



**Scotiabank**  
**Financials Summit 2012**

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**Ed Clark**  
**Group President & CEO**  
**TD Bank Group**

**September 5, 2012**

# Caution Regarding Forward-Looking Statements



From time to time, the Bank makes written and/or oral forward-looking statements, including in this presentation, in other filings with Canadian regulators or the U.S. Securities and Exchange Commission, 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 regarding the Bank’s objectives and priorities for 2012 and beyond and strategies to achieve them, and the Bank’s anticipated financial performance. Forward-looking statements are typically identified by words such as “will”, “should”, “believe”, “expect”, “anticipate”, “intend”, “estimate”, “plan”, “may”, and “could”.

By their very nature, these 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 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 such differences include: credit, market (including equity, commodity, foreign exchange, and interest rate), liquidity, operational (including technology), reputational, insurance, strategic, regulatory, legal, environmental, and other risks, all of which are discussed in the Management’s Discussion and Analysis (“MD&A”) in the Bank’s 2011 Annual Report. Additional risk factors include the impact of recent U.S. legislative developments, as discussed under “Significant Events in 2011” in the “Financial Results Overview” section of the 2011 MD&A, as updated in the Third Quarter 2012 Report to Shareholders; changes to and new interpretations of capital and liquidity guidelines and reporting instructions; increased funding costs for credit due to market illiquidity and competition for funding; the failure of third parties to comply with their obligations to the Bank or its affiliates relating to the care and control of information; and the overall difficult litigation environment, including in the United States. We caution 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 see the “Risk Factors and Management” section of the 2011 MD&A. 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 we caution readers not to place undue reliance on the Bank’s forward-looking statements.

Material economic assumptions underlying the forward-looking statements contained in this presentation are set out in the Bank’s 2011 Annual Report under the headings “Economic Summary and Outlook”, as updated in the Third Quarter 2012 Report to Shareholders; for each business segment, “Business Outlook and Focus for 2012”, as updated in the Third Quarter 2012 Report to Shareholders under the headings “Business Outlook”; and for the Corporate segment in the report under the heading “Outlook”.

Any forward-looking statements contained in this presentation 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.

## Key Themes

- Record quarter for the bank
- Strong adjusted<sup>1</sup> EPS growth of 9% YoY
- Good volume growth across Canadian and U.S. businesses



**7<sup>th</sup>** JD Power Award  
win in a row<sup>4</sup>



**8<sup>th</sup>** Ipsos Best Banking  
win in a row<sup>5</sup>

## Net Income \$MM

(Adjusted, where applicable)<sup>1,2,3</sup>

	Q3/12	QoQ	YoY
<b>Retail<sup>3</sup></b>	1,610	3%	9%
<b>Wholesale</b>	180	-9%	61%
<b>Corporate</b>	30	nm <sup>4</sup>	-33%
<b>Adjusted Net Income</b>	<b>\$ 1,820</b>	<b>5%</b>	<b>11%</b>
<i>Reported Net Income</i>	<i>\$ 1,703</i>	<i>1%</i>	<i>14%</i>
<b>Adjusted EPS (diluted)</b>	<b>\$ 1.91</b>	<b>5%</b>	<b>9%</b>
<i>Reported EPS (diluted)</i>	<i>\$ 1.78</i>	<i>0%</i>	<i>13%</i>
<b>Tier 1 capital ratio</b>	12.2%		

**Great quarter on strong Retail  
and good Wholesale results**

1. Effective November 1, 2011, the Bank prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS), the current generally accepted accounting principles (GAAP), and refers to results prepared in accordance with IFRS as the "reported" results. The Bank also utilizes non-GAAP financial measures referred to as "adjusted" results (i.e. reported results excluding "items of note", net of income taxes) to assess each of its businesses and measure overall Bank performance. Please see "How the Bank Reports" in the Bank's 3rd Quarter 2012 Earnings News Release and MD&A (td.com/investor) for further explanation, reported basis results, a list of the items of note, and a reconciliation of non-GAAP measures.

2. For information on reported basis results for the Canadian Personal and Commercial Banking, U.S. Personal and Commercial Banking, and Corporate segments see the Bank's reports to shareholders/earnings releases for the relevant quarters.

3. Retail includes Canadian Personal and Commercial Banking, Wealth and Insurance, and U.S. Personal and Commercial Banking segments. Effective July 4, 2011, executive responsibilities for TD Insurance were moved from Group Head CAD P&C Segment to Group Head Wealth Segment. Results are updated for segment reporting purposes. These changes were applied retroactively to 2011 for comparative purposes.

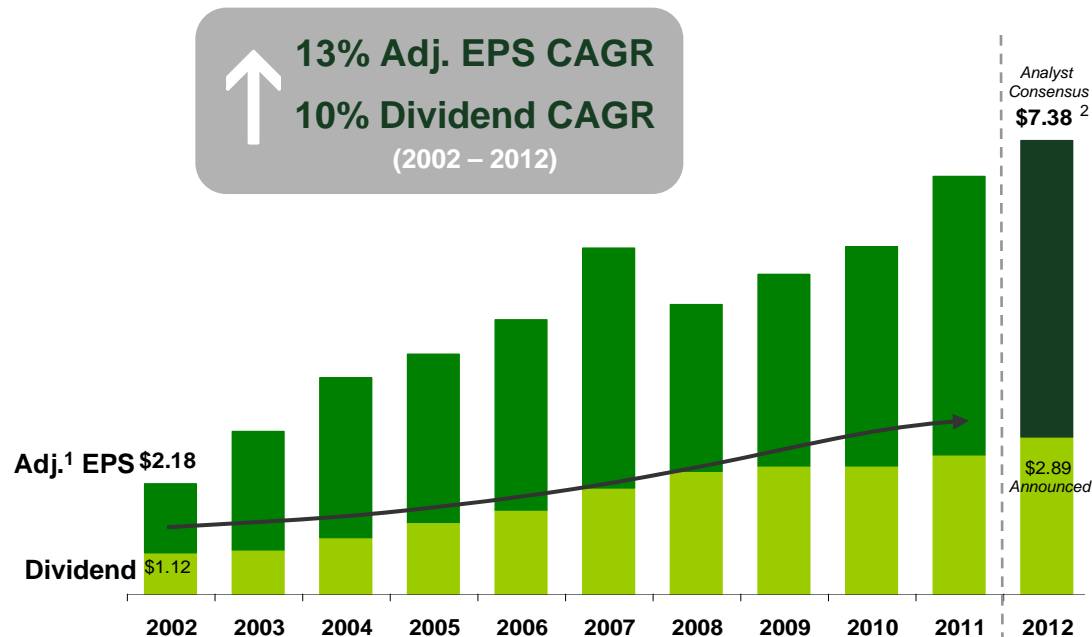
4. TD Canada Trust ranked highest in Customer Satisfaction from 2006 to 2012 inclusively.

5. TD Canada Trust awarded Customer Service Excellence from 2005 to 2012 inclusively. Ipsos was formerly known as Synovate.

## Highlights

- Dividend increase of \$0.05 per share
  - Second dividend increase in 2012
  - Dividend will grow 11% in fiscal 2012
  
- Target payout range increased to 40-50% of adjusted<sup>1</sup> earnings
  
- Change reflects the confidence of the Board of Directors in
  - Stability and high quality of TD's customer driven earnings
  - Continuing ability to deliver long-term growth even in a tough operating environment

## Dividends Per Share (C\$)



**Steady dividend growth**

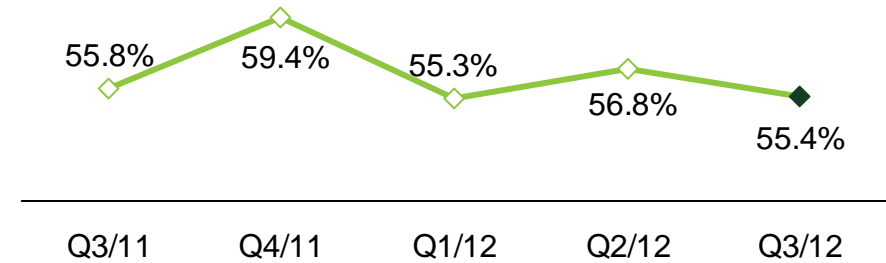
1. Adjusted results are defined on slide #2 footnote #1.  
2. Based on 18 analyst estimate as of August 31, 2012.

## 2013-14 Productivity Enhancements

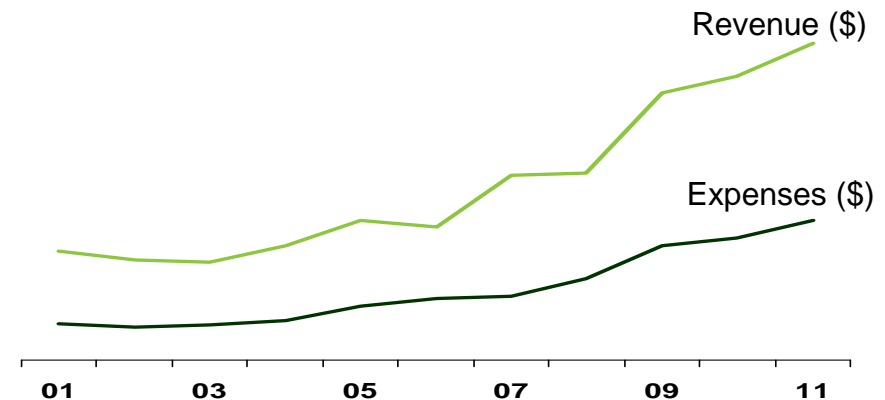
- Focus on best run capabilities
- Leverage scale
- Optimize North American purchasing power
- Leverage capabilities through enabling common functions
- Strong expense discipline

**Reducing rate of expense growth while investing for the future**

## Efficiency Ratio, Adjusted<sup>1</sup>



## Operating Leverage



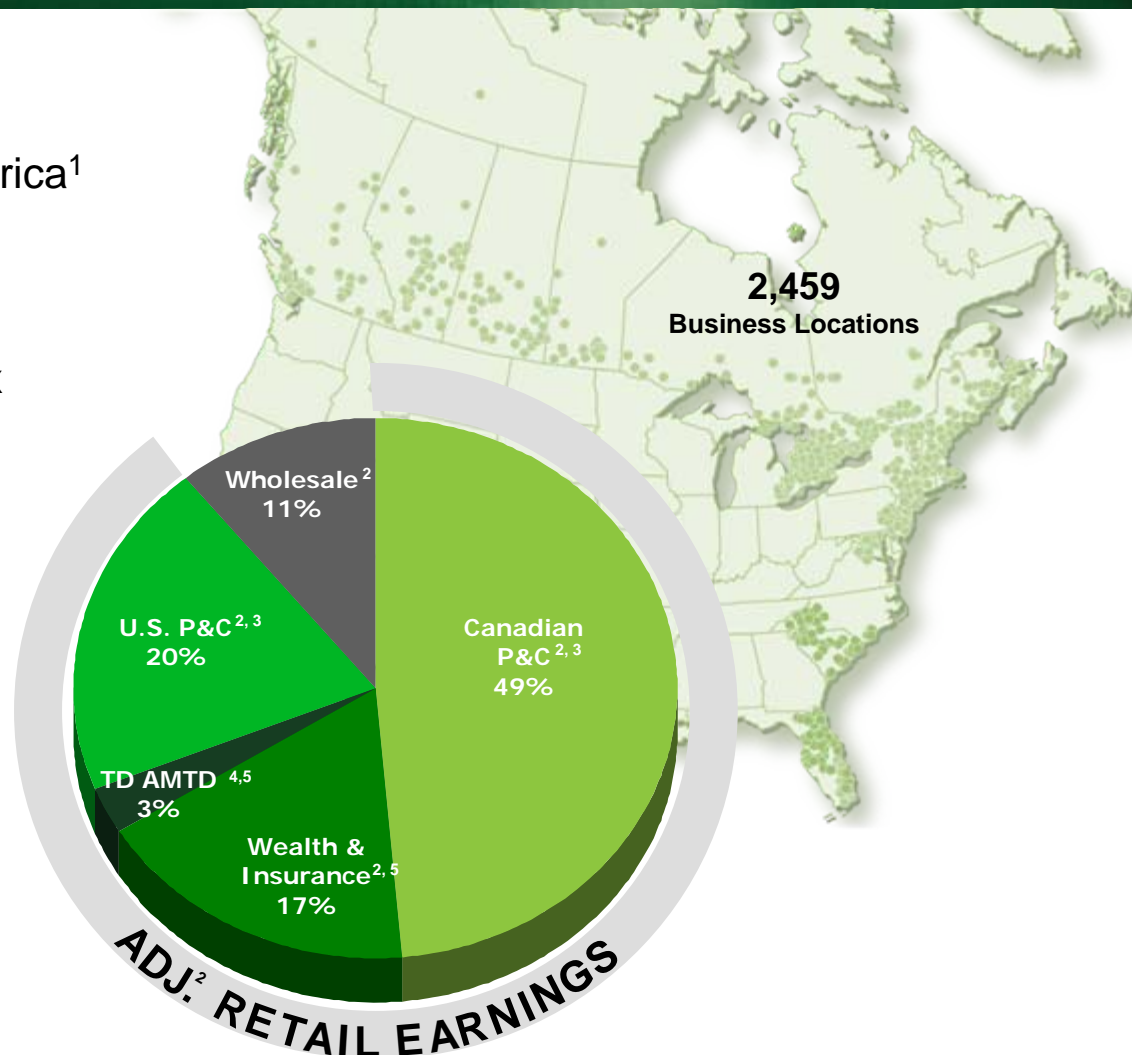
1. Adjusted results are defined on slide #2 footnote #1. Reported efficiency ratios were 59.2%, 58.7%, 62.9%, 61.6%, and 59.6% for Q3/12, Q2/12, Q1/12, Q4/11, and Q3/11 respectively.

# Simple Strategy, Consistent Focus



## Key Themes

- TD is a top 10 Bank in North America<sup>1</sup>
- Strength of Retail Franchise
- Reliable and Steady Earnings Mix



YTD total retail  
adjusted<sup>2</sup> earnings = 89%

1. As of Q3/12, based on metrics such as total assets, total deposits, market capitalization, adjusted net income and T1 capital ratio amongst North American peers. North American Peers – includes Canadian Peers and U.S. Peers. Canadian Peers – includes other 4 big banks (RY, BMO, BNS and CM) adjusted on a comparable basis to exclude identified non-underlying items. Based on Q3/12 results ended July 31, 2012. U.S. Peers – includes Money Center Banks (C, BAC, JPM) and Top 3 Super-Regional Banks (WFC, PNC, USB). Adjusted on a comparable basis to exclude identified non-underlying items. For U.S. Peers, based on their Q2/12 results ended June 30, 2012.

2. For a definition of adjusted results and retail earnings, see footnote #1 and #3 on slide #2. For the purpose of calculating contribution by each business segment, adjusted earnings from the Corporate segment is excluded.

3. "P&C" refers to Personal and Commercial Banking.

4. TD had a reported investment in TD Ameritrade of 45.28% as at July 31, 2012.

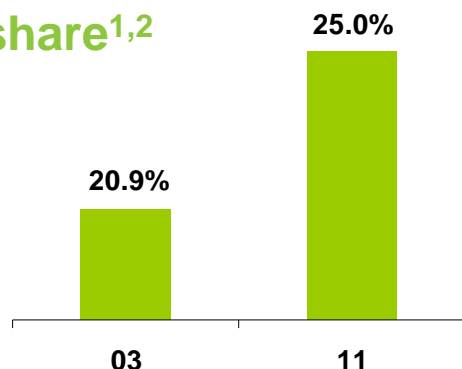
5. "Wealth and Insurance" business segment comprises of "Wealth and Insurance" and "TD Ameritrade".

## Canadian Retail Strategy

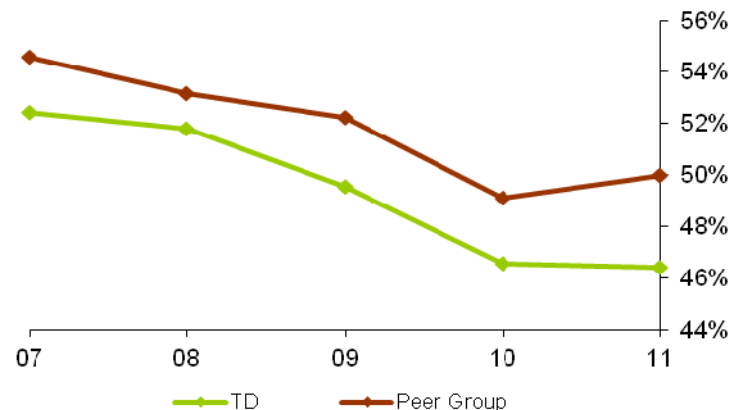
- Expect to open 20+ branches per year
- Outsized growth opportunities from new and maturing branches
- Targeting additional market share gains in business banking
- Aim to be a top auto lender in North America
- Significant opportunity to increase U.S. credit card market share

## Taking market share<sup>1,2</sup>

↑ **410bps**  
earnings  
share

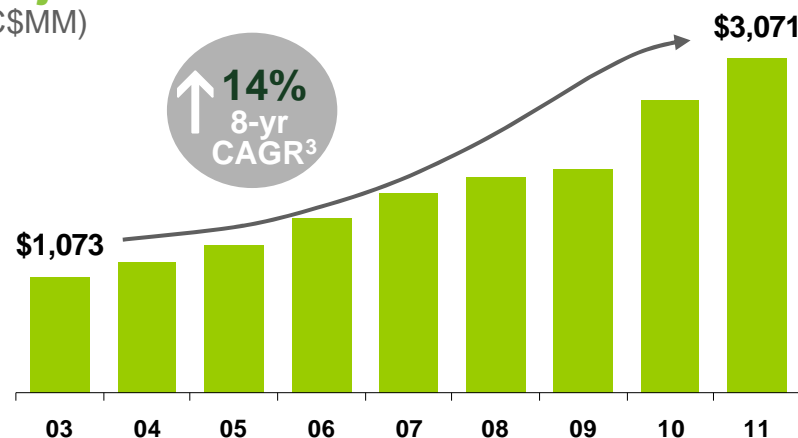


## Industry Leading Efficiency Ratio



## Adjusted Net Income<sup>2</sup>

(C\$MM)



**Proven Performance**

1. TDCT share of Canadian adjusted P&C earnings.

2. The Bank utilizes non-GAAP financial measures referred to as "adjusted" results (i.e. reported results excluding "items of note", net of income taxes) to assess each of its businesses and measure overall Bank performance. Please see "How the Bank Reports" in the 3rd Quarter 2012 Press Release for further explanation. Please also see also on pg. 158 and 159 of the 2011 Annual Report for a reconciliation for 10 years ending FY11 of the Bank's non-GAAP measures to reported results.

3. Compounded Annual Growth Rate.

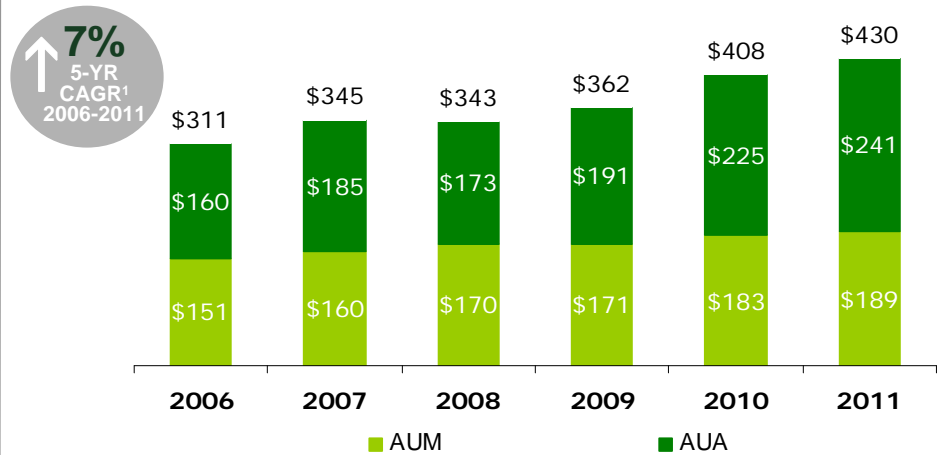
## Wealth and Insurance Strategy

- Opportunity to increase Advice and Insurance penetration in TD client base
- Leveraging our leadership position in direct investing
- Deeper penetration in U.S. Wealth – a \$1 trillion opportunity
- Direct distribution advantage in Insurance

**Strong franchise –  
poised for growth**

## Asset Growth

(C\$B)



## Insurance Premium Growth

(Net earned premium and fees in C\$MM)



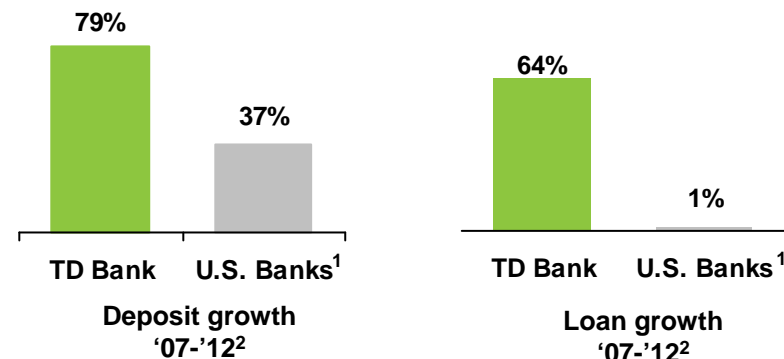


## U.S. Retail Strategy

- Continue to target \$1.6B in adjusted earnings for 2013
- Targeting top 5 market share in our major markets
- Targeting #3 deposit market share in New York
- Set to open 35 stores in 2012
- Strong cross-sell opportunity

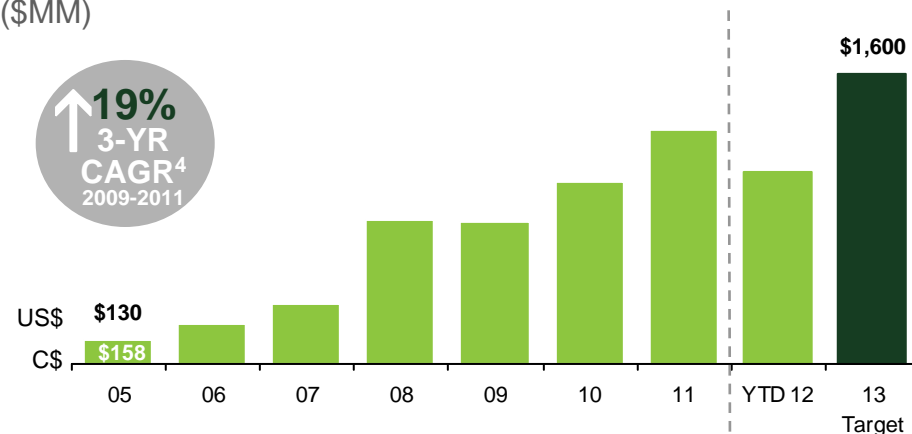
**Significant scale and enviable footprint**

## Taking Market Share



## Adjusted Net Income<sup>3</sup>

(\$MM)



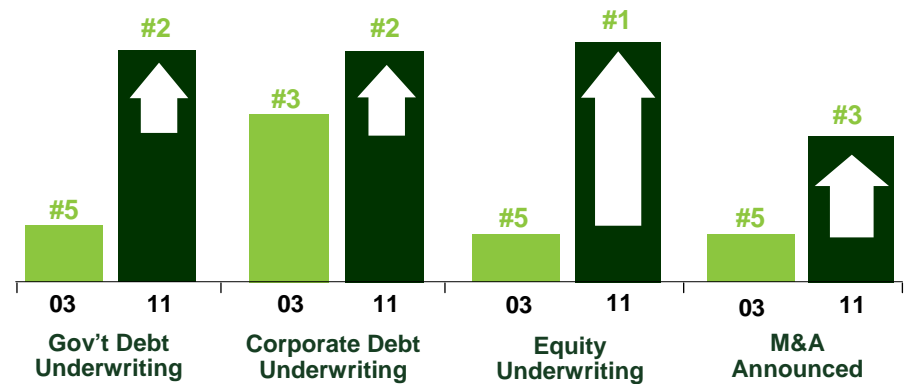
1. U.S. Banks with more than \$10B in Assets as defined by the FDIC.  
 2. For comparative purposes, based on deposit and loan growth data as provided to FDIC on a calendar quarter basis. Gross loans and leases in USD as of June 30, 2012 compared to December 31, 2007. June 30, 2012 loan balances exclude impact of FAS 166 and FAS 167 which reclassify certain securitized loan pools as reported loans and was implemented prospectively in Q1 2010.  
 3. See slide #2 footnote 1 for definition of adjusted results. Adjusted Net Income results are based on Canadian GAAP for 2010 and prior years, and in IFRS from 2011 and thereafter. Please also see also on pg. 158 and 159 of the 2011 Annual Report for a reconciliation for 10 years ending FY11 of the Bank's non-GAAP measures to reported results. Excludes "items of note" related primarily to integration charges recorded in connection with U.S. P&C acquisitions.  
 4. Compounded Annual Growth Rate.

## Wholesale Strategy

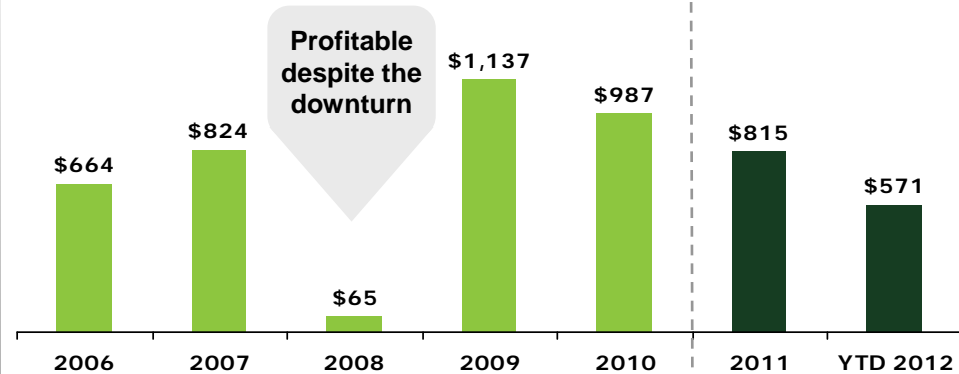
- Be the top-ranked domestic investment dealer
- Build a U.S. dollar dealer aligned with U.S. P&C
- Global strategy extends domestic expertise
- Diversified revenue mix focused on franchise-driven activity
- Strategy aligned with TD Bank Group

**A client-centric  
Wholesale franchise**

## Executing Against Our Goals



## Adjusted Net Income<sup>1</sup> (C\$MM)



1. See slide #2 footnote #1 for definition of adjusted results. Adjusted Net Income results are based on Canadian GAAP for 2010 and prior years, and in IFRS from 2011 and thereafter. Please also see also on pg. 158 and 159 of the 2011 Annual Report for a reconciliation for 10 years ending FY11 of the Bank's non-GAAP measures to reported results.

# TD Model Has Proven Its Resilience



## Headwinds

Lower for longer  
interest rates

Slowing loan growth  
in Canada

Demanding  
regulatory environment



Targeting 7-10% adjusted EPS growth over the medium term

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[www.td.com/investor](http://www.td.com/investor)



**Grand Prix for Best Overall  
Investor Relations: Large Cap**

**Best Investor Relations by  
Sector: Financial Services**

**Best Investment  
Community Meetings**

**Best Investor Relations  
by a CEO: Large Cap**

**Best Investor Relations  
by a CFO: Large Cap**

**Best Corporate Governance**



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