# TD Bank Group
# Q3 2017 Quarterly Results Presentation

Thursday August 31, 2017

# 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, the Management's Discussion and Analysis ("2016 MD&A") in the Bank's 2016 Annual Report under the heading "Economic Summary and Outlook", for each business segment under headings "Business Outlook and Focus for 2017", and in other statements regarding the Bank's objectives and priorities for 2017 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", "would", "should", "believe", "expect", "anticipate", "intend", "estimate", "plan", "goal", "target", "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 the successful completion of acquisitions and dispositions, business retention plans, 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; exposure related to significant litigation and regulatory matters; 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 (including the possibility of negative 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 2016 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. 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 2016 MD&A under the headings "Economic Summary and Outlook", and for each business segment, "Business Outlook and Focus for 2017", each as may be 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.

# Overview

## Strong overall performance

- Reported earnings growth of 17% and EPS growth of 18% year-over-year
- Adjusted[1] earnings and EPS growth of 19% year-over-year
- Strong revenue growth across all our businesses
- Favourable credit performance
- Lower insurance claims
- Improved efficiency ratio

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") 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 Third Quarter 2017 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. For further information and a reconciliation, please see slide 14.

# Q3 2017 Highlights

## Total Bank Reported Results (YoY)

**EPS up 18%**

- Adjusted EPS up 19%[1]

**Revenue up 7%**

- Net interest income up 7%
- Non-interest income up 6%

**Expenses up 5%**

## Segment Reported Results (YoY)

**Canadian Retail earnings up 14%**

**U.S. Retail earnings up 14%**

**Wholesale earnings down 3%**

## Financial Highlights $MM

| Reported | Q3/17 | Q2/17 | Q3/16 |
|---|---|---|---|
| **Revenue** | 9,286 | 8,473 | 8,701 |
| **PCL** | 505 | 500 | 556 |
| **Expenses** | 4,855 | 4,786 | 4,640 |
| **Net Income** | **2,769** | **2,503** | **2,358** |
| **Diluted EPS** ($) | **1.46** | **1.31** | **1.24** |

| Adjusted[1] | Q3/17 | Q2/17 | Q3/16 |
|---|---|---|---|
| **Net Income** | 2,865 | 2,561 | 2,416 |
| **Diluted EPS** ($) | 1.51 | 1.34 | 1.27 |

## Segment Earnings $MM

| Q3/17 | Reported | Adjusted |
|---|---|---|
| **Retail**[2] | 2,626 | 2,626 |
| *Canadian Retail* | *1,725* | *1,725* |
| *U.S. Retail* | *901* | *901* |
| **Wholesale** | 293 | 293 |
| **Corporate** | (150) | (54) |

1. Adjusted results are defined in footnote 1 on slide 3. For further information and a reconciliation, please see slide 14.
2. "Retail" comprises the Canadian Retail and U.S. Retail segments. See the Bank's Third Quarter 2017 Earnings News Release and MD&A.

# Canadian Retail

## Highlights (YoY)

**Net income up 14%**

**Revenue up 4%**

- Loan volumes up 5%
- Deposit volumes up 11%

**NIM of 2.84% up 3 bps QoQ**

**PCL up 1% QoQ**

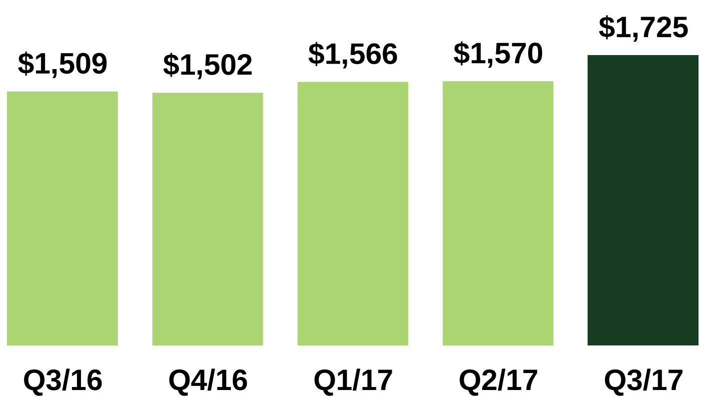
**Expenses up 4%**

- Efficiency ratio of 41.6%
- Operating leverage net of claims of 400 bps

## P&L $MM

| | Q3/17 | QoQ | YoY |
|---|---|---|---|
| Revenue | 5,329 | 4% | 4% |
| Insurance Claims | 519 | -4% | -25% |
| Revenue Net of Claims[1] | 4,810 | 5% | 8% |
| PCL | 238 | 1% | -8% |
| Expenses | 2,219 | 0% | 4% |
| **Net Income** | **1,725** | **10%** | **14%** |
| ROE | 46.9% | | |

## Earnings $MM




1. Total revenues (without netting insurance claims) were $5,141MM and $5,132MM in Q3 2016 and Q2 2017, respectively. Insurance claims and related expenses were $692MM and $538MM in Q3 2016 and Q2 2017, respectively.

# U.S. Retail

## Highlights US$MM (YoY)

### Net income up 11%

### Revenue up 10%

- Loan volumes up 5%
- Deposit volumes up 7%

### NIM of 3.14%, up 9 bps QoQ

### PCL up 20% QoQ

- Prior period parameter changes to the retail portfolio

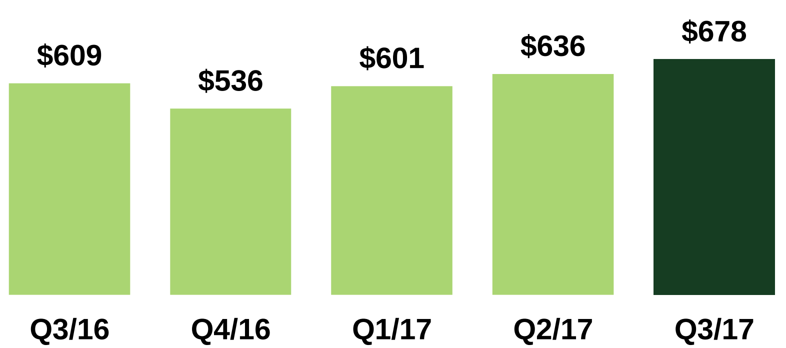
### Expenses up 5%

- Efficiency ratio of 55.7%
- Operating leverage of 530 bps

## P&L US$MM (except where noted)

| | Q3/17 | QoQ | YoY |
|---|---|---|---|
| **Revenue**[1] | 1,999 | 6% | 10% |
| **PCL** | 137 | 20% | 5% |
| **Expenses** | 1,113 | 2% | 5% |
| **U.S. Retail Bank Net Income** | **590** | **6%** | **15%** |
| **Equity income – TD AMTD** | 88 | 7% | -9% |
| **Net Income** | **678** | **7%** | **11%** |
| **Net Income (C$MM)** | 901 | 7% | 14% |
| **ROE** | 10.3% | | |

## Earnings US$MM






1. Effective the first quarter of 2017, the impact from certain treasury and balance sheet management activities relating to the U.S. Retail segment is recorded in the Corporate segment.

# Wholesale Banking

## Highlights (YoY)

**Net income down 3%**

**Revenue up 5%**

- Higher trading and corporate lending

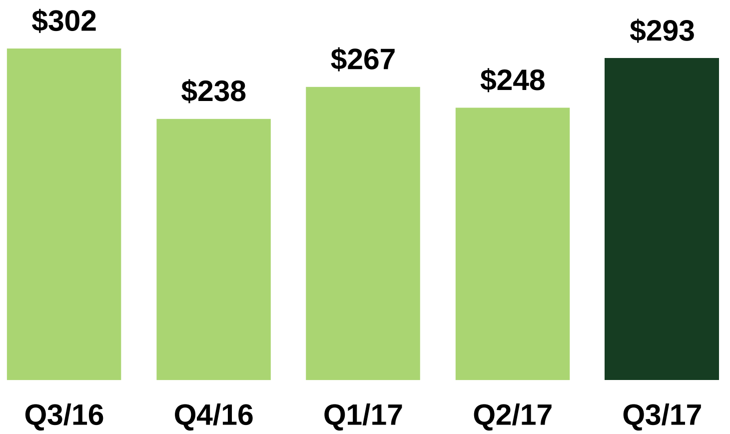
**Expenses up 15%**

- Higher variable compensation and investments in the U.S.

## P&L $MM

| | Q3/17 | QoQ | YoY |
|---|---|---|---|
| **Revenue** | 902 | 10% | 5% |
| **PCL** | - | NM | NM |
| **Expenses** | 504 | 5% | 15% |
| **Net Income** | **293** | **18%** | **-3%** |
| **ROE** | 19.6% | | |

## Earnings $MM




NM: Not meaningful

# Corporate Segment

## Highlights (YoY)

**Reported loss of $150MM**

- Adjusted[1] loss of $54MM
- Higher contribution from Other
- Lower corporate expenses
- Partially offset by loss on sale of the Direct Investing business in Europe

## P&L $MM

| Reported | Q3/17 | Q2/17 | Q3/16 |
|---|---|---|---|
| **Net Income[2]** | **(150)** | **(160)** | **(241)** |

| Adjusted[1] | Q3/17 | Q2/17 | Q3/16 |
|---|---|---|---|
| **Net Corporate Expenses** | (166) | (186) | (222) |
| **Other** | 83 | 56 | 10 |
| **Non-Controlling Interests** | 29 | 28 | 29 |
| **Net Income[2]** | **(54)** | **(102)** | **(183)** |

1. Adjusted results are defined in footnote 1 on slide 3. For further information and a reconciliation, please see slide 14.
2. See slide 6, footnote 1.

Note: Corporate Segment includes corporate expenses, other items not fully allocated to operating segments, and net treasury and capital management-related activities. See page 17 of the Bank's Q3 2017 Report to Shareholders for more information.

# Capital & Liquidity

## Highlights

**Common Equity Tier 1 ratio of 11%**

**Leverage ratio of 4.1%**

**Liquidity coverage ratio of 124%**

**Announced an amendment to TD's NCIB for up to an additional 20 million common shares, subject to regulatory approval**

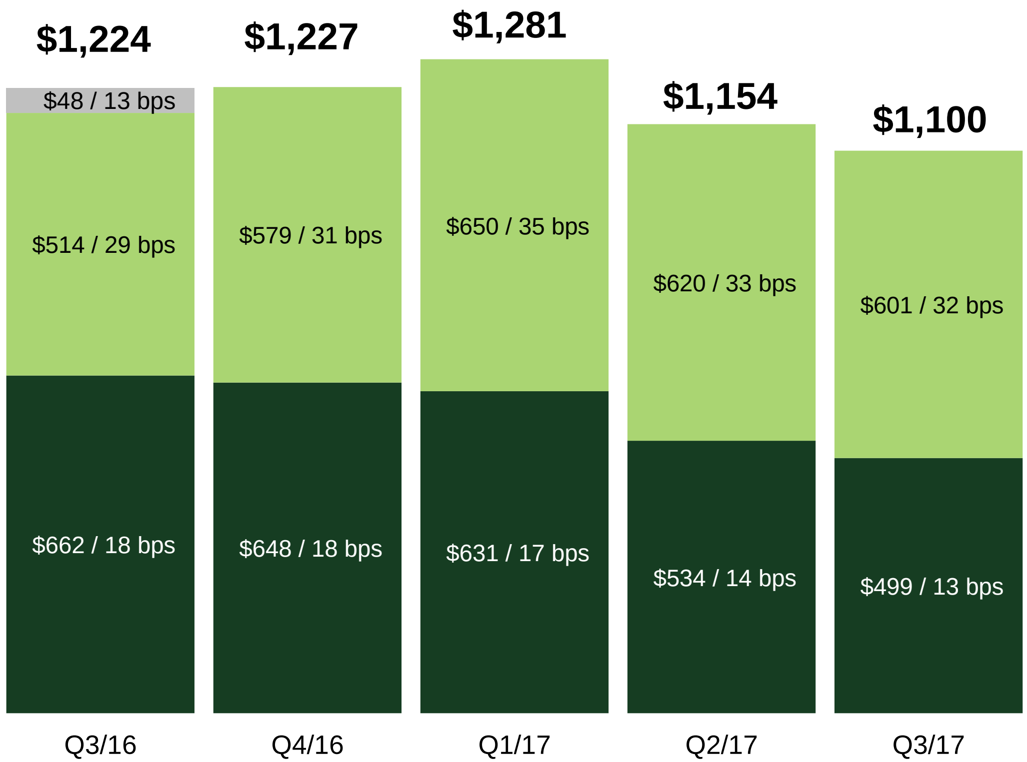
## Common Equity Tier 1[1]

| | |
|---|---|
| **Q2 2017 CET1 Ratio** | **10.8%** |
| Internal capital generation | 38 |
| Impact of issuance of common shares | 8 |
| Actuarial gains on employee pension plans | 7 |
| RWA increase and other | (26) |
| **Q3 2017 CET1 Ratio** | **11.0%** |

1. Amounts are calculated in accordance with the Basel III regulatory framework, excluding Credit Valuation Adjustment (CVA) capital in accordance with OSFI guidance and are presented based on the "all-in" methodology. The CVA capital charge is phased in over a five year period based on a scalar approach. The scalars are 72% in fiscal 2017, 80% in fiscal 2018 and 100% in fiscal 2019.

# Gross Impaired Loan Formations
## By Portfolio

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




| | | | | | | |
|---|---|---|---|---|---|---|
| TD | **21** | **21** | **21** | **19** | **18** | ***bps*** |
| Cdn Peers[4] | **18** | **16** | **15** | **16** | **NA** | ***bps*** |

**Other[3]**
**Wholesale Portfolio**
**U.S. Retail Portfolio**
**Canadian Retail Portfolio**

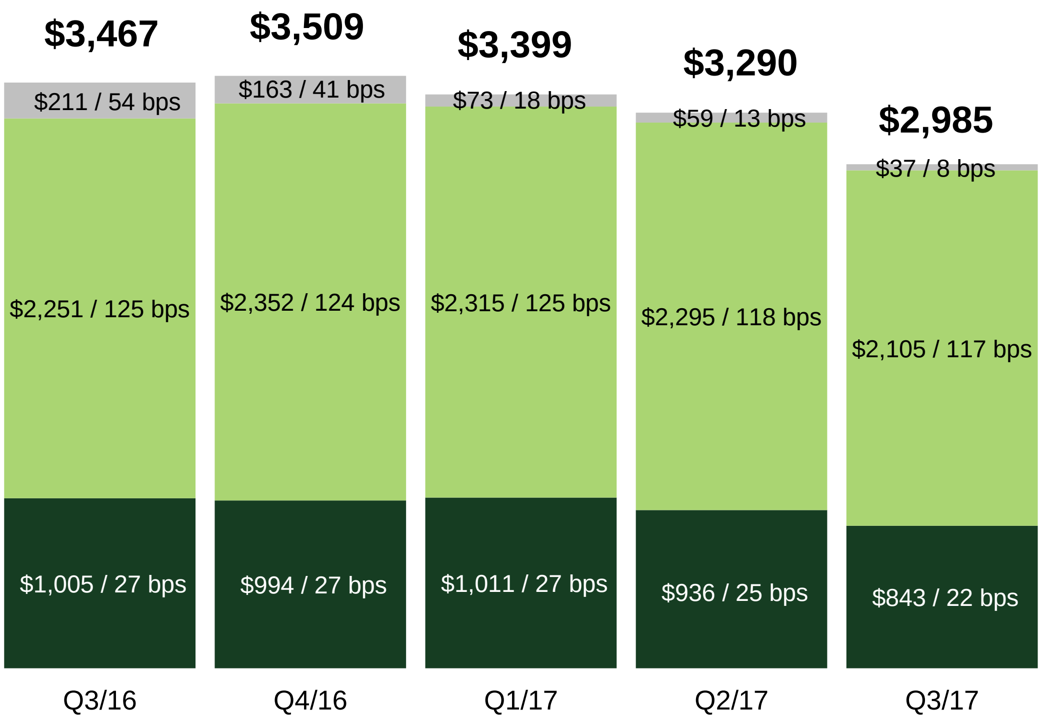
## Highlights

- Gross Impaired Loan Formations decreased by $54MM in the quarter driven by:
  - $33MM lower formations in the Canadian RESL 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 Corporate Segment Loans
4. Average of Canadian Peers – BMO, BNS, CIBC, RBC; peer data includes debt securities classified as loans
NA: Not available

# Gross Impaired Loans (GIL)
## By Portfolio

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




| | | | | | | |
|---|---|---|---|---|---|---|
| TD | **59** | **58** | **57** | **53** | **49** | ***bps*** |
| Cdn Peers[4] | **74** | **74** | **69** | **67** | **NA** | ***bps*** |

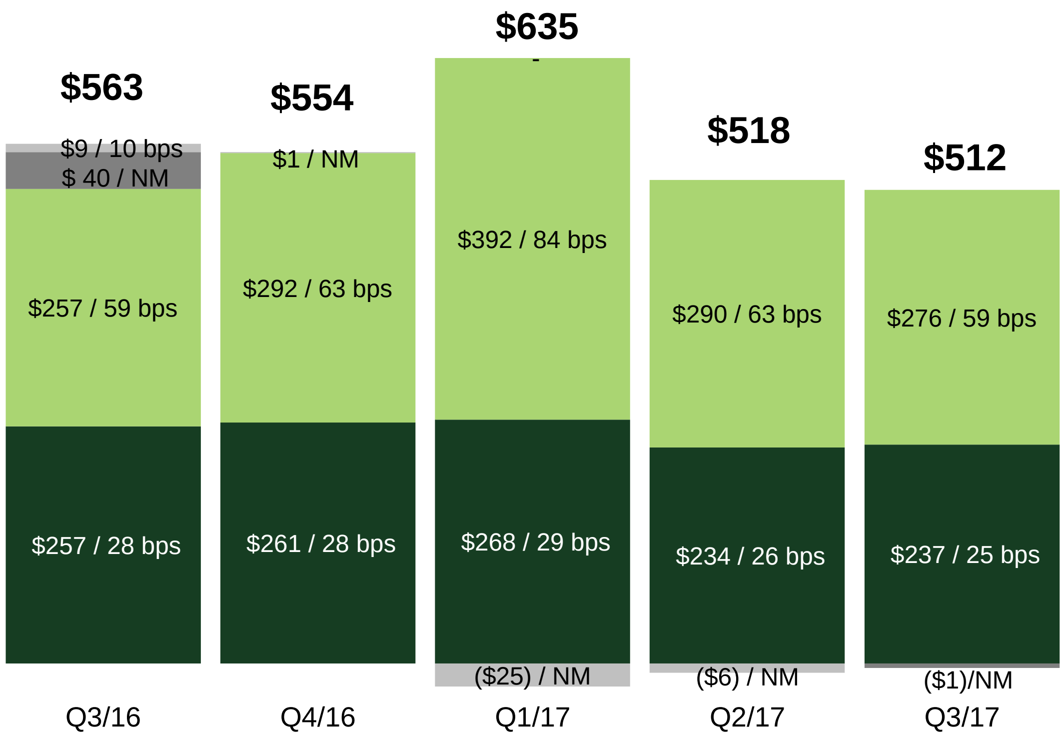
## Highlights

- Gross Impaired Loans down $305MM quarter-over-quarter due to:
  - $197MM impact of foreign exchange
  - $74MM reduction in the Canadian RESL portfolio as resolutions outpaced formations

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 Corporate Segment Loans
4. Average of Canadian Peers – BMO, BNS, CIBC, RBC; peer data includes debt securities classified as loans
NA: Not available

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

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




| | | | | | | |
|---|---|---|---|---|---|---|
| TD[1] | **39** | **37** | **42** | **35** | **33** | ***bps*** |
| Cdn Peers[5] | **33** | **30** | **28** | **30** | **NA** | ***bps*** |

- **Other[3]**
- **Wholesale Portfolio[4]**
- **U.S. Retail Portfolio[6]**
- **Canadian Retail Portfolio**

## Highlights

- PCL rate remains at a cyclically low level
- Credit quality remains strong across all segments

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 provisions for incurred but not identified credit losses for Canadian Retail and Wholesale that are booked in the Corporate segment
4. Wholesale PCL excludes premiums on credit default swaps (CDS): Q3/17 - $(2)MM, Q2/17 - $(2)MM , Q1/17 - $(2)MM, Q4/16 - $(3)MM , Q3/16 - $(3)MM
5. Average of Canadian Peers – BMO, BNS, CIBC, RBC; peer data includes debt securities classified as loans
6. U.S. Credit Card Provision for Credit Losses includes the retailer program partners' share of the U.S. Strategic Cards Portfolio: Q3/17 – US$68MM, Q2/17 – US $89MM , Q1/17 – US $99MM, Q4/16 – US $72MM, Q3/16 – US $63MM

NM: Not meaningful
NA: Not available

# Appendix

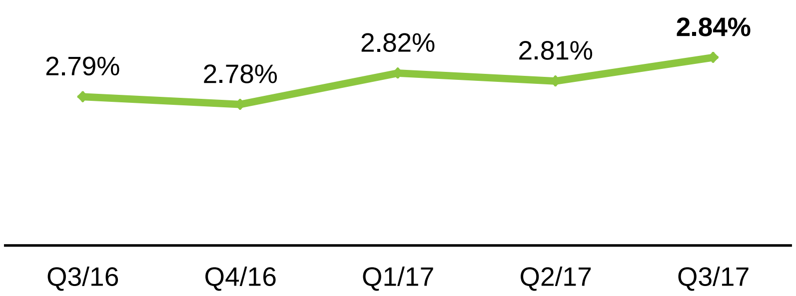
# Q3 2017: Items of Note[1]

| | | MM | EPS | | |
|---|---|---|---|---|---|
| **Reported net income and EPS (diluted)** | | **$2,769** | **$1.46** | | |
| **Items of note** | **Pre Tax (MM)** | **After Tax (MM)** | **EPS** | **Segment** | **Revenue/ Expense Line Item[3]** |
| Amortization of intangibles[1] | $74 | $56 | $0.03 | Corporate | page 9, line 12 |
| Loss on sale of the Direct Investing business in Europe[2] | $42 | $40 | $0.02 | Corporate | Page 9, line 13 |
| **Excluding Items of Note above** | | | | | |
| **Adjusted[4] net income and EPS (diluted)** | | **$2,865** | **$1.51** | | |

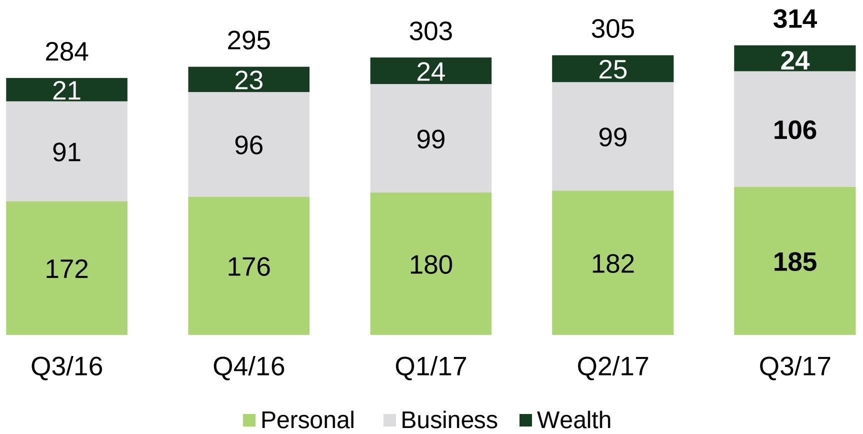
1. Includes amortization of intangibles expense of $16MM in Q3 2017, net of tax, for TD Ameritrade Holding Corporation. Amortization of intangibles relates to intangibles acquired as a result of asset acquisitions and business combinations. Although the amortization of software and asset servicing rights is recorded in amortization of intangibles, it is not included for purposes of the items of note.
2. On June 2, 2017, the Bank completed the sale of its Direct Investing business in Europe to Interactive Investor PLC. A loss of $40 million after tax, which remains subject to the final purchase price adjustment, was recorded in the Corporate segment in other income (loss). The loss is not considered to be in the normal course of business for the Bank.
3. This column refers to specific pages of the Bank's Q3 2017 Supplementary Financial Information package, which is available on our website at td.com/investor.
4. Adjusted results are defined in footnote 1 on slide 3.

# Canadian Retail

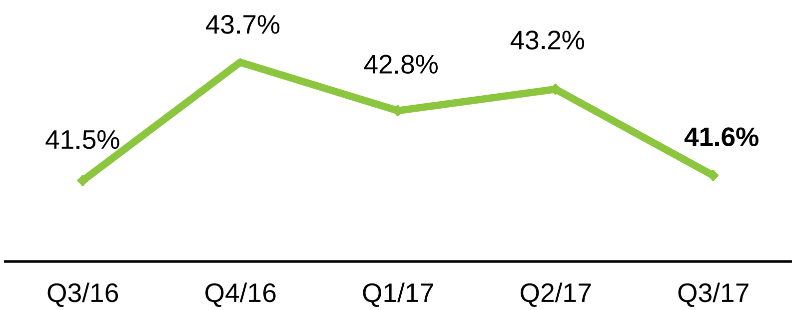
## Net Interest Margin



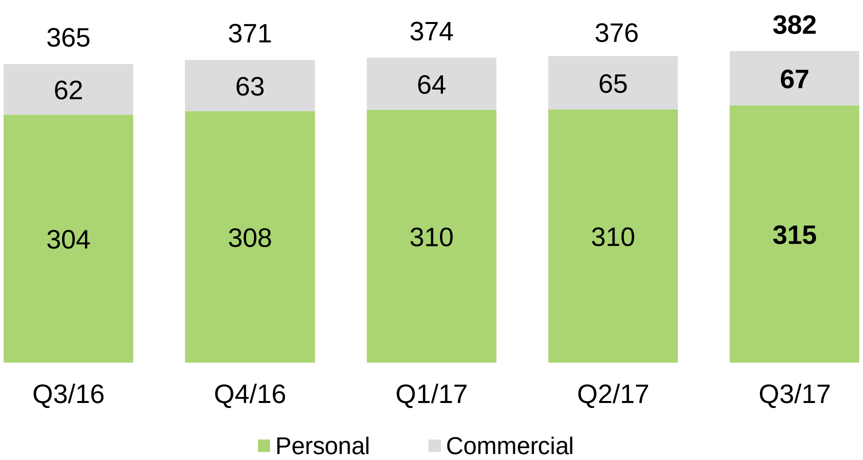

## Average Deposits $B




## Efficiency Ratio

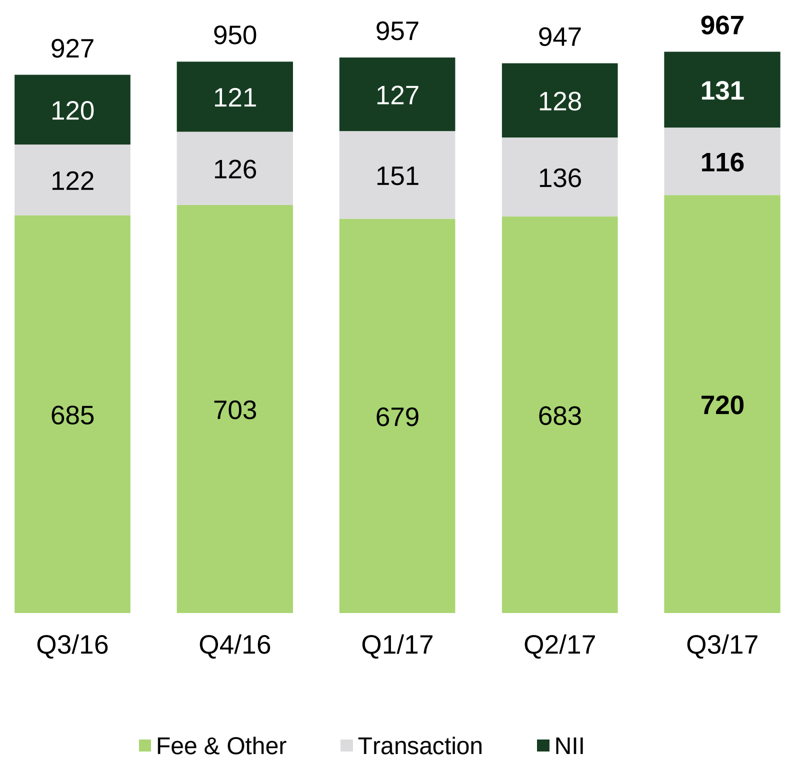



## Average Loans $B



# Canadian Retail: Wealth

## Wealth Revenue $MM



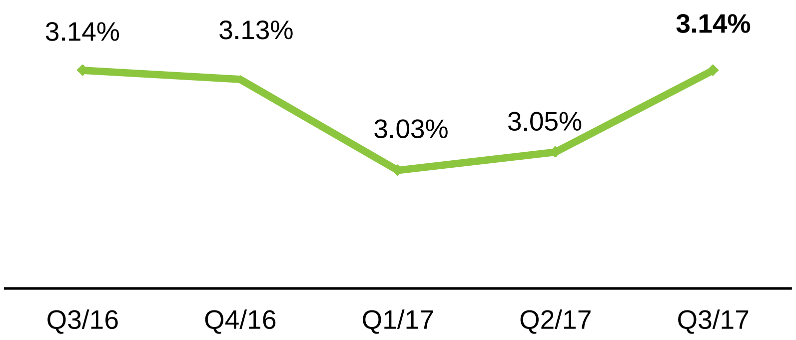

## Canadian Retail Assets $B[1]


1. Canadian Retail assets include assets under management (AUM) and assets under administration (AUA). Effective the first quarter of 2017, the Bank changed the framework for classifying AUA and AUM. The primary change is to recognize mutual funds sold through the branch network as part of AUA. In addition, AUA has been updated to reflect a change in the measurement of certain business activities within Canadian Retail. Comparative amounts have been recast to conform with the revised presentation.

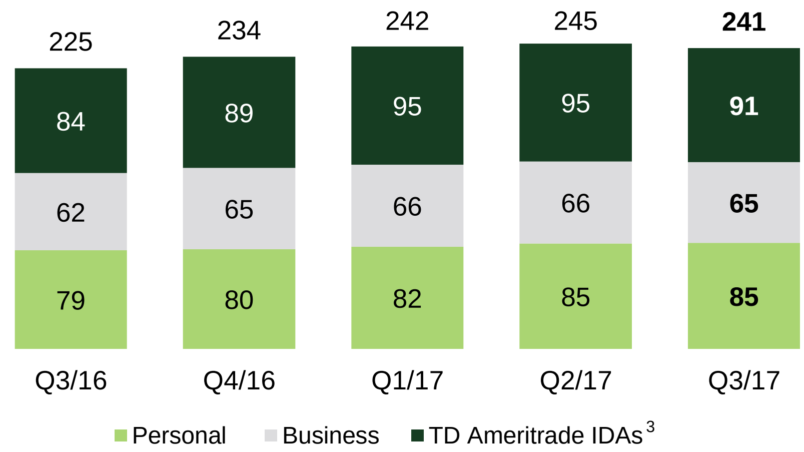
2. The AUA figure in Q3 2017 reflects the sale of the Directing Investing business in Europe during the quarter.

# U.S. Retail

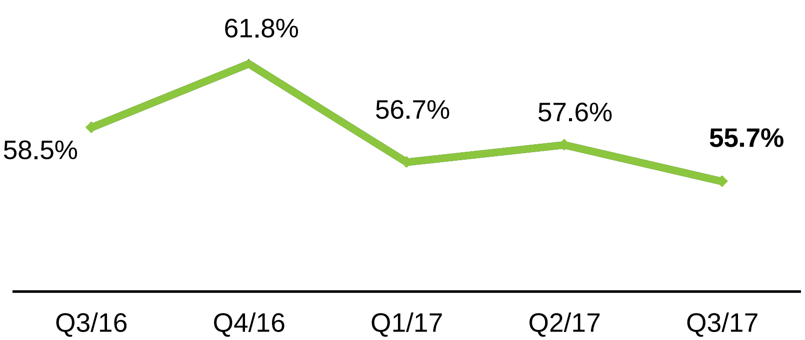
## Net Interest Margin[1]



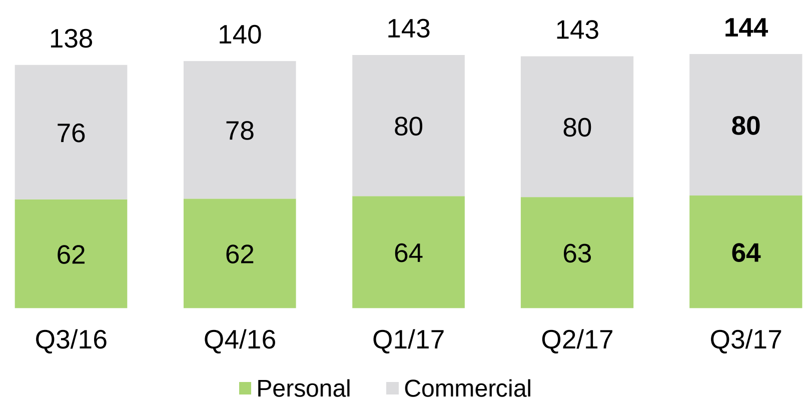

## Average Deposits US$B




## Efficiency Ratio[2]



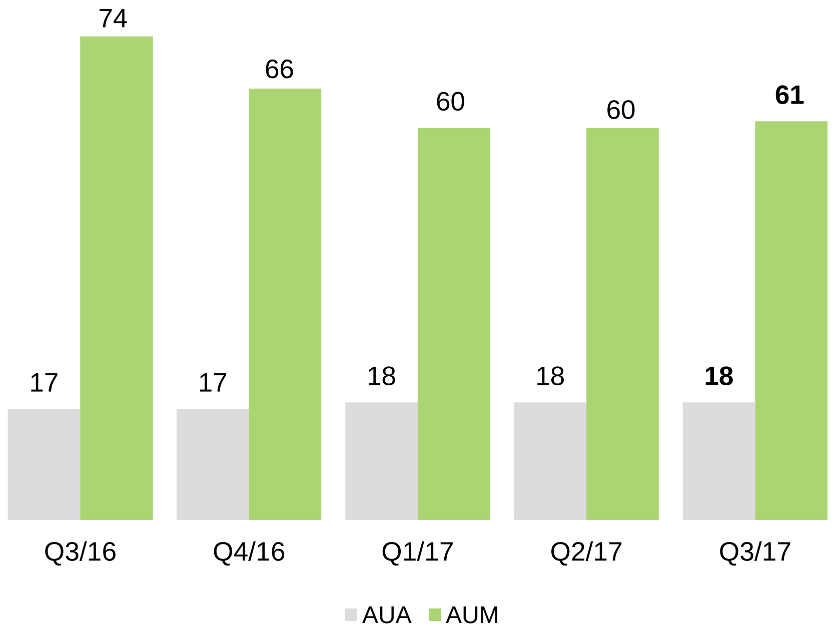

## Average Loans US$B




1. The margin on average earning assets excludes the impact related to the TD Ameritrade insured deposit accounts (IDA) and the impact of intercompany deposits and cash collateral. In addition, the value of tax-exempt interest income is adjusted to its equivalent before-tax value. Effective the first quarter of 2017, the impact from certain treasury and balance sheet management activities relating to the U.S. Retail segment is recorded in the Corporate segment.
2. U.S. Retail Bank efficiency ratio in USD.
3. Insured deposit accounts.

# U.S. Retail: Wealth and TD Ameritrade

## TD Wealth Assets US$B[1]




## TD Ameritrade[2]

**TD's share of TD Ameritrade's net income was C$118MM in Q3/17, down 6% YoY mainly due to:**

- Higher operating expenses and favourable tax items in the prior year.
- Partially offset by higher asset-based revenues and trading volumes.

**TD Ameritrade results:**

- Net income was US$231MM in Q3/17, down 4% YoY
- Average trades per day were 510,000, up 10% YoY
- Total clients assets rose to US$882 billion, up 20% YoY

1. TD Wealth assets includes assets under management (AUM) and assets under administration (AUA). Effective the first quarter of 2017, the Bank changed the framework for classifying AUA and AUM. The primary change is to include a portion of the AUM balance administered by the Bank in AUA. Comparative amounts have been recast to conform with the revised presentation.
2. TD's share of net income in US$ is the corresponding C$ net income contribution of TD Ameritrade to the U.S. Retail segment included in the Bank's Report 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/default.aspx*

# Gross Lending Portfolio
## Includes B/As

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

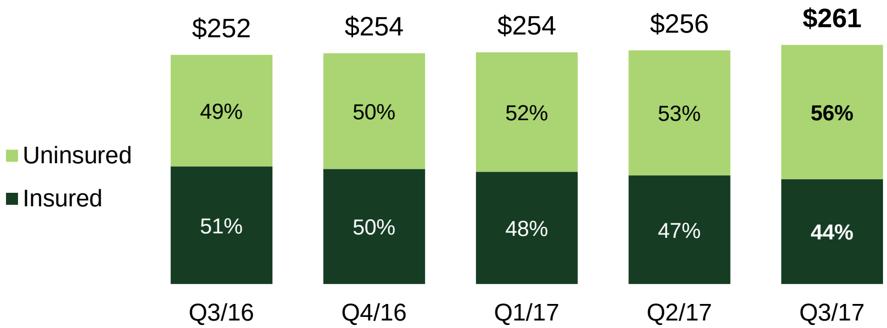
| | Q2/17 | Q3/17 |
|---|---|---|
| **Canadian Retail Portfolio** | **$ 377.5** | **$ 386.1** |
| **Personal** | **$ 312.0** | **$ 318.7** |
| Residential Mortgages | 188.1 | 189.4 |
| Home Equity Lines of Credit (HELOC) | 68.0 | 72.3 |
| Indirect Auto | 20.9 | 21.6 |
| Unsecured Lines of Credit | 9.7 | 9.7 |
| Credit Cards | 18.0 | 18.2 |
| Other Personal | 7.3 | 7.5 |
| **Commercial Banking (including Small Business Banking)** | **$ 65.5** | **$ 67.4** |
| **U.S. Retail Portfolio** (all amounts in US$) | **US$ 142.7** | **US$ 144.8** |
| **Personal** | **US$ 62.8** | **US$ 64.4** |
| Residential Mortgages | 20.8 | 20.9 |
| Home Equity Lines of Credit (HELOC)[1] | 9.7 | 9.6 |
| Indirect Auto | 21.1 | 21.9 |
| Credit Cards | 10.6 | 11.4 |
| Other Personal | 0.6 | 0.6 |
| **Commercial Banking** | **US$ 79.9** | **US$ 80.4** |
| Non-residential Real Estate | 16.4 | 16.6 |
| Residential Real Estate | 5.2 | 5.5 |
| Commercial & Industrial (C&I) | 58.3 | 58.3 |
| **FX on U.S. Personal & Commercial Portfolio** | $ 52.1 | $ 35.7 |
| **U.S. Retail Portfolio** (C$) | **$ 194.8** | **$ 180.5** |
| **Wholesale Portfolio**[2] | **$ 44.4** | **$ 44.2** |
| **Other**[3] | **$ 2.7** | **$ 2.1** |
| **Total** | **$ 619.4** | **$ 612.9** |

1. U.S. HELOC includes Home Equity Lines of Credit and Home Equity Loans
2. Wholesale portfolio includes corporate lending and other Wholesale gross loans and acceptances
3. Other includes acquired credit impaired loans debt securities classified as loans and loans booked in corporate segment

Note: Some amounts may not total due to rounding

# Canadian Real Estate Secured Lending Portfolio

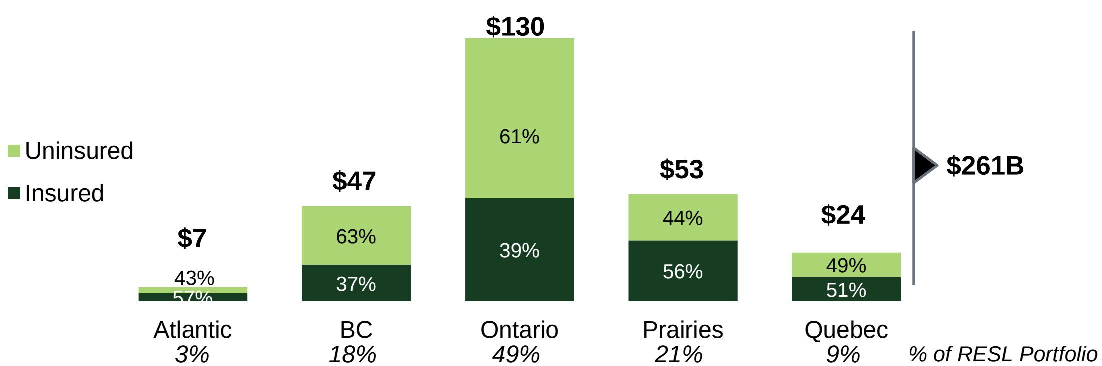
## Quarterly Portfolio Volumes $B




**Canadian RESL Portfolio – Loan to Value**[1]

| | Q3/16 | Q4/16 | Q1/17 | Q2/17 | Q3/17 |
|---|---|---|---|---|---|
| **Uninsured** | 51% | 52% | 51% | 49% | 53% |
| **Insured** | 55% | 55% | 54% | 51% | 54% |

## Regional Breakdown[2] $B




## Highlights

**Canadian RESL credit quality remains strong**

- PCL rate remains stable at 1 bp
- Uninsured and insured portfolio loan-to-value rates stable

**Condo credit quality consistent with broader portfolio**

- Condo borrower RESL outstanding of $41B with 47% insured
- Hi-rise condo construction loans stable at ~1.2% of the Canadian Commercial portfolio



1. Loan To Value based on Seasonally Adjusted Average Price by Major City (Canadian Real Estate Association) and is the combination of each individual RESL LTV weighted by the RESL balance.
2. As of July 31, 2017. 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.

# Canadian Personal Banking

| Canadian Personal Banking[1] | Q3/17 Gross Loans ($B) | GIL ($MM) | GIL / Loans |
|---|---|---|---|
| Residential Mortgages | 189 | 297 | 0.16% |
| Home Equity Lines of Credit (HELOC) | 72 | 118 | 0.16% |
| Indirect Auto | 22 | 44 | 0.20% |
| Credit Cards | 18 | 140 | 0.77% |
| Unsecured Lines of Credit | 10 | 32 | 0.33% |
| Other Personal | 7 | 17 | 0.23% |
| **Total Canadian Personal Banking** | **$319** | **$648** | **0.20%** |
| Change vs. Q2/17 | $7 | $(84) | (0.03%) |

**Canadian Mortgage Portfolio Uninsured Loan to Value[2]**

| Region[3] | Atlantic | BC | Ontario | Prairies | Quebec | Canada |
|---|---|---|---|---|---|---|
| **Q3/17** | 68% | 54% | 57% | 64% | 63% | 58% |
| **Q2/17** | 68% | 57% | 49% | 64% | 63% | 55% |

## Highlights

- Continued strong credit quality in the Canadian Personal portfolio
  - Reduction in Gross Impaired Loans driven by the RESL portfolio

1. Excludes acquired credit impaired loans .
2. Loan To Value based on Seasonally Adjusted Average Price by Major City (Canadian Real Estate Association) and is the combination of each individual mortgage LTV weighted by the mortgage balance.
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.

# Canadian Commercial and Wholesale Banking

| Canadian Commercial and Wholesale Banking | Q3/17 Gross Loans/BAs ($B) | GIL ($MM) | GIL/ Loans |
|---|---|---|---|
| Commercial Banking[1] | 67 | 195 | 0.29% |
| Wholesale | 44 | 37 | 0.08% |
| **Total Canadian Commercial and Wholesale** | **$111** | **$232** | **0.21%** |
| Change vs. Q2/17 | $1 | $(31) | (0.04%) |

| Industry Breakdown[1] | Gross Loans/BAs ($B) | Gross Impaired Loans ($MM) | Specific Allowance[2] ($MM) |
|---|---|---|---|
| Real Estate – Residential | 17.4 | 18 | 7 |
| Real Estate – Non-residential | 13.1 | 6 | 3 |
| Financial | 17.9 | 1 | 0 |
| Govt-PSE-Health & Social Services | 9.8 | 14 | 5 |
| Pipelines, Oil and Gas | 5.7 | 72 | 31 |
| Metals and Mining | 1.4 | 15 | 6 |
| Forestry | 0.5 | 0 | 0 |
| Consumer[3] | 4.8 | 24 | 12 |
| Industrial/Manufacturing[4] | 6.0 | 47 | 36 |
| Agriculture | 6.8 | 7 | 1 |
| Automotive | 10.8 | 3 | 1 |
| Other[5] | 17.5 | 25 | 11 |
| **Total** | **$111** | **$232** | **$113** |

## Highlights

- Canadian Commercial and Wholesale Banking portfolios continue to perform well
  - Wholesale GIL decrease in the quarter due to a resolution in the Oil & Gas sector

1. Includes Small Business Banking and Business Visa
2. Includes Counterparty Specific and Individually Insignificant 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: Power and Utilities; Telecommunications, Cable and Media; Transportation; Professional and Other Services; Other

# U.S. Personal Banking – U.S. Dollars

| U.S. Personal Banking[1] | Q3/17 Gross Loans ($B) | GIL ($MM) | GIL / Loans |
|---|---|---|---|
| Residential Mortgages | 21 | 353 | 1.69% |
| Home Equity Lines of Credit (HELOC)[2] | 10 | 656 | 6.80% |
| Indirect Auto | 22 | 181 | 0.82% |
| Credit Cards | 11 | 183 | 1.60% |
| Other Personal | 0.6 | 6 | 0.93% |
| **Total U.S. Personal Banking (USD)** | **$65** | **$1,379** | **2.14%** |
| Change vs. Q2/17 (USD) | $2 | $19 | (0.03%) |
| Foreign Exchange | $16 | $341 | - |
| **Total U.S. Personal Banking (CAD)** | **$81** | **$1,720** | **2.14%** |

**U.S. Real Estate Secured Lending Portfolio[1]**

Indexed Loan to Value (LTV) Distribution and Refreshed FICO Scores[3]

| Current Estimated LTV | Residential Mortgages | 1st Lien HELOC | 2nd Lien HELOC | Total |
|---|---|---|---|---|
| **>80%** | 5% | 9% | 20% | 8% |
| **61-80%** | 37% | 32% | 48% | 38% |
| **<=60%** | 58% | 59% | 32% | 54% |
| **Current FICO Score >700** | 88% | 89% | 85% | 88% |

## Highlights

- Continued good asset quality in U.S. Personal

1. Excludes acquired credit-impaired loans and debt securities classified as loans
2. HELOC includes Home Equity Lines of Credit and Home Equity Loans
3. Loan To Value based on authorized credit limit and Loan Performance Home Price Index as of February 2017. FICO Scores updated March 2017.

# U.S. Commercial Banking – U.S. Dollars

| U.S. Commercial Banking[1] | Q3/17 Gross Loans / BAs ($B) | Q3/17 GIL ($MM) | Q3/17 GIL/ Loans |
|---|---|---|---|
| **Commercial Real Estate (CRE)** | **22** | **81** | **0.37%** |
| Non-residential Real Estate | 17 | 53 | 0.32% |
| Residential Real Estate | 5 | 28 | 0.56% |
| **Commercial & Industrial (C&I)** | **58** | **228** | **0.39%** |
| **Total U.S. Commercial Banking (USD)** | **$80** | **$309** | **0.39%** |
| Change vs. Q2/17 (USD) | $0 | ($12) | (0.01%) |
| Foreign Exchange | $20 | $76 | - |
| **Total U.S. Commercial Banking (CAD)** | **$100** | **$385** | **0.39%** |

| Commercial Real Estate | Gross Loans/BAs (US $B) | GIL (US $MM) |
|---|---|---|
| Office | 5.6 | 19 |
| Retail | 5.1 | 13 |
| Apartments | 4.7 | 15 |
| Residential for Sale | 0.2 | 2 |
| Industrial | 1.2 | 2 |
| Hotel | 0.9 | 15 |
| Commercial Land | 0.1 | 9 |
| Other | 4.4 | 6 |
| **Total CRE** | **$22** | **$81** |

| Commercial & Industrial | Gross Loans/BAs (US $B) | GIL (US $MM) |
|---|---|---|
| Health & Social Services | 8.3 | 20 |
| Professional & Other Services | 7.1 | 43 |
| Consumer[2] | 5.8 | 52 |
| Industrial/Mfg[3] | 6.8 | 53 |
| Government/PSE | 9.5 | 5 |
| Financial | 2.4 | 22 |
| Automotive | 2.7 | 12 |
| Other[4] | 15.3 | 21 |
| **Total C&I** | **$58** | **$228** |

## Highlights

- Sustained good credit quality in U.S. Commercial Banking

1. Excludes acquired credit-impaired loans and debt securities classified as loans
2. Consumer includes: Food, beverage and tobacco; Retail sector
3. Industrial/Manufacturing includes: Industrial construction and trade contractors; Sundry manufacturing and wholesale
4. Other includes: Agriculture; Power and utilities; Telecommunications, cable and media; Transportation; Resources; Other

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# TD Bank Group
# Q3 2017 Quarterly Results Presentation

Thursday August 31, 2017