



Bank Financial Group



Ed Clark

*President and CEO
TD Bank Financial Group*

**RBC CAPITAL MARKETS
CANADIAN FINANCIAL SERVICES CEO CONFERENCE**
January 21, 2004



Bank Financial Group

Forward-Looking Statements

From time to time, TD makes written and oral forward-looking statements, including in this presentation, in filings with Canadian regulators or the U.S. Securities and Exchange Commission (SEC), and in other communications. All such statements are made pursuant to the "safe harbour" provisions of the United States Private Securities Litigation Reform Act of 1995.

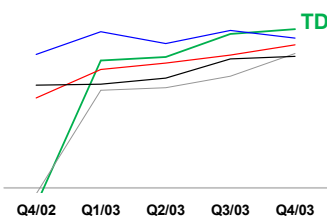
Forward-looking statements include, among others, statements regarding TD's objectives and strategies to achieve them, the outlook for TD's business lines, and TD's anticipated financial performance. Forward-looking statements are typically identified by words such as "believe", "expect", "may" and "could". By their very nature, these statements are subject to inherent risks and uncertainties, general and specific, which may cause actual results to differ materially from the expectations expressed in the forward-looking statements.

Some of the factors that could cause such differences include: the credit, market, liquidity, interest rate, operational and other risks discussed in the management's discussion and analysis sections of TD's latest annual and interim reports and other regulatory filings made in Canada and with the SEC; legislative and regulatory developments; the degree of competition in the markets in which TD operates, both from established competitors and new entrants; technological change; changes in government and economic policy including as to interest rates; the health of the global economic, business and capital markets environments; and management's ability to anticipate and manage the risks associated with these factors and execute TD's strategies. This list is not exhaustive. Other factors could also adversely affect TD's results. All such factors should be considered carefully when making decisions with respect to TD, and undue reliance should not be placed on TD's forward-looking statements. TD does not undertake to update any forward-looking statements, written or oral, that may be made from time to time by or on our behalf.



2003: Year Of Solid Performance And Important Transformation

Cash Return on Risk-Weighted Assets



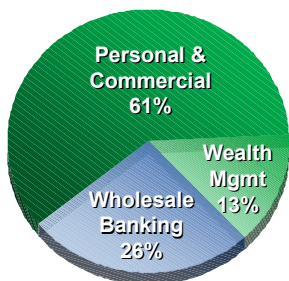
- ☐ Three strong core businesses, each contributing to improving performance
- ☐ Dramatically lowered risk profile
- ☐ Demonstrated clear & open communication
- ☐ Continued to show commitment to leadership in corporate governance

* Operating cash basis excluding 2003 write-downs and restructuring



Building A Better Bank

Business Mix Earnings F2003* (Excluding Non-Core)



Target: 80/20 Retail/Wholesale

Three strong core businesses:

- ☐ *Personal & Commercial*
CT merger provides premium brand, continuing cost synergies, and cross-sell opportunities
- ☐ *Wealth Management*
Our integrated wealth management business in Canada is coupled with our highly profitable TD Waterhouse platform in the U.S.
- ☐ *Wholesale Banking*
We follow a unique shareholder-driven approach, focused on maximizing economic profit

* Operating cash basis excluding 2003 write-downs and restructuring



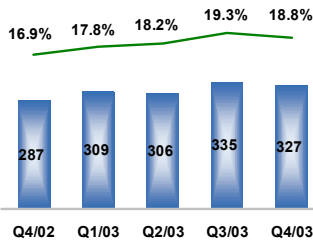
A Different Way Of Doing Business Requires A Different Compensation / Reward System

- ❑ Greater share ownership requirements for executives focus management on long-term value creation
- ❑ Superior customer service imbedded in corporate culture
 - ❑ compensation tied to customer satisfaction index
- ❑ Rigorous emphasis on operational excellence and economic profit
 - ❑ compensation tied to economic profit



P&C Strategy Lays Foundation For Long-Term Earnings Growth

Personal & Commercial Net Income (\$MM) and ROIC (%)



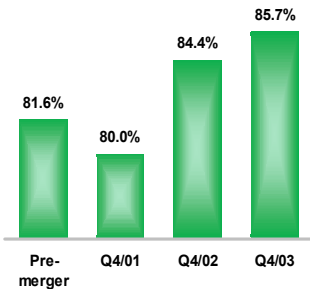
* Operating cash basis

- ❑ Deliver superior service and leverage into a premium customer experience based brand
- ❑ Attain above-average growth through:
 - ❑ better customer retention
 - ❑ better customer attraction
 - ❑ increased business with each customer
- ❑ Exploit core competency in expense management and process optimization
- ❑ Leverage large retail base to improve cross-sell rates
- ❑ Grow under-penetrated businesses



Delivering Superior Service Is Fundamental To Our Success

**TD Canada Trust
Customer Satisfaction Index**

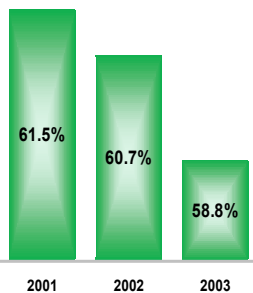


- ❑ Longer branch hours and large retail distribution network provides advantages in meeting customers needs
- ❑ Strategically investing in technology that improves customer satisfaction and contributes to our operating excellence
- ❑ We are systematically addressing issues arising from the CT merger that adversely affected our market share



Maintain Gap Between Revenue Growth And Expense Growth

P&C Efficiency Ratios

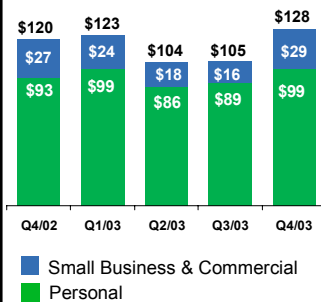


- ❑ Tough day-to-day cost management
- ❑ Invest in process re-engineering to reduce errors and permanently lower costs
- ❑ Strategies focus on eliminating extraneous activities, duplication, and redundancy
- ❑ Cost and process optimization focuses on:
 - ❑ improving customer satisfaction
 - ❑ maximizing employee time spent on revenue generating activities



Improved Credit Risk Management Should Yield Positive Results In 2005

Provision For Credit Loss (\$MM)
(excludes impact of securitization)



- Risk management tools need improving
- Current situation inhibits unsecured lending and impacts negatively on earnings
- By investing in projects and systems, we expect to improve this situation with positive impact expected in 2005



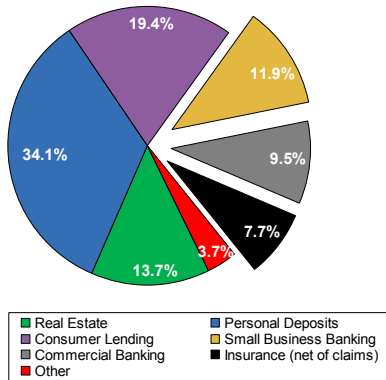
Leveraging TD's High Potential To Improve Cross-Sell Rates

- 10MM+ customers are in contact with TD millions of times a year through various service and distribution channels
- Merger completion allows us to focus on this next opportunity
- North America banks are trying different cross-sell techniques -- execution is key
- We are working on:
 - Uniform Referral Process: driven by standard qualification guidelines, customer service philosophy and employee incentive
 - Radar, Leads & Events Triggers: sales-prompt system imbedded in sales & service processes -- identification of timely relevant cross-sell opportunities across all distribution channels
- Metrics to measure progress and compare to peers are difficult



Tactics For Growing Under-Penetrated Businesses

P&C % Revenue By Key Product Segment - F2003



Small Business Banking

- Leverage strong retail drivers (coverage, hours, CSI) and large retail customer base

Commercial Banking

- Follow more segmented and focused approach to sales -- commercial segmented into three distinct businesses with three distinct strategies

Insurance

- *Life Insurance*: Targeted strategy designed to maximize earnings and ROE - best creditor insurance penetration rate and direct sales of living benefits products
- *Property & Casualty*: Low cost direct insurance model produces superior ROE and growth



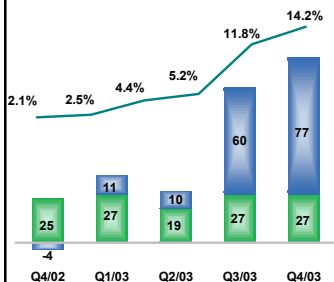
Acquisition of Liberty Mutual Solidifies TD Meloche Monnex Industry Leading Position

- Signed an agreement to acquire the Canadian auto and home insurance operations of Boston-based Liberty Mutual Group
- Transaction is expected to close in April and be slightly accretive to earnings in fiscal 2004
- Acquisition makes TD Meloche Monnex Canada's largest direct-response insurer and one of top four auto and home insurers
- Total annualized premium revenue estimated to be \$1.4 billion
- A strategic and financially attractive acquisition



Strategically Growing Our Wealth Management Business

Wealth Management Net Income* (\$MM) and ROIC (%)



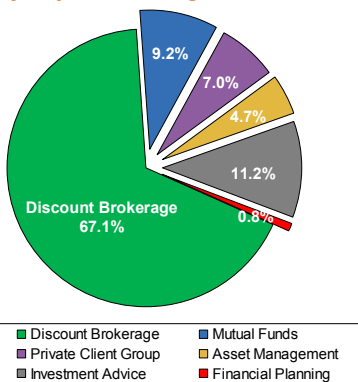
- Build out integrated wealth management platform in Canada
- Exploit and expand our TD Waterhouse discount brokerage platform in the US
- Focus TD Waterhouse International on improving returns

* Operating cash basis excluding 2003 write-downs and restructuring



Building A Scaleable And More Profitable Business In Canada

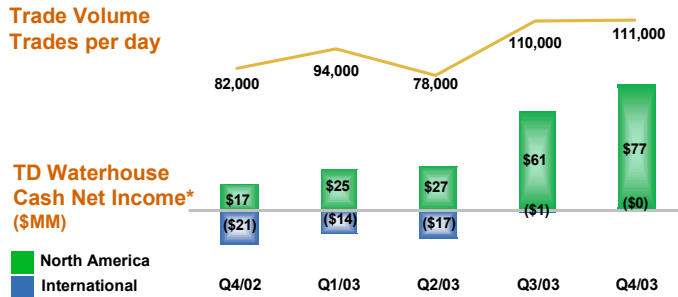
Wealth Management % Revenue By Key Product Segment - F2003



- Take out costs and invest to realign Canadian wealth management platform
- Continue to integrate wealth management offering -- a singularly branded experience
- Leverage our client bases to increase asset growth
- Gradually increase advisory network
- Shift from transaction-based to more fee-based revenue



TD Waterhouse Discount Brokerage Benefits From Operational Leverage



* Operating cash basis excluding 2003 write-downs and restructuring



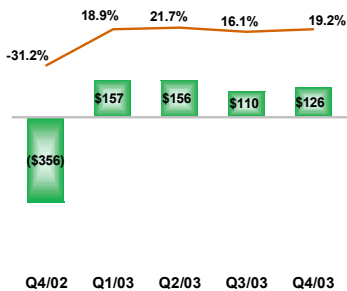
We Intend To Maintain Our Ownership In TD Waterhouse And Pursue The Strategic Advantage Of Our Market Position In The U.S.

- Merger talks designed to seize significant, mutually advantageous cost opportunities -- not to shore up any weak strategic position
- TD Waterhouse differentiates itself from its U.S. competitors
 - branch presence
 - mutual fund offering
 - independent advisor channel
- Strategic position allows us to attract full-service brokerage clients
- Intend to aggressively grow TD Waterhouse organically



Core Wholesale Strategy Yields Stable And Sustainable Earnings

Core Wholesale Banking Net Income* (\$MM) and ROIC (%)



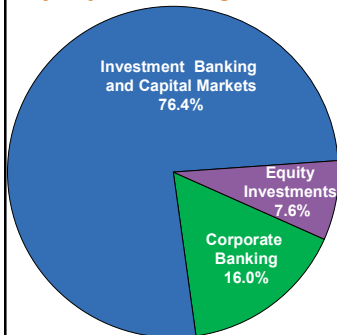
- Compensation of business leaders tied to total bank performance
- Deliver full suite of capital markets services for established Canadian customer base
- Operate as niche investment bank outside Canada, leveraging product/sector expertise
- Permanently lower risk profile and raise ROE by actively managing credit and market risks and assigned capital limits

* Operating cash basis excluding 2003 write-downs and restructuring



Core Wholesale Plans For Achieving Targeted 18-20% ROIC in 2004

Core Wholesale % Revenue By Key Product Segment - F2003

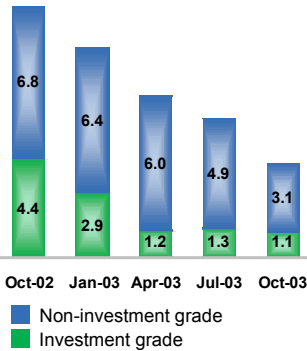


- Optimistic that corporate activity levels will continue to recover in 2004
- Increase market share of our leading Canadian full-service investment bank
- Continue to implement niche product and sector-based strategy globally
- Continue to enhance our risk and control infrastructure



Wind-Down Of Non-Core Book Increases Regulatory Capital

Non-Core Portfolio Loans and BAs* (\$B)



*Loans and BAs = Loans + BAs - Specific Allowances For Credit Loss - Cash Collateral - Credit Protection

- We will continue to aggressively reduce the non-core portfolio in 2004
- Non-core portfolio is subject to disciplined quarterly review of adequacy of reserves
- \$80MM sectoral release and \$157MM in general release in 2003
- Credit environment will determine the amount of, and the speed with which, sectorals are released in coming quarters



Translating Our Growing Capital And Financial Strength Into Future Earnings

- Our financial position continues to strengthen
- Core businesses are strong and each is contributing to performance and generating excess capital
- Our challenge is to re-deploy our growing capital and maintain optimum balance between:
 - making investments that truly add shareholder value
 - giving capital back to shareholders
 - continuing to strengthen franchise to prevent it from becoming strategically vulnerable in the future



Bank Financial Group



Ed Clark

*President and CEO
TD Bank Financial Group*

**RBC CAPITAL MARKETS
CANADIAN FINANCIAL SERVICES CEO CONFERENCE
*January 21, 2004***