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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 speaker's notes, in other filings with Canadian regulators or the U.S. Securities Exchange Commission (SEC), in reports to shareholders and in other communications. Forward-looking statements include, but are not limited to, statements relating to our progress towards medium-term objectives, our vision and goals, the 2010 outlook in these speaker's notes. The forward-looking information contained in these speaker's 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 our vision and strategic goals and medium-term objectives, and may not be appropriate for other purposes. Forward-looking statements are typically identified by words such as "believe", "expect", "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 objectives, strategic goals and priorities 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 liquidity and funding risks, and other risks discussed in the Risk, capital and liquidity management, and Overview of other risks sections of our 2009 Management's Discussion and Analysis; general business, economic and financial market conditions, including the ongoing impact from the market environment, the lack of liquidity in certain markets, the level of activity and volatility of the capital markets and including recessionary conditions in Canada, the United States and certain other countries in which we conduct business; 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; 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, capital and liquidity management and Overview of other risks sections of our 2009 Management's Discussion and Analysis.

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GORDON M. NIXON, PRESIDENT & CEO

Turning to Slide 4, let me begin with an overview of RBC and then explain why we are in a stronger position relative to most other financial institutions and, finally, what we are doing to extend our presence as a globally significant, strong and stable financial institution.

Today we are the 13th largest bank in the world as measured by market capitalization. We are a diversified financial company with five business platforms and operations in 55 countries, employing 80,000 people and we have approximately 18 million customers.

RBC is Canada's largest bank as measured by assets. Canada is our core market and we are a leader in all of our key domestic businesses – whether it be banking, wealth management or capital markets, and we have continued to extend that leadership.

Canada has been fortunate in its ability to absorb the global recession better than most countries. Strong fiscal fundamentals going into this crisis, combined with a well functioning housing and mortgage market and a sound regulatory regime, certainly contributed to that domestic performance. In addition to that, there was a lot of good practice relating to risk management

Outside Canada, we are focused on specific businesses where we know we have competitive strengths and we manage risk and our balance sheet aggressively.

We generate approximately two-thirds of revenue in our home market and our long standing business model is to maintain a 75% – 25% mix between our retail and wholesale businesses.

I think it is particularly important in today's environment to recognize that this has been a longstanding strategy and one that we believe will not only serve the test of the past but also the test of the future which I think is quite different than the business mix shifts that are going to happen across the industry worldwide and particularly here in the U.S.

This strategic mix has differentiated our performance over time and has proven to generate strong returns through all points of the cycle.

We are also one of only four non-sovereign banks in the world to maintain a triple 'A' Moody's senior debt rating.

Our strong balance sheet, diversified business model and leading market positions have given us increased flexibility and an unprecedented range of opportunities to invest and grow our businesses across a changing global landscape at a time when others can not.

As you know, the events over the past two years have been historic in their intensity and impact. Like all financial institutions across the globe, we certainly faced headwinds driven by the deteriorating economic and market conditions.

In response, we aggressively undertook a number of initiatives to address these external challenges head on and to fortify our financial position:

- We built up our capital base and closed the year with a Tier 1 capital ratio of 13% – up from 9% a year ago and a tangible common equity ratio of 9.2% - up from 6.5% last year. This is the highest of all the Canadian banks – and amongst the highest of banks globally.
- We executed on our cost initiatives by containing our spend and creating new ways to be more efficient while, at the same time, driving growth across our various businesses. This is particularly evident in Canadian Banking, our largest segment, where we grew our business while at the same time reducing costs by 1%.
- We exited specific businesses in order to redeploy capital in areas where we could generate significant and better returns. For example, we moved quickly to contain certain non-performing capital markets businesses so we could focus our attention and resources on strengthening our core capabilities, particularly expansion outside the domestic marketplace.

We also reduced exposure in our available-for-sale portfolio and as a result, our portfolio reflects a net unrealized gain, compared to a net unrealized loss in prior quarters. And it is worth pointing out, that net unrealized losses in this portfolio peaked at over \$2 billion in the first quarter of 2009 and today we have a net unrealized gain of \$60 million.

While we have had to manage through significant market related losses, the strength and diversification of our platform and our risk process enabled us to maintain a strong financial position throughout the downturn. We are now in an extremely strong, competitive position, relative to many financial institutions across the globe which face capital constraints, government ownership, and new regulatory hurdles that we all will all be managing through.

Turning to Slide 5. Last week, we reported our fiscal 2009 results. We generated cash net income of over \$5 billion, up 8% over last year. Reported net income just under \$4 billion, down \$700 million or 15% from last year, mainly reflecting the \$1 billion goodwill impairment charge recorded in the second quarter of this year. On a cash basis our return on equity was over 15%.

Our provision for credit losses remain elevated, particularly in our U.S. retail bank, reflecting the weak economic conditions. However, we have a conservative credit culture that has guided us through the financial crisis and our strong results fully reflect these headwinds.

Our continued leadership position in Canada across all sectors of financial services and our ability to take advantage of global opportunities have been key factors contributing to the consistency of our earnings.

Now let me give you a brief overview of our five business segments and explain how we are winning in the marketplace

Turning to slide 6 our Canadian Banking segment which made up more than half of RBC's earnings in 2009 is performing very well and is differentiating itself in the current economic cycle. We have the country's largest and most integrated advice-based distribution network, offering superior client advice with close to 1,200 branches, over 4,200 ATMs, and over 1,200 mobile sales people across Canada with a leading presence in all provinces and territories.

We rank number 1 or 2 in all major personal and business products and have been leveraging our size and scale to drive profitable market share gains across all key products, as you can see on slide 7. For example, over the last year, we had record net account openings and increased our market share in personal core deposits by 100 basis points and business loans by 90 basis points. Notably, we received the Best Banking Award for "Branch Service", "Financial Planning and Advice" and "Values My Business" by Synovate in 2009.

Our performance over the last year reflects the solid momentum in all of our businesses. We had double digit volume growth:

- deposits were up 11%,
- residential mortgages up 9%,
- and business loans and personal loans were up 8% and 22%, respectively.

This strong growth was muted by the rise in credit provisions resulting from the weakened economy and compressed margins, reflecting the historically low interest rates in which we operate.

I should point out that each of our reported segments absorbs the full cost of running its business which not only provides an accurate picture of performance, it also incents the appropriate business decisions. I point this out because some of our competitors both in Canada and globally absorb some of the low interest rate compression in Treasury as opposed to passing those on to the businesses.

Despite these challenges, we increased our market share, expanded our distribution capabilities and improved operational efficiency on a reduced cost base. In 2009, expenses were actually down from the year before, helping drive an efficiency ratio of 47.8% and operating leverage of approximately 4% for the year.

We are also taking advantage of new market opportunities and improving the client experience by providing the full range of advice to clients. For example, automotive financing has traditionally been dominated in Canada by the auto finance companies. Their withdrawal from the indirect lending market in Canada has left a need that we have been able to fill.

Our ability to drive strong results during these current weak economic conditions speaks to the earnings power and strength of our Canadian retail franchise.

Going forward, we intend to continue to leverage our size and scale to grow and drive our efficiency ratio towards the low 40s, which should fuel superior earnings leverage as the Canadian economy recovers.

Now, taking a look at our Wealth Management business on slide 8. As one of the world's top 20 wealth managers, RBC Wealth Management is well positioned to take advantage of global growth opportunities. We are the largest full service brokerage firm in Canada with approximately 22% market share. We are also the largest mutual fund company in Canada, with 16% of the market and close to \$100 billion in mutual fund assets under management. In addition, our asset management business was recognized as "Best overall fixed income group" in 2009 according to Lipper.

Our domestic market leadership is complemented by a sizeable presence outside of our domestic market. In the U.S., we are the 6th largest national investment advisory firm measured by the number of financial consultants.

And, internationally we are a top 20 global private bank as measured by client assets. In 2009, we were awarded North America's Outstanding Private Bank by Private Banker International, recognizing our strength, stability and leadership of our business.

On a relative basis, our wealth management platform has outperformed in financial performance, client and advisor satisfaction, and competitiveness of offering. Through the market disruption, we leveraged our strength and stability to build our capabilities by attracting approximately 160 client-facing professionals across our Canadian, U.S. and international businesses and enhanced our product and service offering.

With our strategic acquisitions over the past few years and the record growth in the number of experienced, client-facing professionals to more than 4,500 worldwide, our Wealth Management segment is in an excellent position to deliver strong organic growth.

The current environment has also presented significant acquisition opportunities for this business and we will continue to consider suitable transactions outside of Canada particularly in our Global Asset Management and International Wealth Management businesses.

In Insurance, we are the largest bank-owned insurer in Canada and our Insurance business continued to make solid contributions to our diversified earnings stream in 2009.

While we are restricted by Canadian regulations from selling insurance through our retail branch network, we are transforming the distribution of insurance products in Canada. For example, we have strategically located insurance branches directly beside our bank branches to take advantage of our strong existing customer base. This year we further expanded our distribution network by adding 14 new branches.

We are unique in that we offer a full suite of solutions for both business and personal clients that complements our retail product offering, and we are the only Canadian insurer with integrated manufacturing and distribution capabilities.

Our International Banking segment includes our U.S. and Caribbean banking businesses, as well as global custody and investor services.

In terms of U.S. banking, as you well know, we continue to be affected by weak economic conditions particularly in the housing sector in the U.S. However, our credit profile is starting to stabilize. We are focused on restructuring this business to improve client service and achieve greater operational efficiency.

Our biggest short term opportunity in International Banking is a turnaround from this year's losses.

Our Caribbean banking business is the second largest banking group in the English speaking Caribbean with operations in 17 countries and territories. We provide banking solutions to individuals and businesses throughout our network of approximately 125 branches. We are successfully integrating our recent RBTT acquisition with the goal of establishing a common operating platform to support our growth throughout the region.

RBC Dexia Investor Services, our Global Custody and Investor Services joint venture has offices in 16 countries on four continents and has over 2.5 trillion dollars in assets under administration. As a top 10 global custody player by assets under administration, we serve a diverse client base, with close to 8 million shareholder accounts and over 5,000 funds administered.

Turning to slide 9. As Canada's only truly global investment bank, our Capital Markets business has continued to take advantage of opportunities globally and our 2009 performance has been truly exceptional.

While other banks have cut back the capital they commit to this business, we have been prudently managing our balance sheet and have continued investing in our business by attracting and building teams to strengthen our global capabilities.

This year, we added approximately 400 people, including many from our disrupted competitors. And, we have increased our client base, primarily outside of Canada which is in line with our global growth strategy. Further, our focused client approach is enabling us to increase our product penetration with our existing customer base.

We are seeing the results of these initiatives including market share gains across a number of our businesses. With approximately two-thirds of our Capital Market's staff located internationally, we are able to offer our clients the benefit of both our Canadian leadership and our global reach.

In Canada, we are the leading capital markets firm across debt, equity, loan syndication and M&A and have been recognized as the Best Investment Bank in Canada by Euromoney winning in all three categories – debt, equities and M&A.

Outside Canada, we have been selective about where we choose to compete, and have focused on building and expanding our core capabilities.

We have built a significant U.S. dollar fixed income business and our recent designation as a U.S. primary dealer demonstrates the strength of this business. We are the only Canadian bank with this designation.

In the U.S., we also have a significant currency trading business, and we are expanding our equity sales and trading businesses and establishing ourselves as a leading mid-market investment bank. In fact, earlier this year, Investment Dealer's Digest named us U.S. Mid-Market Bank of the Year.

Outside of North America, our fixed income and energy and mining businesses are global leaders and we have expanded our teams particularly throughout the UK and Asia.

We are also gaining ground in a number of our global trading businesses and in our global debt origination franchise. We were voted Best Overall Credit House in Europe in Credit Magazine's 2009 European Credit Awards, which recognized our world class sales and trading credit business in Europe. We've seen a tremendous growth in our various trading businesses, as an example, in the UK where we are a top tier Gilt Edged Market Maker. We were one of only four bookrunners when the British government issued a 7 billion sterling 2060 Gilt issue, the longest duration gilt ever launched and the largest single issue ever introduced in the market.

Looking ahead to 2010, we expect our businesses to benefit modestly from recoveries in Canadian and global economies. Credit quality is expected to remain under some pressure however we expect some improvements in the latter half of 2010. We project global capital markets will continue to stabilize and credit spreads will tighten further as the global economic recovery continues and access to credit continues to improve.

In the next five years, leaders in the financial services sector will, in my view, be defined by their ability to successfully manage through regulatory reform. Our capital strength, low leverage ratio and business mix combined, provide a great competitive advantage over other global competitors that will be required to shrink their balance sheets to change their business strategies in response to regulatory changes that are coming.

In closing, RBC continues to produce solid results in a difficult environment, and I am certainly proud of the way we have managed our businesses in the past, through the crisis and into the future.

I believe our leading market positions, diverse business mix and our prudent actions to address challenges head-on served us well in 2009 and we will continue to take advantage of opportunities going forward. Our exceptionally strong balance sheet and capital base will enable us to invest in key business areas, as well as explore potential acquisitions that meet our strict economic, strategic and cultural criteria. We are now one of the better positioned financial institutions in the world and we are not complacent.

If anything, our experience in 2009 has reinforced our sense of urgency about improving the way we deliver products and services and ensuring our infrastructure is flexible to meet the needs of both our customers and our growing businesses.