



# TD Bank Group Investor Presentation

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Q4 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, including in the Management’s Discussion and Analysis (“2014 MD&A”) under the heading “Economic Summary and Outlook”, for each business segment under headings “Business Outlook and Focus for 2015”, and in other statements regarding the Bank’s objectives and priorities for 2015 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; the ability of the Bank to execute on key priorities, including to successfully complete acquisitions and strategic plans and to attract, develop and retain key executives; 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 or other criminal behaviour to which the Bank is exposed; the failure of third parties to comply with their obligations to the Bank or its affiliates, including relating to the care and control of information; the impact of new and changes to current laws and regulations; 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; changes to accounting policies and methods used by the Bank; 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 2014 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](http://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 2014 MD&A under the headings “Economic Summary and Outlook”, and for each business segment, “Business Outlook and Focus for 2015”, 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 Top 10 Retail Focused North American Bank

*5<sup>th</sup> largest bank  
by Total Assets<sup>1</sup>  
6<sup>th</sup> largest bank  
by Market Cap<sup>1</sup>*

## 2 Proven Performance

*Delivering  
**top tier** long  
term shareholder  
returns*

## 3 Strong Balance Sheet and Capital Position

***Highly rated**  
by major credit  
rating agencies*

## 4 Focus on Growth Opportunities

*Targeting **7-10%**  
adjusted EPS  
growth over the  
medium term<sup>2</sup>*

## Our Businesses

### Canadian Retail

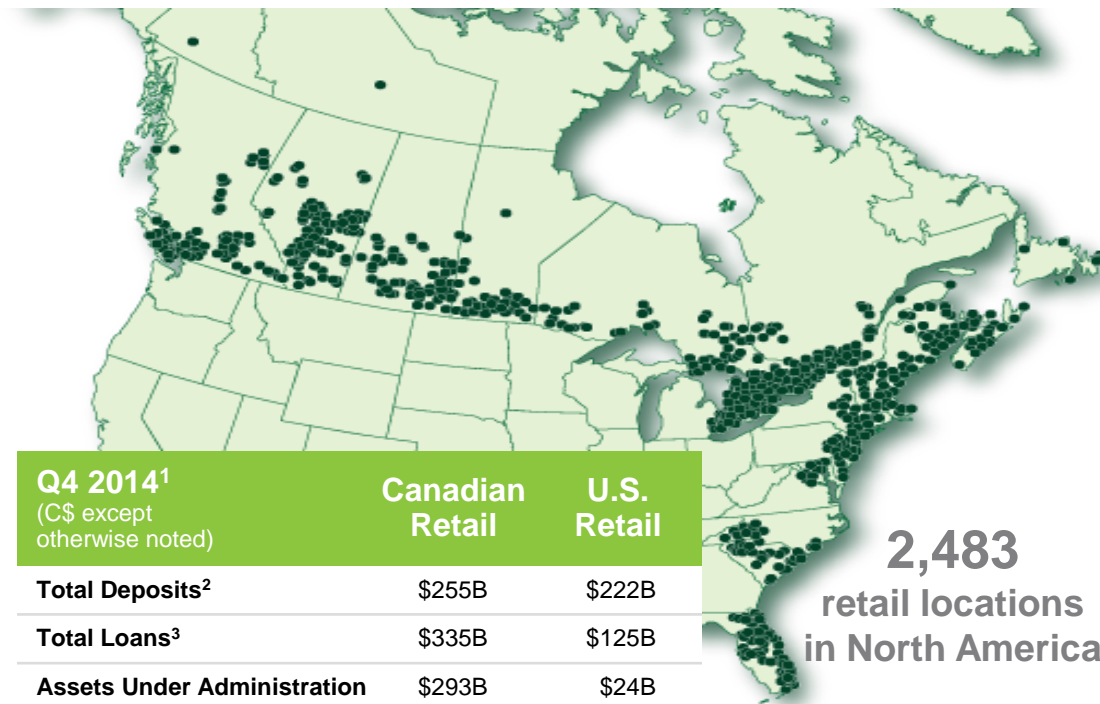
- Personal banking, credit cards and auto finance
- Small business and commercial banking
- Direct investing, advice-based wealth businesses, and asset management
- Property, casualty, life and health insurance

### 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



**2,483**  
retail locations  
in North America

Q4 2014 <sup>1</sup> (C\$ except otherwise noted)	Canadian Retail	U.S. Retail
<b>Total Deposits<sup>2</sup></b>	\$255B	\$222B
<b>Total Loans<sup>3</sup></b>	\$335B	\$125B
<b>Assets Under Administration</b>	\$293B	\$24B
<b>Assets Under Management</b>	\$227B	\$67B
<b>Reported Earnings<sup>4</sup></b>	\$5.2B	\$2.1B
<b>Adjusted Earnings<sup>4</sup></b>	\$5.5B	\$2.1B
<b>Customers</b>	~15MM	>8MM
<b>Employees<sup>5</sup></b>	39,671	26,162

**TD is a Top 10 North American bank<sup>6</sup>**

1. Q4/14 is the period from August 1, 2014 to October 31, 2014.

2. Total Deposits based on total of average personal and business deposits during Q4/14. U.S. Retail deposits include TD Ameritrade Insured Deposit Accounts (IDAs), Canadian Retail deposits include personal, business and wealth deposits.

3. Total Loans based on total of average personal and business loans during Q4/14.

4. For trailing four quarters ended Q4/14, i.e., fiscal 2014. See slide 4, footnote 3 for definition of adjusted results.

5. Average number of full-time equivalent staff in these segments during Q4/14. 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 6.

## To be the Better Bank

### North America

- Top 10 Bank in North America<sup>1</sup>
- One of only a few banks globally to be rated Aa1 by Moody's<sup>2</sup>
- 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<sup>3,4</sup>
- Strong organic growth engine
- Better return for risk undertaken<sup>5</sup>

### 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 6.

2. For long term debt (deposits) of The Toronto-Dominion Bank, as at October 31, 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 Q4 2014 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 7 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 slide 21 for details. See footnote 3 above for definition of adjusted results.

## Country Statistics



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

## Canadian Banking System

- Soundest banking system in the world<sup>1</sup>
- Market leadership position held by the “Big 5” Canadian Banks
- Canadian chartered banks account for more than 75% of the residential mortgage market<sup>2</sup>
- Mortgage lenders have recourse to both borrower and property in most provinces

## TD’s Canadian Retail Business

- Network of 1,165 branches and 2,866 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 1,318 stores and 1,962 ATMs
- Operations in 5 of the top 10 metropolitan statistical areas and 7 of the 10 wealthiest states
  - US\$2.2 trillion deposits market<sup>3</sup>
  - US\$240 billion forecasted in purchase mortgage originations<sup>4</sup>
- 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



Q4 2014 C\$ except otherwise noted		Canadian Ranking <sup>5</sup>	North American Ranking <sup>6</sup>
<b>Total assets</b>	\$945B	1 <sup>st</sup>	5 <sup>th</sup>
<b>Total deposits</b>	\$601B	2 <sup>nd</sup>	6 <sup>th</sup>
<b>Market capitalization</b>	\$102B	2 <sup>nd</sup>	6 <sup>th</sup>
<b>Adjusted net income<sup>1</sup> (trailing four quarters)</b>	\$8.1B	2 <sup>nd</sup>	6 <sup>th</sup>
<b>Reported net income (trailing four quarters)</b>	\$7.9B	n/a	n/a
<b>Common Equity Tier 1 capital ratio<sup>2</sup></b>	9.4%	5 <sup>th</sup>	9 <sup>th</sup>
<b>Average number of full-time equivalent staff<sup>3</sup></b>	82,148	2 <sup>nd</sup>	6 <sup>th</sup>
<b>Moody's rating<sup>4</sup></b>	Aa1	n/a	n/a

**TD is a Top 10 North American bank**

1. See slide 4, footnote 3, for definition of adjusted results.

2. See slide 20, footnote 1.

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

4. See slide 4, 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 Q4/14 results ended October 31, 2014.

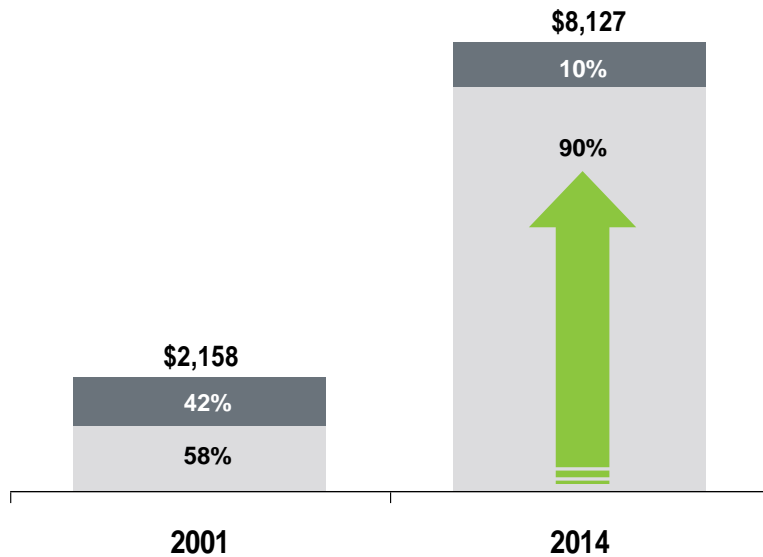
6. North American Peers – defined as Canadian Peers and U.S. Peers. U.S. Peers – defined as Money Center Banks (C, BAC, JPM) and Top 2 Super-Regional Banks (WFC, USB). Adjusted on a comparable basis to exclude identified non-underlying items. For U.S. Peers, based on Q3/14 results ended September 30, 2014.

# Composition of Earnings

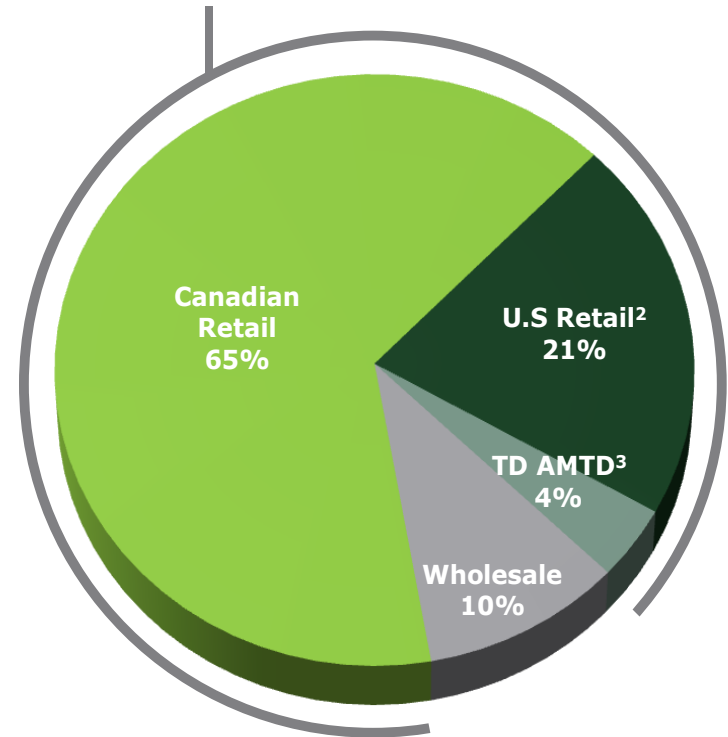


## Adjusted Earnings<sup>1</sup> (C\$MM)

- Adjusted Retail Earnings<sup>1,4</sup>
- Wholesale Earnings



## 2014 Adjusted Retail Earnings<sup>1,4</sup> = 90%



**Retail-focused earnings mix**

1. See slide 4, 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 40.97% as at October 31, 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 4, footnote 4.

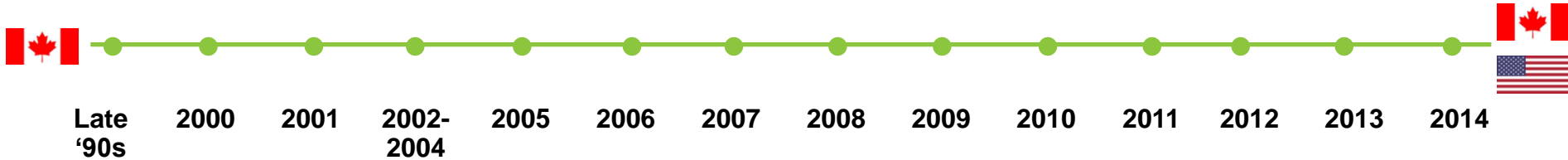


# Strategic Evolution of TD



## 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**

## 1 Top 10 Retail Focused North American Bank

**5<sup>th</sup> largest bank**  
by Total Assets<sup>1</sup>  
**6<sup>th</sup> largest bank**  
by Market Cap<sup>1</sup>

## 2 Proven Performance

*Delivering*  
**top tier** long  
term shareholder  
returns

## 3 Strong Balance Sheet and Capital Position

**Highly rated**  
by major credit  
rating agencies

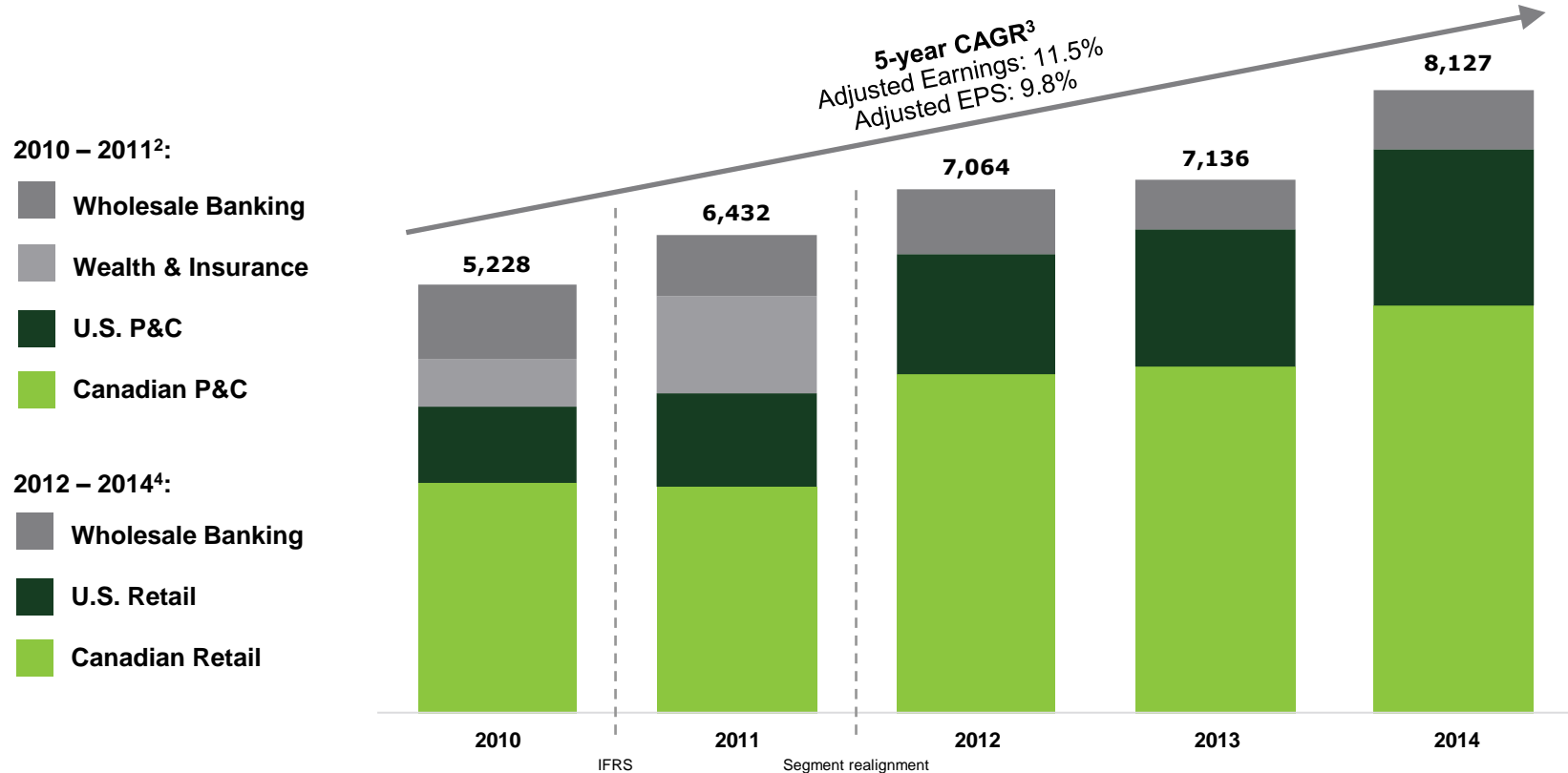
## 4 Focus on Growth Opportunities

Targeting **7-10%**  
adjusted EPS  
growth over the  
medium term<sup>2</sup>

# Stable Earnings Growth



## Adjusted Earnings<sup>1,2,4</sup> (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 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 4 footnote 3 for definition of adjusted results. See also pages 198-203 of the 2013 Annual Report for a reconciliation for 10 years ending FY13. 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 for 2010 and balances based on IFRS from 2011 to 2013.

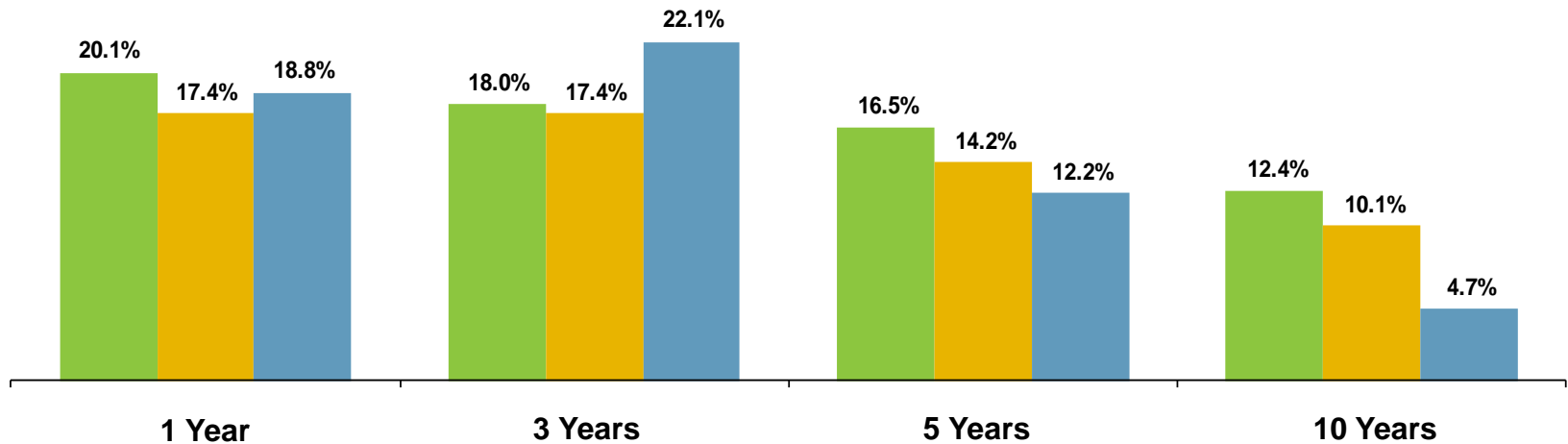
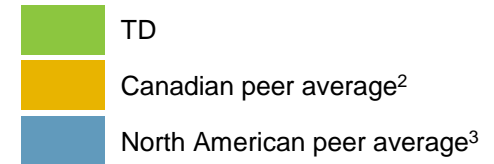
4. Effective Q1 2014, retail segments were realigned into Canadian Retail and U.S. Retail. For details of the retail segments, see slides 3 and 7. The segment realignment along with implementation of new IFRS standard and amendments, and impact of the stock dividend announced on December 5, 2013 were applied retroactively to 2012 and 2013 results.

# Solid Total Shareholder Returns



## Total Shareholder Return<sup>1</sup>

Compounded Annual Growth Rates (CAGR)



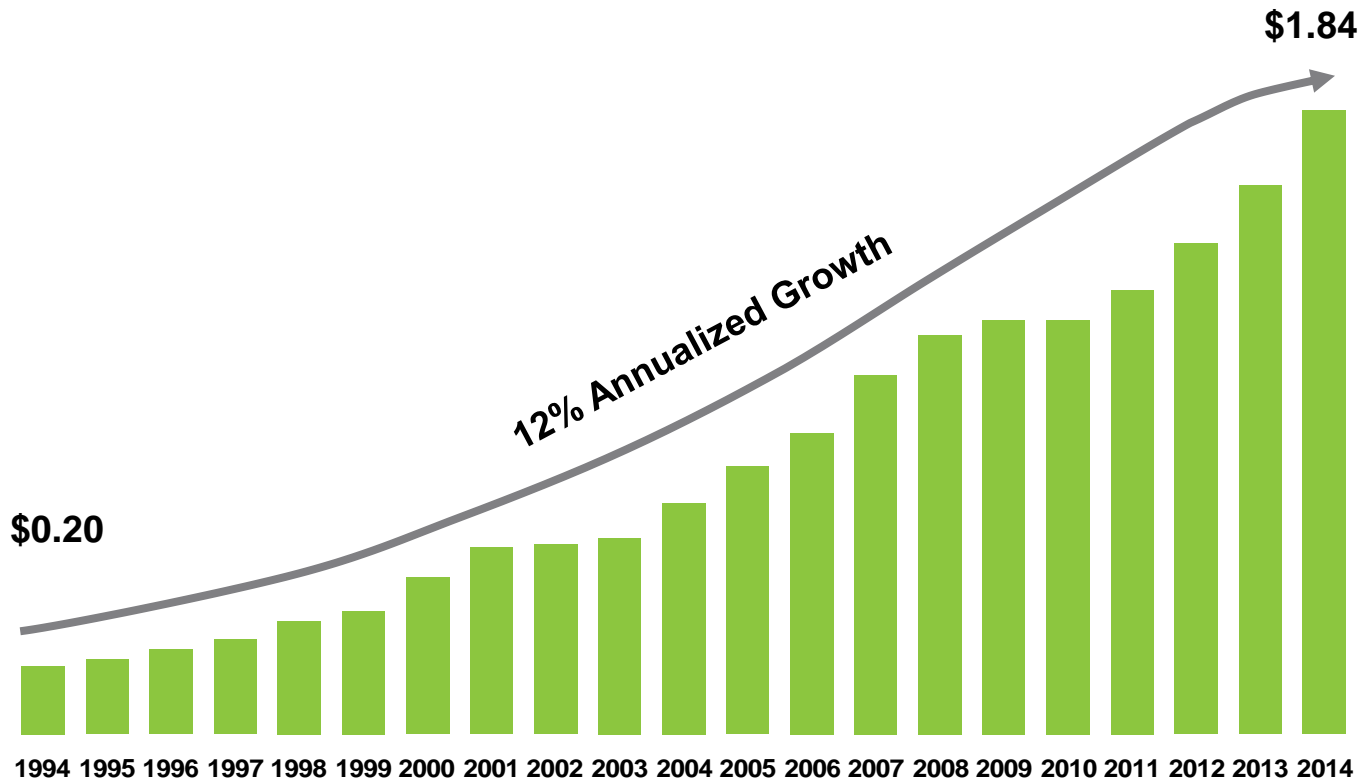
**Delivering top tier long-term shareholder returns**

1. Compounded annual growth rates for all periods ended October 31, 2014. Source: Bloomberg.  
2. Canadian Peers – defined as other 4 big banks (RY, BMO, BNS and CM).  
3. North American Peers – defined as Canadian and U.S. Peers. U.S. Peers – defined as Money Center Banks (C, BAC, JPM) and Top 3 Super-Regional Banks (WFC, PNC, USB).

# Strong, Consistent Dividend History



## Dividends Per Share (C\$)



**Q1/14:**  
Announced \$0.04  
dividend increase

**Dividend  
yield:**  
3.4%<sup>1</sup>

**Q3/12:**  
Increased target  
payout range to  
40%-50%<sup>2</sup>

**Dividend has grown over time**

1. Dividend yield based on dividend declared per share for Q4/14 divided by average of high and low common share prices for the period.  
2. In Q3/12, the Bank's target payout range was changed to 40-50% of adjusted earnings (see slide 4, footnote 3 for the definition of adjusted results).

# Q4 2014 Highlights



## Key Themes

- Adjusted<sup>1</sup> EPS growth of 3% YoY
  - Earnings were impacted by Funding Valuation Adjustments, elevated expenses and higher tax rate
- Retail earnings up 7% YoY
  - Good volume and asset growth
  - Good contribution from acquisitions
- Wholesale earnings up 31% YoY
  - Strong underwriting & advisory
  - Elevated expenses in Q4/13
- Strong capital ratio of 9.4%

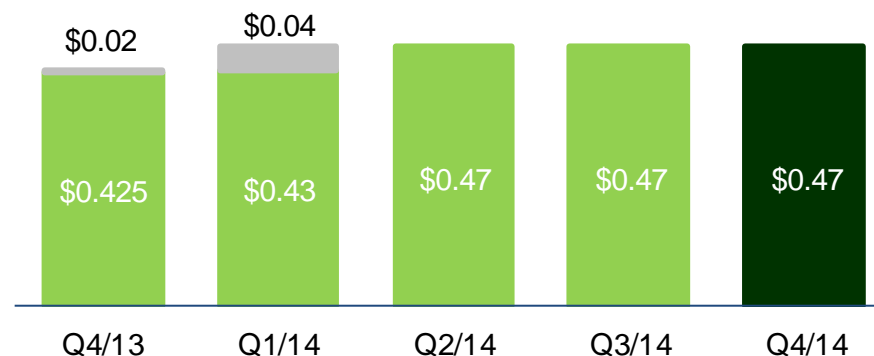
Solid operating results

## Net Income \$MM

Adjusted, where applicable<sup>1</sup>

	Q4/14	QoQ	YoY
<b>Retail<sup>2</sup></b>	\$ 1,867	-7%	7%
<b>Wholesale</b>	160	-26%	31%
<b>Corporate</b>	(165)	n/a	n/a
<b>Adjusted Net Income</b>	<b>\$ 1,862</b>	<b>-14%</b>	<b>3%</b>
<i>Reported Net Income</i>	1,746	-17%	8%
<b>Adjusted EPS (diluted)</b>	<b>\$ 0.98</b>	<b>-15%</b>	<b>3%</b>
<i>Reported EPS (diluted)</i>	0.91	-18%	9%
<b>Basel III CET1 Ratio</b>	9.4%		

## Dividend per Common Share



1. Adjusted results are defined in footnote 3 on slide 4.

2. "Retail" comprises Canadian Retail and U.S. Retail segments as reported in the Bank's Q4 2014 Earnings News Release and 2014 MD&A. See slide 3 for more details. Reported retail results were \$1,813MM, down 8% QoQ and up 8% YoY.

# Q4 2014 Segment Results Highlights



## Canadian Retail

- Adjusted<sup>1</sup> net income up 7% YoY
- Good volume growth, higher Wealth assets, Insurance business growth and the addition of Aeroplan
- Credit performance remains favourable
- Adjusted<sup>1</sup> expenses up 8% YoY

**Good performance overall**

## U.S. Retail

- Net income flat YoY
- Strong loan and deposit growth offset by lower security gains<sup>2</sup> and lower margins
- Improved credit quality in auto loans and commercial portfolio
- Expenses down 2% YoY

**Strong volume growth and expense management**

## Wholesale

- Earnings up 31% YoY
- Revenue stable with higher underwriting volumes and M&A fees, offset by funding valuation adjustment charge<sup>3</sup>
- Expenses down 10% YoY (Q4/13 included expenses related to a commercial dispute)

**Diversified model delivering solid results**

**Great execution, strong results**

1. Adjusted results are defined on slide 4, footnote 3. For the Canadian Retail segment in Q4 2014, reported earnings were up 5% YoY and reported expenses were up 9% YoY.

2. Security gains includes both gains on sales of securities and debt securities classified as loans.

3. During Q4 2014 we implemented a funding valuation adjustment related to non-collateralized derivatives which amounted to \$65 million pre-tax. The introduction of this reserve reflects evolving industry practice. This item reduced trading-related revenue.



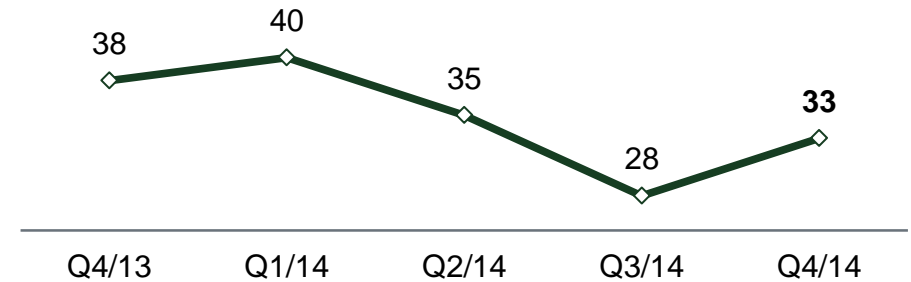
# Q4 2014 Credit Highlights



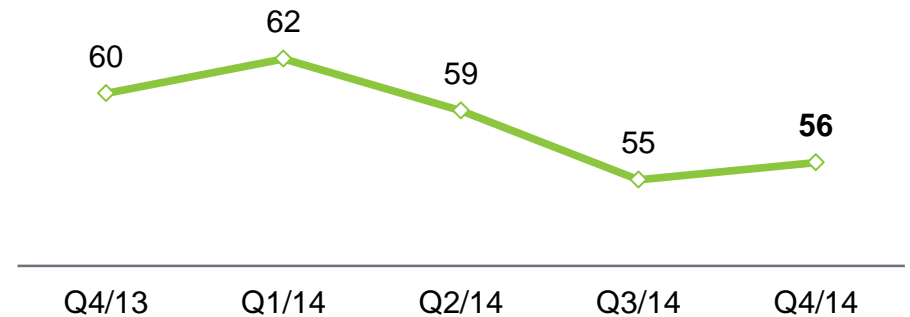
## Highlights

- Loss rates remain at cyclically low levels
  - Favourable U.S. Retail performance resulted in full year PCL reduction
  - Ongoing strong performance across all portfolios

## PCL Ratio (bps)<sup>1</sup>



## GIL Ratio (bps)<sup>2</sup>



Solid credit quality

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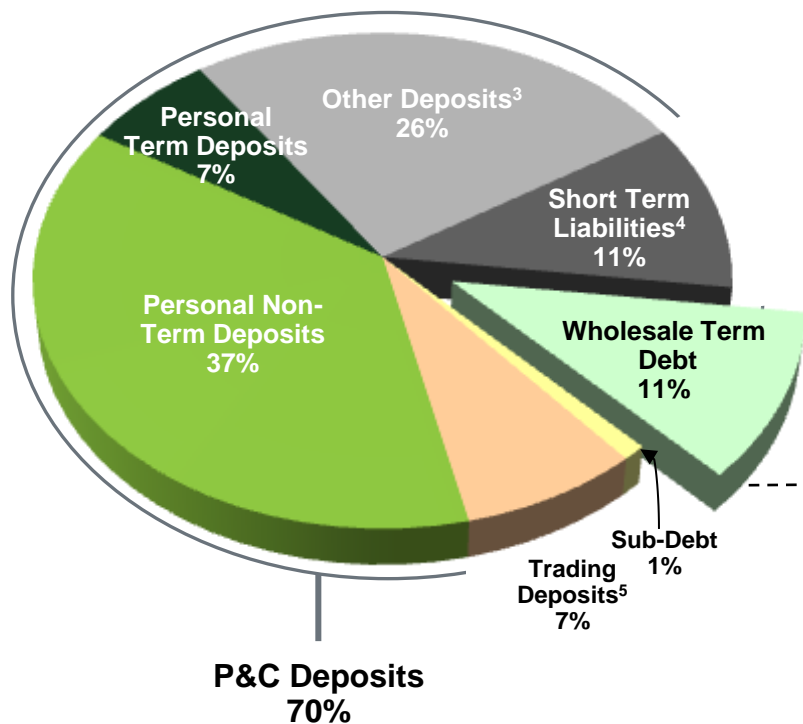
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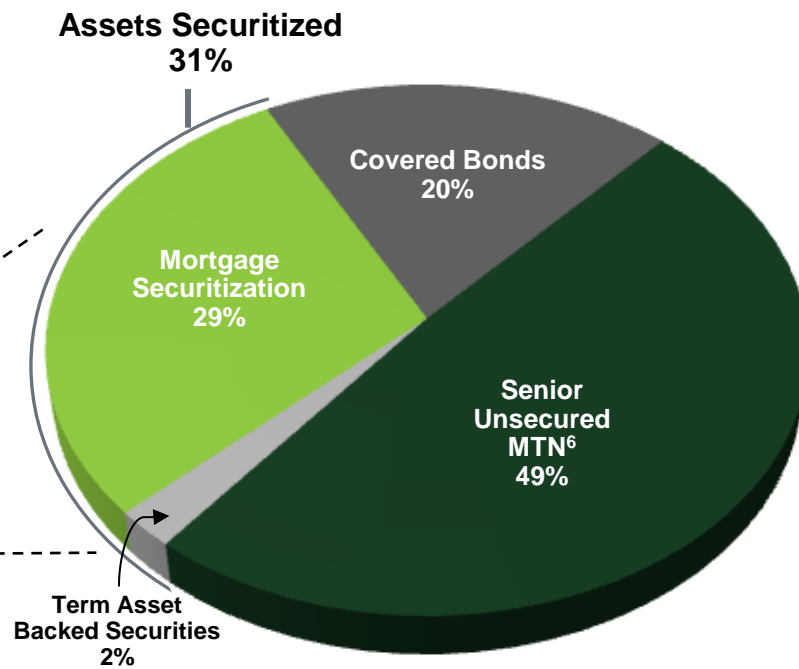
# Attractive Balance Sheet Composition<sup>1</sup>



## Funding Mix<sup>2</sup>



## Wholesale Term Debt



**Personal and commercial deposits are primary sources of funds**

1. As of October 31, 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. Consists primarily of bearer deposit notes, certificates of deposit and commercial paper.

6. Includes certain private placement notes.

# Gross Lending Portfolio



## Balances

C\$B (unless otherwise noted)	Q4/14
<b>Canadian Retail Portfolio</b>	<b>\$ 337.9</b>
<b>Personal</b>	<b>\$ 285.0</b>
Residential Mortgages	175.3
Home Equity Lines of Credit (HELOC)	59.4
Indirect Auto	16.5
Unsecured Lines of Credit	9.1
Credit Cards	17.9
Other Personal	6.8
<b>Commercial Banking (including Small Business Banking)</b>	<b>\$ 52.9</b>
<b>U.S. Retail Portfolio (all amounts in US\$)</b>	<b>US\$ 113.5</b>
<b>Personal</b>	<b>US\$ 55.0</b>
Residential Mortgages	20.7
Home Equity Lines of Credit (HELOC) <sup>1</sup>	10.4
Indirect Auto	16.7
Credit Cards	6.7
Other Personal	0.5
<b>Commercial Banking</b>	<b>US\$ 58.5</b>
Non-residential Real Estate	12.3
Residential Real Estate	3.7
Commercial & Industrial (C&I)	42.5
<b>FX on U.S. Retail Portfolio</b>	<b>\$ 14.4</b>
<b>U.S. Retail Portfolio (C\$)</b>	<b>\$ 127.9</b>
<b>Wholesale Portfolio<sup>2</sup></b>	<b>\$ 26.1</b>
<b>Other<sup>3</sup></b>	<b>\$ 0.4</b>
<b>Total</b>	<b>\$ 492.3</b>

## Highlights

### Canadian portfolio

- Real estate secured lending volume up 4% YoY
  - \$235 billion portfolio (62% insured)
  - Uninsured residential mortgage current LTV<sup>4</sup> of 60%
- Auto lending volume increased 11% YoY
- All other personal lending volumes up 13% YoY
- Business loans and acceptances up 10% YoY

### U.S. portfolio

- Average personal loans<sup>5</sup> increased 3% YoY
- Average business loans increased 14% YoY

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.  
 4. Current LTV is the combination of each individual mortgage LTV weighted by the mortgage balance  
 5. Excluding the impact of the Target U.S. credit card portfolio acquisition.  
 Note: Some amounts may not total due to rounding. Excludes Debt securities classified as loans.

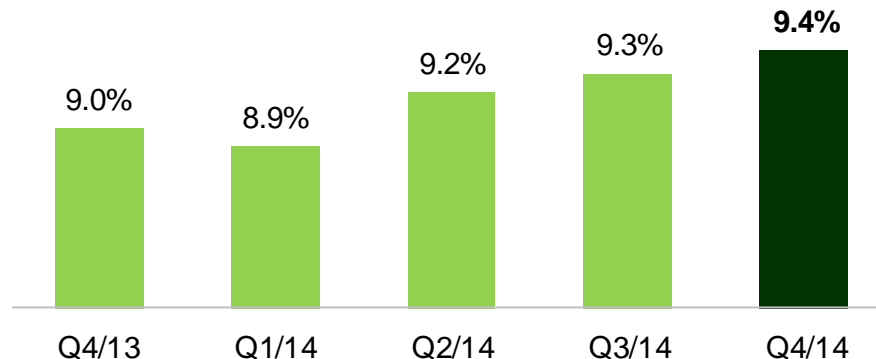
# Strong Capital Position



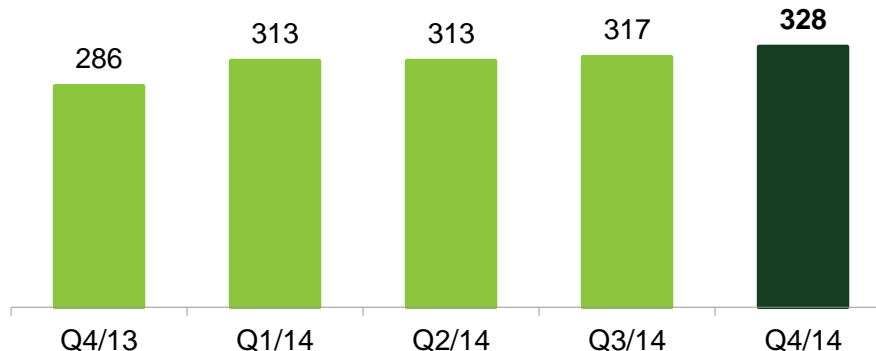
## Highlights

- Basel III Common Equity Tier 1 ratio 9.4%
- Increase of 10 bps QoQ reflects solid organic capital generation partially offset by increase in risk-weighted assets

## Basel III Common Equity Tier 1<sup>1</sup>



## CET1 Capital Risk-Weighted Assets<sup>1</sup> (C\$B)



Remain well-positioned  
for evolving regulatory  
and capital environment

1. Effective 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 based on a scalar approach whereby a CVA capital charge of 57% applies in 2014, 64% in 2015 and 2016, 72% in 2017, 80% in 2018 and 100% in 2019.

# Strong Focus on Risk-Adjusted Return

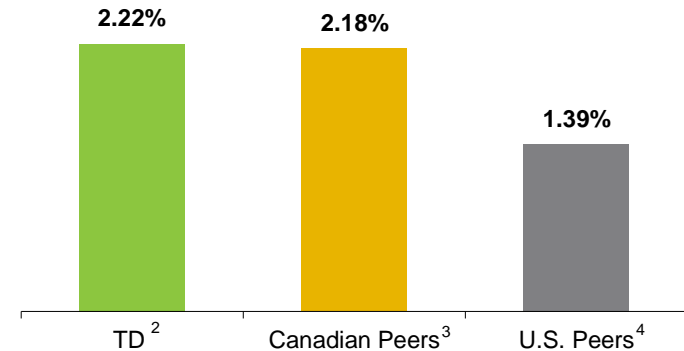


## Accolades

- **“Safest Bank in North America & One of the World’s 50 Safest Banks”**  
– *Global Finance magazine*
- **“Best Bank in Canada”**  
– *Euromoney magazine*
- **“Best Big Bank in America”**  
– *Money® Magazine*

**Highly rated franchise**

## Q4 2014 Adjusted Return on Risk-Weighted Assets<sup>1</sup>



## Ratings<sup>5</sup>

	Moody's	S&P	DBRS
<b>Rating</b>	Aa1	AA-	AA
<b>Outlook</b>	Negative	Negative	Stable

1. As a result of the transition to IFRS as described on slide 11, footnote 1, the calculation of risk-weighted assets is based on IFRS. Return on Risk-Weighted Assets (RWA) is adjusted net income available to common shareholders divided by average RWA. Adjusted results are defined on slide 4, footnote 3. See slide 20, footnote 1.

2. TD based on Q4/14 adjusted results as defined on slide 4, footnote 3.

3. Canadian Peers – defined as the other big 4 banks (RY, BMO, BNS, and CM). Based on Q4/14 adjusted results ended October 31, 2014.

4. U.S. Peers – defined as Money Center Banks (C, BAC, JPM) and Top 2 Super-Regional Banks (WFC, USB). Based on Q3/14 adjusted results ending September 30, 2014.

5. See slide 4, footnote 2 for more information on credit ratings.

## 1 Top 10 Retail Focused North American Bank

*5<sup>th</sup> largest bank  
by Total Assets<sup>1</sup>  
6<sup>th</sup> largest bank  
by Market Cap<sup>1</sup>*

## 2 Proven Performance

*Delivering  
**top tier** long  
term shareholder  
returns*

## 3 Strong Balance Sheet and Capital Position

***Highly rated**  
by major credit  
rating agencies*

## 4 Focus on Growth Opportunities

*Targeting **7-10%**  
adjusted EPS  
growth over the  
medium term<sup>2</sup>*

## Consistent Strategy

### How we compete

- Committed to customer service and convenience across all channels
- Focused on operational excellence
- Integrated product offerings
- Reinvesting for the long-term



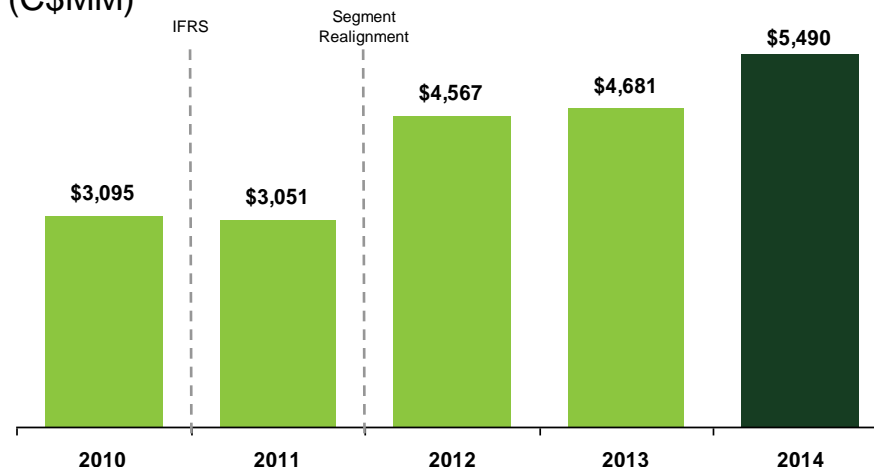
9<sup>th</sup> JD Power Award win in a row<sup>6</sup>



10<sup>th</sup> IPSOS Best Banking win in a row<sup>7</sup>

Targeting 7-10% earnings growth over the medium term

## Adjusted Net Income<sup>1</sup> (C\$MM)



### Q4 2014 Highlights

<b>Total Deposits<sup>2</sup></b>	C\$255B	<b>Employees<sup>4</sup></b>	39,671
<b>Total Loans<sup>2</sup></b>	C\$335B	<b>Customers</b>	~15MM
<b>Assets Under Administration</b>	C\$293B	<b>Mobile Users<sup>5</sup></b>	2.5MM
<b>Assets Under Management</b>	C\$227B	<b>Branches</b>	1,165
<b>Gross Insurance Premiums<sup>3</sup></b>	C\$3.9B	<b>ATMs</b>	2,866
<b>Adjusted Earnings<sup>3</sup></b>	C\$5.5B		

1. See slide 4, footnote 3 for definition of adjusted results. See slide 11, footnotes 1, 2 and 4 for explanation of net income presented under Canadian GAAP and IFRS, and information on segment realignment. Reported earnings for 2012 was C\$4,463MM, 2013 was C\$4,569MM, and for 2014 was C\$5,234MM.

2. Total Deposits based on total of average personal, business and wealth deposits during Q4/14. Total Loans based on total of average personal and business loans during Q4/14.

3. For trailing four quarters ending Q4/14. See slide 4, footnote 3 for definition of adjusted results. Reported earnings for the same period was C\$5,234MM.

4. Average number of full-time equivalent staff during Q4/14. See slide 3, footnote 5 for more information.

5. Active mobile users are defined as TD customers who have logged in using the Canadian mobile or tablet apps (applications) within the last 90 days.

6. TD Canada Trust received the highest numerical score among the big five retail banks in the proprietary J.D. Power 2006-2014 Canadian Retail Banking Customer Satisfaction Studies<sup>SM</sup>. 2014 study based on 17,183 total responses and measures opinions of consumers with their primary banking institution. Proprietary study results are based on experiences and perceptions of consumers surveyed May-June 2014. Your experiences may vary. Visit [jdpower.com](http://jdpower.com).

7. Rated #1 among Canada's five major banks for "Overall quality of customer service" by independent market research firm Ipsos (formerly Synovate) from 2005 to 2014.



## Personal & Commercial Banking

- #1 or #2 market share in most retail products<sup>1</sup>
- On average 44% longer branch hours than peers<sup>2</sup> with more than 420 branches offering Sunday banking
- Most online banking and mobile customers in Canada
- #2 business bank in Canada in both credit and deposit market share

## Credit Cards

- #1 card issuer in Canada measured by outstanding card loan balances
- Premier travel card offering with suite of TD Aeroplan Visa and TD First Class Visa cards
- North American operational scale and professional expertise

## Auto Lending

- Comprehensive banking solutions for our dealers, including floor plan, commercial banking and wealth management
- Full spectrum of lending to more than 4,000 active dealers across Canada
- Market leading positions in non-prime and recreational, leisure vehicle and marine segments

## Wealth

- Leveraging TD brand and retail banking client base to cross-sell
- #1 online brokerage for assets and trades<sup>3</sup>
- #1 institutional asset manager<sup>4</sup>

## Insurance

- Personal lines products in Canada, including Home & Auto, Life & Health, Creditor and Travel insurance
- #1 direct writer of home & auto insurance<sup>5</sup>
- #1 affinity writer of home & auto insurance<sup>5</sup>

**Robust retail banking foundation in Canada with proven performance**

1. Sources: CBA, OSFI and IFIC as at August 31, 2014.  
2. As at July 31, 2014. Canadian Peers are defined as RY, BNS, BMO and CM.  
3. Market share is based on Investor Economics as of June 2014.  
4. Source: Benefits Canada "2014 Top 40 Money Managers Report" released November 2014.  
5. TD Insurance Market Watch Report.

## Consistent Strategy

### How we compete

- Providing customers with legendary service and convenience
- Bringing the whole Bank to our customers
- Conservative risk appetite
- Unique employee culture
- Leveraging TD's North American scale



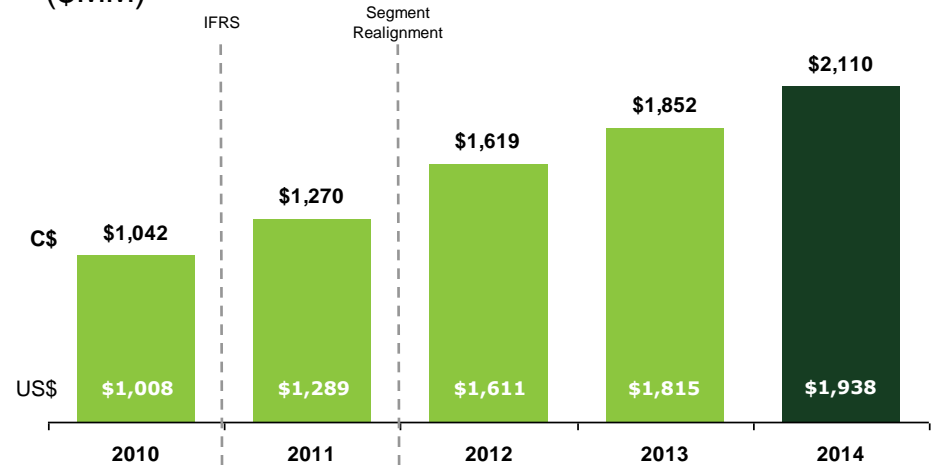
Named  
"Best Big Bank"  
in Money®'s  
"Best Banks 2014" Issue<sup>6</sup>



Ranked Among  
Top 50  
Companies for Diversity  
and Inclusion

**Expecting modest earnings growth  
given interest rate challenges**

## Adjusted Net Income<sup>1</sup> (\$MM)



### Q4 2014 Highlights

	C\$	US\$		
<b>Total Deposits<sup>2</sup></b>	\$222B	\$201B	<b>Employees<sup>4</sup></b>	26,162
<b>Total Loans<sup>2</sup></b>	\$125B	\$114B	<b>Customers</b>	>8MM
<b>Assets Under Administration</b>	\$24B	\$21B	<b>Mobile Users<sup>5</sup></b>	1.6MM
<b>Assets Under Management</b>	\$67B	\$59B	<b>Stores</b>	1,318
<b>Adjusted Earnings<sup>3</sup></b>	\$2.1B	\$1.9B	<b>ATMs</b>	1,962

1. See slide 4, footnote 3 for definition of adjusted results. See slide 11, footnotes 1, 2 and 4 for explanation of net income presented under Canadian GAAP and IFRS, and information on segment realignment. Reported earnings for 2012 was C\$1,325MM (US\$1,318MM) and for 2013 was C\$1,752MM (US\$1,715MM).

2. Total Deposits based on total of average personal deposits, business deposits and TD Ameritrade Insured Deposit Accounts (IDAs) during Q4/14. Total Loans based on total of average personal and business loans during Q4/14.

3. For trailing four quarters ending Q4/14. See slide 4, footnote 3 for definition of adjusted results. Reported and adjusted earnings were equal for the same period.

4. Average number of full-time equivalent staff during Q4/14. See slide 3, footnote 5 for more information.

5. Active mobile users are defined as TD customers who have logged in using the U.S. mobile app (application) within the last 90 days.

6. MONEY is a registered trademark of Time Inc. and is used under license. From MONEY® Magazine, November, 2014 © 2014 Time Inc. Used under license. MONEY and Time Inc. are not affiliated with and do not endorse products or services of TD Bank, N.A. or TD Bank Group.

## Personal & Commercial Banking

- Top 10 bank with 8MM+ customers, operating retail stores in 15 states and the District of Columbia
- Open longer than the competition, including Sunday banking in most markets
- Targeting top 5 market share in our major markets, including #3 in NYC
- Solid commercial growth opportunities across our Maine-to-Florida footprint

## Credit Cards

- Significant potential to deepen existing customer relationships
- Exclusive issuer of Target-branded Visa and private label consumer credit cards to Target's U.S. customers
- North American operational scale and professional expertise

## Auto Lending

- Comprehensive banking solutions for our dealers, including floor plan, commercial banking and wealth management across the TD Bank footprint
- Prime indirect lending to dealers in each of the 50 states and the District of Columbia
- Focused on strategic dealer partnerships where our value proposition best aligns with dealers' needs and priorities

## Wealth

- Building U.S. wealth capability in the high net worth / private banking space
- Acquired in 2013, Epoch Investment Partners expands overall product capabilities in the U.S. and Canada

## TD Ameritrade

- Strategic relationship drives mutually beneficial customer referrals and growth
- Market leadership in trading in the U.S.<sup>1</sup>
- Ranked #1 overall broker in the U.S. by StockBrokers.com<sup>2</sup>

**Top 10 bank in the U.S. with significant growth opportunities**

## Consistent Strategy

### How we compete

#### Canada

- Be the top-ranked integrated investment dealer
- Fully aligned with TD Bank Group partners
- Provide superior advice and execution

#### U.S.

- Extend Canadian franchise's goals into the U.S.
- Build U.S. franchise in partnership with TD Bank, America's Most Convenient Bank

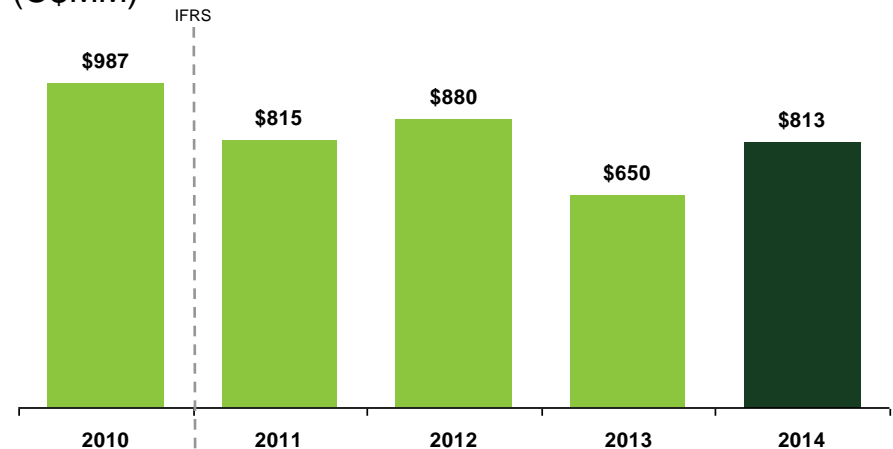
#### Outside North America

- Be a focused player in franchise/client-driven businesses (e.g., super-sovereign agencies, fixed income, foreign exchange)

**#2 Canadian  
Corporate Debt  
Underwriting<sup>5</sup>**

**Thirteen years as  
Top Equity  
Block Trader  
in Canada<sup>6</sup>**

## Adjusted Net Income<sup>1</sup> (C\$MM)



### Q4 2014 Highlights

<b>CET1 Capital Risk-Weighted Assets<sup>2</sup></b>	C\$61B
<b>Trading Revenue<sup>3</sup></b>	C\$1,394MM
<b>Earnings<sup>3</sup></b>	C\$813MM
<b>Employees<sup>4</sup></b>	3,727

**Targeting 15-20% ROE with franchise focus**

1. See slide 4, footnote 3 for definition of adjusted results. See slide 11, footnote 1 for explanation of net income presented under Canadian GAAP and IFRS.  
 2. 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.  
 3. For trailing four quarters ending Q4/14. See slide 4, footnote 3 for definition of adjusted results.  
 4. Average number of full-time equivalent staff during Q4/14. See slide 3, footnote 5 for more information.  
 5. For Corporate Debt underwriting deals in Canada from January 1, 2014 through October 31, 2014. Excludes self led domestic bank deals; bonus credit to lead. Source: Bloomberg.  
 6. Source: IRESS; Canadian equity block trades by value on all Canadian exchanges.

## Focus on client-driven franchise businesses

- Diversified business mix with a North American focus
- Presence in key global financial centres
- Evolved the business model by strategically repositioning the dealer to concentrate on core-client driven activities

## A North American dealer aligned with our TD partners

- Focus on integrating the strength of the TD brand and alignment with our enterprise partners

## Solid returns without going out the risk curve

- Disciplined and proactive risk management by focusing on franchise clients, counterparties, and products
- Delivered strong business results while exiting proprietary-type businesses

## Well positioned for growth

- Build on our position as a top 3 investment dealer in Canada by increasing our origination footprint with Canadian clients<sup>1</sup>
- Focus on growing and deepening client relationships with U.S. corporate and institutional clients
- Leverage our U.S. Primary Dealer designation for continued growth in U.S. fixed income markets
- Grow foreign exchange, commodities and metals businesses globally

**A client-centric wholesale franchise**

## Highlights

- **Highest in Customer Satisfaction** Among the Big Five Retail Banks in Canada by J.D. Power and Associates
- One of the **50 Best Employers** in Canada<sup>1</sup>
- TD Bank, America's Most Convenient Bank, named among the **Top 50 Companies for Diversity** by Diversity Inc. for the second year in a row
- Among the best places to work for LGBT equality in the U.S. with a perfect score on **Human Rights Campaign's Equality Index** for 6th straight year
- **First North American-based bank to become carbon neutral** (as of February 18, 2010)
- Named a **Global 100 Most Sustainable Company** by Corporate Knights
- Only Canadian bank recognized in the 2014 **Global Performance Leadership Index** by CDP for pioneering efforts to **combat climate change and reduce carbon emissions**
- TD was the **first Canadian commercial bank to offer a green bond** (C\$500 million)
- TD Friends of the Environment Foundation celebrates 24 years with over **C\$66 million in funds disbursed** in support of more than 22,000 local environmental projects
- More than **125,000 trees planted through TD Tree Days**, TD's flagship volunteer program, in Canada, the U.S., the U.K. and Luxembourg – with 50K more to be planted in 2014
- TD Asset Management is a **signatory to United Nations Principles for Responsible Investment**
- **Donated more than C\$82 million in 2014** to not-for-profit groups in Canada, the U.S., the U.K., and Asia Pacific.
- More than 1.8 million children have benefitted from a **children's literacy program** supported by TD
- **Recognized by sustainability indices**
  - Dow Jones Sustainability Index (World)
  - Dow Jones Sustainability Index (North America)
  - Ethibel Sustainability Index Global
  - Jantzi Social Index
  - FTSE4Good Index
  - Nasdaq OMX CRD Global Sustainability Index



**Making positive impacts on customers, workplace, environment, and community**

## Guiding Principles

- Deliver Legendary Customer Experiences
- Be an Extraordinary Place to Work
- Operate with Excellence
- Understand Our Business
- Take Only Risks We Understand and Can Manage
- Enhance Our Brand
- Increase Shareholder Value

Living TD principles to be The Better Bank

## Leadership Profile

- **Make an Impact and Value Speed**
- **Build for the Future**
- **Inspire the Will to Win**
- **Act Decisively while Working Effectively in Teams**
- **Live Transparency and Respect Different Views**
- **Show Excellent Judgment**
- **Demonstrate Unwavering Integrity**

# TD Model Has Proven Its Resilience



## Simple Strategy Consistent Focus

- Lead with service and convenience
- Leverage TD brand across all segments
- Continue to invest while driving efficiencies
- Focus on organic growth

## Headwinds

- Slowing loan growth in Canada
- Low interest rate environment
- Demanding regulatory environment

## Vision: To be The Better Bank

- One of the World's Most Admired Companies<sup>1</sup>
- One of Canada's most valuable brands<sup>2</sup>
- One of Canada's Most Responsible Companies<sup>3</sup>

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

1. By Fortune magazine in 2014. TD ranked fourth of all global banks in the in the megabanks category.

2. By Brand Finance in 2012, 2013 and 2014.

3. By Macleans magazine and Sustainalytics in 2011, 2012, and 2013.



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Investor Relations: Large Cap**

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Sector: Financial Services**

**Best Investor Relations  
by a CEO: Large Cap**

**Best Investor Relations  
by a CFO: Large Cap**

**Best Financial Reporting**



# **TD Bank Group Investor Presentation**

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Q4 2014