

Q4 2007
Strategic Overview
(Check Against Delivery)
Ed Clark, President and CEO

- Thank you Tim and thanks to everyone for joining us this afternoon.
- Colleen will be up shortly to give you more detail on how we did in Q4 and the year overall.
- I'd like to start by summarizing 2007, and then commenting on the current financial situation, and our outlook.
- From my perspective we had a great fourth quarter, ending a spectacular 2007. Every TD business grew at a double-digit pace year over year. Our strategies were validated, our franchises were reinforced, our people – the heart and soul of our organization - delivered.
- What makes our results so meaningful is that they were not built on short-term gains, or risky strategies which paid off. Rather they represent a consistent focus on growing franchise earnings – and constantly investing for the future to extend our competitive edge.
- This focus played out for us in a number of highlights this year:
 - We launched even longer branch hours – 50% longer than our peers
 - We opened 38 new branches, including our 100th branch in the province of Quebec
 - We added 139 client-facing advisors and hundreds more customer facing employees
 - We continued to hold #1 or #2 market share in most retail products
 - TDCT was recognized by J.D. Power and Synovate for being the #1 bank in customer service in Canada – clearly *we know* retail banking
 - TD Securities solidified their position as a Top 3 dealer in Canada and had no writedowns to report
- Our Canadian retail businesses together earned over \$2.75 billion during the year, up 16%. More importantly, every year since 2002 we've grown at double digit rates more than doubling our bottom line from \$1.2 billion. In 2002, TD's Canadian retail earnings made up about 21% of the total Canadian retail earnings of the top 5 banks in Canada. By 2007, TD's share was 25% - a remarkable shift.
- Complementing this retail base in Canada is a growing retail franchise in the U.S. This year we earned \$620 million on an adjusted basis in the U.S., TD Ameritrade successfully transitioned TD Waterhouse USA clients to its platform, we privatized and repositioned TD Banknorth and announced our intent to

acquire Commerce Bank – setting the stage for a unique U.S. growth franchise built on the same winning factors in place in TD Canada Trust.

- In light of recent market events, clearly the most noteworthy success of 2007 has been the performance of our Wholesale bank which increased earnings 24%.
- TD Securities stuck to their business strategy – they solidified their position as a Top 3 dealer in Canada, delivered great trading results and produced near record earnings. They also avoided the hazards which hurt many banks around the world. Let's put this outcome into context. Our out performance in Wholesale didn't happen by chance. Where we are today reflects specific decisions that were consistent with our view on risk-reward and transparency that we promised and delivered to our shareholders.
- The result – for TD Bank as a whole - 23% adjusted EPS growth for our shareholders, topping off a 5 year run of 21% EPS compounded growth on the same basis and a 23% Total Shareholder compounded return. Our dividends have grown by almost 14% annually over the past 5 years – and increased by 19% this year, a clear indication of the Board's confidence in TD's ability to consistently grow earnings over time.
- Let me anticipate an obvious question about this morning's announcement of Citadel's investment in E Trade. Obviously, I am not going to comment on another company's business decisions. What I can say is that we have backed TD Ameritrade's consistent position that it will make acquisitions which make sense for its shareholders – make sense financially, in risk terms and strategically. TD Ameritrade has a great organic growth strategy which continues to gain traction and has no need to do an acquisition; it remains open to opportunities but only those which do meet these 3 criteria – and they're in no hurry.
- Let me comment briefly on the recent financial market turmoil. The markets continue to be disturbed by an ongoing series of writeoffs at financial institutions. The press characterizes the markets as being hit by a credit crisis. I characterize it as a sub-prime credit crisis leading to a liquidity crisis in the financial industry driven by a lack of transparency about the risks banks were taking or passing on to their clients and customers.
- Current writedowns are part of the cure. What is understandably disturbing the market is the extent to which many institutions relied on these various activities as a source of income. The market has combined this realization with a lack of visibility on the ultimate fallout in the US housing market and therefore is concerned with the risk of both future writedowns and slower underlying earnings growth. Today the market is punishing all banks in a similar manner. Over time the market should start to differentiate between banks on the basis of the quality of their earnings.

- TD is a positive outlier because our business philosophy guided us to avoid third party asset backed paper, to ensure we had no exposure to US sub-prime lending, and to exit the structured product business. These decisions cost us income at the time, but they were in line with what we had promised the market – consistently growing franchise earnings without taking long tail risks. As a result, we have no writedowns this quarter. Going forward, our Wholesale bank is not looking to replace lost income.
- The financial turmoil has had an effect on our businesses as Colleen will describe, but on a net basis, it has not been material.
- So what about 2008? It's easy in these markets to get spooked - by both current events and the lack of visibility - into painting a too pessimistic view of the outlook. That said there are a number of issues that we're following very closely.
- Most difficult to predict is the economic impact of the financial turmoil. The sub-prime crisis threatens U.S. growth, compounding the impact on Canada as we are already trying to cope with the strong Canadian dollar. Given what's going on in the markets, we think the Canadian economy will slow down. Having said that, strong employment growth has continued here and in the U.S. and non-performers are contained. While we see our businesses slowing, they are slowing from what have been really spectacular results. Clearly, if the US and Canada hit a major downturn, which we are not assuming, results could be worse.
- So, what's the view embedded in our operational plans?
- We see 2008 as a good year within our targeted 7-10% EPS growth range but perhaps at the lower end of that range because of the dilution of the Commerce acquisition. While we have contingency plans for expense reductions, we will continue to reinvest in our franchises to ensure continued strength in 2009. All in, we're feeling good about 2008 for TD.
- Now, let me turn to each of our businesses.
- We've already outlined publicly what we hope to achieve in 2008 in the U.S. We are targeting total U.S. retail earnings approaching \$1 billion coming from TD Ameritrade, TD Banknorth and Commerce – assuming it closes. This result will be up almost 60% from 2007 levels. The main worry for us here is the Canadian/U.S. dollar and we may experience some modest pressure on PCL's. An average exchange rate above par could make it challenging to achieve our goal.
- Our domestic retail businesses should slow down from the very high levels of growth we've seen over the past few years and we do face the real risk of rising PCL's in the latter half of 2008. But, overall, we feel good about the strength of our position moving forward. I know our teams are focused on delivering as close as we can to \$3 billion in earnings despite these challenges. Together with

our U.S. earnings it would mean we could be earning \$4 billion in retail earnings alone – a strong anchor for any franchise – and on top of that you would add the earnings from our outstanding Wholesale business.

- Speaking of Wholesale, although we are going to start the year with strong security gains, we do expect a slowdown in TD Securities earnings from the near record pace this year. And finally, for Corporate, Colleen has previously indicated our expected earnings range.
- Looking at our immediate future, upon the successful closing of the Commerce deal, we'll be focused on integration and getting it done right. I know we have the expertise and the best people from both sides to make it happen in a way that preserves the best features of both banks. We've got an unbelievable opportunity to transform TD into the first North American bank – a high growth customer focused bank owning the brand position of North America's most convenient bank.
- In closing, we had a tremendous 2007. When you look around the world, there are few examples of banks that look like TD. There are few major banks with no write downs in 2007. Our domestic retail operations and our Wholesale bank delivered spectacular results and we've established a great platform in the United States. We've continued to invest in our leading franchise businesses and the results showed. We're confident we can take the best of this model to grow in the U.S. and be a North American leader.
- On that note, I'll turn things over to Colleen.

Ed – Overall Call Closing

- Let me wrap up with the 5 key messages I hope you'll take away from today's meeting.
- One – we had a great 4th quarter and a spectacular year
- Two – Our Canadian franchise delivered once again
- Three – the benefits of our transparent risk-reward Wholesale bank were clearly demonstrated this year
- Four – We have a unique and growing US retail presence
- And Five – for F2008 – we see \$4bn in retail earnings - \$3bn in Canada and \$1bn in the US

Thanks and have a great day.

Forward-looking statements and additional information

The information presented may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and comparable “safe harbour” provisions of applicable Canadian legislation, including, but not limited to, statements relating to anticipated financial and operating results, the companies’ plans, objectives, expectations and intentions, cost savings and other statements, including words such as “anticipate,” “believe,” “plan,” “estimate,” “expect,” “intend,” “will,” “should,” “may,” and other similar expressions. Such statements are based upon the current beliefs and expectations of our management and involve a number of significant risks and uncertainties. Actual results may differ materially from the results anticipated in these forward-looking statements. Factors that could cause TD Bank’s results to differ materially from those described in the forward looking statements can be found in TD Bank’s 2007 Annual Report on Form 40-F filed with the Securities and Exchange Commission and available at the Securities and Exchange Commission’s Internet site (<http://www.sec.gov>). In addition to the factors found in TD Bank’s 2007 Annual Report, the following factors relating to the Commerce Bancorp, Inc. transaction, among others, could also cause actual results to differ materially from those expressed in the forward-looking statements described on the earlier slide: the ability to obtain the approval of the transaction by Commerce stockholders; the ability to realize the expected synergies resulting for the transaction in the amounts or in the timeframe anticipated; the ability to integrate Commerce’s businesses into those of TD Bank Financial Group in a timely and cost-efficient manner; and the ability to obtain governmental approvals of the transaction or to satisfy other conditions to the transaction on the proposed terms and timeframe.

The proposed merger transaction involving The Toronto-Dominion Bank (the “Bank”) and Commerce will be submitted to Commerce’s shareholders for their consideration. The Bank and Commerce have filed with the SEC a Registration Statement on Form F-4 containing a preliminary proxy statement/prospectus and each of the companies plans to file with the SEC other documents regarding the proposed transaction. **Shareholders are encouraged to read the preliminary proxy statement/prospectus regarding the proposed transaction and the definitive proxy statement/prospectus when it becomes available, as well as other documents filed with the SEC because they contain important information.** Shareholders may obtain a free copy of the preliminary proxy statement/prospectus, and will be able to obtain a free copy of the definitive proxy statement/prospectus when it becomes available, as well as other filings containing information about the Bank and Commerce, without charge, at the SEC’s Internet site (<http://www.sec.gov>). Copies of the definitive proxy statement/prospectus and the filings with the SEC that will be incorporated by reference in the definitive proxy statement/prospectus can also be obtained, when available, without charge, by directing a request to TD Bank Financial Group, 66 Wellington Street West, Toronto, ON M5K 1A2, Attention: Investor Relations, (416) 308-9030, or to Commerce Bancorp, Inc., Shareholder Relations, 1701 Route 70 East, Cherry Hill, NJ 08034-5400, 1-888-751-9000.

The Bank, Commerce, their respective directors and executive officers and other persons may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction. Information regarding the Bank’s directors and executive officers is available in its Annual Report on Form 40-F for the year ended October 31, 2007, which will be filed with the Securities and Exchange Commission by December 3, 2007, its notice of annual meeting and proxy circular for its most recent annual meeting, which was filed with the Securities and Exchange Commission on February 23, 2007. Information regarding Commerce’s directors and executive officers is available in Commerce’s proxy statement for its most recent annual meeting, which was filed with the Securities and Exchange Commission on April 13, 2007. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the definitive proxy statement/prospectus and other relevant materials to be filed with the SEC when they become available.

The information may also contain non-GAAP financial disclosure. 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 4th Quarter 2007 Press Release and the 2007 MD&A (available under the Bank’s Investor Relations internet link located at <http://www.td.com/investor>) for further explanation, a list of the items of note and a reconciliation of adjusted earnings to reported basis (GAAP) results.