

Capital Position – Basel III Q3 2013¹

(\$ millions) As at	Line #	2013 Q3	Cross Reference ²	OSFI Template
Common Equity Tier 1 Capital (CET1)				
Common shares plus related contributed surplus	1	\$ 19,255	A1+A2+B	1
Retained earnings	2	24,122	C	2
Accumulated other comprehensive income	3	2,650	D	3
Common Equity Tier 1 Capital before regulatory adjustments	4	46,027		6
Common Equity Tier 1 capital regulatory adjustments				
Goodwill (net of related tax liability)	5	(13,107)	E1-E2	8
Intangibles (net of related tax liability)	6	(2,077)	F1-F2	9
Deferred tax assets excluding those arising from temporary differences	7	(364)	G	10
Cash flow hedge reserve	8	(823)	H	11
Shortfall of provisions to expected losses	9	(202)	I	12
Gains and losses due to changes in own credit risk on fair valued liabilities	10	(75)	J	14
Defined benefit pension fund net assets (net of related tax liability)	11	(368)	K1-K2	15
Investment in own shares	12	(166)		16
Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	13	(3,492)	L1+L2+L3	19
Total regulatory adjustments to Common Equity Tier 1	14	(20,674)		28
Common Equity Tier 1 Capital	15	25,353		29
Additional Tier 1 capital instruments				
Directly issued capital instruments subject to phase out from Additional Tier 1	16	5,524	M1+M2+M3	33
Additional Tier 1 instruments issued by subsidiaries and held by third parties subject to phase out	17	552	N1+N2	34/35
Additional Tier 1 capital instruments before regulatory adjustments	18	6,076		36
Additional Tier 1 capital instruments regulatory adjustments				
Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	19	(352)	O + P	40
Total regulatory adjustments to Additional Tier 1 Capital	20	(352)		43
Additional Tier 1 capital	21	5,724		44
Tier 1 capital	22	31,077		45
Tier 2 capital instruments and provisions				
Directly issued capital instruments subject to phase out from Tier 2	23	7,620	Q	47
Tier 2 instruments issued by subsidiaries and held by third parties subject to phase out	24	267	R1 + R2	48/49
Collective allowances	25	1,439	S	50
Tier 2 capital before regulatory adjustments	26	9,326		51
Tier 2 regulatory adjustments				
Investment in own Tier 2 instruments	27	(9)		52
Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	28	(170)	T	55
Total regulatory adjustments to Tier 2 capital	29	(179)		57
Tier 2 capital	30	9,147		58
Total capital	31	40,224		59
Total risk-weighted assets	32	\$ 283,521		60

¹ Capital position calculated using the 'All-in' basis.

² Cross referenced to the Reconciliation with Balance Sheet Under Regulatory Scope of Consolidation page.

Capital Position – Basel III Q3 2013 (Continued)

(\$ millions, except as noted)

As at

Line #	2013 Q3	Cross Reference ¹	OSFI Template
Capital Ratios²			
Common Equity Tier 1 capital (as percentage of risk-weighted assets)	33	8.9 %	61
Tier 1 (as percentage of risk-weighted assets)	34	11.0	62
Total capital (as percentage of risk-weighted assets)	35	14.2	63
Institution specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus G-SIB buffer plus D-SIB buffer requirement expressed as percentage of risk-weighted assets)	36	7.0	64
of which: capital conservation buffer requirement	37	2.5	65
Common Equity Tier 1 available to meet buffers (as percentage of risk-weighted assets)	38	2.5	68
OSFI all-in target (minimum plus conservation buffer plus D-SIB surcharge (if applicable))			
Common Equity Tier 1 all-in target ratio	39	7.0	69
Tier 1 all-in target ratio	40	8.5	70
Total Capital all-in target ratio	41	10.5	71
Amounts below the thresholds for deduction (before risk weighting)			
Non-significant investments in the capital of other financials	42	\$ 1,715	72
Significant investments in the common stock of financials	43	2,976	73
Deferred tax assets arising from temporary differences (net of related tax liability)	44	891	75
Applicable caps on the inclusion of allowances in Tier 2			
Allowance eligible for inclusion in Tier 2 in respect of exposures subject to standardized approach (prior to application of cap)	45	1,439	76
Cap on inclusion of allowances in Tier 2 under standardized approach	46	1,590	77
Capital instruments subject to phase-out arrangements (only applicable between January 1, 2013 to January 1, 2022)			
Current cap on Additional Tier 1 instruments subject to phase out arrangements	47	6,076	82
Amounts excluded from Additional Tier 1 due to cap (excess over cap after redemptions and maturities)	48	564	83
Current cap on Tier 2 instruments subject to phase out arrangements	49	7,887	84
Amounts excluded from Tier 2 due to cap (excess over cap after redemptions and maturities)	50	5	85
Capital Ratios - transitional basis³			
Risk-weighted assets	51	\$ 301,305	
Common Equity Tier 1 capital	52	36,321	
Tier 1 Capital	53	36,321	
Total Capital	54	43,800	
Common Equity Tier 1 (as percentage of risk-weighted assets)	55	12.1 %	
Tier 1 (as percentage of risk-weighted assets)	56	12.1	
Total capital (as percentage of risk-weighted assets)	57	14.5	
Capital Ratios for significant bank subsidiaries			
TD Bank N.A.⁴			
Tier 1 capital ratio	58	11.6	
Total capital ratio	59	12.8	
TD Mortgage Corporation			
Common Equity Tier 1 capital ratio	60	23.7	
Tier 1 capital ratio	61	23.7	
Total capital ratio	62	25.4	

¹ Cross referenced to the Reconciliation with Balance Sheet Under Regulatory Scope of Consolidation page.

² The "all-in" basis of regulatory reporting includes all of the regulatory adjustments that will be required by 2019.

³ The "transitional" basis of regulatory reporting allows for certain adjustments to CET1, the largest of which being goodwill, intangible assets and the threshold deductions, to be phased-in over a period of five years starting in 2014, while retaining the phase-out rules for non-qualifying capital instruments.

⁴ On a stand-alone basis, TD Bank, N.A. reports regulatory capital to the Office of the Comptroller of the Currency (OCC) under Basel I based on calendar quarter ends. The disclosed capital ratios are based on this framework.

Reconciliation with Balance Sheet Under Regulatory Scope of Consolidation

(\$ millions) As at	Line #	Balance Sheet ¹	Under Regulatory scope of consolidation ²	Cross Reference ³
Cash and due from banks	1	\$ 3,067	\$ 3,067	
Interest-bearing deposits with banks	2	21,754	21,727	
Trading loans, securities and other	3	96,794	96,794	
Derivatives	4	49,846	49,853	
Financial assets designated at fair value through profit or loss	5	6,153	4,950	
Held-to-maturity securities	6	16,434	16,434	
Available-for-sale securities	7	90,315	88,336	
Securities purchased under reverse repurchase agreements	8	64,030	64,030	
Loans	9	436,631	436,421	
Allowance for loan losses	10	(2,863)	(2,863)	
Eligible general allowance reflected in Tier 2 regulatory capital	11		(1,439)	S
Shortfall of allowance to expected loss	12		(202)	I
Allowances not reflected in regulatory capital	13		(1,222)	
Other	14	52,940	51,229	
Investment in TD Ameritrade				
Significant investments exceeding regulatory thresholds	15		2,777	L1
Significant investments not exceeding regulatory thresholds	16		2,386	
Goodwill	17		13,121	E1
Other intangibles	18		2,490	F1
Deferred tax assets				
Deferred tax assets (DTA) excluding those arising from temporary differences	19		364	G
DTA's (net of associated deferred tax liabilities (DTL)) realizable through net operating loss (NOL) carryback	20		878	
DTA's (net of associated DTL's) arising from temporary differences but not realizable through NOL carryback	21		891	
Other DTA/DTL adjustments ⁴	22		(812)	
Significant investments in financials (excluding TD Ameritrade)				
Significant investments exceeding regulatory thresholds	23		24	L2
Significant investments in Additional Tier 1 capital	24		2	P
Significant investments not exceeding regulatory thresholds	25		19	
Defined pension benefits	26		478	K1
Other Assets	27		28,611	
TOTAL ASSETS	28	835,101	829,978	
LIABILITIES AND SHAREHOLDERS' EQUITY				
Trading deposit	29	53,750	53,750	
Derivatives	30	51,751	51,751	
Securitization liabilities at fair value	31	24,649	24,649	
Other financial liabilities designated at fair value through profit or loss	32	57	57	
Deposits	33	508,406	508,407	
Other	34	135,813	130,689	
Deferred tax liabilities				
Goodwill	35		14	E2
Intangible assets (excluding mortgage servicing rights)	36		413	F2
Defined benefit pension fund assets	37		110	K2
Other deferred tax liabilities (Cash flow hedges and other DTL's)	38		964	
Other DTA/DTL adjustments ⁴	39		(1,196)	
Gains and losses due to changes in own credit risk on fair value liabilities	40		75	J
Other liabilities	41		130,309	
Subordinated notes and debentures	42	7,984	7,984	
Regulatory capital amortization of maturing debentures	43		119	
Directly issued capital instruments subject to phase out from Tier 2	44		7,620	Q
Capital instruments issued by subsidiaries and held by third parties-Tier 2	45		243	R1
Capital instruments not allowed for regulatory capital	46		2	
Liability for Preferred Shares	47	27	27	
Capital instruments issued by subsidiaries and held by third parties	48		24	R2
Instruments not allowed for regulatory capital subject to phase out	49		3	
Liability for Capital Trust Securities	50	1,746	1,746	
Directly issued capital instruments subject to phase out from Additional Tier 1	51		1,574	M1
Instruments issued by subsidiaries and held by third parties	52		110	N1
Securities not allowed for regulatory capital	53		62	
Liabilities	54	784,183	779,060	
Common Shares	55	19,218	19,218	A1
Preferred Shares	56	3,395	3,395	
Directly issued capital instruments subject to phase out from Additional Tier 1	57		3,056	M2
Preferred shares not allowed for regulatory capital	58		339	
Treasury Shares - Common	59	(144)	(144)	A2
Treasury Shares - Preferred	60	(3)	(3)	
Contributed Surplus	61	181	181	B
Retained Earnings	62	24,122	24,122	C
Accumulated other comprehensive income	63	2,650	2,650	D
Cash flow hedges requiring derecognition	64		823	H
Net AOCI included as capital	65		1,827	
Non-controlling interest in subsidiaries	66	1,499	1,499	
Portion allowed for regulatory capital (directly issued)	67		894	M3
Portion allowed for regulatory capital (issued by subsidiaries and held by third parties) subject to phase out	68		442	N2
Portion not allowed for regulatory capital subject to phase out	69		163	
TOTAL LIABILITIES AND EQUITY	70	\$ 835,101	\$ 829,978	

¹ As per Balance Sheet.

² Legal entities excluded from the regulatory scope of consolidation included the following insurance subsidiaries: Meloche Monnex Inc. (Consolidated), CT Financial Assurance Company, TD Life Insurance Company, TD Reinsurance (Barbados) Inc. and TD Reinsurance (Ireland) Limited which have total assets included in the consolidated Bank of \$5,123 million and total equity of \$1,782 million of which \$691 million is deducted from CET1, \$350 million is deducted from additional Tier 1 and \$170 million is deducted from Tier 2 capital. Cross referenced (L3,O,T) respectively, to the Capital Position - Basel III Q3 2013 page.

³ Cross referenced to the Capital Position - Basel III Q3 2013 page.

⁴ This adjustment is related to deferred tax assets/liabilities netted for financial accounting purposes.