

RBC Capital Markets

Investor and Analyst Day

June 1, 2012



RBC Capital Markets®

Financial information is presented in Canadian dollars and is based on International Financial Reporting Standards (IFRS), unless otherwise noted. All financials prior to 2011 are based on Canadian GAAP.

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 RBC Capital Markets Investor and Analyst Day presentation, in other filings with Canadian regulators or the SEC, in reports to shareholders and in other communications. Forward-looking statements in this document include, but are not limited to, statements relating to RBC Capital Markets' vision and strategic priorities, cyclical and structural factors impacting global markets, our risk management activities and financial performance objectives. The forward-looking information contained in this document is presented for the purpose of assisting the holders of our securities and financial analysts in understanding RBC Capital Markets' financial position and results of operations as at and for the periods ended on the dates presented and our vision and strategic goals and financial performance objectives, 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, operational, and liquidity and funding risks, and other risks discussed in the Risk management section of our 2011 Annual Report and in our Q2 2012 Report to Shareholders; general business, economic and financial market conditions in Canada, the United States and certain other countries in which we conduct business, including the effects of the European sovereign debt crisis; changes in accounting standards, policies and estimates, including changes in our estimates of provisions, allowances and valuations; the effects of changes in government fiscal, monetary and other policies; changes to and new interpretations of risk-based capital and liquidity guidelines; the impact of changes in laws and regulations, including relating to the payments system in Canada, consumer protection measures and the *Dodd-Frank Wall Street Reform and Consumer Protection Act* and the regulations issued and to be issued thereunder; the effects of competition in the markets in which we operate; our ability to attract and retain employees; 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; development and integration of our distribution networks; and the impact of environmental issues.

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. 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 Overview of other risks sections of our 2011 Annual Report and in the Risk management section of our Q2 2012 Report to Shareholders.

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

Today's agenda

		Page	
10:00 – 11:00	<i>Gord Nixon</i>	Welcome and Opening Remarks	3
	<i>Doug McGregor</i>	RBC Capital Markets Overview	7
	<i>Mark Standish</i>	RBC Capital Markets Strategy	20
	<i>Doug Guzman</i>	Corporate & Investment Banking	30
	<i>Jonathan Hunter</i>	Fixed Income & Currencies	35
	<i>Mark Standish</i>	Wrap-Up	40
11:00 – 12:00		Questions and Answers	



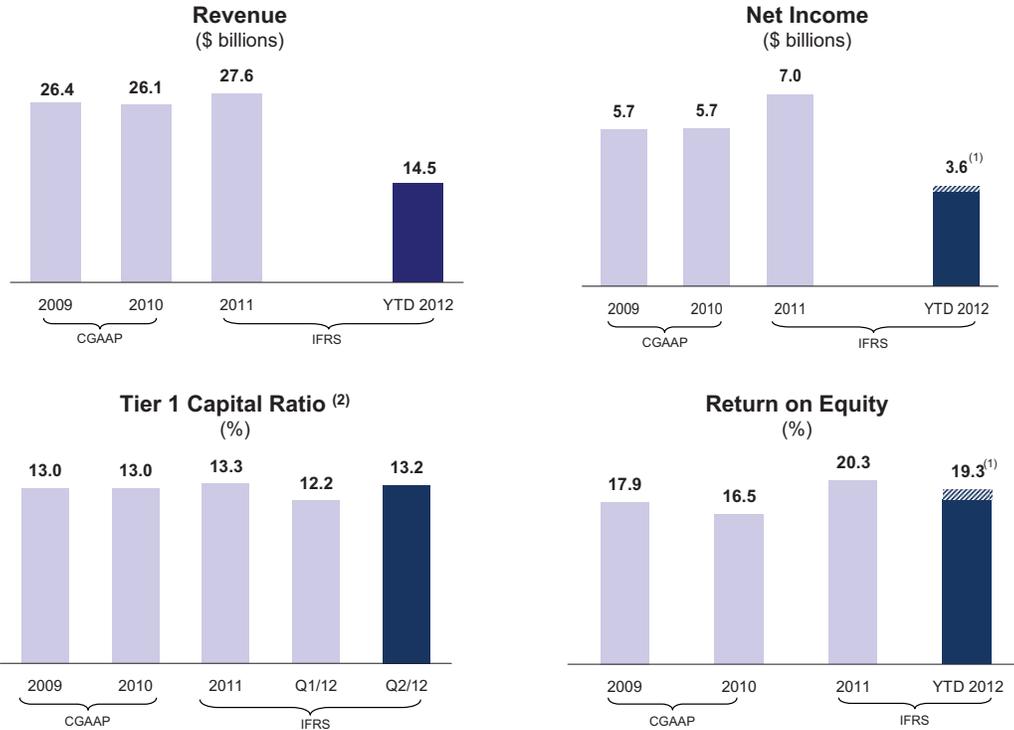
Welcome and Opening Remarks

Gord Nixon

President and Chief Executive Officer



RBC – Strong financial profile



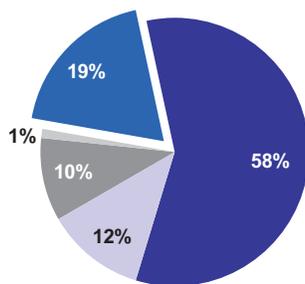
RBC Capital Markets*

(1) Non-GAAP measure: excludes the \$202 million loss on acquisition of the remaining 50% of RBC Dexia.
 (2) Presented on a consolidated operations basis; 2008 through 2011 calculated under Basel II; Q1/12 onward calculated under Basel 2.5.
 Note: Revenue, Net Income and ROE are based on a continuing operations basis.

4

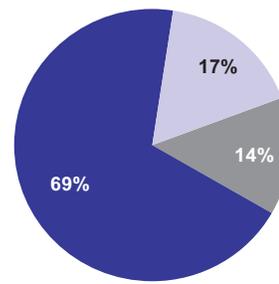
RBC – Strength in diversification

RBC Earnings by Business Segment ⁽¹⁾⁽²⁾
 (Average Q3 2011 - Q2 2012)



■ Capital Markets
 ■ Canadian Banking ■ Insurance
 ■ Wealth Management ■ International Banking

RBC Revenue by Geography ⁽¹⁾
 (Average Q3 2011 - Q2 2012)



■ Canada ■ U.S. ■ International

- ✓ Diversified business mix, with the right balance of retail and wholesale
- ✓ Leveraging our leadership in Canada to build competitive businesses in select geographies
- ✓ Strong capital base and highly liquid balance sheet



RBC Capital Markets*

(1) Excludes Corporate Support.
 (2) Excludes the \$202 million after-tax loss on acquisition of the remaining 50% of RBC Dexia. Non-GAAP measure, see slide 54 for more information.
 Note: Revenue, Net Income and ROE are based on a continuing operations basis.

5

RBC Capital Markets – A key component to RBC’s long-term strategy

Diversifies our business mix

- ✓ Provides the right balance of earnings and risk diversification through the cycle
- ✓ A competitive advantage that differentiates our performance

Aligned with our strategic objectives

- ✓ Consistent profitability contributes to earnings growth and stability
- ✓ Attractive risk-adjusted returns over the long-term
- ✓ Leader in Canada with select global reach

Clients’ first choice

- ✓ Provides valued advice and focused product and sector expertise
- ✓ Serves the growing needs of our corporate clients in Canada and globally
- ✓ Supports institutional and high net worth clients across businesses and geographies



RBC Capital Markets®

6

RBC Capital Markets Overview

Doug McGregor

Chairman and Co-CEO, RBC Capital Markets



RBC Capital Markets®

Key takeaways

Continuing our track record of consistent earnings built on our diversified model and strong risk management culture

- ✓ Deepen client relationships with a focused strategy in key geographic regions
- ✓ Optimize capital and effectively manage risk within new regulatory environment
- ✓ Focus on efficiencies as we leverage our recent investments

The premier Canadian investment bank with select global reach



RBC Capital Markets*

8

A strong and experienced leadership team



Average tenure of Operating Committee members is 17 years

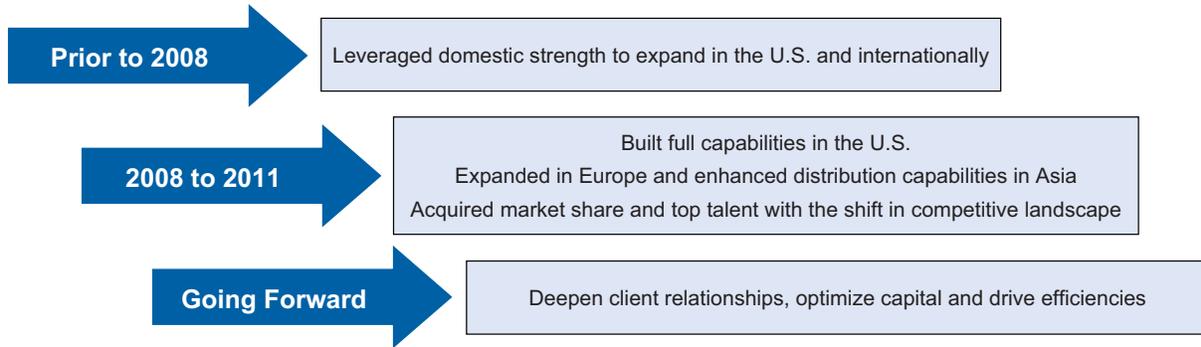


RBC Capital Markets*

* RBC Capital Markets Operating Committee Member

9

Successfully evolving our business model

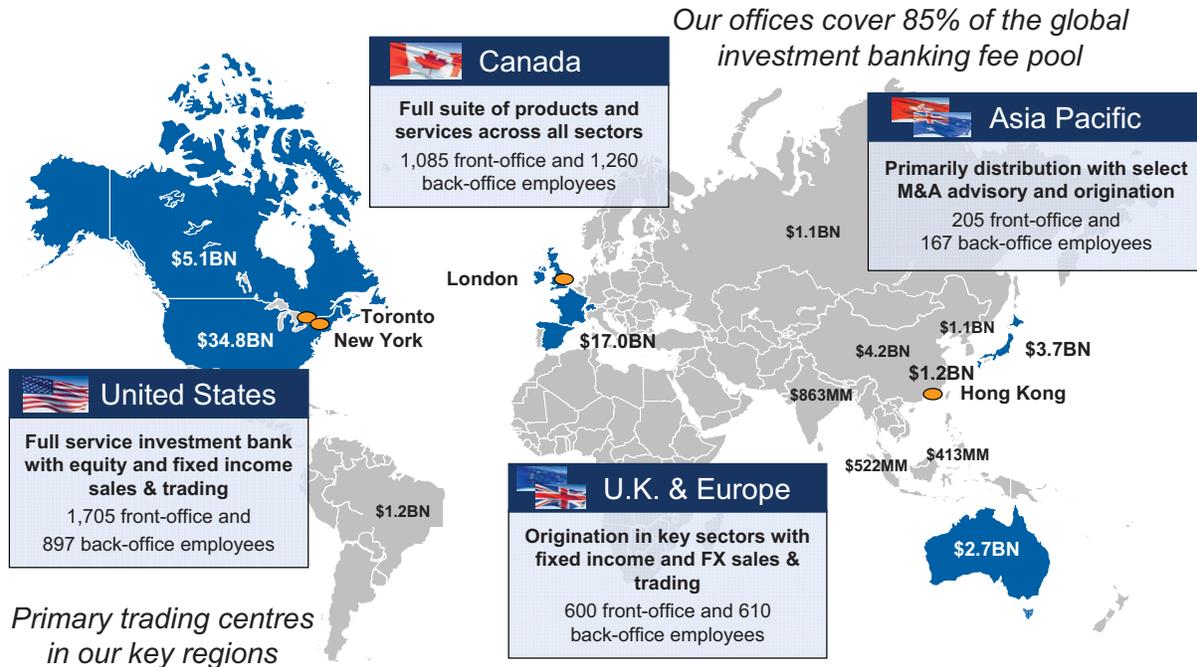


A highly integrated, client-focused business

Meeting all of our clients' needs



Focused strategy in each geography...



North American focus with select global reach



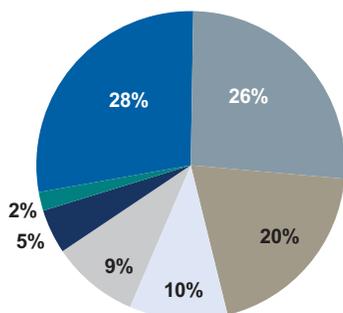
RBC Capital Markets®

Source: Thomson Reuters 2011 Global Investment Banking Review. Amounts represent total 2011 global investment banking fees by nation in U.S. dollars.
Note: Employee numbers as of Q2/12.

12

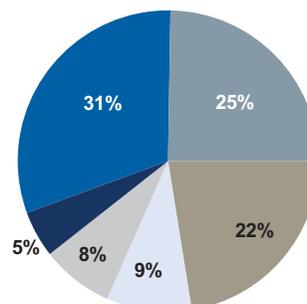
...serving a diversified client base

Issuing Client Mix by Revenue (YTD 2012)



- Energy, Mining, Exploration & Production, Forestry
- Financial Services, Financial Institutions
- Consumer Industrials, Health Care
- Infrastructure, Real Estate
- Governments, Municipal Finance
- Communications, Media & Entertainment, Technology
- Other (1)

Investing Client Mix by Revenue (YTD 2012)



- Fund Managers
- Corporations
- Financial Institutions
- Insurance Companies
- Central Banks
- Other (2)

An advisor of choice to a broad client base



RBC Capital Markets®

(1) Includes: Agriculture, Conglomerates, Transportation, Aerospace and Defense.
(2) Includes: Broker Dealers and Hedge Funds.

13

Our success is underscored by our league table rankings

Top Americas Investment Banks ⁽¹⁾



Q1 2012 Rank	Investment Bank	Market Share
1	JPMorgan	9.8%
2	Bank of America Merrill Lynch	9.4%
3	Citi	6.7%
4	Morgan Stanley	6.0%
5	Credit Suisse	5.8%
6	Goldman Sachs	5.7%
7	Barclays Capital	5.1%
8	Wells Fargo Securities	4.8%
9	Deutsche Bank	4.3%
10	RBC Capital Markets	4.0%
11	UBS	2.7%
12	BMO Capital Markets	2.2%
13	RBS	1.9%
14	Jefferies	1.8%
15	TD Securities	1.5%

Top Global Investment Banks ⁽²⁾



Q1 2012 Rank	Investment Bank	Market Share
1	JPMorgan	7.9%
2	Bank of America Merrill Lynch	6.2%
3	Deutsche Bank	5.6%
4	Morgan Stanley	5.4%
5	Citi	5.3%
6	Credit Suisse	5.3%
7	Goldman Sachs	5.3%
8	Barclays Capital	4.4%
9	UBS	3.4%
10	RBC Capital Markets	2.7%
11	HSBC	2.4%
12	Wells Fargo Securities	2.2%
13	BNP Paribas	1.9%
14	RBS	1.9%
15	Nomura	1.5%

A relevant North American player with an international presence



RBC Capital Markets®

- (1) Ranking by fees as calculated based on volumes (M&A, Equity, Bonds and Loans) and Freeman Consulting's algorithm for investment banking fees.
 (2) Ranking by net investment banking revenues.

14

Always earning the right to be our clients' first choice

- ✓ Strength, stability and brand of RBC and RBC Capital Markets
- ✓ Full suite of integrated Corporate & Investment Banking and Global Markets services with global reach
- ✓ Strategically positioned in the largest financial centres where our clients transact
- ✓ Extending our strong balance sheet and lending to our clients
- ✓ Top talent with expertise and track record of excellence in execution

EUROMONEY

Best Canadian Investment Bank (2011)
4th year in a row



Service Quality Awards (2012)
Canadian Equity Research, Sales & Trading and FX, Debt and Equity Capital Markets and M&A

Wall Street Journal

Master Stock Pickers (2011)
5 Research analysts named "Best on Street"

The Banker
GLOBAL FINANCIAL INTELLIGENCE SINCE 1926

European M&A Deal of the Year (2012)
CKI Acquisition of Northumbrian Water Group



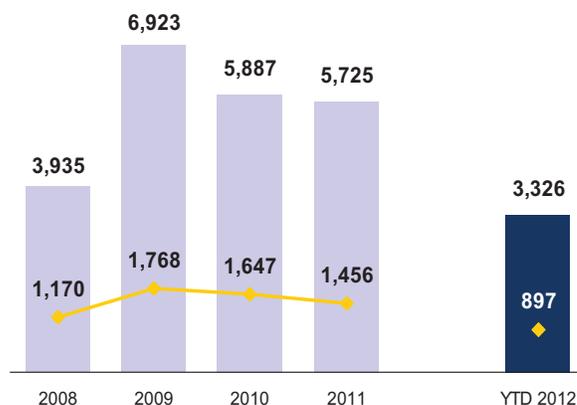
RBC Capital Markets®

Note: Awards reflect published dates.

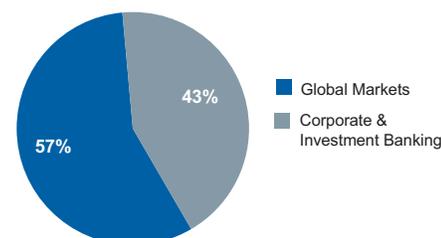
15

Strong track record of financial performance driven by diversification

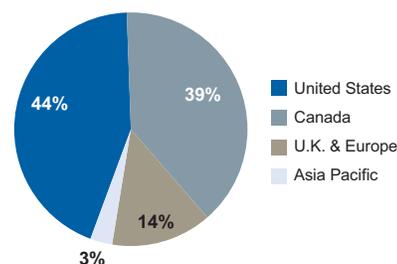
RBC Capital Markets Revenue and Earnings
(\$ millions)



Revenue by Business ⁽¹⁾
(Average Q3 2011 - Q2 2012)



Revenue by Geography ⁽¹⁾
(Average Q3 2011 - Q2 2012)

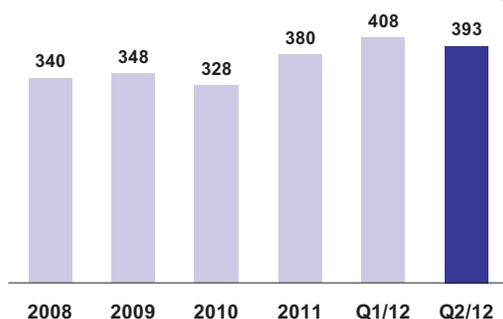


Low-complexity, client driven businesses...

RBC Capital Markets Revenue (teb) (Q3/11 to Q2/12) (\$ millions)	\$ 5,501	Business Description
Global Markets	\$ 3,317	
Fixed Income, Currencies and Commodities	1,551	
Fixed Income and Currencies	1,337	Debt origination and trading businesses including rates, credit and foreign exchange
Commodities & Futures and Other	214	Provides hedging and financing activities for clients
Global Equities	959	Equities origination, agency and principal trading, equity-linked products and research
Treasury Services and Funding	807	
Repo and Secured Financing	577	Secured funding for internal businesses and external clients
Funding and Liquidity Management	230	Short-term unsecured funding and liquidity management
Corporate and Investment Banking	\$ 2,458	
Investment Banking	1,212	Equity and debt origination, syndication and advisory services such as M&A
Lending	1,071	Corporate lending, loan portfolio management and client securitization
Correspondent Banking	175	Cash management, correspondent banking and trade finance for financial institutions
Other	\$ (274)	Comprises our legacy businesses and portfolios

...supported by a high quality balance sheet

RBC Capital Markets Average Assets ⁽¹⁾
(\$ billions)



Client driven balance sheet of highly liquid assets

RBC Capital Markets Average Assets (Q2 2012) (\$ billions)	
Cash & Interest Bearing Deposits with Banks	\$ 11
Securities (Trading and AFS)	\$ 134
Canadian and U.S. Federal Debt	44
OECD Debt	18
Corporate (incl. Financial Institution debt)	24
Equities (largely exchange traded)	39
ABS/MBS	7
Other	2
Repos (Secured)	\$ 99
Loans	\$ 46
Wholesale Loans and Acceptances	31
Retail CMHC-Insured Mortgages	15
Derivative Related Assets	\$ 83
Other ²	\$ 20



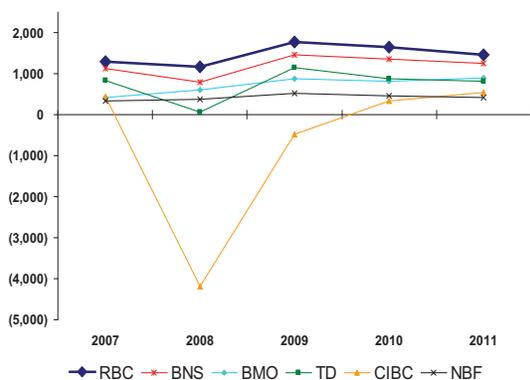
RBC Capital Markets[®]

(1) 2011 Average assets under CGAAP were \$369 billion. The difference reflects ~\$11 billion of IFRS adjustments related to securitized mortgages.
(2) Other is primarily made up of pledging assets, goodwill, receivables from brokers dealers, and precious metals holdings.

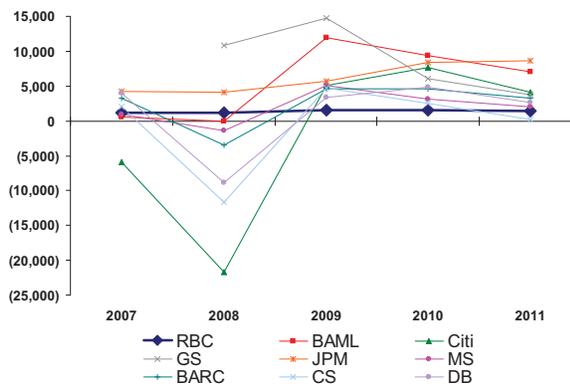
18

Delivering stable wholesale earnings relative to peers

Canadian Peers – Wholesale Earnings ⁽¹⁾
(\$ millions)



Global Peers – Wholesale Earnings ⁽¹⁾
(US\$ millions)



Driven by our conservative balance sheet and strong Canadian franchise



RBC Capital Markets[®]

(1) Information provided has been derived from company disclosure and may be impacted by local currencies, accounting and reporting standards, regulatory requirements and tax rates.

19

RBC Capital Markets Strategy

Mark Standish

President and Co-CEO, RBC Capital Markets



RBC Capital Markets®

Our vision and strategic priorities

Our Vision

The Premier Canadian Investment Bank with Select Global Reach

Strategic Priorities

- Extend our leadership position in Canada
- Expand and deepen client relationships in the U.S.
- Build on core strengths and capabilities in the U.K., Europe and Asia
- Earn high risk-adjusted returns on assets and equity



Cyclical and structural factors impacting global markets

Cyclical	Uncertain Market Conditions	<ul style="list-style-type: none"> ▪ Volatility reducing client activity and volumes ▪ Low interest rates putting pressure on spreads
	Macroeconomic Instability	<ul style="list-style-type: none"> ▪ Reducing corporate and government investment ▪ Decreasing momentum in the IPO market ▪ European sovereign debt crisis reducing appetite for European assets
	Changing Competitive Landscape	<ul style="list-style-type: none"> ▪ European banks reducing lending due to balance sheet and liquidity restraints ▪ American banks re-entering the market to reclaim market share ▪ Favourable labour markets
Structural	Regulatory Reform	<ul style="list-style-type: none"> ▪ Increasing capital and liquidity requirements ▪ Asymmetric implementation resulting in competitive disadvantages ▪ Fundamentally changing the economics of some businesses
	Increasing Standardization and Automation	<ul style="list-style-type: none"> ▪ E-trading generating lower margins ▪ Maximizing client flows and E-commerce is increasingly important
	Globalization of Capital Flows and Client Base	<ul style="list-style-type: none"> ▪ Increasing need for global product distribution capabilities ▪ Servicing clients across multiple jurisdictions will be a key differentiator



How we are going to meet our strategic priorities

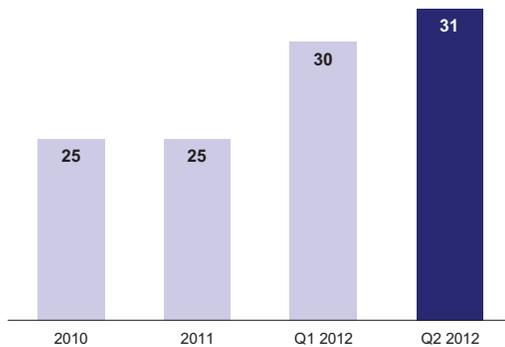
Deepen Client Relationships	<ul style="list-style-type: none"> ✓ Extend our leading market position in Canada ✓ Grow investment banking in the U.S. primarily through enhanced coverage and lending ✓ Strengthen U.K. business within the current market and economic environment ✓ Focus on distribution in Asia
Optimize Capital and Managing Risk	<ul style="list-style-type: none"> ✓ Shifting our balance sheet from trading to lending and traditional investment banking to expand client business ✓ Narrowing our focus and breadth of trading products to optimize capital, namely in fixed income ✓ Effectively managing risk and reduce complexity
Focus on Efficiencies	<ul style="list-style-type: none"> ✓ Driving efficiencies as we leverage our investments in business growth and the control environment ✓ Managing costs while selectively investing in technology and infrastructure



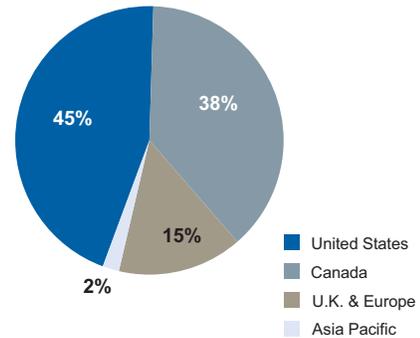
Strategically extending our loan book to deepen client relationships

- Modest sized loan book representing 13% of RBC's total outstanding loans and acceptances
- Since 2009, increased the number of lending clients by 30% to over 1,200

RBC Capital Markets Loan Book
(\$ billions, average wholesale loans and acceptances)



Loans Outstanding⁽¹⁾ by Geography
(Q2 2012)



A lending client typically uses 3.4 products by the third year of the relationship and generates on average \$2.2 million of annual revenue across the firm



RBC Capital Markets®

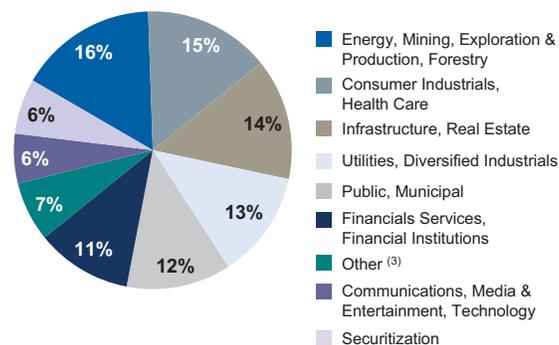
(1) Reflects average wholesale loans and acceptances and letters of credit guarantees.

24

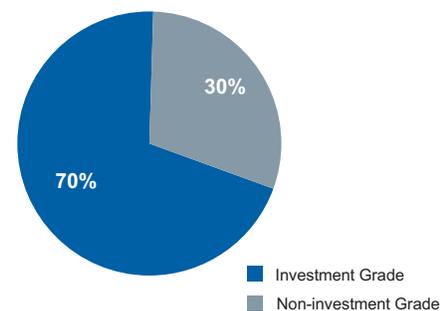
High quality diversified loan book

- Diversification driven by strict limits at the single name, country, industry and product levels across all businesses, portfolios, transactions and products
- In addition to review by Group Risk Management, all loans are evaluated by the Loan Commitments Committee⁽¹⁾ taking into account liquidity, funding and capital requirements
- Consistent lending standards throughout the cycle, with PCL levels in line with our risk parameters

Loans Outstanding⁽²⁾ by Industry
(Q2 2012)



Loans Outstanding⁽²⁾ by Grade
(Q2 2012)



RBC Capital Markets®

(1) Includes RBC Capital Markets Co-CEOs.

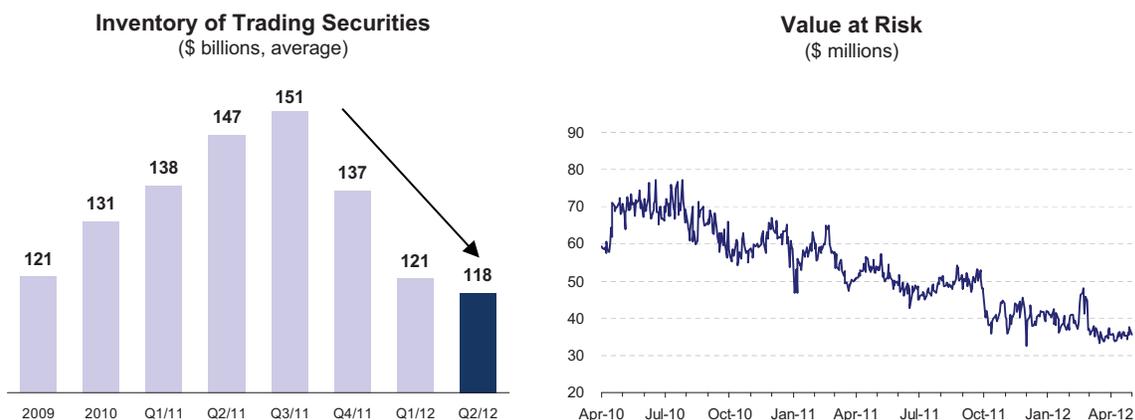
(2) Reflects average wholesale loans and acceptances and letters of credit and guarantees.

(3) Mainly includes: Aerospace and Transportation

25

Focusing on origination and managing risk

- Narrowing our focus and breadth of trading products while maintaining relevance to clients
- Quickly reduced trading inventory in the second half of 2011 in response to global uncertainty
- Steady downward trend in VaR reflecting reductions in underlying risk positions

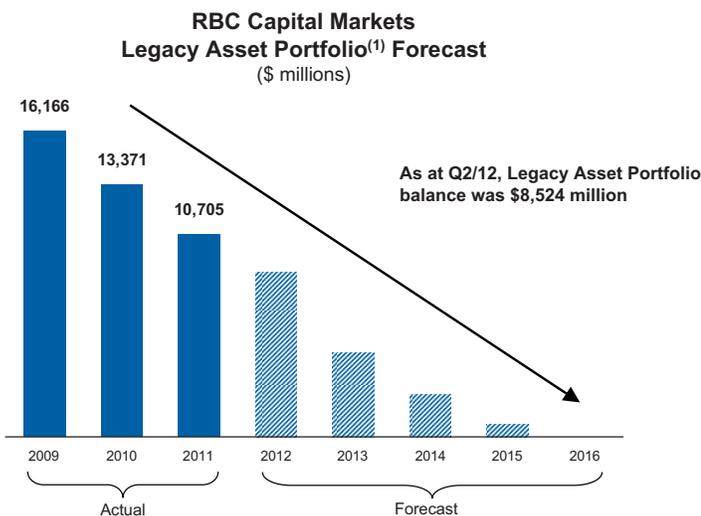


RBC Capital Markets®

26

Moved aggressively to reduce risks

- Ring fenced our legacy asset portfolio and plan to economically run-off the portfolio by 2016
- As of Q2 2012, legacy assets represent only 1% of RBC's total assets



Eliminating complex assets from the balance sheet



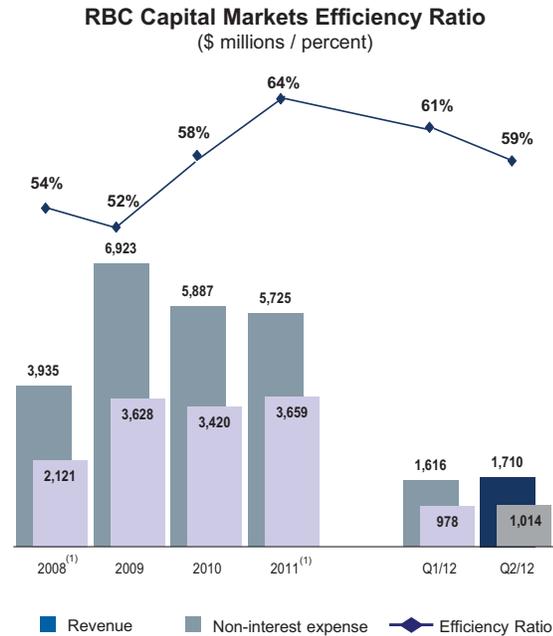
RBC Capital Markets®

(1) Legacy assets included correlation trading and a special purpose entity (consolidated upon transition to IFRS); and primarily includes remaining auction rate securities, asset backed securities and collateralized debt obligations.

27

Well positioned to capitalize on our investments

- Significantly invested in and upgraded our control environment
 - Back office grew by more than 50% since 2008 to over 2,900 employees
- Invested strategically to grow the business
 - Grew Corporate & Investment Banking by 300 employees
 - Grew Global Markets by 125 employees



Driving our efficiency ratio lower



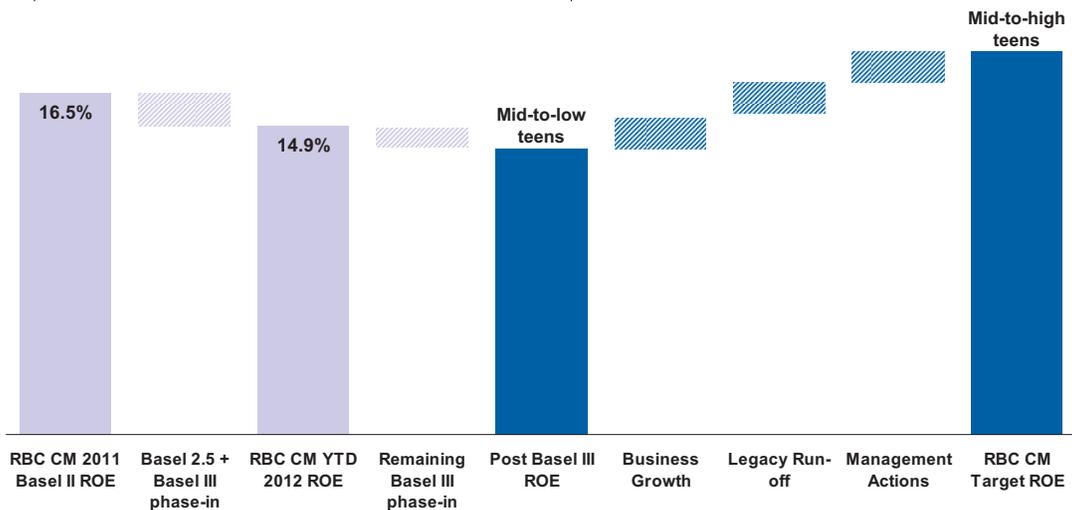
RBC Capital Markets[®]

(1) Non-interest expense includes the reversal of the Enron Corp. related litigation provision of \$542MM in 2008 and \$53MM in 2010. 28

Driving higher long-term ROE

Already managing our businesses under the Basel III framework

Focus on deepening client relationships, managing risks and driving efficiencies



Delivering long-term shareholder value



RBC Capital Markets[®]

29

Corporate & Investment Banking

Doug Guzman
Head, Global Investment Banking

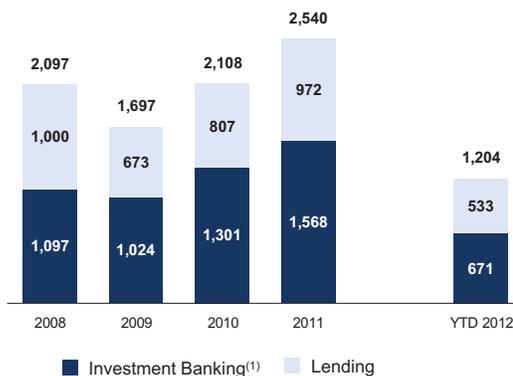


RBC Capital Markets®

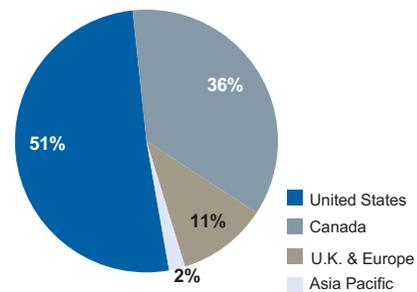
Generating strong results in our primary geographies

- Leveraging our domestic strength to build profitable market share in the U.S. and in key global regions
- Extending our product coverage in investment banking and growing our loan book

Corporate & Investment Banking Revenue
(\$ millions)



Geographic Revenue Mix
(Average Q3 2011 - Q2 2012)



Strong performance and business growth in challenging markets



RBC Capital Markets®

(1) Includes Correspondent Banking

Following our proven path to success

The leader in investment banking

Canada

- Leading market share with top tier corporate relationships
- Full range of advisory services and products
- Top corporate and investment banker talent in Canada
- Recognized for depth of knowledge, experience and performance in industry rankings and awards



Gaining momentum in the world's largest market

United States

- Full industry sector coverage and product range
- Client base extending to large cap corporates
- Bulge-bracket trained, senior corporate and investment bankers
- Rapid revenue growth and profitable market share gains



Building capabilities in areas of strength

U.K. & Europe

- Expanded from a niche resource focus to broader sector coverage
- Top tier client relationships and activity
- Cross border focus to client coverage
- Leverage RBC's strengths in financial institutions, resources and infrastructure sectors



Focused on execution and gaining profitable market share

Canada

- ✓ Maintain our lead by continuing to focus on client needs
- ✓ Increase market share in mid-market energy and mining
- ✓ Cross-border integration

United States

- ✓ Leverage broader relationships and client investment
- ✓ Selectively add senior bankers in key products and sectors
- ✓ Strategically deploy our loan book
- ✓ Manage balance of "sticky" corporate relationships with issuing clients

U.K. & Europe

- ✓ Build client base, add capabilities and extend strengths in key sectors
- ✓ Leverage the strength and brand of RBC and RBC Capital Markets
- ✓ Preserve capacity to benefit from eventual European recovery

Comprehensive strategy to drive success



Trusted advisor of choice

 Canada	 Canada
 <ul style="list-style-type: none">▪ Canadian strength driven by long-term relationships<ul style="list-style-type: none">▪ Financial Advisor to Barrick in connection with its agreement to acquire Equinox Minerals for ~\$7.3BN▪ Joint Lead Left Bookrunner on a \$4BN senior notes offering to support the transaction	 <ul style="list-style-type: none">▪ Largest Canadian M&A deal since 2010 and second largest global M&A deal in 2012<ul style="list-style-type: none">▪ Financial Advisor to Switzerland-based Glencore in connection with its agreement to acquire Canadian-based Viterro Inc. for ~\$7.5BN▪ RBC also provided US\$2BN in debt financing
 United States	 U.K. & Europe
 <ul style="list-style-type: none">▪ One of the largest energy leveraged buyouts ever<ul style="list-style-type: none">▪ Lead Financial & Technical Advisor to U.S. based Apollo \$7.15BN acquisition of El Paso's Exploration & Production Co.▪ Joint Lead Arranger and Joint Bookrunning Mgr. on a \$2BN revolving credit facility and a \$3.5BN senior unsecured bridge loan▪ Joint Book Mgr. of \$3.5BN of senior unsecured bonds	 <ul style="list-style-type: none">▪ U.K.'s second largest public takeover in 2011 and European M&A Deal of the Year ⁽¹⁾<ul style="list-style-type: none">▪ Lead Financial Advisor to the Cheung Kong Infrastructure Group £4.7BN acquisition of Northumbrian Water Group▪ Joint Lead Underwriter of £1.25BN of financing



RBC Capital Markets®

(1) Source: The Banker

34

Fixed Income & Currencies

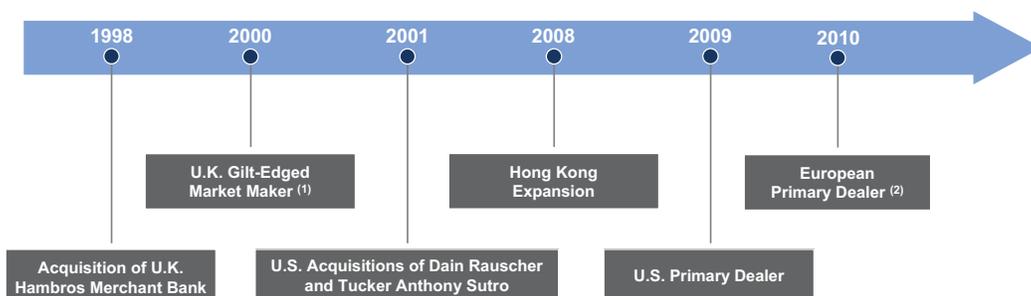
Jonathan Hunter

Global Head, Fixed Income & Currencies



RBC Capital Markets®

Leveraging the Canadian franchise to strategically expand



- Acquisition of Hambros in 1998 a catalyst for creation of a global fixed income business
- Fully expanded in the U.S. and completing expansion of distribution capabilities in Asia Pacific
- Since 2008, measured growth within our risk footprint; headcount up less than 5%



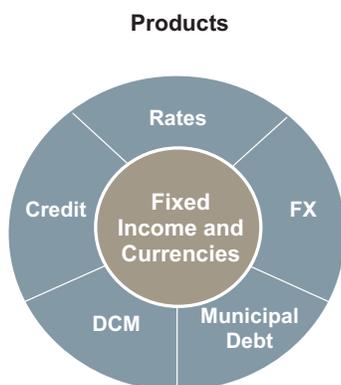
RBC Capital Markets®

(1) U.K. Primary Dealer Equivalent.
(2) France, Germany, the Netherlands, Belgium, Spain.

36

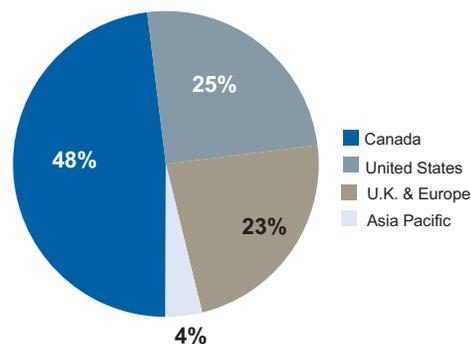
Serving the needs of issuing and investing clients

- Full service provider in Canada and a leading global Canadian dollar specialist
- Focused on origination by highly rated issuers⁽¹⁾ worldwide
- Global distribution in the U.S., U.K., Europe and Asia Pacific with focused manufacturing capabilities



FIC Revenue by Geography

(Average Q3 2011 - Q2 2012)



The leading Canadian franchise and a focused provider to select clients globally



RBC Capital Markets®

(1) Corporates, Financial Institutions, Governments.

37

Repositioning the business within our existing footprint and risk appetite

Transform the business for growth

- ✓ Focus on core products and key clients aligned with Corporate & Investment Banking
- ✓ Optimize capital and reduce risk in response to market dynamics and regulatory reform

Deepen client relationships

- ✓ Leverage our expanded fixed income loan book and global Debt Capital Markets
- ✓ Facilitate deal flow to increase “relevance” with clients and drive ancillary business

Cross-sell clients globally

- ✓ Focus on Top 5% of clients and enhance distribution
- ✓ Increase client “share of wallet” through improved client targeting
- ✓ Grow Asia Pacific distribution to support our products world-wide

Scale our commoditized businesses

- ✓ Increase ability to “scale” our commoditized businesses outside Canada
- ✓ Invest in infrastructure to retain market share and reduce costs
- ✓ Automate processes to drive efficiencies between front and back office



Trusted advisor of choice



Canada



- Canada Bond House of the Year (2011)
- #1 FX Franchise in Canada (2012)



United States



- #3 by Fees and Market Share from Government Sector (2011)
- #14 U.S. Bonds New Issuance (2011)



U.K. & Europe



- #1 Best Bank for Fixed Income E-trading (2011)
- #2 in Sterling Bonds (2011)



Asia Pacific



- #1 Best Lead Manager of Australian and New Zealand Dollar Bonds (2011)
- #1 Kangaroo Primary House of the Year – 3rd Year (2011)



Wrap-Up

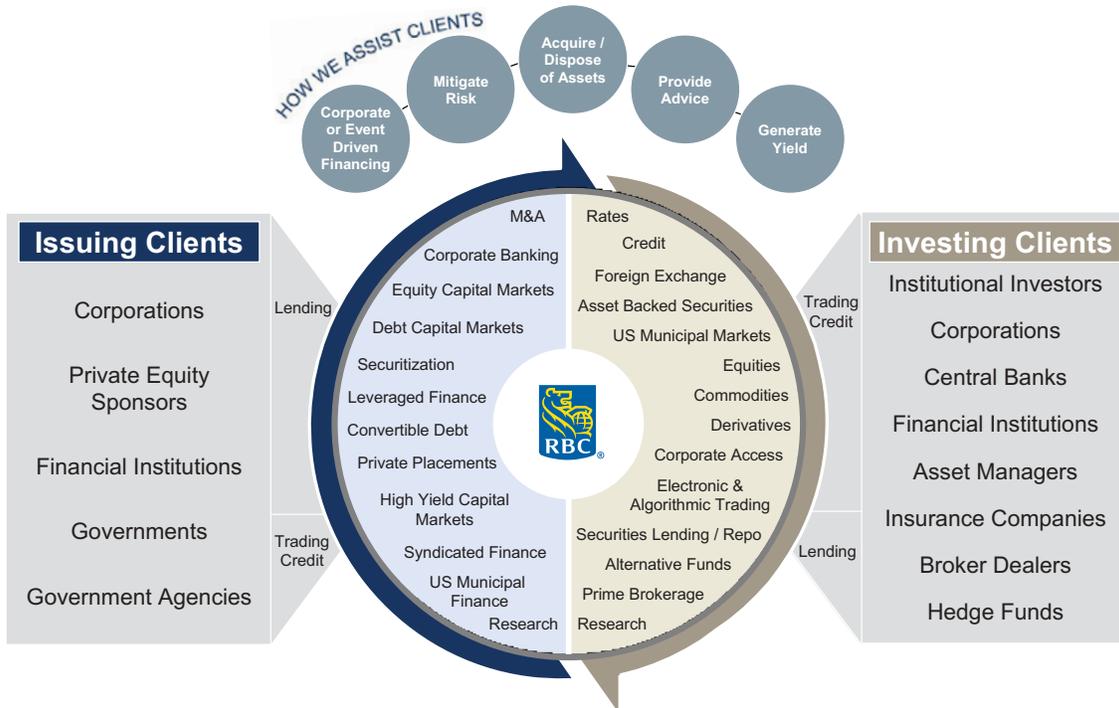
Mark Standish

President and Co-CEO, RBC Capital Markets



RBC Capital Markets®

Meeting all of our clients' needs



Key takeaways

Continuing our track record of consistent earnings built on our diversified model and strong risk management culture

- ✓ Deepen client relationships with a focused strategy in key geographic regions
- ✓ Optimize capital and effectively manage risk within new regulatory environment
- ✓ Focus on efficiencies as we leverage our recent investments

The premier Canadian investment bank with select global reach



RBC Capital Markets®

42

Appendix



RBC Capital Markets®

Sector coverage in each geography

 Canada	 United States	 UK & Europe	 Asia Pacific
<ul style="list-style-type: none"> ▪ Energy ▪ Financial Institutions ▪ Infrastructure Finance ▪ Leverage Finance ▪ Mining & Metals ▪ Communications, Media & Entertainment ▪ Consumer & Industrial Products ▪ Financial Sponsors ▪ Forest Products ▪ Real Estate ▪ Technology ▪ Commercial Real Estate Brokerage 	<ul style="list-style-type: none"> ▪ Energy ▪ Financial Institutions ▪ Infrastructure Finance ▪ Leverage Finance ▪ Mining & Metals ▪ Aerospace & Defense ▪ Automotive ▪ Communications, Media & Entertainment ▪ Consumer & Retail ▪ Financial Sponsors ▪ Healthcare ▪ Industrials ▪ Power & Utilities ▪ Real Estate ▪ Technology ▪ Transportation ▪ Municipal Finance 	<ul style="list-style-type: none"> ▪ Energy ▪ Financial Institutions ▪ Infrastructure Finance ▪ Leverage Finance ▪ Mining & Metals ▪ Business Services, Paper & Packaging ▪ Industrials ▪ Transportation & Logistics ▪ Utilities & Renewables 	<ul style="list-style-type: none"> ▪ Energy ▪ Financial Institutions ▪ Infrastructure Finance ▪ Mining & Metals

Employees by business and geographic region

- Significantly invested in and upgraded our control environment

Back Office* Employees	2008	2009	2010	2011	Q2/12	Difference (Q2/12 vs 2008)
Total	1,920	2,181	2,783	3,001	2,934	1,014
Canada	926	998	1,229	1,249	1,260	333
US	540	670	871	932	896	356
Europe	354	403	540	650	610	257
Asia/Other	99	110	142	171	167	68

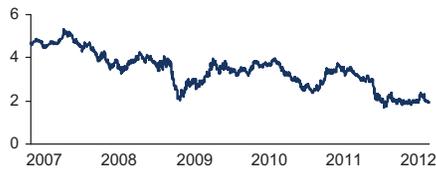
* Full-time Technology & Operations, Finance, Risk, Human Resources, Legal, Internal Audit and Compliance

- Grew Corporate & Investment Banking at a faster pace than Global Markets

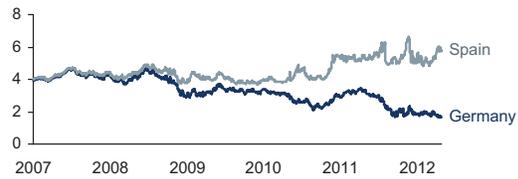
Front Office Employees	2008	2009	2010	2011	Q2/12	Difference (Q2/12 vs 2008)
Total Front Office	3,296	3,092	3,399	3,623	3,595	300
<i>Global Markets</i>	<i>1,396</i>	<i>1,380</i>	<i>1,510</i>	<i>1,537</i>	<i>1,523</i>	<i>126</i>
Canada	388	393	433	407	395	7
US	635	619	640	655	652	17
Europe	268	256	315	352	342	75
Asia/Other	106	113	122	123	133	27
<i>Corporate & Investment Banking</i>	<i>1,563</i>	<i>1,484</i>	<i>1,665</i>	<i>1,866</i>	<i>1,861</i>	<i>298</i>
Canada	581	578	624	626	628	47
US	794	733	842	968	959	165
Europe	161	139	164	228	221	60
Asia/Other	28	33	34	44	53	25
<i>Other</i>	<i>336</i>	<i>228</i>	<i>225</i>	<i>219</i>	<i>211</i>	<i>(125)</i>

Market conditions from 2007 to 2012

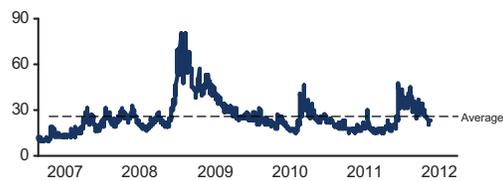
U.S. 10-year Government Bond Yields (1)
(%)



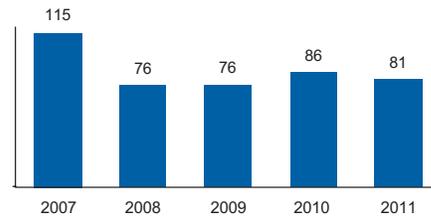
Euro 10-year Government Bond Yields (1)
(%)



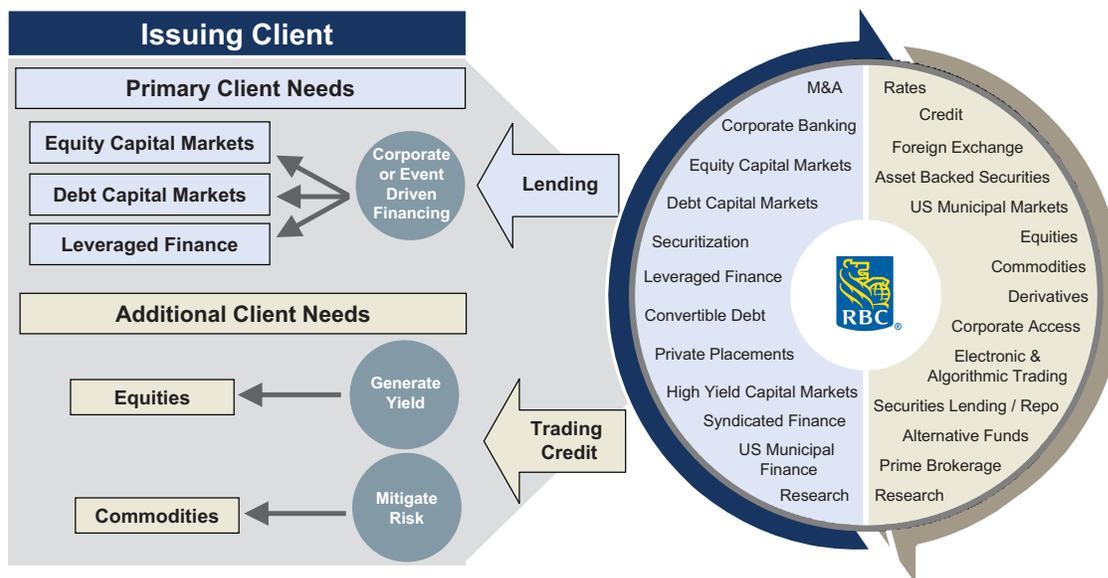
Volatility of S&P 500 (1)
(VIX Index)



Global Investment Banking Fees (2)
(US\$ billion)

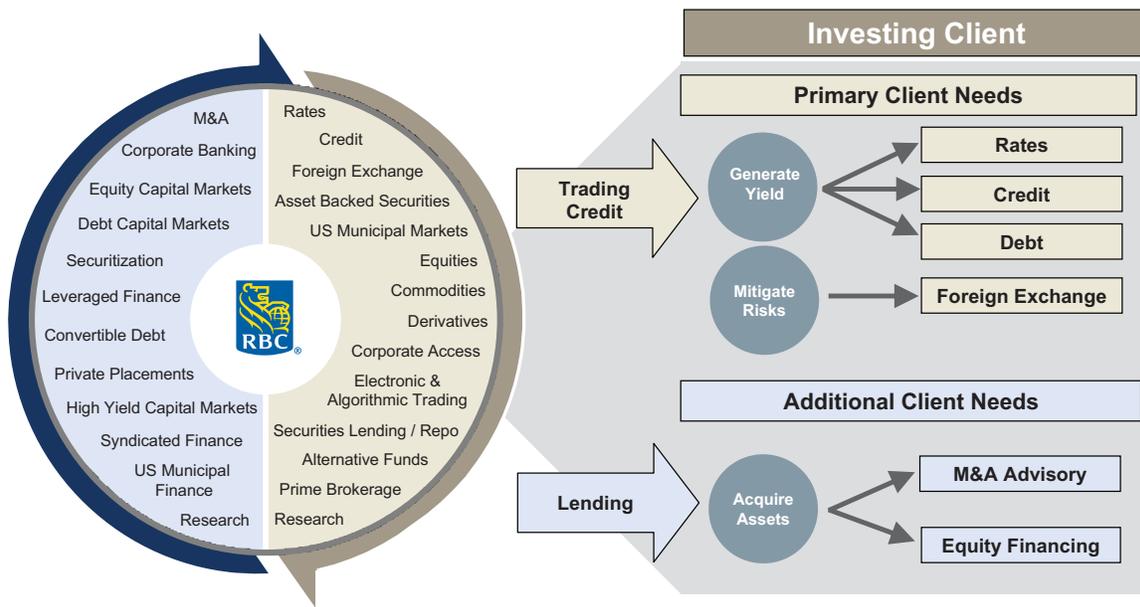


Establishing a deep relationship with a U.S. oil & gas company



Leveraging our strength in cross-selling

Establishing a deep relationship with a global asset manager



Leveraging our strength in cross-selling

Building a global brand in target markets

Advertising Campaign



Community Events



Golf Sponsorships



Executive Profiles



RBC Capital Markets®

Executive biographies



Gord Nixon **President and Chief Executive Officer**

Gordon Nixon is President and Chief Executive Officer of RBC, the brand name for Royal Bank of Canada and its subsidiaries. He is also a director of Royal Bank of Canada and chairman of RBC's Group Executive.

Mr. Nixon began his career in 1979 at Dominion Securities in Toronto where he worked in Global Markets and subsequently the Investment Banking division. In 1986, he transferred to Tokyo to assume responsibility for the firm's operations in Japan. Dominion Securities was acquired by Royal Bank of Canada in 1987 and Mr. Nixon returned to Toronto in 1989 as a Managing Director of Investment Banking.

In 1995, Mr. Nixon was appointed Head of Global Investment Banking and in 1999 became Chief Executive Officer of RBC Capital Markets and a member of Royal Bank's Executive Committee. He was appointed President of Royal Bank of Canada on April 1, 2001 and Chief Executive Officer on August 1, 2001.

Mr. Nixon is Chairman of MaRS, a not-for-profit organization that connects science, business and capital and co-chairs The Toronto Region Immigrant Employment Council. He is a Director and past Chairman of the Canadian Council of Chief Executives and is on the Board of Directors of The Hospital for Sick Children and The International Monetary Conference.

Mr. Nixon has served as a Director of a number of organizations in the arts, health care and education and has chaired numerous events and fundraising campaigns including the United Way of Greater Toronto and is currently chairing the Queen's University Capital Campaign.

Mr. Nixon has been awarded the Order of Canada and the Order of Ontario. He is a recipient of Canada's Outstanding CEO of the Year Award, the Canadian Business Leader Award and is included in Barron's list of the World's Best CEO's. He has an Honorary Doctor of Laws from both Queen's University and Dalhousie University and is a recipient of the CIJA/UJA Words and Deeds Leadership Award, the Rotary Foundation's Paul Harris Fellowship, a Queen's Golden Jubilee Medal, a Learning Partnership Champion of Public Education Tribute and an American Banker Innovator of the Year Award. Born in Montreal in 1957, Mr. Nixon attended Queen's University where he received an Honours Bachelor of Commerce degree. He and his wife live in Toronto and have three children.



RBC Capital Markets®

Executive biographies



Doug McGregor **Chairman and Co-CEO, RBC Capital Markets**

Doug McGregor is Chairman and Co-CEO of RBC Capital Markets; Co-Group Head, Capital Markets and is a member of the Group Executive of RBC.

Mr. McGregor began his career in corporate finance and then institutional equity sales at Pitfield Mackay Ross Ltd in 1979. In 1983, he became a real estate investment banker with Marcil Trust which was later acquired by RBC Capital Markets in 1990.

As Chairman and Co-CEO of RBC Capital Markets, Mr. McGregor's responsibilities are focused on managing the firm's investment banking, lending, research and equity trading divisions. He also heads the firm's real estate and investment banking business.

Mr. McGregor holds an Honours BA (Business) and an MBA from the University of Western Ontario. He is a member of the University Health Network Board of Trustees and the former Chairman of the Board of Directors of the Investment Industry Regulatory Organization of Canada.



Mark Standish **President and Co-CEO, RBC Capital Markets**

Mark Standish is President and Co-CEO of RBC Capital Markets; Co-Group Head, Capital Markets and is a member of the Group Executive of RBC. As President and Co-CEO of RBC Capital Markets, Mr. Standish is responsible for sales and trading, financing and balance sheet management. Mr. Standish's tenure with RBC began in 1995 as head of proprietary and structured trading within the Global Equity Derivatives group of RBC Dominion Securities.

From 1993 until 1995, Mr. Standish was a managing director at Kidder Peabody & Company. Preceding Kidder Peabody, Mr. Standish was with Lehman Brothers in New York responsible for equity derivatives, commodity derivatives and commodity financing. During the 1980's, he was with Bankers Trust in London involved with fixed income derivatives and proprietary arbitrage trading. He started his career in retail banking with National Westminster Bank in 1977.

He studied banking and finance at Croydon College in England, being an Associate member, Chartered Institute of Bankers (1983). He is also actively involved with numerous charities in both New York and New Jersey, including being on the board of The Bachmann-Strauss Dystonia and Parkinson Foundation, Inc., a Trustee of the Board of Big Brothers Big Sisters of New York City, and Board member of The Queen Elizabeth II, September 11 Garden.

Executive biographies



Doug Guzman **Head, Global Investment Banking**

Doug Guzman is Head, Global Investment Banking of RBC Capital Markets. He is responsible for the firm's Investment Banking and Equity Capital Markets teams globally, as well as U.S. Municipal Finance. In addition, Doug has senior client coverage responsibility for a number of RBC Capital Markets' most important clients. Doug is a member of the firm's Operating Committee and Loan Commitments Committee. Doug has led client transactions involving mergers and acquisitions, debt and equity financings and restructurings in the U.S., Canada and Europe. Before joining RBC in 2005, Doug was a Managing Director at Goldman Sachs in New York and Toronto, where he had co-head responsibility for each of the Global Metals and Mining and the Canadian Investment Banking businesses.

Doug is a member of the Board of Directors of the St. Michael's Hospital Foundation and the Advisory Board of the Richard Ivey School of Business Administration at The University of Western Ontario. Doug has an Honours BA (Business Administration) from the University of Western Ontario and an MBA with high distinction (Baker Scholar) from Harvard Business School.



Jonathan Hunter **Global Head, Fixed Income and Currencies**

Jonathan Hunter is Global Head, Fixed Income and Currencies, RBC Capital Markets. He joined RBC Dominion Securities in 1991 as a Generalist in the Dealer Trainee Programme. Between 1991 and 2000, Jonathan held various institutional trading roles in RBC Capital Markets' domestic fixed income business, culminating in his appointment as Head of Domestic Fixed Income Trading in 2000. Jonathan was transferred to the United Kingdom in November 2002, to serve as Global Head of Fixed Income Sales & Trading. As such, he was also a member of the Board of Directors of the Royal Bank of Canada Europe Limited and on the London Operating Committee. Jonathan moved to the United States in August 2006. In 2007, RBC Capital Markets' fixed income and currencies businesses integrated and he assumed his current role. In this capacity, he has spent considerable time developing our US \$ fixed income business, both domestically and globally.

He is a member of the Capital Markets Operating Committee and is on the Board of the International Swaps and Derivatives Association, Inc. He earned an Honours Bachelor of Commerce Degree (Finance) from Queen's University, Canada in 1991 and is a Chartered Financial Analyst.

Note to Users

We use a variety of financial measures to evaluate our performance. In addition to GAAP prescribed measures, we use certain non-GAAP measures we believe provide useful information to investors regarding our financial condition and result of operations. Readers are cautioned that non-GAAP measures, such as net income and return on equity, excluding the loss on the RBC Dexia Acquisition, do not have any standardized meanings prescribed by GAAP, and therefore are unlikely to be comparable to similar measures disclosed by other companies.

Additional information about our non-GAAP measures can be found under the “Non-GAAP measures” section of our Q2 2012 Report to Shareholders and the “Key performance and Non-GAAP measures” sections in our 2011 Annual Report, and our Q2 2012 Supplementary Financial Information.

Definitions can be found under our “Glossary” sections in our 2011 Annual Report and our Q2 2012 Supplementary Financial Information.

Investor Relations Contacts

Amy Cairncross, VP & Head	(416) 955-7803
Karen McCarthy, Director	(416) 955-7809
Robert Colangelo, Associate Director	(416) 955-2049

www.rbc.com/investorrelations

