

CONSOLIDATED FINANCIAL STATEMENTS AND
SUPPLEMENTAL INFORMATION

TD Ameritrade, Inc.
(An Indirect Wholly Owned Subsidiary of TD Ameritrade Holding Corporation)
Year Ended September 30, 2016
With Report of Independent Registered Public Accounting Firm

This report is deemed **CONFIDENTIAL** in accordance with Rule 17a-5(e)(3).

Statement of Financial Condition bound separately has been filed with the Securities and Exchange Commission simultaneously herewith as a Public Document.

TD Ameritrade, Inc.
(An Indirect Wholly Owned Subsidiary of TD Ameritrade Holding Corporation)

Consolidated Statement of Income
(In Millions)

Year Ended September 30, 2016

Revenues, including affiliate revenue sharing agreements:	
Commissions and transaction fees	\$ 1,022
Net interest revenue	281
Insured deposit account fees	550
Investment product fees	255
Other revenues	5
Net revenues	<u>2,113</u>
Expenses:	
Allocated costs from affiliates	785
Employee compensation and benefits	435
Clearing and execution costs, including affiliate clearing fees	293
Communications	116
Occupancy and equipment costs	43
Depreciation and amortization	10
Amortization of acquired intangible assets	75
Professional services	46
Other	71
Total expenses	<u>1,874</u>
Income before income taxes	239
Provision for income taxes:	
Current expense	74
Deferred benefit	<u>(21)</u>
Total provision for income taxes	53
Net income	<u><u>\$ 186</u></u>

See accompanying notes.