



**Keeping  
Commitments**



**NBF Canadian Financial  
Services Conference**  
March 30, 2005

**Ed Clark**  
President and CEO  
TD Bank Financial Group

**Forward-Looking Statements  
And Other Information**

From time to time, the Bank makes written and oral forward-looking statements, including in this presentation, in filings with Canadian regulators or the U.S. Securities and Exchange Commission (SEC), and in other communications. All such statements are made pursuant to the "safe harbour" provisions of the United States *Private Securities Litigation Reform Act of 1995*. Forward-looking statements include, among others, statements regarding the Bank's objectives and targets and strategies to achieve them, the outlook for the Bank's business lines, and the Bank's anticipated financial performance. Forward-looking statements are typically identified by words such as "believe", "expect", "may" and "could". By their very nature, these statements are subject to inherent risks and uncertainties, general and specific, which may cause actual results to differ materially from the expectations expressed in the forward-looking statements. Some of the factors that could cause such differences include: the credit, market, liquidity, interest rate, operational and other risks discussed in the management discussion and analysis section of the Bank's latest annual and interim reports and in other regulatory filings made in Canada and with the SEC; general business and economic conditions in Canada, the United States and other countries in which the Bank conducts business, as well as the effect of changes in monetary policy in those jurisdictions and changes in the foreign exchange rates for the currencies of those jurisdictions; the degree of competition in the markets in which the Bank operates, both from established competitors and new entrants; legislative and regulatory developments; the accuracy and completeness of information the Bank receives on customers and counterparties; the timely development and introduction of new products and services in receptive markets; the Bank's ability to execute its growth and acquisition strategies including those of its subsidiaries; the Bank's ability to attract and retain key executives; reliance on third parties to provide components of the Bank's business infrastructure; technological changes; change in tax laws; unexpected judicial or regulatory proceedings; continued negative impact of the United States litigation environment; unexpected changes in consumer spending and saving habits; the possible impact on the Bank's businesses of international conflicts and terrorism; acts of God, such as earthquakes; and management's ability to anticipate and manage the risks associated with these factors and execute the Bank's strategies. The preceding list is not exhaustive of all possible factors. Other factors could also adversely affect the Bank's results. All such factors should be considered carefully when making decisions with respect to the Bank, and undue reliance should not be placed on the Bank's forward-looking statements. For more information, please see the discussion starting on page 37 of the Bank's 2004 Annual Report concerning the effect certain key factors could have on actual results. The Bank does not undertake to update any forward-looking statements that may be made from time to time by or on its behalf.

## Building the better bank

Four solid, growing businesses

What differentiates TD



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## Strategy Addresses Barriers to a Premium P/E

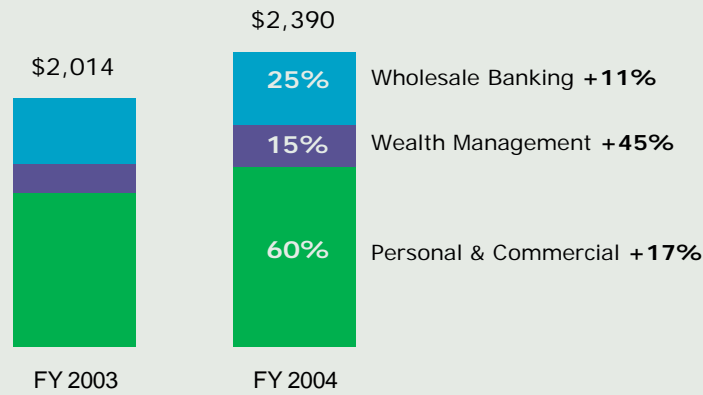
- Operate with reduced risk profile
  - less exposure to credit cycle
  - pro-active risk management and smaller corporate loan book
  - superior earnings mix provides higher more consistent return
- Achieve better than market growth rates
  - invest in core businesses for long-term organic growth
  - target under-penetrated businesses
  - well executed simple straightforward business strategies
- Strategically re-deploy capital for higher return
  - focus on economic profit and highest return for risk undertaken
  - invest with value, long-term growth, and flexibility in mind
  - TD Banknorth: TD's long-term U.S. growth strategy is best of Canadian banks
- Execute: Do what we say we will do



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## Double Digit Growth In All Segments in FY 2004

### Business Segment Net Income\* (\$MM)



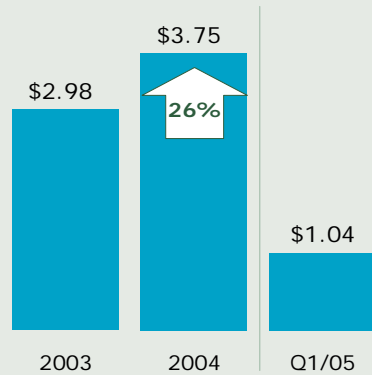
\* Earnings before amortization of intangibles, excluding 2003 write-downs and restructurings.

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## Strong EPS in 2004 Continues In 2005

### Annual EPS\*

(Before the amortization of intangibles)



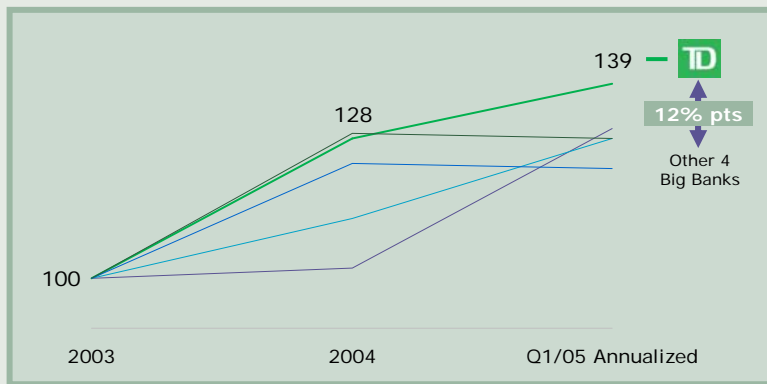
\* 2003 adjusted for sectoral releases \$0.08, general reserve release \$0.15 and restructuring and write-downs \$(0.96).  
 2004 adjusted for sectoral releases \$0.65, general reserve release \$0.06, AcG-13 \$(0.07) and litigation reserve \$(0.29).  
 Q1/05 adjusted for recover of specific loan loss previously provided under sectoral provisions \$0.03, AcG-13 \$(0.02), and general reserve release \$0.03.

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## TD's Earnings Growth Leads the Peer Group

TD Bank Financial Group

### Net Income Growth



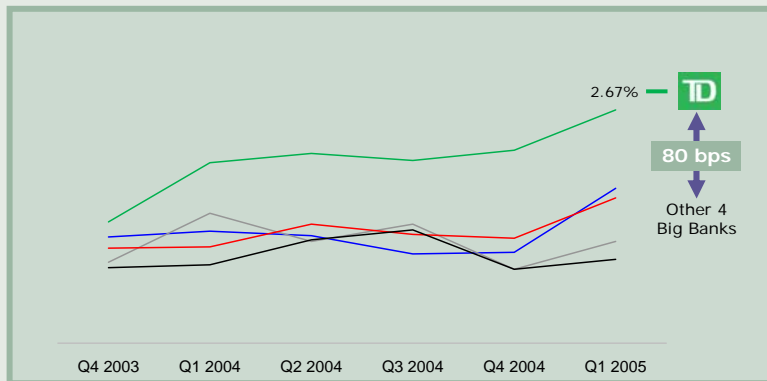
\* TD earnings before the amortization of intangibles and excluding sectoral releases, write-offs and restructuring. Other banks adjusted for non-underlying items.

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## Delivering the Best Return for Risk Undertaken

TD Bank Financial Group

### Return on Risk-Weighted Assets\*



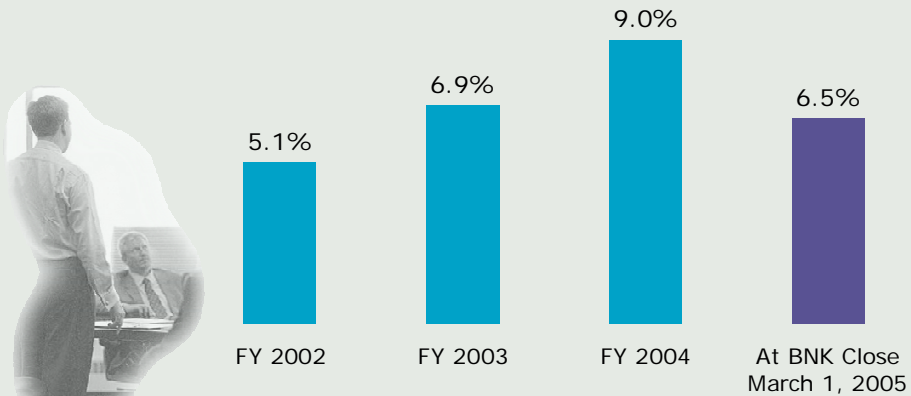
\* TD earnings before the amortization of intangibles and excluding sectoral releases, write-offs and restructuring. Other banks adjusted for non-underlying items.

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## Strong Capital Position Provides Flexibility and Options

**TD Bank Financial Group**

### Tangible Common Equity to Risk-Weighted Assets



**Generate about \$1.5B in capital annually for reinvestment**

Tangible common equity is total common equity less net intangibles and goodwill, and is a non-GAAP measure. Also see "Financial Highlights" in the inside cover of the 2004 Annual Report.

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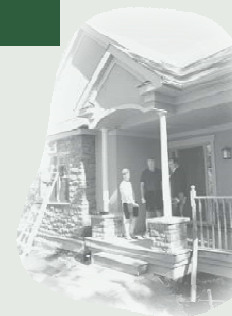
## Agenda

**TD Bank Financial Group**

Building the better bank

Four solid, growing businesses

What differentiates TD



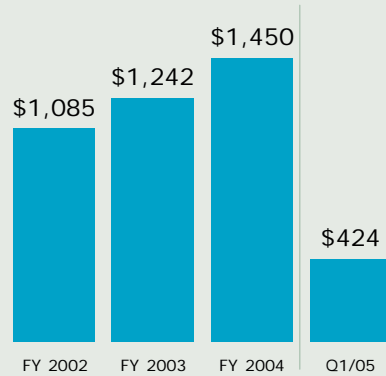
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## Personal & Commercial: Our Strategy is Working

 Bank Financial Group

Personal & Commercial

### Personal & Commercial Net Income (Before amortization of intangibles)



### Personal & Commercial Economic Profit



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## Strategy to Growing P&C Business

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Personal & Commercial

- Target under-penetrated businesses
  - small business, commercial banking, insurance
- Operating excellence
  - start with the customer
  - re-engineer to be simple, fast, easy
- Invest for the future
  - invest in core businesses
  - ensure long-term organic growth



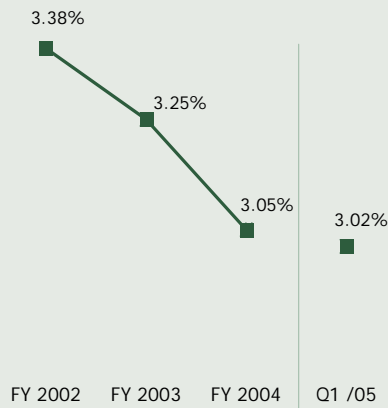
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## Focus on Operating Excellence and Maintaining Revenue/Expense Gap

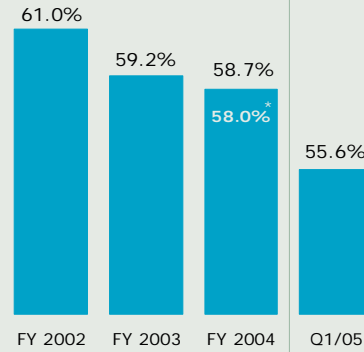
**TD Bank Financial Group**

Personal & Commercial

### Net Interest Margins



### Efficiency Ratio



\* In FY 2004, efficiency ratio was 58.0%, excluding acquisitions and 58.7% including acquisitions.

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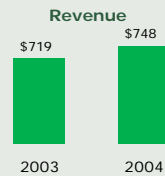
## Tactics For Growing Under-Penetrated Businesses

**TD Bank Financial Group**

Personal & Commercial

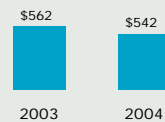
### Small Business Banking

- Leverage strong retail drivers (coverage, hours, CSI) and large retail customer base



### Commercial Banking

- Follow more segmented and focused approach to sales – three distinct businesses and strategies



### Insurance

- Life Insurance: Best creditor insurance penetration rate and direct sales of living benefits products
- Property & Casualty: Low cost direct insurance model produces superior ROE and growth



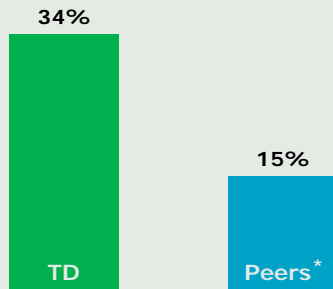
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## Excellent Profit Performance Continues in 2005

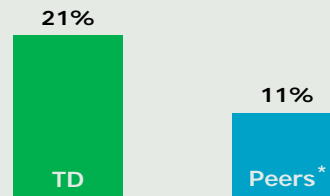
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Personal & Commercial

### % Net Income Growth 2002 to 2004



### % Net Income Growth Q1/04 to Q1/05



Faster revenues + operating excellence = top performance

Net income before amortization of intangibles

\* Peers is an average of: RY (includes global insurance and wealth management), BNS (includes Wealth Management), CM and BMO (excludes Harris) and includes adjustments made for comparability purposes.

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## Wealth Management: Executing Another Growth Opportunity

 Bank Financial Group

Wealth Management

- Build out integrated platform in Canada, leveraging strengths:
  - premium brand: TD Waterhouse
  - large retail banking customer base
  - top ranked mutual fund business
- Aggressively and organically grow TD Waterhouse U.S. discount brokerage
  - Continued focus on costs
  - Fill product gaps -- launch active trader platform
  - Leverage our advantages
    - independent financial planner
    - branches
- Exploit cost synergies of powerful market position in Canada

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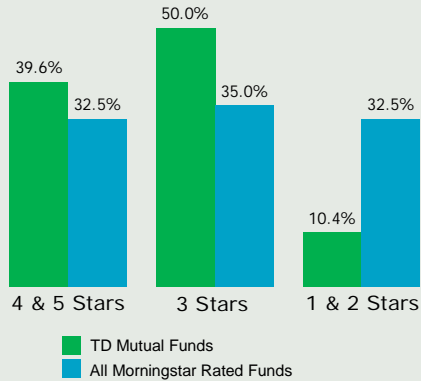


## Top Performing TD Mutual Funds – A Significant Contributor

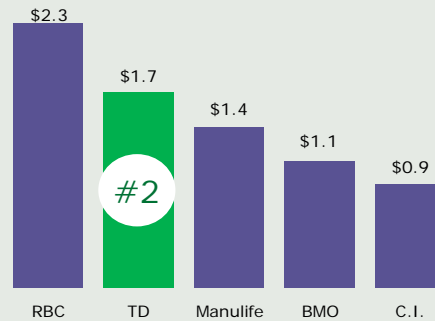
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Wealth Management

### More Top Rated Mutual Funds (as of February 2005)



### High Sales Growth in Canadian Long-Term Mutual Funds (\$B) (as of February 2005)



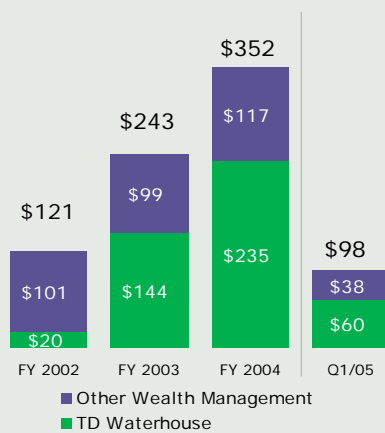
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## Our Wealth Management Strategy is Working

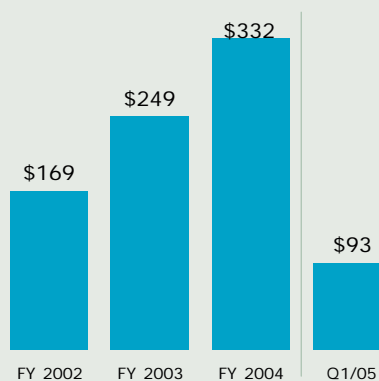
TD Bank Financial Group

Wealth Management

### TD Wealth Management Net Income (\$MM)



### Peer<sup>(2)</sup> Wealth Management Net Income (\$MM)



(1) Net income before amortization of intangibles. 2003 adjusted for restructuring and write-downs.

(2) Peers is an average of: CM and BMO (excluding U.S. Private Client Group) and includes adjustments made for comparability.

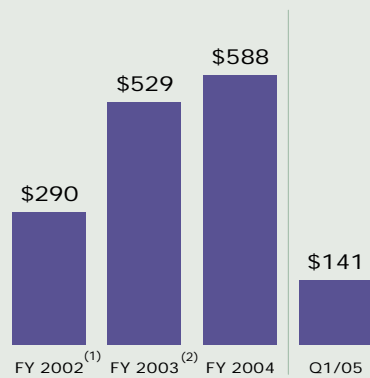
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## Wholesale Banking: Contributing to Shareholder Value

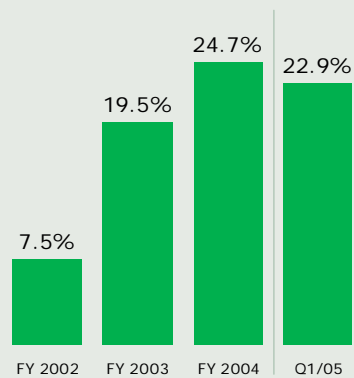
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Wholesale Banking

### Net Income (\$MM) (before amortization of intangibles)



### Return on Invested Capital



- (1) Excluding \$972 million after-tax sectoral provisions.  
(2) Excluding \$289 million after-tax restructuring and write-downs.

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## A Different, But Simple Strategy

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Wholesale Banking

- Operates within capital allocation, currently \$2.4B
  - not total bank capital
- Performance measurement – economic profit
  - aligns interests with shareholders
- Clear business focus
  - Canada: grow as full service investment bank
  - outside Canada: niche capital markets business



Goal: higher ROIC, lower risk, less exposure to credit cycle

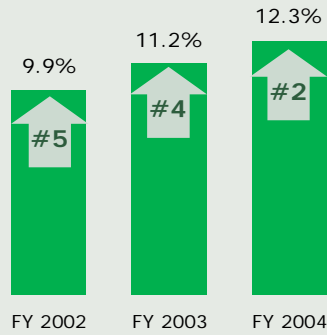
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## Matching Power in Fixed Income with Equities

**TD Bank Financial Group**

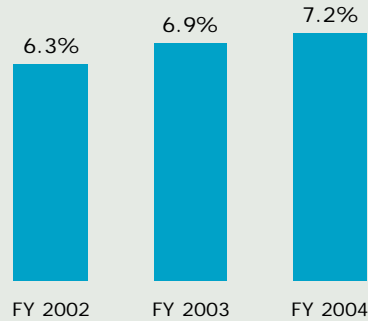
Wholesale Banking

### Value of Block Trades % Share and Rank<sup>(1)</sup>



(1) Calendar year, source: TSX

### Equity New Issues Market Share<sup>(2)</sup>



(2) Full Credit to Lead, includes league table data only (i.e. excludes private placements, flow throughs and special warrant transactions)

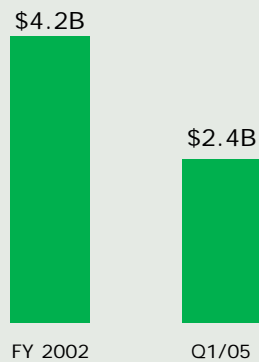
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## Dramatically Lower Exposure to the Credit Cycle

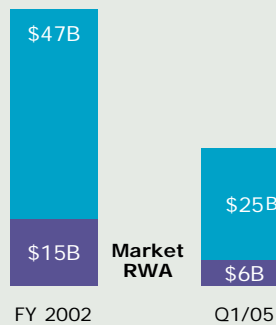
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Wholesale Banking

### Average Invested Capital – down 43%



### Risk Weighted Assets – down 50%

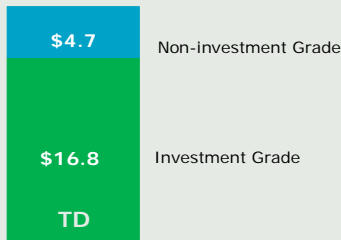


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# Differentiating TD From The Peer Group

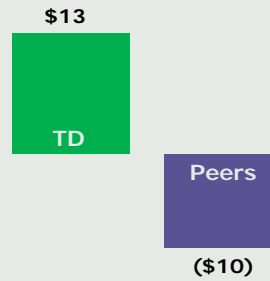
Wholesale Banking

## Net Exposure (\$B) Q1 2005



Credit Protection at Q1/05 was \$4.1B

## Q1 2005 PCLs (\$B) TD vs. Peers\*



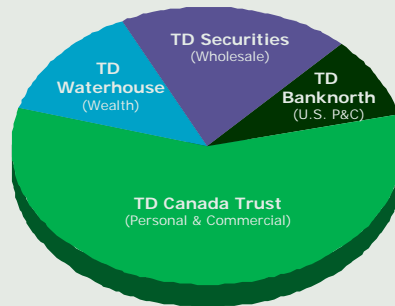
\* TD PCL is the cost of credit protection incurred in hedging the lending portfolio. Peers includes adjustments made for comparability purposes.

# TD Banknorth: TD's P&C Expansion Platform in the U.S.

TD Banknorth

- TD Banknorth is our fourth main growth segment – U.S. Personal and Commercial Banking
- TD's expansion strategy overcomes many of the challenges faced by Canadian banks entering the U.S. by:
  - acquiring a controlling interest in a larger bank (51% of TD Banknorth) rather than 100% of a smaller bank
  - retaining a U.S. only share currency

## Illustrative Business Segment Earnings\*



1. TD Q1 2005 net income before the amortization of intangibles.  
 2. TD's 51% share of the Canadian dollar equivalent of TD BNK's Q4 2004 net income, adjusted for merger, consolidation and de-leveraging costs.

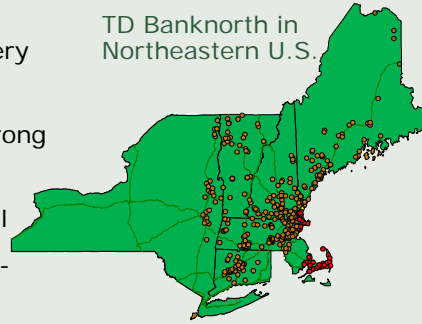
## Strategy Will Leverage TD Banknorth's Strengths

TD Bank Financial Group

TD Banknorth

- Best in class management
- Excellent geographic footprint in a very affluent area in the U.S.
- Platform scale franchise with very strong market positions
- Successful community banking model
- Acquisitions are a core competency -- acquisitions will continue -- targeting New England and potentially beyond

TD Banknorth in Northeastern U.S.



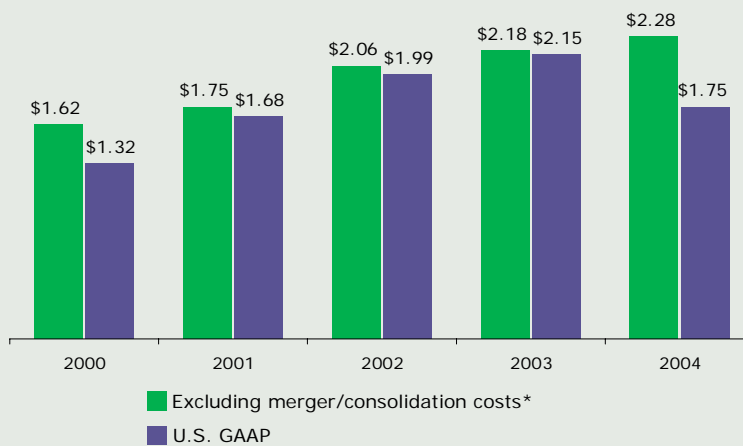
Scale Franchise With Approximately 400 Branches and 550 ATMs

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## Successful Strategy Yields Consistently Strong Earnings

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### Five-Year EPS Performance US\$



\*2004 operating earnings are exclusive of the after-tax impact of merger and consolidation costs and of the Company's balance sheet deleveraging.

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## TD BNK – Reconciliation Table – Non-GAAP Financial Information

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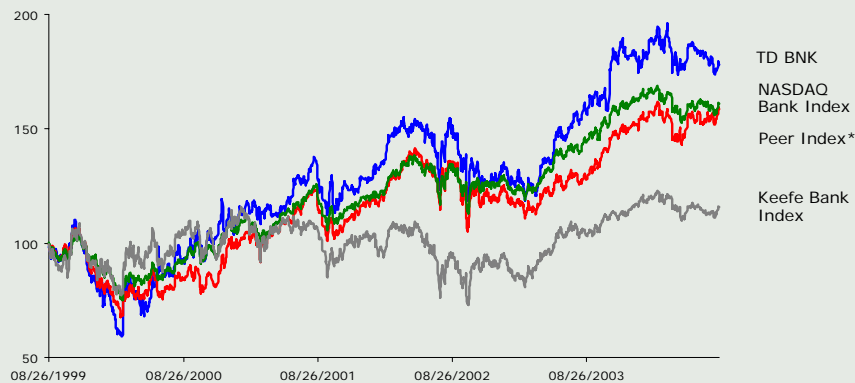
(In thousands, except per share data)	2000	2001	2002	2003	2004
<b>Net income before extraordinary item and cumulative effect of accounting change</b>	\$191,734	\$242,982	\$298,638	\$350,759	\$304,643
Add back merger and consolidation costs, net of tax					
Merger related	27,305	2,460	7,486	5,710	40,765
Securities restructuring	10,331	-	-	-	51,560
Branch closings	902	1,272	(260)	(35)	-
Charter consolidation	-	633	2,340	-	-
Write-down (adjustment) of auto lease residuals	2,405	580	-	(400)	(370)
Contract termination - merchant processing	2,009	-	-	-	-
Discontinue correspondent mortgage business	-	-	-	-	-
Excluding merger and consolidation costs	\$234,686	\$247,927	\$308,204	\$356,034	\$396,598
<b>Diluted earnings per share, before extraordinary item and cumulative effect of accounting change</b>	\$1.32	\$1.71	\$1.99	\$2.15	\$1.75
Effects of merger and consolidation costs, net of tax	0.30	0.04	0.07	0.03	0.23
Excluding merger and consolidation costs	\$1.62	\$1.75	\$2.06	\$2.18	\$1.98
<b>Non Interest Income</b>	\$211,188	\$240,505	\$274,508	\$367,159	\$339,799
Net gains(losses) on sales of securities	(15,456)	1,329	7,282	42,460	(7,701)
Excluding net securities gains (losses)	\$226,644	\$239,176	\$267,226	\$324,699	\$347,500
<b>Efficiency Ratio</b>	61.67%	55.34%	54.10%	53.09%	60.09%
Effects of securities gains and prepayment penalties on borrowings	1.15%	-0.08%	-0.37%	-0.69%	-5.16%
Effect of merger and consolidation costs	-7.48%	-0.67%	-0.64%	-0.69%	-3.88%
Excluding securities gains, prepayment penalties on borrowings and merger and consolidation costs	55.34%	54.59%	53.09%	51.71%	51.05%
Effects of amortization of intangibles	-2.53%	-2.40%	-0.61%	-0.77%	-0.67%
Cash basis, excluding securities gains, prepayment penalties on borrowings and merger and consolidation costs	52.81%	52.19%	52.48%	50.94%	50.38%

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## Looking to Continue Strong History of Creating Shareholder Value

TD Bank Financial Group

### Five-Year Share Price Performance August 26, 1999 – August 19, 2004 (pre-announcement)



TD Banknorth share price up 7% since March 2<sup>nd</sup> open

Peer index is an equally weighted index of banks with \$15 billion to \$60 billion in assets (CMA, MTB, ASO, UB, HBAN, ZION, CBSS, CBH, NFB, HIB, CNB, WBS, ASBC)

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Building the better bank

Four solid, growing businesses

What differentiates TD



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## What Differentiates TD

- ✓ **Lower risk profile**
  - reduced volatility through business mix
  - actively managing risk with lower exposure to credit cycle
- ✓ **Faster organic growth**
  - unique growth opportunity in under-penetrated businesses
  - straightforward business plans for long-term growth
- ✓ **Focus on optimizing invested capital**
  - disciplined: invest capital for economic profit growth
  - re-deploy capital for better return and sustainability
- ✓ **Execution is key**
  - clearly demonstrating revenue-expense gap
  - start with the customer, re-engineer to be simple, fast, easy
  - transparent: doing what we say we will do
- ✓ **Best growth platform in the U.S**
  - superior use of excess capital

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