



TD Bank Group to Acquire Greystone Managed Investments Inc.

July 10, 2018

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 ("2017 MD&A") in the Bank's 2017 Annual Report under the heading "Economic Summary and Outlook", for the Canadian Retail, U.S. Retail and Wholesale Banking segments under headings "Business Outlook and Focus for 2018", and for the Corporate segment, "Focus for 2018", and in other statements regarding the Bank's objectives and priorities for 2018 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, interest rate, and credit spreads), 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, capital guidelines and liquidity regulatory guidance and the bank recapitalization "bail-in" regime; 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 2017 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 2017 MD&A under the headings "Economic Summary and Outlook", for the Canadian Retail, U.S. Retail, and Wholesale Banking segments, "Business Outlook and Focus for 2018", and for the Corporate segment, "Focus for 2018", 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.

Strategic Rationale



Differentiated Product Mix Adds New Capabilities to the Bank

- Unique opportunity to add a team of respected investment professionals with strong capabilities in alternative asset management (Real Estate, Mortgages, Infrastructure)
- Broad equity capabilities including expertise in International and Chinese markets
- TD and Greystone to jointly launch a global real estate fund

Leverages TD's Strength in Distribution

- Provides TD the ability to offer differentiated products to high net worth customers
- A more comprehensive investment product suite will allow a broader institutional client base
- Makes TD the largest asset manager in Canada¹

Drives Better Solutions for Our Collective Clients

- A top-tier team of management and investment professionals that brings a complementary investment philosophy and employee culture
- Provides institutional and high net worth clients with a broader solution set to better meet their investing needs

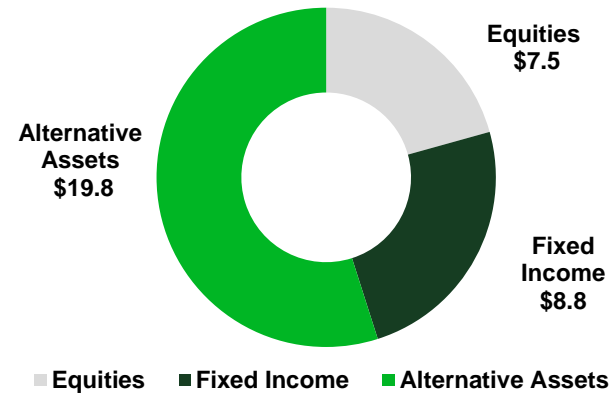
¹ Source: Strategic Insight Managed Money Advisory Service – Canada (Spring 2018 report, AUM effective December 2017), Benefits Canada 2018 Top 40 Money Managers report (May 2018 report, AUM effective December 2017).

Overview of Greystone

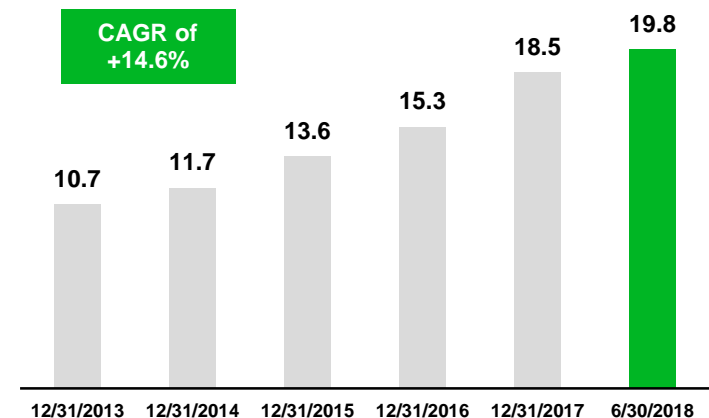


- Founded in 1988 in Regina, Saskatchewan, Greystone has developed a unique multi-asset product and solution capability
 - Greystone offers fixed income, equities and alternative products to its clients
 - Greystone is primarily owned by its employees (70%+), with the remaining ownership held by several institutional investors
- Institutional client base primarily made up of pension funds, insurance providers, trusts and foundations
- Geographically diverse client base across Canada
- \$36B of AUM¹
- 69% of assets in alternative or balanced asset mandates¹

AUM By Asset Class (\$B)¹



Alternative Asset AUM By Year (\$B)



¹ As at June 30, 2018

Greystone Alternative Asset Capabilities



	Real Estate	Mortgages	Infrastructure
Property Type / Sector	Office, Retail, Industrial, Multi-unit Residential	Office, Retail, Industrial, Multi-unit Residential	Transportation, Power Generation, Renewable Energy
Risk Strategy / Type	Core, Value-add, Opportunity, Transition	Conventional, High Yield, Conventional Plus	Core, Value-add, Greenfield
Assets Under Management ¹	\$15.5B	\$4.1B	\$152MM
Number of Clients ²	180	90	<20
Number of Portfolio Assets ²	210	125	<5

Sustainable, long term track record of alternative fund outperformance relative to industry benchmarks³

¹ As at June 30, 2018

² As at March 31, 2018

³ Real Estate Fund benchmarked against IPD All Property index; Mortgage Fund benchmarked against FTSE TMX Canada Short Term Overall Bond (60%), FTSE TMX Canada Mid Term Overall Bond (40%) + 0.5% per annum; Infrastructure Fund benchmark assumes 8% gross return rolling over a four year period and taking into account CAD to USD FX movement

Transaction Summary



Valuation

- Net purchase price of \$792MM, subject to certain adjustments
 - Comprised of enterprise value of \$730MM, seed capital of approximately \$105MM and other net adjustments

Consideration

- Shareholders to receive 70% cash consideration and 30% in TD common shares
 - 30% share consideration to be escrowed for two years; release from escrow for employee shareholders subject to continuing employment with TD
- Shareholders have the ability to elect up to an additional 20% of consideration in TD common shares (not subject to escrow)
- Supplemental retention program for certain Greystone senior executives

Returns / Capital Impact

- Expected to be accretive to reported earnings by year 3 and to adjusted earnings in year 1
 - Approximately \$170MM of the TD common shares issued in respect of the purchase price will be escrowed subject to retention and charged to earnings over the first two years after closing
- Reduction of CET1 on close of less than 10 basis points
- TD expects to recognize approximately \$550MM of goodwill and intangibles

Structure

- Greystone's deep and experienced portfolio management team to continue serving clients under TD Greystone Asset Management brand while operating out of Regina, Saskatchewan
- Greystone CEO Rob Vanderhooft will run the TD Greystone business, reporting to Bruce Cooper, CEO of TD Asset Management

Expected Closing

- Second half of calendar 2018, subject to customary conditions and regulatory approvals

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