



A different kind of bank



**Q2 2007 Investor Presentation**  
Thursday May 24, 2007

## Forward-Looking Statements

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 U.S. Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation. Forward-looking statements include, among others, statements regarding the Bank's objectives and targets for 2007 and beyond and strategies to achieve them, the outlook for the Bank's business lines, and the Bank's anticipated financial performance. The economic assumptions for 2007 for each of the business segments are set out in the 2006 Annual Report under the headings "Economic Outlook" and "Business Outlook and Focus for 2007". Forward-looking statements are typically identified by words such as "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, 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: credit, market (including equity and commodity), liquidity, interest rate, operational, reputational, insurance, strategic, foreign exchange, regulatory, legal and other risks discussed in the management discussion and analysis section in regulatory filings made in Canada and with the SEC, including the Bank's 2006 Annual Report; general business and economic conditions in Canada, the U.S. 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; the accuracy and completeness of information the Bank receives on customers and counterparties; the development and introduction of new products and services in markets; developing new distribution channels and realizing increased revenue from these channels; the Bank's ability to execute its integration, growth and acquisition strategies, including those of its subsidiaries, particularly in the U.S.; changes in accounting policies and methods the Bank uses to report its financial condition, including uncertainties associated with critical accounting assumptions and estimates; the effect of applying future accounting changes; global capital market activity; the Bank's ability to attract and retain key executives; reliance on third parties to provide components of the Bank's business infrastructure; the failure of third parties to comply with their obligations to the Bank or its affiliates as such obligations relate to the handling of personal information; technological changes; the use of new technologies in unprecedented ways to defraud the Bank or its customers; legislative and regulatory developments; change in tax laws; unexpected judicial or regulatory proceedings; continued negative impact of the U.S. securities 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; the effects of disease or illness on local, national or international economies; the effects of disruptions to public infrastructure, such as transportation, communication, power or water supply; and management's ability to anticipate and manage the risks associated with these factors and execute the Bank's strategies. A substantial amount of the Bank's business involves making loans or otherwise committing resources to specific companies, industries or countries. Unforeseen events affecting such borrowers, industries or countries could have a material adverse effect on the Bank's financial results, businesses, financial condition or liquidity. The preceding list is not exhaustive of all possible factors. Other factors could also adversely affect the Bank's results. For more information, see the discussion starting on page 56 of the Bank's 2006 Annual Report. 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. 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.



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**Q2 2007 Highlights**

Net income \$MM (based on segment results, adjusted where applicable)

	<u>Q2/06</u>	<u>Q1/07</u>	<u>Q2/07</u>	<u>YoY</u>	<u>QoQ</u>
Canadian Retail <sup>1</sup>	\$ 578	\$ 666	\$ 674	17%	1%
U.S. Retail <sup>2</sup>	98	128	125	28%	-2%
Wholesale	140	197	217	55%	10%
Corporate	(36)	18	(21)	NM	NM
Adjusted net income <sup>3</sup>	\$ 780	\$ 1,009	\$ 995	28%	-1%
Reported EPS (diluted)	\$ 1.01	\$ 1.26	\$ 1.20	19%	-5%
Adjusted EPS (diluted)	\$ 1.09	\$ 1.38	\$ 1.36	25%	-1%
Tier 1 capital	12.1%	11.9%	9.8%	-2.3%	-2.1%
Tangible common equity	9.0%	9.0%	7.0%	-2.0%	-2.0%

1. Explained in footnote 1 on slide 7.  
 2. Explained in footnote 1 on slide 18.  
 3. The Bank's financial results prepared in accordance with GAAP are referred to as "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. Adjusted net income, adjusted earnings per share (EPS) and related terms used in this presentation are not defined terms under GAAP and may not be comparable to similar terms used by other issuers. See "How the Bank Reports" in the Q2 2007 Report To Shareholders ([td.com/investor](http://td.com/investor)) for further explanation, a list of the items of note and a reconciliation of adjusted earnings to reported basis (GAAP) results. Reported net income for Q2/06, Q1/07 and Q2/07 was \$738MM, \$921MM and \$879MM, respectively.

## Q2 2007 Earnings

 TD Bank Financial Group

	\$ MM		EPS
Reported net income and EPS	\$879		\$ 1.20
<b>Items of note</b>	<b>Pre-Tax</b>	<b>Post-Tax</b>	<b>EPS</b>
	\$ MM	\$ MM	
Amortization of intangibles	\$ 112	\$ 80	\$ 0.11
Restructuring charge	\$ 64	\$ 43	\$ 0.06
Change in fair value of Credit Default Swaps hedging the corporate loan book	\$ (11)	\$ (7)	\$ (0.01)
<b>Excluding above items of note</b>			<b>EPS</b>
Adjusted net income and EPS	\$ 995		\$ 1.36

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## Q2 2007 Operating Performance

 TD Bank Financial Group

### Canadian Retail:

Personal & Commercial Banking  
Wealth Management

### U.S. Retail:

Personal & Commercial Banking  
Wealth Management

### Wholesale Banking

### Corporate

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## Canadian Retail<sup>1</sup>

**TD Bank Financial Group**

### P&L \$MM

	<u>Q2/06</u>	<u>Q1/07</u>	<u>Q2/07</u>	<u>YoY</u>	<u>QoQ</u>
Revenue	\$ 2,293	\$ 2,561	\$ 2,580	13%	1%
PCL	78	138	143	83%	4%
Expenses	1,343	1,423	1,426	6%	0%
<b>Net Income</b>	<b>\$ 578</b>	<b>\$ 666</b>	<b>\$ 674</b>	<b>17%</b>	<b>1%</b>
Efficiency ratio	58.6%	55.6%	55.3%	-3.3%	-0.3%

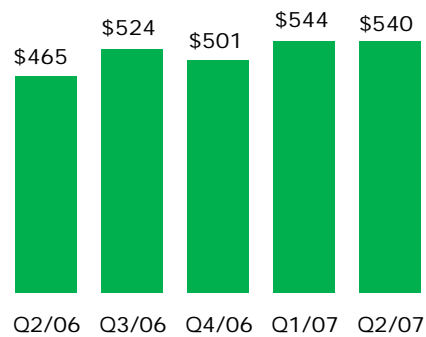
1. "Canadian Retail" results in this presentation consist of Canadian Personal and Commercial Banking business segment results included in the Bank's reports to shareholders for the relevant periods and Canadian Wealth Management results, a subset of the Wealth Management business segment results of the Bank, as explained on slide 14 of this presentation.

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## Canadian Personal and Commercial Banking

**TD Bank Financial Group**

### Net Income \$MM



### Notes

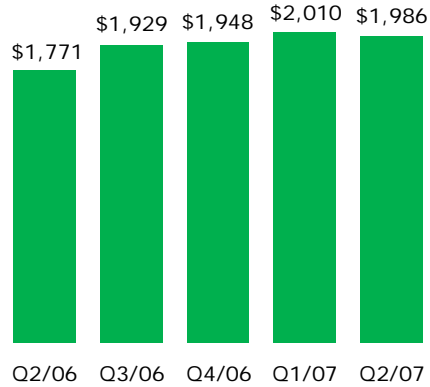
- Net income of \$540 million:
  - Down 1% or \$4 million from Q1/07 and up 16% from Q2/06

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## Canadian Personal and Commercial Banking

**TD Bank Financial Group**

### Total revenue \$MM



### Notes

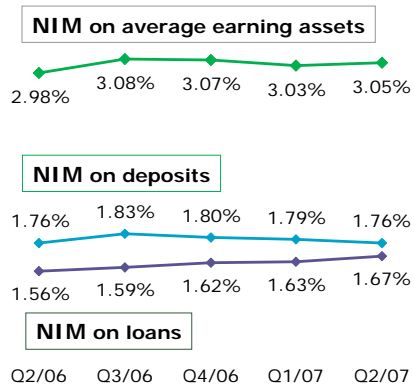
- Total revenue \$2.0 billion:
  - Down 1% from Q1/07 but up 12% from Q2/06
  - YoY revenue growth due to volume growth across most products

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## Canadian Personal and Commercial Banking

**TD Bank Financial Group**

### Net interest margin %



### Notes

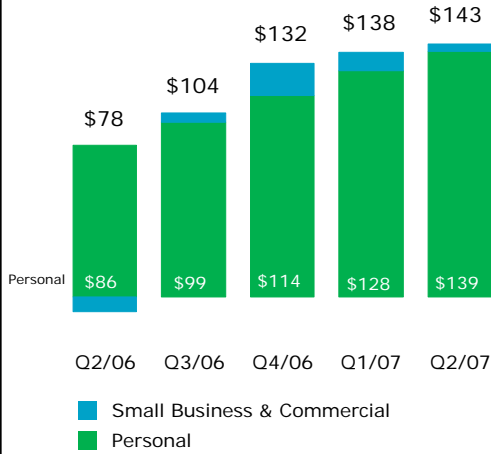
- Net interest margin on average earning assets up 7 bps YoY and 2 bps QoQ:
  - Margin expansion primarily due to Visa

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## Canadian Personal and Commercial Banking

**TD Bank Financial Group**

**PCL \$MM**  
(excluding impact of securitization)



### Notes

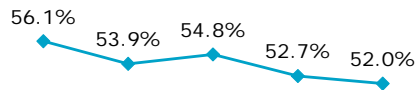
- PCL \$143 million (before securitization):
  - Up \$5 million from Q1/07 and \$65 million from Q2/06
  - Personal up YoY due to volume growth
  - SB&C up YoY on lower recoveries and reversals
- PCL securitization impact:
  - \$5 million for Q2/07 (\$8 million in Q2/06)

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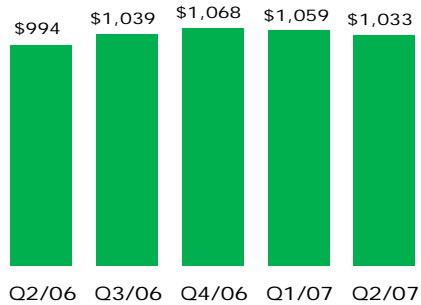
## Canadian Personal and Commercial Banking

**TD Bank Financial Group**

**Efficiency ratio %**



**Expenses \$**



### Notes

- Expenses \$1,033 million:
  - Down 2% from Q1/07 and up 4% from Q2/06
  - YoY increase reflects a commitment to growing the business – personnel, marketing, initiatives

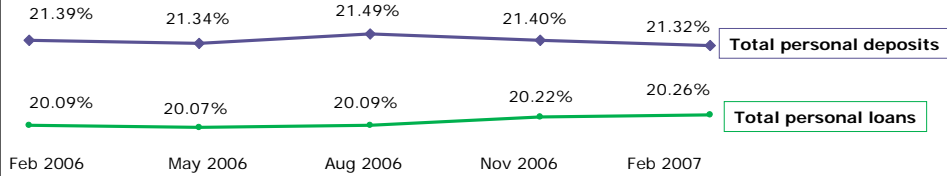
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# Canadian Personal and Commercial Banking

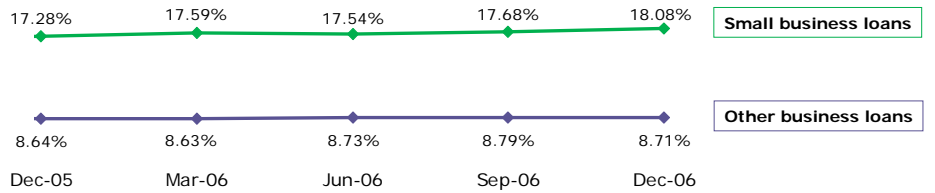


## Market share trend %

Personal loans & deposits (including securitized loan amounts)



## Business loans<sup>1</sup>



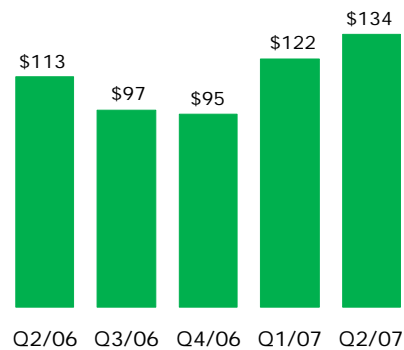
1. Small business loans (<250K) and Other business loans (250K to 5MM) share to December 2006. Source: CBA Business Lending

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# Canadian Wealth Management<sup>1</sup>



## Net Income \$MM



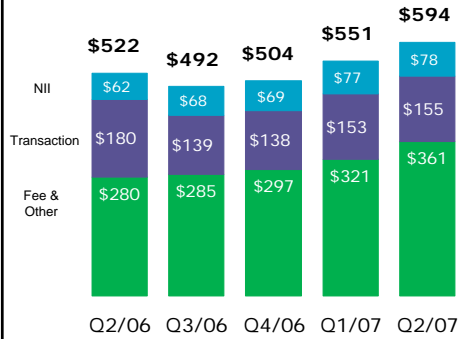
## Notes

- Net income of \$134 million:  
–Up 10% from Q1/07 and 19% or \$21 million from Q2/06

1. "Canadian Wealth Management" results in this presentation consist of Wealth Management business segment results included in the Bank's reports to shareholders for the relevant periods, but excluding the Bank's equity share in TD Ameritrade in Q1/07, Q4/06, Q3/06 and Q2/06.

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Revenue \$MM



Notes

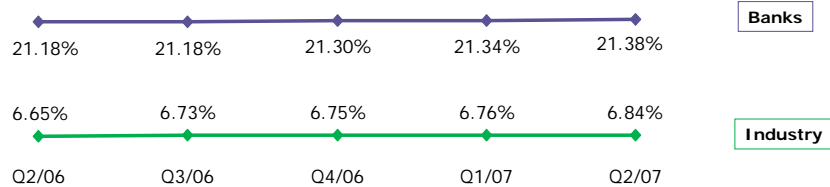
- Total revenue \$594 million:  
–Up 8% from Q1/07 and up 14% from Q2/06
- Total expenses \$393 million:  
–Up 8% from Q1/07 and 13% versus Q2/06

Expenses \$MM

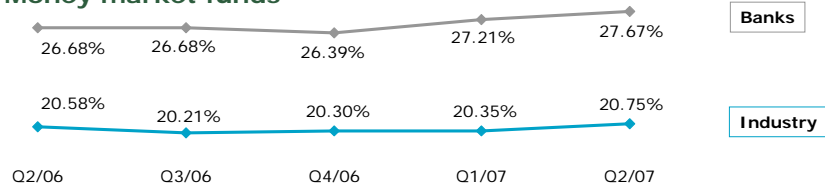


Mutual Fund Market share trend %

Long-term funds



Money market funds





## Q2 2007 Operating Performance

**TD Bank Financial Group**

### Canadian Retail:

Personal & Commercial Banking  
Wealth Management

### U.S. Retail:

Personal & Commercial Banking  
Wealth Management

### Wholesale Banking

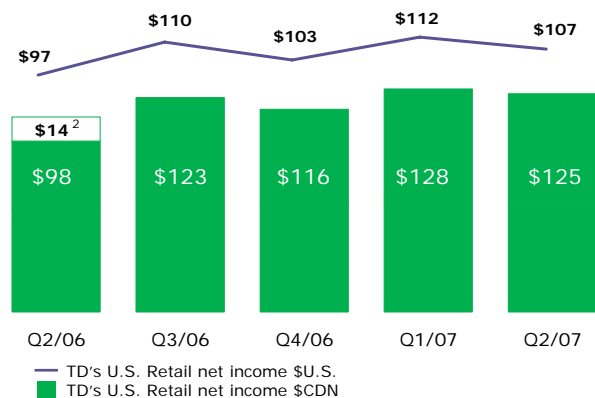
### Corporate

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## U.S. Retail<sup>1</sup>

**TD Bank Financial Group**

Net Income \$MM (adjusted where applicable)



1. "U.S. Retail" results in this presentation consist of U.S. Personal and Commercial Banking business segment results included in the Bank's reports to shareholders for the relevant periods and U.S. Wealth Management, a subset of the Wealth Management business segment of the Bank. U.S. Wealth Management is the Bank's equity share in TD Ameritrade. TD's U.S. Retail net income in \$US is the corresponding \$CDN net income divided by the average FX rate for the respective calendar quarter for TD Banknorth and TD Ameritrade.
2. \$14 million or \$0.02 is a one-time adjustment to EPS (see Q2 2006 items of note) related to the closing of the Ameritrade transaction and the one-month lag between fiscal and quarter ends.

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# U.S. Personal & Commercial Banking



## TD Banknorth Inc. Q1 2007

Adjusted net income US\$MM <sup>1</sup>				
Q1/06	Q2/06	Q3/06	Q4/06	Q1/07 <sup>2</sup>
\$116	\$128	\$117	\$118	\$99

### Q1 2007 themes:

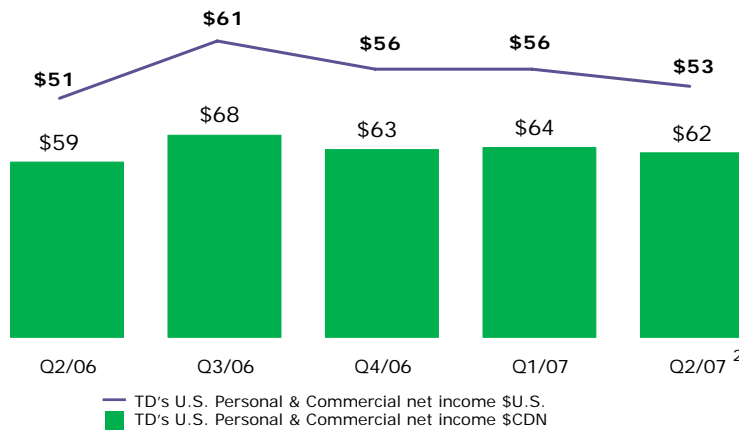
- Challenging environment in US Northeast continues
- Volumes – modest growth
- Revenue - up mainly from acquisition activity
- Expenses – flat excluding acquisitions
- Credit quality – higher PCL's and NPA's

1. For additional information and a reconciliation of TD Banknorth's GAAP to adjusted earnings please see TD Banknorth's 1st Quarter 2007 earnings release, dated May 7, 2007 available at [www.tdbanknorth.com/investorrelations](http://www.tdbanknorth.com/investorrelations).  
 2. Includes one-time US\$8MM contribution to TD Banknorth Charitable Foundation

# U.S. Personal & Commercial Banking<sup>1</sup>



## Net income (adjusted) \$MM

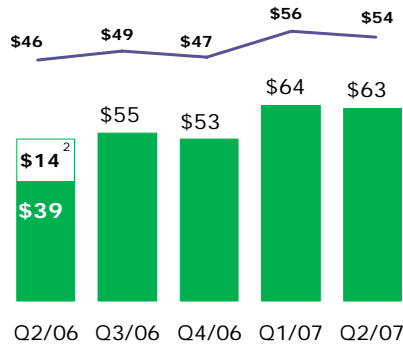


1. TD's U.S. Personal & Commercial net income in \$US is the corresponding \$CDN net income divided by the average FX rate for the respective calendar quarter for TD Banknorth.  
 2. Q2/07 adjusted net income of \$62MM excludes \$56 million pre-tax (\$39MM after-tax) related to restructuring charges. There were no items of note for the prior quarters.

## U.S. Wealth Management

TD Bank Financial Group

### Net Income<sup>1</sup> \$MM



- TD's U.S. Wealth Management net income \$U.S.
- TD's U.S. Wealth Management net income \$CDN

### Notes

- TDBFG's equity share in TD Ameritrade \$63MM
- TD Ameritrade Holding Corporation's net income down US\$5MM to US\$141MM in Q2/07<sup>3</sup>
- Average trades/day up 7% QoQ as trading increased after a seasonally slow Q1

1. "U.S. Wealth Management" consists of the Bank's equity share in TD Ameritrade in. TD's U.S. Wealth Management net income in \$US is the corresponding \$CDN net income divided by the average FX rate for the calendar quarter for TD Ameritrade.
2. \$14 million or \$0.02 is a one-time adjustment to EPS (see Q2 2006 items of note) related to the closing of the Ameritrade transaction and the one-month lag between fiscal and quarter ends.
3. For additional information please see TD Ameritrade Holding Corporation's current report dated April 17, 2007 available at [www.amtd.com/investors/sec.cfm](http://www.amtd.com/investors/sec.cfm)

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## Q2 2007 Operating Performance

TD Bank Financial Group

### Canadian Retail:

Personal & Commercial Banking  
Wealth Management

### U.S. Retail:

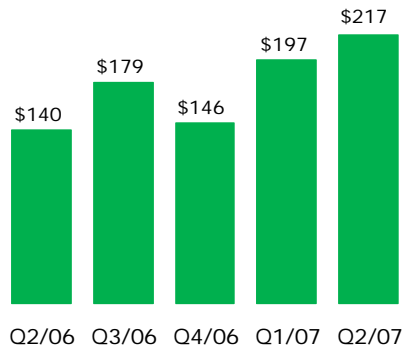
Personal & Commercial Banking  
Wealth Management

### Wholesale Banking

### Corporate

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Net Income \$MM



Notes

- Net income of \$217 million:
  - Up 10% or \$20 million from Q1/07 and 55% or \$77 million from Q2/06

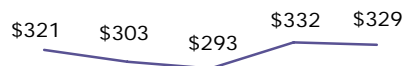
Revenue (TEB)\$MM



Notes

- Total revenue of \$642MM:
  - Up 1% versus Q1/07 and 20% YoY.

Expenses \$MM



Canadian Retail:

Personal & Commercial Banking  
Wealth Management

U.S. Retail:

Personal & Commercial Banking  
Wealth Management

Wholesale Banking

Corporate

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- \$(21) million for Q2/07
- Target \$(40) million per quarter
  - Corporate reallocation after privatization
  - Earnings give-up on excess capital
- US Wealth impact \$(8) million per quarter

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- ① A very strong quarter
- ② Adjusted EPS up 22%, first half of 2007



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