



# TD Bank Group Investor Presentation

Q2 2019

# 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 ("2018 MD&A") in the Bank's 2018 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 2019", and for the Corporate segment, "Focus for 2019", and in other statements regarding the Bank's objectives and priorities for 2019 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 2018 MD&A, as may be updated in subsequently filed quarterly reports to shareholders and news releases (as applicable) related to any events or transactions discussed under the headings "Significant Events" and "Significant and Subsequent Events in 2019" 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 2018 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 2019", and for the Corporate segment, "Focus for 2019", 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.

# TD Bank Group – Key Themes



## 1 Top 10 North American Bank

**6<sup>th</sup> largest N.A. bank  
by Total Assets<sup>1</sup>**  
**6<sup>th</sup> largest N.A. bank  
by Market Cap<sup>1</sup>**

## 2 Proven Performance

*Delivering  
**top tier** long term  
shareholder returns<sup>2</sup>*

## 3 Strong Balance Sheet and Capital Position

***Highly rated**  
by major credit rating  
agencies*

## 4 Focus on Growth Opportunities

*Targeting **7-10%**  
adjusted EPS growth  
over the medium  
term<sup>3</sup>*

1. See slide 8.  
2. See slide 16.  
3. See slide 8, footnote 1, for definition of adjusted results.

**TD aims to stand out from its peers by having a differentiated brand** – anchored in our proven business model, and rooted in a desire to give our customers, communities and colleagues the confidence to thrive in a changing world.



## Proven business model

Deliver consistent earnings growth, underpinned by a strong risk culture

- Diversification and scale
- Balance sheet strength
- Safety, security and trust



## Purpose-driven

Centre everything we do on our vision, purpose, and shared commitments

- Customers
- Communities
- Colleagues



## Forward-focused

Shape the future of banking in the digital age

- Omni-channel
- Modernized operations
- Innovation

**This is brought to life by the TD Framework**, which shapes our culture and guides our behaviour as we execute our strategy of being a premier Canadian retail bank, a top U.S. retail bank, and a leading Wholesale business aligned with our retail franchise.



**Our vision**  
Be the better bank

**Our purpose**  
Enrich the lives of our customers, communities and colleagues

## TD Framework

### Our shared commitments

Think like a customer; provide legendary experiences and trusted advice

Act like an owner; lead with integrity to drive business results and contribute to communities

Execute with speed and impact; only take risks we can understand and manage

Innovate with purpose; simplify the way we work

Develop our colleagues; embrace diversity and respect one another

# TD Snapshot



## Our Businesses

### Canadian Retail

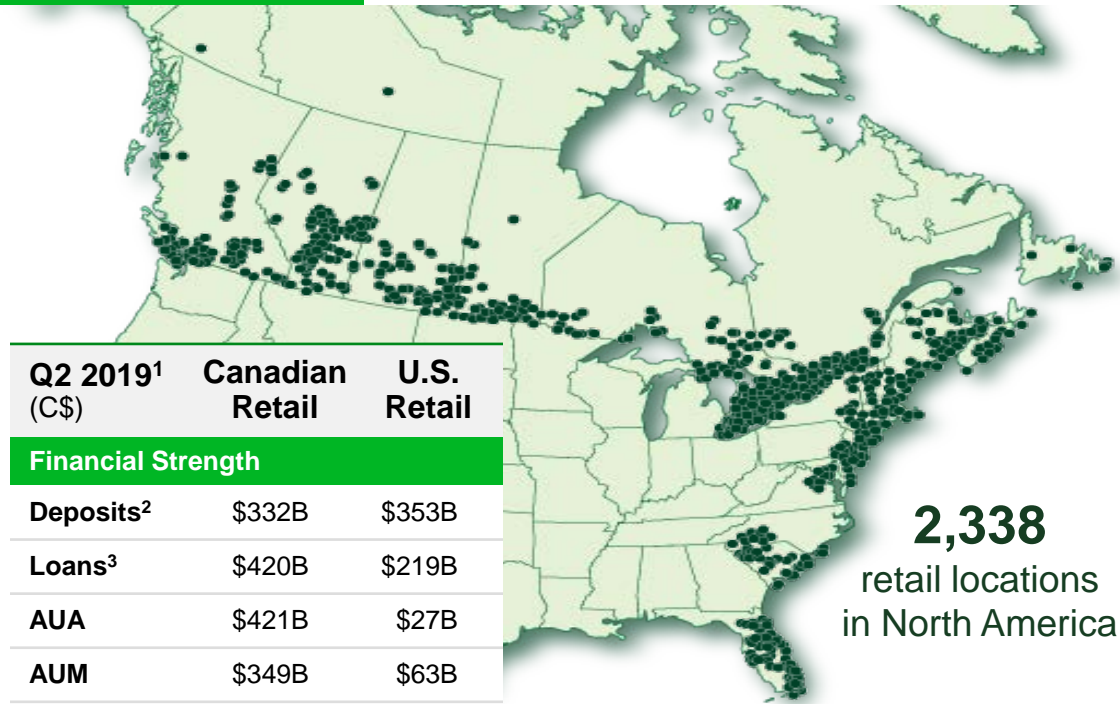
- Personal banking, credit cards and auto finance
- Small business and commercial banking
- Direct investing, advice-based wealth businesses, and asset management
- Property, casualty, life and health insurance

### U.S. Retail

- Personal banking, credit cards and auto finance
- Small business and commercial banking
- Corporate and specialty banking
- Wealth private client services
- Strategic relationship with TD Ameritrade

### Wholesale Banking

- Research, investment banking and capital market services
- Global transaction banking
- Presence in key global financial centres including New York, London and Singapore



**2,338**  
retail locations  
in North America

### Network Highlights

Employees <sup>5</sup>	40,498	26,735
Customers	>15MM	>9MM
Branches	1,100	1,238
ATMs	3,496	2,648
Mobile Users	5.0MM	3.1MM



**15**  
TD Securities  
offices worldwide

1. Q2/19 is the period from February 1, 2019 to April 30, 2019.

2. Total Deposits based on total of average personal and business deposits during Q2/19. U.S. Retail deposits include TD Ameritrade Insured Deposit Accounts (IDAs), Canadian Retail deposits include personal, business and wealth deposits.

3. Total Loans based on total of average personal and business loans during Q2/19.

4. For trailing four quarters ended Q2/19.

5. Average number of full-time equivalent staff in these segments during Q2/19.

# Competing in Attractive Markets



## Country Statistics



- 10<sup>th</sup> largest economy
- Real GDP of C\$1.9 trillion
- Population of 37 million

## Canadian Banking System

- One of the soundest banking systems in the world<sup>1</sup>
- Market leadership position held by the “Big 5” Canadian Banks
- Canadian chartered banks account for more than 74% of the residential mortgage market<sup>2</sup>
- Mortgage lenders have recourse to both borrower and property in most provinces

## TD's Canadian Businesses

- Network of 1,100 branches and 3,496 ATMs<sup>3</sup>
- Composite market share of 21%
- Ranked #1 or #2 in market share for most retail products<sup>4</sup>
- Comprehensive wealth offering with significant opportunity to deepen customer relationships
- Top two investment dealer status in Canada

## Country Statistics



- World's largest economy
- Real GDP of US\$18.6 trillion
- Population of 329 million

## U.S. Banking System

- Over 5,400 banks with market leadership position held by a few large banks<sup>6</sup>
- The 5 largest banks have assets of nearly 40% of the U.S. economy<sup>6</sup>
- Mortgage lenders have limited recourse in most jurisdictions

## TD's U.S. Businesses

- Network of 1,238 stores and 2,648 ATMs<sup>3</sup>
- Operations in 4 of the top 10 metropolitan statistical areas and 7 of the 10 wealthiest states<sup>5</sup>
- Operating in a US\$4.2 trillion deposits market<sup>6</sup>
- Access to nearly 110 million people within TD's footprint<sup>7</sup>
- Expanding U.S. Wholesale business with presence in New York and Houston

1. World Economic Forum, Global Competitiveness Reports 2008-2018.

2. Includes securitizations. As per Canada Mortgage and Housing Corporation (CMHC).

3. Total ATMs includes branch / store, remote, mobile and TD Branded ATMs.

4. See slide 28, footnote 1.

5. State wealth based on current Market Median Household Income.

6. FDIC Institution Directory and 2018 FDIC Summary of Deposits (deposits capped at \$500MM in every county within TD's U.S. banking footprint).

7. Aggregate market population in each of the metropolitan statistical areas within TD's U.S. banking footprint.

# Top 10 North American Bank



Q2 2019 C\$ except otherwise noted		Canadian Ranking <sup>4</sup>	North American Ranking <sup>5</sup>
<b>Total assets</b>	\$1,357B	2 <sup>nd</sup>	6 <sup>th</sup>
<b>Total deposits</b>	\$875B	1 <sup>st</sup>	5 <sup>th</sup>
<b>Market capitalization</b>	\$139.7B	2 <sup>nd</sup>	6 <sup>th</sup>
<b>Reported net income (<i>trailing four quarters</i>)</b>	\$11.6B	2 <sup>nd</sup>	6 <sup>th</sup>
<b>Adjusted net income<sup>1</sup> (<i>trailing four quarters</i>)</b>	\$12.4B	n/a	n/a
<b>Average number of full-time equivalent staff</b>	88,445	2 <sup>nd</sup>	6 <sup>th</sup>
<b>Common Equity Tier 1 capital ratio<sup>2</sup></b>	12.0%	1 <sup>st</sup>	2 <sup>nd</sup>
<b>Moody's long-term debt (deposits) rating<sup>3</sup></b>	Aa1	n/a	n/a

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") to assess each of its businesses and measure overall Bank performance. Please see "How the Bank Reports" section of the MD&A in the First Quarter Earnings News Release for further explanation and a reconciliation of the Bank's non-GAAP measures to reported basis results. Trailing four quarter items of note: Charges related to the long-term loyalty agreement with Air Canada of \$446 million after-tax, Charges related with the acquisition of Greystone of \$58 million after-tax, Charges associated with Scottrade transaction of \$43 million after-tax, amortization of intangibles of \$261 million after tax, and impact from U.S. tax reform of \$(61) million after tax.

2. See slide 24, footnote 1.

3. For long term debt (deposits) of The Toronto-Dominion Bank, as at April 30, 2019. Credit ratings are not recommendations to purchase, sell, or hold a financial obligation inasmuch as they do not comment on market price or suitability for a particular investor. Ratings are subject to revision or withdrawal at any time by the rating organization.

4. Canadian Peers – defined as other 4 big banks (RY, BMO, BNS and CM). All Peers are based on Q/19 results ended April 30, 2019.

5. North American Peers – defined as Canadian Peers and U.S. Peers. U.S. Peers – defined as Money Center Banks (C, BAC, JPM) and Top 3 Super-Regional Banks (WFC, PNC, USB), based on Q1/19 results ended March 31, 2019.



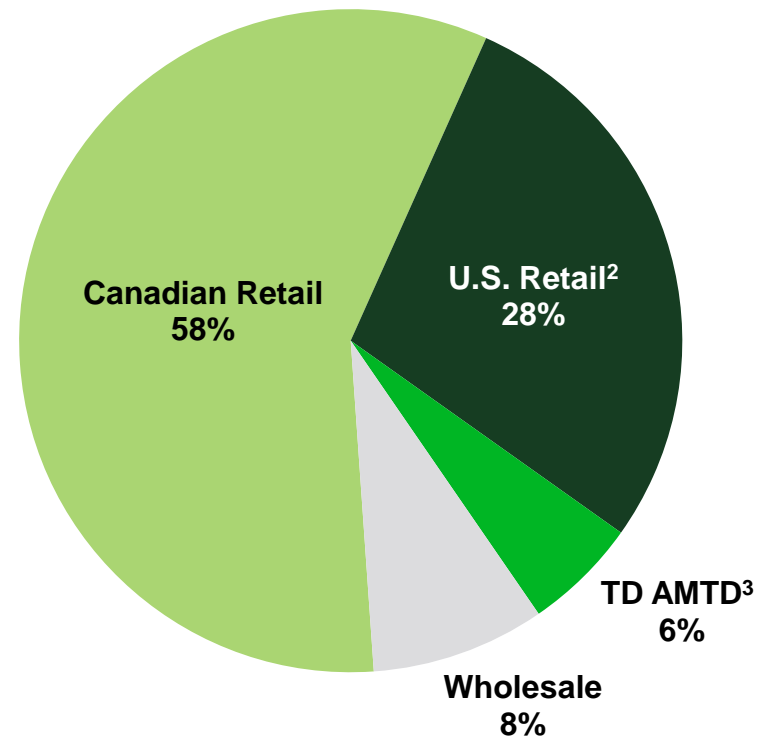
# Diversified Business Mix



## Three key business lines

- **Canadian Retail** robust retail banking platform in Canada with proven performance
- **U.S. Retail** top 10 bank<sup>4</sup> in the U.S. with significant organic growth opportunities
- **Wholesale Banking** North American dealer focused on client-driven businesses

## Fiscal 2018 Reported Earnings Mix<sup>1</sup>



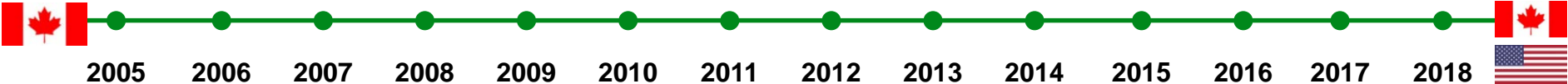
1. For the purpose of calculating contribution by each business segment, earnings from the Corporate segment are excluded.  
2. For financial reporting purposes, TD Ameritrade is part of the U.S. Retail business segment, but it is shown separately here for illustrative purposes.  
3. TD had a reported investment in TD Ameritrade of 42.32% as at April 30, 2019.  
4. Based on total deposits as of March 1, 2019. Source: SNL Financial, Largest Banks and Thrifts in the U.S.

# Growing platform / North American scale...



## Increasing Retail Focus

Acquired 51% of Banknorth  
 TD Waterhouse USA / Ameritrade transaction  
 Privatized TD Banknorth  
 Acquired Commerce Bank  
 Commerce Bank integration  
 Acquired Riverside & TSFG  
 Acquired Chrysler Financial and MBNA credit card portfolio  
 Acquired Target credit card portfolio & Epoch; and announced agreement with Aimia and CIBC  
 Became primary issuer of Aeroplan Visa; acquired ~50% of CIBC's Aeroplan portfolio  
 Completed strategic credit card relationship with Nordstrom  
 Completed acquisition of Scotiabank  
 Completed acquisition of Layer 6 and Greystone, and entered into Air Canada Credit Card Loyalty Program Agreement



Exited select businesses  
 (structured products, non-franchise credit,  
 proprietary trading)

Partnering with TD Bank, America's Most Convenient Bank to expand U.S. presence

Achieved Primary Dealer status in the U.S.<sup>1</sup>  
 -----  
 Participated in largest Canadian IPO in 14 years and one of the largest bond placements in Canadian history<sup>2</sup>

Expanded product offering to U.S. clients and grew our energy sector presence in Houston

Acquired Albert Fried & Company, a New York-based broker-dealer

Maintained top-two dealer status in Canada<sup>3</sup>

## From Traditional Dealer To Client-Focused Dealer

1. Primary dealers serve as trading counterparties of the New York Fed in its implementation of monetary policy. For more information please visit <https://www.newyorkfed.org/>  
 2. Nalcor Energy Muskrat Falls Project (C\$5 billion bond placement) and PrairieSky Royalty (C\$1.7 billion initial public offering). Please see "Business Highlights" in the Wholesale Banking Business Segment Analysis of the Bank's 2014 Annual Report.  
 3. See slide 32, footnote 1.

# Connected Experiences

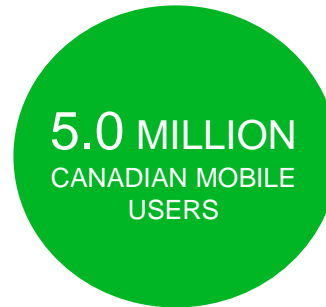


## Consistent Strategy

### How we compete

- Enabling seamless interactions between customers and the entire organization
- Leveraging industry leading Experience Design Center of Excellence to create rich experiences for our customers and colleagues
- Empowering colleagues with digital capabilities to create enterprise value and interact confidently with customers
- Modernizing platforms that enable us to be more agile in exceeding our customers' expectations

## Q2 2019 Highlights



## Digital Enhancements



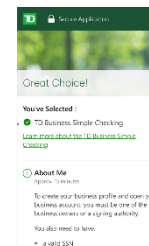
**TD Direct Investing GoalAssist™** – a first-in-Canada online interactive tool within WebBroker enabling customers to create a customized financial plan and assisting them to achieve their goals.



**Verified.Me** is a collaborative effort between TD, Canada's leading banks and SecureKey, to provide a blockchain-driven digital identity service enabling users to safely confirm their identities and share their personal information with participating third parties.



**US NGP** – Allows small business customers access to their business and consumer checking accounts through one website and one mobile app and includes enhanced security features.



**Easy Apply for Small Business Customers** – Digital experience simplifies account openings for both new and existing customers including document upload, debit cards, online banking access and e-signatures.

## The Ready Commitment: Targeting \$1 billion in community giving by 2030

The Ready Commitment targets

**\$1 billion by 2030**

Opening doors  
for a more inclusive and  
sustainable tomorrow



Financial Security



Vibrant Planet



Connected Communities



Better Health

## Q2 Highlights:



TD issued the [2018 Ready Commitment Report](#), one year after the strategy was launched, detailing the impact of TD's work across the four interconnected drivers of change.



TD published a [2018 SDG report](#) to help measure the impact of The Ready Commitment against the United Nations Sustainable Development Goals (SDGs).

# ESG Performance



## Highlights

- **TD's low carbon commitment targets \$100B**, in total, towards initiatives in low-carbon lending, financing, asset management and internal corporate programs by 2030.
- **TD is the only financial institution globally to participate in all three** of the United Nations Environment Programme Finance Initiative (UNEP FI) Task Force on Climate-related Financial Disclosures (TCFD) pilots on lending, investment and insurance.
- **Issued a US\$1B green bond in 2017**, one of the largest green bonds ever issued by a bank. TD Securities has participated in underwriting over \$15B in green bonds since 2010.
- **89% of employees** agreed that TD is doing the right things to make a positive impact on the communities in which it does business.
- **Recognized** by external ratings organizations, including the Bloomberg Gender Equality Index, Great Place to Work Institute, and DiversityInc.
- **High performer in sustainability indices**, including the Dow Jones Sustainability Index, FTSE4Good, Sustainalytics and CDP.
- **Risk management is embedded** in TD's culture and strategy; we only take risks we can understand and manage.

### ENVIRONMENT:



**\$30.3B**

Towards low-carbon initiatives in 2017/8



**43%**

Reduction in paper usage

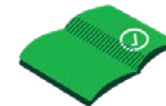


**Insurance discount** incentives offered for Hybrids and EVs

### SOCIAL:



Recognized as the **Best Bank for Seniors U.S.** by *Money* magazine



**\$91.7MM**

Invested in employee training



**173,000+** hours volunteered by TD employees

### GOVERNANCE:



**36%**

Women on Board



**Gender-Pay Equity**

Women earned more than 99 cents for every dollar earned by men in base salary and total compensation, adjusted for factors such as level, geography and role



**First Canadian Bank**

to join the Canadian Institute for Cybersecurity



TD's 2018 Environmental, Social and Governance Performance Report was released on May 7, 2019.

# TD Bank Group – Key Themes



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**6<sup>th</sup> largest N.A. bank  
by Market Cap<sup>1</sup>**

## 2 Proven Performance

*Delivering  
**top tier** long term  
shareholder returns<sup>2</sup>*

## 3 Strong Balance Sheet and Capital Position

**Highly rated**  
*by major credit rating  
agencies*

## 4 Focus on Growth Opportunities

*Targeting **7-10%**  
adjusted EPS growth  
over the medium  
term<sup>3</sup>*

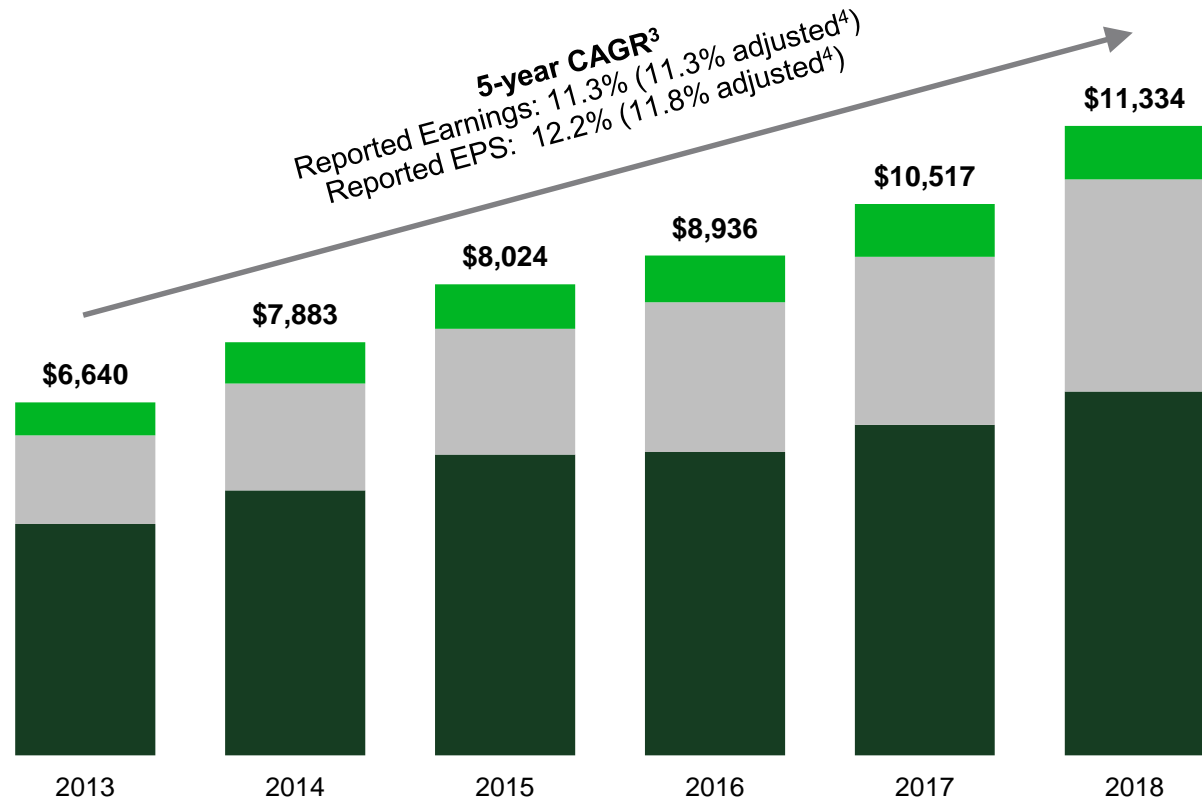
1. See slide 8.  
2. See slide 16.  
3. See slide 8, footnote 1, for definition of adjusted results.

# Consistent Earnings Growth



Targeting 7-10% adjusted EPS growth over the medium term<sup>4</sup>

## Reported Earnings<sup>1,2</sup> (C\$MM)




1. For the purpose of calculating contribution by each business segment, earnings from the Corporate segment are excluded.  
 2. Effective Q1 2014, retail segments were realigned into Canadian Retail and U.S. Retail. For details of the retail segments, see slides 3 and 8. The segment realignment along with implementation of new IFRS standard and amendments, and impact of the stock dividend announced on December 5, 2013 were applied retroactively to 2013 results.  
 3. Compound annual growth rate for the five-year period ended October 31, 2018.  
 4. See slide 8 footnote 1 for definition of adjusted results.

# Solid Total Shareholder Returns



## Top tier total shareholder returns in 3, 5 and 10 year periods<sup>1</sup>

		Canadian Ranking <sup>2</sup>	North American Ranking <sup>3</sup>
<b>1-Year</b>	10.0%	3 <sup>rd</sup>	3 <sup>rd</sup>
<b>3-Year</b>	15.1%	2 <sup>nd</sup>	7 <sup>th</sup>
<b>5-Year</b>	11.7%	2 <sup>nd</sup>	5 <sup>th</sup>
<b>10-Year</b>	16.6%	1 <sup>st</sup>	1 <sup>st</sup>

1. Total shareholder return (TSR) calculated based on share price movement and dividends reinvested over the trailing one-, three-, five-, and ten-year periods as of April 30, 2019. Source: Bloomberg.

2. Canadian Peer Ranking based on other 4 big banks (RY, BMO, BNS and CM).

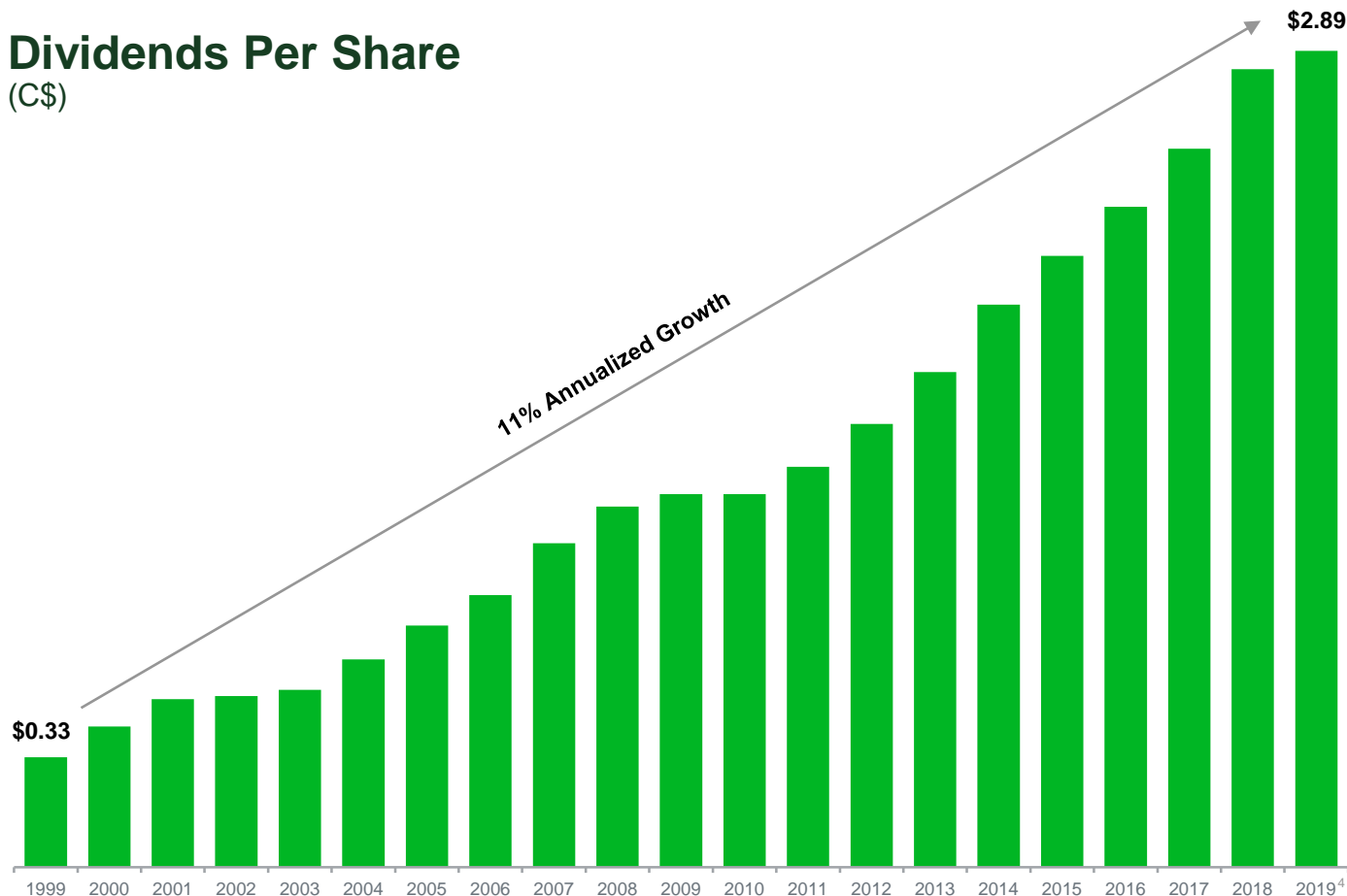
3. North American Peer Ranking based on Canadian Peers and U.S. Peers. U.S. Peers – defined as Money Center Banks (C, BAC, JPM) and Top 3 Super-Regional Banks (WFC, PNC, USB).



# Strong, Consistent Dividend History



## Dividends Per Share (C\$)



**Q1/19:**  
Announced \$0.07  
dividend increase<sup>1</sup>

**Dividend  
yield:**  
3.9%<sup>2</sup>

**Q3/12:**  
Increased target  
payout range to  
40%-50%<sup>3</sup>

1. For the quarter ended April 30, 2019.

2. As of Q2/19. Dividend yield is calculated as the dividend per common share divided by the average daily closing stock price in the relevant period. Dividend per common share is derived by annualizing the dividend per common share paid during the quarter.

3. In Q3/12, the Bank's target payout range was changed to 40-50% of adjusted earnings (see slide 8, footnote 1 for the definition of adjusted results).

4. Annualized based on declared dividend for the quarter ending April 30, 2019.

# High Quality Loan Portfolio



## Balances (\$B unless otherwise noted)

	Q1/19	Q2/19
<b>Canadian Retail Portfolio</b>	<b>\$417.7</b>	<b>\$422.3</b>
<b>Personal</b>	<b>\$341.1</b>	<b>\$343.7</b>
Residential Mortgages	193.9	194.4
Home Equity Lines of Credit (HELOC)	87.1	88.2
Indirect Auto	24.1	24.5
Credit Cards	18.0	18.3
Other Personal	18.0	18.3
<i>Unsecured Lines of Credit</i>	<i>10.2</i>	<i>10.2</i>
<b>Commercial Banking (including Small Business Banking)</b>	<b>\$76.6</b>	<b>\$78.6</b>
<b>U.S. Retail Portfolio (all amounts in US\$)</b>	<b>US\$ 156.3</b>	<b>US\$ 157.5</b>
<b>Personal</b>	<b>US\$ 69.9</b>	<b>US\$ 69.9</b>
Residential Mortgages	24.0	24.1
Home Equity Lines of Credit (HELOC) <sup>1</sup>	9.2	9.1
Indirect Auto	22.5	22.8
Credit Cards	13.5	13.2
Other Personal	0.7	0.7
<b>Commercial Banking</b>	<b>US\$ 86.4</b>	<b>US\$ 87.6</b>
Non-residential Real Estate	17.2	17.5
Residential Real Estate	6.2	6.3
Commercial & Industrial (C&I)	63.0	63.8
<b>FX on U.S. Personal &amp; Commercial Portfolio</b>	<b>49.1</b>	<b>53.3</b>
<b>U.S. Retail Portfolio (\$)</b>	<b>\$205.4</b>	<b>\$210.8</b>
<b>Wholesale Portfolio<sup>2</sup></b>	<b>\$48.6</b>	<b>\$52.4</b>
<b>Other<sup>3</sup></b>	<b>\$0.4</b>	<b>\$0.4</b>
<b>Total<sup>4</sup></b>	<b>\$672.1</b>	<b>\$685.9</b>

1. U.S. HELOC includes Home Equity Lines of Credit and Home Equity Loans.

2. Wholesale portfolio includes corporate lending, other Wholesale gross loans and acceptances and loans booked in the corporate segment.

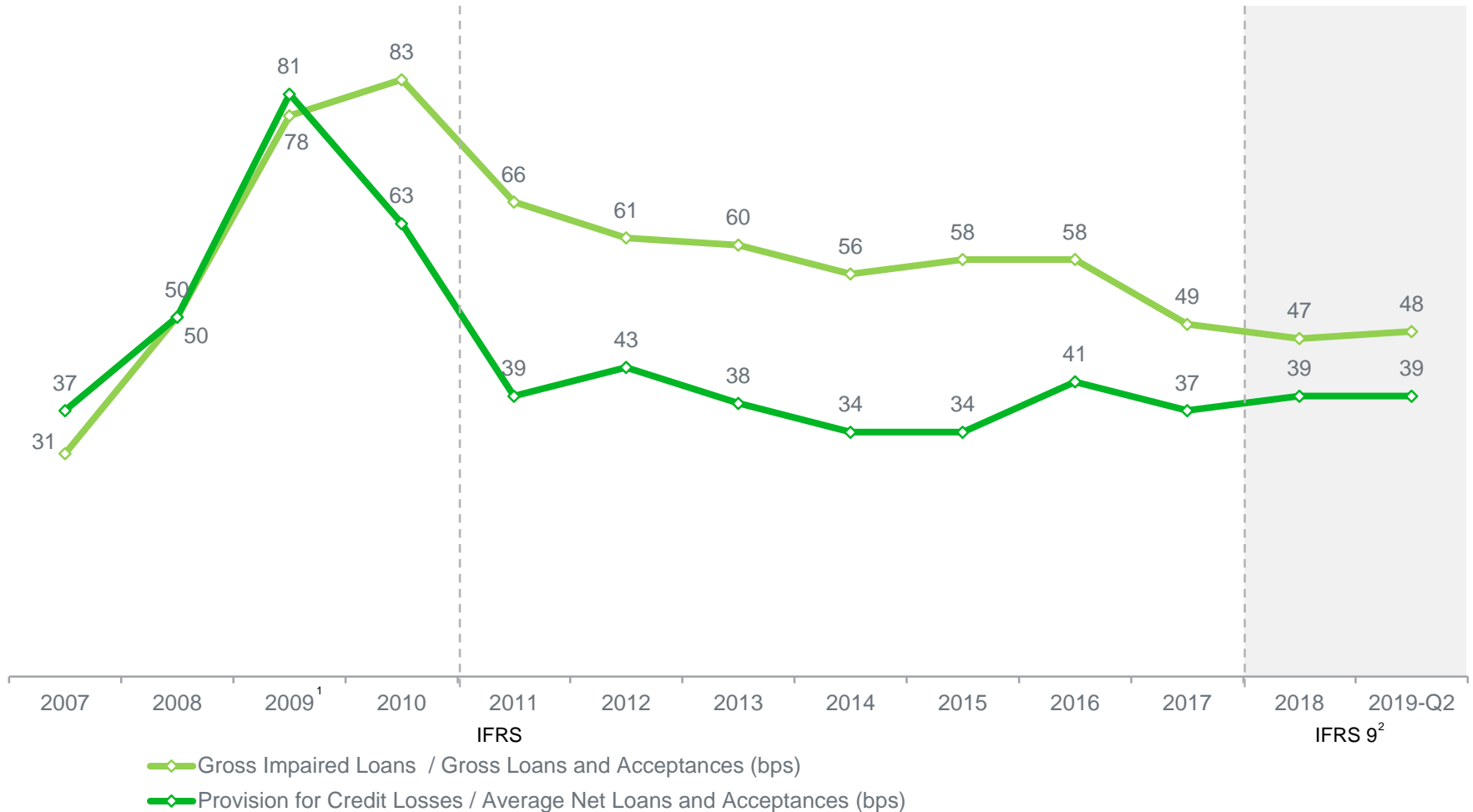
3. Other includes acquired credit impaired loans.

4. Includes loans measured at fair value through other comprehensive income.

# Strong Credit Quality



## GIL and PCL Ratios (bps)



1. Effective Q1/09 ratios exclude Debt Securities Classified as Loans and Acquired Credit Impaired.

2. Effective November 1, 2017, the Bank adopted IFRS 9, which replaces the guidance in IAS 39. The Bank has made the decision not to restate comparative period financial information and has recognized any measurement differences between the previous carrying amount and the new carrying amount on November 1, 2017 through an adjustment to opening retained earnings. As such, fiscal 2018 results reflect the adoption of IFRS 9, while prior periods reflect results under IAS 39.

# Q2 2019 Highlights



## Total Bank Reported Results (YoY)

**EPS up 10%**

- Adjusted<sup>1</sup> EPS up 8%

**Revenue up 8%**

**Expenses up 8%**

**PCL down 26% QoQ**

## Segment Reported Earnings (YoY)

**Canadian Retail up 1% (up 2% adj.)<sup>1</sup>**

**U.S. Retail up 29% (up 20% adj.)<sup>1</sup>**

**Wholesale down 17%**

## Financial Highlights \$MM

Reported	Q2/19	Q1/19	Q2/18
Revenue	10,228	9,998	9,482
PCL	633	850	556
Expenses	5,248	5,855	4,837
Net Income	3,172	2,410	2,916
Diluted EPS (\$)	1.70	1.27	1.54

Adjusted <sup>1</sup>	Q2/19	Q1/19	Q2/18
Net Income	3,266	2,953	3,062
Diluted EPS (\$)	1.75	1.57	1.62

## Segment Earnings \$MM

Q2/19	Reported	Adjusted <sup>1</sup>
Retail <sup>2</sup>	3,111	3,140
<i>Canadian Retail</i>	1,849	1,877
<i>U.S. Retail</i>	1,263	1,263
Wholesale	221	221
Corporate	(161)	(95)

1. See slide 8, footnote 1.

2. "Retail" comprises the Canadian Retail and U.S. Retail segments. See the Bank's Second Quarter 2019 Earnings News Release and MD&A.

# Q2 2019 Segment Highlights



## Canadian Retail

- Net income was \$1.8B, up 1% YoY (+2% adj<sup>1</sup>.), on higher revenue, partially offset by higher non-interest expenses, insurance claims and PCL.
- PCL declined 10% QoQ with reductions in impaired and performing PCL.
- Expenses increased 11% YoY reflecting higher spend supporting business growth including employee-related costs, charges related to Greystone; and higher investment in strategic initiatives, including marketing and data/digital technology build.

## U.S. Retail

- In \$USD, U.S. Retail net income increased 23% YoY (15% adjusted<sup>1</sup>).
- PCL decreased 26% QoQ, reflecting lower provisions for the commercial portfolio and seasonal trends in the credit card and auto portfolios.
- Expenses decreased 2% YoY reflecting the elimination of the FDIC deposit insurance surcharge, recovery of a legal provision, and prior-year charges associated with the Scottrade transaction, partially offset by higher investments in business initiatives.

## Wholesale Banking

- Net income rebounded sequentially to \$221MM, reflecting higher trading-related revenue and advisory and underwriting fees, as market conditions improved. Net income was down \$46MM YoY.
- Non-interest expenses rose 16% YoY, reflecting continued investments supporting the global expansion of Wholesale Banking's U.S. dollar strategy, and the impact of foreign exchange translation.

# TD Bank Group – Key Themes



## 1 Top 10 North American Bank

**6<sup>th</sup> largest N.A. bank  
by Total Assets<sup>1</sup>**  
**6<sup>th</sup> largest N.A. bank  
by Market Cap<sup>1</sup>**

## 2 Proven Performance

*Delivering  
**top tier** long term  
shareholder returns<sup>2</sup>*

## 3 Strong Balance Sheet and Capital Position

***Highly rated**  
by major credit rating  
agencies*

## 4 Focus on Growth Opportunities

*Targeting **7-10%**  
adjusted EPS growth  
over the medium  
term<sup>3</sup>*

1. See slide 8.  
2. See slide 16.  
3. See slide 8, footnote 1, for definition of adjusted results.

# Low Risk, Deposit Rich Balance Sheet<sup>1</sup>



## Large base of stable retail and commercial deposits

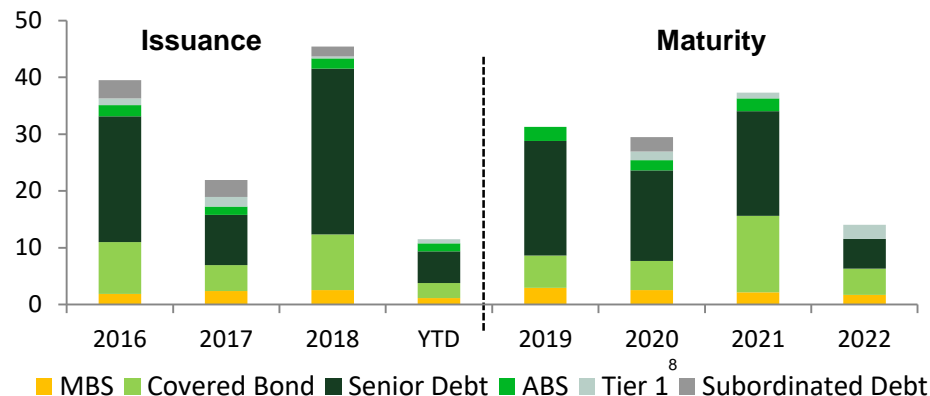
Personal and commercial deposits are TD's primary sources of funds

- Customer service business model delivers stable base of "sticky" and franchise deposits

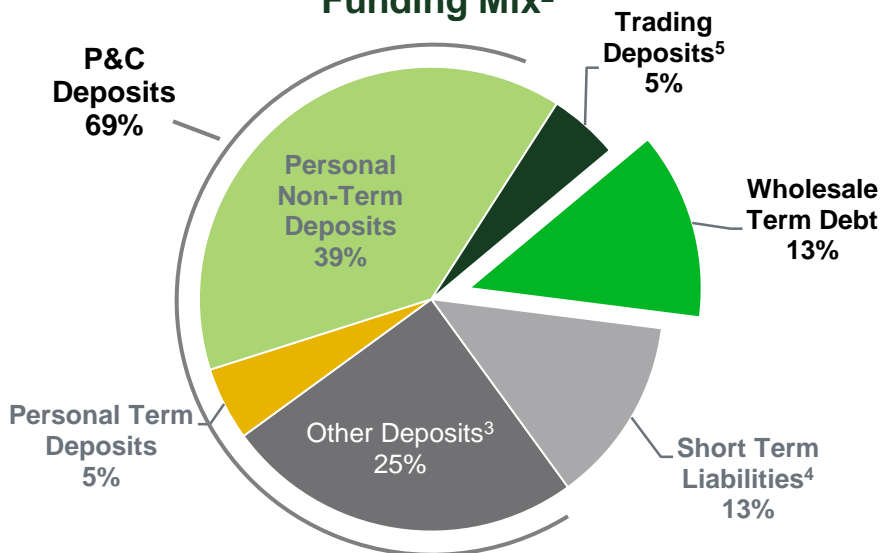
Wholesale funding profile reflects a balanced secured and unsecured funding mix

Maturity profile is manageable and well balanced

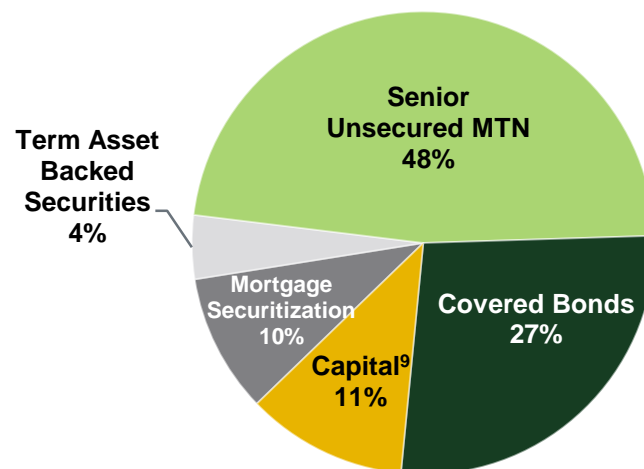
## Maturity Profile<sup>6,7</sup> (To first par redemption date) (C\$B)



## Funding Mix<sup>2</sup>



## Wholesale Term Debt



1. As of April 30, 2019.

2. Excludes certain liabilities which do not create funding which are: acceptances, trading derivatives, other liabilities, wholesale mortgage aggregation business, non-controlling interest and certain equity capital: common equity and other capital instruments.

3. Bank, Business & Government Deposits less covered bonds and senior MTN notes.

4. Obligations related to securities sold short and sold under repurchase agreements.

5. Consists primarily of bearer deposit notes, certificates of deposit and commercial paper

6. For wholesale term debt that has bullet maturities. Subordinated debt includes certain private placement notes.

7. Based on first par redemption date. The timing of an actual redemption is subject to management's view at the time as well as applicable regulatory and corporate governance approvals.

8. Includes Preferred Shares and Innovative T1

9. Includes Preferred Shares, Innovative T1, and Subordinated Debt

# Strong Capital & Liquidity Positions



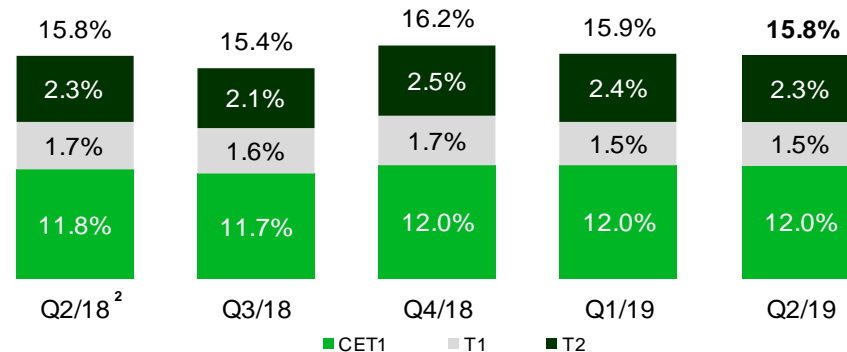
## Highlights

- Common Equity Tier 1 ratio of 12.0%
- Leverage ratio of 4.2%
- Liquidity coverage ratio of 135%
- Announced intention to initiate a new NCIB for up to 20 million common shares, subject to regulatory approval

## Common Equity Tier 1<sup>1</sup>

<b>Q1 2019 CET1 Ratio</b>	<b>12.0%</b>
Internal capital generation	40
Actuarial losses on employee pension plans	(3)
Repurchase of common shares	(9)
Organic RWA increase and other	(27)
<b>Q2 2019 CET1 Ratio</b>	<b>12.0%</b>

## Total Capital Ratio<sup>1</sup>



1. Amounts are calculated in accordance with the Basel III regulatory framework, and are presented based on the "all-in" methodology. The CVA capital charge was being phased in until the first quarter of 2019. For fiscal 2018, the scalars for inclusion of CVA for CET1, Tier 1, and Total Capital RWA were 80%, 83%, and 86%, respectively.

2. Effective in the second quarter of 2018, OSFI implemented a revised methodology for calculating the regulatory capital floor. The revised floor is based on the Basel II standardized approach, with the floor factor transitioned in over three quarters. The factor increases from 70% in the second quarter of 2018, to 72.5% in the third quarter, and 75% in the fourth quarter. Under the revised methodology, the Bank is no longer constrained by the capital floor.



# Industry-Leading Credit Ratings

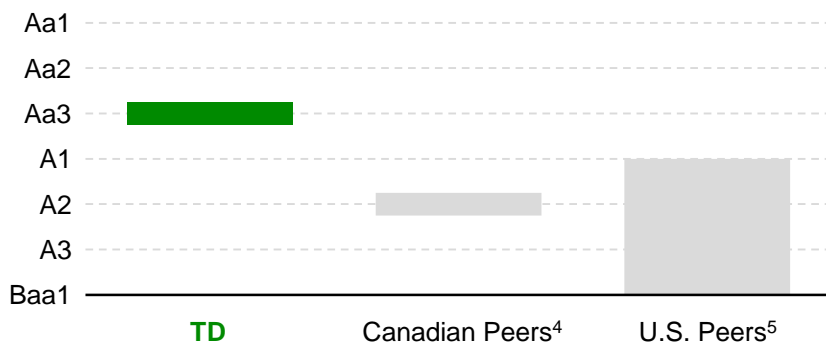


## Issuer Ratings<sup>1</sup>

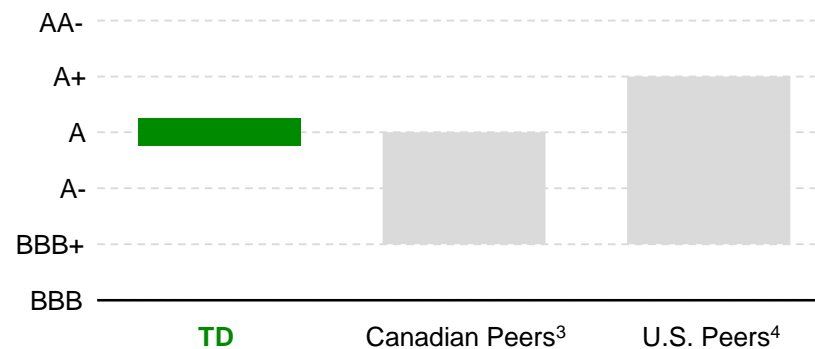
Rating Agencies	Senior Debt Ratings <sup>2</sup>	Outlook / Trend
Moody's	Aa3	Stable
S&P	A	Stable
DBRS	AA	Stable

## Ratings vs. Peer Group<sup>1</sup>

Moody's Senior Debt<sup>2</sup> / HoldCo<sup>5</sup> Rating



S&P Senior Debt<sup>2</sup> / HoldCo<sup>5</sup> Rating



1. As of April 30, 2019, except for DBRS, which is as of May 30, 2019. Credit ratings are not recommendations to purchase, sell, or hold a financial obligation inasmuch as they do not comment on market price or suitability for a particular investor. Ratings are subject to revision or withdrawal at any time by the rating organization.

2. Subject to conversion under the bank recapitalization "bail-in" regime

3. Canadian peers defined as RY, BNS, BMO and CM

4. U.S. peers defined as BAC, BBT, C, JPM, PNC, USB and WFC

5. Ratings reflect holding company senior unsecured ratings

# TD Bank Group – Key Themes



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over the medium  
term<sup>3</sup>*

1. See slide 8.  
2. See slide 16.  
3. See slide 8, footnote 1, for definition of adjusted results.

# Canadian Retail

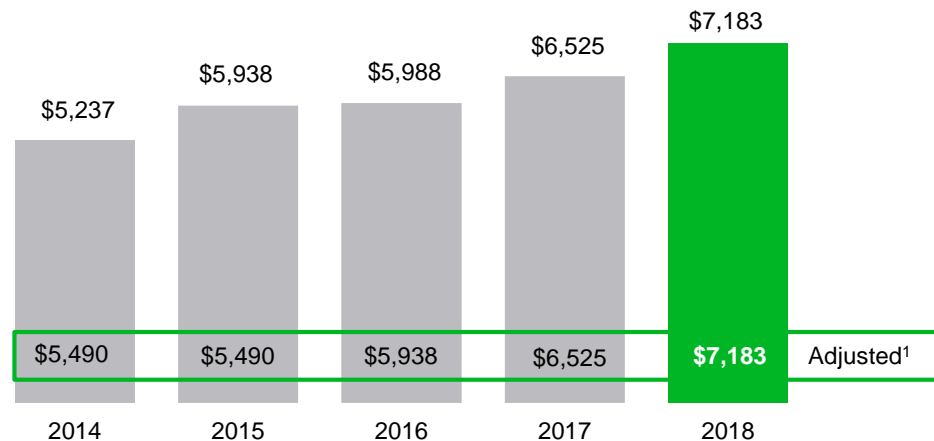


## Consistent Strategy

### How we compete

- Legendary personal connected customer service
- Focus on underrepresented products and markets
- The power of One TD
- Winning culture and team

## Reported Net Income (C\$MM)



## Q2 2019 Highlights

<b>Total Deposits<sup>2</sup></b>	C\$332B	<b>Employees<sup>4</sup></b>	40,498
<b>Total Loans<sup>2</sup></b>	C\$420B	<b>Customers</b>	>15MM
<b>Assets Under Administration</b>	C\$421B	<b>Mobile Users<sup>5</sup></b>	5.0MM
<b>Assets Under Management</b>	C\$349B	<b>Branches</b>	1,100
<b>Gross Insurance Premiums<sup>3</sup></b>	C\$4.3B	<b>ATMs<sup>5</sup></b>	3,496
<b>Earnings<sup>3</sup></b>	C\$6.8B		

1. See slide 8, footnote 1 for definition of adjusted results.

2. Total Deposits based on total of average personal, business and wealth deposits during Q2/19. Total Loans based on total of average personal and business loans during Q2/19.

3. For trailing four quarters ending Q2/19.

4. Average number of full-time equivalent staff during Q2/19.

5. Active mobile users defined as TD customers who have logged in using the Canadian mobile or tablet apps (applications) within the last 90 days. Total ATMs include branch, remote, mobile and TD Branded ATMs.

# Canadian Retail



## Personal Banking

- #1 or #2 market share in most retail products<sup>1</sup>
- On average, 38% longer branch hours than peers<sup>2</sup> with 346 branches offering Sunday banking
- Digital banking leadership in Canada with the highest number of digital unique visitors and the most digital engagement<sup>3</sup>
- #1 in Customer Satisfaction<sup>4</sup> among the Big Five Retail Banks<sup>5</sup>

## Business Banking

- #2 in Business Banking deposit and loan market share<sup>1</sup>
- Customized Commercial Banking and Floor Plan Financing solutions
- Approximately 500 dedicated Small Business Bankers in Retail branches

## Credit Cards

- #1 card issuer in Canada measured by outstanding card loan balances<sup>1</sup>
- Dual card issuer of high value brands, including TD First Class Visa and TD Aeroplan Visa
- North American operational scale and professional expertise

## Wealth

- Largest money manager in Canada (with the acquisition of Greystone, which closed on November 1, 2018)<sup>6</sup>
- Market leadership in Direct Investing by asset, trades, and revenue<sup>1</sup>
- #1 Online Brokerage<sup>7</sup>
- #1 Pension Fund Manager for the 9th consecutive year<sup>8</sup>

## Insurance

- Personal lines products in Canada, including Home & Auto, Life & Health, Creditor and Travel insurance
- Largest direct distribution insurer<sup>9</sup> and leader in the affinity market<sup>9</sup>



**Highest in Customer Satisfaction among the Big Five Retail Banks**

J.D. Power 2019 Canada Retail Banking Satisfaction Study



**Highest in Dealer Satisfaction among Non-Captive Lenders with Retail Credit**

J.D. Power 2019 Canada Dealer Finance Study

1. Market share ranking is based on most current data available from OSFI for personal deposits and loans as at February 2019, from The Nilson Report for credit cards as at December 2018, from the Canadian Bankers Association for Real Estate Secured Lending as at December 2018, from the Canadian Bankers Association for business deposits as at September 2018 and loans as at December 2018, and from Strategic Insight for Direct Investing asset, trades, and revenue metrics as at September 2018.

2. Canadian Peers are defined as RY, BNS, BMO and CM.

3. Source: Comscore Media Metrix, Canada Digital Feb 1, 2019 - March 31, 2019.

4. TD Canada Trust received the highest score among the big five banks in the J.D. Power 2019 Canada Retail Banking Satisfaction Study of customers' satisfaction with their primary bank. Visit [jdpower.com/awards](http://jdpower.com/awards).

5. Big 5 Canadian Retail Banks include Bank of Montreal, Canadian Imperial Bank of Commerce, Royal Bank of Canada, Scotiabank, and Toronto-Dominion Bank.

6. Strategic Insight Managed Money Advisory Service – Canada (Fall 2018 report, AUM effective June 2018), Benefits Canada 2019 Top 40 Money Managers report (May 2019 report, AUM effective December 2018); Assets under management as of December 31, 2018 for Greystone.

7. Source: Globe and Mail online brokerage ranking on February 9, 2019.

8. Based on assets as of December 2018 (Source: 2011-2019 Top 40 Money Managers Report by Benefits Canada).

9. Based on Gross Written Premiums for Property and Casualty business. Ranks based on data available from OSFI, Insurers, Insurance Bureau of Canada, and Provincial Regulators as at December 31, 2018.

# U.S. Retail

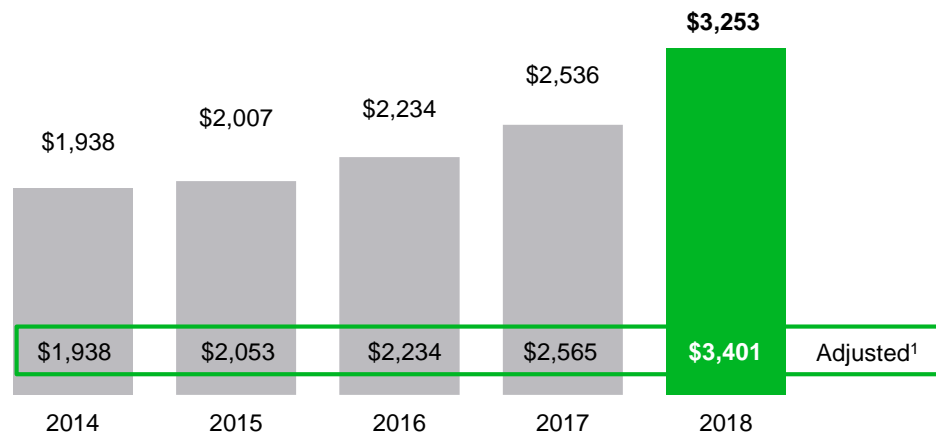


## Consistent Strategy

### How we compete

- Legendary service and convenience
- Grow and deepen customer relationships
- Differentiated brand as the “human” bank
- Productivity initiatives that enhance both the employee and customer experience
- Conservative risk appetite
- Unique employee culture

## Reported Net Income (US\$MM)



## Q2 2019 Highlights

	C\$	US\$		
<b>Total Deposits<sup>2</sup></b>	\$353B	\$265B	<b>Employees<sup>4</sup></b>	26,735
<b>Total Loans<sup>2</sup></b>	\$209B	\$157B	<b>Customers</b>	>9MM
<b>Assets Under Administration</b>	\$27B	\$20B	<b>Mobile Users<sup>5</sup></b>	3.1MM
<b>Assets Under Management</b>	\$63B	\$47B	<b>Stores</b>	1,238
<b>Reported Earnings<sup>3</sup></b>	\$4.6B	\$3.6B	<b>ATMs<sup>5</sup></b>	2,648

1. See slide 8, footnote 1 for definition of adjusted results.

2. Total Deposits based on total of average personal deposits, business deposits and TD Ameritrade Insured Deposit Accounts (IDAs) during Q2/19. Total Loans based on total of average personal and business loans during Q2/19.

3. For trailing four quarters ending Q2/19.

4. Average number of full-time equivalent staff during Q2/19.

5. Active mobile users defined as TD customers who have logged in using the U.S. mobile application within the last 90 days. Total ATMs includes store, remote, mobile and TD Branded ATMs.

## Personal & Commercial Banking

- Rated #1 in Customer Satisfaction for Retail Banking in the Southeast by J.D. Power<sup>1</sup>
- Top 10 bank<sup>2</sup> with over 9MM customers, operating retail stores in 15 states and the District of Columbia
- Open longer than the competition, including Sunday banking in most markets
- #3 market share in NYC<sup>3</sup> and targeting top 5 market share in all of our major markets, with significant opportunity to target key customer segments and deepen customer relationships

## Credit Cards

- Private label and co-brand credit card offering for U.S. customers of regional and nationwide retail partners, including Target and Nordstrom
- Issuer of TD branded credit cards for retail and small business customers
- North American operational scale and professional expertise

## Auto Lending

- Prime indirect retail lending through dealers across the country
- Comprehensive solutions for our dealers, including floor plan, commercial banking and wealth management
- Focused on strategic dealer partnerships where our value proposition best aligns with dealers' needs and priorities



### Highest in Customer Satisfaction with Retail Banking in Southeast

J.D. Power 2019 U.S. Retail Banking Satisfaction Study

## Wealth

- Building U.S. wealth capability in the high net worth and private banking space
- Acquired in 2013, Epoch Investment Partners expands overall product capabilities in the U.S. and Canada

## TD Ameritrade

- Leading US brokerage firm with more than 11 million funded client accounts that total nearly \$1.3 trillion in assets<sup>4</sup>
- Strategic relationship drives mutually beneficial customer referrals and growth
- Market leadership in trading in the U.S.<sup>5</sup>
- TD Ameritrade ranked fourth in Barron's 2019 ranking, receiving a total of four stars. In the 2019 review, TD Ameritrade was commended for adding flexibility to its platform, expanding its educational offering, and leading in the integration of messaging apps<sup>6</sup>
- TD Ameritrade was awarded #1 Overall Broker in the 2019 Online Broker Review conducted by Stockbrokers.com and was also named the #1 broker for several "Best in Class" awards including: Platforms & Tolls, Customer Service, Education, and Beginners. The firm also received industry awards for Broker Innovation, Trader App (Mobile Trader), Desktop Platform (thinkorswim), Trader Community and New Tool (Apple Business Chat)<sup>7</sup>

1. TD Bank received the highest score in the Southeast region of the J.D. Power 2019 U.S. Retail Banking Satisfaction Study of customers' satisfaction with their own retail bank. Visit [jdpower.com](http://jdpower.com)

2. Based on total deposits as of December 31, 2018. Source: SNL Financial, Largest Banks and Thrifts in the U.S. by total deposits.

3. Ranked 3rd based on both deposits capped at \$500MM and active branch count in New York City's five boroughs, as of October 18, 2018 (Source: FDIC SOD).

4. As of March 31, 2019.

5. Internally estimated daily average revenue client trades (DARTS) based on last twelve months publicly available reports for E\*TRADE Financial and Charles Schwab as of March 31, 2019.

6. TD Ameritrade was evaluated against 13 other firms in Barron's 24th annual Best Online Broker ranking. Barron's did not include "best for" awards in this year's review. Barron's is a trademark of Dow Jones. L.P. All rights reserved.

7. TD Ameritrade was ranked #1 overall out of 16 online brokers evaluated in the StockBrokers.com 2019 Online Broker Review. TD Ameritrade has been rated #1 or Best in Class (within top 5) for two years or more in multiple categories, including: "Platforms & Tools" (8th year in a row), "Customer Service" (9th year in a row), "Education" (8th year in a row), "Mobile Trading" (7th year in a row), "Research" (8th year in a row), "Offering of Investments" (5th year in a row), "Ease of Use" (3rd year in a row), "Active Trading" (9th year in a row), "Options Trading" (9th year in a row) and "Beginners" (7th year in a row). TD Ameritrade also received awards spanning consecutive years for #1 Desktop Platform (thinkorswim) (4rd year in a row) and #1 Trader Community (5th year in a row).

# Wholesale Banking



## Consistent Strategy

### How we compete

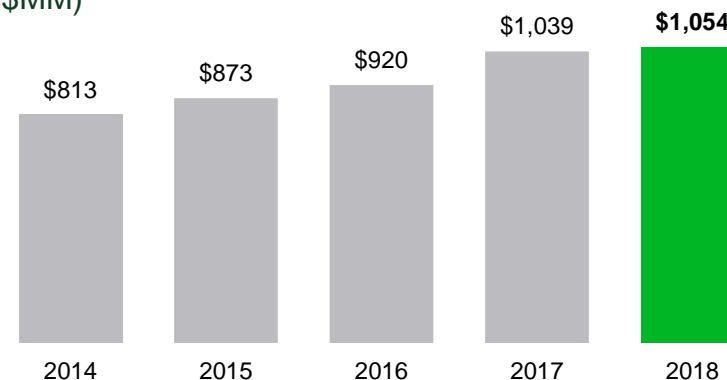
- Solidify our position as a top ranked dealer in Canada
- Build our U.S. dollar capabilities
- Expand the client franchise organically by deepening client relationships, adding people, and investing in our products and services
- Leverage TD's franchise
- Foster our strong risk culture to enable growth
- Focus on productivity and operational excellence
- Adapt to industry and regulatory changes
- Be an extraordinary and inclusive place to work



#### Top ranked dealer <sup>4</sup>

TD Securities continued to build on its leadership position in the Canadian market and now occupies the #1 or #2 spot in key domestic rankings

## Net Income (C\$MM)



### Q2 2019 Highlights

Gross Drawn <sup>1</sup>	C\$24B
Trading-related revenue (TEB) <sup>2</sup>	C\$1,421MM
Earnings <sup>2</sup>	C\$713MM
Employees <sup>3</sup>	4,502

1. Includes gross loans and bankers' acceptances, excluding letters of credit, cash collateral, credit default swaps, and allowance for credit losses relating to the corporate lending business.

2. For trailing four quarters ending Q2/19.

3. Average number of full-time equivalent staff during Q2/19.

4. See slide 32, footnote 1.

# Wholesale Banking



## Positioned for Growth

- Be the top ranked investment dealer in Canada with global execution capabilities by deepening client relationships
  - #1 or #2 ranking in key domestic categories, including equity options block trading, corporate debt underwriting, syndicated loans, and M&A announced<sup>1</sup>
  - TD Securities advised Goldcorp on their US\$12.5 billion merger with Newmont, to create the world's leading gold company
  - Awarded a 5 billion Euro benchmark mandate by KfW, marking a major milestone in the growth of our Euro franchise
- Build our U.S. dollar capabilities by growing valued, trusted relationships with our banking and markets clients in sectors where we are well positioned and competitive
  - A leader in the Secured Overnight Financing Rate (SOFR) Index market, involved in over US \$16 billion, or 25% of SOFR-linked issuances
  - TD Securities advised Brookfield Business Partners and CDPQ on their acquisition of Power Solutions from Johnson Controls, and co-led Brookfield's dual-currency term loan B and high yield bond financings
  - Continued to onboard clients to our TD Prime Services platform, our prime brokerage business based in New York

## Strong Operating Model

- Focus on productivity and seamless execution in our end-to-end delivery of products and services
- Invest in an efficient and agile infrastructure to support growth and adapt to change
- Maintain our focus on managing risks, capital, balance sheet and liquidity
- 2019 Global Finance winner for "Most Innovative Financial Institution" in North America

## Investing in Our People

- Continue to be an extraordinary place to work with a focus on inclusion and diversity by attracting, developing, and retaining the best talent

1. Ranked #2 in Equity block trading: block trades by value on all Canadian exchanges, Source: IRESS; #1 in Equity options block trading: block trades by number of contracts on the Montreal Stock Exchange, Source: Montreal Exchange; #2 in Government and corporate debt underwriting: excludes self-led domestic bank deals and credit card deals, bonus credit to lead, Source: Bloomberg; #1 in Syndicated loans: deal volume awarded equally between the book-runners, on a rolling twelve-month basis, Source: Bloomberg; #1 in M&A announced: Canadian targets, on a rolling twelve-month basis, Source: Thomson Reuters; #1 in Equity underwriting (Full credit to Bookrunner), Source: Bloomberg. All rankings are for calendar year-to-date Apr 30, 2019 unless otherwise noted. Rankings reflect TD Securities' position among Canadian peers in Canadian product markets.



# Investor Relations Contacts

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# TD Bank Group Investor Presentation

Q2 2019