



“RY” on TSX & NYSE

Positioned for further growth

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RBC Presentation to Fixed Income Investors

Europe
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The financial information in this presentation is in Canadian dollars
and is based on Canadian GAAP, unless otherwise noted.



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 in any applicable Canadian Securities legislation. We may make such statements in this document, in other filings with Canadian regulators or the United States Securities and Exchange Commission, in reports to shareholders or in other communications. These forward-looking statements include, among others, statements with respect to our objectives for 2006, our medium-term goal, and strategies to achieve those objectives and the medium-term goal, as well as statements with respect to our beliefs, plans, outlooks, objectives, expectations, anticipations, estimates and intentions. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and words and expressions of similar import are intended to identify forward-looking statements.

By their very nature, forward-looking statements involve numerous factors and assumptions and inherent risks and uncertainties, both general and specific, which give rise to the possibility that predictions, forecasts, factors and projections and other forward-looking statements will not be achieved. We caution readers not to place undue reliance on these statements as a number of important factors or assumptions could cause our actual results to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates and intentions expressed in such forward-looking statements. These factors include, but are not limited to, the management of credit, market, liquidity and funding and operational risks; the strength of the Canadian and United States economies and the economies of other countries in which we conduct business; the impact of the movement of the Canadian dollar relative to other currencies, particularly the U.S. dollar and British pound; the effects of changes in monetary policy, including changes in interest rate policies of the Bank of Canada and the Board of Governors of the Federal Reserve System in the United States; the effects of competition in the markets in which we operate; the impact of changes in the laws and regulations regulating financial services and enforcement thereof (including banking, insurance and securities); judicial judgments and legal proceedings; our ability to obtain accurate and complete information from or on behalf of our customers and counterparties; our ability to successfully realign our organization, resources and processes; our ability to complete strategic acquisitions and joint ventures and to integrate our acquisitions and joint ventures successfully; changes in accounting policies and methods we use to report our financial condition, including uncertainties associated with critical accounting assumptions and estimates; operational and infrastructure risks; reputational risks; and other factors that may affect future results including changes in trade policies, timely development and introduction of new products and services, changes in our estimates relating to reserves and allowances, changes in tax laws, technological changes, unexpected changes in consumer spending and saving habits, natural disasters such as hurricanes, the possible impact on our businesses from public health emergencies, international conflicts and other developments including those relating to the war on terrorism; and our success in anticipating and managing the foregoing risks.

Additional information about these factors can be found under "Risk Management" and "Additional Risks That May Affect Future Results" in our 2005 Annual Report.

We caution that the foregoing list of important factors that may affect future results is not exhaustive. When relying on our forward-looking statements to make decisions with respect to Royal Bank of Canada, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. 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.

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Agenda

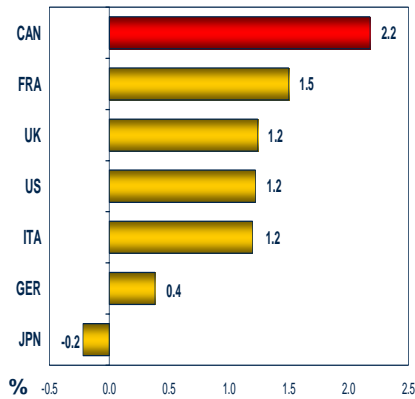
- **Canada's economy and financial services sector**
- RBC profile
- Our strategic goals & financial performance
- Business segment performance and initiatives
- Global funding strategy

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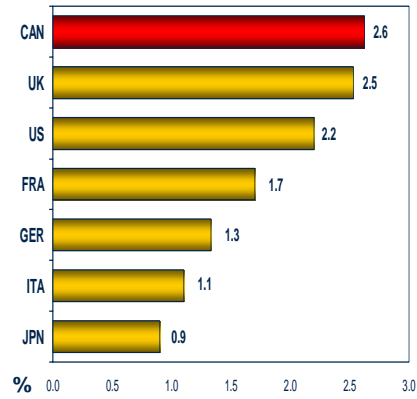


Highest growth in employment and standard of living in G-7

Employment growth
Average annual growth
1997-2005



Standard of living growth
Average annual growth in real GDP per capita
1997-2005

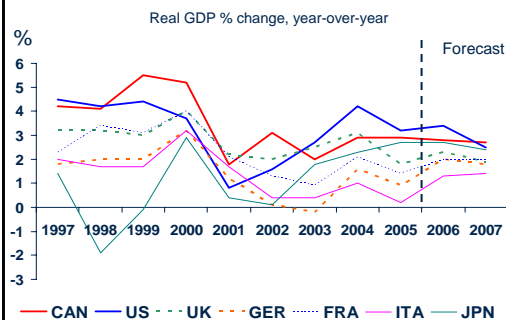


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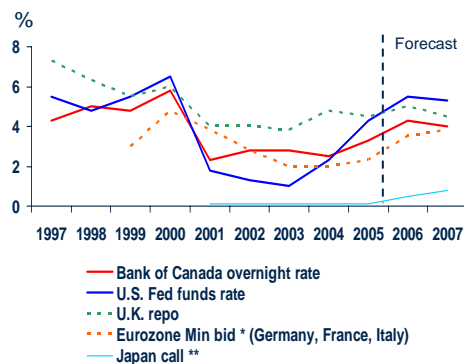


Economic growth in Canada expected to remain robust with interest rates remaining low

Economic growth



Short-term interest rates



Source: Bureau of Economic Analysis, Statistics Canada, RBC Financial Group

Source: Federal Reserve Board, Bank of Canada, RBC Financial Group

* 3-month Euro rate 1999-2005

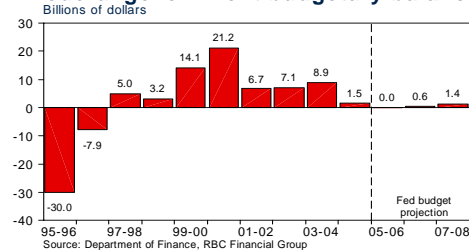
** Japan Certificate of Deposit 2001-2005

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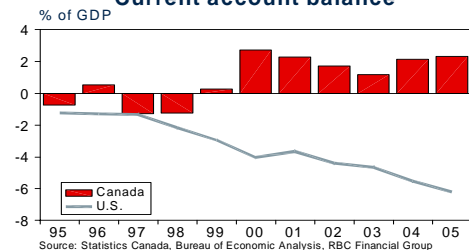


Canada continues to exhibit strong fiscal and trade performance

Federal government budgetary balance



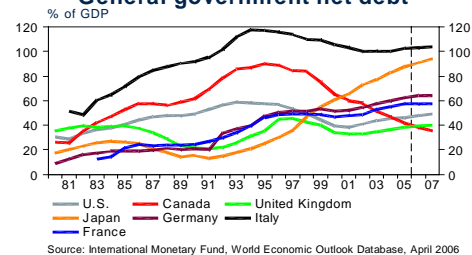
Current account balance



Canadian Economic Performance

- ✓ 8 consecutive fiscal surpluses, and balanced budgets (or better) forecasted
- ✓ 7 consecutive years of current account surplus
- ✓ Net foreign indebtedness – lowest levels since 1945

General government net debt

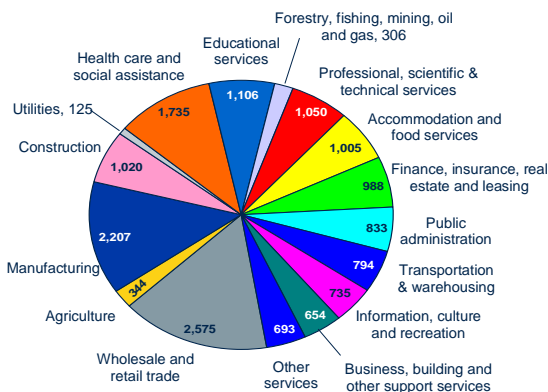


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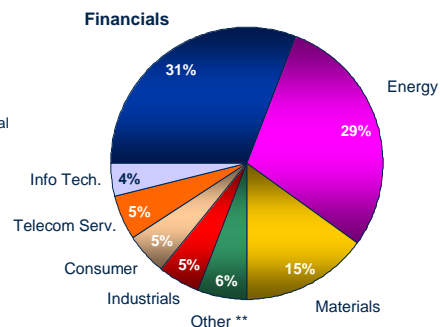


The financial services sector is a significant contributor to Canada's diverse economy

Canadian employment by industries in 2005 (in thousands)



Sector weightings* on Toronto Stock Exchange (TSX)



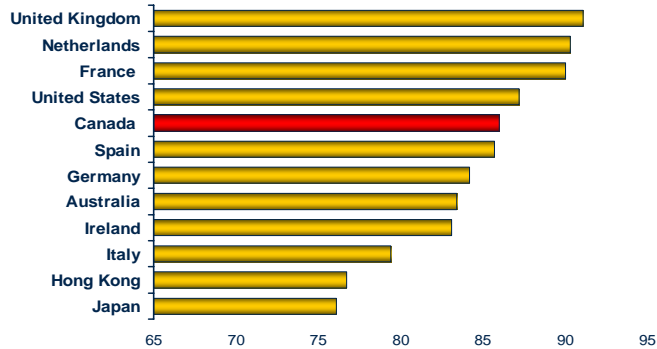
* Sector weightings as of September 14, 2006
** Other includes: S&P/TSX Utilities index, Health Care Index, and Consumer Staples Index

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Canada's financial services industry among the world's best

Moody's Bank Financial Strength Index (November 2005)¹



- ✓ One of the most financially sound markets in the world
- ✓ Advanced technology – 1st in ABMs per capita, 1st in POS terminals, 1st in payments by credit/debit cards, 2nd in credit card terminals
- ✓ Efficient clearing system

¹ Source: Bank of England: Moody's Weighted Average Bank Financial Strength Index, constructed according to a numerical scale assigned by Moody's using November 2005 weighted-average bank ratings by country.

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Agenda

- Canada's economy and financial services sector
- **RBC profile**
- Our strategic goals & financial performance
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Company profile

- Founded in 1864 as the Merchant's Bank
- Today a major diversified financial services group
- Leading positions in key markets
- Strong credit ratings (Aa2/AA-/AA)
- Largest Canadian financial institution:
 - Total assets of C\$524 billion
 - Market Cap. of C\$62.2 billion
 - Tier 1 ratio of 9.6%
 - Total capital ratio of 12.4%
 - We serve 14 million clients through offices in North America and some 30 countries around the world
 - Over 60,000 employees (full-time equivalent)

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RBC is the largest Canadian company and a top 10 North American bank by market capitalization

Top 10 Canadian Companies

Market capitalization as of September 14/06 (C\$ B)

| Company | Market Cap |
|------------------------------|------------|
| 1. Royal Bank of Canada (RY) | 62.2 |
| 2. Manulife Financial (MFC) | 55.7 |
| 3. Scotiabank (BNS) | 46.1 |
| 4. TD Bank (TD) | 45.9 |
| 5. EnCana (ECA) | 42.8 |
| 6. Imperial Oil (IMO) | 36.2 |
| 7. Suncor Energy (SU) | 34.6 |
| 8. Bank of Montreal (BMO) | 33.3 |
| 9. Husky Energy Inc (HSE) | 29.4 |
| 10. Thomson Corp (TOC) | 27.7 |


Top 10 North American Banks

Market capitalization as of September 14/06 (US\$B)

| Company | Market Cap |
|------------------------------|------------|
| 1. Citigroup (C) | 243.7 |
| 2. Bank of America | 235.0 |
| 3. JP Morgan Chase (JPM) | 161.4 |
| 4. Wells Fargo (WFC) | 120.0 |
| 5. Wachovia (WB) | 86.8 |
| 6. US Bancorp (USB) | 58.6 |
| 7. Royal Bank of Canada (RY) | 55.5 |
| 8. Scotiabank (BNS) | 41.2 |
| 9. TD Bank (TD) | 41.0 |
| 10. Bank of Montreal (BMO) | 29.8 |

Source: Bloomberg, S&P/TSX Composite Index, market capitalizations at close. Exchange rate - September 14, 2006: USD 0.8955 / CAD

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Key competitive advantages and strengths

Canada

Clients

❖ Highest Canadian household penetration at 33%. Also serve business, institutional, government & high net worth clients

Distribution

❖ Largest retail and wholesale distribution network in Canada


Client Analytics

❖ Largest commercial client database in Canada (generates 8.8 million client opportunities and 10.5 million pro-active leads per month)

Brand




❖ Canada's Most Respected Corporation ⁽¹⁾

❖ Best Canadian Brand by Value ⁽²⁾



United States

Focused set of well established businesses

➤ full-service brokerage coast to coast

➤ 8th largest U.S. Broker Dealer with 1,650 Financial Consultants


➤ retail bank in fast growing Southeast region more than 276 full-service banking centers

➤ mid market focus and selected global offerings

(1) KPMG Canada's Most Respected Corporations, from 2002 - 2005.

(2) Interbrand's Best Canadian Brands 2006, July 2006

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Key competitive advantages and strengths


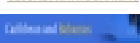


International

Established retail businesses with history of service quality

➤ Serving private and corporate clients in more than 150 countries

Top-tier global businesses for institutions, corporations & governments

➤ 100-year presence in the region with full suite of banking products

RBC

Risk Management

❖ Superior credit, interest rate & market risk management

Products

❖ Full array of innovative & customized banking, insurance, wealth management and capital markets products

Technology

❖ Highly scalable & cost effective technology

❖ CIO magazine's Top 100 innovative organizations who leverage IT effectively to maximize business value

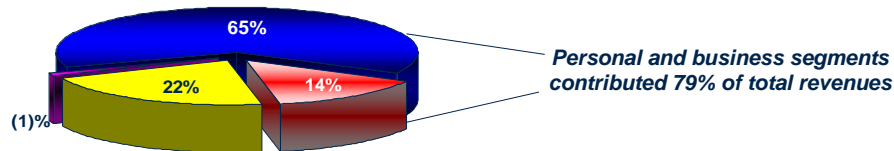
¹ 50/50 joint venture established January 2, 2006

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A well diversified financial services group...

Total revenue* by segment
for nine months 2006



RBC Canadian Personal & Business

- Personal Banking
- Business Financial Services
- Cards and Payment Solutions
- Wealth Management
- Global Insurance

RBC U.S. & International Personal & Business

- Banking: RBC Centura, Caribbean banking
- Wealth Management: RBC Dain Rauscher (excluding fixed income business), and Global Private Banking

RBC Capital Markets

- Global Markets
- Global Investment Banking & Equity Markets
- RBC Dexia IS
- Other

Corporate Support **

- Centralized functions including Global Technology and Operations, and Global Functions

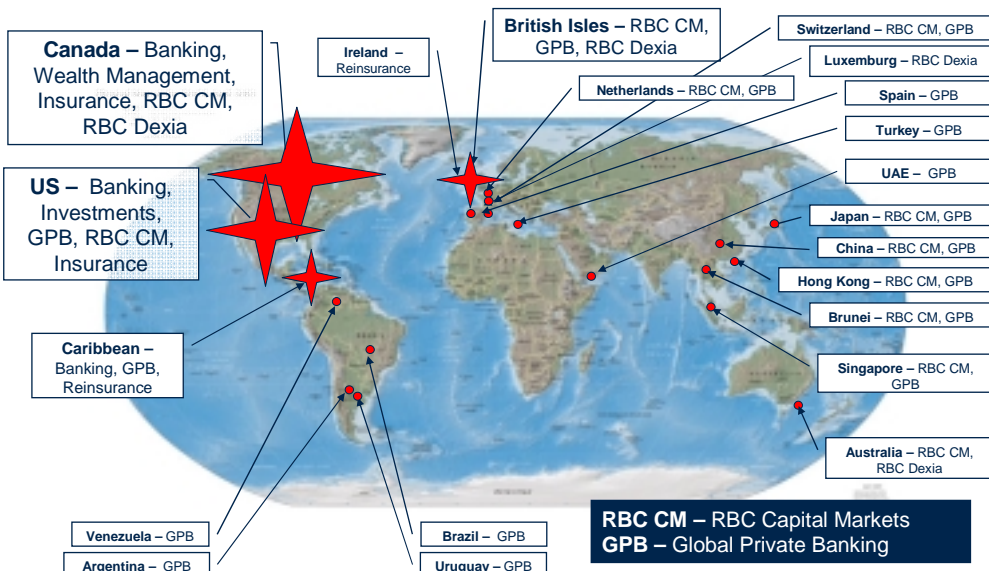
* From continuing operations, which exclude the results of our discontinued operations, RBC Mortgage Company

** Results largely reflect consolidation adjustments and activities that are undertaken for the organization which are not allocated to the business segments

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...with expanding global operations



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Agenda

- Canada's economy and financial services sector
- RBC profile
- **Our strategic goals & financial performance**
- Business performance and initiatives
- Global funding strategy

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Our strategic goals

To be the undisputed leader in
financial services in Canada

To build on our strengths in
banking, wealth management and
capital markets in the United States

To be a premier provider of
selected global financial services

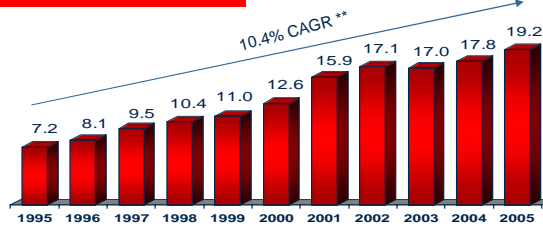
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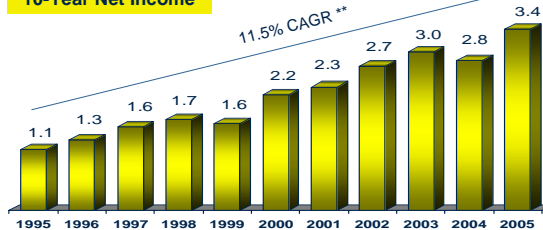
Long-term revenue & earnings growth

In \$ billions

10-Year Total Revenue *



10-Year Net Income



* From continuing operations

** Compound annual growth rate

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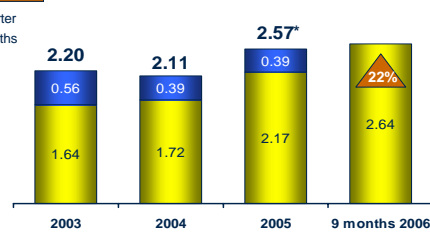
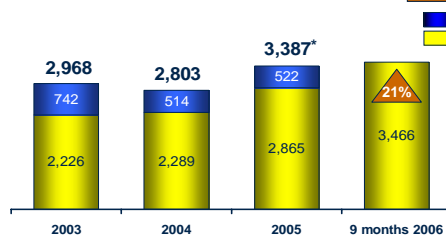


Record earnings and revenue – YTD 2006

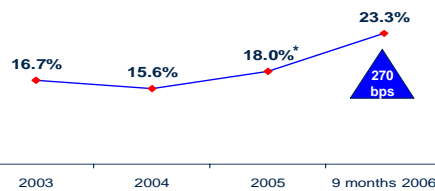
Net Income (\$ millions)

Growth vs. nine months 2005

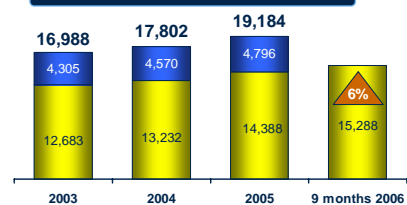
Diluted EPS (\$)



Return on equity (ROE)



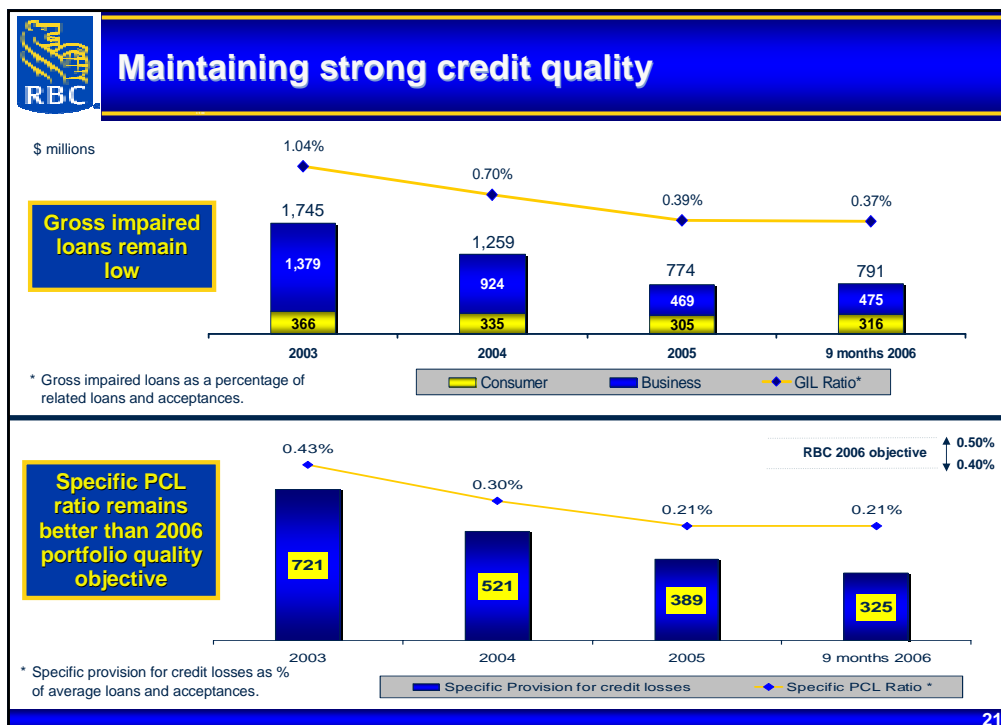
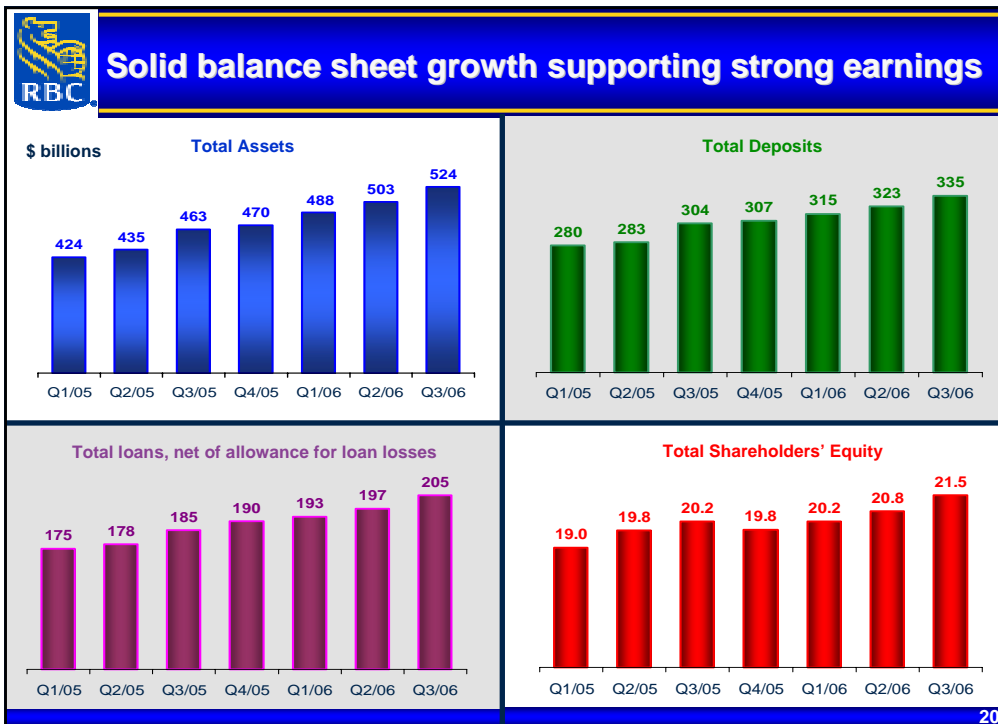
Total revenue** (\$ millions)



* Includes provisions of \$591 million (\$326 million after-tax or \$0.25/share) for Enron Corp. litigation and \$203 million (before- and after-tax, or \$0.16/share) for estimated net claims related to hurricanes Katrina, Rita and Wilma.

** From continuing operations

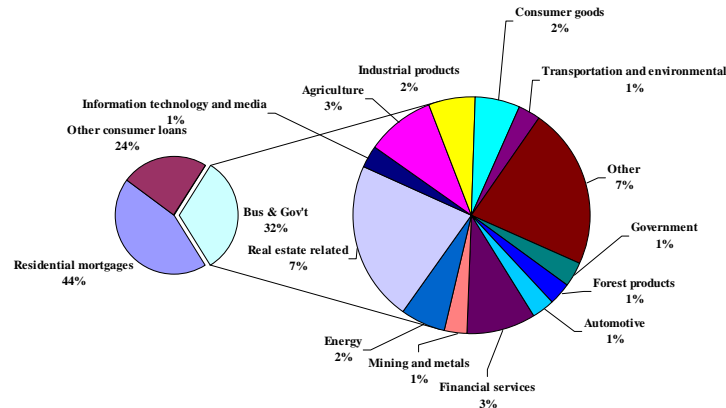
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Well-diversified loan portfolio across asset classes and industry sectors

Loans outstanding mix (%)¹



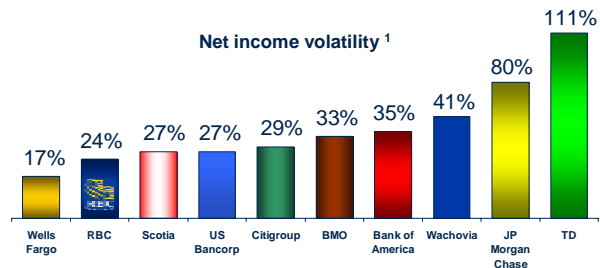
¹ Based on percentage of total loans and acceptances outstandings as at July 31, 2006

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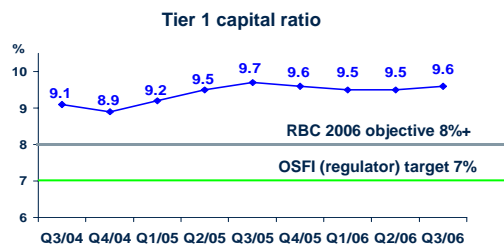
Financial strength and stability

Stable long-term earnings



(1) Percent standard deviation from mean Net Income over 20 consecutive quarters ended July 31, 2006.

Strong capital position



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Tracking well to meet most 2006 objectives

| | 2006 Objectives | Nine-month Performance |
|--|-----------------|------------------------|
| Diluted earnings per share growth ⁽¹⁾ | 20%+ | 21.7% |
| Return on common equity (ROE) | 20%+ | 23.3% |
| Revenue growth | 6-8% | 6% |
| Operating leverage ⁽²⁾ | >3% | 0% |
| Portfolio quality ⁽³⁾ | .40-.50% | .21% |
| Tier 1 capital ratio | 8%+ | 9.6% |
| Dividend payout ratio | 40-50% | 39% |

(1) Based on 2005 total reported diluted EPS of \$5.13, which has been restated to \$2.57 to reflect a stock dividend of one common share on each of our issued and outstanding common shares, paid on April 6, 2006.

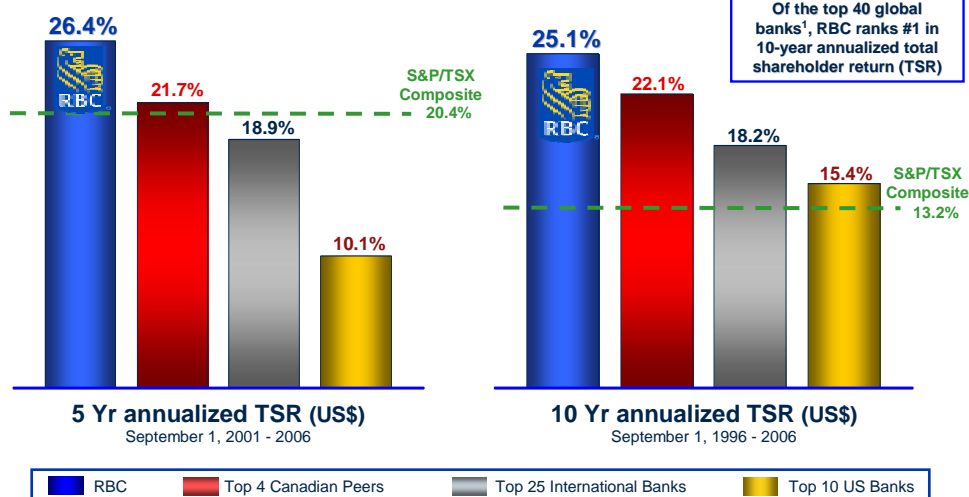
(2) Operating leverage is the difference between the revenue growth rate and the non-interest expense growth rate. Our 2006 objective for operating leverage is based on 2005 non-interest expense excluding the provision for Enron Corp. litigation of \$591 million recorded in the fourth quarter of 2005.

(3) Ratio of specific provisions for credit losses to average loans and acceptances.

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Outperforming global banks in long-term total shareholder returns



Source: Bloomberg, RBC

¹ By market capitalization. Excludes Japanese banks whose long-term TSRs were unavailable

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RBC Canadian Personal & Business

Business Lines

Highlights

Personal Banking

- ❖ #1 or #2 market share in most personal banking products
- ❖ Largest distribution network in Canada with over 1,100 branches and 4,000 ABMs

Business Financial Services

- ❖ #1 market share in business loans and business deposits
- ❖ Extensive distribution with 95 business banking centres

Cards & Payment Solutions

- ❖ 20% market share of Canada's credit card purchase volume
- ❖ Over 5 million credit card accounts and 7 million debit cardholders

Wealth Management

- ❖ Largest single fund company in Canada with more than \$60 billion in Assets under Management
- ❖ 9,000 licensed mutual fund salespeople
- ❖ #1 market share in full-service retail brokerage with 1,372 investment advisors

Global Insurance

- ❖ Range of products with #1 market positions in creditor, travel and living benefits insurance
- ❖ 17,000 independent broker relationships in Canada and approximately 650 career sales representatives in North America

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RBC Canadian Personal & Business: #1 or #2 position in key products in Canada

| | Rank ¹ # | Market share May-06 |
|--|------------------------|------------------------|
| Residential mortgages | 1 | 15.49% |
| Personal loans ² | 2 | 13.79% |
| Credit cards ² | 2 | 15.94% |
| Total loans (<i>res.mortgages, pers.loans, credit cards</i>) | 1 | 15.09% |
| Personal core deposits and investments | 1 | 12.36% |
| Personal core deposits | 2 | 13.96% |
| Personal investments (GICs and Mutual funds) | 1 | 11.92% |
| Full service brokerage (AUA) ³ | 1 | 21.47% |
| Business loans | 1 | 12.07% |
| Business deposits ⁴ | 1 | 20.96% |
| | Rank # | Market share Apr-06 |
| Creditor Insurance | 1 | 28% |
| Individual Living Benefits ³ | 1 | 33% ³ |

1. Market share rank among financial institutions in Canada. Source: RBC Financial Group.
2. Ranking reflects combined Personal Loans and Credit Cards.
3. Information updated quarterly. Market share as at June 2006.
4. Excludes market share of non-bank financial institutions.

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RBC U.S. & International Personal & Business

Wealth Management

Highlights

Global Private Banking

- ❖ 30 offices in 21 countries
- ❖ Top 20 global private banking business
- ❖ 28,000 High Net Worth clients and Assets Under Care > US\$140 Billion

RBC Dain Rauscher

- ❖ 8th largest full-service securities firm in the U.S. with 1,650 Financial Consultants servicing affluent clients
- ❖ 3,000 Correspondent brokers
- ❖ 155 branch offices in 40 states

Banking

Caribbean Retail Banking

- ❖ 44 Branches in 8 countries
- ❖ 1,290 employees
- ❖ 2nd or 3rd position in most markets

RBC Centura

- ❖ 5 States in the Southeast U.S.
- ❖ Large and growing market
- ❖ 276 full service branches
- ❖ 3,700 employees

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RBC Capital Markets

Business Lines

Global Markets

- ❖ Origination, trading and distribution of fixed income, F/X and derivative products
- ❖ Over 40% market share of Canadian Maple Market in 2006 (Jan–July)
- ❖ Top 10 in U.S. Municipal Lead Managed Bonds in 2005

Global Investment Banking and Equity Markets

- ❖ Investment banking, corporate lending, equity sales and trading
- ❖ Best Debt, Equity and M&A House of the Year in Canada 2006, *Euromoney*
- ❖ Dealmaker of the Year in Canada for 8 straight years
- ❖ Top 15 in U.S. Equity League Tables in 2006 (Jan–August)

RBC Dexia IS*

- ❖ Top 10 global custodian
- ❖ Approximately US \$1.8 trillion* in client assets under custody as at July 31, 2006.

Other

- ❖ Consists of National Clients (to serve Canadian upper mid-market clients), Global Research, and Global Credit (incl. Global FIs, non-strategic lending portfolio and management of core lending portfolios).

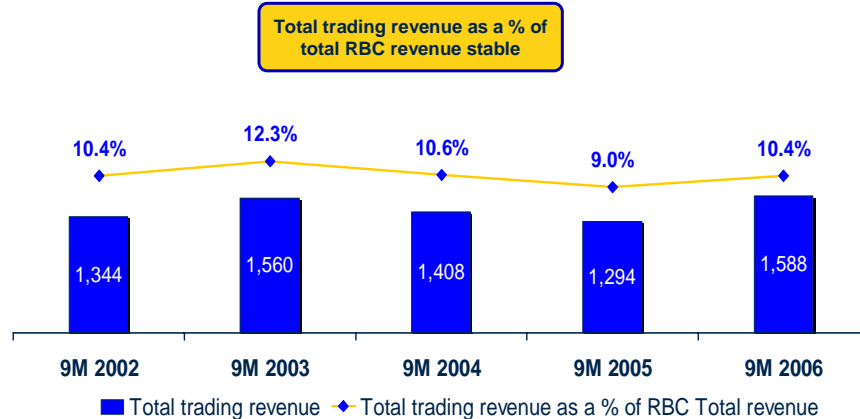
* Our institutional & investor services business was combined with Dexia's business on January 2, 2006 for a 50/50 proportionate ownership. US \$1.8 trillion AUA belonging to RBC Dexia IS of which RBC has a 50% ownership interest.

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RBC Capital Markets: Total trading revenue* stable...

C\$ millions



* Non-GAAP measure, see slide 38 for discussion of the use of non-GAAP financial information.

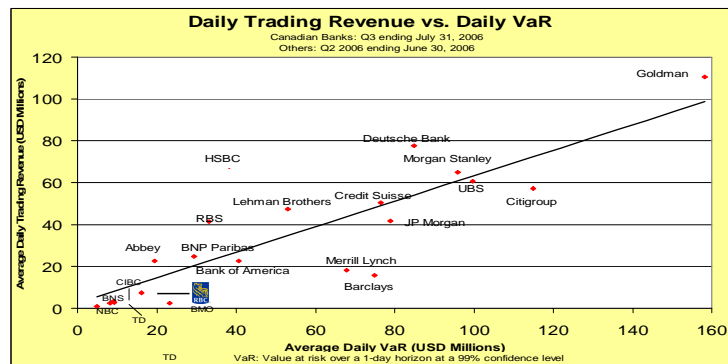
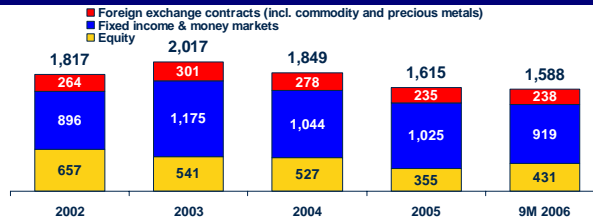
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...diverse and with modest risk relative to global banks

Total trading revenue well diversified

Trading risk modest relative to global banks



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Agenda

- Canada's economy and financial services sector
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- Our strategic goals & financial performance
- Business performance and initiatives
- **Global funding strategy**

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Our global funding strategy

- Active borrower in a variety of markets
 - Established presence in the institutional and retail markets of Canada, Europe and Asia
 - Benchmark transactions in several currencies
 - Frequent MTN borrower in private placements & structured products
 - Annual global issuance volume in term markets has ranged from US\$7 billion to US\$12 billion in recent years
 - Total outstanding subdebt and term funding is US\$36 billion
- Established issuance programs
 - U.S. Registered Shelf - US\$6 billion
 - EMTN program - US\$20 billion
 - Canadian MTN program - C\$5 billion

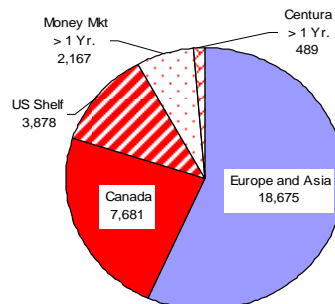
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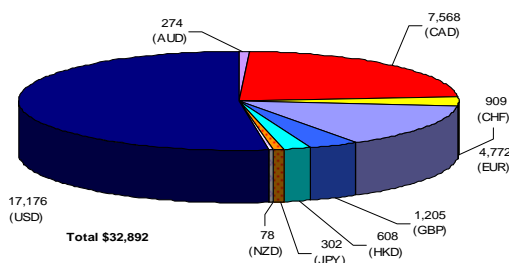
Our current term funding mix

CAD \$ millions Equivalents

By Program



By Currency



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Conclusion

- Clear focus on investors through unwavering commitment to:
 - ratings stability
 - consistent strong growth
 - product and geographic diversification
 - market leadership
 - superior returns

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Questions & Answers



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 results of operations. Readers are cautioned that non-GAAP financial measures, such as Total trading revenues, revenues on a taxable equivalent basis (teb), do not have any standardized meaning prescribed by Canadian GAAP, and therefore, are unlikely to be comparable to similar measures presented by other companies.

Reconciliation of non-GAAP measures to GAAP measures can be found throughout this presentation.

Additional information about our non-GAAP financial measures can be found under "Key Financial Measures (Non-GAAP)" in our Q3 2006 Report to Shareholders.

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