

TD BANK FINANCIAL GROUP

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SHAREHOLDER VALUE

| LINE # | QUARTER | | | | | | | | YEAR TO DATE | | | |
|---|---------|--------|--------|--------|--------|--------|--------|--------|--------------|--------|--------|--------|
| | 1996 | | | 1997 | | | | 1998 | | 1997 | 1998 | |
| | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | | | |
| Per common share | | | | | | | | | | | | |
| Dividends | 1 | \$.25 | \$.25 | \$.25 | \$.28 | \$.28 | \$.28 | \$.28 | \$.32 | \$.32 | \$.56 | \$.64 |
| Book value | 2 | 19.30 | 19.69 | 20.30 | 20.69 | 21.39 | 21.92 | 22.75 | 23.62 | 24.12 | 21.39 | 24.12 |
| Closing market price | 3 | 23.60 | 25.65 | 31.35 | 37.10 | 39.50 | 44.55 | 51.65 | 53.60 | 65.30 | 39.50 | 65.30 |
| Financial ratios and statistics | | | | | | | | | | | | |
| Return on common equity | 4 | 15.1 % | 14.8 % | 16.3 % | 16.4 % | 15.2 % | 17.8 % | 16.8 % | 16.3 % | 17.3 % | 15.8 % | 16.8 % |
| Return on common equity - cash basis | 5 | 15.1 % | 14.8 % | 16.3 % | 18.3 % | 19.2 % | 19.8 % | 18.7 % | 20.2 % | 19.6 % | 18.7 % | 19.9 % |
| Return on assets | 6 | .79 | .74 | .80 | .78 | .69 | .77 | .73 | .69 | .66 | .74 | .67 |
| Dividend yield (1) | 7 | 3.9 | 3.9 | 3.5 | 3.0 | 2.8 | 2.6 | 2.5 | 2.1 | 1.9 | 2.9 | 2.0 |
| Common dividend payout ratio | 8 | 35.5 | 34.5 | 32.0 | 33.1 | 36.0 | 28.9 | 29.6 | 33.7 | 32.0 | 34.5 | 32.8 |
| Closing market price to book value | 9 | 1.22 | 1.30 | 1.54 | 1.79 | 1.85 | 2.03 | 2.27 | 2.27 | 2.71 | 1.85 | 2.71 |
| Price earnings ratio (2) | 10 | 8.3 | 9.0 | 10.6 | 12.0 | 12.5 | 13.1 | 14.6 | 14.7 | 16.9 | 12.5 | 16.9 |
| Total market return on common shareholders' investment (3) | 11 | 22.7 | 29.0 | 36.2 | 51.7 | 71.9 | 77.9 | 68.3 | 47.6 | 68.4 | 71.9 | 68.4 |
| Number of common shares outstanding | 12 | 301.7 | 291.8 | 302.7 | 299.1 | 296.5 | 296.9 | 296.9 | 297.0 | 297.0 | 296.5 | 297.0 |

(1) dividends per common share for trailing 4 quarters divided by average of high and low common share prices for the period

(2) closing common share price divided by net income per common share for trailing 4 quarters

(3) the change in market price plus dividends paid in trailing 4 quarters as a percentage of the prior year's closing market price per common share

HIGHLIGHTS

| LINE # | QUARTER | | | | | | | | YEAR TO DATE | | | |
|---|---------|---------|---------|---------|---------|---------|---------|---------|--------------|---------|---------|---------|
| | 1996 | | | 1997 | | | | 1998 | | 1997 | 1998 | |
| | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | | | |
| Results of operations (\$ millions) | | | | | | | | | | | | |
| Net income | 1 | \$220 | \$223 | \$249 | \$264 | \$240 | \$295 | \$289 | \$293 | \$307 | \$504 | \$600 |
| Net interest income (TEB) | 2 | 613 | 659 | 692 | 720 | 726 | 739 | 798 | 810 | 772 | 1,446 | 1,582 |
| Total revenue (TEB) | 3 | 1,055 | 1,084 | 1,162 | 1,260 | 1,291 | 1,396 | 1,686 | 1,517 | 1,600 | 2,551 | 3,117 |
| Per common share | | | | | | | | | | | | |
| Net income | 4 | \$.70 | \$.73 | \$.81 | \$.85 | \$.78 | \$.96 | \$.95 | \$.95 | \$1.00 | \$1.63 | \$1.95 |
| Net income - cash basis | 5 | .70 | .72 | .82 | .87 | .90 | .99 | .97 | 1.06 | 1.03 | 1.77 | 2.09 |
| Financial position (\$ billions) | | | | | | | | | | | | |
| Total assets | 6 | \$117.4 | \$120.8 | \$130.3 | \$136.1 | \$153.2 | \$156.1 | \$163.9 | \$177.0 | \$189.5 | \$153.2 | \$189.5 |
| Total common equity | 7 | 5.8 | 5.7 | 6.1 | 6.2 | 6.3 | 6.5 | 6.8 | 7.0 | 7.2 | 6.3 | 7.2 |
| Other (\$ millions) | | | | | | | | | | | | |
| Net interest margin (TEB) | 8 | 2.49 % | 2.48 % | 2.54 % | 2.45 % | 2.40 % | 2.26 % | 2.31 % | 2.21 % | 2.07 % | 2.42 % | 2.14 % |
| Net impaired loans | 9 | \$395 | \$439 | \$344 | \$514 | \$367 | \$285 | (\$79) | \$84 | (\$78) | \$367 | (\$78) |
| Net impaired loans as a % of net loans* | 10 | .5 % | .5 % | .4 % | .5 % | .4 % | .3 % | (.1) % | .1 % | (.1) % | .4 % | (.1) % |
| PCL as a % of net average loans* | 11 | .22 | .20 | .11 | .17 | .17 | .15 | .86 | .22 | .22 | .17 | .22 |
| PCL excluding special charge as a % of net average loans* | 12 | .22 | .20 | .11 | .17 | .17 | .15 | .14 | .22 | .22 | .17 | .22 |
| Securities - surplus over book | 13 | \$148 | \$144 | \$323 | \$431 | \$507 | \$893 | \$674 | \$753 | \$965 | \$507 | \$965 |
| Capital ratios | | | | | | | | | | | | |
| Net common equity to risk weighted assets | 14 | 7.0 % | 6.6 % | 6.2 % | 6.1 % | 5.7 % | 6.1 % | 6.1 % | 6.2 % | 6.2 % | 5.7 % | 6.2 % |
| Tier 1 | 15 | 7.6 | 7.2 | 6.8 | 6.6 | 6.3 | 6.7 | 6.6 | 7.1 | 7.1 | 6.3 | 7.1 |
| Total capital | 16 | 10.4 | 9.8 | 9.7 | 9.7 | 9.4 | 10.0 | 10.2 | 10.8 | 10.7 | 9.4 | 10.7 |
| Efficiency ratio | 17 | 60.7 | 61.6 | 62.0 | 60.1 | 63.5 | 60.9 | 56.6 | 60.3 | 61.6 | 61.8 | 60.9 |
| Efficiency ratio-excluding goodwill and one-time gains | 18 | 60.7 | 61.6 | 62.0 | 59.6 | 60.7 | 60.4 | 63.8 | 59.7 | 61.0 | 60.2 | 60.4 |
| Number of full-time equivalent staff at period end | 19 | 25,258 | 25,625 | 26,815 | 27,240 | 27,458 | 27,645 | 28,001 | 28,582 | 28,629 | 27,458 | 28,629 |
| Number of Bank branches | 20 | 949 | 951 | 953 | 939 | 928 | 924 | 919 | 913 | 911 | 928 | 911 |
| Rating of senior debt: Moody's** | 21 | Aa2 | Aa2 | Aa2 | Aa2 | Aa2 | Aa2 | Aa2 | Aa2 | Aa2 | Aa2 | Aa2 |
| Standard and Poor's** | 22 | AA | AA | AA | AA | AA | AA | AA | AA | AA | AA | AA |

* Includes customers' liability under acceptances and securities purchased under resale agreements.

** Rating under review for possible downgrade.

NET INCOME
(\$MILLIONS)

| LINE # | QUARTER | | | | | | | | YEAR TO DATE | | | |
|--|---------|--------|--------|--------|--------|--------|--------|--------|--------------|---------------|---------|----------------|
| | 1996 | | | 1997 | | | | 1998 | | 1997 | 1998 | |
| | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | | | |
| Net interest income (TEB) | 1 | \$613 | \$659 | \$692 | \$720 | \$726 | \$739 | \$798 | \$810 | \$772 | \$1,446 | \$1,582 |
| Provision for credit losses | 2 | 42 | 43 | 24 | 40 | 40 | 40 | 240 | 63 | 62 | 80 | 125 |
| Other income (page 12) | 3 | 442 | 425 | 470 | 540 | 565 | 657 | 888 | 707 | 828 | 1,105 | 1,535 |
| Net interest and other income | 4 | 1,013 | 1,041 | 1,138 | 1,220 | 1,251 | 1,356 | 1,446 | 1,454 | 1,538 | 2,471 | 2,992 |
| Non-interest expenses (page 13) | 5 | 641 | 668 | 721 | 758 | 820 | 850 | 955 | 914 | 985 | 1,578 | 1,899 |
| Income before provision for income taxes | 6 | 372 | 373 | 417 | 462 | 431 | 506 | 491 | 540 | 553 | 893 | 1,093 |
| Provision for income taxes (TEB) | 7 | 152 | 150 | 168 | 198 | 191 | 211 | 202 | 247 | 246 | 389 | 493 |
| Net income | 8 | 220 | 223 | 249 | 264 | 240 | 295 | 289 | 293 | 307 | 504 | 600 |
| Preferred dividends | 9 | 8 | 8 | 8 | 8 | 7 | 8 | 8 | 11 | 10 | 15 | 21 |
| Net income applicable to common shares | 10 | \$212 | \$215 | \$241 | \$256 | \$233 | \$287 | \$281 | \$282 | \$297 | \$489 | \$579 |
| Average number of common shares outstanding (millions) | 11 | 301.5 | 297.8 | 293.5 | 302.5 | 298.7 | 296.8 | 296.9 | 297.0 | 297.0 | 300.6 | 297.0 |
| Earnings per share | 12 | \$0.70 | \$0.73 | \$0.81 | \$0.85 | \$0.78 | \$0.96 | \$0.95 | \$0.95 | \$1.00 | \$1.63 | \$1.95 |

NET INCOME BY MAJOR BUSINESS SEGMENT - TOTAL BANK
(\$MILLIONS)

| LINE # | QUARTER | | | | | | | | YEAR TO DATE | | | |
|---|---------|-------|-------|-------|-------|-------|-------|-------|--------------|-------|-------|-------|
| | 1996 | | | 1997 | | | | 1998 | | 1997 | 1998 | |
| | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | | | |
| Net income | | | | | | | | | | | | |
| Personal & Commercial Banking | 1 | \$75 | \$79 | \$94 | \$107 | \$114 | \$106 | \$139 | \$130 | \$93 | \$221 | \$223 |
| Wealth Management Services | 2 | 15 | 15 | 16 | 22 | (1) | 28 | 36 | (3) | 43 | 21 | 40 |
| Total Retail | 3 | 90 | 94 | 110 | 129 | 113 | 134 | 175 | 127 | 136 | 242 | 263 |
| Corporate Banking | 4 | 99 | 100 | 100 | 80 | 100 | 97 | 70 | 119 | 94 | 180 | 213 |
| Investment Banking | 5 | 30 | 24 | 37 | 47 | 42 | 56 | 152 | 56 | 85 | 89 | 141 |
| Total Wholesale | 6 | 129 | 124 | 137 | 127 | 142 | 153 | 222 | 175 | 179 | 269 | 354 |
| Other | 7 | 1 | 5 | 2 | 8 | (15) | 8 | (108) | (9) | (8) | (7) | (17) |
| Total Bank | 8 | \$220 | \$223 | \$249 | \$264 | \$240 | \$295 | \$289 | \$293 | \$307 | \$504 | \$600 |
| ROE (%) | | | | | | | | | | | | |
| Personal & Commercial Banking | 9 | 15 % | 16 % | 18 % | 21 % | 24 % | 21 % | 26 % | 26 % | 18 % | 23 % | 22 % |
| Wealth Management Services | 10 | 46 | 42 | 41 | 11 | (1) | 13 | 16 | (2) | 13 | 5 | 6 |
| Total Retail | 11 | 17 | 17 | 20 | 18 | 17 | 19 | 23 | 15 | 16 | 17 | 16 |
| Corporate Banking | 12 | 15 | 15 | 14 | 12 | 15 | 14 | 11 | 17 | 13 | 14 | 15 |
| Investment Banking | 13 | 17 | 12 | 18 | 22 | 22 | 27 | 70 | 20 | 30 | 22 | 26 |
| Total Wholesale | 14 | 15 | 14 | 15 | 14 | 17 | 17 | 26 | 18 | 18 | 16 | 18 |
| Total Bank | 15 | 15 % | 15 % | 16 % | 16 % | 15 % | 18 % | 17 % | 16 % | 17 % | 16 % | 17 % |
| Percentage contribution to total net income | | | | | | | | | | | | |
| Personal & Commercial Banking | 16 | 34 % | 35 % | 38 % | 41 % | 48 % | 36 % | 48 % | 44 % | 30 % | 45 % | 37 % |
| Wealth Management Services | 17 | 7 | 7 | 6 | 8 | - | 9 | 12 | (1) | 14 | 4 | 7 |
| Total Retail | 18 | 41 | 42 | 44 | 49 | 48 | 45 | 60 | 43 | 44 | 49 | 44 |
| Corporate Banking | 19 | 45 | 45 | 40 | 30 | 42 | 33 | 24 | 41 | 31 | 36 | 36 |
| Investment Banking | 20 | 14 | 11 | 15 | 18 | 18 | 19 | 53 | 19 | 28 | 18 | 24 |
| Total Wholesale | 21 | 59 | 56 | 55 | 48 | 60 | 52 | 77 | 60 | 59 | 54 | 60 |
| Other | 22 | - | 2 | 1 | 3 | (8) | 3 | (37) | (3) | (3) | (3) | (4) |
| Total Bank | 23 | 100 % | 100 % | 100 % | 100 % | 100 % | 100 % | 100 % | 100 % | 100 % | 100 % | 100 % |
| Percentage geographic contribution to total net income | | | | | | | | | | | | |
| Canada | 24 | 74 % | 74 % | 74 % | 72 % | 75 % | 71 % | 63 % | 82 % | 58 % | 74 % | 70 % |
| USA | 25 | 20 | 17 | 18 | 18 | 25 | 19 | 20 | 19 | 30 | 22 | 25 |
| Offshore | 26 | 6 | 9 | 7 | 10 | - | 10 | 17 | (1) | 12 | 4 | 5 |
| Total Bank | 27 | 100 % | 100 % | 100 % | 100 % | 100 % | 100 % | 100 % | 100 % | 100 % | 100 % | 100 % |

BASIS OF PRESENTATION OF RESULTS: Results for each segment reflect revenues, expenses, assets and deposits generated by the businesses in that segment. Indirect expenses, such as overhead expenses, and associated revenues are allocated to business segments, using appropriate allocation formulas applied on a consistent basis. Common equity is allocated to business segments using capitalization rates applied to BIS-risk weighted assets, RAROC (Risk Adjusted Return On Capital) calculations, or based on comparable businesses.

OTHER: Includes Real Estate Investments and the effect of transfer pricing differences and any residual unallocated revenues, and expenses. The Q4/97 general provision for credit losses of \$200 million is included in Other.

NET INCOME BY MAJOR BUSINESS SEGMENT - PERSONAL & COMMERCIAL BANKING
(\$MILLIONS)

| LINE # | QUARTER | | | | | | | | YEAR TO DATE | | | |
|--|---------|-------------|-------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|
| | 1996 | | | 1997 | | | | 1998 | | 1997 | 1998 | |
| | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | | | |
| Net interest income (TEB) | 1 | \$444 | \$470 | \$490 | \$511 | \$503 | \$522 | \$559 | \$532 | \$507 | \$1,014 | \$1,039 |
| Provision for credit losses | 2 | 35 | 41 | 27 | 34 | 33 | 32 | (9) | 42 | 42 | 67 | 84 |
| Other income | 3 | 162 | 172 | 170 | 177 | 172 | 194 | 190 | 202 | 188 | 349 | 390 |
| Non-interest expenses | 4 | 438 | 462 | 471 | 464 | 441 | 498 | 508 | 461 | 483 | 905 | 944 |
| Net income before taxes | 5 | 133 | 139 | 162 | 190 | 201 | 186 | 250 | 231 | 170 | 391 | 401 |
| Income taxes (TEB) | 6 | 58 | 60 | 68 | 83 | 87 | 80 | 111 | 101 | 77 | 170 | 178 |
| Net income | 7 | \$75 | \$79 | \$94 | \$107 | \$114 | \$106 | \$139 | \$130 | \$93 | \$221 | \$223 |
| Selected volumes and ratios | | | | | | | | | | | | |
| Average loans and customers' liability under acceptances (\$B) | 8 | \$48 | \$49 | \$50 | \$51 | \$53 | \$54 | \$55 | \$56 | \$57 | \$52 | \$57 |
| Average deposits (\$B) | 9 | 50 | 49 | 50 | 50 | 50 | 50 | 51 | 51 | 50 | 50 | 51 |
| Assets under administration (\$B) | 10 | - | - | 21 | 19 | 20 | 25 | 25 | 23 | 23 | 20 | 23 |
| Efficiency ratio | 11 | 72% | 72% | 71% | 67% | 65% | 70% | 68% | 63% | 69% | 66% | 66% |
| Return on common equity | 12 | 15% | 16% | 18% | 21% | 24% | 21% | 26% | 26% | 18% | 23% | 22% |

PERSONAL AND COMMERCIAL BANKING:

Provides financial services to consumers and small and medium-sized businesses. It encompasses retail branch banking, and insurance businesses operating through a retail network of branches, automated banking machines, telephone, PC, internet networks and includes income from interest rate gapping.

NET INCOME BY MAJOR BUSINESS SEGMENT - WEALTH MANAGEMENT SERVICES
(\$MILLIONS)

| LINE # | QUARTER | | | | | | | | YEAR TO DATE | | | |
|--|---------|-------------|-------------|-------------|-------------|--------------|-------------|-------------|--------------|-------------|-------------|-------------|
| | 1996 | | | 1997 | | | | 1998 | | 1997 | 1998 | |
| | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | | | |
| Net interest income (TEB) | 1 | \$15 | \$15 | \$14 | \$28 | \$32 | \$35 | \$42 | \$56 | \$64 | \$60 | \$120 |
| Provision for credit losses | 2 | - | - | - | - | 3 | - | - | 1 | 1 | 3 | 2 |
| Brokerage commissions & management fees | 3 | 80 | 77 | 81 | 166 | 192 | 190 | 226 | 216 | 273 | 358 | 489 |
| Non-interest expenses | 4 | 69 | 65 | 67 | 148 | 197 | 170 | 198 | 252 | 252 | 345 | 504 |
| Net income before taxes | 5 | 26 | 27 | 28 | 46 | 24 | 55 | 70 | 19 | 84 | 70 | 103 |
| Income taxes (TEB) | 6 | 11 | 12 | 12 | 24 | 25 | 27 | 34 | 22 | 41 | 49 | 63 |
| Net income | 7 | \$15 | \$15 | \$16 | \$22 | (\$1) | \$28 | \$36 | (\$3) | \$43 | \$21 | \$40 |
| Selected volumes and ratios | | | | | | | | | | | | |
| Assets under administration (\$B) | | | | | | | | | | | | |
| Retail brokerage: Canada | 8 | \$18 | \$19 | \$21 | \$24 | \$25 | \$28 | \$30 | \$33 | \$37 | \$25 | \$35 |
| USA | 9 | - | - | 16 | 19 | 21 | 26 | 29 | 43 | 50 | 20 | 47 |
| TD mutual funds included in retail brokerage | 10 | (2) | (3) | (3) | (3) | (4) | (4) | (4) | (4) | (5) | (4) | (5) |
| Mutual funds: Canada | 11 | 8 | 8 | 10 | 11 | 12 | 13 | 13 | 13 | 15 | 12 | 14 |
| USA | 12 | - | - | 4 | 5 | 5 | 6 | 6 | 8 | 9 | 5 | 9 |
| TD Investment Management & other brokerage | 13 | 7 | 12 | 14 | 15 | 17 | 23 | 25 | 27 | 29 | 16 | 28 |
| Total AUA | 14 | \$31 | \$36 | \$62 | \$71 | \$76 | \$92 | \$99 | \$120 | \$135 | \$74 | \$128 |
| Efficiency ratio | 15 | 73% | 71% | 71% | 76% | 88% | 76% | 74% | 93% | 75% | 83% | 83% |
| Return on common equity | 16 | 46% | 42% | 41% | 11% | -1% | 13% | 16% | -2% | 13% | 5% | 6% |

ROE in Q1, 1998 would be 7% excluding the impact of \$25 million for acquisition of Rivkin.

ROE in Q2, 1997 would be 13% excluding the impact of \$29 million for acquisition of Pont.

ROE reflects the capital allocated to this segment including the funding of related goodwill which totalled \$734 million at April 30, 1998.

WEALTH MANAGEMENT SERVICES:

Comprised of TD Securities' retail brokerage businesses conducted through Green Line Investor Services, Waterhouse Investor Services, and Green Line Australia (discount brokerage); and TD Evergreen Investment Services (full service brokerage), Private Client Services - as well as Mutual Funds, and TD Investments.

NET INCOME BY MAJOR BUSINESS SEGMENT - CORPORATE BANKING
(\$MILLIONS)

| LINE # | QUARTER | | | | | | | | YEAR TO DATE | | | |
|--|---------|-------------|--------------|--------------|-------------|--------------|-------------|-------------|--------------|-------------|--------------|--------------|
| | 1996 | | | 1997 | | | | 1998 | | 1997 | 1998 | |
| | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | | | |
| Net interest income (TEB) | 1 | \$142 | \$132 | \$148 | \$132 | \$140 | \$127 | \$159 | \$150 | \$152 | \$272 | \$302 |
| Provision for credit losses | 2 | 4 | (9) | 12 | 6 | 3 | 4 | 53 | 20 | 18 | 9 | 38 |
| Credit and advisory fees | 3 | 64 | 62 | 67 | 55 | 59 | 87 | 71 | 113 | 84 | 114 | 197 |
| Non-interest expenses | 4 | 40 | 41 | 42 | 44 | 40 | 49 | 57 | 49 | 49 | 84 | 98 |
| Net income before taxes | 5 | 162 | 162 | 161 | 137 | 156 | 161 | 120 | 194 | 169 | 293 | 363 |
| Income taxes (TEB) | 6 | 63 | 62 | 61 | 57 | 56 | 64 | 50 | 75 | 75 | 113 | 150 |
| Net income | 7 | \$99 | \$100 | \$100 | \$80 | \$100 | \$97 | \$70 | \$119 | \$94 | \$180 | \$213 |
| Selected volumes and ratios | | | | | | | | | | | | |
| Average loans and customers' liability under acceptances (\$B) | 8 | \$23 | \$25 | \$25 | \$25 | \$26 | \$27 | \$27 | \$29 | \$29 | \$26 | \$29 |
| Efficiency ratio | 9 | 19% | 21% | 20% | 24% | 20% | 23% | 25% | 19% | 21% | 22% | 20% |
| Return on common equity | 10 | 15% | 15% | 14% | 12% | 15% | 14% | 11% | 17% | 13% | 14% | 15% |

CORPORATE BANKING:

Provides a full range of financial services to our large corporate customers. It includes Corporate Lending & Syndications together with deposit gathering, and Fee for Services Businesses (Trade Finance & Financial Institutions, Cash Management Services) and the Bank's preferred share investment portfolio. Q1/98 includes an after-tax gain on the sale of the payroll business of \$29MM.

NET INCOME BY MAJOR BUSINESS SEGMENT - INVESTMENT BANKING
(\$MILLIONS)

| LINE # | QUARTER | | | | | | | | YEAR TO DATE | | | |
|--|---------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|-------------|-------------|--------------|
| | 1996 | | | 1997 | | | | 1998 | | 1997 | 1998 | |
| | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | | | |
| Net interest income (TEB) | 1 | \$26 | \$34 | \$42 | \$49 | \$75 | \$57 | \$88 | \$95 | \$88 | \$124 | \$183 |
| Provision for credit losses | 2 | - | - | - | - | 1 | (1) | 1 | - | 2 | 1 | 2 |
| Trading, underwriting & advisory fees | 3 | 101 | 92 | 118 | 126 | 108 | 168 | 353 | 148 | 258 | 234 | 406 |
| Non-interest expenses | 4 | 76 | 86 | 96 | 97 | 107 | 128 | 176 | 148 | 191 | 204 | 339 |
| Net income before taxes | 5 | 51 | 40 | 64 | 78 | 75 | 98 | 264 | 95 | 153 | 153 | 248 |
| Income taxes (TEB) | 6 | 21 | 16 | 27 | 31 | 33 | 42 | 112 | 39 | 68 | 64 | 107 |
| Net income | 7 | \$30 | \$24 | \$37 | \$47 | \$42 | \$56 | \$152 | \$56 | \$85 | \$89 | \$141 |
| Selected volumes and ratios | | | | | | | | | | | | |
| Securities purchased under resale agreements (\$B) | 8 | \$9 | \$10 | \$13 | \$14 | \$23 | \$23 | \$23 | \$27 | \$29 | \$18 | \$28 |
| Trading securities (\$B) | 9 | 12 | 13 | 13 | 15 | 16 | 18 | 21 | 25 | 31 | 16 | 28 |
| Short sales of securities (\$B) | 10 | 5 | 6 | 6 | 8 | 8 | 8 | 10 | 9 | 10 | 8 | 10 |
| Securities sold under repurchase agreements (\$B) | 11 | 10 | 9 | 12 | 12 | 20 | 19 | 15 | 19 | 21 | 16 | 20 |
| Assets under administration (\$B) | 12 | - | - | 1 | 1 | 1 | 1 | 2 | 2 | 2 | 1 | 2 |
| Efficiency ratio | 13 | 60% | 68% | 60% | 55% | 58% | 57% | 40% | 61% | 55% | 57% | 58% |
| Return on common equity | 14 | 17% | 12% | 18% | 22% | 22% | 27% | 70% | 20% | 30% | 22% | 26% |

INVESTMENT BANKING:

Comprised of TD Securities' businesses related to foreign exchange, interest rate derivatives, fixed income, money market , M & A advisory, equities and structured finance, merchant banking, funding - as well as head office common share investment portfolio.

NII, MARGINS, RATES AND OTHER STATISTICS
(\$MILLIONS)

| LINE # | QUARTER | | | | | | | | YEAR TO DATE | | | |
|---|---------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|--------------|-----------|-----------|-----------|
| | 1996 | | | 1997 | | | | 1998 | | 1997 | 1998 | |
| | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | | | |
| Net interest income | | | | | | | | | | | | |
| Net interest income | 1 | \$586 | \$621 | \$654 | \$686 | \$683 | \$702 | \$751 | \$760 | \$717 | \$1,369 | \$1,477 |
| TEB adjustment | 2 | 27 | 38 | 38 | 34 | 43 | 37 | 47 | 50 | 55 | 77 | 105 |
| Net interest income (TEB) | 3 | \$613 | \$659 | \$692 | \$720 | \$726 | \$739 | \$798 | \$810 | \$772 | \$1,446 | \$1,582 |
| Average assets | | | | | | | | | | | | |
| Average earning assets | 4 | \$100,185 | \$105,538 | \$108,281 | \$116,692 | \$124,302 | \$129,765 | \$136,739 | \$145,776 | \$153,266 | \$120,436 | \$149,459 |
| Average total assets | 5 | 113,680 | 119,544 | 123,993 | 134,698 | 141,865 | 151,325 | 157,557 | 169,329 | 190,690 | 138,220 | 179,833 |
| Trading related income (TEB)* | | | | | | | | | | | | |
| Interest rate contracts | 6 | \$13 | \$26 | \$45 | \$41 | \$37 | \$64 | \$98 | \$58 | \$121 | \$78 | \$179 |
| Foreign exchange | 7 | 24 | 16 | 23 | 19 | 21 | 21 | 20 | 32 | 24 | 40 | 56 |
| Other contracts | 8 | 17 | 4 | (7) | 6 | 44 | 15 | 23 | 20 | 43 | 50 | 63 |
| Total trading income | 9 | \$54 | \$46 | \$61 | \$66 | \$102 | \$100 | \$141 | \$110 | \$188 | \$168 | \$298 |
| Impact on NII from impaired loans | | | | | | | | | | | | |
| Reduction/(increase) in NII from impaired loans | | | | | | | | | | | | |
| Gross | 10 | \$18 | \$20 | \$17 | \$14 | \$18 | \$17 | \$15 | \$11 | \$17 | \$32 | \$28 |
| Recoveries | 11 | (18) | (5) | (16) | (4) | (3) | (4) | (2) | (4) | (4) | (7) | (8) |
| Net reduction/(increase) | 12 | \$ - | \$15 | \$1 | \$10 | \$15 | \$13 | \$13 | \$7 | \$13 | \$25 | \$20 |
| Net interest margin | | | | | | | | | | | | |
| N.I.I. (TEB) as a % of average earning assets | 13 | 2.49 % | 2.48 % | 2.54 % | 2.45 % | 2.40 % | 2.26 % | 2.31 % | 2.21 % | 2.07 % | 2.42 % | 2.14 % |
| N.I.I. (TEB) as a % of average total assets | 14 | 2.20 | 2.19 | 2.22 | 2.12 | 2.10 | 1.94 | 2.01 | 1.90 | 1.66 | 2.11 | 1.77 |
| Effective tax rates | | | | | | | | | | | | |
| Published | 15 | 36.2 % | 33.4 % | 34.3 % | 38.3 % | 38.1 % | 37.1 % | 34.9 % | 40.2 % | 38.4 % | 38.2 % | 39.3 % |
| TEB | 16 | 40.9 | 40.2 | 40.2 | 42.9 | 44.3 | 41.7 | 41.2 | 45.7 | 44.5 | 43.6 | 45.1 |
| Number of common shares outstanding (millions) | | | | | | | | | | | | |
| At end of period | 17 | 301.7 | 291.8 | 302.7 | 299.1 | 296.5 | 296.9 | 296.9 | 297.0 | 297.0 | 296.5 | 297.0 |
| Average for period | 18 | 301.5 | 297.8 | 293.5 | 302.5 | 298.7 | 296.8 | 296.9 | 297.0 | 297.0 | 300.6 | 297.0 |

* Includes trading-related income reported in net interest and other income.

INTEREST RATE SENSITIVITY, SECURITIES, DEFERRED REVENUE AND GOODWILL
(\$MILLIONS)

| | LINE # | 1996 | | | | 1997 | | | | 1998 | |
|--|--------|--------|-------|-------|-------|-------|-------|-------|-------|--------------|--|
| | | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | |
| | | | | | | | | | | | |
| Interest sensitive liability gap within 1 year (\$billions) | 1 | \$3.2 | \$6.3 | \$4.7 | \$6.2 | \$5.5 | \$6.7 | \$6.9 | \$5.1 | \$4.9 | |
| After tax impact of 1% increase in interest rates on | | | | | | | | | | | |
| Common shareholders' equity | 2 | (95) | (144) | (146) | (184) | (164) | (159) | (173) | (132) | (130) | |
| Annual net income | 3 | (8) | (15) | (9) | (21) | (19) | (17) | (15) | 3 | (6) | |
| Securities - surplus (deficit) over book | | | | | | | | | | | |
| Canadian Governments | 4 | (\$17) | (\$1) | \$16 | \$12 | (\$3) | (\$2) | \$17 | (\$7) | (\$6) | |
| U.S. Federal Government | 5 | (66) | (63) | (15) | (7) | (17) | - | 1 | 1 | 4 | |
| Corporate Bonds/Debentures/Commercial Paper | 6 | - | 2 | 3 | 5 | 23 | 19 | (3) | (11) | (8) | |
| Preferred Shares | 7 | 18 | - | 18 | 40 | 33 | 52 | 59 | 43 | 43 | |
| Common & Equivalents | 8 | 213 | 206 | 301 | 381 | 471 | 824 | 600 | 727 | 932 | |
| Total | 9 | \$148 | \$144 | \$323 | \$431 | \$507 | \$893 | \$674 | \$753 | \$965 | |
| Deferred revenues | | | | | | | | | | | |
| Credit fees | 10 | \$124 | \$130 | \$127 | \$125 | \$133 | \$136 | \$118 | \$127 | \$145 | |
| Derivative fees | 11 | 122 | 111 | 117 | 115 | 123 | 116 | 109 | 119 | 126 | |
| Total | 12 | \$246 | \$241 | \$244 | \$240 | \$256 | \$252 | \$227 | \$246 | \$271 | |
| Goodwill | | | | | | | | | | | |
| At beginning of period | 13 | - | - | - | \$522 | \$519 | \$531 | \$517 | \$522 | \$756 | |
| Arising during the period | 14 | - | - | 522 | - | - | - | - | 227 | - | |
| Amortized in the period | 15 | - | - | - | (7) | (7) | (7) | (7) | (9) | (10) | |
| Foreign exchange adjustment | 16 | - | - | - | 4 | 19 | (7) | 12 | 16 | (12) | |
| At end of period | 17 | - | - | \$522 | \$519 | \$531 | \$517 | \$522 | \$756 | \$734 | |

NET INTEREST INCOME
(\$MILLIONS)

| LINE # | QUARTER | | | | | | | | YEAR TO DATE | | | |
|----------------------------|---------|---------|---------|---------|---------|---------|---------|---------|--------------|----------------|---------|----------------|
| | 1996 | | | 1997 | | | | 1998 | | 1997 | 1998 | |
| | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | | | |
| Interest income | | | | | | | | | | | | |
| Loans | 1 | \$1,437 | \$1,522 | \$1,560 | \$1,510 | \$1,525 | \$1,595 | \$1,680 | \$1,759 | \$1,776 | \$3,035 | \$3,535 |
| Securities | 2 | 274 | 280 | 249 | 288 | 306 | 323 | 374 | 427 | 447 | 594 | 874 |
| Deposits with banks | 3 | 50 | 47 | 52 | 52 | 56 | 42 | 75 | 84 | 96 | 108 | 180 |
| Total interest income | 4 | 1,761 | 1,849 | 1,861 | 1,850 | 1,887 | 1,960 | 2,129 | 2,270 | 2,319 | 3,737 | 4,589 |
| Interest expense | | | | | | | | | | | | |
| Deposits | 5 | 966 | 966 | 965 | 911 | 932 | 971 | 1,078 | 1,195 | 1,315 | 1,843 | 2,510 |
| Subordinated notes | 6 | 38 | 42 | 40 | 48 | 54 | 50 | 40 | 47 | 63 | 102 | 110 |
| Other | 7 | 171 | 220 | 202 | 205 | 218 | 237 | 260 | 268 | 224 | 423 | 492 |
| Total interest expense | 8 | 1,175 | 1,228 | 1,207 | 1,164 | 1,204 | 1,258 | 1,378 | 1,510 | 1,602 | 2,368 | 3,112 |
| Net interest income | 9 | \$586 | \$621 | \$654 | \$686 | \$683 | \$702 | \$751 | \$760 | \$717 | \$1,369 | \$1,477 |

OTHER INCOME
(\$MILLIONS)

| LINE # | QUARTER | | | | | | | | YEAR TO DATE | | | |
|---|---------|-------|-------|-------|-------|-------|-------|-------|--------------|-------|---------|---------|
| | 1996 | | | 1997 | | | | 1998 | | 1997 | 1998 | |
| | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | | | |
| Brokerage and other securities services | 1 | \$96 | \$89 | \$104 | \$178 | \$166 | \$228 | \$228 | \$214 | \$284 | \$344 | \$498 |
| Mutual fund management | 2 | 17 | 20 | 22 | 32 | 36 | 40 | 44 | 46 | 51 | 68 | 97 |
| Credit fees | 3 | 80 | 78 | 79 | 80 | 79 | 101 | 92 | 82 | 105 | 159 | 187 |
| Service charges | 4 | 65 | 65 | 66 | 66 | 66 | 68 | 68 | 69 | 70 | 132 | 139 |
| Card services | 5 | 35 | 39 | 39 | 41 | 37 | 43 | 44 | 44 | 41 | 78 | 85 |
| Trading income | 6 | 61 | 35 | 40 | 46 | 63 | 70 | 91 | 65 | 153 | 109 | 218 |
| Net investment securities gains | 7 | 25 | 29 | 28 | 25 | 40 | 32 | 232 | 36 | 42 | 65 | 78 |
| Foreign exchange - non-trading | 8 | 15 | 17 | 16 | 17 | 21 | 16 | 27 | 22 | 20 | 38 | 42 |
| Property rental income | 9 | 12 | 12 | 10 | 15 | 13 | 12 | 14 | 18 | 10 | 28 | 28 |
| Insurance | 10 | 7 | 7 | 9 | 9 | 11 | 12 | 10 | 13 | 13 | 20 | 26 |
| Other consumer services | 11 | 12 | 12 | 12 | 10 | 12 | 10 | 13 | 11 | 13 | 22 | 24 |
| Other commercial and corporate services | 12 | 17 | 22 | 45 | 21 | 21 | 25 | 25 | 87 | 26 | 42 | 113 |
| Total other income - page 3 (line 3) | 13 | \$442 | \$425 | \$470 | \$540 | \$565 | \$657 | \$888 | \$707 | \$828 | \$1,105 | \$1,535 |
| Foreign exchange included above: | | | | | | | | | | | | |
| Trading income | 14 | 23 | 16 | 23 | 19 | 21 | 22 | 18 | 32 | 24 | 40 | 56 |
| Non-trading | 15 | 15 | 17 | 16 | 17 | 21 | 16 | 27 | 22 | 20 | 38 | 42 |
| Total foreign exchange | 16 | \$38 | \$33 | \$39 | \$36 | \$42 | \$38 | \$45 | \$54 | \$44 | \$78 | \$98 |

NON-INTEREST EXPENSES
(\$ MILLIONS)

| LINE # | QUARTER | | | | | | | | YEAR TO DATE | | | |
|--|---------|-------|-------|-------|-------|-------|-------|-------|--------------|-------|---------|---------|
| | 1996 | | | 1997 | | | | 1998 | | 1997 | 1998 | |
| | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | | | |
| Salaries and staff benefits | | | | | | | | | | | | |
| Salaries | 1 | \$309 | \$328 | \$384 | \$386 | \$390 | \$416 | \$494 | \$441 | \$509 | \$776 | \$950 |
| Pension and other staff benefits | 2 | 29 | 30 | 28 | 32 | 37 | 37 | 34 | 39 | 44 | 69 | 83 |
| Total | 3 | 338 | 358 | 412 | 418 | 427 | 453 | 528 | 480 | 553 | 845 | 1,033 |
| Occupancy | | | | | | | | | | | | |
| Rent | 4 | 38 | 37 | 40 | 41 | 41 | 43 | 46 | 44 | 47 | 82 | 91 |
| Depreciation | 5 | 16 | 16 | 16 | 17 | 17 | 17 | 21 | 18 | 15 | 34 | 33 |
| Other | 6 | 16 | 18 | 16 | 17 | 18 | 18 | 17 | 18 | 18 | 35 | 36 |
| Total | 7 | 70 | 71 | 72 | 75 | 76 | 78 | 84 | 80 | 80 | 151 | 160 |
| Equipment | | | | | | | | | | | | |
| Rent | 8 | 11 | 14 | 12 | 14 | 13 | 14 | 17 | 17 | 18 | 27 | 35 |
| Depreciation | 9 | 18 | 17 | 18 | 20 | 20 | 22 | 24 | 25 | 27 | 40 | 52 |
| Other | 10 | 28 | 28 | 30 | 28 | 30 | 31 | 37 | 34 | 40 | 58 | 74 |
| Total | 11 | 57 | 59 | 60 | 62 | 63 | 67 | 78 | 76 | 85 | 125 | 161 |
| General | | | | | | | | | | | | |
| Marketing and business development | 12 | 40 | 33 | 33 | 39 | 44 | 46 | 59 | 52 | 55 | 83 | 107 |
| Brokerage related fees | 13 | 9 | 11 | 9 | 22 | 23 | 24 | 31 | 32 | 38 | 45 | 70 |
| Communications | 14 | 23 | 24 | 24 | 30 | 29 | 30 | 32 | 34 | 34 | 59 | 68 |
| Professional and advisory services | 15 | 23 | 24 | 29 | 25 | 27 | 42 | 40 | 32 | 31 | 52 | 63 |
| Capital and business taxes | 16 | 23 | 25 | 22 | 23 | 33 | 31 | 23 | 26 | 22 | 56 | 48 |
| Deposit insurance premiums | 17 | 16 | 18 | 18 | 16 | 16 | 16 | 16 | 16 | 16 | 32 | 32 |
| Postage | 18 | 13 | 12 | 10 | 14 | 15 | 14 | 16 | 14 | 17 | 29 | 31 |
| Travel & relocation | 19 | 8 | 9 | 7 | 8 | 8 | 11 | 11 | 10 | 11 | 16 | 21 |
| Other | 20 | 21 | 24 | 25 | 26 | 30 | 38 | 37 | 37 | 43 | 56 | 80 |
| Total | 21 | 176 | 180 | 177 | 203 | 225 | 252 | 265 | 253 | 267 | 428 | 520 |
| Total before acquisition costs | 22 | 641 | 668 | 721 | 758 | 791 | 850 | 955 | 889 | 985 | 1,549 | 1,874 |
| Pont (Q2/97) / Rivkin (Q1/98) | 23 | - | - | - | - | 29 | - | - | 25 | - | 29 | 25 |
| Total non-interest expenses - page 3 (line 5) | 24 | \$641 | \$668 | \$721 | \$758 | \$820 | \$850 | \$955 | \$914 | \$985 | \$1,578 | \$1,899 |

BALANCE SHEET
(\$MILLIONS)

| LINE # | AS AT QUARTER END | | | | | | | | | |
|---|-------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 1996 | | | 1997 | | | | 1998 | | |
| | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | |
| Cash resources | 1 | \$4,311 | \$4,477 | \$5,216 | \$4,788 | \$5,134 | \$5,945 | \$7,587 | \$5,743 | \$6,878 |
| Securities purchased under resale agreements | 2 | 9,460 | 9,978 | 13,063 | 13,781 | 22,904 | 23,112 | 23,321 | 26,771 | 28,828 |
| Investment securities | | | | | | | | | | |
| Issued or guaranteed by Canada or provinces | 3 | 2,528 | 2,583 | 2,227 | 2,524 | 2,534 | 2,460 | 2,325 | 2,367 | 1,791 |
| Issued by US federal government | 4 | 2,626 | 2,699 | 3,834 | 3,773 | 3,938 | 4,213 | 4,371 | 4,846 | 4,718 |
| Other securities | 5 | 4,378 | 4,365 | 4,662 | 4,896 | 5,358 | 5,773 | 5,915 | 5,938 | 8,527 |
| Total | 6 | 9,532 | 9,647 | 10,723 | 11,193 | 11,830 | 12,446 | 12,611 | 13,151 | 15,036 |
| Trading securities | 7 | 13,023 | 13,728 | 13,501 | 15,389 | 17,167 | 17,826 | 20,811 | 24,695 | 30,637 |
| Total | 8 | 22,555 | 23,375 | 24,224 | 26,582 | 28,997 | 30,272 | 33,422 | 37,846 | 45,673 |
| Loans and bankers' acceptances | | | | | | | | | | |
| Residential mortgages | 9 | 27,033 | 27,829 | 28,624 | 29,758 | 30,568 | 30,448 | 30,442 | 30,632 | 30,734 |
| Personal | 10 | 9,647 | 9,763 | 10,732 | 11,212 | 12,298 | 12,588 | 13,736 | 14,872 | 16,186 |
| Business and government | 11 | 37,799 | 38,975 | 39,446 | 39,081 | 41,837 | 42,285 | 42,560 | 46,996 | 46,198 |
| Total | 12 | 74,479 | 76,567 | 78,802 | 80,051 | 84,703 | 85,321 | 86,738 | 92,500 | 93,118 |
| Other assets | 13 | 6,613 | 6,375 | 8,992 | 10,904 | 11,468 | 11,477 | 12,784 | 14,179 | 15,022 |
| Total assets | 14 | \$117,418 | \$120,772 | \$130,297 | \$136,106 | \$153,206 | \$156,127 | \$163,852 | \$177,039 | \$189,519 |
| Deposits | | | | | | | | | | |
| Personal non-term | 15 | \$17,125 | \$16,741 | \$18,759 | \$19,184 | \$19,553 | \$19,811 | \$20,517 | \$21,460 | \$22,416 |
| Personal term | 16 | 25,243 | 24,932 | 24,787 | 24,323 | 23,445 | 23,789 | 23,527 | 23,081 | 22,916 |
| Banks and deposit taking institutions | 17 | 12,248 | 13,041 | 14,164 | 12,391 | 15,725 | 14,071 | 16,268 | 21,716 | 26,455 |
| Business and government | 18 | 25,957 | 29,910 | 29,853 | 35,101 | 39,976 | 46,151 | 50,314 | 51,827 | 55,886 |
| Total | 19 | 80,573 | 84,624 | 87,563 | 90,999 | 98,699 | 103,822 | 110,626 | 118,084 | 127,673 |
| Acceptances | 20 | 6,453 | 6,450 | 6,411 | 6,092 | 7,065 | 6,928 | 7,036 | 7,125 | 8,078 |
| Short sales of securities | 21 | 5,241 | 6,350 | 6,363 | 7,730 | 7,772 | 8,267 | 9,640 | 9,153 | 10,116 |
| Securities sold under repurchase agreements | 22 | 9,781 | 9,084 | 11,807 | 11,671 | 20,100 | 18,708 | 15,199 | 19,055 | 21,241 |
| Other liabilities | 23 | 6,664 | 5,602 | 9,139 | 9,944 | 9,138 | 8,063 | 10,657 | 12,238 | 10,922 |
| Subordinated notes | 24 | 2,345 | 2,376 | 2,335 | 2,944 | 3,542 | 3,289 | 3,391 | 3,464 | 3,425 |
| Shareholders' equity | | | | | | | | | | |
| Preferred | 25 | 538 | 540 | 534 | 536 | 545 | 541 | 546 | 905 | 900 |
| Common | 26 | 5,823 | 5,746 | 6,145 | 6,190 | 6,345 | 6,509 | 6,757 | 7,015 | 7,164 |
| Total | 27 | 6,361 | 6,286 | 6,679 | 6,726 | 6,890 | 7,050 | 7,303 | 7,920 | 8,064 |
| Total liabilities and shareholders' equity | 28 | \$117,418 | \$120,772 | \$130,297 | \$136,106 | \$153,206 | \$156,127 | \$163,852 | \$177,039 | \$189,519 |
| Assets under administration | | | | | | | | | | |
| Wealth management services | 29 | \$29,813 | \$35,820 | \$62,299 | \$71,195 | \$75,581 | \$92,324 | \$98,478 | \$119,775 | \$135,090 |
| Personal and commercial banking | 30 | 19,716 | 21,683 | 20,859 | 18,951 | 20,285 | 24,944 | 24,850 | 22,801 | 23,238 |
| Investment banking | 31 | 340 | 913 | 1,407 | 1,105 | 1,249 | 1,490 | 1,816 | 1,935 | 2,453 |
| Total | 32 | \$49,869 | \$58,416 | \$84,565 | \$91,251 | \$97,115 | \$118,758 | \$125,144 | \$144,511 | \$160,781 |

ANALYSIS OF CHANGE IN SHAREHOLDERS' EQUITY
(\$MILLIONS)

| LINE # | AS AT QUARTER END | | | | | | | | YEAR TO DATE | | | |
|--|-------------------|-------|-------|-------|-------|-------|-------|-------|--------------|-------|-------|-------|
| | 1996 | | | 1997 | | | | 1998 | | 1997 | 1998 | |
| | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | | | |
| Preferred shares | | | | | | | | | | | | |
| Balance at beginning of period | 1 | \$541 | \$538 | \$541 | \$534 | \$536 | \$545 | \$541 | \$546 | \$905 | \$534 | \$546 |
| Issued - TD Mortgage Investment Corp. | 2 | - | - | - | - | - | - | - | 350 | - | - | 350 |
| Redeemed | 3 | - | - | - | - | - | - | - | - | - | - | - |
| Translation on shares issued in foreign currency | 4 | (3) | 2 | (7) | 2 | 9 | (4) | 5 | 9 | (5) | 11 | 4 |
| Balance at end of period | 5 | 538 | 540 | 534 | 536 | 545 | 541 | 546 | 905 | 900 | 545 | 900 |
| Common shares | | | | | | | | | | | | |
| Balance at beginning of period | 6 | 883 | 887 | 860 | 1,305 | 1,294 | 1,290 | 1,297 | 1,297 | 1,298 | 1,305 | 1,297 |
| Issued - Waterhouse | 7 | - | - | 459 | 1 | - | - | - | - | - | 1 | - |
| - Options | 8 | 4 | 2 | 5 | 5 | 9 | 7 | - | 1 | 1 | 14 | 2 |
| Repurchased for cancellation | 9 | - | (29) | (19) | (17) | (13) | - | - | - | - | (30) | - |
| Balance at end of period | 10 | 887 | 860 | 1,305 | 1,294 | 1,290 | 1,297 | 1,297 | 1,298 | 1,299 | 1,290 | 1,299 |
| Retained earnings before foreign currency translation | | | | | | | | | | | | |
| Balance at beginning of period | 11 | 4,739 | 4,875 | 4,803 | 4,805 | 4,855 | 4,910 | 5,112 | 5,305 | 5,486 | 4,805 | 5,305 |
| Net Income | 12 | 220 | 223 | 249 | 264 | 240 | 295 | 289 | 293 | 307 | 504 | 600 |
| Dividends - common | 13 | (75) | (74) | (77) | (85) | (84) | (83) | (83) | (95) | (95) | (169) | (190) |
| - preferred | 14 | (8) | (8) | (8) | (8) | (7) | (8) | (8) | (8) | (8) | (15) | (16) |
| - preferred TDMIC tax effected | 15 | - | - | - | - | - | - | - | (3) | (2) | - | (5) |
| Share issue expenses - net of taxes | 16 | - | - | - | - | - | - | - | (3) | - | - | (3) |
| Shares repurchased for cancellation | 17 | - | (215) | (161) | (124) | (95) | (3) | - | - | - | (219) | - |
| Stock options settled in cash | 18 | - | - | - | - | - | - | (6) | (2) | (12) | - | (14) |
| Other | 19 | (1) | 2 | (1) | 3 | 1 | 1 | 1 | (1) | 1 | 4 | - |
| Balance at end of period | | 4,875 | 4,803 | 4,805 | 4,855 | 4,910 | 5,112 | 5,305 | 5,486 | 5,677 | 4,910 | 5,677 |
| Foreign currency translation | | | | | | | | | | | | |
| Balance at beginning of period | 20 | 71 | 61 | 83 | 35 | 41 | 145 | 100 | 155 | 231 | 35 | 155 |
| Translation adjustments | 21 | (8) | 18 | (49) | 14 | 62 | (25) | 46 | 56 | (25) | 76 | 31 |
| Income taxes applicable to translation adjustments | 22 | (2) | 4 | 1 | (8) | 42 | (20) | 9 | 20 | (18) | 34 | 2 |
| Balance at end of period | 23 | 61 | 83 | 35 | 41 | 145 | 100 | 155 | 231 | 188 | 145 | 188 |
| Retained earnings at end of period after foreign currency translation | | | | | | | | | | | | |
| | 24 | 4,936 | 4,886 | 4,840 | 4,896 | 5,055 | 5,212 | 5,460 | 5,717 | 5,865 | 5,055 | 5,865 |
| Total common equity | 25 | 5,823 | 5,746 | 6,145 | 6,190 | 6,345 | 6,509 | 6,757 | 7,015 | 7,164 | 6,345 | 7,164 |
| Total shareholders' equity | 26 | 6,361 | 6,286 | 6,679 | 6,726 | 6,890 | 7,050 | 7,303 | 7,920 | 8,064 | 6,890 | 8,064 |

NUMBER OF COMMON SHARES

| | | | | | | | | | | | | |
|--|----|-------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Common Shares | | | | | | | | | | | | |
| Number of common shares at beginning of period | 27 | 301,445,791 | 301,694,291 | 291,790,106 | 302,702,896 | 299,137,724 | 296,543,324 | 296,932,574 | 296,946,199 | 296,964,049 | 302,702,896 | 296,946,199 |
| Issued on acquisition of Waterhouse | 28 | - | - | 16,699,200 | 28,278 | - | - | - | - | - | 28,278 | - |
| Issue on exercise of options | 29 | 248,500 | 127,500 | 247,475 | 264,150 | 425,500 | 389,250 | 13,625 | 17,850 | 67,225 | 689,650 | 85,075 |
| Common shares repurchased | 30 | - | (10,031,685) | (6,033,885) | (3,857,600) | (3,019,900) | - | - | - | - | (6,877,500) | - |
| Number of common shares at end of period | 31 | 301,694,291 | 291,790,106 | 302,702,896 | 299,137,724 | 296,543,324 | 296,932,574 | 296,946,199 | 296,964,049 | 297,031,274 | 296,543,324 | 297,031,274 |

RISK-WEIGHTED ASSETS AND CAPITAL
(\$MILLIONS)

| LINE # | AS AT QUARTER ENDED | | | | | | | | | |
|--|---------------------|---------|---------|---------|---------|---------|---------|----------|----------|----------|
| | 1996 | | | 1997 | | | | 1998 | | |
| | 2 | 3 | 4* | 1 | 2 | 3 | 4 | 1 | 2 | |
| Balance Sheet | | | | | | | | | | |
| Cash resources | 1 | \$728 | \$767 | \$862 | \$814 | \$917 | \$1,070 | \$1,414 | \$1,043 | \$1,261 |
| Securities | 2 | 8,937 | 9,174 | 10,786 | 13,247 | 14,737 | 14,242 | 17,949 | 4,916 | 5,084 |
| Loans | 3 | 43,182 | 44,914 | 46,570 | 46,191 | 49,443 | 47,029 | 46,752 | 48,989 | 48,845 |
| Customers' liability under acceptances | 4 | 6,453 | 6,450 | 6,411 | 6,092 | 7,065 | 6,928 | 7,036 | 7,103 | 7,922 |
| Other assets | 5 | 3,131 | 3,669 | 3,524 | 4,131 | 3,926 | 4,174 | 4,922 | 4,717 | 4,578 |
| Total balance sheet | 6 | 62,431 | 64,974 | 68,153 | 70,475 | 76,088 | 73,443 | 78,073 | 66,768 | 67,690 |
| Off Balance Sheet | | | | | | | | | | |
| Credit instruments | 7 | 18,205 | 20,132 | 19,566 | 20,399 | 22,337 | 21,551 | 22,046 | 22,304 | 24,604 |
| Derivative financial instruments | 8 | 2,531 | 2,575 | 2,678 | 2,806 | 2,754 | 2,533 | 2,765 | 2,924 | 3,206 |
| Total off balance sheet | 9 | 20,736 | 22,707 | 22,244 | 23,205 | 25,091 | 24,084 | 24,812 | 25,228 | 27,810 |
| Total risk-weighted asset equivalent - Credit risk | | | | | | | | | | |
| | 10 | 83,167 | 87,681 | 90,397 | 93,680 | 101,179 | 97,527 | 102,885 | 91,996 | 95,500 |
| Total risk-weighted asset equivalent - Market risk ** | | | | | | | | | | |
| | 11 | - | - | - | - | - | - | - | 8,845 | 8,220 |
| Total | 12 | 83,167 | 87,681 | 90,397 | 93,680 | 101,179 | 97,527 | 102,885 | 100,841 | 103,720 |
| CAPITAL | | | | | | | | | | |
| TIER 1 | | | | | | | | | | |
| Common shareholders' equity | 13 | 5,823 | 5,746 | 6,145 | 6,190 | 6,345 | 6,509 | 6,757 | 7,015 | 7,164 |
| Non-cumulative preferred shares | 14 | 538 | 540 | 534 | 537 | 545 | 541 | 546 | 905 | 901 |
| Less: Goodwill | 15 | - | - | (522) | (519) | (531) | (517) | (522) | (756) | (734) |
| Total Tier 1 | 16 | 6,361 | 6,286 | 6,157 | 6,208 | 6,359 | 6,533 | 6,781 | 7,164 | 7,331 |
| TIER 2 | | | | | | | | | | |
| Subordinated debt | 17 | 2,345 | 2,376 | 2,685 | 2,944 | 3,542 | 3,289 | 3,391 | 3,463 | 3,425 |
| Less: Amortization of subordinated debt | 18 | (61) | (61) | (58) | (56) | (243) | (63) | (107) | (109) | (119) |
| Tier 2 capital in excess of 50% of Tier 1 | 19 | - | - | - | - | (120) | - | - | - | - |
| General allowance | 20 | - | - | - | - | - | - | 402 | 425 | 447 |
| Total Tier 2 | 21 | 2,284 | 2,315 | 2,627 | 2,888 | 3,179 | 3,226 | 3,686 | 3,779 | 3,753 |
| Other deductions | 22 | - | - | - | - | - | (10) | (14) | (15) | (17) |
| Total Capital | 23 | \$8,645 | \$8,601 | \$8,784 | \$9,096 | \$9,538 | \$9,749 | \$10,454 | \$10,928 | \$11,067 |
| Capital ratios | | | | | | | | | | |
| Canadian | | | | | | | | | | |
| Tier 1 | 24 | 7.6 | 7.2 | 6.8 | 6.6 | 6.3 | 6.7 | 6.6 | 7.1 | 7.1 |
| Total | 25 | 10.4 | 9.8 | 9.7 | 9.7 | 9.4 | 10.0 | 10.2 | 10.8 | 10.7 |
| U.S.A. | | | | | | | | | | |
| Tier 1 | 26 | 7.5 | 7.0 | 6.6 | 6.5 | 6.1 | 6.5 | 6.4 | 6.9 | 6.9 |
| Total | 27 | 10.3 | 9.7 | 9.6 | 9.5 | 9.1 | 9.6 | 9.8 | 10.3 | 10.5 |

* 4th Quarter ratios for 1996 reflect November 1, 1996 \$350 million subordinated note issue.

** Market risk rules for trading securities in effect from Q1/98

DERIVATIVES
(\$MILLIONS)

| LINE # | AS AT QUARTER END | | | | | | | | | |
|--------------------------|-------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------------|
| | 1996 | | | 1997 | | | | 1998 | | |
| | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | |
| Interest Rate | | | | | | | | | | |
| Notional Principal | 1 | \$355,433 | \$329,805 | \$353,949 | \$335,449 | \$358,221 | \$378,500 | \$413,906 | \$445,616 | \$435,861 |
| Replacement Cost | 2 | 2,662 | 3,400 | 3,663 | 3,656 | 3,267 | 4,419 | 4,562 | 5,032 | 5,555 |
| Credit Equivalent | 3 | 4,061 | 4,946 | 5,429 | 5,602 | 5,396 | 6,557 | 7,228 | 7,602 | 8,849 |
| Risk-Weighted | 4 | 1,013 | 1,475 | 1,369 | 1,446 | 1,689 | 1,721 | 1,973 | 1,942 | 2,381 |
| Foreign Exchange | | | | | | | | | | |
| Notional Principal | 5 | 216,109 | 208,729 | 200,627 | 197,162 | 168,512 | 185,088 | 214,151 | 212,840 | 221,471 |
| Replacement Cost | 6 | 3,109 | 1,538 | 2,435 | 2,577 | 3,030 | 2,315 | 2,652 | 3,348 | 2,144 |
| Credit Equivalent | 7 | 5,294 | 3,628 | 4,476 | 4,609 | 5,200 | 4,420 | 4,788 | 5,807 | 4,375 |
| Risk-Weighted | 8 | 1,423 | 1,017 | 1,226 | 1,265 | 1,467 | 1,210 | 1,317 | 1,704 | 1,268 |
| Other | | | | | | | | | | |
| Notional Principal | 9 | 2,740 | 2,091 | 2,524 | 2,740 | 1,675 | 2,075 | 13,770 | 7,110 | 18,276 |
| Replacement Cost | 10 | 28 | 54 | 23 | 28 | 27 | 38 | 173 | 108 | 184 |
| Credit Equivalent | 11 | 234 | 231 | 212 | 234 | 128 | 187 | 1,112 | 568 | 1,488 |
| Risk-Weighted | 12 | 95 | 83 | 83 | 95 | 40 | 55 | 386 | 239 | 534 |
| Total Derivatives | | | | | | | | | | |
| Notional Principal | 13 | \$574,282 | \$540,625 | \$557,100 | \$535,351 | \$528,408 | \$565,663 | \$641,827 | \$665,566 | \$675,608 |
| Replacement Cost | 14 | 5,799 | 4,992 | 6,121 | 6,261 | 6,324 | 6,772 | 7,387 | 8,488 | 7,883 |
| Credit Equivalent | 15 | 9,589 | 8,805 | 10,117 | 10,445 | 10,724 | 11,164 | 13,128 | 13,977 | 14,712 |
| Risk-Weighted | 16 | 2,531 | 2,575 | 2,678 | 2,806 | 3,196 | 2,986 | 3,675 | 3,885 | 4,183 |
| Impact of Netting | 17 | - | - | - | - | (442) | (454) | (910) | (961) | (977) |
| Net Risk-Weighted | 18 | - | - | - | - | 2,754 | 2,532 | 2,765 | 2,924 | 3,206 |

NET IMPAIRED LOANS
(\$MILLIONS)

| LINE # | AS AT QUARTER END | | | | | | | | | |
|--|-------------------|----------|----------|----------|----------|-----------|-----------|-----------|-----------|------------------|
| | 1996 | | | 1997 | | | | 1998 | | |
| | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | |
| DOMESTIC | | | | | | | | | | |
| Personal | 1 | \$71 | \$67 | \$74 | \$74 | \$67 | \$35 | \$66 | \$87 | \$85 |
| Commercial | 2 | 149 | 197 | 142 | 189 | 151 | 172 | 112 | 88 | 71 |
| Corporate | 3 | 95 | 82 | 86 | 266 | 183 | 176 | 92 | 107 | 111 |
| Total Domestic net of Specific Provisions | 4 | 315 | 346 | 302 | 529 | 401 | 383 | 270 | 282 | 267 |
| INTERNATIONAL | | | | | | | | | | |
| U.S.A. | 5 | 252 | 224 | 201 | 101 | 89 | 71 | 53 | 218 | 89 |
| Other International | 6 | 2 | - | - | - | - | - | - | 9 | 13 |
| Total International net of Specific Provisions | 7 | 254 | 224 | 201 | 101 | 89 | 71 | 53 | 227 | 102 |
| Total Impaired Loans net of Specific Provisions | 8 | 569 | 570 | 503 | 630 | 490 | 454 | 323 | 509 | 369 |
| General Allowance for Credit Losses | 9 | 174 | 131 | 159 | 116 | 123 | 169 | 402 | 425 | 447 |
| TOTAL NET IMPAIRED LOANS | 10 | 395 | 439 | 344 | 514 | 367 | 285 | (79) | 84 | (78) |
| Allowance for Credit Losses | 11 | 496 | 533 | 429 | 461 | 501 | 535 | 585 | 644 | 668 |
| TOTAL GROSS IMPAIRED LOANS | 12 | \$891 | \$972 | \$773 | \$975 | \$868 | \$820 | \$506 | \$728 | \$590 |
| Allowance for Credit Losses as a % of Gross Impaired Loans | 13 | 55.7% | 54.8% | 55.5% | 47.3% | 57.7% | 65.2% | 115.6% | 88.5% | 113.2% |
| Total Loans (Page 14, lines 2 + 12) | 14 | \$83,939 | \$86,545 | \$91,865 | \$93,832 | \$107,607 | \$108,433 | \$110,059 | \$119,271 | \$121,946 |
| Net Impaired Loans as a % of Net Loans* | 15 | 0.5% | 0.5% | 0.4% | 0.5% | 0.4% | 0.3% | -0.1% | 0.1% | -0.1% |

* includes customers' liability under acceptances and securities purchased under resale agreements

CASH BASIS MEASUREMENTS
(\$MILLIONS)

| LINE # | QUARTER | | | | | | | | YEAR TO DATE | | | |
|--|---------|---------|---------|---------|---------|---------|---------|---------|--------------|----------------|---------|----------------|
| | 1996 | | | 1997 | | | | 1998 | | 1997 | 1998 | |
| | 2 | 3 | 4 | 1 | 2 | 3 | 4 | 1 | 2 | | | |
| Net Income applicable to common shares | 1 | \$212 | \$215 | \$241 | \$256 | \$233 | \$287 | \$281 | \$282 | \$297 | \$489 | \$579 |
| Impact of non-cash goodwill | 2 | - | - | - | 7 | 36 | 7 | 7 | 34 | 8 | 43 | 42 |
| Cash net income | 3 | \$212 | \$215 | \$241 | \$263 | \$269 | \$294 | \$288 | \$316 | \$305 | \$532 | \$621 |
| Average common shareholders' equity | 4 | \$5,709 | \$5,778 | \$5,882 | \$6,206 | \$6,282 | \$6,395 | \$6,633 | \$6,852 | \$7,032 | \$6,251 | \$6,932 |
| Impact of average non-cash goodwill | 5 | - | - | - | (519) | (531) | (517) | (522) | (647) | (644) | (525) | (646) |
| Average common shareholders' equity on a cash basis | 6 | \$5,709 | \$5,778 | \$5,882 | \$5,687 | \$5,751 | \$5,878 | \$6,111 | \$6,205 | \$6,388 | \$5,726 | \$6,286 |
| Average number of common shares outstanding (millions) | 7 | 301.5 | 297.8 | 293.5 | 302.5 | 298.7 | 296.8 | 296.9 | 297.0 | 297.0 | 300.6 | 297.0 |
| Cash earnings per share | 8 | \$0.70 | \$0.72 | \$0.82 | \$0.87 | \$0.90 | \$0.99 | \$0.97 | \$1.06 | \$1.03 | \$1.77 | \$2.09 |
| Cash return on common shareholders' equity (%) | 9 | 15.1% | 14.8% | 16.3% | 18.3% | 19.2% | 19.8% | 18.7% | 20.2% | 19.6% | 18.7% | 19.9% |

Cash basis measurement is based on excluding goodwill expense from the income statement and deducting unamortized goodwill from shareholders' equity for purposes of calculating EPS and ROE. This treatment allows for a more meaningful comparison between Canada and the United States. The portion of goodwill which is deductible for tax has been tax-effected.