



Bank Financial Group



Q3 2004 Conference Call

August 26, 2004



Bank Financial Group

Forward-Looking Statements

From time to time, TD 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 TD's objectives and strategies to achieve them, the outlook for TD's business lines, and TD'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's discussion and analysis sections of TD's latest annual and interim reports and 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 TD conducts business; the effect of changes in monetary policy; legislative and regulatory developments; the degree of competition in the markets in which TD operates, both from established competitors and new entrants; legislative and regulatory developments; the accuracy and completeness of information TD receives on customers and counterparties; the timely development and introduction of new products and services in receptive markets; TD's ability to complete and integrate acquisitions; TD's ability to attract and retain key executives; reliance on third parties to provide components of TD's business infrastructure; technological changes; changes in tax laws; unexpected judicial or regulatory proceedings; unexpected changes in consumer spending and savings habits; the possible impact on TD'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 TD's strategies within a disciplined risk environment. This list is not exhaustive. Other factors could also adversely affect TD's results. For more information, please see the discussion starting on page 32 of the Bank's 2003 Annual Report concerning the effect certain key factors could have on actual results. All such factors should be considered carefully when making decisions with respect to TD, and undue reliance should not be placed on TD's forward-looking statements. TD does not undertake to update any forward-looking statements, written or oral, that may be made from time to time by or on our behalf.



Bank Financial Group



Q3 2004 Operating Performance

Dan Marinangeli, CFO



Bank Financial Group

Total Bank

Q3 2004 Overview

- EPS reported basis (diluted) \$0.86
- EPS before amortization of intangibles (diluted) \$1.01
- Segment net income before amortization of intangibles:
 - Personal & Commercial Banking = \$381MM, up \$46MM or 14% YoY
 - Wealth Management = \$80MM, down \$2MM or 2% YoY
 - Wholesale Banking = \$133MM, up \$23MM or 21% YoY
- Total PCL expense = \$(17)MM includes sectoral allowance release of \$100MM
- Capital ratios:
 - Tier 1 = 12.3%
 - Tangible common equity = 8.5%

Q3 2004 Earnings Reconciliation

Q3 2004 Amortization of Intangibles:

		<u>EPS</u>
Reported basis net income applicable to common shares	\$ 565MM	\$ 0.86
Amortization of intangibles (<i>after-tax</i>)	<u>99MM</u>	<u>0.15</u>
Earnings before the amortization of intangibles	\$ 664MM	\$ 1.01

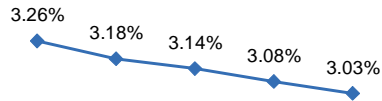
Q3 2004 includes the following items of note (*Corporate segment*):

	<u>Pre-Tax</u>	<u>Post-Tax</u>	<u>EPS</u>
	(\$MM)	(\$MM)	(\$)
• Sectoral provision release	100	65	0.10
• Interest on tax refund	19	12	0.02

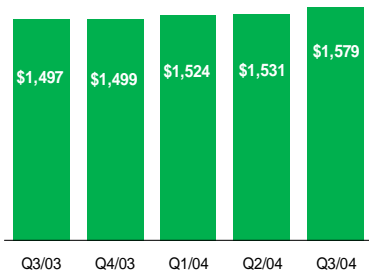
Q3 2004 Personal & Commercial Banking Operating Performance

Total Revenue and Net Interest Margin

Net Interest Margin (%)



Total Revenue (MM)

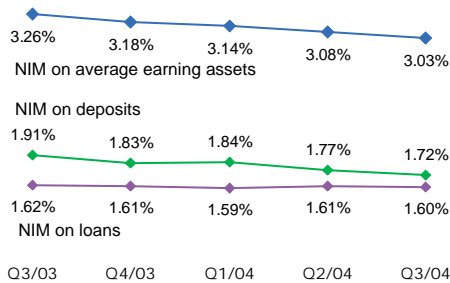


Highlights

- Total revenue \$1.6 billion:
 - Up 5.5% from Q3/03 and 3.1% from Q2/04
 - Liberty and Laurentian totaled \$37 million
- Improved YoY revenue with Meloche Monnex a significant factor
- Net interest margin:
 - As expected margin continued to compress this quarter

Net Interest Margin

Net Interest Margin (NIM) (%)

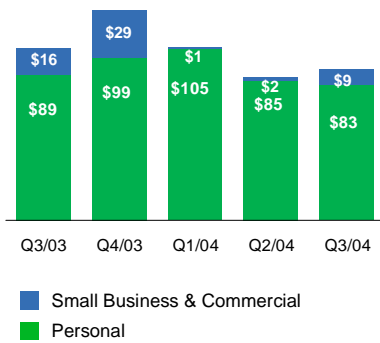


Highlights

- Margin on average earning assets is down 5 bps from last quarter
- Margin on deposits is down 5 bps to 1.72% reflecting a combination of competitive pricing, customers moving balances to higher rate accounts and the low interest rate environment.
- Margin on lending down 1 bp to 1.60% mainly on the mix impact from lower unsecured lending

Provision For Credit Loss *(excluding impact of securitization)*

Provision For Credit Loss (MM)



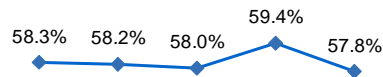
Highlights

- PCL \$92 million (before securitization):
 - Up \$5 million from Q2/04
 - New delinquent loan formations still low
 - Credit quality remains strong in the Commercial portfolio
- PCL securitization impact is \$9 million for Q3/04 (\$7 million in Q3/03)

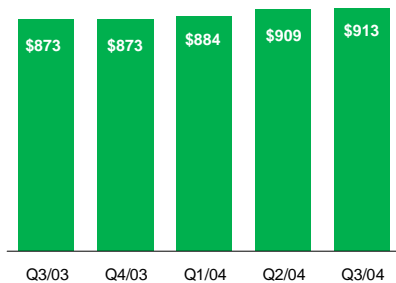
Total PCL \$MM		
<u>2002</u>	<u>2003</u>	<u>YTD 04</u>
\$505	\$460	\$285

Total Expenses and Efficiency Ratio

Efficiency Ratio (%)



Total Expenses (MM)

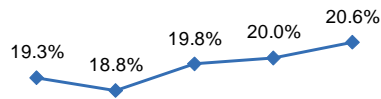


Highlights

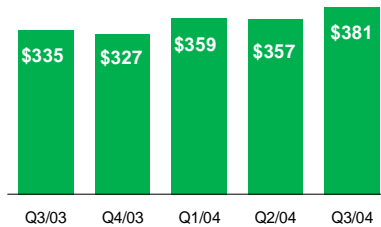
- Total expenses \$913 million:
 - Up 4.6% from Q3/03 and 0.4% from Q2/04
 - Liberty and Laurentian contributed \$45 million and \$21 million to YoY and QoQ growth respectively
- Excluding Liberty and Laurentian the efficiency ratio was 56.3% in Q3/04 versus 58.3% in Q3/03
- Efficiency ratio of 57.8% in Q3/04 versus 59.4% in Q2/04 largely due to:
 - Revenue growth of \$26 million excluding impact of two more days in Q3
 - Flat expenses

Net Income and Return on Invested Capital

Return on Invested Capital (%)



Net Income (MM)



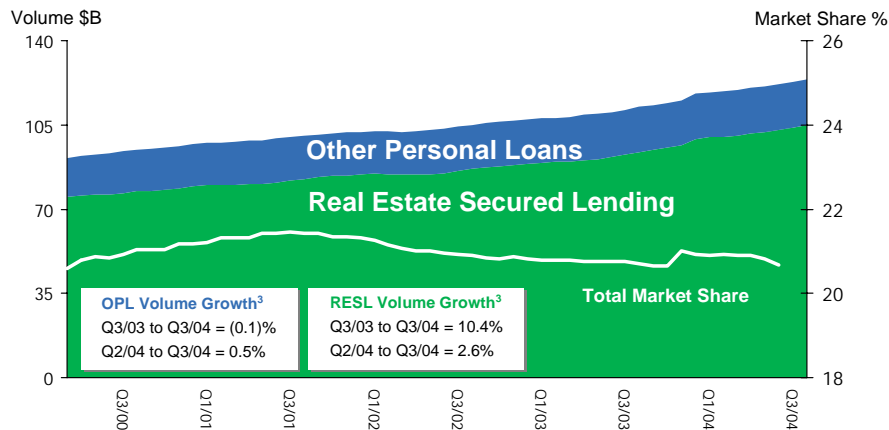
Highlights

- Net income before the amortization of intangibles of \$381 million:
 - Up \$46 million or 13.7% from last year
- Positive revenue-expense gap YoY
 - Excluding Liberty and Laurentian:
 - Revenue +3.0%
 - Expense -0.6%
 - 3.6% gap between revenue growth and expense growth

Economic profit (loss) \$MM

Q3/03	Q4/03	Q1/04	Q2/04	Q3/04
\$174	\$166	\$191	\$190	\$210

Volume and Market Share: Real Estate Secured Loans¹ and Other Personal Loans²



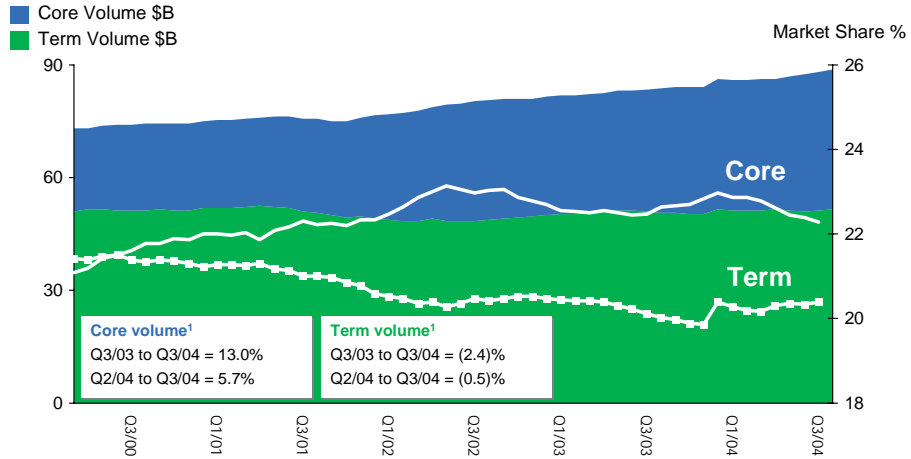
OPL Volume Growth³
 Q3/03 to Q3/04 = (0.1)%
 Q2/04 to Q3/04 = 0.5%

RESL Volume Growth³
 Q3/03 to Q3/04 = 10.4%
 Q2/04 to Q3/04 = 2.6%

Total Market Share

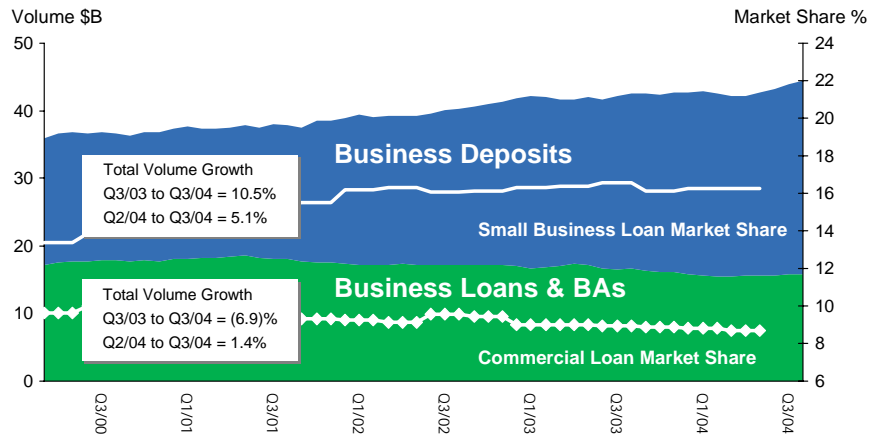
1. Includes mortgages and HELOCs (including securitized amounts)
 2. Includes other personal loans and cards (including securitized amounts). Canadian and U.S. currency. Market share two month lag
 3. Volume growth excludes Laurentian impact. Market share and volume includes Laurentian impact of 32 bps.

Volume and Market Share: Personal Deposits



Volumes include Canadian and U.S. currency. Market share Canadian currency only with one month lag.
 1. Volume growth excludes Laurentian impact. Market share and volume includes Laurentian impact of 17 bps in core and 57 bps in term.

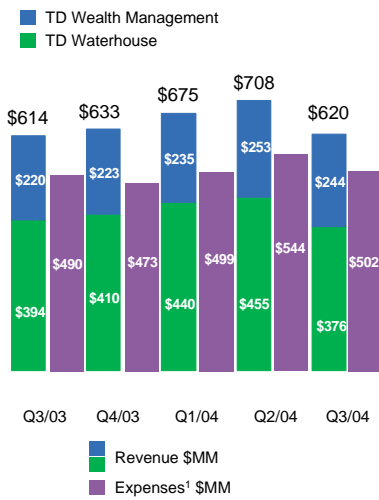
Volume and Market Share: Business Loans and Deposits



Canadian and U.S. currency. Business loans and deposits include both commercial and small business.
 Small business loan share (loans less than \$250,000) and Commercial loan share (\$250,000 - \$4,999,999) to March 2004
 Source: CBA Business Lending, updated quarterly

Q3 2004 Wealth Management Operating Performance

Total Revenue and Expenses



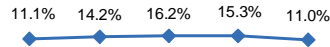
Highlights

- Total revenue down 12.4% versus Q2/04 to \$620 million:
 - QoQ TDW trades per day down 31%
 - TDW margin loans down 6%
- Total expenses down 7.7% to \$502 million:
 - 3.7% points of this due to lower marketing

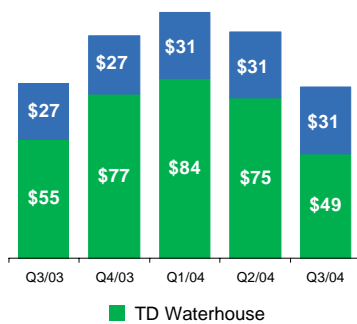
1. Expenses are for total Wealth Management and exclude restructuring charges of \$5 million in Q3/03.

Net Income and Return on Invested Capital

Return on Invested Capital (%)



Net Income (MM)



Highlights

- Net income before the amortization of intangibles of \$80 million
- Versus Q3/03
 - Trades down 21% while earnings dropped 11%
 - Other wealth up \$4MM

Economic profit (loss) \$MM

Q3/03	Q4/03	Q1/04	Q2/04	Q3/04
\$(6)	\$16	\$29	\$21	\$(7)

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TD Waterhouse

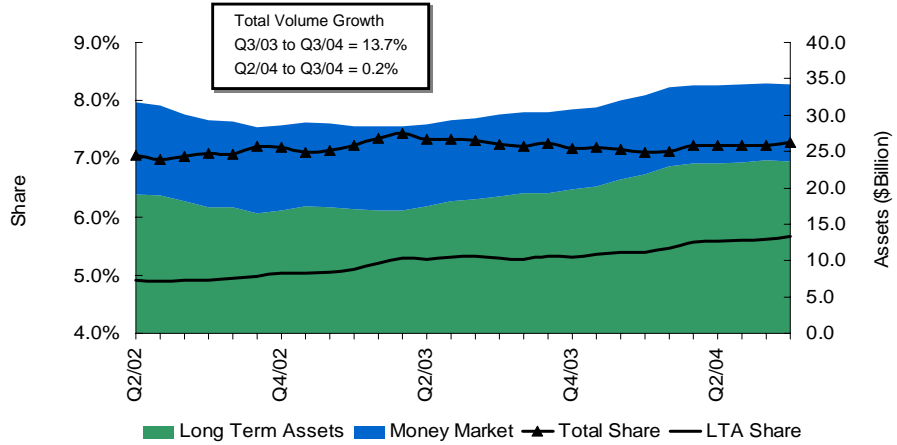
	2003 Q3	2004 Q2 Q3		Yr/Yr Change
Active Accounts (000)*	3,076	3,110	3,083	- %
New Accounts (000)	73	119	70	(4) %
Trades/Day (000)	110	126	87	(21) %
Margin Loans (C\$B)	\$4.7	\$6.7	\$6.3	34 %
Marketing Spend (C\$MM)	\$16	\$46	\$25	56 %
Margin before marketing expense	22.8%	35.4%	25.5%	2.7 % pts
Customer Assets* (C\$B)	\$208	\$240	\$236	13 %

* Represents ending amounts

TD Waterhouse self-directed brokerage globally

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Mutual Funds - Total Industry

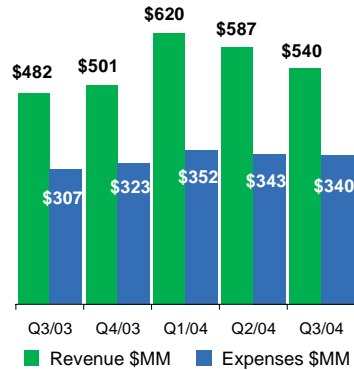


Effective November 2003, current volumes and market share reflect inclusion of all Private and Pooled Funds. Historical volumes and market share have also been adjusted for comparative purposes.

Q3 2004 Wholesale Banking Operating Performance

Total Revenue and Expenses

Revenue and Expenses



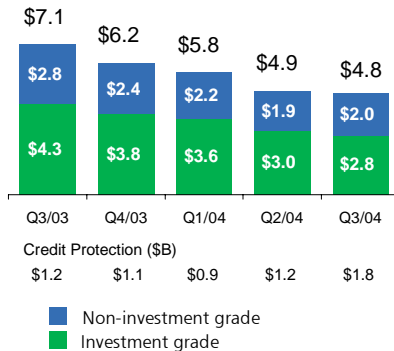
Highlights

- Revenue of \$540 million down 8.0% versus Q2/04 and up 12.0% versus Q3/03
- Expenses down 0.9% and up 10.7% versus Q2/04 and Q3/03 respectively

Q2/04 expenses exclude \$7MM recovery.

Portfolio

Loans & BAs¹ (C\$ Billion)



Credit Protection (\$B)

\$1.2 \$1.1 \$0.9 \$1.2 \$1.8

■ Non-investment grade
■ Investment grade

Highlights

- Loans and BAs¹ down \$2.3B or 32% YoY
- Quality of the portfolio remains very high with 58% investment grade
- Credit protection is included in PCL for Wholesale
 - No impaired loans or PCLs for seven quarters
 - Credit protection expense running at \$47MM annually

PCL and Credit Protection Expense (\$MM)

	Q3/03	Q4/03	Q1/04	Q2/04	Q3/04
CP	\$3	\$8	\$7	\$10	\$12
PCL	Nil	Nil	Nil	Nil	Nil

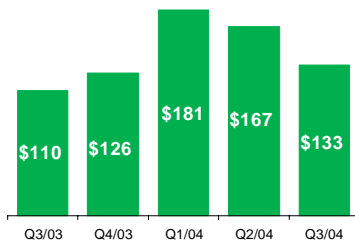
1. Loans and BAs = Loans + BAs - Specific Allowances For Credit Loss - Cash Collateral - Credit Protection.

Net Income and Return on Invested Capital

Return on Invested Capital (%)



Net Income (MM)



Highlights

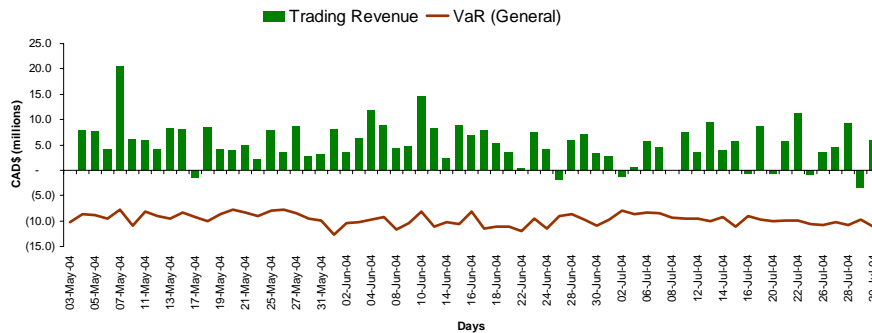
- Net income before amortization of intangibles down 20.4% versus Q2/04 but up 20.9% versus Q3/03

Economic profit (loss) \$MM

Q3/03	Q4/03	Q1/04	Q2/04	Q3/04
\$20	\$39	\$94	\$85	\$53

Market Risk

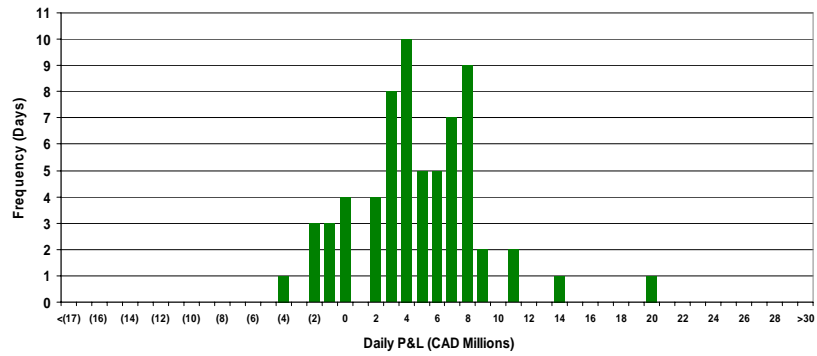
Market Risk Related Revenue Vs. Value-at-Risk - Q3 2004



- TDBFG average Value-at-Risk (VaR) for Q3 FY '04 was CAD 9.8MM
- Daily trading losses did not exceed VaR during Q3 FY '04

Market Risk

Distribution of Daily Market Risk Related Revenue
Q3 - 2004

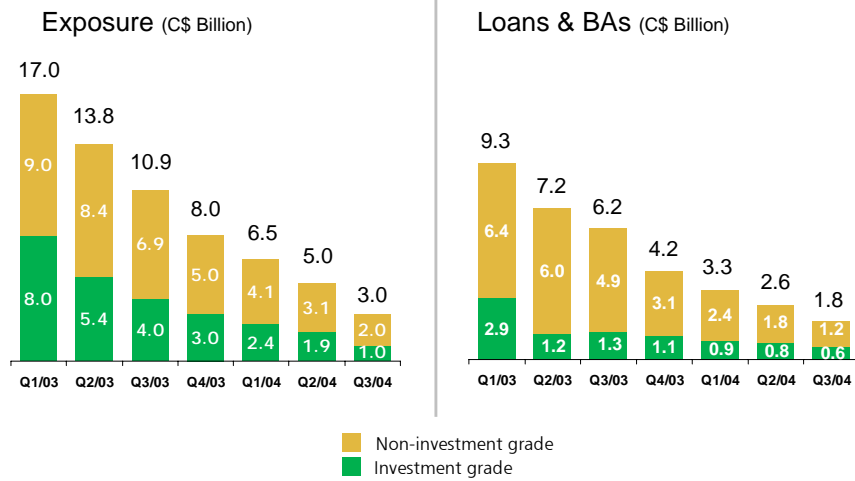


Q3 2004 Corporate

Decomposition of major items

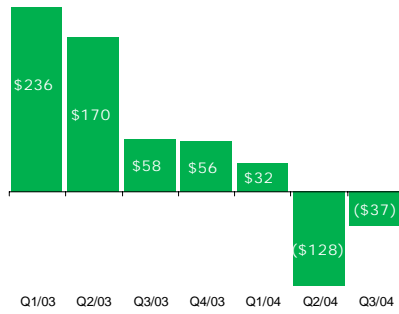
Corporate segment includes (after-tax):	<u>Q3/04</u>
Interest on income tax refund	\$ 12
Impact of hedging relationships (AcG-13)	4
Non-core lending portfolio (incl. Sectoral release)	95
Securitization gain (loss)	(4)
Unallocated corporate expenses	(7)
Other	(11)
Total net income (loss)	<u>\$ 89</u>

Non-Core Lending Portfolio



Non-Core Lending Portfolio

Actual specific loan loss¹ (\$MM)



Highlights

- Actual specific loan loss of (\$37)MM versus \$(128)MM last quarter
- Sectoral release:
 - Q3/04 \$100MM
 - Q2/04 \$200MM
 - Q1/04 \$200MM
 - Q4/03 \$40MM
 - Q3/03 \$40MM
- Total sectoral allowance:
 - Q3/04 \$160MM

1. Draw down of sectorals less recoveries - non-core portfolio only



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