Royal Bank of Canada
First Quarter Results

February 24, 2017

All amounts are in Canadian dollars and are based on financial statements prepared in compliance with International Accounting Standard 34 *Interim Financial Reporting* unless otherwise noted. Our Q1/2017 Report to Shareholders and Supplementary Financial Information are available on our website at rbc.com/investorrelations.

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 and in the accompanying management’s comments and responses to questions during the February 24, 2017 analyst conference call (Q1 presentation), in filings with Canadian regulators or the United States (U.S.) Securities and Exchange Commission (SEC), in reports to shareholders and in other communications. Forward-looking statements in this Q1 presentation include, but are not limited to, statements relating to our financial performance objectives, vision and strategic goals. The forward-looking information contained in this Q1 presentation is presented for the purpose of assisting the holders of our securities and financial analysts in understanding our financial position and results of operations as at and for the periods ended on the dates presented, and our financial performance objectives, vision and strategic goals, and may not be appropriate for other purposes. Forward-looking statements are typically identified by words such as “believe”, “expect”, “foresee”, “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 financial performance objectives, vision and strategic goals will not be achieved. We caution readers not to place undue reliance on these statements as a number of risk factors could cause our actual results to differ materially from the expectations expressed in such forward-looking statements. These factors – many of which are beyond our control and the effects of which can be difficult to predict – include: credit, market, liquidity and funding, insurance, operational, regulatory compliance, strategic, reputation, legal and regulatory environment, competitive and systemic risks and other risks discussed in the Risk management and Overview of other risks sections of our 2016 Annual Report and the Risk management section of our Q1/2017 Report to Shareholders; global uncertainty; the Brexit vote to have the United Kingdom leave the European Union; weak oil and gas prices; cybersecurity; anti-money laundering; exposure to more volatile sectors; technological innovation and new Fintech entrants; increasing complexity of regulation; data management; litigation and administrative penalties; the business and economic conditions in the geographic regions in which we operate; the effects of changes in government fiscal, monetary and other policies; tax risk and transparency; and environmental risk.

We caution that the foregoing list of risk 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. Material economic assumptions underlying the forward looking-statements contained in this Q1 presentation are set out in the Overview and outlook section and for each business segment under the heading Outlook and priorities in our 2016 Annual Report, as updated by the Overview and outlook section in our Q1/2017 Report to Shareholders. 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 the Risk management and the Overview of other risks sections in our 2016 Annual Report and in the Risk management section of our Q1/2017 Report to Shareholders.

Information contained in or otherwise accessible through the websites mentioned does not form part of this Q1 presentation. All references in this Q1 presentation to websites are inactive textual references and are for your information only.

Overview

Dave McKay

President and Chief Executive Officer

Q1/2017 earnings of $3 billion

Strong results across most of our businesses

Strong Q1/2017 earnings	▪ Net income of $3 billion, up 24% YoY – Up 15% YoY on an adjusted basis[(1)] ▪ Strong results in Personal & Commercial Banking, Wealth Management, Capital Markets and Investor & Treasury Services – Results include our share of a gain related to the sale of the U.S. operations of Moneris Solutions Corporation (Moneris gain on sale) ▪ Demonstrated discipline in managing risks and costs while also investing in growth and technology
Returning capital to shareholders	▪ Announced a quarterly dividend increase of $0.04 or 5% to $0.87 per share ▪ Repurchased 1.1 million common shares[(2)]
Strong capital position	▪ "All-in" Common Equity Tier 1 ratio of 11.0%

(1) Excludes our share of a gain related to the sale of the U.S. operations of Moneris Solutions Corporation (Moneris gain on sale) which was $212MM before- and after-tax. Results excluding this gain are non-GAAP measures. For more information and a reconciliation, see slides 30 and 31. (2) For more information, refer to the Capital management section of our Q1/2017 Report to Shareholders.

Financial Review

Rod Bolger
Chief Financial Officer

Strong results across most of our businesses

($ millions, except for EPS and ROE)	Q1/2017	YoY		QoQ	
		As reported	Excl. Moneris gain on sale[1]	As reported	Excl. Moneris gain on sale[1]
Revenue	$9,546	⬆ 2%	-	3%	1%
Revenue net of Insurance fair value change[2]	$10,027	⬆ 8%	5%	6%	4%
Non-interest expense	$5,215	⬆ 5%	5%	-	-
PCL	$294	⬇ (28%)	(28%)	(18%)	(18%)
Income before income taxes	$3,854	⬆ 22%	15%	16%	10%
Net income	**$3,027**	⬆ **24%**	**15%**	**19%**	**11%**
Diluted earnings per share (EPS)	**$1.97**	⬆ **25%**	**16%**	**19%**	**11%**
Return on common equity (ROE)[3]	**18.0%**	⬆ **270 bps**	**140 bps**	**250 bps**	**120 bps**

Revenue (net of Insurance fair value change)[2]

- Canadian Banking delivered higher YoY revenue from the Moneris gain on sale[1] and solid 6% YoY volume growth, partially offset by lower spreads
- Favourable market conditions and strong volume growth drove higher YoY revenue in Wealth Management
- Strong Capital Markets revenue YoY reflects improved investment banking fees and higher fixed income trading

Non-Interest Expense

- YoY increase mainly due to higher variable compensation in Wealth Management and Capital Markets on improved results, higher costs in support of business growth at City National (CNB), and the impact of our U.S. share-based compensation plan
- Good cost control while investing in business growth; positive operating leverage across most business segments

PCL

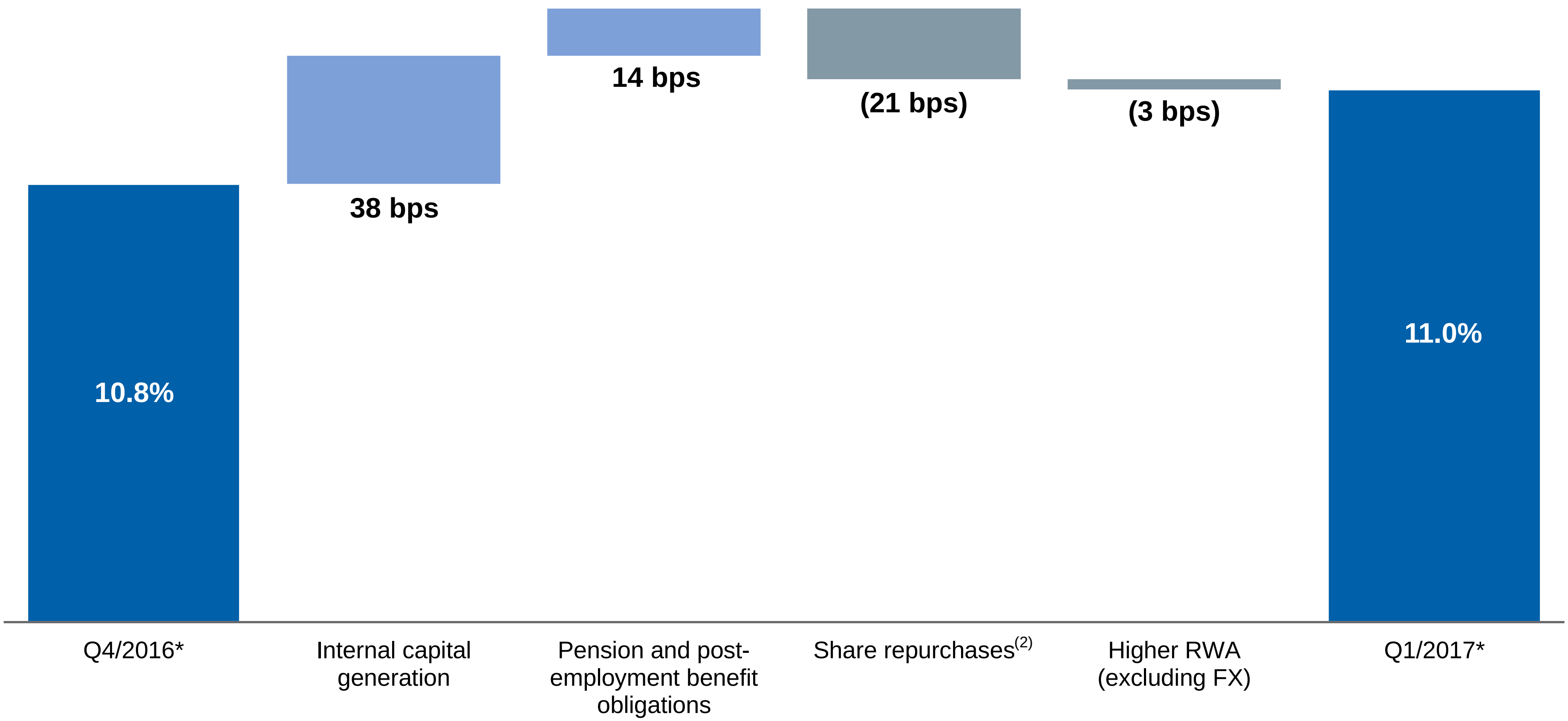
- PCL down YoY mainly reflecting lower provisions in Personal & Commercial Banking and Capital Markets

Taxes

- Lower effective tax rate YoY mainly due to business mix

(1) For the three months ended January 31, 2017, our results include our share of a gain of $212MM (before- and after-tax) related to the sale of the U.S. operations of Moneris Solutions Corporation (Moneris gain on sale). Results excluding this gain are non-GAAP measures. For more information and a reconciliation, see slides 30 and 31. (2) Revenue net of Insurance fair value change of investments backing policyholder liabilities of -$481MM is a non-GAAP measure. For more information, see slide 31. (3) ROE does not have a standardized meaning under GAAP and may not be comparable to similar measures disclosed by other financial institutions. For more information, see slide 31.

Strong 11% Basel III Common Equity Tier 1 (CET1) ratio[1]

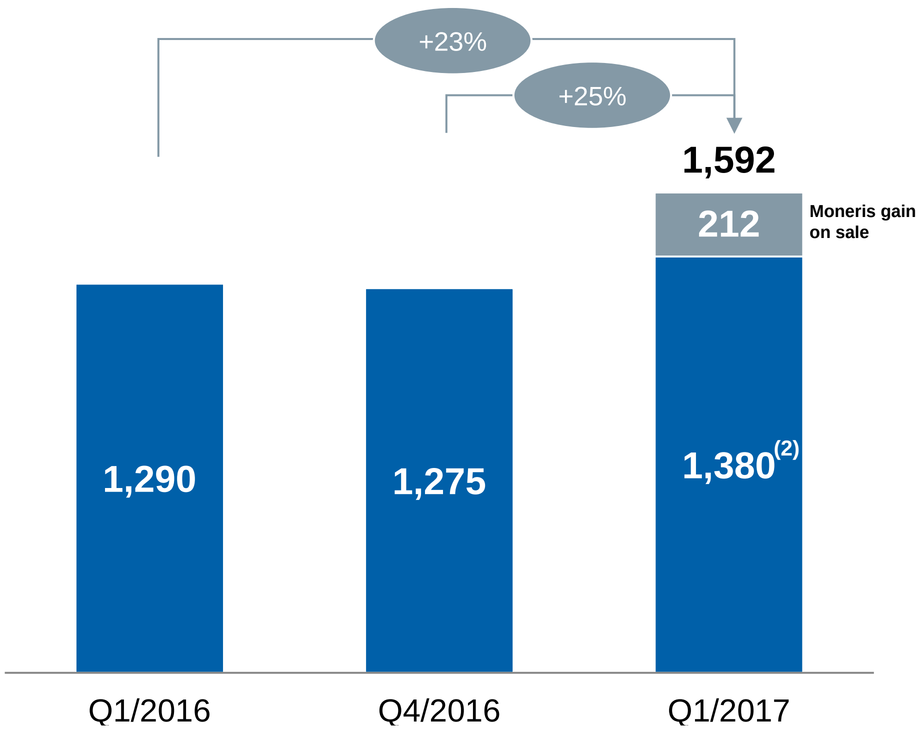


* *Represents rounded figures.*

(1) For more information, refer to the Capital management section of our Q1/2017 Report to Shareholders. (2) Impact includes 1.1MM common shares repurchased in the three-months ended January 31, 2017 as well as the expected number of common shares we are obligated to repurchase from the third-party seller under the specific share repurchase program. For more information, refer to the Selected Capital Management Activity section of our Q1/2017 Report to Shareholders.

Strong underlying results in Personal & Commercial Banking

Net Income ($ millions)



Canadian Banking	Reported	Adjusted[(1)(2)]
Net income growth YoY	**26%**	**8%**
Non-interest income growth YoY	27%	6%
Efficiency ratio	40.1%	42.5%
Operating leverage	9.1%	2.9%

Q1/2017 Highlights

Canadian Banking

- Net income of $1,546 million includes the Moneris gain on sale[(1)]
- Volume growth of 6% YoY and 2% QoQ (slide 20)
- NIM of 2.61%, down 1 bp YoY and down 2 bps QoQ
- Non-interest income growth, largely reflecting the gain on sale as noted above, higher mutual fund distribution fees and higher credit card service revenue
- PCL ratio of 26 bps, down 3 bps both YoY and QoQ
- Expense growth limited to 1% YoY
  - Continued focus on efficiency management drove positive operating leverage and strong efficiency ratio

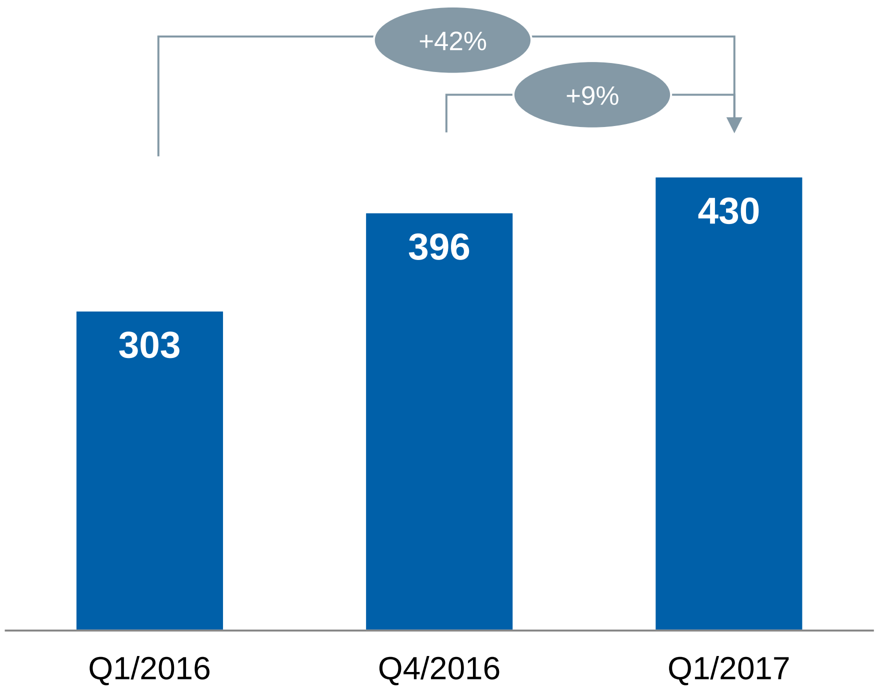
Caribbean & U.S. Banking

- Net income of $46 million
  - YoY: down 22% reflecting impairment related to properties held for sale and higher staff costs partially offset by lower PCL in our Caribbean portfolio
  - QoQ: up 59% largely reflecting lower PCL in our Caribbean portfolio

(1) For the three months ended January 31, 2017, our results include our share of a gain of $212MM (before- and after-tax) related to the sale of the U.S. operations of Moneris Solutions Corporation (Moneris gain on sale). (2) Net income, operating leverage and efficiency ratio excluding our share of a gain on the sale of the U.S. operations of Moneris Solutions Corporation is a non-GAAP measure. For more information and a reconciliation, see slides 30 and 31.

Strong earnings growth in Wealth Management

Net Income ($ millions)



	YoY	QoQ
AUA	3.1%	0.4%
AUM	4.1%	(0.4%)

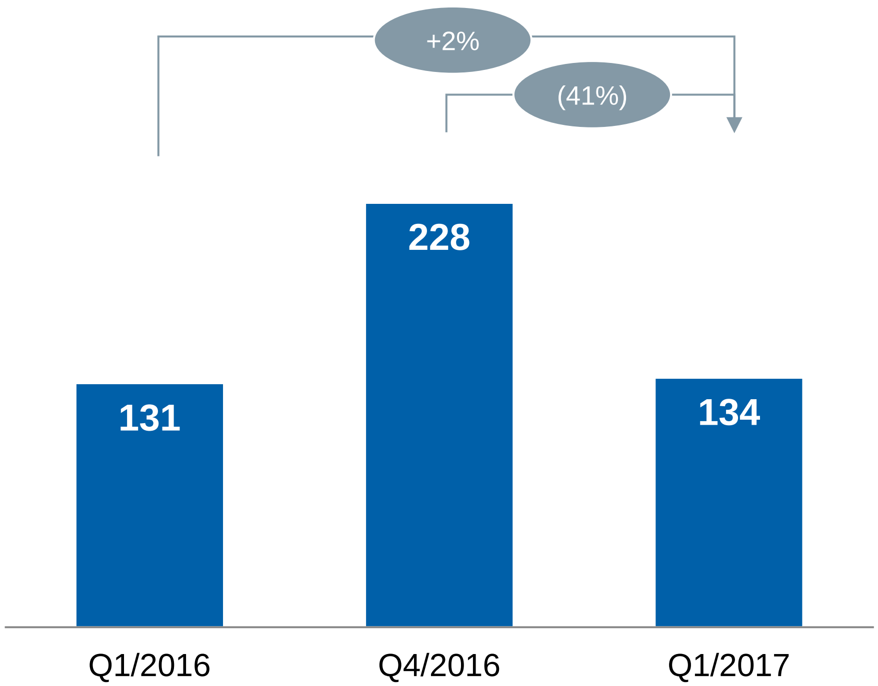
Q1/2017 Highlights

- Net income of $430 million, up 42% YoY
  - Growth in average fee-based client assets
  - Increased transaction revenue
  - CNB contributed $76 million to earnings, up 43% YoY[(1)] (slide 24)
    - Loans up 12% and deposits up 25%
- Net income up 9% QoQ
  - Higher transaction revenue
  - Higher net interest income on volume growth
  - Higher annual performance fees
  - Higher costs in support of business growth

AUM: Assets under management; AUA: Assets under administration. (1) CNB contributed $118MM excluding $42MM after-tax of amortization of intangibles and integration costs, this is a non-GAAP measure. For additional information, see slide 24 and 31.

Insurance results reflect improved claims experience

Net Income ($ millions)



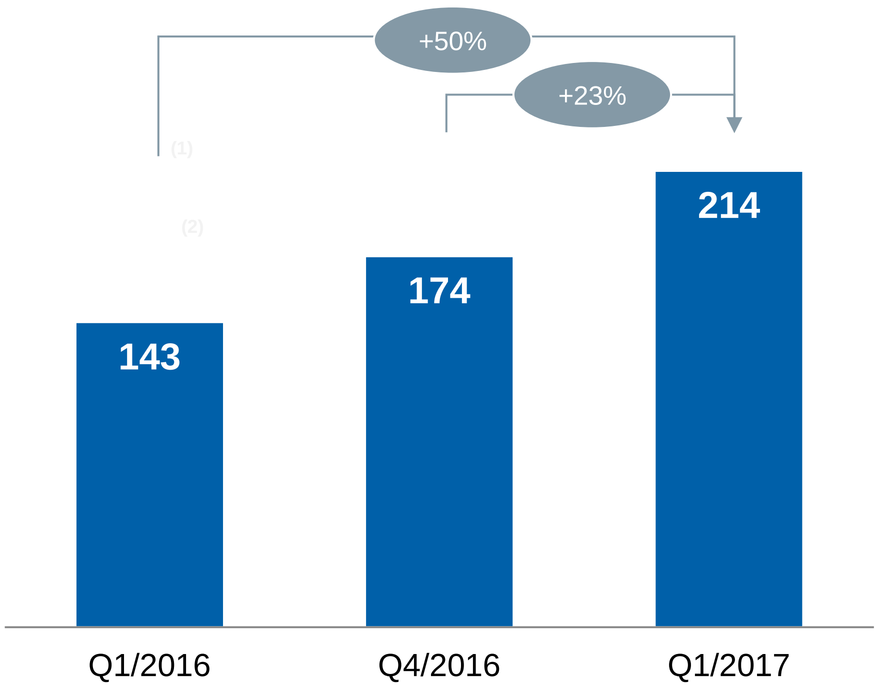
Q1/2017 Highlights

- Net income of $134 million, up 2% YoY
  - Favourable claims experience, largely in International Insurance
  - Lower results due to the impact of the sale of our home and auto insurance manufacturing business(1)
- Net income down 41% QoQ
  - Prior quarter included favourable actuarial adjustments
- Lower earnings from U.K. annuity contracts

(1) In Q3/2016, we completed the sale of RBC General Insurance Company to Aviva Canada Inc. The transaction involved the sale of our home and auto insurance manufacturing business and included a 15-year strategic distribution agreement between RBC Insurance and Aviva.

Strong results in Investor & Treasury Services

Net Income ($ millions)

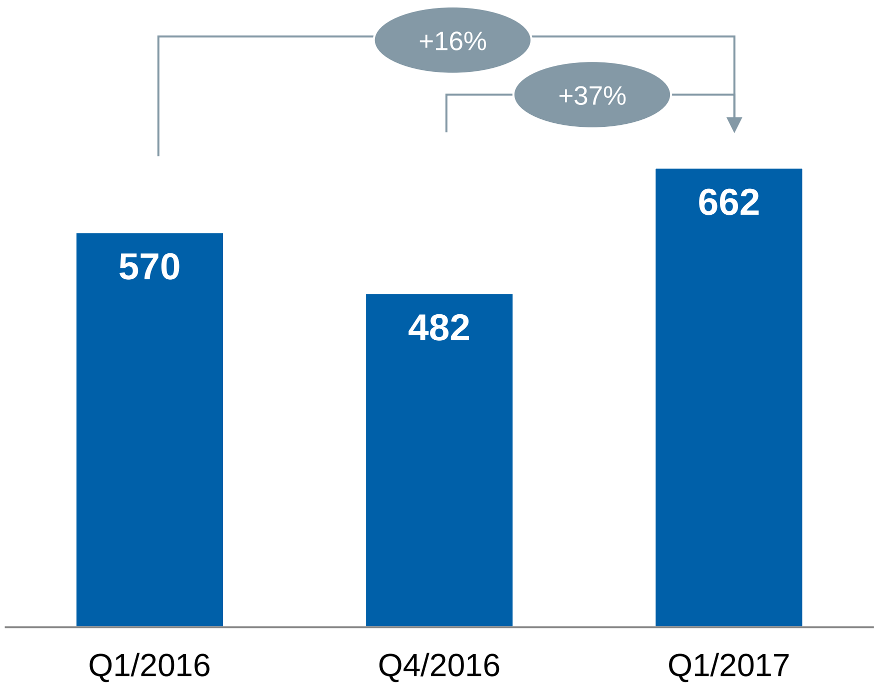


Q1/2017 Highlights

- Net income of $214 million, up 50% YoY
  - Higher funding and liquidity earnings reflecting volatility in interest and foreign exchange rates
  - Higher client deposit spreads
- Net income up 23% QoQ
  - Higher funding and liquidity earnings
  - Higher earnings from foreign exchange market execution
  - Lower staff costs
- Strong operating leverage

Strong Capital Markets results on improved market conditions

Net Income ($ millions)



Q1/2017 Highlights

- Net income of $662 million, up 16% YoY
  - Higher results across most businesses on increased client activity and improved markets
  - Higher fixed income trading revenue across all regions
  - Higher loan syndication activity largely in the U.S.
  - Higher debt origination activity largely in North America
- Net income up 37% QoQ
  - Higher Global Markets results across all major businesses and all regions, reflecting improved market conditions
- Lower PCL mainly due to recoveries in the oil & gas sector
- Continued progress in our European business

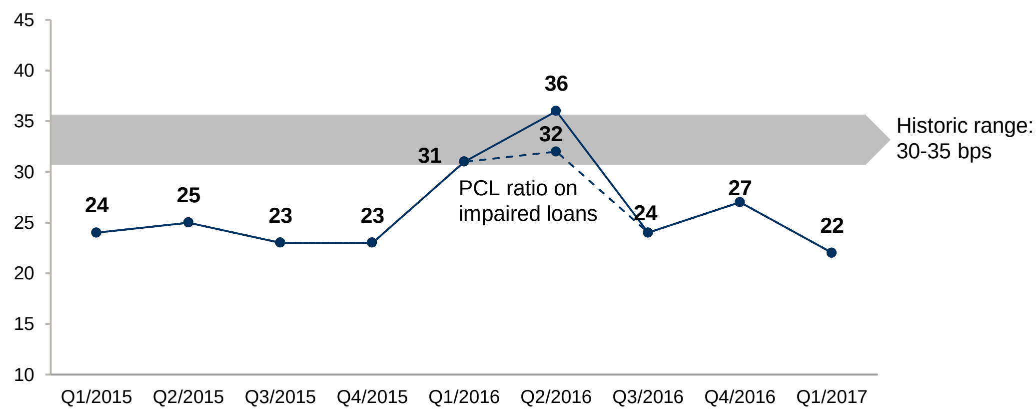
Risk Review

Mark Hughes

Chief Risk Officer

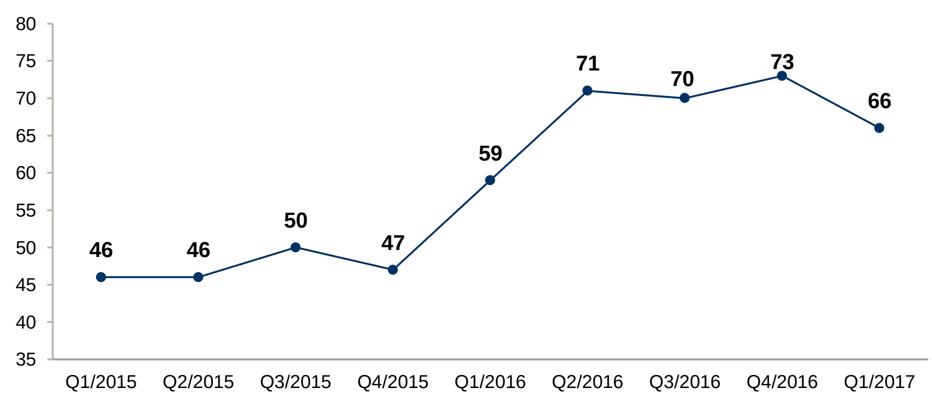
Credit performance driven by improved market conditions

PCL Ratio (bps)(1)



- Total Q1/2017 PCL ratio of 22 bps, down 5 bps QoQ
  - Largely due to lower PCL in Personal & Commercial Banking and recoveries in Capital Markets
- Total Q1/2017 PCL ratio down 9 bps YoY

GIL Ratio (bps)(2)

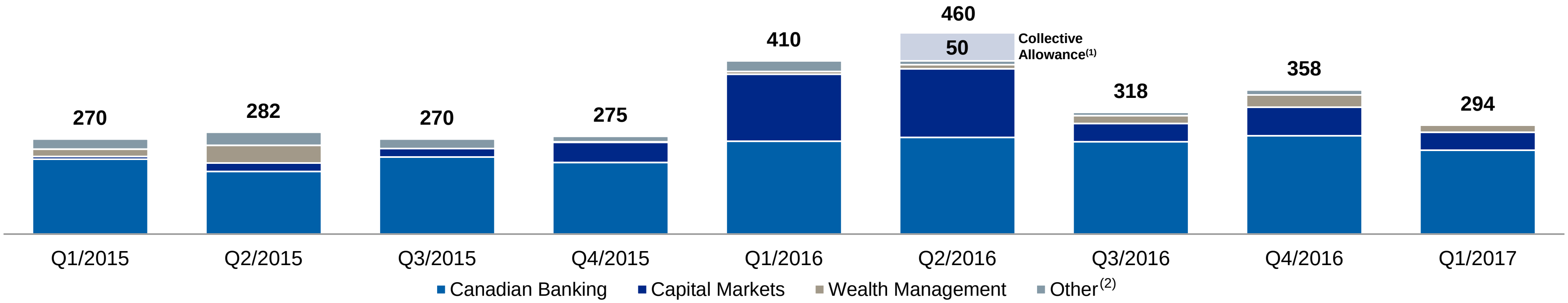


- GIL ratio of 66 bps, down 7 bps QoQ
  - Decrease largely driven by lower impaired loans in Capital Markets, mainly in the oil & gas sector, and lower impaired loans in both Personal & Commercial Banking and Wealth Management
  - GIL ratio of 60 bps excluding acquired credit impaired loans(3)

(1) Provision for Credit Losses (PCL) ratio is PCL as a percentage of average net loans & acceptances (annualized). (2) Gross Impaired Loans (GIL) ratio is GIL as a percentage of loans & acceptances. (3) GIL excluding acquired credit impaired loans is a non-GAAP measure. For more information see slide 31.

Improved PCL across most of our businesses

PCL ($ millions)



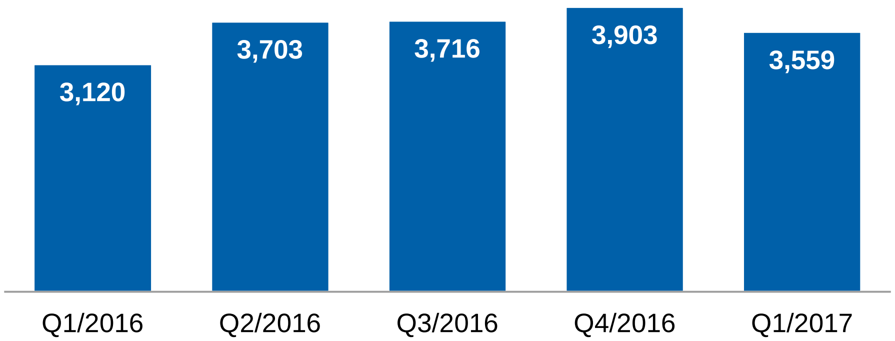
Segments ($ millions)	Q1/2017	QoQ	Key drivers
Canadian Banking	$250	⬇ ($26)	▪ Lower PCL in our personal and commercial lending portfolios
Caribbean & U.S. Banking	($1)	⬇ ($13)	▪ Recoveries and lower PCL in our Caribbean lending portfolio
Wealth Management	$13	⬇ ($9)	▪ Lower PCL in U.S. Wealth Management (including CNB) and International
Capital Markets	$32	⬇ ($19)	▪ Lower PCL due to recoveries in the oil & gas sector, partially offset by PCL on one U.S. real estate account
Investor & Treasury Services	-	⬆ $3	▪ Last quarter included recoveries on a couple of accounts
Total PCL[3]	**$294**	⬇ **($64)**	

Select PCL ratio (bps)	Q1/2015	Q2/2015	Q3/2015	Q4/2015	Q1/2016	Q2/2016	Q3/2016	Q4/2016	Q1/2017
Capital Markets	3	8	7	17	53	56	15	24	15
P&CB	28	26	28	25	30	30	28	29	25
Canadian Banking	26	25	26	25	29	30	28	29	26
Wealth Management	29	73	1	2	4	6	11	17	10

(1) PCL increased by $50 million for loans not yet identified as impaired in Q2/2016. (2) Other includes Caribbean Banking, Investor & Treasury Services, Insurance and Corporate Support. (3) Total PCL includes Insurance and Corporate Support.

Gross Impaired Loans improved across all businesses

GIL ($ millions)



Q1/2017 Impaired Formations ($ millions)(1)

Segments	New formations		Net formations(2)
	Q1/17	QoQ	
Personal & Commercial Banking	320	(76)	(114)
Canadian Banking	295	(41)	(25)
Caribbean & U.S. Banking	25	(35)	(89)
Wealth Management	47	(81)	(100)
Capital Markets	282	(111)	(128)
Total	**649**	**(268)**	**(344)**

Personal & Commercial Banking

- Caribbean & U.S. Banking GIL decreased $89 million QoQ mainly due to repayments
- Canadian Banking GIL decreased $25 million QoQ due to lower impaired loans in our Canadian personal and commercial lending portfolios

Wealth Management

- GIL was down $100 million QoQ largely due to a decline in acquired credit-impaired loans and repayment in one international account

Capital Markets

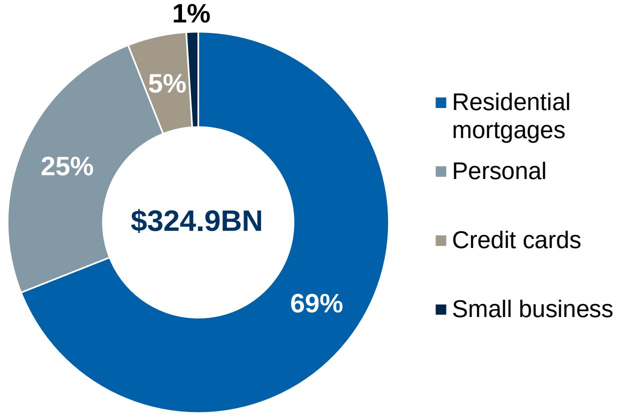
- GIL decreased $128 million QoQ mainly reflecting repayments and recoveries of impairments in oil & gas accounts and the impact of FX, partially offset by impairments in two U.S. accounts, in the real estate and business services sectors

(1) Certain GIL movements for Canadian Banking retail and wholesale portfolios are generally allocated to New Impaired Loan Formation, as Return to performing status, Net repayments, Sold, and Exchange and other movements amounts are not reasonably determinable. Certain GIL movements for Caribbean Banking retail and wholesale portfolios are generally allocated to Net repayments and New Impaired, as Return to performing status, Sold, and Exchange and other movements amounts are not reasonably determinable. (2) Includes loan write-offs, new impaired loans, loan repayments, loan returning to performing, foreign exchange and other. Includes -$2MM net formations in Investor & Treasury Services.

Stable credit quality in Canadian Banking retail portfolio

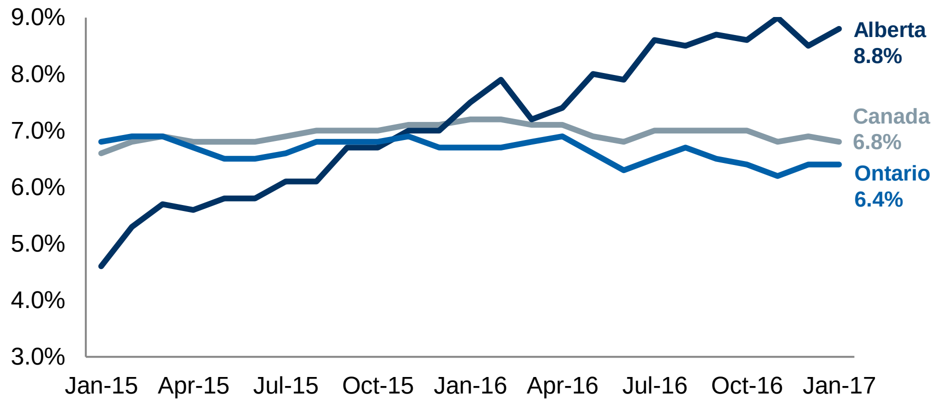
Average Canadian Banking Retail Loans[1]

- 87% of our Canadian retail portfolio is secured
- Alberta represents 16% of our Canadian retail loans of which 87% are secured



Unemployment Rate

- While Alberta's unemployment rate has increased over the past year, Canada's unemployment rate remained stable with Ontario below the national average



PCL Ratio[2]

- Lower PCL across all Canadian retail portfolios
- Lower PCL QoQ in residential mortgages following a change in loss-rate assumptions in the prior quarter

Loans 90+ Days Past Due

- Higher delinquencies in cards, partly due to seasonality
- Higher delinquencies in personal loans, largely in Quebec
- While residential mortgage delinquencies increased in oil-exposed provinces[3], they were stable nationally

PCL ratio by product

	Q1/16	Q2/16	Q3/16	Q4/16	Q1/17
Credit cards	2.60%	2.96%	2.81%	2.56%	2.54%
Small business loans	0.76%	0.99%	0.84%	0.89%	0.72%
Personal loans	0.56%	0.58%	0.54%	0.57%	0.53%
Residential mortgages[4]	0.02%	0.01%	0.01%	0.03%	0.01%

Loan 90+ days past due by product

	Q1/16	Q2/16	Q3/16	Q4/16	Q1/17
Credit cards	0.80%	0.84%	0.77%	0.75%	0.78%
Small business loans	1.07%	1.16%	1.16%	1.19%	1.08%
Personal loans	0.30%	0.31%	0.30%	0.29%	0.31%
Residential mortgages[4]	0.24%	0.24%	0.23%	0.23%	0.23%

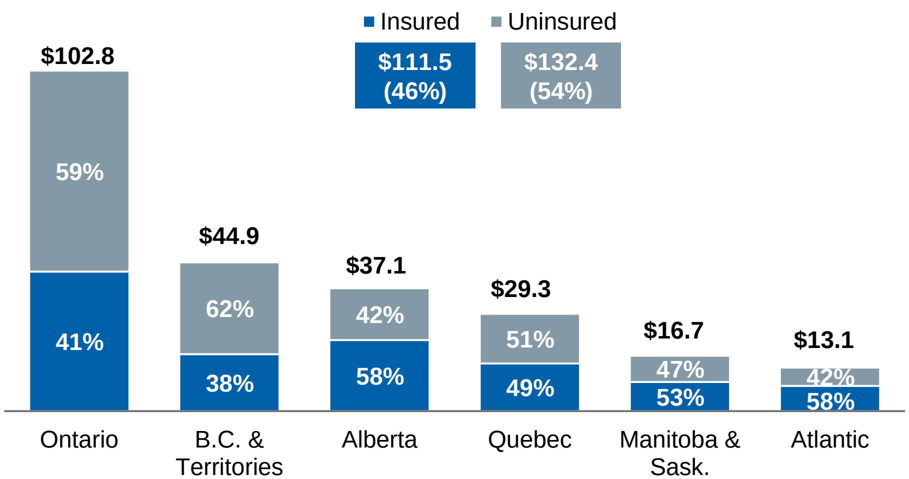
(1) As at Q1/2017. Excludes Canadian Banking wholesale business loans and acceptances. (2) Provision for Credit Losses (PCL) ratio is PCL as a percentage of average net loans & acceptances (annualized). (3) Oil-exposed provinces include Alberta, Manitoba, Saskatchewan, and Newfoundland & Labrador. (4) Based on $219BN in residential mortgages and $6BN of mortgages with commercial clients ($3BN insured).

Canadian residential portfolio has strong underlying credit quality

Canadian Residential Mortgage Portfolio(1)

***As at January 31, 2017** ($ billions)*

LTV (2)					
50%	47%	61%	63%	59%	58%



- Total mortgages of $244BN of which 46% are insured
  - Ontario and B.C. represent 42% and 18% of Canadian residential mortgages(1), respectively
  - Ontario and B.C. have lower LTV ratios than the Canadian average of 54%
- Average remaining amortization on mortgages of 18 years
  - 73% of mortgages have an amortization of <25 years
- Condo exposure is 9.8% of residential lending portfolio

Canadian Banking Residential Lending Portfolio(2)

As at January 31, 2017

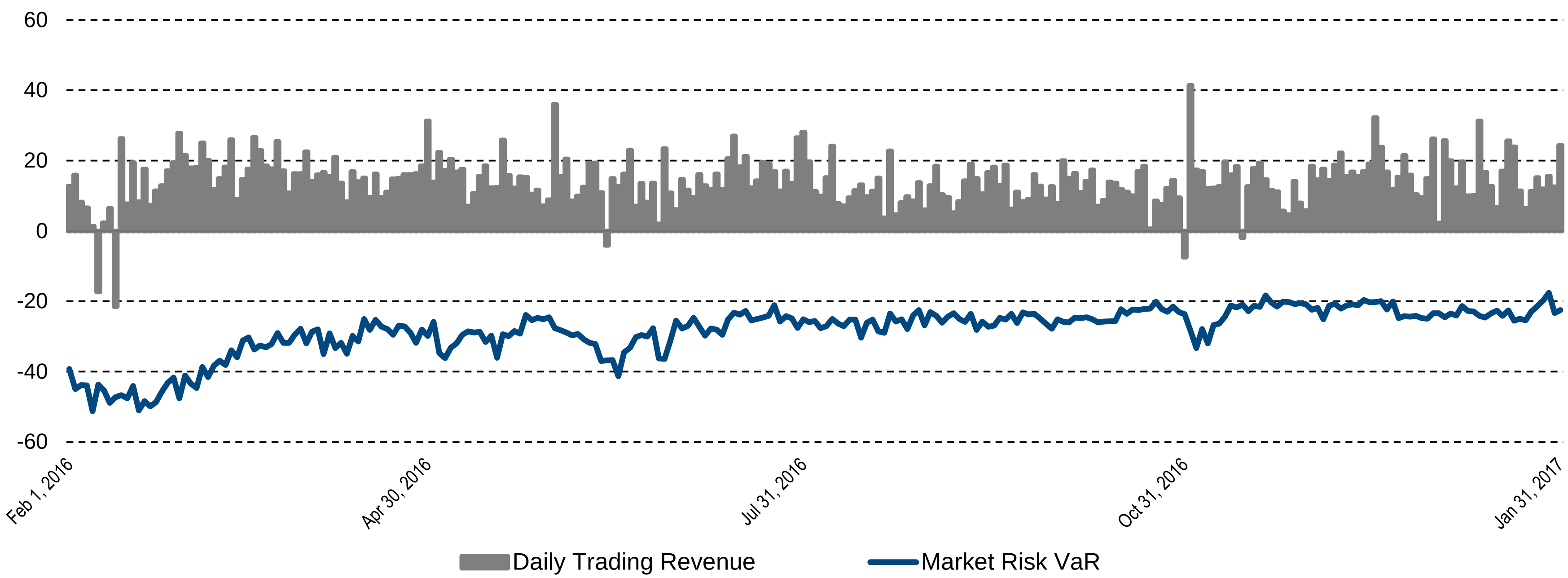
	Total ($259.5BN)	Uninsured ($172.9BN)
Mortgage	**$219.0BN**	**$132.4BN**
HELOC	**$40.5BN**	**$40.5BN**
LTV (2)	**54%**	**51%**
GVA	45%	44%
GTA	47%	46%
Average FICO score(2)	**782**	**790**
90+ days past due(2)(3)	**23 bps**	**20 bps**
GVA	9 bps	8 bps
GTA	7 bps	7 bps

- Strong underlying quality of uninsured portfolio(2):
  - Average LTV of 51%
  - 46% of uninsured mortgages have a FICO score >800
  - <1% of uninsured mortgages have a FICO score of <650 and an LTV ratio of 75%+
- 90+ days past due(3) rates of residential lending portfolio remains stable at low levels
- GTA and GVA average FICO scores are above the Canadian average

(1) Canadian residential mortgage portfolio of $244BN comprised of $219BN of residential mortgages, $6BN of mortgages with commercial clients ($3BN insured) and $19BN of residential mortgages in Capital Markets held for securitization purposes. (2) Based on $219BN in residential mortgages and HELOC in Canadian Banking ($40.5BN). Based on spot balances. Totals may not add due to rounding. (3) The 90+ day past due rate includes all accounts that are either 90 days or more past due or are in impaired status.

Market risk trading revenue and VaR

($ millions)



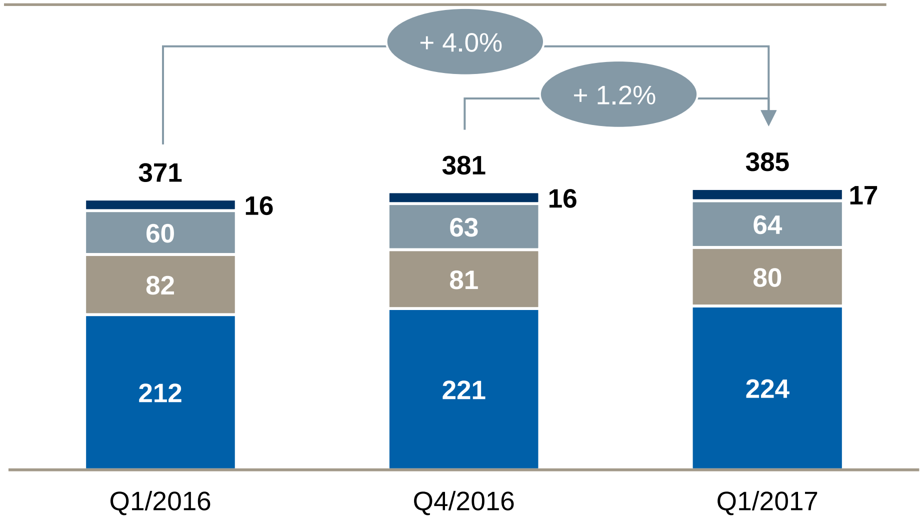
- Trading revenue was up from Q4/2016 due to higher fixed income, equity and FX trading
- There was one day with net trading losses in Q1/2017 of $2 million
- Average market risk VaR of $23 million in Q1/2017 remained relatively flat compared with $25 million last quarter as we maintained our market risk exposures at a relatively low level

Appendices

Solid Canadian Banking volume growth partially offset by lower NIM

Average Loans & Acceptances[1]

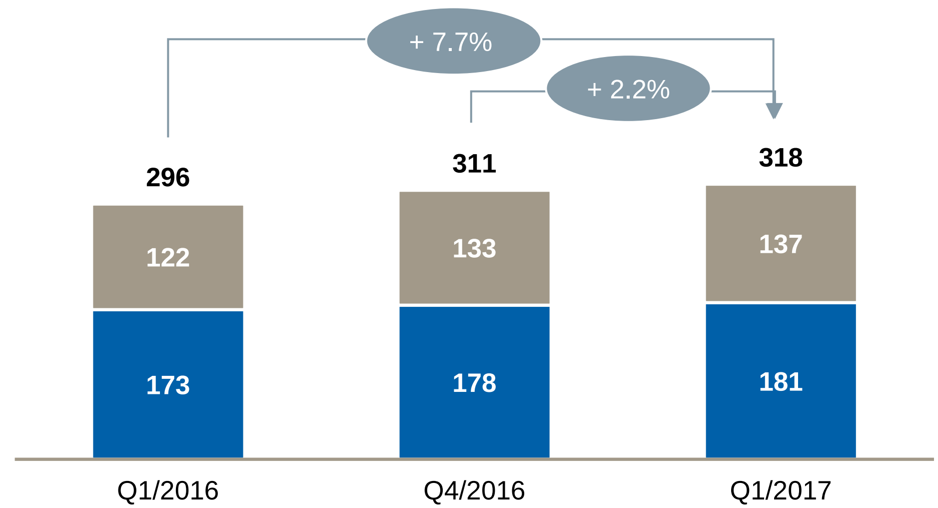
($ billions)



Percentage change[1]		YoY	QoQ
Residential mortgages	■	5.5%	1.6%
Personal lending	■	(2.5%)	(0.9%)
Credit cards	■	5.7%	1.8%
Business (inc. small business)	■	7.2%	2.1%

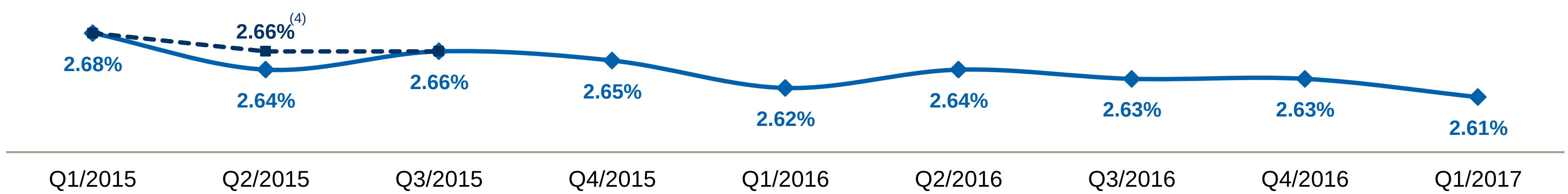
Average Deposits[2]

($ billions)



Percentage change[2]		YoY	QoQ
Personal deposits	■	4.7%	1.6%
Business deposits	■	12.1%	3.1%

Net Interest Margin[3]



(1) Total loans & acceptances and percentage change may not reflect the average loans & acceptances balances for each loan type shown due to rounding. (2) Total deposits and percentage change may not reflect the average deposits for each deposit type shown due to rounding. (3) Net interest margin: Net interest income as a percentage of average total earning assets (annualized).(4) Net Interest Margin in Q2/2015 excludes the impact of a cumulative accounting adjustment. Net Interest Margin excluding the impact of a cumulative accounting adjustment is a non-GAAP measure. For more information, see slide 31.

Continued leadership in Canadian Banking

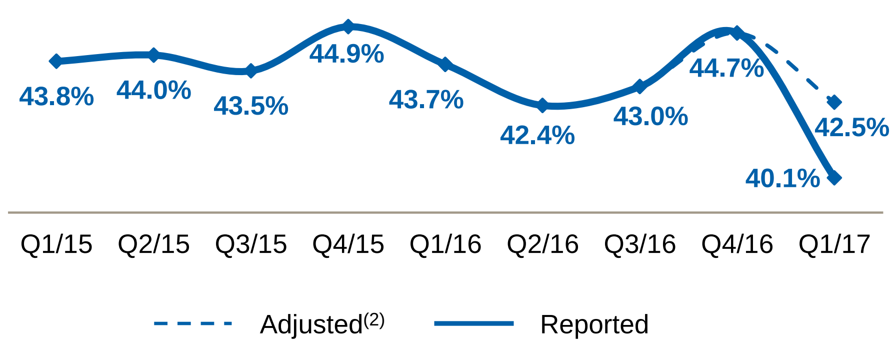
Canadian market share	Current period		One year prior	
	Rank	Market share[1]	Rank	Market share[1]
Consumer lending[2]	1	24.0%	1	24.3%
Personal core deposits + GICs	2	20.0%	2	20.1%
Total mutual funds[3]	1	32.0%	1	32.5%
Long-term mutual funds[4]	1	14.6%	1	14.4%
Business loans[5] ($0 - $25 million)	1	24.1%	1	24.8%
Business deposits[6]	1	25.5%	1	26.4%

- #1 or #2 position in all key Canadian Retail Banking products and in all business products

(1) Market share is calculated using most current data available from OSFI (M4), Investment Funds Institute of Canada (IFIC) and Canadian Bankers Association (CBA), and is as of September 2016 and September 2015 except where noted. Market share is based on total Chartered Banks except where noted. (2) Consumer Lending market share is based on 6 banks (RBC, BMO, BNS, CIBC, TD and NA). Consumer Lending comprises residential mortgages (excluding acquired portfolios), personal loans and credit cards. (3) Total mutual fund market share is based on 7 banks (RBC, BMO, BNS, CIBC, TD, NA and HSBC). (4) Long-term mutual fund market share is compared to total industry. (5) Business Loans market share is based on 7 Chartered Banks (RBC, BMO, BNS, CIBC, TD, NA and CWB) on a quarterly basis and is as of June 2016 and June 2015. (6) Business Deposits market share excludes Fixed Term, Government and Deposit Taking Institution balances.

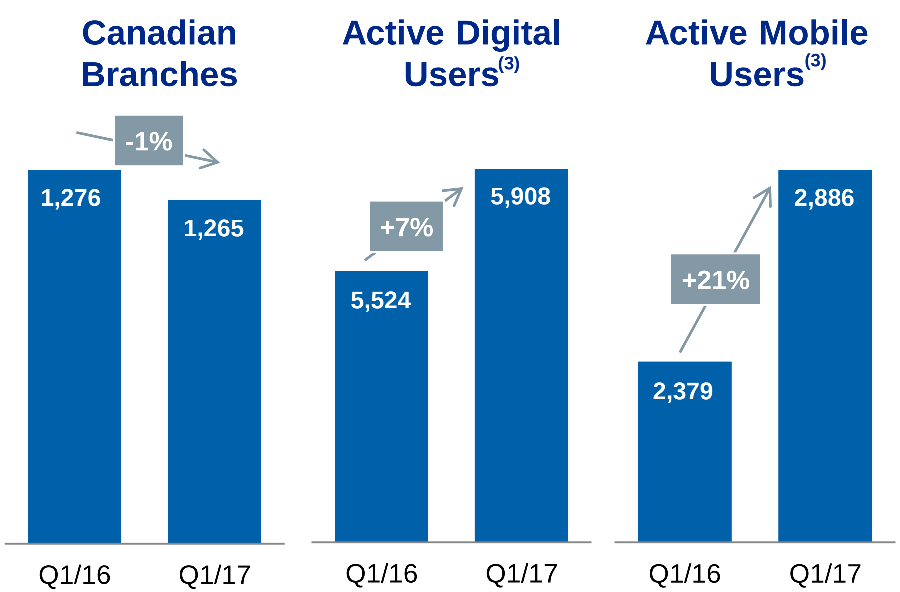
Canadian Banking digitization a driver of cost efficiencies

Efficiency Ratio[1]



- Efficiency ratio was 40.1% in Q1/2017. Adjusted efficiency ratio[2] of 42.5% improved 120 bps YoY
- Operating leverage was 9.1% in Q1/2017. Adjusted operating leverage[2] of 2.9%
  - Expense growth limited to 1% YoY
  - Increased technology spend partially offset by continuing benefits from our efficiency management activities

Omni Channel Strategy



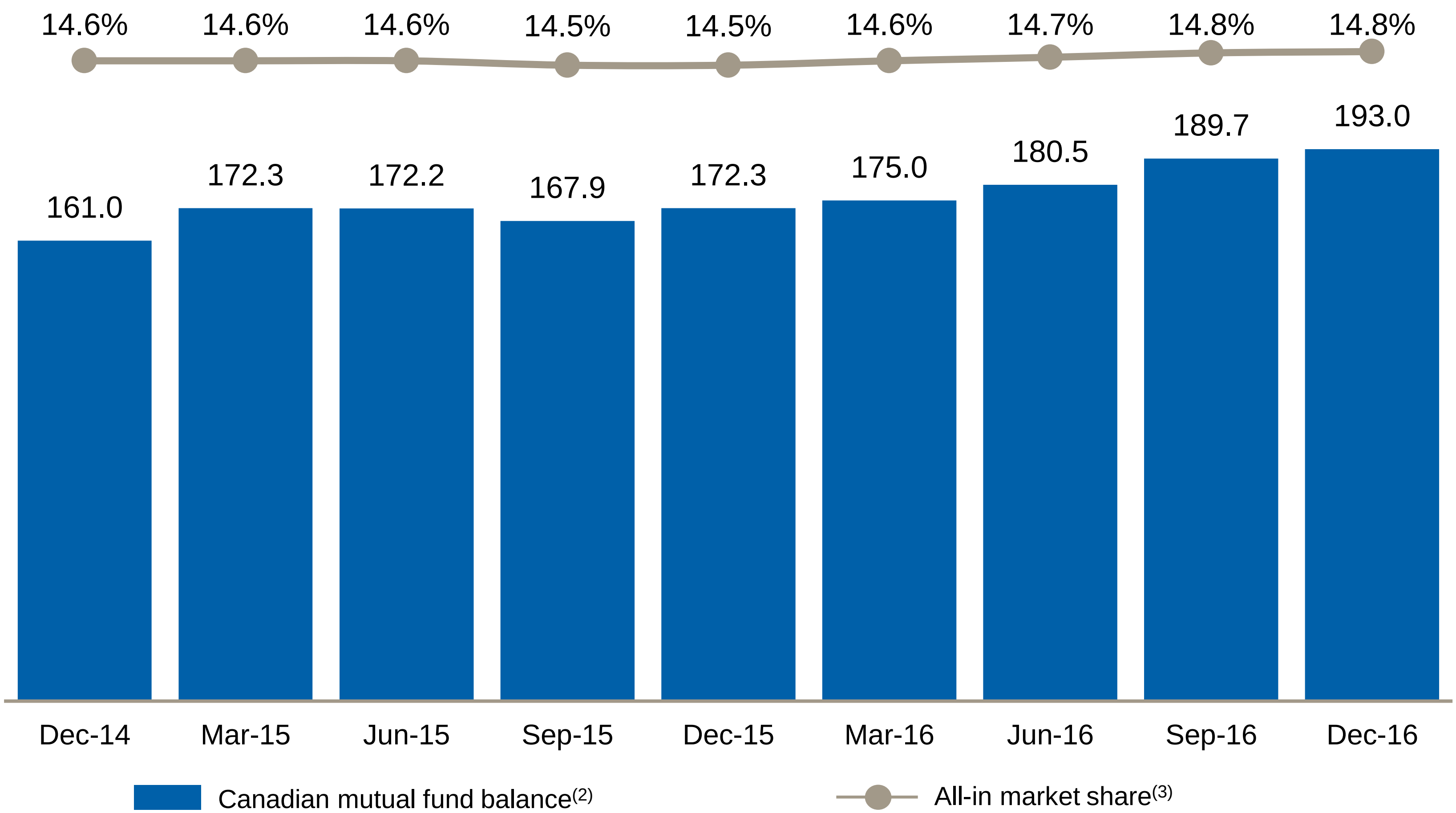
- Net Canadian branch count was down 1% YoY
  - Closures were partially offset by openings of new, smaller and technology-enabled branches
  - Branches are a key component of how we serve our clients, complementing increased self service transactions through digital channels
- Sales through our digital channels represent an increasing portion of all Canadian retail sales driven by higher digital adoption by our clients

(1) Efficiency ratio: Non-interest expense as a percentage of total revenue. (2) Adjusted efficiency ratio and adjusted operating leverage exclude our share of a gain related to the sale of the U.S. operations of Moneris Solutions Corporation (Moneris gain on sale). Efficiency ratio and operating leverage excluding our share of a gain on the sale of the U.S. operations of Moneris Solutions Corporation are non-GAAP measures. For more information and a reconciliation, see slides 30 and 31. (3) These figures (in 000s) represent the 90-Day Active customers in Canadian Banking only.

Stable growth in Canadian retail assets under management

Canadian Mutual Fund Balances and Market Share(1)

($ billions, except percentage amounts)



- RBC Global Asset Management (GAM), ranked #1 in market share, has captured 32.2% of share amongst banks and 14.8% all-in(1)

(1) Source: IFIC as of December 2016 and RBC reporting.
(2) Comprised of long-term funds.
(3) Comprised of long-term funds and money market funds.

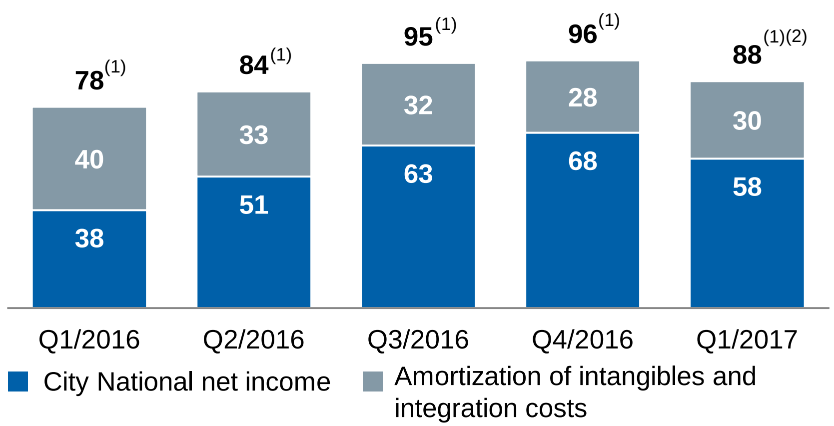
Continued momentum at CNB with strong Q1/2017 results

Select financial items	Q1/2017 *(US$)*	YoY
Revenue	$414MM	22%
Net Income	$58MM	52%
Loans	$27BN	15%
Deposits	$41BN	29%
Adjusted Deposits[(3)]	*$36BN*	*14%*

Q1/2017 CNB Highlights (US$)

- Net income of US$58 million
  - US$88 million[(1)] excluding amortization of intangibles of US$26 million after-tax and integration costs of US$4 million after-tax
- NIM of 2.66%, down 8 bps QoQ

CNB Net Income (US$ millions)



* *Balance sheet figures represent average balances.*

(1) Adjusted net income excludes amortization of intangibles and integration costs. These are non-GAAP measures. For more information, see slide 31. (2) CNB's Q1/2017 adjusted net income excludes amortization of intangibles of US$26MM after-tax (US$44MM before-tax) and integration costs of US$4MM after-tax (US$7MM before-tax). These are non-GAAP measures. For more information, see slide 31.(3) Adjusted deposits and deposit growth excludes average sweep balances of US$5.0BN from U.S. Wealth Management. These are non-GAAP measures. For more information, see slide 31.

Capital Markets revenue – diversified by business

($ millions)	Q1/2017	Q4/2016	Q1/2016	YoY	QoQ
Investment banking	525	526	390	35%	0%
Lending and other	411	450	480	(14%)	(9%)
Corporate & Investment Banking	**$936**	**$976**	**$870**	**8%**	**(4%)**
Fixed income, currencies and commodities (FICC)	602	492	489	23%	22%
Global equities (GE)	299	229	314	(5%)	31%
Repo and secured financing	293	257	307	(5%)	14%
Global Markets (teb)(1)	**$1,194**	**$978**	**$1,110**	**8%**	**22%**
Other	**($59)**	**($61)**	**$ -**	**n.m.**	**n.m.**
Capital Markets total revenue (teb)	**$2,071**	**$1,893**	**$1,980**	**5%**	**9%**

Corporate & Investment Banking

- Results were up YoY driven by higher loan syndication revenue as well as debt and equity underwriting from improving market conditions and increased client activity in North America, partly offset by lower lending revenue in the U.S. and Europe on lower loan volume as we continue to optimize loan book returns.
- QoQ, lending revenue was down due to lower loan volumes, while Investment Banking revenue remained flat as higher M&A in the U.S. and equity underwriting in Canada offset softer debt underwriting and loan syndication primarily in the U.S.

Global Markets(1)

- Solid YoY growth driven by higher fixed income trading revenue across all regions particularly in Europe and within debt origination in North America as well as improved equity trading in Europe and Foreign Exchange trading in the U.S.
- Strong improvement QoQ reflecting higher trading revenue in fixed income across all regions and equities largely in North America, while foreign exchange trading was also up. This was partly offset by lower commodities trading.

(1) Global Markets segment revenue have been restated to align select portfolios previously disclosed in Repo and Secured financing to FICC and Global Equities

Capital Markets revenue – diversified by geography

($ millions)	Q1/2017	Q4/2016	Q1/2016	YoY	QoQ
Canada	547	435	589	(7%)	26%
U.S.	1,074	1,070	987	9%	0%
Europe	342	252	276	24%	36%
Asia and Other	108	86	119	(9%)	26%
Geographic revenue excluding certain items(1)	**$2,071**	**$1,843**	**$1,971**	**5%**	**12%**
Add / (Deduct): Change in CVA & FVA balance, net of hedges(2)	-	50	9	n.m.	n.m.
Capital Markets total revenue (teb)	**$2,071**	**$1,893**	**$1,980**	**5%**	**9%**
Capital Markets non-trading revenue(3)	1,189	1,264	1,155	3%	(6%)
Capital Markets trading revenue (teb)	**$882**	**$629**	**$825**	**7%**	**40%**
Capital Markets trading revenue (teb) excl. certain items(1)	**$882**	**$579**	**$816**	**8%**	**52%**

Canada

- Results improved QoQ driven by higher equity and fixed income trading as well as higher equity underwriting activity, reflecting increased client activity.
- This was, however, down from the prior year as improved equity and debt underwriting and higher fixed income trading were more than offset by lower equity and commodities trading.

U.S.

- Solid YoY increase driven by higher loan syndication, debt underwriting fees and fixed income trading, as well as improved M&A. This was partly offset by lower loan volumes, equities trading revenue and equities underwriting fees.
- Results were largely unchanged from the prior quarter, as improved equity trading and M&A revenue largely offset lower debt and equity underwriting fees, lower lending revenue and lower loan syndication revenue.

Europe

- Strong YoY growth demonstrating continued progress in our European business was driven by higher fixed income and equity trading, partly offset by lower lending revenues as well as foreign exchange and commodities trading.
- Results were up QoQ primarily driven by higher fixed income trading partially offset by lower investment banking fees.

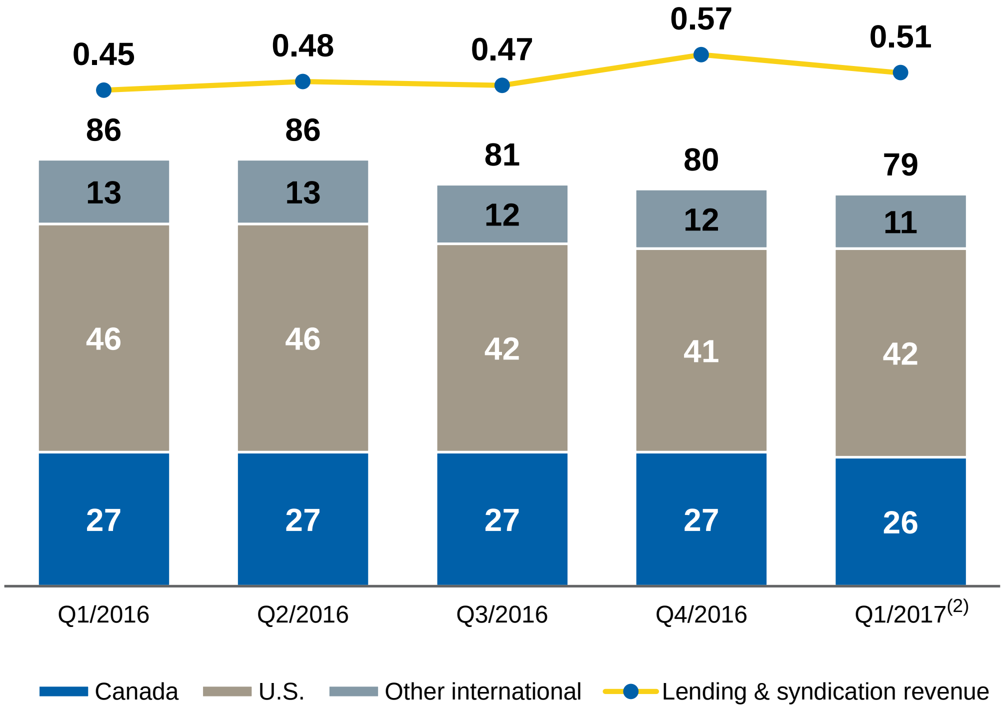
Asia & Other

- Softer results compared to a strong Q1/16, reflecting lower equities trading and M&A advisory, partially offset by higher fixed income trading.
- Results were much improved from the prior quarter with higher fixed income trading, partially offset by lower equity trading.

(1) This is a non-GAAP measure. For more information, see slide 31. (2) Excluded from all geographies. (3) Non-trading revenue primarily includes Corporate & Investment Banking and Global Markets origination and cash equities businesses.

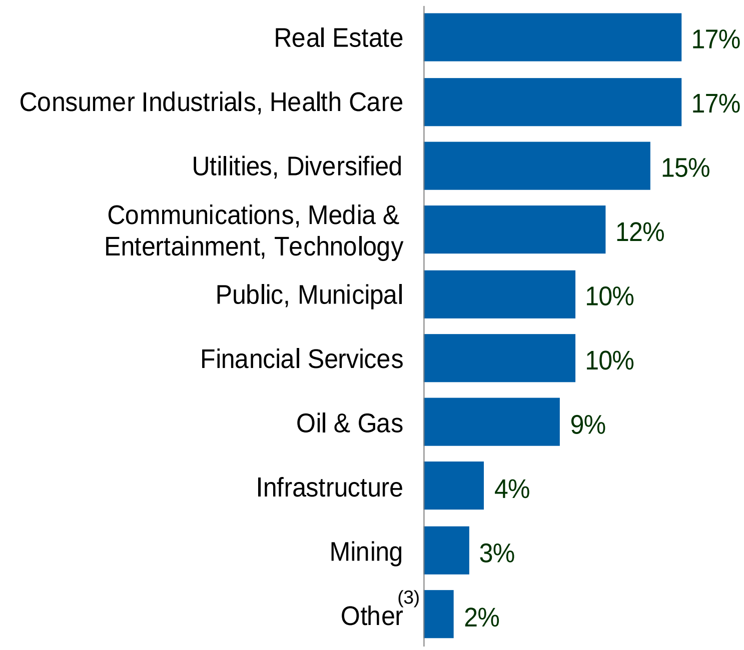
Consistent performance across a diversified loan book portfolio

Capital Markets Lending & Syndication Revenue and Loans & Acceptances Outstanding by Region[1] *($ billions)*



Capital Markets Loans & Acceptances Outstanding by Industry[1]

Q1/2017



- Continue to deepen and optimize client relationships
- Diversification driven by strict limits on single name, country, industry and product levels across all businesses, portfolios, transactions and products
- Consistent lending standards throughout the cycle
- Approximately ~60% of our total Capital Markets exposure[4] is investment grade

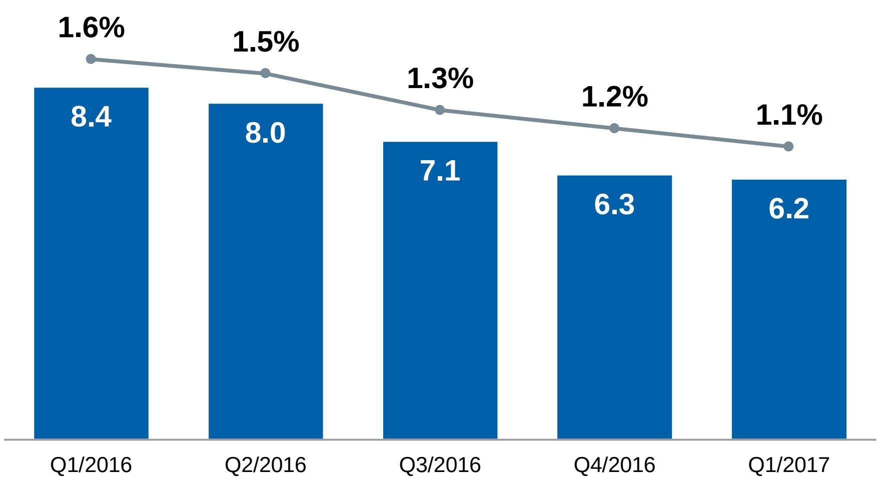
(1) Average loans & acceptances, includes letters of credit and guarantees for our Capital Markets portfolio, on single name basis. Excludes mortgage investments, securitized mortgages and other non-core items. (2) Q1/2017 includes an estimated YoY decrease of $1.9BN and a QoQ increase of $0.4BN related to FX. (3) "Other" mainly includes: Aerospace, Transportation and Forestry. (4) Total exposure represents exposure at default (EAD) which is the expected gross exposure upon the default of an obligor.

Exposure to the oil & gas sector within our risk appetite

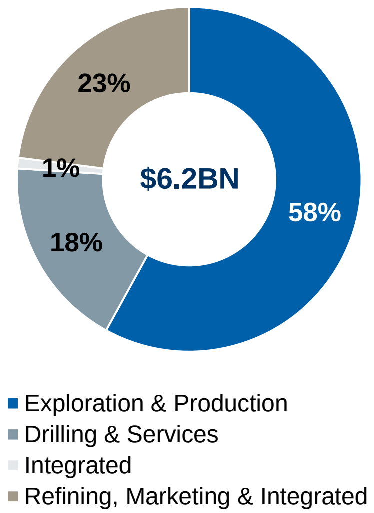
- Our oil & gas portfolio benefited from an improved economic backdrop and increased capital markets activity underpinned by higher average oil prices
- Exposure to oil & gas sector:
  - Drawn of $6.2 billion, decreased 1% QoQ; undrawn[1] of $10.4 billion decreased 3% QoQ
    - Drawn exposure represents 1.1% of RBC's total drawn loans and acceptances, down from prior quarters
- 16% of our drawn and 57% of undrawn[1] oil & gas portfolio is to investment grade clients

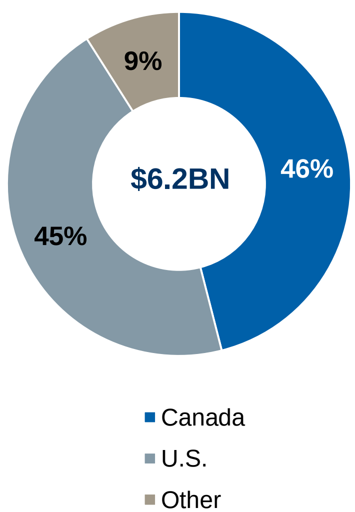
Drawn Oil & Gas Loans and Acceptances

($ billions; % of total drawn loans and acceptances)



Drawn Oil & Gas Exposure by Industry Segment and Geography



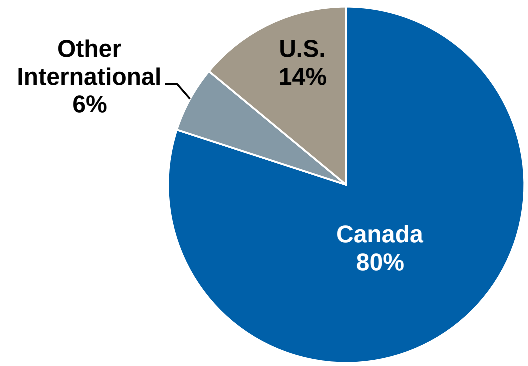


(1) Undrawn commitments represent an estimate of the contractual amount that may be drawn upon at the time of default of an obligor.

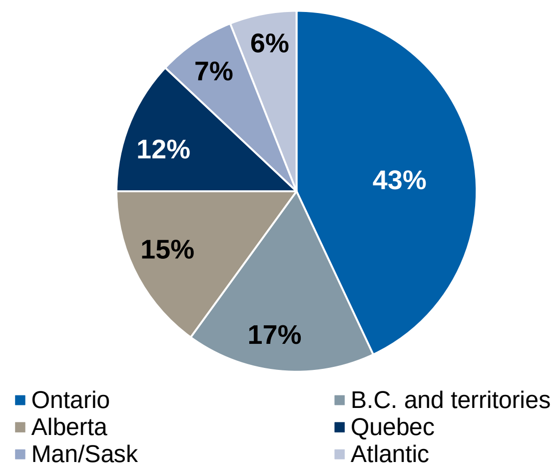
RBC's loans are well diversified by portfolio and industry

Loans and Acceptances [1] ($ millions)	Q1/2017	% of Total
Residential mortgages	257,324	47.8%
Personal	92,106	17.1%
Credit cards	16,942	3.1%
Small business	3,789	0.7%
Total Retail	**370,161**	**68.8%**
Real estate and related	42,817	8.0%
Energy		
Oil & gas	6,176	1.1%
Utilities	6,083	1.1%
Sovereign	11,084	2.1%
Technology and media	10,193	1.9%
Consumer goods	10,083	1.9%
Non-bank financial services	8,792	1.6%
Automotive	7,939	1.5%
Holding and investments	7,825	1.5%
Financing products	7,732	1.4%
Health services	7,637	1.4%
Agriculture	6,886	1.3%
Industrial products	5,875	1.1%
Transportation and environment	5,712	1.1%
Bank	1,898	0.4%
Mining and metals	1,343	0.2%
Forest products	1,113	0.2%
Other services	12,705	2.4%
Other	6,154	1.1%
Total Wholesale	**168,047**	**31.2%**
Total Loans and Acceptances	**538,208**	**100.0%**

Breakdown by Region of Total Loans and Acceptances
(Q1/2017)



Breakdown by Region of Canadian Total Loans and Acceptances
(Q1/2017)



(1) Does not include letters of credit or guarantees.

Specified item impacting Q1/2017 results

($ millions, except for EPS amounts and percentages)	Reported	Moneris gain on sale	Adjusted[1]
Q1/2017			
Consolidated			
Net Income	$3,027	($212)	$2,815
Basic EPS	$1.98	($0.14)	$1.84
Diluted EPS	$1.97	($0.14)	$1.83
ROE	18.0%		16.7%
Personal & Commercial Banking			
Net Income	$1,592	($212)	$1,380
Efficiency Ratio	42.8%	2.3%	45.1%
Operating Leverage	6.6%	(5.7%)	0.9%
Canadian Banking			
Net Income	$1,546	($212)	$1,334
Efficiency Ratio	40.1%	2.4%	42.5%
Operating Leverage	9.1%	(6.2%)	2.9%

(1) These are non-GAAP measures. For more information, see slide 31.

Note to users

We use a variety of financial measures to evaluate our performance. In addition to generally accepted accounting principles (GAAP) prescribed measures, we use certain key performance and non-GAAP measures we believe provide useful information to investors regarding our financial condition and result of operations. Readers are cautioned that key performance measures, such as ROE and non-GAAP measures, such as results excluding our share of a gain related to the sale of the U.S. operations of Moneris Solutions Corporation (Moneris gain on sale), our merchant card processing joint venture with the Bank of Montreal, to Vantiv Inc. (Vantiv), revenue net of Insurance fair value change of investments backing our policyholder liabilities, results excluding City National, adjusted City National results, Capital Markets trading and geographic revenue excluding certain items, GIL ratio excluding acquired credit impaired loans, and net interest margin excluding the impact of a cumulative accounting adjustment do not have any standardized meanings prescribed by GAAP, and therefore are unlikely to be comparable to similar measures disclosed by other financial institutions.

Additional information about our ROE and non-GAAP measures can be found under the "Key performance and non-GAAP measures" section of our 2016 Annual Report.

Definitions can be found under the "Glossary" sections in our Q1/2017 Supplementary Financial Information and our 2016 Annual Report.

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