



RBC Dain Rauscher – evolution since our acquisition

TSX / NYSE: RY



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RBC Dain Rauscher strategy



2000 – 2001

2001 – 2002

2003+

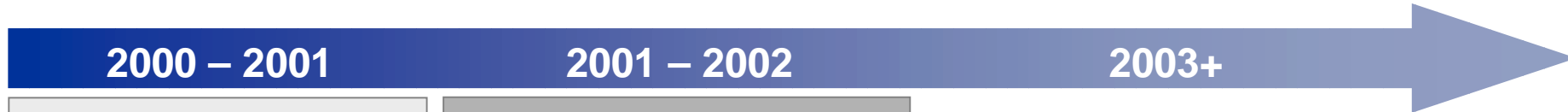
PHASE I

Dain Rauscher

- U.S. foothold
 - focus strategy on geography, clients, returns and management



RBC Dain Rauscher strategy



2000 – 2001

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PHASE I

Dain Rauscher

- **U.S. foothold**
 - focus strategy on geography, clients, returns and management

PHASE II

Tucker Anthony Sutro

- **Follow acquisition strategy**
 - complement capabilities
 - generate cost savings
- **Leverage lower cost base**
 - enhance returns
- **Implement cross-selling initiatives**
- **Develop other revenue growth strategies**



Dain's U.S. expansion strategy

Phase II results: strategic fit



- ✓ 8th largest investment firm
- ✓ Largest fixed income business off Wall St.
- ✓ National presence
- ✓ New affluent markets
- ✓ New recruiting opportunities
- ✓ Efficient scale achievement
- ✓ Southeast expansion



A significant brokerage business

	U.S. Private Client Group	Canadian Private Client Division	North American Platform
Investment advisors/Financial consultants	1,850	1,350	3,200
Assets under administration (US\$)	\$92BN	\$67BN	\$159BN
Brokerage offices	141	125	266
Active customer accounts	755,000	500,000	1,255,000
Revenues (6 months ending April 30, 2003, in US\$ millions)	\$340	\$246	\$586

All figures as of April 30, 2003; C\$ converted to US\$ using month-end currency exchange rates.



RBC Dain Rauscher current state



Private Client Group (PCG)	Correspondent Services (CS)	Voyageur Asset Management (VAM)	Fixed Income Group (FIG)
<p>Wealth management focus</p> <ul style="list-style-type: none"> – Financial planning – Value-added advice and services <p>Target market</p> <ul style="list-style-type: none"> – US\$0.5 to 3 million in investable assets <p>Financial Consultants</p> <ul style="list-style-type: none"> – Highly productive – Supportive tools 	<p>Fully-disclosed clearing</p> <ul style="list-style-type: none"> – 135 correspondents <p>Services mid-sized independent broker/dealers</p> <p>Retail/wealth management focus</p> <p>Leverages Private Client Group investments</p>	<p>Institutional asset management</p> <p>Retail fee-based WRAP programs</p> <p>Equity, fixed income and balanced strategies</p> <p>Top-quartile performance</p>	<p>Meets needs of three client segments</p> <ul style="list-style-type: none"> – Middle market institutional investors <ul style="list-style-type: none"> ▪ Sales – Middle market issuers <ul style="list-style-type: none"> ▪ <i>Public Finance Banking</i> – Individual investors <ul style="list-style-type: none"> ▪ <i>Wealth Management</i> <p>Largest national franchise off Wall Street</p> <p>US\$ 600-1,000 million in trading inventory</p> <p>Counter-cyclical revenue stream provides diversification</p>

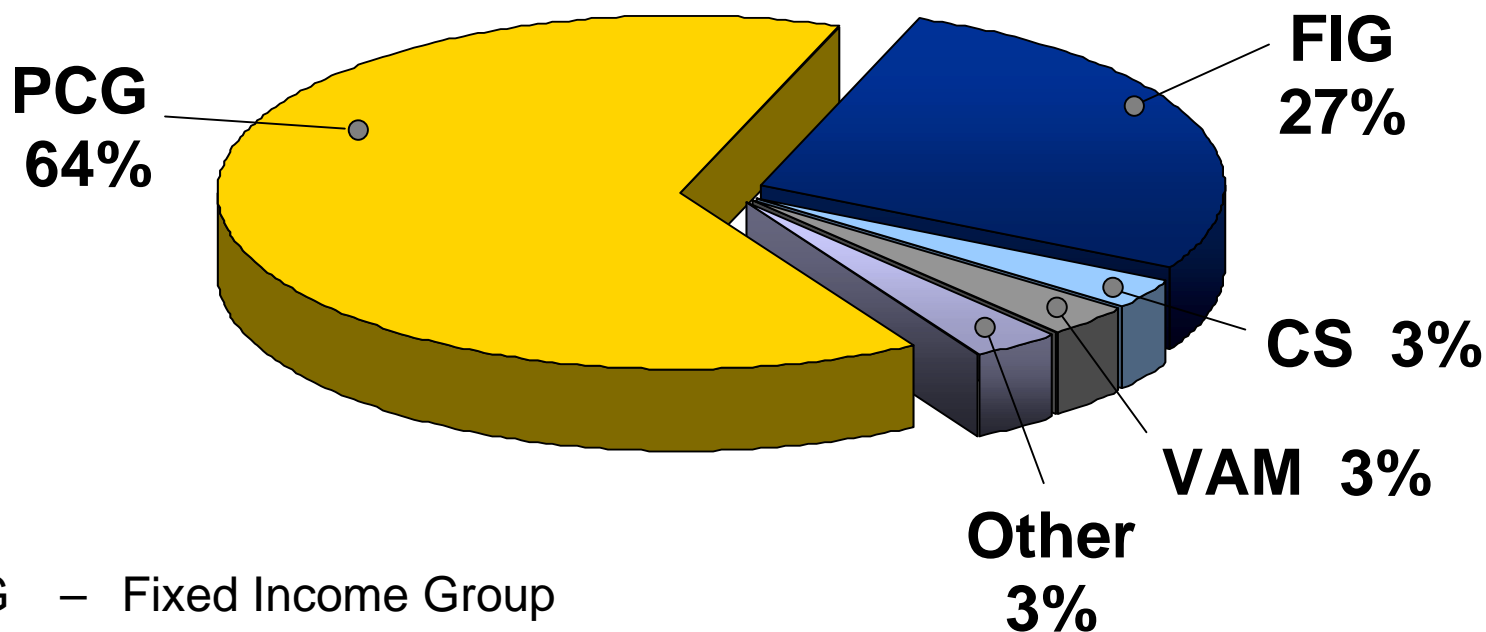


Revenue mix



Revenue – US\$535 million

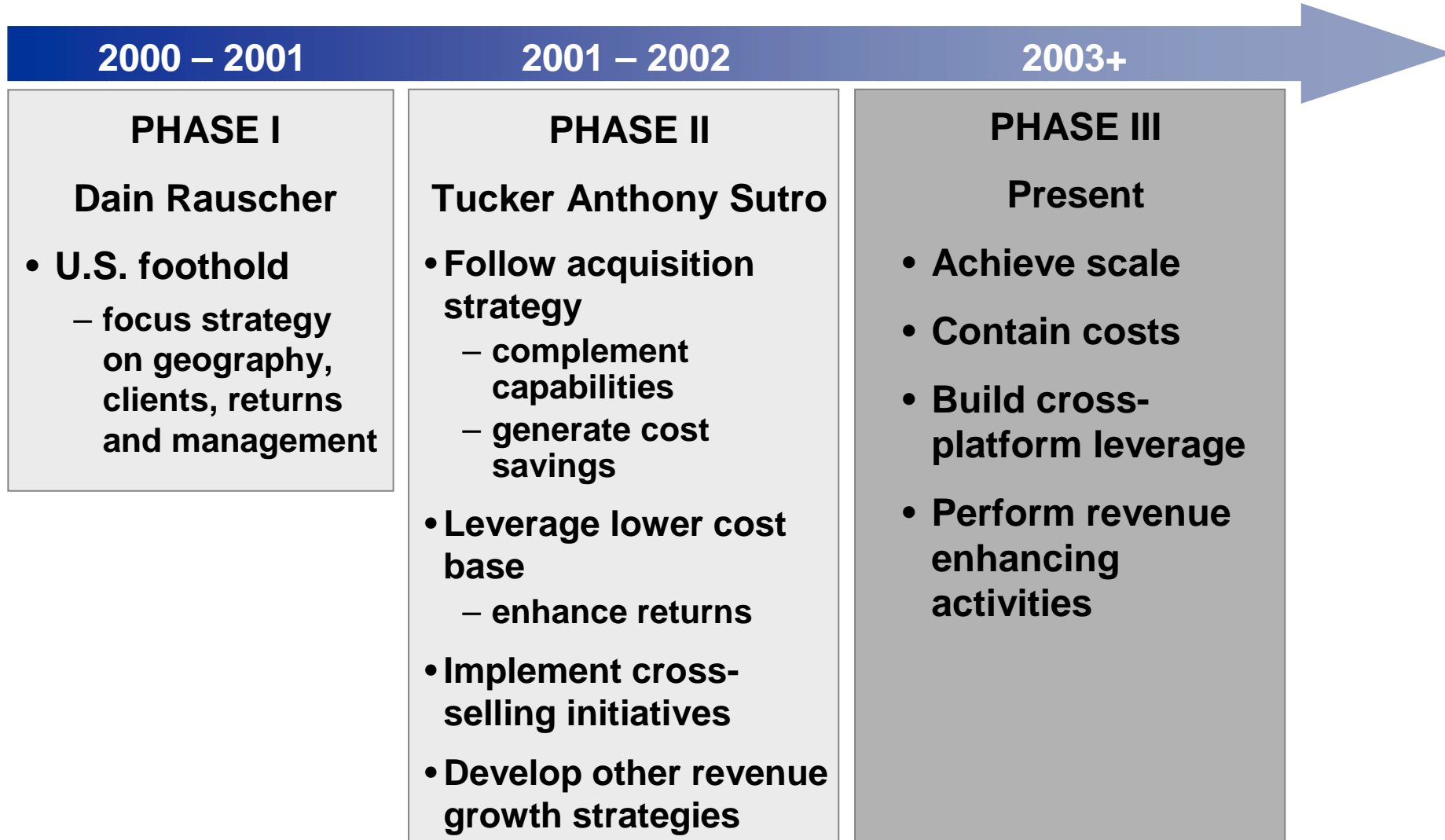
(6 months ending April 30, 2003)



- FIG – Fixed Income Group
- CS – Correspondent Services
- VAM – Voyageur Asset Management
- PCG – Private Client Group



RBC Dain Rauscher strategy





Dain's U.S. phase III strategy

