	24	4	27	-	31
Food, beverage, and tobacco		12	1	7	-	8	2	6	-	8
Forestry		13	-	2	-	2	-	2	-	2
Government, public sector entities, and education		14	5	8	-	13	-	7	-	7
Health and social services		15	3	52	-	55	4	38	-	42
Industrial construction and trade contractors		16	16	42	-	58	18	47	-	65
Metals and mining		17	3	20	-	23	2	19	-	21
Pipelines, oil, and gas		18	3	-	-	3	3	2	-	5
Power and utilities		19	-	7	-	7	-	10	-	10
Professional and other services		20	9	46	-	55	10	47	-	57
Retail sector		21	32	106	-	138	30	94	-	124
Sundry manufacturing and wholesale		22	20	32	-	52	20	42	-	62
Telecommunications, cable, and media		23	2	7	-	9	2	7	-	9
Transportation		24	5	53	-	58	6	51	-	57
Other		25	18	10	-	28	18	9	-	27
Total business & government		26	157	1,047	-	1,204	149	1,039	-	1,188
Total Gross Impaired Loans		27	\$ 1,146	\$ 1,347	\$ -	\$ 2,493	\$ 1,111	\$ 1,321	\$ -	\$ 2,432
Gross Impaired Loans as a % of Gross Loans and Acceptances										
Personal										
Residential mortgages		28	0.43 %	1.42 %	- %	0.51 %	0.43 %	1.51 %	- %	0.51 %
Consumer instalment and other personal										
HELOC		29	0.29	1.00	-	0.39	0.28	1.01	-	0.37
Other		30	0.40	0.10	-	0.32	0.39	0.10	-	0.32
Credit card		31	0.86	1.68	-	0.95	0.79	1.68	-	0.87
Total personal		32	0.40	0.90	-	0.46	0.40	0.93	-	0.46
Business & Government		33	0.30	2.50	-	1.24	0.30	2.65	-	1.29
Total Gross Impaired Loans		34	0.39 %	1.79 %	- %	0.66 %	0.38 %	1.90 %	- %	0.67 %

<sup>1</sup> Based on geographic location of unit responsible for recording revenue.

<sup>2</sup> Excludes ACI loans and debt securities classified as loans. For additional information on ACI loans, see pages 30 to 31.

<sup>3</sup> Amounts include securitized mortgages that remain on balance sheet under IFRS.

# Impaired Loans by Industry Sector and Geographic Location<sup>1,2,3</sup> (Continued)



(\$ millions) AS AT		LINE #	2011 Q2				2011 Q1			
			Canada	United States	Int'l	Total	Canada	United States	Int'l	Total
<b>By Industry Sector</b>										
<b>Personal</b>										
Residential mortgages		1	\$ 609	\$ 159	\$ —	\$ 768	\$ 620	\$ 166	\$ —	\$ 786
Consumer instalment and other personal										
HELOC		2	182	85	—	267	162	90	—	252
Other		3	103	4	—	107	119	5	—	124
Credit card		4	74	15	—	89	72	18	—	90
Total personal		5	968	263	—	1,231	973	279	—	1,252
<b>Business &amp; Government</b>										
Real estate										
Residential		6	22	305	—	327	30	366	—	396
Non-residential		7	1	295	—	296	2	305	—	307
Total real estate		8	23	600	—	623	32	671	—	703
Agriculture		9	5	6	—	11	5	4	—	9
Automotive		10	4	38	—	42	8	35	—	43
Financial		11	4	32	1	37	5	31	1	37
Food, beverage, and tobacco		12	2	5	—	7	4	5	—	9
Forestry		13	2	1	—	3	2	2	—	4
Government, public sector entities, and education		14	1	6	—	7	1	7	—	8
Health and social services		15	5	34	—	39	6	28	—	34
Industrial construction and trade contractors		16	10	50	—	60	10	48	—	58
Metals and mining		17	4	11	—	15	12	13	—	25
Pipelines, oil, and gas		18	21	1	—	22	19	1	—	20
Power and utilities		19	—	6	—	6	—	6	—	6
Professional and other services		20	10	52	—	62	9	45	—	54
Retail sector		21	26	97	—	123	23	122	—	145
Sundry manufacturing and wholesale		22	38	42	—	80	43	46	—	89
Telecommunications, cable, and media		23	7	9	—	16	7	11	—	18
Transportation		24	7	32	—	39	2	38	—	40
Other		25	14	10	—	24	14	13	—	27
Total business & government		26	183	1,032	1	1,216	202	1,126	1	1,329
<b>Total Gross Impaired Loans</b>		27	\$ 1,151	\$ 1,295	\$ 1	\$ 2,447	\$ 1,175	\$ 1,405	\$ 1	\$ 2,581
<b>Gross Impaired Loans as a % of Gross Loans and Acceptances</b>										
<b>Personal</b>										
Residential mortgages		28	0.46 %	1.52 %	— %	0.54 %	0.48 %	1.61 %	— %	0.56 %
Consumer instalment and other personal										
HELOC		29	0.28	0.97	—	0.36	0.25	0.99	—	0.33
Other		30	0.36	0.04	—	0.28	0.43	0.13	—	0.39
Credit card		31	0.90	1.94	—	0.99	0.88	2.27	—	1.00
Total personal		32	0.41	0.90	—	0.46	0.42	1.15	—	0.49
<b>Business &amp; Government</b>		33	0.40	2.74	0.03	1.40	0.45	2.91	0.03	1.53
<b>Total Gross Impaired Loans</b>		34	0.41 %	1.93 %	0.03 %	0.70 %	0.43 %	2.24 %	0.03 %	0.75 %

<sup>1</sup> Based on geographic location of unit responsible for recording revenue.

<sup>2</sup> Excludes ACI loans and debt securities classified as loans. For additional information on ACI loans, see pages 30 to 31.

<sup>3</sup> Amounts include securitized mortgages that remain on balance sheet under IFRS.

# Allowance for Credit Losses



(\$ millions) AS AT		LINE #	2011				Full Year 2011
			Q4	Q3	Q2	Q1	
<b>COUNTERPARTY-SPECIFIC ALLOWANCE</b>							
<b>Change in Allowance for Credit Losses - Counterparty-Specific</b>							
Balance at beginning of period		1	\$ 397	\$ 466	\$ 479	\$ 416	\$ 416
Provision for credit losses - counterparty-specific		2	87	65	69	137	358
Write-offs		3	(110)	(147)	(81)	(76)	(414)
Recoveries		4	6	2	19	2	29
Foreign exchange and other adjustments		5	17	11	(20)	—	8
Balance at end of period		6	397	397	466	479	397
<b>COLLECTIVELY ASSESSED ALLOWANCE</b>							
<b>Change in Allowance for Credit Losses - Individually Insignificant</b>							
Balance at beginning of period		7	286	245	256	261	261
Provision for credit losses - individually insignificant		8	262	315	250	270	1,097
Write-offs		9	(340)	(336)	(307)	(319)	(1,302)
Recoveries		10	34	36	36	32	138
Foreign exchange and other adjustments		11	32	26	10	12	80
Balance at end of period		12	274	286	245	256	274
<b>Change in Allowance for Credit Losses - Incurred but not Identified</b>							
Balance at beginning of period		13	1,895	1,887	1,907	1,910	1,910
Provision for credit losses - incurred but not identified		14	(9)	—	30	14	35
Foreign exchange and other adjustments		15	40	8	(50)	(17)	(19)
Balance at end of period		16	1,926	1,895	1,887	1,907	1,926
<b>Allowance for Credit Losses at End of Period</b>		17	2,597	2,578	2,598	2,642	2,597
Consisting of:							
Allowance for loan losses							
Canada		18	1,008	997	1,005	1,009	1,008
United States		19	1,303	1,289	1,305	1,336	1,303
International		20	3	3	3	3	3
Total allowance for loan losses		21	2,314	2,289	2,313	2,348	2,314
Allowance for credit losses for off-balance sheet instruments		22	283	289	285	294	283
<b>Allowance for Credit Losses at End of Period</b>		23	\$ 2,597	\$ 2,578	\$ 2,598	\$ 2,642	\$ 2,597

# Allowance for Credit Losses by Industry Sector and Geographic Location<sup>1</sup>



(\$ millions) AS AT		LINE #	2011 Q4				2011 Q3			
			Canada	United States	Int'l	Total	Canada	United States	Int'l	Total
<b>By Industry Sector</b>										
<b>Allowance for Credit Losses - Counterparty-Specific and Individually Insignificant - On-balance Sheet Loans</b>										
<b>Personal</b>										
Residential mortgages		1	\$ 15	\$ 17	\$ —	\$ 32	\$ 12	\$ 24	\$ —	\$ 36
HELOC		2	13	24	—	37	15	25	—	40
Other		3	73	4	—	77	71	4	—	75
Credit card		4	52	12	—	64	49	11	—	60
Total personal		5	153	57	—	210	147	64	—	211
<b>Business &amp; Government</b>										
Real estate										
Residential		6	8	37	—	45	7	39	—	46
Non-residential		7	1	39	—	40	1	31	—	32
Total real estate		8	9	76	—	85	8	70	—	78
Agriculture		9	2	—	—	2	2	1	—	3
Automotive		10	—	3	—	3	—	3	—	3
Financial		11	3	4	—	7	3	6	—	9
Food, beverage, and tobacco		12	—	1	—	1	2	1	—	3
Forestry		13	—	1	—	1	—	1	—	1
Government, public sector entities, and education		14	2	1	—	3	—	—	—	—
Health and social services		15	2	2	—	4	4	6	—	10
Industrial construction and trade contractors		16	9	8	—	17	9	9	—	18
Metals and mining		17	—	10	—	10	1	1	—	2
Pipelines, oil, and gas		18	1	—	—	1	1	—	—	1
Power and utilities		19	—	1	—	1	—	3	—	3
Professional and other services		20	6	7	—	13	5	7	—	12
Retail sector		21	11	16	—	27	11	16	—	27
Sundry manufacturing and wholesale		22	6	10	—	16	7	9	—	16
Telecommunications, cable, and media		23	1	1	—	2	1	1	—	2
Transportation		24	4	7	—	11	5	4	—	9
Other		25	13	3	—	16	12	4	—	16
Total business & government		26	69	151	—	220	71	142	—	213
<b>Other Loans</b>										
Debt securities classified as loans		27	—	179	—	179	—	191	—	191
Acquired credit-impaired loans <sup>2</sup>		28	3	57	—	60	—	66	—	66
Total other loans		29	3	236	—	239	—	257	—	257
Total Allowance for Credit Losses - Counterparty-Specific and Individually Insignificant		30	225	444	—	669	218	463	—	681
<b>Allowance for Credit Losses - Incurred but Not Identified - On-balance Sheet Loans</b>										
<b>Personal</b>										
Residential mortgages		31	18	10	—	28	12	12	—	24
Consumer instalment and other personal										
HELOC		32	6	31	—	37	5	32	—	37
Other		33	255	75	—	330	272	61	—	333
Credit card		34	209	35	—	244	221	34	—	255
Total personal		35	488	151	—	639	510	139	—	649
<b>Business &amp; Government</b>		36	296	558	3	857	269	547	3	819
<b>Other Loans</b>										
Debt securities classified as loans		37	—	149	—	149	—	140	—	140
Total other loans		38	—	149	—	149	—	140	—	140
Total Allowance for Credit Losses - Incurred but Not Identified		39	784	858	3	1,645	779	826	3	1,608
<b>Allowance for Loan Losses - On-balance Sheet Loans</b>		40	1,009	1,302	3	2,314	997	1,289	3	2,289
<b>Allowances for Credit Losses - Off-balance Sheet Instruments</b>		41	176	103	4	283	179	107	3	289
Total allowance for credit losses		42	\$ 1,185	\$ 1,405	\$ 7	\$ 2,597	\$ 1,176	\$ 1,396	\$ 6	\$ 2,578
<b>Allowance for Credit Losses - Counterparty-Specific and Individually Insignificant as a % of Gross Impaired Loans<sup>3</sup></b>										
<b>Personal</b>										
Residential mortgages		43	2.5 %	9.6 %	— %	4.1 %	2.0 %	14.4 %	— %	4.7 %
Consumer instalment and other personal										
HELOC		44	6.7	24.7	—	12.8	8.1	27.2	—	14.4
Other		45	63.5	40.0	—	61.6	62.3	44.4	—	61.0
Credit card		46	74.3	80.0	—	75.3	74.2	78.6	—	75.0
Total personal		47	15.5	19.0	—	16.3	15.3	22.7	—	17.0
<b>Business &amp; Government</b>		48	43.9	14.4	—	18.3	47.7	13.7	—	17.9
Total Allowance for Credit Losses - Counterparty-Specific and Individually Insignificant <sup>3</sup>		49	19.4 %	15.4 %	— %	17.2 %	19.6 %	15.6 %	— %	17.4 %
Total allowance for credit losses as a % of gross loans and acceptances <sup>3</sup>		50	0.4 %	1.4 %	0.2 %	0.6 %	0.4 %	1.4 %	0.2 %	0.6 %

<sup>1</sup> Based on geographic location of unit responsible for recording revenue.

<sup>2</sup> Includes all FDIC covered loans and other ACI loans.

<sup>3</sup> Excludes ACI loans and debt securities classified as loans. For additional information on ACI loans, see pages 30 to 31.

## TD

<sup>3</sup> Excludes ACI loans and debt securities classified as loans. For additional information on ACI loans, see pages 30 to 31.

## Provision for Credit Losses



(\$ millions, except as noted)

FOR THE PERIOD ENDED

### PROVISION FOR (REVERSAL OF) CREDIT LOSSES

#### Provision for Credit losses - Counterparty-Specific and

#### Individually Insignificant

Provision for credit losses (net of reversals) - counterparty-specific  
 Provision for credit losses (net of reversals) - individually insignificant  
 Recoveries  
 Total provision for credit losses - counterparty-specific and individually insignificant

#### Provision for Credit Losses - Incurred But Not Identified

U.S. Personal and Commercial Banking - in USD  
 - foreign exchange

Other

Total provision for credit losses - incurred but not identified

#### Total Provision for Credit Losses

### PROVISION FOR (REVERSAL OF) CREDIT LOSSES BY SEGMENT

Canadian Personal and Commercial Banking

U.S. Personal and Commercial Banking - in USD  
 - foreign exchange

Wholesale Banking <sup>1</sup>

Corporate Segment

Wholesale Banking - CDS <sup>1</sup>

Other

Total Corporate Segment

#### Total Provision for Credit Losses

LINE #	2011				Full Year 2011
	Q4	Q3	Q2	Q1	
1	\$ 93	\$ 67	\$ 89	\$ 139	\$ 388
2	296	351	285	302	1,234
3	(40)	(38)	(55)	(34)	(167)
4	349	380	319	407	1,455
5	(9)	(2)	32	13	34
6	—	1	(3)	—	(2)
7	(9)	(1)	29	13	32
8	—	1	1	1	3
9	(9)	—	30	14	35
10	\$ 340	\$ 380	\$ 349	\$ 421	\$ 1,490
11	\$ 212	\$ 205	\$ 192	\$ 215	\$ 824
12	130	180	181	207	698
13	—	(6)	(5)	—	(11)
14	130	174	176	207	687
15	3	6	7	6	22
16	(7)	(6)	(6)	(7)	(26)
17	2	1	(20)	—	(17)
18	(5)	(5)	(26)	(7)	(43)
19	\$ 340	\$ 380	\$ 349	\$ 421	\$ 1,490

<sup>1</sup> Premiums on CDS recorded in PCL for Wholesale Banking are reclassified to trading income in the Corporate segment.

# Provision for Credit Losses by Industry Sector and Geographic Location<sup>1</sup>



(\$ millions) FOR THE PERIOD ENDED		LINE #	2011 Q4				2011 Q3			
By Industry Sector			Canada	United States	Int'l	Total	Canada	United States	Int'l	Total
<b>Provision for Credit Losses - Counterparty-Specific and Individually Insignificant</b>										
<b>Personal</b>										
Residential mortgages	1		\$ 5	\$ (2)	\$ -	\$ 3	\$ 4	\$ 9	\$ -	\$ 13
HELOC	2		2	18	-	20	3	17	-	20
Other	3		105	33	-	138	107	25	-	132
Credit card	4		77	12	-	89	77	11	-	88
Total personal	5		189	61	-	250	191	62	-	253
<b>Business &amp; Government</b>										
<b>Real estate</b>										
Residential	6		-	26	-	26	-	16	-	16
Non-residential	7		-	22	-	22	1	6	-	7
Total real estate	8		-	48	-	48	1	22	-	23
Agriculture	9		1	-	-	1	-	-	-	-
Automotive	10		1	(3)	-	(2)	-	1	-	1
Financial	11		1	1	-	2	-	6	-	6
Food, beverage, and tobacco	12		-	1	-	1	1	-	-	1
Forestry	13		-	-	-	-	-	-	-	-
Government, public sector entities, and education	14		2	1	-	3	-	1	-	1
Health and social services	15		-	-	-	-	-	2	-	2
Industrial construction and trade contractors	16		4	5	-	9	7	5	-	12
Metals and mining	17		(1)	9	-	8	-	1	-	1
Pipelines, oil, and gas	18		1	-	-	1	(5)	-	-	(5)
Power and utilities	19		-	2	-	2	-	-	-	-
Professional and other services	20		4	6	-	10	2	7	-	9
Retail sector	21		3	7	-	10	5	4	-	9
Sundry manufacturing and wholesale	22		-	4	-	4	1	-	-	1
Telecommunications, cable, and media	23		2	1	-	3	-	1	-	1
Transportation	24		1	3	-	4	1	4	-	5
Other	25		3	5	-	8	2	1	-	3
Total business & government	26		22	90	-	112	15	55	-	70
<b>Other Loans</b>										
Debt securities classified as loans	27		-	-	-	-	-	-	-	-
Acquired credit-impaired loans <sup>2</sup>	28		3	(16)	-	(13)	-	57	-	57
Total other loans	29		3	(16)	-	(13)	-	57	-	57
<b>Total Provision for Credit Losses - Counterparty-Specific and Individually Insignificant</b>										
	30		214	135	-	349	206	174	-	380
<b>Provision for Credit Losses - Incurred but Not Identified</b>										
<b>Personal, business &amp; government</b>										
<b>Other Loans</b>										
Debt securities classified as loans	32		-	3	-	3	-	3	-	3
Total other loans	33		-	3	-	3	-	3	-	3
<b>Total Provision for Credit Losses - Incurred but not Identified</b>										
	34		-	(10)	1	(9)	3	(3)	-	-
<b>Total Provision for Credit Losses</b>										
	35		\$ 214	\$ 125	\$ 1	\$ 340	\$ 209	\$ 171	\$ -	\$ 380
<b>Provision for Credit Losses - Counterparty-Specific and Individually Insignificant as a % of Average Net Loans and Acceptances</b>										
<b>Personal</b>										
Residential mortgages	36		0.01 %	(0.07) %	- %	0.01 %	0.01 %	0.33 %	- %	0.04 %
Consumer instalment and other personal										
HELOC	37		0.01	0.74	-	0.11	0.02	0.75	-	0.11
Other	38		1.45	1.31	-	1.41	1.48	1.06	-	1.38
Credit card	39		3.70	5.68	-	3.89	3.79	5.72	-	3.95
Total personal	40		0.31	0.75	-	0.36	0.32	0.82	-	0.38
<b>Business &amp; Government</b>										
	41		0.19	0.88	-	0.50	0.13	0.58	-	0.33
<b>Total Provision for Credit Losses - Counterparty-Specific and Individually Insignificant</b>										
	42		0.29	0.65	-	0.37	0.29	0.89	-	0.42
<b>Total Provision for Credit Losses - Counterparty-Specific and Individually Insignificant Excluding Other Loans</b>										
	43		0.29 %	0.82 %	- %	0.40 %	0.29 %	0.69 %	- %	0.36 %
<b>Total Provision for Credit Losses as a % of Average Net Loans and Acceptances</b>										
<b>Total Provision for Credit Losses</b>										
	44		0.29 %	0.60 %	0.07 %	0.36 %	0.29 %	0.88 %	- %	0.42 %
<b>Total Provision for Credit Losses Excluding Other Loans</b>										
	45		0.29	0.75	0.11	0.38	0.30	0.65	-	0.36

<sup>1</sup> Based on geographic location of unit responsible for recording revenue.

<sup>2</sup> Includes all FDIC covered loans and other ACI loans.

# Provision for Credit Losses by Industry Sector and Geographic Location<sup>1</sup> (Continued)



(\$ millions) FOR THE PERIOD ENDED		LINE #	2011 Q2				2011 Q1					
			Canada		United States	Int'l	Total	Canada		United States	Int'l	Total
<b>By Industry Sector</b>												
<b>Provision for Credit Losses - Counterparty-Specific and Individually Insignificant</b>												
<b>Personal</b>												
Residential mortgages	1		\$ 1	\$ 11	\$ —	\$ 12	\$ 1	\$ (1)	\$ —	\$ —		
<b>Consumer Instalment and Other Personal</b>												
HELOC	2		4	15	—	19	4	9	—		13	
Other	3		95	9	—	104	112	23	—		135	
Credit card	4		83	11	—	94	85	14	—		99	
Total personal	5		183	46	—	229	202	45	—		247	
<b>Business &amp; Government</b>												
Real estate												
Residential	6		(3)	20	—	17	(3)	8	—		5	
Non-residential	7		—	13	—	13	1	19	—		20	
Total real estate	8		(3)	33	—	30	(2)	27	—		25	
Agriculture	9		(1)	—	—	(1)	—	—	—		—	
Automotive	10		1	2	—	3	—	1	—		1	
Financial	11		—	2	—	2	—	(1)	—		(1)	
Food, beverage, and tobacco	12		2	—	—	2	2	—	—		2	
Forestry	13		—	—	—	—	—	—	—		—	
Government, public sector entities, and education	14		—	(1)	—	(1)	—	—	—		—	
Health and social services	15		—	1	—	1	—	1	—		1	
Industrial construction and trade contractors	16		2	4	—	6	—	8	—		8	
Metals and mining	17		(1)	—	—	(1)	1	(1)	—		—	
Pipelines, oil, and gas	18		(1)	(18)	—	(19)	2	—	—		2	
Power and utilities	19		—	—	—	—	—	1	—		1	
Professional and other services	20		2	10	—	12	3	2	—		5	
Retail sector	21		7	(2)	—	5	9	11	—		20	
Sundry manufacturing and wholesale	22		(2)	1	—	(1)	1	2	—		3	
Telecommunications, cable, and media	23		(1)	3	—	2	(3)	(1)	—		(4)	
Transportation	24		4	2	—	6	1	—	—		1	
Other	25		(1)	8	—	7	(1)	12	—		11	
Total business & government	26		8	45	—	53	13	62	—		75	
<b>Other Loans</b>												
Debt securities classified as loans	27		—	—	—	—	—	85	—		85	
Acquired credit-impaired loans <sup>2</sup>	28		—	37	—	37	—	—	—		—	
Total other loans	29		—	37	—	37	—	85	—		85	
<b>Total Provision for Credit Losses - Counterparty-Specific and Individually Insignificant</b>			191		128	—	319	215	192	—	407	
<b>Provision for Credit Losses - Incurred but Not Identified</b>												
<b>Personal, business &amp; government</b>												
<b>Other Loans</b>												
Debt securities classified as loans	32		—	3	—	3	—	(19)	—		(19)	
Total other loans	33		—	3	—	3	—	(19)	—		(19)	
<b>Total Provision for Credit Losses - Incurred but not Identified</b>			3		28	(1)	30	5	11	(2)	14	
<b>Total Provision for Credit Losses</b>			\$ 194	\$ 156	\$ (1)	\$ 349	\$ 220	\$ 203	\$ (2)	\$ 421		
<b>Provision for Credit Losses - Counterparty-Specific and Individually Insignificant as a % of Average Net Loans and Acceptances</b>												
<b>Personal</b>												
Residential mortgages	36		- %	0.44 %	— %	0.04 %	- %	(0.04) %	- %	- %		
Consumer instalment and other personal												
HELOC	37		0.02	0.71	-	0.10	0.02	0.39	-	0.07		
Other	38		1.41	0.71	-	1.30	1.67	2.28	-	1.75		
Credit card	39		4.35	6.31	-	4.51	4.23	7.47	-	4.50		
Total personal	40		0.32	0.76	-	0.37	0.35	0.77	-	0.39		
<b>Business &amp; Government</b>												
Total business & government	41		0.08	0.50	-	0.26	0.13	0.65	-	0.36		
<b>Total Provision for Credit Losses - Counterparty-Specific and Individually Insignificant</b>			0.29		0.72	-	0.37	0.32	1.06	-	0.47	
<b>Total Provision for Credit Losses - Counterparty-Specific and Individually Insignificant Excluding Other Loans</b>			0.29 %		0.60 %	- %	0.34 %	0.32 %	0.70 %	- %	0.38 %	
<b>Total Provision for Credit Losses as a % of Average Net Loans and Acceptances</b>												
Total Provision for Credit Losses	44		0.29 %	0.88 %	(0.08) %	0.41 %	0.32 %	1.12 %	(0.15) %	0.48 %		
Total Provision for Credit Losses Excluding Other Loans	45		0.29	0.76	(0.13)	0.37	0.33	0.89	(0.26)	0.42		

<sup>1</sup> Based on geographic location of unit responsible for recording revenue.

<sup>2</sup> Includes all FDIC covered loans and other ACI loans.



# Acquired Credit-Impaired Loans by Geographic Location<sup>1</sup>



(\$ millions)  
AS AT

## Gross Loans

Residential mortgages  
Consumer instalment and other personal  
HELOC  
Other  
Business & government  
**Total Gross Loans**

## Change in Allowance for Credit Losses

Balance at beginning of period  
Provision for credit losses - counterparty-specific  
Provision for credit losses - individually insignificant  
Write-offs  
Recoveries  
Foreign exchange and other adjustments  
Balance at end of period

## Allowance for Credit Losses

Residential mortgages  
Consumer instalment and other personal  
HELOC  
Other  
Business & government  
**Total Allowance for Credit Losses**

## Provision for Credit Losses - Counterparty-Specific and Individually Insignificant<sup>2</sup>

Provision for credit losses (net of reversals) - counterparty-specific  
Provision for credit losses (net of reversals) - individually insignificant  
Recoveries

## Total Provision for Credit Losses - Counterparty-Specific and Individually Insignificant

## Provision for Credit Losses - Counterparty-Specific and Individually Insignificant<sup>2</sup>

Residential mortgages  
Consumer instalment and other personal  
HELOC  
Other  
Business & government  
**Total Provision for Credit Losses - Counterparty-Specific and Individually Insignificant**

LINE #	2011 Q4				2011 Q3			
	Canada	United States	Int'l	Total	Canada	United States	Int'l	Total
1	\$ -	\$ 679	\$ -	\$ 679	\$ -	\$ 608	\$ -	\$ 608
2	-	211	-	211	-	202	-	202
3	19	785	-	804	23	971	-	994
4	-	3,866	-	3,866	-	3,897	-	3,897
5	\$ 19	\$ 5,541	\$ -	\$ 5,560	\$ 23	\$ 5,678	\$ -	\$ 5,701
6	\$ -	\$ 66	\$ -	\$ 66	\$ -	\$ 38	\$ -	\$ 38
7	-	1	-	1	-	17	-	17
8	3	(17)	-	(14)	-	40	-	40
9	-	(5)	-	(5)	-	(34)	-	(34)
10	-	-	-	-	-	-	-	-
11	-	12	-	12	-	5	-	5
12	\$ 3	\$ 57	\$ -	\$ 60	\$ -	\$ 66	\$ -	\$ 66
13	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5	\$ -	\$ 5
14	-	13	-	13	-	43	-	43
15	3	-	-	3	-	-	-	-
16	-	44	-	44	-	18	-	18
17	\$ 3	\$ 57	\$ -	\$ 60	\$ -	\$ 66	\$ -	\$ 66
18	\$ -	\$ 1	\$ -	\$ 1	\$ -	\$ 17	\$ -	\$ 17
19	3	(17)	-	(14)	-	40	-	40
20	-	-	-	-	-	-	-	-
21	\$ 3	\$ (16)	\$ -	\$ (13)	\$ -	\$ 57	\$ -	\$ 57
22	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3	\$ -	\$ 3
23	-	(34)	-	(34)	-	43	-	43
24	3	-	-	3	-	-	-	-
25	-	18	-	18	-	11	-	11
26	\$ 3	\$ (16)	\$ -	\$ (13)	\$ -	\$ 57	\$ -	\$ 57

<sup>1</sup> Based on geographic location of unit responsible for recording revenue.

<sup>2</sup> PCL reflects loss sharing agreements with the FDIC, and is presented net of the amount expected to be reimbursed by the FDIC.

# Acquired Credit-Impaired Loans by Geographic Location<sup>1</sup> (Continued)



(\$ millions) AS AT	LINE #	2011 Q2				2011 Q1			
		Canada	United States	Int'l	Total	Canada	United States	Int'l	Total
<b>Gross Loans</b>									
Residential mortgages	1	\$ —	\$ 624	\$ —	\$ 624	\$ —	\$ 687	\$ —	\$ 687
Consumer instalment and other personal									
HELOC	2	—	214	—	214	—	240	—	240
Other	3	31	1,106	—	1,137	—	488	—	488
Business & government	4	—	4,367	—	4,367	—	5,007	—	5,007
<b>Total Gross Loans</b>	5	\$ 31	\$ 6,311	\$ —	\$ 6,342	\$ —	\$ 6,422	\$ —	\$ 6,422
<b>Change in Allowance for Credit Losses</b>									
Balance at beginning of period	6	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Provision for credit losses - counterparty-specific	7	—	37	—	37	—	—	—	—
Provision for credit losses - individually insignificant	8	—	—	—	—	—	—	—	—
Write-offs	9	—	—	—	—	—	—	—	—
Recoveries	10	—	—	—	—	—	—	—	—
Foreign exchange and other adjustments	11	—	1	—	1	—	—	—	—
Balance at end of period	12	\$ —	\$ 38	\$ —	\$ 38	\$ —	\$ —	\$ —	\$ —
<b>Allowance for Credit Losses</b>									
Residential mortgages	13	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Consumer instalment and other personal									
HELOC	14	—	—	—	—	—	—	—	—
Other	15	—	4	—	4	—	—	—	—
Business & government	16	—	34	—	34	—	—	—	—
<b>Total Allowance for Credit Losses</b>	17	\$ —	\$ 38	\$ —	\$ 38	\$ —	\$ —	\$ —	\$ —
<b>Provision for Credit Losses - Counterparty-Specific and Individually Insignificant<sup>2</sup></b>									
Provision for credit losses (net of reversals) - counterparty-specific	18	\$ —	\$ 37	\$ —	\$ 37	\$ —	\$ —	\$ —	\$ —
Provision for credit losses (net of reversals) - individually insignificant	19	—	—	—	—	—	—	—	—
Recoveries	20	—	—	—	—	—	—	—	—
<b>Total Provision for Credit Losses - Counterparty-Specific and Individually Insignificant</b>	21	\$ —	\$ 37	\$ —	\$ 37	\$ —	\$ —	\$ —	\$ —
<b>Provision for Credit Losses - Counterparty-Specific and Individually Insignificant<sup>2</sup></b>									
Residential mortgages	22	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Consumer instalment and other personal									
HELOC	23	—	—	—	—	—	—	—	—
Other	24	—	4	—	4	—	—	—	—
Business & government	25	—	33	—	33	—	—	—	—
<b>Total Provision for Credit Losses - Counterparty-Specific and Individually Insignificant</b>	26	\$ —	\$ 37	\$ —	\$ 37	\$ —	\$ —	\$ —	\$ —

<sup>1</sup> Based on geographic location of unit responsible for recording revenue.

<sup>2</sup> PCL reflects loss sharing agreements with the FDIC, and is presented net of the amount expected to be reimbursed by the FDIC.

# Analysis of Change in Equity



(\$ millions, except as noted)

FOR THE PERIOD ENDED

## Common Shares

Balance at beginning of period

Issued

Options

Dividend reinvestment plan

New shares

Balance at end of period

## Preferred Shares

Balance at beginning of period

Issued

Balance at end of period

## Treasury Shares - Common

Balance at beginning of period

Purchase of shares

Sale of shares

Balance at end of period

## Treasury Shares - Preferred

Balance at beginning of period

Purchase of shares

Sale of shares

Balance at end of period

## Contributed Surplus

Balance at beginning of period

Net (discount) premium on treasury shares

Stock options expensed

Stock options exercised

Other

Balance at end of period

## Retained Earnings

Balance at beginning of period

Net income

Dividends

Common

Preferred

Share issue expenses

Balance at end of period

## Accumulated Other Comprehensive Income (loss)

Balance at beginning of period

Net change in unrealized gains (losses) on AFS securities

Net change in unrealized foreign currency translation gains (losses) on investment in foreign operations, net of hedging activities

Net change in gains (losses) on derivatives designated as cash flow hedges

Balance at end of period

## Non-Controlling Interests in Subsidiaries

## Total Equity

## NUMBER OF COMMON SHARES OUTSTANDING (thousands)

Balance at beginning of period

Issued

Options

Dividend reinvestment plan

New shares

Impact of treasury shares <sup>1</sup>

Balance at end of period

LINE #	Q4	Q3	2011 Q2	Q1	Full Year 2011
1	\$ 16,572	\$ 16,367	\$ 16,049	\$ 15,804	\$ 15,804
2	41	33	155	93	322
3	174	172	163	152	661
4	704	—	—	—	704
5	17,491	16,572	16,367	16,049	17,491
6	3,395	3,395	3,395	3,395	3,395
7	—	—	—	—	—
8	3,395	3,395	3,395	3,395	3,395
9	(104)	(104)	(82)	(91)	(91)
10	(760)	(348)	(541)	(515)	(2,164)
11	748	348	519	524	2,139
12	(116)	(104)	(104)	(82)	(116)
13	—	—	(1)	(1)	(1)
14	(8)	(24)	(14)	(13)	(59)
15	8	24	15	13	60
16	—	—	—	(1)	—
17	211	204	220	235	235
18	1	6	1	3	11
19	4	7	8	9	28
20	(6)	(5)	(28)	(23)	(62)
21	2	(1)	3	(4)	—
22	212	211	204	220	212
23	17,322	16,487	15,731	14,781	14,781
24	1,563	1,463	1,379	1,536	5,941
25	(611)	(585)	(583)	(537)	(2,316)
26	(48)	(43)	(40)	(49)	(180)
27	(13)	—	—	—	(13)
28	18,213	17,322	16,487	15,731	18,213
29	2,072	1,237	2,477	4,256	4,256
30	(181)	107	234	(528)	(368)
31	989	202	(1,557)	(98)	(464)
32	446	526	83	(1,153)	(98)
33	3,326	2,072	1,237	2,477	3,326
34	1,483	1,452	1,461	1,464	1,483
35	\$ 44,004	\$ 40,920	\$ 39,047	\$ 39,253	\$ 44,004
36	888,844	886,093	882,097	878,497	878,497
37	758	473	2,299	1,411	4,941
38	2,354	2,221	2,004	2,035	8,614
39	9,200	—	—	—	9,200
40	(158)	57	(307)	154	(254)
41	900,998	888,844	886,093	882,097	900,998

<sup>1</sup> The number of treasury common shares has been netted just for the purpose of arriving at the total number of common shares considered for calculation of EPS of the Bank.

# Change in Accumulated Other Comprehensive Income, Net of Income Taxes



(\$ millions) FOR THE PERIOD ENDED		LINE #	2011				Full Year 2011		
			Q4	Q3	Q2	Q1			
<b>Unrealized Gains (Losses) on Available-for-Sale Securities</b>									
Balance at beginning of period	1	\$	1,130	\$	1,023	\$	789	\$	1,317
Change in unrealized gains (losses)	2		(157)		190		247		(526)
Reclassification to earnings of losses (gains)	3		(24)		(83)		(13)		(2)
Net change for the period	4		(181)		107		234		(528)
Balance at end of period	5		949		1,130		1,023		789
<b>Unrealized Foreign Currency Translation Gains (Losses) on Investments in Foreign Operations, Net of Hedging Activities</b>									
Balance at beginning of period	6		(1,453)		(1,655)		(98)		—
Investment in foreign operations	7		1,620		335		(2,372)		(379)
Impact of change in investment in foreign operations	8		—		—		—		—
Hedging activities	9		(862)		(180)		1,110		382
Recovery of (provision for) income taxes	10		231		47		(295)		(101)
Net change for the period	11		989		202		(1,557)		(98)
Balance at end of period	12		(464)		(1,453)		(1,655)		(98)
<b>Gains (losses) on Derivatives Designated as Cash Flow Hedges</b>									
Balance at beginning of period	13		2,395		1,869		1,786		2,939
Change in gains (losses)	14		1,021		909		(185)		(1,105)
Reclassification to earnings of losses (gains)	15		(575)		(383)		268		(48)
Net change for the period	16		446		526		83		(1,153)
Balance at end of period	17		2,841		2,395		1,869		1,786
<b>Accumulated Other Comprehensive Income at End of Period</b>	18	\$	3,326	\$	2,072	\$	1,237	\$	2,477

# Analysis of Change in Non-Controlling Interests and Investment in TD Ameritrade



(\$ millions)

FOR THE PERIOD ENDED

## NON-CONTROLLING INTERESTS IN SUBSIDIARIES

Balance at beginning of period  
On account of acquisition  
On account of income  
Foreign exchange and other adjustments  
Balance at end of period

LINE #	2011				Full Year 2011
	Q4	Q3	Q2	Q1	
1	\$ 1,452	\$ 1,461	\$ 1,464	\$ 1,493	\$ 1,493
2	—	—	—	—	—
3	26	27	25	26	104
4	5	(36)	(28)	(55)	(114)
5	\$ 1,483	\$ 1,452	\$ 1,461	\$ 1,464	\$ 1,483

## INVESTMENT IN TD AMERITRADE

Balance at beginning of period  
Increase (decrease) in reported investment through direct ownership  
Decrease in reported investment through dividends received  
Equity in net income, net of income taxes  
Foreign exchange and other adjustments  
Balance at end of period

6	\$ 4,896	\$ 4,803	\$ 5,314	\$ 5,438	\$ 5,438
7	—	—	(286)	(67)	(353)
8	(12)	(12)	(13)	(14)	(51)
9	63	61	67	57	248
10	212	44	(279)	(100)	(123)
11	\$ 5,159	\$ 4,896	\$ 4,803	\$ 5,314	\$ 5,159

**Derivatives – Notional Principal**


(\$ billions) AS AT		LINE #	2011 Q4					2011 Q3				
			Trading					Trading				
			Over-the-counter	Exchange traded	Total	Non-trading	Total	Over-the-counter	Exchange traded	Total	Non-trading	Total
<b>Interest Rate Contracts</b>												
Futures		1	\$ —	\$ 211.8	\$ 211.8	\$ —	\$ 211.8	\$ —	\$ 460.7	\$ 460.7	\$ —	\$ 460.7
Forward rate agreements		2	108.1	—	108.1	10.8	118.9	102.2	—	102.2	1.4	103.6
Swaps		3	1,462.7	—	1,462.7	329.8	1,792.5	1,425.1	—	1,425.1	318.3	1,743.4
Options written		4	25.0	43.1	68.1	3.9	72.0	28.9	40.9	69.8	0.5	70.3
Options purchased		5	25.9	38.6	64.5	1.3	65.8	23.5	41.3	64.8	1.9	66.7
		6	1,621.7	293.5	1,915.2	345.8	2,261.0	1,579.7	542.9	2,122.6	322.1	2,444.7
<b>Foreign Exchange Contracts</b>												
Futures		7	—	38.3	38.3	—	38.3	—	32.9	32.9	—	32.9
Forward contracts		8	384.7	—	384.7	30.4	415.1	343.9	—	343.9	36.0	379.9
Swaps		9	2.9	—	2.9	—	2.9	2.5	—	2.5	—	2.5
Cross-currency interest rate swap		10	356.9	—	356.9	24.4	381.3	347.3	—	347.3	23.9	371.2
Options written		11	34.5	—	34.5	—	34.5	33.0	—	33.0	—	33.0
Options purchased		12	30.8	—	30.8	—	30.8	29.7	—	29.7	—	29.7
		13	809.8	38.3	848.1	54.8	902.9	756.4	32.9	789.3	59.9	849.2
<b>Credit Derivative Contracts</b>												
Credit default swaps												
Protection purchased		14	3.9	—	3.9	4.8	8.7	4.0	—	4.0	5.0	9.0
Protection sold		15	2.7	—	2.7	—	2.7	2.7	—	2.7	—	2.7
		16	6.6	—	6.6	4.8	11.4	6.7	—	6.7	5.0	11.7
<b>Other Contracts</b>												
Equity contracts		17	39.4	8.4	47.8	23.9	71.7	38.8	11.8	50.6	22.8	73.4
Commodity contracts		18	18.9	6.8	25.7	—	25.7	8.4	5.1	13.5	—	13.5
		19	58.3	15.2	73.5	23.9	97.4	47.2	16.9	64.1	22.8	86.9
Total		20	\$ 2,496.4	\$ 347.0	\$ 2,843.4	\$ 429.3	\$ 3,272.7	\$ 2,390.0	\$ 592.7	\$ 2,982.7	\$ 409.8	\$ 3,392.5
			2011 Q2					2011 Q1				
			Trading					Trading				
			Over-the-counter	Exchange traded	Total	Non-trading	Total	Over-the-counter	Exchange traded	Total	Non-trading	Total
<b>Interest Rate Contracts</b>												
Futures		21	\$ —	\$ 419.6	\$ 419.6	\$ —	\$ 419.6	\$ —	\$ 387.0	\$ 387.0	\$ —	\$ 387.0
Forward rate agreements		22	74.5	—	74.5	1.0	75.5	41.7	—	41.7	2.9	44.6
Swaps		23	1,256.3	—	1,256.3	317.9	1,574.2	1,088.1	—	1,088.1	318.2	1,406.3
Options written		24	37.7	32.4	70.1	0.4	70.5	33.2	24.2	57.4	0.7	58.1
Options purchased		25	33.5	41.3	74.8	2.1	76.9	27.6	36.5	64.1	2.1	66.2
		26	1,402.0	493.3	1,895.3	321.4	2,216.7	1,190.6	447.7	1,638.3	323.9	1,962.2
<b>Foreign Exchange Contracts</b>												
Futures		27	—	63.1	63.1	—	63.1	—	29.9	29.9	—	29.9
Forward contracts		28	330.8	—	330.8	38.5	369.3	353.7	—	353.7	35.7	389.4
Swaps		29	19.4	—	19.4	0.2	19.6	20.0	—	20.0	0.2	20.2
Cross-currency interest rate swap		30	319.5	—	319.5	23.8	343.3	317.5	—	317.5	24.3	341.8
Options written		31	38.6	—	38.6	—	38.6	46.9	—	46.9	—	46.9
Options purchased		32	34.2	—	34.2	—	34.2	43.5	—	43.5	—	43.5
		33	742.5	63.1	805.6	62.5	868.1	781.6	29.9	811.5	60.2	871.7
<b>Credit Derivative Contracts</b>												
Credit default swaps												
Protection purchased		34	3.9	—	3.9	4.8	8.7	4.0	—	4.0	5.1	9.1
Protection sold		35	2.8	—	2.8	—	2.8	2.9	—	2.9	—	2.9
		36	6.7	—	6.7	4.8	11.5	6.9	—	6.9	5.1	12.0
<b>Other Contracts</b>												
Equity contracts		37	37.5	12.3	49.8	20.8	70.6	37.5	8.6	46.1	19.8	65.9
Commodity contracts		38	9.8	5.9	15.7	—	15.7	7.9	5.5	13.4	—	13.4
		39	47.3	18.2	65.5	20.8	86.3	45.4	14.1	59.5	19.8	79.3
Total		40	\$ 2,198.5	\$ 574.6	\$ 2,773.1	\$ 409.5	\$ 3,182.6	\$ 2,024.5	\$ 491.7	\$ 2,516.2	\$ 409.0	\$ 2,925.2

# Derivatives - Credit Exposure



(\$ millions)  
AS AT

LINE #	2011 Q4			2011 Q3		
	Current replacement cost <sup>1</sup>	Credit equivalent amount	Risk-weighted amount <sup>2</sup>	Current replacement cost <sup>1</sup>	Credit equivalent amount	Risk-weighted amount <sup>2</sup>
<b>Interest Rate Contracts</b>						
Forward rate agreements	\$ 23	\$ 34	\$ 5	\$ 17	\$ 23	\$ 3
Swaps	34,889	46,192	18,322	25,657	34,225	13,593
Options purchased	767	860	337	598	696	271
	35,679	47,086	18,664	26,272	34,944	13,867
<b>Foreign Exchange Contracts</b>						
Forward contracts	6,363	11,875	2,170	6,146	11,376	2,138
Swaps	237	405	59	286	416	67
Cross-currency interest rate swaps	10,823	30,312	9,322	12,073	30,603	9,163
Options purchased	623	1,064	236	662	1,096	228
	18,046	43,656	11,787	19,167	43,491	11,596
<b>Other Contracts</b>						
Credit derivatives	48	447	158	35	446	150
Equity contracts	4,691	7,954	1,033	4,793	8,013	1,401
Commodity contracts	1,021	1,167	238	615	1,192	298
	5,760	9,568	1,429	5,443	9,651	1,849
<b>Total</b>	59,485	100,310	31,880	50,882	88,086	27,312
Less: impact of master netting agreements	45,576	65,792	22,531	36,594	53,235	18,576
<b>Total after netting</b>	13,909	34,518	9,349	14,288	34,851	8,736
Less: impact of collateral	5,875	6,062	1,959	6,818	6,950	1,857
<b>Net</b>	\$ 8,034	\$ 28,456	\$ 7,390	\$ 7,470	\$ 27,901	\$ 6,879

	2011 Q2			2011 Q1		
	Current replacement cost <sup>1</sup>	Credit equivalent amount	Risk-weighted amount <sup>2</sup>	Current replacement cost <sup>1</sup>	Credit equivalent amount	Risk-weighted amount <sup>2</sup>
<b>Interest Rate Contracts</b>						
Forward rate agreements	\$ 13	\$ 30	\$ 6	\$ 11	\$ 17	\$ 3
Swaps	18,232	25,986	10,431	18,700	26,064	10,610
Options purchased	559	692	253	566	662	262
	18,804	26,708	10,690	19,277	26,743	10,875
<b>Foreign Exchange Contracts</b>						
Forward contracts	7,587	12,651	2,338	5,007	10,518	2,075
Swaps	2,613	3,623	829	2,337	3,377	831
Cross-currency interest rate swaps	13,995	31,050	9,445	7,873	24,812	7,782
Options purchased	969	1,466	289	609	1,211	239
	25,164	48,790	12,901	15,826	39,918	10,927
<b>Other Contracts</b>						
Credit derivatives	48	468	160	58	488	161
Equity contracts	4,294	7,304	1,707	3,743	6,711	1,580
Commodity contracts	924	1,587	381	684	1,294	333
	5,266	9,359	2,248	4,485	8,493	2,074
<b>Total</b>	49,234	84,857	25,839	39,588	75,154	23,876
Less: impact of master netting agreements	34,054	50,717	16,932	28,673	45,761	15,977
<b>Total after netting</b>	15,180	34,140	8,907	10,915	29,393	7,899
Less: impact of collateral	6,725	6,803	1,843	4,550	4,689	1,376
<b>Net</b>	\$ 8,455	\$ 27,337	\$ 7,064	\$ 6,365	\$ 24,704	\$ 6,523

<sup>1</sup> Exchange-traded instruments and non-trading credit derivatives, which are given financial guarantee treatment for credit risk capital purposes, are excluded in accordance with the guidelines of OSFI.

<sup>2</sup> The amounts are calculated based on Canadian GAAP.

# Gross Credit Risk Exposure<sup>1,2</sup>



(\$ millions) AS AT		LINE #	2011 Q4						2011 Q3					
			Drawn	Undrawn	Repo-style transactions	OTC derivatives	Other off-balance sheet	Total	Drawn	Undrawn	Repo-style transactions	OTC derivatives	Other off-balance sheet	Total
<b>By Counterparty Type</b>														
<b>Retail</b>														
Residential secured		1	\$ 157,455	\$ 20,903	\$ –	\$ –	\$ –	\$ 178,358	\$ 152,076	\$ 20,491	\$ –	\$ –	\$ –	\$ 172,567
Qualifying revolving retail		2	15,145	27,591	–	–	–	42,736	15,251	27,283	–	–	–	42,534
Other retail		3	49,941	5,688	–	–	30	55,659	48,560	5,837	–	–	32	54,429
		4	222,541	54,182	–	–	30	276,753	215,887	53,611	–	–	32	269,530
<b>Non-retail</b>														
Corporate		5	87,094	25,729	45,893	7,430	10,311	176,457	84,232	23,607	45,168	8,583	10,022	171,612
Sovereign		6	74,601	974	6,219	5,969	228	87,991	64,948	877	12,084	6,545	185	84,639
Bank		7	46,178	731	69,558	21,354	2,225	140,046	42,746	743	73,858	19,988	2,312	139,647
		8	207,873	27,434	121,670	34,753	12,764	404,494	191,926	25,227	131,110	35,116	12,519	395,898
<b>Total</b>		9	\$ 430,414	\$ 81,616	\$ 121,670	\$ 34,753	\$ 12,794	\$ 681,247	\$ 407,813	\$ 78,838	\$ 131,110	\$ 35,116	\$ 12,551	\$ 665,428
<b>By Country of Risk</b>														
Canada		10	\$ 255,706	\$ 66,101	\$ 49,486	\$ 12,104	\$ 4,781	\$ 388,178	\$ 248,717	\$ 64,795	\$ 49,566	\$ 13,565	\$ 4,662	\$ 381,305
United States		11	144,370	13,103	49,831	6,992	7,340	221,636	130,996	12,080	41,348	6,029	7,137	197,590
International														
Europe		12	23,546	1,744	20,120	11,721	543	57,674	21,324	1,529	31,254	11,221	522	65,850
Other		13	6,792	668	2,233	3,936	130	13,759	6,776	434	8,942	4,301	230	20,683
		14	30,338	2,412	22,353	15,657	673	71,433	28,100	1,963	40,196	15,522	752	86,533
<b>Total</b>		15	\$ 430,414	\$ 81,616	\$ 121,670	\$ 34,753	\$ 12,794	\$ 681,247	\$ 407,813	\$ 78,838	\$ 131,110	\$ 35,116	\$ 12,551	\$ 665,428
<b>By Residual Contractual Maturity</b>														
Within 1 year		16	\$ 166,906	\$ 59,911	\$ 121,670	\$ 7,314	\$ 6,401	\$ 362,202	\$ 156,060	\$ 59,183	\$ 131,062	\$ 7,629	\$ 5,931	\$ 359,865
Over 1 year to 5 years		17	177,396	20,411	–	15,593	5,533	218,933	165,314	18,585	48	16,228	5,287	205,462
Over 5 years		18	86,112	1,294	–	11,846	860	100,112	86,439	1,070	–	11,259	1,333	100,101
<b>Total</b>		19	\$ 430,414	\$ 81,616	\$ 121,670	\$ 34,753	\$ 12,794	\$ 681,247	\$ 407,813	\$ 78,838	\$ 131,110	\$ 35,116	\$ 12,551	\$ 665,428
<b>Non-Retail Exposures by Industry Sector</b>														
<b>Real estate</b>														
Residential		20	\$ 14,521	\$ 1,036	\$ –	\$ 136	\$ 1,083	\$ 16,776	\$ 14,149	\$ 907	\$ –	\$ 124	\$ 1,190	\$ 16,370
Non-residential		21	15,807	800	21	386	381	17,395	14,959	803	4	311	1,368	17,445
<b>Total real-estate</b>		22	30,328	1,836	21	522	1,464	34,171	29,108	1,710	4	435	2,558	33,815
Agriculture		23	1,973	253	–	17	38	2,281	1,919	211	–	10	46	2,186
Automotive		24	2,389	1,305	–	211	132	4,037	2,348	1,171	–	182	172	3,873
Financial		25	49,183	2,414	110,003	24,209	1,771	187,580	45,362	2,169	112,646	23,899	1,618	185,694
Food, beverage, and tobacco		26	2,488	1,540	–	133	549	4,710	2,655	1,380	–	166	454	4,655
Forestry		27	1,100	444	9	27	125	1,705	1,086	394	11	28	98	1,617
Government, public sector entities, and education		28	80,726	1,865	6,467	6,216	2,108	97,382	70,894	1,751	12,307	6,799	1,906	93,657
Health and social services		29	6,849	732	21	247	471	8,320	6,682	696	49	209	552	8,188
Industrial construction and trade contractors		30	2,040	496	–	38	657	3,231	2,007	413	–	40	636	3,096
Metals and mining		31	1,648	1,449	6	56	297	3,456	1,701	1,063	13	37	213	3,027
Pipelines, oil, and gas		32	2,894	5,026	–	536	972	9,428	3,027	4,698	–	633	854	9,212
Power and utilities		33	2,450	2,180	–	918	1,112	6,660	2,290	1,985	–	973	775	6,023
Professional and other services		34	4,396	954	–	137	565	6,052	4,326	916	–	175	495	5,912
Retail sector		35	3,554	973	–	87	351	4,965	3,195	912	–	94	317	4,518
Sundry manufacturing and wholesale		36	4,234	2,252	100	140	771	7,497	3,921	1,996	195	150	477	6,739
Telecommunications, cable, and media		37	2,631	2,029	–	571	488	5,719	2,632	2,028	–	670	442	5,772
Transportation		38	3,483	788	–	467	528	5,266	3,242	694	–	364	662	4,962
Other		39	5,507	898	5,043	221	365	12,034	5,531	1,040	5,885	252	244	12,952
<b>Total</b>		40	\$ 207,873	\$ 27,434	\$ 121,670	\$ 34,753	\$ 12,764	\$ 404,494	\$ 191,926	\$ 25,227	\$ 131,110	\$ 35,116	\$ 12,519	\$ 395,898

<sup>1</sup> The amounts are calculated based on Canadian GAAP.

<sup>2</sup> Gross credit risk exposure is before credit risk mitigants. This table excludes securitization and equity exposures.



# Gross Credit Risk Exposure<sup>1,2</sup> (Continued)



(\$ millions) AS AT		LINE #	2011 Q2						2011 Q1					
			Drawn	Undrawn	Repo-style transactions	OTC derivatives	Other off-balance sheet	Total	Drawn	Undrawn	Repo-style transactions	OTC derivatives	Other off-balance sheet	Total
<b>By Counterparty Type</b>														
<b>Retail</b>														
Residential secured		1	\$ 146,345	\$ 20,251	\$ —	\$ —	\$ —	\$ 166,596	\$ 144,711	\$ 20,136	\$ —	\$ —	\$ —	\$ 164,847
Qualifying revolving retail		2	15,111	28,109	—	—	—	43,220	15,288	27,653	—	—	—	42,941
Other retail		3	47,631	5,669	—	—	27	53,327	41,028	5,620	—	—	30	46,678
		4	209,087	54,029	—	—	27	263,143	201,027	53,409	—	—	30	254,466
<b>Non-retail</b>														
Corporate		5	81,289	22,835	40,965	8,203	9,876	163,168	82,450	23,207	34,136	6,987	10,017	156,797
Sovereign		6	59,643	901	7,498	6,037	198	74,277	58,561	720	5,057	5,519	146	70,003
Bank		7	42,825	816	66,307	20,204	2,249	132,401	42,847	989	76,478	17,171	2,464	139,949
		8	183,757	24,552	114,770	34,444	12,323	369,846	183,858	24,916	115,671	29,677	12,627	366,749
<b>Total</b>		9	\$ 392,844	\$ 78,581	\$ 114,770	\$ 34,444	\$ 12,350	\$ 632,989	\$ 384,885	\$ 78,325	\$ 115,671	\$ 29,677	\$ 12,657	\$ 621,215
<b>By Country of Risk</b>														
Canada		10	\$ 239,802	\$ 64,822	\$ 41,966	\$ 13,565	\$ 4,634	\$ 364,789	\$ 238,194	\$ 63,844	\$ 40,633	\$ 11,923	\$ 4,459	\$ 359,053
United States		11	125,578	11,661	46,404	5,987	7,044	196,674	120,862	12,097	48,395	5,371	7,533	194,258
International														
Europe		12	21,155	1,495	21,771	10,437	445	55,303	19,718	1,531	25,460	9,183	467	56,359
Other		13	6,309	603	4,629	4,455	227	16,223	6,111	853	1,183	3,200	198	11,545
		14	27,464	2,098	26,400	14,892	672	71,526	25,829	2,384	26,643	12,383	665	67,904
<b>Total</b>		15	\$ 392,844	\$ 78,581	\$ 114,770	\$ 34,444	\$ 12,350	\$ 632,989	\$ 384,885	\$ 78,325	\$ 115,671	\$ 29,677	\$ 12,657	\$ 621,215
<b>By Residual Contractual Maturity</b>														
Within 1 year		16	\$ 159,423	\$ 59,567	\$ 114,770	\$ 7,585	\$ 6,128	\$ 347,473	\$ 159,738	\$ 60,545	\$ 115,671	\$ 6,253	\$ 6,189	\$ 348,396
Over 1 year to 5 years		17	156,443	17,942	—	16,420	5,708	196,513	164,224	17,406	—	14,306	5,939	201,875
Over 5 years		18	76,978	1,072	—	10,439	514	89,003	60,923	374	—	9,118	529	70,944
<b>Total</b>		19	\$ 392,844	\$ 78,581	\$ 114,770	\$ 34,444	\$ 12,350	\$ 632,989	\$ 384,885	\$ 78,325	\$ 115,671	\$ 29,677	\$ 12,657	\$ 621,215
<b>Non-Retail Exposures by Industry Sector</b>														
<b>Real estate</b>														
Residential		20	\$ 13,522	\$ 810	\$ —	\$ 96	\$ 942	\$ 15,370	\$ 13,382	\$ 958	\$ —	\$ 103	\$ 818	\$ 15,261
Non-residential		21	14,612	646	—	273	383	15,914	14,313	700	—	253	267	15,533
Total real-estate		22	28,134	1,456	—	369	1,325	31,284	27,695	1,658	—	356	1,085	30,794
Agriculture		23	1,972	150	—	10	31	2,163	1,976	125	—	18	31	2,150
Automotive		24	2,331	1,021	—	179	81	3,612	2,320	1,118	—	167	46	3,651
Financial		25	45,070	2,303	101,414	23,362	1,562	173,711	45,685	2,332	104,634	19,633	1,581	173,865
Food, beverage, and tobacco		26	2,583	1,105	—	176	338	4,202	2,517	1,195	—	141	244	4,097
Forestry		27	1,087	364	183	27	100	1,761	1,138	434	198	27	95	1,892
Government, public sector entities, and education		28	65,381	2,362	7,720	6,257	2,621	84,341	64,140	1,794	5,218	5,761	3,380	80,293
Health and social services		29	6,861	1,466	22	180	1,111	9,640	6,996	512	—	183	2,335	10,026
Industrial construction and trade contractors		30	1,844	364	—	38	577	2,823	1,757	531	—	37	509	2,834
Metals and mining		31	1,620	1,066	48	47	210	2,991	1,567	1,206	10	95	98	2,976
Pipelines, oil, and gas		32	2,517	4,322	—	1,005	995	8,839	2,877	4,295	—	710	879	8,761
Power and utilities		33	2,313	1,894	—	872	876	5,955	2,377	2,021	—	834	724	5,956
Professional and other services		34	3,979	756	—	149	402	5,286	4,004	887	—	130	257	5,278
Retail sector		35	3,256	940	—	98	415	4,709	3,310	993	—	84	213	4,600
Sundry manufacturing and wholesale		36	3,961	1,723	140	178	480	6,482	3,930	2,233	208	178	293	6,842
Telecommunications, cable, and media		37	2,810	1,879	—	777	436	5,902	3,073	2,007	—	795	392	6,267
Transportation		38	2,792	597	—	258	486	4,133	3,072	645	—	248	348	4,313
Other		39	5,246	784	5,243	462	277	12,012	5,424	930	5,403	280	117	12,154
<b>Total</b>		40	\$ 183,757	\$ 24,552	\$ 114,770	\$ 34,444	\$ 12,323	\$ 369,846	\$ 183,858	\$ 24,916	\$ 115,671	\$ 29,677	\$ 12,627	\$ 366,749

<sup>1</sup> The amounts are calculated based on Canadian GAAP.

<sup>2</sup> Gross credit risk exposure is before credit risk mitigants. This table excludes securitization and equity exposures.

# Exposures Covered By Credit Risk Mitigation<sup>1</sup>



(\$ millions) AS AT	LINE #	2011 Q4			2011 Q3			2011 Q2			2011 Q1		
By Counterparty Type		Standardized		AIRB <sup>2</sup>	Standardized		AIRB <sup>2</sup>	Standardized		AIRB <sup>2</sup>	Standardized		AIRB <sup>2</sup>
		Eligible financial collateral <sup>3</sup>	Guarantees / credit derivatives	Guarantees / credit derivatives	Eligible financial collateral <sup>3</sup>	Guarantees / credit derivatives	Guarantees / credit derivatives	Eligible financial collateral <sup>3</sup>	Guarantees / credit derivatives	Guarantees / credit derivatives	Eligible financial collateral <sup>3</sup>	Guarantees / credit derivatives	Guarantees / credit derivatives
<b>Retail</b>													
Residential secured	1	\$ —	\$ 274	\$ 89,421	\$ —	\$ 269	\$ 89,043	\$ —	\$ 267	\$ 90,053	\$ —	\$ 283	\$ 89,972
Qualifying revolving retail	2	—	—	—	—	—	—	—	—	—	—	—	—
Other retail	3	—	609	—	—	618	—	—	660	—	—	739	—
	4	—	883	89,421	—	887	89,043	—	927	90,053	—	1,022	89,972
<b>Non-retail</b>													
Corporate	5	94	2,519	14,850	89	2,194	14,113	88	1,534	13,150	92	1,606	13,320
Sovereign	6	—	—	281	—	—	258	—	—	263	—	—	336
Bank	7	—	10,405	10,956	—	10,072	10,704	—	10,036	11,030	—	10,537	11,952
	8	94	12,924	26,087	89	12,266	25,075	88	11,570	24,443	92	12,143	25,608
<b>Gross Credit Risk Exposure</b>	9	\$ 94	\$ 13,807	\$ 115,508	\$ 89	\$ 13,153	\$ 114,118	\$ 88	\$ 12,497	\$ 114,496	\$ 92	\$ 13,165	\$ 115,580

<sup>1</sup> The amounts are calculated based on Canadian GAAP.

<sup>2</sup> For exposures under the AIRB Approach, eligible financial collateral is taken into account in the Bank's LGD models. Separate disclosure of eligible financial collateral is, therefore, not required.

<sup>3</sup> For exposures under the Standardized Approach, eligible financial collateral can include cash, gold, highly rated debt securities and equities listed on the main index.

# Standardized Credit Risk Exposures<sup>1,2</sup>



(\$ millions) AS AT		LINE #	2011 Q4								2011 Q3							
			Risk-weight								Risk-weight							
			0%	20%	35%	50%	75%	100%	150%	Total	0%	20%	35%	50%	75%	100%	150%	Total
<b>By Counterparty Type</b>																		
<b>Retail</b>																		
Residential secured		1	\$ 70	\$ 203	\$ 14,196	\$ –	\$ 2,552	\$ 199	\$ –	\$ 17,220	\$ 67	\$ 203	\$ 12,618	\$ –	\$ 2,277	\$ 171	\$ –	\$ 15,336
Other retail <sup>3</sup>		2	53	557	–	–	24,261	–	191	25,062	50	568	–	–	23,259	–	177	24,054
		3	123	760	14,196	–	26,813	199	191	42,282	117	771	12,618	–	25,536	171	177	39,390
<b>Non-retail</b>																		
Corporate		4	2,197	415	–	–	–	49,087	1,293	52,992	1,866	417	–	–	–	46,537	1,346	50,166
Sovereign		5	18,816	4,742	–	–	–	–	–	23,558	14,360	5,744	–	–	–	–	–	20,104
Bank		6	10,405	9,955	–	–	–	–	2	20,362	10,072	10,126	–	–	–	–	1	20,199
		7	31,418	15,112	–	–	–	49,087	1,295	96,912	26,298	16,287	–	–	–	46,537	1,347	90,469
<b>Total</b>		8	\$ 31,541	\$ 15,872	\$ 14,196	\$ –	\$ 26,813	\$ 49,286	\$ 1,486	\$ 139,194	\$ 26,415	\$ 17,058	\$ 12,618	\$ –	\$ 25,536	\$ 46,708	\$ 1,524	\$ 129,859
			2011 Q2								2011 Q1							
			Risk-weight								Risk-weight							
			0%	20%	35%	50%	75%	100%	150%	Total	0%	20%	35%	50%	75%	100%	150%	Total
<b>By Counterparty Type</b>																		
<b>Retail</b>																		
Residential secured		9	\$ 55	\$ 212	\$ 11,936	\$ –	\$ 2,037	\$ 182	\$ –	\$ 14,422	\$ 55	\$ 228	\$ 11,619	\$ –	\$ 2,401	\$ 192	\$ –	\$ 14,495
Other retail <sup>3</sup>		10	50	609	–	–	23,305	–	120	24,084	52	687	–	–	17,267	–	128	18,134
		11	105	821	11,936	–	25,342	182	120	38,506	107	915	11,619	–	19,668	192	128	32,629
<b>Non-retail</b>																		
Corporate		12	1,159	463	–	–	–	46,458	827	48,907	1,163	534	–	–	–	47,675	912	50,284
Sovereign		13	12,836	5,844	–	–	–	–	–	18,680	2,553	4,089	–	–	–	–	–	6,642
Bank		14	10,036	10,312	–	1	–	–	–	20,349	10,537	10,508	–	1	–	–	–	21,046
		15	24,031	16,619	–	1	–	46,458	827	87,936	14,253	15,131	–	1	–	47,675	912	77,972
<b>Total</b>		16	\$ 24,136	\$ 17,440	\$ 11,936	\$ 1	\$ 25,342	\$ 46,640	\$ 947	\$ 126,442	\$ 14,360	\$ 16,046	\$ 11,619	\$ 1	\$ 19,668	\$ 47,867	\$ 1,040	\$ 110,601

<sup>1</sup> The amounts are calculated based on Canadian GAAP.

<sup>2</sup> Credit risk exposures are after credit risk mitigants and net of specific allowance.

<sup>3</sup> Under the Standardized Approach, other retail includes qualifying revolving retail exposures.

# AIRB Credit Risk Exposure: Retail Risk Parameters<sup>1</sup>



(\$ millions, except as noted)  
AS AT

	LINE #	2011 Q4					2011 Q3					2011 Q2					2011 Q1				
		EAD <sup>2</sup>	Exposure weighted-average PD	Exposure weighted-average LGD	Exposure weighted-average risk-weight		EAD <sup>2</sup>	Exposure weighted-average PD	Exposure weighted-average LGD	Exposure weighted-average risk-weight		EAD <sup>2</sup>	Exposure weighted-average PD	Exposure weighted-average LGD	Exposure weighted-average risk-weight		EAD <sup>2</sup>	Exposure weighted-average PD	Exposure weighted-average LGD	Exposure weighted-average risk-weight	
<b>Residential Secured</b>																					
Low risk	1	\$ 18,182	0.1 %	13.0 %	2.7 %		\$ 18,283	0.1 %	13.0 %	2.6 %		\$ 16,731	0.1 %	12.2 %	2.5 %		\$ 15,991	0.1 %	12.2 %	2.5 %	
Normal risk	2	32,978	0.5	14.8	10.4		32,345	0.5	15.0	10.7		28,316	0.5	14.0	10.1		27,855	0.5	14.4	10.5	
Medium risk	3	16,644	2.0	15.9	30.7		13,738	2.0	15.1	29.5		13,394	2.0	14.8	29.1		12,793	2.1	15.4	30.4	
High risk	4	3,624	17.5	16.7	73.9		3,542	17.2	16.6	73.6		3,412	17.2	16.1	71.8		3,506	16.6	16.9	74.8	
Default	5	267	100.0	16.1	106.2		252	100.0	16.2	106.3		251	100.0	15.7	105.5		223	100.0	15.5	104.0	
	6	\$ 71,695	1.9	14.7	16.7		\$ 68,160	1.9	14.6	15.9		\$ 62,104	2.0	13.8	15.9		\$ 60,368	2.0	14.2	16.7	
<b>Qualifying Revolving Retail</b>																					
Low risk	7	\$ 16,783	0.1	84.4	3.0		\$ 16,802	0.1	84.5	3.0		\$ 16,879	0.1	84.5	3.0		\$ 17,216	0.1	84.5	3.0	
Normal risk	8	14,172	0.5	85.2	17.5		13,981	0.5	85.3	17.5		14,149	0.5	85.5	17.4		13,490	0.5	85.5	17.4	
Medium risk	9	7,943	2.4	86.7	62.6		7,798	2.4	86.7	62.7		8,172	2.4	87.1	63.6		7,850	2.5	87.1	64.0	
High risk	10	3,694	11.1	83.8	148.2		3,810	11.3	84.0	149.8		3,863	11.2	84.2	150.0		4,233	11.3	84.6	150.9	
Default	11	144	100.0	78.7	9.3		143	100.0	79.1	9.3		157	100.0	79.3	9.5		152	100.0	78.6	9.4	
	12	\$ 42,736	1.9	85.1	31.4		\$ 42,534	2.0	85.1	31.9		\$ 43,220	2.0	85.3	32.3		\$ 42,941	2.1	85.3	33.3	
<b>Other Retail</b>																					
Low risk	13	\$ 3,937	0.1	44.5	8.9		\$ 3,935	0.1	44.2	8.9		\$ 3,880	0.1	44.7	9.0		\$ 3,788	0.1	43.9	8.8	
Normal risk	14	10,554	0.6	52.7	38.6		10,441	0.6	52.7	38.4		9,999	0.6	53.3	39.1		9,723	0.6	52.9	38.7	
Medium risk	15	12,086	2.1	55.9	70.9		11,863	2.1	56.0	71.2		11,333	2.1	57.2	72.4		11,011	2.1	57.1	72.3	
High risk	16	3,792	10.9	52.6	89.8		3,902	11.2	53.3	91.5		3,813	10.8	54.0	91.8		3,787	10.8	54.6	93.1	
Default	17	151	100.0	53.4	99.1		147	100.0	52.5	106.1		143	100.0	50.0	104.6		150	100.0	50.8	104.3	
	18	\$ 30,520	2.9 %	52.9 %	54.2 %		\$ 30,288	3.0 %	52.9 %	54.6 %		\$ 29,168	2.9 %	53.7 %	55.3 %		\$ 28,459	3.0 %	53.5 %	55.3 %	

<sup>1</sup> The amounts are calculated based on Canadian GAAP.

<sup>2</sup> EAD includes the effects of credit risk mitigation.

# AIRB Credit Risk Exposures: Non-Retail Risk Parameters<sup>1</sup>



(\$ millions, except as noted)  
AS AT

	LINE #	2011 Q4					2011 Q3					2011 Q2					2011 Q1				
		EAD <sup>2</sup>	Exposure weighted-average PD	Exposure weighted-average LGD	Exposure weighted-average risk-weight		EAD <sup>2</sup>	Exposure weighted-average PD	Exposure weighted-average LGD	Exposure weighted-average risk-weight		EAD <sup>2</sup>	Exposure weighted-average PD	Exposure weighted-average LGD	Exposure weighted-average risk-weight		EAD <sup>2</sup>	Exposure weighted-average PD	Exposure weighted-average LGD	Exposure weighted-average risk-weight	
<b>Corporate</b>																					
Investment grade	1	\$ 83,685	0.1 %	24.9 %	13.7 %		\$ 80,555	0.1 %	24.4 %	12.9 %		\$ 73,938	0.1 %	25.9 %	13.6 %		\$ 66,109	0.1 %	29.2 %	15.2 %	
Non-investment grade	2	38,661	1.4	20.6	37.8		39,661	1.5	19.5	35.9		38,886	1.5	18.9	34.6		38,781	1.4	19.1	34.2	
Watch and classified	3	829	22.2	30.9	143.7		947	23.4	28.9	134.2		1,106	19.5	22.3	105.8		1,280	19.1	21.6	101.7	
Impaired/default	4	117	100.0	46.8	223.9		125	100.0	45.7	206.9		162	100.0	44.7	174.9		187	100.0	42.9	157.2	
	5	\$ 123,292	0.7	23.6	22.3		\$ 121,288	0.9	22.9	21.5		\$ 114,092	0.9	23.5	21.9		\$ 106,357	1.0	25.4	23.4	
<b>Sovereign</b>																					
Investment grade	6	\$ 153,756	0.0	7.2	0.3		\$ 153,471	0.0	7.3	0.2		\$ 145,473	0.0	5.4	0.1		\$ 153,236	0.0	4.7	0.2	
Non-investment grade	7	97	2.8	3.0	4.1		106	2.5	3.1	3.0		177	2.0	0.3	0.9		97	2.9	1.7	3.6	
	8	\$ 153,853	0.0	7.2	0.3		\$ 153,577	0.0	7.9	0.2		\$ 145,650	0.0	5.4	0.1		\$ 153,333	0.0	4.7	0.2	
<b>Bank</b>																					
Investment grade	9	\$ 117,408	0.1	23.4	7.0		\$ 116,042	0.1	20.9	5.9		\$ 109,619	0.1	22.5	6.4		\$ 116,058	0.1	20.6	5.5	
Non-investment grade	10	2,222	0.7	11.7	19.5		3,340	0.7	6.6	10.7		2,350	0.6	8.0	12.7		2,811	0.5	6.0	7.8	
Watch and classified	11	53	28.0	16.7	80.2		44	23.9	18.1	95.2		35	11.6	15.6	76.0		33	11.6	12.5	62.2	
Impaired/default	12	0	100.0	56.0	699.7		0	0.0	0.0	0.0		1	100.0	54.0	674.4		1	100.0	54.0	675.0	
	13	\$ 119,683	0.1 %	23.2 %	7.3 %		\$ 119,426	0.1 %	20.5 %	6.1 %		\$ 112,005	0.1 %	22.2 %	6.5 %		\$ 118,903	0.1 %	20.2 %	5.6 %	

<sup>1</sup> The amounts are calculated based on Canadian GAAP.

<sup>2</sup> EAD includes the effects of credit risk mitigation.

# AIRB Credit Risk Exposures: Undrawn Commitments<sup>1,2</sup> and EAD on Undrawn Commitments<sup>2,3</sup>



(\$ millions) AS AT	LINE #	2011 Q4		2011 Q3		2011 Q2		2011 Q1	
<b>By Counterparty Type</b>		Notional undrawn commitments	EAD on undrawn commitments	Notional undrawn commitments	EAD on undrawn commitments	Notional undrawn commitments	EAD on undrawn commitments	Notional undrawn commitments	EAD on undrawn commitments
<b>Retail</b>									
Residential secured	1	\$ 61,463	\$ 20,407	\$ 60,292	\$ 20,132	\$ 59,504	\$ 19,839	\$ 58,527	\$ 19,626
Qualifying revolving retail	2	45,190	27,592	44,764	27,283	44,676	28,109	44,385	27,653
Other retail	3	7,306	5,517	7,511	5,675	7,254	5,474	7,168	5,424
	4	113,959	53,516	112,567	53,090	111,434	53,422	110,080	52,703
<b>Non-retail</b>									
Corporate	5	27,018	18,910	25,285	17,364	24,921	17,161	25,694	17,656
Sovereign	6	1,359	974	1,241	877	1,274	901	1,019	720
Bank	7	668	478	718	507	826	583	1,076	760
	8	29,045	20,362	27,244	18,748	27,021	18,645	27,789	19,136
Total	9	\$ 143,004	\$ 73,878	\$ 139,811	\$ 71,838	\$ 138,455	\$ 72,067	\$ 137,869	\$ 71,839

<sup>1</sup> Notional undrawn commitments are equal to the contractually available amounts provided via committed loan agreements less amounts currently outstanding under those committed loan agreements.

<sup>2</sup> The amounts are calculated based on Canadian GAAP.

<sup>3</sup> EAD on undrawn commitments is the amount currently undrawn but expected to be drawn assuming a default on the underlying committed loan agreement.

# AIRB Credit Risk Exposures: Loss Experience<sup>1</sup>



(Percentage)		LINE #	2011 Q4			2011 Q3			2011 Q2			2011 Q1		
By Counterparty Type			Historical actual loss rate <sup>4</sup>	Actual loss rate <sup>2,3</sup>	Expected loss rate <sup>2,3</sup>	Actual loss rate <sup>2,3</sup>	Expected loss rate <sup>2,3</sup>		Actual loss rate <sup>2,3</sup>	Expected loss rate <sup>2,3</sup>		Actual loss rate <sup>2,3</sup>	Expected loss rate <sup>2,3</sup>	
<b>Retail</b>														
Residential secured		1	0.01 %	0.01 %	0.12 %	0.01 %	0.13 %		0.01 %	0.12 %		0.01 %	0.12 %	
Qualifying revolving retail		2	3.61	3.56	4.07	3.66	4.29		3.79	4.41		4.02	4.41	
Other retail		3	1.10	1.17	1.61	1.02	1.44		1.16	1.57		1.26	1.48	
<b>Non-retail</b>														
Corporate		4	0.38	(0.08)	0.59	(0.03)	0.59		(0.09)	0.67		—	0.65	
Sovereign		5	—	—	—	—	—		—	—		—	—	
Bank		6	—	—	0.03	—	0.04		—	0.04		—	0.05	

<sup>1</sup> The amounts are calculated based on Canadian GAAP.

<sup>2</sup> Retail actual and expected loss rates are measured as follows:

Actual loss rate represents the actual write-offs net of recoveries for the current and prior three quarters divided by the outstanding balances taken at the beginning of the four-quarter period starting 15 months ago. This reflects the three-month lag between the Basel II definition of default (at 90 days past due) and write-off (at 180 days). Expected loss rate represents the loss rate that was predicted at the beginning of the four-quarter period defined above. The expected loss is measured using Basel II parameters (PDxLGDxEAD) divided by outstanding balances at the beginning of the four-quarter period.

<sup>3</sup> Non-retail actual and expected loss rates are measured as follows:

Actual loss rate represents the change in specific allowance plus write-offs less recoveries, divided by the outstanding balances for the same period, for each of the current and prior three quarters. Expected loss rate represents the loss rate that was predicted at the beginning of the applicable four-quarter period defined above. The expected loss is measured using Basel II parameters (PDxLGDxEAD) divided by outstanding balances at the beginning of the four-quarter period.

<sup>4</sup> The historical loss rate equals total actual losses for all years in the historically measured period divided by total outstanding balances for all years in the historically measured period. Currently, the Bank includes comparable data from fiscal 2002 through to the current year in the historically measured period. This historical data will be updated annually until a complete business cycle is included in the historically measured period. A business cycle is estimated to be 10 -15 years in duration.

## Commentary:

Differences between actual loss rates and expected loss rates are due to the following reasons:

- Expected losses are calculated using "through the cycle" risk parameters while actual losses are determined at a "point in time" and reflect economic conditions at that time. Using "through the cycle" parameters has the effect of stabilizing expected losses over a longer period of time. As a result, actual losses may exceed expected losses during a recession and may fall below expected losses during economic growth.
- Expected loss parameters are conservatively estimated (i.e. adjusted upwards) to account for the limited number of years of historical data available.
- LGD parameters used in the expected loss estimates are adjusted upwards to reflect potential economic downturn conditions.

To ensure our models and risk parameters continue to be reasonable predictors of potential loss, we assess and review our risk parameters against actual loss experience and public sources of information at least annually and we update our models as required.

## Retail:

Due to improvement in economic conditions and credit quality of the new business, actual loss rates for qualifying revolving and other retail exposures in the four quarters ending Q4 2011 are down to the historical averages. Starting Q4, 2011, TDFS Non-Prime Indirect Auto portfolio was included in the loss rate calculations, contributing to a small increase in both the expected and actual loss rates for other retail exposures.

## Non-retail:

Actual loss rates for non-retail exposures were lower in the four quarters ending Q4 2011 than they were during the historically measured period. This is because of higher recoveries and lower average default rates and LGDs during the four quarters ending Q4 2011 than they were during the historically measured period.

# Securitization Exposures<sup>1,2</sup>



(\$ millions) AS AT		LINE #	2011 Q4		2011 Q3		2011 Q2		2011 Q1	
Rating			Gross exposures	Risk-weighted assets	Gross exposures	Risk-weighted assets	Gross exposures	Risk-weighted assets	Gross exposures	Risk-weighted assets
AA- and above		1	\$ 36,651	\$ 4,776	\$ 32,531	\$ 4,265	\$ 32,610	\$ 4,047	\$ 39,812	\$ 5,320
A+ to A-		2	234	36	333	55	413	66	478	78
BBB+ to BBB-		3	362	261	428	312	476	339	339	244
BB+ to BB-		4	280	1,326	168	858	42	159	—	—
Below BB- <sup>3</sup>		5	716	n/a	705	n/a	685	n/a	612	n/a
Gains on sale recorded upon securitization <sup>3</sup>		6	86	n/a	86	n/a	87	n/a	85	n/a
Total		7	\$ 38,329	\$ 6,399	\$ 34,251	\$ 5,490	\$ 34,313	\$ 4,611	\$ 41,326	\$ 5,642

<sup>1</sup> The amounts are calculated based on Canadian GAAP.

<sup>2</sup> Securitization exposures include the Bank's exposures as originator and investor under both the IRB and Standardized Approaches.

<sup>3</sup> Securitization exposures are deducted from capital.



# Risk-Weighted Assets<sup>1</sup>



(\$ millions) AS AT		LINE #	2011 Q4				2011 Q3				2011 Q2				2011 Q1			
			Risk-Weighted Assets				Risk-Weighted Assets				Risk-Weighted Assets				Risk-Weighted Assets			
			Gross exposures	Standardized	Internal Ratings Based	Total	Gross exposures	Standardized	Internal Ratings Based	Total	Gross exposures	Standardized	Internal Ratings Based	Total	Gross exposures	Standardized	Internal Ratings Based	Total
<b>Credit Risk</b>																		
<b>Retail</b>																		
Residential secured		1	\$ 178,358	\$ 7,122	\$ 11,997	\$ 19,119	\$ 172,567	\$ 6,336	\$ 10,864	\$ 17,200	\$ 166,596	\$ 5,929	\$ 9,878	\$ 15,807	\$ 164,847	\$ 6,105	\$ 10,063	\$ 16,168
Qualifying revolving retail		2	42,736	—	13,436	13,436	42,534	—	13,548	13,548	43,220	—	13,979	13,979	42,941	—	14,281	14,281
Other retail		3	55,659	18,593	16,550	35,143	54,429	17,823	16,544	34,367	53,327	17,781	16,123	33,904	46,678	13,280	15,740	29,020
<b>Non-retail</b>																		
Corporate		4	176,457	51,110	27,539	78,649	171,612	48,640	26,123	74,763	163,168	47,792	24,980	72,772	156,797	49,149	24,888	74,037
Sovereign		5	87,991	948	392	1,340	84,639	1,149	323	1,472	74,277	1,169	208	1,377	70,003	818	252	1,070
Bank		6	140,046	1,994	8,677	10,671	139,647	2,028	7,303	9,331	132,401	2,063	7,324	9,387	139,949	2,102	6,654	8,756
Securitization exposures		7	38,329	3,578	2,821	6,399	34,251	2,927	2,563	5,490	34,313	2,582	2,029	4,611	41,326	3,749	1,893	5,642
Equity exposures <sup>2</sup>		8	2,409	—	1,081	1,081	2,398	—	1,115	1,115	2,399	—	1,147	1,147	2,618	—	1,274	1,274
<b>Exposures subject to standardized or IRB approaches</b>		9	721,985	83,345	82,493	165,838	702,077	78,903	78,383	157,286	669,701	77,316	75,668	152,984	665,159	75,203	75,045	150,248
<b>Adjustment to IRB RWA for scaling factor</b>		10				4,950				4,703				4,540				4,503
<b>Other assets not included in standardized or IRB approaches</b>		11	36,132			12,617	34,676			12,215	35,321			13,110	36,117			12,985
<b>Net impact of eliminating one month reporting lag on U.S. entities<sup>3</sup></b>		12	(266)			—	(46)			—	(118)			—	36			—
<b>Total credit risk</b>		13	\$ 757,851			\$ 183,405	\$ 736,707			\$ 174,204	\$ 704,904			\$ 170,634	\$ 701,312			\$ 167,736
<b>Market Risk</b>																		
Trading book		14	n/a			5,083	n/a			4,402	n/a			3,451	n/a			3,627
<b>Operational Risk</b>																		
Basic indicator approach		15	n/a			—	n/a			—	n/a			—	n/a			—
Standardized approach		16	n/a			30,291	n/a			29,199	n/a			28,584	n/a			27,872
Total operational risk		17				30,291				29,199				28,584				27,872
<b>Total</b>		18				\$ 218,779				\$ 207,805				\$ 202,669				\$ 199,235

<sup>1</sup> The amounts are calculated based on Canadian GAAP.

<sup>2</sup> Effective April 30, 2009, the Bank's equity portfolio qualified for the Basel II Framework's equity materiality exemption.

<sup>3</sup> For accounting purposes, the Bank's investment in the TD Ameritrade is translated using the month end rate of TD Ameritrade's reporting period, which is on a one month lag. For regulatory purposes only, the Bank's investment in TD Ameritrade is translated using the period-end foreign exchange rate of the Bank.

# Capital Position<sup>1</sup>



(\$ millions, except as noted)

AS AT

## RISK-WEIGHTED ASSETS

### CAPITAL

#### Tier 1 Capital

Common shares	
Contributed surplus	
Retained earnings	
Net unrealized foreign currency translation gains (losses) on investment in subsidiaries, net of hedging activities	
Preferred shares <sup>2</sup>	
Innovative instruments <sup>2,3</sup>	
Net impact of eliminating one month reporting lag on U.S. entities <sup>4</sup>	
Gross Tier 1 capital	
Goodwill and intangibles in excess of 5% limit	
<b>Net Tier 1 Capital</b>	
Securitization - gain on sale of mortgages	
Securitization - other	
50% shortfall in allowance <sup>5</sup>	
50% substantial investments	
Other deductions	
Net impact of eliminating one month reporting lag on U.S. entities <sup>4</sup>	

#### Adjusted Net Tier 1 Capital

#### Tier 2 Capital

Innovative instruments	
Subordinated notes and debentures (net of amortization and ineligible)	
General allowance - standardized portfolios	
Accumulated net after-tax unrealized gain on AFS equity securities in OCI	
Securitization - other	
50% shortfall in allowance <sup>5</sup>	
50% substantial investments	
Investments in insurance subsidiaries <sup>6</sup>	
Other deductions	
Net impact of eliminating one month reporting lag on U.S. entities <sup>4</sup>	

#### Total Tier 2 Capital

#### Total Regulatory Capital <sup>4</sup>

### REGULATORY CAPITAL RATIOS (%) <sup>4</sup>

Tier 1 capital ratio	
Total capital ratio <sup>7</sup>	

### CAPITAL RATIOS FOR SIGNIFICANT BANK SUBSIDIARIES (%)

#### TD Bank, N.A. <sup>8</sup>

Tier 1 capital ratio	
Total capital ratio	

#### TD Mortgage Corporation

Tier 1 capital ratio	
Total capital ratio	

LINE #	2011			
	Q4	Q3	Q2	Q1
1	\$ 218,779	\$ 207,805	\$ 202,669	\$ 199,235
2	\$ 18,301	\$ 17,393	\$ 17,189	\$ 16,893
3	281	282	276	294
4	24,339	23,445	22,623	21,914
5	(3,199)	(4,501)	(4,647)	(3,447)
6	3,395	3,944	3,945	3,944
7	3,705	3,663	3,772	3,810
8	(266)	(46)	(118)	36
9	46,556	44,180	43,040	43,444
10	(14,376)	(13,814)	(13,685)	(14,212)
11	32,180	30,366	29,355	29,232
12	(86)	(86)	(87)	(85)
13	(735)	(765)	(743)	(808)
14	(180)	(198)	(194)	(197)
15	(2,805)	(2,572)	(2,558)	(2,736)
16	(4)	(4)	(4)	(4)
17	133	23	59	(18)
18	28,503	26,764	25,828	25,384
19	26	25	25	26
20	11,253	11,824	11,863	11,852
21	940	925	926	927
22	35	41	95	82
23	(1,484)	(1,486)	(1,503)	(1,660)
24	(180)	(198)	(194)	(197)
25	(2,805)	(2,572)	(2,558)	(2,736)
26	(1,439)	(1,407)	(1,455)	(1,421)
27	(4)	(4)	(4)	(4)
28	133	23	59	(18)
29	6,475	7,171	7,254	6,851
30	\$ 34,978	\$ 33,935	\$ 33,082	\$ 32,235
31	13.0 %	12.9 %	12.7 %	12.7 %
32	16.0 %	16.3 %	16.3 %	16.2 %
33	13.7 %	13.8 %	15.1 %	14.0 %
34	15.2 %	15.3 %	16.7 %	15.6 %
35	24.3 %	24.1 %	23.9 %	23.4 %
36	26.4 %	26.4 %	26.1 %	25.7 %

<sup>1</sup> The amounts are calculated based on Canadian GAAP.

<sup>2</sup> In accordance with CICA Handbook Section 3860, the Bank is required to classify certain classes of preferred shares and innovative Tier 1 capital investments as liabilities on the balance sheet. For regulatory capital purposes, these capital instruments have been grandfathered by OSFI and continue to be included in Tier 1 capital.

<sup>3</sup> As the Bank is not the primary beneficiary of TD Capital Trust II and IV, these are not consolidated by the Bank. However, they do qualify as Tier 1 regulatory capital.

<sup>4</sup> For accounting purposes, the Bank's investment in the TD Ameritrade is translated using the month end rate of TD Ameritrade's reporting period, which is on a one month lag. For regulatory purposes only, the Bank's investment in TD Ameritrade is translated using the period-end foreign exchange rate of the Bank.

<sup>5</sup> When expected loss as calculated within the IRB approach exceeds total provisions, the difference is deducted 50% from Tier 1 capital and 50% from Tier 2 capital. When expected loss as calculated within the IRB approach is less than the total provisions, the difference is added to Tier 2 capital.

<sup>6</sup> Based on OSFI advisory letter dated February 20, 2007, 100% of investments in insurance subsidiaries held prior to January 1, 2007 are deducted from Tier 2 capital. The 50% from Tier 1 capital and 50% from Tier 2 capital deduction has been deferred until 2012.

<sup>7</sup> OSFI's target Tier 1 and Total capital ratios for Canadian banks are 7% and 10%, respectively.

<sup>8</sup> On a stand-alone basis, TD Bank, N.A. reports regulatory capital to the Office of the Comptroller of the Currency (OCC) under Basel I based on calendar quarter ends. The disclosed capital ratios are based on this framework.

- <sup>1</sup> The adjustments for items of note, net of income taxes, are removed from reported results to compute adjusted results.
- <sup>2</sup> Amortization of intangibles primarily relates to the Canada Trust acquisition in 2000, the TD Banknorth acquisition in 2005, the Commerce acquisition in 2008, the acquisitions by TD Banknorth of Hudson United Bancorp (Hudson) in 2006 and Interchange Financial Services (Interchange) in 2007, and the amortization of intangibles included in equity in net income of TD Ameritrade. Effective first quarter 2011, amortization of software is recorded in amortization of intangibles; however, amortization of software is not included for purposes of items of note, which only include amortization of intangibles acquired as a result of business combinations.
- <sup>3</sup> During 2008, as a result of deterioration in markets and severe dislocation in the credit market, the Bank changed its trading strategy with respect to certain trading debt securities. Since the Bank no longer intended to actively trade in these debt securities, the Bank reclassified these debt securities from trading to the available-for-sale category effective August 1, 2008. As part of the Bank's trading strategy, these debt securities are economically hedged, primarily with CDS and interest rate swap contracts. This includes foreign exchange translation exposure related to the debt securities portfolio and the derivatives hedging it. These derivatives are not eligible for reclassification and are recorded on a fair value basis with changes in fair value recorded in the period's earnings. Management believes that this asymmetry in the accounting treatment between derivatives and the reclassified debt securities results in volatility in earnings from period to period that is not indicative of the economics of the underlying business performance in Wholesale Banking. Commencing in the second quarter of 2011, the Bank may from time to time replace securities within the portfolio to best utilize the initial, matched fixed term funding. As a result, the derivatives are accounted for on an accrual basis in Wholesale Banking and the gains and losses related to the derivatives in excess of the accrued amounts are reported in the Corporate segment. Adjusted results of the Bank exclude the gains and losses of the derivatives in excess of the accrued amount.
- <sup>4</sup> As a result of U.S. Personal and Commercial Banking acquisitions, the Bank may incur integration, restructuring, and direct transaction costs. Integration charges consist of costs related to information technology, employee retention, external professional consulting charges, marketing (including customer communication and rebranding), and integration-related travel costs. Restructuring charges consist of employee severance costs, the costs of amending certain executive employment and award agreements, contract termination fees, and the write-down of long-lived assets due to impairment. Direct transaction costs are expenses directly incurred in effecting a business combination and consist of finders' fees, advisory fees, legal fees, and other costs. Beginning in Q2, 2010, U.S. Personal and Commercial Banking has elected not to include any further Commerce-related integration and restructuring charges in this item of note as the efforts in these areas have wound down and in light of the fact that the integration and restructuring was substantially complete. Similarly, beginning in Q2 2012, U.S. Personal and Commercial Banking is not expected to include any further FDIC-assisted and South Financial related integration and restructuring charges. For the year ended October 31, 2011, the integration charges were driven by the FDIC-assisted and South Financial acquisitions and there were no restructuring charges or direct transaction costs recorded.
- <sup>5</sup> The Bank purchases CDS to hedge the credit risk in Wholesale Banking's corporate lending portfolio. These CDS do not qualify for hedge accounting treatment and are measured at fair value with changes in fair value recognized in current period's earnings. The related loans are accounted for at amortized cost. Management believes that this asymmetry in the accounting treatment between CDS and loans would result in periodic profit and loss volatility which is not indicative of the economics of the corporate loan portfolio or the underlying business performance in Wholesale Banking. As a result, the CDS are accounted for on an accrual basis in Wholesale Banking and the gains and losses on the CDS, in excess of the accrued cost, are reported in the Corporate segment. Adjusted earnings exclude the gains and losses on the CDS in excess of the accrued cost. When a credit event occurs in the corporate loan book that has an associated CDS hedge, the PCL related to the portion that was hedged via the CDS is netted against this item of note.
- <sup>6</sup> As a result of the Chrysler Financial acquisition in Canada and the U.S., the Bank incurred integration, restructuring, and direct transaction costs. In addition, the Bank experienced volatility in earnings as a result of changes in fair value of the contingent consideration. Integration charges consist of costs related to information technology, employee retention, external professional consulting charges, marketing (including customer communication and rebranding), and integration-related travel costs. Restructuring charges consist of employee severance costs, the costs of amending certain executive employment and award agreements, contract termination fees, and the write-down of long-lived assets due to impairment. Direct transaction costs are expenses directly incurred in effecting a business combination and consist of finders' fees, advisory fees, legal fees, and other costs. Contingent consideration is defined as part of the purchase agreement, whereby the Bank is required to pay additional cash consideration in the event that amounts realized on certain assets exceed a pre-established threshold. Contingent consideration is recorded at fair value on the date of acquisition. Changes in fair value subsequent to acquisition are recorded in the Consolidated Statement of Income. Adjusted earnings exclude the gains and losses on contingent consideration in excess of the acquisition date fair value.
- <sup>7</sup> The impact of the items of note on EPS is calculated by dividing net income available to common shareholders by the weighted average number of common shares outstanding for the period. As a result, the sum of the quarterly EPS impact may not equal the year-to-date EPS impact.

**Risk-Weighted Assets**

Risk-weighted assets

- Used in the calculation of risk-based capital ratios, total risk weighted assets are calculated for credit, operational and market risks using the approaches described below.

**Approaches used by the Bank to calculate RWA:****For Credit Risk**

Standardized Approach

- Under this approach, banks apply a standardized set of risk-weights to exposures, as prescribed by the regulator, to calculate credit risk capital requirements. Standardized risk-weights are based on external credit assessments, where available, and other risk-related factors, including exposure asset class, collateral, etc.

Advanced Internal Ratings  
Based Approach

- Under this approach, banks use their own internal historical experience of PD, LGD, EAD and other key risk assumptions to calculate credit risk capital requirements. Use of the AIRB approach is subject to supervisory approval.

**For Operational Risk**

Basic Indicator Approach

- Under this approach, banks calculate operational risk capital requirements by applying a prescribed factor of 15% to a three-year average of positive annual gross income.

Standardized Approach

- Under this approach, banks apply prescribed factors to a three-year average of annual gross income for each of eight different business lines, representing the different activities of the institution (e.g. Corporate Finance, Retail Banking, Asset Management, etc.).

**For Market Risk**

Internal Models Approach

- Under this approach, banks use their own internal risk management models to calculate specific risk and general market risk charges.

**Credit Risk Terminology**

Gross credit risk exposure

- The total amount the bank is exposed to at the time of default measured before specific provisions or write-offs. Includes exposures under both the Standardized and AIRB approaches to credit risk.

**Counterparty Type / Exposure Classes:****Retail**Residential secured  
Qualifying revolving retail

- Includes residential mortgages and home equity lines of credit extended to individuals.
- Includes credit cards, unsecured lines of credit and overdraft protection products extended to individuals (in the case of the Standardized Approach to credit risk, credit card exposures are included in the 'Other retail' category).
- Includes all other loans (e.g. personal loans, student lines of credit and small business loans) extended to individuals and small businesses.

Other retail

**Non-retail**Corporate  
Sovereign  
Bank

- Includes exposures to corporations, partnerships or proprietorships.
- Includes exposures to central governments, central banks, multilateral development banks and certain public sector entities.
- Includes exposures to deposit-taking institutions, securities firms and certain public sector entities.

**Exposure Types:**Drawn  
Undrawn (commitment)  
Repo-style transactions  
OTC derivatives  
Other off-balance sheet

- The amount of funds advanced to a borrower.
- The difference between the authorized and drawn amounts (e.g. the unused portion of a line of credit / committed credit facility).
- Repurchase and reverse repurchase agreements, securities borrowing and lending.
- Privately negotiated derivative contracts that are not exchange-traded.
- All off-balance sheet arrangements other than derivatives and undrawn commitments (e.g. letters of credit, letters of guarantee).

**AIRB Credit Risk Parameters:**Probability of Default  
Exposure at Default  
Loss Given Default

- The likelihood that the borrower will not be able to meet its scheduled repayments within a one year time horizon.
- The total amount the bank is exposed to at the time of default.
- The amount of the loss when a borrower defaults on a loan, which is expressed as a percentage of EAD.

<b>Acronym</b>	<b>Definition</b>
<b>ACI</b>	▪ Acquired Credit-Impaired
<b>AFS</b>	▪ Available-For-Sale
<b>CAD P&amp;C</b>	▪ Canadian Personal and Commercial Banking
<b>CDS</b>	▪ Credit Default Swap
<b>FDIC</b>	▪ Federal Deposit Insurance Corporation
<b>GAAP</b>	▪ Generally Accepted Accounting Principles
<b>HELOC</b>	▪ Home Equity Line of Credit
<b>IFRS</b>	▪ International Financial Reporting Standards
<b>MUR</b>	▪ Multiple-Unit Residential
<b>NII</b>	▪ Net Interest Income
<b>OCI</b>	▪ Other Comprehensive Income
<b>OSFI</b>	▪ Office of the Superintendent of Financial Institutions Canada
<b>PCL</b>	▪ Provision for Credit Losses
<b>TEB</b>	▪ Taxable Equivalent Basis
<b>U.S. P&amp;C</b>	▪ U.S. Personal and Commercial Banking