



Royal Bank of Canada Investor Presentation

October 2008

Caution regarding forward-looking statements



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

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 objectives, strategic goals and priorities 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, liquidity and funding risks, and other risks discussed in our Q3 2008 Report to Shareholders and our 2007 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 and related markets and lack of liquidity in financial markets; the impact of the movement of the Canadian dollar relative to other currencies, particularly the U.S. dollar, British pound and Euro; the effects of changes in government monetary and other policies; the effects of competition in the markets in which we operate; the impact of changes in laws and regulations; judicial or regulatory judgments and legal proceedings; the accuracy and completeness of information concerning our clients and counterparties; our ability to successfully execute our strategies and to complete and integrate strategic acquisitions and joint ventures successfully; changes in accounting standards, policies and estimates, including changes in our estimates of provisions and allowances; our ability to attract and retain key employees and executives; changes to our credit ratings; and development and integration of our distribution networks.

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

Additional information about these and other factors can be found in our Q3 2008 Report to Shareholders and in our 2007 Annual Report to Shareholders.

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

Note: All data in this presentation are in Canadian dollars unless otherwise stated.

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- 1 RBC Overview
- 2 Canadian Economy
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Canada's banking market is underpinned by solid fundamentals



- #1 for soundness of banks (*World Economic Forum*)
- #1 for economic strength over past decade among G7 (*International Monetary Fund*)
- Nine consecutive years of current account surplus
- Ten consecutive years of fiscal surpluses
- Net foreign indebtedness lowest since 1945

| | Canada | U.S. |
|---------------------------------------|--|---|
| 2009 Real GDP forecast ⁽¹⁾ | 1.5% | 0.2% |
| Inflation (CPI) ⁽²⁾ | 3.5% | 5.4% |
| Unemployment rate ⁽³⁾ | 6.1% | 6.1% |
| Consumer fundamentals | <ul style="list-style-type: none"> • Modest leverage • Household net worth has been increasing | <ul style="list-style-type: none"> • Higher leverage than Canada • Household net worth has been decreasing |
| Mortgage fundamentals | <ul style="list-style-type: none"> • High mortgage quality • Low loan-to-value ratios • Low delinquencies | <ul style="list-style-type: none"> • Lower mortgage quality • Higher loan-to-value ratios • Higher delinquencies |

(1) Source: RBC Economics, October 2008.

(2) Source: Statistics Canada, RBC Economics, August 2008.

(3) Source: Statistics Canada and US Bureau of Labor Statistics, August 2008.

RBC is largest in Canada, 6th in North America and 16th globally



| 10 Largest North American Banks ⁽¹⁾ (US\$ billions as at October 14, 2008) | | | |
|--|-------------------|------------|------------|
| Rank | Company | Market Cap | Assets |
| 1 | JP Morgan | 160 | 1,776 |
| 2 | Bank of America | 133 | 1,717 |
| 3 | Wells Fargo | 111 | 609 |
| 4 | Citigroup | 101 | 2,101 |
| 5 | US Bancorp | 55 | 247 |
| 6 | RBC | 54 | 645 |
| 7 | TD | 41 | 494 |
| 8 | Bank of NY Mellon | 40 | 201 |
| 9 | Scotiabank | 38 | 447 |
| 10 | State Street | 24 | 146 |

| 25 Largest Banks Globally ⁽¹⁾ (US\$ billions as at October 14, 2008) | | |
|--|---------------------------------|------------|
| Rank | Company | Market Cap |
| 1 | ICBC | 200 |
| 2 | HSBC | 181 |
| 3 | JP Morgan | 160 |
| 4 | Bank of America | 133 |
| 5 | China Construction Bank | 132 |
| 6 | Bank of China | 112 |
| 7 | Wells Fargo | 111 |
| 8 | Citigroup | 101 |
| 9 | Banco Santander | 90 |
| 10 | Mitsubishi UFJ Financial | 87 |
| 11 | BNP Paribas | 76 |
| 12 | Intesa Sanpaolo | 59 |
| 13 | Banco Bilbao Vizcaya Argentaria | 56 |
| 14 | UBS | 55 |
| 15 | US Bancorp | 55 |
| 16 | RBC | 54 |
| 17 | Credit Suisse | 50 |
| 18 | Sumitomo Mitsui | 50 |
| 19 | Unicredito Italiano | 49 |
| 20 | Societe Generale | 43 |
| 21 | Commonwealth bank of Aust. | 42 |
| 22 | Mizuho Financial | 42 |
| 23 | TD | 41 |
| 24 | Bank of NY Mellon | 40 |
| 25 | Banco Bradesco | 39 |

Up from 23rd globally a year ago

RBC is a Canadian leader with global strength



- Largest bank in Canada with strong financial profile
 - \$3.4 billion of earnings and 18.7% return on equity year-to-date in 2008
 - Capital ratios and senior debt ratings among highest globally
 - High quality balance sheet and solid liquidity position
- Clear leader in Canada with market share momentum
 - Core strength in Canada (approximately 70% of revenue)
 - #1 or #2 across all major financial products & services, and growing market share
- Scale and financial strength providing competitive advantage globally
 - More clients are choosing RBC over our competitors
- Well-balanced and diversified business mix
 - Retail banking, wealth management, insurance (70% to 80% of earnings)
 - Capital markets (20% to 30% of earnings)
- Continuing to invest in our businesses for long-term growth

RBC's financial profile is consistently strong



- Capital ratios among highest globally ⁽¹⁾

| | (Basel II) | (Basel I) |
|-------------------------------|------------|-----------|
| – Tier I capital ratio: | 9.5% | 8.7% |
| – Total capital ratio: | 11.7% | 11.1% |
| – Assets to capital multiple: | 19.4x | 19.3x |
- Senior debt ratings among highest of financial institutions globally
 - Moody's: Aaa Fitch: AA
 - Standard & Poor's: AA- DBRS: AA
- Proactive risk management
 - Limit exposure to any single name and any single sector
 - Stringent credit review, approval, limit and monitoring processes
- High quality balance sheet
 - Canadian loans, strong retail deposit base, liquid trading assets
- Strong liquidity position and diversified funding sources
 - Diversified and well-established global funding programs
 - Modest term funding requirements through to end of 2009
 - High quality balance sheet with liquid assets provides significant flexibility

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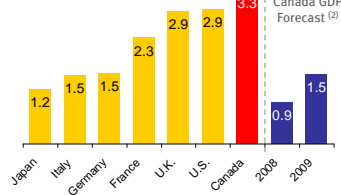


Strong fiscal and trade performance

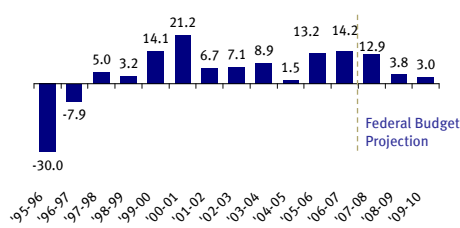


- #1 for soundness of banks (*World Economic Forum Global Competitiveness Report 2008-2009*)
- #1 for economic strength (GDP) over past decade among G7 nations ⁽¹⁾
- Nine consecutive years of current account surplus
- Ten consecutive years of fiscal surpluses
- Net foreign indebtedness lowest since 1945

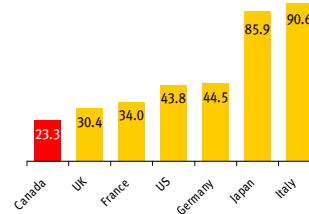
G7 Real GDP Growth (%) ⁽¹⁾
1998-2007



Canadian Federal Government Budget Balance ⁽³⁾
(C\$ billion)



General Government Net Debt ⁽⁴⁾
(% of nominal GDP, 2007)

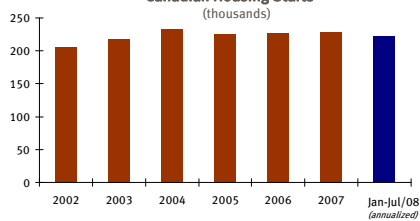


- (1) Source: International Monetary Fund
 (2) Source: RBC Economics, October 2008
 (3) Source: Dept. of Finance, Canada
 (4) Source: OECD 2008 Economic Outlook

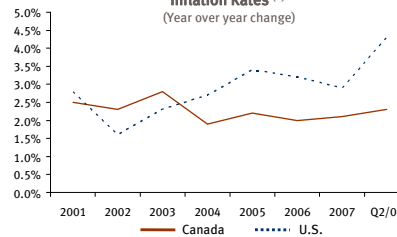
Strong domestic economy and solid fundamentals



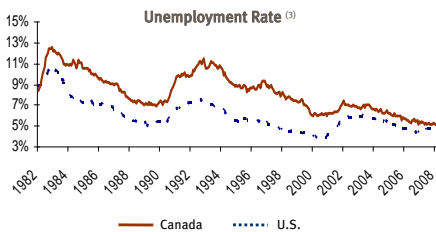
Canadian Housing Starts ⁽¹⁾
(thousands)



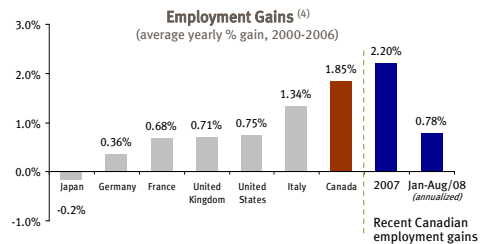
Inflation Rates ⁽²⁾
(Year over year change)



Unemployment Rate ⁽³⁾



Employment Gains ⁽⁴⁾
(average yearly % gain, 2000-2006)

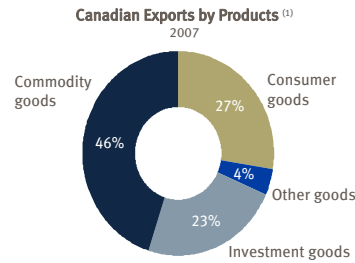


- (1) Source: RBC Economics Research
 (2) Source: RBC Economics Research
 (3) Source: Statistics Canada, U.S. Bureau of Labor Statistics; Canadian data has been adjusted to approximate U.S. measurement concepts.
 (4) Source: OECD, RBC Economics Research

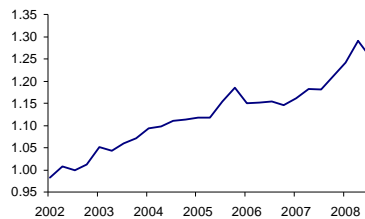
Commodity prices contributing to exports



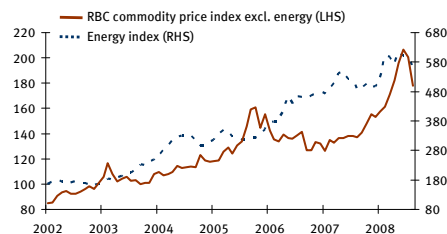
- Agricultural commodities, base metals and crude oil account for 46% of exports
- Strength of trade sector linked to global growth and demand for Canadian commodities
- Rise in commodity prices has increased the price of exports relative to imports, boosting national income and the economy



Terms of Trade (1)
(Export prices/Import prices)



Commodity Prices (1)
January 2002 = 100



Canadian mortgage fundamentals are solid

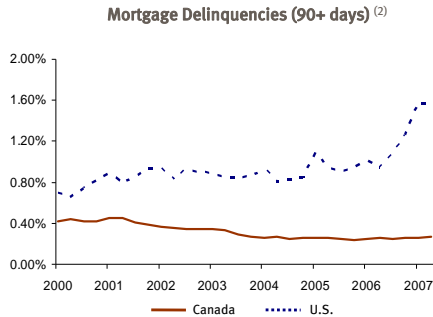
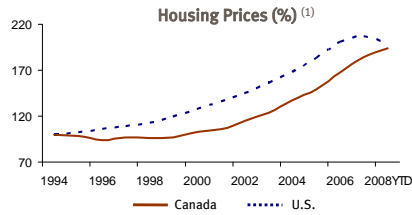


| | Canada | U.S. |
|--|---|---|
| Products | <ul style="list-style-type: none"> • 1 to 5-year terms typical, with up to 40-year amortization. Prepayment penalties. • Limited use of "teasers" | <ul style="list-style-type: none"> • 30-year terms with matching amortization • "Teasers" (low initial rate, then increases) |
| Lenders | <ul style="list-style-type: none"> • Major banks are over 60% of market • Mortgages stay on bank balance sheets | <ul style="list-style-type: none"> • Brokers are 70% of market • Mortgages usually packaged and sold |
| Underwriting | <ul style="list-style-type: none"> • Major banks credit score using in-house models and third-party metrics, and require extensive documentation | <ul style="list-style-type: none"> • Wide range of underwriting and documentation requirements |
| Credit Quality | <ul style="list-style-type: none"> • No sub-prime origination by major banks • Low delinquency rates | <ul style="list-style-type: none"> • Sub-prime origination over 20% • Higher delinquency rates |
| Regulation & Mortgage Insurance | <ul style="list-style-type: none"> • Must be fully insured if LTV over 80% • Insured by government housing agency or government-approved private insurers • Insured principal is 90% government-backed if a private insurer defaults | <ul style="list-style-type: none"> • Insured only if conforming and LTV under 80% • No regulatory LTV limit – can be over 100% • Not government-backed if private insurer defaults |
| 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 |
| Consumer Behaviour | <ul style="list-style-type: none"> • Interest not tax deductible • More apt to pay off mortgage • Less leveraged | <ul style="list-style-type: none"> • Interest tax deductible up to 125% LTV • Less tendency to pay down mortgage • More leveraged |

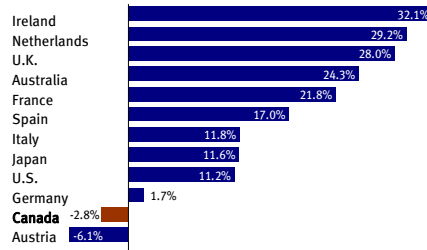
Canadian mortgage fundamentals are solid



- House prices continue to perform well and are still undervalued ⁽¹⁾
- Low mortgage delinquency rates
- Subprime is very small part of the Canadian market, reducing the potential for contagion



Overvalued and Undervalued Home Prices ⁽³⁾
(% under or over valued)

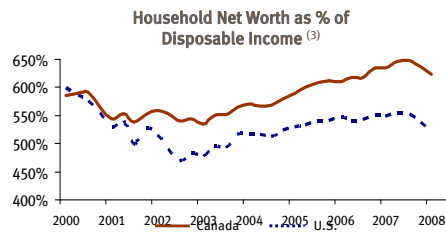
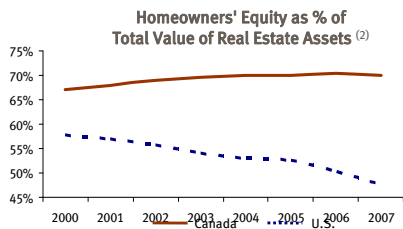
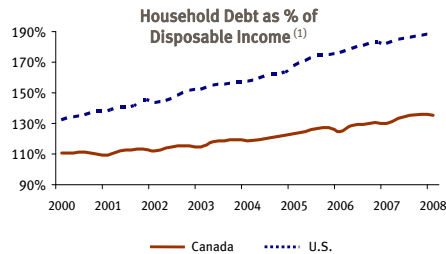


(1) Source: CREA, OFHEO, 1994-100, 2008 data through June.
 (2) Source: CBA, Mortgage Bankers' Association, 2008 data through March.
 (3) Source: International Monetary Fund, 2007

Canadian households' financial position is sound



- Canadian consumers have a modest amount of leverage
- Homeowners in Canada have a growing amount of equity investment in their homes
- Canadian households' net worth remains strong relative to historical levels

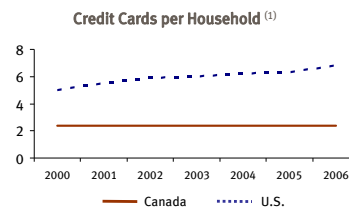
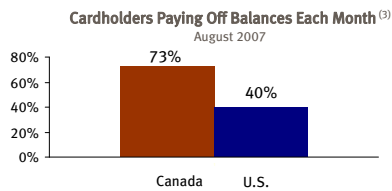
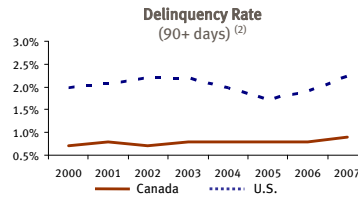
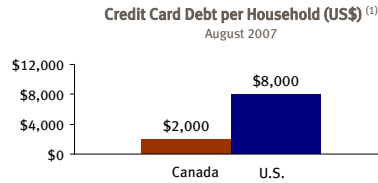


(1) Source: RBC Economics Research
 (2) Source: Statistics Canada, U.S. Federal Research Division
 (3) Source: Source: Statistics Canada, U.S. Federal Research Division

Canadian credit card consumers are conservative



- Canadians use credit cards primarily for convenience
- Most pay off their balance each month and credit card debt per household is low
- Canadians own fewer credit cards and have a lower delinquency rate



(1) Source: Tower Group

(2) Source: Canadian Bankers Association, FDIC

(3) Source: Canadian Bankers Association, Federal Reserve Bank of Philadelphia Economic Research

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3

Staying focused on our strategic goals



Vision

Always earning the right to be our clients' first choice

To be the undisputed leader in financial services in Canada

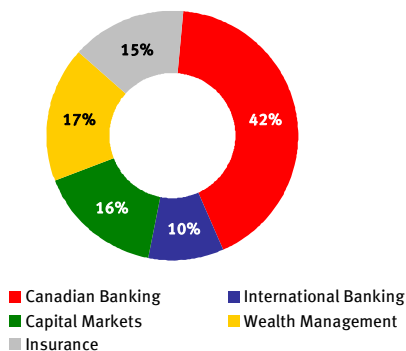
To build on our strengths in banking, wealth management and capital markets in the United States

To be a premier provider of selected global financial services

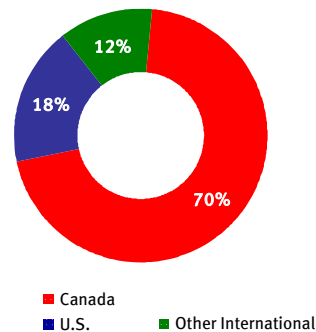
Diversified business with core strength in Canada



Revenue by Business Segment ⁽¹⁾
YTD 2008 (9 months ended July 31/08)



Revenue by Geographic Segment
YTD 2008 (9 months ended July 31/08)



- Well diversified business mix – retail banking, credit cards, wealth management, asset management, insurance, capital markets
- 70% of revenue from Canada

Leader in Canadian financial services



Canadian Banking

- Clear leader and widening the gap over our competition
 - #1 or #2 in all major personal and business products
 - Profitably and prudently growing market share
 - Have been growing revenue and NIAT faster than peer average
- Largest and most integrated advice-based distribution network
 - Clients get smart financial advice where and when they need it
 - Execute better than competitors on serving clients' four key needs: service, advice, convenience/access & value for money

Insurance

- Largest bank-owned insurer and only Canadian multi-line insurer (Life & Health, Home, Auto & Travel, Creditor, Reinsurance and Business insurance)
- Focused on providing insurance access, advice and solutions through integrated distribution network
 - Strong 3rd party distribution
 - Growing proprietary and innovative distribution
- #1 in creditor and individual living benefits insurance

Leader in Canadian financial services



Wealth Management

- Leading private sector asset manager and largest fund company
 - #1 fund performance, #1 financial performance
 - AUM over \$180 bn ⁽¹⁾
 - Significant presence across all key client segments and distribution channels
- Largest full service brokerage with industry-leading performance
 - Clear #1 in market share with 22% of industry AUA
- Continuing to strengthen and extend our industry-leading position by adding experienced advisors / professionals across all businesses

Capital Markets

- Largest investment bank in Canada, ranking #1 in mergers and acquisitions, equity underwriting and corporate debt financing ⁽²⁾
- #1, 2 or 3 positions across most businesses

No one provides more access to valued advice



WEALTH MANAGEMENT DISTRIBUTION

80+ RBC DS offices
1,400+ investment advisors
50+ private counsellors
10+ private trust offices
10+ private counsel offices



SPECIALIZED SALES

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

THIRD PARTY DISTRIBUTION

17,000 life & health brokers
4,000 travel distributors
4,000+ indirect lending dealers

**Most points
of contact and
greatest access
to valued advice**

CAREER SALES FORCES

300+ career sales insurance reps
1,140+ mortgage specialists
590+ investment retirement planners

ENTERPRISE DISTRIBUTION

Automated Teller Machines

2,400+ on-site ATMs
1,700+ off-site ATMs

Branch Network

1,160 bank branches
1,670+ senior account managers
1,100+ financial planners
101 business banking centers
19 insurance branch offices
30 adjacent insurance branches
700+ small business advisors/specialists

On-Line Banking and Telephone

7 contact centres
2,600+ Royal Direct reps (incl. Visa)
170+ RBC Direct Investing reps

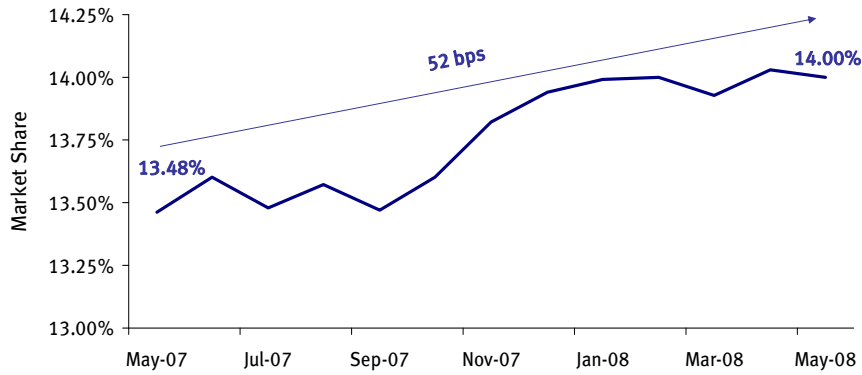
Leading market share positions with strong momentum



| | May 2008 ⁽¹⁾ | | May 2005 ⁽¹⁾ | |
|--|---|----------------------|-------------------------|--------------|
| | Rank | Market Share | Rank | Market Share |
| Canadian Banking | | | | |
| Consumer lending ⁽²⁾ | # 1 | 15.4% | # 2 | 14.9% |
| Personal core deposits | # 2 | 14.0% | # 2 | 14.1% |
| Business loans | # 1 | 12.0% | # 1 | 11.3% |
| Business deposits & investments ⁽³⁾ | # 1 | 22.6% | # 1 | 19.8% |
| Wealth Management | | | | |
| Full service brokerage AUA ⁽⁴⁾ | # 1 | 21.8% | # 1 | 23.2% |
| Mutual funds (vs. banks only) | # 1 | 38.3% ⁽⁵⁾ | # 1 | 29.2% |
| Mutual funds (vs. industry) | # 1 | 15.8% ⁽⁵⁾ | # 2 | 9.9% |
| Total net fund sales | # 1 for 15 consecutive fiscal quarters ⁽⁶⁾ | | | |

(1) Market share rank among financial institutions in Canada (source: RBC)
 (2) Includes residential mortgages, personal loans and credit cards
 (3) Excludes market share of non-bank financial institutions
 (4) AUA is Assets Under Administration. Data as of March 2008 and March 2005.
 (5) Includes PH&N. As at July 31, 2008.
 (6) As of July 31, 2008.

Momentum in personal core deposits



Proof that our product suite launched Spring 2007 is working

Source: RBC

Building on our strengths in the U.S.



Banking

- Over 430 full-service banking centers in U.S. Southeast (Alabama, Florida, Georgia, the Carolinas and Virginia)
- Focused on businesses, business owners and professionals

Wealth Management

- 7th largest full-service brokerage by financial consultants (2,100 +)
- 3000+ correspondent brokers
- 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

Premier provider of selected global services



Caribbean Banking

- History in the Caribbean dating to 1899
- 129 branches and business centers
- 4th largest bank in the Caribbean by assets

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 player in global debt markets
- Leadership in niche businesses (e.g. Alternative Dollars)
- Global strength in infrastructure finance, energy and mining

Custody Services (IV)

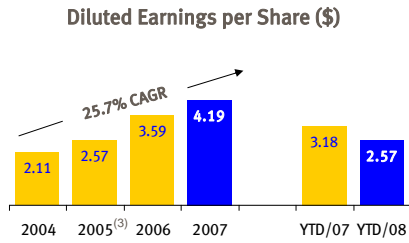
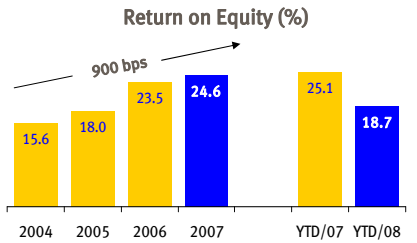
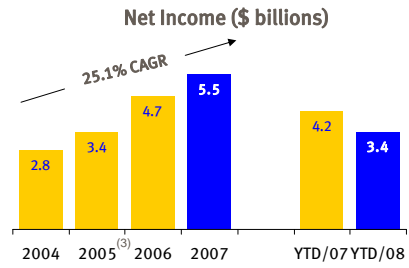
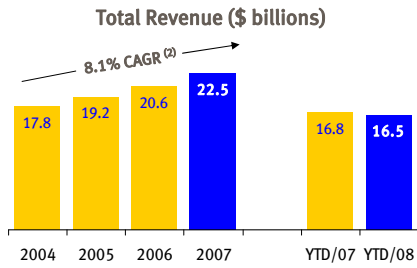
- #1 for quality of global custody services for 5th consecutive year (Global Investor 2008)
- Operate in 15 countries on four continents
- Revenue synergies through cross-selling

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Strong financial profile ⁽¹⁾

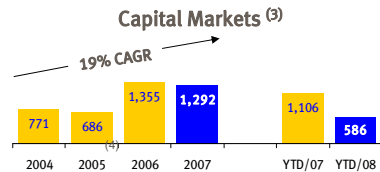
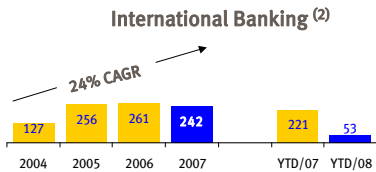
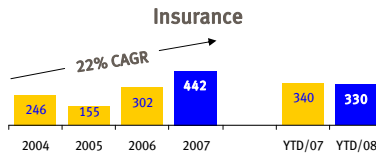
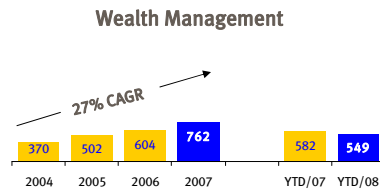
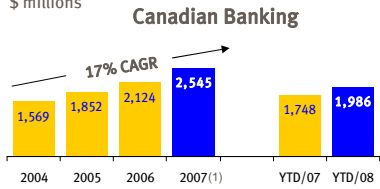


- (1) Includes writedowns after-tax and compensation adjustments of \$160 mm in Q4/07 (\$357 mm pre-tax) and \$886 mm in YTD/08 (\$1,782 mm pre-tax). Refer to the Q3/08 Report to Shareholders (RTS) for further details.
 (2) Compound annual growth rate (CAGR) is the rate at which an investment grows annually to reach a given end value.
 (3) Includes Enron litigation charge reserve of \$326 mm (\$591 mm pre-tax).

Earnings by business segment

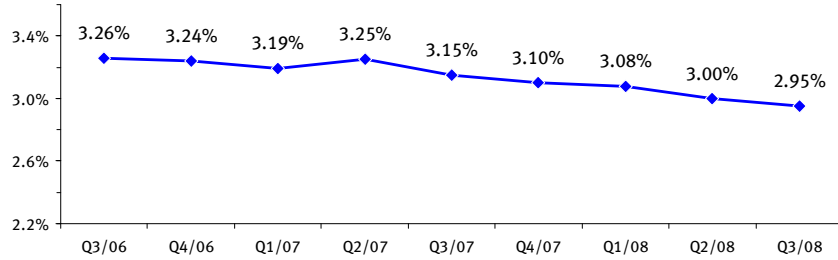


\$ millions



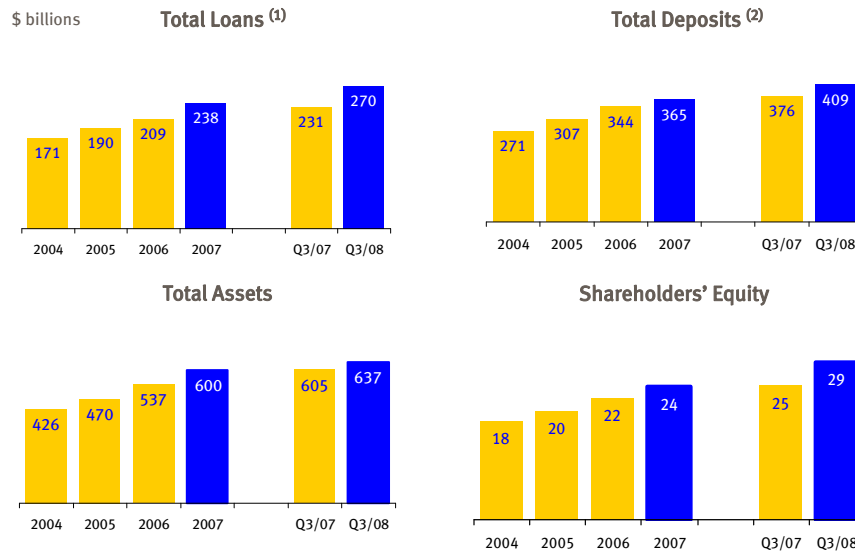
- (1) Includes \$269 mm (\$326 mm pre-tax) gain from the exchange of our membership interest in Visa Canada Association for shares of Visa Inc.
 (2) Includes writedowns after-tax of \$33 mm in Q3/08 (\$53 mm pre-tax).
 (3) Includes writedowns after-tax and compensation adjustments of \$160 mm in Q4/07 (\$357 mm pre-tax) and \$663 mm (\$1,486 mm pre-tax) in YTD/08. Refer to the Q3/08 RTS for further details.
 (4) Includes Enron litigation charge reserve of \$326 mm (\$591 mm pre-tax).

Canadian Banking net interest margin



- YoY net interest margin decrease reflects change in retail product mix attributable to growth in our home equity lending and high-interest savings account products, and the lower interest rate environment.
- YoY net interest income up 6%.
- YoY volumes up 15% in personal core deposits ⁽¹⁾ and 17% in home equity lending (includes residential mortgages and home equity lines and loans all underwritten to the same high standard and secured by a first lien on the property).

Robust balance sheet



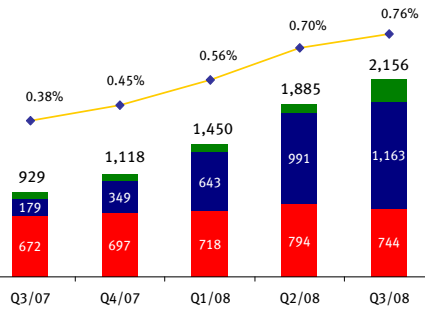
(1) Net of allowance for loan losses.
 (2) Consists of personal, business, government and wholesale funding deposits.

Credit quality – GIL and ACL

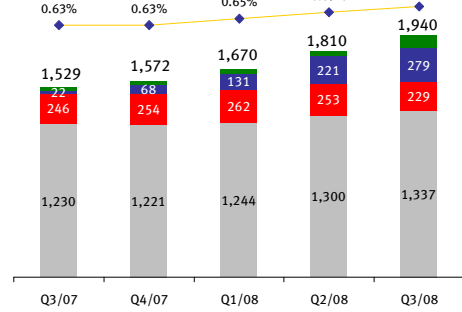


\$ millions

Gross Impaired Loans



Allowance for Credit Losses



◆ GIL Ratio ■ U.S. ■ General allowance ■ U.S. - specific
■ Canada ■ Other International ■ Canada - specific ■ Other International - specific
◆ ACL Ratio

RBC | INVESTOR PRESENTATION

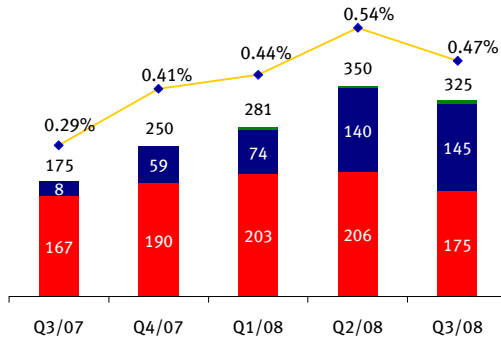
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Credit quality – PCL



\$ millions

Specific Provision for Credit Losses



- Change from Q2/08 to Q3/08 reflects:
 - Canada:** Lower provisions in Canadian personal loans
 - U.S.:** Higher provisions in our U.S. banking operations (primarily relating to U.S. residential builder finance loans). These were mostly offset by lower provisions in our corporate lending portfolio which included a \$35 million provision in Q2/08.

◆ Specific PCL Ratio ■ Canada ■ U.S. ■ Other International

Specific PCL Ratio by geography

| | Q3/07 | Q4/07 | Q1/08 | Q2/08 | Q3/08 |
|--|-------|-------|-------|-------|-------|
| ■ Canada | 0.33% | 0.36% | 0.37% | 0.38% | 0.31% |
| ■ U.S. | 0.13% | 0.95% | 1.14% | 1.79% | 1.57% |
| ■ Other International | - | 0.03% | 0.12% | 0.13% | 0.15% |

RBC | INVESTOR PRESENTATION

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YTD performance vs. 2008 objectives



| | 2008 Objectives | YTD 2008 Performance |
|---|-----------------|----------------------|
| Diluted EPS growth | 7% -10% | (19)% |
| Defined operating leverage ⁽¹⁾ | > 3% | (1.8)% |
| Return on common equity (ROE) | 20%+ | 18.7% |
| Tier 1 capital ratio ⁽²⁾ | 8%+ | 9.5% |
| Dividend payout ratio | 40% – 50% | 58% |

| | Medium-term Objective | 3-year (as at July 31, 2008) | 5-year (as at July 31, 2008) |
|---|-----------------------|------------------------------|------------------------------|
| Total shareholder return (in home currency) (vs. 7 Canadian & 13 U.S. financial institutions) | Top quartile | Top quartile | Top quartile |

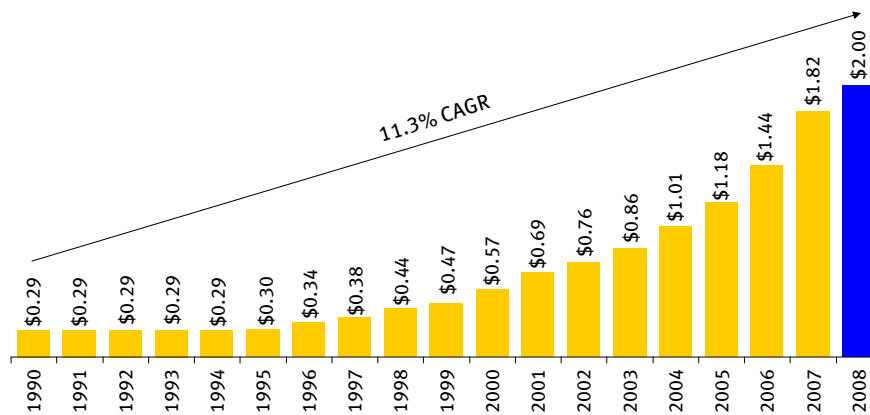
- Year-to-date progress towards our objectives has been affected largely by writedowns, higher PCL in U.S. banking and spread compression.
- Our Tier 1 capital ratio remains well above our 8%+ objective.

(1) Revenue minus non-interest expense growth rates (each as adjusted). Non-GAAP. See slide 41.
 (2) Calculated using the OSFI Basel II guidelines.

Common share dividends



\$ per share



Committed to outperforming in the long-term



| | Total Shareholder Return at October 14, 2008 ⁽¹⁾ | | | |
|--|---|--------|--------|---------|
| | 1-year | 3-year | 5-year | 10-year |
| RBC | (13)% | 7% | 12% | 14% |
| S&P/TSX Bank Index | (20)% | 3% | 8% | 12% |
| S&P/TSX Composite Index | (28)% | 1% | 7% | 8% |
| S&P 500 Index | (35)% | (4)% | 1% | 2% |
| RBC performance (rank) relative to: | | | | |
| 21-member Peer Group ⁽²⁾ | # 8 | # 6 | # 1 | # 2 |
| 15 largest North American banks | # 7 | # 5 | # 1 | # 2 |
| 50 largest global banks | # 8 | # 12 | # 7 | # 9 |

(1) Price appreciation plus dividends reinvested annualized.

(2) Versus 7 Canadian (Manulife, Scotiabank, TD, BMO, Sun Life, CIBC, National) and 13 U.S. financial institutions (Bank of America, JP Morgan, Wells Fargo, Wachovia, U.S. Bancorp, SunTrust, Bank of NY Mellon, BB&T, Fifth Third, National City, PNC Financial, KeyCorp and Northern Trust). 10-year rank does not include Manulife and Sun Life as 10-year data is not available for these companies.

Contents

- 1 RBC Overview
- 2 Canadian Economy
- 3 Strategy
- 4 Financial Profile
- 5 Global Funding Strategy

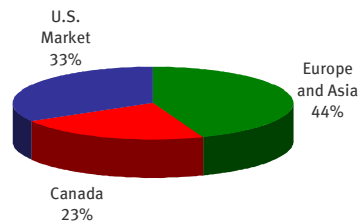
5

Comprehensive global funding strategy

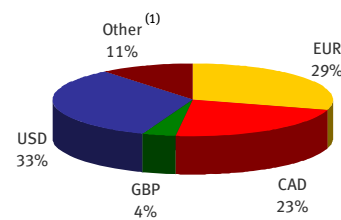


- Fund through relationship deposits, unsecured funding and securitizations
- Active borrower in a variety of markets, currencies, maturities and structures
- Annual wholesale term issuance has ranged from US\$15 Bn to US\$25 Bn

Wholesale Term Funding by Geography



Wholesale Term Funding by Currency



Total
C\$68.7 Bn
(as of July 31, 2008)

Diversified and well established global funding programs



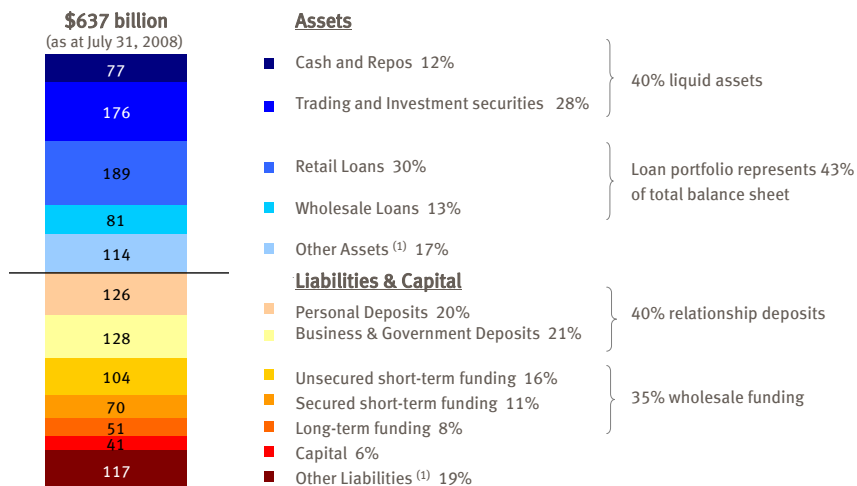
- Well established global funding programs
 - EMTN program (US\$40B)
 - Covered bond program (€15B)
 - U.S. registered shelf (US\$8B)
 - Canadian shelf (C\$7B) and securitizations (Canadian CMBS, Canada mortgage bonds and credit cards)
 - Samurai debt program
- Strong financial profile enables us to optimize our funding programs
 - High quality assets facilitate term debt borrowings (e.g., mortgages for covered bonds)
 - Leadership and reputation increases access to new markets (e.g., 1st Canadian bank to issue Samurai program)

Strong liquidity position



- RBC name is well received in the wholesale markets
 - \$30 billion in term funding, securitization and capital since October 2007
 - Have funded in a variety of markets at tight levels compared to global peers
- Representative transactions include:
 - US\$4 billion 5yr extendible at \$Libor+30bps first coupon (September '08)
 - C\$400 million non-cumulative preferred shares at 5% (September '08)
 - US\$1.5 billion 1yr FRN at \$Libor+20bps (August '08)
 - Euro 3 billion 3yr fixed rate at Mid Swaps + 80bps (July '08)
 - C\$1 billion 10 non-call 5 subdebt at \$Libor+109bps (June '08)
 - US\$4 billion 5yr extendible at \$Libor+30bps first coupon (April '08)
 - ¥146.3 billion 3yr and 5yr Samurai at ¥Libor+70bps and ¥Libor+81bps (April '08)
 - C\$500 million PerpNC10 step-up Tier 1 at \$Libor+246bps (April '08)
 - Euro 1.25 billion 10yr covered bond at Mid Swaps + 20bps (January '08)
- Modest term funding requirements through to end of 2009
 - Less than \$13 billion of maturities over the next 15 months (includes term funding, securitization and capital)

High quality, liquid balance sheet provides significant flexibility



Non-GAAP measures



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 Defined operating leverage (adjusted) does not have any standardized meaning prescribed by Canadian GAAP, and therefore, is unlikely to be comparable to similar measures presented by other companies.

Reconciliation and additional information about Defined operating leverage (adjusted) can be found under the "Key performance and non-GAAP measures" section in our Q3 2008 Report to Shareholders.

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