Bank Financial Group

SUPPLEMENTAL FINANCIAL INFORMATION

For the 4th Quarter Ended October 31, 2008

Investor Relations Department

For further information contact:

Tim Thompson, Kelly Milroy, or Rachel Gauci

416-308-9030 or 1-866-486-4826

www.td.com/investor

For the 4th Quarter ended October 31, 2008

The supplemental information contained in this package is designed to improve the readers' understanding of the financial performance of TD Bank Financial Group (the Bank). This information should be used in conjunction with the Bank's Q4 2008 Press Release, the 2008 Management's Discussion and Analysis (MD&A) and Investor Presentation, as well as the 2008 audited Consolidated Financial Statements for the year ended October 31, 2008.

How the Bank Reports

The Bank prepares its consolidated financial statements in accordance with Canadian generally accepted accounting principles (GAAP) and refers to results prepared in accordance with GAAP as the "reported" results. The Bank also utilizes non-GAAP financial measures referred to as "adjusted" results to assess each of its businesses and to measure overall Bank performance. To arrive at adjusted results, the Bank removes "items of note", net of income taxes, from reported results. The items of note relate to items which management does not believe are indicative of underlying business performance. The items of note are listed on page 3 of this package. The Bank believes that adjusted results provide the reader with a better understanding of how management views the Bank's performance.

As explained, adjusted results are different from reported results determined in accordance with GAAP. Adjusted results, items of note and related terms are non-GAAP financial measures as these are not defined terms under GAAP and, therefore, may not be comparable to similar terms used by other issuers. A reconciliation between the Bank's reported and adjusted results is provided on page 6 of the Bank's Q4 2008 Press Release and page 19 of the 2008 MD&A.

Segmented Information

For management reporting purposes, the Bank's operations and activities are organized into the following four operating business segments: Canadian Personal and Commercial Banking, Wealth Management (including TD Ameritrade), U.S. Personal and Commercial Banking through TD Banknorth and Commerce (operating under the brand name TD Bank, America's Most Convenient Bank), and Wholesale Banking. The Bank's other activities are grouped into the Corporate segment.

The Bank measures and evaluates the performance of the segments based on our management structure and is not necessarily comparable with other financial services companies. Results of each business segment reflect revenue, expenses, assets and liabilities generated by the businesses in that segment. Due to the complexity of the Bank, its management reporting model uses various estimates, assumptions, allocations and risk-based methodologies for funds transfer pricing, inter-segment revenue, income tax rates, capital, indirect expenses and cost transfers to measure business segment results. Transfer pricing of funds is generally applied at market rates. Inter-segment revenue is negotiated between each business segment and approximates the value provided by the distributing segment. Income tax expense or benefit is generally applied to each segment based on a statutory tax rate and may be adjusted for items and activities unique to each segment.

The Bank measures and evaluates the performance of each segment based on adjusted net income available to common shareholders, economic profit and return on invested capital. Economic profit is adjusted net income available to common shareholders, less a charge for average invested capital. Each segment's invested capital represents the capital required for economic risks, including credit, market and operational risks, plus the purchased amounts of goodwill and intangible assets, net of impairment write downs. Return on invested capital is adjusted net income available to common shareholders, divided by average invested capital. Economic profit and return on invested capital are not defined terms under GAAP and, therefore, may not be comparable to similar terms used by other issuers. A reconciliation between the Bank's economic profit, return on invested capital and adjusted net income is provided on page 8 of the Bank's Q4 2008 Press Release and page 20 of the 2008 MD&A.

Amortization of intangible expense is included in the Corporate segment. Accordingly, net income for the operating business segments is presented before amortization of intangibles, as well as any other items of note not attributed to the operating segments. Net interest income within Wholesale Banking is calculated on a taxable equivalent basis (TEB), which means that the value of the non-taxable or tax-exempt income, including dividends, is adjusted to its equivalent before-tax value. Using TEB allows the Bank to measure income from all securities and loans consistently and makes for a more meaningful comparison of net interest income with similar institutions. The TEB adjustment, reflected in the Wholesale Banking segment, is eliminated in the Corporate segment.

As stated in the 2008 audited Consolidated Financial Statements, the Bank securitizes retail loans and receivables held by the Canadian Personal and Commercial Banking segment in transactions that are accounted for as sales. For the purpose of segmented reporting, Canadian Personal and Commercial Banking accounts for the transactions as though they are financing arrangements. Accordingly, the interest income earned on the assets sold net of the funding costs incurred by the purchaser trusts is recorded in net interest income and the provision for credit losses related to these assets is charged to provision for (reversal of) credit losses. This accounting is reversed in the Corporate segment and the gain recognized on sale which is in compliance with appropriate accounting standards together with income earned on the retained interests net of credit losses incurred are included in other income.

For more information, see the "Business Focus" section of the 2008 MD&A and Note 30 to the 2008 audited Consolidated Financial Statements.

For the 4th Quarter Ended October 31, 2008
Table of Contents

Certain comparative amounts have been reclassified to conform with current period presentation

Highlights

TD Bank Financial Group

FOR THE PERIOD ENDED		LINE #	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3	2007 Q2	2007 Q1	2006 Q4	Full Year 2008	Full Year 2007	Full Year 2006
Income Statement ($ millions)														
Net interest income	(page 10)	1	**$ 2,449**	$ 2,437	$ 1,858	$ 1,788	$ 1,808	$ 1,783	$ 1,662	$ 1,671	$ 1,714	**$ 8,532**	$ 6,924	$ 6,371
Other income	(page 11)	2	**1,191**	1,600	1,530	1,816	1,742	1,899	1,882	1,834	1,604	**6,137**	7,357	6,821
Total revenue		3	**3,640**	4,037	3,388	3,604	3,550	3,682	3,544	3,505	3,318	**14,669**	14,281	13,192
Dilution gain (loss) on investments, net of costs		4	**-**	-	-	-	-	-	-	-	-	**-**	-	1,559
Provision for credit losses	(page 20)	5	**288**	288	232	255	139	171	172	163	170	**1,063**	645	409
Non-interest expenses	(page 12)	6	**2,367**	2,701	2,206	2,228	2,241	2,216	2,297	2,221	2,211	**9,502**	8,975	8,815
Net income before provision for income taxes		7	**985**	1,048	950	1,121	1,170	1,295	1,075	1,121	937	**4,104**	4,661	5,527
Provision for income taxes		8	**20**	122	160	235	153	248	234	218	175	**537**	853	874
Income before non-controlling interests in subsidiaries		9	**965**	926	790	886	1,017	1,047	841	903	762	**3,567**	3,808	4,653
Non-controlling interests in subsidiaries	(page 23)	10	**18**	8	9	8	8	13	27	47	48	**43**	95	184
Equity in net income of an associated company, net of income taxes	(page 23)	11	**67**	79	71	92	85	69	65	65	48	**309**	284	134
Net income - reported		12	**1,014**	997	852	970	1,094	1,103	879	921	762	**3,833**	3,997	4,603
Adjustment for items of note, net of income taxes	(page 3)	13	**(349)**	118	121	90	(73)	61	116	88	113	**(20)**	192	(1,227)
Net income - adjusted		14	**665**	1,115	973	1,060	1,021	1,164	995	1,009	875	**3,813**	4,189	3,376
Preferred dividends		15	**23**	17	11	8	5	2	7	6	5	**59**	20	22
Net income available to common shareholders - adjusted		16	**$ 642**	$ 1,098	$ 962	$ 1,052	$ 1,016	$ 1,162	$ 988	$ 1,003	$ 870	**$ 3,754**	$ 4,169	$ 3,354
Per Common Share[1] and Average Number of Shares														
Basic net income - reported		17	**$ 1.23**	$ 1.22	$ 1.12	$ 1.34	$ 1.52	$ 1.53	$ 1.21	$ 1.27	$ 1.05	**$ 4.90**	$ 5.53	$ 6.39
- adjusted		18	**.79**	1.37	1.33	1.46	1.42	1.61	1.37	1.40	1.21	**4.92**	5.80	4.70
Diluted net income - reported		19	**1.22**	1.21	1.12	1.33	1.50	1.51	1.20	1.26	1.04	**4.87**	5.48	6.34
- adjusted		20	**.79**	1.35	1.32	1.45	1.40	1.60	1.36	1.38	1.20	**4.88**	5.75	4.66
Average number of common shares outstanding - basic (millions)		21	**808.0**	804.0	747.7	718.3	717.3	719.5	719.1	718.3	719.7	**769.6**	718.6	716.8
- diluted		22	**812.8**	811.0	753.7	724.6	724.4	726.9	725.9	724.9	726.0	**775.7**	725.5	723.0
Balance Sheet ($ billions)														
Total assets	(page 13)	23	**$ 563.2**	$ 508.8	$ 503.6	$ 435.2	$ 422.1	$ 403.9	$ 396.7	$ 408.2	$ 392.9	**$ 563.2**	$ 422.1	$ 392.9
Total shareholders' equity	(page 21)	24	**31.7**	31.3	30.6	22.9	21.4	21.0	21.8	21.0	19.6	**31.7**	21.4	19.6
Unrealized gain (loss) on banking book equities[2] ($ millions)	(page 14)	25	**310**	698	746	901	1,236	1,010	1,027	990	774	**310**	1,236	774
Capital and Risk Metrics ($ billions)														
Risk-weighted assets (RWA)[3, 4]	(pages 31 and 33)	26	**$ 211.8**	$ 184.7	$ 178.6	$ 145.9	$ 152.5	$ 150.8	$ 149.4	$ 149.1	$ 141.9	**$ 211.8**	$ 152.5	$ 141.9
Tier 1 capital[3, 4]	(pages 32 and 33)	27	**20.7**	17.5	16.3	15.9	15.6	15.4	14.7	17.7	17.1	**20.7**	15.6	17.1
Tier 1 capital ratio[3, 4]	(pages 32 and 33)	28	**9.8 %**	9.5 %	9.1 %	10.9 %	10.3 %	10.2 %	9.8 %	11.9 %	12.0 %	**9.8 %**	10.3 %	12.0 %
Total capital ratio[3, 4]	(pages 32 and 33)	29	**12.0**	13.4	12.7	15.1	13.0	13.3	12.3	14.1	13.1	**12.0**	13.0	13.1
After-tax impact of 1% increase in interest rates on:														
Common shareholders' equity ($ millions)		30	**$ (123)**	$ (66)	$ 51	$ -	$ (10)	$ (20)	$ (33)	$ 5	$ (20)	**$ (123)**	$ (10)	$ (20)
Annual net income ($ millions)		31	**4**	9	(18)	(16)	(4)	(12)	(6)	1	(3)	**4**	(4)	(3)
Impaired loans net of specific provisions ($ millions)	(page 18)	32	**805**	709	654	554	366	379	372	314	270	**805**	366	270
Impaired loans net of specific allowance as a % of net loans	(page 18)	33	**.3 %**	.3 %	.3 %	.3 %	.2 %	.2 %	.2 %	.2 %	.2 %	**.3 %**	.2 %	.2 %
Provision for credit losses as a % of net average loans		34	**.52**	.54	.49	.57	.30	.39	.41	.38	.40	**.54**	.37	.25
Rating of senior debt: Moody's		35	**Aaa**	Aaa	Aaa	Aaa	Aaa	Aaa	Aaa	Aa3	Aa3	**Aaa**	Aaa	Aa3
Standard and Poor's		36	**AA-**	AA-	AA-	AA-	AA-	AA-	AA-	A+	A+	**AA-**	AA-	A+

[1] Earnings per share (EPS) is computed by dividing net income available to common shareholders by the weighted average number of shares outstanding during the period. As a result, the sum of the quarterly EPS figures may not equal the year-to-date EPS.

[2] Includes unrealized gains (losses) on publicly traded available-for-sale securities which are included in other comprehensive income.

[3] Effective November 1, 2007, the Bank implemented guidelines of the Office of the Superintendent of Financial Institutions Canada (OSFI) based on the "International Convergence of Capital Measurement and Capital Standards - A Revised Framework" (Basel II), issued by the Basel Committee on Banking Supervision. Accordingly, the numbers for 2008 are based on Basel II, while all prior period numbers are based on Basel I Capital Accord (Basel I).

[4] For regulatory purposes only, effective Q4 2008, the one month lag in reporting TD Banknorth and Commerce assets is eliminated by using the same period end as the rest of the Bank, and the Bank's investment in TD Ameritrade is translated using the period end foreign exchange rate of the Bank.

FOR THE PERIOD ENDED	LINE #	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3	2007 Q2	2007 Q1	2006 Q4	Full Year 2008	Full Year 2007	Full Year 2006
Business Performance ($ millions)													
Net income available to common shareholders - reported	1	**$ 991**	$ 980	$ 841	$ 962	$ 1,089	$ 1,101	$ 872	$ 915	$ 757	**$ 3,774**	$ 3,977	$ 4,581
Economic profit [1]	2	**(150)**	321	283	462	430	578	421	442	326	**932**	1,876	1,309
Average common equity	3	**29,615**	29,065	25,593	21,221	20,808	20,771	20,940	19,969	19,069	**26,213**	20,572	17,983
Average invested capital [2]	4	**33,884**	33,236	29,675	25,236	24,749	24,628	24,724	23,684	22,710	**30,349**	24,397	21,523
Return on common equity	5	**13.3 %**	13.4 %	13.4 %	18.0 %	20.8 %	21.0 %	17.1 %	18.2 %	15.7 %	**14.4 %**	19.3 %	25.5 %
Adjusted return on common equity [3]	6	**8.6**	15.0	15.3	19.7	19.4	22.2	19.4	19.9	18.1	**14.3**	20.3	18.7
Return on invested capital [4]	7	**7.5**	13.1	13.2	16.6	16.3	18.7	16.4	16.8	15.2	**12.4**	17.1	15.6
Return on risk-weighted assets [5, 6]	8	**1.29**	2.41	2.41	2.92	2.66	3.07	2.72	2.74	2.46	**2.18**	2.80	2.46
Efficiency ratio - reported	9	**65.0**	66.9	65.1	61.8	63.1	60.2	64.8	63.4	66.6	**64.8**	62.8	59.8
Effective tax rate	10	**2.0**	11.6	16.8	21.0	13.1	19.2	21.8	19.4	18.7	**13.1**	18.3	15.8
Net interest margin	11	**2.34**	2.36	2.11	2.01	2.10	2.15	2.03	1.97	2.12	**2.22**	2.06	2.02
Average number of full-time equivalent staff	12	**65,442**	65,296	52,126	52,160	51,341	51,085	51,037	51,185	51,282	**58,792**	51,163	51,147
Common Share Performance													
Closing market price	13	**$ 56.92**	$ 62.29	$ 66.11	$ 68.01	$ 71.35	$ 68.26	$ 67.80	$ 69.88	$ 65.10	**$ 56.92**	$ 71.35	$ 65.10
Book value per common share	14	**36.78**	36.75	36.70	30.69	29.23	28.65	29.66	28.64	26.77	**36.78**	29.23	26.77
Closing market price to book value	15	**1.55**	1.69	1.80	2.22	2.44	2.38	2.29	2.44	2.43	**1.55**	2.44	2.43
Price-earnings ratio - reported [7]	16	**11.7**	12.1	12.1	12.3	13.0	13.6	14.8	15.9	10.3	**11.7**	13.0	10.3
- adjusted	17	**11.6**	11.3	11.5	11.7	12.4	12.3	13.2	14.3	14.0	**11.6**	12.4	14.0
Total market return on common shareholders' investment [8]	18	**(17.1)%**	(5.5)%	.8 %	.5 %	13.0 %	21.7 %	11.8 %	18.6 %	20.3 %	**(17.1)%**	13.0 %	20.3 %
Number of common shares outstanding (millions)	19	**810.1**	807.3	802.9	719.0	717.8	718.3	719.9	719.0	717.4	**810.1**	717.8	717.4
Total market capitalization ($ billions)	20	**$ 46.1**	$ 50.3	$ 53.1	$ 48.9	$ 51.2	$ 49.0	$ 48.8	$ 50.2	$ 46.7	**$ 46.1**	$ 51.2	$ 46.7
Dividend Performance													
Dividend per common share	21	**$ 0.61**	$ 0.59	$ 0.59	$ 0.57	$ 0.57	$ 0.53	$ 0.53	$ 0.48	$ 0.48	**$ 2.36**	$ 2.11	$ 1.78
Dividend yield [9]	22	**4.1 %**	3.7 %	3.5 %	3.2 %	3.0 %	2.9 %	2.8 %	2.7 %	2.8 %	**3.8 %**	3.0 %	2.9 %
Common dividend payout ratio [10] - reported	23	**49.7**	48.5	56.2	42.6	37.6	34.6	43.8	37.7	45.8	**49.0**	38.1	27.9
- adjusted	24	**76.8**	43.3	49.2	39.0	40.3	32.8	38.7	34.4	39.9	**49.3**	36.4	38.1

[1] Economic profit is adjusted net income available to common shareholders less a charge for average invested capital. The rate charged for invested capital is 9.3% in 2008, 9.4% in 2007 and 9.5% in 2006.

[2] Invested capital is common shareholders' equity plus the cumulative after-tax amount of purchased intangible assets amortized as of the reporting date.

[3] Adjusted return on common equity is adjusted net income available to common shareholders divided by average common equity.

[4] Return on invested capital is adjusted net income available to common shareholders divided by average invested capital.

[5] Return on risk-weighted assets is adjusted net income available to common shareholders divided by average RWA.

[6] Effective November 1, 2007, the Bank implemented OSFI's guidelines based on Basel II. Accordingly, the average RWA, on which the return is based, for 2008 is calculated based on Basel II, while all prior period returns are calculated based on Basel I.

[7] Closing common share price divided by diluted net income per common share for trailing 4 quarters.

[8] Total shareholder return includes the year-over-year change in share price and assumes that dividends received were invested in additional common shares.

[9] Dividends per common share for trailing 4 quarters divided by average of high and low common share prices for the period.

[10] The calculations for common dividend payout ratio for Q2 2008 and the full year 2008 took into account the shares issued on the acquisition of Commerce and the dividend paid on those shares. Excluding those shares and the dividend on those shares, the common dividend payout ratio would have been 50.4% reported and 44.1% adjusted for Q2 2008 and 47.7% reported and 48.0% adjusted for the full year 2008.

Adjustment for Items of Note, net of income taxes[1]

Bank Financial Group

FOR THE PERIOD ENDED	LINE #	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3	2007 Q2	2007 Q1	2006 Q4	Full Year 2008	Full Year 2007	Full Year 2006
Items of Note Affecting Net Income ($ millions)													
Amortization of intangibles	1	$ 126	$ 111	$ 92	$ 75	$ 99	$ 91	$ 80	$ 83	$ 87	$ 404	$ 353	$ 316
Reversal of Enron litigation reserve [2]	2	(323)	-	-	-	-	-	-	-	-	(323)	-	-
Change in fair value of derivatives hedging the reclassified available-for-sale debt securities portfolio [3]	3	(118)	-	-	-	-	-	-	-	-	(118)	-	-
Gain relating to restructuring of Visa [4]	4	-	-	-	-	(135)	-	-	-	-	-	(135)	-
Dilution gain on Ameritrade transaction, net of costs	5	-	-	-	-	-	-	-	-	-	-	-	(1,665)
Dilution loss on the acquisition of Hudson by TD Banknorth	6	-	-	-	-	-	-	-	-	-	-	-	72
Wholesale Banking restructuring charge	7	-	-	-	-	-	-	-	-	-	-	-	35
Balance sheet restructuring charge in TD Banknorth	8	-	-	-	-	-	-	-	-	-	-	-	19
TD Banknorth restructuring, privatization and merger-related charges [5]	9	-	-	-	-	-	-	43	-	-	-	43	-
Restructuring and integration charges relating to the Commerce acquisition [6]	10	25	15	30	-	-	-	-	-	-	70	-	-
Change in fair value of credit default swaps hedging the corporate loan book, net of provision for credit losses [7]	11	(59)	(22)	(1)	(25)	2	(30)	(7)	5	8	(107)	(30)	(7)
Other tax items [8]	12	-	14	-	20	-	-	-	-	-	34	-	24
Provision for insurance claims [9]	13	-	-	-	20	-	-	-	-	-	20	-	-
Initial set up of specific allowance for credit card and overdraft loans	14	-	-	-	-	-	-	-	-	18	-	-	18
General allowance release	15	-	-	-	-	(39)	-	-	-	-	-	(39)	(39)
Total	16	$(349)	$ 118	$ 121	$ 90	$ (73)	$ 61	$ 116	$ 88	$ 113	$ (20)	$ 192	$ (1,227)
Items of Note Affecting Diluted Earnings per Share ($) [10]													
Amortization of intangibles	17	$ 0.16	$ 0.13	$ 0.12	$ 0.09	$ 0.14	$ 0.13	$ 0.11	$ 0.11	$ 0.12	$ 0.52	$ 0.49	$ 0.42
Reversal of Enron litigation reserve [2]	18	(0.40)	-	-	-	-	-	-	-	-	(0.42)	-	-
Change in fair value of derivatives hedging the reclassified available for sale debt securities portfolio [3]	19	(0.15)	-	-	-	-	-	-	-	-	(0.15)	-	-
Gain relating to restructuring of Visa [4]	20	-	-	-	-	(0.19)	-	-	-	-	-	(0.19)	-
Dilution gain on Ameritrade transaction, net of costs	21	-	-	-	-	-	-	-	-	-	-	-	(2.30)
Dilution loss on the acquisition of Hudson by TD Banknorth	22	-	-	-	-	-	-	-	-	-	-	-	0.10
Wholesale Banking restructuring charge	23	-	-	-	-	-	-	-	-	-	-	-	0.05
Balance sheet restructuring charge in TD Banknorth	24	-	-	-	-	-	-	-	-	-	-	-	0.03
TD Banknorth restructuring, privatization and merger-related charges [5]	25	-	-	-	-	-	-	0.06	-	-	-	0.06	-
Restructuring and integration charges relating to the Commerce acquisition [6]	26	0.03	0.02	0.04	-	-	-	-	-	-	0.09	-	-
Change in fair value of credit default swaps hedging the corporate loan book, net of provision for credit losses [7]	27	(0.07)	(0.03)	-	(0.03)	-	(0.04)	(0.01)	0.01	0.01	(0.14)	(0.04)	(0.01)
Other tax items [8]	28	-	0.02	-	0.03	-	-	-	-	-	0.04	-	0.03
Provision for insurance claims [9]	29	-	-	-	0.03	-	-	-	-	-	0.03	-	-
Initial set up of specific allowance for credit card and overdraft loans	30	-	-	-	-	-	-	-	-	0.03	-	-	0.03
General allowance release	31	-	-	-	-	(0.05)	-	-	-	-	-	(0.05)	(0.05)
TD Ameritrade timing impact	32	-	-	-	-	-	-	-	-	-	-	-	0.02
Commerce timing impact [11]	33	-	-	0.04	-	-	-	-	-	-	0.04	-	-
Total	34	$ (0.43)	$ 0.14	$ 0.20	$ 0.12	$ (0.10)	$ 0.09	$ 0.16	$ 0.12	$ 0.16	$ 0.01	$ 0.27	$ (1.68)

[1] The adjustment for items of note, net of income taxes, is removed from reported results to compute adjusted results. For detailed footnotes to the items of note, see page 35.

Segmented Results Summary

TD Bank Financial Group

($ millions)

FOR THE PERIOD ENDED	LINE #	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3	2007 Q2	2007 Q1	2006 Q4	Full Year 2008	Full Year 2007	Full Year 2006
Net Income - Adjusted (where applicable)													
Canadian Personal and Commercial Banking	1	**$ 600**	$ 644	$ 582	$ 598	$ 572	$ 597	$ 540	$ 544	$ 501	**$ 2,424**	$ 2,253	$ 1,966
Wealth Management	2	**170**	201	182	216	194	185	197	186	148	**769**	762	590
U.S. Personal and Commercial Banking	3	**276**	273	130	127	124	109	62	64	63	**806**	359	255
Total retail	4	**1,046**	1,118	894	941	890	891	799	794	712	**3,999**	3,374	2,811
Wholesale Banking	5	**(228)**	37	93	163	157	253	217	197	146	**65**	824	664
Corporate	6	**(153)**	(40)	(14)	(44)	(26)	20	(21)	18	17	**(251)**	(9)	(99)
Total Bank	7	**$ 665**	$ 1,115	$ 973	$ 1,060	$ 1,021	$ 1,164	$ 995	$ 1,009	$ 875	**$ 3,813**	$ 4,189	$ 3,376
Return on Invested Capital													
Canadian Personal and Commercial Banking	8	**28.8 %**	30.9 %	28.7 %	29.0 %	26.8 %	28.3 %	26.9 %	26.4 %	24.7 %	**29.3 %**	27.1 %	25.2 %
Wealth Management	9	**16.0**	19.4	19.4	23.0	19.8	18.6	21.7	20.1	15.8	**19.4**	20.0	19.5
U.S. Personal and Commercial Banking	10	**6.2**	6.2	5.8	5.7	5.1	4.7	3.8	4.3	4.2	**6.1**	4.6	4.6
Wholesale Banking	11	**(20.9)**	4.4	10.7	20.9	20.6	37.3	33.6	30.2	23.5	**1.8**	30.1	27.9
Total Bank	12	**7.5 %**	13.1 %	13.2 %	16.6 %	16.3 %	18.7 %	16.4 %	16.8 %	15.2 %	**12.4 %**	17.1 %	15.6 %
Percentage of Net Income Mix[1]													
Total retail	13	**128 %**	97 %	91 %	85 %	85 %	78 %	79 %	80 %	83 %	**98 %**	80 %	81 %
Wholesale Banking	14	**(28)**	3	9	15	15	22	21	20	17	**2**	20	19
Total Bank	15	**100 %**	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	**100 %**	100 %	100 %
Geographic Contribution to Total Revenue[2]													
Canada	16	**71 %**	70 %	78 %	75 %	79 %	71 %	74 %	73 %	77 %	**73 %**	74 %	73 %
United States	17	**24**	24	14	17	14	18	18	17	17	**20**	17	20
Other	18	**5**	6	8	8	7	11	8	10	6	**7**	9	7
Total Bank	19	**100 %**	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	**100 %**	100 %	100 %

[1] Percentages exclude Corporate segment results.

[2] TEB amounts and dilution gains on net investments are not included.

RESULTS OF OPERATIONS
($ millions)

FOR THE PERIOD ENDED	LINE #	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3	2007 Q2	2007 Q1	2006 Q4	Full Year 2008	Full Year 2007	Full Year 2006
Net interest income	1	**$ 1,489**	$ 1,485	$ 1,402	$ 1,414	$ 1,408	$ 1,388	$ 1,298	$ 1,307	$ 1,295	**$ 5,790**	$ 5,401	$ 4,879
Other income	2	**794**	777	732	733	744	713	688	703	653	**3,036**	2,848	2,573
Total revenue	3	**2,283**	2,262	2,134	2,147	2,152	2,101	1,986	2,010	1,948	**8,826**	8,249	7,452
Provision for credit losses	4	**209**	194	191	172	176	151	143	138	132	**766**	608	413
Non-interest expenses	5	**1,202**	1,129	1,095	1,096	1,114	1,050	1,033	1,059	1,068	**4,522**	4,256	4,086
Net income before income taxes	6	**872**	939	848	879	862	900	810	813	748	**3,538**	3,385	2,953
Income taxes	7	**272**	295	266	281	290	303	270	269	247	**1,114**	1,132	987
Net income - reported	8	**600**	644	582	598	572	597	540	544	501	**2,424**	2,253	1,966
Adjustment for items of note, net of income taxes	9	**-**	-	-	-	-	-	-	-	-	**-**	-	-
Net income - adjusted	10	**$ 600**	$ 644	$ 582	$ 598	$ 572	$ 597	$ 540	$ 544	$ 501	**$ 2,424**	$ 2,253	$ 1,966
Average invested capital ($ billions)	11	**$ 8.3**	$ 8.3	$ 8.3	$ 8.2	$ 8.5	$ 8.4	$ 8.2	$ 8.2	$ 8.0	**$ 8.3**	$ 8.3	$ 7.8
Economic profit[2]	12	**423**	467	410	422	391	418	369	369	328	**1,722**	1,547	1,303
Return on invested capital	13	**28.8 %**	30.9 %	28.7 %	29.0 %	26.8 %	28.3 %	26.9 %	26.4 %	24.7 %	**29.3 %**	27.1 %	25.2 %
Key Performance Indicators ($ billions)													
Risk-weighted assets[3, 4]	14	**$ 58**	$ 56	$ 53	$ 54	$ 68	$ 68	$ 65	$ 66	$ 65	**$ 58**	$ 68	$ 65
Average loans - personal	15	**143**	136	129	126	120	115	111	110	111	**134**	114	110
Average loans and acceptances - business	16	**23**	22	22	20	20	20	19	18	18	**22**	19	18
Average securitized loans	17	**41**	43	45	45	46	47	46	44	39	**44**	46	35
Average deposits - personal	18	**116**	112	108	104	103	102	101	101	100	**110**	102	97
Average deposits - business	19	**44**	43	41	40	40	39	37	38	36	**42**	39	35
Margin on avg. earning assets inc. securitized assets	20	**2.89%**	2.98%	2.96%	2.98%	3.03%	3.07%	3.05%	3.03%	3.07%	**2.95%**	3.05%	3.04%
Efficiency ratio	21	**52.7%**	49.9%	51.3%	51.0%	51.8%	50.0%	52.0%	52.7%	54.8%	**51.2%**	51.6%	54.8%
Number of Canadian retail branches at period end	22	**1,098**	1,088	1,077	1,075	1,070	1,057	1,047	1,040	1,038	**1,098**	1,070	1,038
Average number of full-time equivalent staff	23	**32,557**	32,496	31,720	31,896	31,131	30,620	30,138	30,413	29,805	**32,167**	30,576	29,602

1 Effective Q3 2008, the U.S. insurance and credit card businesses are included in the Canadian Personal and Commercial Banking segment, net of distribution commissions to the U.S. Personal and Commercial Banking segment. Prior periods have not been reclassified as the impact was not material to segment results.

2 The rate charged for invested capital is 8.5% in 2008, 8.5% in 2007, and 8.5% in 2006.

3 Balances prior to Q4 2006 have been reclassified from Corporate segment.

4 Effective November 1, 2007, the Bank implemented OSFI's guidelines based on Basel II. Accordingly, the numbers for 2008 are based on Basel II, while all prior period numbers are based on Basel I.

Canadian Personal and Commercial Banking comprises our Canadian Banking and Global Insurance businesses. Under the TD Canada Trust brand, the retail operations provide a full range of financial products and services to approximately 11 million personal and small business customers. As a leading customer services provider, TD Canada Trust offers anywhere, anytime banking solutions through telephone and internet banking, more than 2,600 automated banking machines and a network of 1,098 branches located across Canada. TD Commercial Banking serves the needs of medium-sized Canadian businesses, customizing a broad range of products and services to meet their financing, investment, cash management, international trade and day-to-day banking needs. Under the TD Insurance brand, the Bank offers a broad range of insurance products, including home and automobile coverage, life and health insurance in Canada and U.S., as well as business property and casualty business in the U.S., in addition to credit protection coverage on TD Canada Trust lending products.

RESULTS OF OPERATIONS
($ millions)

FOR THE PERIOD ENDED	LINE #	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3	2007 Q2	2007 Q1	2006 Q4	Full Year 2008	Full Year 2007	Full Year 2006
Net interest income	1	**$ 88**	$ 89	$ 82	$ 88	$ 83	$ 80	$ 78	$ 77	$ 69	**$ 347**	$ 318	$ 377
Brokerage commissions and other income	2	**503**	520	476	482	498	507	516	474	435	**1,981**	1,995	1,883
Total revenue	3	**591**	609	558	570	581	587	594	551	504	**2,328**	2,313	2,260
Non-interest expenses	4	**428**	421	387	379	399	395	393	364	357	**1,615**	1,551	1,575
Net income before income taxes	5	**163**	188	171	191	182	192	201	187	147	**713**	762	685
Income taxes	6	**53**	61	56	63	63	66	67	65	52	**233**	261	242
Global Wealth net income	7	**110**	127	115	128	119	126	134	122	95	**480**	501	443
Equity in net income of associated company, net of income taxes [3]	8	**60**	74	67	88	75	59	63	64	53	**289**	261	147
Net income - reported	9	**170**	201	182	216	194	185	197	186	148	**769**	762	590
Adjustment for items of note, net of income taxes	10	**-**	-	-	-	-	-	-	-	-	**-**	-	-
Net income - adjusted	11	**$ 170**	$ 201	$ 182	$ 216	$ 194	$ 185	$ 197	$ 186	$ 148	**$ 769**	$ 762	$ 590
Average invested capital ($ billions)	12	**$ 4.2**	$ 4.1	$ 3.8	$ 3.7	$ 3.9	$ 4.0	$ 3.7	$ 3.7	$ 3.7	**$ 4.0**	$ 3.8	$ 3.0
Economic profit[4]	13	**60**	92	84	117	91	80	102	89	44	**353**	362	257
Return on invested capital	14	**16.0 %**	19.4 %	19.4 %	23.0 %	19.8 %	18.6 %	21.7 %	20.1 %	15.8 %	**19.4 %**	20.0 %	19.5 %
Key Performance Indicators ($ billions)													
Risk-weighted assets [5]	15	**$ 7**	$ 8	$ 8	$ 8	$ 5	$ 6	$ 5	$ 5	$ 5	**$ 7**	$ 5	$ 5
Assets under administration	16	**173**	197	187	178	185	177	175	169	161	**173**	185	161
Assets under management	17	**170**	180	174	170	160	160	163	157	151	**170**	160	151
Efficiency ratio	18	**72.4 %**	69.1 %	69.4 %	66.5 %	68.7 %	67.3 %	66.2 %	66.1 %	70.8 %	**69.4 %**	67.1 %	69.7 %
Number of retail brokerage offices at period end [6]	19	**249**	250	109	112	111	110	109	109	110	**249**	111	110
Number of private client centre branches, and estates and trusts branches at period end	20	**20**	19	19	19	19	19	19	19	19	**20**	19	19
Average number of full-time equivalent staff	21	**6,673**	6,633	6,180	6,189	6,004	5,936	5,994	5,870	5,785	**6,419**	5,951	6,265

[1] On January 24, 2006, the Bank completed the sale of TD Waterhouse U.S.A. brokerage operations to Ameritrade Holding Corporation (Ameritrade), and acquired 100% of Ameritrade's Canadian brokerage operations.

[2] Effective Q3 2008, the U.S. wealth management businesses are included in the Wealth Management segment, net of distribution commissions to the U.S. Personal and Commercial Banking segment. Prior periods have not been reclassified as the impact was not material to segment results.

[3] The equity in net income of an associated company includes net impact of internal management adjustments which are reclassified to other reporting lines in the Corporate segment.

[4] The rates charged for invested capital for North American and international businesses are, respectively, 9.5% and 12.0% in 2008; 9.5% and 12.0% in 2007; and 9.5% and 13% in 2006. The rate charge for invested capital for the TD Ameritrade business line is 11.0% in 2008, 11.0% in 2007 and 12.0% for 2006.

[5] Effective November 1, 2007, the Bank implemented OSFI's guidelines based on Basel II. Accordingly, the numbers for 2008 are based on Basel II, while all prior period numbers are based on Basel I.

[6] Effective Q3 2008, the number of retail brokerage offices include U.S. offices as a result of transfer of U.S. wealth management businesses to the Wealth Management segment.

Wealth Management provides a wealth of experience through a wide array of investment products and services to a large and diverse retail and institutional global client base. Wealth Management is one of the largest in Canada, based on market share of assets, and comprises a number of advisory, distribution and asset management businesses, including TD Waterhouse, TD Mutual Funds and TD Asset Management Inc. (TDAM). In Canada, online brokerage, financial planning, private investment advice and private client services cater to the needs of different retail customer segments through all stages of their investing life cycle. U.S. Wealth Management also provides a wide range of financial advisory, private banking, trust and investment management services to U.S. clients. Through Wealth Management's online brokerage channels, it serves customers in Canada, the United Kingdom and the U.S. (through TD Ameritrade). Online Brokerage has industry leadership in both price and service.

RESULTS OF OPERATIONS
($ millions)

FOR THE PERIOD ENDED	LINE #	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3	2007 Q2	2007 Q1	2006 Q4	Full Year 2008	Full Year 2007	Full Year 2006
Net interest income	1	**$ 764**	$ 759	$ 309	$ 312	$ 335	$ 338	$ 351	$ 341	$ 337	**$ 2,144**	$ 1,365	$ 1,290
Other income	2	**280**	267	166	140	140	145	153	145	141	**853**	583	490
Total revenue	3	**1,044**	1,026	475	452	475	483	504	486	478	**2,997**	1,948	1,780
Provision for credit losses	4	**78**	76	46	26	35	33	35	17	15	**226**	120	40
Non-interest expenses	5	**649**	610	294	238	263	275	384	299	294	**1,791**	1,221	1,087
Net income before income taxes	6	**317**	340	135	188	177	175	85	170	169	**980**	607	653
Income taxes	7	**66**	96	35	61	53	57	31	55	55	**258**	196	222
Non-controlling interests in subsidiaries	8	**-**	-	-	-	-	9	31	51	51	**-**	91	195
Net income - reported	9	**$ 251**	$ 244	$ 100	$ 127	$ 124	$ 109	$ 23	$ 64	$ 63	**$ 722**	$ 320	$ 236
Adjustment for items of note, net of income taxes and non-controlling interests[3]	10	**25**	29	30	-	-	-	39	-	-	**84**	39	19
Net income - adjusted	11	**$ 276**	$ 273	$ 130	$ 127	$ 124	$ 109	$ 62	$ 64	$ 63	**$ 806**	$ 359	$ 255
Average invested capital ($ billions)	12	**$ 17.6**	$ 17.5	$ 9.0	$ 8.8	$ 9.6	$ 9.2	$ 6.7	$ 5.9	$ 5.8	**$ 13.2**	$ 7.9	$ 5.5
Economic profit (loss)[4]	13	**(123)**	(122)	(70)	(74)	(95)	(100)	(84)	(70)	(70)	**(389)**	(349)	(239)
Return on invested capital[4]	14	**6.2 %**	6.2 %	5.8 %	5.7 %	5.1 %	4.7 %	3.8 %	4.3 %	4.2 %	**6.1 %**	4.6 %	4.6 %
Key Performance Indicators ($ billions)													
Risk-weighted assets[5, 6, 7]	15	**$ 83**	$ 68	$ 66	$ 35	$ 31	$ 33	$ 35	$ 35	$ 32	**$ 83**	$ 31	$ 32
Average loans - personal	16	**17**	16	9	9	10	11	12	11	11	**13**	11	11
Average loans and acceptances - business	17	**34**	31	18	17	17	18	19	18	17	**25**	18	16
Average deposits - personal[8]	18	**41**	41	18	18	19	20	21	20	20	**30**	20	20
Average deposits - business	19	**34**	33	10	10	11	11	12	11	11	**22**	11	10
Margin on average earning assets[8]	20	**3.81 %**	3.92 %	3.73 %	3.88 %	4.00 %	3.86 %	3.89 %	3.95 %	4.01 %	**3.84 %**	3.93 %	3.97 %
Efficiency ratio	21	**62.2%**	59.5%	61.9%	52.7%	55.4%	56.9%	76.2%	61.5%	61.5%	**59.8%**	62.7%	61.1%
Number of U.S. retail stores[9]	22	**1,062**	1,064	585	586	586	599	605	585	583	**1,062**	586	583
Average number of full-time equivalent staff	23	**19,773**	19,847	8,099	8,019	8,032	8,281	8,701	8,672	8,907	**13,935**	8,422	8,483

1 On January 31, 2006, TD Banknorth completed the acquisition of Hudson. On January 1, 2007, TD Banknorth completed the acquisition of Interchange. On April 20, 2007, the Bank completed the privatization of TD Banknorth. Effective Q3 2007, results of TD Bank USA (previously reported in Corporate segment) are included in the U.S. Personal and Commercial Banking segment prospectively. On March 31, 2008, the Bank completed the acquisition of Commerce. Effective Q3 2008, the U.S. insurance and credit card businesses are included in the Canadian Personal and Commercial Banking segment, and the U.S. wealth management businesses are included in the Wealth Management segment, net of distribution commissions to the U.S. Personal and Commercial Banking segment; prior periods have not been reclassified as the impact was not material to segment results.

2 TD Bank's financial results are reflected in the U.S. Personal and Commercial Banking segment on a one month lag. Reported non-interest expenses for Q2 2007 and Q2 2008 include restructuring charges incurred in April 2007 and restructuring and integration charges incurred in April 2008, respectively.

3 Includes the following before-tax items of note: Q2 2007: $78 million ($39 million after tax) TD Banknorth restructuring, privatization and merger-related charges. These charges include the following: $31 million restructuring charge, primarily consisted of employee severance costs, the costs of amending certain executive employment and award agreements and write-down of long-lived assets due to impairment; $5 million privatization charges, which primarily consisted of legal and investment banking fees; and $3 million merger-related charges related to conversion and customer notices in connection with the integration of Hudson and Interchange with TD Banknorth. In the Consolidated Statement of Income, the restructuring charges are included in the restructuring costs while the privatization and merger-related charges are included in other non-interest expenses; Q2 2008: $48 million ($30 million after tax) restructuring and integration charges relating to the Commerce acquisition; Q3 2008: $23 million ($15 million after tax) integration charges relating to the Commerce acquisition; and as a result of the Commerce acquisition, the combined overall tax rate for U.S. Personal and Commercial Banking declined, resulting in a negative impact on the future income tax assets of $14 million related to non-intangible future tax assets; Q4 2008: $40 million ($25 million after tax) integration charges relating to the Commerce acquisition.

4 The rate charged for invested capital is 9.0% in 2008, 9.0% in 2007, and 9.0% in 2006.

5 This represents RWA as at the end of the Bank's fiscal period.

6 Effective November 1, 2007, the Bank implemented OSFI's guidelines based on Basel II. Accordingly, the numbers for 2008 are based on Basel II, while all prior period numbers are based on Basel I.

7 For regulatory purposes only, effective Q4 2008, the one month lag in reporting TD Banknorth and Commerce assets is eliminated by using the same period end as the rest of the Bank, and the Bank's investment in TD Ameritrade is translated using the period end foreign exchange rate of the Bank.

8 Average deposits and margin on average earning assets exclude the impact related to the money market deposit account (MMDA) agreement with TD Ameritrade. The MMDA is described in Note 30 of our 2008 audited Consolidated Financial Statements.

9 Includes full service retail banking stores.

U.S. Personal and Commercial Banking comprises the Bank's U.S.-based retail and commercial banking. Distribution commissions are paid to the U.S. Personal and Commercial Banking segment for US activities reported in Canadian Personal & Commercial segment and Canadian Wealth segment. The Bank's operations provide a full range of financial products and services through multiple delivery channels, including a network of over 1,000 branches located primarily in the Northeast and Mid-Atlantic regions of the U.S. and Florida, telephone and internet banking and automated banking machines, allowing customers to have banking access virtually anywhere and anytime. U.S. Personal and Commercial Banking also serves the needs of businesses, customizing a broad range of products and services to meet their financing, investment, cash management, international trade and day-to-day banking needs.

RESULTS OF OPERATIONS
($ millions)

FOR THE PERIOD ENDED	LINE #	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3	2007 Q2	2007 Q1	2006 Q4	Full Year 2008	Full Year 2007	Full Year 2006
Net interest income	1	**$ 464**	$ 348	$ 314	$ 192	$ 310	$ 218	$ 144	$ 203	$ 138	**$ 1,318**	$ 875	$ 479
Other income	2	**(578)**	(20)	114	416	215	474	498	432	355	**(68)**	1,619	1,792
Total revenue (TEB)	3	**(114)**	328	428	608	525	692	642	635	493	**1,250**	2,494	2,271
Provision for credit losses [1]	4	**10**	30	10	56	4	8	12	24	13	**106**	48	68
Restructuring costs	5	**-**	-	-	-	-	-	-	-	-	**-**	-	50
Other non-interest expenses	6	**306**	281	291	321	274	326	329	332	293	**1,199**	1,261	1,262
Total non-interest expenses	7	**306**	281	291	321	274	326	329	332	293	**1,199**	1,261	1,312
Net income before income taxes	8	**(430)**	17	127	231	247	358	301	279	187	**(55)**	1,185	891
Income taxes (TEB)	9	**(202)**	(20)	34	68	90	105	84	82	41	**(120)**	361	262
Net income (loss) - reported	10	**(228)**	37	93	163	157	253	217	197	146	**65**	824	629
Adjustment for items of note, net of income taxes [2]	11	**-**	-	-	-	-	-	-	-	-	**-**	-	35
Net income (loss) - adjusted	12	**$ (228)**	$ 37	$ 93	$ 163	$ 157	$ 253	$ 217	$ 197	$ 146	**$ 65**	$ 824	$ 664
Average invested capital ($ billions)	13	**$ 4.3**	$ 3.4	$ 3.5	$ 3.1	$ 3.0	$ 2.7	$ 2.7	$ 2.6	$ 2.5	**$ 3.6**	$ 2.8	$ 2.4
Economic profit (loss) [3]	14	**(353)**	(62)	(7)	73	69	175	143	122	74	**(349)**	509	390
Return on invested capital	15	**(20.9)%**	4.4 %	10.7 %	20.9 %	20.6 %	37.3 %	33.6 %	30.2 %	23.5 %	**1.8 %**	30.1 %	27.9 %
Key Performance Indicators ($ billions)													
Risk-weighted assets [4]	16	**$ 56**	$ 48	$ 47	$ 45	$ 44	$ 40	$ 40	$ 38	$ 34	**$ 56**	$ 44	$ 34
Gross drawn [5]	17	**16**	12	13	12	10	9	9	9	9	**16**	10	9
Efficiency ratio	18	**(268.4)%**	85.7 %	68.0 %	52.8 %	52.2 %	47.1 %	51.2 %	52.3 %	59.4 %	**95.9 %**	50.6 %	57.8 %
Average number of full-time equivalent staff	19	**3,041**	3,029	2,911	2,864	2,877	2,911	2,834	2,858	2,853	**2,961**	2,870	2,897
Trading-related income (TEB) [6]													
Interest rate and credit	20	**$ (565)**	$ (102)	$ (93)	$ (37)	$ (69)	$ 77	$ 115	$ 105	$ 45	**$ (797)**	$ 228	$ 362
Foreign exchange	21	**146**	77	95	163	101	87	51	73	54	**481**	312	306
Equity and other	22	**1**	68	99	71	187	144	123	152	75	**239**	606	374
Total trading-related income	23	**$ (418)**	$ 43	$ 101	$ 197	$ 219	$ 308	$ 289	$ 330	$ 174	**$ (77)**	$ 1,146	$ 1,042

[1] Provision for credit losses includes the cost of credit protection incurred in hedging the lending portfolio.
[2] Includes the following before-tax item of note: Q1 2006: $50 million restructuring charge.
[3] The rate charged for invested capital is 11.5%.
[4] Effective November 1, 2007, the Bank implemented OSFI's guidelines based on Basel II. Accordingly, the numbers for 2008 are based on Basel II, while all prior period numbers are based on Basel I.
[5] Defined as gross loans and bankers' acceptances, excluding letters of credit and before any cash collateral, credit default swap, reserves, etc.
[6] Includes trading-related income reported in net interest income (line 1) and other income (line 2).

Wholesale Banking serves a diverse base of corporate, government and institutional clients in key financial markets around the world. Under the TD Securities brand, Wholesale Banking provides a wide range of capital markets and investment banking products and services that include: underwriting and distribution of new debt and equity issues, providing advice on strategic acquisitions and divestitures, and executing daily trading and investment needs.

Corporate Segment[1]

TD Bank Financial Group

RESULTS OF OPERATIONS
($ millions)

FOR THE PERIOD ENDED	LINE #	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3	2007 Q2	2007 Q1	2006 Q4	Full Year 2008	Full Year 2007	Full Year 2006
Net interest income [2,3]	1	**$ (356)**	$ (244)	$ (249)	$ (218)	$ (328)	$ (241)	$ (209)	$ (257)	$ (125)	**$ (1,067)**	$ (1,035)	$ (654)
Other income [3]	2	**192**	56	42	45	145	60	27	80	20	**335**	312	83
Total revenue	3	**(164)**	(188)	(207)	(173)	(183)	(181)	(182)	(177)	(105)	**(732)**	(723)	(571)
General allowance release	4	**-**	-	-	-	(60)	-	-	-	-	**-**	(60)	(60)
Other provision for credit losses [3]	5	**(9)**	(12)	(15)	1	(16)	(21)	(18)	(16)	10	**(35)**	(71)	(52)
Total provision for credit losses	6	**(9)**	(12)	(15)	1	(76)	(21)	(18)	(16)	10	**(35)**	(131)	(112)
Non-interest expenses	7	**(218)**	260	139	194	191	170	158	167	199	**375**	686	755
Dilution gain, net	8	**-**	-	-	-	-	-	-	-	-	**-**	-	1,559
Net income before income taxes	9	**63**	(436)	(331)	(368)	(298)	(330)	(322)	(328)	(314)	**(1,072)**	(1,278)	345
Income taxes [2]	10	**(169)**	(310)	(231)	(238)	(343)	(283)	(218)	(253)	(220)	**(948)**	(1,097)	(839)
Non-controlling interests in subsidiaries	11	**18**	8	9	8	8	4	(4)	(4)	(3)	**43**	4	(11)
Equity in net income of an associated company, net of income taxes	12	**7**	5	4	4	10	10	2	1	(5)	**20**	23	(13)
Net (loss) income - reported	13	**221**	(129)	(105)	(134)	47	(41)	(98)	(70)	(96)	**(147)**	(162)	1,182
Adjustment for items of note, net of income taxes [4]	14	**(374)**	89	91	90	(73)	61	77	88	113	**(104)**	153	(1,281)
Net (loss) income - adjusted	15	**$ (153)**	$ (40)	$ (14)	$ (44)	$ (26)	$ 20	$ (21)	$ 18	$ 17	**$ (251)**	$ (9)	$ (99)
Decomposition of Items of Note (Net of Tax, Non-controlling Interests in Subsidiaries, and Equity in Net Income of Associated Company													
Amortization of intangibles	16	**$ 126**	$ 111	$ 92	$ 75	$ 99	$ 91	$ 80	$ 83	$ 87	**$ 404**	$ 353	$ 316
Reversal of Enron litigation reserve [5]	17	**(323)**	-	-	-	-	-	-	-	-	**(323)**	-	-
Change in fair value of derivatives hedging the reclassified available-for-sale debt securities portfolio [6]	18	**(118)**	-	-	-	-	-	-	-	-	**(118)**	-	-
Gain relating to restructuring of Visa [7]	19	**-**	-	-	-	(135)	-	-	-	-	**-**	(135)	-
Dilution gain on Ameritrade transaction, net of costs	20	**-**	-	-	-	-	-	-	-	-	**-**	-	(1,665)
Dilution loss on the acquisition of Hudson by TD Banknorth	21	**-**	-	-	-	-	-	-	-	-	**-**	-	72
TD Banknorth restructuring, privatization and merger-related charges [8]	22	**-**	-	-	-	-	-	4	-	-	**-**	4	-
Change in fair value of credit default swaps hedging the corporate loan book, net of provision for credit losses [9]	23	**(59)**	(22)	(1)	(25)	2	(30)	(7)	5	8	**(107)**	(30)	(7)
Other tax items	24	**-**	-	-	20	-	-	-	-	-	**20**	-	24
Provision for insurance claims [10]	25	**-**	-	-	20	-	-	-	-	-	**20**	-	-
Initial set up of specific allowance for credit card and overdraft loans	26	**-**	-	-	-	-	-	-	-	18	**-**	-	18
General allowance release	27	**-**	-	-	-	(39)	-	-	-	-	**-**	(39)	(39)
Total items of note	28	**$ (374)**	$ 89	$ 91	$ 90	$ (73)	$ 61	$ 77	$ 88	$ 113	**$ (104)**	$ 153	$ (1,281)
Decomposition of Material Items included in Net Income (Loss) - Adjusted													
Interest on income tax refunds	29	**$ 1**	$ 21	$ -	$ 1	$ -	$ 5	$ 2	$ 4	$ 13	**$ 23**	$ 11	$ 18
Securitization gain (loss)	30	**(44)**	4	9	3	2	(2)	(4)	9	15	**(28)**	5	(4)
Unallocated Corporate expenses	31	**(83)**	(77)	(43)	(65)	(51)	(45)	(39)	(54)	(58)	**(268)**	(189)	(234)
Other	32	**(27)**	12	20	17	23	62	20	59	47	**22**	164	121
Net (loss) income - adjusted	33	**$ (153)**	$ (40)	$ (14)	$ (44)	$ (26)	$ 20	$ (21)	$ 18	$ 17	**$ (251)**	$ (9)	$ (99)

1 Commencing Q3 2007, the results of TD Bank USA (previously reported in the Corporate segment for the period Q2 2006 to Q2 2007 and in Wealth Management segment prior to Q2 2006) are included in the U.S. Personal and Commercial Banking segment prospectively.
2 Includes the elimination of TEB adjustments reported in Wholesale Banking results.
3 Operating segment results are presented excluding the impact of asset securitization programs, which are reclassified in the Corporate segment. Results for Q4 2006 included an initial set up of specific allowance for credit card and overdraft loans.
4 Net (gain) or charge for items of note is removed from reported results to compute the adjusted results.
5 See footnote 2 on page 35.
6 See footnote 3 on page 35.
7 See footnote 4 on page 35.
8 See footnote 5 on page 35.
9 See footnote 7 on page 35.
10 See footnote 9 on page 35.

The Corporate segment includes the effects of asset securitization programs in Canadian Personal and Commercial Banking, treasury management, general provisions for credit losses, the elimination of taxable equivalent adjustments, corporate level tax benefits, and residual unallocated revenues, expenses and taxes.

($ millions) FOR THE PERIOD ENDED	LINE #	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3	2007 Q2	2007 Q1	2006 Q4	Full Year 2008	Full Year 2007	Full Year 2006
Interest income													
Loans	1	**$ 3,455**	$ 3,410	$ 3,240	$ 3,396	$ 3,310	$ 3,228	$ 3,117	$ 3,074	$ 3,004	**$ 13,501**	$ 12,729	$ 10,832
Securities	2	**1,522**	1,526	1,171	1,235	1,239	1,160	1,108	1,259	1,152	**5,454**	4,766	4,435
Deposits with banks	3	**162**	194	159	114	152	47	111	47	74	**629**	357	302
Total interest income	4	**5,139**	5,130	4,570	4,745	4,701	4,435	4,336	4,380	4,230	**19,584**	17,852	15,569
Interest expense													
Deposits	5	**2,103**	2,068	2,056	2,254	2,223	1,987	1,989	2,048	1,957	**8,481**	8,247	7,081
Subordinated notes and debentures	6	**172**	165	159	158	127	125	124	108	96	**654**	484	388
Preferred shares and Capital Trust Securities	7	**24**	24	23	23	28	19	32	30	31	**94**	109	126
Other	8	**391**	436	474	522	515	521	529	523	432	**1,823**	2,088	1,603
Total interest expense	9	**2,690**	2,693	2,712	2,957	2,893	2,652	2,674	2,709	2,516	**11,052**	10,928	9,198
Net interest income (NII)	10	**2,449**	2,437	1,858	1,788	1,808	1,783	1,662	1,671	1,714	**8,532**	6,924	6,371
TEB adjustment	11	**142**	129	107	135	247	161	99	157	92	**513**	664	343
Net interest income (TEB)	12	**$ 2,591**	$ 2,566	$ 1,965	$ 1,923	$ 2,055	$ 1,944	$ 1,761	$ 1,828	$ 1,806	**$ 9,045**	$ 7,588	$ 6,714
Average total assets ($ billions)	13	**$ 534**	$ 508	$ 454	$ 438	$ 420	$ 407	$ 409	$ 405	$ 391	**$ 484**	$ 410	$ 387
Average earning assets ($ billions)	14	**416**	410	359	354	341	329	336	337	321	**385**	336	315
Net interest margin as a % of average earning assets	15	**2.34 %**	2.36 %	2.11 %	2.01 %	2.10 %	2.15 %	2.03 %	1.97 %	2.12 %	**2.22 %**	2.06 %	2.02 %
Impact on NII from Impaired Loans													
Reduction/(increase) in NII from impaired loans													
Gross	16	**$ 24**	$ 17	$ 14	$ 11	$ 11	$ 15	$ 11	$ 7	$ 9	**$ 66**	$ 44	$ 29
Recoveries	17	**(1)**	(1)	(1)	(3)	(1)	(2)	(1)	(1)	(1)	**(6)**	(5)	(9)
Net reduction/(increase)	18	**$ 23**	$ 16	$ 13	$ 8	$ 10	$ 13	$ 10	$ 6	$ 8	**$ 60**	$ 39	$ 20

($ millions) FOR THE PERIOD ENDED	LINE #	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3	2007 Q2	2007 Q1	2006 Q4	Full Year 2008	Full Year 2007	Full Year 2006
TD Waterhouse fees and commissions	1	**$ 117**	$ 100	$ 89	$ 99	$ 103	$ 108	$ 115	$ 112	$ 91	**$ 405**	$ 438	$ 561
Full-service brokerage and other securities services	2	**121**	153	148	143	134	141	146	138	125	**565**	559	509
Underwriting and advisory	3	**38**	62	45	69	63	99	96	80	76	**214**	338	292
Investment management fees	4	**50**	50	50	48	49	50	48	50	49	**198**	197	193
Mutual fund management	5	**205**	226	212	220	225	229	214	200	180	**863**	868	704
Credit fees	6	**129**	121	108	101	112	109	103	96	110	**459**	420	371
Net securities gains [1]	7	**55**	14	110	152	60	94	102	70	87	**331**	326	305
Trading income	8	**(654)**	(196)	(104)	160	(52)	235	192	216	98	**(794)**	591	797
Income from financial instruments designated as trading under the fair value option - Trading-related income [2]	9	**(98)**	(6)	3	(55)	22	(67)	7	-	-	**(156)**	(38)	-
- Related to insurance subsidiaries [3]	10	**15**	(4)	2	6	14	(20)	(2)	(9)	-	**19**	(17)	-
Total income from financial instruments designated as trading under the fair value option	11	**(83)**	(10)	5	(49)	36	(87)	5	(9)	-	**(137)**	(55)	-
Service charges	12	**363**	356	258	260	263	263	244	249	246	**1,237**	1,019	937
Loan securitizations	13	**(13)**	77	91	76	80	86	97	134	97	**231**	397	346
Card services	14	**179**	175	116	119	118	117	107	109	110	**589**	451	374
Insurance revenue (net of claims)	15	**248**	243	250	186	243	257	251	254	214	**927**	1,005	896
Trust fees	16	**34**	36	36	34	31	33	38	31	31	**140**	133	130
Foreign exchange - non-trading	17	**47**	43	52	64	47	46	40	39	40	**206**	172	147
Other	18	**355**	150	64	134	230	119	84	65	50	**703**	498	259
Total other income	19	**$ 1,191**	$ 1,600	$ 1,530	$ 1,816	$ 1,742	$ 1,899	$ 1,882	$ 1,834	$ 1,604	**$ 6,137**	$ 7,357	$ 6,821

[1] Net of balance sheet restructuring charge of $52 million in TD Banknorth in Q1 2006.

[2] These gains (losses) are on instruments managed within Wholesale Banking's trading portfolios.

[3] Within the Bank's property and casualty insurance subsidiaries, investments that fund policy liabilities are designated as trading under the fair value option. Effective Q2 2008, mark-to-market income from interest rate swaps associated with certain investments funding policy liabilities is also reflected on line 10. For Q1 2008 and Q4 2007, this mark-to-market income amounting to $18 million and $(1) million, respectively, was reflected in net interest income. The swaps did not exist prior to Q4 2007. Due to the immaterial nature of the mark-to-market income in prior quarters, no retroactive reclassification was made.

Non-interest Expenses

TD Bank Financial Group

($ millions) *FOR THE PERIOD ENDED*	LINE #	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3	2007 Q2	2007 Q1	2006 Q4	Full Year 2008	Full Year 2007	Full Year 2006
Salaries and Employee Benefits													
Salaries	1	**$ 877**	$ 845	$ 682	$ 685	$ 715	$ 677	$ 665	$ 680	$ 706	**$ 3,089**	$ 2,737	$ 2,700
Incentive compensation	2	**286**	316	297	336	278	341	347	320	284	**1,235**	1,286	1,207
Pension and other employee benefits	3	**171**	181	158	150	126	143	157	157	126	**660**	583	578
	4	**1,334**	1,342	1,137	1,171	1,119	1,161	1,169	1,157	1,116	**4,984**	4,606	4,485
Occupancy													
Rent	5	**134**	128	103	98	99	98	99	94	97	**463**	390	371
Depreciation	6	**77**	73	37	38	43	40	42	38	47	**225**	163	160
Other	7	**76**	78	48	45	46	50	44	43	43	**247**	183	170
	8	**287**	279	188	181	188	188	185	175	187	**935**	736	701
Equipment													
Rent	9	**62**	58	49	47	48	48	50	46	52	**216**	192	200
Depreciation	10	**59**	62	48	44	57	47	51	44	51	**213**	199	183
Other	11	**82**	68	51	53	62	55	52	54	61	**254**	223	216
	12	**203**	188	148	144	167	150	153	144	164	**683**	614	599
General													
Amortization of other intangibles	13	**172**	166	117	122	138	131	112	118	126	**577**	499	505
Marketing and business development	14	**148**	131	102	110	115	106	111	113	114	**491**	445	470
Brokerage-related fees	15	**66**	64	63	59	61	61	57	54	51	**252**	233	222
Professional and advisory services	16	**205**	135	118	111	135	119	108	126	149	**569**	488	540
Communications	17	**61**	54	48	47	49	46	49	49	54	**210**	193	201
Capital and business taxes	18	**70**	82	48	34	45	54	42	55	53	**234**	196	205
Postage	19	**36**	35	37	30	29	29	35	29	32	**138**	122	121
Travel and relocation	20	**34**	32	20	20	22	20	20	22	22	**106**	84	87
Restructuring costs	21	**-**	-	48	-	-	-	67	-	-	**48**	67	50
Other	22	**(249)**	193	132	199	173	151	189	179	143	**275**	692	629
	23	**543**	892	733	732	767	717	790	745	744	**2,900**	3,019	3,030
Total non-interest expenses	24	**$ 2,367**	$ 2,701	$ 2,206	$ 2,228	$ 2,241	$ 2,216	$ 2,297	$ 2,221	$ 2,211	**$ 9,502**	$ 8,975	$ 8,815

($ millions) AS AT	LINE #	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3	2007 Q2	2007 Q1	2006 Q4
ASSETS										
Cash and due from banks	1	**$ 2,517**	$ 2,719	$ 2,520	$ 2,036	$ 1,790	$ 1,986	$ 1,994	$ 2,113	$ 2,019
Interest-bearing deposits with other banks	2	**15,429**	12,445	15,599	13,099	14,746	11,343	9,796	8,724	8,763
Securities										
Trading	3	**53,095**	73,670	83,084	73,651	77,637	72,756	69,093	78,071	77,482
Designated as trading under the fair value option	4	**6,402**	2,037	2,043	1,984	2,012	1,935	1,862	1,916	-
Available-for-sale	5	**75,121**	60,155	53,929	35,674	35,650	36,209	35,668	38,394	-
Held-to-maturity	6	**9,507**	9,311	8,781	8,405	7,737	8,528	11,887	11,810	-
Investment	7	**-**	-	-	-	-	-	-	-	46,976
Total	8	**144,125**	145,173	147,837	119,714	123,036	119,428	118,510	130,191	124,458
Securities purchased under reverse repurchase agreements	9	**42,425**	34,138	33,067	34,234	27,648	25,905	25,434	32,357	30,961
Loans										
Residential mortgages	10	**63,003**	73,229	67,137	61,662	58,485	56,096	53,997	51,794	53,425
Consumer instalment and other personal	11	**79,610**	77,206	75,114	68,405	67,532	66,574	65,370	63,520	63,130
Credit cards	12	**7,387**	7,227	6,166	5,898	5,700	5,574	5,369	5,175	4,856
Business and government	13	**70,650**	62,964	60,661	45,803	44,258	43,447	45,081	43,748	40,514
Business and government designated as trading under the fair value option	14	**510**	617	718	1,425	1,235	1,619	1,465	-	-
Total	15	**221,160**	221,243	209,796	183,193	177,210	173,310	171,282	164,237	161,925
Allowance for credit losses	16	**(1,536)**	(1,447)	(1,369)	(1,362)	(1,295)	(1,357)	(1,378)	(1,366)	(1,317)
Loans, net of allowance for credit losses	17	**219,624**	219,796	208,427	181,831	175,915	171,953	169,904	162,871	160,608
Other										
Customers' liabilities under acceptances	18	**11,040**	10,844	10,848	10,633	9,279	9,192	9,233	8,425	8,676
Investment in TD Ameritrade	19	**5,159**	4,877	4,829	4,593	4,515	4,749	5,131	5,113	4,379
Derivatives	20	**83,548**	41,173	40,321	38,346	38,918	32,500	30,098	28,975	28,690
Goodwill	21	**14,842**	14,317	14,213	7,875	7,918	8,407	8,940	8,176	7,396
Other intangibles	22	**3,141**	3,213	3,773	1,974	2,104	2,264	2,368	1,896	1,946
Land, buildings and equipment	23	**3,833**	3,687	3,715	1,817	1,822	1,824	1,905	1,877	1,862
Other assets	24	**17,531**	16,457	18,472	19,001	14,433	14,339	13,421	17,498	13,156
Total	25	**139,094**	94,568	96,171	84,239	78,989	73,275	71,096	71,960	66,105
Total assets	26	**$563,214**	$508,839	$503,621	$435,153	$ 422,124	$ 403,890	$ 396,734	$ 408,216	$ 392,914
LIABILITIES										
Deposits										
Personal - Non-term	27	**$112,285**	$107,749	$110,453	$ 83,934	$ 80,256	$ 82,203	$ 83,487	$ 82,986	$ 79,624
Personal - Term	28	**79,949**	76,894	75,037	67,875	67,305	67,319	67,785	67,652	67,012
Banks	29	**9,680**	10,169	8,773	8,966	10,162	12,214	12,681	9,033	14,186
Business and government	30	**129,086**	111,964	102,704	78,267	73,322	70,579	70,655	73,780	100,085
Trading	31	**44,694**	47,442	52,556	46,641	45,348	35,421	35,554	36,237	-
Total	32	**375,694**	354,218	349,523	285,683	276,393	267,736	270,162	269,688	260,907
Other										
Acceptances	33	**11,040**	10,844	10,848	10,633	9,279	9,192	9,233	8,425	8,676
Obligations related to securities sold short	34	**18,518**	24,493	23,546	25,797	24,195	26,624	25,143	26,230	27,113
Obligations related to securities sold under repurchase agreements	35	**18,654**	15,058	14,850	17,517	16,574	16,158	11,322	20,597	18,655
Derivatives	36	**74,473**	39,872	40,538	38,579	41,621	32,344	30,582	29,340	29,337
Other liabilities	37	**17,721**	17,599	19,293	20,095	21,236	18,492	17,497	19,303	17,461
Total	38	**140,406**	107,866	109,075	112,621	112,905	102,810	93,777	103,895	101,242
Subordinated notes and debentures	39	**12,436**	13,478	12,466	11,939	9,449	10,005	9,210	9,209	6,900
Liability for preferred shares	40	**550**	550	550	550	550	899	897	900	894
Liability for capital trust securities	41	**894**	898	878	899	899	899	900	900	900
Non-controlling interests in subsidiaries	42	**1,560**	536	534	521	524	538	13	2,607	2,439
Shareholders' equity										
Capital stock										
Common	43	**13,241**	13,090	12,818	6,632	6,577	6,525	6,455	6,417	6,334
Preferred	44	**1,875**	1,625	1,125	875	425	425	425	425	425
Contributed surplus	45	**350**	355	383	121	119	118	124	68	66
Retained earnings	46	**17,857**	17,362	16,864	16,499	15,954	15,378	14,865	14,375	13,725
Accumulated other comprehensive income (page 22)	47	**(1,649)**	(1,139)	(595)	(1,187)	(1,671)	(1,443)	(94)	(268)	(918)
Total	48	**31,674**	31,293	30,595	22,940	21,404	21,003	21,775	21,017	19,632
Total liabilities and shareholders' equity	49	**$563,214**	$508,839	$503,621	$435,153	$ 422,124	$ 403,890	$ 396,734	$ 408,216	$ 392,914

Unrealized Gain (Loss) on Banking Book Equities and Assets Under Administration and Management

TD Bank Financial Group

($ millions) *AS AT*	LINE #	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3	2007 Q2	2007 Q1	2006 Q4
Banking Book Equities[1]										
Publicly traded										
Balance sheet and fair value	1	**$ 2,555**	$ 2,719	$ 3,221	$ 3,219					
Unrealized gain (loss)[2]	2	**$ 51**	$ 341	$ 396	$ 448					
Privately held										
Balance sheet value	3	**$ 757**	$ 637	$ 604	$ 771					
Fair value	4	**$ 1,016**	$ 994	$ 954	$ 1,224					
Unrealized gain (loss)[3]	5	**$ 259**	$ 357	$ 350	$ 453					
Total banking book equities										
Balance sheet value (lines 1 + 3)	6	**$ 3,312**	$ 3,356	$ 3,825	$ 3,990					
Fair value (lines 1 + 4)	7	**$ 3,571**	$ 3,713	$ 4,175	$ 4,443					
Unrealized gain (loss) (lines 2 + 5)	8	**$ 310**	$ 698	$ 746	$ 901	$ 1,236	$ 1,010	$ 1,027	$ 990	$ 774
Assets under administration										
Canadian Personal and Commercial Banking	9	**$ 47,681**	$ 44,549	$ 45,718	$ 47,612	$ 48,090	$ 47,522	$ 50,673	$ 48,774	$ 45,843
U.S. Personal and Commercial Banking[4]	10	**15,615**	10,129	21,532	7,377	7,328	7,770	8,142	8,659	8,316
Wealth Management[4]	11	**173,040**	196,991	187,259	178,192	185,392	176,951	175,213	169,058	160,799
Total	12	**$ 236,336**	$ 251,669	$ 254,509	$ 233,181	$ 240,810	$ 232,243	$ 234,028	$ 226,491	$ 214,958
Assets under management										
U.S. Personal and Commercial Banking[4]	13	**$ -**	$ -	$ 8,043	$ 5,592	$ 5,761	$ 6,061	$ 6,487	$ 6,537	$ 6,137
Wealth Management[4]	14	**169,713**	180,276	174,231	169,679	159,580	160,065	162,869	156,777	151,243
Total	15	**$ 169,713**	$ 180,276	$ 182,274	$ 175,271	$ 165,341	$ 166,126	$ 169,356	$ 163,314	$ 157,380

[1] Effective Q1 2008, the Bank implemented OSFI's guidelines based on Basel II. Lines 1 to 7 represent new disclosure under Basel II. Comparative numbers for unrealized gain (loss) on total banking book equities are provided on line 8.

[2] Unrealized gain (loss) on publicly traded available-for-sale securities (AFS) are included in other comprehensive income.

[3] Unrealized gain (loss) for privately held equities are neither recognized in the balance sheet through other comprehensive income nor through the income statement.

[4] Effective Q3 2008, the U.S. wealth management businesses are included in the Wealth Management segment, net of distribution commissions to the U.S. Personal and Commercial Banking segment. Prior periods have not been reclassified.

($ millions)	LINE	2008				2007				2006	Full Year		
AS AT	#	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2008	2007	2006
Identifiable intangible assets													
Opening balance	1	**$ 3,213**	$ 3,773	$ 1,974	$ 2,104	$ 2,264	$ 2,368	$ 1,896	$ 1,946	$ 2,007	**$ 2,104**	$ 1,946	$ 2,124
Arising during the period - TD Banknorth	2	**-**	-	-	(4)	52	-	580	42	64	**(4)**	674	356
- Commerce	3	**-**	(368)	1,882	-	-	-	-	-	-	**1,514**	-	-
- Other	4	**-**	-	-	-	-	-	11	-	-	**-**	11	-
Amortized in the period	5	**(172)**	(166)	(117)	(122)	(138)	(131)	(112)	(118)	(126)	**(577)**	(499)	(505)
Sale of subsidiaries and businesses	6	**-**	(5)	-	-	-	-	-	-	-	**(5)**	-	(6)
Foreign exchange and other adjustments	7	**100**	(21)	34	(4)	(74)	27	(7)	26	1	**109**	(28)	(23)
Closing balance	8	**$ 3,141**	$ 3,213	$ 3,773	$ 1,974	$ 2,104	$ 2,264	$ 2,368	$ 1,896	$ 1,946	**$ 3,141**	$ 2,104	$ 1,946
Future tax liability on intangible assets													
Opening balance	9	**$ (1,130)**	$ (1,386)	$ (676)	$ (738)	$ (788)	$ (844)	$ (655)	$ (678)	$ (690)	**$ (738)**	$ (678)	$ (711)
Arising during the period - TD Banknorth	10	**-**	-	-	(1)	(16)	-	(227)	(17)	(23)	**(1)**	(260)	(164)
- Commerce	11	**-**	174	(735)	-	-	-	-	-	-	**(561)**	-	-
- Other	12	**-**	-	-	-	(11)	-	(4)	-	-	**-**	(15)	-
- Changes in income tax rates	13	**3**	22	-	20	-	3	-	1	1	**45**	4	25
Recognized in the period	14	**58**	56	40	41	49	45	40	40	43	**195**	174	165
Sale of subsidiaries and businesses	15	**-**	2	-	-	-	-	-	-	-	**2**	-	-
Foreign exchange and other adjustments	16	**(40)**	2	(15)	2	28	8	2	(1)	(9)	**(51)**	37	7
Closing balance	17	**$ (1,109)**	$ (1,130)	$ (1,386)	$ (676)	$ (738)	$ (788)	$ (844)	$ (655)	$ (678)	**$ (1,109)**	$ (738)	$ (678)
Net intangibles closing balance	18	**$ 2,032**	$ 2,083	$ 2,387	$ 1,298	$ 1,366	$ 1,476	$ 1,524	$ 1,241	$ 1,268	**$ 2,032**	$ 1,366	$ 1,268
Goodwill													
Opening balance	19	**$ 14,317**	$ 14,213	$ 7,875	$ 7,918	$ 8,407	$ 8,940	$ 8,176	$ 7,396	$ 7,411	**$ 7,918**	$ 7,396	$ 6,518
Arising during the period - TD Banknorth	20	**-**	-	-	(21)	(36)	-	881	528	(29)	**(21)**	1,373	2,036
- Commerce	21	**(29)**	244	6,115	-	-	-	-	-	-	**6,330**	-	-
- Other	22		-	-	-	2	-	(27)	-	-	**-**	(25)	-
Sale of subsidiaries and businesses	23	**-**	(56)	-	-	-	-	-	-	-	**(56)**	-	(827)
Foreign exchange and other adjustments	24	**554**	(84)	223	(22)	(455)	(533)	(90)	252	14	**671**	(826)	(331)
Closing balance	25	**$ 14,842**	$ 14,317	$ 14,213	$ 7,875	$ 7,918	$ 8,407	$ 8,940	$ 8,176	$ 7,396	**$ 14,842**	$ 7,918	$ 7,396
Total Net Intangibles and Goodwill Closing Balance	26	**$ 16,874**	$ 16,400	$ 16,600	$ 9,173	$ 9,284	$ 9,883	$ 10,464	$ 9,417	$ 8,664	**$ 16,874**	$ 9,284	$ 8,664
Restructuring Costs													
Opening balance	27	**$ 33**	$ 61	$ 20	$ 29	$ 51	$ 61	$ 19	$ 27	$ 29	**$ 29**	$ 27	$ 25
Expensed during the period	28	**-**	-	48	-	-	-	67	-	-	**48**	67	50
Amount utilized during the period:													
Wholesale Banking	29	**-**	-	-	(7)	(2)	-	-	(8)	(2)	**(7)**	(10)	(48)
U.S. Personal and Commercial Banking	30	**(4)**	(28)	(7)	(2)	(20)	(10)	(25)	-	-	**(41)**	(55)	-
Closing balance	31	**$ 29**	$ 33	$ 61	$ 20	$ 29	$ 51	$ 61	$ 19	$ 27	**$ 29**	$ 29	$ 27

 TD Bank Financial Group

($ millions)

FOR THE PERIOD ENDED		LINE #	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3	2007 Q2	2007 Q1	2006 Q4	Full Year 2008	Full Year 2007	Full Year 2006
Loans Securitized and Sold to Third Parties														
Securitized during the period [1]														
Mortgage	MBS Pool	1	**$ 5,993**	$ 2,216	$ 2,024	$ 1,896	$ 1,553	$ 2,246	$ 3,141	$ 2,358	$ 1,700	**$ 12,129**	$ 9,298	$ 6,424
	Commercial	2	**-**	-	-	-	-	-	-	-	205	**-**	-	624
Personal	HELOC	3	**-**	-	-	-	-	-	-	1,000	3,000	**-**	1,000	3,500
Total		4	**$ 5,993**	$ 2,216	$ 2,024	$ 1,896	$ 1,553	$ 2,246	$ 3,141	$ 3,358	$ 4,905	**$ 12,129**	$ 10,298	$ 10,548
Outstanding at period end														
Mortgage	MBS Pool [2]	5	**$ 24,332**	$ 20,262	$ 20,497	$ 20,238	$ 18,353	$ 18,822	$ 18,864	$ 17,494	$ 16,344	**$ 24,332**	$ 18,353	$ 16,344
	Commercial	6	**148**	151	155	159	163	171	254	181	2,773	**148**	163	2,773
Personal	HELOC [3]	7	**8,100**	8,500	8,500	9,000	9,000	9,000	9,000	9,000	8,000	**8,100**	9,000	8,000
	Credit Card	8		-	800	800	800	800	800	800	800		800	800
Total outstanding at period end		9	**$ 32,580**	$ 28,913	$ 29,952	$ 30,197	$ 28,316	$ 28,793	$ 28,918	$ 27,475	$ 27,917	**$ 32,580**	$ 28,316	$ 27,917
Economic impact - before-tax														
Net interest income		10	**$ (44)**	$ (69)	$ (77)	$ (76)	$ (80)	$ (94)	$ (106)	$ (125)	$ (76)	**$ (266)**	$ (405)	$ (368)
Other income		11	**(13)**	77	91	76	80	86	97	134	97	**231**	397	346
Provision for credit losses		12	**-**	4	5	5	4	4	5	4	4	**14**	17	24
Total impact		13	**$ (57)**	$ 12	$ 19	$ 5	$ 4	$ (4)	$ (4)	$ 13	$ 25	**$ (21)**	$ 9	$ 2
Mortgage-backed Securities Retained [4]														
Outstanding at end of period		14	**$ 28,792**	$ 18,953	$ 20,170	$ 20,919	$ 21,147	$ 21,643	$ 21,433	$ 23,186	$ 20,914	**$ 28,792**	$ 21,147	$ 20,914

[1] Excludes principal repayments during the period.
[2] Reflects securitization where no credit exposure is retained.
[3] Includes securitization of $500 million in Q4 2006 and $1,100 million in periods beginning Q1 2007, where no credit exposure is retained.
[4] Reported as available-for-sale securities under government and government-insured securities in Note 2 to the Bank's 2008 audited Consolidated Financial Statements.

Loans Managed

TD Bank Financial Group

($ millions)

Type of Loan		2008 Q4 Loans[1]	2008 Q4 Gross impaired loans	2008 Q4 Year-to-date write-offs, net of recoveries	2008 Q3 Loans[1]	2008 Q3 Gross impaired loans	2008 Q3 Year-to-date write-offs, net of recoveries	2008 Q2 Loans[1]	2008 Q2 Gross impaired loans	2008 Q2 Year-to-date write-offs, net of recoveries	2008 Q1 Loans[1]	2008 Q1 Gross impaired loans	2008 Q1 Year-to-date write-offs, net of recoveries
Residential mortgages	1	**$ 87,293**	**$ 266**	**$ 8**	$ 93,460	$ 211	$ 5	$ 87,606	$ 183	$ 3	$ 81,877	$ 159	$ 1
Consumer installment and other personal	2	**87,324**	**221**	**384**	85,361	200	280	83,275	195	178	77,073	176	86
Credit card	3	**7,115**	**82**	**300**	6,994	67	225	6,733	68	153	6,461	71	75
Business and government and other loans	4	**70,472**	**600**	**145**	62,894	537	108	60,765	475	81	46,617	424	23
Total loans reported and securitized	5	**252,204**	**1,169**	**837**	248,709	1,015	618	238,379	921	415	212,028	830	185
Less: Loans securitized													
Residential mortgage loans	6	**24,332**	**-**	**-**	20,262	-	-	20,497	-	-	20,238	-	-
Personal loans	7	**8,100**	**12**	**1**	8,500	14	-	8,500	12	-	9,000	12	-
Credit card loans	8	**-**	**-**	**14**	-	-	14	800	-	10	800	-	5
Commercial mortgage loans[2]	9	**148**	**-**	**-**	151	-	-	155	-	-	159	-	-
Total loans securitized	10	**32,580**	**12**	**15**	28,913	14	14	29,952	12	10	30,197	12	5
Total loans reported on the Consolidated Balance Sheet	11	**$ 219,624**	**$ 1,157**	**$ 822**	$ 219,796	$ 1,001	$ 604	$ 208,427	$ 909	$ 405	$ 181,831	$ 818	$ 180

[1] Net of allowance for credit losses.
[2] Commercial mortgage loans are Included in business and government loans.

($ millions) AS AT	LINE #	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3	2007 Q2	2007 Q1	2006 Q4	Full Year 2008	Full Year 2007	Full Year 2006
CHANGE IN GROSS IMPAIRED LOANS BY SEGMENT													
Balance at beginning of period	1	**$ 1,001**	$ 909	$ 818	$ 569	$ 590	$ 603	$ 511	$ 446	$ 390	**$ 569**	$ 446	$ 372
Additions													
Canadian Personal and Commercial Banking - retail [1,2]	2	**394**	348	338	405	263	246	235	228	219	**1,485**	972	695
- commercial mid-market	3	**28**	32	33	33	8	10	14	8	39	**126**	40	126
U.S. Personal and Commercial Banking [3]	4	**194**	171	199	87	115	105	212	121	68	**651**	553	227
Wholesale Banking	5	**-**	3	5	134	-	14	-	12	-	**142**	26	34
Other	6	**-**	-	-	-	1	-	-	-	-	**-**	1	-
Total additions to impaired loans and acceptances	7	**616**	554	575	659	387	375	461	369	326	**2,404**	1,592	1,082
Return to performing status, repaid or sold	8	**(243)**	(231)	(234)	(197)	(188)	(166)	(158)	(126)	(93)	**(905)**	(638)	(372)
Net new additions (reductions)	9	**373**	323	341	462	199	209	303	243	233	**1,499**	954	710
Write-offs	10	**(247)**	(229)	(258)	(212)	(202)	(200)	(207)	(184)	(177)	**(946)**	(793)	(629)
Foreign exchange and other adjustments	11	**30**	(2)	8	(1)	(18)	(22)	(4)	6	-	**35**	(38)	(7)
Change during the period	12	**156**	92	91	249	(21)	(13)	92	65	56	**588**	123	74
Balance at end of period	13	**$ 1,157**	$ 1,001	$ 909	$ 818	$ 569	$ 590	$ 603	$ 511	$ 446	**$ 1,157**	$ 569	$ 446
GROSS IMPAIRED LOANS BY COUNTRY OF RISK[4]													
Canada	14	**$ 628**	$ 562	$ 517	$ 513	$ 325	$ 316	$ 307	$ 317	$ 316	**$ 628**	$ 325	$ 316
United States [3]	15	**526**	437	389	302	244	274	296	194	130	**526**	244	130
Other international													
Europe	16	**-**	-	1	1	-	-	-	-	-	**-**	-	-
Other	17	**3**	2	2	2	-	-	-	-	-	**3**	-	-
Total other international	18	**3**	2	3	3	-	-	-	-	-	**3**	-	-
Total gross impaired loans	19	**$ 1,157**	$ 1,001	$ 909	$ 818	$ 569	$ 590	$ 603	$ 511	$ 446	**$ 1,157**	$ 569	$ 446
GROSS IMPAIRED LOANS BY SEGMENT													
Canadian Personal and Commercial Banking													
Personal	20	**$ 490**	$ 423	$ 403	$ 399	$ 244	$ 225	$ 217	$ 211	$ 191	**$ 490**	$ 244	$ 191
Commercial	21	**107**	106	91	82	66	77	79	93	113	**107**	66	113
Total Canadian Personal and Commercial Banking	22	**597**	529	494	481	310	302	296	304	304	**597**	310	304
U.S. Personal and Commercial Banking [3]	23	**442**	368	315	228	237	256	276	174	121	**442**	237	121
Wholesale Banking	24	**107**	94	91	100	13	24	23	24	12	**107**	13	12
Other	25	**11**	10	9	9	9	8	8	9	9	**11**	9	9
Total gross impaired loans	26	**$ 1,157**	$ 1,001	$ 909	$ 818	$ 569	$ 590	$ 603	$ 511	$ 446	**$ 1,157**	$ 569	$ 446
NET IMPAIRED LOANS BY SEGMENT													
Canadian Personal and Commercial Banking													
Personal	27	**$ 357**	$ 300	$ 279	$ 276	$ 126	$ 115	$ 103	$ 103	$ 87	**$ 357**	$ 126	$ 87
Commercial	28	**68**	60	49	49	29	36	40	52	73	**68**	29	73
Total Canadian Personal and Commercial Banking	29	**425**	360	328	325	155	151	143	155	160	**425**	155	160
U.S. Personal and Commercial Banking [3]	30	**348**	319	281	192	200	215	221	150	101	**348**	200	101
Wholesale Banking	31	**31**	29	44	36	10	13	8	9	9	**31**	10	9
Other	32	**1**	1	1	1	1	-	-	-	-	**1**	1	-
Impaired loans net of specific provisions	33	**805**	709	654	554	366	379	372	314	270	**805**	366	270
Specific allowance as a % of gross impaired loans	34	**30.4 %**	29.2 %	28.1 %	32.3 %	35.7 %	35.8 %	38.3 %	38.6 %	39.5 %	**30.4 %**	35.7 %	39.5 %
Total loans and acceptances (page 13, lines 17+18)	35	**$ 230,664**	$ 230,640	$ 219,275	$ 192,464	$ 185,194	$ 181,145	$ 179,137	$ 171,296	$ 169,284	**$ 230,664**	$ 185,194	$ 169,284
Impaired loans net of specific allowance as a % of net loans [5]	36	**0.3%**	0.3%	0.3%	0.3%	0.2%	0.2%	0.2%	0.2%	0.2%	**0.3%**	0.2%	0.2%

[1] Including Small Business Banking.

[2] The quarter-over-quarter increase in Q1 2008 was largely a result of a change in the definition of gross impaired loans for insured residential mortgages from 360 days to 90 days past the contractual due date. There was an insignificant impact on specific allowances as a majority of the net increase in gross impaired balances related to residential mortgages that are insured.

[3] Q2 2008 include $97 million of impaired loans due to the Commerce acquisition. All loans acquired from Commerce have been measured at fair value. Fair value takes into consideration the credit quality of the loans and as a result, no allowance was recognized upon acquisition.

[4] Effective Q1 2008, the Bank implemented OSFI's guidelines based on Basel II. This represents a new disclosure under Basel II. Prior to Q1 2008, the geographic location was based on the unit responsible for recording revenue.

[5] Includes customers' liability under acceptances.

($ millions) AS AT	LINE #	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3	2007 Q2	2007 Q1	2006 Q4	Full Year 2008	Full Year 2007	Full Year 2006
ALLOWANCE FOR CREDIT LOSSES													
Specific Allowance													
Balance at beginning of period	1	**$ 292**	$ 255	$ 264	$ 203	$ 211	$ 231	$ 197	$ 176	$ 145	**$ 203**	$ 176	$ 155
Write-offs	2	**(247)**	(229)	(258)	(212)	(202)	(200)	(191)	(170)	(164)	**(946)**	(763)	(583)
Recoveries	3	**29**	30	33	32	27	40	37	31	33	**124**	135	129
Provision for credit losses	4	**258**	230	211	235	165	141	184	153	156	**934**	643	457
Foreign exchange and other adjustments	5	**20**	6	5	6	2	(1)	4	7	6	**37**	12	18
Balance at end of period	6	**352**	292	255	264	203	211	231	197	176	**352**	203	176
General Allowance													
Balance at beginning of period	7	**1,155**	1,114	1,098	1,092	1,146	1,147	1,169	1,141	1,134	**1,092**	1,141	1,138
Provision for credit losses - U.S. Personal and Commercial Banking	8	**12**	42	5	4	21	18	(23)	(1)	5	**63**	15	(6)
- VFC	9	**18**	16	16	15	13	12	11	11	9	**65**	47	18
- Other	10	**-**	-	-	1	(60)	-	-	-	-	**1**	(60)	(60)
Arising on acquisitions[1]	11	**-**	-	-	-	-	-	-	14	-	**-**	14	87
Foreign exchange and other adjustments	12	**(1)**	(17)	(5)	(14)	(28)	(31)	(10)	4	(7)	**(37)**	(65)	(36)
Balance at end of period	13	**1,184**	1,155	1,114	1,098	1,092	1,146	1,147	1,169	1,141	**1,184**	1,092	1,141
Total allowance for credit losses at end of period	14	**$ 1,536**	$ 1,447	$ 1,369	$ 1,362	$ 1,295	$ 1,357	$ 1,378	$ 1,366	$ 1,317	**$ 1,536**	$ 1,295	$ 1,317

($ millions) AS AT	LINE #	2008 Q4	2008 Q3	2008 Q2	2008 Q1
SPECIFIC ALLOWANCE BY COUNTRY OF RISK[2]					
Canada	15	**$ 180**	$ 177	$ 170	$ 178
United States	16	**169**	113	83	84
Other international					
Europe	17	**-**	-	-	-
Other	18	**3**	2	2	2
Total other international	19	**3**	2	2	2
Total specific allowance	20	**$ 352**	$ 292	$ 255	$ 264

[1] All loans acquired from Commerce have been measured at fair value. Fair value takes into consideration the credit quality of the loans and as a result, no allowance was recognized upon acquisition.

[2] Effective Q1 2008, the Bank implemented OSFI's guidelines based on Basel II. This represents a new disclosure under Basel II.

($ millions) AS AT	LINE #	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3	2007 Q2	2007 Q1	2006 Q4	Full Year 2008	Full Year 2007	Full Year 2006
PROVISION FOR CREDIT LOSSES													
New specifics (net of reversals)	1	**$ 287**	$ 260	$ 244	$ 267	$ 192	$ 181	$ 221	$ 184	$ 189	**$ 1,058**	$ 778	$ 586
Recoveries	2	**(29)**	(30)	(33)	(32)	(27)	(40)	(37)	(31)	(33)	**(124)**	(135)	(129)
Provision for credit losses - specifics	3	**258**	230	211	235	165	141	184	153	156	**934**	643	457
Change in general allowance - U.S. Personal and Commercial Banking	4	**12**	42	5	4	21	18	(23)	(1)	5	**63**	15	(6)
- VFC	5	**18**	16	16	15	13	12	11	11	9	**65**	47	18
- Other	6	**-**	-	-	1	(60)	-	-	-	-	**1**	(60)	(60)
Provision for credit losses	7	**$ 288**	$ 288	$ 232	$ 255	$ 139	$ 171	$ 172	$ 163	$ 170	**$ 1,063**	$ 645	$ 409
PROVISION FOR (REVERSAL OF) CREDIT LOSSES BY SEGMENT													
Canadian Personal and Commercial Banking	8	**$ 209**	$ 194	$ 191	$ 172	$ 176	$ 151	$ 143	$ 138	$ 132	**$ 766**	$ 608	$ 413
U.S. Personal and Commercial Banking	9	**78**	76	46	26	35	33	35	17	15	**226**	120	40
Wholesale Banking[1]	10	**10**	30	10	56	4	8	12	24	13	**106**	48	68
Corporate													
Initial set up of specific allowance for credit card and overdraft loans	11	**-**	-	-	-	-	-	-	-	28	**-**	-	28
Securitization	12	**-**	(4)	(5)	(5)	(4)	(4)	(5)	(4)	(4)	**(14)**	(17)	(24)
Wholesale Banking - CDS[1]	13	**(10)**	(12)	(10)	6	(11)	(11)	(12)	(12)	(11)	**(26)**	(46)	(47)
General allowance release	14	**-**	-	-	-	(60)	-	-	-	-	**-**	(60)	(60)
Other	15	**1**	4	-	-	(1)	(6)	(1)	-	(3)	**5**	(8)	(9)
Total Corporate	16	**(9)**	(12)	(15)	1	(76)	(21)	(18)	(16)	10	**(35)**	(131)	(112)
Provision for credit losses	17	**$ 288**	$ 288	$ 232	$ 255	$ 139	$ 171	$ 172	$ 163	$ 170	**$ 1,063**	$ 645	$ 409

[1] Premiums on credit default swaps (CDS) recorded in provision for credit losses for Wholesale Banking are reclassified to trading income in the Corporate segment.

Analysis of Change in Shareholders' Equity

TD Bank Financial Group

($ millions)	LINE	2008				2007				2006	Full Year		
FOR THE PERIOD ENDED	#	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2008	2007	2006
Common shares													
Opening balance	1	**$ 13,090**	$ 12,818	$ 6,632	$ 6,577	$ 6,525	$ 6,455	$ 6,417	$ 6,334	$ 6,353	**$ 6,577**	$ 6,334	$ 5,872
Issued - options	2	**55**	129	29	42	41	79	19	34	26	**255**	173	119
- dividend reinvestment plan	3	**89**	142	22	21	23	22	21	19	26	**274**	85	328
- acquisition of VFC	4	**-**	-	-	-	-	-	-	-	-	**-**	-	70
- acquisition of Commerce	5	**-**	-	6,147	-	-	-	-	-	-	**6,147**	-	-
Impact of shares (acquired) sold for trading purposes[1]	6	**7**	1	(12)	(8)	4	(2)	(2)	30	(36)	**(12)**	30	(20)
Repurchase of common shares	7	**-**	-	-	-	(16)	(29)	-	-	(35)	**-**	(45)	(35)
Closing balance	8	**13,241**	13,090	12,818	6,632	6,577	6,525	6,455	6,417	6,334	**13,241**	6,577	6,334
Preferred shares													
Opening balance	9	**1,625**	1,125	875	425	425	425	425	425	425	**425**	425	-
Issued	10	**250**	500	250	450	-	-	-	-	-	**1,450**	-	425
Closing balance	11	**1,875**	1,625	1,125	875	425	425	425	425	425	**1,875**	425	425
Contributed surplus													
Opening balance	12	**355**	383	121	119	118	124	68	66	56	**119**	66	40
Stock option expense	13	**6**	5	6	5	5	7	4	4	10	**22**	20	31
Stock option exercised	14	**(11)**	(33)	(7)	(3)	(4)	(13)	-	(2)	-	**(54)**	(19)	(5)
Conversion of TD Banknorth options on privatization	15	**-**	-	-	-	-	-	52	-	-	**-**	52	-
Conversion of Commerce options on acquisition	16	**-**	-	263	-	-	-	-	-	-	**263**	-	-
Closing balance	17	**350**	355	383	121	119	118	124	68	66	**350**	119	66
Retained earnings													
Opening balance	18	**17,362**	16,864	16,499	15,954	15,378	14,865	14,375	13,725	13,544	**15,954**	13,725	10,650
Transition adjustment on adoption of Financial Instruments standards	19	**-**	-	-	-	-	-	-	80	-	**-**	80	-
Net income	20	**1,014**	997	852	970	1,094	1,103	879	921	762	**3,833**	3,997	4,603
Dividends - common	21	**(493)**	(475)	(473)	(410)	(409)	(381)	(382)	(345)	(347)	**(1,851)**	(1,517)	(1,278)
Dividends - preferred	22	**(23)**	(17)	(11)	(8)	(5)	(2)	(7)	(6)	(5)	**(59)**	(20)	(22)
Premium paid on common shares repurchased	23	**-**	-	-	-	(104)	(207)	-	-	(229)	**-**	(311)	(229)
Other	24	**(3)**	(7)	(3)	(7)	-	-	-	-	-	**(20)**	-	1
Closing balance	25	**17,857**	17,362	16,864	16,499	15,954	15,378	14,865	14,375	13,725	**17,857**	15,954	13,725
Accumulated other comprehensive Income													
Opening balance	26	**(1,139)**	(595)	(1,187)	(1,671)	(1,443)	(94)	(268)	(918)	(951)	**(1,671)**	(918)	(696)
Transition adjustment on adoption of Financial Instruments standards	27	**-**	-	-	-	-	-	-	426	-	**-**	426	-
Net change in unrealized gains and (losses) on available-for-sale securities	28	**(1,640)**	(289)	(74)	225	194	(197)	61	24	-	**(1,778)**	82	-
Net change in unrealized foreign currency translation gains and (losses) on investment in subsidiaries, net of hedging activities	29	**432**	(231)	470	(231)	(604)	(971)	97	323	33	**440**	(1,155)	(222)
Net change in gains and (losses) on derivatives designated as cash flow hedges	30	**698**	(24)	196	490	182	(181)	16	(123)	-	**1,360**	(106)	-
Closing balance (page 22)	31	**(1,649)**	(1,139)	(595)	(1,187)	(1,671)	(1,443)	(94)	(268)	(918)	**(1,649)**	(1,671)	(918)
Total shareholders' equity	32	**$ 31,674**	$ 31,293	$ 30,595	$ 22,940	$ 21,404	$ 21,003	$ 21,775	$ 21,017	$ 19,632	**$ 31,674**	$ 21,404	$ 19,632
NUMBER OF COMMON SHARES (thousands)													
Opening balance	33	**807,325**	802,928	719,039	717,814	718,348	719,875	719,040	717,416	720,792	**717,814**	717,416	711,812
Issued - options	34	**1,055**	2,052	484	965	866	1,455	579	931	744	**4,556**	3,831	3,388
- dividend reinvestment plan	35	**1,637**	2,360	329	320	330	317	308	268	392	**4,646**	1,223	5,397
- acquisition of VFC	36	**-**	-	-	-	-	-	-	-	-	**-**	-	1,103
- acquisition of Commerce	37	**-**	-	83,270	-	-	-	-	-	-	**83,270**	-	-
Impact of shares (acquired) sold for trading purposes [1]	38	**104**	(15)	(194)	(60)	32	(61)	(52)	425	(512)	**(165)**	344	(284)
Repurchase of common shares	39	**-**	-	-	-	(1,762)	(3,238)	-	-	(4,000)	**-**	(5,000)	(4,000)
Closing balance	40	**810,121**	807,325	802,928	719,039	717,814	718,348	719,875	719,040	717,416	**810,121**	717,814	717,416

[1] Purchased by subsidiaries of the Bank, which are regulated securities entities in accordance with Regulation 92-313 under the *Bank Act* .

Change in Accumulated Other Comprehensive Income, net of income taxes

TD Bank Financial Group

($ millions) FOR THE PERIOD ENDED	LINE #	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3	2007 Q2	2007 Q1	2006 Q4	Full Year 2008	Full Year 2007	Full Year 2006
Unrealized gains (losses) on available-for-sale securities													
Opening balance	1	**$ 231**	$ 520	$ 594	$ 369	$ 175	$ 372	$ 311	$ -	$ -	**$ 369**	$ -	$ -
Transition adjustment on adoption of financial instrument standards	2	**-**	-	-	-	-	-	-	287	-	**-**	287	-
Change in unrealized gains and losses, net of hedging activities [1]	3	**(1,645)**	(272)	(61)	253	211	(188)	63	49	-	**(1,725)**	135	-
Reclassification to earnings, net of income taxes	4	**5**	(17)	(13)	(28)	(17)	(9)	(2)	(25)	-	**(53)**	(53)	-
Net change for the period	5	**(1,640)**	(289)	(74)	225	194	(197)	61	24	-	**(1,778)**	82	-
Closing balance	6	**(1,409)**	231	520	594	369	175	372	311	-	**(1,409)**	369	-
Unrealized foreign currency translation gains and losses on investments in subsidiaries, net of hedging activities													
Opening balance	7	**(2,065)**	(1,834)	(2,304)	(2,073)	(1,469)	(498)	(595)	(918)	(951)	**(2,073)**	(918)	(696)
Investment in subsidiaries	8	**2,419**	(16)	512	401	(1,908)	(1,419)	(584)	892	(29)	**3,316**	(3,019)	(720)
Hedging activities	9	**(2,968)**	(312)	(56)	(913)	1,944	665	1,012	(848)	97	**(4,249)**	2,773	641
Impact of change in investment in subsidiaries	10	**5**	-	-	-	-	-	-	-	-	**5**	-	66
Provision for/ benefit of income taxes	11	**976**	97	14	281	(640)	(217)	(331)	279	(35)	**1,368**	(909)	(209)
Closing balance [2]	12	**(1,633)**	(2,065)	(1,834)	(2,304)	(2,073)	(1,469)	(498)	(595)	(918)	**(1,633)**	(2,073)	(918)
Gains (losses) on derivatives designated as cash flow hedges													
Opening balance	13	**695**	719	523	33	(149)	32	16	-	-	**33**	-	-
Transition adjustment on adoption of financial instrument standards	14	**-**	-	-	-	-	-	-	139	-	**-**	139	-
Change in gains and losses, net of income taxes	15	**758**	41	227	496	164	(196)	13	(127)	-	**1,522**	(146)	-
Reclassification to earnings, net of income taxes	16	**(60)**	(65)	(31)	(6)	18	15	3	4	-	**(162)**	40	-
Net change for the period	17	**698**	(24)	196	490	182	(181)	16	(123)	-	**1,360**	(106)	-
Closing balance	18	**1,393**	695	719	523	33	(149)	32	16	-	**1,393**	33	-
Accumulated other comprehensive income closing balance	19	**$ (1,649)**	$ (1,139)	$ (595)	$ (1,187)	$ (1,671)	$ (1,443)	$ (94)	$ (268)	$ (918)	**$ (1,649)**	$ (1,671)	$ (918)

[1] In October 2008, the Bank adopted Amendments to CICA Section 3855, *Financial Instruments – Recognition and Measurement* and Section 3862, *Financial Instruments – Disclosure* (the Amendments). The Amendments permit the reclassification of financial assets out of trading and available-for-sale categories in specified circumstances. During Q4 2008, the Bank changed its investment strategy with respect to certain trading debt securities. These debt securities were previously recorded at fair value with changes in fair value, as well as any gains or losses realized on disposal, recognized in trading income. Since the Bank no longer intends to actively trade in these debt securities, the Bank reclassified these debt securities into the available-for-sale category effective August 1, 2008 in accordance with the Amendments and recorded the changes in fair value in other comprehensive income. For details, see Notes 1 and 2 to the Bank's 2008 audited Consolidated Financial Statements.

[2] The Bank consolidated TD Bank, N.A. and reported the investment in TD Ameritrade using the foreign exchange rate as at September 30, 2008 as the results of these operations are included on a one month lag basis. If the October 31, 2008 foreign exchange rate had been used, there would have been an increase in the accumulated other comprehensive income of $3.347 billion, with a corresponding increase in the Bank's net assets.

($ millions) FOR THE PERIOD ENDED	LINE #	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3	2007 Q2	2007 Q1	2006 Q4	Full Year 2008	Full Year 2007	Full Year 2006
NON-CONTROLLING INTERESTS IN SUBSIDIARIES													
Opening balance	1	**$ 536**	$ 534	$ 521	$ 524	$ 538	$ 13	$ 2,607	$ 2,439	$ 2,429	**$ 524**	$ 2,439	$ 1,708
On acquisition / (privatization)	2	**-**	-	-	-	-	-	(2,482)	-	-	**-**	(2,482)	-
Shares repurchase / shares purchased by TD	3	**-**	-	-	-	-	-	(25)	(23)	(23)	**-**	(48)	(363)
Shares issued by TD Banknorth	4	**-**	-	-	-	-	-	22	85	5	**-**	107	1,130
Issuance of REIT preferred shares of subsidiary	5	**-**	-	-	-	-	524	-	-	-	**-**	524	-
Issuance of TD Capital Trust III Securities - Series 2008	6	**990**	-	-	-	-	-	-	-	-	**990**	-	-
Dilution loss	7	**-**	-	-	-	-	-	-	-	-	**-**	-	66
On account of income	8	**18**	8	9	8	8	13	27	47	48	**43**	95	184
Dividends paid by TD Banknorth to minority shareholders	9	**-**	-	-	-	-	-	(27)	(24)	(24)	**-**	(51)	(96)
Foreign exchange and other adjustments	10	**16**	(6)	4	(11)	(22)	(12)	(109)	83	4	**3**	(60)	(190)
Closing balance	11	**$ 1,560**	$ 536	$ 534	$ 521	$ 524	$ 538	$ 13	$ 2,607	$ 2,439	**$ 1,560**	$ 524	$ 2,439
INVESTMENT IN TD AMERITRADE													
Opening balance	12	**$ 4,877**	$ 4,829	$ 4,593	$ 4,515	$ 4,749	$ 5,131	$ 5,113	$ 4,379	$ 4,284	**$ 4,515**	$ 4,379	$ -
On acquisition	13	**-**	-	-	-	-	-	-	-	-	**-**	-	3,372
Purchase (sale) of shares	14	**-**	-	-	-	-	(54)	-	-	-	**-**	(54)	933
Increase in reported investment through Lillooet Limited [1]	15	**-**	-	-	-	-	-	-	464	42	**-**	464	42
Equity in net income, net of income taxes	16	**67**	79	71	92	85	69	65	65	48	**309**	284	134
Foreign exchange and other adjustments	17	**215**	(31)	165	(14)	(319)	(397)	(47)	205	5	**335**	(558)	(102)
Closing balance	18	**$ 5,159**	$ 4,877	$ 4,829	$ 4,593	$ 4,515	$ 4,749	$ 5,131	$ 5,113	$ 4,379	**$ 5,159**	$ 4,515	$ 4,379

[1] This represents increase in the Bank's reported investment in TD Ameritrade through the consolidation of a variable interest entity, Lillooet Limited.

Basel II[1] - Gross Credit Risk Exposures[2]

Bank Financial Group

($ millions)	LINE #	2008 Q4 Drawn	2008 Q4 Undrawn	2008 Q4 Repo-style transactions	2008 Q4 OTC derivatives	2008 Q4 Other off-balance sheet	2008 Q4 Total	2008 Q3 Drawn	2008 Q3 Undrawn	2008 Q3 Repo-style transactions	2008 Q3 OTC derivatives	2008 Q3 Other off-balance sheet	2008 Q3 Total
By Counterparty Type													
Retail													
Residential secured	1	$ 121,783	$ 20,880	$ -	$ -	$ -	$ 142,663	$ 120,531	$ 21,504	$ -	$ -	$ -	$ 142,035
Qualifying revolving retail	2	14,075	27,386	-	-	-	41,461	13,881	28,098	-	-	-	41,979
Other retail	3	30,654	5,135	-	-	12	35,801	30,224	5,430	-	-	3	35,657
Total retail	4	166,512	53,401	-	-	12	219,925	164,636	55,032	-	-	3	219,671
Non-retail													
Corporate	5	88,300	25,957	23,338	11,217	9,298	158,110	80,363	25,020	26,880	7,726	8,598	148,587
Sovereign	6	40,787	893	8,903	7,412	166	58,161	27,728	768	7,799	4,349	153	40,797
Bank	7	20,424	509	53,271	25,118	615	99,937	22,275	524	44,743	18,536	581	86,659
Total non-retail	8	149,511	27,359	85,512	43,747	10,079	316,208	130,366	26,312	79,422	30,611	9,332	276,043
Gross credit risk exposures	9	$ 316,023	$ 80,760	$ 85,512	$ 43,747	$ 10,091	$ 536,133	$ 295,002	$ 81,344	$ 79,422	$ 30,611	$ 9,335	$ 495,714
By Country of Risk													
Canada	10	$ 218,247	$ 65,869	$ 40,734	$ 17,077	$ 4,427	$ 346,354	$ 203,006	$ 67,587	$ 45,289	$ 11,510	$ 4,874	$ 332,266
United States	11	75,899	10,358	30,905	7,905	5,097	130,164	72,987	9,457	19,271	5,184	3,950	110,849
Other international													
Europe	12	14,032	2,668	13,022	16,542	274	46,538	12,852	2,341	12,146	11,945	217	39,501
Other	13	7,845	1,865	851	2,223	293	13,077	6,157	1,959	2,716	1,972	294	13,098
Total other international	14	21,877	4,533	13,873	18,765	567	59,615	19,009	4,300	14,862	13,917	511	52,599
Gross credit risk exposures	15	$ 316,023	$ 80,760	$ 85,512	$ 43,747	$ 10,091	$ 536,133	$ 295,002	$ 81,344	$ 79,422	$ 30,611	$ 9,335	$ 495,714
By Residual Contractual Maturity[3]													
Within 1 year	16	$ 138,983	$ 62,437	$ 85,512	$ 14,816	$ 5,126	$ 306,874	$ 137,586	$ 63,131	$ 79,422	$ 7,127	$ 6,342	$ 293,608
Over 1 year to 5 years	17	130,447	17,729	-	18,346	4,232	170,754	114,644	17,326	-	14,248	2,438	148,656
Over 5 years	18	46,593	594	-	10,585	733	58,505	42,772	887	-	9,236	555	53,450
Gross credit risk exposures	19	$ 316,023	$ 80,760	$ 85,512	$ 43,747	$ 10,091	$ 536,133	$ 295,002	$ 81,344	$ 79,422	$ 30,611	$ 9,335	$ 495,714

		2008 Q2[4] Drawn	2008 Q2[4] Undrawn	2008 Q2[4] Repo-style transactions	2008 Q2[4] OTC derivatives	2008 Q2[4] Other off-balance sheet	2008 Q2[4] Total	2008 Q1 Drawn	2008 Q1 Undrawn	2008 Q1 Repo-style transactions	2008 Q1 OTC derivatives	2008 Q1 Other off-balance sheet	2008 Q1 Total
By Counterparty Type													
Retail													
Residential secured	20	$ 112,306	$ 20,470	$ -	$ -	$ -	$ 132,776	$ 103,881	$ 18,046	$ -	$ -	$ -	$ 121,927
Qualifying revolving retail	21	12,886	28,133	-	-	-	41,019	12,693	27,660	-	-	-	40,353
Other retail	22	29,209	6,206	-	-	-	35,415	25,859	5,633	-	-	-	31,492
Total retail	23	154,401	54,809	-	-	-	209,210	142,433	51,339	-	-	-	193,772
Non-retail													
Corporate	24	77,693	21,936	29,771	7,265	8,000	144,665	56,960	21,129	29,835	8,648	5,772	122,344
Sovereign	25	27,958	711	9,951	4,164	201	42,985	27,821	693	3,457	3,575	170	35,716
Bank	26	24,522	486	45,444	20,887	484	91,823	18,635	439	45,153	28,959	460	93,646
Total non-retail	27	130,173	23,133	85,166	32,316	8,685	279,473	103,416	22,261	78,445	41,182	6,402	251,706
Gross credit risk exposures	28	$ 284,574	$ 77,942	$ 85,166	$ 32,316	$ 8,685	$ 488,683	$ 245,849	$ 73,600	$ 78,445	$ 41,182	$ 6,402	$ 445,478
By Country of Risk													
Canada	29	$ 191,911	$ 66,175	$ 50,151	$ 9,941	$ 4,900	$ 323,078	$ 185,301	$ 62,748	$ 40,000	$ 11,712	$ 4,237	$ 303,998
United States	30	73,694	9,096	19,570	6,460	3,181	112,001	42,967	8,250	22,151	8,555	1,606	83,529
Other international													
Europe	31	14,477	1,902	12,603	13,832	292	43,106	13,025	1,943	13,447	19,131	275	47,821
Other	32	4,492	769	2,842	2,083	312	10,498	4,556	659	2,847	1,784	284	10,130
Total other international	33	18,969	2,671	15,445	15,915	604	53,604	17,581	2,602	16,294	20,915	559	57,951
Gross credit risk exposures	34	$ 284,574	$ 77,942	$ 85,166	$ 32,316	$ 8,685	$ 488,683	$ 245,849	$ 73,600	$ 78,445	$ 41,182	$ 6,402	$ 445,478
By Residual Contractual Maturity[3]													
Within 1 year	35	$ 131,618	$ 62,205	$ 85,096	$ 6,318	$ 5,756	$ 290,993	$ 119,487	$ 58,419	$ 78,350	$ 9,758	$ 4,206	$ 270,220
Over 1 year to 5 years	36	107,683	15,025	70	15,757	2,309	140,844	96,099	14,489	95	18,790	2,037	131,510
Over 5 years	37	45,273	712	-	10,241	620	56,846	30,263	692	-	12,634	159	43,748
Gross credit risk exposures	38	$ 284,574	$ 77,942	$ 85,166	$ 32,316	$ 8,685	$ 488,683	$ 245,849	$ 73,600	$ 78,445	$ 41,182	$ 6,402	$ 445,478

[1] Effective Q1 2008, the Bank implemented OSFI's guidelines based on Basel II. This represents a new disclosure under Basel II.
[2] Gross credit risk exposures are classified by Basel counterparty type and are pre-credit risk mitigants. This table excludes securitization and equity exposures.
[3] Residual contractual maturity is the remaining term to maturity of an exposure.
[4] A significant portion of the $43.2 billion increase in credit risk exposures in Q2 2008 was due to the Commerce acquisition, which represented $30.3 billion of this increase.

Basel II[1] - Exposures Covered By Credit Risk Mitigation

TD Bank Financial Group

($ millions)

Counterparty Type	LINE #	2008 Q4 Standardized Eligible financial collateral[2]	2008 Q4 Standardized Guarantees/ credit derivatives	2008 Q4 AIRB[3] Guarantees/ credit derivatives	2008 Q3 Standardized Eligible financial collateral[2]	2008 Q3 Standardized Guarantees/ credit derivatives	2008 Q3 AIRB[3] Guarantees/ credit derivatives
Retail							
Residential secured	1	$ -	$ 17	$ 88,095	$ -	$ 14	$ 91,458
Qualifying revolving retail	2	-	-	-	-	-	-
Other retail	3	31	46	-	29	46	-
Total retail	4	31	63	88,095	29	60	91,458
Non-retail							
Corporate	5	220	170	12,958	219	1,111	7,491
Sovereign	6	-	-	744	-	-	880
Bank	7	4,801	-	558	105	-	196
Total non-retail	8	5,021	170	14,260	324	1,111	8,567
Total	9	$ 5,052	$ 233	$ 102,355	$ 353	$ 1,171	$ 100,025

Counterparty Type	LINE #	2008 Q2 Standardized Eligible financial collateral[2]	2008 Q2 Standardized Guarantees/ credit derivatives	2008 Q2 AIRB[3] Guarantees/ credit derivatives	2008 Q1 Standardized Eligible financial collateral[2]	2008 Q1 Standardized Guarantees/ credit derivatives	2008 Q1 AIRB[3] Guarantees/ credit derivatives
Retail							
Residential secured	10	$ -	$ 11	$ 90,437	$ -	$ 10	$ 75,323
Qualifying revolving retail	11	-	-	-	-	-	-
Other retail	12	27	47	-	27	46	-
Total retail	13	27	58	90,437	27	56	75,323
Non-retail							
Corporate	14	2,122	160	7,705	2,242	77	7,813
Sovereign	15	-	-	629	-	-	-
Bank	16	-	-	71	-	-	123
Total non-retail	17	2,122	160	8,405	2,242	77	7,936
Total	18	$ 2,149	$ 218	$ 98,842	$ 2,269	$ 133	$ 83,259

[1] Effective Q1 2008, the Bank implemented OSFI's guidelines based on the Basel II. This represents a new disclosure under this framework.
[2] For exposures under the Standardized Approach, eligible financial collateral can include cash, gold, highly rated debt securities and equities listed on the main index.
[3] For exposures under the AIRB approach, eligible financial collateral is taken into account in the Bank's Loss Given Default (LGD) models. Separate disclosure of eligible financial collateral is, therefore, not required.

Basel II[1] - Standardized Credit Risk Exposures[2]

TD Bank Financial Group

($ millions)

2008 Q4

By Counterparty Type	LINE #	Risk-weight 0%	20%	35%	75%	100%	150%	Total
Retail								
Residential secured	1	$ 48	$ -	$ 6,065	$ 1,577	$ 33	$ -	$ 7,723
Other retail[3]	2	77	-	-	15,257	-	34	15,368
Total retail	3	125	-	6,065	16,834	33	34	23,091
Non-retail								
Corporate	4	348	1,736	-	-	42,714	127	44,925
Sovereign	5	301	3	-	-	1	-	305
Bank	6	4,801	3,501	-	-	-	-	8,302
Total non-retail	7	5,450	5,240	-	-	42,715	127	53,532
Total	8	**$ 5,575**	**$ 5,240**	**$ 6,065**	**$ 16,834**	**$ 42,748**	**$ 161**	**$ 76,623**

2008 Q3

By Counterparty Type	LINE #	Risk-weight 0%	20%	35%	75%	100%	150%	Total
Retail								
Residential secured	1	$ 46	$ -	$ 5,844	$ 1,590	$ 37	$ -	$ 7,517
Other retail[3]	2	75	-	-	15,830	1	31	15,937
Total retail	3	121	-	5,844	17,420	38	31	23,454
Non-retail								
Corporate	4	325	7,443	-	-	37,773	118	45,659
Sovereign	5	278	3	-	-	1	-	282
Bank	6	105	6,001	-	-	20	-	6,126
Total non-retail	7	708	13,447	-	-	37,794	118	52,067
Total	8	**$ 829**	**$ 13,447**	**$ 5,844**	**$ 17,420**	**$ 37,832**	**$ 149**	**$ 75,521**

2008 Q2

By Counterparty Type	LINE #	Risk-weight 0%	20%	35%	75%	100%	150%	Total
Retail								
Residential secured	1	$ 41	$ -	$ 6,149	$ 1,629	$ 30	$ -	$ 7,849
Other retail[3]	2	73	-	-	15,259	1	37	15,370
Total retail	3	114	-	6,149	16,888	31	37	23,219
Non-retail								
Corporate	4	337	9,152	-	-	35,399	102	44,990
Sovereign	5	721	-	-	-	3	-	724
Bank	6	-	6,841	-	-	-	-	6,841
Total non-retail	7	1,058	15,993	-	-	35,402	102	52,555
Total	8	**$ 1,172**	**$ 15,993**	**$ 6,149**	**$ 16,888**	**$ 35,433**	**$ 139**	**$ 75,774**

2008 Q1

By Counterparty Type	LINE #	Risk-weight 0%	20%	35%	75%	100%	150%	Total
Retail								
Residential secured	1	$ 41	$ -	$ 2,880	$ 1,123	$ 26	$ -	$ 4,070
Other retail[3]	2	73	-	-	11,788	2	36	11,899
Total retail	3	114	-	2,880	12,911	28	36	15,969
Non-retail								
Corporate	4	537	3,695	-	-	19,932	109	24,273
Sovereign	5	36	1,237	-	-	3	-	1,276
Bank	6	-	1,299	-	-	-	-	1,299
Total non-retail	7	573	6,231	-	-	19,935	109	26,848
Total	8	**$ 687**	**$ 6,231**	**$ 2,880**	**$ 12,911**	**$ 19,963**	**$ 145**	**$ 42,817**

[1] Effective Q1 2008, the Bank implemented OSFI's guidelines based on Basel II. This represents a new disclosure under this framework.

[2] Credit risk exposures are after credit risk mitigation and net of specific allowance. For Q2 to Q4 2008, Commerce exposures are included and follow the Interim Approach to Reporting.

[3] Under the Standardized Approach, other retail includes qualifying revolving retail exposures.

($ millions except as otherwise noted)

Retail Risk Categories	LINE #	2008 Q4 EAD[2]	Exposure-weighted average PD	Exposure weighted average LGD	Exposure weighted average risk-weight	2008 Q3 EAD[2]	Exposure weighted average PD	Exposure weighted average LGD	Exposure weighted average risk-weight
Residential Secured									
Low risk	1	$ 14,705	0.1%	12.3%	2.4%	$ 15,985	0.1%	12.6%	2.0%
Normal	2	23,562	0.5%	14.1%	11.1%	19,877	0.5%	12.9%	9.7%
Medium	3	6,893	1.9%	14.4%	27.0%	5,190	2.0%	11.8%	23.0%
High risk	4	1,561	12.2%	15.8%	67.3%	1,875	13.1%	15.0%	66.1%
Default	5	114	100.0%	18.1%	0.0%	134	100.0%	17.5%	0.0%
Total residential secured	6	**$ 46,835**	**1.2%**	**13.6%**	**12.5%**	$ 43,061	1.4%	12.8%	10.9%
Qualifying Revolving Retail									
Low risk	7	$ 14,753	0.1%	86.2%	3.4%	$ 14,914	0.1%	86.2%	3.4%
Normal	8	14,112	0.5%	84.7%	17.7%	14,307	0.5%	84.8%	17.7%
Medium	9	8,517	2.4%	85.3%	61.9%	8,624	2.4%	84.9%	61.2%
High risk	10	3,957	12.5%	84.8%	152.7%	4,019	12.6%	84.4%	151.5%
Default	11	122	100.0%	72.8%	0.0%	115	100.0%	71.4%	0.0%
Total qualifiying revolving retail	12	**$ 41,461**	**2.2%**	**85.3%**	**34.5%**	$ 41,979	2.2%	85.2%	34.3%
Other Retail									
Low risk	13	$ 2,696	0.1%	41.4%	8.7%	$ 2,643	0.1%	41.2%	8.6%
Normal	14	7,963	0.6%	50.1%	37.4%	7,760	0.6%	49.8%	37.4%
Medium	15	6,836	2.4%	56.5%	73.7%	6,486	2.4%	56.8%	74.2%
High risk	16	2,792	11.1%	56.4%	96.2%	2,713	10.9%	54.0%	91.3%
Default	17	128	100.0%	58.6%	0.0%	114	100.0%	52.3%	0.0%
Total other retail	18	**$ 20,415**	**3.2%**	**52.0%**	**53.6%**	$ 19,716	3.1%	51.5%	52.8%

Retail Risk Categories	LINE #	2008 Q2 EAD[2]	Exposure weighted average PD	Exposure weighted average LGD	Exposure weighted average risk-weight	2008 Q1 EAD[2]	Exposure weighted average PD	Exposure weighted average LGD	Exposure weighted average risk-weight
Residential Secured									
Low risk	19	$ 12,278	0.1%	11.5%	2.2%	$ 12,183	0.1%	13.3%	2.7%
Normal	20	16,276	0.5%	12.6%	9.4%	21,010	0.4%	14.3%	9.4%
Medium	21	4,705	1.9%	11.9%	22.3%	7,376	2.2%	13.2%	27.3%
High risk	22	1,125	13.1%	13.0%	56.9%	1,855	12.0%	15.6%	65.5%
Default	23	105	100.0%	17.7%	0.0%	109	100.0%	17.3%	0.0%
Total residential secured	24	$ 34,489	1.3%	12.1%	10.1%	$ 42,533	1.4%	13.9%	13.0%
Qualifying Revolving Retail									
Low risk	25	$ 14,590	0.1%	86.2%	3.4%	$ 14,455	0.1%	86.6%	3.4%
Normal	26	14,218	0.5%	84.8%	17.7%	13,879	0.5%	85.5%	17.8%
Medium	27	8,338	2.4%	84.7%	60.6%	8,221	2.4%	85.2%	60.7%
High risk	28	3,746	12.2%	83.4%	149.3%	3,680	12.3%	83.6%	149.3%
Default	29	127	100.0%	72.1%	0.0%	117	100.0%	73.0%	0.0%
Total qualifiying revolving retail	30	$ 41,019	2.1%	85.1%	33.3%	$ 40,352	2.1%	85.6%	33.3%
Other Retail									
Low risk	31	$ 3,190	0.1%	28.5%	6.1%	$ 2,346	0.1%	22.6%	4.7%
Normal	32	8,305	0.6%	42.5%	31.9%	8,783	0.5%	42.0%	30.2%
Medium	33	6,274	2.3%	53.7%	70.1%	6,188	2.3%	53.4%	69.7%
High risk	34	2,151	10.2%	55.2%	92.7%	2,157	10.3%	55.8%	94.0%
Default	35	120	100.0%	47.6%	0.0%	115	100.0%	47.4%	0.0%
Total other retail	36	$ 20,040	2.7%	45.2%	46.1%	$ 19,589	2.7%	44.8%	46.5%

[1] Effective Q1 2008, the Bank implemented OSFI's guidelines based on Basel II. This represents a new disclosure under this framework.

[2] Exposure at Default after the effects of credit risk mitigation.

Basel II[1] - AIRB Credit Risk Exposures: Non-retail Risk Parameters

TD Bank Financial Group

($ millions except as otherwise noted)

Non-retail Risk Categories	LINE #	2008 Q4 EAD[2]	2008 Q4 Exposure weighted average PD	2008 Q4 Exposure weighted average LGD	2008 Q4 Exposure weighted average risk-weight	2008 Q3 EAD[2]	2008 Q3 Exposure weighted average PD	2008 Q3 Exposure weighted average LGD	2008 Q3 Exposure weighted average risk-weight
Corporate									
Investment grade	1	$ 76,917	0.1%	28.3%	19.6%	$ 68,083	0.1%	26.4%	18.2%
Non-investment grade	2	34,791	1.5%	28.5%	54.7%	33,387	1.4%	25.7%	48.3%
Watch and classified	3	1,162	18.7%	38.5%	185.0%	1,201	15.2%	41.0%	192.3%
Impaired/default	4	249	100.0%	40.5%	103.6%	214	100.0%	49.1%	112.8%
Total corporate	5	**$ 113,119**	**0.9%**	**28.5%**	**32.3%**	$ 102,885	0.9%	26.4%	30.2%
Sovereign									
Investment grade	6	$ 145,921	0.0%	14.9%	0.9%	$ 131,945	0.0%	11.9%	0.6%
Non-investment grade	7	30	0.5%	25.0%	29.3%	28	0.5%	18.5%	20.8%
Watch and classified	8	-	-	-	-	-	-	-	-
Impaired/default	9	-	-	-	-	-	-	-	-
Total sovereign	10	**$ 145,951**	**0.0%**	**14.9%**	**0.9%**	$ 131,973	0.0%	11.9%	0.6%
Bank									
Investment grade	11	$ 86,208	0.1%	22.9%	7.7%	$ 77,663	0.1%	23.7%	8.7%
Non-investment grade	12	5,402	0.7%	13.7%	17.6%	2,870	0.7%	15.4%	20.6%
Watch and classified	13	-	-	-	-	-	-	-	-
Impaired/default	14	25	100.0%	55.0%	687.3%	-	-	-	-
Total bank	15	**$ 91,635**	**0.1%**	**22.3%**	**8.4%**	$ 80,533	0.1%	23.4%	9.1%

Non-retail Risk Categories	LINE #	2008 Q2 EAD[2]	2008 Q2 Exposure weighted average PD	2008 Q2 Exposure weighted average LGD	2008 Q2 Exposure weighted average risk-weight	2008 Q1 EAD[2]	2008 Q1 Exposure weighted average PD	2008 Q1 Exposure weighted average LGD	2008 Q1 Exposure weighted average risk-weight
Corporate									
Investment grade	16	$ 64,249	0.1%	25.9%	18.0%	$ 68,317	0.1%	24.4%	16.1%
Non-investment grade	17	33,523	1.5%	24.8%	46.9%	28,021	1.2%	28.9%	55.2%
Watch and classified	18	1,672	15.3%	27.2%	127.3%	1,469	15.6%	20.9%	99.7%
Impaired/default	19	202	100.0%	48.3%	168.0%	234	100.0%	52.3%	250.7%
Total corporate	20	$ 99,646	1.0%	25.6%	29.9%	$ 98,041	0.9%	25.7%	29.1%
Sovereign									
Investment grade	21	$ 132,656	0.0%	10.7%	0.5%	$ 109,727	0.0%	11.5%	0.5%
Non-investment grade	22	44	0.8%	22.7%	33.6%	36	0.9%	20.9%	24.5%
Watch and classified	23	-	-	-	-	-	-	-	-
Impaired/default	24	-	-	-	-	-	-	-	-
Total sovereign	25	$ 132,700	0.0%	10.7%	0.5%	$ 109,763	0.0%	11.5%	0.5%
Bank									
Investment grade	26	$ 83,654	0.1%	25.3%	10.2%	$ 90,794	0.1%	29.8%	11.1%
Non-investment grade	27	1,327	1.4%	17.7%	26.2%	1,552	1.7%	8.9%	13.7%
Watch and classified	28	-	-	-	-	1	19.9%	15.5%	76.6%
Impaired/default	29	-	-	-	-	-	-	-	-
Total bank	30	$ 84,981	0.1%	25.2%	10.5%	$ 92,347	0.1%	29.4%	11.1%

[1] Effective Q1 2008, the bank implemented OSFI's guidelines based on Basel II. This represents a new disclosure under this framework.
[2] Exposure at Default after the effects of credit risk mitigation.

Basel II[1] - AIRB Credit Risk Exposures - Undrawn Commitments[2] and Exposure at Default (EAD) on Undrawn Commitments[3]

TD Bank Financial Group

($ millions)

Counterparty Type	LINE #	2008 Q4 Notional undrawn commitments	2008 Q4 EAD on undrawn commitments	2008 Q3 Notional undrawn commitments	2008 Q3 EAD on undrawn commitments	2008 Q2 Notional undrawn commitments	2008 Q2 EAD on undrawn commitments	2008 Q1 Notional undrawn commitments	2008 Q1 EAD on undrawn commitments
Retail									
Residential secured	1	$ 53,900	$ 20,705	$ 53,652	$ 21,427	$ 51,324	$ 20,395	$ 51,081	$ 18,010
Qualifying revolving retail	2	44,268	27,386	45,151	28,098	44,848	28,133	44,458	27,659
Other retail	3	6,575	5,010	6,361	4,830	6,216	5,640	7,043	5,530
Total retail	4	104,743	53,101	105,164	54,355	102,388	54,168	102,582	51,199
Non-retail									
Corporate	5	29,942	21,494	29,176	21,427	25,774	18,760	25,652	18,735
Sovereign	6	1,015	893	878	768	815	711	757	662
Bank	7	569	485	607	512	541	450	517	439
Total non-retail	8	31,526	22,872	30,661	22,707	27,130	19,921	26,926	19,836
Total	9	**$ 136,269**	**$ 75,973**	**$ 135,825**	**$ 77,062**	**$ 129,518**	**$ 74,089**	**$ 129,508**	**$ 71,035**

[1] Effective Q1 2008, the Bank implemented OSFI's guidelines based on Basel II. This represents a new disclosure under this framework.
[2] Notional undrawn commitments are equal to the contractually available amounts provided via committed loan agreements less amounts currently outstanding under those committed loan agreements.
[3] Exposure at default (EAD) on undrawn commitments is the amount currently undrawn but expected to be drawn assuming a default on the underlying committed loan agreement.

Basel II[1] - Securitization Exposures[2]

TD Bank Financial Group

($ millions)

SECURITIZATION EXPOSURES

Rating	LINE #	2008 Q4 Gross exposures	2008 Q4 Risk-weighted assets	2008 Q3 Gross exposures	2008 Q3 Risk-weighted assets	2008 Q2 Gross exposures	2008 Q2 Risk-weighted assets	2008 Q1 Gross exposures	2008 Q1 Risk-weighted assets
AA- and above	1	**$ 37,892**	**$ 5,388**	$ 36,346	$ 4,942	$ 36,944	$ 4,988	$ 18,517	$ 1,302
A+ to A-	2	**455**	**199**	103	21	211	42	330	66
BBB+ to BBB-	3	**571**	**557**	56	42	56	42	39	30
BB+ and below	4	**62**	**216**	-	-	-	-	-	-
Total	5	**$ 38,980**	**$ 6,360**	$ 36,505	$ 5,005	$ 37,211	$ 5,072	$ 18,886	$ 1,398

[1] Effective Q1 2008, the Bank implemented OSFI's guidelines based on Basel II. This represents a new disclosure under Basel II.

[2] Securitization exposures include the Bank's exposures as originator and investor under both the Internal Ratings Based approach and the Standardized approach.

Basel II[1] - Risk-weighted Assets (RWA)

Bank Financial Group

($ millions)	LINE #	2008 Q4 Gross Exposures	2008 Q4 RWA Standardized	2008 Q4 RWA Internal Ratings Based	2008 Q4 RWA Total	2008 Q3 Gross Exposures	2008 Q3 RWA Standardized	2008 Q3 RWA Internal Ratings Based	2008 Q3 RWA Total
Credit risk									
Retail									
Residential secured	1	**$ 142,663**	**$ 3,339**	**$ 5,875**	**$ 9,214**	$ 142,035	$ 3,275	$ 4,675	$ 7,950
Qualifying revolving retail	2	**41,461**	**-**	**14,307**	**14,307**	41,979	-	14,410	14,410
Other retail	3	**35,801**	**11,493**	**10,937**	**22,430**	35,657	11,920	10,417	22,337
Non-retail									
Corporate	4	**158,110**	**43,251**	**36,551**	**79,802**	148,587	39,312	31,047	70,359
Sovereign	5	**58,161**	**2**	**1,363**	**1,365**	40,797	2	824	826
Bank	6	**99,937**	**701**	**7,735**	**8,436**	86,659	1,210	7,358	8,568
Securitization exposures	7	**38,980**	**5,106**	**1,254**	**6,360**	36,505	3,676	1,329	5,005
Equity exposures									
Equity exposures that are grandfathered	8	**2,044**	**-**	**2,044**	**2,044**	2,243	-	2,243	2,243
Equity exposures subject to simple risk weight method	9	**1,364**	**-**	**4,834**	**4,834**	1,171	-	4,204	4,204
Equities in the banking book under the internal models approach	10	**-**	**-**	**-**	**-**	-	-	-	-
Equity exposures subject to PD/LGD approaches	11	**287**	**-**	**388**	**388**	310	-	429	429
Other	12	**1,025**	**-**	**29**	**29**	986	-	30	30
Exposures subject to standardized or IRB approaches	13	**579,833**	**63,892**	**85,317**	**149,209**	536,929	59,395	76,966	136,361
Adjustment to IRB RWA for scaling factor	14				**5,119**				4,618
Other assets not included in standardized or IRB approaches	15	**37,436**			**13,543**	34,613			11,347
Net impact of eliminating one month reporting lag on U.S. entities[2]	16	**25,867**			**9,681**	n/a			n/a
	17	**$ 643,136**			**$ 177,552**	$ 571,542			$ 152,326
Market risk									
Internal models approach – Trading book	18	n/a			**9,644**	n/a			8,179
Operational risk									
Basic indicator approach	19	n/a			**7,090**	n/a			6,974
Standardized approach	20	n/a			**17,464**	n/a			17,195
	21				**24,554**				24,169
Total	22				**$ 211,750**				$ 184,674

($ millions)	LINE #	2008 Q2[3] Gross Exposures	2008 Q2[3] RWA Standardized	2008 Q2[3] RWA Internal Ratings Based	2008 Q2[3] RWA Total	2008 Q1 Gross Exposures	2008 Q1 RWA Standardized	2008 Q1 RWA Internal Ratings Based	2008 Q1 RWA Total
Credit risk									
Retail									
Residential secured	23	$ 132,776	$ 3,404	$ 3,498	$ 6,902	$ 121,927	$ 1,876	$ 5,540	$ 7,416
Qualifying revolving retail	24	41,019	-	13,657	13,657	40,353	-	13,449	13,449
Other retail	25	35,415	11,502	9,233	20,735	31,492	8,897	9,103	18,000
Non-retail									
Corporate	26	144,665	37,144	29,772	66,916	122,344	20,738	28,549	49,287
Sovereign	27	42,985	3	631	634	35,716	251	599	850
Bank	28	91,823	1,368	8,896	10,264	93,646	260	10,252	10,512
Securitization exposures	29	37,212	3,695	1,378	5,073	18,886	-	1,398	1,398
Equity exposures									
Equity exposures that are grandfathered	30	2,583	-	2,583	2,583	3,024	-	3,024	3,024
Equity exposures subject to simple risk weight method	31	1,285	-	4,445	4,445	1,134	-	4,082	4,082
Equities in the banking book under the internal models approach	32	-	-	-	-	-	-	-	-
Equity exposures subject to PD/LGD approaches	33	310	-	428	428	315	-	443	443
Other	34	542	-	39	39	381	-	17	17
Exposures subject to standardized or IRB approaches	35	530,615	57,116	74,560	131,676	469,218	32,022	76,456	108,478
Adjustment to IRB RWA for scaling factor	36				4,474				4,587
Other assets not included in standardized or IRB approaches	37	34,699			11,467	23,753			8,395
	38	$ 565,314			$ 147,617	$ 492,971			$ 121,460
Market risk									
Internal models approach – Trading book	39	n/a			7,140	n/a			4,088
Operational risk									
Basic indicator approach	40	n/a			6,749	n/a			3,411
Standardized approach	41	n/a			17,129	n/a			16,941
	42				23,878				20,352
Total	43				$ 178,635				$ 145,900

[1] Effective Q1 2008, the Bank implemented OSFI's guidelines based on Basel II. Accordingly, the numbers for 2008 are based on Basel II. For comparative numbers based on Basel I, see page 28.

[2] For regulatory purposes only, effective Q4 2008, the one month lag in reporting TD Banknorth and Commerce assets is eliminated by using the same period end as the rest of the Bank, and the Bank's investment in TD Ameritrade is translated using the period end foreign exchange rate of the Bank.

[3] A significant portion of the $72.3 billion increase in exposures and $32.7 billion increase in RWA in Q2 2008 was due to the Commerce acquisition which represented $59.2 billion and $29.3 billion, respectively, of this increase.

($ millions)		LINE #	2008 Q4	Q3	Q2	Q1
RISK-WEIGHTED ASSETS (RWA)	(page 31)	1	**$ 211,750**	$ 184,674	$ 178,635	$ 145,900
CAPITAL						
Tier 1 capital						
Common shares	(page 21)	2	**$ 13,241**	$ 13,090	$ 12,818	$ 6,632
Contributed surplus	(page 21)	3	**350**	355	383	121
Retained earnings	(page 21)	4	**17,857**	17,362	16,864	16,499
Net unrealized foreign currency translation gains (losses) on investment in subsidiaries, net of hedging activities	(page 22)	5	**(1,633)**	(2,065)	(1,834)	(2,304)
Accumulated net after-tax unrealized loss on AFS equity securities in OCI		6	**-**	-	-	-
Preferred shares		7	**2,425**	2,175	1,675	1,425
Innovative instruments [2]		8	**2,765**	1,753	1,736	1,739
Qualifying non-controlling interests in subsidiaries		9	**20**	20	20	20
Gross Tier 1 capital		10	**35,025**	32,690	31,662	24,132
Goodwill and intangibles in excess of 5% limit		11	**(15,148)**	(14,765)	(15,016)	(7,967)
Net Tier 1 capital		12	**19,877**	17,925	16,646	16,165
IRB securitization (gain on sales of mortgages)		13	**(57)**	(64)	(65)	(51)
50% shortfall in allowance [3]		14	**(309)**	(289)	(239)	(162)
Other deductions		15	**(75)**	(81)	(80)	(64)
Net impact of eliminating one month reporting lag on U.S. entities [9]		16	**1,243**	-	-	-
Adjusted net Tier 1 capital		17	**20,679**	17,491	16,262	15,888
Tier 2 capital						
Subordinated notes and debentures (net of amortization and ineligible)		18	**12,186**	13,233	12,301	11,777
General allowance - standardized portfolios		19	**490**	487	467	311
Allowance in excess of expected loss [4]		20	**-**	-	-	-
Accumulated net after-tax unrealized gain on AFS equity securities in OCI		21	**53**	245	280	312
50% shortfall in allowance [3]		22	**(309)**	(289)	(239)	(162)
Investments in insurance subsidiaries [5]		23	**(1,198)**	(1,185)	(1,134)	(1,091)
Substantial investments - other [5]		24	**(5,476)**	(5,199)	(5,161)	(4,957)
Other deductions		25	**(75)**	(81)	(80)	(64)
Net impact of eliminating one month reporting lag on U.S. entities [9]		26	**(1,002)**	-	-	-
Total Tier 2 capital		27	**4,669**	7,211	6,434	6,126
Total regulatory capital [9]		28	**$ 25,348**	$ 24,702	$ 22,696	$ 22,014
CAPITAL RATIOS (%) [9]						
Tier 1 capital ratio		29	**9.8%**	9.5%	9.1%	10.9%
Total capital ratio [6]		30	**12.0%**	13.4%	12.7%	15.1%
CAPITAL RATIOS FOR SIGNIFICANT BANK SUBSIDIARIES(%)						
TD Bank, N.A. [7, 8]						
Tier 1 capital ratio		31	**9.3%**	9.7%	n/a	n/a
Total capital ratio		32	**11.0%**	11.4%	n/a	n/a
TD Banknorth, N.A. [7, 8]						
Tier 1 capital ratio		33	**n/a [8]**	n/a [8]	9.4%	9.5%
Total capital ratio		34	**n/a [8]**	n/a [8]	12.2%	12.3%
Commerce Bank, N.A. [7, 8]						
Tier 1 capital ratio		35	**n/a [8]**	n/a [8]	9.8%	n/a
Total capital ratio		36	**n/a [8]**	n/a [8]	10.6%	n/a
TD Mortgage Corporation						
Tier 1 capital ratio		37	**38.3%**	48.2%	48.4%	42.4%
Total capital ratio		38	**41.7%**	52.6%	53.0%	46.4%

1 Effective Q1 2008, the Bank implemented OSFI's guidelines based on Basel II. Accordingly, the numbers for 2008 are based on Basel II. For comparative numbers based on Basel I, see page 33.

2 In accordance with CICA Handbook s. 3860, the Bank is required to classify certain classes of preferred shares and innovative Tier 1 capital investments as liabilities on the balance sheet. For regulatory capital purposes, these capital instruments have been grandfathered by OSFI and continue to be included in Tier 1 capital.

3 When expected loss as calculated within the IRB approach exceeds total provisions, the difference is deducted 50% from Tier 1 capital and 50% from Tier 2 capital.

4 When expected loss as calculated within the IRB approach is less than the total provisions, the difference is added to Tier 2 capital.

5 Based on OSFI advisory letter dated February 20, 2007, 100% of substantial investments and investments in insurance subsidiaries held prior to January 1, 2007 (excluding goodwill / intangibles) is deducted from Tier 2 capital. The 50% from Tier 1 capital and 50% from Tier 2 capital deduction has been deferred until 2009 and 2012 for substantial investments and insurance, respectively. Increases in the investment value of insurance subsidiaries and / or substantial investments on or after January 1, 2007 are subject to the 50% from Tier 1 capital and 50% from Tier 2 capital deduction.

6 OSFI's target total capital ratio for Canadian banks is 10%.

7 On a stand-alone basis, TD Bank, N.A., TD Banknorth, N.A. and Commerce Bank, N.A. report regulatory capital to the Office of the Comptroller of the Currency (OCC) under Basel I. The disclosed capital ratios are based on this framework.

8 Commerce Bank, N.A. and Commerce Bank/North merged into TD Banknorth, N.A. on May 31, 2008. On the same date, TD Banknorth, N.A. changed its legal name to TD Bank, N.A.

9 For regulatory purposes only, effective Q4 2008, the one month lag in reporting TD Banknorth and Commerce assets is eliminated by using the same period end as the rest of the Bank, and the Bank's investment in TD Ameritrade is translated using the period end foreign exchange rate of the Bank.

Basel I[1] - Risk-weighted Assets and Capital

($ millions) *AS AT*		LINE #	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3	2007 Q2	2007 Q1	2006 Q4
Balance sheet assets											
Cash resources		1	**$ 3,179**	$ 2,641	$ 3,244	$ 2,768	$ 3,053	$ 2,408	$ 2,092	$ 1,894	$ 1,905
Securities		2	**11,546**	9,930	10,048	5,179	4,984	5,027	5,655	5,978	4,792
Loans		3	**131,556**	120,175	114,837	98,805	95,951	96,348	96,545	96,009	92,998
Customers' liability under acceptances		4	**11,040**	10,844	10,848	10,633	9,279	9,192	9,233	8,425	8,676
Other assets		5	**14,114**	11,963	12,165	8,716	8,589	9,006	8,803	9,436	8,881
Net impact of eliminating one month reporting lag of U.S. entities[3]		6	**9,688**	-	-	-	-	-	-	-	-
Total balance sheet assets		7	**181,123**	155,553	151,142	126,101	121,856	121,981	122,328	121,742	117,252
Off-balance sheet exposures											
Credit instruments		8	**29,594**	29,049	26,193	23,633	20,015	18,835	16,660	16,971	14,818
Derivative financial instruments		9	**9,665**	7,489	7,551	9,408	7,573	6,948	6,661	6,805	6,647
Total off-balance sheet exposures		10	**39,259**	36,538	33,744	33,041	27,588	25,783	23,321	23,776	21,465
Total RWA equivalent - Credit risk		11	**220,382**	192,091	184,886	159,142	149,444	147,764	145,649	145,518	138,717
Total RWA equivalent - Market risk		12	**9,644**	8,179	7,140	4,088	3,075	3,019	3,742	3,572	3,162
Total RWA		13	**$ 230,026**	$ 200,270	$ 192,026	$ 163,230	$ 152,519	$ 150,783	$ 149,391	$ 149,090	$ 141,879
CAPITAL											
TIER 1											
Common shares	(page 21)	14	**$ 13,241**	$ 13,090	$ 12,818	$ 6,632	$ 6,577	$ 6,525	$ 6,455	$ 6,417	$ 6,334
Common shares of the Bank held by subsidiaries		15	**-**	-	-	-	-	-	-	-	(78)
Contributed surplus	(page 21)	16	**350**	355	383	121	119	118	124	68	66
Retained earnings	(page 21)	17	**17,857**	17,362	16,864	16,499	15,954	15,378	14,865	14,375	13,725
Net unrealized foreign currency translation gains (losses) on investment in subsidiaries, net of hedging activities	(page 22)	18	**(1,633)**	(2,065)	(1,834)	(2,304)	(2,073)	(1,469)	(498)	(595)	(918)
Accumulated net after tax unrealized loss on AFS securities in OCI		19	**-**	-	-	-	-	-	-	-	-
Qualifying preferred shares - grandfathered[2]		20	**550**	550	550	550	549	898	897	900	894
- other		21	**1,875**	1,625	1,125	875	425	425	425	425	425
Innovative instruments[2]		22	**2,764**	1,753	1,736	1,739	1,740	1,774	1,250	1,250	1,250
Qualifying non-controlling interests in subsidiaries		23	**20**	20	20	20	22	-	-	2,582	2,395
Goodwill and intangible assets in excess of 5% limit		24	**(14,676)**	(14,316)	(14,567)	(7,518)	(7,668)	(8,243)	(8,838)	(7,725)	(7,014)
Net impact of eliminating one month reporting lag of U.S. entities[3]		25	**1,642**	-	-	-	-	-	-	-	-
Total Tier 1 capital		26	**21,990**	18,374	17,095	16,614	15,645	15,406	14,680	17,697	17,079
TIER 2											
Subordinated notes and debentures	(page 13)	27	**12,436**	13,478	12,466	11,939	9,449	10,005	9,210	9,209	6,900
Amortization of subordinated notes and debentures and other		28	**(251)**	(245)	(166)	(162)	(163)	(180)	(120)	(213)	(182)
General allowance for credit losses		29	**1,184**	1,155	1,114	1,098	1,092	1,146	1,151	1,174	1,145
Accumulated net after tax unrealized gain on AFS securities in OCI		30	**53**	245	280	312	354	323	392	339	-
Total Tier 2 capital		31	**13,422**	14,633	13,694	13,187	10,732	11,294	10,633	10,509	7,863
Investment in unconsolidated subsidiaries / substantial investments		32	**(7,281)**	(7,005)	(6,913)	(6,630)	(6,528)	(6,513)	(6,874)	(7,094)	(6,327)
First loss protection		33	**(57)**	(64)	(65)	(54)	(55)	(76)	(88)	(68)	(53)
Net impact of eliminating one month reporting lag of U.S. entities[3]		34	**(1,595)**	-	-	-	-	-	-	-	-
Total capital		35	**$ 26,479**	$ 25,938	$ 23,811	$ 23,117	$ 19,794	$ 20,111	$ 18,351	$ 21,044	$ 18,562
CAPITAL RATIOS											
Tier 1 capital		36	**9.6%**	9.2%	8.9%	10.2%	10.3 %	10.2 %	9.8 %	11.9 %	12.0 %
Total capital		37	**11.5**	13.0	12.4	14.2	13.0	13.3	12.3	14.1	13.1

[1] Effective Q1 2008, the Bank implemented OSFI's guidelines based on Basel II. Accordingly, the numbers for 2008 are presented for comparative purposes only.

[2] In accordance with CICA Handbook s. 3860, the Bank is required to classify certain classes of preferred shares and innovative Tier 1 capital investments as liabilities on the balance sheet. For regulatory capital purposes, these capital instruments have been grandfathered by OSFI and continue to be included in Tier 1 capital.

[3] For regulatory purposes only, effective Q4 2008, the one month lag in reporting TD Banknorth and Commerce assets is eliminated by using the same period end as the rest of the Bank, and the Bank's investment in TD Ameritrade is translated using the period end foreign exchange rate of the Bank.

Risk-weighted Assets

Risk-weighted assets (RWA)	▪ Used in the calculation of risk-based capital ratios. Risk-weighted assets (RWA) are calculated by applying a risk-weight factor ("risk-weight") to the notional amount of each asset. Off-balance sheet amounts are converted to balance sheet (or credit) equivalent amounts using credit conversion factors, before the appropriate risk-weight is applied. The risk-weight is determined by the regulatory approach used.
Approaches used by the Bank to calculate RWA:	
For Credit Risk	
Standardized Approach	▪ Under this approach, banks use a standardized set of risk-weights as prescribed by the regulator to calculate credit risk capital requirements. Standardized risk-weights are based on external credit assessments, where available, and other risk-related factors, including exposure asset class, collateral, etc.
Advanced Internal Ratings Based (AIRB) Approach	▪ Under this approach, banks use their own internal historical experience of PD, LGD, EAD and other key risk assumptions to calculate credit risk capital requirements. Use of the AIRB approach is subject to supervisory approval.
For Operational Risk	
Basic Indicator Approach	▪ Under this approach, banks calculate operational risk capital requirements by applying a prescribed factor of 15% to a three-year average of positive annual gross income.
Standardized Approach	▪ Under this approach, banks apply prescribed risk-weight factors to a three-year average of annual gross income for each of eight different business lines, representing the different activities of the institution (e.g. Corporate Finance, Retail Banking, Asset Management, etc.).
For Market Risk	
Internal Models Approach	▪ Under this approach, banks use their own internal risk management models to calculate specific risk and general market risk charges.

Credit Risk Terminology

Gross credit risk exposure	▪ The total amount we are exposed to at the time of default measured before specific provisions or write-offs. Includes exposures under both the Standardized and AIRB approach to credit risk.
Counterparty Type / Exposure Classes:	
Retail	
Residential secured	▪ Includes residential mortgages and home equity lines of credit extended to individuals.
Qualifying revolving retail (QRR)	▪ Includes credit cards, unsecured lines of credit and overdraft protection products extended to individuals (in the case of the Standardized Approach to credit risk, credit card exposures are included in the 'Other retail' category).
Other retail	▪ Includes all other loans (e.g. personal loans, student lines of credit and small business loans) extended to individuals and small businesses.
Non-retail	
Corporate	▪ Includes exposures to corporations, partnerships or proprietorships.
Sovereign	▪ Includes exposures to central governments, central banks, multilateral development banks and certain public sector entities.
Bank	▪ Includes exposures to deposit-taking institutions, securities firms and certain public sector entities.
Exposure Types:	
Drawn	▪ The amount of funds advanced to a borrower.
Undrawn (commitment)	▪ The difference between the authorized and drawn amounts (e.g. the unused portion of a line of credit / committed credit facility).
Repo-style transactions	▪ Repurchase and reverse repurchase agreements, securities borrowing and lending.
OTC derivatives	▪ Privately negotiated derivative contracts that are not exchange-traded.
Other off-balance sheet	▪ All off-balance sheet arrangements other than derivatives and undrawn commitments (e.g. letters of credit, letters of guarantee).
AIRB Credit Risk Parameters:	
Probability of Default (PD)	▪ The likelihood that the borrower will not be able to meet its scheduled repayments within a one year time horizon
Exposure at Default (EAD)	▪ The total amount we are exposed to at the time of default.
Loss Given Default (LGD)	▪ The amount of the loss when a borrower defaults on a loan, which is expressed as a percentage of exposure at default (EAD)

[1] The adjustment for items of note, net of income taxes, is removed from reported results to compute adjusted results.

[2] The Enron contingent liability for which the Bank established a reserve was re-evaluated in light of the favourable evolution of case law in similar securities class actions following the U.S. Supreme Court's ruling in *Stoneridge Partners, LLC v. Scientific-Atlanta, Inc*. Effective October 31, 2008, the Bank recorded an after-tax positive adjustment of $323 million ($477 million before tax), reflecting the substantial reversal of the reserve. For details, see Note 26 to the 2008 audited Consolidated Financial Statements.

[3] Effective August 1, 2008, as a result of recent deterioration in markets and severe dislocation in the credit market, the Bank changed its trading strategy with respect to certain trading debt securities. The Bank no longer intends to actively trade in these debt securities. Accordingly, the Bank reclassified certain debt securities from trading to available-for-sale category in accordance with the Amendments to CICA Section 3855, *Financial Instruments – Recognition and Measurement*. As part of the Bank's trading strategy, these debt securities are economically hedged, primarily with credit default swaps (CDS) and interest rate swap contracts. These derivatives are not eligible for reclassification and are recorded on a fair value basis with changes in fair value recorded in the period's earnings. Management believes that this asymmetry in the accounting treatment between derivatives and the reclassified debt securities results in volatility in earnings from period to period that is not indicative of the economics of the underlying business performance in the Wholesale Banking segment. As a result, the derivatives are accounted for on an accrual basis in Wholesale Banking segment and the gains and losses related to the derivatives in excess of the accrued amounts are reported in the Corporate segment and disclosed as an item of note. Adjusted results of the Bank exclude the gains and losses of the derivatives in excess of the accrued amount.

[4] As part of the global restructuring of Visa USA Inc., Visa Canada Association and Visa International Service Association, which closed on October 3, 2007 (restructuring date), the Bank received shares of the new global entity (Visa Inc.) in exchange for the Bank's membership interest in Visa Canada Association. As required by the accounting standards, the shares the Bank received in Visa Inc. were measured at fair value and an estimated gain of $135 million after tax was recognized in the Corporate segment, based on results of an independent valuation of the shares.

[5] The TD Banknorth restructuring, privatization and merger-related charges include the following: $39 million TD Banknorth restructuring, privatization and merger-related charges included in U.S. Personal and Commercial Banking (for details, see footnote 3 on page 7 and the reconciliation of non-GAAP financial measures table in the Q2 2007 Report to Shareholders); and $4 million restructuring charge related to the transfer of functions from TD Bank USA, N.A. (TD Bank USA) to TD Banknorth, included in the Corporate segment.

[6] As a result of the acquisition of Commerce Bancorp, Inc. (Commerce) and related restructuring and integration initiatives undertaken, the Bank incurred restructuring and integration charges. Restructuring charges consisted of employee severance costs, the costs of amending certain executive employment and award agreements and the write-down of long-lived assets due to impairment. Integration charges consisted of costs related to employee retention, external professional consulting charges and marketing (including customer communication and rebranding). In the Interim Consolidated Statement of Income, the restructuring and integration charges are included in non-interest expenses.

[7] The Bank purchases CDS to hedge the credit risk in Wholesale Banking's corporate lending portfolio. These CDS do not qualify for hedge accounting treatment and, therefore, they are measured at fair value with changes in fair value recognized in current period's earnings. The related loans are accounted for at amortized cost. Management believes that this asymmetry in the accounting treatment between CDS and loans would result in periodic profit and loss volatility which is not indicative of the economics of the corporate loan portfolio or the underlying business performance in Wholesale Banking. As a result, the CDS are accounted for on an accrual basis in the Wholesale Banking segment and the gains and losses on the CDS, in excess of the accrued cost, are reported in the Corporate segment. Adjusted earnings excludes the gains and losses on the CDS in excess of the accrued cost. When a credit event occurs in the corporate loan book that has an associated CDS hedge, the provision for credit losses (PCL) related to the portion that was hedged via the CDS is netted against this item of note. During Q1 2008, the change in the fair value of CDS, net of PCL, resulted in a net gain of $38 million before tax ($25 million after tax). The item of note included a change in fair value of CDS of $55 million before tax ($36 million after tax), net of PCL of approximately $17 million before tax ($11 million after tax). Prior to Q1 2007, this item was described as "Hedging impact due to AcG-13". As part of the adoption of the new financial instruments standards, the guidance under Accounting Guideline 13:*Hedging Relationships* (AcG-13) was replaced by Canadian Institute of Chartered Accountants (CICA) Handbook Section 3865, *Hedges*.

[8] The negative impact of future tax reduction on adjusted earnings is included in "Other tax items".

[9] The provision for insurance claims relates to a court decision in Alberta. The Alberta government's legislation effectively capping minor injury insurance claims was challenged and held to be unconstitutional in Q1 2008. While the Government of Alberta has appealed the decision, the ultimate outcome remains uncertain. As a result, the Bank accrued an additional actuarial liability for potential claims in Q1 2008.

[10] EPS impact is computed by dividing items of note by the weighted-average number of shares outstanding during the period. As a result, the sum of the quarterly EPS impact may not equal the year-to-date EPS impact.

[11] The diluted earnings per share figures do not include Commerce earnings for the month of April 2008 because there is a one month lag between fiscal quarter ends, while share issuance on close resulted in a one-time negative earnings impact of 4 cents per share.