Royal Bank of Canada
Second Quarter Results

May 28, 2015

All amounts are in Canadian dollars and are based on financial statements prepared in compliance with International Accounting Standard 34 *Interim Financial Reporting* unless otherwise noted. Our Q2/2015 Report to Shareholders and Supplementary Financial Information are available on our website at rbc.com/investorrelations.

Caution regarding forward-looking statements

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 this presentation and in the accompanying management’s comments and responses to questions during the May 28, 2015 analyst conference call (Q2 presentation), in filings with Canadian regulators or the United States (U.S.) Securities and Exchange Commission (SEC), in reports to shareholders and in other communications. Forward-looking statements in this presentation include, but are not limited to, statements relating to our financial performance objectives, vision and strategic goals. The forward-looking information contained in this Q2 presentation is presented for the purpose of assisting the holders of our securities and financial analysts in understanding our financial position and results of operations as at and for the periods ended on the dates presented, and our financial performance objectives, vision and strategic goals, and may not be appropriate for other purposes. Forward-looking statements are typically identified by words such as “believe”, “expect”, “foresee”, “forecast”, “anticipate”, “intend”, “estimate”, “goal”, “plan” and “project” and similar expressions of future or conditional verbs such as “will”, “may”, “should”, “could” or “would”.

By their very nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties, which give rise to the possibility that our predictions, forecasts, projections, expectations or conclusions will not prove to be accurate, that our assumptions may not be correct and that our financial performance objectives, vision and strategic goals will not be achieved. We caution readers not to place undue reliance on these statements as a number of risk factors could cause our actual results to differ materially from the expectations expressed in such forward-looking statements. These factors – many of which are beyond our control and the effects of which can be difficult to predict – include: credit, market, liquidity and funding, insurance, regulatory compliance, operational, strategic, reputation, legal and regulatory environment, competitive and systemic risks and other risks discussed in the Risk management and Overview of other risks sections of our 2014 Annual Report and the Risk management section of our Q2/2015 Report to Shareholders; anti-money laundering; growth in wholesale credit; the high levels of Canadian household debt; cybersecurity; the business and economic conditions in Canada, the U.S. and certain other countries in which we operate; the effects of changes in government fiscal, monetary and other policies; tax risk and transparency; our ability to attract and retain employees; the accuracy and completeness of information concerning our clients and counterparties; the development and integration of our distribution networks; model, information technology, information management, social media, environmental and third party and outsourcing risk.

We caution that the foregoing list of risk 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. Material economic assumptions underlying the forward looking-statements contained in this Q2 presentation are set out in the Overview and outlook section and for each business segment under the heading Outlook and priorities in our 2014 Annual Report, as updated by the Overview and outlook section in our Q2/2015 Report to Shareholders. 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 the Risk management and the Overview of other risks sections in our 2014 Annual Report and in the Risk management section of our Q2/2015 Report to Shareholders.

Information contained in or otherwise accessible through the websites mentioned does not form part of this Q2 presentation. All references in this Q2 presentation to websites are inactive textual references and are for your information only.

Overview

Dave McKay

President and Chief Executive Officer

Strong quarterly earnings in Q2/2015

Strong earnings growth

- Reported record net income over $2.5 billion, up 14% YoY
  - Adjusted net income of $2.4 billion, up 9% YoY(1)
- Solid earnings growth in Canadian Banking
- Strong growth in Capital Markets
- Record earnings in Investor & Treasury Services
- Underlying business strength in Wealth Management
- Continuing to invest in our businesses while maintaining our focus on driving efficiencies
- Maintained strong credit quality

Strengthened capital position

- "All-in" Common Equity Tier 1 ratio of 10.0%

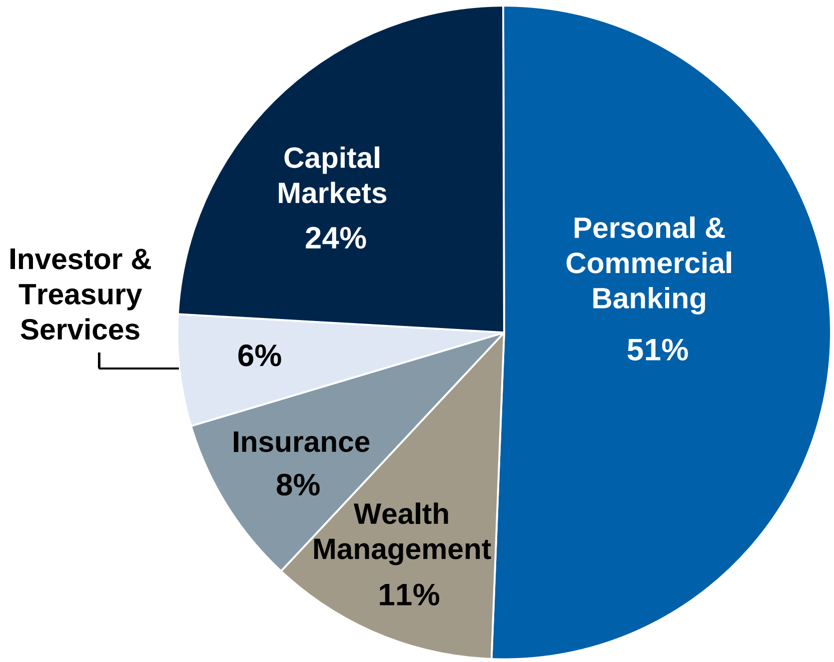
Maintained strong momentum with record year-to-date results

(1) Net income excluding a specified item is a non-GAAP measure. The specified item in Q2/2015 relates to a gain of $108MM (before- and after-tax), from the wind-up of a U.S.-based funding subsidiary that resulted in the release of foreign currency translation adjustment that was previously booked in other components of equity ("CTA release"). For more information and a reconciliation, see slides 31 and 32.

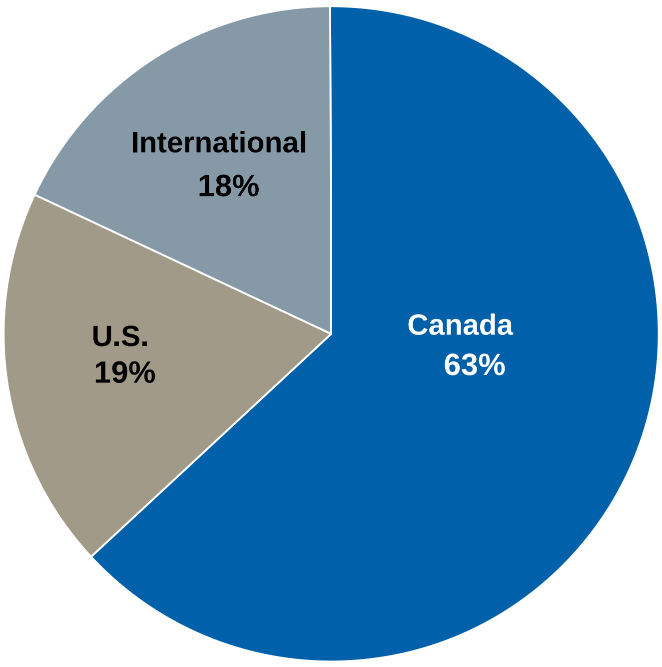
RBC's key strengths

- Diversified business mix, with the right balance of retail and wholesale
- Almost two-thirds of revenue from Canada
- Strategic approach in key businesses in the U.S. and select international markets
  – In January 2015, RBC announced the acquisition of City National Corp (NYSE: CYN), which will expand our presence in the U.S.; Expected closing in Q4 of calendar 2015
  – On May 27, 2015, City National shareholders voted in favour of the deal

Earnings by business segment(1)
Latest twelve months ended April 30, 2015



Revenue by geography(1)
Latest twelve months ended April 30, 2015



(1) Amounts exclude Corporate Support. These are non-GAAP measures. For further information, see the Business segment results and Results by geographic segment sections of our Q2 2015 Report to Shareholders and slide 32.

Financial Review

Janice Fukakusa
Chief Administrative Officer and Chief Financial Officer

Strong earnings growth in Q2/2015

($ millions, except for EPS and ROE)	Q2/2015		Q1/2015	Q2/2014
	As Reported	Excluding a specified item[1]	As Reported	As Reported
Revenue	**$8,830**	**$8,722**	$9,644	$8,276
Net income	**$2,502**	**$2,394**	$2,456	$2,201
Diluted earnings per share (EPS)	**$1.68**	**$1.61**	$1.65	$1.47
Return on common equity (ROE)[2]	**19.3%**	**18.5%**	19.3%	19.1%

Earnings up $193 million or 9% YoY excluding a specified item[1]

- Solid performance in Personal & Commercial Banking
  - Solid earnings growth of 7% in Canadian Banking
  - Underlying growth in Caribbean banking despite recording a $23 million (before- and after-tax) impairment loss related to the announced sale of RBC Suriname
- Strong performance in Capital Markets, reflecting balanced growth across most businesses
- Record earnings in Investor & Treasury Services, largely driven by strong growth in our foreign exchange businesses
- Maintained strong credit quality with a PCL ratio of 0.25%

Earnings down $62 million or 3% QoQ excluding a specified item[1]

- Impact of seasonal factors, including fewer days in the quarter
- Lower results in Insurance
- Impairment loss on the announced sale of RBC Suriname

(1) These are non-GAAP measures. For more information and a reconciliation, see slides 31 and 32. (2) ROE does not have a standardized meaning under GAAP and may not be comparable to similar measures disclosed by other financial institutions.

Strong Basel III Common Equity Tier 1 (CET1) ratio[1] of 10.0%

- CET1 ratio up 40 bps from Q1/2015 mainly reflecting internal capital generation and the impact of a higher pension discount rate which decreased our pension obligations
  - This quarter, growth in RWA was more than offset by the strengthening of the Canadian dollar
- Increased our capital position in advance of the expected closing of the City National acquisition in Q4 of calendar 2015, which is subject to regulatory and other customary approvals

Strengthened our capital position

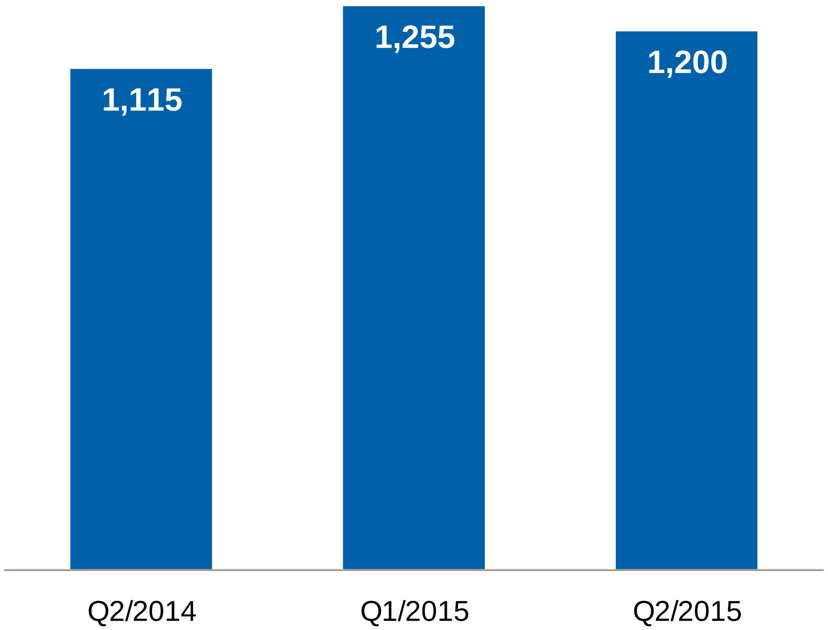
* *Represents rounded figures.*

(1) For more information, refer to the Capital management section of our 2014 Annual Report and our Q2/2015 Report to Shareholders. (2) Excludes the CTA release. For more information see slides 31 and 32. (3) Other includes the net impact of FX translation and a loss in our available-for-sale securities portfolio.

Continued earnings growth in Personal & Commercial Banking

Net Income – P&CB

($ millions)



Percentage Change	YoY	QoQ
P&CB	**8%**	**(4%)**
Canadian Banking	**7%**	**(2%)**

Q2/2015 Highlights

Canadian Banking

- Net income of $1,191 million, up 7% YoY
  - Strong fee-based revenue growth, up 16% YoY, reflecting higher balances driving cards service revenue and mutual fund distribution fees
  - Solid volume growth, up 5% YoY
- Net income down 2% QoQ due to seasonal factors

Volume	Amount *($ billions)*	YoY	QoQ
Loans	$355	**4.3%**	**0.5%**
Deposits	$277	**6.3%**	**0.0%**

- Reported NIM of 2.64%, down 4 bps QoQ; adjusted NIM of 2.66%, down 2 bps excluding a cumulative accounting adjustment(1) (see slide 24)
- Operating leverage of 2.4% and efficiency ratio of 44% both improved YoY

Caribbean & U.S. Banking

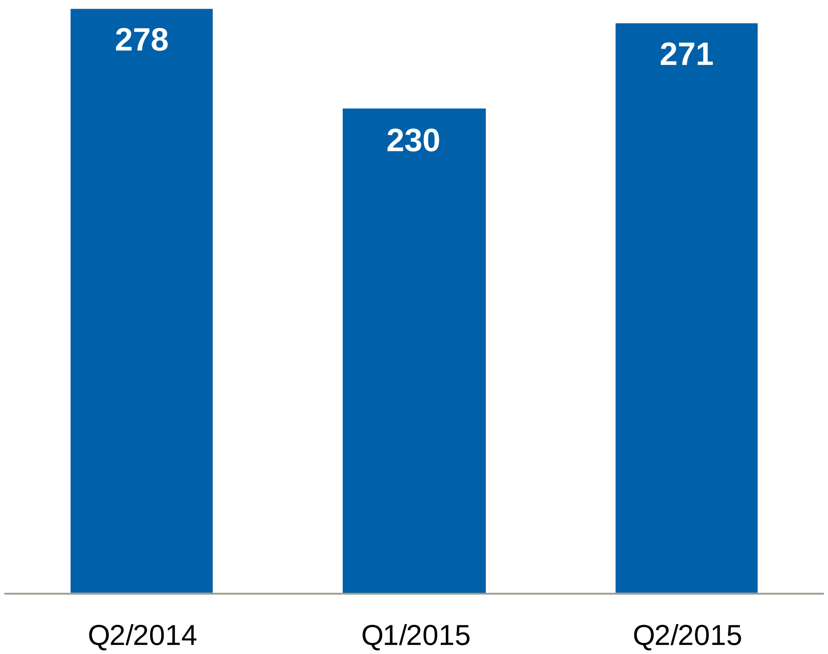
- Net income of $9 million
  - Results reflect a $23 million impairment loss (before- and after-tax) related to the announced sale of RBC Suriname
  - Earnings growth in the Caribbean reflects the benefit of efficiency management and pricing initiatives

(1) This is a non-GAAP measure. For more information see slide 32.

Underlying business strength in Wealth Management

Net Income

($ millions)



Percentage Change	YoY	QoQ
Net Income	**(3%)**	**18%**

Q2/2015 Highlights

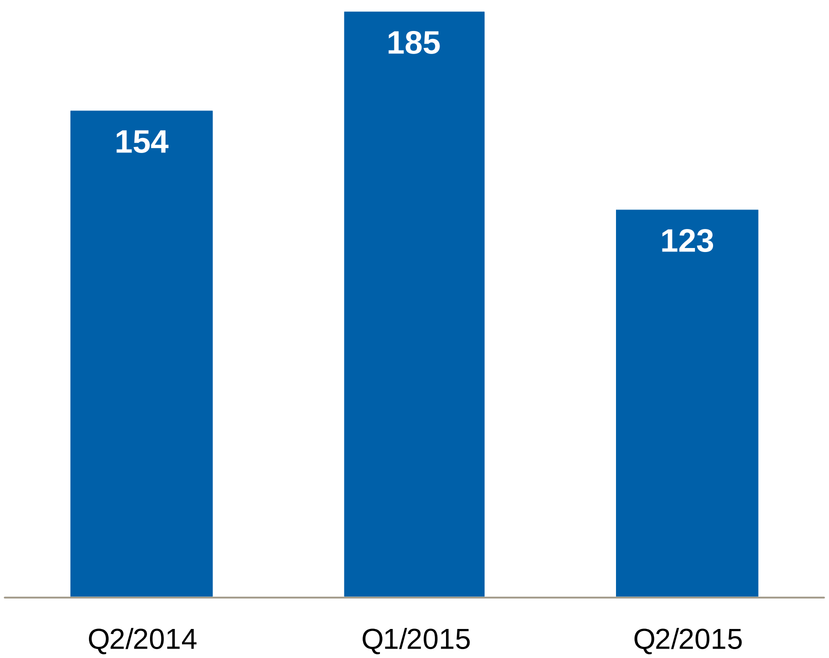
- Net income of $271 million, down 3% YoY
  - Strong growth in Global Asset Management and Canadian Wealth Management offset by:
    - Restructuring costs of $22 million after-tax related to U.S. & International Wealth Management
    - PCL of $32 million, largely from one account in U.S. & International Wealth Management
- Net income up 18% QoQ
  - Higher fee-based revenue, partially offset by higher PCL

Select Balance Sheet Items	Amount *($ billions)*	YoY	QoQ
AUA	$747.5	**8%**	**(3%)**
AUM	$481.1	**13%**	**0%**
Loans(1)	$17.9	**14%**	**1%**
Deposits(1)	$40.6	**12%**	**2%**

(1) Average balances.

Lower results in Insurance

Net Income
($ millions)



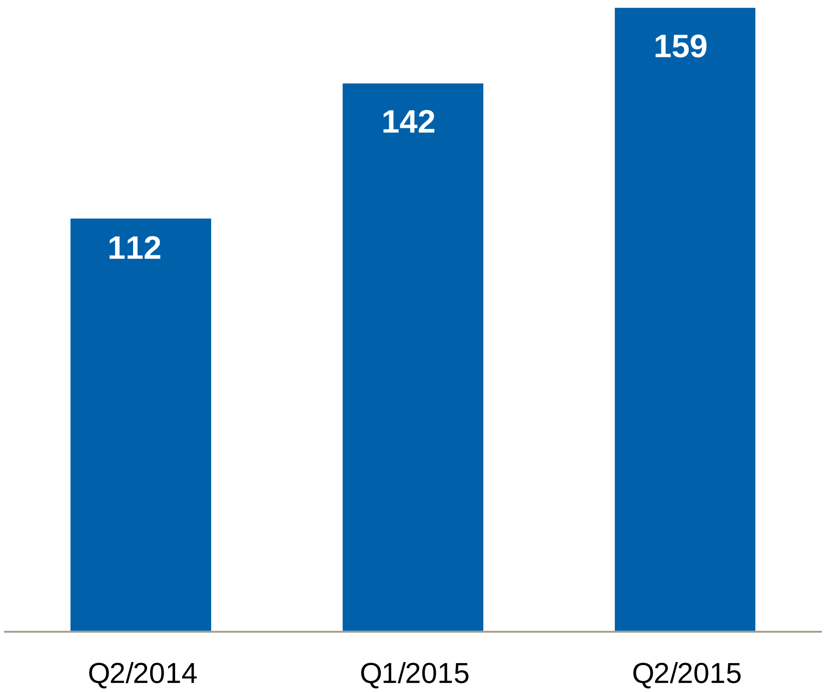
Percentage Change	YoY	QoQ
Net Income	**(20%)**	**(34%)**

Q2/2015 Highlights

- Net income of $123 million, down 20% YoY
  - Higher taxes resulting from a change in Canadian tax legislation impacting certain foreign affiliates effective November 1, 2014
- Net income down 34% QoQ
  - Lower earnings this quarter from a new U.K. annuity contract compared to two new contracts in Q1/2015
  - Higher net claims costs in our life retrocession business
- Net income flat YTD, largely due to change in tax legislation noted above

Record earnings in Investor & Treasury Services

Net Income
($ millions)



Percentage Change	YoY	QoQ
Net Income	**42%**	**12%**

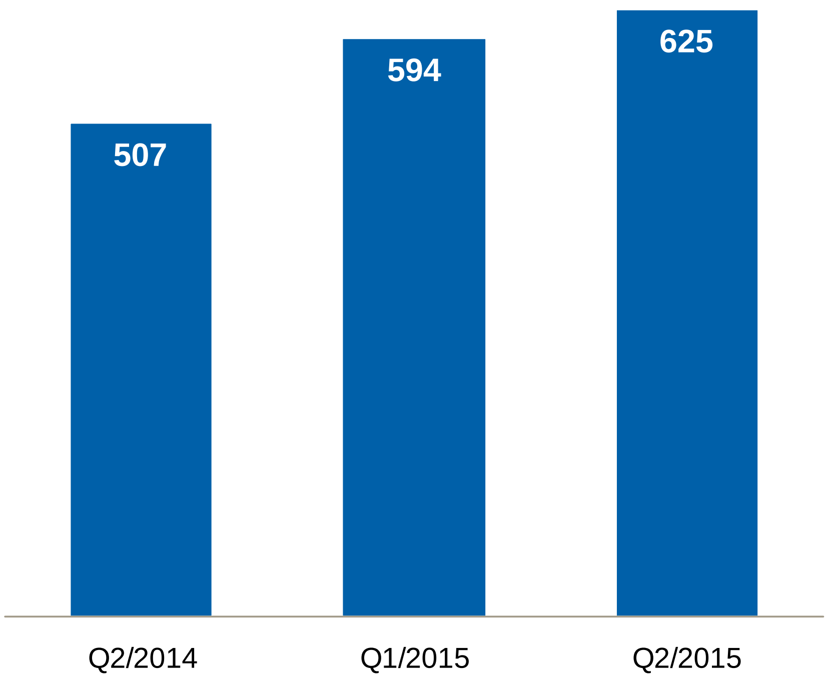
Q2/2015 Highlights

- Record net income of $159 million, up 42% YoY
  - Strong growth in our foreign exchange businesses
- Net income up 12% QoQ
  - Higher foreign exchange results reflecting increased client activity
  - Lower results in our foreign exchange forwards business compared to strong Q1 levels
- Higher funding and liquidity results and higher net interest income from growth in client deposits contributed to earnings growth over both periods
- Operating leverage of 15%

Strong earnings in Capital Markets

Net Income

($ millions)



Percentage Change	YoY	QoQ
Net Income	**23%**	**5%**

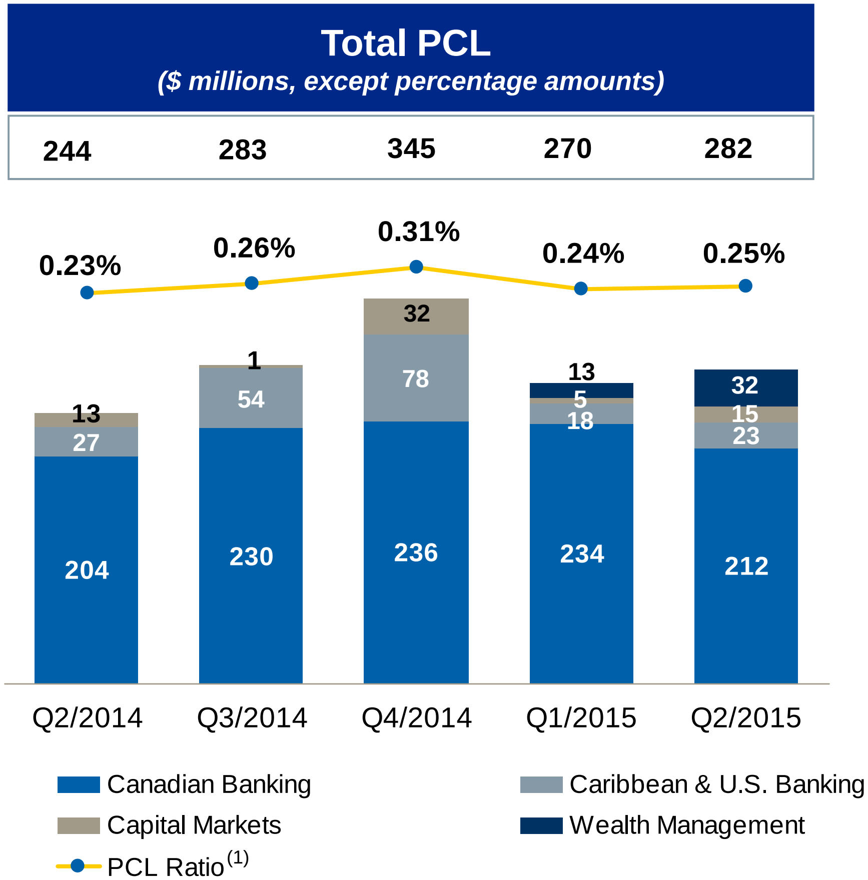
Q2/2015 Highlights

- Net income of $625 million, up 23% YoY
  - Strong growth across most Corporate and Investment Banking and Global Markets businesses, primarily driven by our continued focus on origination and lending, and strong secondary trading revenue all within improved market conditions
  - Favourable impact of foreign exchange translation
- Net income up 5% QoQ
  - Strong growth in equity and debt origination in the U.S. and Canada
  - Higher fixed income trading revenue
  - Robust loan syndication results, primarily in the U.S.
  - Lower M&A activity in Canada and the U.S.
- Strong ROE of 15%

Risk Review

Mark Hughes
Chief Risk Officer

Credit quality remains strong



Personal & Commercial Banking (P&CB)

- Canadian Banking PCL was down $22 million QoQ due to lower provisions in the commercial lending portfolio
- Caribbean & U.S. Banking PCL was up $5 million compared to Q1/2015

Wealth Management

- PCL of $32 million mainly due to a provision on a single account in U.S. & International Wealth Management

Capital Markets

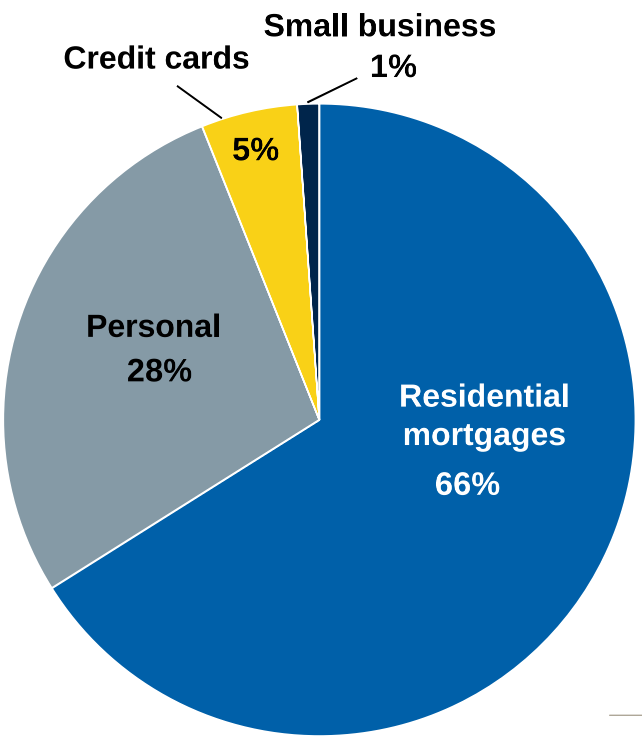
- PCL of $15 million, largely due to provisions taken on a couple of accounts (drilling & services, technology & media)

Selected PCL Ratios	Q2/2014	Q3/2014	Q4/2014	Q1/2015	Q2/2015
Personal & Commercial Banking	0.27%	0.32%	0.35%	0.28%	**0.26%**
Canadian Banking	0.25%	0.26%	0.27%	0.26%	**0.25%**
Wealth Management	0.00%	(0.02%)	0.00%	0.29%	**0.73%**
Capital Markets	0.08%	0.01%	0.19%	0.03%	**0.08%**

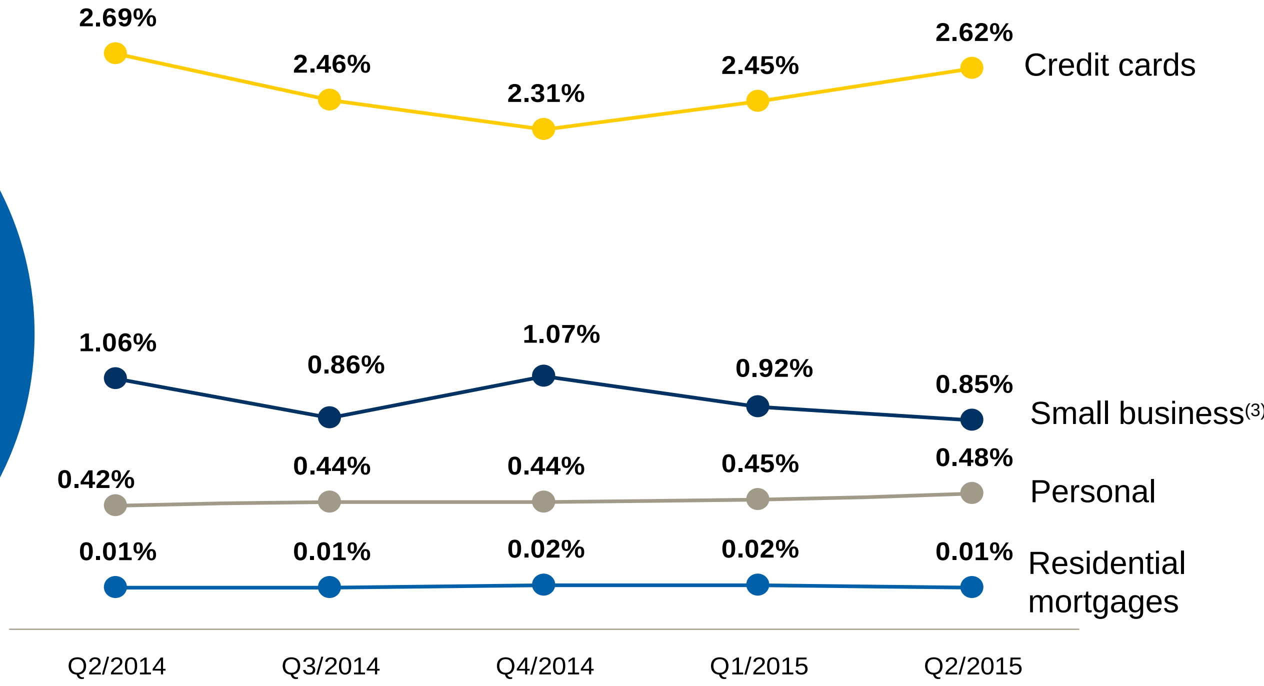
(1) PCL ratio is PCL on impaired loans as a percentage of average net loans & acceptances (annualized).

Stable credit quality in Canadian Banking retail portfolio

Average retail loans ($302 billion)[1]



PCL Ratio[2] by product



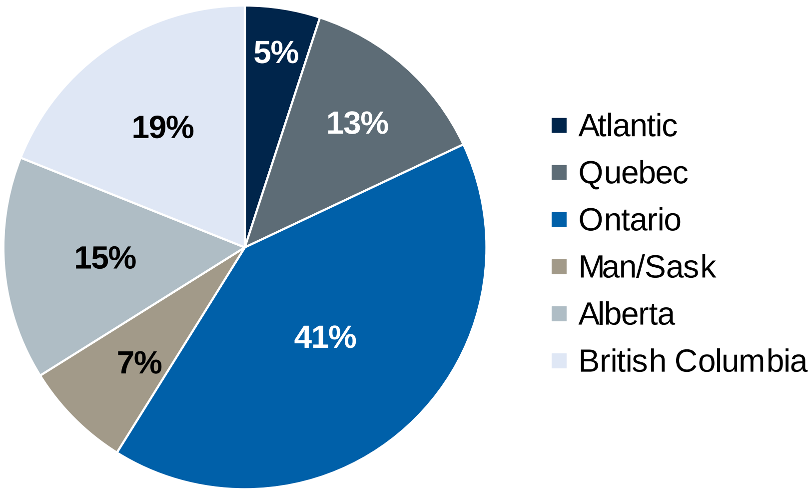
(1) As at April 30, 2015. Excludes Canadian Banking wholesale business loans and acceptances. (2) PCL ratio is PCL on impaired loans as a percentage of average net loans & acceptances (annualized). (3) In Q1/2015 we retroactively reclassified certain small business loans as personal loans.

Diversified real estate portfolio

Canadian Residential Mortgage Portfolio: $196 billion(1)

Geographic Diversification(2)

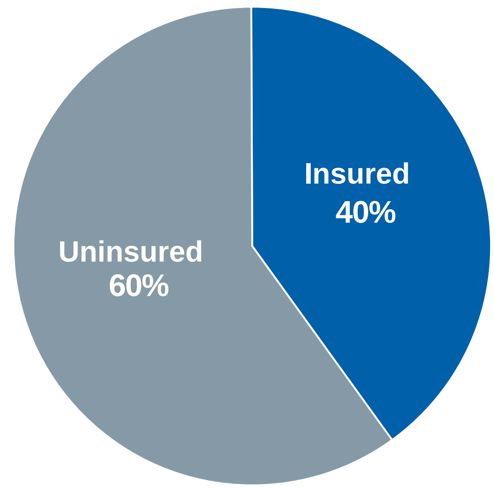
As at April 30, 2015



- Broad geographic diversification across Canada

Insured vs. Uninsured mortgages(2)

As at April 30, 2015



- Strong underwriting practices resulting in continued low loss rates and stable delinquency rates with good LTV coverage and low exposure to condo market

RBC's Total Condo Exposure

As at April 30, 2015

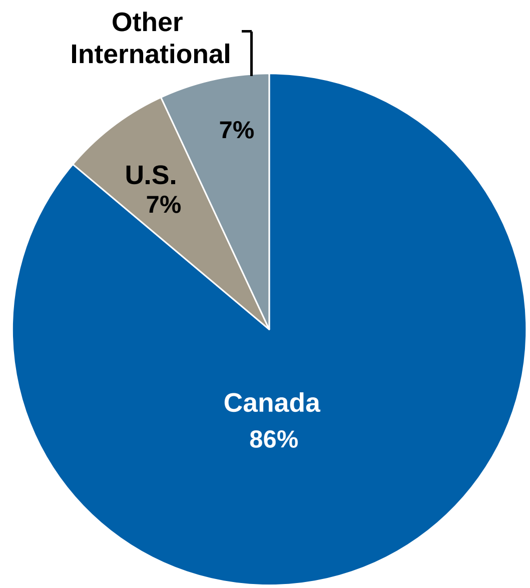
- Condo exposure is 9.7%(3) of Canadian residential mortgage portfolio
- Total exposure to condo developers is $3.9 billion
  - Drawn exposure of $1.8 billion, representing 2% of our commercial loan book, and undrawn exposure of $2.1 billion

(1) Based on spot balances. Excludes mortgages of $5 billion related to commercial clients and does not include Canadian Banking HELOC.
(2) Percentages are based on spot balances and exclude Canadian Banking HELOC.
(3) Based on $196 billion in residential mortgages and $43 billion in Canadian Banking HELOC.

RBC's loans are well diversified by portfolio and industry

Loans and Acceptances (1) ($ millions)	Q2/2015	% of Total
Residential mortgages	222,485	48.0%
Personal	94,281	20.4%
Credit cards	15,276	3.3%
Small business	4,022	0.9%
Total Retail	**336,064**	**72.6%**
Real estate and related	32,022	6.9%
Energy		
Oil & Gas	6,999	1.5%
Utilities	4,594	1.0%
Consumer goods	6,884	1.5%
Automotive	6,784	1.5%
Sovereign & Bank	6,275	1.4%
Agriculture	5,962	1.3%
Transportation and environment	5,908	1.3%
Non-bank financial services	5,855	1.3%
Technology and media	5,834	1.2%
Industrial products	4,747	1.0%
Mining and metals	1,494	0.3%
Forest products	1,154	0.2%
Other(2)	32,408	7.0%
Total Wholesale	**126,920**	**27.4%**
Total Loans and Acceptances	**462,984**	**100.0%**

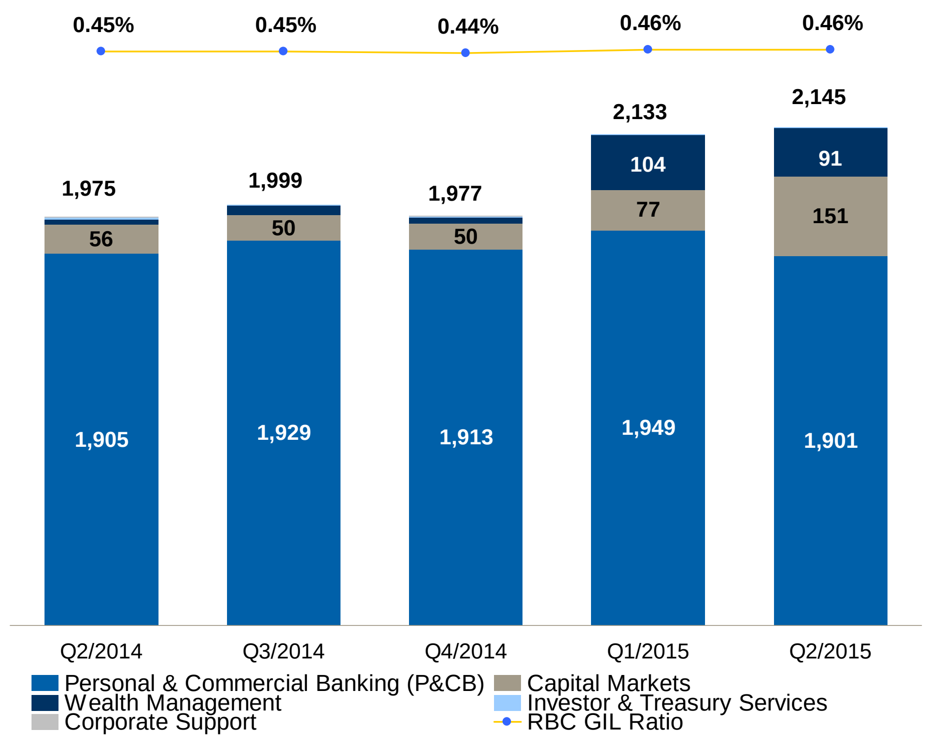
Breakdown by region of total loans and acceptances
(Q2/2015)



(1) Does not include letters of credit or guarantees
(2) Other in Q2/2015 related to holding and investments, $6.8 billion; financing products, $6.1 billion; health, $6.1 billion; other services, $9.0 billion; and other, $4.4 billion.

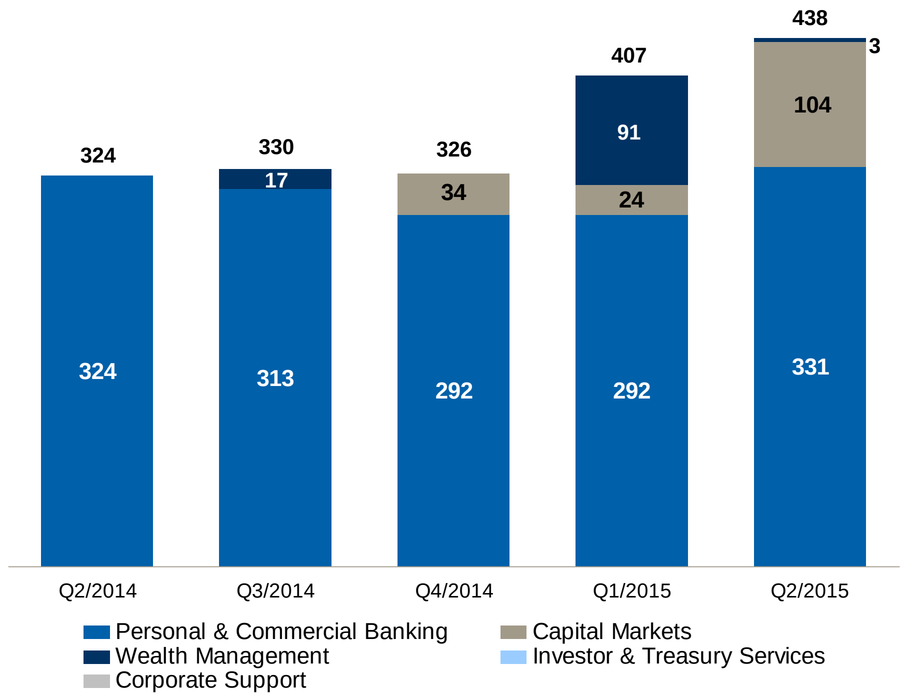
Gross Impaired Loans[1] and Formations

Gross Impaired Loans (GIL)
($ millions, except percentage amounts)



GIL Ratio by Segment[1]	Q2/2014	Q3/2014	Q4/2014	Q1/2015	Q2/2015
P&CB	0.55%	0.55%	0.54%	0.54%	**0.52%**
Canadian Banking	0.36%	0.33%	0.32%	0.31%	**0.32%**
Capital Markets	0.09%	0.08%	0.07%	0.10%	**0.19%**
Wealth Management	0.07%	0.10%	0.07%	0.58%	**0.51%**

New Impaired Formations
($ millions)



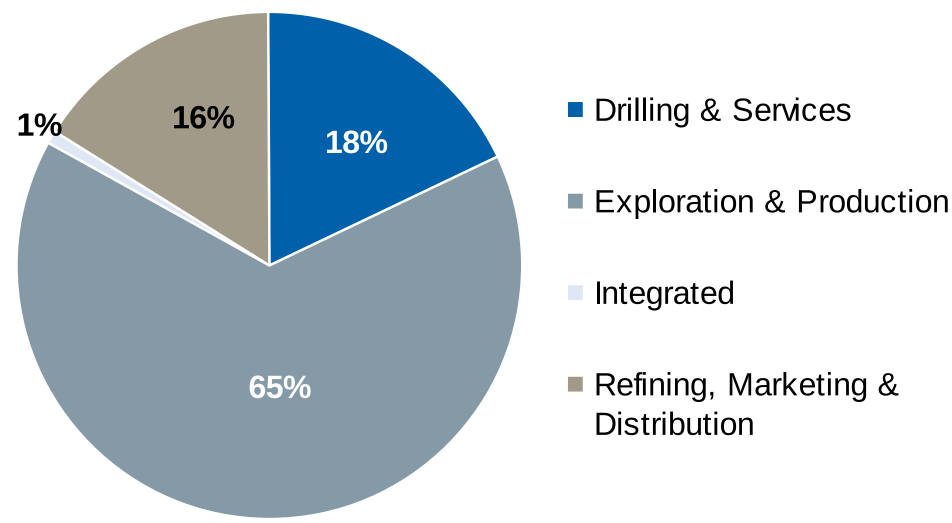
- Total Gross Impaired Loans and New Impaired Formations increased from the prior quarter due to a few accounts in Capital Markets

(1) GIL ratio is GIL as a percentage of loans & acceptances (annualized).
(2) GIL Ratio for Corporate Support is not meaningful.

Oil & Gas exposure manageable

- Wholesale oil & gas loans represent ~1.5% of RBC's total loans and acceptances
- Our retail portfolio is well diversified across Canada
  - Alberta represents 15%[(1)] of our Canadian residential mortgage portfolio
- To date, we have not seen any significant credit weakness in our wholesale and retail loan books
- We continue to actively manage our loan portfolio and perform stress testing

Wholesale Oil & Gas outstanding loans ($7.0 BN)
(Q2/2015)

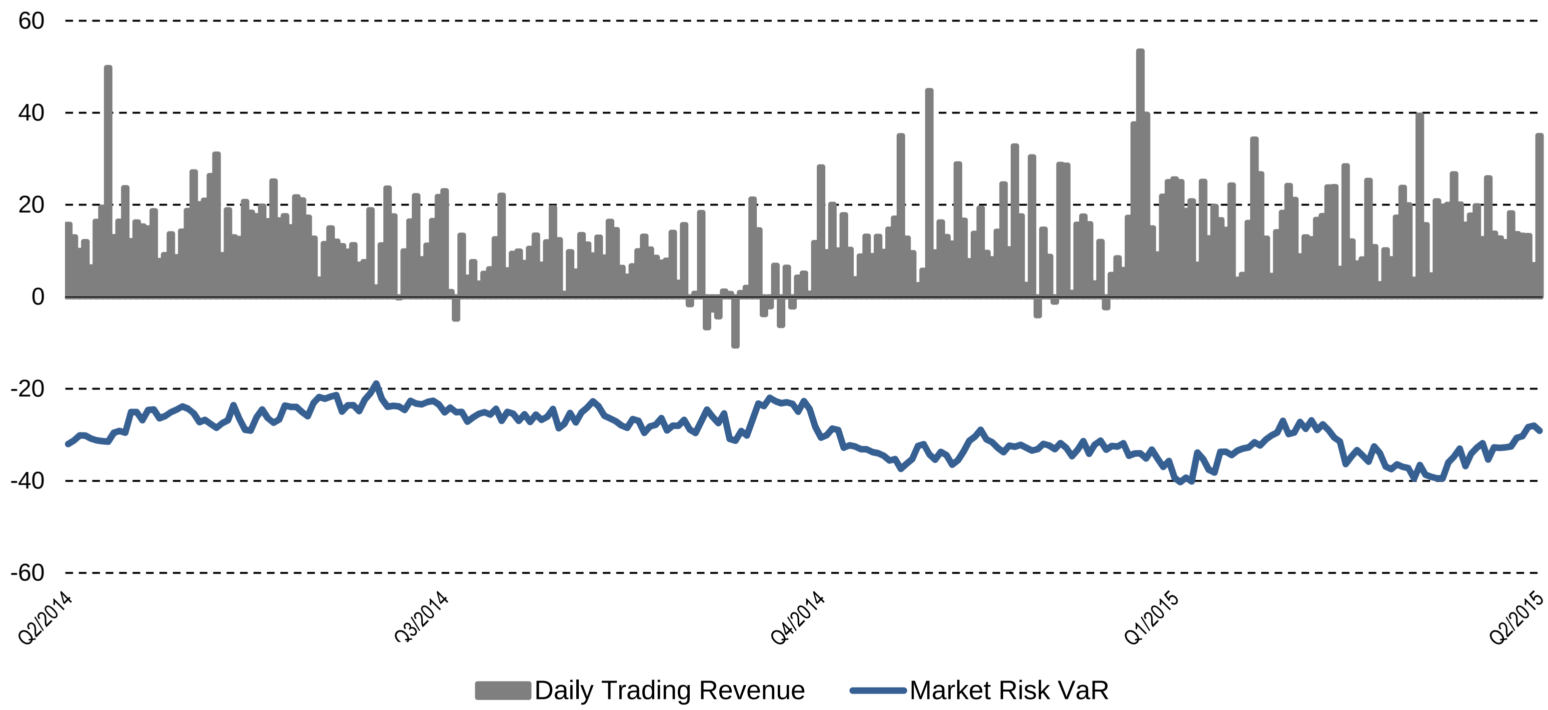


Actively managing our exposure

(1) Based on spot balances. Excludes mortgages of $5 billion related to commercial clients and does not include Canadian Banking HELOC.

Trading revenue and VaR

(in millions)



- Strong growth in trading revenue reflecting increased client activity and improved market conditions
- During the quarter, there were no days with net trading losses
- Average market risk VaR and Stressed VaR remained largely unchanged during Q2

Appendices

Continued leadership in Canadian Banking

Canadian Market Share	Q2/2015		Q2/2014	
	Rank	Market Share[1]	Rank	Market Share[1]
Consumer Lending[2]	1	23.6%	1	23.6%
Personal Core Deposits + GICs	2	20.1%	2	20.1%
Long-Term Mutual Funds[3]	1	14.4%	1	14.1%
Business Loans[4] ($0 - $25 million)	1	25.4%	1	25.6%
Business Deposits[5]	1	26.9%	1	26.1%

- #1 or #2 position in all key Canadian Retail Banking products and in all business products
  - Long-term mutual fund market share up ~30 bps YoY
  - Business deposits market share up ~80 bps YoY

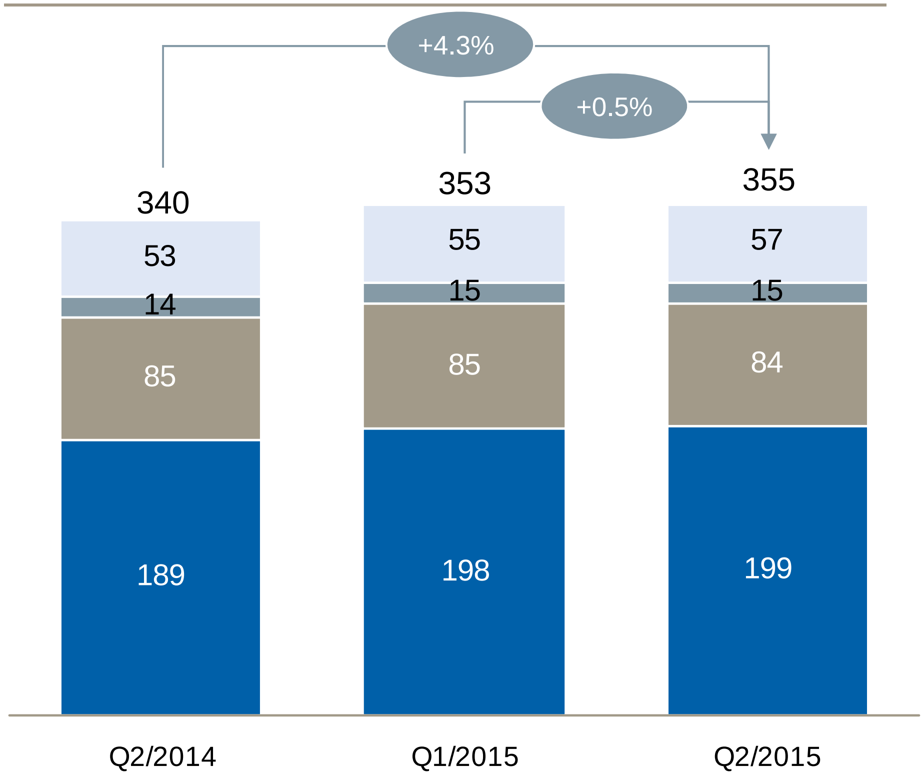
(1) Market share is calculated using most current data available from OSFI (M4), Investment Funds Institute of Canada (IFIC) and Canadian Bankers Association (CBA). OSFI, IFIC and Consumer Lending CBA data is at January 2015 and January 2014, Business Loans CBA data is at December 2014 and December 2013. Market share is of total Chartered Banks except for Business Loans which is of total 7 Banks (RBC, BMO, BNS, CIBC, TD, NBC, CWB). (2) Consumer Lending market share is of 6 banks (RBC, TD, CIBC, BMO, BNS and National). Consumer Lending comprises residential mortgages (excluding acquired portfolios), personal loans and credit cards. (3) Mutual fund market share is per IFIC and is compared to total industry. (4) Business Loans market share is of the 7 Chartered Banks that submit to CBA on a quarterly basis. (5) Business Deposits market share excludes Fixed Term, Government and Deposit Taking Institution balances.

Leadership in most personal products and in all business products

Continued volume growth in Canadian Banking

Average loans & acceptances[(1)(2)]

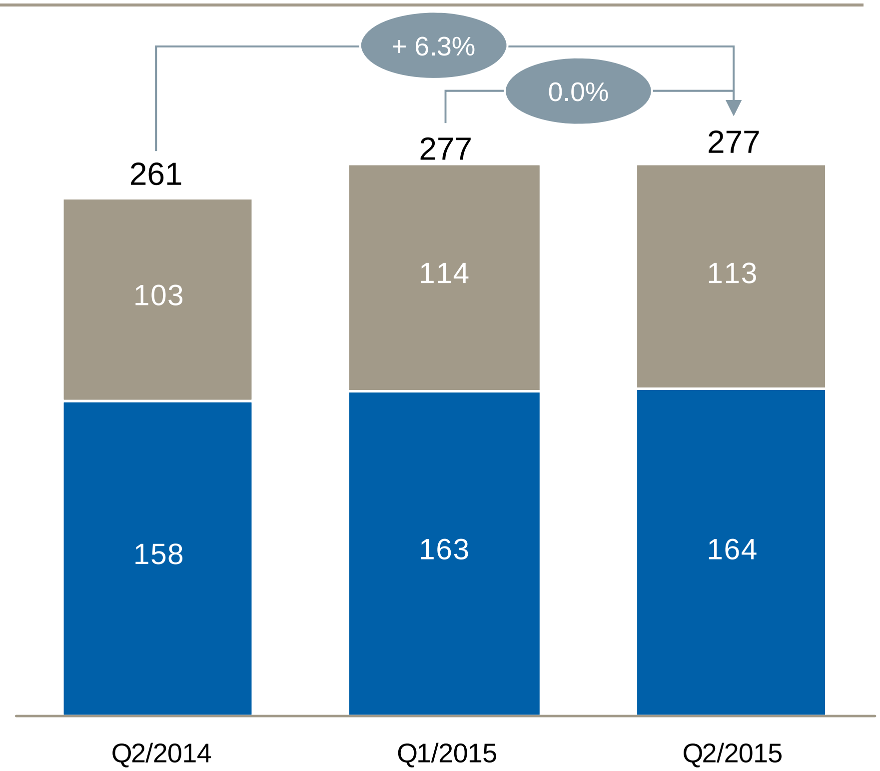
($ billions)



Percentage Change[(1)]		YoY	QoQ
Business (inc. small business)		8.0%	3.1%
Credit Cards		7.3%	(1.3%)
Personal Lending		(1.3%)	(1.4%)
Residential Mortgages		5.5%	0.8%

Average deposits[(2)(3)]

($ billions)



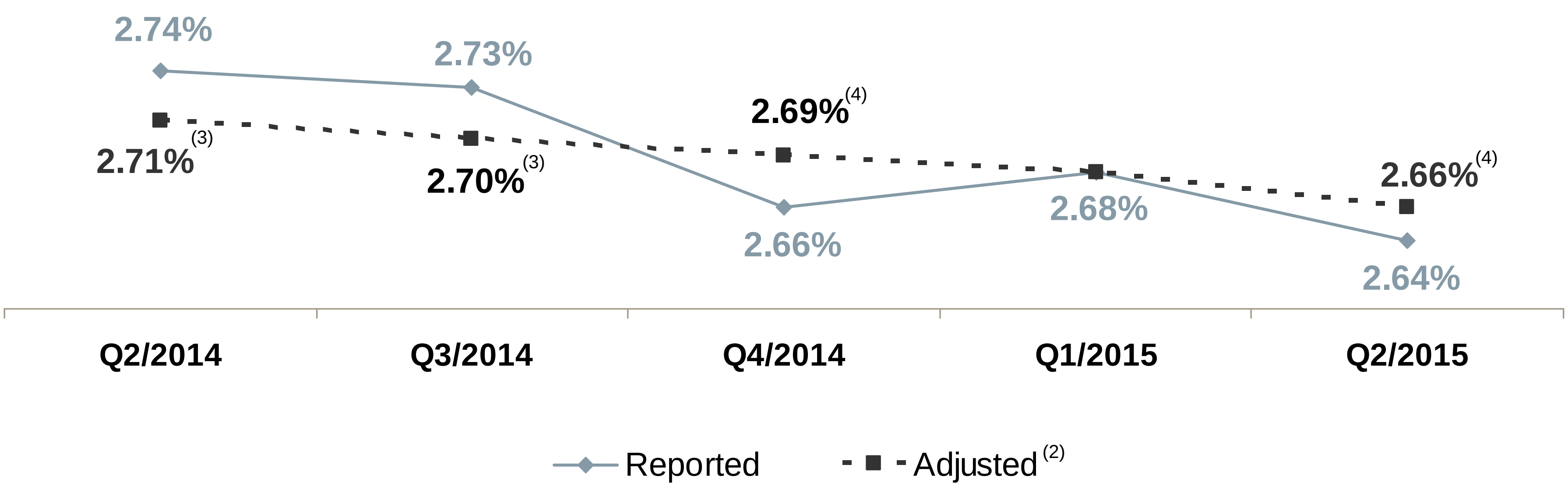
Percentage Change[(3)]		YoY	QoQ
Business Deposits		10.1%	(1.0%)
Personal Deposits		3.8%	0.7%

Combined loan and deposit growth of 5% YoY

(1) Total loans & acceptances and percentage change may not reflect the average loans & acceptances balances for each loan type shown due to rounding. (2) Amounts have been revised from those previously presented to reflect the reclassification of certain mortgages loans from Wholesale to Residential Mortgages, and of certain small business deposits from Personal Deposits to Business Deposits. (3) Total deposits and percentage change may not reflect the average deposits for each deposit type shown due to rounding.

Canadian Banking net interest margin (NIM)(1)(2)

- NIM was down 4 bps QoQ. Excluding a cumulative accounting adjustment(2), NIM was down 2 bps QoQ largely reflecting:
  - Impact of the low interest rate environment
  - Lower amortization of the fair value of our Ally Canada legacy loan portfolio
- NIM was down 10 bps YoY. Excluding the change in the recording of certain business loan fees in Q4/2014 and a cumulative accounting adjustment(2) in the current quarter, NIM was down 5 bps YoY largely reflecting:
  - Impact of the low interest rate environment
  - Lower amortization of the fair value of our Ally Canada legacy loan portfolio

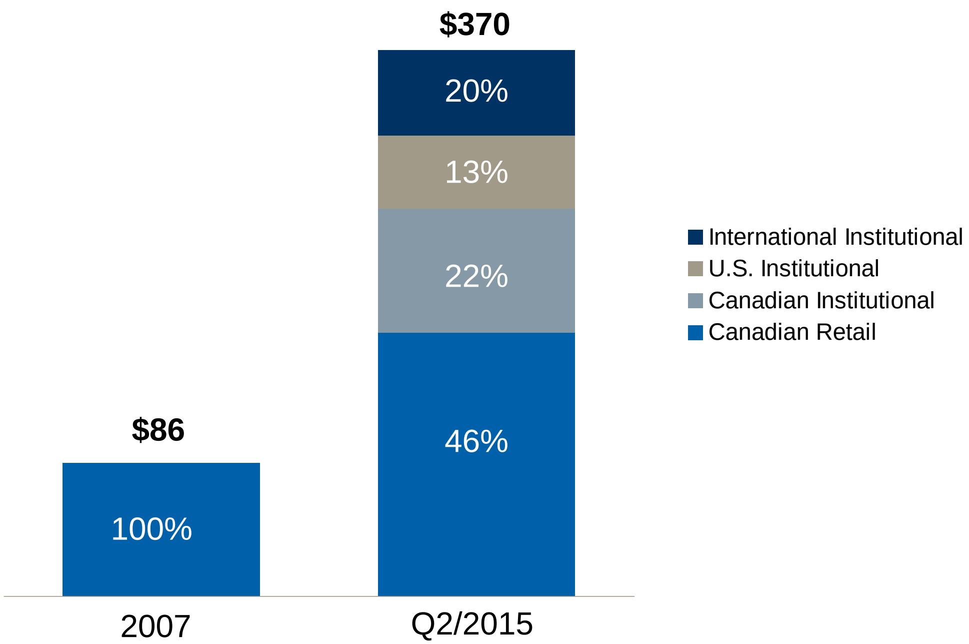


(1) Net interest margin: Net interest income as a percentage of average total earning assets (annualized). (2) This is a non-GAAP measure. For more information see slide 32. (3) Includes the impact of a change in Q4/2014 in the recording of certain business loan fees from Net interest income to Non-interest income, which reduced margins by 3 bps and will continue to impact margins going forward. (4) Excludes the impact of cumulative accounting adjustments.

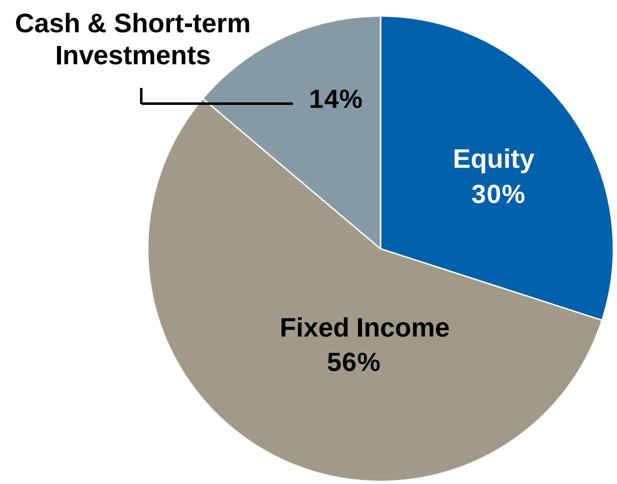
Continuing to diversify our Global Asset Management business

AUM by Client segment(1)

($ billions)



AUM by Asset class(2)



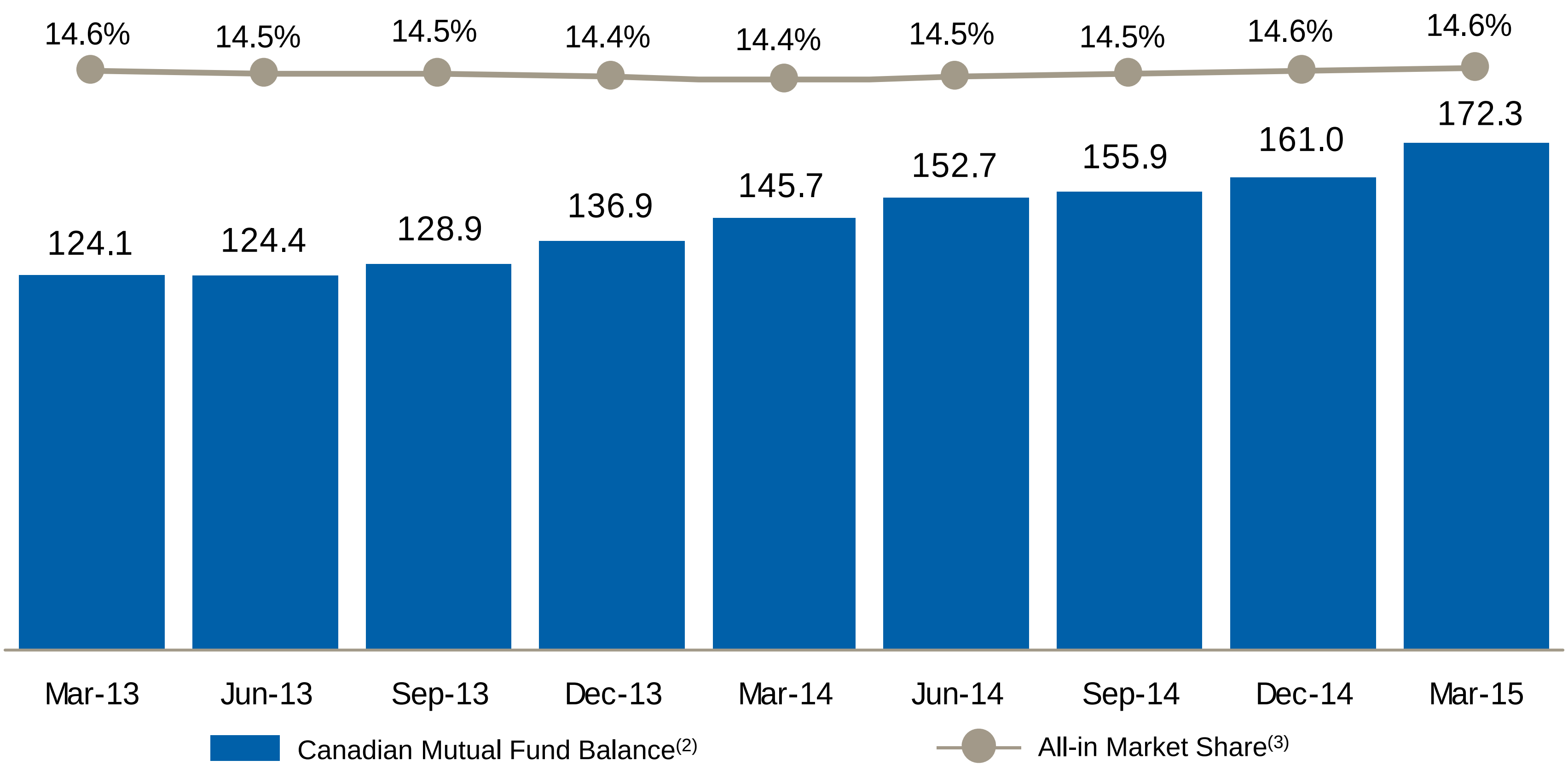
- Extending our leadership position in Canada in both retail and institutional asset management
- Continuing momentum in our U.S. and international institutional businesses driven by market share gains in higher fee-based solutions such as equities and credit strategies

(1) Data as of April 30, 2015. (2) AUM as at March 31, 2015.

Strong growth in Canadian retail assets under management

Canadian mutual fund balances and market share[(1)]

($ billions, except percentage amounts)



- RBC Global Asset Management (GAM), ranked #1 in market share, has captured 32.6% of share amongst banks and 14.6% all-in[(1)]

(1) Source: IFIC (as of March 2015) and RBC reporting. (2) Comprised of long-term funds. (3) Comprised of long-term funds and money market funds.

Capital Markets revenue – diversified by business

($ millions)	Q2/2015	Q1/2015	Q2/2014	YoY	QoQ
Investment banking	506	440	393	29%	15%
Lending and other	452	446	407	11%	1%
Corporate & Investment Banking	**$958**	**$886**	**$800**	**20%**	**8%**
Fixed income, currencies and commodities (FICC)	628	488	494	27%	29%
Global equities (GE)	408	349	330	23%	17%
Repo and secured financing	287	312	223	29%	(8%)
Global Markets (teb)[1]	**$1,323**	**$1,149**	**$1,047**	**26%**	**15%**
Other[1]	**$(34)**	**$(2)**	**$25**	**n.m.**	**n.m.**
Capital Markets total revenue (teb)	**$2,247**	**$2,033**	**$1,872**	**20%**	**11%**

Corporate & Investment Banking

- YoY increase largely due to strong growth in debt and equity origination primarily in the U.S. and Canada, and growth in loan syndication and lending as we increased our loan book mainly in the U.S. and Europe. These factors were partially offset by lower M&A activity in Canada
- QoQ increase driven by strong growth in equity and debt underwriting, as well as robust growth in loan syndication fees, partially offset by lower M&A activity mainly in Canada and the U.S. compared to the strong levels last quarter

Global Markets

- YoY increase driven by higher trading revenue in equities, fixed income and commodities. Higher debt and equity underwriting mainly in the U.S. and Canada also contributed to the increase
- QoQ increase driven by higher fixed income trading revenue, particularly in the U.S., and higher underwriting activity mainly in the U.S. and Canada, partially offset by lower equities trading in the U.S. compared to strong results last quarter

(1) Effective the first quarter of 2015, we reclassified amounts from Global Markets to Other related to certain proprietary trading strategies which we exited in the fourth quarter of 2014 to comply with the Volcker Rule. Prior period amounts have been revised from those previously presented.

Capital Markets revenue – diversified by geography

($ millions)	Q2/2015	Q1/2015	Q2/2014	YoY	QoQ
Canada	588	569	528	11%	3%
U.S.	1,263	1,174	1,030	23%	8%
Europe	298	255	231	29%	17%
Asia and Other	69	64	53	30%	8%
Geographic revenue excluding certain items(1)	**$2,218**	**$2,062**	**$1,842**	**20%**	**8%**
Add / (Deduct):					
CVA / FVA, net of hedges(2)	29	(29)	(30)		
Fair value adjustment on RBC debt(2)(3)	-	-	60		
Capital Markets total revenue (teb)	**$2,247**	**$2,033**	**$1,872**	**20%**	**11%**
Capital Markets non-trading revenue(4)	1,282	1,178	1,062	21%	9%
Capital Markets trading revenue (teb)	**$965**	**$855**	**$810**	**19%**	**13%**
Capital Markets trading revenue (teb) excl. certain items(1)	**$936**	**$884**	**$780**	**20%**	**6%**

Canada

- YoY increase largely due to strong fixed income and commodities trading, higher equity and debt origination and improved loan syndication activity, partially offset by lower M&A fees
- QoQ increase driven by strong growth in underwriting activity, higher fixed income and equity trading revenue, partially offset by lower M&A activity compared to strong results last quarter

U.S.

- YoY increase driven by strong growth in investment banking and lending fees, as well as higher trading revenue. Results also included the favourable impact from foreign exchange translation
- QoQ increase driven by strong growth in underwriting activity, higher fixed income trading revenue and growth in loan syndication fees, partially offset by weaker equity trading and M&A fees

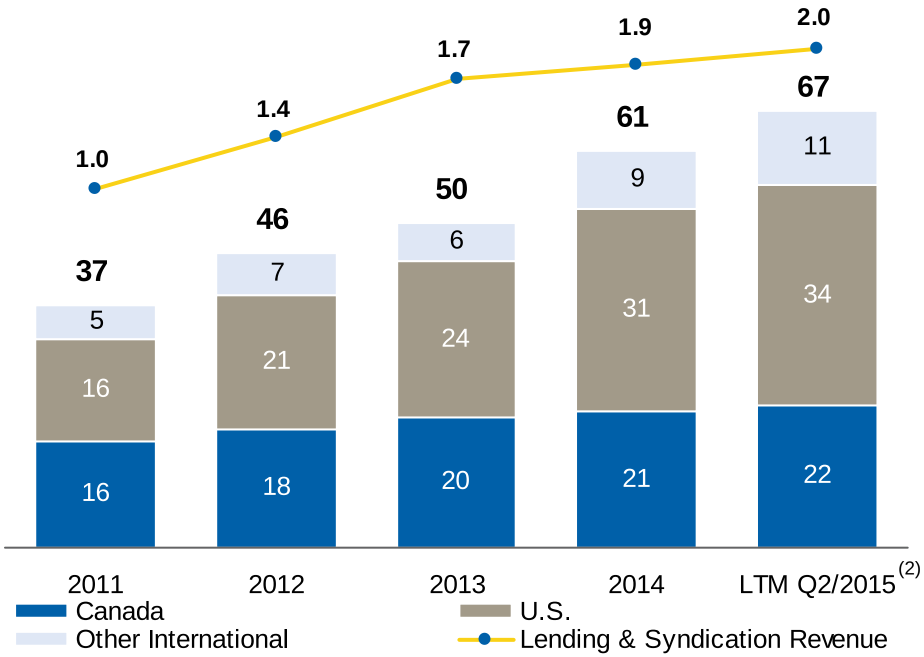
Europe

- YoY increase reflects higher equity underwriting, M&A and loan syndication fees, partially offset by weaker fixed income trading revenue
- QoQ increase driven by higher equity and fixed income trading revenue, higher underwriting and M&A fees, as well as growth in lending

(1) This is a non-GAAP measure. For more information, see slide 32. (2) Excluded from all geographies. (3) Effective Q2/2014 we prospectively adopted the own credit provisions of IFRS 9 Financial Instruments. Changes in fair value in own liabilities attributable to changes in credit spreads are now recorded in other comprehensive income. For more information, refer to the Accounting and control matters section of our Q2/2014 Report to Shareholders, Note 2 of our Q2/2014 Interim Condensed Consolidated Financial Statements. (4) Non-trading revenue primarily includes Corporate & Investment Banking and Global Markets origination and cash equities businesses.

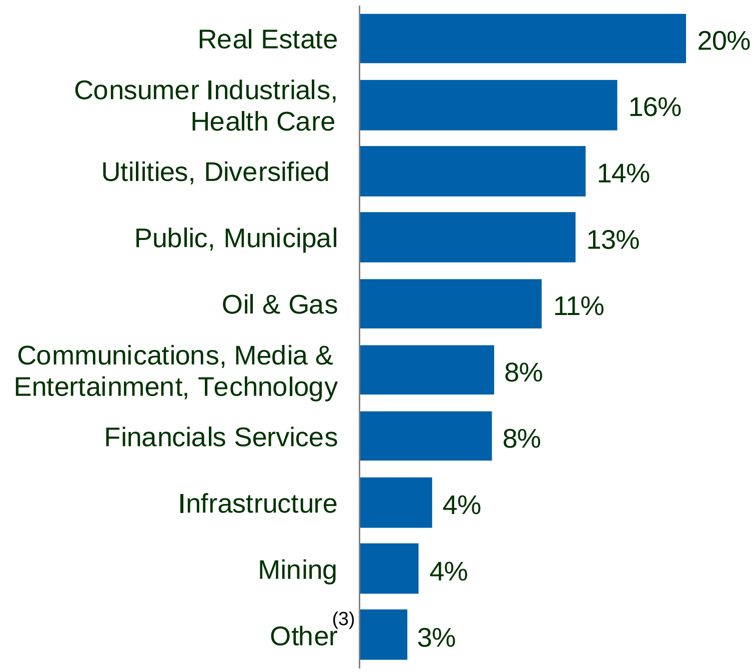
Prudently growing Capital Markets' loan book

Lending and Syndication Revenue and Loans Outstanding by Region[1] *($ billions)*



Loans Outstanding by Industry[1]

Q2/2015



- Diversification driven by strict limits on single name, country, industry and product levels across all businesses, portfolios, transactions and products
- Consistent lending standards throughout the cycle
- Approximately 67% of our authorized Capital Markets loan portfolio is investment grade

(1) Average loans & acceptances, and includes letters of credit and guarantees for our Capital Markets portfolio, on single name basis. It excludes mortgage investments, securitized mortgages and other non-core items. (2) Latest twelve months. Includes an estimated FX impact of $2.4 billion compared to 2014. (3) Mainly includes: Aerospace, Transportation and Forestry.

Other – other income

($ millions)	Q2/2015	Q1/2015	Q2/2014	YoY	QoQ
Other income – segments	252	182	105	n.m.	38%
CTA Release[1]	*108*	-	-	*n.m.*	*n.m.*
Other items[2]	1	103	(27)	n.m.	n.m.
Total Other – other income	**$253**	**$285**	**$78**	**n.m.**	**(11)%**

(1) See slide 3 for more detail. (2) Mainly consists of funding-related and other hedging related items.

Specified item impacting Q2/2015 results

($ millions, except for EPS amounts and percentages)	**Reported**	Gain from the wind-up of a U.S.-based funding subsidiary resulting in release of CTA	**Adjusted[1]**
Q2/2015			
Consolidated			
Net Income	$2,502	$(108)	$2,394
Basic EPS	$1.68	$(0.07)	$1.61
Diluted EPS	$1.68	$(0.07)	$1.61
ROE	19.3%		18.5%

(1) These are non-GAAP measures. For more information, see slide 32.

Note to users

We use a variety of financial measures to evaluate our performance. In addition to generally accepted accounting principles (GAAP) prescribed measures, we use certain key performance and non-GAAP measures we believe provide useful information to investors regarding our financial condition and result of operations. Readers are cautioned that key performance measures, such as ROE and non-GAAP measures such as earnings and revenue excluding Corporate Support, earnings in Q2/2015 excluding a specified item related to the release of foreign currency translation adjustment (CTA) that was previously booked in other components of equity, as well as specified items related to sale of RBC Jamaica as previously announced in Q1/2014, and provisions related to post-employment benefits and restructuring charges in the Caribbean, adjusted net interest margin and Capital Markets trading and geographic revenue excluding specified items do not have any standardized meanings prescribed by GAAP, and therefore are unlikely to be comparable to similar measures disclosed by other financial institutions.

Additional information about our ROE and non-GAAP measures can be found under the “Key performance and non-GAAP measures” section of our Q2/2015 Report to Shareholders and 2014 Annual Report.

Definitions can be found under the “Glossary” sections in our Q2/2015 Supplementary Financial Information and our 2014 Annual Report.

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