

Merrill Lynch Canada,
Banking Conference
January 26, 2000



BANK FINANCIAL GROUP

Charlie Baillie
Chairman &
Chief Executive Officer

TOPICS



1. Strategic imperatives
2. Three growth strategies
3. Shareholder value

STRATEGIC IMPERATIVES



- TD** Achieve scale
- TD** Maintain momentum
- TD** Be where banking is going
- TD** At least North American scope

ACHIEVING SCALE



- Build
 - Discount brokerage in Canada, TD Securities
- Borrow
 - Outsourcing (Intrea)
 - Joint venture (Symcor, Commerce One)
 - Third party funding
 - Third party products
- Buy
 - Waterhouse, Canada Trust

Slide: 4 Strategic imperative

BUILDING MOMENTUM



- TD Waterhouse IPO
 - unlock TD shareholder value.
 - provide TD Waterhouse 'consolidation currency' for acquisition purposes in a consolidating industry.
 - raise awareness and brand identity of our discount brokerage operations.
 - enhancing our Tier 1 capital and therefore, our financial flexibility

Increasing the consolidated equity of TD provided greater financial flexibility and the wherewithal to achieve scale:

Canada Trust

Slide: 5 Strategic imperative

BE WHERE BANKING IS GOING



- Currently well positioned
 - TWE is the second largest broker in the world servicing the self directed investor
 - TD Waterhouse Bank is the largest Canadian-owned US-based electronic bank
 - TD/CT will have more than 2 million banking and brokerage accounts on-line customers
- Internet strategy group
 - co-ordinate the enterprise-wide approach
 - ensure we do not subordinate e-commerce to the traditional bank
 - eliminate any remaining silos
 - provide customer access via, single web-site, single login, as few "clicks" as possible - act as agent for our customers

Slide: 6 Strategic imperative

AT LEAST NORTH AMERICAN SCOPE



- TD Securities
 - leadership in communications and natural resources sector
 - lead bank to more wireless companies than any other bank, US or foreign.
 - high yield and derivatives in the US
- TD Waterhouse
- TD Waterhouse Bank
 - seamless North American electronic bank
- TD MarketSite.
 - Commerce One global market sites

Slide: 7 Strategic imperative

THREE GROWTH STRATEGIES



1

Grow wealth management



2

Reposition retail banking network



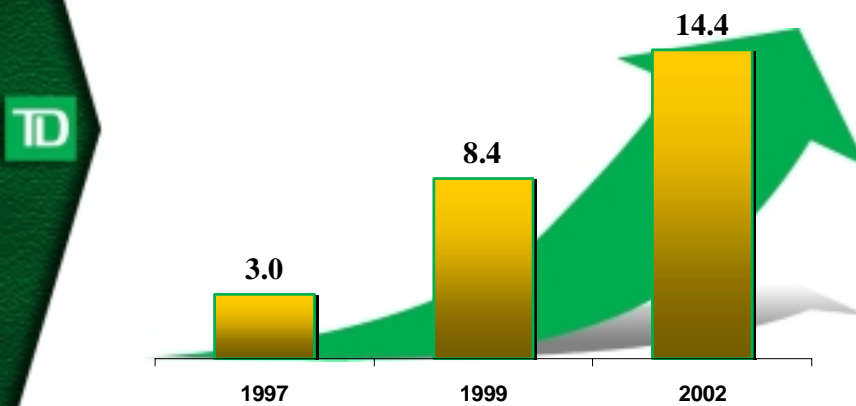
3

Focus corporate and investment banking - TD Securities



Tremendous Market Growth

On-line brokerage accounts (millions)



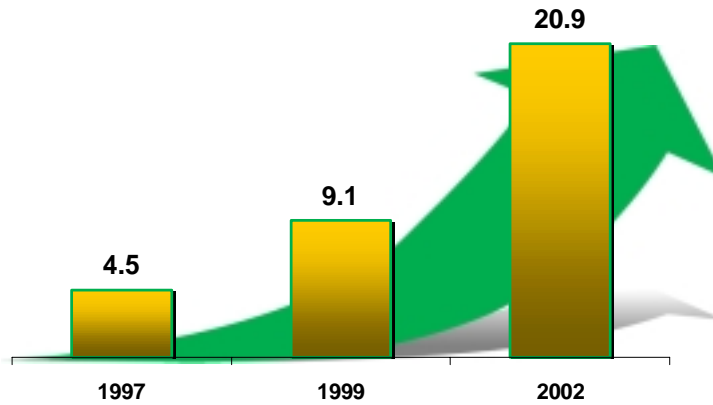
Source: Forrester

Slide: 10 Three growth strategies

Tremendous Market Growth



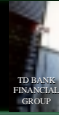
On-line banking households (millions)



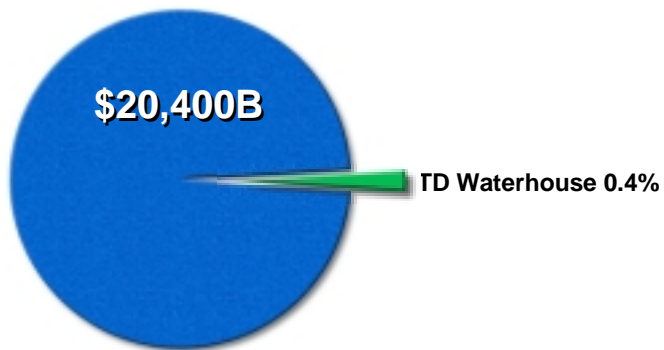
Source: Forrester

Slide: 11 Three growth strategies

Huge Market Potential

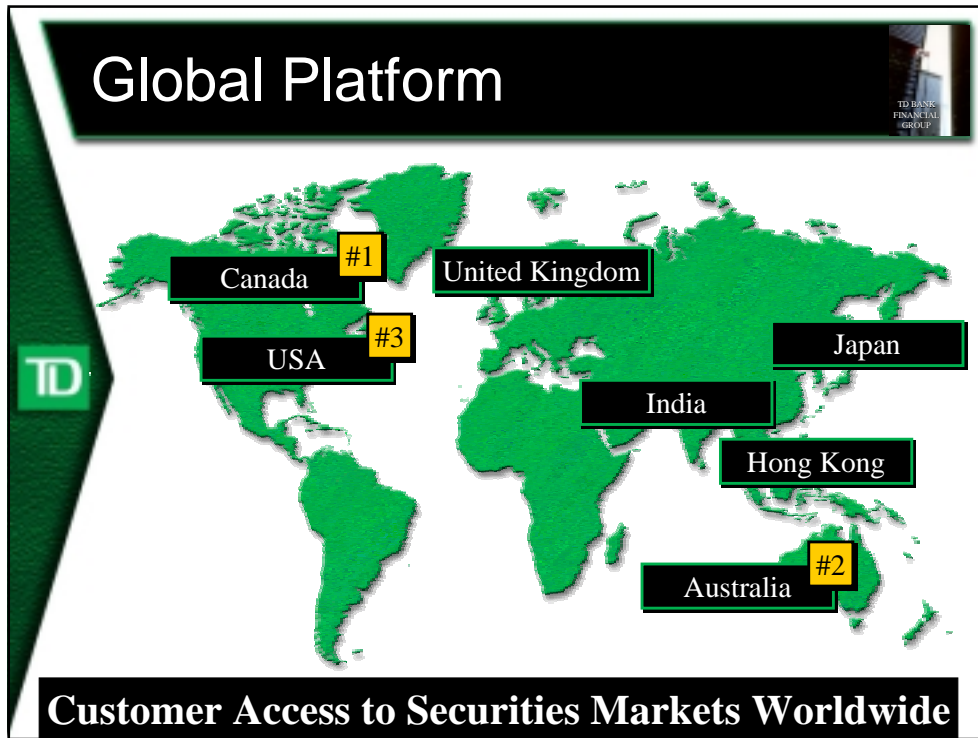


Total US retail client assets = \$20,400B

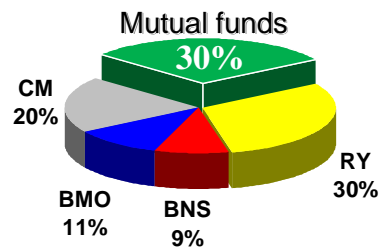
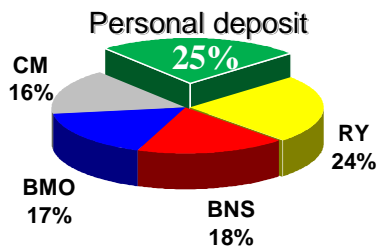
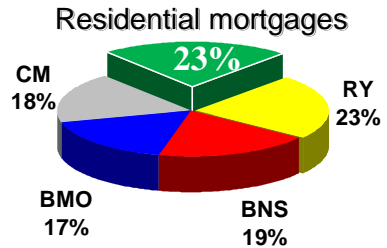
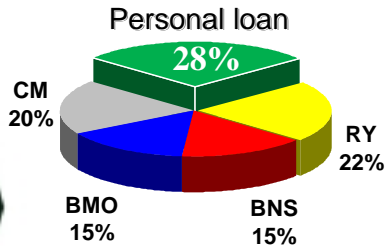


Source: Salomon Smith Barney

Slide: 12 Three growth strategies



MARKET LEADERSHIP

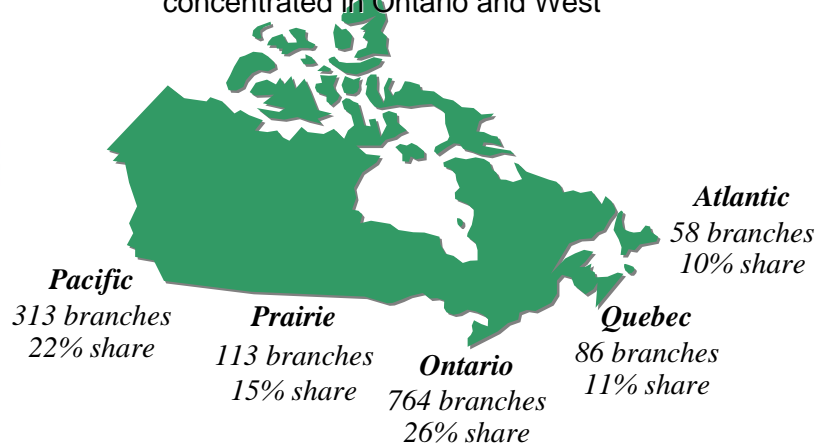


Source: Q4/99 quarterly reports

RETAIL DISTRIBUTION

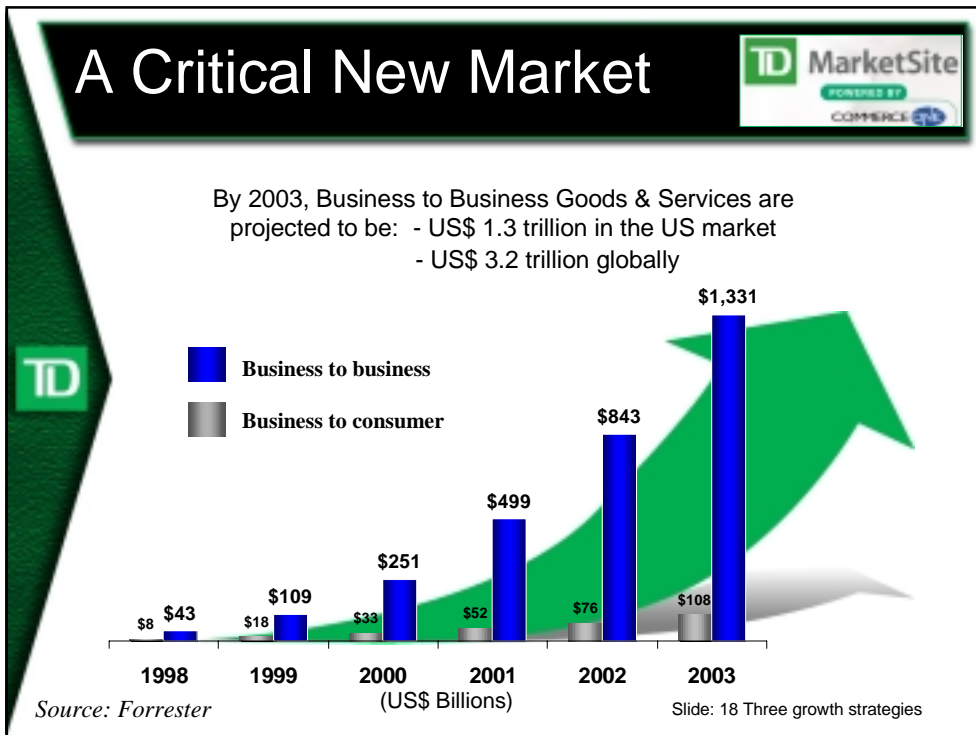


...with a far reaching domestic distribution network concentrated in Ontario and West



TD estimates.
Share is percent of peer group.

Slide: 16 Three growth strategies



A Win—Win Solution for Our Customers



Buyers

Automate Process

Eliminate Maverick Purchasing

Global Economies of Scale

Suppliers

Reduce Costs per Transaction

Increase Revenue per Customer

Gain New Customers

Substantial ROI for both parties

Slide: 19 Three growth strategies



SECURITIES

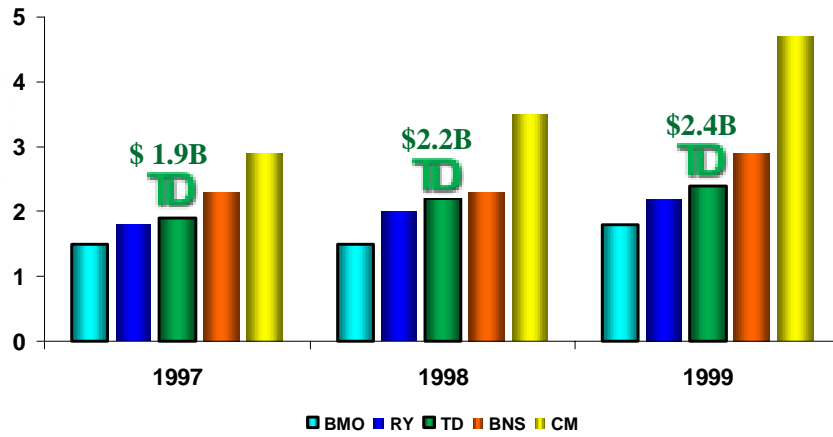


TD Securities



Comparative Revenues: Wholesale Operations

\$ Billions



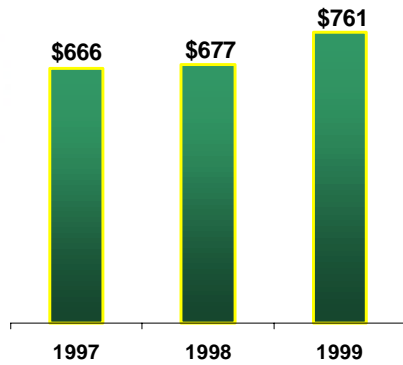
Source: Bank reports

Slide: 21 Three growth strategies

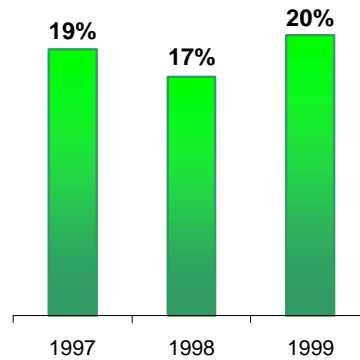
TD Securities



Net Income Millions



Return On Equity %



Slide: 22 Three growth strategies



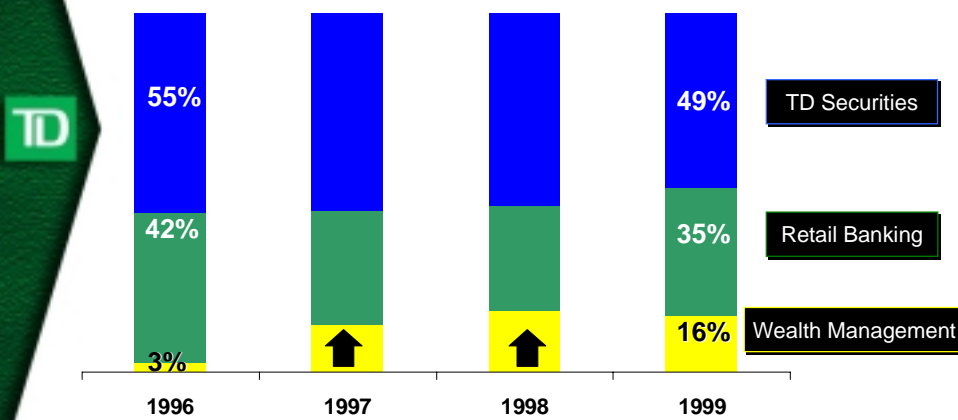
Shareholder Value



Capital Allocated



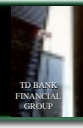
Percent of Capital Allocated



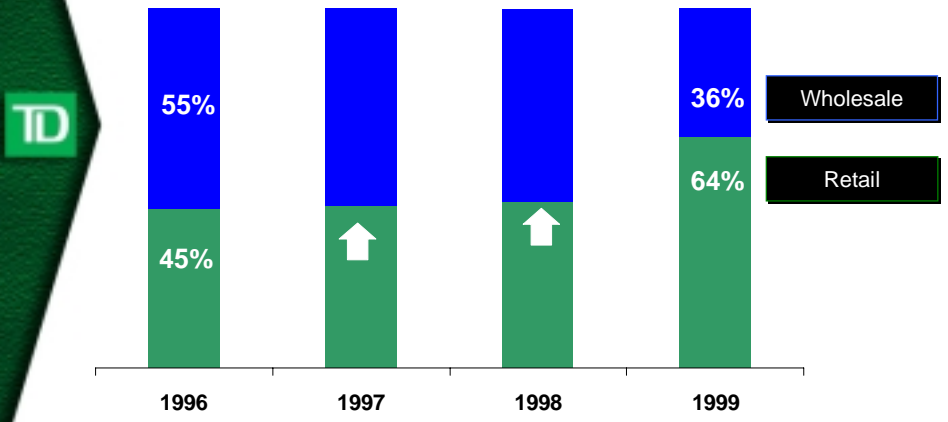
Excludes common equity raised for CT Transaction

Slide: 24 Shareholder value

Capital Allocated



Percent of Capital Allocated



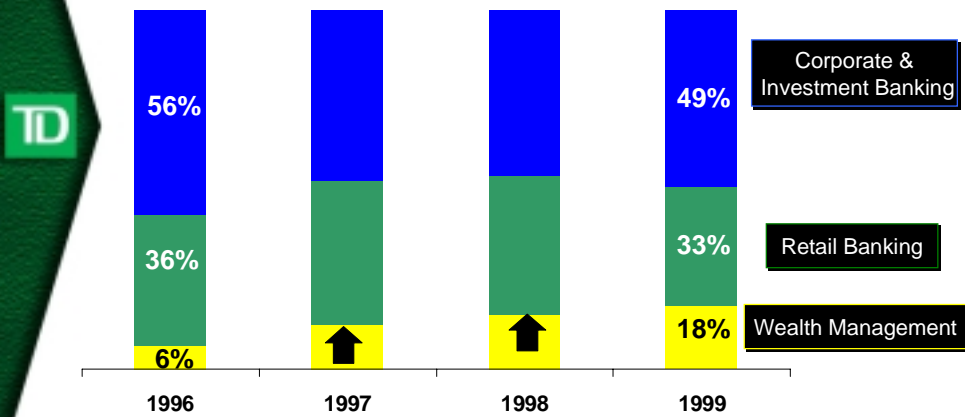
Allocates common equity raised for CT Transaction to Retail

Slide: 25 Shareholder value

BUILDING NEW PROFIT STREAMS



Contribution to segment cash net income

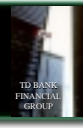


Adjusted net income

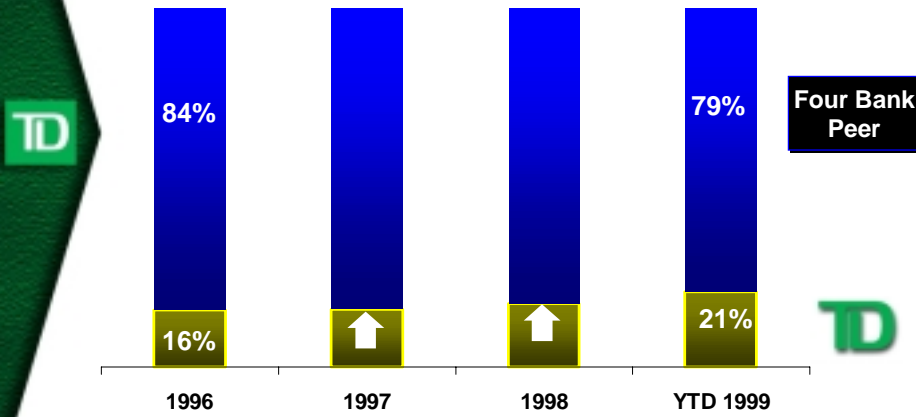
Ahead of our peers

Slide: 26 Shareholder value

Increasing Our Profit Share



Five Bank Peer Group



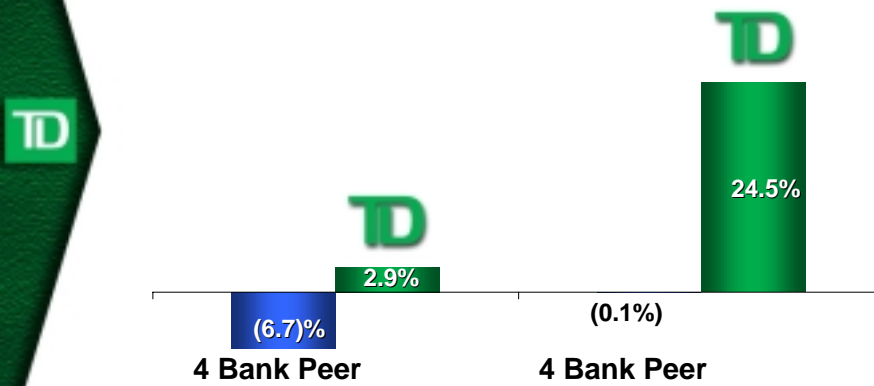
Slide: 27 Shareholder value

Cash EPS Growth



1998 Versus 1997

1999 Versus 1998



Source: Bank reports & TD estimates

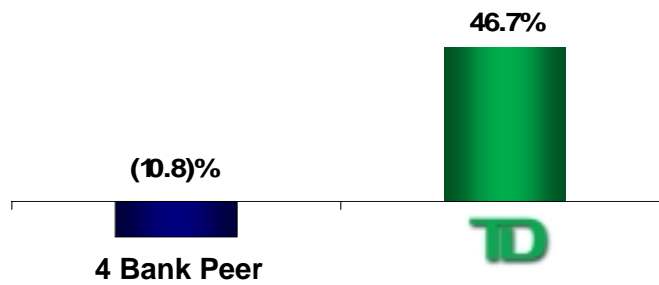
Slide: 28 Shareholder value

SUPERIOR RETURNS

TD BANK
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Total shareholder return
December 31, 1998 to December 31, 1999

TD



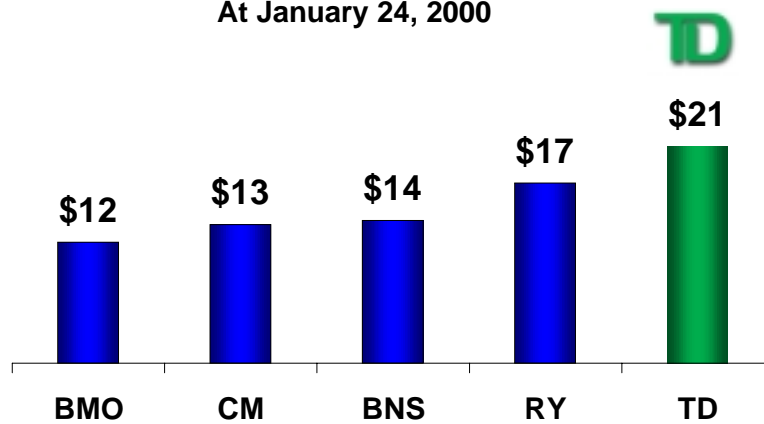
Slide: 29 Shareholder value

MARKET CAPITALIZATION

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\$ Billions
At January 24, 2000

TD



Slide: 30 Shareholder value

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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