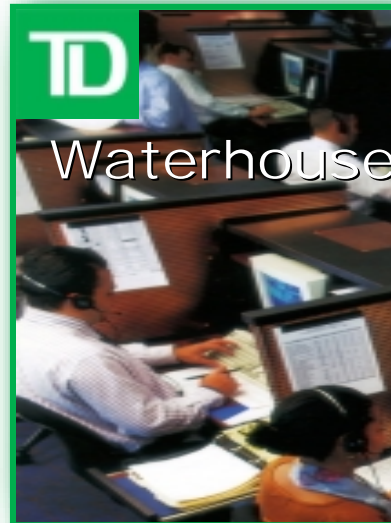
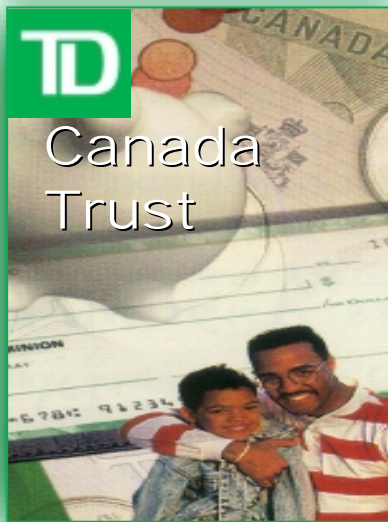


**3rd Quarter 2001**  
**SUPPLEMENTAL FINANCIAL INFORMATION**  
**FOR THE QUARTER ENDED JULY 31, 2001**



**Bank Financial Group**

**For the Quarter Ended July 31, 2001**  
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# Highlights



FOR THE PERIOD ENDED	LINE #	1999		2000				2001			Q3 % change vs Q3 00	Year To Date	
		Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3		2000	2001
<b>Results of operations (\$ millions)</b>													
Net income - cash basis - excluding special items*	1	\$ 402	\$ 389	\$ 458	\$ 537	\$ 511	\$ 512	\$ 569	\$ 546	<b>\$ 522</b>	2 %	\$ 1,506	\$ 1,637
Net interest income (TEB)	2	779	804	818	994	959	1,033	1,060	1,088	<b>1,147</b>	20	2,771	3,295
Total revenue (TEB) excluding special gains**	3	1,844	1,850	2,097	2,837	2,591	2,679	2,776	2,647	<b>2,681</b>	3	7,525	8,104
<b>Per common share</b>													
Net income - cash basis - excluding special items*	4	\$ .66	\$ .62	\$ .72	\$ .84	\$ .80	\$ .80	\$ .88	\$ .84	<b>\$ .80</b>	- %	\$ 2.36	\$ 2.52
<b>Financial position (\$ billions)</b>													
Total assets	5	\$ 222.5	\$ 214.4	\$ 233.9	\$ 270.1	\$ 272.7	\$ 264.8	\$ 284.1	\$ 288.0	<b>\$ 295.8</b>	8 %	\$ 272.7	\$ 295.8
Total common equity	6	9.4	10.7	11.0	10.9	11.0	11.1	11.4	11.6	<b>11.7</b>	6	11.0	11.7
<b>Other (\$ millions)</b>													
Economic profit	7	\$ 121	\$ 60	\$ 104	\$ 193	\$ 158	\$ 154	\$ 200	\$ 178	<b>\$ 139</b>	(12)%	\$ 455	\$ 517
Net interest margin (TEB)	8	1.63 %	1.66 %	1.62 %	1.61 %	1.55 %	1.72 %	1.70 %	1.77 %	<b>1.76 %</b>	.21 pts	1.59 %	1.74 %
Net impaired loans	9	\$ (411)	\$ (257)	\$ (104)	\$ (174)	\$ (56)	\$ (159)	\$ (286)	\$ (286)	<b>\$ (218)</b>	+(100)%	\$ (56)	\$ (218)
Net impaired loans as a % of net loans	10	(.4)%	(.3)%	(.1)%	(.1)%	- %	(.1)%	(.2)%	(.2)%	<b>(.2)%</b>	(.2) pts	- %	(.2)%
PCL as a % of net average loans	11	.10	-	.30	.41	.41	.42	.82	.85	<b>.60</b>	.19	.38	.76
PCL excluding special charge as a % of net average loans	12	.10	-	.30	.41	.41	.42	.36	.38	<b>.60</b>	.19	.38	.45
Equity securities - surplus over book	13	\$ 1,240	\$ 411	\$ 362	\$ 482	\$ 509	\$ 736	\$ 690	\$ 624	<b>\$ 577</b>	13 %	\$ 509	\$ 577
Tier 1 capital ratio	14	8.7 %	10.1 %	10.2 %	7.2 %	7.3 %	7.2 %	7.5 %	7.9 %	<b>7.9 %</b>	.6 pts	7.3 %	7.9 %
Total capital ratio	15	12.1	13.3	13.2	10.2	10.7	10.8	10.9	11.3	<b>11.8</b>	1.1	10.7	11.8
Efficiency ratio-excluding non-cash charges and one-time items***	16	61.4	64.4	58.8	62.5	62.6	62.6	62.6	65.2	<b>64.4</b>	1.8	61.5	64.0
Number of full-time equivalent staff at period end	17	30,898	30,636	31,829	46,003	45,488	45,026	46,110	46,075	<b>47,579</b>	5 %	45,488	47,579
Number of domestic retail outlets	18	893	904	912	1,349	1,346	1,356	1,362	1,365	<b>1,350</b>	-	1,346	1,350
Number of retail brokerage offices	19	266	269	280	290	290	292	296	297	<b>297</b>	2	290	297
Rating of senior debt: Moody's	20	Aa3	Aa3	Aa3	Aa3	Aa3	Aa3	Aa3	Aa3	<b>Aa3</b>	n/a	Aa3	Aa3
Standard and Poor's	21	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-	<b>AA-</b>	n/a	AA-	AA-

\*Special gain on sale of TD Waterhouse Group Inc. and Knight/Trimark in 1999, restructuring costs in Q2/00 (\$271 million after-tax), Q1/01 (\$32 million after-tax), and Q3/01 (\$34 million after-tax), tax expense of \$50 million in Q1/01 and \$25 million in Q3/01 arising from income tax rate changes, real estate gain in Q2/01 (\$163 million after-tax), and increase in general allowance in Q2/01 (\$96 million after-tax).

\*\*One-time gain on sale of TD Waterhouse Group Inc. and Knight/Trimark in 1999 and real estate gains in Q1/01 and Q2/01.

\*\*\*Non-cash charges relate to goodwill and identified intangible amortization resulting from business combinations.

One-time items include special gains and restructuring costs noted above and real estate gains in Q1/01 and Q2/01.

The per share figures have been adjusted to reflect the one-for-one stock dividend paid on July 31, 1999.

# Shareholder Value



FOR THE PERIOD ENDED	LINE #	1999		2000				2001			Q3 % change vs Q3 00	Year to Date	
		Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3		2000	2001
<b>Per common share</b>													
Net income - cash basis - excluding special items*	1	\$ .66	\$ .62	\$ .72	\$ .84	\$ .80	\$ .80	\$ .88	\$ .84	\$ .80	- %	\$ 2.36	\$ 2.52
Dividends	2	.19	.19	.21	.21	.25	.25	.25	.28	.28	12	.67	.81
Book value	3	15.77	17.25	17.69	17.49	17.65	17.83	18.18	18.52	18.70	6	17.65	18.70
Closing market price	4	29.80	33.75	36.25	34.25	35.35	41.95	44.15	38.90	39.34	11	35.35	39.34
<b>Financial ratios and statistics</b>													
ROE - cash basis on total common equity - excluding special items*	5	18.2 %	14.9 %	16.4 %	19.5 %	18.1 %	18.0 %	19.5 %	18.7 %	17.1 %	(1.0) pts	18.0 %	18.4 %
Average common equity (MM)	6	\$ 8,551	\$ 10,046	\$ 10,805	\$ 10,940	\$ 10,898	\$ 10,976	\$ 11,172	\$ 11,494	\$ 11,647	7 %	\$ 10,870	\$ 11,421
Return on assets - cash basis - excluding special items*	7	.74 %	.71 %	.80 %	.75 %	.71 %	.74 %	.78 %	.76 %	.69 %	(.02) pts	.75 %	.74 %
Return on risk-weighted assets - cash basis - excluding special items*	8	1.44	1.41	1.65	1.84	1.61	1.58	1.75	1.73	1.60	(.01)	1.70	1.69
Dividend yield (1)	9	2.0	2.3	2.0	2.2	2.4	2.2	2.3	2.5	2.6	.2	2.3	2.5
Common dividend payout ratio - cash basis - excluding special items*	10	28.8	31.1	29.2	25.0	31.3	31.5	28.4	33.5	35.1	3.8	28.4	32.2
Closing market price to book value	11	1.89	1.96	2.05	1.96	2.00	2.35	2.43	2.10	2.10	5 %	2.00	2.10
Price earnings ratio (2) - cash basis - excluding special items*	12	13.8	14.1	14.0	12.1	11.9	13.3	13.3	11.7	11.8	(.1) pts	11.9	11.8
Total market return on common shareholders' investment (3)	13	2.3 %	50.2 %	17.5 %	(10.0)%	21.5 %	27.0 %	24.4 %	16.6 %	14.3 %	(7.2)	21.5 %	14.3 %
Number of common shares outstanding (MM)	14	594.6	620.3	621.5	621.7	622.0	622.6	627.7	628.1	628.3	1 %	622.0	628.3
Average number of common shares outstanding (MM)	15	594.5	613.9	620.6	621.6	621.8	622.3	623.7	627.9	628.2	1	621.3	626.6

(1) dividends per common share for trailing 4 quarters divided by average of high and low common share prices for the period

(2) closing common share price divided by net income per common share for trailing 4 quarters

(3) the change in market price plus dividends paid in trailing 4 quarters as a percentage of the prior year's closing market price per common share

The per share figures have been adjusted to reflect the one-for-one stock dividend paid on July 31, 1999.

\*Special gain on sale of TD Waterhouse Group Inc. and Knight/Trimark in 1999, restructuring costs in Q2/00 (\$271 million after-tax), Q1/01 (\$32 million after-tax), and Q3/01 (\$34 million after-tax), tax expense of \$50 million in Q1/01 and \$25 million in Q3/01 arising from income tax rate changes, real estate gain in Q2/01 (\$163 million after-tax), and increase in general allowance in Q2/01 (\$96 million after-tax).

# Net Income



(\$MILLIONS)													
FOR THE PERIOD ENDED													
LINE #	1999	2000				2001			Q3 % change	Year to Date			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	vs Q3 00	2000	2001	
Interest income (TEB)	\$ 2,779	\$ 2,848	\$ 2,731	\$ 3,584	\$ 3,716	\$ 3,843	\$ 3,868	\$ 3,592	<b>\$ 3,555</b>	(4)%	\$ 10,031	\$ 11,015	
Interest expense	2,000	2,044	1,913	2,590	2,757	2,810	2,808	2,504	<b>2,408</b>	(13)	7,260	7,720	
<b>Net interest income (TEB)</b>	<b>779</b>	<b>804</b>	<b>818</b>	<b>994</b>	<b>959</b>	<b>1,033</b>	<b>1,060</b>	<b>1,088</b>	<b>1,147</b>	20	2,771	3,295	
Provision for credit losses	25	-	75	135	135	135	270	270	<b>190</b>	41	345	730	
<b>Net interest income after credit loss provision</b>	<b>754</b>	<b>804</b>	<b>743</b>	<b>859</b>	<b>824</b>	<b>898</b>	<b>790</b>	<b>818</b>	<b>957</b>	16	2,426	2,565	
<b>Other income</b>													
Investment and securities services	464	400	584	827	615	614	620	549	<b>553</b>	(10)	2,026	1,722	
Credit fees	118	127	129	166	123	127	131	124	<b>83</b>	(33)	418	338	
Net investment securities gains	65	85	88	146	115	33	40	13	<b>26</b>	(77)	349	79	
Trading income	190	206	244	290	328	363	449	375	<b>373</b>	14	862	1,197	
Service charges	76	76	76	124	132	131	132	141	<b>158</b>	20	332	431	
Loan securitizations	26	29	23	67	72	74	69	70	<b>65</b>	(10)	162	204	
Card services	50	51	52	55	62	64	64	59	<b>66</b>	6	169	189	
Insurance	17	18	19	57	56	66	71	86	<b>89</b>	59	132	246	
Trust fees	5	5	6	23	22	24	23	27	<b>21</b>	(5)	51	71	
Gains on sale of investment real estate	-	-	-	-	-	-	150	200	-	-	-	350	
Other	54	49	58	88	107	150	117	115	<b>100</b>	(7)	253	332	
<b>Total other income</b>	<b>1,065</b>	<b>1,046</b>	<b>1,279</b>	<b>1,843</b>	<b>1,632</b>	<b>1,646</b>	<b>1,866</b>	<b>1,759</b>	<b>1,534</b>	(6)	4,754	5,159	
<b>Net interest and other income before special gains</b>	<b>1,819</b>	<b>1,850</b>	<b>2,022</b>	<b>2,702</b>	<b>2,456</b>	<b>2,544</b>	<b>2,656</b>	<b>2,577</b>	<b>2,491</b>	1	7,180	7,724	
Special gains*	1,082	758	-	-	-	-	-	-	-	-	-	-	
<b>Net interest and other income</b>	<b>2,901</b>	<b>2,608</b>	<b>2,022</b>	<b>2,702</b>	<b>2,456</b>	<b>2,544</b>	<b>2,656</b>	<b>2,577</b>	<b>2,491</b>	1	7,180	7,724	
<b>Non-interest expenses</b>													
Salaries and staff benefits	650	650	662	982	887	868	964	915	<b>942</b>	6	2,531	2,821	
Occupancy including depreciation	93	97	91	134	136	137	139	167	<b>143</b>	5	361	449	
Equipment including depreciation	98	105	105	156	144	156	146	164	<b>173</b>	20	405	483	
Other	291	340	376	501	456	516	489	480	<b>468</b>	3	1,333	1,437	
<b>Non-interest expenses before restructuring costs</b>	<b>1,132</b>	<b>1,192</b>	<b>1,234</b>	<b>1,773</b>	<b>1,623</b>	<b>1,677</b>	<b>1,738</b>	<b>1,726</b>	<b>1,726</b>	6	4,630	5,190	
Restructuring costs	-	-	-	475	-	-	55	-	<b>54</b>	+100	475	109	
<b>Total non-interest expenses excluding non-cash goodwill / intangible amortization</b>	<b>1,132</b>	<b>1,192</b>	<b>1,234</b>	<b>2,248</b>	<b>1,623</b>	<b>1,677</b>	<b>1,793</b>	<b>1,726</b>	<b>1,780</b>	10	5,105	5,299	
<b>Income before provision for income taxes - TEB</b>	<b>1,769</b>	<b>1,416</b>	<b>788</b>	<b>454</b>	<b>833</b>	<b>867</b>	<b>863</b>	<b>851</b>	<b>711</b>	(15)	2,075	2,425	
Provision for income taxes - TEB	283	553	320	165	300	333	358	225	<b>238</b>	(21)	785	821	
<b>Net income before non-controlling interest</b>	<b>1,486</b>	<b>863</b>	<b>468</b>	<b>289</b>	<b>533</b>	<b>534</b>	<b>505</b>	<b>626</b>	<b>473</b>	(11)	1,290	1,604	
Non-controlling interest - TD Waterhouse Group, Inc.	2	3	10	12	7	6	6	1	<b>(4)</b>	+(100)	29	3	
- Preferred shares of subsidiaries	-	-	-	11	15	16	12	12	<b>10</b>	(33)	26	34	
<b>Net income - cash basis</b>	<b>1,484</b>	<b>860</b>	<b>458</b>	<b>266</b>	<b>511</b>	<b>512</b>	<b>487</b>	<b>613</b>	<b>467</b>	(9)	1,235	1,567	
Preferred dividends	10	11	12	12	16	16	20	21	<b>20</b>	25	40	61	
<b>Net income applicable to common shares - cash basis</b>	<b>1,474</b>	<b>849</b>	<b>446</b>	<b>254</b>	<b>495</b>	<b>496</b>	<b>467</b>	<b>592</b>	<b>447</b>	(10)	1,195	1,506	
Non-cash goodwill / intangible amortization, net of tax	11	12	12	225	228	257	50	233	<b>126</b>	(45)	465	409	
<b>Net income applicable to common shares - accrual basis</b>	<b>\$ 1,463</b>	<b>\$ 837</b>	<b>\$ 434</b>	<b>\$ 29</b>	<b>\$ 267</b>	<b>\$ 239</b>	<b>\$ 417</b>	<b>\$ 359</b>	<b>\$ 321</b>	20%	<b>\$ 730</b>	<b>\$ 1,097</b>	
Earnings per share** - cash basis - excluding special items***	\$ 0.66	\$ 0.62	\$ 0.72	\$ 0.84	\$ 0.80	\$ 0.80	\$ 0.88	\$ 0.84	<b>\$ 0.80</b>	- %	\$ 2.36	\$ 2.52	
Earnings per share - accrual basis**	2.46	1.37	0.70	0.05	0.42	0.39	0.67	0.57	<b>0.51</b>	21	1.17	1.75	

\*Gain on sale of TD Waterhouse Group Inc. (non-taxable gain of \$1,122 million) and Knight/Trimark (\$431 million after-tax).

\*\*The per share figures have been adjusted to reflect the one-for-one stock dividend paid on July 31, 1999.

\*\*\*Special gains noted above, restructuring costs in Q2/00 (\$271 million after-tax), Q1/01 (\$32 million after-tax), and Q3/01 (\$34 million after-tax), tax expense of \$50 million in Q1/01 and \$25 million in Q3/01 arising from income tax rate changes, real estate gain in Q2/01 (\$163 million after-tax), and increase in general allowance in Q2/01 (\$96 million after-tax).

The special real estate gain of \$150 million in Q1/01 was offset by the increase in general allowance of \$150 million.

# Net Income by Major Business Segment - Total Bank



CASH BASIS (\$MILLIONS) * FOR THE PERIOD ENDED	LINE #	1999		2000				2001			Q3 % change vs Q3 00	Year to Date	
		Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3		2000	2001
<b>Net income</b>													
TD Canada Trust	1	\$ 140	\$ 148	\$ 145	\$ 202	\$ 230	\$ 248	\$ 267	\$ 271	\$ 275	20 %	\$ 577	\$ 813
TD Waterhouse	2	47	35	103	105	53	58	47	7	1	(98)	261	55
TD Wealth Management	3	17	13	15	29	38	33	25	20	29	(24)	82	74
Total Retail	4	204	196	263	336	321	339	339	298	305	(5)	920	942
TD Securities	5	186	193	195	236	179	168	231	227	217	21	610	675
Other	6	12	-	-	(35)	11	5	(1)	21	-	(100)	(24)	20
<b>Total Bank</b>	7	\$ 402	\$ 389	\$ 458	\$ 537	\$ 511	\$ 512	\$ 569	\$ 546	\$ 522	2 %	\$ 1,506	\$ 1,637
<b>Economic profit</b>													
TD Canada Trust	8	\$ 73	\$ 75	\$ 70	\$ 92	\$ 110	\$ 132	\$ 147	\$ 156	\$ 158	44 %	\$ 272	\$ 461
TD Waterhouse	9	27	14	79	84	31	30	19	(18)	(23)	+(100)	194	(22)
TD Wealth Management	10	13	9	12	23	32	28	20	15	25	(22)	67	60
Total Retail	11	113	98	161	199	173	190	186	153	160	(8)	533	499
TD Securities	12	61	79	77	121	64	49	100	96	82	28	262	278
Other	13	(53)	(117)	(134)	(127)	(79)	(85)	(86)	(71)	(103)	(30)	(340)	(260)
<b>Total Bank</b>	14	\$ 121	\$ 60	\$ 104	\$ 193	\$ 158	\$ 154	\$ 200	\$ 178	\$ 139	(12)%	\$ 455	\$ 517
<b>Percentage contribution to total net income</b>													
TD Canada Trust	15	35 %	38 %	32 %	38 %	46 %	49 %	47 %	50 %	53 %	7 pts	38 %	50 %
TD Waterhouse	16	12	9	22	20	10	11	8	1	-	(10)	17	3
TD Wealth Management	17	4	3	3	5	7	6	4	4	6	(1)	5	5
Total Retail	18	51	50	57	63	63	66	59	55	59	(4)	60	58
TD Securities	19	46	50	43	44	35	33	41	41	41	6	41	41
Other	20	3	-	-	(7)	2	1	-	4	-	(2) pts	(1)	1
<b>Total Bank</b>	21	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %		100 %	100 %
<b>Percentage geographic contribution to total revenues</b>													
Canada	22	66 %	68 %	62 %	63 %	70 %	73 %	70 %	74 %	74 %	4 pts	65 %	73 %
USA	23	28	26	31	30	22	19	20	10	15	(7)	28	15
Offshore	24	6	6	7	7	8	8	10	16	11	3 pts	7	12
<b>Total Bank</b>	25	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %		100 %	100 %

\* Excludes special items.

**BASIS OF PRESENTATION OF RESULTS:** Results for each segment reflect revenues, expenses, assets and deposits generated by the businesses in that segment. Allocated equity represents the equity required for credit, market and operational risk. The residual equity required for regulatory purposes is included in Other. Economic profit is equal to cash net income applicable to common less allocated equity times the assigned cost of equity.

**OTHER:** Includes Real Estate Investments, the effect of transfer pricing differences, treasury management, general provisions for credit losses, the impact of asset securitization programs, and any residual unallocated revenues or expenses.

# Net Income by Major Business Segment - TD Canada Trust



## CASH BASIS (\$MILLIONS) FOR THE PERIOD ENDED

LINE #	1999		2000				2001			Q3 % change vs Q3 00	Year to Date	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3		2000	2001
Net interest income (TEB)	\$ 554	\$ 564	\$ 587	\$ 863	\$ 893	\$ 922	\$ 958	\$ 955	<b>\$ 992</b>	11 %	\$2,343	\$2,905
Provision for credit losses	28	10	58	90	92	92	97	99	<b>92</b>	-	240	288
Other income	221	210	226	387	412	413	414	433	<b>440</b>	7	1,025	1,287
Non-interest expenses	501	511	501	809	814	820	828	834	<b>897</b>	10	2,124	2,559
Net income before taxes	246	253	254	351	399	423	447	455	<b>443</b>	11	1,004	1,345
Income taxes (TEB)	106	105	109	149	169	175	180	184	<b>168</b>	(1)	427	532
<b>Net income</b>	<b>\$ 140</b>	<b>\$ 148</b>	<b>\$ 145</b>	<b>\$ 202</b>	<b>\$ 230</b>	<b>\$ 248</b>	<b>\$ 267</b>	<b>\$ 271</b>	<b>\$ 275</b>	<b>20 %</b>	<b>\$ 577</b>	<b>\$ 813</b>

## Selected volumes and ratios

Average loans (\$B)	\$ 62	\$ 61	\$ 61	\$ 89	\$ 88	\$ 87	\$ 89	\$ 90	<b>\$ 92</b>	5 %	\$ 79	\$ 90
Average securitized assets (\$B)	6	7	8	23	25	28	29	29	<b>28</b>	12	19	29
Average deposits (\$B)	54	55	57	94	95	96	95	96	<b>97</b>	2	82	96
Assets under administration as at quarter end (\$B)	21	24	23	39	39	38	38	36	<b>35</b>	(10)	39	35
Total equity (\$B)	\$ 2.3	\$ 2.5	\$ 2.6	\$ 4.0	\$ 4.0	\$ 3.9	\$ 4.0	\$ 4.0	<b>\$ 4.0</b>	- %	\$ 3.5	\$ 4.0
Margin on avg. earning assets incl. securitized assets	3.47 %	3.48 %	3.60 %	3.24 %	3.22 %	3.28 %	3.34 %	3.39 %	<b>3.38 %</b>	0.16 pts	3.35 %	3.36 %
Efficiency ratio - operating basis *	65 %	66 %	62 %	62 %	60 %	59 %	58 %	58 %	<b>61 %</b>	1 pts	61 %	59 %
Return on equity - operating basis*	24 %	23 %	22 %	23 %	24 %	27 %	28 %	30 %	<b>29 %</b>	5 pts	23 %	29 %
Economic profit **	\$ 73	\$ 75	\$ 70	\$ 92	\$ 110	\$ 132	\$ 147	\$ 156	<b>\$ 158</b>	44 %	\$ 272	\$ 461

\* Excluding Canada Trust acquisition funding costs.

\*\* Economic profit is based on a 11% cost of equity.

### TD CANADA TRUST:

Provides financial services to consumers and small and medium-sized businesses. It encompasses retail and commercial banking, electronic banking, credit card services, and insurance businesses, operating through a network of retail outlets, automated banking machines, telephones, personal computers and the Internet. The segment's net interest income, other income and provision for credit losses present the results before the impact of asset securitization programs.

# Net Income by Major Business Segment - TD Waterhouse



CASH BASIS (\$MILLIONS) * FOR THE PERIOD ENDED	LINE #	1999		2000				2001			Q3 % change vs Q3 00	Year to Date	
		Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3		2000	2001
Net interest income (TEB)	1	\$ 84	\$ 97	\$ 118	\$ 142	\$ 138	\$ 140	\$ 119	\$ 98	<b>\$ 91</b>	(34)%	\$ 398	\$ 308
Brokerage commissions & other	2	276	271	459	546	362	379	378	311	<b>276</b>	(24)	1,367	965
Non-interest expenses	3	276	304	388	486	397	408	409	392	<b>359</b>	(10)	1,271	1,160
Net income before taxes	4	84	64	189	202	103	111	88	17	<b>8</b>	(92)	494	113
Income taxes (TEB)	5	35	26	76	85	43	46	35	9	<b>7</b>	(84)	204	51
Non-controlling interest	6	2	3	10	12	7	7	6	1	<b>-</b>	(100)	29	7
<b>Net income</b>	7	<b>\$ 47</b>	<b>\$ 35</b>	<b>\$ 103</b>	<b>\$ 105</b>	<b>\$ 53</b>	<b>\$ 58</b>	<b>\$ 47</b>	<b>\$ 7</b>	<b>\$ 1</b>	<b>(98)%</b>	<b>\$ 261</b>	<b>\$ 55</b>
<b>Selected volumes and ratios</b>													
Average earning assets (\$B)													
Margin loans	8	\$ 8	\$ 8	\$ 11	\$ 15	\$ 13	\$ 12	\$ 10	\$ 8	<b>\$ 7</b>	(46)%	\$ 13	\$ 8
Other	9	6	7	8	9	9	9	10	12	<b>12</b>	33	9	12
Total average earning assets	10	\$ 14	\$ 15	\$ 19	\$ 24	\$ 22	\$ 21	\$ 20	\$ 20	<b>\$ 19</b>	(14)%	\$ 22	\$ 20
Customer assets (\$B)													
Retail brokerage: Canada	11	\$ 35	\$ 37	\$ 43	\$ 49	\$ 52	\$ 53	\$ 53	\$ 49	<b>\$ 50</b>	(4)%	\$ 52	\$ 50
USA	12	135	142	173	185	185	185	173	158	<b>156</b>	(16)	185	156
Offshore	13	2	3	4	3	5	4	5	4	<b>4</b>	(20)	5	4
Total customer assets	14	\$ 172	\$ 182	\$ 220	\$ 237	\$ 242	\$ 242	\$ 231	\$ 211	<b>\$ 210</b>	(13)%	\$ 242	\$ 210
Total equity (\$B)	15	\$ .5	\$ .5	\$ .6	\$ .5	\$ .5	\$ .7	\$ .7	\$ .6	<b>\$ .6</b>	20 %	\$ .5	\$ .6
Efficiency ratio	16	77 %	83 %	67 %	71 %	79 %	79 %	82 %	96 %	<b>98 %</b>	19 pts	72 %	91 %
Return on equity	17	36 %	26 %	68 %	82 %	38 %	33 %	27 %	3 %	<b>- %</b>	(38) pts	63 %	10 %
Economic profit **	18	\$ 27	\$ 14	\$ 79	\$ 84	\$ 31	\$ 30	\$ 19	\$ (18)	<b>\$ (23)</b>	+(100)%	\$ 194	\$ (22)

\* Excludes special gains of \$1,082 million after-tax in Q3/99 and \$471 million after-tax in Q4/99 and restructuring costs of \$30 million after-tax in Q3/01.

\*\* Economic profit is based on a 15% cost of equity.

## TD WATERHOUSE:

Comprised of the global operations of TD Waterhouse in USA, Canada, Europe, Australia and Hong Kong; also included are the joint ventures in India, Japan and Europe.



# Net Income by Major Business Segment - TD Wealth Management



## CASH BASIS (\$MILLIONS) FOR THE PERIOD ENDED

LINE #	1999		2000				2001			Q3 % change vs Q3 00	Year to Date	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3		2000	2001
Net interest income (TEB)	\$ 16	\$ 10	\$ 14	\$ 17	\$ 17	\$ 18	\$ 18	\$ 21	<b>\$ 18</b>	6 %	\$ 48	\$ 57
Provision for credit losses	-	-	-	-	-	1	-	-	-	-	-	-
Other income	97	104	111	172	172	178	156	143	<b>167</b>	(3)	455	466
Non-interest expenses	82	91	97	136	121	134	130	131	<b>133</b>	10	354	394
Net income before taxes	31	23	28	53	68	61	44	33	<b>52</b>	(24)	149	129
Income taxes (TEB)	14	10	13	24	30	28	19	13	<b>23</b>	(23)	67	55
<b>Net income</b>	<b>\$ 17</b>	<b>\$ 13</b>	<b>\$ 15</b>	<b>\$ 29</b>	<b>\$ 38</b>	<b>\$ 33</b>	<b>\$ 25</b>	<b>\$ 20</b>	<b>\$ 29</b>	(24)%	<b>\$ 82</b>	<b>\$ 74</b>

## Selected volumes and ratios

Assets under mgmt. as at quarter end (\$B)	8	\$ 67	\$ 69	\$ 74	\$ 102	\$ 107	\$ 112	\$ 113	\$ 116	<b>\$ 117</b>	9 %	\$ 107	\$ 117
Total equity (\$B)	9	\$ .1	\$ .1	\$ .1	\$ .2	\$ .2	\$ .2	\$ .2	\$ .2	<b>\$ .2</b>	- %	\$ .2	\$ .2
Efficiency ratio	10	73 %	80 %	78 %	72 %	64 %	68 %	75 %	80 %	<b>72 %</b>	8 pts	70 %	75 %
Return on equity	11	46 %	35 %	45 %	58 %	74 %	78 %	59 %	50 %	<b>70 %</b>	(4) pts	59 %	60 %
Economic profit *	12	\$ 13	\$ 9	\$ 12	\$ 23	\$ 32	\$ 28	\$ 20	\$ 15	<b>\$ 25</b>	(22)%	\$ 67	\$ 60

\* Economic profit is based on a 11% cost of equity.

## TD WEALTH MANAGEMENT:

Provides a full range of investment management services, including private money management to high net worth individuals, passive, quantitative, enhanced and active institutional portfolios for pension funds, corporations, institutions, endowments and foundations, private banking, full service brokerage, trust and mutual funds for retail investors.

## Net Income by Major Business Segment - TD Securities



### CASH BASIS (\$MILLIONS) FOR THE PERIOD ENDED

LINE #	1999		2000				2001			Q3 % change vs Q3 00	Year to Date	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3		2000	2001
Net interest income (TEB)	\$ 171	\$ 156	\$ 161	\$ 160	\$ 18	\$ 89	\$ 101	\$ 149	<b>\$ 240</b>	+100 %	\$ 339	\$ 490
Provision for credit losses	13	3	30	60	60	60	41	41	<b>119</b>	98	150	201
Trading and fee income	439	439	471	628	632	564	693	617	<b>530</b>	(16)	1,731	1,840
Non-interest expenses	283	253	263	340	286	300	365	347	<b>337</b>	18	889	1,049
Net income before taxes	314	339	339	388	304	293	388	378	<b>314</b>	3	1,031	1,080
Income taxes (TEB)	128	146	144	152	125	125	157	151	<b>97</b>	(22)	421	405
<b>Net income</b>	<b>\$ 186</b>	<b>\$ 193</b>	<b>\$ 195</b>	<b>\$ 236</b>	<b>\$ 179</b>	<b>\$ 168</b>	<b>\$ 231</b>	<b>\$ 227</b>	<b>\$ 217</b>	21 %	<b>\$ 610</b>	<b>\$ 675</b>

### Selected volumes and ratios

Securities purchased under resale agreements (\$B)	8	\$ 28	\$ 26	\$ 27	\$ 16	\$ 21	\$ 14	\$ 23	\$ 23	<b>\$ 25</b>	19 %	\$ 21	\$ 25
Trading securities (\$B)	9	52	51	55	57	60	58	68	75	<b>76</b>	27	60	76
Short sales of securities (\$B)	10	23	15	19	16	19	19	21	25	<b>27</b>	42	19	27
Securities sold under repurchase agreements (\$B)	11	19	19	16	13	14	9	18	13	<b>18</b>	29	14	18
Average loans and customers' liability under acceptances (\$B)	12	\$ 28	\$ 26	\$ 26	\$ 28	\$ 29	\$ 29	\$ 31	\$ 31	<b>\$ 27</b>	(7)%	\$ 28	\$ 30
Total equity (\$B)	13	\$ 3.7	\$ 3.3	\$ 3.5	\$ 3.5	\$ 3.4	\$ 3.5	\$ 3.8	\$ 3.9	<b>\$ 3.9</b>	15 %	\$ 3.5	\$ 3.9
Efficiency ratio	14	46 %	43 %	42 %	43 %	44 %	46 %	46 %	45 %	<b>44 %</b>	- pts	43 %	45 %
Return on equity	15	20 %	22 %	22 %	27 %	20 %	19 %	23 %	23 %	<b>21 %</b>	1 pts	23 %	23 %
Economic profit *	16	\$ 61	\$ 79	\$ 77	\$ 121	\$ 64	\$ 49	\$ 100	\$ 96	<b>\$ 82</b>	28 %	\$ 262	\$ 278

\* Economic profit is based on a 13% cost of equity.

### TD SECURITIES:

Provides a full range of investment banking, merchant banking, mergers and acquisition advisory, fixed income, foreign exchange, derivatives products, high yield, money market, equities, and corporate banking services, including loan syndications, to our borrowing, investing and issuing clients in Canada, the U.S.A., Europe, Australia, Latin America and Asia. The segment also includes the results of the Bank's equity investment portfolios and certain treasury activities.

# Balance Sheet



(\$MILLIONS)		1999		2000				2001			Q3 % change
AS AT	LINE #	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	vs Q3 00
Cash resources	1	\$ 8,307	\$ 6,226	\$ 8,972	\$ 5,664	\$ 6,697	\$ 4,187	\$ 7,364	\$ 4,313	\$ 5,692	(15)%
Securities purchased under resale agreements	2	27,771	25,708	26,898	16,406	20,746	13,974	22,771	23,337	24,560	18
Investment securities											
Issued or guaranteed by Canada or provinces	3	1,232	1,154	1,098	7,081	12,249	12,186	12,470	13,804	13,933	14
Issued by US federal government	4	6,496	6,562	7,224	7,609	3,243	1,851	2,373	2,231	2,404	(26)
Other securities	5	9,957	10,313	8,536	12,986	13,526	13,053	13,731	13,026	13,775	2
Total	6	17,685	18,029	16,858	27,676	29,018	27,090	28,574	29,061	30,112	4
Trading securities	7	52,418	51,064	55,272	56,738	59,534	58,297	67,636	74,503	75,681	27
Total	8	70,103	69,093	72,130	84,414	88,552	85,387	96,210	103,564	105,793	19
Loans and customers' liability under acceptances											
Residential mortgages	9	33,445	31,483	31,921	46,446	43,559	44,400	45,692	46,583	49,087	13
Personal	10	20,181	20,443	25,259	34,232	34,201	34,876	32,182	30,995	31,672	(7)
Business and government	11	44,805	44,599	46,354	49,097	51,063	51,257	50,968	50,073	47,838	(6)
Total	12	98,431	96,525	103,534	129,775	128,823	130,533	128,842	127,651	128,597	-
Other assets	13	17,874	16,865	22,381	33,824	27,924	30,737	28,866	29,137	31,195	12
<b>Total assets</b>	14	<b>\$ 222,486</b>	<b>\$ 214,417</b>	<b>\$ 233,915</b>	<b>\$ 270,083</b>	<b>\$ 272,742</b>	<b>\$ 264,818</b>	<b>\$ 284,053</b>	<b>\$ 288,002</b>	<b>\$ 295,837</b>	8 %
Deposits											
Personal non-term	15	\$ 26,294	\$ 26,417	\$ 27,683	\$ 39,106	\$ 39,247	\$ 39,220	\$ 40,848	\$ 43,947	\$ 43,315	10 %
Personal term	16	25,595	26,357	27,122	53,652	53,889	53,268	53,540	53,391	52,008	(3)
Banks and deposit taking institutions	17	31,770	30,901	33,644	31,092	30,426	25,324	26,217	28,102	26,280	(14)
Business and government	18	59,997	56,711	69,028	67,709	69,585	67,996	74,034	72,986	75,764	9
Total	19	143,656	140,386	157,477	191,559	193,147	185,808	194,639	198,426	197,367	2
Acceptances	20	8,571	9,040	8,247	8,099	8,080	9,812	9,421	8,913	8,423	4
Obligations related to securities sold short	21	22,612	15,044	18,817	16,110	19,270	19,007	20,884	25,407	26,996	40
Obligations related to securities sold under repurchase agreements	22	19,390	19,241	16,075	13,013	14,328	8,856	17,502	12,669	18,115	26
Other liabilities	23	14,169	15,621	17,853	23,251	19,232	22,446	22,584	23,303	24,764	29
Subordinated notes and debentures	24	3,490	3,217	3,181	4,327	4,839	4,883	4,851	4,896	5,686	18
Non-controlling interest in subsidiaries - TD Waterhouse Group, Inc.	25	380	335	339	359	366	381	382	379	361	(1)
- CT Financial Services Inc.	26	-	-	-	364	364	375	-	-	-	+(100)
- TD CaTS	27	-	-	-	900	900	900	900	900	900	-
Shareholders' equity											
Preferred shares	28	839	833	931	1,225	1,237	1,251	1,472	1,480	1,479	20
Common shares	29	1,306	2,006	2,047	2,050	2,053	2,060	2,248	2,254	2,257	10
Retained earnings	30	8,073	8,694	8,948	8,826	8,926	9,039	9,170	9,375	9,489	6
Total	31	10,218	11,533	11,926	12,101	12,216	12,350	12,890	13,109	13,225	8
<b>Total liabilities and shareholders' equity</b>	32	<b>\$ 222,486</b>	<b>\$ 214,417</b>	<b>\$ 233,915</b>	<b>\$ 270,083</b>	<b>\$ 272,742</b>	<b>\$ 264,818</b>	<b>\$ 284,053</b>	<b>\$ 288,002</b>	<b>\$ 295,837</b>	8 %
Assets under administration											
TD Canada Trust	33	\$ 21,439	\$ 23,846	\$ 22,721	\$ 38,611	\$ 38,524	\$ 38,248	\$ 37,713	\$ 36,454	\$ 35,114	(9)%
TD Waterhouse	34	171,640	181,408	220,055	237,347	241,716	241,934	230,902	211,334	209,537	(13)
TD Wealth Management	35	22,901	24,742	27,150	38,231	38,749	40,442	39,197	38,447	39,366	2
Total	36	\$ 215,980	\$ 229,996	\$ 269,926	\$ 314,189	\$ 318,989	\$ 320,624	\$ 307,812	\$ 286,235	\$ 284,017	(11)%
Assets under management											
TD Wealth Management	37	\$ 67,351	\$ 68,971	\$ 74,444	\$ 101,634	\$ 107,226	\$ 112,299	\$ 112,896	\$ 115,768	\$ 117,366	9 %

# Net Interest Income and Margin



(\$MILLIONS)												
FOR THE PERIOD ENDED												
LINE #	1999		2000				2001			Q3 % change vs Q3 00	Year to Date 2000 2001	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3		2000	2001
<b>Interest income</b>												
Loans	\$ 1,922	\$ 1,899	\$ 1,971	\$ 2,578	\$ 2,667	\$ 2,740	\$ 2,770	\$ 2,537	\$ 2,481	(7)%	\$ 7,216	\$ 7,788
Securities	689	773	579	855	867	944	936	932	956	10	2,301	2,824
Deposits with banks	116	129	131	103	143	97	108	60	69	(52)	377	237
Total interest income	2,727	2,801	2,681	3,536	3,677	3,781	3,814	3,529	3,506	(5)	9,894	10,849
<b>Interest expense</b>												
Deposits	1,593	1,562	1,701	2,262	2,413	2,418	2,450	2,094	1,918	(21)	6,376	6,462
Subordinated notes and debentures	38	41	41	56	72	82	80	73	73	1	169	226
Other	369	441	171	272	272	310	278	337	417	53	715	1,032
Total interest expense	2,000	2,044	1,913	2,590	2,757	2,810	2,808	2,504	2,408	(13)	7,260	7,720
<b>Net interest income</b>	727	757	768	946	920	971	1,006	1,025	1,098	19	2,634	3,129
TEB	52	47	50	48	39	62	54	63	49	26	137	166
<b>Net interest income (TEB)</b>	\$ 779	\$ 804	\$ 818	\$ 994	\$ 959	\$ 1,033	\$ 1,060	\$ 1,088	\$ 1,147	20 %	\$ 2,771	\$ 3,295
Average total assets	\$216,528	\$216,866	\$226,944	\$291,686	\$285,985	\$275,868	\$ 290,432	\$ 293,667	\$ 300,278	5 %	\$268,034	\$294,805
Average earning assets	\$189,687	\$192,456	\$201,178	\$250,789	\$245,989	\$238,493	\$ 247,243	\$ 251,543	\$ 258,943	5 %	\$232,519	\$252,588
Net interest margin (TEB) as a % of average earning assets	1.63 %	1.66 %	1.62 %	1.61 %	1.55 %	1.72 %	1.70 %	1.77 %	1.76 %	.21 pts	1.59 %	1.74 %
<b>Impact on NII from impaired loans</b>												
Reduction/(increase) in NII from impaired loans												
Gross	\$ 17	\$ 16	\$ 21	\$ 22	\$ 26	\$ 34	\$ 23	\$ 30	\$ 39	50 %	\$ 69	\$ 92
Recoveries	(3)	(2)	(3)	(4)	(3)	(5)	(4)	(12)	(4)	33	(10)	(20)
Net reduction/(increase)	\$ 14	\$ 14	\$ 18	\$ 18	\$ 23	\$ 29	\$ 19	\$ 18	\$ 35	52 %	\$ 59	\$ 72
Effective tax rate (TEB)*	41.6 %	40.4 %	41.1 %	39.7 %	36.0 %	38.4 %	36.0 %	30.2 %	30.4 %	(5.6) pts	38.8 %	32.5 %

\* Excludes gain on sale of TD Waterhouse Group Inc. in 1999, restructuring costs, goodwill, intangibles gross-up and benefits commencing in Q2/00, tax expense of \$50 million in Q1/01 and \$25 million in Q3/01 arising from income tax rate changes, real estate gain in Q2/01 (\$163 million after-tax), and increase in general allowance in Q2/01 (\$96 million after-tax).

# Other Income and Trading Related Income (TEB)



(\$MILLIONS)  
FOR THE PERIOD ENDED

LINE #	1999		2000				2001			Q3 % change vs Q3 00	Year to Date		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3		2000	2001	
<b>Other Income</b>													
TD Waterhouse fees and commissions	1	\$ 238	\$ 235	\$ 383	\$ 496	\$ 316	\$ 326	\$ 315	\$ 260	\$ 220	(30)%	\$ 1,195	\$ 795
Full service brokerage and other securities services	2	161	95	126	210	172	159	183	165	205	19	508	553
Mutual fund management	3	65	70	75	121	127	129	122	124	128	1	323	374
Credit fees	4	118	127	129	166	123	127	131	124	83	(33)	418	338
Net investment securities gains*	5	65	85	88	146	115	33	40	13	26	(77)	349	79
Trading income	6	190	206	244	290	328	363	449	375	373	14	862	1,197
Service charges	7	76	76	76	124	132	131	132	141	158	20	332	431
Loan securitizations	8	26	29	23	67	72	74	69	70	65	(10)	162	204
Card services	9	50	51	52	55	62	64	64	59	66	6	169	189
Insurance	10	17	18	19	57	56	66	71	86	89	59	132	246
Trust fees	11	5	5	6	23	22	24	23	27	21	(5)	51	71
Gains on sale of investment real estate	12	-	-	-	-	-	-	150	200	-	-	-	350
Foreign exchange - non-trading	13	27	17	15	36	45	38	41	20	21	(53)	96	82
Property rental income	14	15	14	17	18	17	39	30	16	12	(29)	52	58
Other services	15	12	18	26	34	45	73	46	79	67	49	105	192
<b>Total other income - page 3 (line 17)</b>	16	\$ 1,065	\$ 1,046	\$ 1,279	\$ 1,843	\$ 1,632	\$ 1,646	\$ 1,866	\$ 1,759	\$ 1,534	(6)%	\$ 4,754	\$ 5,159
<b>Trading related income (TEB)**</b>													
Interest rate and credit portfolios	17	\$ 125	\$ 74	\$ 106	\$ 86	\$ 91	\$ 100	\$ 182	\$ 171	\$ 286	+100%	\$ 283	\$ 639
Foreign exchange portfolios	18	29	34	52	47	50	51	57	64	61	22	149	182
Equity and other portfolios	19	7	49	63	145	65	82	135	127	85	31	273	347
<b>Total trading related income</b>	20	\$ 161	\$ 157	\$ 221	\$ 278	\$ 206	\$ 233	\$ 374	\$ 362	\$ 432	+100%	\$ 705	\$ 1,168

\* Excludes Knight/Trimark gain in Q4/99.

\*\* Includes trading-related income reported in net interest on page 10, line 11 and in other income above (line 6).

# Non-Interest Expenses



(\$MILLIONS)												
FOR THE PERIOD ENDED												
LINE #	1999		2000				2001			Q3 % change vs Q3 00	Year to Date	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3		2000	2001
<b>Salaries and staff benefits</b>												
Salaries	\$ 376	\$ 389	\$ 399	\$ 548	\$ 534	\$ 551	\$ 555	\$ 533	\$ 573	7 %	\$ 1,481	\$ 1,661
Incentive compensation	214	208	201	344	271	232	323	299	278	3	816	900
Pension and other staff benefits	60	53	62	90	82	85	86	83	91	11	234	260
Total	650	650	662	982	887	868	964	915	942	6	2,531	2,821
<b>Occupancy</b>												
Rent	51	53	51	70	72	73	76	83	83	15	193	242
Depreciation	20	23	18	28	29	29	30	47	33	14	75	110
Other	22	21	22	36	35	35	33	37	27	(23)	93	97
Total	93	97	91	134	136	137	139	167	143	5	361	449
<b>Equipment</b>												
Rent	22	22	22	29	34	33	31	36	45	32	85	112
Depreciation	31	35	31	42	40	43	40	42	46	15	113	128
Other	45	48	52	85	70	80	75	86	82	17	207	243
Total	98	105	105	156	144	156	146	164	173	20	405	483
<b>General</b>												
Marketing and business development	62	79	101	112	106	115	104	106	100	(6)	319	310
Brokerage related fees	53	55	63	70	65	62	63	58	54	(17)	198	175
Professional and advisory services	40	57	47	63	73	101	72	82	63	(14)	183	217
Communications	38	35	43	58	50	51	52	50	53	6	151	155
Capital and business taxes	22	23	25	26	8	23	22	28	29	+100	59	79
Postage	19	20	23	31	27	29	28	32	25	(7)	81	85
Travel and relocation	11	15	11	16	18	20	17	16	17	(6)	45	50
Deposit insurance premiums	4	4	4	8	8	8	8	9	7	(13)	20	24
Other excluding non-cash goodwill / intangible amortization	42	52	59	117	101	107	123	99	120	19	277	342
Total	291	340	376	501	456	516	489	480	468	3	1,333	1,437
<b>Expenses before restructuring costs</b>	1,132	1,192	1,234	1,773	1,623	1,677	1,738	1,726	1,726	6	4,630	5,190
Restructuring costs	-	-	-	475	-	-	55	-	54	+100	475	109
<b>Total expenses excluding non-cash goodwill / intangible amortization</b>	\$ 1,132	\$ 1,192	\$ 1,234	\$ 2,248	\$ 1,623	\$ 1,677	\$ 1,793	\$ 1,726	\$ 1,780	10 %	\$ 5,105	\$ 5,299
<b>Memo Items</b>												
Non-cash goodwill / intangible amortization	\$ 13	\$ 14	\$ 14	\$ 463	\$ 446	\$ 422	\$ 401	\$ 383	\$ 362	(19)%	\$ 923	\$ 1,146
Less tax effect - at normal rates	2	2	2	184	172	165	152	138	130	(24)	358	420
- resulting from tax rate changes	-	-	-	54	46	-	199	12	106	+100	100	317
Non-cash goodwill / intangible amortization, net of tax	\$ 11	\$ 12	\$ 12	\$ 225	\$ 228	\$ 257	\$ 50	\$ 233	\$ 126	(45)%	\$ 465	\$ 409

Equity Securities, Intangibles and Goodwill,  
and Restructuring Costs



(\$MILLIONS)

AS AT

LINE #	1999		2000				2001			Q3 % change vs Q3 00
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
<b>Equity securities - surplus (deficit) over book*</b>										
1	1,227	406	382	497	514	731	677	604	<b>573</b>	11 %
2	13	5	(20)	(15)	(5)	5	13	20	<b>4</b>	+100
3	\$ 1,240	\$ 411	\$ 362	\$ 482	\$ 509	\$ 736	\$ 690	\$ 624	<b>\$ 577</b>	13 %
<b>Identifiable intangibles from business combinations, net of tax</b>										
4	\$ -	\$ 18	\$ 17	\$ 16	\$ 3,740	\$ 3,553	\$ 3,335	\$ 3,329	<b>\$ 3,145</b>	(16)%
5	18	-	-	3,910	-	-	-	-	<b>-</b>	-
6	-	(1)	(1)	(186)	(187)	(218)	(6)	(184)	<b>(78)</b>	(58)
7	\$ 18	\$ 17	\$ 16	\$ 3,740	\$ 3,553	\$ 3,335	\$ 3,329	\$ 3,145	<b>\$ 3,067</b>	(14)%
<b>Goodwill</b>										
8	\$ 882	\$ 899	\$ 892	\$ 935	\$ 2,020	\$ 2,128	\$ 2,162	\$ 2,305	<b>\$ 2,286</b>	13 %
9	-	27	72	1,107	150	58	202	10	<b>12</b>	(92)
10	(13)	(13)	(13)	(42)	(43)	(43)	(46)	(51)	<b>(50)</b>	16
11	30	(21)	(16)	20	1	19	(13)	22	<b>(4)</b>	+(100)
12	\$ 899	\$ 892	\$ 935	\$ 2,020	\$ 2,128	\$ 2,162	\$ 2,305	\$ 2,286	<b>\$ 2,244</b>	5 %
13	\$ 917	\$ 909	\$ 951	\$ 5,762	\$ 5,683	\$ 5,497	\$ 5,634	\$ 5,431	<b>\$ 5,311</b>	(7)%
<b>Restructuring costs</b>										
14	\$ -	\$ -	\$ -	\$ -	\$ 415	\$ 375	\$ 327	\$ 322	<b>\$ 278</b>	(33)%
15	-	-	-	475	-	-	55	-	<b>54</b>	+100
16	-	-	-	(60)	(40)	(48)	(24)	(25)	<b>(29)</b>	(28)
17	-	-	-	-	-	-	(36)	(19)	<b>-</b>	-
18	\$ -	\$ -	\$ -	\$ 415	\$ 375	\$ 327	\$ 322	\$ 278	<b>\$ 303</b>	(19)%

\*Excludes debt security positions which are used as part of the Bank's Asset and Liability Management hedging activities

# Analysis of Change in Shareholders' Equity & Non-Controlling Interest



(\$MILLIONS)												
FOR THE PERIOD ENDED												
LINE #	1999		2000				2001			Q3 % change vs Q3 00	Year to Date	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3		2000	2001
<b>Preferred shares</b>												
1	\$ 830	\$ 839	\$ 833	\$ 931	\$ 1,225	\$ 1,237	\$ 1,251	\$ 1,472	\$ 1,480	21 %	\$ 833	\$ 1,251
2	-	-	103	289	11	7	225	-	-	+(100)	403	225
3	-	-	-	-	-	-	-	-	-	-	-	-
4	9	(6)	(5)	5	1	7	(4)	8	(1)	+(100)	1	3
5	839	833	931	1,225	1,237	1,251	1,472	1,480	1,479	-	1,237	1,479
<b>Common shares</b>												
6	1,305	1,306	2,006	2,047	2,050	2,053	2,060	2,248	2,254	10	2,006	2,060
7	1	-	-	3	3	7	7	6	3	-	6	16
8	-	700	-	-	-	-	-	-	-	-	-	-
9	-	-	41	-	-	-	181	-	-	-	41	181
10	1,306	2,006	2,047	2,050	2,053	2,060	2,248	2,254	2,257	10	2,053	2,257
<b>Retained earnings</b>												
11	6,576	8,073	8,694	8,948	8,826	8,926	9,039	9,170	9,375	6	8,694	9,039
12	1,473	848	446	41	283	255	437	380	341	20	770	1,158
13	(113)	(118)	(130)	(131)	(155)	(156)	(156)	(176)	(176)	14	(416)	(508)
14	(8)	(7)	(9)	(9)	(13)	(13)	(17)	(17)	(17)	31	(31)	(51)
15	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(4)	(3)	-	(9)	(10)
16	155	(87)	(31)	(11)	(5)	49	16	31	(19)	+100	(47)	28
17	-	(12)	(7)	(4)	-	-	-	-	-	-	(11)	-
18	(7)	(1)	(11)	(5)	(7)	(18)	(14)	(8)	(12)	71	(23)	(34)
19	-	-	-	-	-	-	(132)	-	-	-	-	(132)
20	-	1	(1)	-	-	(1)	-	(1)	-	-	(1)	(1)
21	8,073	8,694	8,948	8,826	8,926	9,039	9,170	9,375	9,489	6	8,926	9,489
22	9,379	10,700	10,995	10,876	10,979	11,099	11,418	11,629	11,746	7	10,979	11,746
23	\$ 10,218	\$ 11,533	\$ 11,926	\$ 12,101	\$ 12,216	\$ 12,350	\$ 12,890	\$ 13,109	\$ 13,225	8 %	\$ 12,216	\$ 13,225
<b>Non-controlling interest in subsidiaries</b>												
24	\$ -	\$ 380	\$ 335	\$ 339	\$ 1,623	\$ 1,630	\$ 1,656	\$ 1,282	\$ 1,279	(21)%	\$ 335	\$ 1,656
25	372	3	10	12	7	6	6	1	(4)	+(100)	29	3
26	-	-	-	-	-	-	-	(12)	(13)	+100	-	(25)
27	-	-	-	364	-	-	(364)	-	-	-	364	(364)
28	-	-	-	900	-	-	-	-	-	-	900	-
29	8	(8)	(6)	9	1	20	(16)	8	(1)	+(100)	4	(9)
30	-	(40)	-	(1)	(1)	-	-	-	-	+(100)	(2)	-
31	\$ 380	\$ 335	\$ 339	\$ 1,623	\$ 1,630	\$ 1,656	\$ 1,282	\$ 1,279	\$ 1,261	(23)%	\$ 1,630	\$ 1,261
<b>NUMBER OF COMMON SHARES</b>												
<b>Common Shares</b>												
32	594,498,746	594,580,646	620,343,168	621,480,853	621,705,197	622,007,069	622,615,868	627,693,764	628,131,342		620,343,168	622,615,868
33	81,900	62,522	25,650	224,344	301,872	608,799	546,548	437,578	186,167		551,866	1,170,293
34	-	25,700,000	-	-	-	-	-	-	-		-	-
35	-	-	1,112,035	-	-	-	4,531,348	-	-		1,112,035	4,531,348
36	594,580,646	620,343,168	621,480,853	621,705,197	622,007,069	622,615,868	627,693,764	628,131,342	628,317,509		622,007,069	628,317,509



# Risk-Weighted Assets and Capital



(\$MILLIONS)	LINE #	1999		2000				2001			Q3 % change vs Q3 00
		Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
<b>AS AT</b>											
<b>Balance sheet assets</b>											
Cash resources	1	\$ 1,517	\$ 1,109	\$ 1,644	\$ 964	\$ 1,148	\$ 657	\$ 1,300	\$ 691	\$ 925	(19)%
Securities	2	6,043	6,956	6,324	7,440	7,457	8,286	7,107	6,843	6,530	(12)
Loans	3	55,274	54,280	59,371	68,850	71,319	72,589	68,882	68,046	72,508	2
Customers' liability under acceptances	4	8,319	8,286	7,573	7,336	7,304	9,008	8,643	8,117	7,470	2
Other assets	5	5,174	4,757	5,652	10,133	7,669	7,704	7,512	7,153	6,742	(12)
<b>Total balance sheet assets</b>	6	<b>76,327</b>	<b>75,388</b>	<b>80,564</b>	<b>94,723</b>	<b>94,897</b>	<b>98,244</b>	<b>93,444</b>	<b>90,850</b>	<b>94,175</b>	(1)
<b>Off-balance sheet assets</b>											
Credit instruments	7	20,154	19,347	18,863	15,960	16,114	16,130	17,604	18,550	18,004	12
Derivative financial instruments	8	4,104	3,603	3,586	3,928	4,236	4,661	4,740	4,993	5,451	29
<b>Total off-balance sheet assets</b>	9	<b>24,258</b>	<b>22,950</b>	<b>22,449</b>	<b>19,888</b>	<b>20,350</b>	<b>20,791</b>	<b>22,344</b>	<b>23,543</b>	<b>23,455</b>	15
<b>Total risk-weighted asset equivalent - Credit risk</b>	10	<b>100,585</b>	<b>98,338</b>	<b>103,013</b>	<b>114,611</b>	<b>115,247</b>	<b>119,035</b>	<b>115,788</b>	<b>114,393</b>	<b>117,630</b>	2
<b>Total risk-weighted asset equivalent - Market risk</b>	11	<b>10,186</b>	<b>10,146</b>	<b>8,602</b>	<b>9,926</b>	<b>11,586</b>	<b>11,125</b>	<b>12,123</b>	<b>13,592</b>	<b>12,558</b>	8
<b>Total risk-weighted assets</b>	12	<b>\$ 110,771</b>	<b>\$ 108,484</b>	<b>\$ 111,615</b>	<b>\$ 124,537</b>	<b>\$ 126,833</b>	<b>\$ 130,160</b>	<b>\$ 127,911</b>	<b>\$ 127,985</b>	<b>\$ 130,188</b>	3%
<b>CAPITAL</b>											
<b>TIER 1</b>											
Common shareholders' equity	13	\$ 9,379	\$ 10,700	\$ 10,995	\$ 10,876	\$ 10,979	\$ 11,099	\$ 11,418	\$ 11,629	\$ 11,746	7%
Qualifying preferred shares	14	839	833	931	1,225	1,237	1,251	1,472	1,480	1,479	20
Non-controlling interest in subsidiaries											
- TD Waterhouse Group, Inc.	15	380	335	339	359	366	381	382	379	361	(1)
- CT Financial Services Inc.	16	-	-	-	364	364	190	-	-	-	+(100)
- TD CaTS	17	-	-	-	900	900	900	900	900	900	-
Less: goodwill and intangible assets in excess of 5% limit	18	(899)	(892)	(935)	(4,729)	(4,643)	(4,458)	(4,540)	(4,336)	(4,222)	(9)
<b>Total Tier 1 capital</b>	19	<b>9,699</b>	<b>10,976</b>	<b>11,330</b>	<b>8,995</b>	<b>9,203</b>	<b>9,363</b>	<b>9,632</b>	<b>10,052</b>	<b>10,264</b>	12
<b>TIER 2</b>											
Subordinated notes and debentures	20	3,490	3,217	3,181	4,327	4,839	4,883	4,851	4,896	5,686	18
Non-controlling interest in subsidiaries											
- CT Financial Services Inc.	21	-	-	-	-	-	185	-	-	-	-
Less: amortization of subordinated notes and debentures	22	(427)	(346)	(359)	(368)	(373)	(488)	(513)	(517)	(554)	49
General allowance for credit losses included in capital	23	749	753	744	849	851	862	959	960	976	15
<b>Total Tier 2 capital</b>	24	<b>3,812</b>	<b>3,624</b>	<b>3,566</b>	<b>4,808</b>	<b>5,317</b>	<b>5,442</b>	<b>5,297</b>	<b>5,339</b>	<b>6,108</b>	15
Other deductions	25	(43)	(150)	(143)	(1,155)	(920)	(762)	(961)	(975)	(1,002)	9
<b>Total capital</b>	26	<b>\$ 13,468</b>	<b>\$ 14,450</b>	<b>\$ 14,753</b>	<b>\$ 12,648</b>	<b>\$ 13,600</b>	<b>\$ 14,043</b>	<b>\$ 13,968</b>	<b>\$ 14,416</b>	<b>\$ 15,370</b>	13%
<b>Capital ratios</b>											
Tier 1 capital	27	8.7	10.1	10.2	7.2	7.3	7.2	7.5	7.9	7.9	.6 pts
Total capital	28	12.1	13.3	13.2	10.2	10.7	10.8	10.9	11.3	11.8	1.1 pts

# Interest Rate Sensitivity and Loan Securitization



(\$MILLIONS)												
FOR THE PERIOD ENDED												
LINE #	1999		2000				2001			Q3 % change vs Q3 00	Year to Date	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3		2000	2001
<b>Interest sensitive (asset) liability gap within 1 year (\$billions)</b>												
1	\$ 0.9	\$ (7.5)	\$ (4.4)	\$ (6.5)	\$ 3.2	\$ 2.0	\$ (2.8)	\$ (5.3)	<b>\$ (5.3)</b>	+(100)%	\$ 2.0	\$ (5.3)
<b>After tax impact of 1% increase in interest rates on</b>												
Common shareholders' equity												
2	\$ (156)	\$ (153)	\$ (138)	\$ (71)	\$ (40)	\$ (27)	\$ (21)	\$ (32)	<b>\$ (32)</b>	(20)%	\$ (27)	\$ (32)
Annual net income												
3	(14)	(7)	9	9	2	2	2	(6)	<b>(5)</b>	+(100)	2	(5)
<b>Loans securitized and sold</b>												
Securitized/(repurchased) during the quarter												
Mortgages - conventional												
4	\$ 382	\$ 2,410	\$ -	\$ (1,221)	\$ -	\$ -	\$ 22	\$ -	<b>\$ 7</b>	+100	\$ (1,221)	\$ 29
Mortgages - MBS pools sold												
5	404	22	20	-	346	3	-	4	<b>452</b>	31	369	456
Credit Cards												
6	-	-	-	-	-	-	500	(10)	-	-	-	490
Personal Loans												
7	-	-	-	7,170	-	-	-	-	-	-	7,170	-
Corporate Loans												
8	-	200	-	-	-	-	-	-	-	-	-	-
Outstanding at period end												
9	\$ 5,811	\$ 8,270	\$ 8,029	\$ 23,954	\$ 23,007	\$ 21,573	\$ 20,994	\$ 19,459	<b>\$ 18,828</b>	(18)%	\$ 21,573	\$ 18,828
Income statement impact												
Net interest income												
10	\$ (39)	\$ (46)	\$ (43)	\$ (84)	\$ (83)	\$ (88)	\$ (82)	\$ (88)	<b>\$ (88)</b>	6 %	\$ (298)	\$ (258)
Other income												
11	27	30	26	69	69	71	68	69	<b>66</b>	(4)	235	203
Provision for credit losses												
12	14	12	13	15	16	18	18	23	<b>22</b>	38	62	63
Total impact												
13	\$ 2	\$ (4)	\$ (4)	\$ -	\$ 2	\$ 1	\$ 4	\$ 4	<b>\$ -</b>	+(100)%	\$ (1)	\$ 8

# Impaired Loans by Business Line and General Allowances



(\$MILLIONS)

AS AT

## GROSS IMPAIRED LOANS

### TD Canada Trust

LINE #	1999		2000				2001			Q3 % change vs Q3 00
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
1	\$ 160	\$ 176	\$ 192	\$ 262	\$ 268	\$ 227	\$ 266	\$ 266	\$ 221	(18)%
2	227	255	218	218	204	128	119	119	138	(32)
3	387	431	410	480	472	355	385	385	359	(24)
<b>TD Securities</b>										
4	303	265	490	546	768	566	625	830	1,010	32
5	13	13	13	68	68	68	51	40	40	(41)
6	316	278	503	614	836	634	676	870	1,050	26
7	\$ 703	\$ 709	\$ 913	\$ 1,094	\$ 1,308	\$ 989	\$ 1,061	\$ 1,255	\$ 1,409	8 %

## NET IMPAIRED LOANS

### TD Canada Trust

8	\$ 65	\$ 114	\$ 124	\$ 107	\$ 96	\$ 119	\$ 131	\$ 129	\$ 113	18 %
9	100	174	120	97	65	73	48	34	50	(23)
10	165	288	244	204	161	192	179	163	163	1
<b>TD Securities</b>										
11	150	166	361	389	555	454	489	661	729	31
12	(3)	1	-	44	40	31	30	28	28	(30)
13	147	167	361	433	595	485	519	689	757	27
14	312	455	605	637	756	677	698	852	920	22
15	723	712	709	811	812	836	984	1,138	1,138	40
16	\$ (411)	\$ (257)	\$ (104)	\$ (174)	\$ (56)	\$ (159)	\$ (286)	\$ (286)	\$ (218)	+(100)%

Allowance for credit losses as a % of gross impaired loans

**Total Loans (page 9, line 12)**

Net impaired loans as a % of net loans

17	158.5 %	136.2 %	111.4 %	115.9 %	104.3 %	116.1 %	127.0 %	122.8 %	115.5 %	11.2 pts
18	\$98,431	\$96,525	\$103,534	\$129,775	\$128,823	\$ 130,533	\$ 128,842	\$ 127,651	\$ 128,597	- %
19	(0.4)%	(0.3)%	(0.1)%	(0.1)%	- %	(0.1)%	(0.2)%	(0.2)%	(0.2)%	(.2) pts

## GENERAL ALLOWANCE FOR CREDIT LOSSES

Loans (line 15 above)

Derivative financial instruments

Total general allowance

20	\$ 723	\$ 712	\$ 709	\$ 811	\$ 812	\$ 836	\$ 984	\$ 1,138	\$ 1,138	40 %
21	26	41	35	38	39	26	30	27	31	(21)
22	\$ 749	\$ 753	\$ 744	\$ 849	\$ 851	\$ 862	\$ 1,014	\$ 1,165	\$ 1,169	37 %

# Analysis of Change in Gross Impaired Loans & Allowance for Credit Losses



(\$MILLIONS)		1999		2000				2001			Q3 % change
AS AT	LINE #	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	vs Q3 00
<b>GROSS IMPAIRED LOANS</b>											
Balance at beginning of period	1	\$ 690	\$ 703	\$ 709	\$ 913	\$ 1,094	\$ 1,308	\$ 989	\$ 1,061	\$ 1,255	15 %
Acquisition of Canada Trust	2	-	-	-	95	-	-	-	-	-	-
<b>Adjusted balance at beginning of period</b>	3	690	703	709	1,008	1,094	1,308	989	1,061	1,255	15
Additions to impaired loans and acceptances											
TD Canada Trust Retail (include Small Business Banking)	4	62	68	70	116	103	111	128	121	123	19
TD Canada Trust Commercial Mid-Market	5	41	98	23	21	19	51	22	19	38	100
TD Securities (Corporate and Investment Banking)	6	47	43	233	189	257	114	149	202	333	30
Total additions to impaired loans and acceptances	7	\$ 150	\$ 209	\$ 326	\$ 326	\$ 379	\$ 276	\$ 299	\$ 342	\$ 494	30 %
Return to performing status, repaid or sold	8	(92)	(67)	(92)	(173)	(77)	(216)	(135)	(50)	(214)	+100
Net new additions (reductions)	9	\$ 58	\$ 142	\$ 234	\$ 153	\$ 302	\$ 60	\$ 164	\$ 292	\$ 280	(7)
Write-offs	10	(45)	(136)	(30)	(67)	(88)	(379)	(92)	(98)	(126)	43
<b>Balance at end of period</b>	11	\$ 703	\$ 709	\$ 913	\$ 1,094	\$ 1,308	\$ 989	\$ 1,061	\$ 1,255	\$ 1,409	8 %
<b>ALLOWANCE FOR CREDIT LOSSES</b>											
Balance at beginning of period											
Specific	12	\$ 401	\$ 391	\$ 254	\$ 308	\$ 457	\$ 552	\$ 312	\$ 363	\$ 404	(12)%
Acquisition of Canada Trust	13	-	-	-	72	11	-	-	-	-	-
General	14	716	723	712	709	811	812	836	984	1,138	40
Acquisition of Canada Trust	15	-	-	-	101	-	-	-	-	-	-
<b>Adjusted balance at beginning of period</b>	16	\$ 1,117	\$ 1,114	\$ 966	\$ 1,190	\$ 1,279	\$ 1,364	\$ 1,148	\$ 1,347	\$ 1,542	21 %
Write-offs	17	(45)	(136)	(30)	(67)	(88)	(379)	(92)	(98)	(126)	43
Recoveries	18	10	14	9	9	22	27	23	19	21	(5)
Provision for credit losses	19	25	-	75	135	135	135	270	270	190	41
Foreign exchange and other adjustment	20	7	(26)	(3)	1	16	1	(2)	4	-	+100
<b>Balance at end of period</b>	21	\$ 1,114	\$ 966	\$ 1,017	\$ 1,268	\$ 1,364	\$ 1,148	\$ 1,347	\$ 1,542	\$ 1,627	19 %
Specific allowance	22	391	254	308	457	552	312	363	404	489	(11)
General allowance - loans	23	723	712	709	811	812	836	984	1,138	1,138	40
<b>Total allowance for credit losses</b>	24	\$ 1,114	\$ 966	\$ 1,017	\$ 1,268	\$ 1,364	\$ 1,148	\$ 1,347	\$ 1,542	\$ 1,627	19 %