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From time to time, we make written or oral forward-looking statements within the meaning of certain securities laws, including the "safe harbour" provisions of the United States Private Securities Litigation Reform Act of 1995 and any applicable Canadian securities legislation. We may make forward-looking statements in these speakers' notes, in other filings with Canadian regulators or the SEC, in reports to shareholders and in other communications. Forward-looking statements include, but are not limited to, statements relating to our medium-term and 2008 objectives, our strategic goals and priorities and the economic and business outlook for us, for each of our business segments and for the Canadian, United States and international economies. Forward-looking statements are typically identified by words such as "believe," "expect," "forecast," "anticipate," "intend," "estimate," "goal," "plan" and "project" and similar expressions of future or conditional verbs such as "will," "may," "should," "could," or "would".

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2008 Report to Shareholders and our 2007 Report to Shareholders; general business and economic conditions in Canada, the United States and other countries in which we conduct business, including the impact from the continuing volatility in the U.S. subprime and related markets and lack of liquidity in various other financial markets; the impact of the movement of the Canadian dollar relative to other currencies, particularly the U.S. dollar, British pound and Euro; the effects of changes in government monetary and other policies; the effects of competition in the markets in which we operate; the impact of changes in laws and regulations; judicial or regulatory judgments and legal proceedings; the accuracy and completeness of information concerning our clients and counterparties; our ability to successfully execute our strategies and to complete and integrate strategic acquisitions and joint ventures successfully; changes in accounting standards, policies and estimates, including changes in our estimates of provisions and allowances; and our ability to attract and retain key employees and executives.

We caution that the foregoing list of important factors is not exhaustive and other factors could also adversely affect our results. When relying on our forward-looking statements to make decisions with respect to us, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Except as required by law, we do not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by us or on our behalf.

Additional information about these and other factors can be found in our Q1 2008 Report to Shareholders and in our 2007 Report to Shareholders.

Information contained in or otherwise accessible through the websites mentioned does not form part of these speakers' notes. All references in these speakers' notes to websites are inactive textual references and are for your information only.

GORDON M. NIXON, PRESIDENT & CEO

Good morning ladies and gentlemen and thank you for having me here today.

Before I begin I would like to remind you that all remarks, including those made during the question period, may contain forward-looking statements which have inherent risks and uncertainties and I refer you to our 2007 annual report and Q1 2008 quarterly report for our caution regarding forward-looking statements.

Given the current state of the global financial markets and all that has gone on, particularly over the past few weeks, I believe it makes sense for me to make a few remarks and then leave some time to answer your questions.

I'll talk in a moment about my view of the current markets, but first, I want to be clear about how I view our business. At its core, our approach is driven by a few basic principles. We want to make it easier for our clients to do business with us. We want to ensure our business mix continues to be diversified to protect against shocks to a single business, product or market. And, we want to ensure all of our activities are guided by strategic goals, and are underpinned by a proactive approach to risk management and a rigorous operational discipline that makes management accountable for results.

Our focus on doing these things well has helped us withstand market pressures. Like all financial services companies, we have been impacted by the challenging environment. But, our financial performance and stability have not been affected to the same degree as many of our global competitors.

Earlier financial bubbles — such as the dot-com or emerging market debt booms — were generally limited to one industry sector or a specific region, but the current one has affected hundreds of billions of dollars in financial assets — and the pain is being felt across a broad range of financial institutions and investors.

The liquidity that drove the creation of structured credit assets at very low credit spreads disappeared overnight, and credit spreads have widened dramatically. New mark-to-market accounting rules have compounded the problem as this lack of liquidity has resulted in writedowns being recorded even on those structures or securities that are of good credit quality. This crisis in the credit market has now spread to the broader economy, with the U.S. in particular, facing significant challenges.

Having been in this business for almost 30 years, I can tell you that this bubble has been different from all others I have seen. But, like all the others, it was based on the flawed assumption that asset values (i.e. U.S. real-estate) could not fall dramatically. It was driven by creativity and leverage, and fuelled by vast new sources of capital, and during this time of massive liquidity, people's understanding and appreciation of risk diminished greatly.

I do believe that signs of further weakness remain, and that it will take time for some of these financial assets to recover. That said, I expect the aggressive actions taken by monetary authorities, including the Federal Reserve's interest rate cuts and policy actions such as those

taken in the case of Bear Stearns, will provide a floor for markets and will pave the way for a recovery in the latter half of this year.

The fallout will lead to a "new normal" for the global financial system and global economy. This will include a heightened sense of risk aversion, increased transparency, simpler products, lower financial leverage, and wider credit spreads.

The period of leverage and bank disintermediation will, for a time, shift in favour of de-leveraging and a much greater reliance on banks and banking relationships. The competitive landscape is changing, and it will reward those firms like RBC that demonstrate market leadership and balance sheet strength.

Our company remains fundamentally strong. Our Tier 1 capital position is comfortably above our objective and regulatory targets. Our balance sheet is robust. And we continue to have good access to both long- and short-term funding in a variety of global markets.

Let me briefly review our four business segments. In the first quarter of 2008, our Canadian retail businesses performed extremely well. Our Canadian banking-related businesses continued to build momentum and add to our leadership position. Banking-related operations are running efficiently, with positive operating leverage and disciplined cost management.

Overall, we have number 1 or 2 position in most product categories. And, we continue to grow market share in key areas such as residential mortgages and personal deposits by taking more than our fair share of the market growth. In the first quarter of 2008, we grew mortgages balances 15% over last year and deposits by 5%. We've had success with the new suite of personal account products that we introduced in the Spring of 2007. For example, we've attracted over \$6 billion in deposits to our high interest savings account, which we launched less than a year ago. And, over half of this \$6 billion is net new money to RBC.

In business banking, we continue to solidify our number one position in loans and deposits by always looking for ways to do better for our clients. For example, last quarter, we launched our Business Solution Selector tool to assist small business owners with a one-stop solution for all their business financial needs.

This month, we launched Canada's first Visa Infinite card, which provides premium services to our private banking clients. And, we recently landed the top spot among domestic Canadian banks for best overall private banking services according to the Euromoney 2008 Private Banking Survey.

The excellent growth in our Canadian banking related businesses demonstrates that our clients are rewarding us with their business and we are successfully executing on our growth initiatives.

Turning to wealth management, we are seeing impacts on business levels and fund flows as clients react to market uncertainty and heightened media coverage of the credit crunch. However, we have also seen positives. Historically, we've been able to grow our rate of client acquisition and market share during periods of market turmoil. The same is true today as clients place greater value on the importance of advice, performance and safety.

For example, RBC Asset Management led the industry in overall net mutual fund sales in a record first quarter, gathering more than \$4 billion of assets. And, over the past year, we increased our market share by more than 140 basis points – by far the largest increase of any company in the Canadian mutual fund industry.

Clients across international wealth management business are equally focused on the safety and security of their financial institution in this environment. As a result, RBC is being rewarded with new business and we saw strong growth in loans and deposits in Q1.

Because we are in this position of strength, we can continue to forge ahead and build our business for the future. For example, our proposed acquisition of PH&N is an excellent strategic fit for RBC and will extend our lead in meeting the discretionary investment needs of high net worth private clients, will establish us as one of the top five institutional managers in Canada, and will extend RBC's existing leadership in the Canadian retail mutual fund market.

Also, the proposed acquisition of Ferris, Baker, Watts will strategically expand our presence in the key regions of the U.S. and bring the total number of U.S. financial consultants to over 2,000.

In U.S. banking, as you know RBC Centura's earnings have come under pressure from the fall out of the housing market and certainly the near-term U.S. economic outlook remains weak. But, we have built a solid bank – we've invested in infrastructure and technology and I believe we are in a good position for growth once the economy stabilizes. Our recent acquisition of Alabama National fills out key areas in our footprint in the Southeast. As part of our goal of creating a globally recognizable brand in all our markets, we will soon be using the name "RBC Bank" for our U.S. banking operations.

In the Caribbean we look forward to joining together with RBTT to build on an already strong business and increase our presence in a region where we have a 100 year history. The shareholder vote on the merger proposal is taking place today.

Turning to Capital Markets, all things considered, we are holding up well in this environment relative to many of our peers and we continue to see good revenue opportunities in many of our businesses. Notwithstanding the writedowns in Q1, we generated broad-based revenue growth across several businesses and delivered a return on equity of 24 percent. This performance demonstrates the benefit of our diversified business and the strength of our competitive position.

The financial services industry will continue to face complex challenges over the next few years as the impact of slower growth in the U.S. is felt in economies around the world. But, I firmly believe financial institutions such as RBC that have a broad base of business, prudent risk management and a client-centric culture will continue to have the capital necessary to invest in the future, and will be able to deliver the best long-term returns to shareholders.

Thank you and I look forward to your questions.