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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 these speakers' notes, in other filings with Canadian regulators or the SEC, in reports to shareholders and in other communications. Forward-looking statements in these speakers' notes include, but are not limited to, statements relating to RBC and our business segment outlooks, the economic and regulatory environment and our strategic goals. The forward-looking information contained in these speakers' notes 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 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 and 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, operational, and liquidity and funding risks, and other risks discussed in the Risk management and Overview of other risks sections of our 2010 Annual Report and in the Risk management section of our Q3 2011 Report to Shareholders; general business, economic and financial market conditions in Canada, the United States and certain other countries in which we conduct business, including the effect of the European sovereign debt crisis and the lowering of the U.S. long-term sovereign credit rating by Standard and Poor's, changes in accounting standards, policies and estimates, including changes in our estimates of provisions, allowances and valuations; the effects of changes in government fiscal, monetary and other policies; the effects of competition in the markets in which we operate; the impact of changes in laws and regulations, including tax laws; changes to and new interpretations of risk-based capital guidelines, and reporting instructions and liquidity regulatory guidance, and the *Dodd-Frank Wall Street Reform and Consumer Protection Act* and regulations to be issued thereunder; 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; and development and integration of our distribution networks.

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. 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 Overview of other risks sections of our 2010 Annual Report and in the Risk management section of our Q3 2011 Report to Shareholders.

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

JANICE FUKAKUSA, CHIEF ADMINISTRATIVE OFFICER AND CHIEF FINANCIAL OFFICER

Thank you John and good morning everyone. I'm very pleased to be here today to speak to you about Royal Bank of Canada.

As noted on Slide 2, all remarks, including those during the question and answer session, may contain forward-looking statements which have inherent risks and uncertainties. Actual results could differ materially from these statements.

RBC is Canada's largest company by assets and market capitalization and we are in the top 15 largest banks in the world. We are a diversified financial services company with five business segments and operations that span Canada, the U.S. and 55 other countries across the globe. We are Canada's largest employer with approximately 74,000 people serving close to 15 million clients globally.

As seen on slide 4, our strategy is to be the undisputed leader in Canadian financial services, to grow our Wealth Management and Capital Markets businesses globally, and to participate in selected markets globally that are complementary to our core strengths. We continue to execute against this strategy and our results are a testament to our success - on a year-to date basis we have earned over 5 billion dollars from continuing operations, up 16 percent from last year, with a return on equity of 18.4 percent – a significant achievement in these challenging market conditions.

Turning to slide 5, our success centers around a longstanding business model that is diversified by both business and geography. We believe we have the right mix of businesses, generating approximately 75 percent of revenues from retail, including banking, wealth management and insurance, and 25 percent from capital markets. We feel this mix diversifies risk and contributes to earnings stability throughout the cycle.

With respect to geography, Canada is our core market where we generate two-thirds of our revenue. We are a leader in all of our key domestic businesses – banking, wealth management, insurance and capital markets, with a strong track record of outperformance. Canada has exceptional fundamentals and although we are not sheltered from the impact of global macro events, one thing holds true – the international reputation for strength and stability – of both Canada and RBC – continues to build.

By leveraging our domestic based franchises, we have been able to build strong competitive positions in our capital markets and wealth management businesses outside of Canada that are significant in scale and expanding their global reach. RBC's financial strength has been essential to the success of our domestic and international businesses.

We have a strong risk management culture and have always taken a disciplined and rigorous approach to the clients and counterparties we deal with.

In the context of Europe, our exposures to the peripheral countries are minimal, and our exposure in other industrial countries are to high grade, highly rated entities and are well collateralized. Overall we feel our exposures are very manageable and we are very comfortable with our dealings in Europe.

We have a very strong and liquid balance sheet which we have significantly enhanced over the past few years by disposing of higher risk and lower return assets in which we lacked the necessary scale to compete effectively. For example we sold Liberty Life, our U.S. life insurance business and as most of you know, in June we announced the sale of RBC Bank USA to PNC Financial, which is scheduled to close in our second quarter of 2012.

Our capital position is strong with a Tier 1 Capital ratio of 13.2 percent as at July 31, and we meet the Basel III requirements today based on current interpretations subject to our regulator approving certain models. On a pro forma basis, the sale of RBC Bank USA puts this capital ratio well over 14 percent.

In this environment, we are very comfortable having excess capital and this strong financial profile will provide us with flexibility to take advantage of the changing competitive landscape and capitalize on opportunities at a time when many other financial services institutions are constrained.

Now before I get into our business segments, I wanted to address some questions around the Canadian housing market and the health of the Canadian consumer. First, let me point out that the Canadian mortgage market is different than the U.S. Although consumer debt levels have increased in Canada, Canadians have lower debt service ratios and hold a larger portion of their equity in their home, resulting in relatively lower loan to value ratios.

We have more conservative lending practices in Canada and originate loans to hold them on our balance sheet. As a result, Canada has a strong history of low delinquencies and very low losses throughout the economic cycle. For RBC in particular, we are comfortable with our portfolio. We uphold the highest underwriting standards and stress test our portfolios periodically under a number of different scenarios encompassing interest rate rises and house price declines.

The Canadian government has also been proactive and taken a number of steps to help curb consumer debt levels, including some amendments to mortgage lending rules that reduced amortization periods and established higher minimum down payments.

We have included additional details and comparisons in the appendix of this presentation for your reference.

Now turning to our businesses.

Although the global industry is facing headwinds, we have good momentum in our businesses. Starting on slide 6, Canadian banking is RBC's main engine of earnings power generating more than half of our earnings.

We are a Canadian leader and the "only truly national" franchise with top 3 market share positions in all regions of Canada. We have an unparalleled scale advantage. With the largest physical distribution network in the country, more than double the mobile sales force of our nearest competitor and top-rated online banking capabilities, providing us with the ability to reach more customers when and how they want. This tremendous scale advantage has enabled us to grow volumes at a 25 percent premium to the market.

Currently, dynamics in the Canadian retail market are shifting. Consumer lending volumes are moderating, competition is intensifying, and we expect to continue to operate in a low interest environment for an extended period of time. Notwithstanding these headwinds, we have many levers in place that will enable us to continue to execute and extend our sales power, improve efficiencies and adapt to the changing industry dynamic.

We are unique in that we not only sell products across channels, we sell across segments - we sell more creditor insurance, credit cards and mutual funds through our branch network than any other competitor and in 2011, Ipsos-Reid ranked RBC number one in Canada for cross-selling.

On the revenue side, we expect that as the Canadian consumer continues to deleverage, the strong growth in credit will be replaced by growth in savings and investments, driven by an aging population focused on growing and accumulating wealth. With our broad product offering in both Canadian Banking and Wealth Management, we are well positioned to benefit from this changing trend.

Additionally, we are seeing growth in commercial loans offsetting some of the decline on the consumer side. We continue to focus on differentiating ourselves through quality advice and industry specialization. And, recently for three consecutive quarters, commercial loan growth has improved.

In the current environment, we recognize both the need to grow revenue and to reduce the cost of putting each new dollar of revenue on our books. We are re-examining all of our investment plans and our cost structure and remain committed to achieving a targeted efficiency ratio or the cost-to-income ratio in the low 40's, in the next few years.

In Canadian Banking, we are in the unique position to further the gap between ourselves and our competitors by leveraging our scale to continue strengthening capabilities, streamlining processes and reducing costs which in turn will improve our sales productivity and our efficiency.

Turning to slide 7, our insurance business fully complements our retail offering and makes a solid contribution to our diversified earnings stream. We are the largest bank-owned insurer in Canada with integrated manufacturing and distribution capabilities.

Going forward, we are very focused on increasing sales through our low cost proprietary channels, while continuing to identify opportunities to strengthen our product offering and client relationships.

Looking at Wealth Management on slide 8, this business continues to build momentum globally and is ranked the 6th largest wealth manager in the world. In Canada, we are the largest and most profitable wealth manager with 22 percent of the High-Net-Worth market. In the U.S., we are now the 6th largest full-service brokerage firm by financial advisors, with 220 billion dollars in assets under administration and approximately 2,100 financial advisors across 42 states.

Through our growth in the U.S., we have maintained our commitment to providing superior service to our clients and this year, we were awarded the top rank for overall investor satisfaction by J.D. Power.

Our Global Asset Management business has been a key growth engine for us over the last four years and we have transformed this business and built the groundwork to enable us to become a leading global player. In 2007, we had 100 billion dollars of assets with a focus on our domestic retail market. Today we are a more global business, with over 250 billion dollars in assets under management and we have achieved this growth both organically, and through acquisitions which complement our product and client mix.

Last year, we purchased BlueBay Asset Management, one of Europe's leading fixed income asset managers. In the short nine months since the acquisition closed, we've been able to expand our international footprint through the opening of a new office in Hong Kong, and broadened our product offering by distributing BlueBay's internationally recognized expertise through our Canadian retail markets.

Other key elements of our global wealth management strategy include leveraging our leadership in international trust solutions, and growing our footprint in the U.K. and emerging markets. We are confident that a clear strategy and the ability to deliver superior wealth management solutions to our global client base positions us well to benefit from favourable demographic trends supporting growth in this segment.

Our International Banking segment on slide 9 comprises our Caribbean banking operations and RBC Dexia our global custody business. In the English speaking Caribbean, we have the second largest banking group and provide solutions to individuals and businesses through a network of 123 branches in 17 countries and territories.

Long-term prospects in Caribbean banking remain attractive as margins are healthy and our initiatives provide us with opportunities for expense optimization and the ability to drive efficiencies across the large network going forward.

RBC Dexia remains a top 10 global custodian and continues to expand its customer base by winning new client mandates. We are seeing good growth in fee-based client assets and our focus is on enhancing and broadening the global product suite there.

Turning to Capital Markets on slide 10, unlike our Canadian competitors, RBC is Canada's only truly global investment bank. We have the unique ability to offer our clients the strength of our Canadian leadership and global expertise. In Canada, we have top tier market share across all of our businesses and we see the results across the league tables and through numerous awards, including National Post's Dealmaker of the Year, a title we've held for eight consecutive years.

From our strong domestic base, we have built a premier global investment bank, and this year Bloomberg ranked us 11th-largest investment bank in the world by fees.

We have always taken a measured approach to growing by diversifying across businesses and geographies and executing very disciplined risk management practices, thereby maximizing risk-adjusted returns on capital, even through challenging market conditions. We are currently shifting our revenue and earnings mix in this business, growing our investment banking fee-based businesses to produce consistent returns. Recently as trading levels declined, we have had very strong momentum, offsetting some of the declines in our investment banking businesses across all the geographies.

The RBC brand outside of Canada is a symbol of strength and stability and has been key in attracting clients and top talent from other firms. Looking at our U.S. business, the success of the strategy is paying off. We have developed a sizeable franchise that has doubled over the past three years, we have increased market share and we are being awarded key mandates by mid and large-cap companies. In Europe, we have been following a similar growth approach to the U.S., by leading with trading and then building out our investment banking, equities and research capabilities.

There is no question this has been a challenging period for trading given Europe's debt crisis and our role as a leading fixed income player. We have been proactively managing risk there, and responding to the structural changes in the global fixed income markets by scaling our businesses in line with the contraction of the market.

Notwithstanding the current market conditions and regulatory pressures, we remain committed to the markets in which we operate and we will continue to focus on selectively broadening our client relationships, while maintaining strict risk management practices and aggressively managing our balance sheet.

Although there has been some short term earnings volatility in our Capital Markets platform, we continue to believe that returns in Capital Markets will be strong over the long-term relative to other areas in financial services.

In closing, banks around the world are facing significant headwinds. While we are confident that a recovery of global capital markets will occur, complex issues need to be worked out first and they will take time. In this environment, it is our objective to maintain a very strong capital position, to grow our earnings and to take advantage of global dislocation without putting us at risk from uncontrollable external shocks.

We believe our domestic leadership and global growth strategies, combined with our diversified model and financial strength, give us a high degree of flexibility to successfully navigate these uncertain times and continue to deliver long-term value to our shareholders.

Thank you for listening to me and I am happy to take questions.