



# RBC Quick Facts – Q1 2004

## Corporate profile

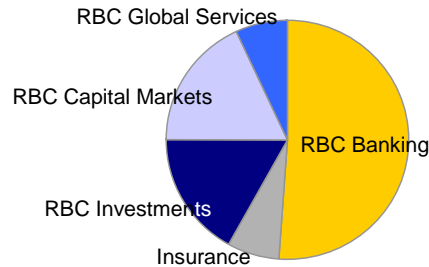
Royal Bank of Canada (TSX/NYSE: RY), operating under the master brand name of RBC Financial Group, is Canada's largest financial institution as measured by market value and assets, and is one of North America's leading diversified financial services companies. We provide personal and commercial banking, wealth management, insurance, corporate and investment banking, and transaction processing services on a global basis. We employ over 60,000 people who serve more than 12 million personal, business and public sector clients through offices in North America and some 30 countries around the world.

## Business segments

Contribution to total net income\* (Q1/04)

- RBC Banking - 51%
- RBC Capital Markets - 18%
- RBC Insurance - 7%
- RBC Global Services - 7%
- RBC Investments - 17%

\* Excluding "Other" segment



### RBC Banking:

delivers a wide range of financial services through a variety of channels to over 11 million individual, small & medium-sized business and commercial clients in Canada (RBC Royal Bank), the U.S. (RBC Centura and its RBC Mortgage and RBC Builder Finance divisions) and the Caribbean and the Bahamas (RBC Royal Bank of Canada)

(\$ millions)	Q1/04	Q1/03
Total revenues	1,869	1,959
Provision for credit losses	65	130
Non-interest expense	1,153	1,178
Net income	429	412
Return on equity	24.5%	21.5%

### RBC Insurance:

offers a range of creditor, life, health, travel, home and auto insurance and reinsurance products and services to more than 5 million clients in Canada, the U.S. and internationally. Total premiums and deposits in Q1 2004 were \$565 million compared to \$534 million in Q1/03.

(\$ millions)	Q1/04	Q1/03
Total revenues	498	526
Insurance policyholder benefits, claims and acquisition expense	330	371
Non-interest expense	107	101
Net income	61	54
Return on equity	23.9%	26.8%

### RBC Investments:

provides full-service and self-directed brokerage, financial planning, investment counselling, personal trust, private banking and investment management products and services to clients in Canada, the U.S. and internationally, delivered through RBC Royal Bank branches in Canada, RBC Investments offices, RBC Dain Rauscher branches and other locations worldwide

(\$ millions)	Q1/04	Q1/03
Total revenues	929	884
Non-interest expense	728	725
Net income	140	104
Return on equity	21.4%	14.7%

### RBC Capital Markets:

provides wholesale financial services to corporate, government and institutional clients in North America and in specialized product and industry sectors globally; headquartered in Toronto, with key centres of expertise in Minneapolis, New York, London and offices in 27 other cities

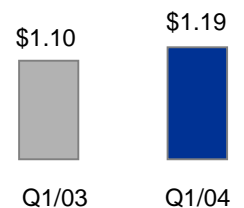
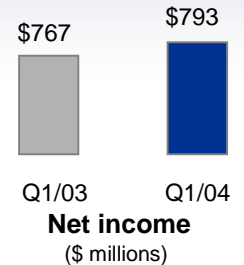
(\$ millions)	Q1/04	Q1/03
Total revenues	738	687
Provision for credit losses	(70)	77
Non-interest expense	635	426
Net income	150	116
Return on equity	17.2%	11.1%

### RBC Global Services:

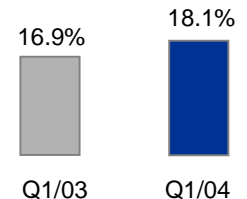
offers specialized transaction processing services to commercial, corporate and institutional clients in domestic and select international markets; key businesses include global custody, fund administration, correspondent banking, cash management, payments and trade finance

(\$ millions)	Q1/04	Q1/03
Total revenues	220	212
Non-interest expense	155	144
Net income	57	48
Return on equity	36.6%	30.2%

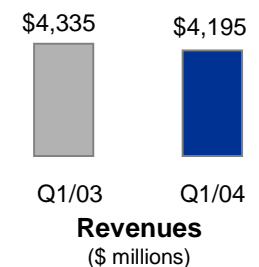
## Financial highlights\*



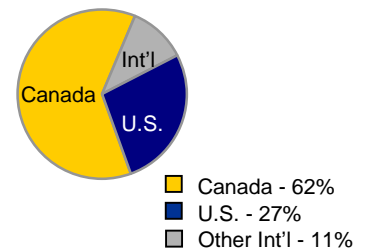
### Earnings per share (diluted)



### Return on equity



### Geographic distribution of revenues (Q1/04):



\* all financial information is in Canadian dollars using US GAAP for the quarter ended January 31st

# RBC Financial Group's Strategic priorities

- Strong fundamentals:** our objective is to have top quartile financial performance among North American financial companies. Please refer to the sidebars (at right) for our medium-term goals, and our performance against our 2004 financial objectives
- Expansion outside Canada:** all of our businesses have global mandates. We wish to continue growing revenues and earnings outside of Canada, largely in the U.S., while defending our Canadian franchise. We are focused on having best in class select financial services in the U.S.
- Superior client experience:** this new priority reinforces our commitment to client satisfaction, retention and growing our share of our clients' business. We are undertaking a number of initiatives to enhance our clients' experience
- Cross-enterprise leverage:** our goal is to leverage our strengths in working across our business segments to provide integrated financial solutions to customers. These cross-platform efforts include sharing best practices and realizing revenue and cost synergies

## Medium-term goals

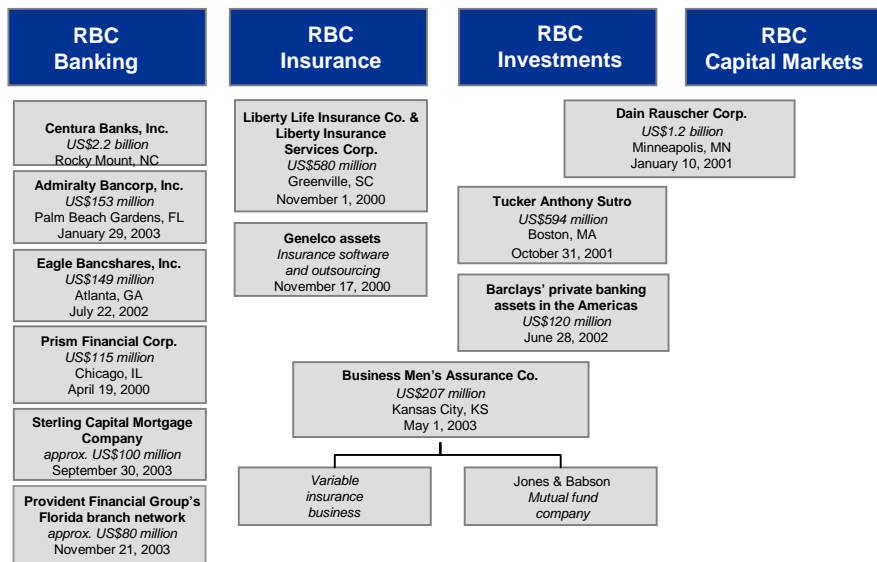
- Earnings growth:**  
Grow diluted earnings per share by 10-15%
- Return on equity:**  
Achieve a return on common equity of 20+%
- Revenue growth:**  
Achieve revenue growth of 8-10%
- Portfolio quality:**  
Achieve a ratio of specific provisions for credit losses to average loans, acceptances and reverse repos of .35-.45% (Cdn. GAAP)
- Capital management:**  
Capital ratios (Cdn. GAAP):  
Tier 1 capital of 8-8.5%  
Total capital of 11-12%
- Dividend payout ratio:**  
Common share dividends 40-50% of net income after preferred dividends

# RBC Financial Group's 2004 objectives\*

- |   |  |
|---|--|
|   | Q1 2004 performance*   |
| 1. <b>Valuation:</b><br>Maintain share price/book value and share price/earnings that are in the top quartile of S&P/TSX Composite Banks Index<br>Record share price growth above the average for the S&P/TSX Composite Banks Index | 2 <sup>nd</sup> and 3 <sup>rd</sup> quartile respectively<br><br>Below the index |
| 2. <b>Earnings growth:</b><br>Grow diluted earnings per share by 10-15%   | 8%   |
| 3. <b>Return on equity:</b><br>Achieve a return on common equity of 17-19%  | 18.1%  |
| 4. <b>Revenue growth:</b><br>Achieve revenue growth of 5-8%   | (3)%   |
| 5. <b>Expense growth:</b><br>Grow expenses at a lower rate than revenues  | Expense growth 9% and revenue growth (3)%  |
| 6. <b>Portfolio quality:</b><br>Achieve a ratio of specific provisions for credit losses to average loans, acceptances and reverse repos of .35-.45% (Cdn. GAAP)  | 0.22%  |
| 7. <b>Capital management:</b><br>Maintain strong capital ratios (OSFI guidelines)   | Tier 1 capital = 9.3%<br>Total capital = 12.9%                                   |
| 8. <b>Dividend payout ratio:</b><br>35-45% (40-50% as of Q2/04)   | 38%  |

# Expansion in the U.S.

We are committed to growing our operations and expanding our presence in the United States, profitably and in a disciplined fashion. We have announced several acquisitions of U.S.-based companies over the past three years, as shown below. Currently, our focus is on consolidating these recent acquisitions.



# Contact us:

## Shareholder relations

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## Main Transfer agent

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address: 1500 University Street, Suite 700  
Montreal, QC H3A 3S8  
phone: 1-866-586-7635  
fax: 514-982-7635  
Web site: www.computershare.com

## Senior debt ratings

Moody's	Aa2
S&P	AA-
Fitch	AA
DBRS	AA (low)

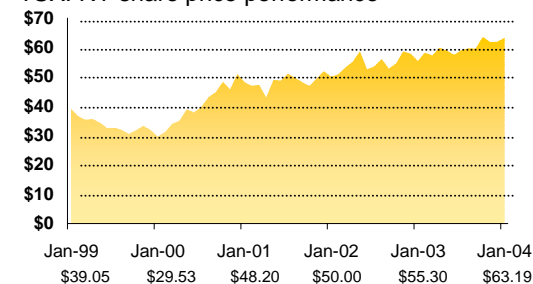
## Common share dividend payment dates for 2004

Record date	Payment dates
Jan. 26	Feb. 24
Apr. 22	May 21
Jul. 26	Aug. 24
Oct. 26	Nov. 24

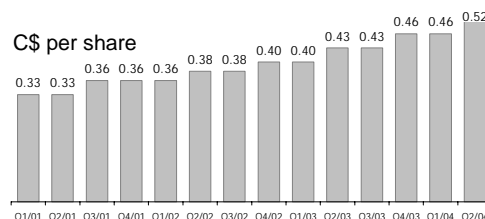
# Share information

Trading symbol: RY  
Listings: TSX, NYSE, Switzerland  
Shares outstanding: 648.2 million shares at January 31, 2004  
Market capitalization (C\$billions): \$36.9 (Jan. 31/03) / \$41.0 (Jan. 30/04)

## TSX: RY share price performance



# Common share dividends



- Uninterrupted dividend payment history.
- Payout ratio 38% in Q1/04
- Target payout ratio raised to 40 - 50% as of Q2/04