



ROYAL BANK OF CANADA TO ACQUIRE FULL OWNERSHIP OF RBC DEXIA INVESTOR SERVICES LIMITED

– Fact sheet –

Highlights

Transaction:	RBC will acquire the other 50% stake in RBC Dexia Investor Services Limited (RBC Dexia) that RBC does not already own. Post closing, RBC will own 100% of RBC Dexia.
Description of RBC Dexia:	<p>RBC Dexia offers a complete range of investor services to institutions worldwide. Its unique offshore and onshore solutions, combined with the expertise of its 5,500 professionals in 15 markets, help clients grow their business and sustain enhanced performance through efficiency improvements and robust risk management practices. RBC Dexia ranks among the world's top 10 global custodians ranked by assets under custody.</p> <p>For the 12 months ended December 31, 2011, RBC Dexia had net income of €123 million. As at December 31, 2011, RBC Dexia's book value was €1.7 billion.</p>
Ownership to date:	Joint venture between Banque Internationale à Luxembourg S. A. (BIL) (formerly Dexia Banque Internationale à Luxembourg S. A.) and RBC
Geographic presence:	15 countries across 4 continents (Canada; United Kingdom; Luxembourg; France; Belgium; Italy; Netherlands; Spain; Ireland; Switzerland; United Arab Emirates; Singapore; Hong Kong; Australia; Cayman Islands)
# Employees:	Over 5,500 (December 31, 2011)
Assets Under Administration:	€2.1 trillion (C\$2.7 trillion as at December 31, 2011)
Form of consideration:	Total consideration of €837.5 million (C\$ 1.1 billion) in cash; no equity issuance required to fund this acquisition
Expected closing:	Mid-2012
Closing conditions:	Subject to regulatory, government and other approvals
RBC Tier 1 Capital Ratio Impact:	Approximately 25 bps reduction at closing
RBC EPS impact:	Expected to be moderately accretive in 2013
Other information	<p>In conjunction with entering the agreement, RBC Dexia has sold €1.4 billion (C\$1.9 billion) in nominal value of Dexia Group securities back to the Dexia Group and acquired approximately an equivalent amount of U.S. dollar-denominated securities consisting primarily of notes issued by large global financial institutions. RBC Dexia will recognize a loss from the sale of The Dexia Group securities and RBC's proportionate share of this loss is approximately \$30 million after-tax, which will be recorded in the second quarter.</p> <p>With this acquisition of the other 50 per cent in RBC Dexia that RBC does not currently own, RBC is required, from an accounting perspective, to revalue its existing investment in the joint venture to reflect the purchase price. This revaluation results in a non-cash loss of approximately \$170 million after-tax, primarily reflecting a write-down of intangibles. The majority of this loss will be recorded in the second fiscal quarter. During the time between the announcement of this transaction and closing, RBC will continue to revalue its investment in the joint venture and RBC's proportionate share of any earnings in the joint venture will be offset by a corresponding accounting adjustment.</p>

See caution regarding forward looking statements on page 2.



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Increases ability to benefit from a strong and stable business with global institutional client base and further diversifies our earnings mix

Aligns with RBC's strategy

- Leading provider of select financial services in targeted markets
- Complements our global Wealth Management and Capital Markets businesses
- Furthers RBC's position as undisputed leader in Canada

Strong business with attractive fundamentals

- Strong and stable business with a premier global institutional client base
- Scalable business model with leading infrastructure
- Well positioned to benefit from growth in wealth management around the world reflecting long-term demographic trends and growing trend of institutional clients outsourcing custody operations

Benefit of full ownership

- Ability to leverage RBC's strong reputation, brand and financial strength to win additional business and drive growth
- Full ownership allows RBC to support RBC Dexia's long term strategy
- Leverage RBC's strong risk culture and robust systems

Caution regarding forward-looking statements

Certain statements contained in this fact sheet may be deemed to be forward-looking statements under certain securities laws, including the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995 and any applicable Canadian securities legislation. These forward-looking statements include, but are not limited to, statements with respect to the acquisition by Royal Bank of Canada of the other 50 per cent stake in RBC Dexia and Royal Bank of Canada's expected losses relating to this acquisition and the purchase and sale of certain securities in conjunction with the acquisition. 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 and other forward-looking information, including statements about the acquisition by Royal Bank of Canada of the other 50 per cent stake in RBC Dexia and Royal Bank of Canada's expected losses relating to the acquisition and the purchase and sale of certain securities in conjunction with the acquisition 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, but are not limited to the possibility that the proposed transaction does not close when expected or at all because required regulatory or other approvals are not received or other conditions to the closing are not satisfied on a timely basis or at all, that Royal Bank of Canada, RBC Dexia or BIL may be required to modify the terms and conditions of the proposed transaction to achieve regulatory approval, or that the anticipated benefits of the transaction are not realized as a result of such things as the strength of the economy and competitive factors in the areas where RBC Dexia does business; the impact of changes in the laws and regulations regulating financial services and enforcement thereof (including banking, insurance and securities); judicial or regulatory judgments and legal proceedings; the ability of RBC Dexia and BIL to complete the transaction successfully; reputational risks, and other factors that may affect future results of Royal Bank of Canada, RBC Dexia and BIL. We caution that the foregoing list of important factors is not exhaustive. Additional information about these and other factors can be found in our Q1 2012 Report to Shareholders and 2011 Annual Report to Shareholders.

Except as required by law, Royal Bank of Canada assumes no obligation to update the forward-looking statements contained in this fact sheet.