

## Key Themes

- Adjusted net income<sup>1,2</sup> of \$2.2B, up 17% YoY and adjusted EPS<sup>1,3</sup> of \$1.14, up 16% YoY
- Strong results in Canadian and U.S. Retail, and a solid quarter for Wholesale
- Positive operating leverage, strong credit quality, and favourable currency translation
- Q4 restructuring charge

## Financial Results (see page 2 for details)

- Adjusted Retail earnings<sup>1,4</sup>: \$2,142MM, up 15% YoY
- CAD Retail<sup>1,5</sup>: \$1,496MM, up 10% YoY (P&C 10%, Wealth 10%, Insurance 13%)
  - U.S. Retail<sup>1,6</sup>: US\$491MM, up 6% YoY (C\$ +27% YoY)
- Wholesale earnings: \$196MM, up 23% YoY
- Adjusted Corporate net loss<sup>1,7</sup>: \$161MM (\$165MM loss in Q4/14)

## Revenue, Expense, Credit & Capital

- Adjusted revenue<sup>1,8</sup> was up 11% YoY (+3.5% YoY excluding FX and acquisitions) driven primarily by loan and deposit volume growth in the Retail businesses:
- CAD Retail: Loans 5% YoY – Personal 5% (including RESL 5%), Business 9%; Deposits 6% – Personal 6%, Business 5%
  - US Retail (US\$): Loans 11% YoY ex. Nordstrom – Personal 4%, Business 17%; Deposits 7% - Personal 8%, Business 7%, TD Ameritrade 6%
- Adjusted expenses<sup>1,9</sup> up 7% YoY (-1.1% YoY ex FX & acquisitions)
- Nordstrom acquisition, business growth investments, and FX impact, partially offset by ongoing productivity savings
- Solid credit quality with PCL<sup>1</sup> up 37% YoY
- Higher provisions for commercial loans, provisions related to the flooding in South Carolina, and FX translation impact in U.S. Retail; combined with higher Corporate segment provisions, partially offset by higher Canadian Retail recoveries
- Basel III Common Equity Tier 1 ratio 9.9% (10.1% in Q3/15)
- Decrease mainly due to Q4 restructuring charge & RWA growth

## Business Outlook

### CAD Retail 2015 MD&A, Page 20

- Expect earnings growth to moderate due to a challenging operating environment; continued pressure on margins; personal loan growth rate to be in line with current year levels; business lending and wealth asset acquisition to remain strong; insurance results subject to the frequency and severity of weather-related events and any future potential regulatory and legislative changes; the tax rate on insurance earnings to increase starting in 2016 if recent legislative proposals become effective; increased credit losses driven by normalizing credit conditions and volume growth; and continued focus on productivity initiatives

### U.S. Retail 2015 MD&A, Page 23

- Expect modest adjusted earnings growth and continued pressure on net interest margin in the absence of interest rate increases; strong loan and deposit growth; increased credit losses driven by volume growth and normalizing credit conditions; and to maintain a disciplined expense management approach as the restructuring benefits and continued focus on productivity initiatives are expected to partially fund strategic business investments

## Segment Results

### Canadian Retail Q4 2015 Earnings News Release, Page 9 Strong broad-based earnings growth

- Adjusted net income<sup>1,5</sup> increased 10% YoY due to good loan and deposit volume growth, wealth asset growth, strong credit performance, higher insurance earnings, and good expense management
- NIM down 4 bps QoQ to 2.84% primarily due to deposit margin compression and seasonal factors
- Adjusted expenses<sup>1,5</sup> were flat YoY primarily due to productivity savings, partially offset by higher wealth revenue-based variable compensation and legal provisions
- PCL decreased 12% YoY mainly due to lower business banking PCL largely driven by higher recoveries and lower provisions in the current quarter

### U.S. Retail Q4 2015 Earnings News Release, Page 11 Strong fundamentals delivering growth

- Adjusted net income<sup>1,6</sup> in U.S. dollars was up 6% YoY due to strong organic growth, a lower effective tax rate, and higher contribution from Ameritrade, partially offset by higher PCL
- NIM increased 9 bps QoQ, with over half of the increase due to the acquisition of Nordstrom's credit card portfolio, and the remainder mainly due to balance sheet mix and accretion
- Adjusted expenses<sup>1,6</sup> increased 5% YoY primarily due to the Nordstrom acquisition, higher legal costs, and investments to support business growth, partially offset by productivity savings

### Wholesale Q4 2015 Earnings News Release, Page 13 Client-driven franchise model delivering good results

- Earnings increased 23% YoY
- Revenue was up 10% YoY on higher trading-related performance and corporate lending growth, and FX translation impact, partially offset by lower equity underwriting
- Expenses were up 2% YoY primarily due to FX translation impact and higher operating expenses, partially offset by lower variable compensation

### Corporate Q4 2015 Earnings News Release, Page 14

- Adjusted Corporate net loss<sup>1,7</sup> was \$161MM, slightly down from \$165MM in Q4/14 mainly due to lower net corporate expenses partially offset by higher provisions for incurred but not identified credit losses

## Items of Interest

### Share Buyback 2015 MD&A, Page 48

- Announced intention to initiate a normal course issuer bid for up to 9.5 million of common shares, commencing as early as December 2015, subject to the approval of OSFI and the TSX

### Restructuring Charge 2015 MD&A, Page 5

- Recorded a \$349MM (\$243MM after-tax) restructuring charge, or \$0.13 per share, to reduce costs and manage expenses in a sustainable manner and to achieve greater operational efficiencies



## Total Bank and Segment P&L \$MM

Adjusted, where applicable<sup>1</sup>

### Total Bank Earnings

	Q4/15	Q3/15	Q4/14
Revenue (adjusted) <sup>1,8</sup>	\$ 7,459	7,385	6,732
Expenses (adjusted) <sup>1,9</sup>	4,480	4,261	4,188
<b>Net Income (adjusted)<sup>1</sup></b>	<b>\$ 2,177</b>	<b>2,285</b>	<b>1,862</b>
<i>Net Income (reported)</i>	1,839	2,266	1,746

### Canadian Retail

	Q4/15	Q3/15	Q4/14
Revenue	\$ 4,997	5,011	4,920
PCL	221	237	250
Insurance Claims	637	600	720
Expenses (adjusted) <sup>1,5</sup>	2,143	2,104	2,151
<b>Net Income (adjusted)<sup>1</sup></b>	<b>\$ 1,496</b>	<b>1,557</b>	<b>1,358</b>
<i>Net Income (reported)</i>	1,496	1,557	1,304

### U.S. Retail (in US\$MM)

	Q4/15	Q3/15	Q4/14
Revenue (adjusted) <sup>1,6</sup>	\$ 1,959	1,911	1,851
PCL	184	161	125
Expenses (adjusted) <sup>1,6</sup>	1,308	1,209	1,249
<b>Net Income, U.S. Retail Bank (adjusted)<sup>1</sup></b>	<b>\$ 407</b>	<b>450</b>	<b>385</b>
<i>Net Income, U.S. Retail Bank (reported)</i>	368	469	385
<b>Net Income, TD AMTD</b>	<b>\$ 84</b>	<b>74</b>	<b>77</b>
<b>Total Net Income (adjusted)<sup>1</sup></b>	<b>\$ 491</b>	<b>524</b>	<b>462</b>
<i>Total Net Income (reported)</i>	452	543	462
<b>Total Net Income (adjusted)<sup>1</sup></b>	<b>C\$ 646</b>	<b>650</b>	<b>509</b>
<i>Total Net Income (reported)</i>	C\$ 595	674	509

### Wholesale

	Q4/15	Q3/15	Q4/14
Revenue	\$ 666	765	604
PCL	14	2	(1)
Expenses	390	431	381
<b>Net Income</b>	<b>\$ 196</b>	<b>239</b>	<b>160</b>

### Corporate

	Q4/15	Q3/15	Q4/14
Net Corporate Expenses	\$ (192)	(193)	(233)
Other	2	4	41
Non-Controlling Interests	29	28	27
<b>Net Income (Loss) (adjusted)<sup>1</sup></b>	<b>\$ (161)</b>	<b>(161)</b>	<b>(165)</b>
<i>Net Income (Loss) (reported)</i>	(448)	(204)	(227)

## Caution Regarding Forward-Looking Statements

From time to time, the Bank (as defined in this document) makes written and/or oral forward-looking statements, including in this document, in other filings with Canadian regulators or the United States (U.S.) Securities and Exchange Commission (SEC), 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, including in the Management's Discussion and Analysis ("2015 MD&A") under the heading "Economic Summary and Outlook", for each business segment under headings "Business Outlook and Focus for 2016", and in other statements regarding the Bank's objectives and priorities for 2016 and beyond and strategies to achieve them, the regulatory environment in which the Bank operates 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, individually or in the aggregate, such differences include: credit, market (including equity, commodity, foreign exchange, and interest rate), liquidity, operational (including technology and infrastructure), 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; the ability of the Bank to execute on key priorities, including to successfully complete acquisitions, business retention and strategic plans and to attract, develop and retain key executives; 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 or other criminal behaviour to which the Bank is exposed; the failure of third parties to comply with their obligations to the Bank or its affiliates, including relating to the care and control of information; the impact of new and changes to, or application of, current laws and regulations, including without limitation tax laws, risk-based capital guidelines and liquidity regulatory guidance; the overall difficult litigation environment, including in the U.S.; increased competition, including through internet and mobile banking and non-traditional competitors; changes to the Bank's credit ratings; changes in currency and interest rates; increased funding costs and market volatility due to market illiquidity and competition for funding; critical accounting estimates and changes to accounting standards, policies, and methods used by the Bank; existing and potential international debt crises; and the occurrence of natural and unnatural catastrophic events and claims resulting from such events. The Bank cautions 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 refer to the "Risk Factors and Management" section of the 2015 MD&A, as may be updated in subsequently filed quarterly reports to shareholders and news releases (as applicable) related to any transactions or events discussed under the heading "Significant Events" in the relevant MD&A, which applicable releases may be found on [www.td.com](http://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 the Bank cautions 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 2015 MD&A under the headings "Economic Summary and Outlook", and for each business segment, "Business Outlook and Focus for 2016", 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.

## Footnotes and Important Disclosures

[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 to arrive at "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, therefore, may not be comparable to similar terms used by other issuers. See "How the Bank Reports" in the Bank's Fourth Quarter 2015 Earnings News Release and Management Discussion & Analysis ([td.com/investor](http://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 net income for Q4 2015 was \$1,839MM, up 5% YoY. [3] Reported EPS for Q4 2015 was \$0.96, up 5% YoY. [4] "Retail" comprises Canadian Retail and U.S. Retail segments as reported in the Bank's Fourth Quarter 2015 Earnings News Release and Management Discussion & Analysis. Reported retail earnings for Q4 2015 were \$2,091MM, up 15% YoY. [5] Reported Canadian Retail net income for Q4 2015 was \$1,496MM, up 15% YoY. Reported Canadian Retail expenses for Q4 2015 were \$2,143MM, down 4% YoY [6] For Q4 2015 reported U.S. Retail revenue was US\$1,903MM, up 3% YoY; reported U.S. Retail expenses were US\$1,315MM, up 5% YoY; and reported U.S. Retail net income was US\$452, down 2% YoY [7] Reported Corporate net losses for Q4 2014 and Q4 2015 were \$227MM and \$448MM, respectively. [8] For the purpose of this presentation, the amounts of insurance claims have been netted from adjusted revenue. For Q4 2015 adjusted revenue (without netting insurance claims) and insurance claims were \$8,096MM and \$637MM, respectively. [9] Reported expenses for Q4 2015 were \$4,911MM, up 13% YoY.