



Royal Bank of Canada

Morgan Stanley U.S. Financials Conference

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Financial information is in Canadian dollars and prepared in accordance with Canadian GAAP, 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 financial conference presentation, in other filings with Canadian regulators or the SEC, in reports to shareholders and in other communications. Forward-looking statements include, but are not limited to, statements relating to our objectives, our strategic goals and the economic and business outlook for us, for each of our business segments and for the Canadian, United States and international economies. 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 strategic priorities and objectives, and may not be appropriate for other purposes. Forward-looking statements are typically identified by words such as "believe," "expect", "forecast", "anticipate", "intend", "estimate", "goal", "plan" and "project" and similar expressions of future or conditional verbs such as "will", "may", "should", "could", or "would".

By their very nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties, which give rise to the possibility that our predictions, forecasts, projections, expectations or conclusions will not prove to be accurate, that our assumptions may not be correct and that our objectives 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, liquidity and funding risks, and other risks discussed in our 2009 management's discussion and analysis; general business, economic and financial market conditions, including the ongoing impact from the market environment, the lack of liquidity in certain markets, the level of activity and volatility of the capital markets and including recessionary conditions in Canada, the United States and certain other countries in which we conduct business; changes in accounting standards, policies and estimates, including changes in our estimates of provisions, allowances and valuations; the effects of changes in government fiscal, monetary and other policies; the effects of competition in the markets in which we operate; the impact of changes in laws and regulations, including tax laws; judicial or regulatory judgments and legal proceedings; the accuracy and completeness of information concerning our clients and counterparties; our ability to successfully execute our strategies and to complete and integrate strategic acquisitions and joint ventures successfully and development and integration of our distribution networks.

We caution that the foregoing list of risk factors is not exhaustive and other factors could also adversely affect our results. When relying on our forward-looking statements to make decisions with respect to us, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Except as required by law, we do not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by us or on our behalf.

Additional information about these and other factors can be found in the Risk, capital and liquidity management section of our 2009 Annual Report to Shareholders.

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

Who we are – Universal bank with financial strength



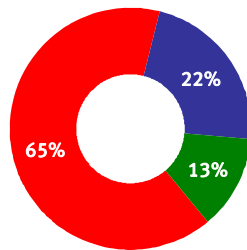
- Universal bank in Canada with selective focus globally
 - Active in all banking areas in Canada with leading market positions
 - Global capabilities in capital markets and wealth management
- Diversified model with the right mix of businesses and geographies
 - Able to generate significant returns throughout the economic cycle
 - Long-term strategic balance
 - 75% retail banking, wealth management and insurance businesses
 - 25% capital markets businesses
 - $\frac{2}{3}$ Canada and $\frac{1}{3}$ other geographies
- Continuing to invest in our businesses while focusing on cost management
- Robust capital position and senior debt ratings – Among highest globally

Managing our company for long-term success

Diversified business with core strength in Canada

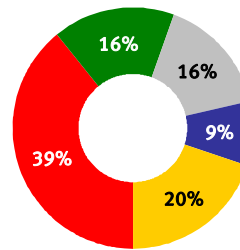


Revenue by Geography
Five Year Average
(2005-2009)



■ Canada
■ U.S.
■ Other International

Revenue by Business Segment ⁽¹⁾
Five Year Average
(2005-2009)

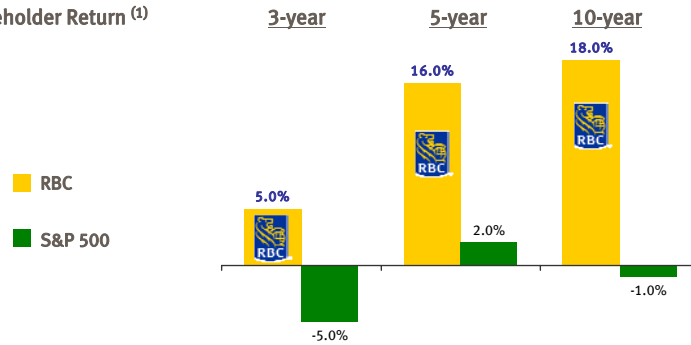


■ Canadian Banking
■ Wealth Management
■ Insurance
■ International Banking
■ Capital Markets

Consistent outperformance



Total Shareholder Return ⁽¹⁾



RBC rank versus:

Global peer group ⁽²⁾	#2	#1	#1
Big 6 Canadian Banks	#1	#1	#1

(1) Price appreciation plus dividends reinvested, annualized. As at January 15, 2010.

(2) Global peer group consist of 20 financial institutions; Bank of Montreal, Canadian Imperial Bank of Commerce, Manulife Financial Corporation, National Bank of Canada, Power Financial Corporation, The Bank of Nova Scotia, The Toronto-Dominion Bank, Bank of America Corporation, JPMorgan Chase & Co., The Bank of New York Mellon Corporation, U.S. Bancorp, Wells Fargo & Company, Banco Bilbao Vizcaya Argentaria Group (BBVA), Barclays PLC, BNP Paribas, Credit Suisse Group AG, Deutsche Bank Group, National Australia Bank and Westpac Banking Corporation.

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Canadian Banking – Clear leader and widening the gap



Largest, most integrated advice-based distribution network

- Offering superior client access with most branches (1,197) and ATMs (4,214)
- Largest dedicated mobile sales specialists network (1,210)
- Cross-selling products and services from Wealth Management and Insurance

Improving client experience through 4 key areas of differentiation – service, advice, convenience/access and value for money

- Best Banking Award recipient for “Branch Service”, “Financial Planning and Advice” and “Values My Business” (Synovate, 2009)
- 1st large financial institution in Canada to offer both MasterCard and Visa credit cards
- Ranked #1 for a Canadian bank public website (Forrester, 2009)

Driving efficiencies and positive operating leverage by streamlining and automating key processes

- 2009 efficiency ratio of 47.8% and operating leverage of 3.8%

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Canadian retail momentum



	Q4/09 ⁽¹⁾		Q4/08 ⁽¹⁾		
	Rank	Market Share	Rank	Market Share	
Leadership in most personal products	Consumer lending ⁽²⁾	# 1	20.7%	# 1	20.2%
	Personal core deposits	# 2	19.2%	# 2	18.2%
	Personal Investments ⁽³⁾	# 1	16.3%	# 1	16.1%
Leadership in business products	Business loans ⁽⁴⁾				
	\$0 - \$250m	# 1	26.3%	# 1	25.4%
	\$250m - \$5mm	# 1	27.0%	# 1	26.2%
	Business deposits & investments	#1	22.2%	#1	23.7%

- (1) Market share is calculated using most current data available from Bank of Canada (BoC), Investment Funds Institute of Canada (IFIC) and Canadian Bankers Association (CBA). BoC and IFIC data is at Sept/09 and CBA data is at June/09. Market share is of total Chartered Banks unless otherwise noted.
- (2) Consumer Lending comprises residential mortgages, personal loans and credit cards.
- (3) Personal Investments is comprised of GICs and mutual funds. Mutual fund market share is per IFIC.
- (4) Market share is of the nine banks that submit Business Loan tiered data to CBA on a quarterly basis.

Wealth Management – Seizing opportunities for growth



Top performing Canadian asset manager focused on global growth

- Largest Canadian mutual fund company with over \$100B AUM and 17% market share ⁽¹⁾
- Track record of industry leading performance
 - ✓ Voted Best Overall Fund Group (2007-2008) and Best Overall Fixed Income Group in Canada (2009) ⁽²⁾
 - ✓ In 2009, RBC captured 31% of the industry net sales of long-term funds
 - ✓ Leading Canadian institutional asset manager with growing presence in the U.S. market through recent mandate wins
- Actively considering acquisition opportunities outside Canada

Largest and most comprehensive full-service wealth manager in Canada

- Largest full-service brokerage in Canada with 23% of assets and 15% of advisors ⁽³⁾
- Market leader in estate and trusts with 27% share of industry revenue ⁽³⁾

Strong and growing position in U.S. Wealth Management

- 6th largest U.S. full-service retail brokerage firm with almost 2,300 financial consultants
- Announced agreement in 2009 to acquire J.P. Morgan's Third Party Registered Investment Advisory (RIA) Servicing Business
- Translating recent significant growth in our U.S. Wealth Management business into bottom-line profitability

Leader in International Wealth Management

- Top 20 global private bank and 2009 Award winner for "Outstanding Private Banking – North America" ⁽⁴⁾
- Leading cross-border International High Net worth business with 31 offices in 21 countries
- Top provider of trust services in the U.K. (2008,2007,2006) ⁽⁵⁾
- Pursuing acquisition opportunities that have synergies with existing business model

Insurance – Growing the business



Largest Canadian bank-owned group of insurers

- Only bank in Canada with a suite of solutions for business and personal clients
- Manufacturer and distributor for both life & health and property & casualty
- Market leader in Canadian travel insurance primarily through third party distribution, with growing authorized bank distribution
- Market leader in Bank Act authorized life and disability insurance products

Increasing sales through lower-cost channels

- Growing in Canada by leveraging RBC's client, distribution, risk management and brand strength
- Expanded our retail insurance network to 49 branches with 14 locations opened in 2009, providing our clients with more convenient access to insurance services

Pursuing selected international niche opportunities

- Providing life insurance, annuity products and travel insurance in the U.S.
- Internationally, focusing on specialty reinsurance businesses

International Banking – Building a portfolio of quality assets



Transforming U.S. banking by enhancing the client experience and improving distribution capabilities

- Over 430 banking centers focused on retail, small business and commercial clients
- Refining operations and focussing on cost management to become more competitive in the attractive U.S. Southeast market

2nd largest bank in the English Caribbean and growing

- Integrating RBTT Financial Group acquisition to expand and deepen Caribbean banking platform
- Strong position for future expansion in the Caribbean and Latin America

RBC Dexia Investor Services: Top 10 global custodian

- Providing unique offshore and onshore solutions to institutions worldwide in 16 countries on 4 continents
- Delivering a globally integrated suite of products and services, while responding to emerging opportunities through select client and market initiatives
- Announced an agreement to acquire UBI Banca's depositary bank business to RBC Dexia IS - over €19B in assets under custody

Capital Markets – Building global capabilities



Continued leadership position in Canada

- Best Investment Bank in Canada, winning in all three categories – debt, equity and M&A (Euromoney, 2009)
- #1 in Canadian Equity and Equity Related New Issues (Bloomberg)
- #1 in M&A by both transaction value and number of transactions (Thomson)
- #1 across Global, Domestic Corporate and Domestic Government C\$ debt (Bloomberg, Thomson)

Leader in select U.S. and global markets with momentum

- Best Overall Credit House in Europe (Credit Magazine's 2009 European Credit Awards)
- #1 global oil and gas M&A financial advisor (Bloomberg)
- Only Canadian Bank among the 18 U.S. Primary Dealers worldwide
- U.S. Mid-Market Investment Bank of the Year (Investment Dealers' Digest)
- Top CAD FX Dealer globally (for the last 16 out of the last 18 years) (Euromoney FX Poll)

Where we are going



Our Goals

Vision

Always earning the right to be our clients' first choice

In Canada, to be the undisputed leader in financial services

In the U.S., to be a leading provider of capital markets, wealth management and banking services by building on and leveraging our considerable capabilities

Outside North America, to be a premier provider of select capital markets, wealth management and banking services in markets of choice



Q&A