



Royal Bank of Canada

October 2007

Financial information is in Canadian dollars and is based on Canadian GAAP, unless otherwise indicated.
YTD information is as at and for the nine months ended July 31, 2007.

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 such statements in this presentation, in other filings with Canadian regulators or the United States Securities and Exchange Commission (SEC), in reports to shareholders or in other communications. These forward-looking statements include, among others, statements with respect to our medium-term and 2007 objectives, and strategies to achieve our objectives, as well as statements with respect to our beliefs, outlooks, plans, objectives, expectations, anticipations, estimates and intentions. The words “may,” “could,” “should,” “would,” “suspect,” “outlook,” “believe,” “plan,” “anticipate,” “estimate,” “expect,” “intend,” “forecast,” “objective,” “opportunity,” 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 are subject to inherent risks and uncertainties, both general and specific, which give rise to the possibility that predictions, forecasts, 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 could cause our actual results to differ materially from the expectations expressed in such forward-looking statements. These factors include credit, market, operational and other risks identified and discussed under the Risk management section in our Q3 2007 Report to Shareholders and 2006 Annual Report to Shareholders; general business and economic conditions in Canada, the United States and other countries in which we conduct business, including the impact from the continuing volatility in the U.S. subprime markets and lack of liquidity in the financial markets; 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 government monetary and other policies; the effects of competition in the markets in which we operate; the impact of changes in laws and regulations including tax laws; judicial or regulatory judgments and legal proceedings; the accuracy and completeness of information concerning our clients and counterparties; successful execution of our strategy; our ability to complete and integrate strategic acquisitions and joint ventures successfully; changes in accounting standards, policies and estimates, including changes in our estimates of provisions and allowances; and our ability to attract and retain key employees and executives. Other factors that may affect future results include: the timely and successful development of new products and services; the successful expansion and new development of our distribution channels and realizing increased revenue from these channels; global capital markets activity; technological changes and our reliance on third parties to provide components of our business infrastructure; fraud by internal or external parties unexpected changes in consumer spending and saving habits; the possible impact on our business from disease or illness that affects local, national or global economies; disruptions to public infrastructure, including transportation, communication, power and water; the possible impact on our businesses of international conflicts and other political developments including those relating to the war on terrorism; and our success in anticipating and managing the associated risks.

Additional information about these factors can be found under the Risk management section in our Q3 2007 Report to Shareholders and under the Risk management and Additional risks that may affect future results sections in our 2006 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 us, 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.

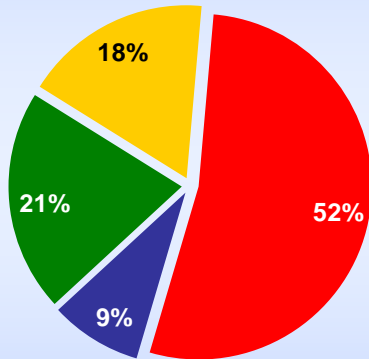
RBC – Canadian leader with global strength

- Largest bank in Canada, and a leading global corporate and investment bank
- Approximately 70,000 employees and 15 million clients; operate in 36 countries
- Strong financial position, with a Tier 1 capital ratio of 9.3% and total capital ratio of 11.4%
- Ratings among highest of financial institutions
 - S&P: AA- (positive)*
 - Moody's: Aaa*
- Safest bank in Canada and 3rd in North America
 - Global Finance 1999 – 2007*
- “Most Valuable Brand” in Canada and among the “Top 100 Most Powerful Brands” in the world
 - Brand Finance 2005 – 2007*
 - BrandZ 2007*
- “Most Respected Corporation in Canada”
 - Ipsos-Reid 2002 – 2005*



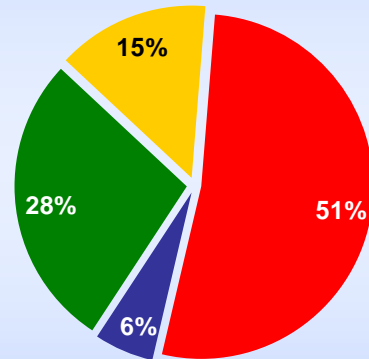
Diversified revenue and earnings

YTD 2007 Revenue



■ Canadian Banking
■ Capital Markets

YTD 2007 Earnings

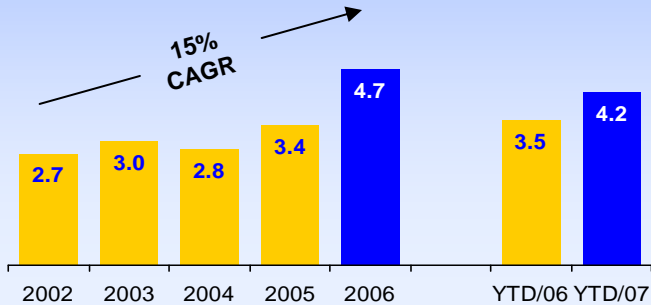


■ U.S. & International Banking
■ Wealth Management

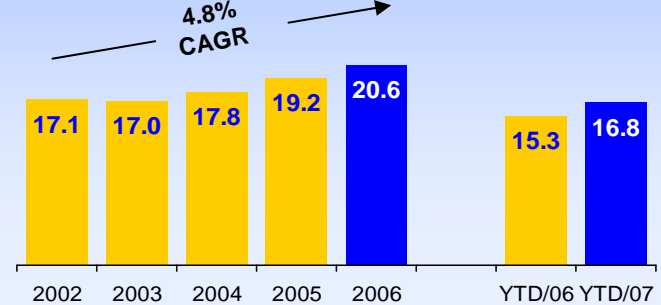


Track record of growing revenue and earnings

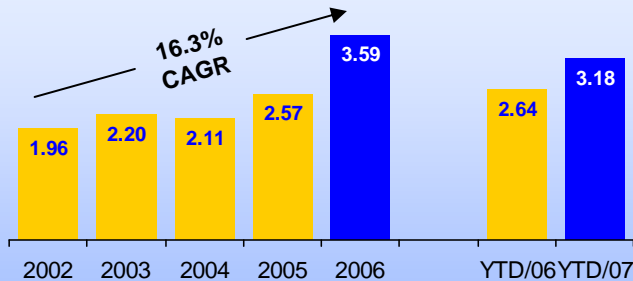
Net Income (\$ billions)



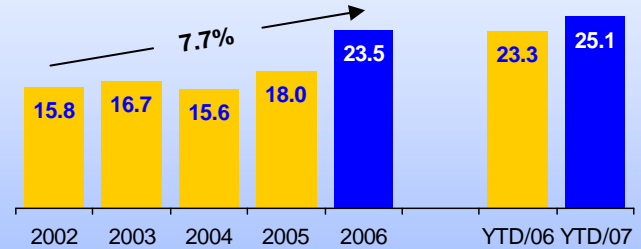
Total Revenue (\$ billions)



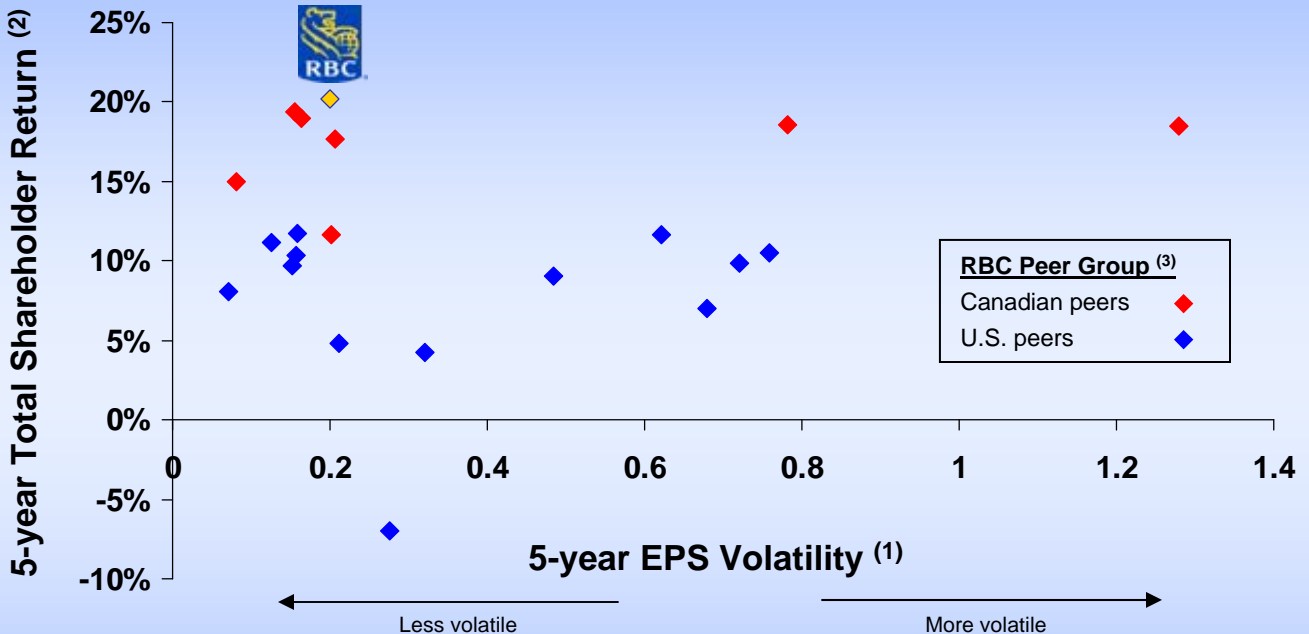
Diluted Earnings per Share (\$)



Return on Equity (%)



Outperforming through stable EPS growth



- (1) Based on EPS of latest 20 quarters (to July 31 for Canadian and June 30 for US banks) relative to a linear earnings growth trend using robust estimation
- (2) From July 31, 2002 to July 31, 2007
- (3) RBC peer group consists of 7 large Canadian financial institutions and 13 U.S. financial institutions

Vision

Always earning the right to be our clients' first choice

**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**



Banking

- The only financial institution with a truly national retail presence across all markets and products
- Largest distribution network
- #1, 2 or 3 positions across most products and regions
- Market leader in business banking

Insurance

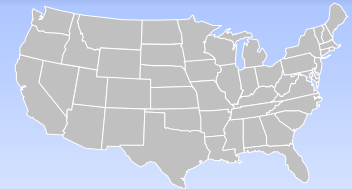
- # 1 in creditor and living benefits insurance
- Largest bank-owned insurer

Wealth Management

- Largest full service brokerage firm
- Largest bank-owned money manager and 2nd largest in the industry
- #1 in net sales of long-term funds since 2004

Capital Markets

- Dominant player in Canada, with #1, 2 or 3 positions across most businesses



Banking

- Over 340 full-service banking centers in U.S. Southeast (Alabama, Florida, Georgia, North Carolina, South Carolina and Virginia) ⁽¹⁾
- Focused on businesses, business owners and professionals

Wealth Management

- 8th largest full-service brokerage firm by financial consultants (1900+ FCs), and significant correspondent business (3000+ correspondent brokers)
- Evolving from a regional to a national wealth management business
- Benefit from global resources of RBC, with small firm feel

Capital Markets

- Provide investment banking expertise and product breadth to U.S. mid-market
- Significant trading operations in NY across all asset classes
- A leader in municipal finance

(1) Does not include the 103 branches of Alabama National BanCorporation ("ANB")



Banking

- History in the Caribbean dating to 1908
- 42 branches and 4 business centers ⁽¹⁾

Wealth Management

- Top 20 global private bank by client assets
- Leader in Channel Islands
- Acquire clients through our core strength in trust services

Capital Markets

- Strong 2nd tier player in global debt markets
- Leadership in niche businesses (e.g., alternative dollars)
- Our largest trading operations are in London, followed by NY, then Toronto
- Global strength in infrastructure finance, energy and mining

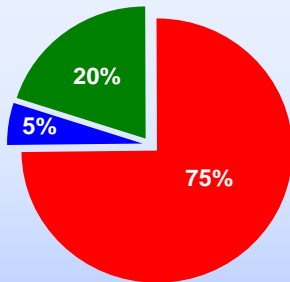
Custody Services (JV)

- #1 global custodian for 4th consecutive year (Global Investor 2007)
- Operate in 15 countries on four continents

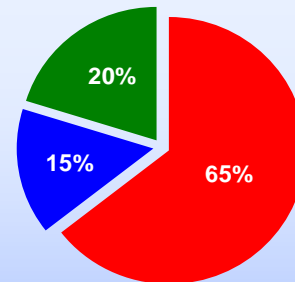
(1) Does not include the 84 branches of RBTT Financial Group ("RBTT")

- Focus on growing our domestic franchise, while seeking to increase international earnings to 50% of our business over the longer term
 - Since 2002, Canadian earnings have grown by 90% and international earnings by 100%
 - International earnings have increased from 25% to 35% of our overall business

2002 Net Income ⁽¹⁾



YTD 2007 Net Income



■ Canada
 ■ U.S.
 ■ Other International

(1) Net income from continuing operations (excludes our discontinued operations, RBC mortgage Company)

- Leverage our size and core capabilities to continue to grow market share
 - Major restructuring in 2004 to reduce back-end costs and reinvest in front-end
 - Invested significantly in client-facing staff and branches over last two years
 - Overhauled personal deposit programs in May 2007 to reverse market share decline
- Market share increases and widening gap over closest competitors:

	July 2007			October 2004		
	Rank	Market Share	Gap ⁽¹⁾	Rank	Market Share	Gap ⁽¹⁾
Consumer lending ⁽²⁾	# 1	15.3%	0.4%	# 2	14.7%	(0.7)%
Personal deposits	# 2	13.6%	(3.4)%	# 2	14.5%	(2.8)%
Business loans	# 1	12.5%	2.0%	# 1	11.2%	1.2%
Business current accounts	# 1	25.2%	7.8%	# 1	24.2%	7.0%
Branch service ⁽³⁾	# 1	n.a.	n.a.	# 5	n.a.	n.a.
Value for money ⁽³⁾	# 1	n.a.	n.a.	# 4	n.a.	n.a.

- (1) Positive gap is lead over #2 competitor and negative gap is distance behind #1 competitor
 (2) Includes residential mortgages, personal loans and credit cards
 (3) Rank versus top five banks in Synovate Financial Service Excellence Awards 2007

- In Canada, extend our #1 position in full service brokerage (RBC Dominion Securities) and mutual funds (RBC Asset Management):

	July 2007			October 2004		
	Rank	Market Share	Gap ⁽¹⁾	Rank	Market Share	Gap ⁽¹⁾
Full service brokerage AUA ⁽²⁾	# 1	21.6%	not avail.	# 1	21.7%	not avail.
Mutual funds (vs. banks only)	# 1	31.6%	9.5%	# 1	27.7%	2.9%
Mutual funds (vs. industry)	# 2	11.2%	(4.5)%	# 2	9.5%	(7.2)%
Net sales of long-term funds	# 1 for 15 consecutive quarters					

- Aggressively grow wealth management outside of Canada
 - Continue to grow our U.S. brokerage business, Dain Rauscher, and its correspondent broker network, as well as broaden the wealth management services provided to clients
 - Expand our global private banking business and increase cross-selling

(1) Positive gap is lead over #2 competitor and negative gap is distance behind #1 competitor

(2) AUA is Assets Under Administration. Data as of June 2007 and September 2004

- RBC Centura branch network 60% larger than August 2006 through *de novo* branch expansion and strategic acquisitions (pro forma ANB)
 - Significant infrastructure investments over past two years support our expanding network
 - Continue to build scale in high-growth markets in U.S. Southeast and focus on being bank of choice for businesses, business owners and professionals through:
 - o Differentiated sales and service model, and competitive product offerings
 - o Targeted *de novo* branch expansion and strategic acquisitions
- Build on current strong banking position in the Caribbean through growth, strengthening client relationships, improving operational efficiencies and broadening product offerings
- Continue to support RBC Dexia, our global custody joint venture with Dexia Bank
 - Revenue synergies achieved through cross-selling provide scale to continue to invest

- Maintain leadership in Canada, serving Canadian corporate, institutional and government clients
- Continue to diversify into new and complementary areas globally where we can show competitive strength
 - Export our infrastructure and project finance expertise from U.K. to other markets
 - Grow municipal finance business in the U.S. (e.g., acquired Seasingood & Mayer, largest public finance organization in the state of Ohio.)
 - Expand distribution of structured and fixed income products into Asian markets
 - Build our global energy and mining capabilities
- Expect to remain at approximately 25% of RBC earnings

- Dominant player in all businesses in Canada
- Accelerating growth outside of domestic market
 - Building key businesses in the U.S.
 - Achieving global strength in selected financial services
- Solid track record of delivering results to shareholders

Appendices

Solid liquidity and funding position

- Comprehensive framework for managing liquidity and funding
- Continued access to both short and long-term funding
 - RBC name well-received in the market
 - Remain among the lowest cost issuers
- Active borrower in a variety of markets
 - Issue regularly in a range of markets, currencies, maturities and structures
 - Access funding through retail deposits, unsecured funding, securitizations
 - Annual global issuance in wholesale term markets has ranged from US\$10 billion to US \$15 billion
 - Established issuance programs include U.S. Registered Shelf (US\$8 billion), EMTN program (US\$40 billion), Canadian shelf (\$7 billion) and securitizations (Canadian CMBS, Canada Mortgage Bond and Credit Cards)

(as at July 31, 2007)

U.S. subprime mortgages	<ul style="list-style-type: none"> • None
U.S. subprime net exposure through RMBS and CDOs	<ul style="list-style-type: none"> • Minimal: \$1.1 billion net exposure (< 0.2% of assets) • 100% investment grade, 59% AAA
Leveraged buyout (LBO) underwriting commitments	<ul style="list-style-type: none"> • Minimal: ~\$1.3 billion in pre-correction underwritings (0.2% of assets); no single commitment over \$250 million • No covenant-lite exposure
Hedge fund trading and lending net exposure, including prime brokerage	<ul style="list-style-type: none"> • Minimal • Collateralized • Not concentrated in specific funds or strategies
Asset-backed commercial paper (ABCP)	<ul style="list-style-type: none"> • \$40 billion backstop liquidity facilities for normal course ABCP programs: all Global Style, over 70% are for US-based conduits; 94% are RBC sponsored • No non-bank sponsored ABCP in RBC Asset Management or in any of RBC's private client accounts

Comparison of Canadian and U.S. mortgage markets ⁽¹⁾

	Canada	US
Market Size	<ul style="list-style-type: none"> • \$767 billion outstanding (July 31, 2007) • Less than 20% off-balance sheet ⁽²⁾ → Less than 14% off-balance sheet for RBC 	<ul style="list-style-type: none"> • US\$11.2 trillion outstanding (July 31, 2007)
Lenders	<ul style="list-style-type: none"> • Chartered banks dominate market, accounting for over 60% of total outstanding mortgages 	<ul style="list-style-type: none"> • Market is fragmented with many small regional lenders
Credit Quality	<ul style="list-style-type: none"> • Limited sub-prime originations → No sub-prime origination by RBC or other major banks • Bank loans with LTV > 80% must be insured against default (paid by consumer) ⁽²⁾ 	<ul style="list-style-type: none"> • Sub-prime origination > 20% in recent years • LTV over 100% in some structures
Consumer Behaviour	<ul style="list-style-type: none"> • Lower consumer leverage • Mortgage interest not tax deductible • More adverse to bankruptcy 	<ul style="list-style-type: none"> • Higher consumer leverage • Mortgage interest tax deductible • Higher bankruptcy rate

(1) DBRS “Comments on the Mortgage Markets in Canada and the United States” and RBC data

(2) Canada’s national housing agency, Canada Mortgage and Housing Corporation (“CMHC”) provides mortgage insurance and a securitization outlet through the Canada Mortgage Bond program

Comparison of Canadian and U.S. mortgage markets (cont'd) ⁽¹⁾

	Canada	US
Products	<ul style="list-style-type: none"> Limited hybrids and no “teaser” rates Typically, 1 to 5-year terms renewable at maturity with amortization up to 40 years 	<ul style="list-style-type: none"> Unique structures and hybrid products “Teasers” (upfront rate incentives with subsequent rate increases) 30-year terms with matching amortization
Underwriting	<ul style="list-style-type: none"> ~30% originated by commission-based brokers → RBC does not use brokers (only RBC employees originate mortgages) Approval depends on ability to pay under different rate scenarios Prepayment penalties 	<ul style="list-style-type: none"> ~70% originated by commission-based brokers Approval process depends on lender Full documentation not always necessary Typically no prepayment penalties
Lenders Recourse	<ul style="list-style-type: none"> Easy to foreclose on non-performing mortgages with no stay periods 	<ul style="list-style-type: none"> Stay period of up to 90 days to foreclose on non-performing mortgages

(1) DBRS “Comments on the Mortgage Markets in Canada and the United States” and RBC data



Canada's largest distribution network

WEALTH MANAGEMENT DISTRIBUTION

80+ RBC DS offices
 1,330+ investment advisors
 10+ private trust offices
 10+ private counsel offices

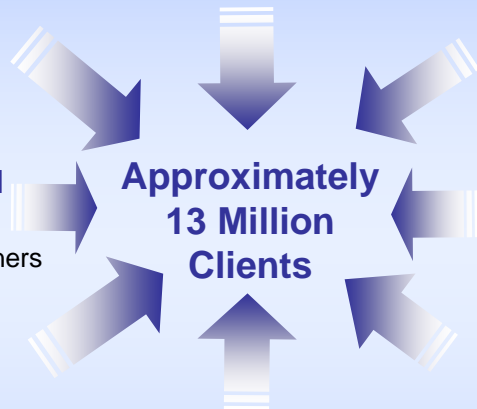


SPECIALIZED SALES

90+ commercial financing specialists
 150+ global transaction solution specialists
 25+ sales managers – indirect lending
 30+ private banking offices

THIRD PARTY DISTRIBUTION

17,000 life & health brokers
 6,000 indep. advisors & financial planners
 4,000 travel distributors
 4,000 indirect lending dealers



CAREER SALES FORCES

280+ career sales insurance reps
 1,040+ mortgage specialists
 540+ investment retirement planners
 35+ investment & insurance specialists

Branch Network

1,132 bank branches
 1,600+ Sr. account managers
 1,110+ financial planners
 101 business banking centers
 19 insurance branch offices
 16 adjacent insurance branches

ENTERPRISE DISTRIBUTION

Automated Teller Machines

2,320+ on-site ATMs
 1,570+ off-site ATMs

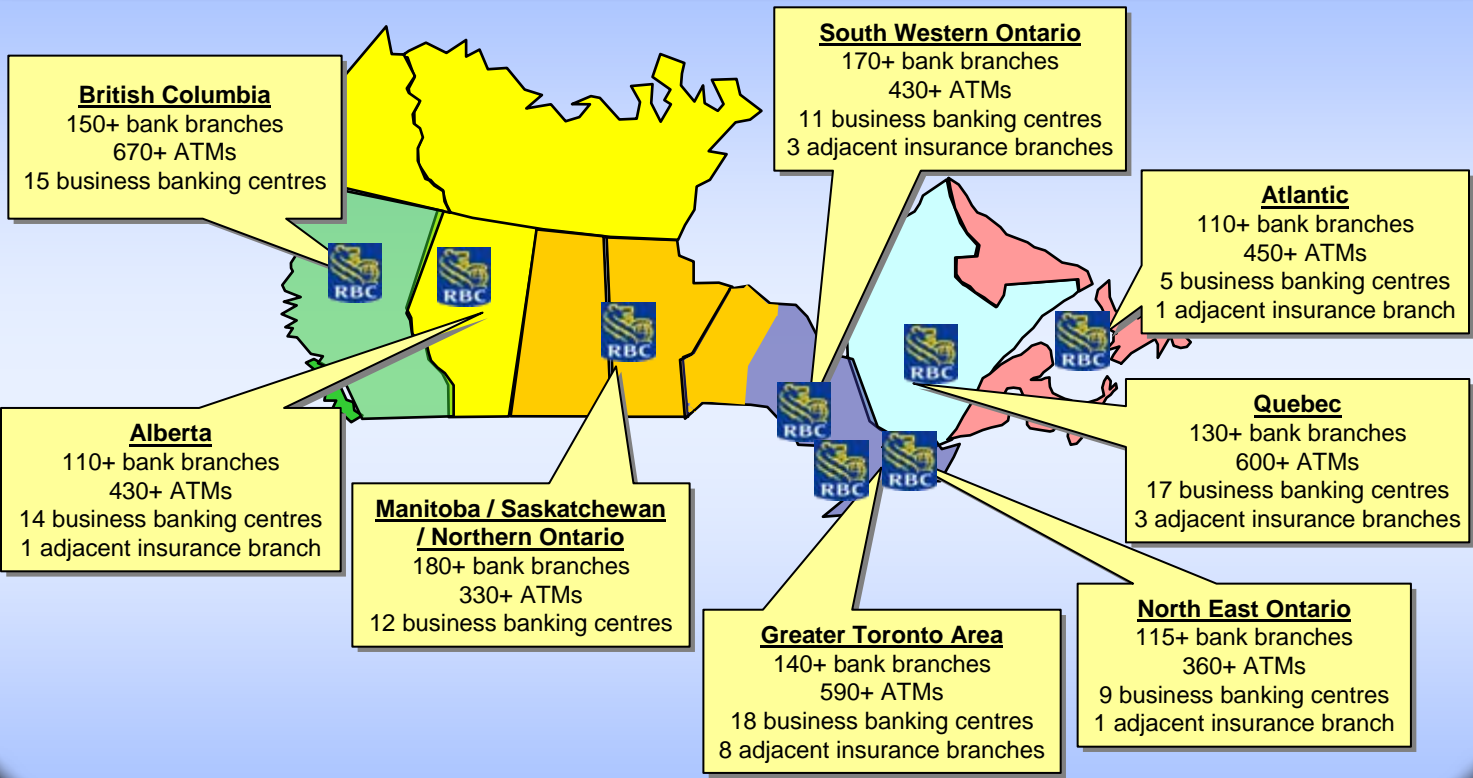


On-Line Banking and Telephone

7 contact centres
 2,500+ Royal Direct reps (incl. Visa)
 150+ RBC Direct Investing reps

All figures as at end of Q3 2007

Leading market shares in every region

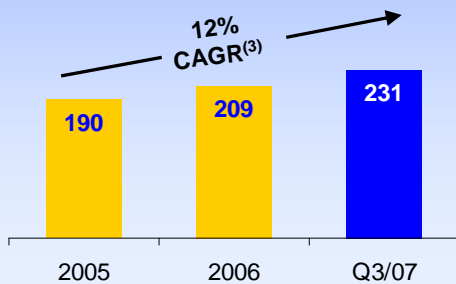


All figures as at July 31, 2007.

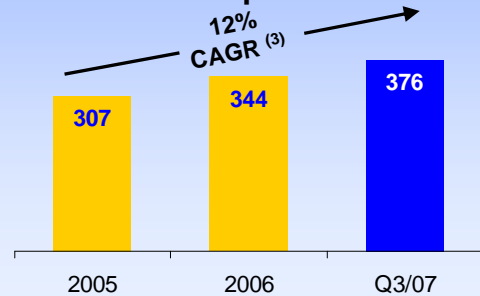
Strong balance sheet growth

\$ billions

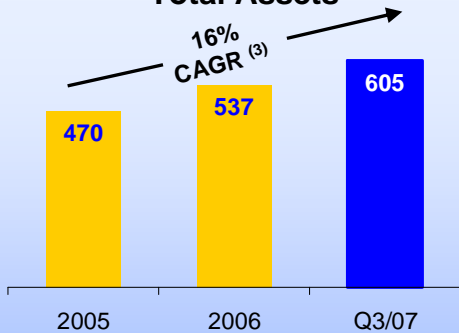
Total Loans (1)



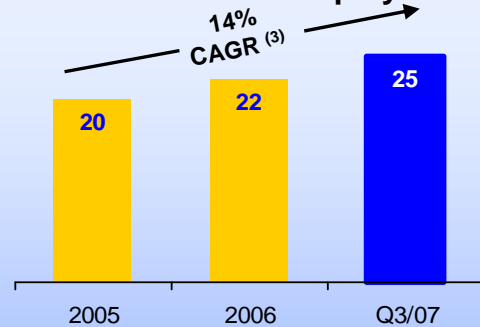
Total Deposits (2)



Total Assets



Shareholder's Equity



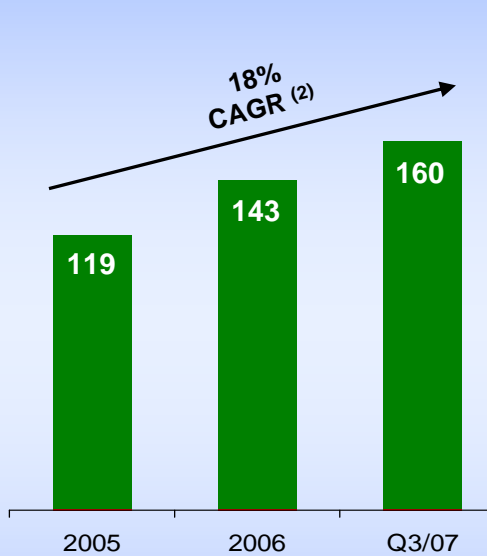
- (1) Net of allowance for loan losses
- (2) Consists of personal, business, government and wholesale funding deposits
- (3) Rate at which an investment grows annually to reach a given end value



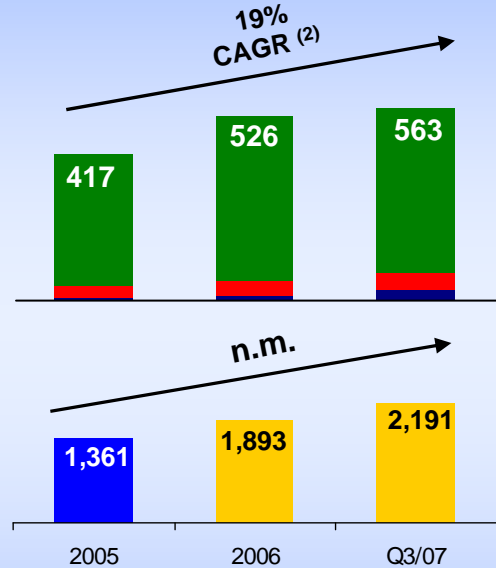
Double digit growth in client assets

\$ billions

Assets under Management



Assets under Administration



Canadian Banking Wealth Management U.S. & International Banking Capital Markets RBC Dexia IS (1)

- (1) RBC Dexia IS represents the total AUA as at June 30, 2007, of the joint venture, of which we own 50%. RBC Institutional Investor Services AUA of \$1,400 billion was transferred to RBC Dexia IS on January 2, 2006
- (2) Rate at which an investment grows annually to reach a given end value.

2007 objectives set for top quartile returns

	2007 Objectives	YTD 2007 Performance
Diluted EPS growth	10% +	20.5%
Operating leverage ⁽¹⁾	> 3%	2.8%
Return on common equity (ROE)	20% +	25.1%
Tier 1 capital ratio ⁽²⁾	8% +	9.3%
Dividend payout ratio	40 – 50%	41%

Medium Term Objective

Total shareholder returns
(versus RBC peer group of 7 Canadian
and 13 U.S. financial institutions)

Top quartile

- (1) The difference between revenue and non-interest expense growth rates (as adjusted). Non-GAAP (see slide 29)
(2) Calculated using guidelines of the Office of the Superintendent Financial Institutions Canada (OSFI)

Jim Westlake

Canadian Banking

George Lewis

Wealth Management

Barbara Stymiest

*Chief
Operating Officer*

Morten Friis

Chief Risk Officer

Gord Nixon

*President &
Chief Executive Officer*

Marty Lippert

*Global Technology
& Operations*

Janice Fukakusa

*Chief
Financial Officer*

Peter Armenio

*U.S. & International
Banking*

Chuck Winograd

Capital Markets

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 Operating Leverage (adjusted) do not have any standardized meaning prescribed by Canadian GAAP, and therefore, are unlikely to be comparable to similar measures presented by other companies.

Additional information about our non-GAAP financial measures can be found under the "Key Financial Measures (Non-GAAP)" section in our Q3 2007 Interim Report to Shareholders.

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