

FIRST QUARTER 2000



BANK FINANCIAL GROUP

Dan Marinangeli

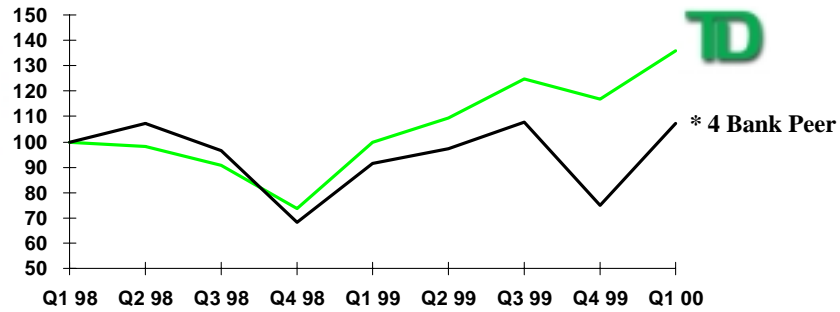
## Highlights

- EPS up 36% to \$0.72
- Total revenue up 22%
- ROE up 40 bps to 16.4% (21% on “normal” capital)
- Exceptional growth in TD Waterhouse
- Wealth Management split into two segments (TD Waterhouse and TD Asset Management)
- TD CT integration under way



# Cash EPS Growth

Base = Q1/98

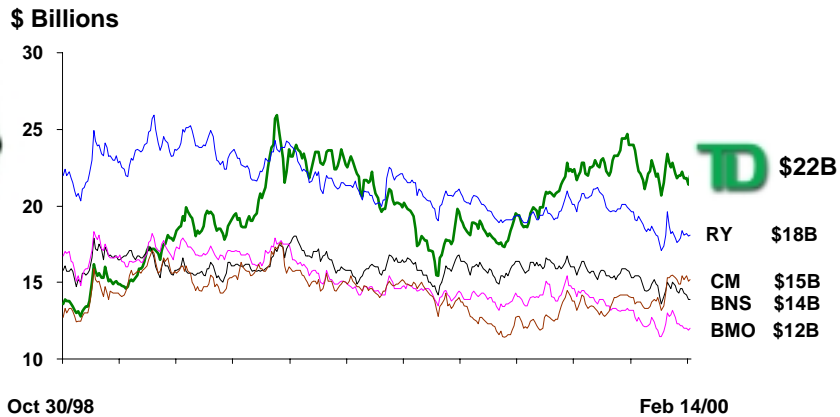


\* Based on Q1/00 consensus analyst estimates (accrual estimates have been adjusted for estimated goodwill amortization).

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# MARKET CAPITALIZATION

## # 1 in Market Cap



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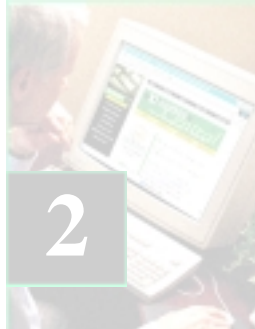
# THREE GROWTH STRATEGIES

TD



**1**

Invest in wealth management businesses



**2**

Reposition retail banking network



**3**

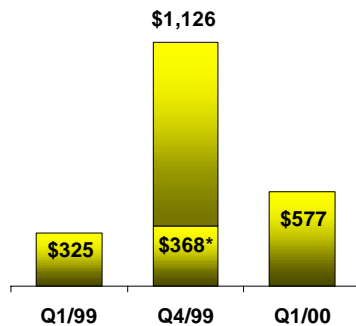
Focus corporate and investment banking  
TD Securities

## TD Waterhouse

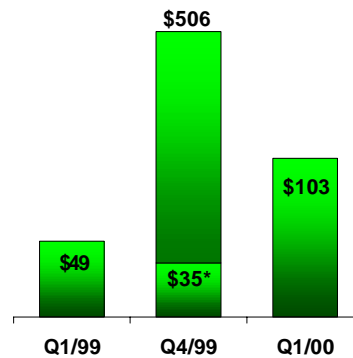


TD

**Revenue**  
\$ Millions



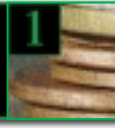
**Cash Net Income**  
\$ Millions



\* Excludes special gains.

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# TD Waterhouse



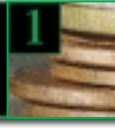
## Reconciliation: TD Waterhouse Group to Business Line



TD Waterhouse Group Inc. Cash Net Income (as reported 2/16/00)	\$US 65
TD Waterhouse Group Inc. Cash Net Income	\$CDN 94
Gain on Knight	17
U.S. versus CDN GAAP, and Other	2
Non-controlling Interest	(10)
<b>TD Waterhouse Cash Net Income</b>	<b>\$103</b>

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# TD Waterhouse Group, Inc.



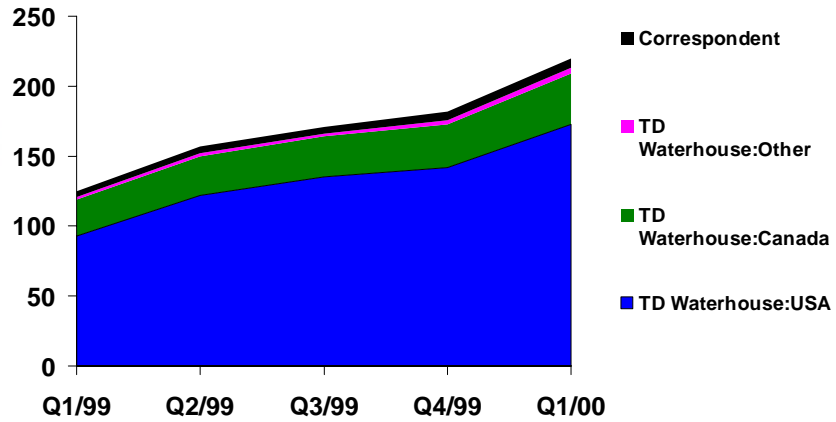
	1999		2000	Yr/Yr
	Jan 31	Oct 31	Jan 31	Change
<i>(\$US)</i>				
Active Accounts (000)	1,736	2,168	2,372	37%
New accounts (000)	167	150	260	56%
Trades/day (000)	98	103	190	94%
Online penetration	58%	68%	72%	24%
Customer Assets(\$B)	\$96	\$122	\$150	57%

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# TD Waterhouse Assets Under Administration



\$ Billions



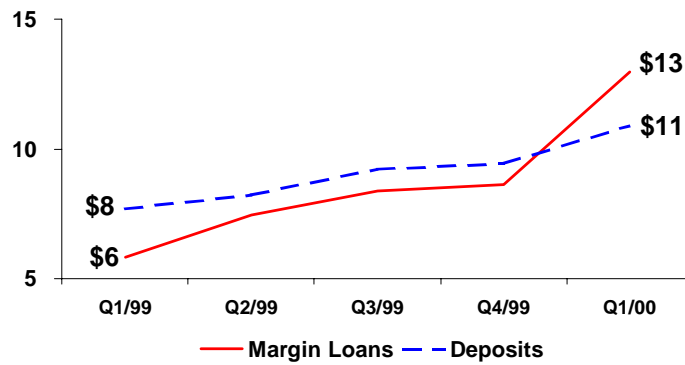
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# TD Waterhouse



## Margin Loans and Deposits

\$CDN Billions

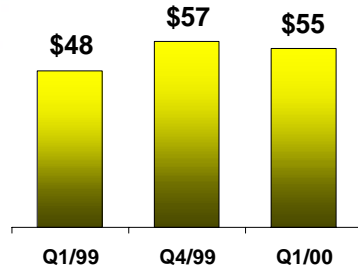


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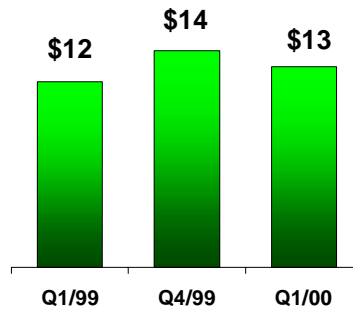
# TD Asset Management



**Revenue**  
\$ Millions



**Cash Net Income**  
\$ Millions

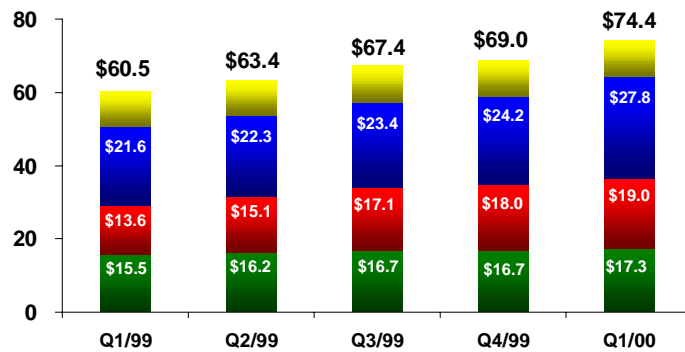


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# TD Asset Management Assets Under Management



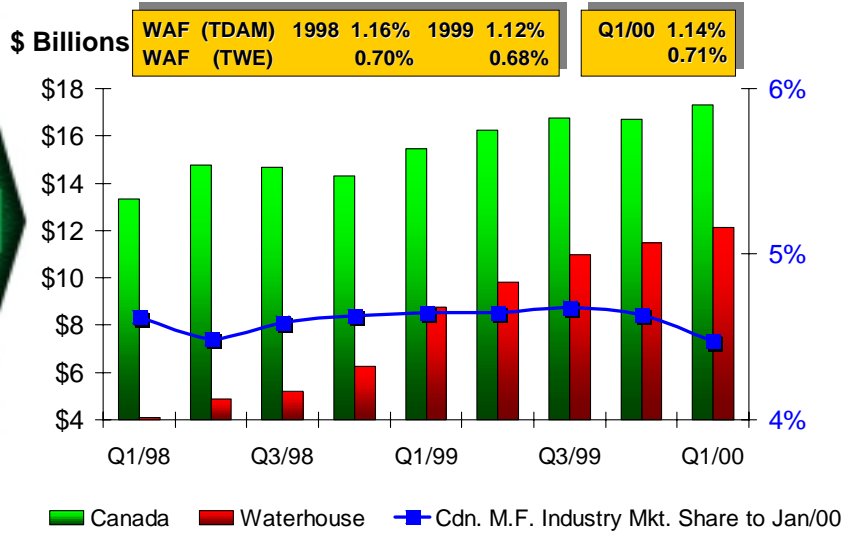
\$ Billions



- Other Assets
- Quantitative Capital: Institutional
- TD WAM Retail Funds
- TDAM Retail Canadian Mutual Funds

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# Mutual Funds



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# THREE GROWTH STRATEGIES

TD

**1**

Invest in wealth management businesses

**2**

Reposition retail banking network

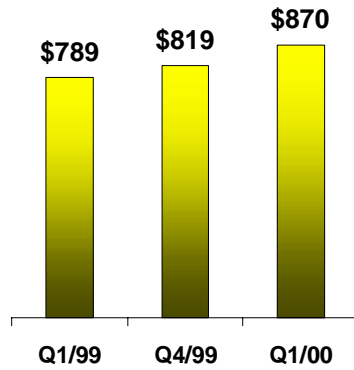
**3**

Focus corporate and investment banking  
TD Securities

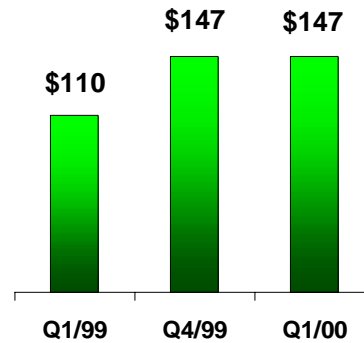
## Personal & Commercial Bank



### Revenue \$ Millions



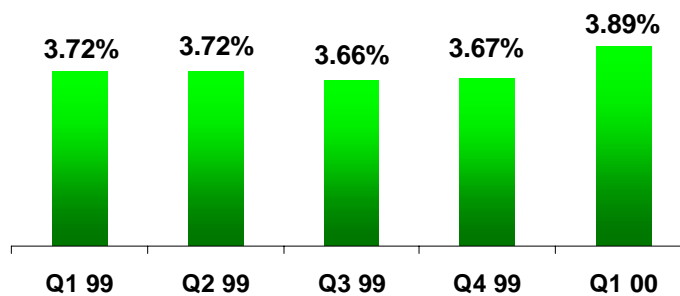
### Cash Net Income \$ Millions



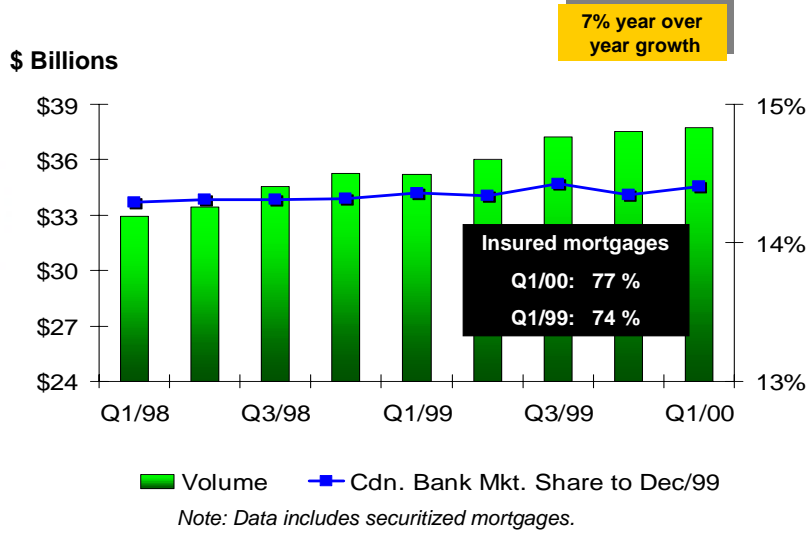
## Personal & Commercial Bank



### Net Interest Margin



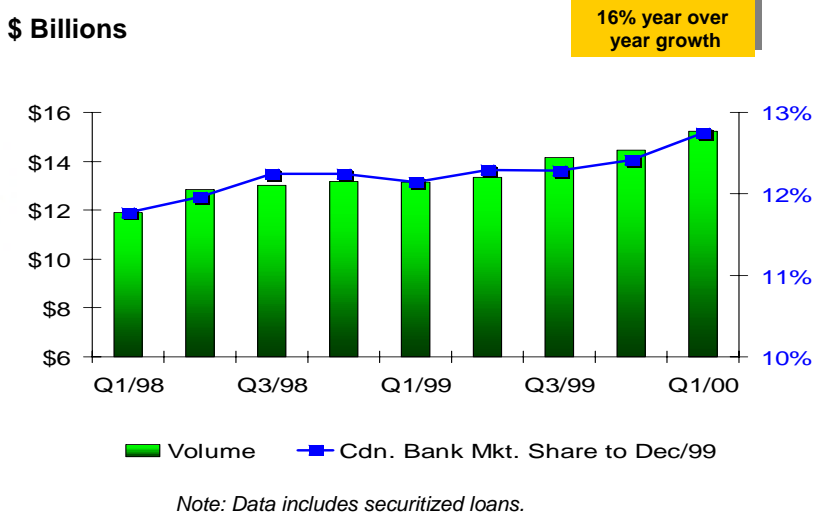
# Residential Mortgages



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# Personal Loans & Cards

(Canadian Currency)



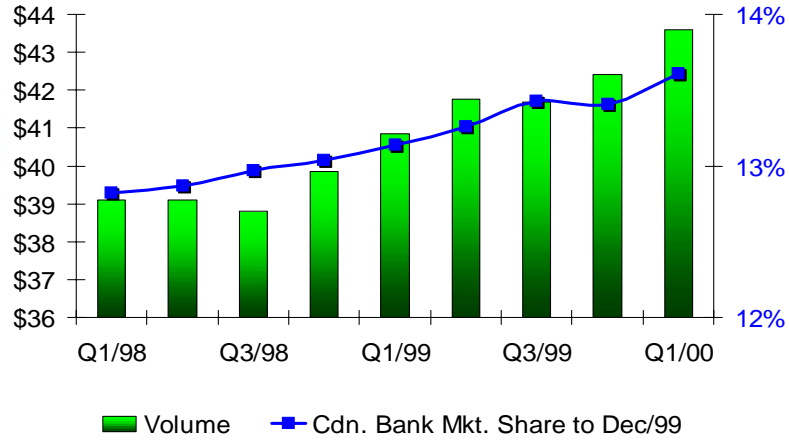
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# Personal Deposits (Canadian Currency)



\$ Billions

7% year over year growth



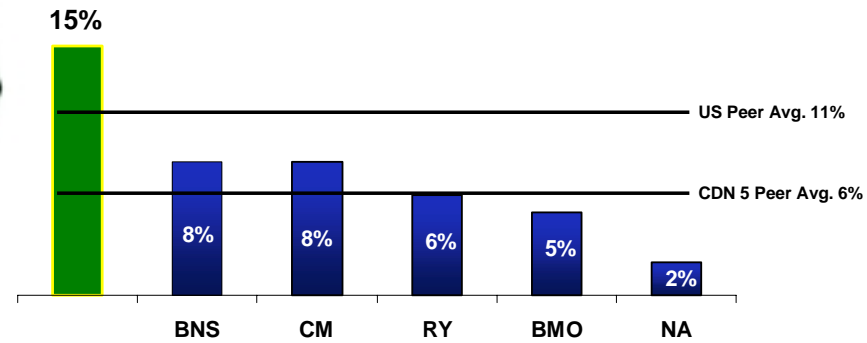
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# Online Penetration Rates



**TD CANADA TRUST**

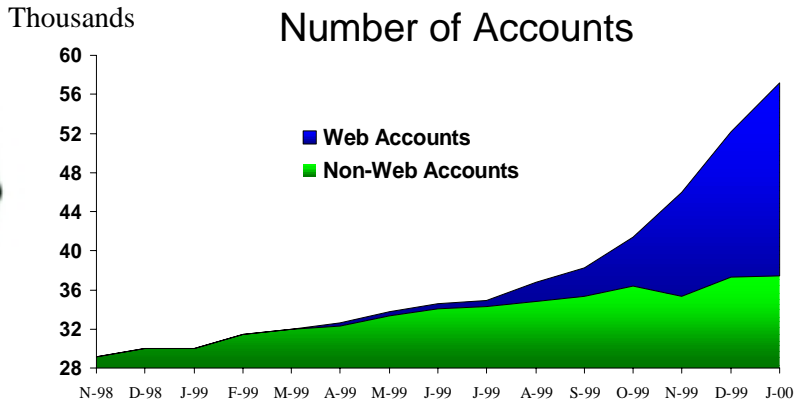
# 2 in North America



Goldman Sachs estimate of online penetration (percentage of retail customer base online)

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# TD Waterhouse Bank



# THREE GROWTH STRATEGIES



**1**

Invest in wealth management businesses

**2**

Reposition retail banking network

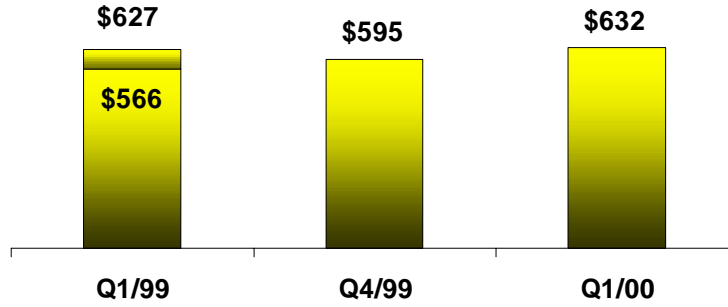
**3**

Focus corporate and investment banking  
TD Securities

## TD Securities: Revenue



\$ Millions



\* Excludes special gains.

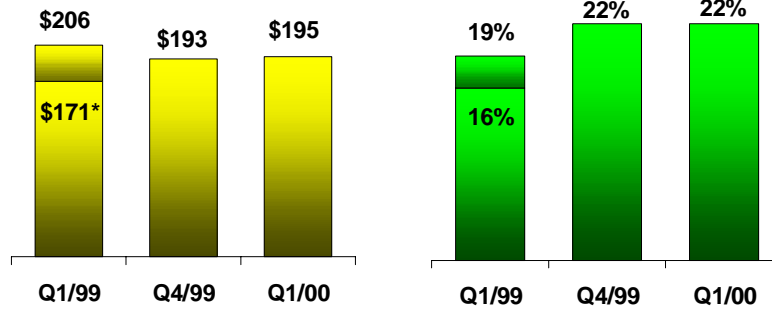
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## TD Securities



Cash Net  
Income  
\$ Millions

ROE  
%



\* Excludes special gains.

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# FIRST QUARTER 2000 RISK MANAGEMENT

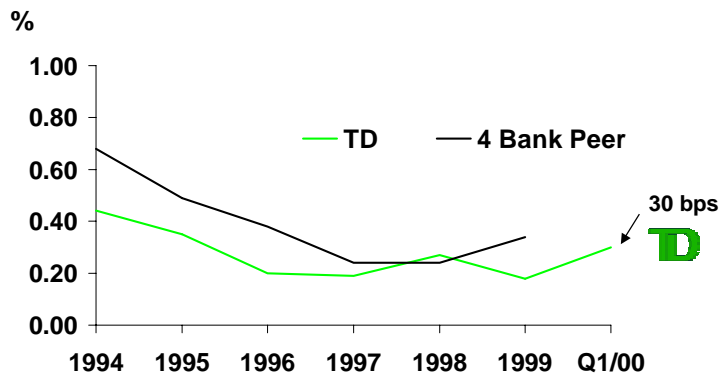


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Tom Spencer

## Strong Asset Quality

### Ratio of PCL to Loans & BAs

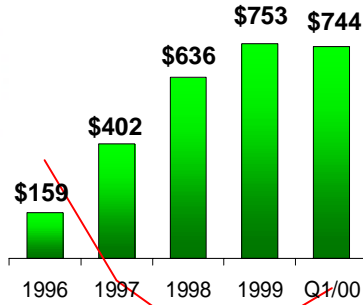


Notes: Excludes special general provisions and reverse repos.

# General Reserves & Net Impaired Loans

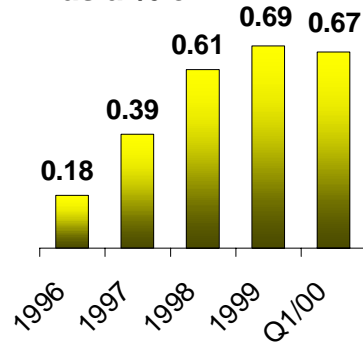


**General Reserves  
\$ Millions**



Net Impaired Loans \$(104)million

**General Reserves  
as a % of RWA**



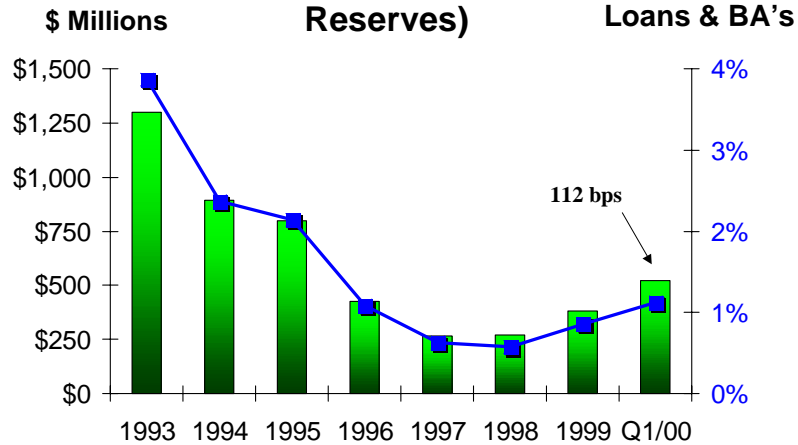
Q4/99 4 Bank Peer Average: 0.73%

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# BUSINESS & GOVERNMENT



**Net Impaired Loans  
(before General Reserves)**



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# Geographic Exposure

Gross Outstanding Loans and other Credit Exposures  
Millions of Canadian Dollars  
January 31, 2000

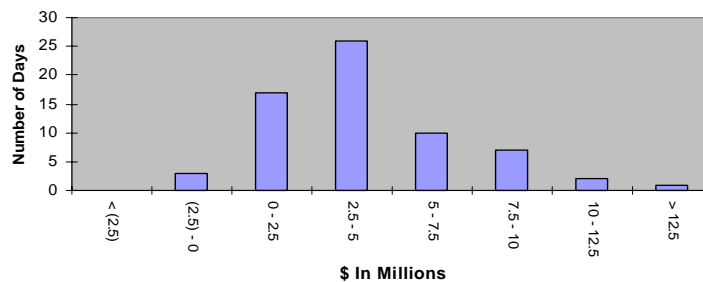
Country	Sovereign	Banks	Commercial & Industrial	Mark to Market	Total	Total Jan. 31 1999
Japan*	2,347	7	956	83	3,393	4,877
Other Asia	16	1,083	732	7	1,838	1,771
Latin America	0	836	633	0	1,469	1,567

\*Sovereign exposure as at Jan. 31/99 was \$3,506

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# Market Risk

Distribution of Daily Net Trading Revenues  
(Q1 FY 2000)



- TD Securities' Value-at-Risk (VaR) for Q1/00 was \$CAD 32.1MM.
- Daily trading losses never exceeded VaR during Q1/00.
- Major risk is to credit spreads.

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FIRST QUARTER 2000



BANK FINANCIAL GROUP

Bob Kelly  
Vice Chair, Group Office

## Integration on Track



### Integration Goals

August 8, 1999

- » maintain topline momentum
- » minimum of \$60 million in annual revenue synergies within 4 years
- » keep revenue attrition less than 5% (of CT)
- » 4,900 FTE reduction through integration synergies
- » expense reduction of \$450mm annually by 2002
- » contain restructuring cost to \$475mm
- » branch mergers commence after system conversion
  - » 275 branches affected

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# Integration on Track



## Structure

- » announced TD Canada Trust executive
- » defined senior management structure down to manager level throughout the organization
- » established and staffed integration organization
- » finalized retail systems platform: TD System with CT paperless teller system to be built in over the next +/-12 months
- » begun process of selling Mastercard business and the 13 branches previously disclosed

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# Integration on Track



## Internal communication

- » timely and open communication
  - » on-going newsletters - 14 to date
  - » video release on 'deal close'
  - » all customer communication copied to employees
  - » employee communication survey completed
- » Ed Clark's team is doing a 10 city road show for all TD Canada Trust branch managers and above

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## Integration on Track



### For our customers

- » public promises to our customers
  - » service fee freeze
  - » improved ABM access (no TD CT interac fee)
  - » improved teller hours
- » no branch mergers during the first year

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## Integration on Track



### Executive Integration Committee

The executive integration committee represents all key constituents and has been meeting weekly.

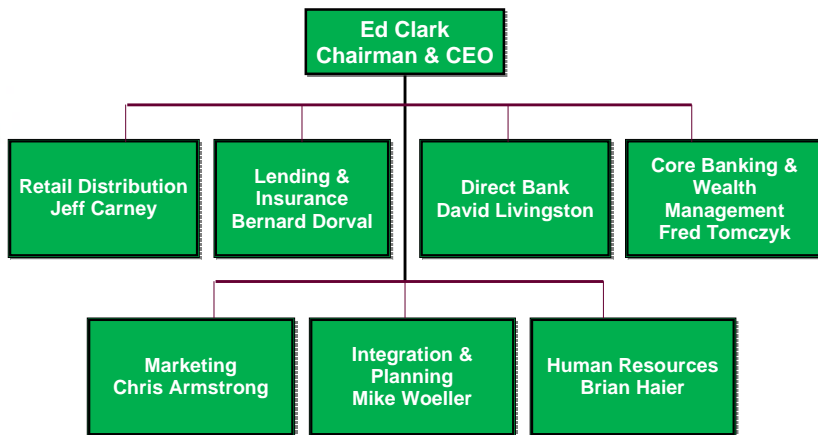
- Charlie Baillie, Chairman and CEO
- Ed Clark, Vice Chairman
- Bob Kelly, Vice Chairman
- Diane Walker, EVP, Operational Risk
- Michael Foulkes, EVP and CIO
- Michael Woeller, EVP Integration TD Canada Trust
- Alan Bell, EVP, Human Resources
- Heather Conway, EVP, Corporate & Public Affairs

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# Integration on Track



A strong mix of former TD and CT executives.



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# Forward Looking Statements

This document may contain forward-looking statements, including statements regarding the business and anticipated financial performance of TD. These statements are subject to a number of risks and uncertainties that may cause actual results to differ materially from those contemplated by the forward-looking statements. Some of the factors that could cause such differences include legislative or regulatory developments, competition, technological change, global capital market activity, interest rates, inflation and general economic conditions in geographic areas where TD operates. Also, additional risk factors relating to the pending acquisition of CT Financial Services Inc. are described in TD's Report on Form 6-K, filed with the U.S. Securities and Exchange Commission on August 3, 1999 and TD's Material Change Report, filed with the Ontario Securities Commission on August 3, 1999.

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**FIRST QUARTER 2000**



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