

# TD AMERITRADE

BOA MERRILL LYNCH – NOVEMBER 11, 2009

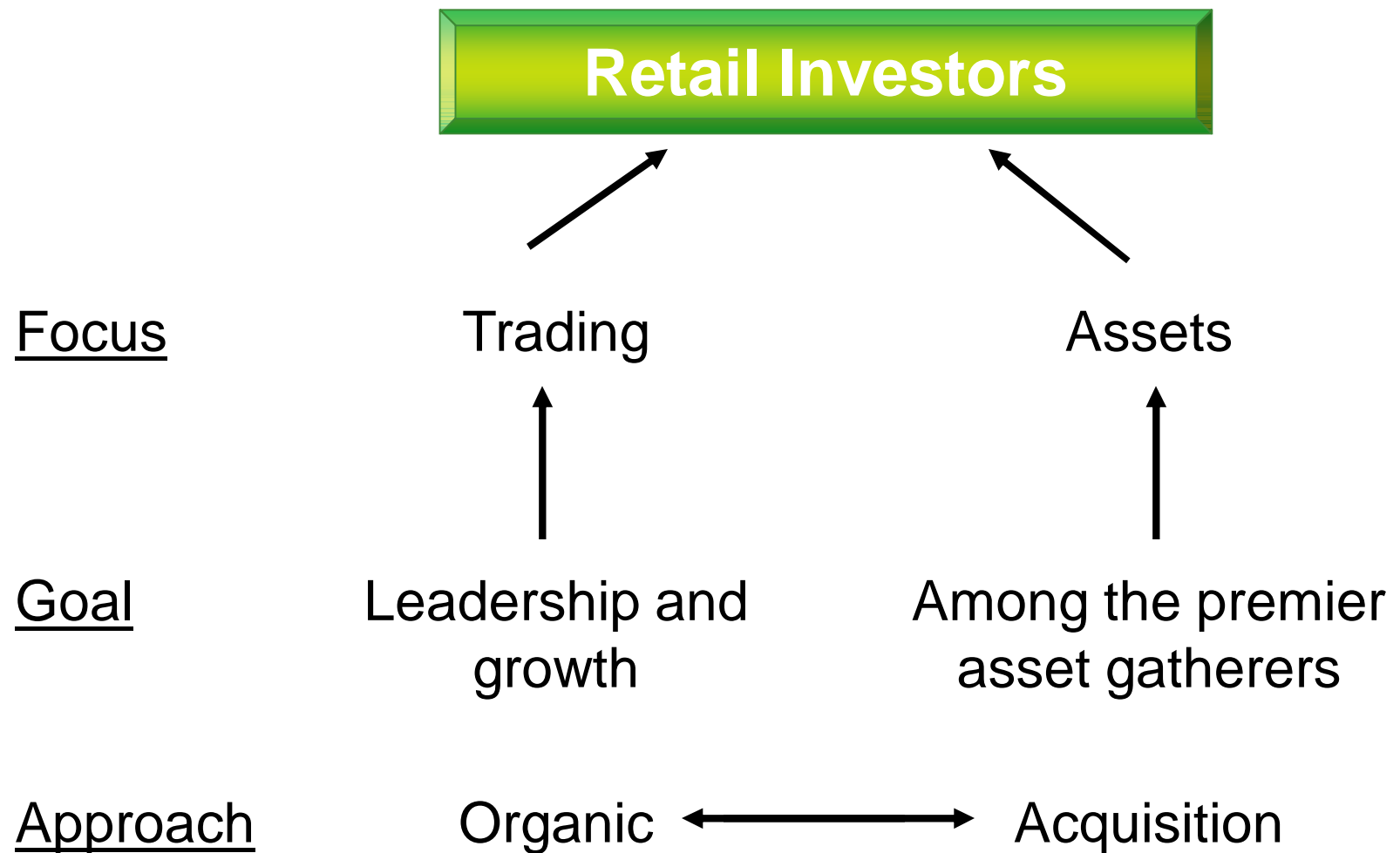
## SAFE HARBOR

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 thinkorswim acquisition, 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 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 amended on May 6, 2009, 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.

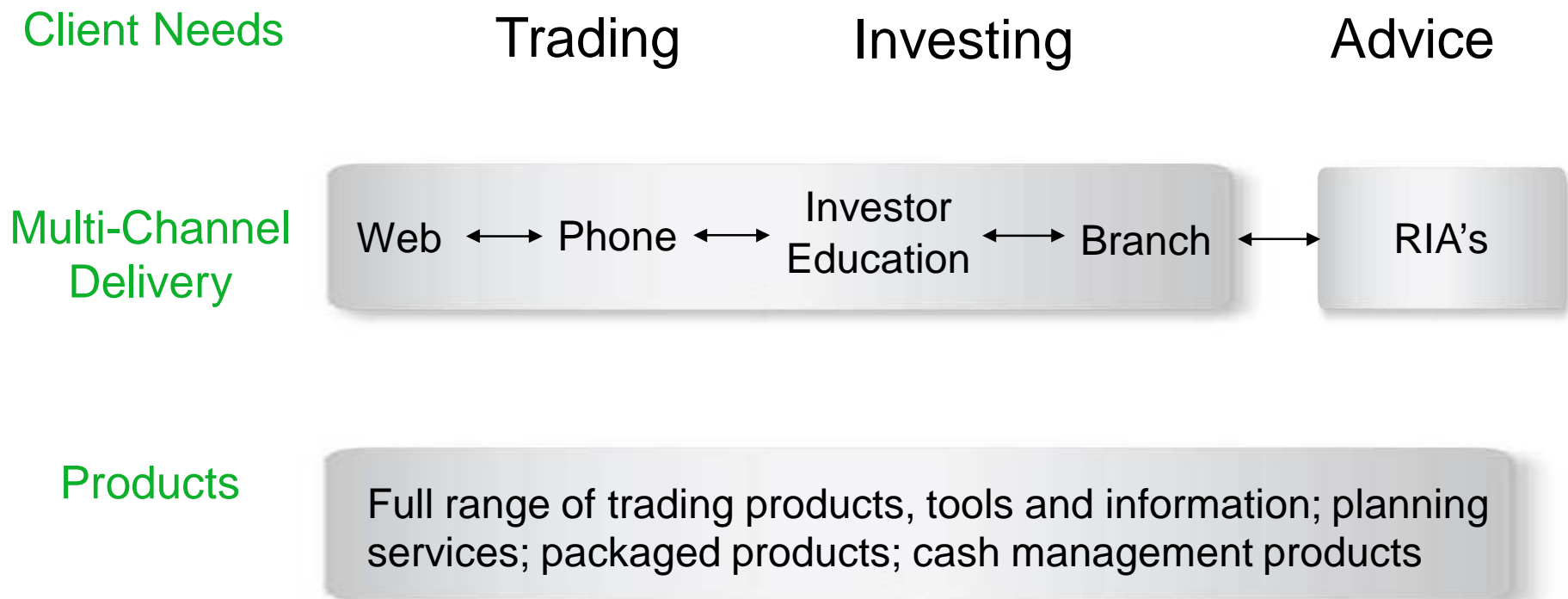
## OUR MISSION

**To Be The Better Investment Firm For  
Today's Investor**

# PRIMARY STRATEGIC OBJECTIVES

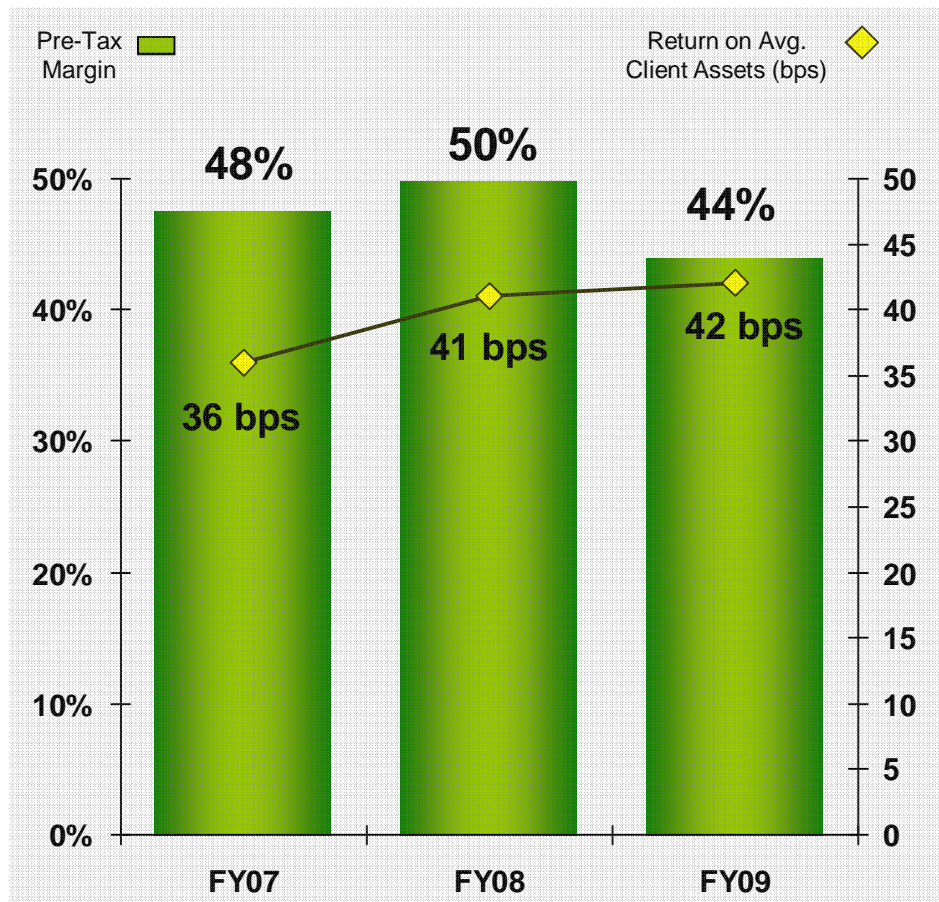


# APPROACH TO SERVING THE INDIVIDUAL INVESTOR



# INDUSTRY-LEADING MARGINS<sup>(1)</sup>

## PRE-TAX MARGIN & ROCA<sup>(2)</sup>



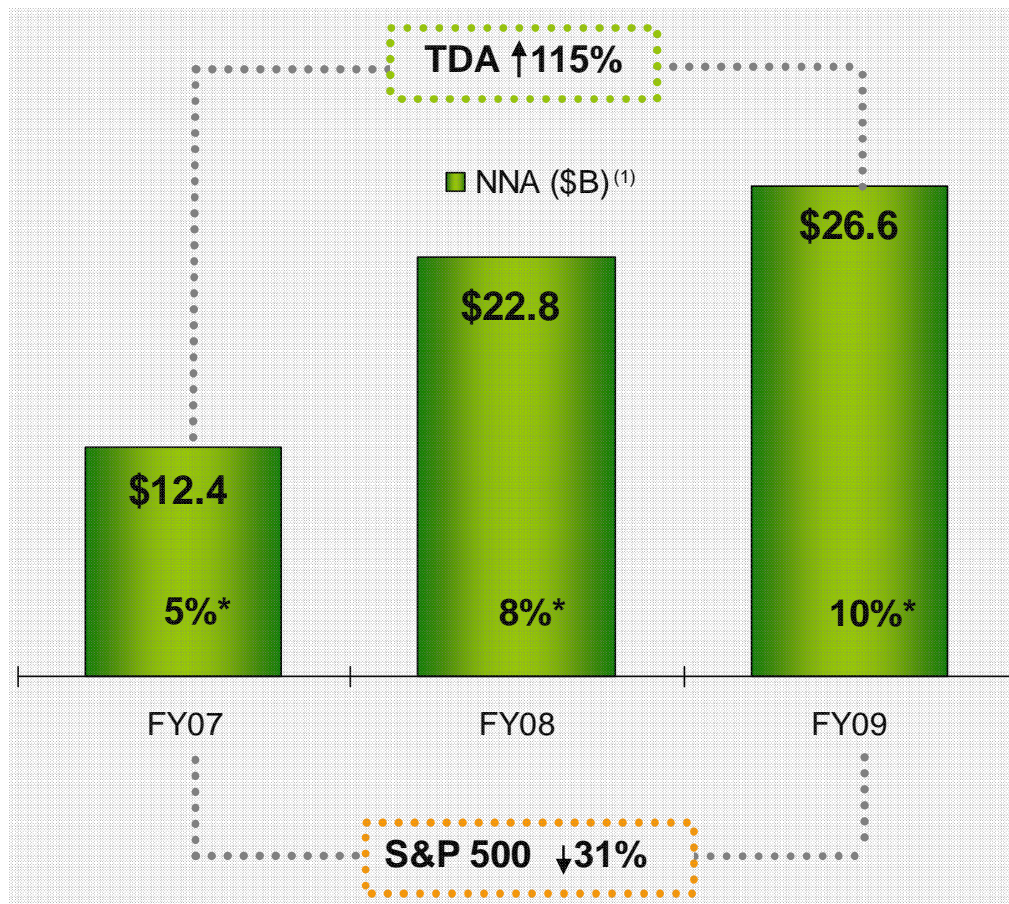
- Record trading and asset gathering
  - Offset by near-zero interest rates and market declines
- Strong margins driven by:
  - Trading leadership <sup>(1)</sup>
  - Net new assets
  - Cash management strategy
  - Leveraging technology

(1) Source: Based upon the last twelve months of publicly available reports for E\*Trade Financial, optionsXpress and Charles Schwab.

(2) Return on average client assets (ROCA) = pre-tax income divided by average client assets.

# ASSET GATHERING

ON-PAR WITH PREMIER ASSET GATHERERS



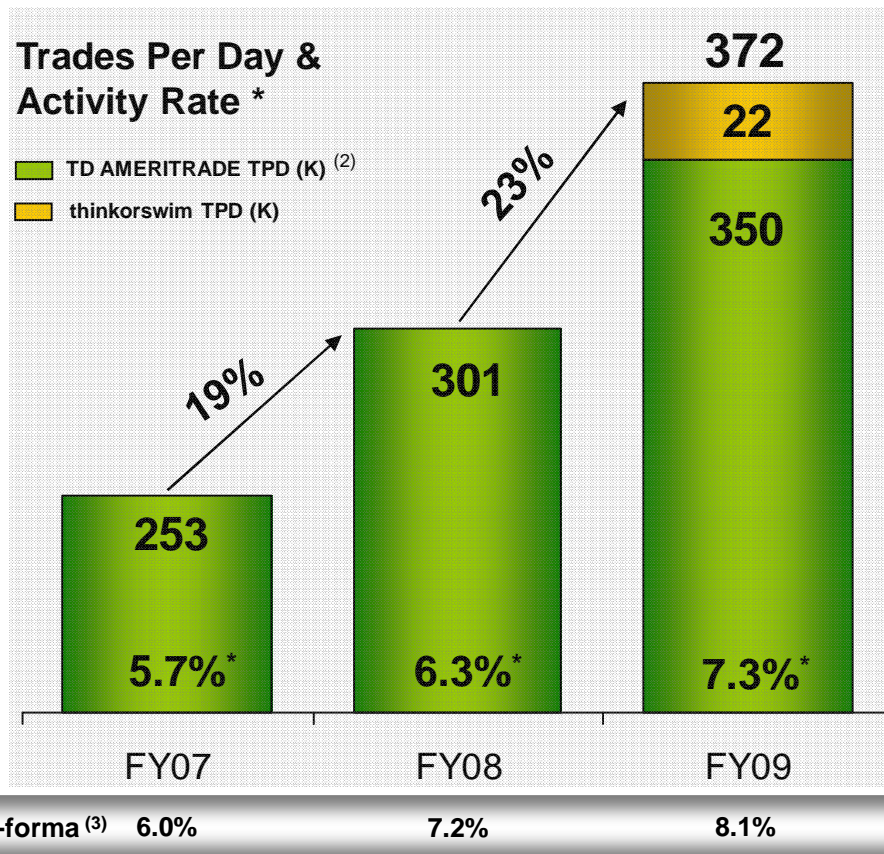
- Multi-channel business model
- Sales and service culture
- Significant improvement in client service and CSI/net promoter scores
- Share of wallet strategies
- Continued strong retail trends
- RIA back to pre-conversion levels

(1) Net new assets (NNA) consists 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.

\*NNA as a % of client assets as of the beginning of the period.

# TRADES

## LEADERSHIP AND GROWTH



- #1 in market share <sup>(1)</sup>
- Increased client engagement
  - Educational programs
  - Risk management tools
  - Options <sup>(4)</sup>
  - Quality execution
- Strong funded account growth
  - AMTD legacy ↑557K from '07
  - thinkorswim legacy ↑76K from '07
- Strong activity rates

(1) Source: Based on last twelve months publicly available reports for E\*Trade Financial, optionsXpress and Charles Schwab.

(2) Effective in Oct 2007, Average Trades Per Day have been adjusted to exclude non-revenue generating mutual fund trades.

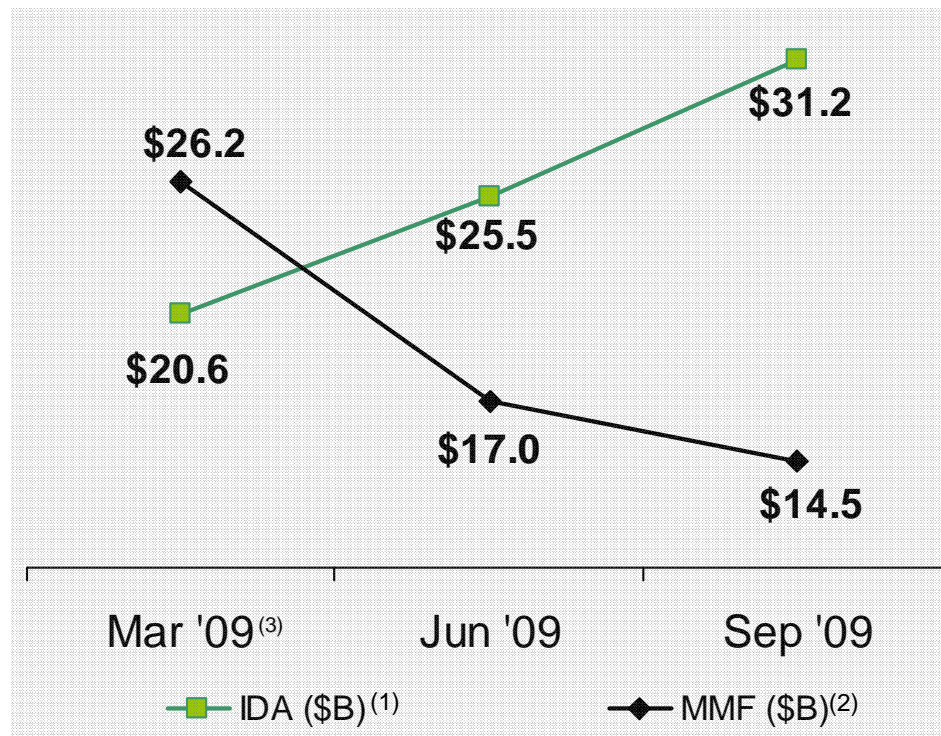
(3) Pro-forma combined with thinkorswim funded activity rate.

(4) Options involve risks and are not suitable for all investors.

\*Funded account activity rate. Average client trades per day during the period divided by the average number of total funded accounts during the period.

# CASH MANAGEMENT STRATEGY UPDATE

## POSITIONED FOR RISING INTEREST RATES



- Achieved target
  - IDA ↑\$10.6B from March '09
    - Mainly cash management moves
  - Additional \$4.6B to move into IDA in January '10
- Ongoing marketing effort
- Moving cash from product yielding 15bps to product yielding 150-200bps

<b>Client Cash (\$B):</b>	<b>\$52.9</b>	<b>\$54.8</b>	<b>\$57.5</b>
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(1) Cash is held in an FDIC-insured deposit account (IDA) at TD Bank USA, N.A. TD AMERITRADE and TD Bank USA, N.A. are affiliated through The Toronto-Dominion Bank.

(2) Money market mutual funds (MMF).

(3) Cash Management Strategy announced in Mar Q '09.

\*Graph denotes period ending balances.

# Looking Forward -

## *ORGANIC GROWTH*

- Expand leadership position in trading <sup>(1)</sup>
- Continue driving asset gathering strategy
- Deliver on thinkorswim integration
- Leverage investor education in trading and asset gathering
- Continue enhancing technology capabilities
- Further leverage TD partnership

**STRATEGICALLY WELL-POSITIONED FOR GROWTH**

(1) Source: Based on last twelve months publicly available reports for E\*Trade Financial, optionsXpress and Charles Schwab.

# Looking Forward -

## SHAREHOLDER VALUE

- Earnings upside in a rising interest-rate environment <sup>(1)</sup>
- Capital planning review
  - Investment grade rating
  - Favorable market environment
  - Strong balance sheet and cash position
- Positioned to deliver shareholder value
  - Acquisitions
  - Share buybacks
  - Dividend

**STRATEGICALLY WELL-POSITIONED FOR GROWTH**

(1) See sensitivity in appendix.

## KEY TAKEAWAYS

- ✓ Strong performance in a difficult year
- ✓ Healthy balance sheet and cash position
- ✓ Strong business fundamentals
- ✓ Positioned well for a rising interest-rate environment
- ✓ Positioned for optionality

**STRATEGICALLY WELL-POSITIONED FOR GROWTH**

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# APPENDIX

# SENSITIVITY

## ANNUAL IMPACT TO EPS

- 3K TPD = \$0.01
- \$5.2B Fee-Based Assets = \$0.01
- \$450M Spread-Based Assets = \$0.01
- 30K New Accounts = \$0.01
- +25bps Fed Move = +\$0.07\*

\* Impact on Spread-based and Money market mutual fund balances assuming increased rates paid on client funds. Offset by increases in interest on borrowings.

# FY 2010 RANGE

	FINANCIAL	MACRO ASSUMPTION	KEY METRICS
HIGH	<p>\$1.40 EPS</p> <p>46% Pretax margin</p>	<p>15% Market Growth</p> <p>Avg. Fed Funds 55 bps<sup>(3)</sup></p> <p>Highest AR%<sup>(4)</sup> in last 3 years</p>	<p>NNA<sup>(1)</sup> \$33B/11%*</p> <p>NIM<sup>(2)</sup> 2.23%</p> <p>TPD 476K</p>
LOW	<p>\$1.10 EPS</p> <p>42% Pretax margin</p>	<p>5% Market Growth</p> <p>No change in Fed Funds</p> <p>Lowest AR%<sup>(4)</sup> in last 3 years</p>	<p>NNA<sup>(1)</sup> \$21B/7%*</p> <p>NIM<sup>(2)</sup> 2.13%</p> <p>TPD 398K</p>

(1) Net new assets (NNA) consists 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.

(2) Net interest margin (NIM) is a measure of the net yield on our average spread-based assets.

(3) Average fed funds of 55bps for the full year, assumes +25bps move in Mar Q '10, +25bps move in Jun Q '10, and +25bps move in Sep Q '10.

(4) Funded account activity rate. Average client trades per day during the period divided by the average number of total funded accounts during the period. The range is 7.3%-8.7% calculated by using AMTD legacy range 5.7%-6.9% and thinkorswim legacy range 63.5%-72.8%.

\* NNA annualized as a % of client assets as of the beginning of the period.

