



TD Bank Group Investor Presentation – Fixed Income

Q2 2014

Caution regarding forward-looking statements



From time to time, the Bank makes written and/or oral forward-looking statements, including in this document, in other filings with Canadian regulators or the U.S. Securities and Exchange Commission, and in other communications. In addition, representatives of the Bank may make forward-looking statements orally to analysts, investors, the media and others. All such statements are made pursuant to the “safe harbour” provisions of, and are intended to be forward-looking statements under, applicable Canadian and U.S. securities legislation, including the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements include, but are not limited to, statements made in this document, the Management’s Discussion and Analysis in the Bank’s 2013 Annual Report (“2013 MD&A”) under the headings “Economic Summary and Outlook”, for each business segment “Business Outlook and Focus for 2014” and in other statements regarding the Bank’s objectives and priorities for 2014 and beyond and strategies to achieve them, and the Bank’s anticipated financial performance. Forward-looking statements are typically identified by words such as “will”, “should”, “believe”, “expect”, “anticipate”, “intend”, “estimate”, “plan”, “may”, and “could”.

By their very nature, these forward-looking statements require the Bank to make assumptions and are subject to inherent risks and uncertainties, general and specific. Especially in light of the uncertainty related to the physical, financial, economic, political, and regulatory environments, such risks and uncertainties – many of which are beyond the Bank’s control and the effects of which can be difficult to predict – may cause actual results to differ materially from the expectations expressed in the forward-looking statements. Risk factors that could cause such differences include: credit, market (including equity, commodity, foreign exchange, and interest rate), liquidity, operational (including technology), reputational, insurance, strategic, regulatory, legal, environmental, capital adequacy, and other risks. Examples of such risk factors include the general business and economic conditions in the regions in which the Bank operates; disruptions in or attacks (including cyber attacks) on the Bank’s information technology, internet, network access or other voice or data communications systems or services; the evolution of various types of fraud to which the Bank is exposed; the failure of third parties to comply with their obligations to the Bank or its affiliates relating to the care and control of information; the impact of recent legislative and regulatory developments; the overall difficult litigation environment, including in the U.S.; increased competition including through internet and mobile banking; changes to the Bank’s credit ratings; changes in currency and interest rates; increased funding costs for credit due to market illiquidity and competition for funding; and the occurrence of natural and unnatural catastrophic events and claims resulting from such events. The Bank cautions that the preceding list is not exhaustive of all possible risk factors and other factors could also adversely affect the Bank’s results. For more detailed information, please see the “Risk Factors and Management” section of the 2013 MD&A, as may be updated in subsequently filed quarterly reports to shareholders and news releases (as applicable) related to any transactions discussed under the heading “Significant Events” in the relevant MD&A, which applicable releases may be found on www.td.com. All such factors should be considered carefully, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements, when making decisions with respect to the Bank and the Bank cautions readers not to place undue reliance on the Bank’s forward-looking statements.

Material economic assumptions underlying the forward-looking statements contained in this document are set out in the 2013 MD&A under the headings “Economic Summary and Outlook”, and for each business segment, “Business Outlook and Focus for 2014”, each as updated in subsequently filed quarterly reports to shareholders.

Any forward-looking statements contained in this document represent the views of management only as of the date hereof and are presented for the purpose of assisting the Bank’s shareholders and analysts in understanding the Bank’s financial position, objectives and priorities and anticipated financial performance as at and for the periods ended on the dates presented, and may not be appropriate for other purposes. The Bank does not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time by or on its behalf, except as required under applicable securities legislation.

1. **TD Bank Group**
2. Canadian Economy
3. Treasury & Balance Sheet Management
4. Appendix

Our Businesses

Canadian Retail

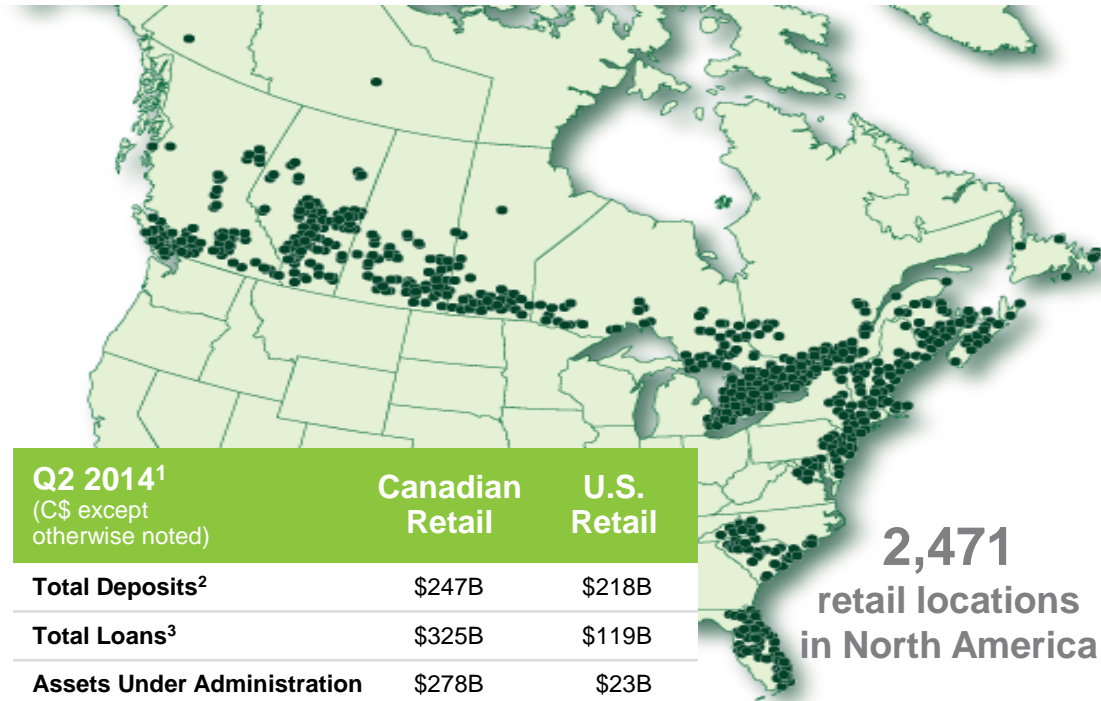
- Personal banking, credit cards and auto finance
- Small business and commercial banking
- Direct investing, advice-based wealth businesses, and asset management
- Property, casualty, life and health insurance

U.S. Retail

- Personal banking, credit cards and auto finance
- Small business and commercial banking
- Corporate and specialty banking
- Wealth private client services
- Strategic relationship with TD Ameritrade

Wholesale Banking

- Research, investment banking and capital market services
- Global transaction banking



Q2 2014 ¹ (C\$ except otherwise noted)	Canadian Retail	U.S. Retail
Total Deposits²	\$247B	\$218B
Total Loans³	\$325B	\$119B
Assets Under Administration	\$278B	\$23B
Assets Under Management	\$221B	\$60B
Reported Earnings⁴	\$4.7B	\$2.0B
Adjusted Earnings⁴	\$4.9B	\$2.0B
Customers	14MM	8MM
Employees⁵	39,171	25,965

TD is a Top 10 North American bank⁶

1. Q2/14 is the period from February 1, 2014 to April 30, 2014.

2. Total Deposits based on total of average personal and business deposits during Q2/14. U.S. deposits include TD Ameritrade Insured Deposit Accounts (IDAs).

3. Total Loans based on total of average personal and business loans during Q2/14.

4. For trailing four quarters ended Q2/14. See slide 5, footnote 3 for definition of adjusted results.

5. Average number of full-time equivalent staff in these segments during Q2/14. In Q1 2014, the Bank conformed to a standardized definition of full-time equivalent staff across all segments. The definition includes, among other things, hours for overtime and contractors as part of its calculations.

6. See slide 7.

To be the Better Bank

North America

- Top 10 Bank in North America¹
- One of only a few banks globally to be rated Aa1 by Moody's²
- Leverage platform and brand for growth
- Strong employment brand

Retail Earnings Focus

- Leader in customer service and convenience
- Over 80% of adjusted earnings from retail^{3,4}
- Strong organic growth engine
- Better return for risk undertaken⁵

Franchise Businesses

- Repeatable and growing earnings stream
- Focus on customer-driven products
- Operating a franchise dealer of the future
- Consistently reinvest in our competitive advantages

Risk Discipline

- Only take risks we understand
- Systematically eliminate tail risk
- Robust capital and liquidity management
- Culture and policies aligned with risk philosophy

Simple strategy, consistent focus

1. See slide 7.

2. For long term debt (deposits) of The Toronto-Dominion Bank, as at June 11, 2014. Credit ratings are not recommendations to purchase, sell, or hold a financial obligation inasmuch as they do not comment on market price or suitability for a particular investor. Ratings are subject to revision or withdrawal at any time by the rating organization.

3. Effective November 1, 2011, the Bank prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS), the current generally accepted accounting principles (GAAP), and refers to results prepared in accordance with IFRS as the "reported" results. The Bank also utilizes non-GAAP financial measures to arrive at "adjusted" results (i.e. reported results excluding "items of note", net of income taxes) to assess each of its businesses and measure overall Bank performance. Please see "How the Bank Reports" starting on page 5 of the 2nd Quarter 2014 Earnings News Release for further explanation and a reconciliation of the Bank's non-GAAP measures to reported basis results.

4. Retail includes Canadian Retail and U.S. Retail segments. See slide 8 for more detail.

5. Return on risk-weighted assets (RWA) is calculated as adjusted net income available to common shareholders divided by average RWA. See footnote 3 above for definition of adjusted results.

Competing in Attractive Markets



Country Statistics



- 10th largest economy
- Nominal GDP of C\$1.7 trillion
- Population of 35 million

Canadian Banking System

- Soundest banking system in the world¹
- Market leadership position held by the “Big 5” Canadian Banks
- Canadian chartered banks account for more than 75% of the residential mortgage market²
- Mortgage lenders have recourse to both borrower and property in most provinces

TD's Canadian Retail Business

- Network of 1,174 branches and 2,869 ATMs
- 1 in 3 Canadians have a TD account
- Composite market share of 21%
- Ranked #1 or #2 in market share for most retail products
- Top tier dual credit card issuer
- Comprehensive wealth offering with significant cross-sell opportunities

Country Statistics



- World's largest economy
- Nominal GDP of US\$15.1 trillion
- Population of 314 million

U.S. Banking System

- Over 9,000+ banks with market leadership position held by a few large banks
- The 5 largest banks have assets > 50% of the U.S. economy
- Mortgage lenders have limited recourse in most jurisdictions

TD's U.S. Retail Business

- Network of 1,297 stores and 1,894 ATMs
- Operations in 5 of the top 10 metropolitan statistical areas and 7 of the 10 wealthiest states
 - US\$2.2 trillion deposits market³
 - US\$240 billion forecasted in purchase mortgage originations⁴
- Access to nearly 70 million people within TD's footprint

Significant growth opportunities within TD's footprint

1. World Economic Forum, *Global Competitiveness Reports* 2008-2013.

2. Includes securitizations. As per Canada Mortgage and Housing Corporation (CMHC).

3. Deposits capped at \$500MM in every county within TD's U.S. banking footprint based on 2013 FDIC Deposit Summary.

4. In-footprint purchase originations for 2014 do not include refinancings and are based on internal forecasts using data collected from the U.S. Department of Housing and Urban Development, Home Mortgage Disclosure Act, and Moody's Analytics.

TD in North America



Q2 2014 C\$ except otherwise noted		Canadian Ranking ⁵	North American Ranking ⁶
Total assets	\$896B	1 st	5 th
Total deposits	\$555B	2 nd	6 th
Market capitalization	\$97B	2 nd	6 th
Adjusted net income¹ (<i>trailing four quarters</i>)	\$7.5B	2 nd	6 th
Reported net income (<i>trailing four quarters</i>)	\$7.2B	n/a	n/a
Common Equity Tier 1 capital ratio²	9.2%	5 th	8 th
Average number of full-time equivalent staff³	80,494	2 nd	6 th
Moody's rating⁴	Aa1	n/a	n/a

TD is a Top 10 North American bank

1. See slide 5, footnote 3, for definition of adjusted results.

2. Effective Q1/13, amounts are calculated in accordance with the Basel III regulatory framework, and are presented based on the "all-in" methodology. Prior to Q1/13, amounts were calculated in accordance with the Basel II regulatory framework. See slide 22 for more detail.

3. Average number of full-time equivalent staff. See slide 4, footnote 5 for more information.

4. See slide 5, footnote 2.

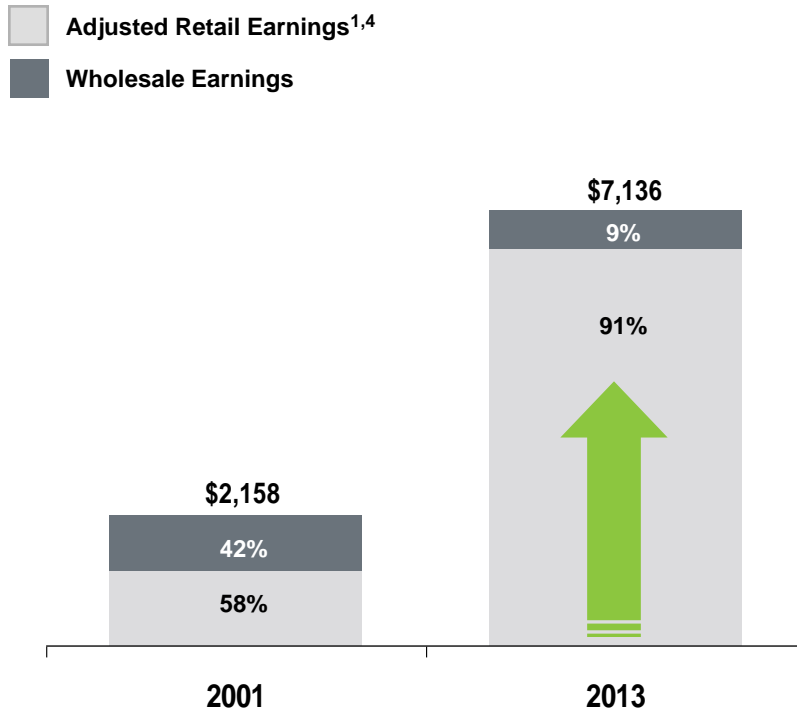
5. Canadian Peers – defined as other 4 big banks (RY, BMO, BNS and CM) adjusted on a comparable basis to exclude identified non-underlying items. Based on Q2/14 results ended April 30, 2014.

6. North American Peers – defined as Canadian Peers and U.S. Peers. U.S. Peers – defined as Money Center Banks (C, BAC, JPM) and Top 2 Super-Regional Banks (WFC, USB). Adjusted on a comparable basis to exclude identified non-underlying items. For U.S. Peers, based on Q1/14 results ended March 31, 2014.

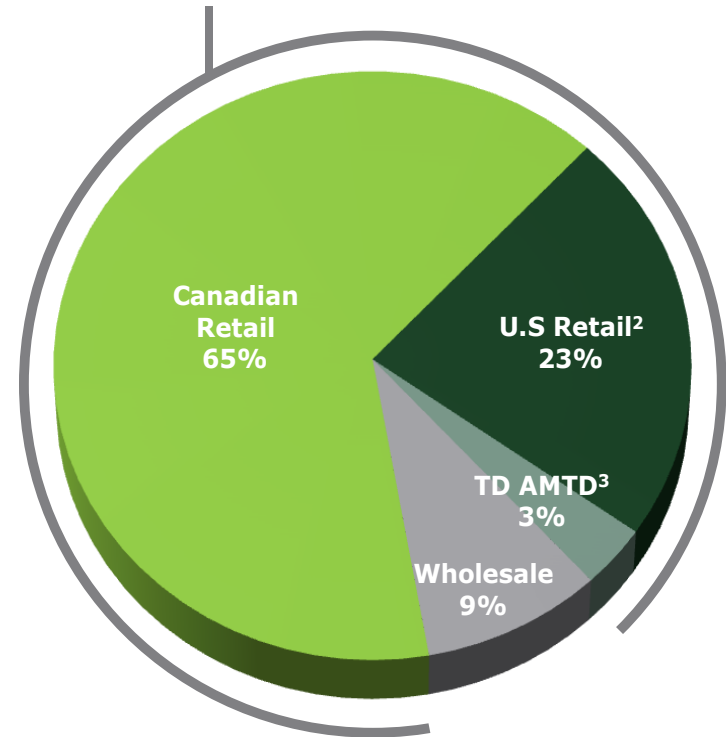
Composition of Earnings



Adjusted Earnings¹ (C\$MM)



2013 Adjusted Retail Earnings^{1,4} = 91%



Retail-focused earnings mix

1. See slide 5, footnote 3, for definition of adjusted results.

2. For financial reporting purposes, TD Ameritrade is part of the U.S. Retail business segment, but it is shown separately here for illustrative purposes.

3. TD had a reported investment in TD Ameritrade of 40.42% as at April 30, 2014 (October 31, 2013 – 42.22%).

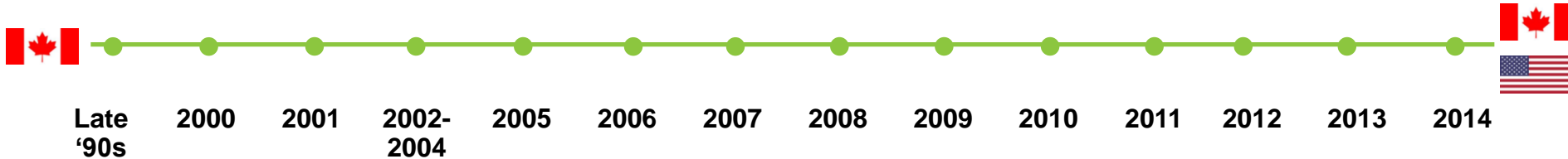
4. For the purpose of calculating contribution by each business segment, adjusted earnings from the Corporate segment are excluded. For a definition of retail earnings, see slide 5, footnote 4.

Strategic Evolution of TD



INCREASING RETAIL FOCUS

TD Bank and Canada Trust merge
 Acquired Newcrest Capital
 Acquired 51% of Banknorth
 TD Waterhouse USA / Ameritrade transaction
 Privatized TD Banknorth
 Acquired Commerce Bank
 Commerce Bank integration
 Acquired Riverside & TSFG
 Acquired Chrysler Financial and MBNA credit card portfolio
 Acquired Target credit card portfolio & Epoch; and announced agreement with Aimia and CIBC
 Became primary issuer of Aeroplan Visa; acquired ~50% of CIBC's Aeroplan portfolio



Did not acquire large-scale investment dealer
 Recorded media/telecom/energy loan losses
 Wound down structured products business
 Exited non-franchise credit products
 Exited non-franchise proprietary trading

FROM TRADITIONAL DEALER TO FRANCHISE DEALER

Evolving into a lower-risk retail focused bank with a franchise dealer

Our Risk Appetite

**We take risks required to build our business,
but only if those risks:**

- Fit our business strategy and can be understood and managed
- Do not expose the enterprise to any significant single loss events; we don't "bet the bank" on any single acquisition, business or product
- Do not risk harming the TD brand

Proactive and disciplined risk management practices

Q2 2014 Highlights



Key Themes

- Adjusted¹ EPS growth of 15% YoY
- Retail earnings up 16% YoY
 - Good volume and asset growth in Canada and the U.S.
 - Favourable credit
 - Target, Aeroplan and Epoch all contributing
- Wholesale earnings down 6% YoY
 - Strong fundamentals
- Strong capital ratio of 9.2%

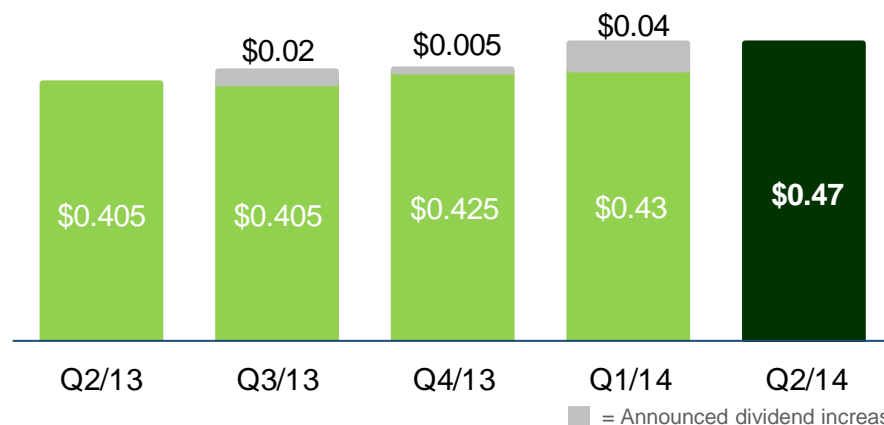
Strong performance across all businesses

Net Income \$MM

Adjusted, where applicable¹

	Q2/14	QoQ	YoY
Retail²	\$ 1,897	4%	16%
Wholesale	207	-10%	-6%
Corporate	(30)	-21%	3%
Adjusted Net Income	\$ 2,074	2%	14%
<i>Reported Net Income</i>	1,988	-3%	16%
Adjusted EPS (diluted)	\$ 1.09	3%	15%
<i>Reported EPS (diluted)</i>	1.04	-3%	17%
Basel III CET1 Ratio	9.2%		

Dividend per Common Share



1. Adjusted results are defined in footnote 3 on slide 5.

2. "Retail" comprises Canadian Retail and U.S. Retail segments as reported in the Bank's 2nd Quarter 2014 Earnings News Release and MD&A. See slide 3 for more details. Reported retail results were \$1,874MM, up 10% and 17% QoQ and YoY, respectively.

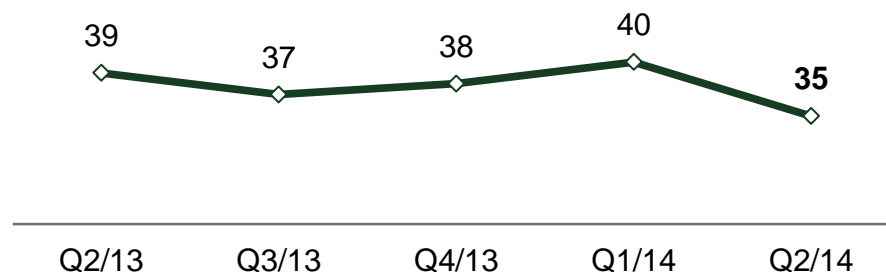
Q2 2014 Credit Highlights



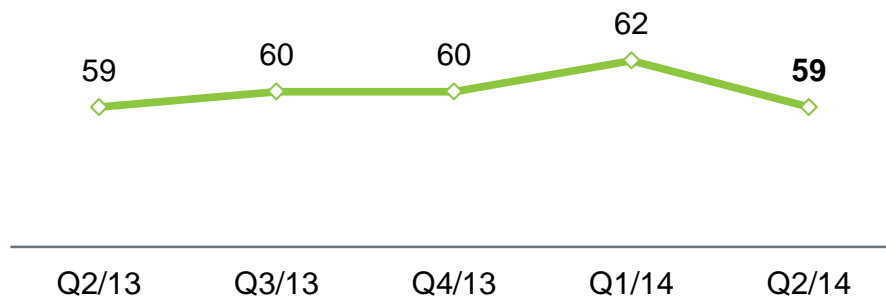
Highlights

- Loss rates and GIL ratios at historically low levels
 - Reduced impairment in Canadian and U.S. Residential Mortgages
 - Continued improvement in the U.S. Commercial portfolio

PCL Ratio (bps)¹



GIL Ratio (bps)²



Continued strong performance

1. TD Bank Group
2. **Canadian Economy**
3. Treasury & Balance Sheet Management
4. Appendix

- One of the world's most competitive economies¹
- Soundest banking system in the world¹
- Unemployment rate remains below prior recessionary peaks
- One of the strongest fiscal positions among G-7 industrialized countries
 - Relatively low projected deficits and debt

- Strong retail and commercial banks
 - Conservative lending standards
 - All major wholesale dealers owned by Canadian banks, with stable retail earnings base to absorb any wholesale write-offs

- Responsive government and central bank
 - Proactive policies and programs to ensure adequate liquidity in the system
 - Updated mortgage rules moderate the market and protect consumers

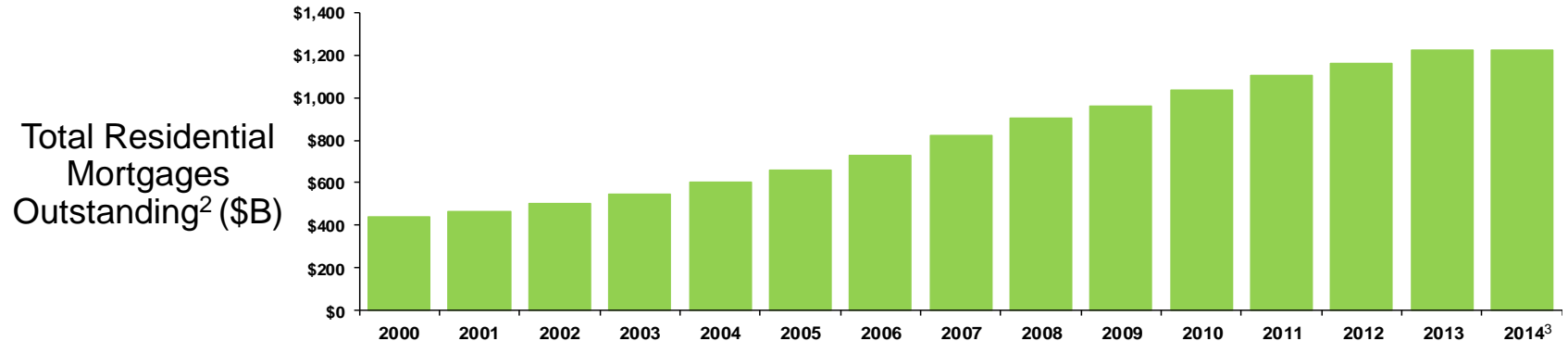
- Judicious regulatory system
 - Principles-based regime, rather than rules-based
 - One single regulator for all major banks
 - Conservative capital rules, requirements above world standards
 - Capital requirements based on risk-weighted assets

The world's soundest banking system¹

Well Developed Residential Mortgage Market in Canada



- Canadian chartered banks account for approximately 75% of the total mortgage market, including securitizations¹
- Conservative lending practices
- Strong competition among lenders
- Legal environment supports foreclosure and other types of legal recourse to recoup losses



1. Canada Mortgage and Housing Corporation (CMHC)
2. Statistics Canada (as at December month-end, unadjusted)
3. As of February 28, 2014

Canadian Mortgage Market is Different from the U.S.



	Canada	U.S.
Product	<ul style="list-style-type: none"> Conservative product offerings: fixed or variable interest rate option 	<ul style="list-style-type: none"> Outstanding mortgages include earlier exotic products (interest only, options ARMs)
	<ul style="list-style-type: none"> Default insured mortgages use a 5-year fixed qualifying rate for loans with variable rates or terms less than 5 years 	<ul style="list-style-type: none"> Borrowers often qualified using discounted teaser rates → payment shock on expiry (underwriting standards have since been tightened)
Underwriting	<ul style="list-style-type: none"> Terms usually 5 years or less, renewable at maturity 	<ul style="list-style-type: none"> 30 year term most common
	<ul style="list-style-type: none"> Maximum amortization is 25 years and maximum loan to value (LTV) to 80% for a refinance 	<ul style="list-style-type: none"> Amortization usually 30 years, can be up to 50 years
	<ul style="list-style-type: none"> Mortgage insurance mandatory if LTV over 80%, covers full loan amount 	<ul style="list-style-type: none"> Mortgage insurance often used to cover portion of LTV over 80%
Regulation and Taxation	<ul style="list-style-type: none"> Mortgage interest not tax deductible 	<ul style="list-style-type: none"> Mortgage interest is tax deductible, creating an incentive to borrow
	<ul style="list-style-type: none"> Lenders have recourse to both borrower and property in most provinces 	<ul style="list-style-type: none"> Lenders have limited recourse in most jurisdictions
Sales Channel	<ul style="list-style-type: none"> External broker channel originated up to 30% 	<ul style="list-style-type: none"> External broker channel originated up to 70% at peak, now less than 30%

Highlights

- Canadian RESL credit quality remains solid amidst continued resiliency in the Canadian housing market

Portfolio		Q2/14
Canadian RESL	Gross Loans Outstanding	\$227 B
	Percentage Insured	65%
	Uninsured Residential Mortgages Current LTV ¹	60%
Condo Borrower (Residential Mortgages)	Gross Loans Outstanding	\$29 B
	Percentage Insured	74%
Condo Borrower (HELOC)	Gross Loans Outstanding	\$6 B
	Percentage Insured	43%

Topic	TD Positioning
Condo Borrower Credit Quality	<ul style="list-style-type: none"> ■ LTV, credit score and delinquency rate consistent with broader portfolio
Hi-Rise Condo Developer Exposure	<ul style="list-style-type: none"> ■ Stable portfolio volumes of < 1.5% of the Canadian Commercial portfolio ■ Exposure limited to experienced borrowers with demonstrated liquidity and long-standing relationship with TD

1. Current LTV is the combination of each individual mortgage LTV weighted by the mortgage balance.

2012 Measures Announced by Minister Flaherty (Government of Canada)

- Maximum amortization period lowered from 30 years to 25 years
- Maximum amount that Canadians can borrow when refinancing lowered to 80% from 85%
- Maximum GDS¹ and TDS² ratios of 39% and 44% respectively
- Insured mortgages only available on homes with a purchase price of less than \$1 million
- Rules only apply to high ratio mortgages (mortgages requiring government insurance)
- Took effect on July 9, 2012 avoiding a rush to beat the new rule (as seen in 2011)

2012 Highlights of Guideline B-20 (OSFI)

- Maximum loan-to-value of 65% for a HELOC (from 80%)
- HELOCs will not amortize, but lenders must expect an ability to fully repay over time
- Qualifying rate for conventional mortgages with variable rates or fixed rate terms less than 5 years will be “the greater of the contractual mortgage rate or the five-year benchmark rate published by the Bank of Canada”
- LTV to be re-calculated upon refinancing and whenever the lender deems prudent
- Federally regulated lenders have until “no later than fiscal year-end 2012” to comply

1. “GDS” is Gross Debt Service ratio, which is the percentage of a borrower’s income that is required to service housing-related costs (i.e., mortgage payments, taxes, heating costs, and 50% of condominium fees, if applicable).

2. “TDS” is Total Debt Service ratio, which is the percentage of a borrower’s income that is required to service all debt obligations (i.e., including housing costs, loans, lines of credit, car payments, and credit card bills).

Sources: OSFI, Veritas, TD Economics

- A disappointing first quarter, but good news building on state of U.S. economy
 - The U.S. economy shrank by 2.9% (annualized) in the first quarter of the year, but data point to a solid rebound in the second quarter and beyond
 - Buoyed by rising wealth and faster income growth, consumer spending will play a lead role in accelerating economic growth
 - Residential real estate will make a positive contribution to growth in 2014-15
 - Federal fiscal drag to fall from 1.3 percentage points (pp) in 2013 to 0.5pp in 2014

- Canadian economy closely linked to U.S. fortunes – firming in U.S. private demand helps Canada's prospects
 - Domestic demand will be restrained by high household debt burdens, and cooling housing market

1. TD Bank Group
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Strong Capital Position

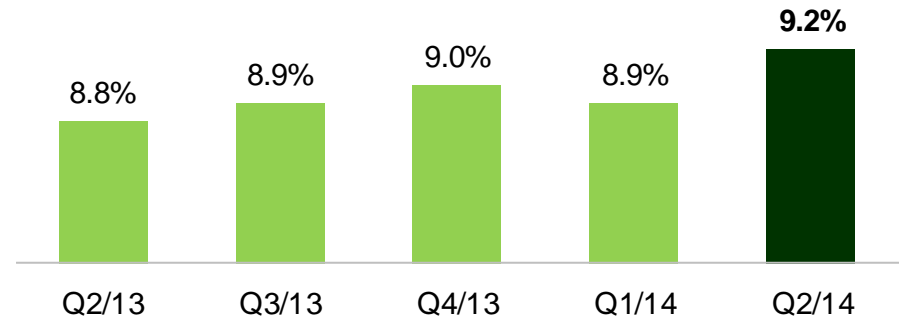


Highlights

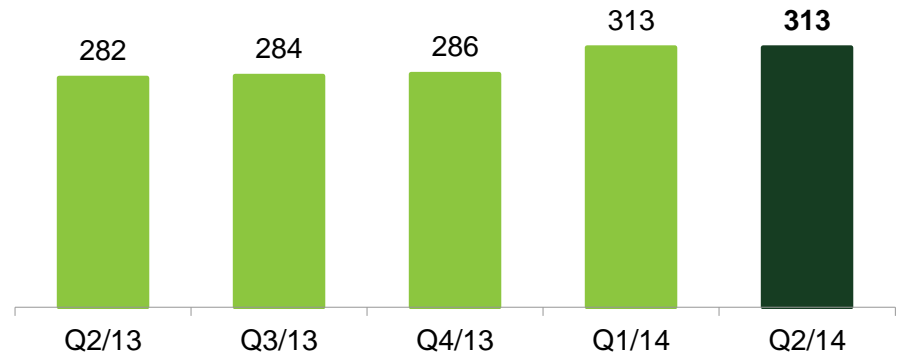
- Fully phased in Basel III Common Equity Tier 1 ratio is 9.2% as of April 30, 2014
- Basel III capital cost transfer priced to the business
- Increase of 30 bps QoQ reflects solid organic capital generation

**Remain well-positioned
for evolving regulatory
and capital environment**

Basel III Common Equity Tier 1 Ratio¹



Risk-Weighted Assets¹ (C\$B)



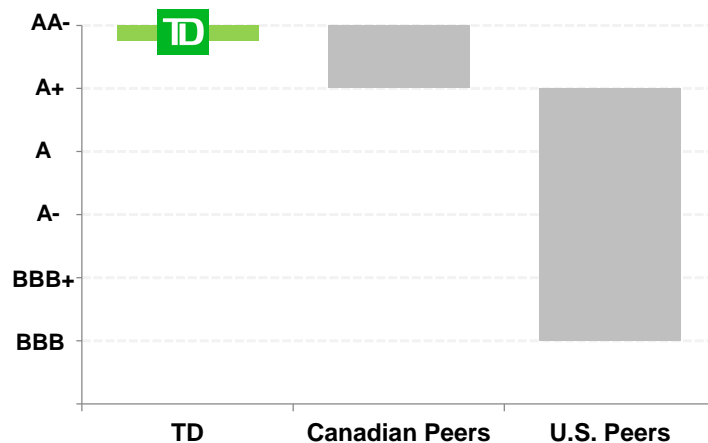
¹. Effective Q1 2013, amounts are calculated in accordance with the Basel III regulatory framework, excluding Credit Valuation Adjustment (CVA) capital in accordance with OSFI guidance and are presented based on the "all-in" methodology. Effective January 1, 2014, the CVA capital charge is phased in over a five year period beginning 2014.

Issuer Ratings¹

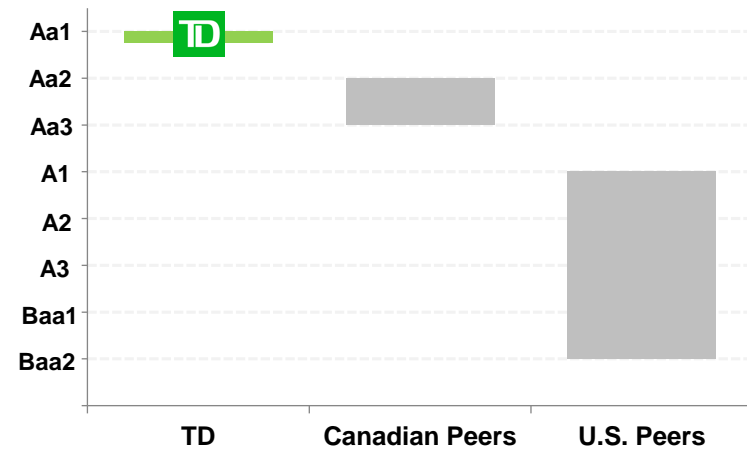
	Moody's	S&P	DBRS
Ratings	Aa1	AA-	AA
Outlook	Negative	Stable	Stable

Ratings vs. Peer Group

S&P Long-Term Debt Rating



Moody's Long-Term Debt Rating



Strong credit ratings

1. See footnote 2 on slide 5 for more information on credit ratings. On June 11, 2014, Moody's affirmed TD's long-term debt rating (Aa1) and changed the outlook to negative (from stable) for TD and its Canadian Peers. Canadian Peers are defined in footnote 2 below. Ratings and outlook for S&P and DBRS are current as of April 30, 2014.
 2. Canadian peers defined as RY, BNS, BMO and CM.
 3. U.S. peers defined as BAC, BBT, C, CITZ, JPM, MTB, PNC, STI, USB and WFC.

- Treasury paradigm
 - Contribute to stable and growing earnings
 - Manage non-trading market risk within established limits
- Match terms of assets and liabilities
 - Do not engage in liquidity carry trade
 - Match underlying funding maturities to term of assets or stressed trading market depth
- Disciplined transfer pricing process
 - Credit deposit products for liquidity provided and charge lending products for liquidity consumed
- Global liquidity risk management framework
 - Hold sufficient liquid assets to meet a “Severe Combined Stress” scenario for a minimum 90-day period
 - Each liquidity management unit has its own policy and contingent funding plan consistent with the enterprise LRM framework
 - Monitor global funding market conditions and potential impacts to funding access
 - Well-positioned for 100% LCR compliance for January 2015

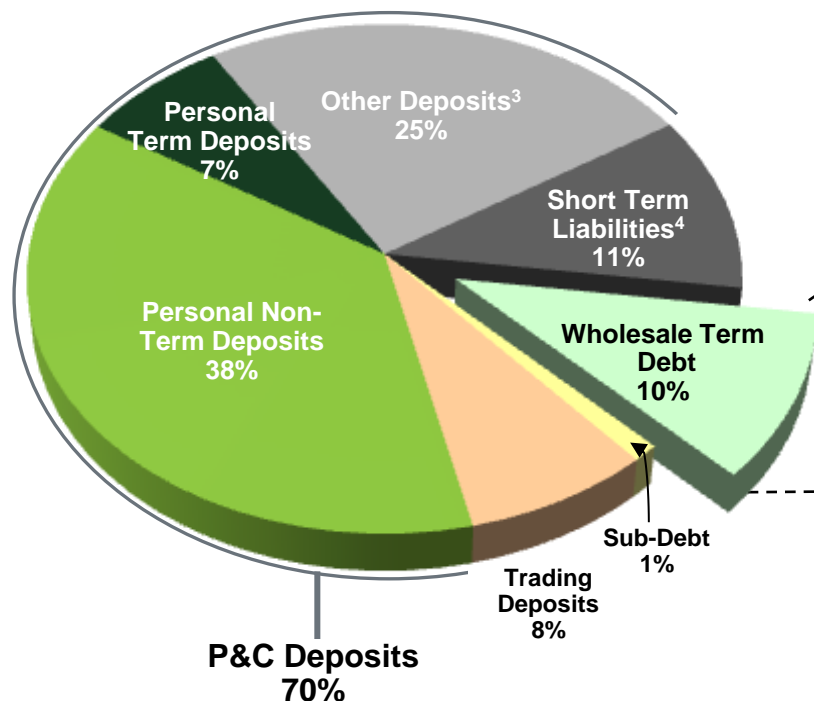
Conservative liquidity policies

- Large base of stable retail and commercial deposits
 - Customer service business model delivers growing base of “sticky” and franchise-based deposits
 - Reserve assets held for deposit balance that is not considered permanent
- User of securitization programs via Canada Mortgage Bond (CMB) and regular National Housing Act (NHA) MBS issues
 - MBS funding matches underlying asset maturity while offering attractive risk adjusted yield to investor
 - MBS cap (\$80B for 2014) has limited NHA MBS issuances
- Other secured funding sources
 - Legislative Covered Bonds and asset-backed securitization further expands TD's investor base
 - C\$1.0 billion of Genesis II Class A notes in May 2014
- Complemented by wholesale debt capital market issuances
 - US\$1.5 billion 2-year floating rate note in November 2013
 - C\$2 billion 5-year deposit note and C\$500 million 3-year deposit note (Green Bond) in April 2014
 - US\$2.25 billion 3-year dual-tranche Senior Unsecured transaction in May 2014

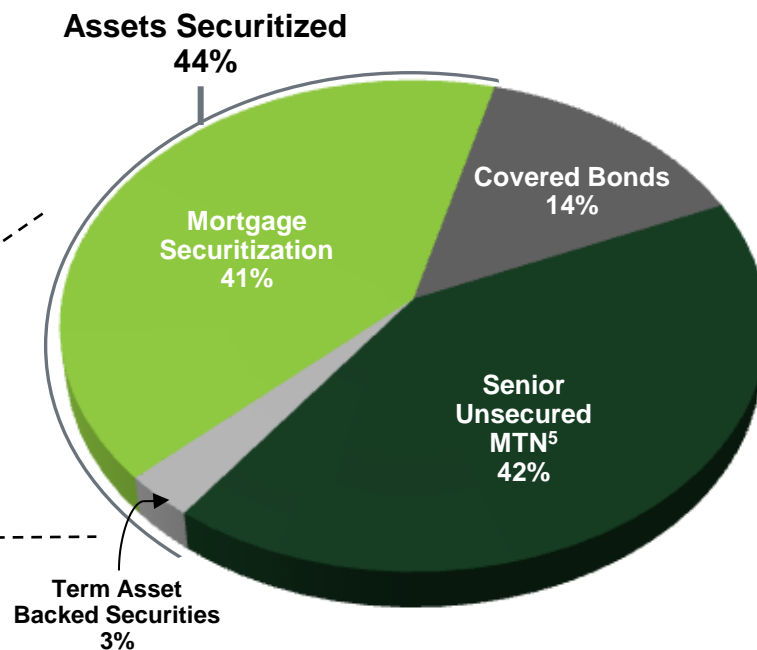
Attractive Balance Sheet Composition¹



Funding Mix²



Wholesale Term Debt



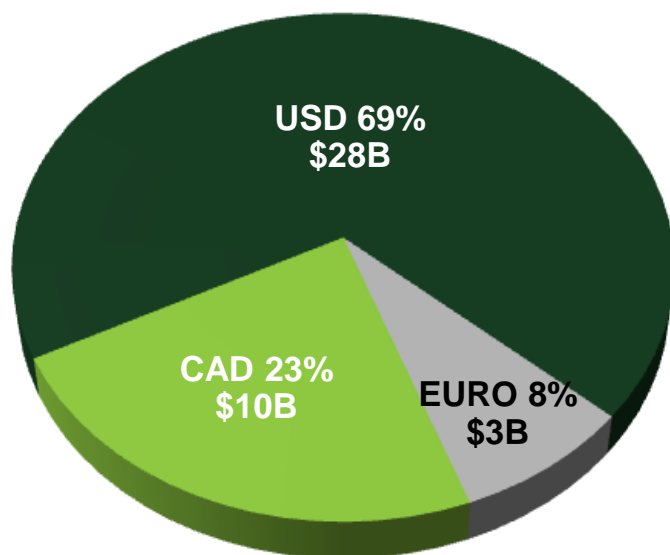
Personal and commercial deposits are primary sources of funds

1. As of April 30, 2014.
2. Excludes certain liabilities which do not create funding which are: acceptances, trading derivatives, other liabilities, wholesale mortgage aggregation business, non-controlling interest and certain equity capital: common equity and other capital instruments.
3. Bank, Business & Government Deposits less covered bonds and senior MTN notes.
4. Obligations related to securities sold short and sold under repurchase agreements.
5. Includes certain private placement notes.

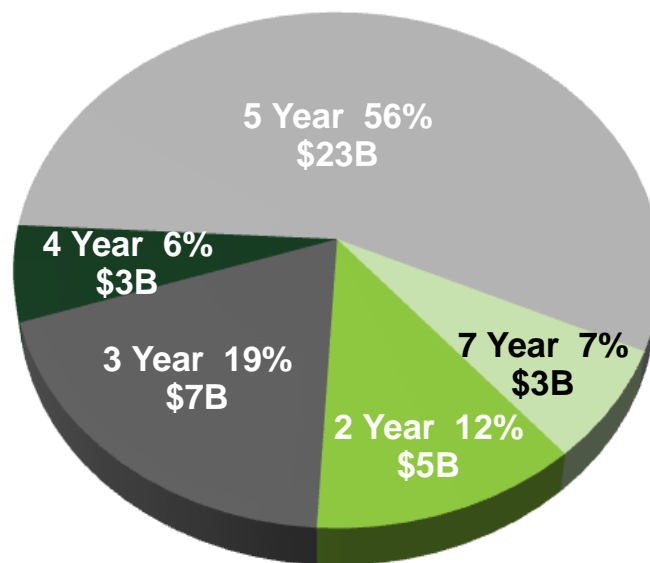
Wholesale Term Debt Composition¹



By Currency²



By Term²



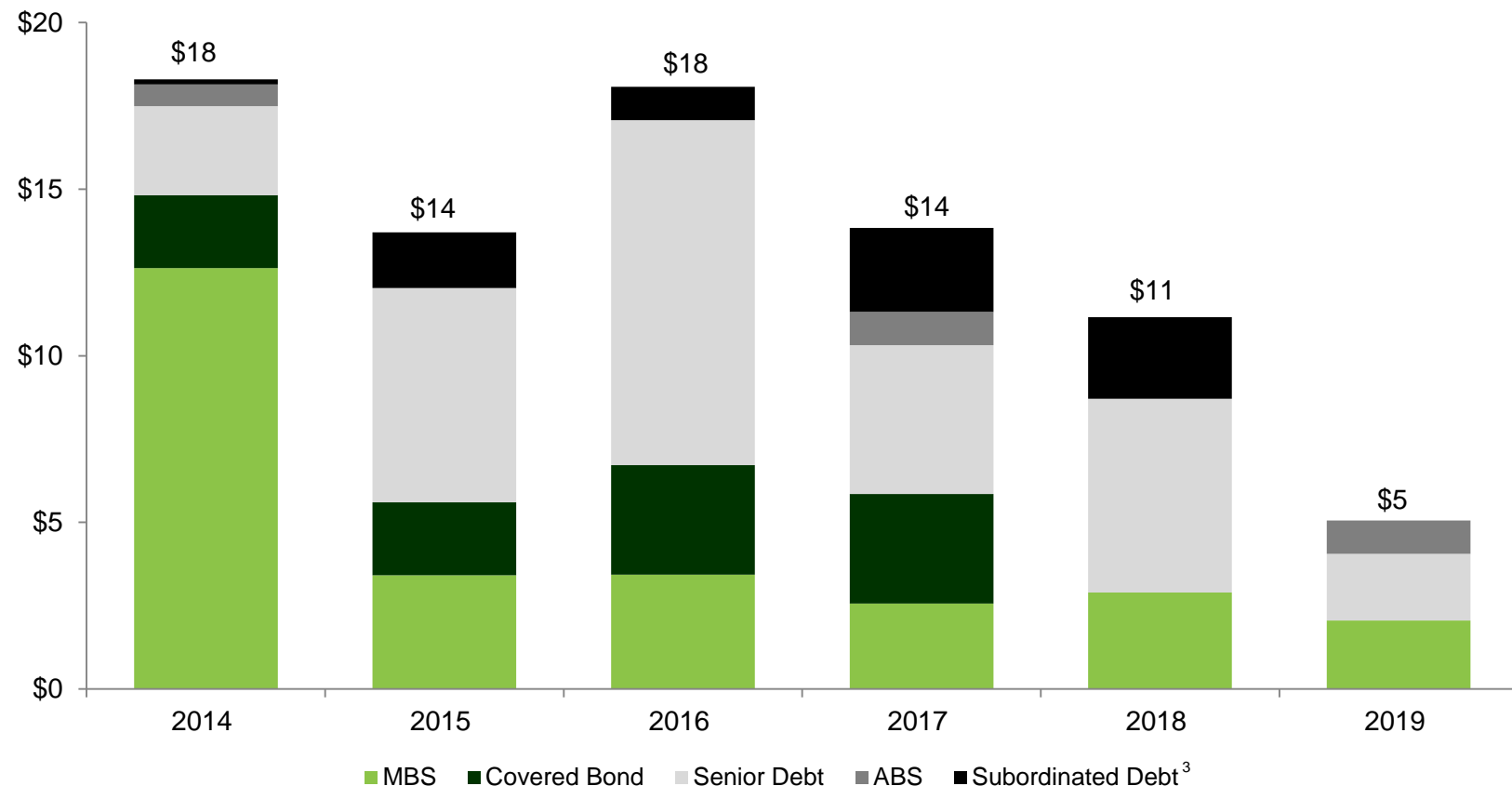
1. As of April 30, 2014.

2. Excludes certain private placement notes and mortgage securitization.

Debt Maturity Profile¹ F2014 – F2019



Bullet Debt Maturities (C\$ billions)²



Manageable debt maturities

1. For wholesale term debt that has bullet maturities.

2. As of April 30, 2014.

3. Based on first par redemption date. The timing of an actual redemption is subject to management's view at the time as well as applicable regulatory and corporate governance approvals.

Canadian Covered Bond Legislation



- The Covered Bond legal framework was announced in the 2012 Federal Budget through amendment to the National Housing Act and was passed into law in June 2012
- Issuance must be in accordance with the legislation and issuers are prohibited from using insured mortgage assets in programs
- US\$10B of Covered Bonds issued under current program, which comprised of insured assets, hence can no longer be used
- Canada Mortgage and Housing Corporation was charged with the administration of covered bonds in Canada
- Legal framework provides statutory protection with respect to the cover pool for the covered bond investor
- Explicit guidelines on governance and third-party roles provide certainty of cover pool value and administration
- The legislation takes into account international best standards, establishing a high level of safeguards and detailed disclosure requirements for investors and regulators

Legislation provides certainty

■ Asset Coverage Test

- ❑ To confirm overcollateralization of the covered bond collateral held against covered bonds outstanding
- ❑ Indexation requirement (July 1, 2014) provides adjustment for market development
- ❑ Value to be adjusted at least quarterly

■ Valuation Calculation

- ❑ Test to monitor a covered bond program's exposure to interest and currency rates, measuring the PV of covered bond collateral to covered bonds outstanding

■ Asset Percentage

- ❑ Guide does not impose specified minimum or maximum level
- ❑ However, it requires issuers to fix a minimum and maximum over collateralization level to give investors confidence that OC levels will be maintained over the life of the program

■ Required Ratings and Rating Triggers

- ❑ Minimum two program ratings required
- ❑ Mandatory triggers needed to determine an Issuer's obligations to replace the account bank and swap counterparty as well as to collateralize contingent swaps on a mark to market basis
- ❑ Rating requirements in legislation unique to Canada

- Strong capital base – well positioned for Basel III
- Industry leading credit ratings
- Proactive & disciplined risk management
- Attractive balance sheet composition
- Diverse funding strategy

1. TD Bank Group
2. Canadian Economy
3. Treasury & Balance Sheet Management
4. **Appendix**

World Real GDP Growth¹

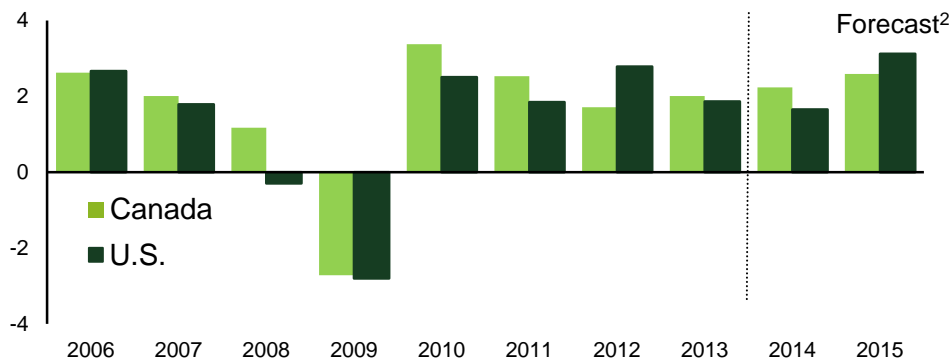
Y/Y % Change



- Global economic growth will moderately increase this year with a further rise expected next year

North American Real GDP Growth²

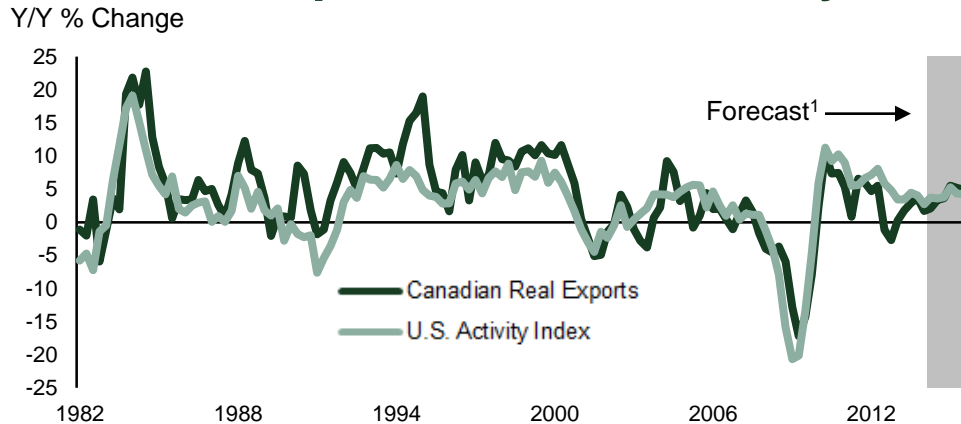
(%)



- Europe emerging from recession and faster U.S. growth will be the main drivers of rising global prospects over the next two years
- U.S. growth to outpace Canada on average over the next few years

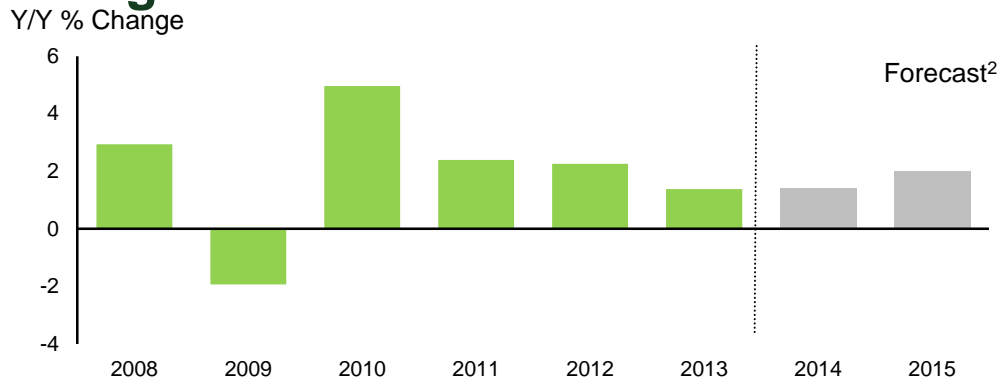
North American economy to accelerate

Canadian Export and U.S. Activity Index¹



- Canadian economy still tightly linked to U.S. fortunes, and better U.S. growth in medium term to help Canada's prospects

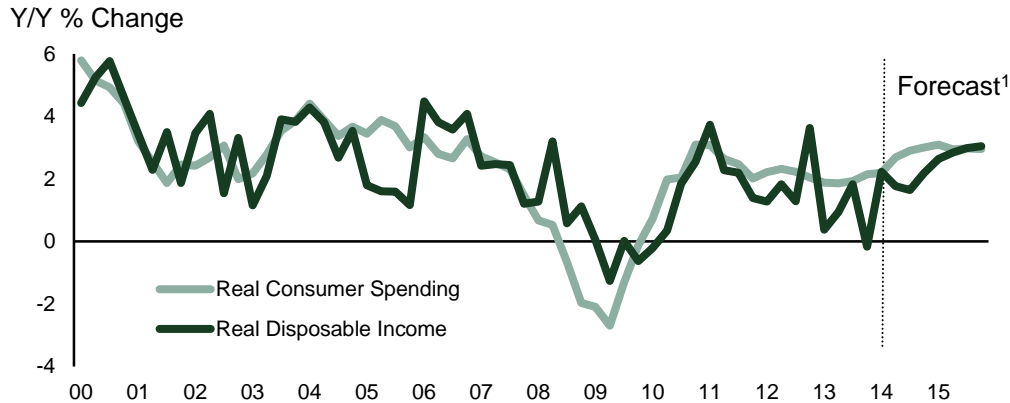
Change in Domestic Demand²



- Only modest support from domestic demand, as the housing market slows and high household debt restrains spending

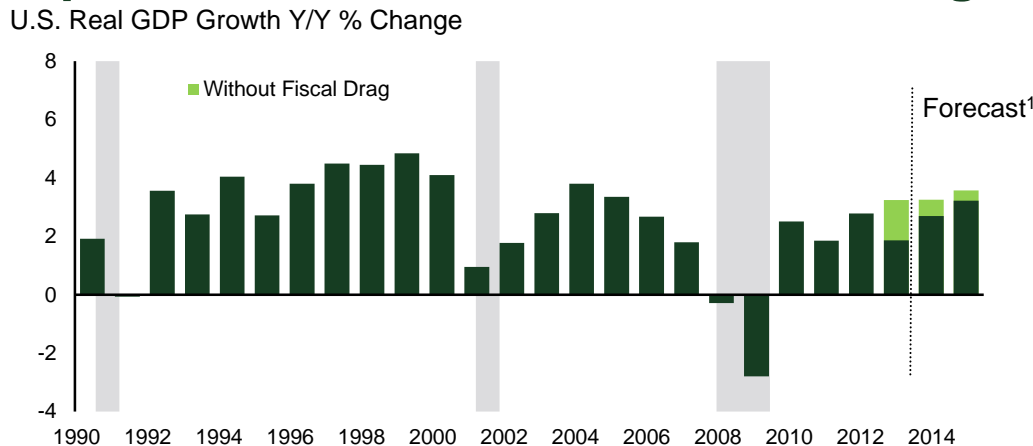
Canadian economy to be supported by U.S. growth and domestic demand

Consumers Rebounding on Faster Income Growth



- Tax hikes weighed on income and consumer spending in 2013. Unencumbered by this burden, spending growth will accelerate in 2014 and 2015.

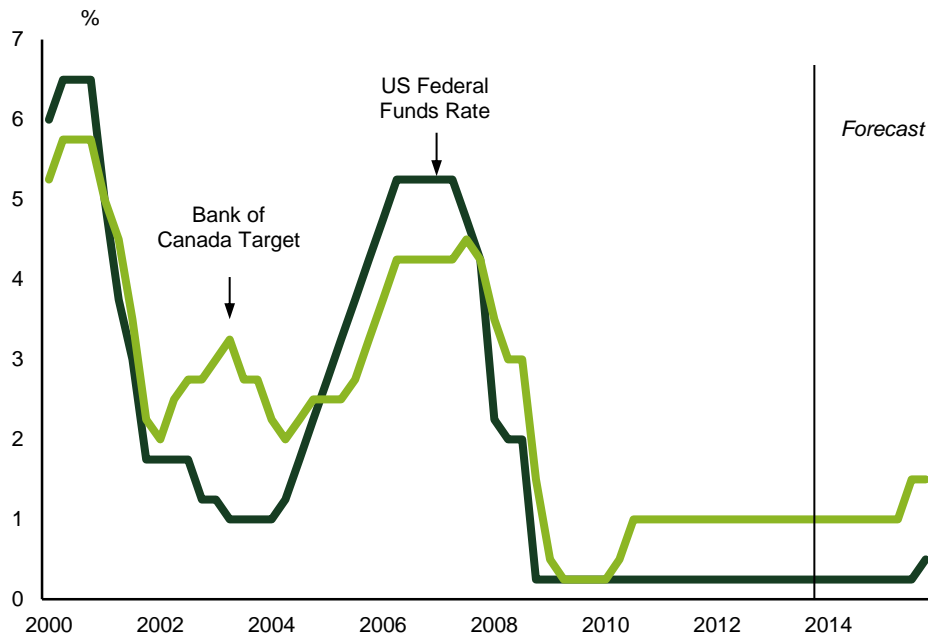
Expected Federal Fiscal Stimulus/Drag¹



- Tax hikes and spending cuts were the main speed bumps to growth over the last year. Fiscal drag in 2014 will be less than half of what it was in 2013.

U.S. Economy – Mostly Good News

Interest Rates, Canada and U.S.¹



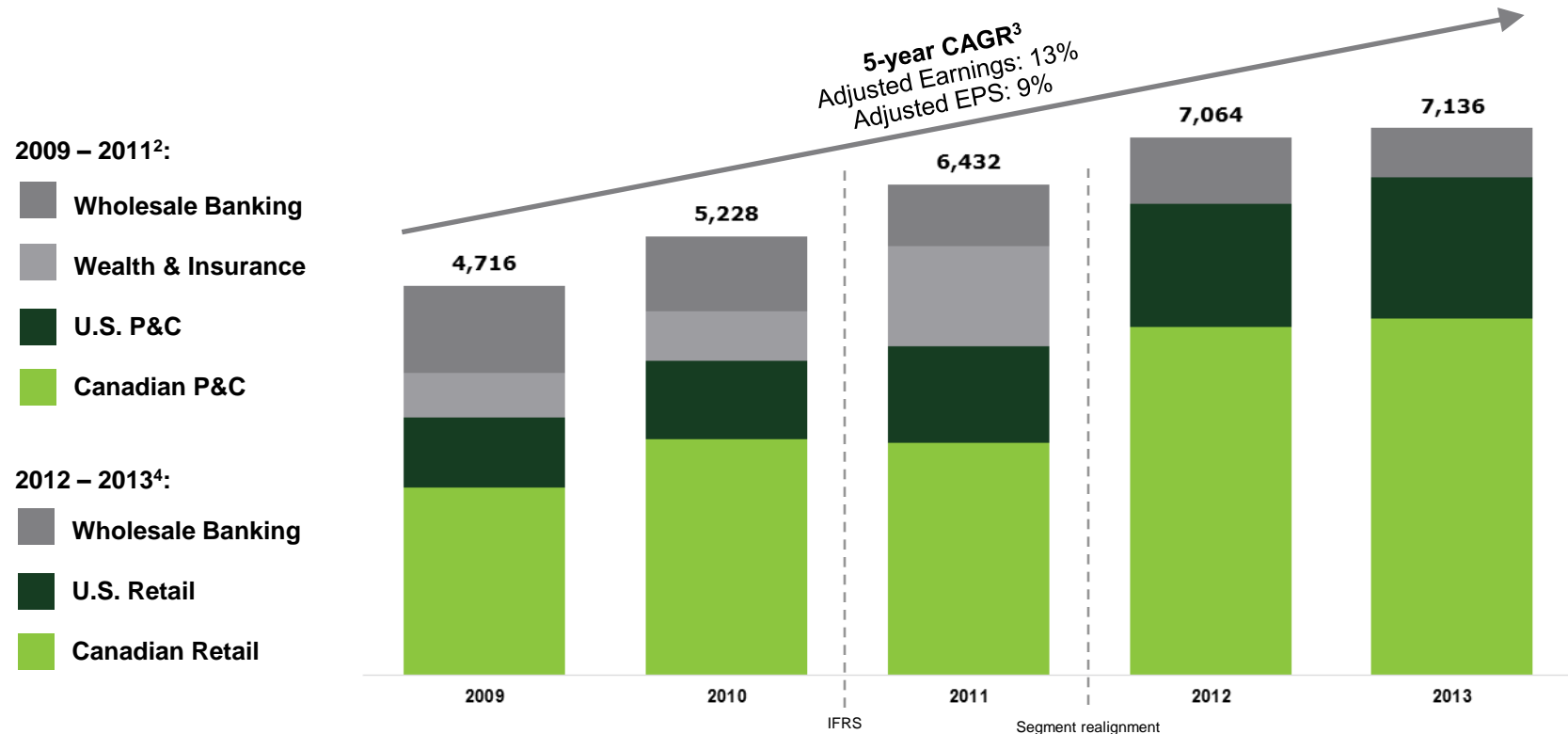
- Modest outlook and low inflation mean North American central banks are set to leave monetary policy at exceptionally accommodative levels for a while

Interest rates to remain lower for longer

Stable Earnings Growth



Adjusted Earnings^{1,2,4} (C\$MM)



Targeting 7-10% adjusted EPS growth over the medium term

1. The Bank transitioned from Canadian Generally Accepted Accounting Principles (GAAP) to International Reporting Standards (IFRS) effective November 1, 2011. As a result of this transition, balances presented in the graph above are based on Canadian GAAP for 2009 to 2010 and based on IFRS for 2011 to 2013. For details on the Bank's transition from Canadian GAAP to IFRS please see Note 40 of the 2012 Financial Statements and Notes. See slide 5 footnote 3 for definition of adjusted results. See also pages 186-191 of the 2012 Annual Report for a reconciliation for 10 years ending FY12. For the purpose of calculating contribution by each business segment, adjusted earnings from the Corporate segment are excluded.
2. Effective July 4, 2011, executive responsibilities for TD Insurance were moved from Group Head Canadian P&C Segment to Group Head Wealth Segment. Results are updated for segment reporting purposes effective Q1 2012. These changes were applied retroactively to 2011 for comparative purposes.
3. As a result of the Bank's transition to IFRS as described above, the calculation of the Compounded Annual Growth Rate (CAGR) includes balances based on Canadian GAAP from 2009 to 2010 and balances based on IFRS from 2011 to 2013.
4. Effective Q1 2014, retail segments were realigned into Canadian Retail and U.S. Retail. For details of the retail segments, see slide 8. The segment realignment along with implementation of new IFRS standard and amendments, and impact of the stock dividend announced on December 5, 2013 were applied retroactively to 2012 and 2013 results.

Gross Lending Portfolio Includes B/As



Balances (C\$B unless otherwise noted)

	Q1/14	Q2/14
Canadian Retail Portfolio	\$ 323.7	\$ 326.2
Personal	\$ 274.0	\$ 275.0
Residential Mortgages	166.0	166.7
Home Equity Lines of Credit (HELOC)	60.3	60.2
Indirect Auto	14.7	15.0
Unsecured Lines of Credit	8.5	8.5
Credit Cards	17.8	18.0
Other Personal	6.7	6.6
Commercial Banking (including Small Business Banking)	\$ 49.7	\$ 51.2
U.S. Retail Portfolio (all amounts in US\$)	US\$ 105.4	US\$ 107.3
Personal	US\$ 53.8	US\$ 53.6
Residential Mortgages	20.2	20.4
Home Equity Lines of Credit (HELOC) ¹	10.2	10.3
Indirect Auto	15.9	15.7
Credit Cards	7.0	6.7
Other Personal	0.5	0.5
Commercial Banking	US\$ 51.6	US\$ 53.7
Non-residential Real Estate	12.0	12.1
Residential Real Estate	3.2	3.3
Commercial & Industrial (C&I)	36.4	38.3
FX on U.S. Retail Portfolio	\$ 11.9	\$ 10.3
U.S. Retail Portfolio (C\$)	\$ 117.3	\$ 117.6
Wholesale Portfolio²	\$ 21.6	\$ 22.5
Other³	\$ 2.2	\$ 1.8
Total	\$ 464.8	\$ 468.0

1. U.S. HELOC includes Home Equity Lines of Credit and Home Equity Loans

2. Wholesale portfolio includes corporate lending and other Wholesale gross loans and acceptances

3. Other includes Acquired Credit-Impaired Loans and Corporate Segment Loans.

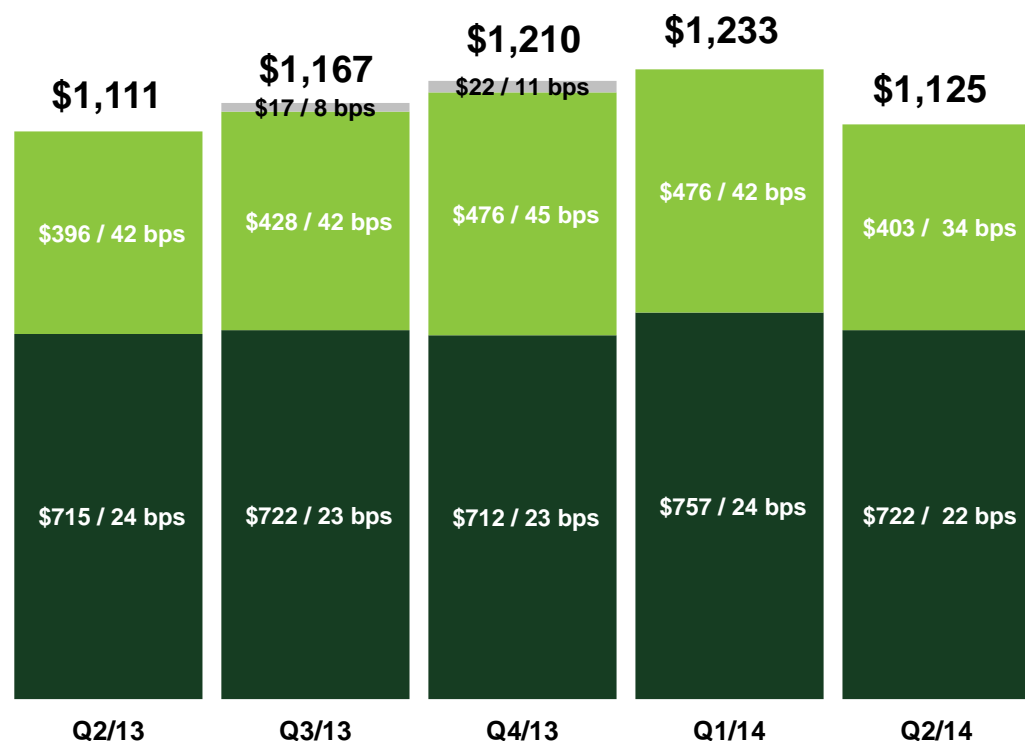
Note: Some amounts may not total due to rounding

Excludes Debt securities classified as loans

Gross Impaired Loan Formations By Portfolio



GIL Formations¹: \$MM and Ratios²



Highlights

- Improvement in GIL formations occurred across the portfolio
- U.S. decrease is largely due to Indirect Auto and Commercial Lending
- Canadian improvement is due to Real Estate Secured Lending

	Q2/13	Q3/13	Q4/13	Q1/14	Q2/14	
	26	27	27	27	24	bps
Cdn Peers ⁴	18	21	20	16	NA	bps
U.S. Peers ⁵	36	34	29	26	NA	bps

- Other³
- Wholesale Portfolio
- U.S. Retail Portfolio
- Canadian Retail Portfolio

1. Gross Impaired Loan formations represent additions to Impaired Loans & Acceptances during the quarter; excludes the impact of acquired credit-impaired loans and debt securities classified as loans

2. GIL Formations Ratio – Gross Impaired Loan Formations/Average Gross Loans & Acceptances

3. Other includes Acquired Credit-Impaired Loans and Corporate Segment Loans.

4. Average of Canadian Peers – BMO, BNS, CIBC, RBC; peer data includes debt securities classified as loans

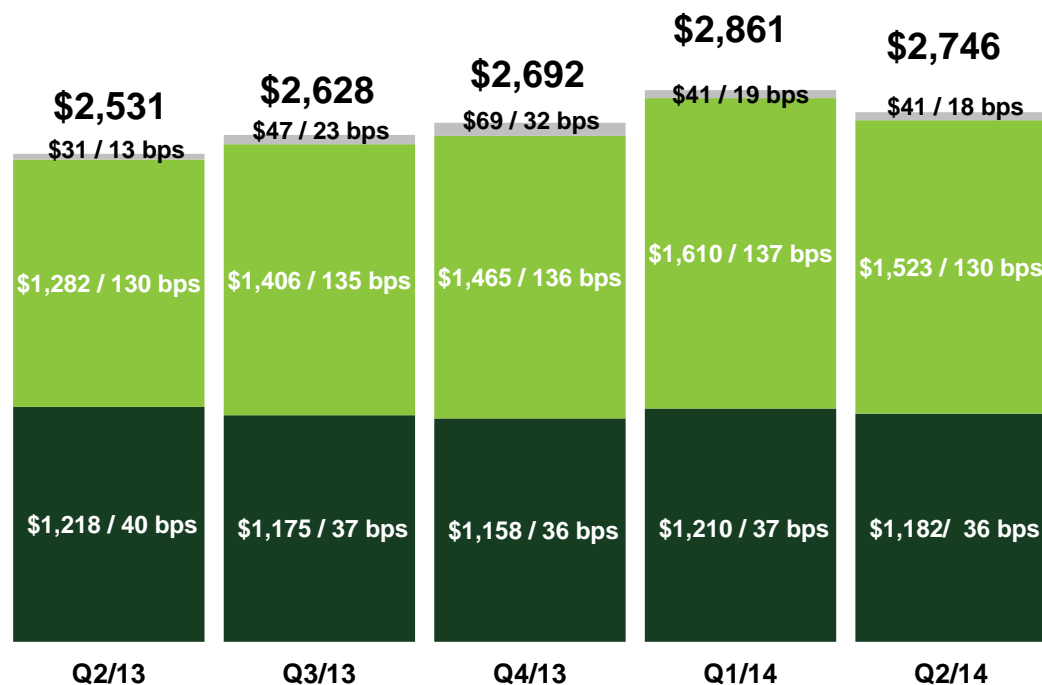
5. Average of US Peers – BAC, C, JPM, USB, WFC (Non-Accrual Asset addition/Average Gross Loans)

NA: Not available

Gross Impaired Loans (GIL) By Portfolio



GIL¹: \$MM and Ratios²



Highlights

- Decreases in the GIL ratio were driven by continued credit quality improvements in the U.S.

	59	60	60	62	59	bps
Cdn Peers ⁴	79	75	73	71	NA	bps
U.S. Peers ⁵	191	178	165	161	NA	bps

	Other ³
	Wholesale Portfolio
	U.S. Retail Portfolio
	Canadian Retail Portfolio

1. Gross Impaired Loans (GIL) excludes the impact of acquired credit-impaired loans and debt securities classified as loans

2. GIL Ratio – Gross Impaired Loans/Gross Loans & Acceptances (both are spot) by portfolio

3. Other includes Acquired Credit-Impaired Loans and Corporate Segment Loans.

4. Average of Canadian Peers – BMO, BNS, CIBC, RBC; peer data includes debt securities classified as loans

5. Average of U.S. Peers – BAC, C, JPM, USB, WFC (Non-performing loans/Total gross loans)

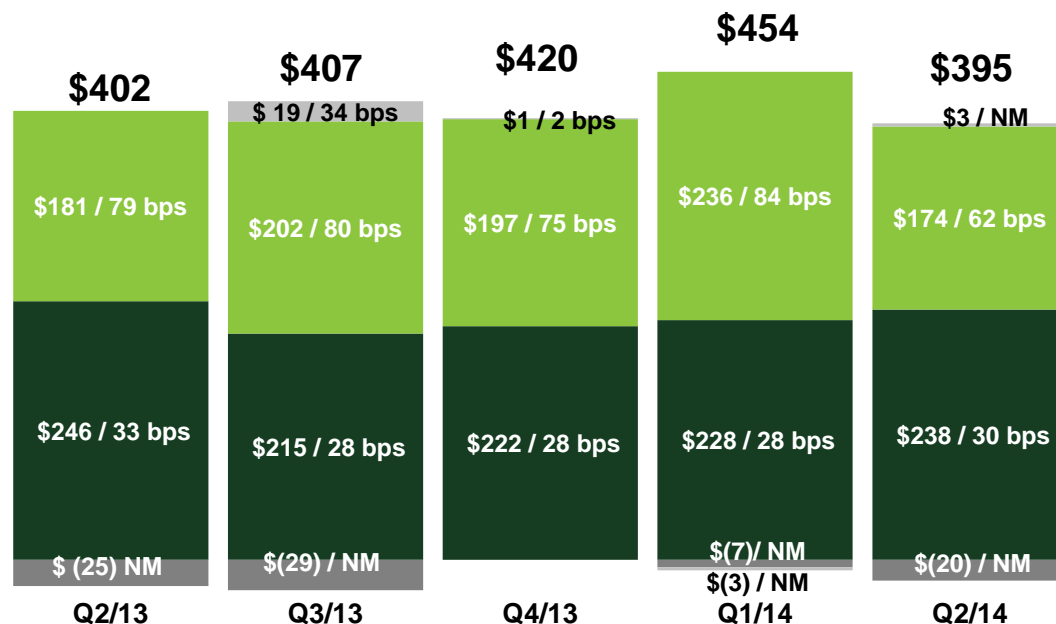
NM: Not meaningful

NA: Not available

Provision for Credit Losses (PCL) By Portfolio



PCL¹: \$MM and Ratios²



Highlights

- 5 bps reduction in PCL rate driven by:
 - Credit quality improvements in U.S. Commercial
 - Reduced impairment and charge-offs in Canadian and U.S. Indirect Auto

¹	39	37	38	40	35	bps
Cdn Peers ⁵	30	25	31	27	NA	bps
U.S. Peers ⁶	53	29	41	55	NA	bps

	Other ³
	Wholesale Portfolio ⁴
	U.S. Retail Portfolio
	Canadian Retail Portfolio

1. PCL excludes the impact of acquired credit-impaired loans, debt securities classified as loans and items of note.

2. PCL Ratio – Provision for Credit Losses on a quarterly annualized basis/Average Net Loans & Acceptances

3. Other includes Acquired Credit-Impaired Loans and Corporate Segment Loans.

4. Wholesale PCL excludes premiums on credit default swaps (CDS): Q1/14 \$5MM / Q4/13 \$6MM.

5. Average of Canadian Peers – BMO, BNS, CIBC, RBC; peer PCLs exclude increases in incurred but not identified allowance; peer data includes debt securities classified as loans

6. Average of U.S. Peers – BAC, C, JPM, USB, WFC

NM: Not meaningful; NA: Not available

Canadian Personal Banking



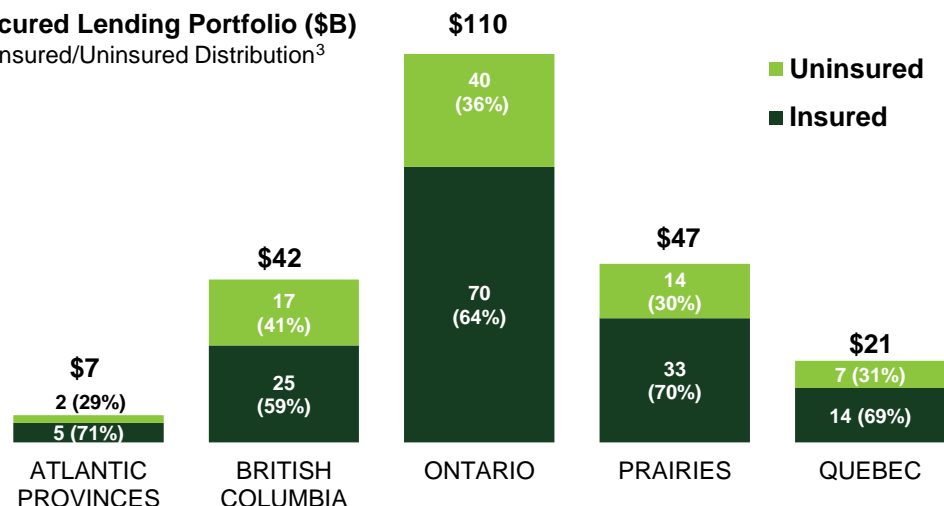
Canadian Personal Banking ¹	Q2/14			
	Gross Loans (\$B)	GIL/Loans	GIL (\$MM)	PCL ² (\$MM)
Residential Mortgages	167	0.28%	463	3
Home Equity Lines of Credit (HELOC)	60	0.49%	295	2
Indirect Auto	15	0.23%	35	27
Unsecured Lines of Credit	8	0.56%	47	27
Credit Cards	18	0.96%	173	110
Other Personal	7	0.30%	20	12
Total Canadian Personal Banking	\$275	0.38%	\$1,033	\$181
Change vs. Q1/14	\$1	(0.02%)	\$(59)	\$(27)

Highlights

- Credit quality remains strong in the Canadian Personal portfolio
- Real estate secured lending loss rate is less than 1 bp
- Credit Card loss rates remain at historically low levels
- Improving trend in Indirect Auto

Real Estate Secured Lending Portfolio (\$B)

Geographic and Insured/Uninsured Distribution³



Uninsured Mortgage Loan to Value (%)³

Q2/14 ⁴	68	58	59	63	65
Q1/14 ⁴	67	55	59	63	66

1. Excludes acquired credit impaired loans

2. Individually insignificant PCL excludes any change in Incurred But Not Identified Allowance

3. The territories are included as follows: Yukon is included in British Columbia; Nunavut is included in Ontario; and Northwest Territories is included in the Prairies region.

4. Loan To Value based on Seasonally Adjusted Average Price by Major City (Canadian Real Estate Association) and is the combination of each individual mortgage LTV weighted by the mortgage balance consistent with peer reporting

Canadian Commercial and Wholesale Banking



Canadian Commercial and Wholesale Banking	Q2/14		
	Gross Loans/BAs (\$B)	GIL (\$MM)	PCL ¹ (\$MM)
Commercial Banking ²	51	149	33
Wholesale	23	41	3
Total Canadian Commercial and Wholesale	\$74	\$190	\$36
Change vs. Q1/14	\$3	\$31	\$25

Highlights

- Increase in Commercial GIL and PCL was due largely to a single borrower

Industry Breakdown	Gross Loans/BAs (\$B)	Gross Impaired Loans (\$MM)	Allowance ¹ (\$MM)
Real Estate – Residential	14.3	24	12
Real Estate – Non-residential	9.1	6	2
Financial	11.2	3	1
Govt-PSE-Health & Social Services	7.6	18	3
Resources ³	4.8	14	8
Consumer ⁴	4.1	48	31
Industrial/Manufacturing ⁵	3.6	18	12
Agriculture	4.4	6	1
Automotive	3.5	1	0
Other ⁶	11.1	52	39
Total	\$74	\$190	\$109

1. Individually Insignificant and Counterparty Specific PCL and Allowance excludes any change in Incurred But Not Identified Allowance

2. Includes Small Business Banking

3. Resources includes: Forestry, Metals and Mining; Pipelines, Oil and Gas

4. Consumer includes: Food, Beverage and Tobacco; Retail Sector

5. Industrial/Manufacturing includes: Industrial Construction and Trade Contractors; Sundry Manufacturing and Wholesale

6. Other includes: Power and Utilities; Telecommunications, Cable and Media; Transportation; Professional and Other Services; Other

U.S. Personal Banking



U.S. Personal Banking ¹	Q2/14			
	Gross Loans (\$B)	GIL/Loans	GIL (\$MM)	PCL ² (\$MM)
Residential Mortgages	23	1.24%	277	2
Home Equity Lines of Credit (HELOC) ³	11	2.45%	276	11
Indirect Auto	17	0.60%	104	34
Credit Cards	7	1.72%	126	133
Other Personal	0.5	1.10%	6	13
Total U.S. Personal Banking	\$59	1.34%	\$789	\$193
Change vs. Q1/14	\$(1)	0.11%	\$(9)	\$91

Highlights

- Increase in U.S. Personal PCL is attributable to Target
- Portfolio continues to perform within expectations.

U.S. Real Estate Secured Lending Portfolio¹

Indexed Loan to Value (LTV) Distribution and Refreshed FICO Scores⁴

Current Estimated LTV	Residential Mortgages	1 st Lien HELOC	2 nd Lien HELOC	Total
>80%	9%	16%	37%	15%
61-80%	49%	31%	37%	44%
<=60%	42%	53%	26%	41%
Current FICO Score >700	87%	87%	82%	86%

1. Excludes acquired credit-impaired loans

2. Individually insignificant PCL excludes any change in Incurred But Not Identified Allowance

3. HELOC includes Home Equity Lines of Credit and Home Equity Loans

4. Loan To Value based on authorized credit limit and Loan Performance Home Price Index as of February 2014. FICO Scores updated March 2014

U.S. Commercial Banking



U.S. Commercial Banking ¹	Q2/14		
	Gross Loans/BAs (\$B)	GIL (\$MM)	PCL ² (\$MM)
Commercial Real Estate (CRE)	17	288	(10)
Non-residential Real Estate	13	189	(5)
Residential Real Estate	4	99	(5)
Commercial & Industrial (C&I)	42	446	9
Total U.S. Commercial Banking	\$59	\$734	\$(1)
Change vs. Q1/14	\$2	\$(78)	\$(27)

Commercial Real Estate			Commercial & Industrial		
	Gross Loans/BAs (\$B)	GIL (\$MM)		Gross Loans/BAs (\$B)	GIL (\$MM)
Office	4.6	52	Health & Social Services	6.2	43
Retail	3.8	48	Professional & Other Services	5.6	81
Apartments	2.9	37	Consumer ³	4.6	114
Residential for Sale	0.3	43	Industrial/Mfg ⁴	5.3	71
Industrial	1.4	33	Government/PSE	5.4	20
Hotel	0.8	28	Financial	1.4	23
Commercial Land	0.1	15	Automotive	2.0	17
Other	2.9	32	Other ⁵	11.5	77
Total CRE	\$17	\$288	Total C&I	\$42	\$446

Highlights

- Positive momentum continues in U.S. Commercial portfolio:
 - Net charge-off rates remain low
 - Continued reduction in criticized and classified loans
 - Fewer problem loans anticipated in the near term

1. Excludes acquired credit-impaired loans and debt securities classified as loans
 2. Individually Insignificant and Counterparty Specific PCL and Allowance excludes any change in Incurred But Not Identified Allowance
 3. Consumer includes: Food, beverage and tobacco; Retail sector
 4. Industrial/Manufacturing includes: Industrial construction and trade contractors; Sundry manufacturing and wholesale
 5. Other includes: Agriculture; Power and utilities; Telecommunications, cable and media; Transportation; Resources; Other

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TD Bank Group Investor Presentation – Fixed Income

Q2 2014