



RBC  
Centura

# RBC Centura

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*Chief Executive Officer*

***Presentation to  
Analysts & Institutional Investors***

October 22, 2001  
Toronto



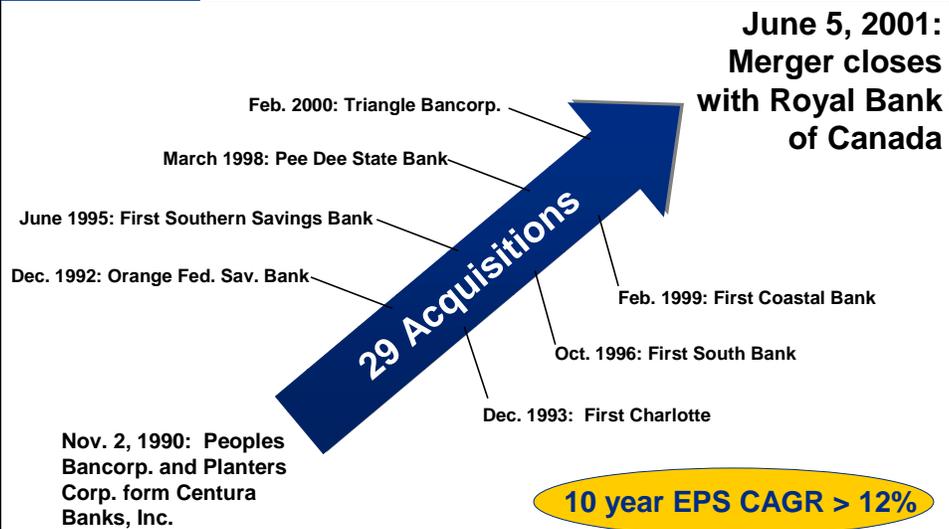
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**Looking back**



## *Centura Was a Leader In:*

- **Sales Culture Evolution**
  - Started 7 years ago with daily sales routines
- **Customer Profitability**
  - Among the first U.S. banks to operationalize this
- **Channel Development**
  - First in NC and among first in U.S. to offer online banking
- **Capital Deployment**
  - Adopted EVA in 1994





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## Who we are now



# RBC Centura

- Transition well received by customers and employees
- No customer loss
- Actually, gaining business from affiliation with RBC Financial Group

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## Our place in the competitive environment

- 47<sup>th</sup> largest bank in assets in U.S. as RBC Centura
- 7<sup>th</sup> largest in assets as part of RBC Financial Group
- Strong player in one of the most competitive banking states in the U.S.

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## New branding



# RBC Centura

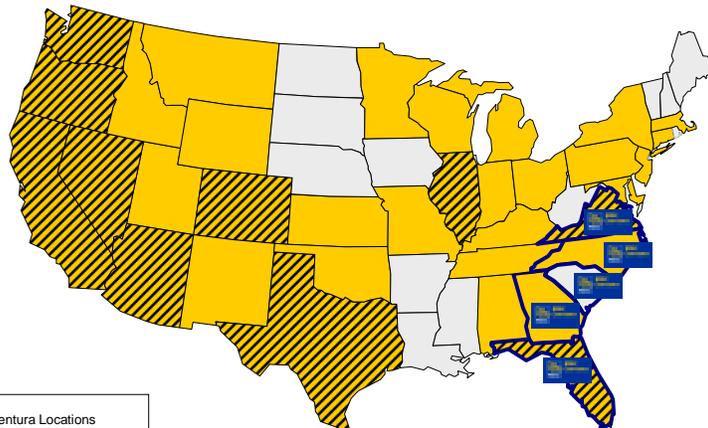
→ Rolling out new signage  
in next 30-60 days

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## P&CB – U.S. footprint



	RBC Centura Locations
	RBC Prism Mortgage Locations
	RBC Builder Finance Locations

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- **800,000 personal and commercial clients**
- **RBC Centura**
  - 241 retail and business branches in five Southeastern states (North Carolina, South Carolina, Virginia, Georgia, and Florida)
  - Assets of US\$13.4 billion (6/30/01)
- **National niche business lines:**
  - RBC Prism Mortgage – 235 offices in 30 states
  - RBC Builder Finance – 12 offices in 10 states



### *Growing Profitable Relationships and Expanding Our Presence in the U.S. Through:*

- **Organic growth**
  - Cross-selling under a strong integrated brand
  - Building national lines of business in niche, high-growth segments where we have competitive advantage
  - Leveraging full RBC capabilities
- **Integration of highly selective acquisitions in the Southeastern U.S.**



1. Grow revenue
2. Manage cost
3. Manage risk
4. Explore acquisitions

- Scorecard and tracking introduced to enable proactive monitoring of these critical value drivers
- Director of Integration appointed
- Corporate strategy and goals communicated to all staff through 30+ franchise-wide town hall meetings



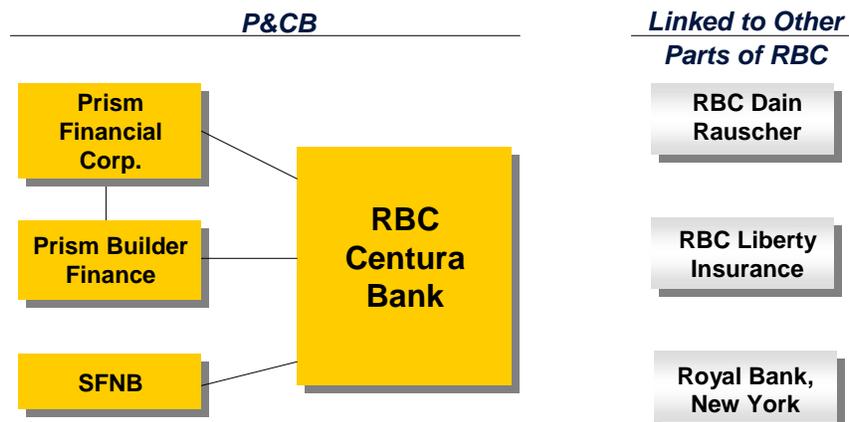
### *Our Long-Term Goals:*

- Revenue growth: 6-8%
- Expense growth: 3-4%
- Earnings growth: 10+%



## Leveraging RBC's Success In:

- Customer Relationship Management program
- Account Manager Investments role
- Knowledge Based Industries
- RBC Builder Finance
  - Opened offices in Chicago and N. Virginia since merger
- RBC Prism Mortgage
  - Rolling out ARM product for combined mortgage operation
  - Rolling out HELOC product for RBC Prism customers





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## Integration and cross-sell actions: RBC Liberty Insurance

- **Head of Insurance appointed for RBC Centura from RBC Insurance**
- **Creditor Insurance Product introduced**
- **RBC Liberty Insurance Specialist role introduced October/01 to work with RBC Centura branches**
- **Direct Marketing for RBC Prism mortgage customers**
- **Banking office opened in RBC Liberty headquarters**

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## Integration and cross-sell actions: RBC Dain Rauscher

- **Centura Securities link to RBC Dain Rauscher**
  - **Build and take brokerage operation and wealth management to new level**
  - **Consider opening regional offices in Raleigh and Charlotte**
- **Commercial Bankers in Dain Rauscher offices**
- **Corporate and Investment Banking referrals**

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### RBC Centura

- SFNB client conversion completed August 17
- Strategic Sourcing and Process Review opportunities being captured
- Treasury Management

### RBC Prism

- Secondary marketing and servicing synergies with RBC Centura
- Integration of human resources, finance and marketing functions

### RBC Builder Finance

- RBC Builder Finance lending platform to be used for all Builder Finance activity across RBC Centura
- Integrating human resources and finance functions



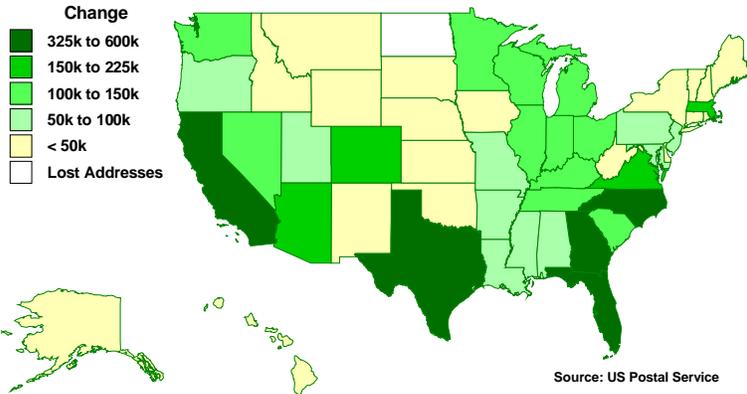
- Chief Credit and Risk Officer appointed from RBC Financial Group
- Integrating RBC Prism, RBC Centura Builder Finance and KBI into RBC Centura's credit processes
- Incorporation of RBC Credit Management standards and practices
- Enhanced portfolio management, scoring, and credit monitoring processes



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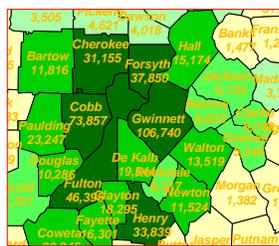
# Southeast high growth market

## Change In Active Residential Addresses By State From 1996 To 2000 NC Ranks Fourth With 363,015 Additional Addresses



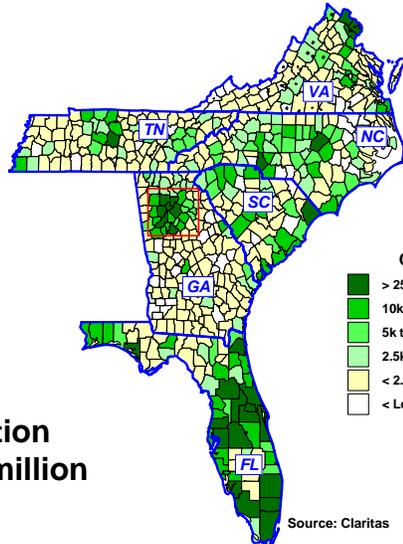
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# Expected population growth from 2000 to 2005



Atlanta, Georgia Area

Current combined population of NC, SC, GA, & FL > 35 million





## Explore acquisitions

- Planting seeds and getting to know banks in the Southeastern U.S.
- South Carolina
  - Contiguous state to North Carolina
  - RBC Liberty Insurance in Greenville, SC
- Georgia
  - Atlanta largest and fastest growing MSA in Southeastern U.S.
- Florida
  - Compelling demographics – projected to pass New York as 3<sup>rd</sup> most populous state in the U.S. by 2025
  - “Snowbird” synergies



## Conclusion



# RBC Centura

- Four months into it
- Lots of early wins
- Expect to meet 2001 plan
- Optimistic outlook for building highly profitable U.S. banking operation



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