

Royal Bank of Canada Investor Presentation

Q4/2015

All amounts are in Canadian dollars and are based on financial statements prepared in compliance with International Accounting Standards 34 Interim Financial Reporting, unless otherwise noted. Our 2015 Annual Report 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 RBC Investor 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 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 RBC Investor 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 2015 Annual Report; weak oil and gas prices; the high levels of Canadian household debt; increasing exposure to more volatile sectors; cybersecurity; anti-money laundering; the business and economic conditions in Canada, the U.S. and certain other countries 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 RBC Investor Presentation are set out in the Overview and outlook section and for each business segment under the heading Outlook and priorities in our 2015 Annual Report, 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 2015 Annual Report.

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

About RBC



The RBC story

- | | |
|---|--|
|  Market leader with a focused growth strategy | <ul style="list-style-type: none">▪ Market leader in Canada and one of the largest financial institutions globally▪ Clear strategy for continued long-term growth in Canada, the U.S. and select global markets |
| <hr/> | |
|  Diversified business mix supports deep client relationships | <ul style="list-style-type: none">▪ Well-diversified across businesses, geographies and client segments▪ Ability to capitalize on opportunities created by changing market dynamics and economic conditions▪ Wide breadth of products and capabilities allows us to meet all of our clients' financial needs and build deep, long-term relationships |
| <hr/> | |
|  Financial strength underpinned by prudent risk management | <ul style="list-style-type: none">▪ Track record of earnings and dividend growth while maintaining a disciplined approach to risk▪ Credit ratings amongst the highest globally▪ Strong capital position and a high quality liquid balance sheet |
| <hr/> | |
|  Innovation is in our DNA | <ul style="list-style-type: none">▪ Long history of innovation and proven ability to adapt to industry trends▪ Investments in technology allow us to drive efficiencies and deliver an exceptional client experience▪ Focused on simplifying, digitizing and personalizing our products to make it easier for clients and employees to do business |
| <hr/> | |
|  Leading corporate citizen | <ul style="list-style-type: none">▪ Provide over \$100MM in donations, sponsorships and community investments, including the RBC Kids Pledge and RBC Blue Water Project▪ Globally recognized as a financial services thought leader |

Market leader with a focused strategy for growth

Largest in Canada

A market leader across all key businesses

Top 15 globally

One of the 15 largest global banks by market capitalization with operations in 39 countries

16 million+ clients

Served by ~78,000 employees worldwide

Purpose

Help clients thrive and communities prosper

Vision

To be one of the world's most trusted and successful financial institutions

Strategic Goals



In Canada, to be the undisputed leader in financial services



In the U.S., to be the preferred partner to corporate, institutional and high net worth clients and their businesses

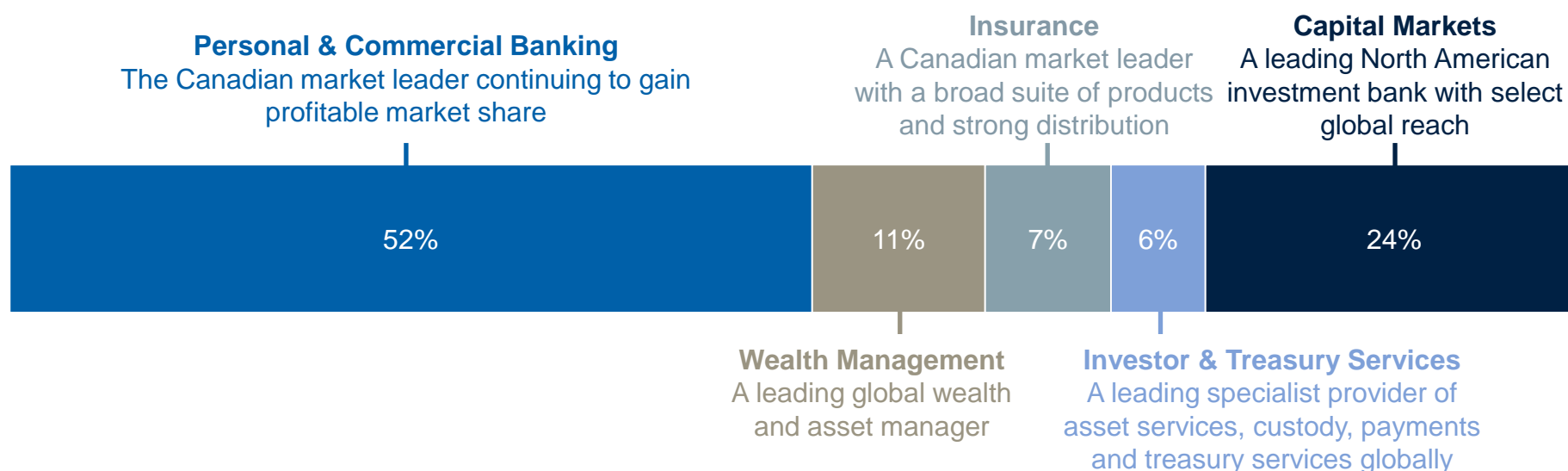


In select global financial centres, to be a leading financial services partner valued for our expertise

Diversified business model

Diversification across businesses, geographies and client segments positions us well to deliver superior returns and earnings stability through the business cycle

Diversified by business⁽¹⁾



Diversified by geography⁽¹⁾

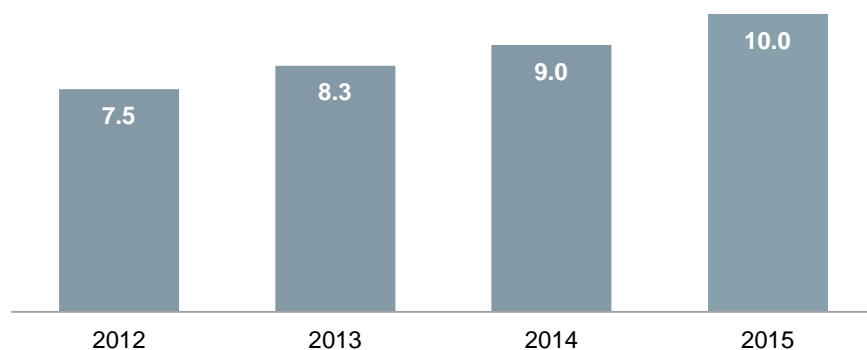


Strong financial profile

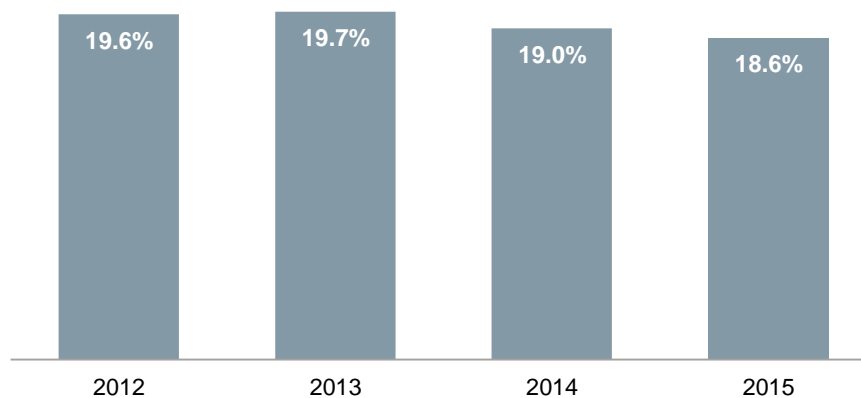
Consistent earnings growth and strong ROE while maintaining a strong capital position with a disciplined approach to risk

Consistent earnings growth

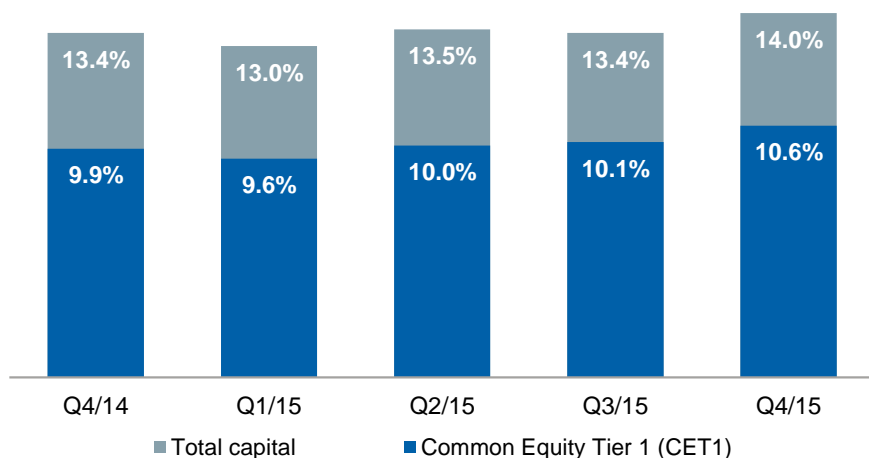
Net income (\$BN)



Strong Return on Equity⁽¹⁾



Strong capital position⁽²⁾



Strong leverage and liquidity ratios⁽²⁾

- Leverage Ratio 4.3%
- Liquidity Coverage Ratio 127%

Credit ratings⁽³⁾ amongst the highest globally

Moody's	S&P	Fitch	DBRS
Aa3	AA-	AA	AA
Negative	Negative	Stable	Negative

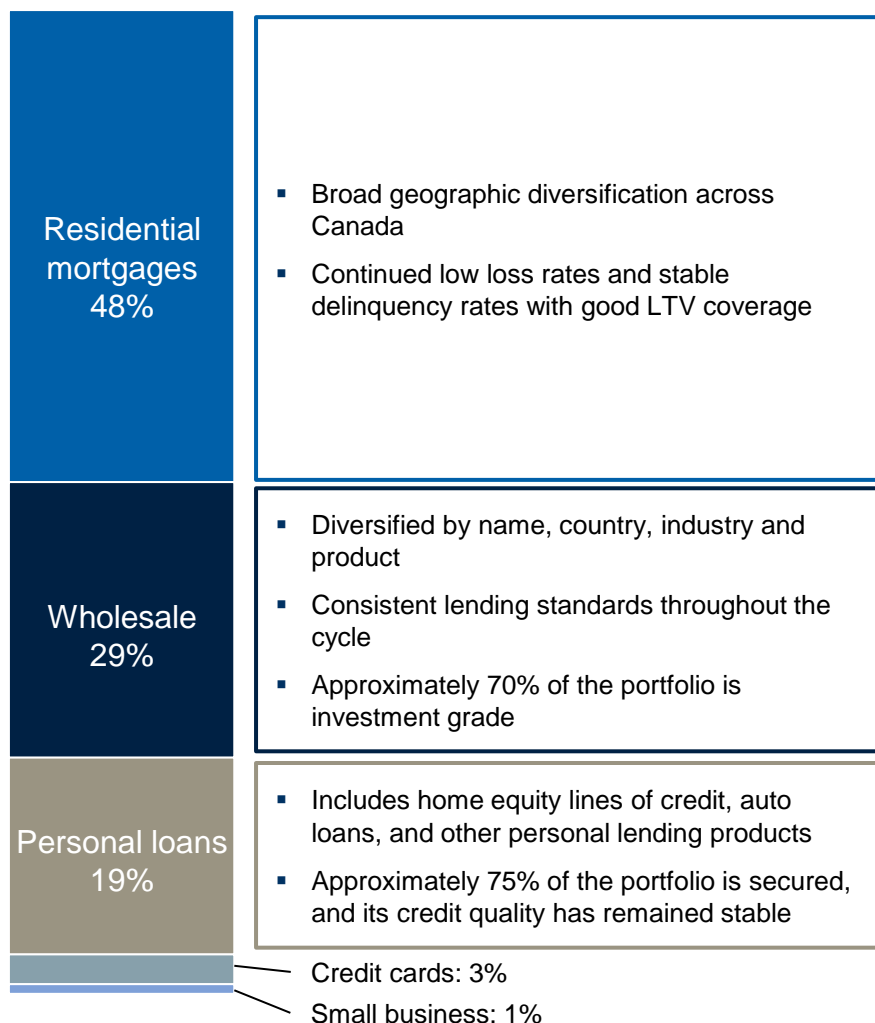
About RBC

⁽¹⁾ ROE may not have a standardized meaning under GAAP and may not be comparable to similar measures disclosed by other financial institutions. For additional information, see slide 40. ⁽²⁾ Capital calculated to include all regulatory adjustments that will be required by 2019 but retaining the phase-out rules for non-qualifying capital. Refer to the Capital Management section of our 2015 Annual Report for details on all ratios excluding Liquidity Coverage ratio calculated on a "All-in" Basel III basis and Basel III requirements. ⁽³⁾ Based on long-term senior debt ratings as of December 1, 2015.

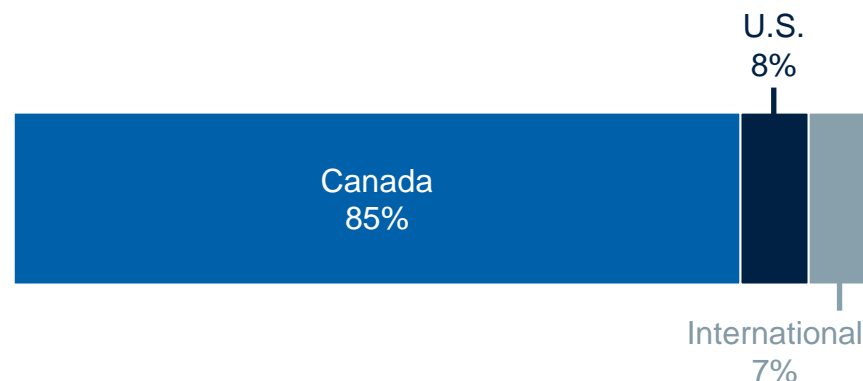
Robust risk management

A disciplined approach and diversification has driven stable credit trends

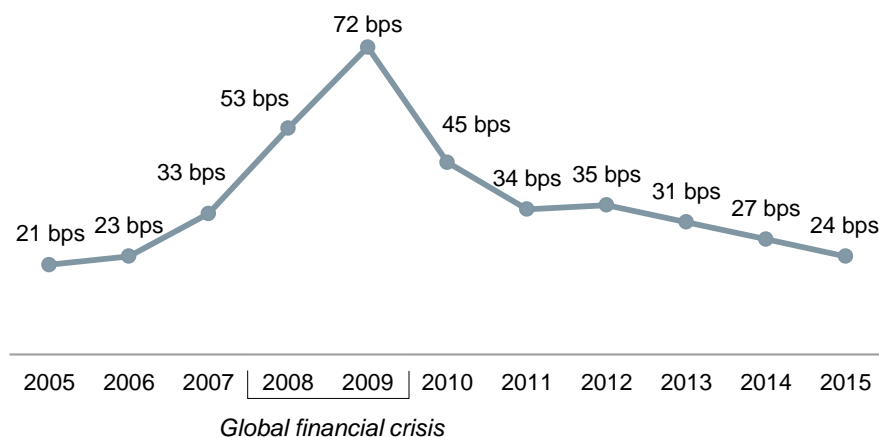
Loan book diversified by portfolio⁽¹⁾



Loan book by geography⁽¹⁾



Relative stable PCL ratio over the cycle⁽²⁾



About RBC

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

(2) PCL ratio is PCL on impaired loans as a percentage of average net loans & acceptances (annualized).

History of delivering value to our shareholders

Financial performance objectives measure our progress against our goal of maximizing total shareholder returns

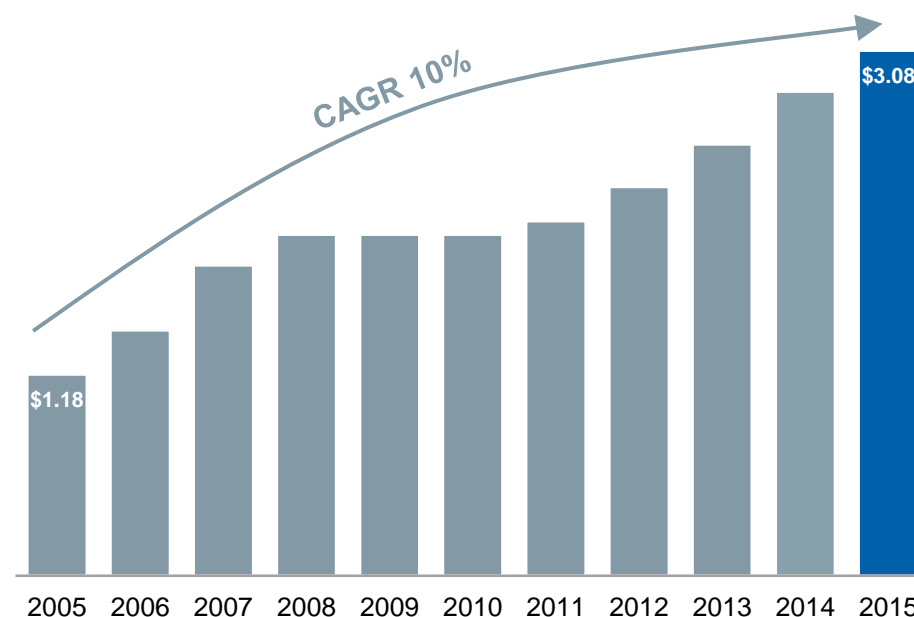
Medium-term financial performance objectives

Diluted EPS Growth	7%+
Return on Equity	18%+
Capital Ratios (CET1)	Strong
Dividend Payout Ratio	40% - 50%

Achieved solid TSR⁽¹⁾ performance

	RBC	Peer Average
3 Year	13%	15%
5 Year	11%	12%
10 Year	10%	7%

Strong dividend growth⁽²⁾



About RBC

(1) Annualized TSR is calculated based on the TSX common share price appreciation plus reinvested dividend income. Source: Bloomberg, as at November 30, 2015. RBC is compared to our global peer group. The peer group average excludes RBC; for the list of peers, please refer to our 2015 Annual Report. (2) Dividends declared per common share. Our current quarterly dividend is \$0.79.

Innovation is in our DNA

Moving at the speed of our clients' lives without jeopardizing the security and trust they place in us

Track record of innovation and proven ability to adapt to trends

- First Canadian bank to install a computer, and the first to host a website
- Patented the first mobile wallet technology to store secure information in the cloud and away from a client's phone
- First financial institution to provide clients with the choice of using debit or credit for their mobile payments

Digitizing and automating to drive efficiencies

- Well ahead of the development curve, with significant technology costs built into our run rate
- New mortgage origination system reduces the number of manual steps to fulfil a mortgage
- eSignatures has saved up to 24,000 hours per week in administration time
- 20 million documents taken out of circulation through digitization
- Online Customer Service Kiosk offers a searchable database of commonly asked questions, reducing call volume into our call center

Making it easier for clients and employees to do business

- Evolving the branch network to focus on complex issues and sales, while enhancing digital and ATM capabilities for basic service transactions
- Collaborating effectively and finding ways to be more agile in delivering an exceptional client experience
- Leverage data analytics to anticipate and meet client needs

Fostering innovation across the country

- Partner with Communitech in Waterloo and the entrepreneurship program at the University of Calgary
- Run an annual RBC Innovation Challenge for students

Business Segments



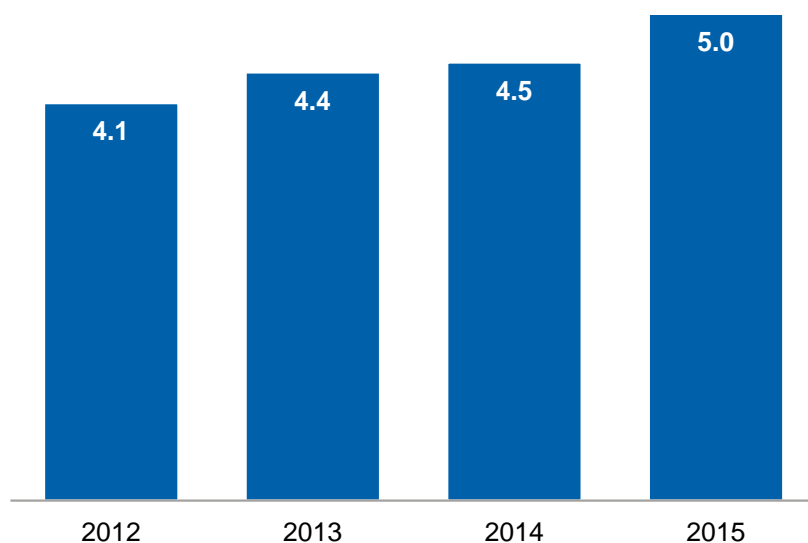
Personal & Commercial Banking

- The undisputed financial services leader in Canada
 - #1 or #2 market share in all key product categories
 - Most branches and largest sales force in Canada
 - Superior cross-sell ability
- In 17 countries and territories in the Caribbean
 - 2nd largest bank by assets⁽¹⁾ in English Caribbean
- Provide innovative direct banking to U.S. cross-border clients
- Ongoing investment in digitizing our banking channels

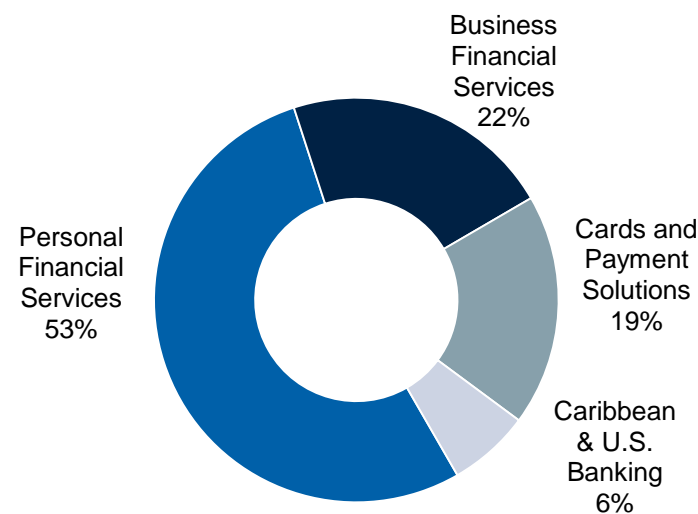
2015 Highlights

Clients (MM)	13.6
Branches	1,355
ATMs	4,816
Active digital and mobile users ⁽²⁾ (MM)	4.9
Employees (FTE)	35,007
Loans & acceptances ⁽³⁾ (\$BN)	367.5
Deposits ⁽³⁾ (\$BN)	298.6
AUA (\$BN)	223.5

Net income (\$BN)



Revenue by business line⁽⁴⁾



Business segments

(1) Based on average balances. (2) Statistic is based on Canadian Banking only. (3) Based on average balances. (4) For the year ended October 31, 2015.

Personal & Commercial Banking – Canada

Strategic Priorities

Offer a differentiated experience	<ul style="list-style-type: none"> ▪ Be the undisputed leader in Canada ▪ Demonstrate the value for money that sets RBC apart through quality of advice and service, and industry-leading convenience and access
Make it easier to do business with us	<ul style="list-style-type: none"> ▪ Maintain focus on digitizing the bank and simplifying our end-to-end processes ▪ Make it simpler and easier for clients to do business with us through self, assisted and full-serve options ▪ Invest in skills, accreditation and engagement of our employees to enable us to compete more effectively
Converge into an integrated multi-channel network	<ul style="list-style-type: none"> ▪ Leveraging our unparalleled distribution breadth (e.g. most branches and ATMs in Canada), internal capabilities and strategic external partnerships to maintain our market leadership and extend our sales power ▪ Adapting our distribution network to ongoing changes in client preferences, including designing applications, processes and products for online and mobile channels

Recent Awards

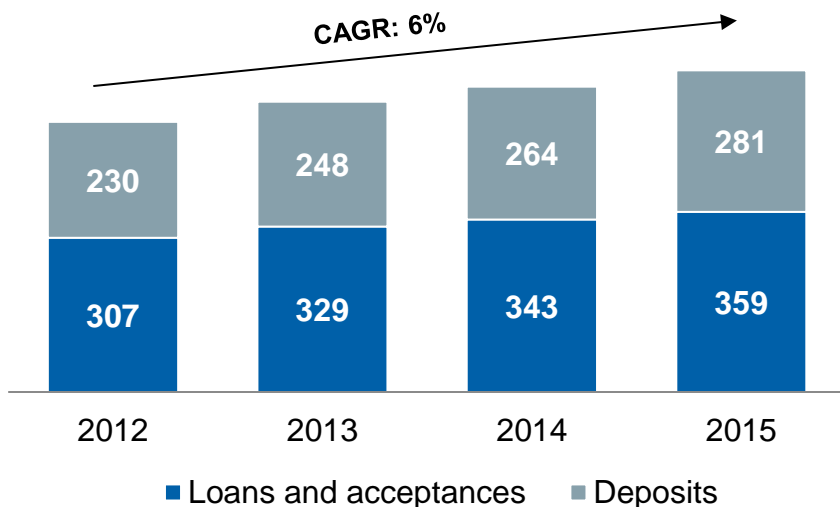
 <p>Global Retail Bank of the Year 2 years in a row⁽¹⁾</p>	 <p>Bank of the Year in Canada and #1 bank in the Caribbean and in Trinidad and Tobago⁽²⁾</p>	 <p>Best Trade Finance Bank in Canada 3 years in a row⁽³⁾</p>	 <p>Most valuable brand in Canada⁽⁴⁾</p>
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Business segments

(1) Retail Banker International, 2015. (2) Based on Tier 1 capital. Tier 1 refers to the core measure of a bank's financial strength based on the sum of its equity capital and disclosed reserves (or retained earnings). The Banker, 2014. (3) Global Finance, 2015. (4) Brand Finance, 2015.

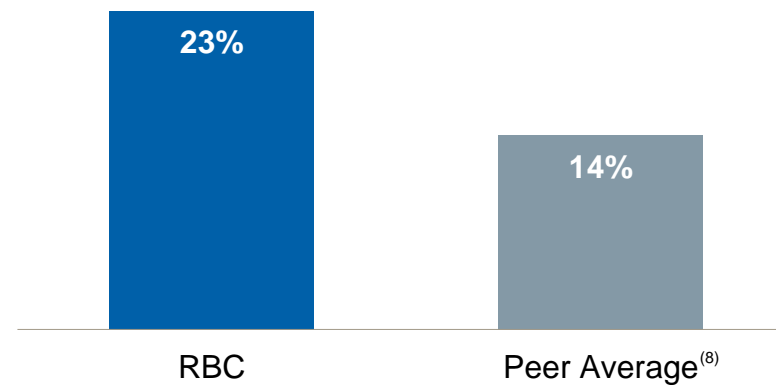
Personal & Commercial Banking – Canada

Solid volume growth⁽¹⁾



Superior cross-sell ability

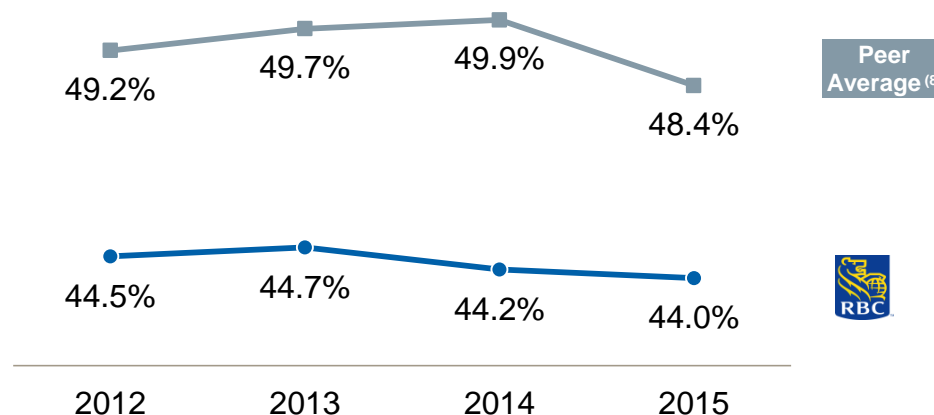
Percent of households with transaction accounts, investments and borrowing products⁽²⁾



#1 or #2 market share in all categories⁽³⁾

Product	Market share	Rank
Consumer lending ⁽⁴⁾	23.6%	1
Personal core deposits + GICs	19.9%	2
Long-Term Mutual Funds ⁽⁵⁾	14.4%	1
Business loans (\$0-\$25MM) ⁽⁶⁾	25.0%	1
Business deposits ⁽⁷⁾	26.6%	1

Continue to improve our efficiency ratio



Business segments

(1) Based on average balances. (2) Canadian Financial Monitor by Ipsos Reid – 12,000 Canadian households annually – data based on Financial Group results for the first six months of 2015 (January to June); TFSA is considered an Investment. (3) Market share is calculated using most current data available from OSFI (M4), Investment Funds Institute of Canada (IFIC) and Canadian Bankers Association (CBA). OSFI, IFIC and Consumer Lending CBA data is at July 2015, Business Loans CBA data is at June 2015. Market share is of total Chartered Banks except for Business Loans which is of total 7 Banks (RBC, BMO, BNS, CIBC, TD, NA, CWB). (4) Consumer Lending market share is of 6 banks (RBC, TD, CIBC, BMO, BNS and NA). Consumer Lending comprises residential mortgages (excluding acquired portfolios), personal loans and credit cards. (5) Mutual fund market share is per IFIC and is compared to total industry. (6) Business Loans market share is of the 7 Chartered Banks that submit to CBA on a quarterly basis. (7) Business Deposits market share excludes Fixed Term, Government and Deposit Taking Institution balances. (8) Peers include BMO, BNS, CIBC & TD; 2012 through 2014 reflects annual results while the peer average efficiency ratio for 2015 represents 9 months ending Q3 2015 according to the data that is available for the peers.

Wealth Management

Strategic Priorities

- Leverage and grow our high performing asset management business globally
- Deepen client relationships by bringing the best of RBC to our clients, leveraging the RBC enterprise brand, capabilities and competitive strengths
- Focus on developing a differentiated client experience tailored to key HNW and UHNW⁽¹⁾ client segments in our priority markets
- Simplify and streamline our business to achieve a more scalable and streamlined operating model

Recent Awards

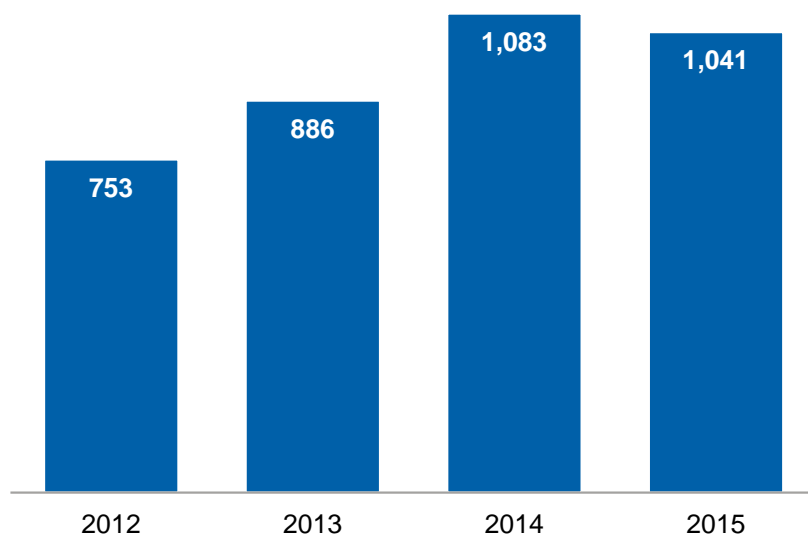
Top 5 Global Wealth Manager by Assets
(Scorpio)

Institutional Trust Company of the Year
(Citywealth Magic Circle Awards)

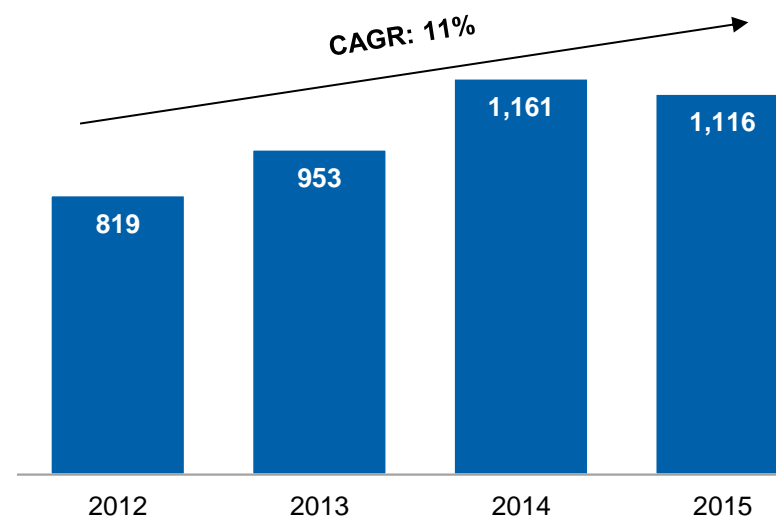
Outstanding Wealth Manager – Customer Relationship Service and Engagement
(Private Banker International)

Leading Canadian Private Bank; Best Wealth Structuring Offering
(Family Wealth Report Awards)

Net income (\$MM)



Cash earnings (\$MM)



Business segments

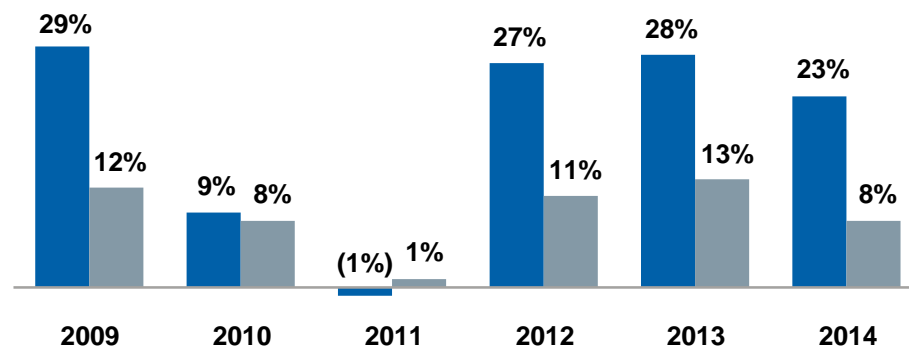
(1) High Net Worth (HNW) and Ultra High Net Worth (UHNW)

Wealth Management – Global Asset Management

Building a high-performing global asset management business

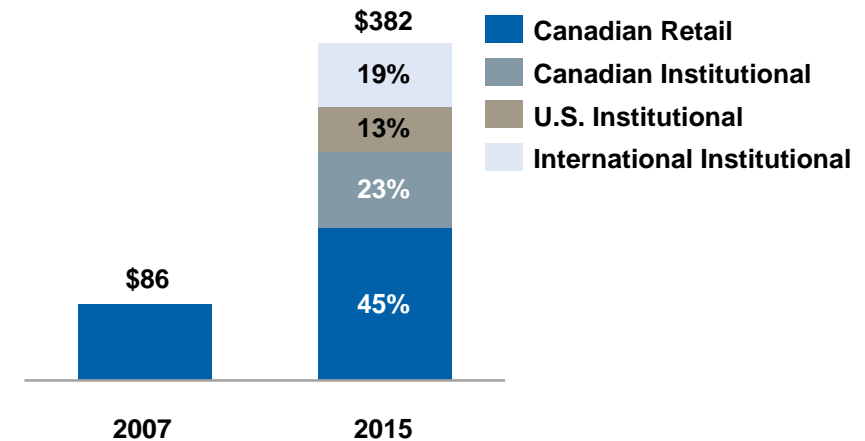
- **Driving top-tier profitability in our largest Wealth Management business**
 - \$382BN in client assets, generating over 65% of RBC Wealth Management earnings on a full year basis
 - Investor asset mix of 45% Individual / 55% Institutional client assets
 - Top 50 global asset manager by AUM⁽¹⁾
- **Extending our lead in Canada**
 - Largest fund company in Canada with 14.5% market share; leader in last twelve months of asset inflows⁽²⁾
 - Third largest institutional pension asset manager in Canada⁽³⁾
- **Delivering strong investment capabilities to support growth**
 - Top performing investment firm with 79% of AUM outperforming the benchmark on a 3-year basis⁽⁴⁾
 - Broadened suite of investment strategies enhancing Canadian offering
 - Continued growth of U.S. and international institutional clients in select U.S. and global investment capabilities

Above industry average AUM growth⁽⁵⁾



Diversifying our asset mix

AUM by Client Segment (\$BN)⁽⁶⁾

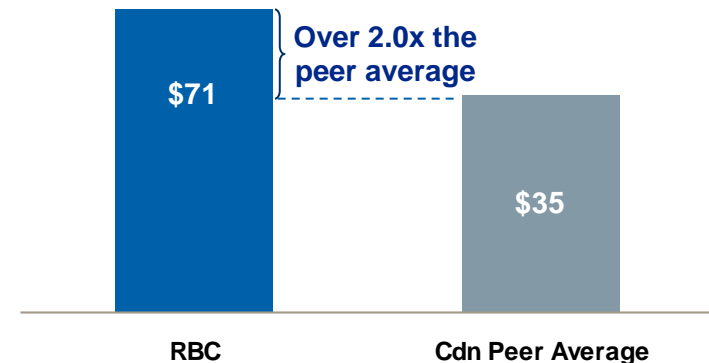


Wealth Management

Canada – Extending our industry leadership

- **Extending our #1 position**
 - Grew HNW market share by ~400 bps to 19% in the last four years⁽¹⁾ and anticipate reaching 20% market share by 2016
- **Maintaining profitable growth in a challenging market**
 - Generating ~30% of RBC Wealth Management earnings with strong pre-tax margin, highest among North American peers⁽³⁾
- **Driving strong advisor productivity**
 - Canadian leader in fee-based assets per advisor⁽¹⁾
 - Consistently driving revenue per advisor of over \$1.2MM per year, 42% above Canadian industry average⁽¹⁾
 - Competitive hires delivering strong new asset growth
 - Leveraging Enterprise linkages to continue to extend market share gains

Fee-based assets per advisor⁽²⁾
(\$MM)

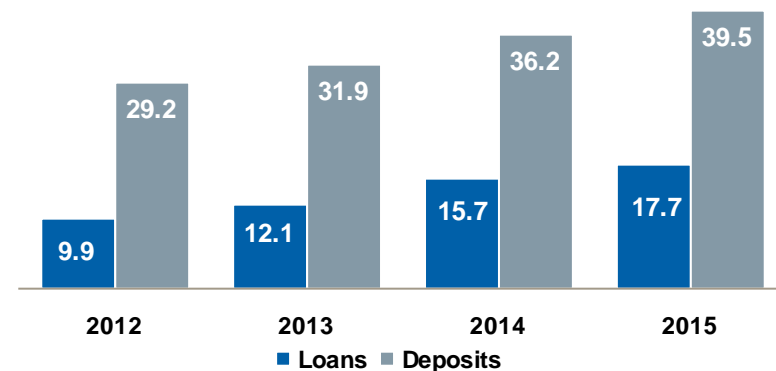


U.S. & International

- **United States**
 - Focus on the successful integration of City National and begin to deliver on planned synergies
 - Steadily increasing advisor productivity and continue growing complementary distribution through successfully recruiting revenue producers and establishing new clearing relationships
 - Improving operational efficiencies and leveraging RBC's global capabilities to broaden our product offering
- **International**
 - Focusing on UHNW and HNW client acquisitions from select markets where we have scale
 - Leveraging RBC's global capabilities (Global Asset Management and Capital Markets)

Loans⁽⁴⁾ & Deposits

Average Balances
(\$BN)

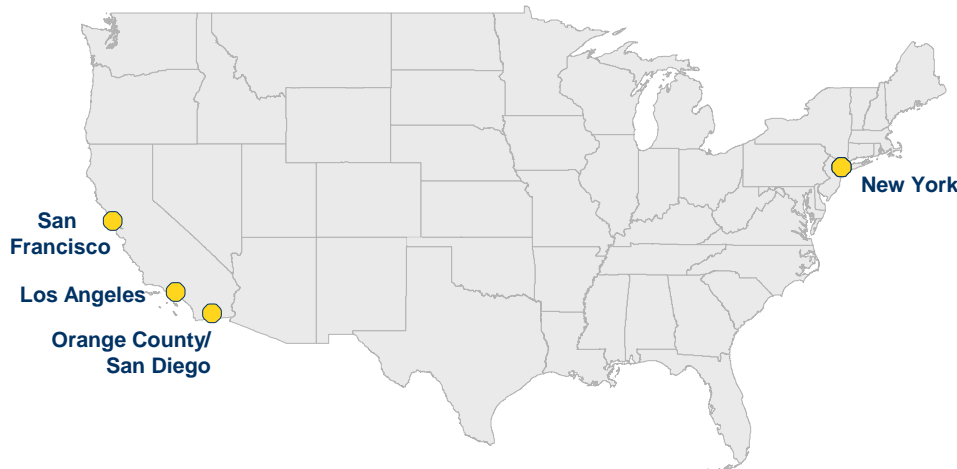


Business segments

(1) Investor Economics report on RBC's full wealth and investment offering in Canada, July 2015. (2) Investor Economics report, July 2015. (3) As per BCG Global Wealth Manager Benchmarking 2014. (4) Total average loans & acceptances.

City National enhances RBC's U.S. presence & accelerates growth

Branch-light footprint in key markets⁽¹⁾



Highlights

Assets	US\$35.6BN ⁽²⁾
Purchase Price⁽³⁾	Total consideration of US\$5.5BN
Consideration⁽³⁾	US\$2.6BN cash / ~42MM RBC common shares / US\$290MM first preferred shares
Transaction Close	On November 2, 2015 we completed the acquisition of City National Corporation

Aligns with RBC's strategic goals

- City National Corporation ("City National") enhances and complements RBC's presence in the U.S., our second home market
- Deep client relationships and sharp strategic focus on two highly attractive client segments:
 - *High net worth*: Combination of City National's private banking franchise and RBC's U.S. Wealth Management business creates a comprehensive platform to provide complete financial solutions to high net worth clients
 - *Commercial*: City National is a premier U.S. commercial bank with deep industry expertise and a natural strategic fit with RBC Capital Markets' top 10 investment bank⁽⁴⁾

Premier U.S. private and commercial bank with wealth capabilities

- High-touch and branch-light client service model in key high growth markets
- Strong track record of growth with well diversified and high quality loan portfolio
- Highly attractive deposit franchise, well positioned for rising rates
- Fast growing wealth and asset management business
- Outstanding management and strong cultural fit

Business segments

(1) Only core markets depicted; City National also has offices in Boston, Atlanta, Nashville, Las Vegas and Reno. (2) Company filings; As at September 30, 2015; Financials prepared in accordance with U.S. GAAP. (3) For additional detail see Note 36 of RBC 2015 Annual Report. (4) Thomson Reuters, 2014.

City National acquisition creates a powerful & scalable engine for growth in the U.S.



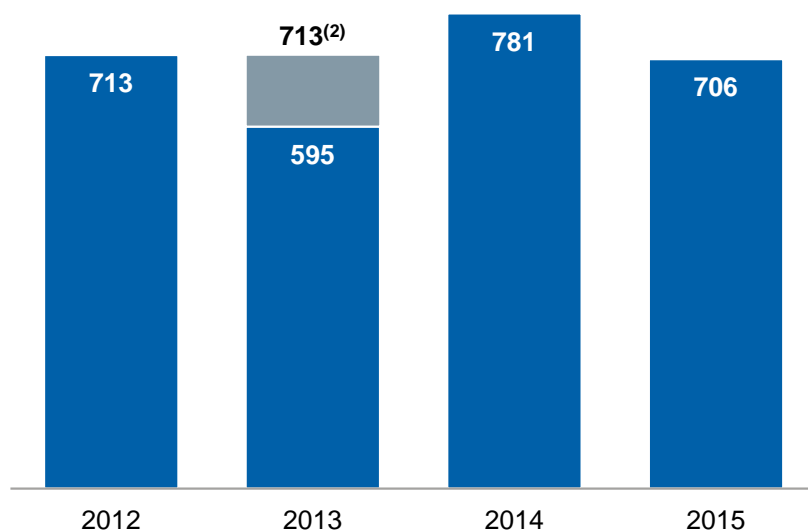
Expanding into U.S. private & commercial banking	<ul style="list-style-type: none"> Introducing City National's full suite of U.S. private and commercial banking products and services to RBC clients <ul style="list-style-type: none"> ~340,000 RBC U.S. Wealth Management households ~204,000 RBC Canadian cross-border clients ~88,000 RBC Canadian commercial clients
Enhancing U.S. wealth & asset management platform	<ul style="list-style-type: none"> Adding scale in wealth and asset management – Combined U.S.-based client assets of ~C\$393BN <ul style="list-style-type: none"> Brings RBC's Wealth Management segment to over C\$1.3 trillion in client assets globally Expanding the distribution channels for RBC and City National wealth management products <ul style="list-style-type: none"> ~2,100 combined advisors Accessing RBC Capital Markets' advisory, capital raising and risk management capabilities
Extending full commercial & corporate capabilities	<ul style="list-style-type: none"> Extending full commercial and corporate capabilities to City National's key industry verticals (entertainment, real estate, technology and healthcare) <ul style="list-style-type: none"> Vertical alignment allowing for greater depth Leveraging RBC Capital Markets' market-leading platform into additional industry verticals for City National Replicate RBC's successful Canadian referral model between Commercial Banking and Capital Markets with City National and RBC Capital Markets
Expense synergies	<ul style="list-style-type: none"> Consolidation of non-client facing infrastructure across City National, RBC Wealth Management and other RBC businesses Achieving scale benefits in procurement, technology and other functional areas Improving productivity via cross-sell and referrals
Deposit synergies	<ul style="list-style-type: none"> Ability to attract additional deposits from RBC Wealth Management and Capital Markets clients Utilize low cost sweep balances from RBC U.S. Wealth Management as an additional competitive funding advantage to support future loan growth
Growth initiatives	<ul style="list-style-type: none"> Introducing City National's private and commercial banking solutions through RBC's U.S. Wealth Management advisor and client base Leveraging RBC's platform and financial strength to increase City National's market penetration Accelerating expansion into other new high-growth markets through an expanded network

Insurance

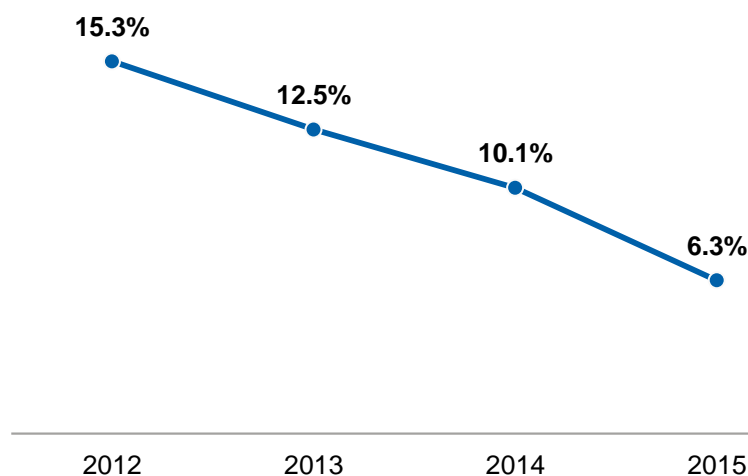
Strategic Priorities

Improve distribution efficiency	<ul style="list-style-type: none"> Delivering multi-line “insurance advice for your life” through an integrated product portfolio Strengthen profitability in all channels by increasing sales and managing expenses
Deepen client relationships	<ul style="list-style-type: none"> Providing a comprehensive suite of RBC Insurance products and services through cross-sell strategies to continue to meet our clients’ unique insurance needs Provide a wide range of life, health, home, auto, travel and wealth accumulation solutions to individual and group clients across Canada, and offer reinsurance solutions for clients globally
Simplify the way we do business	<ul style="list-style-type: none"> Enhancing and streamlining all processes to ensure that clients find it easy to do business with us
Pursue select international opportunities to grow our reinsurance business	<ul style="list-style-type: none"> Pursuing niche opportunities, diversifying risks and growing our reinsurance business to generate stable and diversified earnings

Net income (\$MM)



Acquisition expense ratio⁽¹⁾



Business segments

(1) Acquisition Expense Ratio calculated as Total Acquisition Expense/Net Premiums. (2) Adjusted net income excludes a Q4/2013 charge of \$160MM (\$118MM after-tax) as a result of new tax legislation in Canada. This is a non-GAAP measure. For additional information, see slide 40.

Investor & Treasury Services

- Specialist provider of asset services, custody, payments and treasury services for financial and other institutional investors worldwide
 - Top 10 global custodian by AUA
 - Awarded Best Custodian Overall, #1 Custodian in North America⁽¹⁾, #1 Custodian in Europe, and Transfer Agent of the Year⁽²⁾
- Canadian leader in cash management, correspondent banking and trade finance for financial institutions
- Funding and liquidity management for RBC

Strategic Priorities

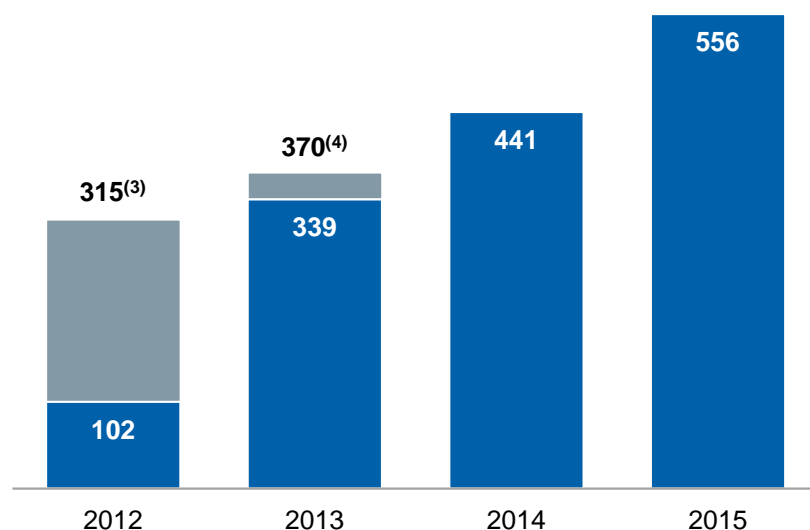
In Canada, to be the #1 provider of domestic custody, asset servicing and cash management services

Compete in offshore domicile markets as a leading provider of fund services from centers of excellence in Luxembourg and Ireland

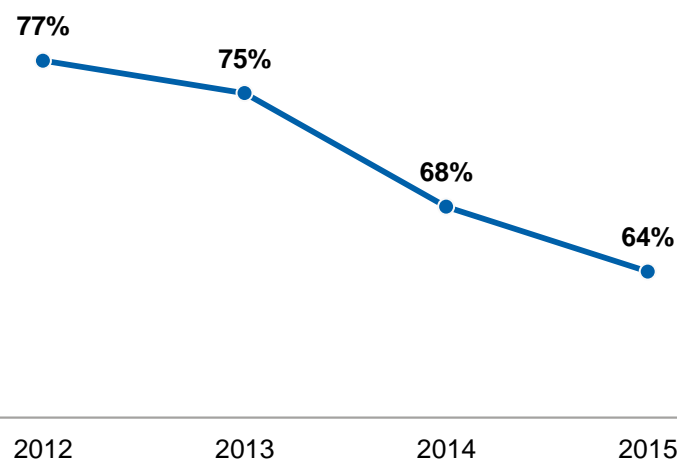
Continue to deliver a high-level of investment in client-focused technology solutions

Enhance client service and improve efficiency

Net income (\$MM)



Efficiency ratio



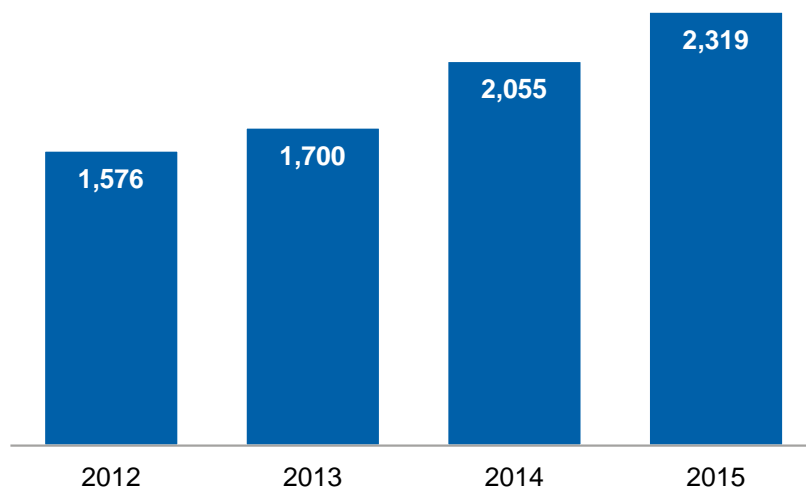
Business segments

(1) Custody Risk European Awards 2014. (2) Global Investor/ISF magazine's Global Custody Survey 2014. (3) Excludes a loss of \$224MM (\$213MM after-tax) related to our acquisition of the remaining 50% stake of RBC Dexia in Q3/2012. This is a non-GAAP measure. For additional information, see slide 40. (4) Excludes a loss of \$44MM (\$31MM after-tax) related to the integration of Investor Services in Q2/2013. This is a non-GAAP measure. For additional information, see slide 40.

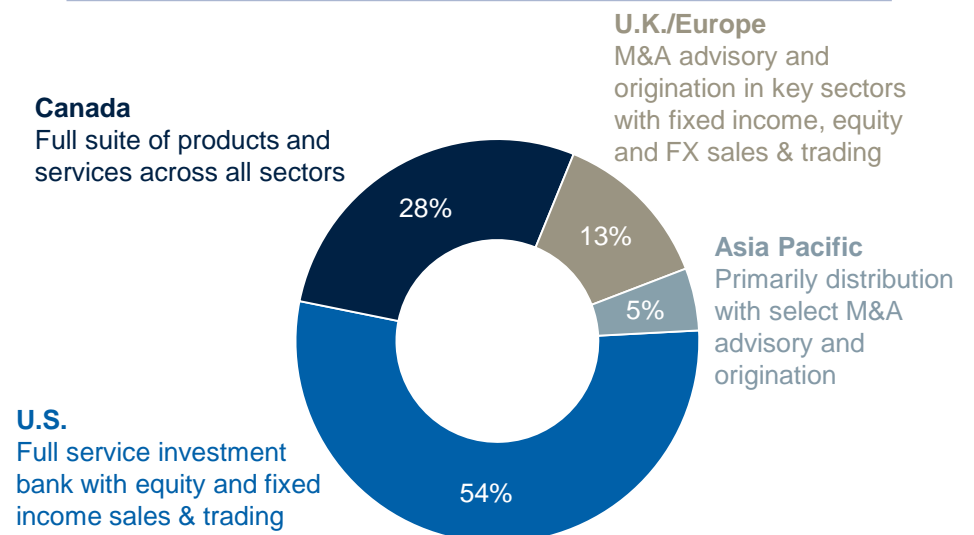
Capital Markets

- A premier North American investment bank with select global reach
 - 10th largest global investment bank by fees⁽¹⁾
- Full suite of integrated Corporate and Investment Banking and Global Markets services
- Strategically positioned in the largest financial centers, covering over 90% of global investment banking fee pool⁽¹⁾
- Top talent with expertise and track record of excellence

Net income (\$MM)



Revenue by geography⁽²⁾



Business segments

(1) Thomson Reuters Global Banking Review 2015. (2) For Q4/2015.

Capital Markets

Strategic Priorities

Maintain our leadership position in Canada	<ul style="list-style-type: none"> Focus on long-term client relationships and leverage our global capabilities Increase focus on product and service cross-sell, and continue to improve collaborative efforts
Expand and strengthen client relationships in the U.S.	<ul style="list-style-type: none"> Build on our momentum and leverage broader relationships and client investments to expand origination, advisory, and distribution Continue to strengthen client relationships to drive cross-sell
Build on core strengths and capabilities in U.K./Europe and optimize performance in Asia Pacific	<ul style="list-style-type: none"> Continue to grow prudently, deepen client relationships, and selectively expand geographic and sector coverage
Optimize capital use to earn high risk-adjusted returns on assets and equity	<ul style="list-style-type: none"> Maintain mix between investment banking and lending revenue and trading revenue Maintain disciplined diligence on the risks and costs of our business

Recent Awards

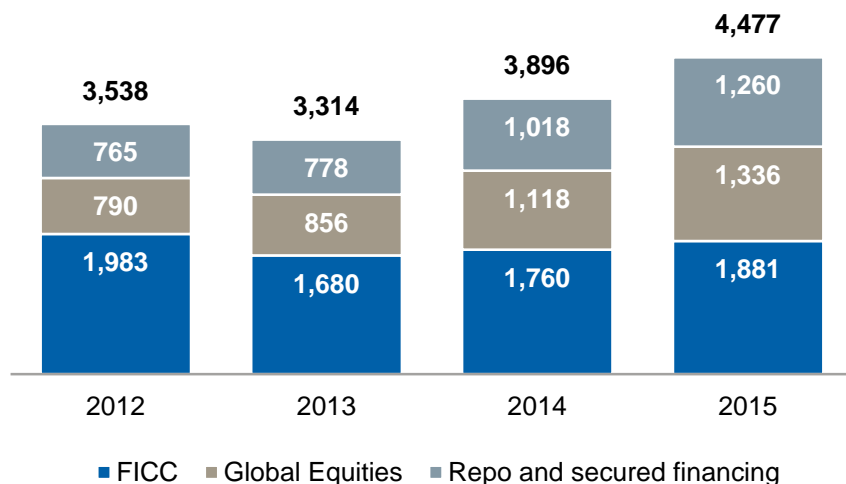
 <p>Global #1 Trusted Investment Bank and #2 for Expertise and Skills⁽¹⁾</p>	 <p>Best Investment Bank in Canada 8 years in a row⁽²⁾</p>	 <p>Best Bank Fixed Income Research & Strategy⁽³⁾</p>	 <p>#1 for Canadian Equity Research, Sales, and Trading⁽⁴⁾</p>	 <p>#1 for Canadian Fixed Income Research, Sales, and Trading⁽⁴⁾</p>
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Business segments

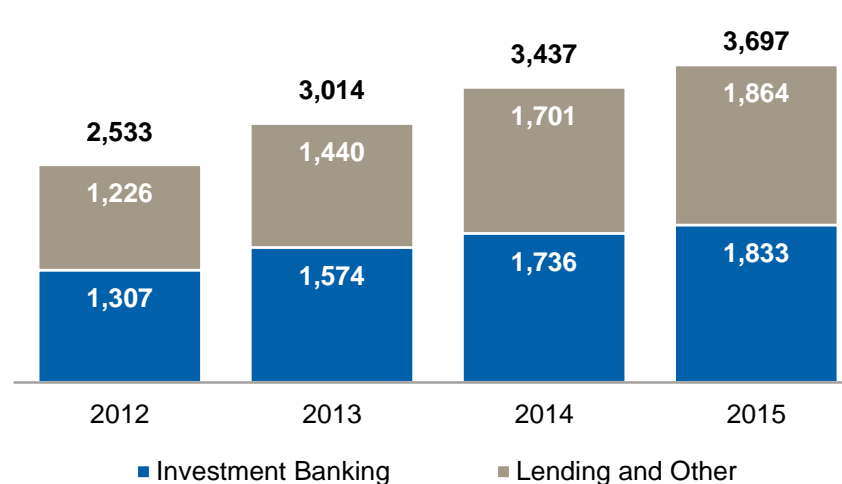
(1) The Economist, 2014. (2) Euromoney, 2015. (3) The Technical Analyst Awards, 2015. (4) Greenwich Associates, 2015.

Capital Markets

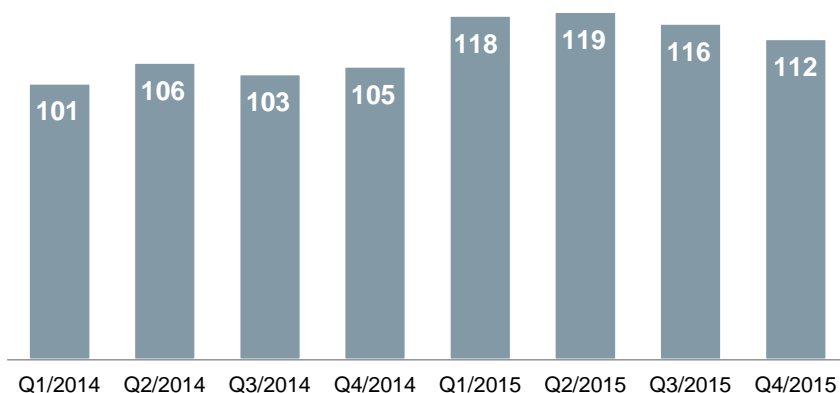
Diversified Global Markets revenue (\$MM)



Growing Corporate & Investment Banking revenue (\$MM)

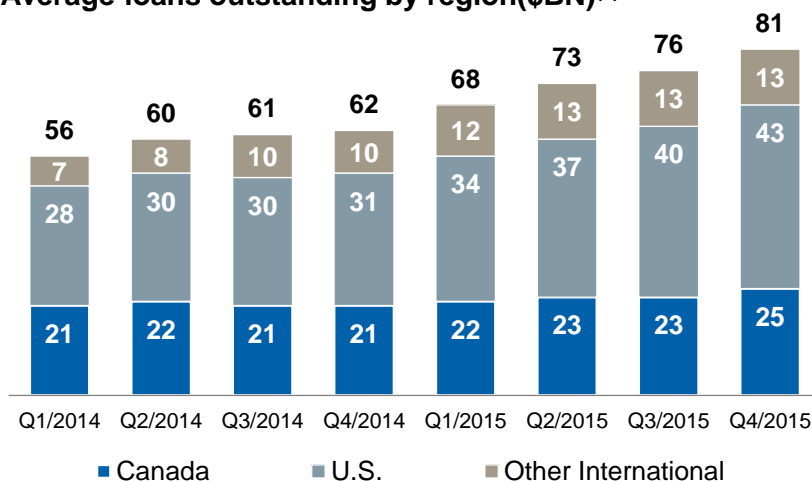


Steady trading securities (\$BN, average)



Growing contribution of U.S. loan book

Average loans outstanding by region(\$BN)⁽¹⁾



Business segments

(1) Average loans & acceptances, and letters of credit and guarantees for our Capital Markets portfolio, on single name basis. It excludes mortgage investments, securitized mortgages and other non-core items.

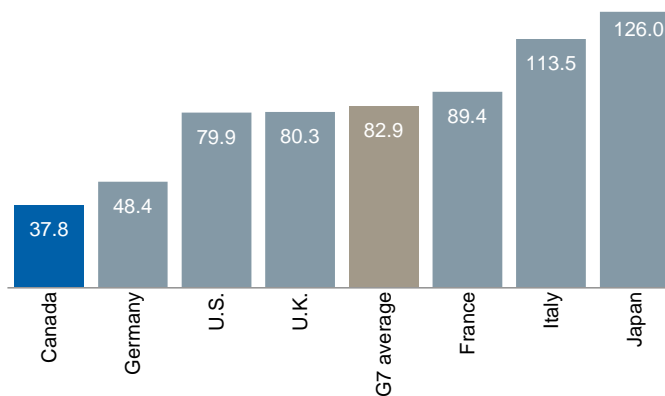
Economic Backdrop



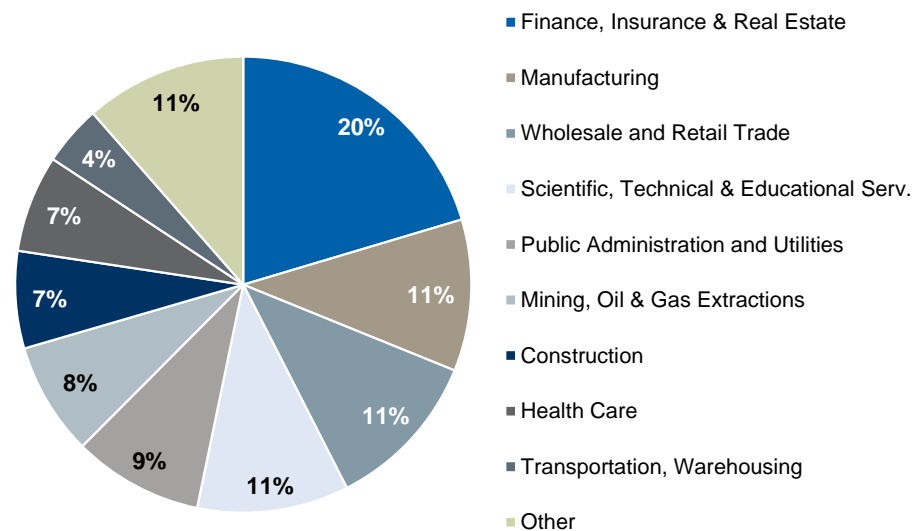
Canada's strong fiscal position

- Strong rating as a result of fiscal prudence, conservative bank lending practices and solid economy
- Lowest net debt to GDP ratio among G7 peers⁽¹⁾
- #1 for soundness of banks for the 8th consecutive year⁽²⁾
- A diversified economy supporting balanced economic growth

**Net Debt as % of GDP⁽³⁾
2015**



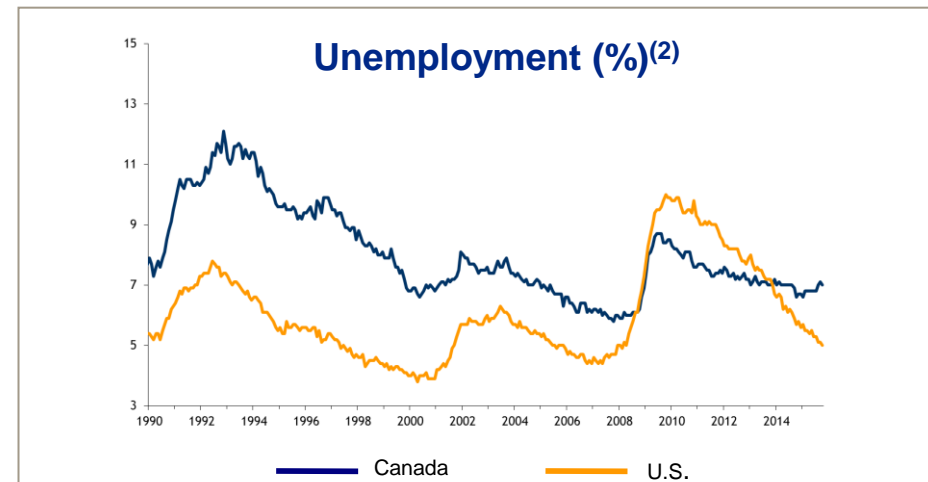
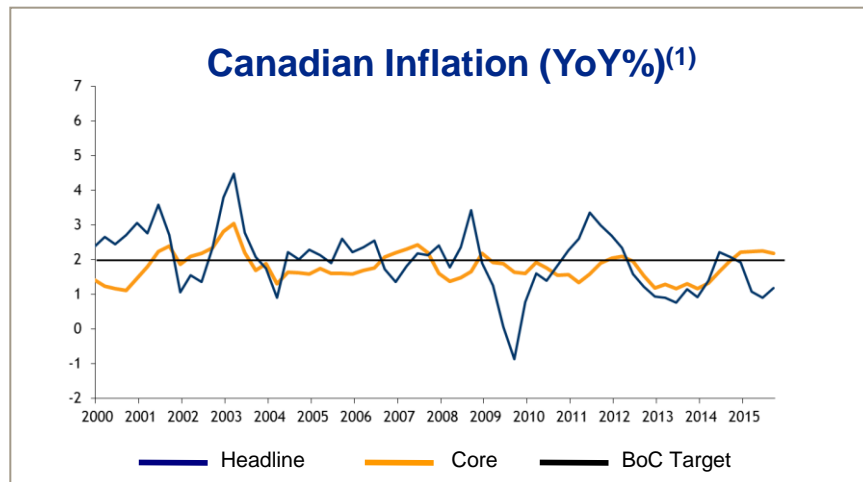
**Canadian GDP by Industry⁽⁴⁾
(August 2015)**



Economic fundamentals remain solid despite energy headwinds



- The dissipation of the effects of low oil prices is expected to see headline inflation drift higher and trend around the mid-point of the Bank of Canada's 1-3% target range through 2016
- Labour market resilience expected to persist as a strengthening in economic activity supports ongoing hiring gains with the unemployment rate expected to resume a modest downward trend through 2016
- Headwinds emanating from the pullback of oil prices, if sustained, point to further weakness in the oil & gas sector; however, a strengthening U.S. economy and a weak Canadian currency are expected to be factors supporting a return to an above-potential rate of economic growth in 2016



2016 Economic Outlook

	Projected Economic Indicators for 2016 ⁽¹⁾					
	GDP Growth	Inflation	Unemployment Rate	Interest Rate (3 mth T-bills)	Current Account Balance/GDP ⁽²⁾	Budget Surplus/GDP ⁽³⁾
Canada	2.2%	2.1%	6.7%	1.1%	-2.6%	0.1%
U.S.	2.8%	2.0%	4.9%	0.95%	-2.6%	-2.2%
Euro Area	1.8%	1.0%	10.6%	NA	3.6%	-1.8%

Canada

- A return to positive growth in the Canadian economy in the 2nd half of 2015 is expected to persist into 2016 alongside a modest rise in crude oil prices. Firm export performance emanating from a strengthening U.S. economy is expected to be accompanied by persistent growth in household spending and a smaller, although still significant, decline in energy sector investment
- A strengthening economy and attendant rise in inflation is expected to result in the Bank of Canada starting to reduce policy stimulus by raising the overnight rate in Q4/2016
- Consumer spending is expected to remain a key driver of economic growth while housing market activity, nationally, will likely continue to be supported by accommodative borrowing conditions

U.S.

- Economic growth in the U.S. is expected to remain solid in 2016 led by sustained growth in the domestic side of the economy; namely, consumer spending and business investment. Less drag on economic growth from net trade in 2016 is expected as the US currency is poised to stabilize
- The U.S. Federal Reserve is expected to begin to raise the Fed funds rate at its December 2015 meeting as unfolding domestic developments confirm sustained progress towards achieving the Fed's objectives of full employment and price stability

Euro area

- Further improvement in the Euro zone economy is expected to be supported by a confluence of factors, namely low oil prices, past currency depreciation, improving credit conditions and less drag from fiscal consolidation
- Significant monetary stimulus by the European Central Bank has curbed deflationary risks
- A sluggish pace of structural reforms is expected to keep growth subdued in parts of the Euro zone

Economic Backdrop

(1) RBC Economics Research as of November 13, 2015 and reflect forecasts for calendar 2016. (2) European Commission, RBC Economics Research. (3) Department of Finance, Congressional Budget Office, European Commission, RBC Economics Research.

Canadian Housing Market



Structural backdrop to the Canadian housing market

	Canada ⁽¹⁾	U.S. ⁽¹⁾
Regulation	<ul style="list-style-type: none"> Government influences mortgage underwriting policies through control of insurance eligibility rules Fully insured if loan-to-value (LTV) is over 80% <ul style="list-style-type: none"> Must meet 5-year fixed rate mortgage standards Government-backed, on homes under \$1MM Down-payment over 20% on non-owner occupied properties CMHC recently announced mortgage loan insurance premiums will rise by ~15% for new mortgages with LTV over 90% Re-financing cap of 80% on non-insured 	<ul style="list-style-type: none"> Agency insured only if conforming and LTV under 80% No regulatory LTV limit – can be over 100% Not government-backed if private insurer defaults
Consumer Behaviour	<ul style="list-style-type: none"> Mortgage interest not tax deductible Greater incentive to pay off mortgage 	<ul style="list-style-type: none"> Mortgage interest is tax deductible Less incentive to pay down mortgage
Lender Behaviour	<ul style="list-style-type: none"> Strong underwriting discipline; extensive documentation Most mortgages are held on balance sheet Conservative lending policies have historically led to low delinquency rates 	<ul style="list-style-type: none"> Wide range of underwriting and documentation requirements Most mortgages securitized
Lenders Recourse	<ul style="list-style-type: none"> Ability to foreclose on non-performing mortgages, with no stay periods Full recourse against borrowers⁽²⁾ 	<ul style="list-style-type: none"> Stay period from 90 days to one year to foreclose on non-performing mortgages Limited recourse against borrowers in key states

Legislation and policies – promoting a healthy housing market

April 2014

- CMHC discontinued offering mortgage insurance on second homes and to self-employed individuals without 3rd party income validation

July 2012

- Maximum amortization on government-backed insured mortgages reduced to 25 years from 30 years
- Maximum amount that can be borrowed on a mortgage refinancing lowered to 80% from 85%
- CMHC insurance availability is limited to homes with a purchase price of <\$1 million lowered from \$3.5 million
- Set the borrower's maximum gross debt service ratio at 39% and maximum total debt service ratio at 44%

March 2011

- Maximum amortization on government-backed insured mortgages reduced to 30 years from 35 years
- Maximum amount that can be borrowed on a mortgage refinancing lowered to 85% from 90%

February 2010

- Borrowers must meet the standards for a five-year fixed rate mortgage
- Maximum amount that can be borrowed on a mortgage refinancing lowered to 90% from 95%
- Minimum down payment of 20% is required in order to qualify for government-backed mortgage insurance on non-owner-occupied properties

July 2008

- Maximum amortization on government-backed insured mortgages reduced to 35 years from 40 years
- A minimum 5% down payment is required in order to qualify for government-backed insured mortgages
- Additional – minimum credit score requirements, new loan documentation standards, setting a maximum of 45% on borrowers total debt service ratio

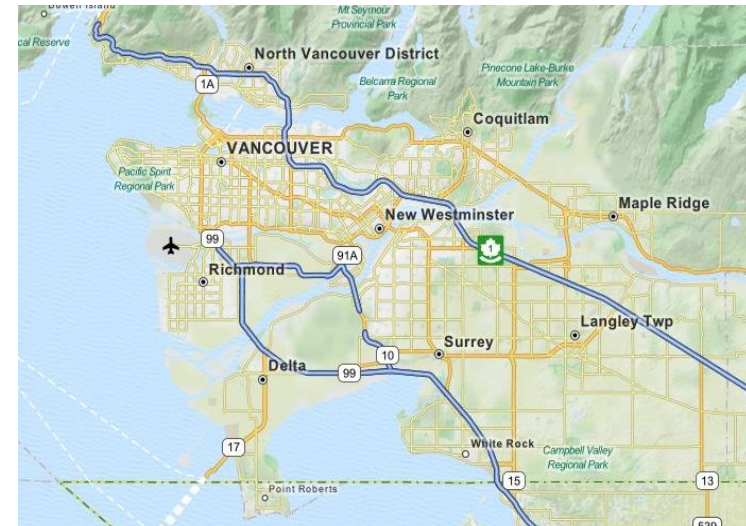
The Toronto and Vancouver downtown condo markets

- Undeveloped land around Toronto / Vancouver is limited, causing shift to centralized condo housing
 - ‘Green belt’ surrounding Toronto has limited urban sprawl and increased demand for condos in the core
 - Vancouver is restricted in its ability for urban sprawl due to land constraints away from the city centre
- Canada has one of the highest per capita rates of permanent immigration in the world⁽¹⁾
 - 20.6% of Canada’s population is foreign born (6.8 million), highest proportion among the G8 nations⁽¹⁾
 - 63% of all new immigrants to Canada move to Toronto, Vancouver or Montreal⁽¹⁾
- RBC’s exposure to condo development is limited – about 2.6% of our total commercial loan book⁽²⁾
 - Condo exposure is 9.8% of our Canadian residential mortgage portfolio⁽³⁾

“Green belt” surrounding Greater Toronto area

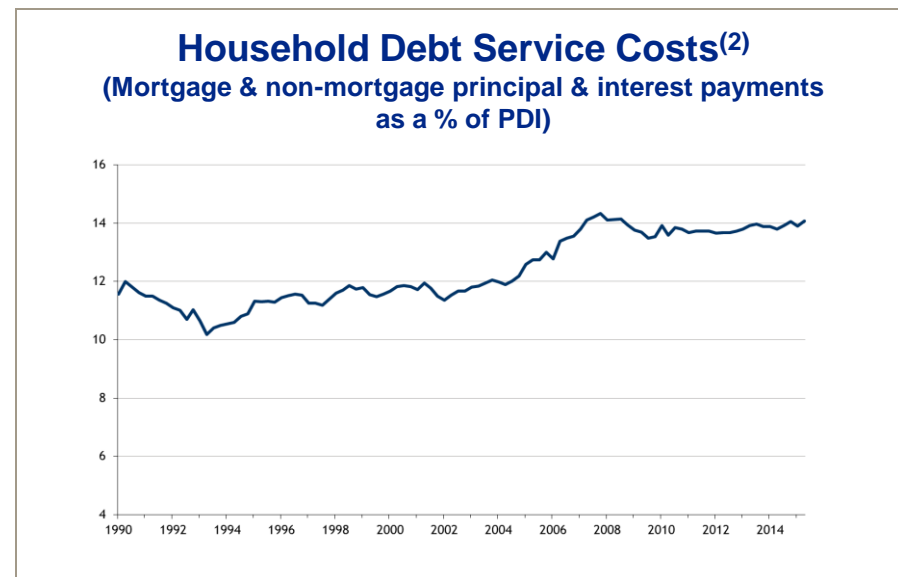


Vancouver limited by mountains, sea, U.S. border



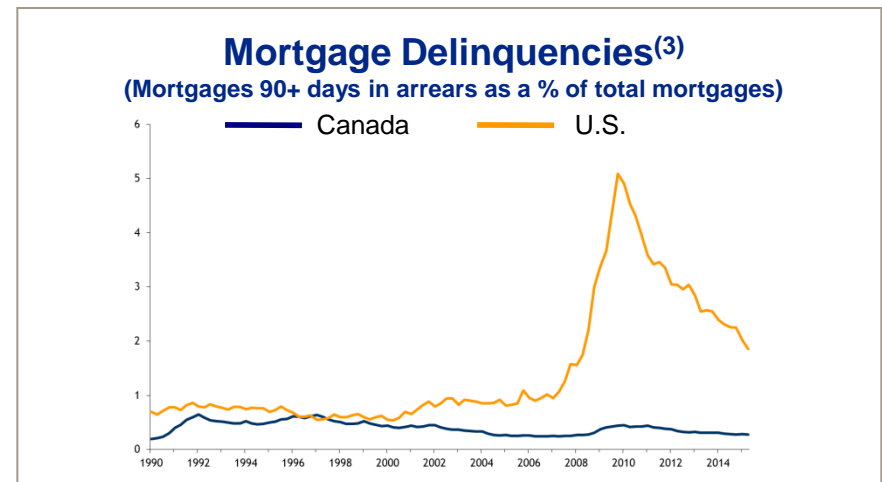
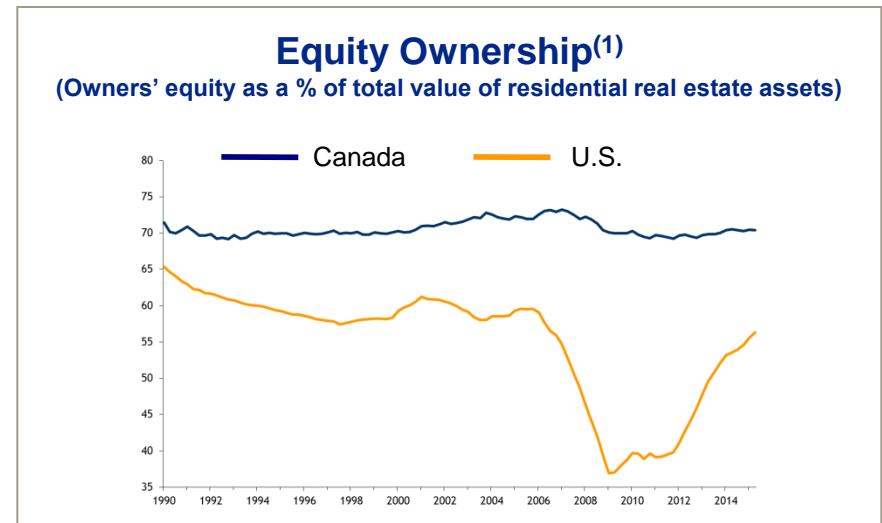
Canadian housing market fundamentals remain sound

- Balanced demand-supply conditions continue to prevail in half of the markets in Canada with the exceptions being some markets in British Columbia and those in and around the Greater Toronto region
- Housing affordability is at reasonable levels across Canada with pressure concentrated in a few local markets
- Steady population growth, household income gains and low interest rates are supporting balanced conditions
- A slowdown in housing market activity in oil-producing provinces (Alberta, Saskatchewan) is being offset by strength in other regions of the country (net oil consumers) with support from highly stimulative borrowing conditions
 - Despite recent declines in resale activity in Calgary and Edmonton, these markets remain in balanced territory
- Over the forecast horizon, we expect that an erosion of housing affordability on account of rising interest rates will weigh on overall housing activity, which is expected to gradually ease to lower, more sustainable levels
- Relatively stable household debt service cost ratios, with little movement towards higher risk
- Lenders maintaining strong underwriting discipline and require extensive documentation
 - Most mortgages being held on balance sheet and conservative lending policies have led to low delinquency rates



Canadians have significant equity ownership in their homes

- Canadians carry a significant and stable amount of equity in their homes
- The pace of mortgage accumulation continues to trend within a range well below the double-digit rates of growth recorded in the mid-2000s
- Mortgage delinquency rates remain low in Canada and have been stable throughout recent credit cycles
- RBC monitors its residential mortgage and broader retail portfolios closely and performs stress tests for dramatic movements in house prices, GDP, interest rates and unemployment rates

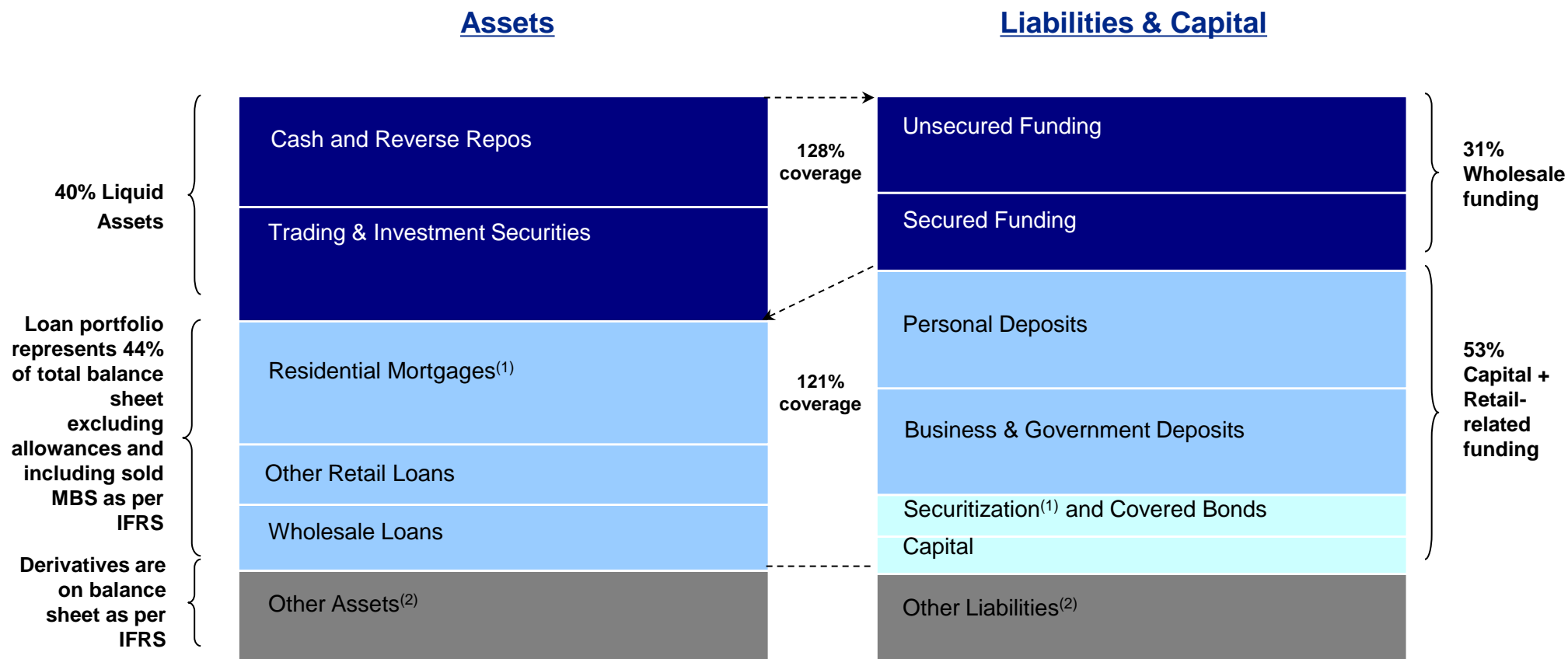


Appendix



Strength of a high quality liquid balance sheet

\$1,074BN
(as at October 31, 2015)



Strong deposit growth is a result of successful initiatives & strong distribution network



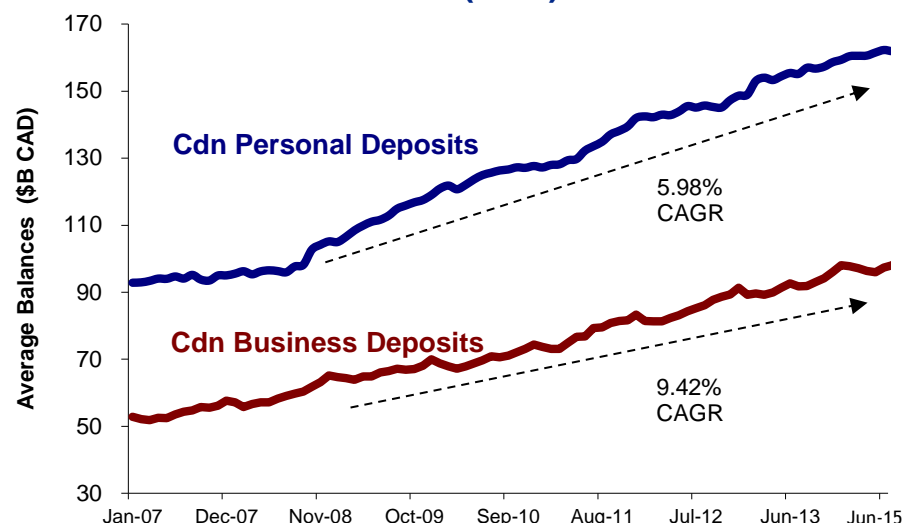
Gaining Canadian market share

- Initiated successful strategies to grow relationship deposit base
- Leveraging our Wealth Management network with targeted strategies and product development
- Canadian relationship deposits continue to grow at a faster pace than the market
- Between October 2010 and June 2015, our share of the Canadian personal deposit market has grown from 18.7% to 20.1%⁽¹⁾

Leveraging our international reach

- Strong deposit growth in our International Wealth Management and Investor Services platforms

RBC Canadian Deposits (\$BN)



RBC Relationship Deposits (\$BN)

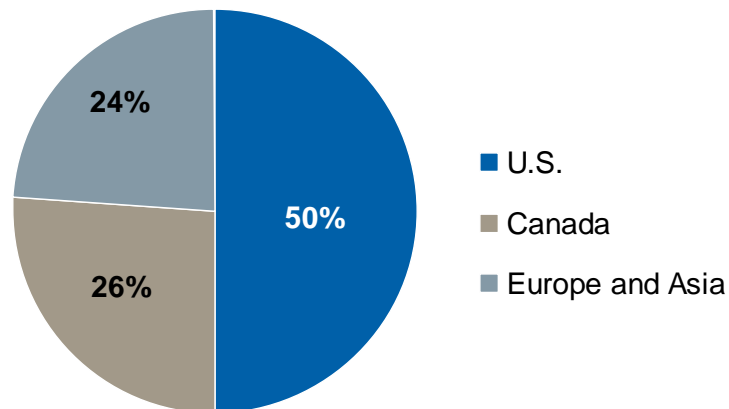
	Oct 2010	Oct 2015
HISA ⁽²⁾	\$18	\$29
Advisory Channel Deposits ⁽³⁾	\$13	\$34
Other Personal Deposits	\$131	\$155
Business Deposits	\$131	\$205
Total Deposits	\$293	\$422

Leveraging the strength of our distribution channels

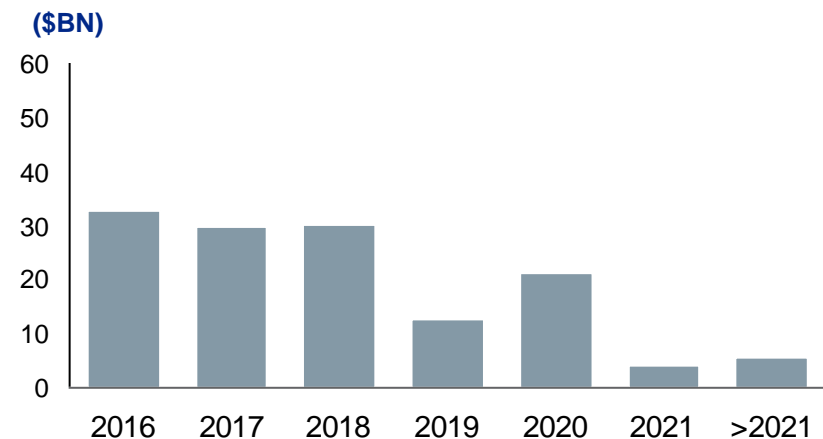
Wholesale funding strategy

- Well diversified across products, currencies, investor segments and geographic regions
- Raise majority of funding in international markets to preserve significant domestic capacity which can be tapped in stressed market conditions
- Regular issuance in all major markets to promote investor engagement and secondary market liquidity
- Well balanced maturity profile that is reflective of the maturity profile of our asset base

Diversified by Geography⁽¹⁾ October 31, 2015



Well Balanced Maturity Profile⁽¹⁾ October 31, 2015



Large retail deposit base complemented by well diversified wholesale funding mix

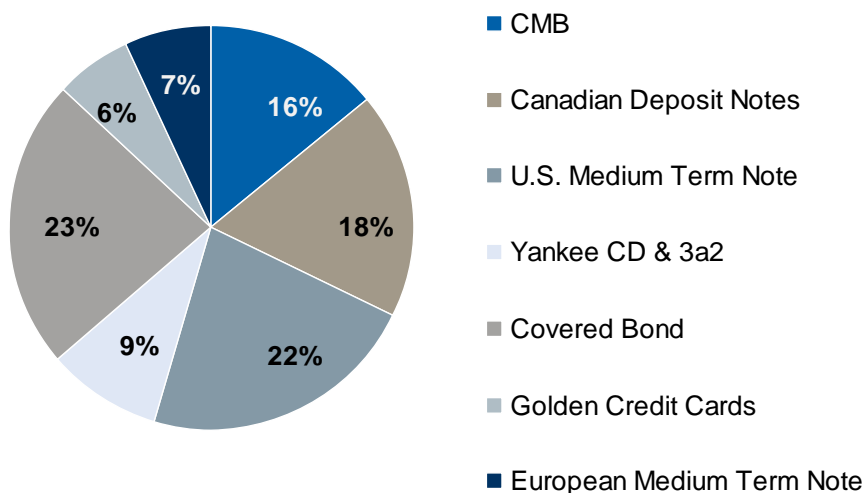
Well diversified wholesale funding platform

- Variety of programs allows for greater diversification and cost effectiveness

Canada	U.S.	Europe and Asia
<ul style="list-style-type: none"> Canadian Shelf (C\$15BN) Securitizations (Canadian mortgage bonds, NHA MBS⁽¹⁾ and credit cards) 	<ul style="list-style-type: none"> SEC Registered Shelf (US\$40BN) SEC Registered Covered Bonds (US\$15BN) 	<ul style="list-style-type: none"> European Debt Issuance Program (US\$40BN) Covered Bond Program (EUR 32BN) Japanese Issuance Programs (JPY 1 trillion)

Well Diversified by Product

October 31, 2015



Recent deals

- EUR 1BN 3-year unsecured at Libor+76bps
- USD 1.75BN 5-year covered bond at Libor+72bps
- EUR 1.25BN 5-year covered bond at Libor+55bps
- A\$1.1BN 3-year unsecured at Libor+47bps
- US\$1.75BN 3-year unsecured at Libor+54bps
- US\$500MM 3-year covered bond at Libor+30bps
- GBP 400MM 3-year covered bond at Libor+31bps
- C\$1.5BN 5-year unsecured at Libor+63bps
- EUR 1BN 7-year covered bond at Libor+44bps
- C\$2.2BN 5-year covered bond at Libor+36bps

RBC Covered Bond Program



Globally Active

- Active program in six different currencies: EUR, CAD, USD, CHF, AUD and GBP
 - C\$33.6BN currently outstanding
- Seven benchmark transactions since January 2015

USD 1.75BN 5-year	EUR 1.0BN 7-year
EUR 1.25BN 5-year	C\$2.2BN 5-year
GBP 400MM 3-year	US\$2.0BN 5-year
US\$500MM 3-year	

Strong Issuer

- Largest Canadian bank by market capitalization
- Strong credit ratings
- Well capitalized and consistent historical profitability
- Well diversified business mix

Canadian Legislative Changes



- Canadian legislation protects claims of covered bond investors and overrides any other conflicting law related to bankruptcy and insolvency
 - Extensive regulatory oversight and pool audit requirements
 - Mandatory property value indexation

U.S. Registration



- U.S. covered bond program is SEC registered
 - Issued US\$13.75BN across seven deals since September 2012
 - Index eligible and Trace eligible

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 earnings and revenue excluding Corporate Support, earnings excluding specified items related to sale of RBC Jamaica as previously announced on January 29, 2014, and provisions related to post-employment benefits and restructuring charges in the Caribbean, release of foreign currency translation adjustment (CTA) that was previously booked in other components of equity, revenue excluding FV adjusted net interest margin and Capital Markets trading and geographic revenue excluding specified items 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 2015 Annual Report.

Definitions can be found under the “Glossary” sections in our Q4/2015 Supplementary Financial Information and our 2015 Annual Report.

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