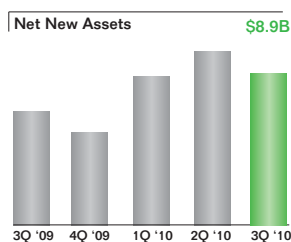
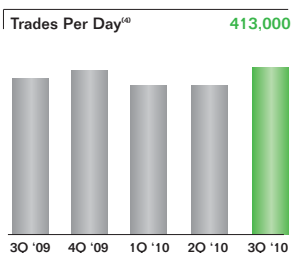
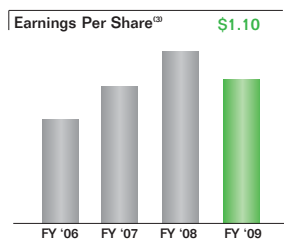


# TD AMERITRADE Holding Corporation

TD AMERITRADE Holding Corporation, through its brokerage subsidiaries,<sup>(1)</sup> combines innovative trading technology, easy-to-use and understand trading tools, investment services, investor education and superior client service to create a market-leading financial services experience. Now home to the award-winning thinkorswim trading technology<sup>(2)</sup> and the Investools investor education program, TD AMERITRADE provides millions of retail investors, traders and independent registered investment advisors with the tools, service and support they need to help build confidence in today's rapidly-changing market environment. The Company's common stock trades under the ticker symbol AMTD. For more information, visit [www.amtd.com](http://www.amtd.com).



## June 2010 Quarter Results

- Net income of \$179 million, or \$0.30 per diluted share
- Net new assets of \$8.9 billion, or 10% of beginning assets, annualized
- Record average client trades per day of 413,461
- Record net revenues of \$692 million
- EBITDA of \$340 million\*
- Operating income of \$300 million, or 43% of net revenues
- Pre-tax income of \$289 million, or 42% of net revenues
- Liquid assets of \$1.2 billion\*
- Client assets of \$324 billion

\* See reconciliation of financial measures.

## Financial Highlights

FISCAL YEAR ENDED	2006	2007	2008	2009	YTD 2010
Net Revenues (millions)	\$1,803.5	\$2,176.9	\$2,537.4	\$2,407.9	\$1,951.9
Advertising (millions)	\$164.1	\$145.7	\$173.3	\$197.1	\$188.4
Net Income (millions)	\$526.8	\$645.9	\$803.9	\$643.7	\$478.2
Earnings Per Share-Diluted	\$0.95	\$1.06	\$1.33	\$1.10	\$0.80
EPS, ex-Investment Gains/Losses <sup>(3)</sup>	\$0.87	\$1.06	\$1.33	\$1.10	\$0.80
Average Client Trades Per Day <sup>(4)</sup>	216,970	253,440	301,061	371,579	390,369
Client Assets (billions)	\$261.7	\$302.7	\$278.0	\$302.0	\$323.8
Net New Assets (billions)	N/A	\$12.4	\$22.8	\$26.6	\$27.9
Weighted Average Shares Outstanding-Diluted (millions)	555.5	608.3	603.1	587.3	595.2
Stock Price (at period end)	\$18.85	\$18.22	\$16.67	\$19.63	\$15.30

TD Waterhouse results are included beginning Jan. 25, 2006.

Fiserv Trust Company's results are included beginning Feb. 5, 2008.

thinkorswim Group Inc. results are included beginning June 12, 2009.

The Company began disclosing net new assets effective for fiscal year 2007.

## M&A Milestones

To date, TD AMERITRADE has successfully completed more mergers and acquisitions than any other Company in the brokerage industry. We have a solid track record of identifying opportunities that provide a balance of benefits for our key constituents - clients and shareholders.

- June 2009** Acquires thinkorswim Group Inc. (Nasdaq: SWIM).
- February 2008** Acquires a portion of Fiserv, Inc.'s (Nasdaq:FISV) investment support services business.
- January 2006** Acquires TD Waterhouse, creating TD AMERITRADE Holding Corporation.
- October 2004** Purchases approximately 45,000 online retail accounts from JB Oxford & Co.
- August 2004** Purchases the online retail accounts of Investex.
- January 2004** Acquires Bidwell & Company.
- February 2004** Purchases the online retail accounts of Brokerage America LLC.
- June 2003** Purchases Mydiscountbroker.com's online retail accounts from SWS Group, Inc. (NYSE: SWS).
- September 2002** Merges with Datek Online Holdings Corp.
- September 2001** Acquires NDB.com.

(1)TD AMERITRADE, Inc., member FINRA ([www.FINRA.org](http://www.FINRA.org)) /SIPC ([www.SIPC.org](http://www.SIPC.org)) /NFA ([www.nfa.futures.org](http://www.nfa.futures.org)), and TD AMERITRADE Clearing, Inc., member FINRA/SIPC.

(2) thinkorswim, prior to joining TD AMERITRADE, earned 4.9 stars, the top score, in the category "Trading Technology", and was rated #1 overall online broker in Barron's ranking of online brokers, 3/15/2010. thinkorswim was evaluated versus others in eight total categories, including trade experience, trading technology, usability, range of offerings, research amenities, portfolio analysis and reporting, customer service and education and costs. thinkorswim topped the list in 2006, 2007, 2009, and 2010 with the highest weighted-average score. Barron's is a registered trademark of Dow Jones & Company © 2006-2010.

(3) Ex-Investment Gains for FY '06. See reconciliation of financial measures.

(4) Effective in October 2007, average trades per day have been revised to exclude non-revenue generating mutual fund trades.

# TD AMERITRADE Holding Corporation

## Reconciliation of Financial Measures

*In thousands, except per share amounts*

### Net Income Excluding Investment Gains/Losses<sup>(1)</sup>

	Fiscal Year Ended Sept. 29, 2006
Net Income, as reported	\$ 526,759
Adjustments:	
Gain on sale of investments	(81,422)
Fair value adjustments of investment-related derivative instruments	11,703
Income tax effect of above adjustments	26,145
Net Income excluding investment gains/losses	<u>\$ 483,185</u>

### EPS Excluding Investment Gains/Losses<sup>(1)</sup>

	Fiscal Year Ended Sept. 29, 2006
Diluted earnings per share, as reported	\$ 0.95
Adjustments on a per share basis, net of income tax effect:	
Gain on sale of investments	(0.09)
Fair value adjustments of investment-related derivative instruments	0.01
EPS excluding investment gains/losses	<u>\$ 0.87</u>

### EBITDA<sup>(2)</sup>

	Quarter Ended June 30, 2010
EBITDA	\$ 339,879
Less:	
Depreciation and amortization	(14,499)
Amortization of acquired intangible assets	(25,119)
Interest on borrowings	(11,197)
Provision for income taxes	(109,625)
Net income	<u>\$ 179,439</u>

### Liquid Assets<sup>(3)</sup>

	As of June 30, 2010
Liquid Assets	\$ 1,157,508
Plus:	
Broker-dealer cash and cash equivalents	510,593
Trust company cash and cash equivalents	51,488
Investment advisory cash and cash equivalents	26,946
Less:	
Corporate short-term investments	(739)
Excess trust Tier 1 capital	(12,637)
Excess broker-dealer regulatory net capital	(1,016,696)
Cash and cash equivalents	<u>\$ 716,463</u>

Note: The term "GAAP" in the following explanations refers to generally accepted accounting principles in the United States.

(1) Net income and earnings per share (EPS) excluding investment gains/losses are non-GAAP financial measures as defined by SEC Regulation G. We define net income excluding investment gains/losses as net income adjusted to remove the after-tax effect of non-brokerage investment-related gains/losses. We consider net income and EPS excluding investment gains/losses important measures of our financial performance. Gains/losses on non-brokerage investments and investment-related derivatives are excluded because we believe they are not likely to be indicative of the ongoing operations of our business. Net income and EPS excluding investment gains/losses should be considered in addition to, rather than as a substitute for, GAAP net income and EPS.

(2) EBITDA (earnings before interest, taxes, depreciation and amortization) is considered a non-GAAP financial measure as defined by SEC Regulation G. We consider EBITDA an important measure of our financial performance and of our ability to generate cash flows to service debt, fund capital expenditures and fund other corporate investing and financing activities. EBITDA is used as the denominator in the consolidated leverage ratio calculation for covenant purposes under our senior revolving credit facility. EBITDA eliminates the non-cash effect of tangible asset depreciation and amortization and intangible asset amortization. EBITDA should be considered in addition to, rather than as a substitute for, pre-tax income, net income and cash flows from operating activities.

(3) Liquid assets is considered a non-GAAP financial measure as defined by SEC Regulation G. We define liquid assets as the sum of (a) corporate cash and cash equivalents, (b) corporate short-term investments, (c) regulatory net capital of (i) our clearing broker-dealer subsidiary in excess of 5% of aggregate debit items and (ii) our introducing broker-dealer subsidiaries in excess of 120% of the minimum dollar net capital requirement or in excess of 8 1/3% of aggregate indebtedness and (d) Tier 1 capital of our trust company in excess of the minimum dollar requirement. We include the excess capital of our broker-dealer and trust company subsidiaries in liquid assets, rather than simply including broker-dealer and trust cash and cash equivalents, because capital requirements may limit the amount of cash available for dividend from the broker-dealer and trust subsidiaries to the parent company. Excess capital, as defined under clauses (c) and (d) above, is generally available for dividend from the broker-dealer and trust subsidiaries to the parent company. We consider liquid assets an important measure of our liquidity and of our ability to fund corporate investing and financing activities. Liquid assets should be considered as a supplemental measure of liquidity, rather than as a substitute for cash and cash equivalents.

## Awards and Recognition

At TD AMERITRADE we believe that we offer one of the most comprehensive sets of trading and investing solutions for independent investors in the marketplace today. Below are just a few of the reasons why we're so confident - and proud - of what we've accomplished over the past 35 years.

### **SmartMoney Magazine's 2010 Review of Discount (Online) Brokers**

TD AMERITRADE was recognized as one of the top three discount brokerage firms in *SmartMoney Magazine's* 2010 Broker Survey. The company received a 5-star rating (the highest available) in the Mutual Funds & Investment Products, Trading Tools, Research and Customer Service categories.

More information is available at <http://www.smartmoney.com/investing/economy/smartmoneys-annual-broker-survey-23119/?cid=1108>.\*

### **Barron's 2010 Review of Online Brokers**

For the second year in a row, and the fourth in five years, thinkorswim was rated the #1 online broker by *Barron's* based on trade experience, trading technology, usability, range of offerings, research amenities, portfolio analysis and reports, customer service and education, and costs. The online broker was also named as one of the best for Frequent Traders and Options Traders. TD AMERITRADE, Inc. was named as one of the best online brokers for Long-Term Investors.

More information is available at [http://online.barrons.com/article/SB126844973242861545.html#articleTabs\\_panel\\_article%3D1](http://online.barrons.com/article/SB126844973242861545.html#articleTabs_panel_article%3D1).\*\*

### **Forbes Global 2000**

TD AMERITRADE was listed as one of *Forbes'* "Global 2000" companies in the publication's April 21, 2010 issue. The Forbes Global 2000 are public companies with the top composite scores based on their rankings for sales, profits, assets and market value.

TD AMERITRADE ranked No. 845 in the overall listing, up from No. 910 in 2009, and No. 645, No. 874 and No. 745 in profits, assets and market value, respectively. The company made *Forbes'* 2009 listing (published April 27, 2009) and 2008 listing (published April 9, 2008) as well. *Forbes* award information is available at [www.forbes.com/global2000](http://www.forbes.com/global2000).\*\*\*

### **Best in Trading Tools, 2009**

TD AMERITRADE was named BEST in Trading Tools in *SmartMoney's* 2009 Broker Survey in the publication's June 2009 issue. TD AMERITRADE was also awarded a five-star rating in the Mutual Funds & Investment Products category.\*<sup>1</sup>

### **Best Big Companies**

TD AMERITRADE has been named to *Forbes'* 2009 Platinum 400 list of the Best Big Companies in America. The Platinum 400 are selected from nearly 1,000 corporations with \$1 billion or more in revenue based on factors such as sales and earnings growth, debt to total capital, earnings outlook and stock market returns. TD AMERITRADE ranked 7th in the "Diversified Financials" industry category and 209th out of all companies. The company received similar distinctions in December 2006, December 2007 and December 2008. More information is available at [www.forbes.com/platinum](http://www.forbes.com/platinum).\*\*\*

### **Investment Advisor's "IA 25"**

TD AMERITRADE Institutional<sup>1</sup> President Tom Bradley was named to *Investment Advisor Magazine's* 2009 "IA 25" list in the publication's May 2009 issue. The "IA 25" is an annual listing of the most influential people in and around the investment advisory universe.

# Awards and Recognition (continued)

## Best in Trading Tools and Research, 2008

TD AMERITRADE was named BEST in Trading Tools and BEST in Research in *SmartMoney*'s 2008 Broker Survey in the publication's June 2008 issue. TD AMERITRADE was also awarded a five-star rating in the Mutual Funds & Investment Products category.<sup>†</sup>

## Online Finance 40

Joe Moglia was ranked by *Institutional Investor Magazine* as one of the "Online Finance 40" in 2003... 2004... 2005... 2006 and again in 2007.

## Barron's Review of Online Brokers

TD AMERITRADE was rated the 2007 best Web browser-based online broker by *Barron's* (3/5/07), based on trade experience, trading technology, usability, range of offerings, research amenities, portfolio analysis & reports, customer services & access, and costs.<sup>‡</sup> TD AMERITRADE's "Apex" program also received a four-star rating in the publication's 2005 and 2006 reviews.<sup>‡</sup>

## Outstanding Customer Service Experience

J.D. Power and Associates certified the TD AMERITRADE call center based on, "An Outstanding Customer Service Experience," in 2004... and 2005... and 2006.<sup>‡</sup>

\*TD AMERITRADE ranked #3 of 17 Discount (Online) Brokers in SmartMoney Magazine's Annual Broker Survey in the publication's June 2010 issue. TD AMERITRADE was also awarded a five-star rating in the Mutual Funds & Investment Products, Trading Tools, Research and Customer Service categories. For details, go to <http://www.smartmoney.com/investing/economy/smart-moneys-annual-broker-survey-23119/?cid=1108>. SmartMoney is a registered trademark and service mark of Dow Jones & Company, Inc.

\*\* thinkorswim, prior to joining TD AMERITRADE, earned 4.9 stars, the top score, in the category "Trading Technology", and was rated #1 overall online broker in Barron's ranking of online brokers, 3/15/2010. thinkorswim was evaluated versus others in eight total categories, including trade experience, trading technology, usability, range of offerings, research amenities, portfolio analysis and reporting, customer service and education and costs. thinkorswim topped the list in 2006, 2007, 2009, and 2010 with the highest weighted-average score. Barron's is a registered trademark of Dow Jones & Company © 2006-2010.

\*\*\*Forbes award information is available at [www.forbes.com/global2000](http://www.forbes.com/global2000) and [www.forbes.com/platinum](http://www.forbes.com/platinum).

\*† TD AMERITRADE ranked Best in Trading Tools out of 16 Discount (Online) Brokers in SmartMoney Magazine's Annual Broker Survey in the publication's June 2009 issue. TD AMERITRADE was also awarded a five-star rating in the Mutual Funds and Investment Products category along with two other firms. For details, go to <http://www.smartmoney.com/investing/stocks/SmartMoney-2009-Broker-Survey/>. SmartMoney is a registered trademark of SmartMoney, a joint publishing venture between Dow Jones & Company, Inc. and HearstSM Partnership.

† TD AMERITRADE ranked Best in Research out of 16 Discount (Online) Brokers in *SmartMoney* magazine's Annual Broker Survey in the publication's June 2008 issue. Along with another firm, TD AMERITRADE was also ranked Best in Trading Tools. TD AMERITRADE was also awarded a five-star rating in the Mutual Funds & Investment Products category along with three other firms. For details, go to [www.smartmoney.com/brokers](http://www.smartmoney.com/brokers). *SmartMoney* is a registered trademark of *SmartMoney*, a joint publishing venture between Dow Jones & Company, Inc. and HearstSM Partnership.

‡ *Barron's* is a registered trademark of Dow Jones, L.P.

‡ Apex qualification is based on an average of five trades per month over a three-month period, or a \$100,000 total account value. Apex membership may also be granted on a free trial basis. Qualification is reviewed every three months.

‡ For J. D. Power and Associates Certified Call Center ProgramSM information, visit [www.jdpower.com](http://www.jdpower.com) or call 866-842-7548. J. D. Power and Associates is a trademark of The McGraw-Hill Companies, Inc.

† TD AMERITRADE Institutional, Division of TD AMERITRADE, Inc., member FINRA/SIPC/NFA.

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## Who is TD AMERITRADE?

We believe in the power of Independence - the confidence to make your own informed financial decisions. After all, nobody cares more about your money and financial future than YOU. We realize that nobody has all the answers. Even if this is your first time trading a stock, planning for retirement or looking for a better way to manage your cash, you don't have to do it all on your own. We exist to offer investors the information, guidance and support to help them make those decisions - on their terms.

### How do we do that?

There is no "one-size-fits-all" approach to managing money. Every investor is different. What they need is a way to filter through the masses of information available in a way that helps them understand what they need to do and how they need to do it in order to meet their goals. We help investors of all types, sizes and experience do this every day.

**Completely Independent?** For investors who are completely comfortable doing it on their own, we offer 24-7 phone and Web support to answer questions and provide assistance - if it's needed. Our innovative and objective tools and services, now enhanced by the addition of the revolutionary thinkorswim from TD AMERITRADE trading platform, based on the dynamic trading platform from thinkorswim,<sup>(1)</sup> help investors develop ideas, spot trends, make plans and research the investment products and strategies of their choice.

**Want to learn more?** For investors just getting started, or even experienced traders looking to better understand sophisticated trading strategies, we offer a comprehensive online education center, complete with Webinars, one-on-one coaching and online courses. We also recently acquired Investools, Inc., a separate, dedicated education business, which provides investors with unique opportunities to learn more about the markets, investing and trading, adding more choices than ever before.

**Need a little hand-holding?** For investors who want someone to walk them through the process once before they tackle it on their own, we also offer over 100 branches, nationwide. Whether they need to sit down with an Investment Consultant for a portfolio review, discuss their retirement options or simply open an account, we can help.

**Want to hand it off?** For investors who would rather give the reins to someone else, we can refer them to an independent registered investment advisor (RIA) through our AdvisorDirect<sup>TM(2)</sup> program.\* We work with a network of advisors who are dedicated to helping their clients uncover and understand their investment needs and give their portfolios the attention they deserve.

In addition, we provide custodial services to more than 4,000 RIA clients. These independent financial professionals come to us every day for the technology and dedicated service they need to manage their businesses efficiently, giving them more time to spend helping their own clients with their financial needs.

### The Investment Firm of Choice

We've been in the business of serving independent-minded individual investors for more than 35 years. We've pioneered changes like touch-tone phone trading and online investing that have helped make Wall Street more accessible to American families than ever before. Through service and a full offering of investing solutions that continues to evolve with investors' changing needs and objectives, we can show you why it's not that difficult to choose Independence. It's never too late, and you never have too little to get started. All you need is the confidence to make a move, and more and more American families are choosing us to help them do just that every day.

(1) thinkorswim, prior to joining TD AMERITRADE, earned 4.9 stars, the top score, in the category "Trading Technology", and was rated #1 overall online broker in Barron's ranking of online brokers, 3/15/2010. thinkorswim was evaluated versus others in eight total categories, including trade experience, trading technology, usability, range of offerings, research amenities, portfolio analysis and reporting, customer service and education and costs. thinkorswim topped the list in 2006, 2007, 2009, and 2010 with the highest weighted-average score. Barron's is a registered trademark of Dow Jones & Company © 2006–2010.

(2) Potential AdvisorDirect clients should typically have at least \$200,000 in assets to invest. Some RIAs have higher or lower minimum asset requirements. There is no charge or obligation for the initial consultation with the RIA. Once you select an RIA, you will pay advisory fees and standard brokerage fees. Brokerage transactions executed through TD AMERITRADE are subject to standard transaction charges. You should review an RIA's Form ADV, other applicable advisor disclosure document(s) and the AdvisorDirect Disclosure and Acknowledgement Document prior to engaging an RIA. The Form ADV contains important disclosure information relative to an RIA's services and fees. RIAs charge an ongoing investment advisory fee for their services. RIAs will pay TD AMERITRADE fees for their participation in the AdvisorDirect program. Those fees will usually constitute a percentage of the advisory fees you will pay your RIA. For additional details about the fees paid to TD AMERITRADE and other conflicts of interest, please review the AdvisorDirect Disclosure and Acknowledgement Document and ask your RIA about its specific arrangement with TD AMERITRADE. Please note: Under no circumstances should participation by a certain RIA in AdvisorDirect be considered an endorsement or recommendation by TD AMERITRADE for that particular RIA.

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