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(CHECK AGAINST DELIVERY)

CORPORATE PARTICIPANT

Ed Clark, TD Bank Financial Group – President & CEO

PRESENTATION

Ed Clark, TD Bank Financial Group – President and CEO

Slides 1 and 2

Thanks Rob. I'm delighted to be here. It's great to have a chance to discuss our business issues with you.

Slide 3
I think basically all of you know our core strategy, and how we try to profile ourselves, but I'll run through them quickly.

Slide 4
Obviously, we have heavily concentrated on risk and whether or not we believe the market is rewarding us, and in those areas where we don't see the rewards successfully matching the kind of risk we take, we withdraw from those areas, to produce, I think, a mix of businesses, and within the businesses the right mix to optimize the risk-adjusted rate of return.

Secondly, we focus on getting growth. We believe in the end it's the growth of the earnings that drives your valuation, and therefore you have to find, even in mature markets like Canada, ways in which to grow, which we believe we've done. And then, obviously, we are going into the United States. Then the third thing is we are rewarded as a management team on economic profit. So we're very concerned about what's the rate of return that we're earning on our capital. At the same time, we believe that we have an obligation to redeploy that capital in a way that positions the bank successfully for future growth.

And finally, as you know, I have a huge emphasis on operational excellence. I don't think this is a strategically difficult business that we operate in. The strategy choices are pretty obvious to most observers. The real issue is whether you can actually do what you say you want to do.

A year ago, I would have said, you know, our core business challenge relative to the investment community was whether or not, when you put all these strategies and changes together, whether they would actually result in growing earnings – so whether the earnings were there or not. We set out in 2004 to do – well, we've got to prove to the Street that in fact we can produce the earnings that we say they are behind these strategies, and I think we are – I'll take you through that briefly. I think we successfully did that.

Going into 2005, I would say that we've got three challenges. The first is the same as it was in 2004. That is to produce the earnings again. So we demonstrate again that, in fact, when you say you have higher growth earnings, the only thing that has any meaning to it is if you actually keep doing it, and demonstrating it to the marketplace. But I think there are two other challenges that hang over us, and I'll get into them later on in the presentation.

One, is I think a concern around TD Waterhouse, and whether or not the price deflation that's going on in the discount brokerage. How negative is that for us? Secondly, acquisition risk. Now that we've gone into the U.S., what's the next step that we're going to do relative to TD Banknorth.

And I think both of those things are negative factors, and so when we ask ourselves the question why is our P/E where it is, given that we have a better risk profile and we have better earnings growth, we come to the conclusion that it's concern over those two things that are affecting our stock today.

Slide 5
So as the slide shows, a great 2004, and I think from our point of view great in that all three businesses contributed to that high earnings growth. We do have strategies for all three of those businesses.

Slide 6
How did that translate in terms of the earnings per share? We’re up 26 percent. When you look at the first quarter, we're quite pleased with the first quarter. In fact, we're very pleased with the first quarter.

We've said as a long-term goal that we would try to grow earnings per share at 7 to 10 percent a year. I think the $1.04 is obviously consistent with doing that. It's not a slam dunk to hit within that target for this year. The positive – the mathematics of our business is – in order to do that we have to have TDCT grow in the 10 percent plus range. We have to have wealth management grow faster than 10 percent because on the negative side, we don't see 10 percent plus earnings growth in TD Securities. Indeed, we had a very successful year last year with significant security gains and it’s not obvious that the markets will give us those same this year. We also have non-core earnings that are running off that were embedded in the results.

And so just to give you the math, it does mean that we have to do what we say we can do, which is continue TDCT at double-digit earnings growth, plus have better than double-digit earnings growth or better than TDCT growth, not double-digits, but better than TDCT growth in the wealth management area in order to stay in the 7 to 10 percent target. But I'd say at the moment we're continuing to be within that target range.

Slide 7
We're fairly pleased – obviously, absolute growth matters, but I know that you look at this in relative terms, and we're very pleased with sort of where we're producing – what kind of relative earnings growth. As a strategic statement, what continues to matter to us is how much risk we're taking to get those kind of earnings numbers.

Slide 8
And we clearly have opened up a significant gap between ourselves and the other banks on how much risk we're prepared to take and what kind of rate of return we get on risk. This becomes an important measure over time. Because over time, I guess I'm still old-fashioned, I still believe there is a credit cycle, and there are consequences.

Like today, I think another factor that I'll get into later on is that we're clearly operating in an environment where -- which is negative for our particular strategy because the credit markets are basically saying there's no more risk in lending money. Indeed, you actually just get recoveries, and help your earnings that way. I don't believe that's a sustainable long-term position, so I do think this graph tells you more about what kind of risks are you taking and are you, in fact, earning a rate of return on those risks to justify them?

Slide 9
The other fact that this table underscores is your ability to grow capital. And I think that's been obviously one of our stories. Because we earn such a high rate of return on risk-weighted assets, which is the driver of regulatory capital, our rate of return on regulatory capital is extraordinarily high. That means that we have an ability to generate new capital, to reinvest in the business, and that's what we did in the case of TD Banknorth.

The 6.5 percent number reflects the number as of closing. You will have seen by our filings that TD Banknorth has been buying back stock, and our ownership position has been moving up, and TD Banknorth, as a result of that. And so that number will be down a little bit when we get to the end of the second quarter.

Slide 10
Let me briefly than go over our business strategies. I think they're well known to you.

Slide 11
Personal and commercial has really been a tremendous story of both earnings growth and a generator of economic profit for the bank. How are we getting that growth? Well, we've got some very simple strategies.

Slide 12
As I've always put it, look at our weaknesses to see our strengths. TDCT has a tremendous market share in personal banking, but it doesn't have a tremendous market share in credit cards. It doesn't have it in small business, it doesn't have it in commercial. We have tremendous upside in the insurance market generally, where we moved ourselves in the property and casualty business to be the No. 3 in Canada, and we have tremendous growth in our life insurance business. So we have an ability to use our strengths to work on our weaknesses, and to grow them, and on average then produce above-average growth.

Secondly, we are still to a certain extent I think – certainly in 2004, probably less in 2005 – we've got some of the residual benefits of the merger as we went back and reworked our systems. A philosophy that we have, which is you should be constantly re-engineering today to produce cost savings two to three years out. So in fact, in our organization, IT spend is a goal, not something you try to reduce, and the management is incented to try to show that, in fact, they're making their milestones and constantly reinvesting. So you're not allowed to meet your expense target by cheating on the future.

That means that, I think, over time we're constantly looking to say, what's going to be the growth business two or three years from now? Clearly, we're benefiting today from the kind of investment we put in TD Meloche Monnex over three or four years, and we've got that benefit into our earnings today.

Slide 13
One of the great stories about TDCT is despite the fact that we've had absorbed over the last two or three years tremendous margin compression in terms of the industry, the efficiency ratio, which is driven, as you know, as much by the revenue number as it is by the expense number, still managed to take that dropped in the margin and produce tremendous drops in the efficiency ratio.

If you look at us today, it's getting harder and harder to compare among the banks because the banks are not disclosing the sub-segments the way they used to, so if you look at the personal and commercial and wealth management domestically and take that expense ratio, we have the lowest expense ratio in the industry, despite the fact that our business mix with insurance and wealth management would be higher than the next lowest expense ratio. We're clearly now the leader on the expense side in Canada.

Slide 14
I'll mention the under penetrated businesses, great growth in the small business area. You won't see that in the commercial numbers, but the commercial numbers, we're very pleased with what's going on there. It's a longer sales cycle that's going to take us three or four years, but we do believe there's significant growth potential for us there because of our small market share.

We're doing very well on the deposit side. I think everybody's commercial business is suffering because people aren't drawing down the loans the way they have historically, and that's the main reason why the revenue number isn't doing as well as we want. Then on the insurance side, you can see the impact on our dual life and P&C strategies.

Slide 15
So how did we do then next to our peers? Pretty substantial difference in our performance over the last couple of years relative to the Canadian peers.

Slide 16
Wealth management is the other area. Quickly, on the domestic strategy, I think you know the strategy. Again, it's a strategy focused on using your strengths to help your weaknesses. We have very, very strong discount brokerage, and very, very strong mutual funds. We're leveraging those businesses plus our personal and commercial customer base, to then say how do we strengthen on the wealth management advice side?

We've been investing on the wealth management advice side. We promised the market that you would start to see the benefits of that in mid 2005. In fact, if you take a look at the first quarter of this year, you already see the shifting mix in our wealth management, where the non discount brokerage is becoming more dominant.

In the U.S., we're very much focused intently on a twin strategy there. How to adjust to the new price environment means that, I think, all of us have to continue to relentlessly drive down the breakeven point in terms of operating costs.

Then secondly, build on our competitive advantage, which is really twofold. One is that we have a brand system, and two, we have access to the IFAs. We think we're better positioned than others to enjoy what we see as the main source of growth in the industry over the long run and that is people leaving the full-service brokerage market because the full-service brokers are no longer focused on people with under $500,000 in assets. We think in order to do that you need branches and you need an IFA sales force.

Let me then address the issue that I know – before I get into a little bit more on the domestic side – have people concerned. Are we in a world of a price war going on there? And how consequential is that for us?

And there's no question that it's consequential for us. I think the good news in the first quarter, as we indicated at our analysts meeting, is despite the fact that we were down about 14 percent, I think it was, in trades per day, and we had about an eight percent price reduction on average in the U.S., we were able to hold revenue constant year-over-year. That's a pretty remarkable performance; we fully offset both the decline in the trades per day, and a price reduction, making it up on other revenues side.

We think there's still some more room to do that. We think we can absorb some -- if there's another further price round of cuts, we can continue to do that. But you know I think we also have to do the other part of the equation, which is have to take costs down yet again in order to maintain our profitability in that industry.

So we don't believe that the industry is going to, you know, self-destruct here. We think we've had one major round of price cuts. It is possible that there could be another, but we think we can absorb even a second round of price cuts and maintain our revenue base.

Slide 17
In terms of Canada, the mutual fund business has been a tremendous business for us built on very, very strong investment management performance. I think it's interesting the change that's going on in the industry generally here, of who's becoming the players that are dominating the mutual fund growth business. There is really quite a fundamental shift going on, and we've been a big beneficiary of that shift.

We are adding to our advice side. We've added to it dramatically. We want to do another 125 this year, which would be 50 on the investment retail brokerage side and 75 on the financial planners side.

Slide 18
So what does that mean all in? Basically tremendous growth in our wealth management and as I said what you're going to see over time is a shift in the mix so that the blue bar will become more important relevant to the green bar in our view here. Our basic goal is we believe that we have a shot this year at becoming number two in terms of overall wealth management of the Canadian banks.

Slide 19
Finally I'm going to go into the wholesale side before I get into Banknorth – a great success story from our point of view. Obviously this is the part of the business that's been most restructured. As I indicated earlier you could look at what we're trying to do in this and say well you picked either the worst time or the best time depending on your point of view. It's the best time to restructure because you can buy credit protection extremely cheap. It's a bad time to do that because the markets don't seem to reward our low risk strategy. Indeed they seem to give full credit to loan loss reversals and we, as you know, exclude our loan loss reversals because we treat them as sectorals and treat them separately.

Slide 20
So in terms of underlying income the market seems to reward higher risk strategies but we still believe that there is going to be a credit cycle. We run our wholesale in a very simple paradigm. We have only $2.4 billion of capital in that business and that reflects the very low risk-weighted assets we have in that business relative to our competitors.

We measure that team on generating economic profit. The way we put it to them is the top leadership of the wholesale dealer is not working in a wholesale dealer that's owned by the bank. They're working for the bank and working in the wholesale – they work for the bank and happen to be working in the wholesale dealer.

Quite a different perception of who's side of the table are you on so they manage it like they're shareholders and they really have two very simple strategies. One is to strengthen the investment bank – the domestic operations that we have – and continue our strength in the global capital markets area.

Slide 21
How are we doing that? Well as you know we've always been strong in fixed income. We're now matching that strength in the equities side and I think our next challenge over the next three to four years is to strengthen the investment banking because we actually can deliver the product to the issuers. But historically TD hasn't had the diversified franchise of the other banks that bought full service dealers and so we want to catch up in that respect.

Slide 22
The effect of all this strategy has been a dramatic reduction in the amount of invested capital in this business and a dramatic reduction in the risk-weighted assets and we think that going forward over the business cycle this will produce better results.

Slide 23
But today I'd have to be honest with you – it doesn't produce better results. If you take a look at this slide, what's remarkable is despite the fact that we would have far and away the best quality of a book in the marketplace, we're actually posting higher PCLs than the rest of the Street.

Why is that? Well because we're buying credit protection and we charge the credit protection to the business as an ongoing charge and our competitors are actually having loan loss recoveries and we treat those separately. We don't put them into the – we don't give that credit to the wholesale side. In fact today our earnings look weak relative to our competitors in the wholesale side but it's fundamentally around the treatment of recoveries and our buying credit protection.

Slide 24
So I turn now to Banknorth. This was obviously a major strategic move on our part and reflects a decision at the board level that obviously management supports and endorses that says that our job is more than simply to take the excess capital and buyback our shares. It is to build a bank that will have a viable growth strategy not just this year or next year but in the years beyond. To do that we believe that we have to successfully grow outside of Canada and that's what we're doing in buying Banknorth.

Slide 25
You've heard the story so I won't go over it for very long but the key for us was getting a management team located in an organization in the right geographical area that had demonstrated capacity to do two things. One is to operate the business well and two to grow the business.

Slides 26 and 27
So it has a track record successfully making acquisitions and growing earnings.

Slide 28
The result of that has been a very good stock price performance for them over the last four or five years. The key issue that I think people have is well where you going to go from here? Bill Ryan been pretty open in saying look we want to grow in the northeastern part of the United States, we're not going to blow our brains out in doing acquisitions. We recognize that the goal of the marketplace, as is our goal, is try to do a non-dilutive acquisition and that remains the goal: non-dilutive for Banknorth and non-dilutive for the TD Bank.

The reality is it is the acquirees that are in the driver's seat with respect to when those opportunities as opposed to us. In acquiring the Banknorth management team we acquired a terrific management team that knows every situation, has good relationships with all the relevant people and frankly we have to wait until we find the right situation and when we do we'll act. But we believe that there's enough situations out there that over the next two or three years we'll be able to grow this bank significantly.

Slides 29 and 30
So in the end what is it differentiates the TD? Well it's pretty simple. We obviously have quite a different risk profile than most banks. That's a conscious strategic decision that we've made. We have faster organic growth but we don't view Canada as a slow growth franchise. We view Canada as a high growing franchise. That reflects how we were built. The merger produced anomalies between market shares and various products that have given us opportunities.

We have an incredible focus in the bank on how to allocate capital. We believe ultimately that this isn't a strategic game but the strategies open to all of us are pretty obvious to all of you and therefore it's really ultimately an execution game and we believe we have now positioned ourselves to have the best growth platform in the United States.

I'll stop there and take questions.

QUESTION AND ANSWER

Rob Wessel, National Bank Financial – Analyst

This is the shyest conference we've ever had. Just two things I wanted to ask you about. The first one I wanted to ask you is – I just want to clarify to make sure I understood – did you say during your presentation that TD Banknorth has been buying back some of their own stock and therefore TD's interest in TD Banknorth has been rising and therefore your capital ratios will be just a little bit lower?

Ed Clark, TD Bank Financial Group – President and CEO

Yes. We filed – we were required to file as we go up so we have a little bit more than 55 percent of TD Banknorth today. They've been buying back their shares as they indicated publicly that they were going to do.

Rob Wessel, National Bank Financial – Analyst

One other question I wanted to ask you about is in terms of – you alluded right at the very start about the market's perception of acquisition risks. One way for us to think about the acquisition appetite of TD Banknorth being more closely tracked, at least with respect to TDs percentage, to the weight of internal capital generation of TD Bank sort of – its generates sort of a billion and a half or a billion a year and that if we were to think about it that would sort of you know you'd not really go beyond that in any given period – that we would track – I guess I'm not making this very clear. Let me try again.

That we should think of the acquisition appetite of Banknorth to be aligned with the rate of internal capital generation of TD Bank—

Ed Clark, TD Bank Financial Group – President and CEO

Ed Clark: I'm think I understand the question. I guess the political answer for me would be to say yes but I think the answer is probably no to that question. I think the reality is it's more driven by what comes available and so it would be nice to be able to say to Bill, okay you generate a couple of hundred million, we generate $1.2 billion so if your $1.5 billion just as long as you stay in that basic and do what you want and he would say well what happens if I get the perfect acquisition that's worth $3.0 billion, do I say could I buy half here today and half a year and a half from now. It doesn't work that way. I think the reality is that it will be size of the acquiree that will be the determinant.

Obviously there's probably a limit to the size that we would acquire but if we had an opportunity to do a bigger acquisition and we had to use shares or their shares and that's the advantage of our structure that we have a combination of things to use we wouldn't let a good opportunity go through.

The way we tend to look at it is – I have to keep things simple for me – is we have an opportunity to buy back our shares and when we buy back our shares we are in an eight percent or whatever rate of return depending on where you want to put our P/E. The question is can we go out and buy acquisition targets which after costs synergies bring in a sense the effective TD down close – pretty close to our P/E so that we're relatively indifferent between whether we use money to buy back our shares or issue our shares at that price or buy this company.

That's how we look at it and we recognize that between those two strategies ours is the higher risk strategy so those who've said I like to go down this route I'd just use all my capital and buy back my shares you know have in my view a lower risk but also a lower growth strategy over the next four or five years because we obviously have execution risks that we buy things that we actually be able to get the synergies in there to get it in there.

So I think our constraint is within the range we said to the marketplace. We were looking at things in the $2.0 to $4.0 billion range is probably up hill. There'll always be the top end in the sense of the bigger pieces they're in the $2.0 to $4.0 billion range. Our governing is more can we bring them in and meet our rate of return criteria than it is what the actual size is.

Rob Wessel, National Bank Financial – Analyst

Okay I have one more quick question. Do you think in the U.S. discount brokerage industry that the secular trends are such that consolidation will continue at some point or will pick up at some point because the scale is such important key success factor?

Ed Clark, TD Bank Financial Group – President and CEO

I guess obviously because we tried to do the e*Trade deal our view is that the scale opportunities are enormous in the industry so consolidation has a huge positive to it. It is an industry though like Canada – there's really only are five big actors in this industry and we're one of the five – and so it's dominated by a whole set of things other than just pure economics as to whether or not there will be consolidation or not. So far those other things have trumped the economics and so I think from our point of view I think we have the huge advantage – we have two big advantages.

One is the size of TD Waterhouse's earnings relative to our income statement is small enough that I can afford to play a long game as opposed to a short game so I have staying power. Secondly, if you wanted to be positioned in the right place in today's environment with the pressure on commissions, you'd much rather look like TD Waterhouse than other players because in fact the customer base that we had tracked comes with mutual funds trailer fees and net income that offset the price pressure that we get around on the commission side.

Thank you very much.

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Forward-Looking Statement

From time to time, the Bank 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 the Bank's objectives and targets and strategies to achieve them, the outlook for the Bank's business lines, and the Bank'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 discussion and analysis section of the Bank's latest annual and interim reports and in other regulatory filings made in Canada and with the SEC; general business and economic conditions in Canada, the United States and other countries in which the Bank conducts business, as well as the effect of changes in monetary policy 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; legislative and regulatory developments; the accuracy and completeness of information the Bank receives on customers and counterparties; the timely development and introduction of new products and services in receptive markets; the Bank's ability to execute its growth and acquisition strategies including those of its subsidiaries; the Bank's ability to attract and retain key executives; reliance on third parties to provide components of the Bank's business infrastructure; technological changes; change in tax laws; unexpected judicial or regulatory proceedings; continued negative impact of the United States litigation environment; unexpected changes in consumer spending and saving habits; the possible impact on the Bank's businesses of international conflicts and terrorism; acts of God, such as earthquakes; and management's ability to anticipate and manage the risks associated with these factors and execute the Bank's strategies.

The preceding list is not exhaustive of all possible factors. Other factors could also adversely affect the Bank's results. 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. For more information, please see the discussion starting on page 37 of the Bank's 2004 Annual Report concerning the effect certain key factors could have on actual results. The Bank does not undertake to update any forward-looking statements that may be made from time to time by or on its behalf.