# TD Bank Group
# Quarterly Results Presentation
# Q4 2013

Thursday December 5th, 2013

# Caution Regarding Forward-Looking Statements

From time to time, the Bank makes written and/or oral forward-looking statements, including in this document, in other filings with Canadian regulators or the U.S. Securities and Exchange Commission, and in other communications. In addition, representatives of the Bank may make forward-looking statements orally to analysts, investors, the media and others. All such statements are made pursuant to the "safe harbour" provisions of, and are intended to be forward-looking statements under, applicable Canadian and U.S. securities legislation, including the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements include, but are not limited to, statements made in this document, the Bank's 2013 MD&A under the headings "Economic Summary and Outlook", for each business segment "Business Outlook and Focus for 2014" and in other statements regarding the Bank's objectives and priorities for 2014 and beyond and strategies to achieve them, and the Bank's anticipated financial performance. Forward-looking statements are typically identified by words such as "will", "should", "believe", "expect", "anticipate", "intend", "estimate", "plan", "may", and "could".

By their very nature, these forward-looking statements require the Bank to make assumptions and are subject to inherent risks and uncertainties, general and specific. Especially in light of the uncertainty related to the physical, financial, economic, political, and regulatory environments, such risks and uncertainties – many of which are beyond the Bank's control and the effects of which can be difficult to predict – may cause actual results to differ materially from the expectations expressed in the forward-looking statements. Risk factors that could cause such differences include: credit, market (including equity, commodity, foreign exchange, and interest rate), liquidity, operational (including technology), reputational, insurance, strategic, regulatory, legal, environmental, capital adequacy, and other risks. Examples of such risk factors include the general business and economic conditions in the regions in which the Bank operates; disruptions in or attacks (including cyber attacks) on the Bank's information technology, internet, network access or other voice or data communications systems or services; the evolution of various types of fraud to which the Bank is exposed; the failure of third parties to comply with their obligations to the Bank or its affiliates relating to the care and control of information; the impact of recent legislative and regulatory developments; the overall difficult litigation environment, including in the United States; changes to the Bank's credit ratings; changes in currency and interest rates; increased funding costs for credit due to market illiquidity and competition for funding; and the occurrence of natural and unnatural catastrophic events and claims resulting from such events. We caution that the preceding list is not exhaustive of all possible risk factors and other factors could also adversely affect the Bank's results. For more detailed information, please see the "Risk Factors and Management" section of the 2013 MD&A, as may be updated in subsequently filed quarterly reports to shareholders and news releases (as applicable) related to any transactions discussed under the heading "Significant Events" in the relevant MD&A, which applicable releases may be found on www.td.com. All such factors should be considered carefully, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements, when making decisions with respect to the Bank and we caution readers not to place undue reliance on the Bank's forward-looking statements.

Material economic assumptions underlying the forward-looking statements contained in this document are set out in the 2013 MD&A under the headings "Economic Summary and Outlook", and for each business segment, "Business Outlook and Focus for 2014", each as updated in subsequently filed quarterly reports to shareholders.

Any forward-looking statements contained in this document represent the views of management only as of the date hereof and are presented for the purpose of assisting the Bank's shareholders and analysts in understanding the Bank's financial position, objectives and priorities and anticipated financial performance as at and for the periods ended on the dates presented, and may not be appropriate for other purposes. The Bank does not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time by or on its behalf, except as required under applicable securities legislation.

# Strategic Overview

- Solid financial results in 2013
  - Record adjusted earnings in Canadian P&C, Wealth and U.S. P&C
  - Strong Basel III CET1 ratio of 9.0%, dividends paid up 12% and stock dividend with 2:1 split effect
- Operating environment remains challenging
  - Low interest rate and tough regulatory environment as well as slowing economy in Canada
- Continue to deliver sustainable earnings growth in 2014
  - Contributions from Epoch, Aeroplan and Target
  - Solid volume growth expected in P&C Banking

1. 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 (i.e. reported results excluding "items of note", net of income taxes) to assess each of its businesses and measure overall Bank performance. Adjusted net income, adjusted earnings per share (EPS) and related terms used in this presentation are not defined terms under GAAP and may not be comparable to similar terms used by other issuers. See "How the Bank Reports" in the Bank's Fourth Quarter 2013 Earnings News Release and MD&A (td.com/investor) for further explanation, reported basis results, a list of the items of note, and a reconciliation of non-GAAP measures.
2. Reported earnings for Q4 2013 were $1.6 billion, up 2% versus Q4 2012 on the same basis. Reported Earnings Per Share for Q4 2013 were $1.68, up 1% versus Q4 2012 on the same basis.

# Fiscal 2013 Highlights

## Key Themes

- Adjusted[1] Canadian P&C earnings up 11%
  - Good volume growth, lower credit losses and record adjusted efficiency ratio
- Wealth earnings up 15%
  - Higher fee-based revenues, improved trading activity, and Epoch acquisition
- Insurance earnings down 61%
  - Impacted by adverse claims development and severe weather-related events
- Adjusted[1,3] U.S. Retail earnings up 15%
  - Strong loan and deposit volume, higher fee-based revenue, security gains and Target
- Wholesale earnings down 26%
  - Lower security gains and trading-related revenue partly offset by lower expenses

## Net Income $MM

(Adjusted, where applicable)[1]

| | 2013 | 2012 | YoY |
|---|---|---|---|
| **Canadian Retail[2]** | $ 4,673 | $ 4,566 | 2% |
| **U.S. Retail[3]** | 1,873 | 1,631 | 15% |
| ***Total Retail*** | *6,546* | *6,197* | *6%* |
| **Wholesale** | 648 | 880 | -26% |
| **Corporate** | (36) | (2) | n/a |
| **Adjusted Net Income** | **$ 7,158** | **$ 7,075** | **1%** |
| *Reported Net Income* | *6,662* | *6,471* | *3%* |
| **Adjusted EPS (diluted)** | **$ 7.45** | **$ 7.42** | **0%** |
| *Reported EPS (diluted)* | *6.91* | *6.76* | *2%* |
| **Basel III CET1 Ratio[4]** | 9.0% | 8.2% | |

Record adjusted earnings for Canadian P&C, U.S. P&C and Wealth

1. Adjusted results are defined in footnote 1 on slide 3. Canadian retail reported earnings growth was 2% in 2013; U.S. retail reported earnings growth was 33%.
2. "Canadian Retail" comprises Canadian Personal and Commercial Banking and Wealth and Insurance segments, excluding the Bank's equity share in TD Ameritrade.
3. "U.S. Retail" comprises U.S. Personal and Commercial Banking segment and the Bank's equity share in TD Ameritrade (reported in the Wealth and Insurance segment).
4. Effective Q1 2013, Common Equity Tier 1 are calculated in accordance with the Basel III regulatory framework, excluding Credit Valuation Adjustment Capital (CVAc) in accordance with OSFI guidance and are presented based on the "all-in" methodology. Basel III Common Equity Tier 1 ratio as at Oct 31, 2012 is a pro-forma estimate reported in the Q4 2012 MD&A (available at td.com).

# Q4 2013 Highlights

## Key Themes

- Adjusted[1] EPS growth of 4% YoY
- Retail earnings up 19%
  - Strong loan and deposit volume growth in Canada and the U.S.
- Wholesale earnings down 61%
  - Lower security gains and elevated expenses
- Strong capital ratio of 9.0%
- Announced stock dividend with 2-for-1 stock split effect in January 2014

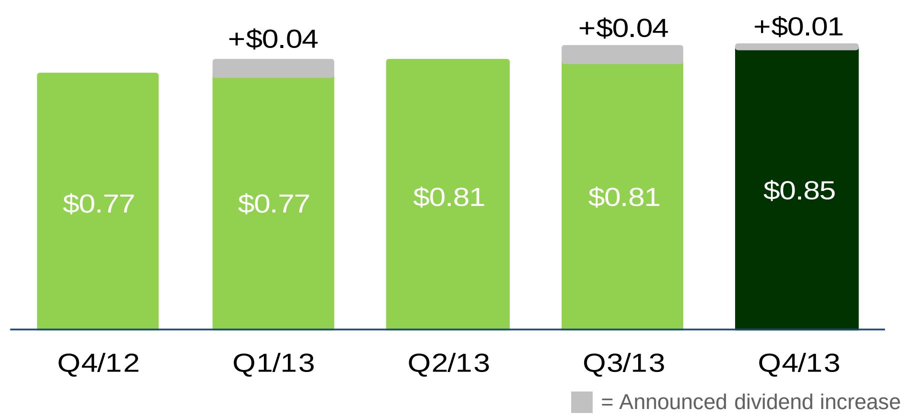
**Strong Retail results. Good fundamentals**

## Net Income $MM

(Adjusted, where applicable)

| | Q4/13 | | QoQ | YoY |
|---|---|---|---|---|
| **Retail[2]** | $ | 1,752 | 21% | 19% |
| **Wholesale** | | 122 | -17% | -61% |
| **Corporate** | | (53) | n/a | -83% |
| **Adjusted Net Income** | **$** | **1,821** | **15%** | **4%** |
| *Reported Net Income* | | *1,622* | *6%* | *2%* |
| **Adjusted EPS (diluted)** | **$** | **1.90** | **15%** | **4%** |
| *Reported EPS (diluted)* | | *1.68* | *6%* | *1%* |
| **Basel III CET1 Ratio** | | 9.0% | | |

## Dividend per Common Share




1. Adjusted results are defined in footnote 1 on slide 3.
2. "Retail" comprises Canadian Personal and Commercial Banking, Wealth and Insurance, and U.S. Personal and Commercial Banking segments as reported in the Bank's Fourth Quarter 2013 Earnings News Release and MD&A. Reported retail results were $1,688MM, up 18% and 19% QoQ and YoY, respectively.

# Q4 2013 Earnings: Items of Note

| | | MM | EPS |
|---|---|---|---|
| **Reported net income and EPS (diluted)** | | $1,622 | $1.68 |
| **Items of Note** | **Pre Tax (MM)** | **After Tax (MM)** | **EPS** |
| Amortization of intangibles[1] | $91 | $59 | $0.06 |
| Fair value of derivatives hedging the reclassified available-for-sale securities portfolio | $17 | $15 | $0.02 |
| Integration charges relating to the acquisition of the credit card portfolio of MBNA Canada | $19 | $14 | $0.02 |
| Impact of Alberta flood on the loan portfolio | ($40) | ($29) | ($0.03) |
| Litigation and litigation–related charge/reserve | $30 | $30 | $0.03 |
| Restructuring charges | $129 | $90 | $0.10 |
| Set-up costs in preparation for the previously announced affinity relationship with Aimia | $27 | $20 | $0.02 |
| **Excluding Items of Note above** | | | |
| **Adjusted net income and EPS (diluted)** | | **$1,821** | **$1.90** |

1. Includes amortization of intangibles expense of $14MM, net of tax, for TD Ameritrade Holding Corporation. 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.

# Canadian Personal & Commercial Banking

## Key Themes

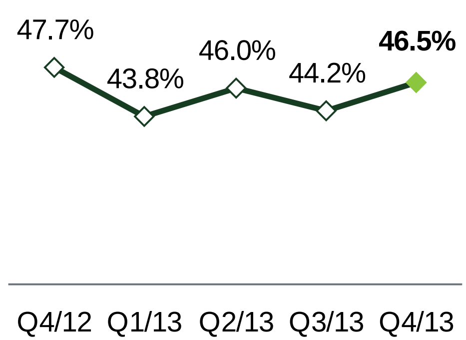
- Adjusted[1] net income up 14% YoY
  - Favourable credit performance
  - Positive adjusted operating leverage
- Lending volumes strong in business banking, solid but slowing in personal
- NIM down 2 bps QoQ
- Strong credit performance continues
  - Personal banking PCL down $66 million YoY
- Adjusted expenses flat YoY
  - Volume growth and investments in business largely offset by productivity initiatives

Good volume growth, expense control and strong credit performance

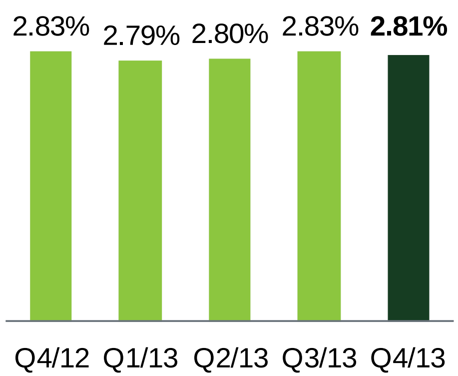
## P&L $MM[1]

| | | Q4/13 | QoQ | YoY |
|---|---|---|---|---|
| **Revenue** | $ | 2,831 | 0% | 3% |
| **PCL** | | 224 | 4% | **-27%** |
| **Expenses (adjusted)** | | 1,316 | 5% | 0% |
| **Net Income (adjusted)** | **$** | **948** | **-5%** | **14%** |
| *Reported Net Income* | | *914* | *-6%* | *13%* |
| **ROE (adjusted)** | | 47.5% | | |

## Efficiency Ratio
(Adjusted)[1]




## NIM[2]




1. Adjusted results are defined in footnote 1 on slide 3. Q4 2013 revenues, expenses, and net income exclude items of note disclosed on slide 6 and in the Bank's Fourth Quarter 2013 Earnings News Release (td.com/investor). Reported expenses for Q4 2013 were $1,362MM, and QoQ and YoY changes on a reported basis were 6% and 1%, respectively. Reported efficiency ratio for Q4 2013 was 48.1%, reported operating leverage was 157 bps, and reported return on common equity was 45.8%.
2. Net Interest Margin

# Wealth and Insurance

## Key Themes

- Wealth net income up 26% YoY
  - Higher fee-based revenue from growth in client assets and market appreciation, improved trading volume
  - Positive contribution from the Epoch acquisition
- Insurance net income up 50% YoY
  - Good premium growth up 5%
  - Higher current year claims partly offset by lower unfavourable prior years' claims development and lower cost of weather-related events
- Wealth and Insurance expenses increased YoY primarily due to Epoch and higher variable compensation

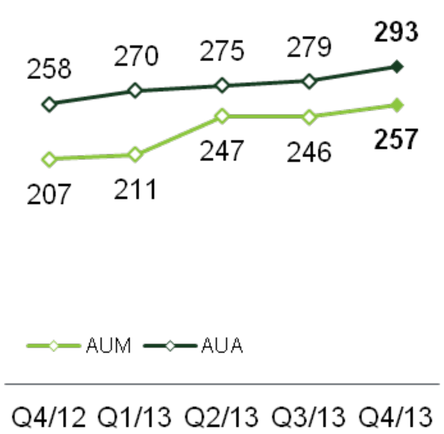
Strong results for Wealth, improved quarter for Insurance

## P&L $MM

| | | Q4/13 | QoQ | YoY |
|---|---|---|---|---|
| Revenue | $ | 1,834 | 6% | 11% |
| Insurance claims and related expenses[1] | | 711 | -38% | 3% |
| Expenses | | 730 | 3% | 8% |
| **Net Income, Wealth** | **$** | **187** | **3%** | **26%** |
| **Net Income, Insurance** | **$** | **141** | **n/a** | **50%** |
| **Net Income, TD Ameritrade** | **$** | **77** | **12%** | **51%** |
| **Total Net Income** | **$** | **405** | **n/a** | **38%** |
| ROE | | 25.3% | | |

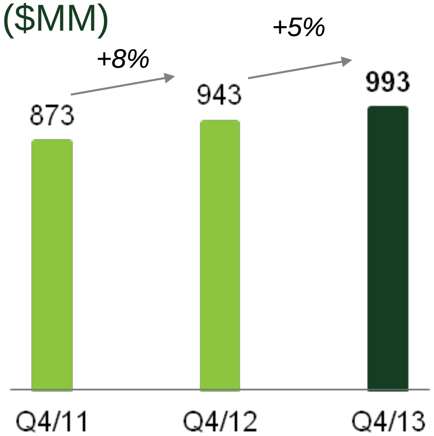
### AUM and AUA[2]

($B)




### Gross Originated Insurance Premiums

($MM)




1. Effective Q4 2013, insurance revenue and insurance claims and related expenses are presented on a gross basis on the Consolidated Statement of Income. Comparative amounts have been reclassified to conform with the current period presentation.
2. Assets Under Management (AUM) and Assets Under Administration (AUA).

# U.S. Personal & Commercial Banking

## Key Themes

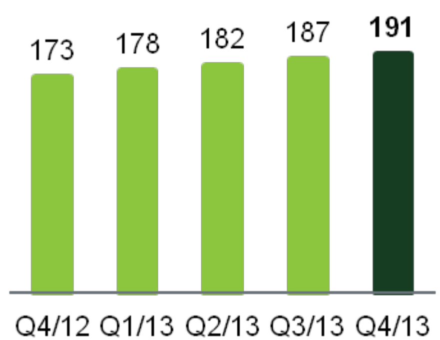
- Adjusted[1] net income up 13% YoY
  - Strong loan and deposit volume growth
  - Higher revenue, expense and PCL from Target
  - Security gains[2] of US$15 million versus US$118 million in Q3/13 and US$46 million in Q4/12
- NIM up 9 bps QoQ
  - Benefitted from higher long term rates and Target
- Credit quality improved
  - Improved commercial asset quality
- Higher adjusted expenses
  - Impact of Target, investments in growth

A strong quarter in a challenging environment

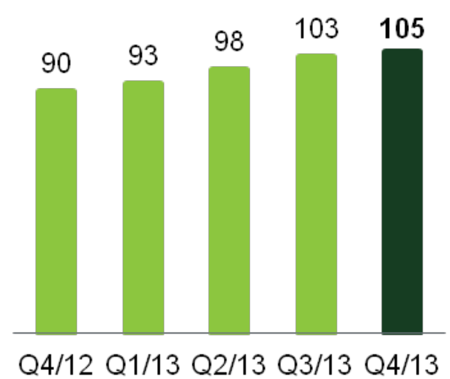
## P&L US$MM[1]

| | Q4/13 | | QoQ | YoY |
|---|---|---|---|---|
| **Revenue (adjusted)** | $ | 1,829 | -4% | 18% |
| **PCL (adjusted)** | | 177 | -18% | -12% |
| **Expenses (adjusted)** | | 1,206 | 3% | 29% |
| **Net Income (adjusted)** | **$** | **384** | **-11%** | **7%** |
| *Net Income (adjusted) (C$)* | *$* | *399* | *-10%* | *13%* |
| **Reported Net Income** | **$** | **355** | **-18%** | **11%** |
| *Reported Net Income (C$)* | *$* | *369* | *-17%* | *17%* |
| **Efficiency Ratio (adjusted)** | | 65.9% | 460 bps | 893 bps |
| **ROE** | | 8.1% | | |

## Deposits, US$B[3]




## Loans, US$B[4]




1. Adjusted results are defined in footnote 1 on slide 3. Q4 2013 expenses and net income exclude items of note disclosed on slide 6 and in the Bank's Fourth Quarter 2013 Earnings News Release (td.com/investor). Reported revenue for Q4 2013 was US$1,829MM, and QoQ and YoY changes on a reported basis were -4% and 18% respectively. Reported expenses for Q4 2013 were US$1,234MM, and QoQ and YoY changes on a reported basis were 5% and 31% respectively.
2. Security gains includes both gains on sales of securities and debt securities classified as loans.
3. Deposits includes average personal deposits, average business deposits, and average TD Ameritrade IDA balances.
4. Loans includes Total Average Loans – Personal and Average Loans and Acceptances – Business.

# Wholesale Banking

## Key Themes

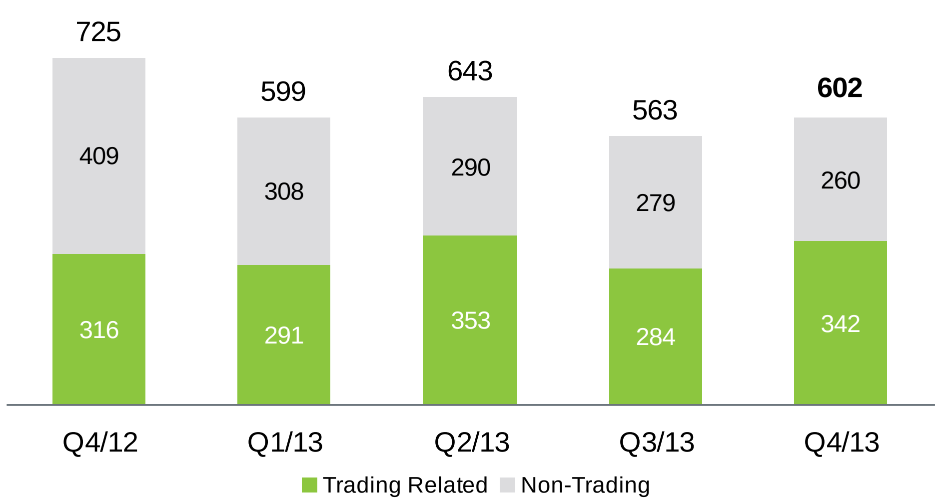
- Earnings down 61% YoY
  - Reduced security gains and higher non-interest expenses
- Revenue impacted by lower security gains in investment portfolio
- Trading-related revenue of $342 million
  - Improved fixed income markets
- Expenses up 13% YoY
  - Due to litigation matters partially offset by lower operating costs

Strong fundamentals

## P&L $MM

| | Q4/13 | QoQ | YoY |
|---|---|---|---|
| Revenue | $ 602 | 7% | -17% |
| PCL | 5 | -78% | -38% |
| Expenses | 422 | 20% | 13% |
| **Net Income** | **$ 122** | **-17%** | **-61%** |
| ROE | 12.0% | | |

## Revenue $MM



# Corporate Segment

## Key Themes

- Lower adjusted net income YoY
  - Lower gains from treasury and hedging activities partially offset by positive tax items
  - Corporate expenses declined as a result of lower project and initiative costs
- Lower adjusted net income QoQ
  - Net corporate expenses were up due to higher project spend

## P&L $MM[1]

| | Q4/13 | Q3/13 | Q4/12 |
|---|---|---|---|
| **Net Corporate Expenses** | $ (140) | $ (118) | $ (191) |
| **Other** | 60 | 84 | 136 |
| **Non-Controlling Interests** | 27 | 26 | 26 |
| **Net Income (adjusted)** | **$ (53)** | **$ (8)** | **$ (29)** |
| *Reported Net Income* | *(188)* | *(45)* | *(127)* |

## Background

- Corporate segment includes:
  - Net treasury and capital management related activities
  - Corporate expenses and other items not fully allocated to operating segments

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

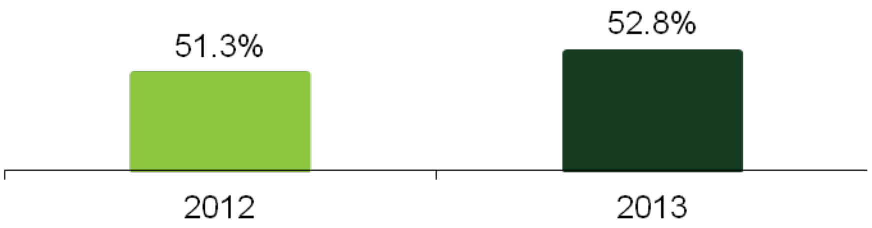
# Expenses

## Highlights

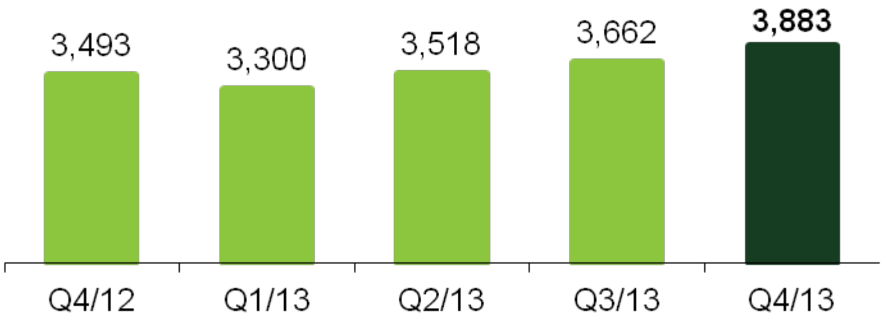
- Core expenses[1] up 4% for full year
  - Adjusted expenses up 11% YoY on Target and growth initiatives
  - Above our expectations partly due to litigation expense and higher than expected variable expenses in Wealth
- Restructuring charges of $90 million after-tax
  - Driving permanent efficiencies through branch optimization and streamlining operations
- Targeting 2014 core expense growth rate well below 2013 level

**Focused on limiting expense growth while investing for the future**

## Efficiency Ratio, Adjusted[2]




## Expenses, Adjusted ($MM)[2]




1. For this purpose, means adjusted expenses excluding any expenses added by acquisitions and FX.
2. Adjusted results are defined in footnote 1 on slide 3. Efficiency ratio exclude items of note disclosed on slide 6 and in the Bank's Fourth Quarter 2013 Earnings News Release (td.com/investor). Reported efficiency ratios were 55.2% for 2013 and 54.8% for 2012. Reported expenses ($MM) were 4,157; 3,764; 3,626; 3,495; and 3,606 in Q4 2013, Q3 2013, Q2 2013, Q1 2013, and Q4 2012, respectively.

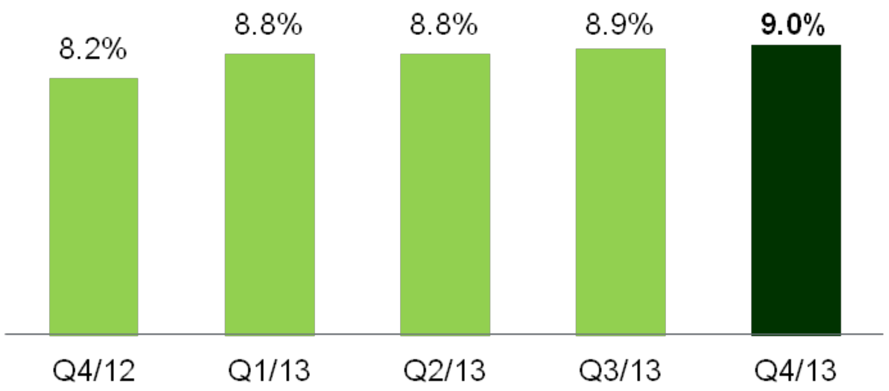
# Capital

## Highlights

- Basel III Common Equity Tier 1 ratio 9.0% as of October 31, 2013
- Announced stock dividend with 2-for-1 stock split effect in January
- During fiscal 2013 we repurchased 9 million shares under buyback program
- Dividends paid up 12% in 2013

Remain well-positioned for evolving regulatory and capital environment

## Basel III Common Equity Tier 1[1]




1. Effective Q1 2013, amounts are calculated in accordance with the Basel III regulatory framework, excluding Credit Valuation Adjustment Capital (CVAc) in accordance with OSFI guidance and are presented based on the "all-in" methodology. Basel III Common Equity Tier 1 ratios reported in 2012 are pro-forma estimates reported in the Q4 2012, Q3 2012, and Q2 2012 MD&A (available at td.com).

# New Disclosure:
# Segment Realignment and EDTF

## Retail Segment Realignment beginning Q1 2014

| Canadian Retail | U.S. Retail |
| --- | --- |
| Canadian P&C | U.S. P&C |
| Canadian Wealth | U.S. Wealth & Epoch |
| Insurance | TD Ameritrade |

Please note that in order to facilitate transition to realigned segment presentation, we plan to continue to provide net income information for the Canadian P&C and Wealth & Insurance businesses.

## Enhanced Disclosure Task Force Highlights

- 32 recommendations to enhance risk disclosures by banks
- Recommendations and TD disclosures are available on TD IR’s website

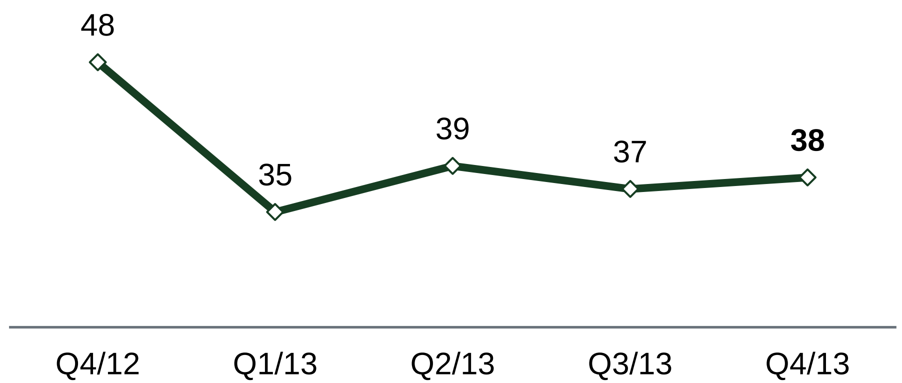
# Credit Portfolio Highlights

## Highlights

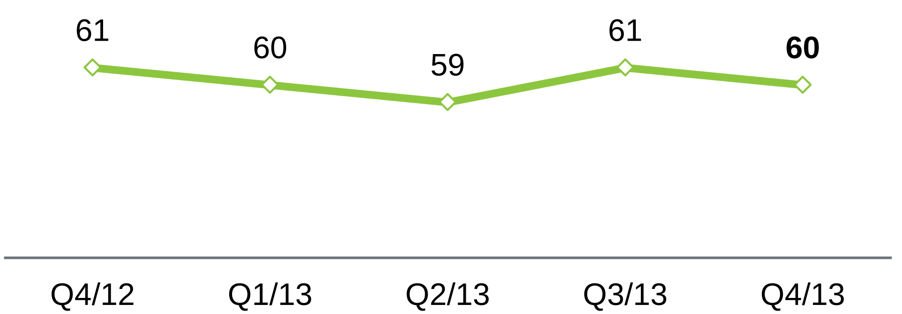
- Strong credit performance
  - Loss rates for Canadian P&C remain historically low
  - Continued improvement in the U.S. Personal and Commercial portfolios
- Performance expected to continue through 2014
- Release of $40MM of Alberta flood related reserves

Credit fundamentals remain strong

## PCL Ratio (bps)[1]




## GIL Ratio (bps)[2]




1. PCL Ratio – Provision for Credit Losses on a quarterly annualized basis/Average Net Loans & Acceptances; Total PCL excludes the impact of acquired credit-impaired loans, debt securities classified as loans and items of note
2. GIL Ratio – Gross Impaired Loans/Gross Loans & Acceptances (both are spot). Excludes the impact of acquired credit impaired loans and debt securities classified as loans.

# Appendix

# Q4 2013 Earnings: Items of Note

| | | | MM | EPS | | |
|---|---|---|---|---|---|---|
| Reported net income and EPS (diluted) | | | $1,622 | $1.68 | | |
| **Items of note** | **Pre Tax (MM)** | **After Tax (MM)** | | **EPS** | **Segment** | **Revenue/ Expense Line Item[2]** |
| Amortization of intangibles[1] | $91 | $59 | | $0.06 | Corporate | pg 13, line 15 |
| Fair value of derivatives hedging the reclassified available-for-sale securities portfolio | $17 | $15 | | $0.02 | Corporate | pg 12, line 19 |
| Integration charges relating to the acquisition of the credit card portfolio of MBNA Canada | $19 | $14 | | $0.02 | CAD P&C | pg 5, line 9 |
| Release due to impact of Alberta flood on the loan portfolio | ($40) | ($29) | | ($0.03) | Corporate | pg 1, line 4 |
| Litigation and litigation–related charge/reserve | $30 | $30 | | $0.03 | U.S. P&C | pg 7, line 12 |
| Restructuring charges | $129 | $90 | | $0.10 | Corporate | pg 13, line 17 |
| Setup costs in preparation for the previously announced affinity relationship with Aimia | $27 | $20 | | $0.02 | CAD P&C | pg 5, line 9 |
| **Excluding Items of Note above** | | | | | | |
| **Adjusted net income and EPS (diluted)** | | | **$1,821** | **$1.90** | | |

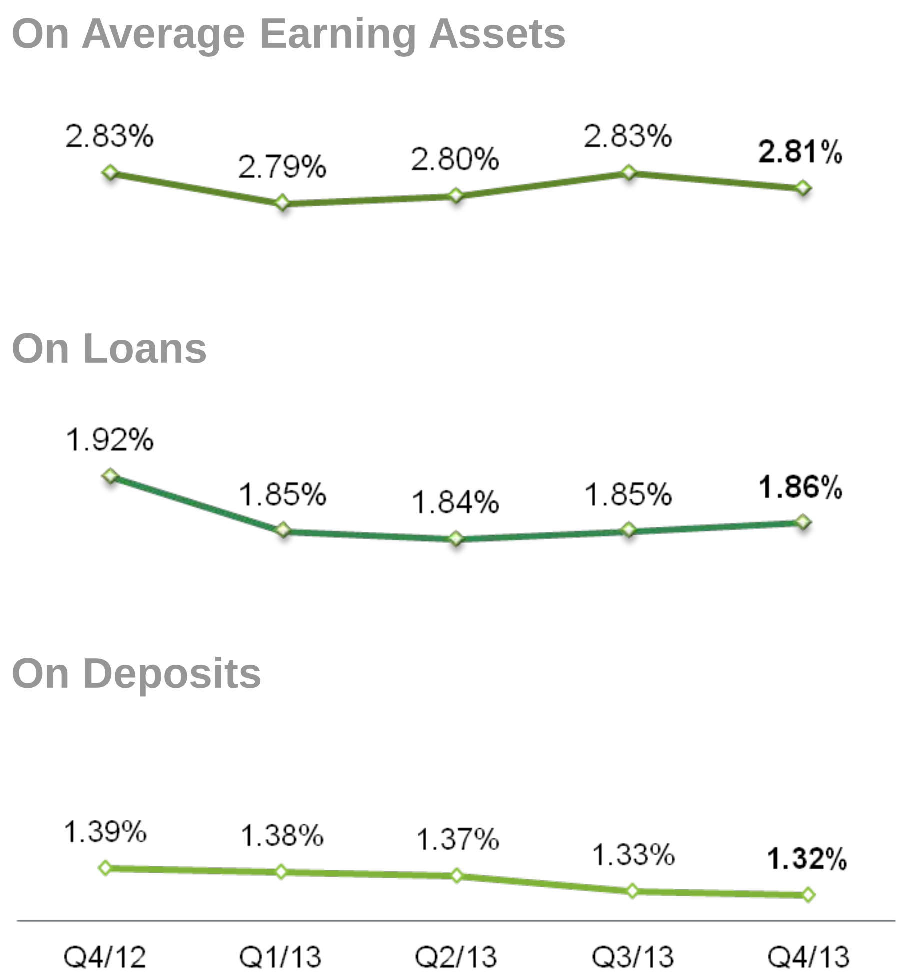
1. Includes amortization of intangibles expense of $14MM, net of tax, for TD Ameritrade Holding Corporation. Amortization of software is recorded in amortization of intangibles; however, amortization of software is not included for purposes of items of note, which only include amortization of intangibles acquired as a result of business combinations.
2. This column refers to specific pages of our Q4 2013 Supplementary Financial Information package, which is available on our website at td.com/investor.

# Canadian Personal & Commercial Banking

## Highlights

- Margin on average earning assets of 2.81%, down 2 bps both QoQ and YoY
  - Primarily due to the impact on deposit margins from the low rate environment

## Net Interest Margin

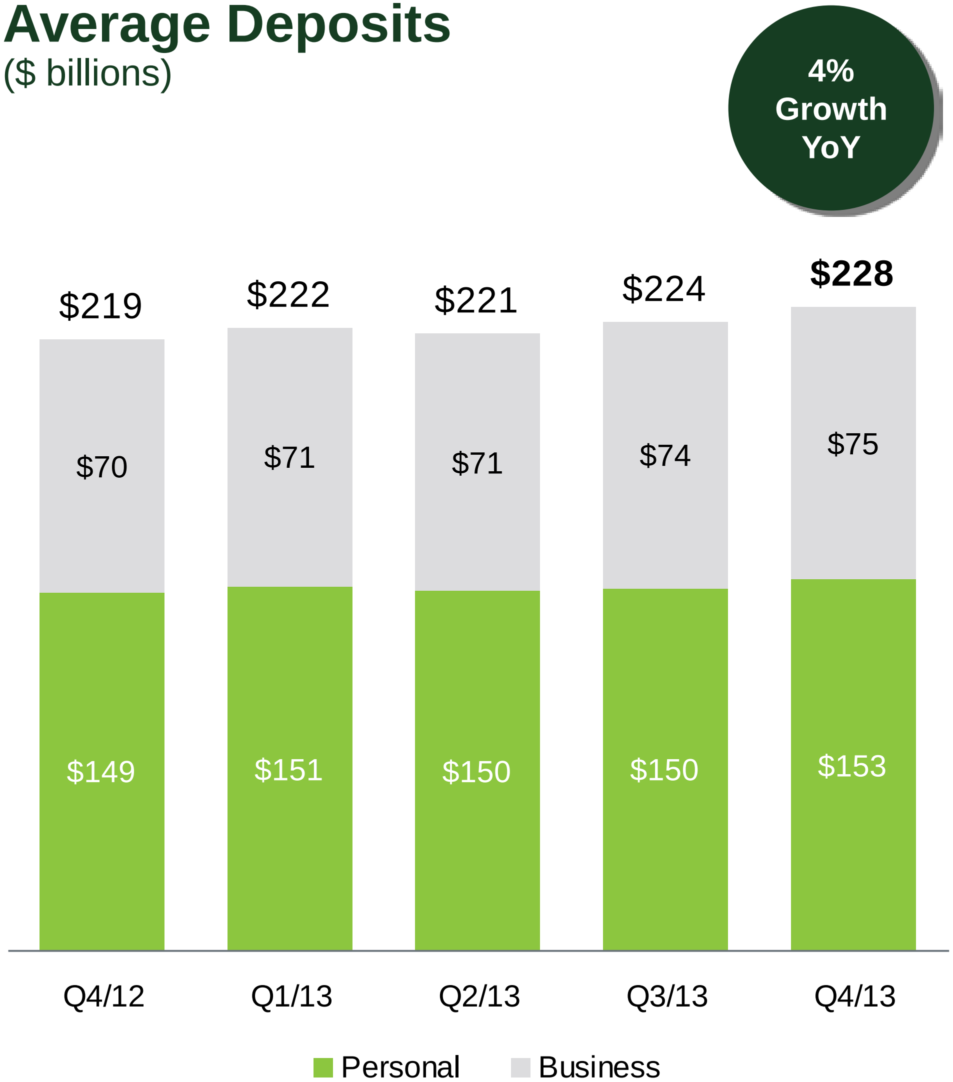


# Canadian Personal & Commercial Banking
## Deposit Growth

### Highlights

- Average personal deposit volumes increased 2% YoY
- Average business deposit volumes increased 8% YoY

### Average Deposits
($ billions)

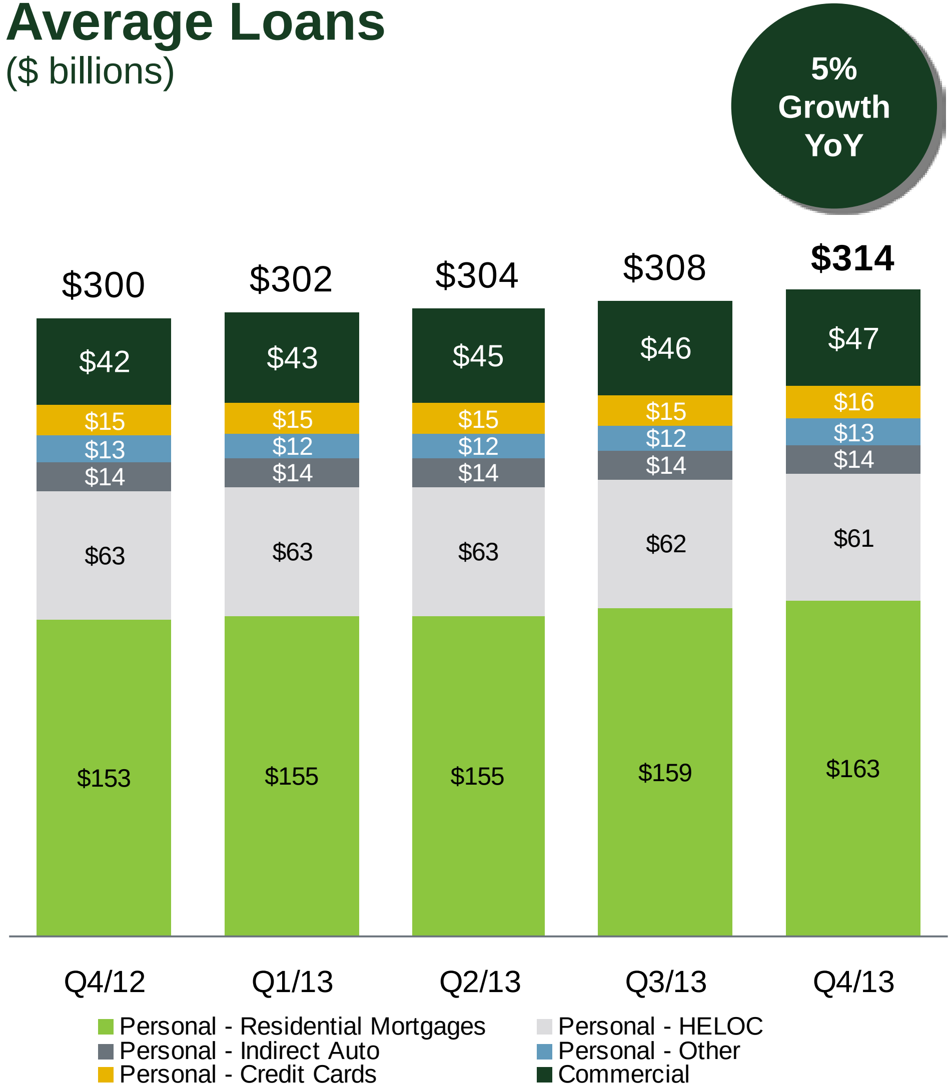


# Canadian Personal & Commercial Banking
## Loan Growth

### Highlights

- Solid personal lending volume growth of 3% YoY
  - Real estate secured lending growth of 4% YoY
- Strong business lending volume growth of 12% YoY

### Average Loans
($ billions)

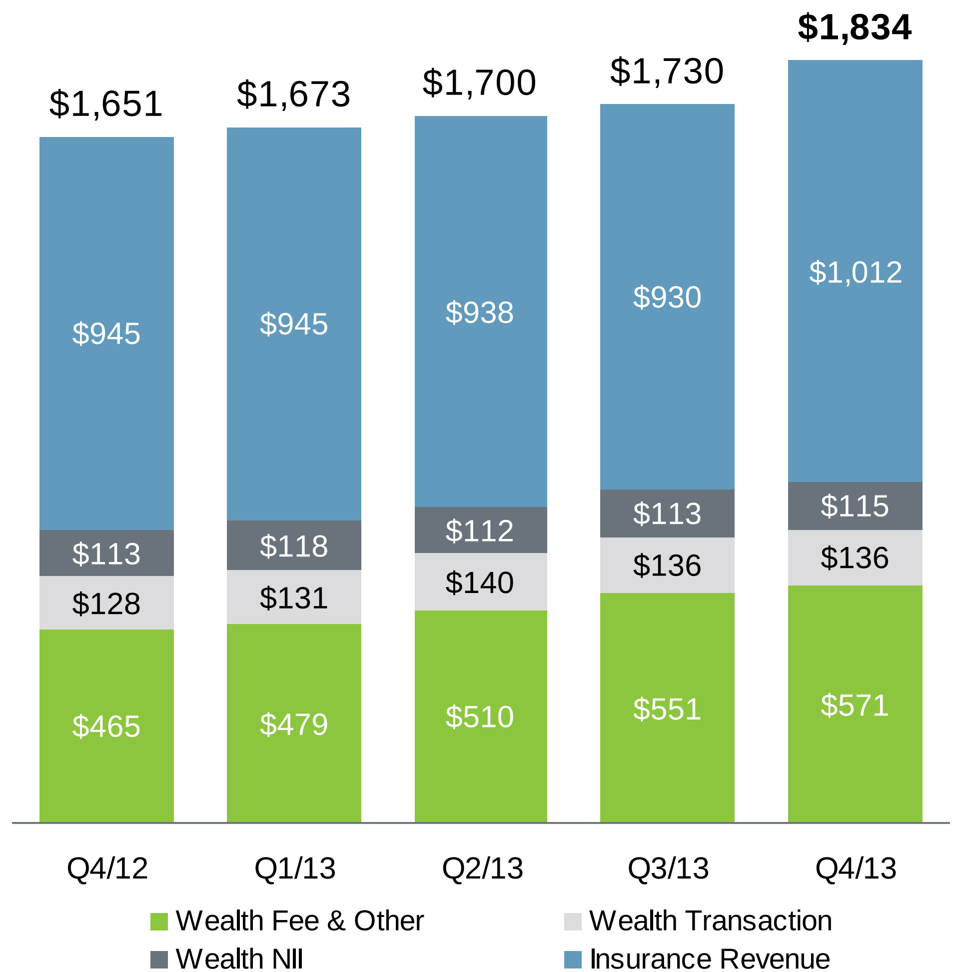


# Wealth and Insurance

## Highlights

- Wealth revenues of $822 million were up 3% versus Q3/13
  - Increased fee-based revenue from asset growth and equity market appreciation
- Insurance revenues[1] of $1,012 million were up 9% versus Q3/13
  - Higher fair value of assets due to the impact of lower interest rates
  - Premium volume growth

## Revenue $MM

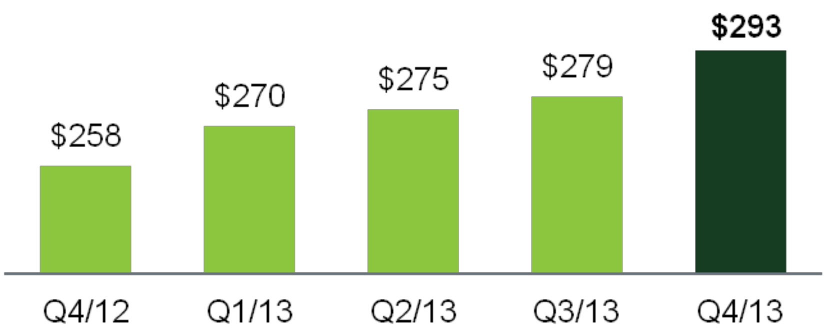



1. Effective Q4 2013, insurance revenue and insurance claims and related expenses are presented on a gross basis on the Consolidated Statement of Income. Comparative amounts have been reclassified to conform with the current period presentation.

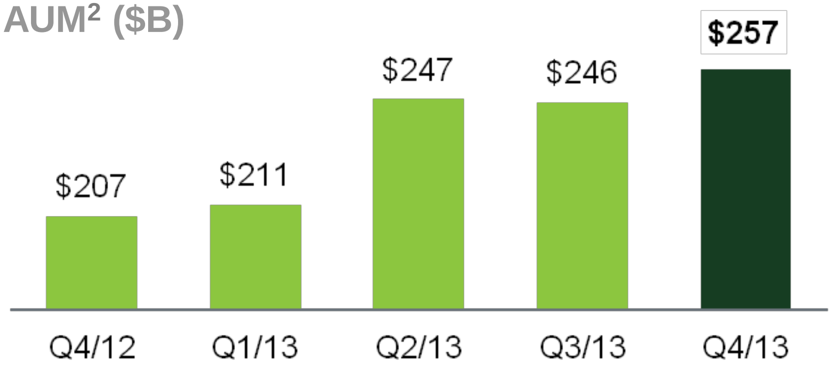
# Wealth

## Performance Metrics

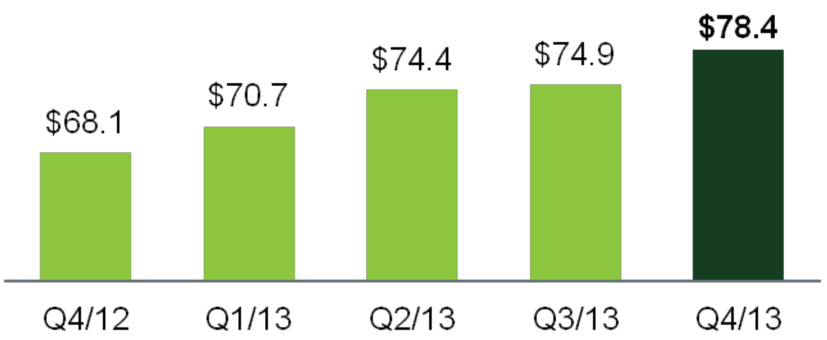
### AUA[1] ($B)



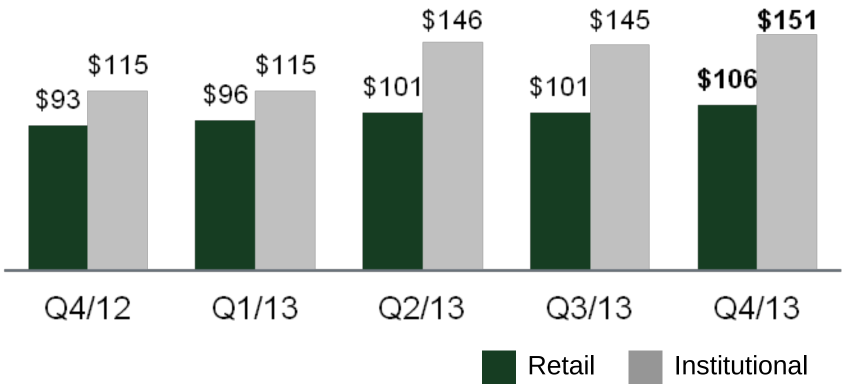

### AUM[2] ($B)




### Mutual Funds AUM[2] ($B)




### Retail vs. Institutional AUM[2] ($B)




1. Assets under administration.
2. Assets under management. From Q2/13, Epoch assets under management are included in Wealth Institutional AUM. As at October 31, 2013, the Wealth assets under management include $38 billion (July 31, 2013 – $29 billion) related to Epoch.

# TD Ameritrade

## Highlights

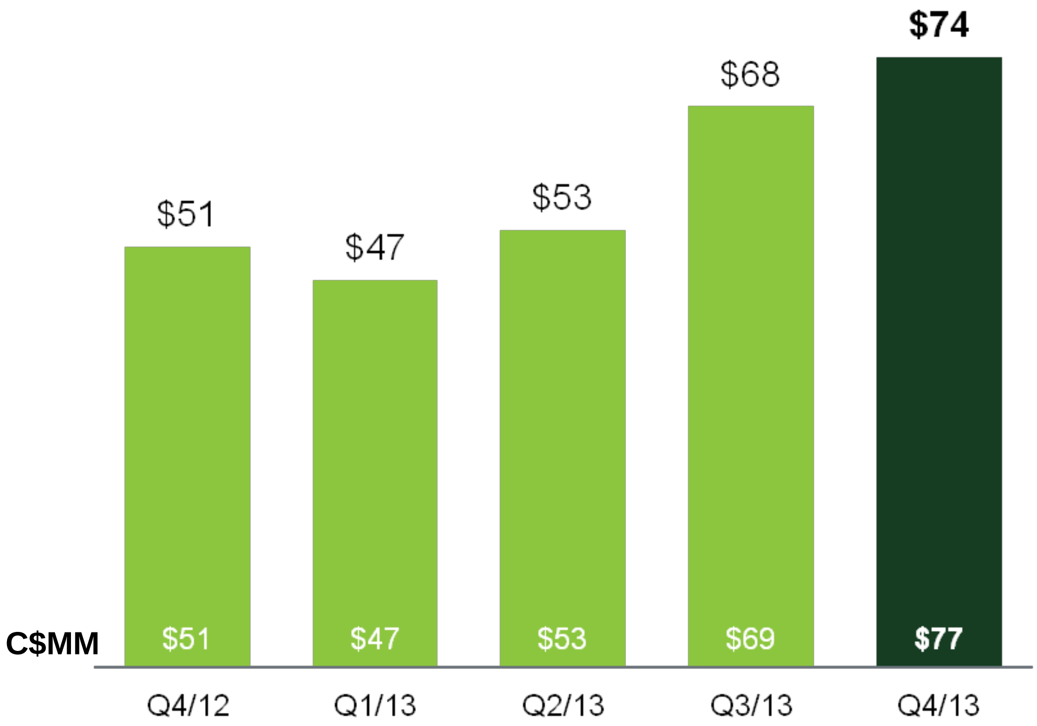
- TD's share of TD Ameritrade's net income was C$77 million in Q4/13, up 51% YoY mainly due to:
  - Increased transaction-based and fee-based revenue, and increased investment gains, partially offset by higher operating expenses

## TD Ameritrade Results

- Net income US$200 million in Q4/13 up 40% from last year
- Average trades per day were 382,000, up 16% YoY
- Total clients assets rose to $556 billion, up 18% YoY

## TD Bank Group's Share of TD Ameritrade's Net Income[1]

US$MM




1. TD's share of net income in US$ is the corresponding C$ net income contribution of TD Ameritrade to the Wealth Management segment included in the Bank's reports to shareholders (*td.com/investor*) for the relevant quarters, divided by the average FX rate. For additional information please see TD Ameritrade's press release available at *http://www.amtd.com/newsroom/results.cfm*

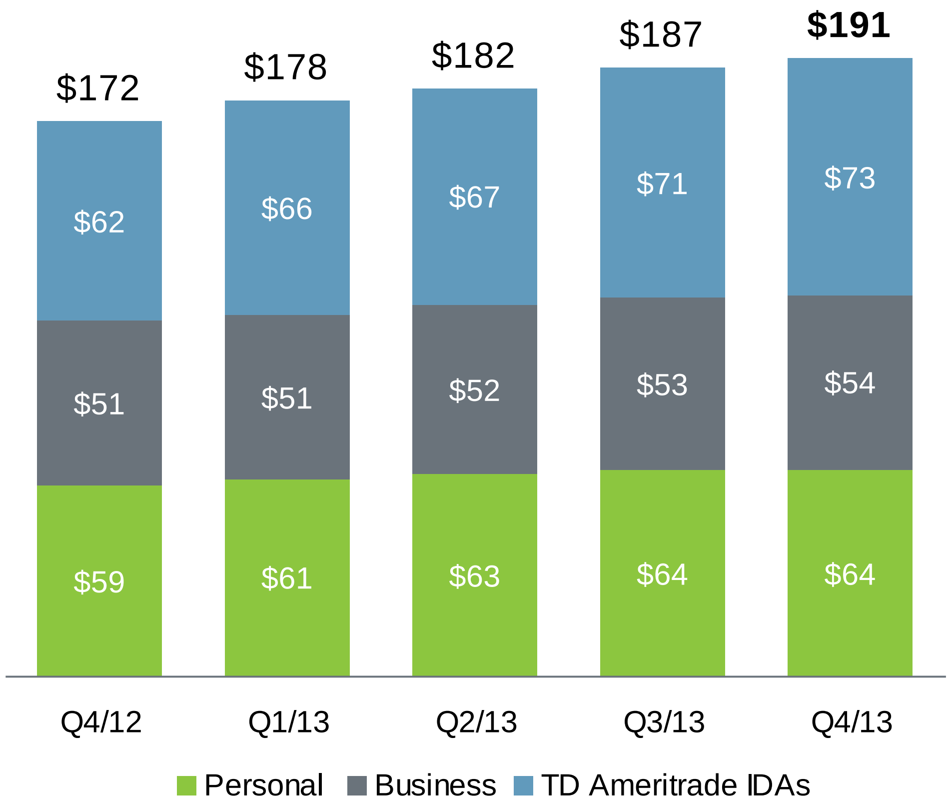
# U.S. Personal & Commercial Banking
## Deposit Growth

### Highlights

- Average personal deposit volumes up 8% YoY
- Average business deposit volumes up 7% YoY
- Average TD Ameritrade IDAs up 17% YoY

### Average Deposits
(US$ billions)

11% Growth YoY



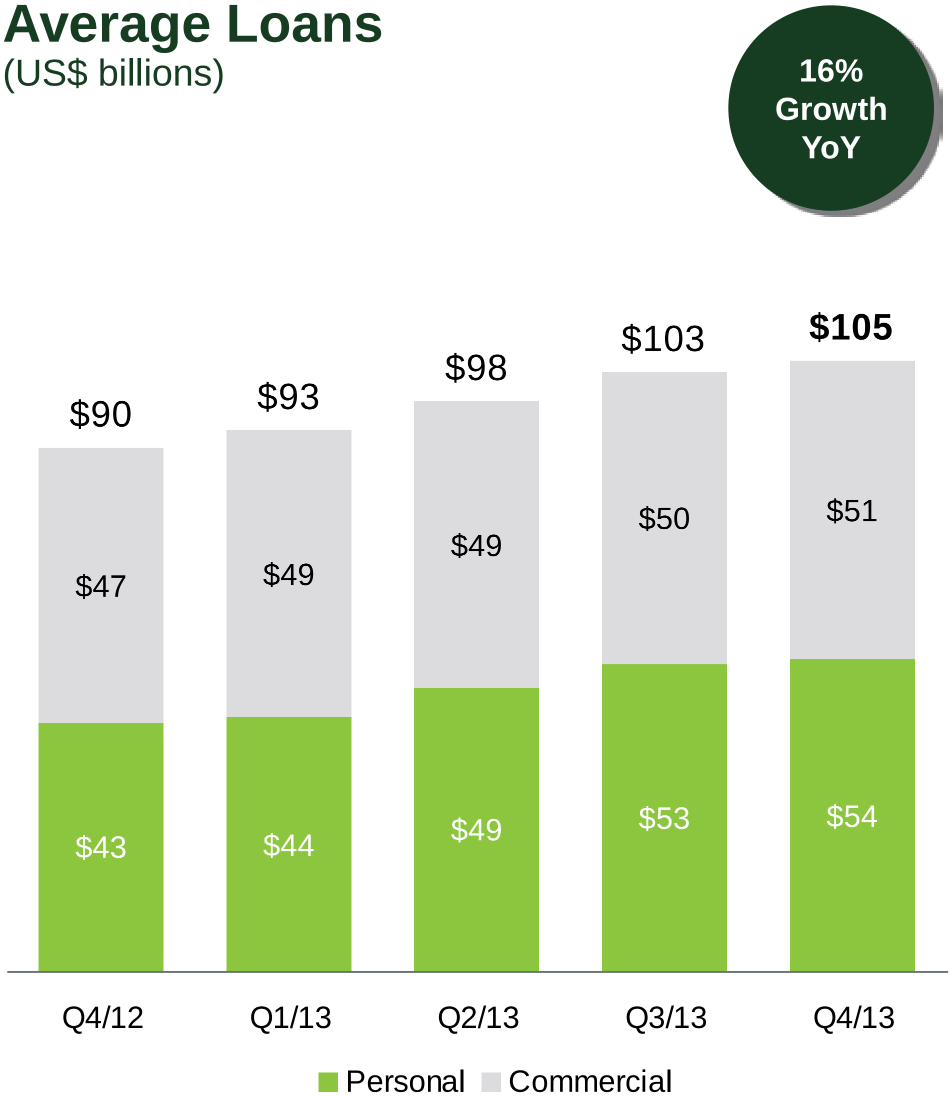

1. Insured Deposit Accounts

# U.S. Personal & Commercial Banking
## Loan Growth

### Highlights

- Average personal loans increased 26% YoY including Target
- Average business loans increased 8% YoY

### Average Loans
(US$ billions)



# Canadian Housing Market

## Highlights

- Canadian RESL credit quality remains strong amidst continued resiliency in the Canadian housing market

| Portfolio | | Q4/13 |
|---|---|---|
| Canadian RESL | Gross Loans Outstanding | $226 B |
| | Average Current LTV | 47% |
| | Percentage Insured | 66% |
| Condo Borrower (Residential Mortgages) | Gross Loans Outstanding | $28 B |
| | Percentage Insured | 76% |
| Condo Borrower (HELOC) | Gross Loans Outstanding | $6 B |
| | Percentage Insured | 45% |

| Topic | TD Positioning |
|---|---|
| Condo Borrower Credit Quality | LTV, credit score and delinquency rate consistent with broader portfolio |
| Hi-Rise Condo Developer Exposure | Stable portfolio volumes of < 1.6% of the Canadian Commercial portfolio<br>Exposure limited to experienced borrowers with demonstrated liquidity and long-standing relationship with TD |

# Gross Lending Portfolio
## Includes B/As

## **Balances** (C$B unless otherwise noted)

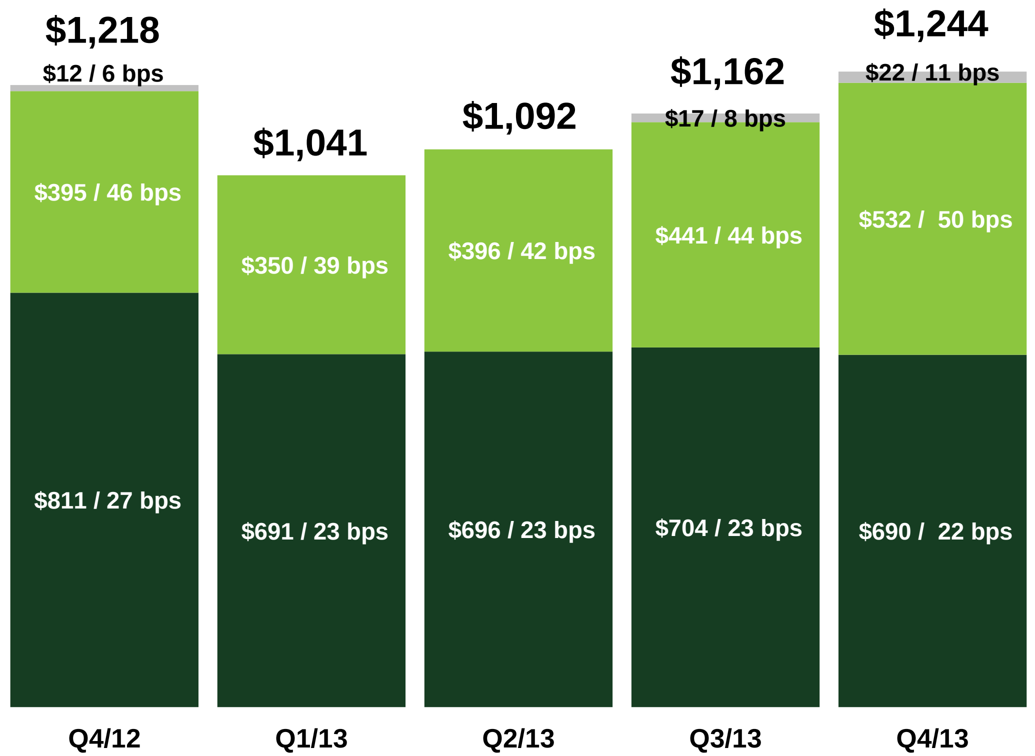
| | Q3/13 | Q4/13 |
|---|---|---|
| **Canadian Personal & Commercial Portfolio** | **$ 310.3** | **$ 314.6** |
| **Personal** | **$ 264.1** | **$ 267.6** |
| Residential Mortgages | 161.0 | 164.7 |
| Home Equity Lines of Credit (HELOC) | 62.1 | 61.3 |
| Indirect Auto | 14.5 | 14.7 |
| Unsecured Lines of Credit | 8.3 | 8.4 |
| Credit Cards | 14.8 | 15.3 |
| Other Personal | 3.4 | 3.2 |
| **Commercial Banking (including Small Business Banking)** | **$ 46.2** | **$ 47.0** |
| **U.S. Personal & Commercial Portfolio** (all amounts in US$) | **US$ 101.2** | **US$ 103.4** |
| **Personal** | **US$ 52.6** | **US$ 53.0** |
| Residential Mortgages | 19.8 | 20.0 |
| Home Equity Lines of Credit (HELOC)[1] | 10.2 | 10.2 |
| Indirect Auto | 15.6 | 15.7 |
| Credit Cards | 6.5 | 6.6 |
| Other Personal | 0.5 | 0.5 |
| **Commercial Banking** | **US$ 48.6** | **US$ 50.4** |
| Non-residential Real Estate | 11.4 | 11.5 |
| Residential Real Estate | 3.2 | 3.3 |
| Commercial & Industrial (C&I) | 34.0 | 35.6 |
| **FX on U.S. Personal & Commercial Portfolio** | $ 2.7 | $ 4.3 |
| **U.S. Personal & Commercial Portfolio** (C$) | **$ 103.9** | **$ 107.7** |
| **Acquired Credit-Impaired Loans**[2] | **$ 2.8** | **$ 2.5** |
| **Wholesale Portfolio**[3] | **$ 20.3** | **$ 21.3** |
| **Other**[4] | **$ 3.2** | **$ 4.3** |
| **Total** | **$ 440.5** | **$ 450.4** |

1. U.S. HELOC includes Home Equity Lines of Credit and Home Equity Loans
2. Acquired Credit-Impaired Loans include the acquired credit-impaired loans from South Financial, Chrysler Financial, MBNA, Target, and acquired loans from the FDIC-assisted acquisition
3. Wholesale portfolio includes corporate lending and other Wholesale gross loans and acceptances
4. Other includes Wealth Management and Corporate Segment

Note: Some amounts may not total due to rounding
Excludes Debt securities classified as loans

# Gross Impaired Loan Formations
## By Portfolio

### GIL Formations[1]: $MM and Ratios[2]




| | | | | | | |
|---|---|---|---|---|---|---|
| TD | 30 | 25 | 26 | 27 | 28 | *bps* |
| Cdn Peers[4] | 21 | 18 | 18 | 17 | NA | *bps* |
| U.S. Peers[5] | 46 | 38 | 36 | 34 | NA | *bps* |

- Other[3]
- Wholesale Portfolio
- U.S. P&C Portfolio
- Canadian P&C Portfolio

### Highlights

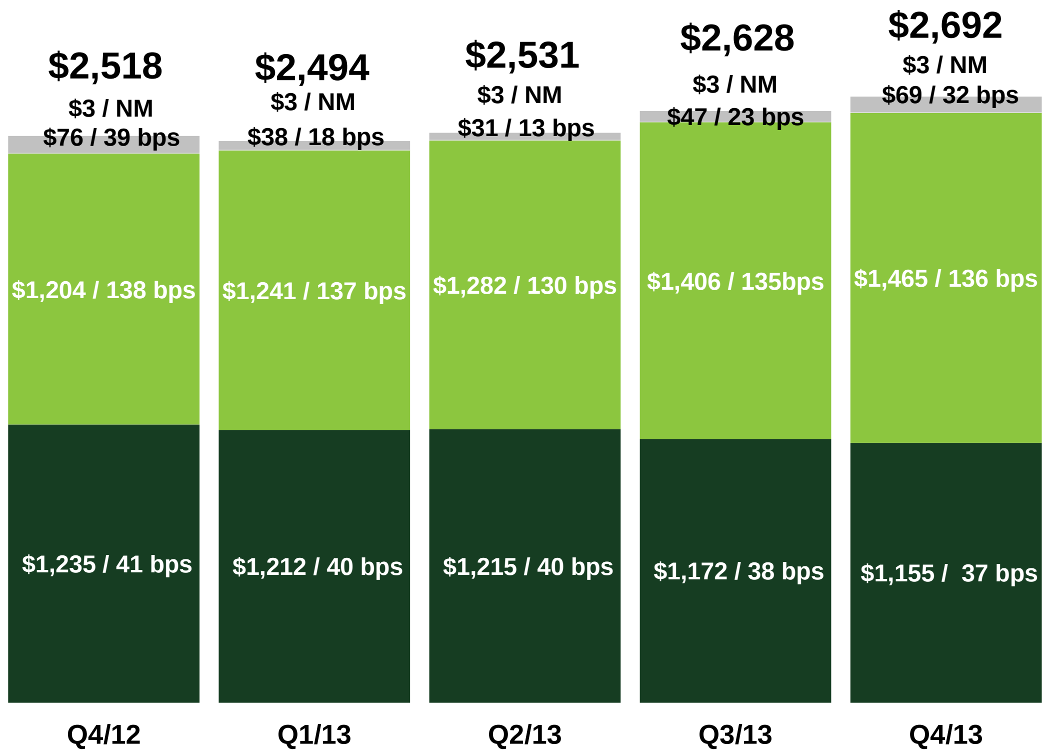
- Canadian P&C formations remain stable
- U.S. P&C formations increased $91MM (6 bps) over Q3/13 due to Target and seasoning in the Indirect Auto portfolio

1. Gross Impaired Loan formations represent additions to Impaired Loans & Acceptances during the quarter; excludes the impact of acquired credit-impaired loans and debt securities classified as loans
2. GIL Formations Ratio – Gross Impaired Loan Formations/Average Gross Loans & Acceptances
3. Other includes Wealth Management and Corporate Segment
4. Average of Canadian Peers – BMO, BNS, CIBC, RBC; peer data includes debt securities classified as loans
5. Average of US Peers – BAC, C, JPM, USB, WFC (Non-Accrual Asset addition/Average Gross Loans)

NA: Not available

# Gross Impaired Loans (GIL)
## By Portfolio

## GIL[1]: $MM and Ratios[2]




| | | | | | | |
|---|---|---|---|---|---|---|
| TD | 61 | 60 | 59 | 60 | 60 | *bps* |
| Cdn Peers[4] | 86 | 81 | 79 | 75 | NA | *bps* |
| U.S. Peers[5] | 212 | 204 | 191 | 178 | NA | *bps* |

## Highlights

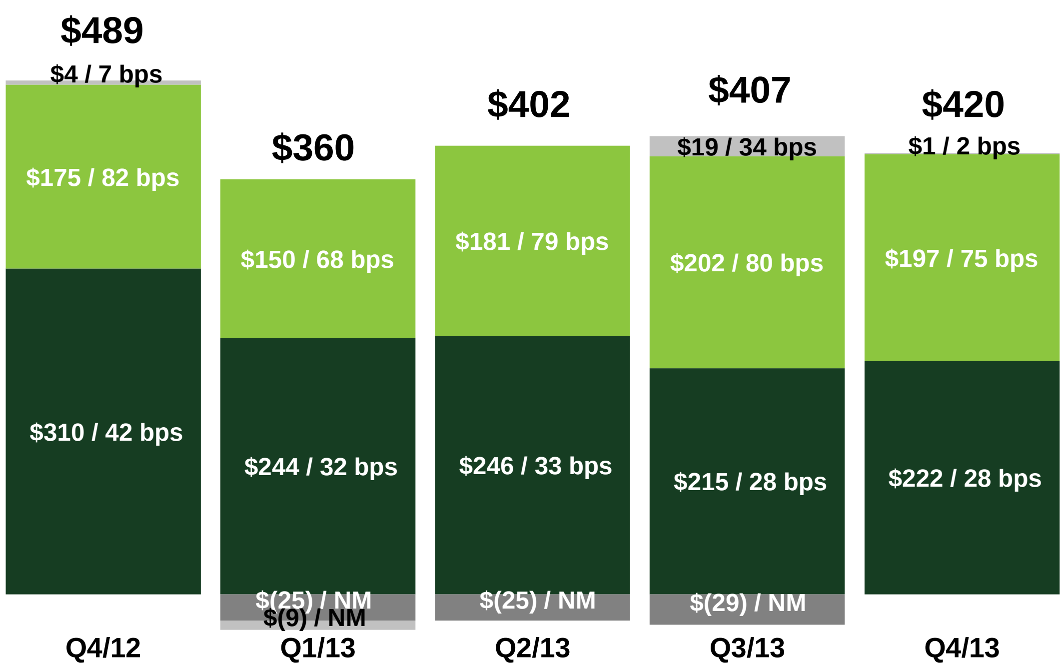
- Canadian P&C Gross Impaired Loans continued positive trend due to improved resolutions
- Excluding Target, U.S. P&C Gross Impaired Loan ratio remained flat over Q3/13
- Increase in Wholesale Gross Impaired Loans in Q4/13 is a result of a single borrower

1. Gross Impaired Loans (GIL) excludes the impact of acquired credit-impaired loans and debt securities classified as loans
2. GIL Ratio – Gross Impaired Loans/Gross Loans & Acceptances (both are spot) by portfolio
3. Other includes Wealth Management and Corporate Segment
4. Average of Canadian Peers – BMO, BNS, CIBC, RBC; peer data includes debt securities classified as loans
5. Average of U.S. Peers – BAC, C, JPM, USB, WFC (Non-performing loans/Total gross loans)

NM: Not meaningful
NA: Not available

# Provision for Credit Losses (PCL)
## By Portfolio

### PCL[1]: $MM and Ratios[2]




| | | | | | | |
|---|---|---|---|---|---|---|
| TD[1] | 48 | 35 | 39 | 37 | 38 | *bps* |
| Cdn Peers[5] | 33 | 31 | 30 | 25 | NA | *bps* |
| U.S. Peers[6] | 99 | 78 | 53 | 29 | NA | *bps* |

- **Other[3]**
- **Wholesale Portfolio[4]**
- **U.S. P&C Portfolio**
- **Canadian P&C Portfolio**

## Highlights

- Full year PCL decreased $188MM or 11% resulting in the lowest annual loss rates since 2007
  - Canadian P&C loss rate at 5-year lows
  - U.S. P&C loss rate remained stable during 2013

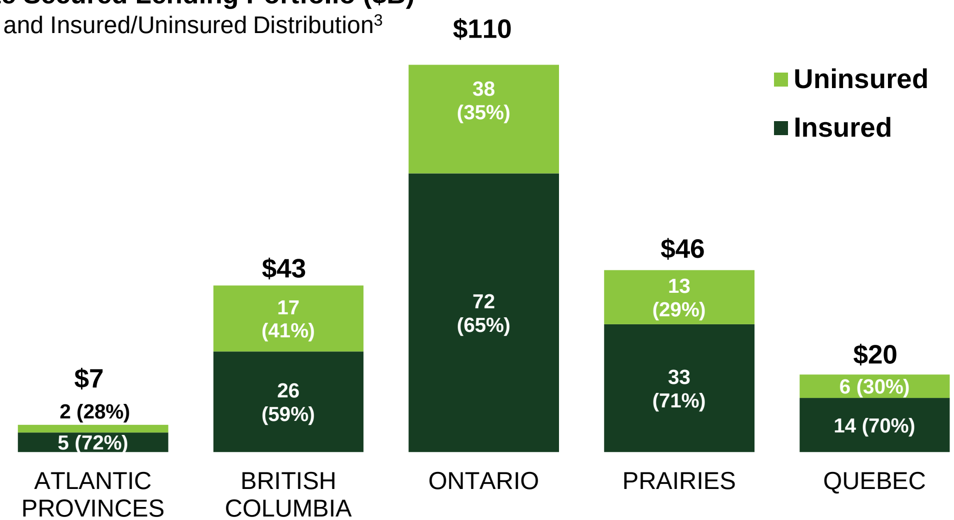
1. PCL excludes the impact of acquired credit-impaired loans, debt securities classified as loans and items of note.
2. PCL Ratio – Provision for Credit Losses on a quarterly annualized basis/Average Net Loans & Acceptances
3. Other includes Wealth Management and Corporate Segment
4. Wholesale PCL excludes premiums on credit default swaps (CDS): Q4/13 $6MM / Q3/13 $4MM.
5. Average of Canadian Peers – BMO, BNS, CIBC, RBC; peer PCLs exclude increases in incurred but not identified allowance; peer data includes debt securities classified as loans
6. Average of U.S. Peers – BAC, C, JPM, USB, WFC

NM: Not meaningful; NA: Not available

# Canadian Personal Banking

| Canadian Personal Banking[1] | Q4/13 Gross Loans ($B) | GIL/ Loans | GIL ($MM) | PCL[2] ($MM) |
|---|---|---|---|---|
| Residential Mortgages | 165 | 0.27% | 448 | 4 |
| Home Equity Lines of Credit (HELOC) | 61 | 0.52% | 321 | 5 |
| Indirect Auto | 15 | 0.28% | 41 | 37 |
| Unsecured Lines of Credit | 9 | 0.59% | 50 | 34 |
| Credit Cards | 15 | 1.03% | 158 | 121 |
| Other Personal | 3 | 0.62% | 20 | 18 |
| **Total Canadian Personal Banking** | **$268** | **0.39%** | **$1,038** | **$219** |
| Change vs. Q3/13 | $4 | 0.01% | $24 | $12 |

**Real Estate Secured Lending Portfolio ($B)**
Geographic and Insured/Uninsured Distribution[3]




| | | | | | |
|---|---|---|---|---|---|
| LTV[4] Q4/13 | 53 | 43 | 45 | 52 | 56 |
| LTV[4] Q3/13 | 52 | 45 | 46 | 52 | 55 |

## Highlights

- Credit quality remains strong
  - Real estate secured lending loss rates under 2 bps
  - Credit Card loss rates remain at historically low levels
- $40MM of Alberta flood related General Allowance released

1. Excludes acquired credit impaired loans
2. Individually insignificant PCL excludes any change in Incurred But Not Identified Allowance
3. The territories are included as follows: Yukon is included in British Columbia; Nunavut is included in Ontario; and Northwest Territories is included in the Prairies region.
4. Loan To Value based on Seasonally Adjusted Average Price by Major City (Canadian Real Estate Association): Q4/13 – September 2013 Index; Q3/13 – June 2013 Index.

# Canadian Commercial and Wholesale Banking

| Canadian Commercial and Wholesale Banking | Q4/13 Gross Loans/BAs ($B) | GIL ($MM) | PCL[1] ($MM) |
|---|---|---|---|
| Commercial Banking[2] | 47 | 117 | 3 |
| Wholesale | 21 | 69 | 1 |
| **Total Canadian Commercial and Wholesale** | **$68** | **$186** | **$4** |
| Change vs. Q3/13 | $2 | $(19) | $(22) |

| Industry Breakdown | Gross Loans/BAs ($B) | Gross Impaired Loans ($MM) | Allowance[1] ($MM) |
|---|---|---|---|
| Real Estate – Residential | 13.8 | 25 | 12 |
| Real Estate – Non-residential | 8.4 | 7 | 2 |
| Financial | 10.9 | 2 | 1 |
| Govt-PSE-Health & Social Services | 8.2 | 9 | 3 |
| Resources[3] | 4.1 | 42 | 12 |
| Consumer[4] | 3.5 | 49 | 28 |
| Industrial/Manufacturing[5] | 3.5 | 24 | 11 |
| Agriculture | 3.9 | 6 | 0 |
| Automotive | 2.6 | 1 | 1 |
| Other[6] | 9.4 | 21 | 16 |
| **Total** | **$68** | **$186** | **$86** |

## Highlights

- Continued strong credit performance
  - Commercial (including Small Business Banking) loss rate for the trailing 4-quarter period was 13 bps
  - Wholesale loss rate for the trailing 4-quarter period was 5 bps
- Commercial GIL decreased as a result of improved resolutions
- Wholesale GIL increased as a result of a single borrower

1. Individually Insignificant and Counterparty Specific PCL and Allowance excludes any change in Incurred But Not Identified Allowance
2. Includes Small Business Banking
3. Resources includes: Forestry, Metals and Mining; Pipelines, Oil and Gas
4. Consumer includes: Food, Beverage and Tobacco; Retail Sector
5. Industrial/Manufacturing includes: Industrial Construction and Trade Contractors; Sundry Manufacturing and Wholesale
6. Other includes: Power and Utilities; Telecommunications, Cable and Media; Transportation; Professional and Other Services; Other

# U.S. Personal Banking

| U.S. Personal Banking[1] | Q4/13 Gross Loans ($B) | GIL/ Loans | GIL ($MM) | PCL[2] ($MM) |
|---|---|---|---|---|
| Residential Mortgages | 21 | 1.24% | 258 | 2 |
| Home Equity Lines of Credit (HELOC)[3] | 10 | 2.07% | 220 | 12 |
| Indirect Auto | 16 | 0.49% | 80 | 46 |
| Credit Cards | 7 | 1.61% | 111 | 13 |
| Other Personal | 0.5 | 0.40% | 2 | 17 |
| **Total U.S. Personal Banking** | **$55** | **1.21%** | **$671** | **$90** |
| Change vs. Q3/13 | $1 | 0.08% | $61 | $30 |

**U.S. Real Estate Secured Lending Portfolio[1]**
Indexed Loan to Value (LTV) Distribution and Refreshed FICO Scores[4]

| Current Estimated LTV | Residential Mortgages | 1st Lien HELOC | 2nd Lien HELOC | Total |
|---|---|---|---|---|
| **>80%** | 7% | 15% | 37% | 13% |
| **61-80%** | 52% | 32% | 37% | 46% |
| **<=60%** | 42% | 54% | 25% | 41% |
| **Current FICO Score >700** | 88% | 87% | 82% | 86% |

## Highlights

- Underlying credit quality of the U.S. Personal portfolio remains strong
  - Normal seasoning of the Target and Indirect Auto portfolios are leading to increased levels of PCL and GIL
  - Loan to values continued to improve due to housing price appreciation over last year
  - The proportion of the portfolio with an LTV over 80% has decreased from 19% to 13% since Q4/12

1. Excludes acquired credit-impaired loans
2. Individually insignificant PCL excludes any change in Incurred But Not Identified Allowance
3. HELOC includes Home Equity Lines of Credit and Home Equity Loans
4. Loan To Value based on authorized credit limit and Loan Performance Home Price Index as of August 2013. FICO Scores updated September 2013

# U.S. Commercial Banking

| U.S. Commercial Banking[1] | Q4/13 Gross Loans/BAs ($B) | GIL ($MM) | PCL[2] ($MM) |
|---|---|---|---|
| **Commercial Real Estate (CRE)** | **16** | **335** | **1** |
| Non-residential Real Estate | 12 | 225 | 1 |
| Residential Real Estate | 4 | 110 | 0 |
| **Commercial & Industrial (C&I)** | **37** | **459** | **29** |
| **Total U.S. Commercial Banking** | **$53** | **$794** | **$30** |
| Change vs. Q3/13 | $3 | $(2) | $(3) |

| Commercial Real Estate | Gross Loans/BAs ($B) | GIL ($MM) |
|---|---|---|
| Office | 4.3 | 67 |
| Retail | 3.4 | 55 |
| Apartments | 2.4 | 36 |
| Residential for Sale | 0.3 | 54 |
| Industrial | 1.3 | 37 |
| Hotel | 0.8 | 26 |
| Commercial Land | 0.2 | 25 |
| Other | 2.8 | 35 |
| **Total CRE** | **$16** | **$335** |

| Commercial & Industrial | Gross Loans/BAs ($B) | GIL ($MM) |
|---|---|---|
| Health & Social Services | 5.8 | 35 |
| Professional &Other Services | 5.2 | 82 |
| Consumer[3] | 4.1 | 121 |
| Industrial/Mfg[4] | 4.9 | 85 |
| Government/PSE | 4.4 | 22 |
| Financial | 1.5 | 9 |
| Automotive | 1.7 | 14 |
| Other[5] | 9.4 | 91 |
| **Total C&I** | **$37** | **$459** |

## Highlights

- Positive momentum continues in U.S. Commercial portfolio
- Real Estate values have stabilized in key markets leading to:
  - Decreasing charge-off rates
  - Continued reduction of criticized and classified loans

1. Excludes acquired credit-impaired loans and debt securities classified as loans
2. Individually Insignificant and Counterparty Specific PCL excludes any change in Incurred But Not Identified Allowance
3. Consumer includes: Food, beverage and tobacco; Retail sector
4. Industrial/Manufacturing includes: Industrial construction and trade contractors; Sundry manufacturing and wholesale
5. Other includes: Agriculture; Power and utilities; Telecommunications, cable and media; Transportation; Resources; Other

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# TD Bank Group
# Quarterly Results Presentation
# Q4 2013

Thursday December 5th, 2013