

# MARCH QUARTER EARNINGS

APRIL 21, 2009

## SAFE HARBOR

This document contains forward-looking statements within the meaning of the federal securities laws. We intend these forward-looking statements to be covered by the safe harbor provisions of the federal securities laws. In particular, any projections regarding our future revenues, expenses, earnings, capital expenditures, effective tax rates, client trading activity, benefits of the proposed acquisition of thinkorswim, accounts or stock price, as well as the assumptions on which such expectations are based, are forward-looking statements. These statements reflect only our current expectations and are not guarantees of future performance or results. These statements involve risks, uncertainties and assumptions that could cause actual results or performance to differ materially from those contained in the forward-looking statements. These risks, uncertainties and assumptions include general economic and political conditions, interest rates, market fluctuations and changes in client trading activity, increased competition, systems failures and capacity constraints, ability to service debt obligations, ability to obtain regulatory and shareholder approval for the proposed acquisition of thinkorswim and thereafter realize the expected benefits from the thinkorswim acquisition, regulatory and legal matters and uncertainties and other risk factors described in our latest Annual Report on Form 10-K, filed with the SEC on Nov. 26, 2008, and our latest Quarterly Report on Form 10-Q filed thereafter. These forward-looking statements speak only as of the date on which the statements were made. We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise. This material shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any state or jurisdiction in which an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

## ADDITIONAL INFORMATION AND WHERE TO FIND IT

In connection with the proposed acquisition of thinkorswim Group Inc., TD AMERITRADE has filed with the Securities and Exchange Commission (the "SEC") a Registration Statement on Form S-4 containing a Proxy Statement/Prospectus of thinkorswim Group Inc. TD AMERITRADE and thinkorswim each plan to file with the SEC other documents regarding the proposed transaction. The definitive Proxy Statement/Prospectus will be mailed to shareholders of thinkorswim. INVESTORS AND SECURITY HOLDERS OF THINKORSWIM ARE URGED TO READ THE PROXY STATEMENT/PROSPECTUS AND OTHER DOCUMENTS FILED WITH THE SEC CAREFULLY IN THEIR ENTIRETY BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION. Investors and security holders will be able to obtain free copies of the Registration Statement and the Proxy Statement/Prospectus and other documents filed with the SEC by TD AMERITRADE and thinkorswim through the Web site maintained by the SEC at [www.sec.gov](http://www.sec.gov). In addition, investors and security holders may obtain free copies of the Registration Statement and the Proxy Statement/Prospectus from TD AMERITRADE by contacting TD AMERITRADE Investor Relations at [www.amtd.com](http://www.amtd.com) under the Investor Relations heading, or by mail at TD AMERITRADE Investor Relations, 4211 S. 102 Street, Omaha, NE 68124, or by telephone at (800) 237-8692 or from thinkorswim by contacting thinkorswim Investor Relations at [www.thinkorswim.com](http://www.thinkorswim.com) under the Investor Relations heading, or by mail at thinkorswim Group Inc., Investor Relations, 13947 Minuteman Drive, Draper, UT 84020, or by telephone at (612) 201-2363.

## PARTICIPANTS IN THE THINKORSWIM ACQUISITION

TD AMERITRADE and thinkorswim, and their respective directors and executive officers, may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction. Information regarding the special interests of these directors and executive officers in the proposed transaction is included in the Proxy Statement/Prospectus described above. Additional information regarding TD AMERITRADE's directors and executive officers is contained in TD AMERITRADE's proxy statement for its 2009 Annual Meeting of Stockholders, which was filed with the SEC on January 6, 2009. Additional information regarding thinkorswim's directors and executive officers is contained in thinkorswim's annual report on Form 10-K filed with the SEC on March 16, 2009. These documents are available free of charge at the SEC's Web site at [www.sec.gov](http://www.sec.gov) and from TD AMERITRADE by contacting TD AMERITRADE Investor Relations at [www.amtd.com](http://www.amtd.com) under the Investor Relations heading, or by mail at TD AMERITRADE Investor Relations, 4211 S. 102 Street, Omaha, NE 68124, or by telephone at (800) 237-8692 or from thinkorswim by contacting thinkorswim Investor Relations at [www.thinkorswim.com](http://www.thinkorswim.com) under the Investor Relations heading, or by mail at thinkorswim Group Inc., Investor Relations, 13947 Minuteman Drive, Draper, UT 84020, or by telephone at (612) 201-2363.

# QUARTER HIGHLIGHTS

- Solid March quarter results
  - EPS \$0.23
  - Pre-tax margin 43%/ROCA <sup>(1)</sup> 40bps
  - Client Assets/Cash \$225B/\$53B
- Business fundamentals remain strong
  - Net New Assets (NNA) <sup>(2)</sup> \$6.4B, 11% annualized growth <sup>(3)</sup>
  - Trades Per Day (TPD) 325K, 2nd best quarter in our history
  - Gross new accounts 194K, 4th best quarter in our history
- Financial strength
  - Ratings upgraded to investment grade
  - \$1.2B Liquid Assets <sup>(4)</sup>
- Share buyback
  - Completed programs with 36M share buyback at \$11.88

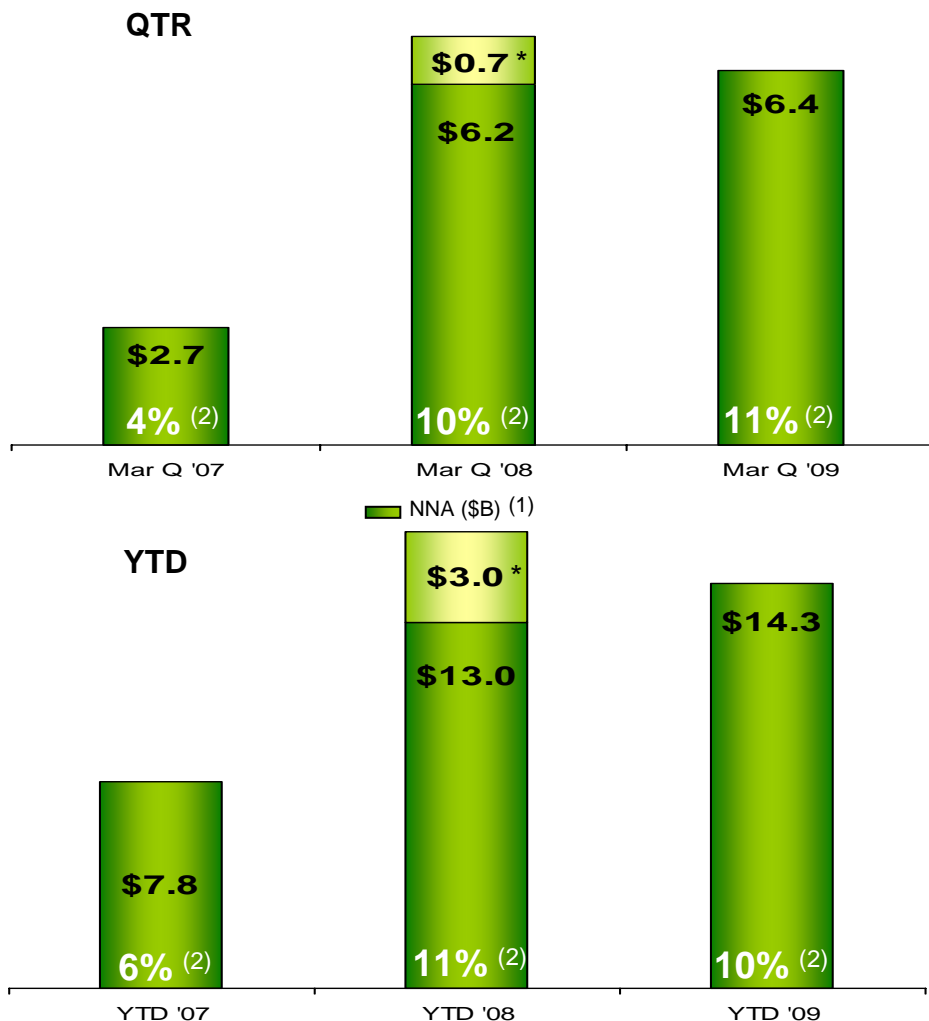
(1) Return on Client Assets (ROCA) is annualized pre-tax income divided by average client assets.

(2) Net new assets consist of total client asset inflows, less total client asset outflows excluding activity from business combinations. Client asset inflows include interest and dividend payments and exclude changes in client assets due to market fluctuations. Net new assets are measured based on the market value of the assets as of the date of the inflows and outflows.

(3) Annualized NNA growth rate as a % of total beginning client assets.

(4) See attached reconciliation of non-GAAP financial measures.

# ASSET GATHERING – CONTINUES



- Dislocation drives opportunity
- Double-digit NNA growth
- Effective sales and marketing
  - \$115M in NNA / business day - YTD
  - 3,300 new accounts / business day - YTD
- On track to hit \$20-30B NNA in FY09

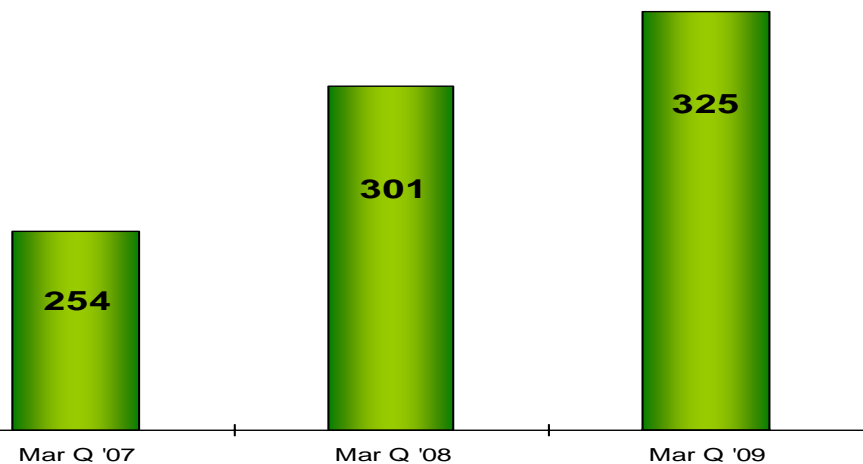
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(2) NNA annualized as a % of total beginning client assets.

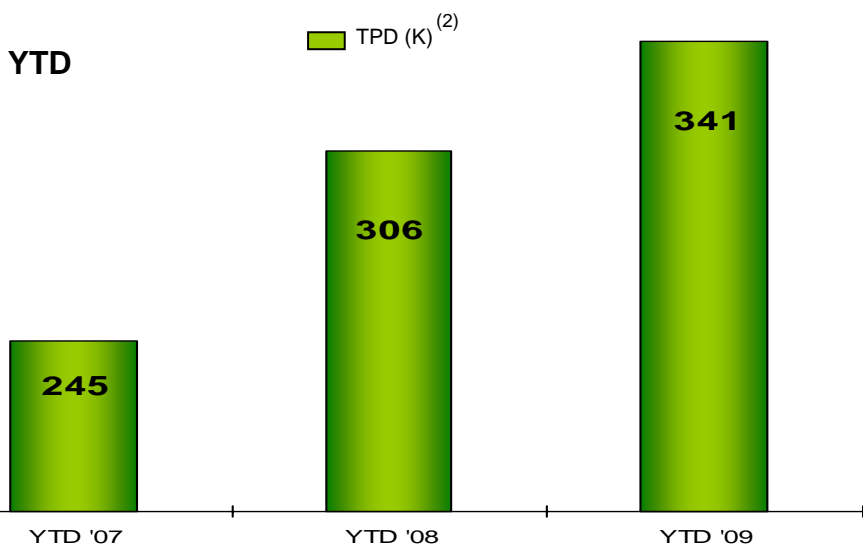
\*One-time inflows from a competitor.

# TRADES – 2<sup>nd</sup> BEST QUARTER EVER

QTR



YTD



- #1 in market share <sup>(1)</sup>
- April to-date 381K
- Retail traders continue to be engaged
- Continued growth in trades and funded accounts



(1) Source: Based upon the last twelve months of publicly available reports for E\*Trade Financial, Fidelity Investments, optionsXpress and Charles Schwab.  
 (2) Effective in Oct 2007, Average Trades Per Day have been adjusted to exclude non-revenue generating mutual fund trades.

# CASH MANAGEMENT STRATEGY

\$10-14B TO TRANSITION TO MMDA <sup>(1)</sup> FROM MMF OVER NEXT 12 MONTHS

- New segmented MMDA sweep structure
  - Sole sweep offer for all clients other than top tier retail clients and RIAs
  - Security of an FDIC-insured account
  - Same or better yield than current MMF yields
  
- Introduce FDIC-insured investor savings account <sup>(1)</sup> with higher yield
  
- Better for the client
  
- Better for the company
  - Earnings neutral in FY09
  - Positioned for enhanced profitability when interest rates rise

(1) Cash is held in an FDIC-insured deposit account at TD Bank USA, N.A. TD AMERITRADE and TD Bank USA, N.A. are affiliated through The Toronto-Dominion Bank.

# MANAGING IN A DIFFICULT MARKET ENVIRONMENT

- Headwinds
  - Near zero interest rate environment
  - Market uncertainty
  - Regulatory costs – FDIC, SIPC
  
- Managing for the other side of the cycle
  - Strong organic growth
    - Trading/Funded accounts
    - NNA
  - Expense discipline
  - Share buyback/thinkorswim
  
- Continue to take advantage of dislocation

# FINANCIAL OVERVIEW

	Mar Q '09			Mar Q '08			Variance				YTD '09			YTD '08			Variance		
1		\$265		\$245		\$20			Transaction-Based Revenues		\$553		\$505		\$48				
2		\$252		\$372		(\$120)			Asset-Based Revenues		\$569		\$745		(\$176)				
3		\$8		\$6		\$2			Other Revenues		\$14		\$15		(\$1)				
4		<b>\$525</b>		<b>\$623</b>		<b>(\$98)</b>			<b>Net Revenues (\$M)</b>		<b>\$1,136</b>		<b>\$1,265</b>		<b>(\$129)</b>				
5		\$248		\$276		(\$28)			Expenses, excluding Advertising <sup>(1)</sup>		\$512		\$516		(\$4)				
6		\$53		\$47		\$6			Advertising		\$100		\$93		\$7				
7		<b>\$301</b>		<b>\$323</b>		<b>(\$22)</b>			<b>Total Expenses (\$M)</b>		<b>\$611</b>		<b>\$609</b>		<b>\$2</b>				
8		\$224		\$300		(\$76)			Pre-Tax Income		\$525		\$657		(\$132)				
9		43%		48%		(5%)			Pre-Tax Income %		46%		52%		(6%)				
10		41%		38%		3%			Effective Tax Rate		40%		35%		5%				
11		<b>\$132</b>		<b>\$187</b>		<b>(\$55)</b>			<b>Net Income (\$M)</b>		<b>\$316</b>		<b>\$428</b>		<b>(\$112)</b>				
12	\$	<b>0.23</b>	\$	<b>0.31</b>	\$	<b>(0.08)</b>			<b>Earnings Per Share</b>	\$	<b>0.54</b>	\$	<b>0.71</b>	\$	<b>(0.17)</b>				
13		\$258		\$344		(\$86)			EBITDA (\$M) <sup>(1)</sup>		\$602		\$748		(\$146)				

(1) See attached reconciliation of non-GAAP financial measures.

\*Certain totals may not foot due to rounding.

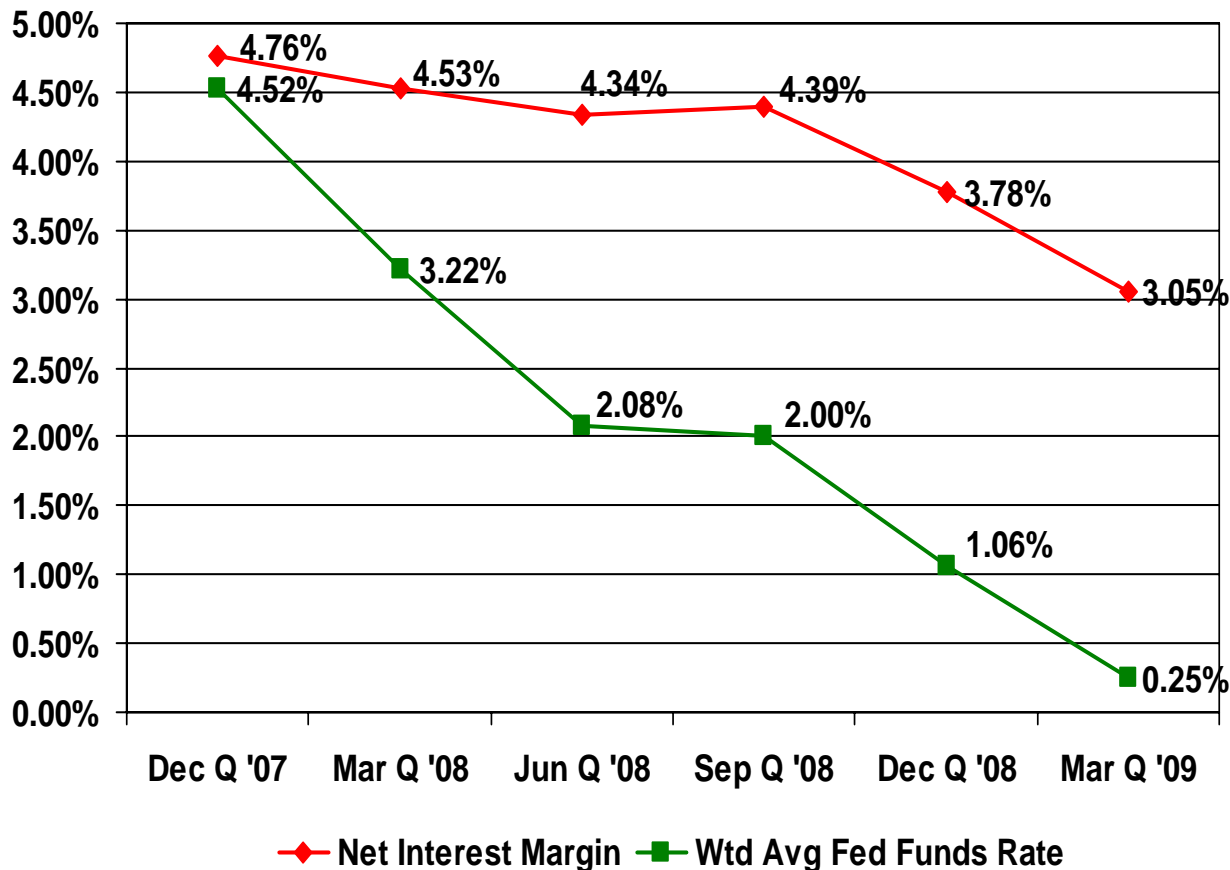
# ASSET-BASED REVENUES

	Mar Q '09			Mar Q '08			Variance		
	<u>Bal \$B</u>	<u>Rate</u>	<u>\$M</u>	<u>Bal \$B</u>	<u>Rate</u>	<u>\$M</u>	<u>Bal \$B</u>	<u>Rate</u>	<u>\$M</u>
1 <b>Fee-Based</b>	\$58.9	0.33%	\$48	\$70.8	0.43%	\$78	(\$11.9)	-0.10%	(\$30)
2 <b>Spread-Based</b>	\$26.6	3.05%	\$203	\$25.4	4.53%	\$291	\$1.2	-1.48%	(\$88)
3 <b>Conduit-Based</b>	\$1.4	0.20%	\$1	\$5.8	0.21%	\$3	(\$4.4)	-0.01%	(\$2)
4 <b>Asset-Based Revenues</b>	<b>\$87.0</b>		<b>\$252</b>	<b>\$102.0</b>		<b>\$372</b>	<b>(\$15.0)</b>		<b>(\$120)</b>
5 <b>Wtd Avg Fed Funds Rate</b>		0.25%			3.22%		<b>-2.97%</b>	92%	↓
6 <b>Ending Fed Funds Rate</b>		0.00-0.25%			2.25%		<b>-2.00%</b>	89%	↓

\* Certain totals may not foot due to rounding.

# NET INTEREST MARGIN TREND

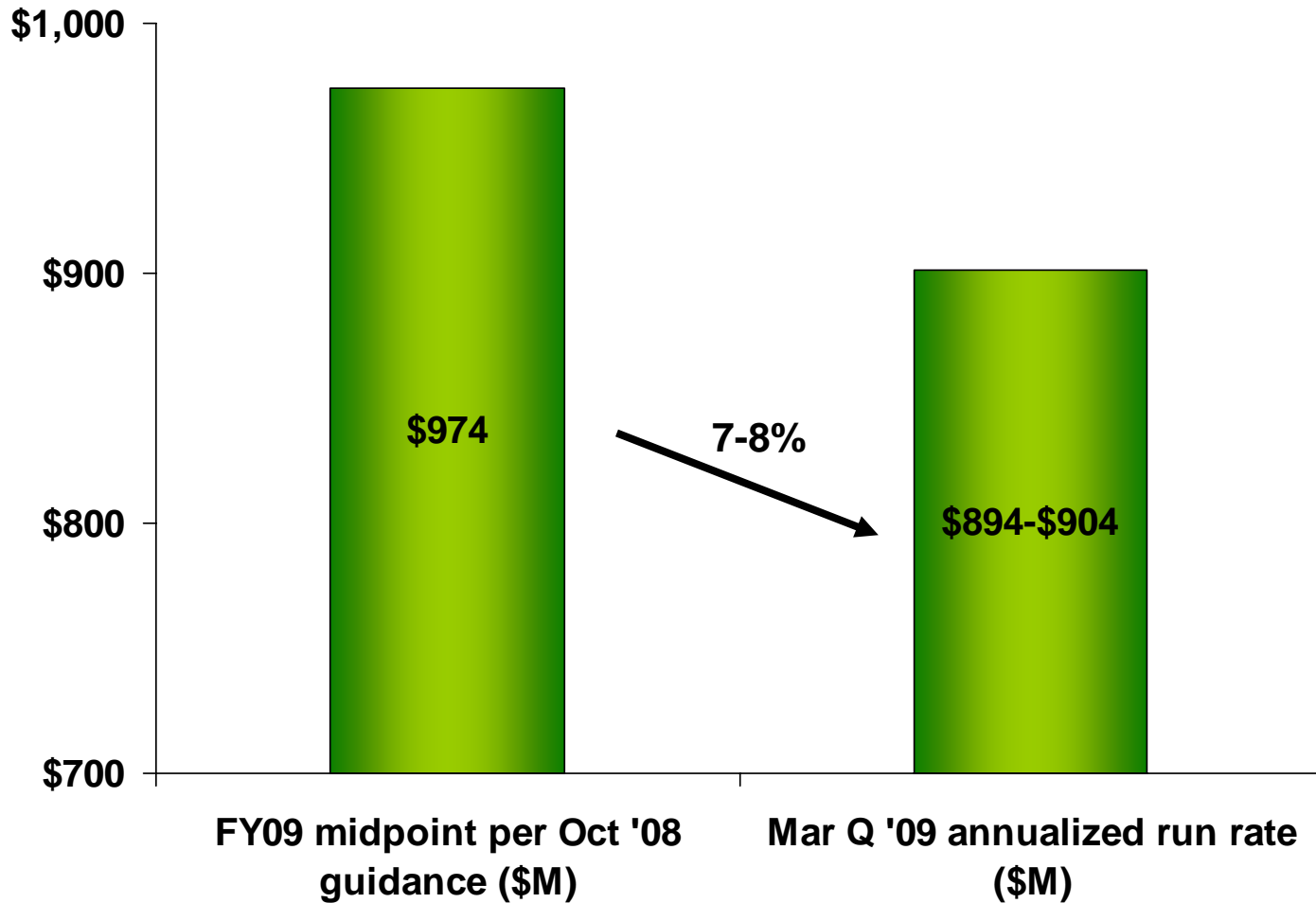
## LADDERING STRATEGY EFFECTIVENESS



- Margin balances decline
- MMDA spread narrows
- Expect NIM compression to slow

# EXPENSE MANAGEMENT UPDATE <sup>(1)</sup>

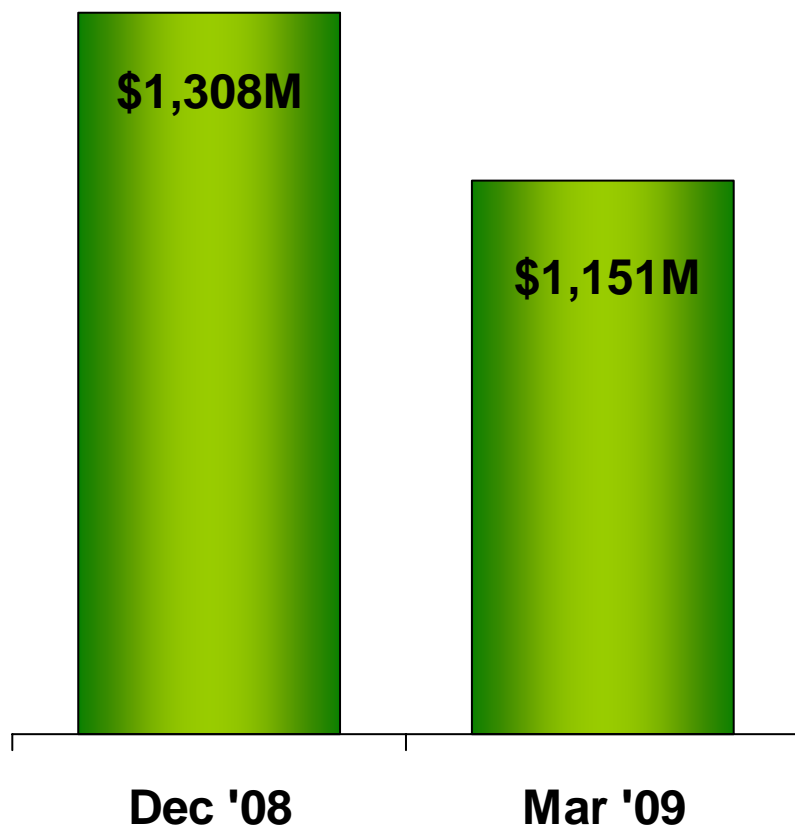
ACHIEVED TARGET



(1) Total expenses less interest, intangible amortization, and advertising.

# STRONG CASH POSITION

## Liquid Assets <sup>(1)</sup>



### Mar Q '09

- Primary sources
  - Net Income \$132M
- Primary uses
  - Share buyback \$428M

### Balance of FY09

- Primary sources
  - Net Income
- Primary uses
  - thinkorswim

(1) See attached reconciliation of non-GAAP financial measures.

# THINKORSWIM ACQUISITION

FASTEST GROWING ONLINE BROKER <sup>(1)</sup>

- Estimated closing – June quarter
- Integration period – 18 months from close
  - Expected completion December 2010
- Estimated EPS accretion by fiscal year
  - FY10 – 3-7%
  - FY11 – 10-15%

# KEY TAKEAWAYS

- Headwinds continue
- Solid March quarter in difficult market
- Business fundamentals remain strong
- Ratings upgrade to investment grade
- Continue building cash
- thinkorswim acquisition on track
- Re-affirming \$0.90-\$1.15 guidance
- Managing for the other side

# MARCH QUARTER EARNINGS - APPENDIX

APRIL 21, 2009

# SENSITIVITY

## ANNUAL IMPACT TO EPS

- 3K TPD = \$0.01
- \$2B Fee-Based Assets = \$0.01
- \$250M Spread-Based Assets = \$0.01
- 25K New Accounts = \$0.01
- +25bps Fed Move = +\$0.02

# RECONCILIATION OF FINANCIAL MEASURES

## RECONCILIATION OF FINANCIAL MEASURES

*In thousands, except percentages*

(Unaudited)

	Quarter Ended				Six Months Ended			
	Mar. 31, 2009		Mar. 31, 2008		Mar. 31, 2009		Mar. 31, 2008	
	\$	% of Rev.	\$	% of Rev.	\$	% of Rev.	\$	% of Rev.
<b><u>EBITDA (1)</u></b>								
EBITDA	\$ 258,339	49.2%	\$ 344,194	55.3%	\$ 601,579	52.9%	\$ 747,969	59.2%
Less:								
Depreciation and amortization	(10,635)	(2.0%)	(8,887)	(1.4%)	(22,138)	(1.9%)	(16,582)	(1.3%)
Amortization of acquired intangible assets	(15,200)	(2.9%)	(14,749)	(2.4%)	(30,738)	(2.7%)	(28,472)	(2.3%)
Interest on borrowings	(8,244)	(1.6%)	(20,604)	(3.3%)	(23,881)	(2.1%)	(46,330)	(3.7%)
Pre-tax income	<u>\$ 224,260</u>	42.7%	<u>\$ 299,954</u>	48.2%	<u>\$ 524,822</u>	46.2%	<u>\$ 656,585</u>	51.9%

	Quarter Ended		Six Months Ended	
	Mar. 31, 2009	Mar. 31, 2008	Mar. 31, 2009	Mar. 31, 2008
<b><u>Expenses Excluding Advertising (2)</u></b>				
Expenses excluding advertising	\$ 248,142	\$ 275,623	\$ 511,612	\$ 515,796
Plus: Advertising	53,097	47,310	99,794	92,766
Total expenses	<u>\$ 301,239</u>	<u>\$ 322,933</u>	<u>\$ 611,406</u>	<u>\$ 608,562</u>

	As of	
	Mar. 31, 2009	Dec. 31, 2008
<b><u>Liquid Assets (3)</u></b>		
Liquid assets	\$ 1,151,282	\$ 1,308,015
Plus: Broker-dealer cash and cash equivalents	565,493	838,061
Trust company cash and cash equivalents	38,203	99,173
Investment advisory cash and cash equivalents	14,273	13,038
Less: Corporate short-term investments	(75,392)	(83,560)
Excess trust Tier 1 capital	(7,637)	(101,253)
Excess broker-dealer regulatory net capital	(613,580)	(919,319)
Cash and cash equivalents	<u>\$ 1,072,642</u>	<u>\$ 1,154,155</u>

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

- (1) 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 our senior credit facilities. The consolidated leverage ratio determines the interest rate margin charged on the senior credit facilities. 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.
- (2) Expenses excluding advertising is considered a Non-GAAP financial measure as defined by SEC Regulation G. Expenses excluding advertising consists of total expenses, adjusted to remove advertising expense. We consider expenses excluding advertising an important measure of the financial performance of our ongoing business. Advertising spending is excluded because it is largely at the discretion of the Company, varies significantly from period to period based on market conditions and generally relates to the acquisition of future revenues through new accounts rather than current revenues from existing accounts. Expenses excluding advertising should be considered in addition to, rather than as a substitute for, total expenses.
- (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 subsidiary in excess of 120% of the minimum dollar net capital requirement 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.

