

Royal Bank of Canada Investor Presentation

Spring 2012

Financial information is presented in Canadian dollars on a continuing operations basis, and is based on International Financial Reporting Standards (IFRS) for 2011, all prior year financials are Canadian GAAP, unless otherwise noted.



Caution regarding forward-looking statements

From time to time, we make written or oral forward-looking statements within the meaning of certain securities laws, including the "safe harbour" provisions of the United States Private Securities Litigation Reform Act of 1995 and any applicable Canadian securities legislation. We may make forward-looking statements in this presentation and in the accompanying management's comments and responses to questions during the March 1, 2012 analyst conference call (Q1 presentation), in other filings with Canadian regulators or the 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 vision, aspiration, and strategic goals. The forward-looking information contained in this 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 vision, aspiration, 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, operational, and liquidity and funding risks, and other risks discussed in the Risk management sections of our Q1 2012 Report to Shareholders and our 2011 Annual Report; general business, economic and financial market conditions in Canada, the United States and certain other countries in which we conduct business, including the effects of the European sovereign debt crisis and the lowering of the U.S. long-term sovereign credit rating by Standard & 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; changes to and new interpretations of risk-based capital and liquidity guidelines; the impact of changes in laws and regulations, including relating to the payments system in Canada, consumer protection measures and the *Dodd-Frank Wall Street Reform and Consumer Protection Act* and the regulations issued and to be issued thereunder; the effects of competition in the markets in which we operate; our ability to attract and retain employees; 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; development and integration of our distribution networks; and the impact of environmental issues.

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 section of our Q1 2012 Report to Shareholders and the Overview of other risks sections of our 2011 Annual Report.

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

Contents

- 1 RBC Overview**
- 2 Business Segment Overview
- 3 Canadian Economy and Mortgage Market

RBC's Key Strengths

Revenue by Geography ⁽¹⁾
Average of the trailing 4 quarters

Geography	Percentage
Canada	69%
U.S.	14%
International	17%

Revenue by Business Segment ⁽²⁾
Average of the trailing 4 quarters

Business Segment	Percentage
Canadian Banking	40%
Wealth Management	17%
International Banking	5%
Insurance	19%
Capital Markets	19%

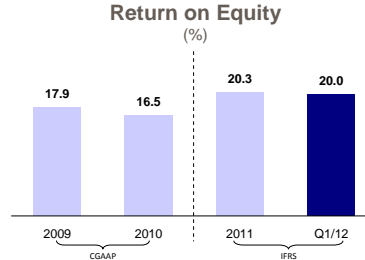
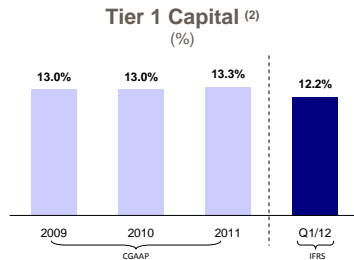
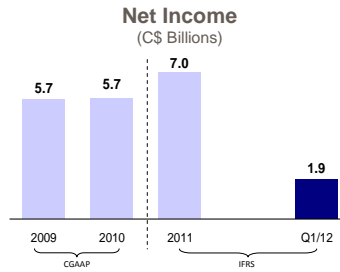
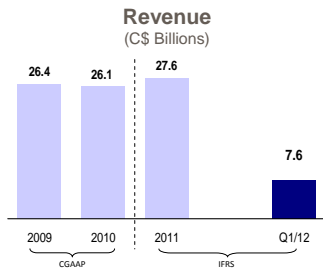
- ✓ Leveraging our leadership in Canada to build competitive businesses in select geographies
- ✓ Diversified model with the right mix of retail and wholesale businesses
- ✓ Strong capital base and highly liquid balance sheet

Canadian leader with a select global scope

RBC | INVESTOR PRESENTATION 1. Amounts represent continuing operations. 2. Amounts represent continuing operations and exclude Corporate Support. For further information, see Annual Report.



Strong Financial Profile ⁽¹⁾



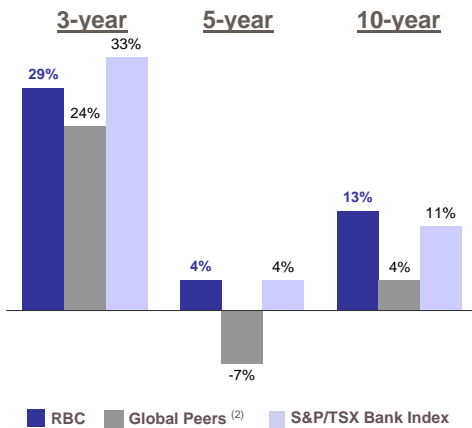
Well positioned financially and competitively

1. Presented on a continuing operations basis unless otherwise noted. 2. 2009 – 2011 calculated using Basel II. Q1/12 calculated using Basel 2.5.

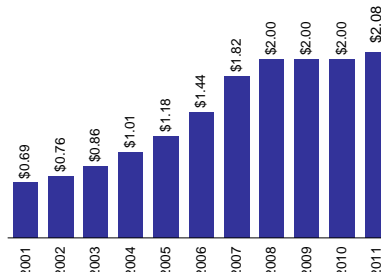


Strong Shareholder Returns ⁽¹⁾

Total Shareholder Return ⁽¹⁾



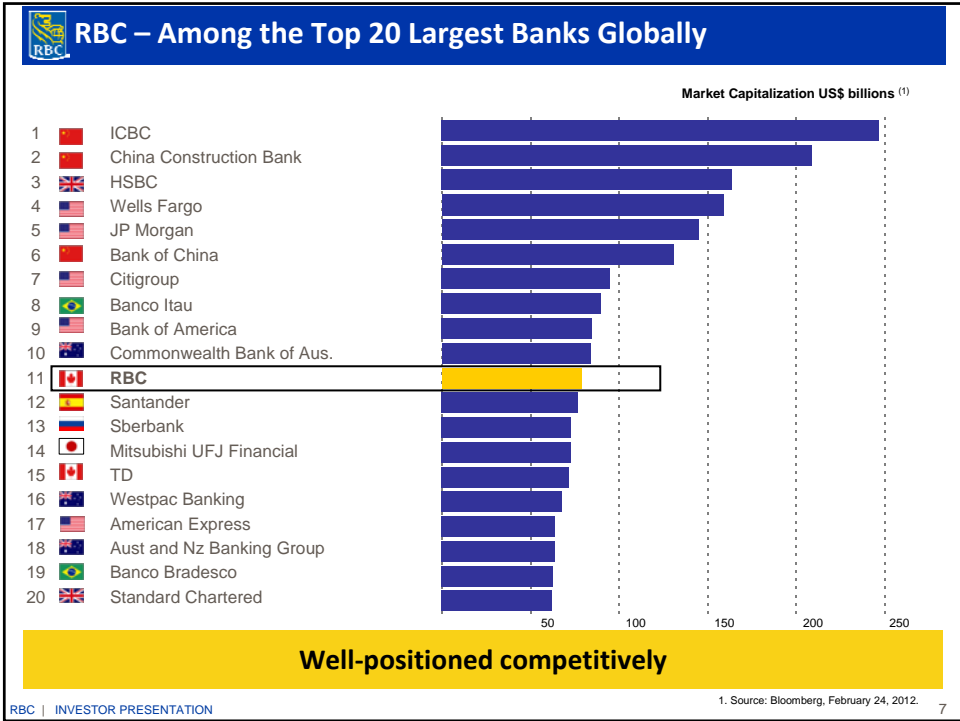
History of delivering stable and growing dividends



- ✓ Announced a quarterly dividend increase in Q2 2012 of 3 cents, or 6% to \$0.57 per share.
- ✓ Quarterly dividend increased to \$0.54 per share effective Q3 2011

Strong earnings generation and long-term shareholder value

1. Price appreciation plus dividends reinvested, as at February 24, 2012. 2. See 2011 Annual Report for details on Global Peer group.



Our Strategy

- ✓ **In Canada, to be the undisputed leader in financial services**
- ✓ **Globally, to be a leading provider of capital markets and wealth management solutions**
- ✓ **In targeted markets, to be a leading provider of select financial services complementary to our core strengths**

Extending our lead in Canada and growing globally

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Canadian Banking

Results by Business
(C\$ Millions)

Year	Personal	Business	Cards and Payment Solutions	Total Revenue	Net Income
2008	2,662	5,315	2,441	9,586	-
2009	2,663	5,305	2,457	9,890	-
2010	3,044	5,760	2,557	10,555	-
2011	3,664	6,192	2,750	11,199	-
Q1/12	1,575	721	589	2,885	594

■ Cards and Payment Solutions ■ Business
■ Personal ◆ Net Income

Q1 2012 Domestic Market Share and Rankings ⁽¹⁾

Product	Market Share	Rank
Consumer Lending	23.6%	2
Personal Core Deposits + GICs	19.6%	2
Long Term Mutual Funds	13.8%	1
Business Loans (\$0 - \$250,000)	25.0%	1
Business Loans (\$250M - \$5MM)	25.6%	1
Business Deposits and Investments	25.2%	1

- ✓ **Building on leading market positions**
- ✓ **Extending sales power**
- ✓ **Eliminating costs and reinvesting for the future**

Profitably gaining market share

¹. Market share is calculated using most current data available from OSFI, Investment Funds Institute of Canada (IFIC) and Canadian Bankers Association (CBA). OSFI and IFIC data is at December 2011 and CBA data is at September 2011.

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Canadian Banking

✓ Building on leading market positions and extending sales power

- Capitalizing on our size and scale to continue to grow at a 25% volume growth premium to the market
- Providing 4 key areas of superior experience: service, advice, convenience/access and value for money

✓ Extending sales power

- Capitalizing on cross-selling opportunities generated by the largest and most integrated advice-based distribution network and a wide depth and breadth of products
- Providing superior client access with the most branches (1,221) and ATMs (4,373) in Canada
- Offering high-value products to new and existing clients through partnerships with great brands such as Shopper's Drugmart, Travelocity and WestJet

✓ Eliminating costs and reinvesting for the future

- Investing to drive further efficiencies, enabling growth at lower cost; Q1 2012 efficiency ratio of 44.9%
- Enhancing sales capability with end-to-end simplification including policies, products and procedures
- Continuing to upgrade our branches to our new retail store of the future concept

Track record of industry leading performance

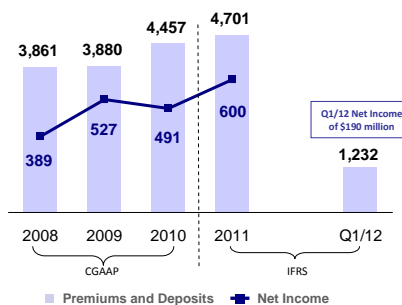
- First Canadian bank to reach one million mobile app downloads in under a year, setting a new Canadian bank record with three fully integrated apps for Android, Blackberry and Apple
- Six Synovate awards for Telephone Banking and ATM Banking Excellence
- #1 Online Banking and #1 Canadian Bank Secure Web Site Ranking (Forrester)
- #1 in the 2011 Report Card on Banks and Credit Unions (published by Investment Executive)
- #1 Private Bank (Euromoney); #1 Direct Investing Service (Dalbar)



Insurance

Select Financials

(C\$ Millions)



- ✓ Consistent contributions to earnings
- ✓ Diversified business with a superior breadth of products and excellent distribution
- ✓ Delivering solutions through proprietary channels and strengthening third party distribution

✓ Canadian market leader in living benefits and travel insurance

✓ Improving distribution efficiency and deepening client relationships

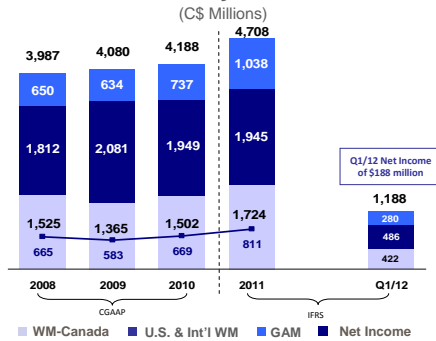
✓ Pursuing select international niche opportunities to grow our core reinsurance business

Enhancing our comprehensive suite of products and services

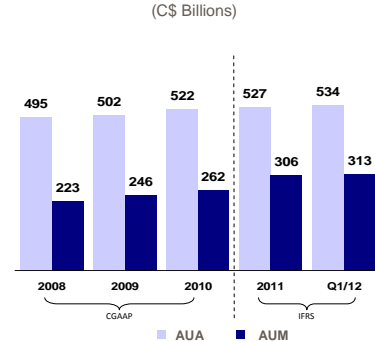


Wealth Management

Revenue by Business



Consistent Growth in Assets



- ✓ Building a global high-performing asset manager
- ✓ Expanding High Net Worth and Ultra High Net Worth market share
- ✓ Leveraging RBC and RBC Wealth Management strengths and capabilities

Building a leading global wealth and asset manager



Wealth Management

- ✓ **Building a global high-performing asset manager**
 - Almost \$252B in AUM serving retail and institutional clients in Canada, U.S., U.K., Europe, Latin America & Asia
 - Largest Canadian retail fund company (all-in and long-term funds) with 14.4% market share (up 45 bps year over year), and eight consecutive years with over 20% of industry long-term fund sales⁽¹⁾
 - Leading Canadian institutional manager and dedicated and growing service to U.S. institutional clients
 - Leveraging BlueBay (U.K.) acquisition to expand global solutions and capabilities to North American clients
- ✓ **Expanding High Net Worth and Ultra High Net Worth market share**
 - Largest and most comprehensive full-service wealth manager in Canada with 22%⁽²⁾ HNW market share
 - Increasing penetration in the U.S., U.K. and Emerging Markets
- ✓ **Leveraging RBC and RBC Wealth Management**
 - Improving productivity and efficiency in the U.S. where we are the 6th largest full-service broker by Financial Advisors, with USD \$179B in AUA and close to 2,000 Financial Advisors in 42 states⁽³⁾
 - Building on our global leadership in international trust solutions to grow the Global Trust business while improving business efficiency
 - Expanding U.K. presence by leveraging Global Trust, Global Asset Management and RBC Capital Markets
 - Leveraging the strength, stability and brand of RBC

Track record of industry-leading performance

- 6th largest global wealth manager by AUM⁽⁴⁾
- Best Overall Fund Group, Best Bond Fund Family, multiple best equity and fixed income funds⁽⁵⁾
- Best Private Banking Services Overall in Canada and the Caribbean⁽⁶⁾
- #1 Bank-Owned Investment Dealer, #1 Overall Score, #1 Advisor Overall Rating of their Firm in Canada⁽⁷⁾
- Highest in Investor Satisfaction with Full Service Brokerage Firms in the U.S.⁽⁸⁾
- Institutional Trust Team of the Year and UK Offshore Trust Company of the Year⁽⁹⁾

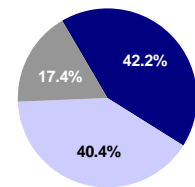
1. IFC, Jan 2012; The universe of fund companies captured in the mutual fund assets reported by IFC was recently expanded and now includes approximately \$50 billion of additional fund assets. As a result, the market share is lower than previously reported. Eight years as of Dec. 31, 2011.
 2. Investor Economics, 2011; 3. Sourced from company websites and excludes Correspondent & Advisor Services and International; 4. Scorpio Partnership, 2011; 5. Lipper, 2012; 6. Euromoney, 2012; 7. Investment Executive 2011 Brokerage Report Card; 8. J.D. Power and Associates, 2011; 9. Society of Trust and Estate Practitioners, 2011 and Private Client Practitioners, 2011. * Reflects published dates.



Capital Markets

Revenue by Geography ⁽¹⁾

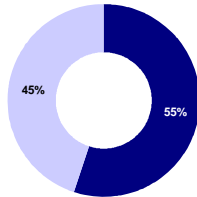
Average of the trailing 4 quarters



■ United States ■ Canada
■ International

Revenue by Business ⁽¹⁾

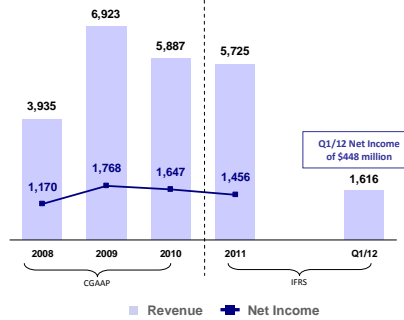
Average of the trailing 4 quarters



■ Corporate & Investment Banking
■ Global Markets

Financial Results

(\$ Millions)



- ✓ Increasing our leadership position in Canada
- ✓ Significant presence in the U.S. with deepening client relationships
- ✓ Building on our core strengths in the U.K. and Asia

A premier Canadian investment bank with select global reach



Capital Markets

✓ Increasing our leadership position in Canada

- Leading market share in all businesses including debt and equity origination, loan syndication, M&A advisory, and sales and trading
- The premier Canadian investment bank offering significant global product and service capabilities to our Canadian clients

✓ Significant presence in the U.S. with deepening client relationships

- Leveraging key investments to increase industry sector coverage and market share in origination, lending and syndicated finance, M&A advisory, research and sales and trading
- A U.S. primary dealer building client relationships and a global distribution network

✓ Building on our core strengths in the U.K. and Asia

- Continuing to leverage our core strengths in energy, mining and infrastructure in the U.K.
- Largely focused on distribution in Asia, building fixed income and foreign exchange trading capabilities
- Disciplined growth through focused recruitment to round out our investment banking capabilities

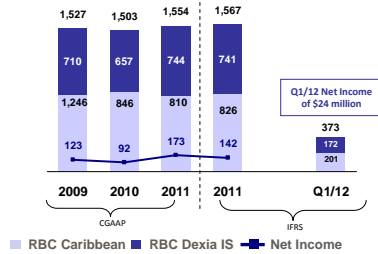
Track record of industry-leading performance

- 11th largest investment bank globally by fees in 2011 (Thompson Financial)
- Best Investment Bank in Canada (Euromoney, 2011) across Equity, Debt and M&A for 4th consecutive year
- #1 in Fixed Income e-Trading and #1 in Non-Core Bonds for the 3rd consecutive year⁽¹⁾
- Most Impressive SSA Sterling House and SSA Australian Dollar House, Best SSA non-core Currency House and Best Bank Team in other non-core Currencies⁽²⁾



International Banking

Revenue by Business
(\$ Millions)



Caribbean Banking

- ✓ 2nd largest bank by assets in the English Caribbean
 - Providing products and solutions through 123 branches in 19 countries and territories

RBC Dexia Investor Services

- ✓ Top 10 global custodian with C\$2.7 trillion in client AUA

- ✓ Integrating operations while building a strong franchise in the Caribbean
- ✓ RBC Dexia is enhancing and broadening their suite of product offerings to deliver a globally integrated client experience

Building a portfolio of quality franchises

1. Effective Q3/11, we classified the results of our U.S. regional retail banking operations as discontinued operations. Prior period amounts have been restated from 2009, as amounts prior to 2009 are not reasonably determinable and may no longer be meaningful. See 2011 Annual Report for more information.

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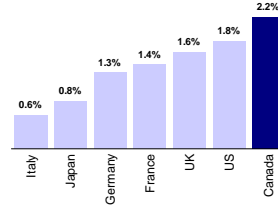


Canadian Economy

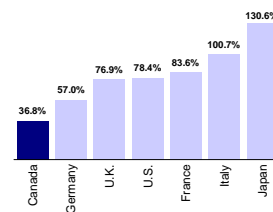
✓ Strong economic fundamentals ⁽¹⁾

- ❑ Fiscal surpluses for 11 straight years, pre-crisis
- ❑ Highest annual GDP growth rate from 1999 to 2011 among G7 peers
- ❑ Lowest net debt-to-GDP ratio among the G-7
- ❑ Proactively responded to financial crisis with strong fiscal stimulus and monetary policy
- ❑ Stable inflation that has remained within the target range of 1-3%
- ❑ #1 for soundness of banks for the 4th consecutive year (World Economic Forum, 2011)

G7 Real GDP Growth ⁽²⁾
(% 1999 – 2011)



Government Net Debt ⁽²⁾
(% of nominal GDP, 2012)



Canada has benefited from prudent fiscal policy

1. Statistics Canada, RBC Economics Research; 2. IMF World Economic Output Database, September 2011. Data from 2010 onward are IMF estimates.



Mortgage Market Comparison

	Canada	U.S.
Regulation	<ul style="list-style-type: none"> • Fully insured if LTV <u>over</u> 80%; government-backed • Must meet 5-year fixed rate mortgage standards • Down-payment > 20% on non-owner occupied 	<ul style="list-style-type: none"> • Insured only if conforming and LTV <u>under</u> 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 • More apt to pay off mortgage 	<ul style="list-style-type: none"> • Mortgage interest is tax deductible • Less tendency 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 led to low delinquency rates 	<ul style="list-style-type: none"> • Wide range of underwriting and documentation requirements • Most mortgages securitized and sold • Significant sub-prime origination
Products	<ul style="list-style-type: none"> • 1 - 5yr terms typical, max 30 year amortization • Prepayment penalties; limited use of "teasers" 	<ul style="list-style-type: none"> • Typically 30-year terms with matching amortization • "Teasers" (low initial rate which increases) are common
Lender Recourse	<ul style="list-style-type: none"> • Easy to foreclose on non-performing mortgages, with no stay periods • Full recourse against borrowers 	<ul style="list-style-type: none"> • Stay period of up to 90 days to foreclose on non-performing mortgages • Limited recourse against borrowers
RBC Portfolio	<ul style="list-style-type: none"> • Originated through our proprietary channels • Strong underwriting practices with disciplined credit origination • 36% of residential mortgage balances are insured • Strong historical performance of our portfolio 	



Note to users

We use a variety of financial measures to evaluate our performance. In addition to GAAP prescribed measures, we use certain non-GAAP measures we believe provide useful information to investors regarding our financial condition and result of operations. Readers are cautioned that Non-GAAP measures, such as Capital Markets trading revenue excluding certain items and Capital Markets geographic revenue excluding certain items do not have any standardized meanings prescribed by GAAP, and therefore are unlikely to be comparable to similar measures disclosed by other companies.

Additional information about our non-GAAP measures can be found under the "Key performance and Non-GAAP measures" sections in our 2011 Annual Report to Shareholders and our Q1 2012 Supplementary Financial Information.

Definitions can be found under our "Glossary" sections in our 2011 Annual Report and our Q1 2012 Supplementary Financial Information.

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