

Royal Bank of Canada Investor Presentation

Q4 2012

Financial information is presented on a continuing operations basis in Canadian dollars and is based on International Financial Reporting Standards (IFRS), unless otherwise indicated.



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 November 29, 2012 analyst conference call (Q4 presentation), in 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 financial performance objectives, vision 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 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, operational, legal and regulatory compliance, insurance, reputation and strategic risks and other risks discussed in the Risk management and Overview of other risks sections of our 2012 Annual Report; the impact of changes in laws and regulations, including relating to the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations issued and to be issued thereunder, the Basel Committee on Banking Supervision's global standards for capital and liquidity reform, over-the-counter derivatives reform, the payments system in Canada, consumer protection measures and regulatory reforms in the U.K. and Europe; general business and economic market conditions in Canada, the United States and certain other countries in which we operate, including the effects of the European sovereign debt crisis, and the high levels of Canadian household debt; cybersecurity; the effects of changes in government fiscal, monetary and other policies; the effects of competition in the markets in which we operate; our ability to attract and retain employees; the accuracy and completeness of information concerning our clients and counterparties; judicial or regulatory judgments and legal proceedings; 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. Material economic assumptions underlying the forward looking-statements contained in this Q4 presentation are set out in our 2012 Annual Report under the heading Overview and Outlook and for each business segment under the heading Outlook and priorities. 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 of our 2012 Annual Report.

Table of Content



- I. Royal Bank of Canada
- II. Business Segments
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Royal Bank of Canada

SECTION I



Royal Bank of Canada



- Canada's largest bank by assets and market capitalization, with broad leadership in financial services
- Offices in Canada, United States and 49 other countries
- ~80,000 full- and part-time employees who serve close to 15 million clients worldwide



Extending our lead in Canada and selectively growing globally

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⁽¹⁾ Market data from Bloomberg as at November 27, 2012.

⁽²⁾ ICBC: Industrial and Commercial Bank of China; CCB: China Construction Bank Corporation; ABC: Agriculture Bank of China; CBA: Commonwealth Bank of Australia; SAN: Banco Santander, S.A., and; ANZ: Australia & New Zealand Banking Group Limited.

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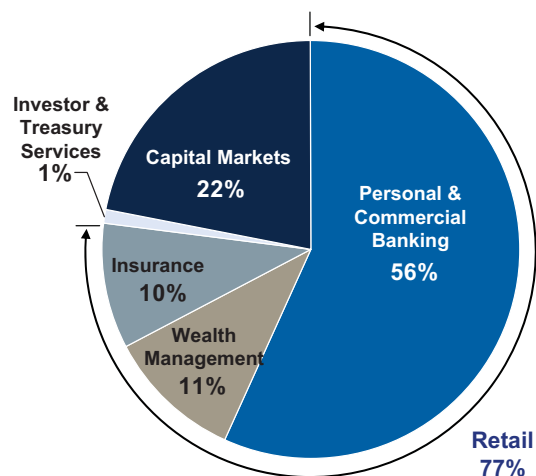
RBC's key strengths



- Diversified business mix, with the right balance of retail and wholesale
- Over two-thirds of revenue from Canada
- Strategic approach in key businesses in the U.S. and select international markets

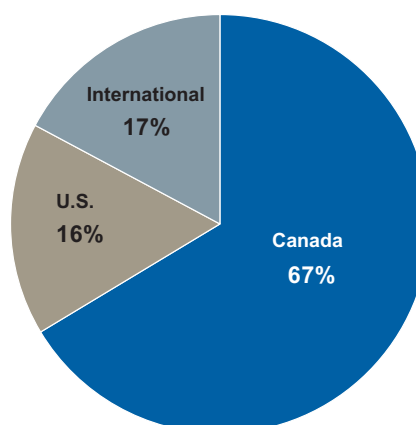
Earnings by business segment ⁽¹⁾

FY 2012



Revenue by geography ⁽¹⁾

FY 2012

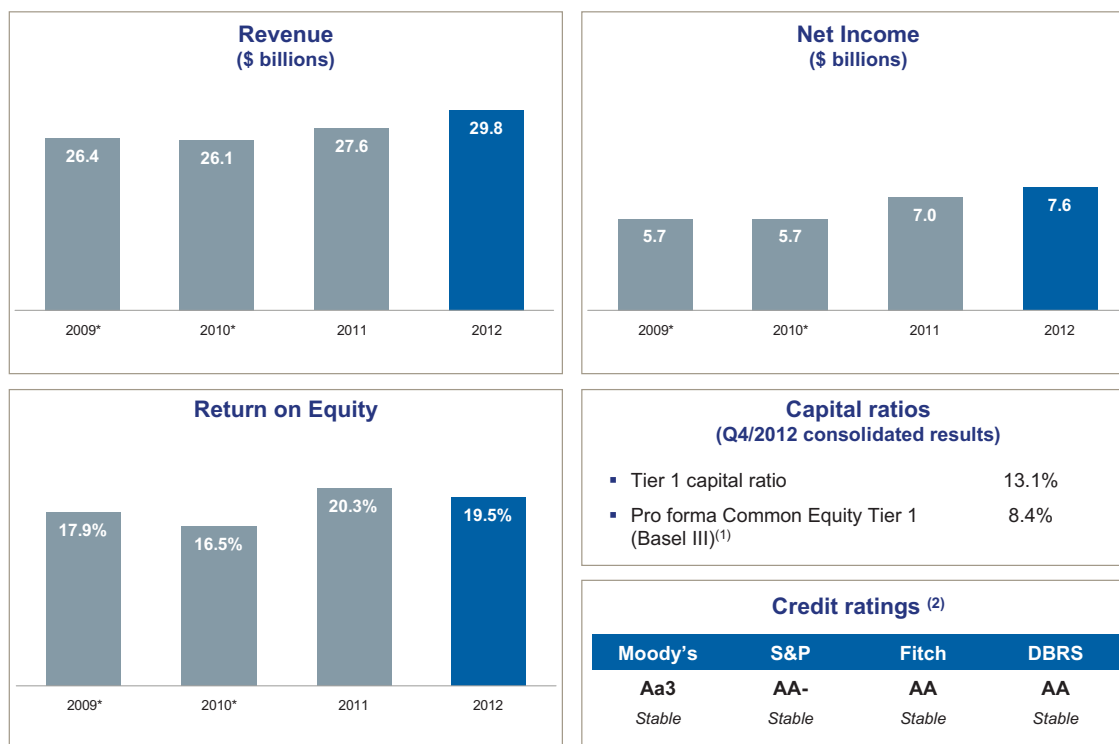


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⁽¹⁾ Amounts exclude Corporate Support. For further information, see the Results by business segment and Results by geographic segment sections of our 2012 Annual Report.

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Strong financial profile



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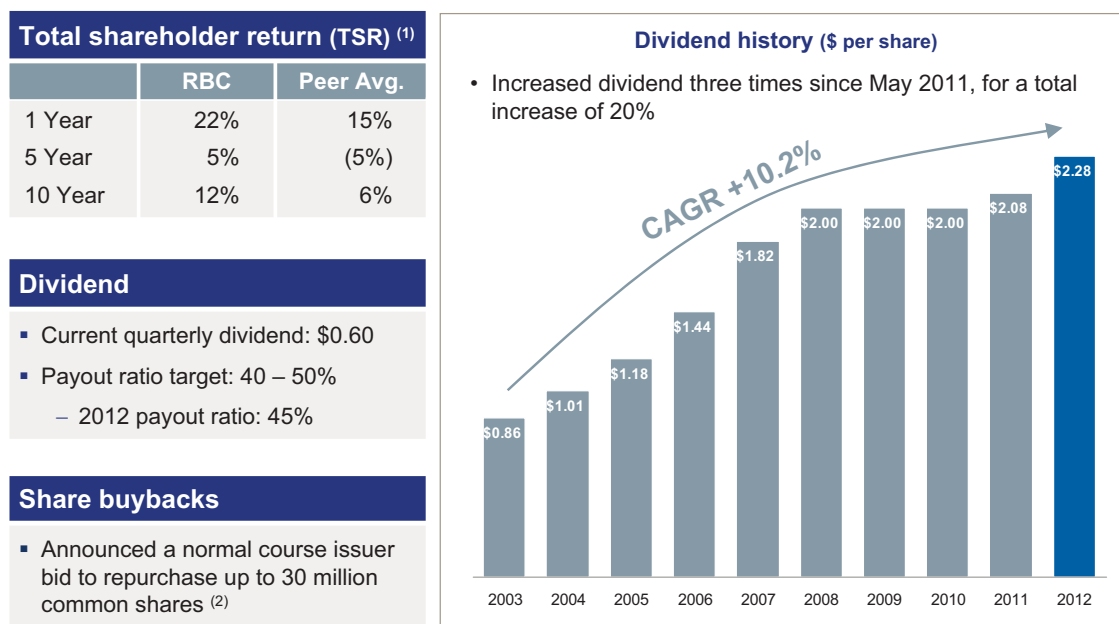
* Based on Canadian GAAP.

(1) Please refer to the Capital Management section of our 2012 Annual Report for details on Basel III requirements.

(2) Based on long-term senior debt ratings.

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History of delivering value to our shareholders



Our goal is to maximize shareholder returns by achieving top quartile TSR over 3-5 years

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(1) Annualized TSR as at October 31, 2012. Based on the global peer group approved by our Board of Directors. For the list of peers, please refer to our 2012 Annual Report.

(2) Purchases may occur between November 1, 2012 and October 31, 2012.

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Extending our lead in Canada and selectively growing globally



Strategic goals

- 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

Strategic priorities

Personal & Commercial Banking	Wealth Management	Insurance	Investor & Treasury Services	Capital Markets
<ul style="list-style-type: none">▪ Building on leading market positions in Canada▪ Extending our Canadian sales power▪ Eliminating costs and reinvesting for the future in Canada▪ Building on strengths in innovation and technology to differentiate the client experience in the Caribbean and U.S.	<ul style="list-style-type: none">▪ Building a high-performing global asset management business▪ Focusing on high net worth and ultra-high net worth clients to build global leadership▪ Leveraging RBC and RBC Wealth Management strengths and capabilities	<ul style="list-style-type: none">▪ Improving distribution efficiency and deepening client relationships▪ Making it easier for clients to do business with us▪ Pursuing select international opportunities to grow our reinsurance business	<ul style="list-style-type: none">▪ Leveraging the reputation and financial strength of RBC▪ Building on the wealth management and capital markets capabilities of RBC▪ Capitalizing on favourable long-term industry and demographic trends	<ul style="list-style-type: none">▪ Extending our leadership position in Canada▪ Expanding and strengthening client relationships in the U.S.▪ Building on core strengths and capabilities in the U.K., Europe and Asia▪ Optimizing capital use to earn high risk-adjusted returns on assets and equity

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Business Segments

SECTION II

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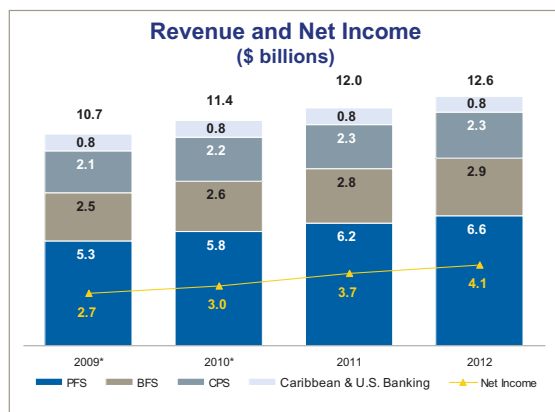


Personal & Commercial Banking



Overview

- RBC is the market leader and the largest and most profitable retail bank in Canada
 - #1 or #2 market share in all lines of business
- 2nd largest bank by assets in English Caribbean, with branches in 19 countries and territories
 - Offering a broad range of financial products and services
- In the U.S., our cross-border banking business serves the needs of Canadian clients and U.S. wealth management clients



Business metrics (FY 2012)

	Canada	Caribbean & U.S.
Clients (million)	12.4	1.3
Branches	1,239	121
ATMs	4,724	341
Employees (FTE)	31,769	6,444
Loans & acceptances ⁽¹⁾	\$307.9 billion	\$7.5 billion
Deposits ⁽¹⁾	\$230.3 billion	\$13.6 billion
AUA ⁽¹⁾	\$171.1 billion	\$8.1 billion

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* Based on Canadian GAAP.
PFS: Personal Financial Services; BFS: Business Financial Services; CPS: Cards and Payment Solutions, and; FTE: Full-time equivalent.
(1) Based on average balances.

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Personal & Commercial Banking – Canada



Building on leading market positions

- Undisputed leader in Canada and continuing to profitably gain market share
- Capitalizing on our size and scale to continue growing at a 25% volume growth premium to the market
- Continuing to improve client experience with our service, advice, convenience/access and value for money
- Will become a Canadian leader in auto financing upon closing of our acquisition of Ally's business ⁽¹⁾

Extending sales power

- Winning top line revenue growth in a low growth and low interest rate environment
- Leveraging our unparalleled distribution network and cross-selling ability
- Providing superior client access with the most branches and ATMs in Canada
- Developing innovative alliances with Shoppers Drug Mart, Travelocity and WestJet

Eliminating costs and reinvesting for the future

- Executing on key programs and dynamically managing our portfolio of initiatives
- Increasing efficiency and simplicity to continue to compete more effectively on pricing
- Evolving to a multi-channel advice centre through retail stores, tele-presence and integrated contact centres

Recent awards

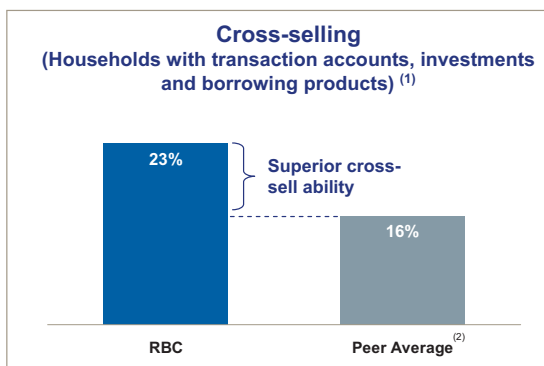
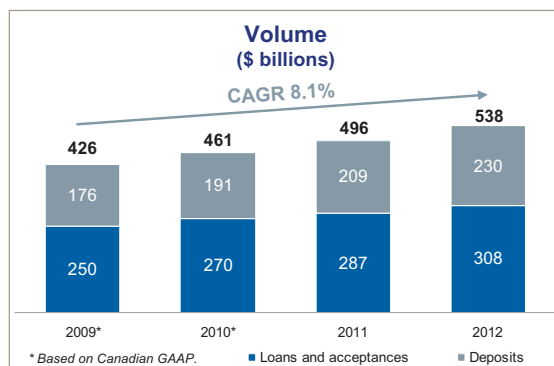
- Named "Best Retail Bank in North America" (*Retail Banker International*)
- First Canadian bank to reach one million mobile app downloads in under a year, a Canadian bank record
- Six Ipsos Reid awards for excellence in Branch Service, Online Banking and Products & Services
- #1 in Forrester's 2012 North American Credit Card Online Sales Rankings
- #1 Online Banking and #1 Canadian Bank Secure Web Site Ranking (*Forrester*)
- #1 Private Bank (*Euromoney*); #1 Direct Investing Service (*Dalbar*)

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(1) On October 23, 2012, RBC announced it had entered into a definitive agreement to acquire the Canadian auto finance and deposit business of Ally Financial Inc.

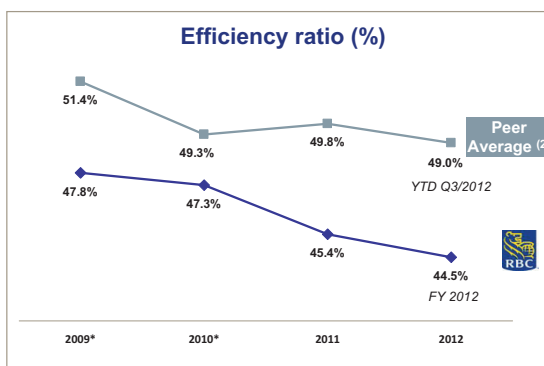
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Personal & Commercial Banking – Canada



Market share ⁽³⁾

Product	Market share	Rank
Consumer lending	23.8%	# 1
Personal core deposits	19.6%	# 2
Personal investments	15.3%	# 1
Business loans	25.4%	# 1
Business deposits & investments	25.6%	# 1



Investor Relations (1) Source: Canadian Financial Monitor Survey by Ipsos Reid - (12,000 Canadian households annually) – June 2012. (2) Peers include: BMO, BNS, CIBC and TD. (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 September 2012 and September 2011. Business Loans CBA data is at June 2012 and June 2011. Market share is of total Chartered Banks except for Business Loans which is of total 7 Banks (RBC, BMO, BNS, CIBC, TD, NBC, CWB).

Wealth Management



Leveraging Canadian strengths to build global leadership

- Building a high performing global asset management business
- Extending leadership in our Canadian businesses
- Strategic Wealth Management focus in key geographies:

United States

- At scale, focusing on improving advisor productivity and efficiency
- Continuing to shift from transaction-based to fee-based model
 - 7% growth in average fee-based client assets in 2012

British Isles & Caribbean

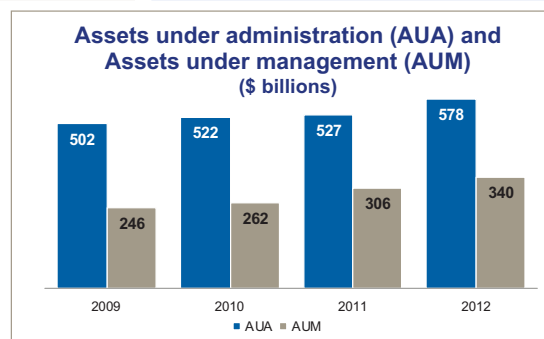
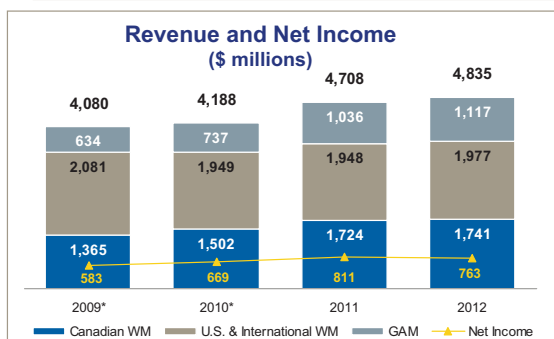
- Building on our global leadership in international trust solutions to grow Global Trust
- Investing to build the U.K as our 3rd key wealth market in the long term

Emerging Markets

- Positioning RBC for long-term growth with a focus on serving emerging market HNW / UHNW clients through key international centers

Recent awards / rankings

- Top 6 Global Wealth Manager by assets** (Scorpio Partnership)
- Best Overall Fund Group** (Lipper Fund Awards Canada)
- Outstanding Private Bank North America** (Private Banker International)
- Outstanding Wealth Planning and Trust Provider** (Private Banker International)
- Best Private Banking Services Overall – Canada, Caribbean and Cayman Islands** (Euromoney Private Banking Survey)
- Emerging Markets Manager of the Year** (U.K. Pensions Awards)

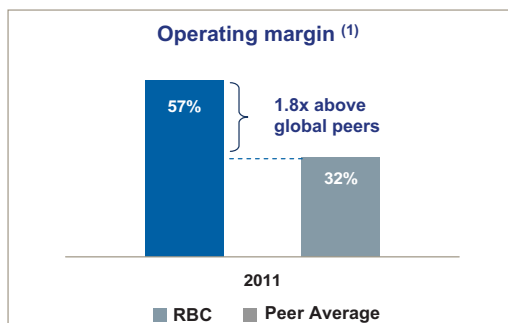


Investor Relations

* Based on Canadian GAAP.
HNW: High net worth; UHNW: Ultra-high net worth

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Wealth Management – Global Asset Management



■ Driving top-tier profitability in our largest Wealth Management business

- Generating ~50% of RBC Wealth Management earnings
- Top tier profitability 1.8x above the industry ⁽¹⁾

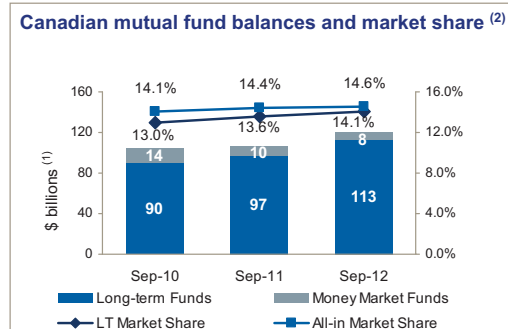
■ Extending our #1 retail position in Canada

- The leader in industry long-term fund sales, capturing over 25% of the market over the last 12 months ⁽²⁾
- Top quartile fund performance over 10-year term, with 84% of AUM in 1st or 2nd quartile, based on RBC GAM peer group
- Leader in all-in mutual fund market share, up 605 bps to 14.6% since 2002 ⁽³⁾ (~50% organic; ~50% acquisitions)

■ Expanding our global solutions and capabilities

- Leveraging BlueBay's expertise through the launch of 7 new retail and institutional mandates in Canada and the U.S.
- Winning high-profile international mandates and industry awards

■ Focusing on strategic acquisitions to further enhance our global asset management capabilities



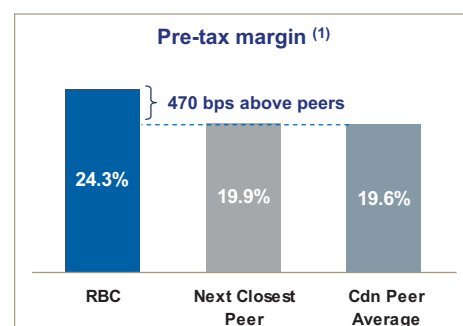
Building a high-performing global asset management business

Investor Relations

⁽¹⁾ Operating margin as defined by BCG Global Wealth Asset Manager Benchmarking 2012, based on 2011 results.
⁽²⁾ Investment Funds Institute of Canada as at September 30, 2012 and RBC reporting.
⁽³⁾ Investment Funds Institute of Canada from January 1, 2002 to September 30, 2012.

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Wealth Management – Canada



■ Extending our #1 position in Canada

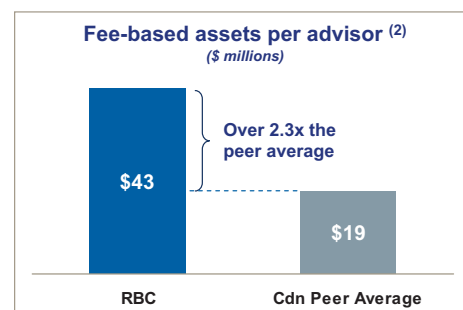
- Grew HNW market share by ~200 bps to 18% in the last two years ⁽³⁾
- Momentum to reach targeted 20% HNW market share by 2015
- Continued strong referrals and collaboration with Canadian Banking

■ Delivering profitable growth in a challenging market

- Generating ~35% of RBC Wealth Management earnings
- 24% pre-tax margin, highest among Canadian peers ⁽¹⁾
- 9.3% growth in average fee-based client assets in 2012
 - Transaction volumes impacted by market uncertainties

■ Driving strong advisor productivity

- Canadian leader in fee-based assets per advisor ⁽²⁾
- Consistently driving revenue per advisor of \$1 million per year, 11% above peer average ⁽¹⁾
- Competitive hires delivering strong new asset growth
- Investing to enhance productivity and client experience



Extending our industry leadership in a challenging environment

Investor Relations

⁽¹⁾ Pre-tax margin as defined by BCG Global Wealth Manager Benchmarking 2012, based on 2011 results.
⁽²⁾ Investor Economics as of June 30, 2012.
⁽³⁾ Investor Economics as of September 30, 2012.
 HNW: High net worth; UHNW: Ultra-high net worth

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Insurance

We are a Canadian market leader in living benefits. We also provide a wide range of health, home, auto, travel and wealth accumulation solutions to individual and group clients across Canada and offer reinsurance solutions for clients globally.

Improving distribution efficiency

- Growing underserved markets (mass market life, small business) through our direct and self-serve channels
- Increasing sales through 50+ retail insurance stores across Canada

Deepening client relationships

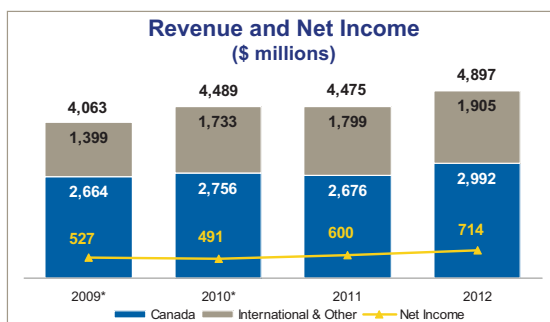
- Providing a comprehensive suite of RBC Insurance products and services to continue to meet our clients' unique needs
- Cross-selling products to drive loyalty and increase profitability

Simplifying the way we do business

- Simplifying product designs and processes to increase efficiency and improve the client experience

Pursuing select international opportunities to grow our reinsurance business

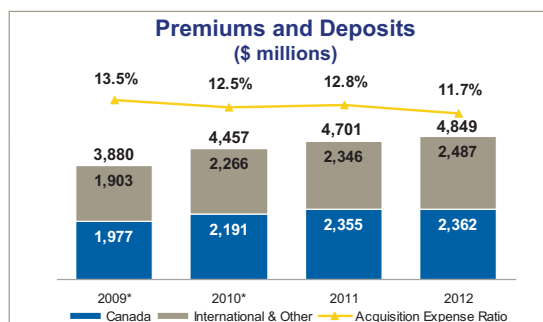
- Leveraging our expertise and relationships to expand our reinsurance business



Investor Relations

* Based on Canadian GAAP.

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Investor & Treasury Services

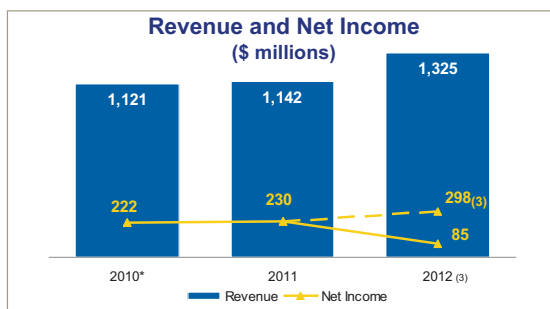


Key businesses

- Specialist provider of global custody, fund administration and asset servicing to institutional investors with a network of offices in 15 countries
 - Top 10 global custodian by AUA
 - Awarded Transfer Agent of the Year ⁽¹⁾ and Best Custodian Overall ⁽²⁾
- Canadian leader in cash management, correspondent banking and trade finance for financial institutions
 - Process more than 50% of all payments into Canada
- Funding and liquidity management for RBC

Strategic priorities

- Build out a deposit gathering strategy to support the asset strategy of RBC
- Grow correspondent banking revenue by increasing focus on fee generation given the low interest rate environment
- Evolve our capabilities in custodial, fund administration, financing and other services to deliver a globally integrated client experience
- Integrate and streamline our liquidity management processes to reduce complexity and improve efficiency



Investor Relations

* Based on Canadian GAAP.

(1) Custody Risk European Awards 2012. (2) Global Investor/ISF magazine's Global Custody Survey 2012.

(3) The acquisition of the remaining 50% stake in RBC Dexia closed on July 27, 2012 and was subsequently rebranded RBC Investor Services. Adjusted net income of \$298 million excludes a loss of \$213 million after-tax (\$224 million before-tax) related to the acquisition. Net income excluding this adjustment is a non-GAAP measure. For additional information see slide 24.

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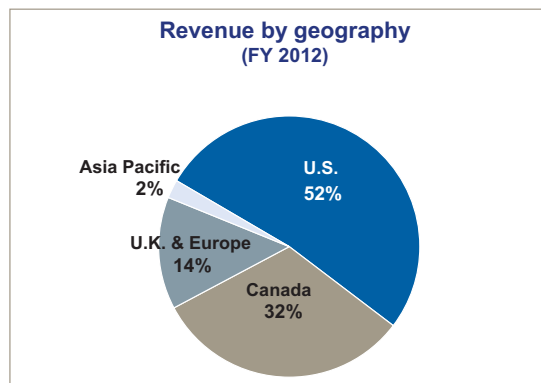
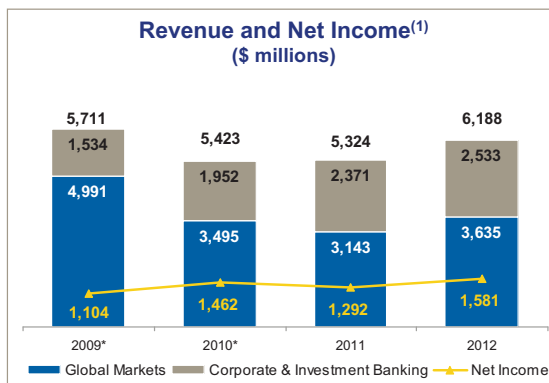
Capital Markets



A leading North American investment bank with select global reach

- Full suite of integrated Corporate & Investment Banking and Global Markets services
- Strategically positioned in the largest financial centers, covering 85% of global investment banking fee pool
- Top talent with expertise and track record of excellence

Canada	United States	U.K. & Europe	Asia Pacific
Full suite of products and services across all sectors	Full service investment bank with equity and fixed income sales & trading	Origination in key sectors with fixed income, equity and FX sales & trading	Primarily distribution with select M&A advisory and origination



Investor Relations

* Based on Canadian GAAP.

(1) Other revenue not depicted on the graph, but included in Total revenue and Net Income.

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Capital Markets



Extending our leadership position in Canada

- Focusing on long-term client relationships and leveraging our strong cross-border capabilities
- Increasing market share in mid-market range of resource sectors

Expanding and strengthening client relationships in the U.S.

- Building on our momentum and leveraging broader relationships and client investments
- Strategically using the loan book to increase cross-sell and expand origination, advisory and distribution

Building on core strengths and capabilities in the U.K., Europe and Asia Pacific

- In the U.K., selectively building our investment bank, adding capabilities and extending strengths in key sectors
- Expanding distribution capabilities in Hong Kong and selectively growing investment banking in Sydney

Optimizing capital use to earn high risk-adjusted returns on assets and equity

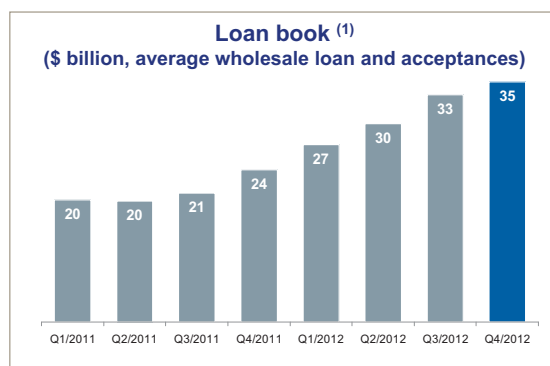
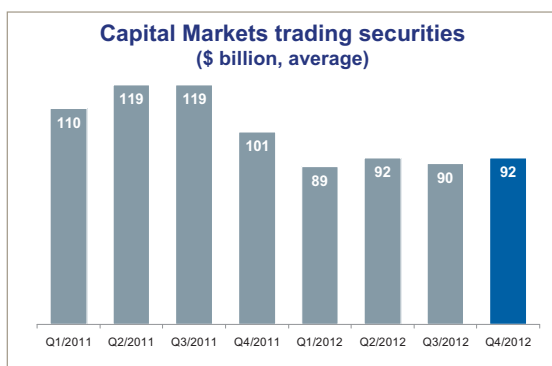
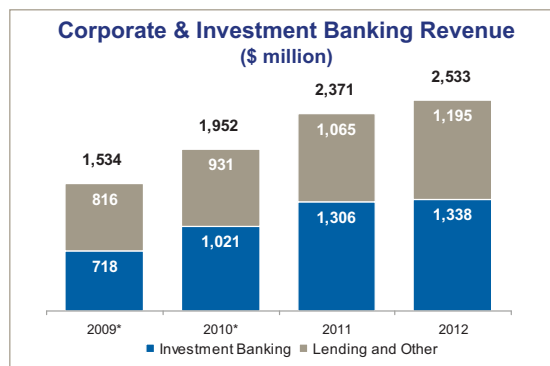
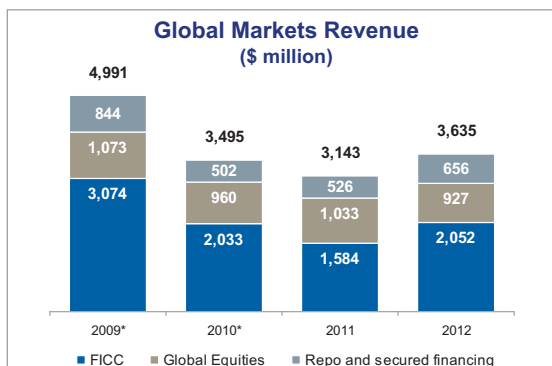
- Shifting balance sheet from trading to lending and traditional investment banking
- Narrowing our focus and breadth of trading products, namely in fixed income and reducing complexity

Recent awards / Rankings

- **10th largest global investment bank by net revenue** (*Dealogic*; January to September 2012)
- **Best Investment Bank in Canada across Equity, Debt and M&A for 5 consecutive years** (*Euromoney*, 2012)
- **Best Fixed Income Research & Strategy globally** (*Technical Analyst Annual Awards*, 2012)
- **#1 for Sales Coverage/Client Service, Pricing, and Back Office Capabilities** (*Euromoney Credit Trading Survey*, 2012)
- **European M&A Deal of the Year – Takeover of Northumbrian Water Group** (*The Banker*, 2012)

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* Based on Canadian GAAP.

FICC: Fixed income currencies and commodities

(1) Reflects average wholesale loans and acceptances and excludes letters of credit and guarantees

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Economy

SECTION III

Canada – Sound economic and regulatory fundamentals

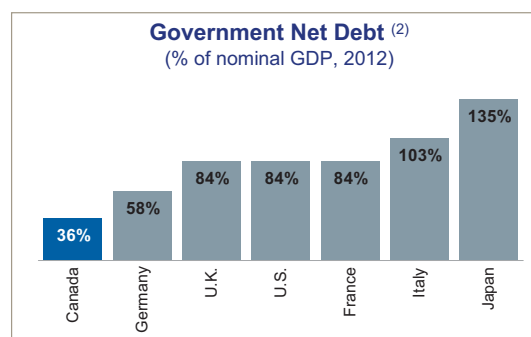
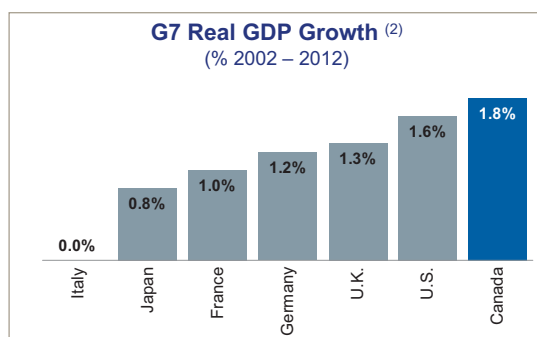


■ Advance industrial economy with sound monetary policy and flexible exchange rate

- Highest annual GDP growth rate from 2002 to 2012 among G7 peers; expected to be among a top performer through 2017
- Lowest net debt-to-GDP ratio among the G7
- Proactively responded to financial crisis with strong fiscal stimulus and monetary policy
- Canada's economy further along in the expansion cycle than most of its trading partners

■ Strongest banking system in the world

- Ranked soundest in the world for a 5th consecutive year by the World Economic Forum
- World's most well-regulated financial sector; #5 ranked by World Bank for strength of investor protection ⁽¹⁾



Investor Relations

Source: Statistics Canada, RBC Economics Research;

⁽¹⁾ Moody's.

⁽²⁾ IMF World Economic Output Database, October 2012. Data from 2010 onward are IMF estimates.

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Global economic outlook



Canada

- Inflation pressures remain muted with inflation rates lingering in the lower end of the target range (1-3%)
- Bank of Canada focused on policy aimed at supporting the economy from external headwinds and a recent softening of the economy
- Interest rates expected to increase by 50 bps to 1.5% by end of 2013
- Pace of household debt growth anticipated to slow through the end of 2012 and into 2013

United States

- Recovery post Hurricane Sandy and looming concerns over Fiscal Cliff, debt ceiling and potential debt downgrades weigh on the economy, especially business investments
- Unemployment rate likely to remain unchanged
- Interest rate expected to remain low until 2015
- Fed is in wait-and-see mode and is looking for an acceleration in growth and improvement in labour markets to take hold

U.K. / Euro-zone

- Despite the deteriorating conditions and moderating inflation in the Euro-zone, the European Central Bank is unlikely to change its stance on policy which we expect will keep rates on hold throughout 2013
- U.K. real GDP in Q3/2012 surprised to the upside, thereby suggesting that underlying growth in the economy may be stronger than previously thought

Key Economic Indicators

	Canada		United States		Eurozone	
	2012E	2013E	2012E	2013E	2012E	2013E
Real GDP Growth	2.2%	2.4%	2.2%	2.3%	(0.4%)	0.4%
Interest Rates ⁽¹⁾	1.00%	1.50%	0.13%	0.13%	0.75%	0.75%
Unemployment (%)	7.3%	7.1%	8.2%	8.0%	n/a	n/a
Inflation	1.6%	1.7%	2.0%	1.7%	2.6%	2.0%

Investor Relations

Source: RBC Economics Research as of November 2012.

⁽¹⁾ Canada: Overnight rate; U.S.: Fed funds rate; Eurozone: Refi rate.

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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 results excluding items of note, adjusted results and ratios, and Capital Markets trading and 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 of our 2012 Annual Report and Q4/2012 Earnings Release.

Definitions can be found under our “Glossary” section in our 2012 Annual Report and in our Q4 2012 Supplementary Financial Information.

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