



# Investor Session

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Focus on  **Canada Trust**

*October 19, 2009*

# Introduction

## Tim Thompson

# Caution regarding forward-looking statements

From time to time, the Bank makes written and oral forward-looking statements, including in this document, in other filings with Canadian regulators or the U.S. Securities and Exchange Commission (SEC), and in other communications. In addition, the Bank's senior management may make forward-looking statements orally to analysts, investors, representatives of the media and others. All such statements are made pursuant to the "safe harbour" provisions of the U.S. Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation. Forward-looking statements include, among others, statements regarding the Bank's objectives and targets for 2009 and beyond, and strategies to achieve them, the outlook for the Bank's business lines, and the Bank's anticipated financial performance. The forward-looking information contained in this document is presented for the purpose of assisting our shareholders and analysts in understanding our financial position as at and for the periods ended on the dates presented and our strategic priorities and objectives, and may not be appropriate for other purposes. The economic assumptions for 2009 for the Bank are set out in the Bank's 2008 Annual Report under the heading "Economic Summary and Outlook" and for each of our business segments, under the heading "Business Outlook and Focus for 2009." 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 statements require us to make assumptions and are subject to inherent risks and uncertainties, general and specific. Especially in light of the current, unprecedented financial and economic environment, such risks and uncertainties may cause actual results to differ materially from the expectations expressed in the forward-looking statements. Some of the factors – many of which are beyond our control and the effects of which can be difficult to predict – that could cause such differences include: credit, market (including equity and commodity), liquidity, interest rate, operational, reputational, insurance, strategic, foreign exchange, regulatory, legal and other risks discussed in the Bank's 2008 Annual Report and in other regulatory filings made in Canada and with the SEC; general business and economic conditions in Canada, the U.S. and other countries in which the Bank conducts business, as well as the effect of changes in existing and newly introduced monetary and economic policies in those jurisdictions and changes in the foreign exchange rates for the currencies of those jurisdictions; the degree of competition in the markets in which the Bank operates, both from established competitors and new entrants; defaults by other financial institutions in Canada, the U.S. and other countries; the accuracy and completeness of information the Bank receives on customers and counterparties; the development and introduction of new products and services in markets; developing new distribution channels and realizing increased revenue from these channels; the Bank's ability to execute its strategies, including its integration, growth and acquisition strategies and those of its subsidiaries, particularly in the U.S.; changes in accounting policies (including future accounting changes) and methods the Bank uses to report its financial condition, including uncertainties associated with critical accounting assumptions and estimates; changes to our credit ratings; global capital market activity; increased funding costs for credit due to market illiquidity and increased competition for funding; the Bank's ability to attract and retain key executives; reliance on third parties to provide components of the Bank's business infrastructure; the failure of third parties to comply with their obligations to the Bank or its affiliates as such obligations relate to the handling of personal information; technological changes; the use of new technologies in unprecedented ways to defraud the Bank or its customers and the organized efforts of increasingly sophisticated parties who direct their attempts to defraud the Bank or its customers through many channels; legislative and regulatory developments; change in tax laws; unexpected judicial or regulatory proceedings; the U.S. securities litigation environment; unexpected changes in consumer spending and saving habits; the adequacy of the Bank's risk management framework, including the risk that the Bank's risk management models do not take into account all relevant factors; the possible impact on the Bank's businesses of international conflicts and terrorism; acts of God, such as earthquakes; the effects of disease or illness on local, national or international economies; and the effects of disruptions to public infrastructure, such as transportation, communication, power or water supply. A substantial amount of the Bank's business involves making loans or otherwise committing resources to specific companies, industries or countries. Unforeseen events affecting such borrowers, industries or countries could have a material adverse effect on the Bank's businesses, financial results, financial condition or liquidity. The preceding list is not exhaustive of all possible risk factors and other factors could also adversely affect the Bank's results. For more information, see the discussion starting on page 64 of the Bank's 2008 Annual Report. All such factors should be considered carefully when making decisions with respect to the Bank, and undue reliance should not be placed on the Bank's forward-looking statements. Any forward-looking information or statements contained in this document represent the views of management only as of the date hereof. 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.

# Agenda

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<b>Introduction</b>	Tim Thompson
<b>Strategic Overview</b>	Tim Hockey
<b>Retail Distribution</b>	Kerry Peacock
<b>Direct Channels</b>	Brian Haier
<b>Q&amp;A</b>	
<b>Retail Products &amp; Services</b>	Shailesh Kotwal
<b>Operations &amp; Technology</b>	Margo McConvey
<b>Business Banking</b>	Paul Douglas
<b>Q&amp;A</b>	
<b>Closing Remarks</b>	Tim Hockey

# Strategic Overview

## Tim Hockey

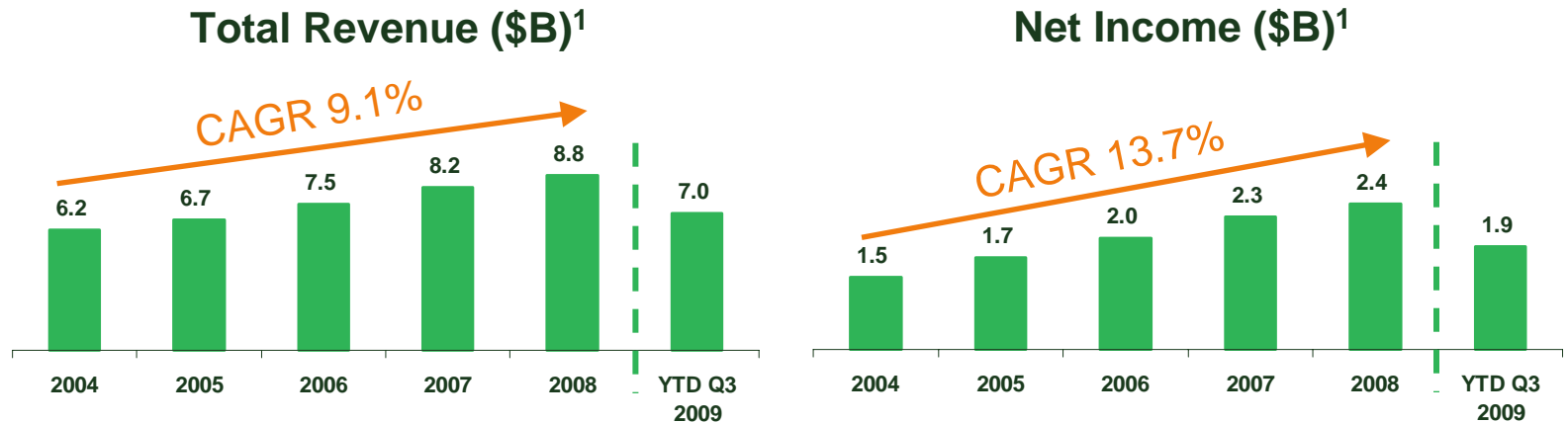
# TD Bank Financial Group: To Be The Better Bank

## **Canada Trust : Uniquely Comfortable Banking**

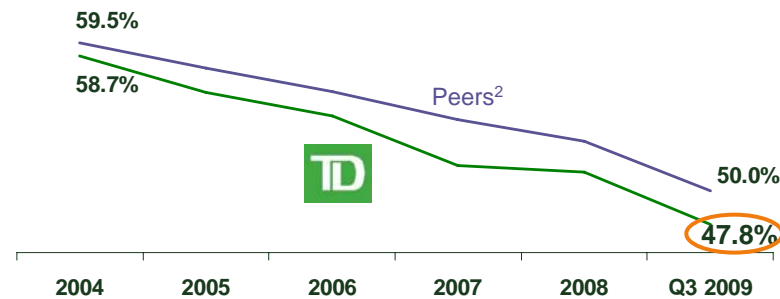
- ✓ Industry leading customer experience
- ✓ Ultimate convenience
- ✓ Integrated offer and solutions across TDBFG
- ✓ Focus on operational excellence
- ✓ Caring performance culture

Focused strategy → Executed well → Consistently delivers results

# Operating with Excellence



## Efficiency Ratio



1. CAGR is calculated based on compound annual growth from 2004 to 2008. Also see the Canadian P&C segment discussion in the Business Segment Analysis section in the 2008, 2007, and 2006 Annual Reports, and see starting on page 17 of the 2008 Annual Report for an explanation of how the Bank reports and a reconciliation of the Bank's non-GAAP measures to reported basis (GAAP) results for FY06-FY08, and pages 140 to 141 of the 2008 Annual Report for a reconciliation for 10 years ending FY08.
2. Peers include RY, BNS, BMO, CM. Results are adjusted on a comparable basis to exclude identified non-underlying items.

Consistently delivers results

## Q3 2009 Credit Performance

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- Real Estate Secured Lending
  - 2/3 of portfolio insured
  - Losses continue to be nominal
- Unsecured Personal Credit
  - Losses are likely to continue to rise until the economy rebounds
- Commercial Lending
  - Diversified across industries
  - Some early signs of deterioration, losses typically lag a recession

Earning through higher Provision for Credit Losses





**Canada Trust**

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**Uniquely Comfortable Banking**

# TD Canada Trust Leadership

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**Tim Hockey**

Group Head Canadian Banking

**Kerry Peacock**

EVP Branch Banking

**Brian Haier**

EVP Direct Channels & Distribution Strategy

**Shailesh Kotwal**

EVP Retail Banking Products & Services

**Margo McConvey**

EVP Operations & Technology

**Paul Douglas**

EVP Business Banking

Strong, seasoned executive team

# Retail Distribution Kerry Peacock

# At a Glance

## Multiple Channels



**Branch**



**ABM/ATM**



**Online**



**Phone**

<b># Locations</b>	1,118	2,681	1 MM logins / day	5
<b># Customers</b>	11 MM Personal & Small Business	79% Utilization	3.5 MM Active Customers	27 MM contacts / year
<b># FTE</b>	18,300	10	60	2,300
<b>Sales Units by Channel</b>	85%	NA	3%	12%
<b>Service Units by Channel</b>	36%	27%	21%	16%

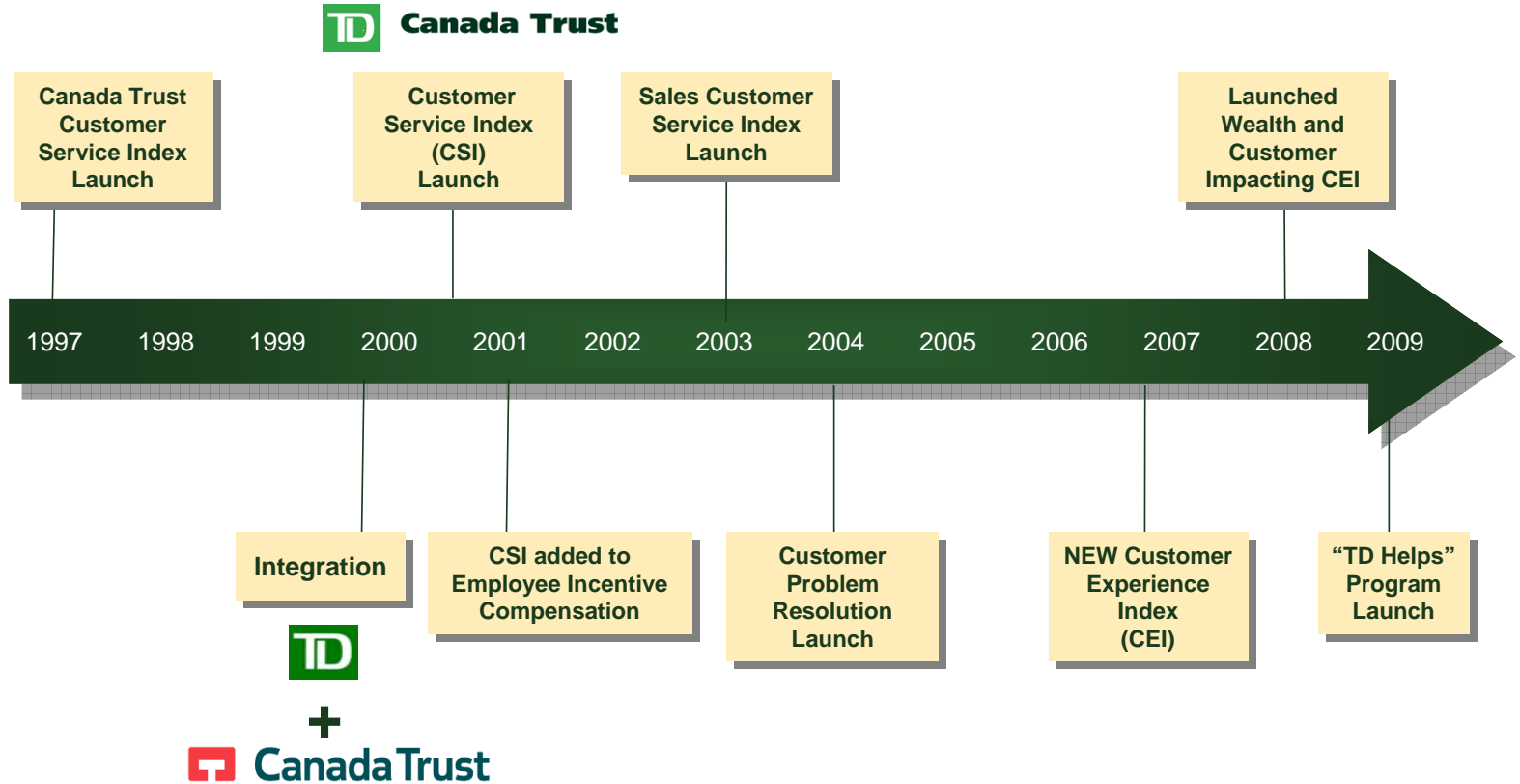
A retail distribution powerhouse offering an integrated customer experience

## Business Priorities

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- ✓ Continuous improvement of customer experience
- ✓ Growth through disciplined reinvestment in the franchise
- ✓ Integrated approach – motivating employees to do what's best for our customers
- ✓ Employee engagement – coach, measure and reward

# The Customer Experience Journey

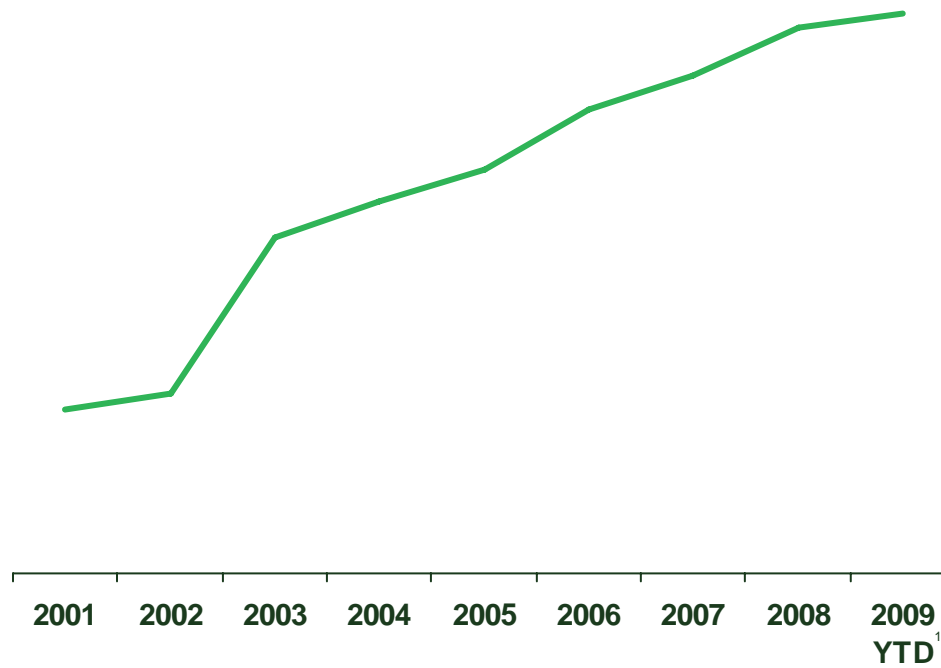


Relentless focus on improved experience

# Winning Strategy

## Net Promoters

Most likely to recommend TDCT

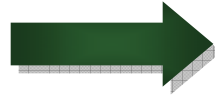


↑ 22%  
points

Ask → Measure → Constantly improve

1. YTD 2009 includes September 2009

# Awards & Recognitions



2006



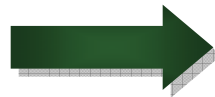
2007



2008



2009



2005



2006



2007



2008



2009



2005



2006



2008



2009

Customer experience + Loyalty = Deeper share of wallet



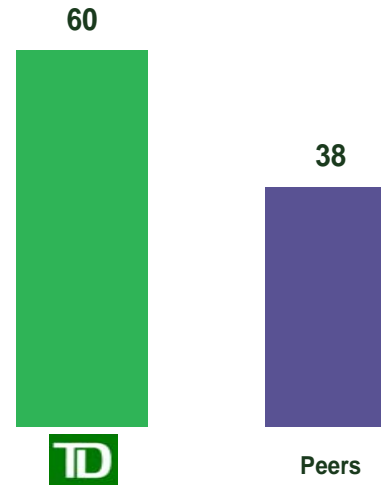
# Growth Through Disciplined Investment

## Branches Opened

2004	-	16
2005	-	21
2006	-	33
2007	-	37
2008	-	30
<b>YTD 2009</b>	-	<b>21</b>
		<hr/>
		<b>158</b>

TDCT  
opened 1  
out of every  
3 new  
branches in  
Canada<sup>2</sup>

## Average Weekly Hours<sup>1</sup>



59% more  
hours than  
peers<sup>3</sup>

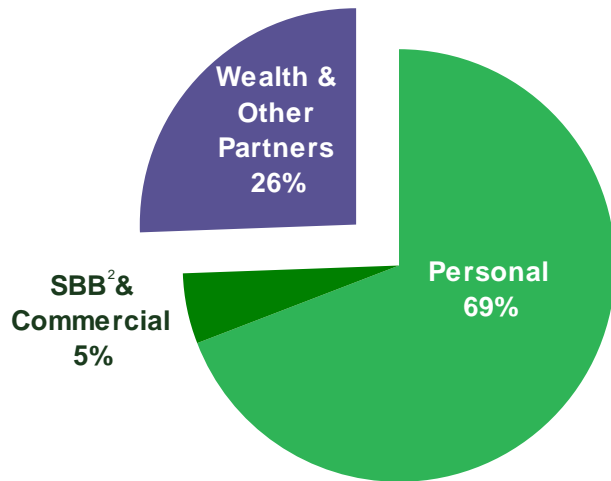
- At the same time, efficiency ratio improved from 58.7% in 2004 to 47.8% in Q3 2009

Aggressive de-novo growth, extended branch hours and strong efficiency ratio

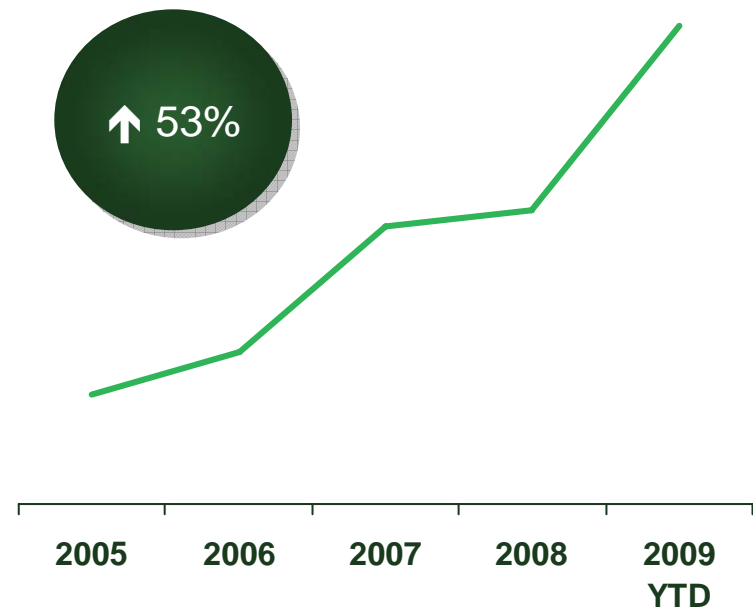
1. As at Q3 2009  
2. New branches opened by top 5 Canadian banks (TD, RBC, BNS, BMO, CIBC) from 2004 to 2008.  
3. Peers are defined on slide #7.

# Integrated Customer Experience

TDCT Volume Mix  
YTD 2009<sup>1</sup>



Number of Referrals

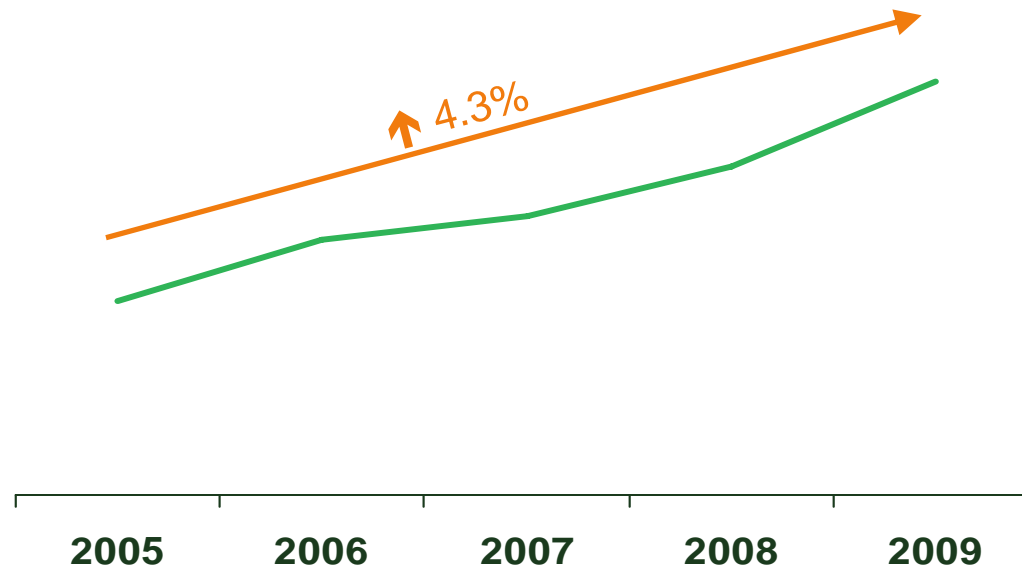


The power of an integrated franchise

1. By \$, YTD August 2009  
2. Small Business Banking

# Employee Engagement

## Employee Experience Index



Consistently improving over the past 15 surveys

Strong employee engagement = Strong customer experience

## Key Takeaways

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- ✓ Continuous improvement of customer experience
- ✓ Growth through disciplined reinvestment in the franchise
- ✓ Integrated approach – motivating employees to do what's best for our customers
- ✓ Employee engagement – coach, measure and reward

# Direct Channels

## Brian Haier

# North American Direct Channels Strategy



ABM/ATM



Phone



Online

Enhance Customer Experience

Increase Revenue

Maximize Cost Synergies

Integrated + Seamless + Effortless → Legendary customer and client experience

# Direct Channels Opportunity



ABM/ATM



Phone



Online

- Simple sales and better vendor management
- Turn service into sales opportunities
- Shared services
- On board new customers
- Cross sell to existing customers

Four businesses → Two countries → One 



**Bank Financial Group**

**Q & A**

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# Retail Banking Products & Services

## Shailesh Kotwal

## At a Glance

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- 1 in 3 Canadians is a TDCT customer
- 79% of customers have two or more products and services
- Growing and diverse product solutions and origination channels
- # 1 market position<sup>1</sup> in:
  - Personal loans
  - Non-term deposits
  - Term deposits
  - Debit card transactions

1. Source: CBA, Starfish, Interac, Bank of Canada

# Business Priorities

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- ✓ Deliver customer focused product solutions
- ✓ Offer products that are easy to understand, sell and service
- ✓ Improve margins and operating efficiency
- ✓ Grow under-represented businesses

# Customer Focused Product Solutions

**SAVING IS EASIER  
WITH A  
LITTLE HELP**


Introducing the  
Simply Save program

**HOW DOES IT WORK?**  
▶ [Check out the demo](#)

A woman with long dark hair, wearing a bright pink short-sleeved button-down shirt and grey pants, stands smiling. She is holding a green card in her right hand and a small green object in her left. To her right is a green armchair. Above the chair is a green piggy bank with a coin slot on top. Two green coins are shown floating above the piggy bank; the larger one is labeled '\$1' and the smaller one is labeled '\$1'.

Easy to understand, sell and service → Delivering solutions that drive growth

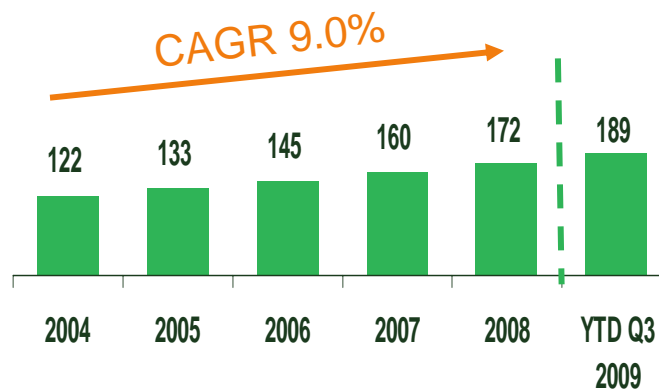
# Customer Focused Product Solutions

	 <b>First Class Visa Infinite</b>	<b>Typical Major Competitor</b>
<b>Simplicity</b>	✓ Points always have same value	✗ Complicated point grid systems
<b>Ease of use</b>	✓ Use with any travel agency for any type of travel	✗ Must use specified agent typically for flights or hotel only
<b>Broader expense coverage</b>	✓ Pay for your entire trip with points – even taxes and insurance	✗ Taxes and insurance are charged to credit card
<b>No blackouts</b>	✓ No blackouts. Period.	✗ Restrictions or increased redemption costs during premium travel periods

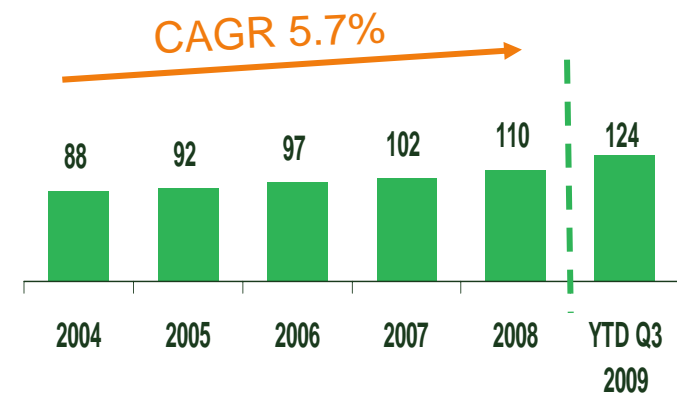
Easy to understand, sell, service

# Building Momentum

## Personal Loans & Mortgages Average Volume (\$B)<sup>1, 2</sup>



## Deposits & Savings Average Volume (\$B)<sup>2</sup>

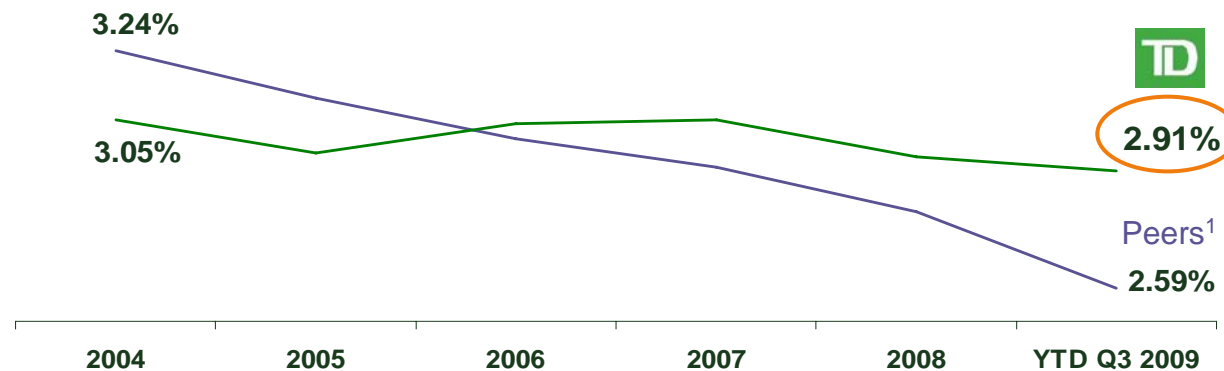


Volume momentum fueling top line growth

1. Personal Loans & Mortgages category includes Home Equity Line of Credit, Personal Lending products & Credit Cards
2. See slide #7 for definition of CAGR.

# Disciplined Margin Management

## Net Interest Margin



- Market leading deposit franchise provides stable funding costs
- Focus on higher margin products
- Optimize risk adjusted returns
- Strong product management capabilities

Goal: Consistent margin performance

1. Peers are defined on slide #7.

## Key Takeaways

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- ✓ Deliver customer focused product solutions
- ✓ Offer products that are easy to understand, sell and service
- ✓ Improve margins and operating efficiency
- ✓ Grow under-represented businesses

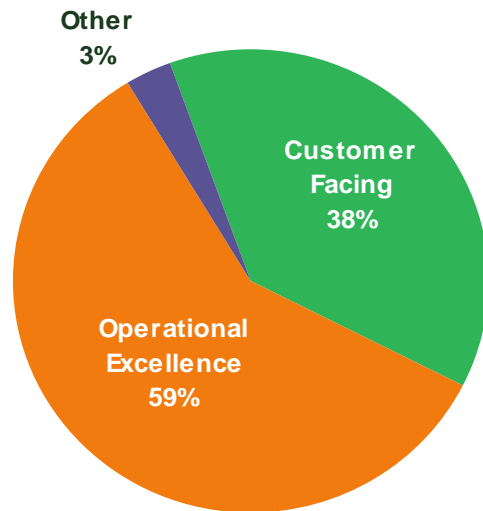


# Operations & Technology

## Margo McConvey

# At a Glance

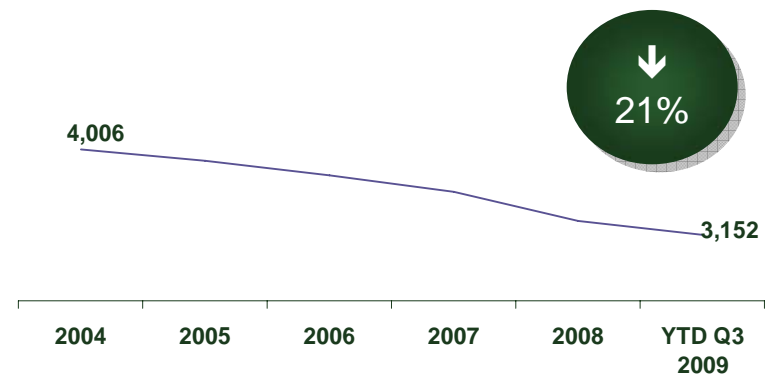
## Technology Investment % of Spend<sup>1</sup>



## Sites



## Full-Time Equivalent Staff



1. For 2009

# Business Priorities

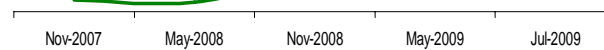
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- ✓ Embed customer experience in end to end processes and technology
- ✓ Stand by our customers in tough times
- ✓ Faster processing, fewer errors and increased capacity
- ✓ Sustainable improvement in customer quality, speed and cost
- ✓ Engage hearts and minds of employees in continuous improvement

# Results

✓ Improved Customer Experience

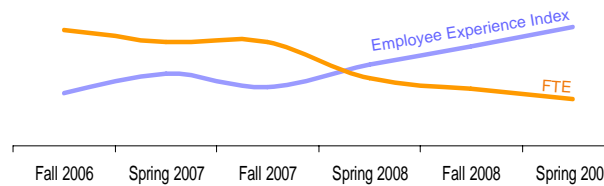
CI Customer Experience Index<sup>1</sup>



Index improved more than 4 times

✓ Engaged Workforce

Employee Experience Index & FTE<sup>2</sup>

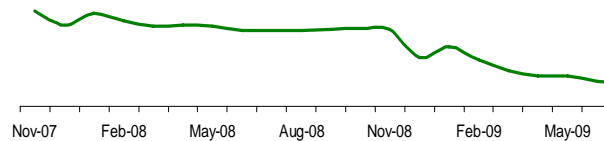


EEI ↑ 6%

FTE ↓ 13%

✓ Fundamental Cost Reduction

Cost Per Customer Widget<sup>3</sup>



↓ 18%

Delivering consistent progress

1. Customer Impacting Customer Experience Index  
 2. Full-time equivalent staff  
 3. Total Operations Business expense / Customer Activity, YTD cumulative average

# In Tough Times – “TD Helps”

- Over 17,000 customers helped
- 4 times more credit specialists
- 5 times more customer solutions provided

- Employees share how they help customers
- Customers post comments
- Direct & easy access to specialists

The screenshot shows a TD Canada Trust webpage with the heading "Let's figure it out." Below the heading is a video player showing a woman speaking. To the right of the video player is a "Videos" section with "Welcome Video" and "Employee Videos". Below the video player is a text block: "Her customer lost his job, but they had a plan." followed by a paragraph: "The closure of the local pulp and paper mill was devastating to the community. With the help of Tasha, a TD banking specialist, our customer secured lower monthly payments on his loan, and developed a plan to keep his family comfortable until he could find a new job." Below this text are several customer comments, each starting with "Ryan COMMENTED: Saturday May 5, 2009 1:24PM". At the bottom of the page are three promotional boxes: "Overloaded with credit card debt?", "Worried about your mortgage?", and "Falling behind on your payments?".

Enhancing the customer experience - helping customers in hard times

# Key Takeaways

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- ✓ Embed customer experience in end to end processes and technology
- ✓ Stand by our customers in tough times
- ✓ Faster processing, fewer errors and increased capacity
- ✓ Sustainable improvement in customer quality, speed and cost
- ✓ Engage hearts and minds of employees in continuous improvement

# Business Banking

## Paul Douglas

# At a Glance

## Three Key Business Areas

	Small Business Banking	Commercial Banking	Merchant Services
Customer	<ul style="list-style-type: none"> <li>Borrowing needs to \$500K</li> </ul>	<ul style="list-style-type: none"> <li>Borrowing needs &gt; \$500K</li> </ul>	<ul style="list-style-type: none"> <li>Credit/debit card processing needs</li> </ul>
Offer	<ul style="list-style-type: none"> <li>Standardized &amp; centralized product and pricing</li> </ul>	<ul style="list-style-type: none"> <li>Comprehensive, customized lending &amp; cash management solutions</li> </ul>	<ul style="list-style-type: none"> <li>Payment acquisition</li> </ul>
Delivery	<ul style="list-style-type: none"> <li>1,118 branches</li> <li>337 small business advisors</li> </ul>	<ul style="list-style-type: none"> <li>46 commercial banking centres</li> <li>Dedicated relationship managers</li> </ul>	<ul style="list-style-type: none"> <li>1,118 branches</li> <li>Mobile relationship managers</li> </ul>



# Business Priorities

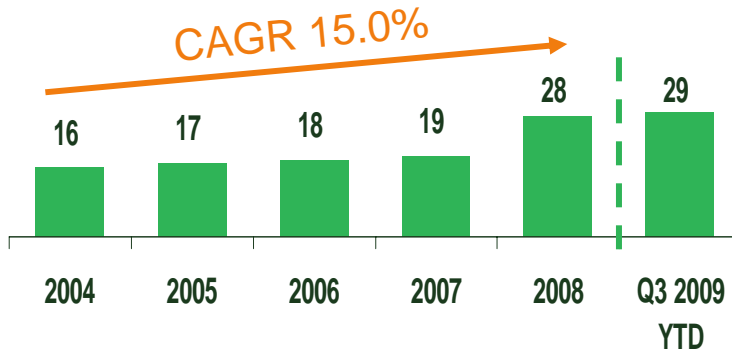
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- ✓ Remain prudent on risk
- ✓ Win with better Business Bankers
- ✓ Add more Business Bankers in more places
- ✓ Deliver TDBFG solutions to business banking clients
- ✓ Continuous process improvement
- ✓ Gain share across all segments

# Building Momentum

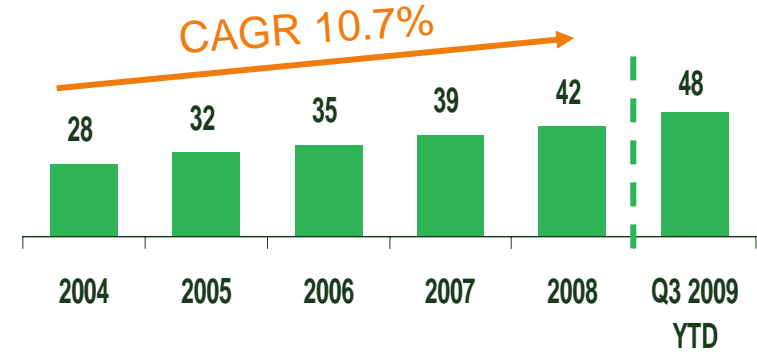
## Business Loans and Acceptances

Average Volumes (\$B)<sup>1,2</sup>

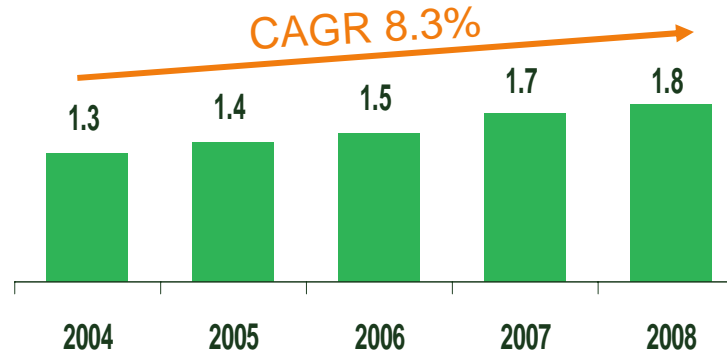


## Business Deposit Volume

Average Volumes (\$B)<sup>1</sup>



## Business Banking Revenue (\$B)<sup>1</sup>

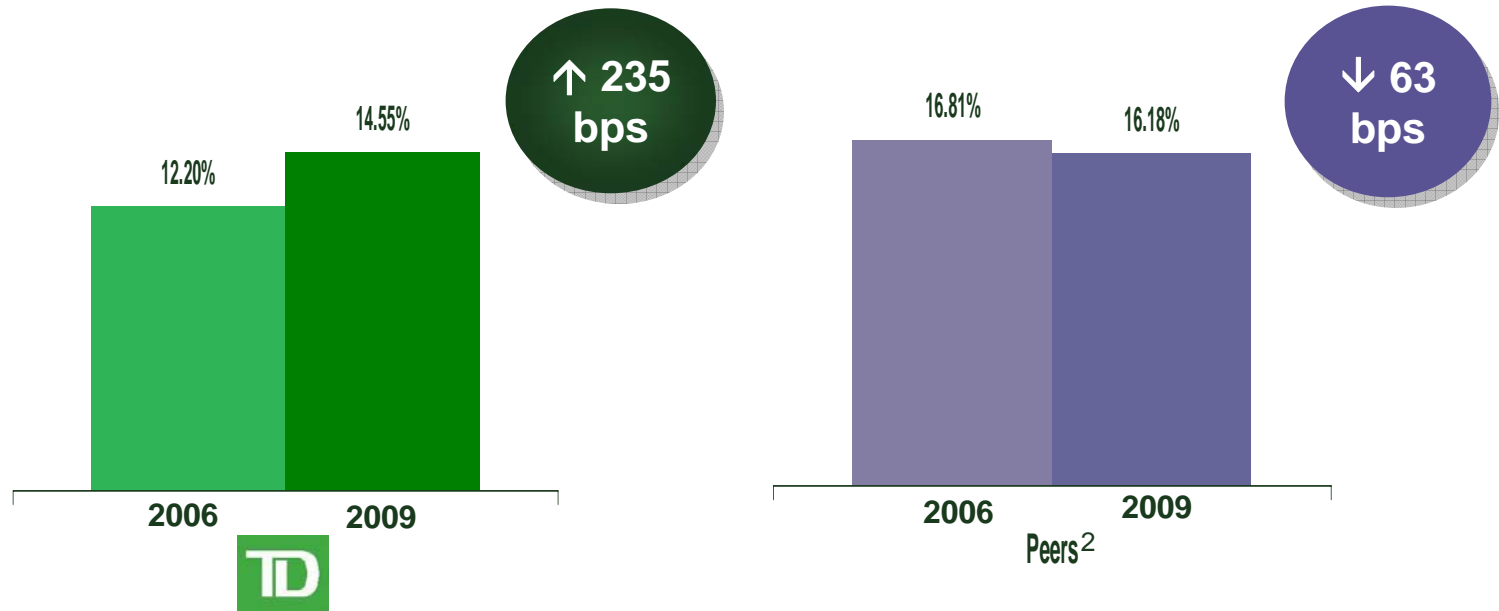


Volume growth driving top line results

1. See slide #7 for definition of CAGR.
2. Business Loan volumes for 2008 include the transfer of \$6B in MUR assets that were previously classified as Personal.

# Growing Market Share

## Total Market Share<sup>1</sup>



- #2 Deposits: 19.9%
- #4 Credit: 14.6%

Opportunity for growth

1. Source: CBA. As at June 2006 and June 2009.  
2. Average of Peers. Peers are defined on slide #7.

# Key Takeaways

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- ✓ Remain prudent on risk
- ✓ Win with better Business Bankers
- ✓ Add more Business Bankers in more places
- ✓ Deliver TDBFG solutions to business banking clients
- ✓ Continuous process improvement
- ✓ Gain share across all segments



**Bank Financial Group**

**Q & A**

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**Bank Financial Group**

## **Closing Remarks**

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*Tim Hockey*

# Key Messages

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- ✓ Service and convenience franchise that consistently delivers results
- ✓ Continue to improve the way we engage our people and run our businesses
- ✓ Invest in our businesses for the long term
- ✓ Leading customer experience brand sets us apart



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## Appendix

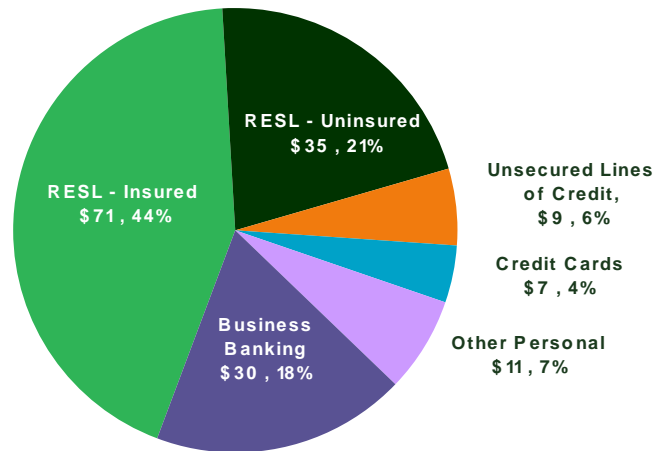
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# Q3 2009 Credit Performance

## Gross Lending Portfolio<sup>1,2</sup>

Total \$163B



## Highlights

- **RESL**
  - Losses continue to be nominal
  - 90 day+ delinquency is 0.2%
  - Portfolio is 67% insured
- **Unsecured Personal Lending**
  - Losses are likely to continue to rise until the economy rebounds
- **Commercial**
  - Performance remains within expectations
  - Early signs of deterioration in credit quality – performance is closely monitored

## Provision for Credit Losses

In \$MM	Q3/09	Q2/09	QoQ	Q3/08	YoY
<b>Personal Banking</b>	\$268	\$260	\$8	\$179	\$89
<b>Business Banking</b>	\$22	\$27	\$(4)	\$15	\$7
<b>Total TDCT</b>	<b>\$290</b>	<b>\$287</b>	<b>\$4</b>	<b>\$194</b>	<b>\$96</b>

1. Gross lending portfolio includes loans and acceptances. Excludes securitized Residential Mortgages and HELOCs (\$53B)  
 2. RESL stands for Real Estate Secured Lending – Mortgages + HELOCs.

# Investor Relations Contacts

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[www.td.com/investor](http://www.td.com/investor)



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a CEO**

**Best Retail Investor  
Communications**



# Investor Session

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