



2008 Investor Session

September 26, 2008

Financial information is in Canadian dollars and is based on 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 presentation, in other filings with Canadian regulators or the United States Securities and Exchange Commission, in reports to shareholders and in other communications. Forward-looking statements include, but are not limited to, statements relating to our medium-term and 2008 objectives, our strategic goals and priorities, and the economic and business outlook for us, for each of our business segments and for the Canadian, United States and international economies. 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, strategic goals and priorities will not be achieved. We caution readers not to place undue reliance on these statements as a number of important factors could cause our actual results to differ materially from the expectations expressed in such forward-looking statements. These factors include credit, market, operational, liquidity and funding risks, and other risks discussed in our Q3 2008 Report to Shareholders and our 2007 Annual Report to Shareholders; general business and economic conditions in Canada, the United States and other countries in which we conduct business, including the impact from the continuing volatility in the U.S. subprime and related markets and lack of liquidity in financial markets; the impact of the movement of the Canadian dollar relative to other currencies, particularly the U.S. dollar, British pound and Euro; the effects of changes in government monetary and other policies; the effects of competition in the markets in which we operate; the impact of changes in laws and regulations; 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; changes in accounting standards, policies and estimates, including changes in our estimates of provisions and allowances; our ability to attract and retain key employees and executives; changes to our credit ratings; and development and integration of our distribution networks.

We caution that the foregoing list of important 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 our Q3 2008 Report to Shareholders and in our 2007 Annual Report to Shareholders.

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

Today's agenda



- **Opening remarks**
 - Gord Nixon, President & CEO
- **International Banking**
 - Jim Westlake, Group Head, International Banking & Insurance
- **Capital Markets**
 - Doug McGregor, Co-President, Capital Markets
 - Mark Standish, Co-President, Capital Markets

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Gord Nixon

President & Chief Executive Officer

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RBC is a Canadian leader with global strength



- **Largest bank in Canada with strong financial profile**
 - \$3.4 billion of earnings and 18.7% return on equity year-to-date in 2008
 - Capital ratios and senior debt ratings among highest globally
 - High quality balance sheet and solid liquidity position
- **Clear leader in Canada with market share momentum**
 - Core strength in Canada (approximately 70% of revenue)
 - #1 or #2 across all major financial products and services, and growing market share
- **Scale and financial strength providing competitive advantage globally**
 - More clients are choosing RBC over our competitors
- **Well-balanced and diversified business mix**
 - Retail banking, wealth management, insurance (70% to 80% of earnings)
 - Capital markets (20% to 30% of earnings)
- **Continuing to invest in our businesses for long-term growth**

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Staying focused on our strategic goals



To be the undisputed leader in financial services in Canada.

To build on our strengths in banking, wealth management and capital markets in the U.S.

To be a premier provider of selected global financial services.

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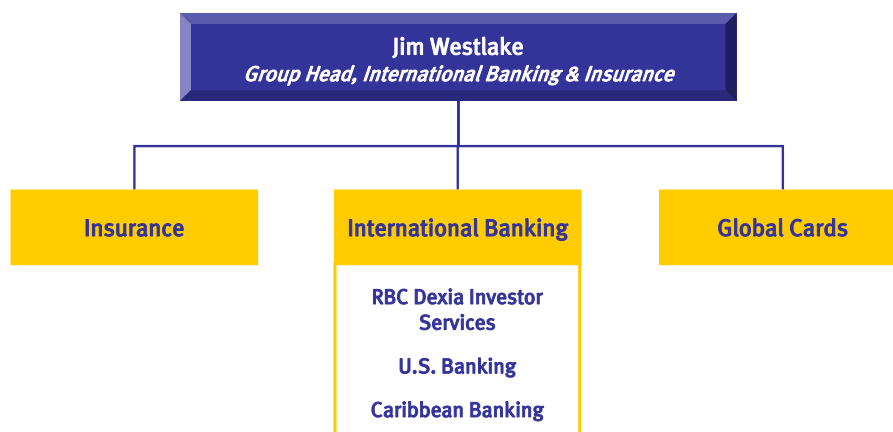


Jim Westlake

**Group Head,
International Banking & Insurance**

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Business reporting structure



Note: Insurance segment results are reported separately.
Global Cards results are reported in Canadian Banking and
International Banking through their respective businesses.

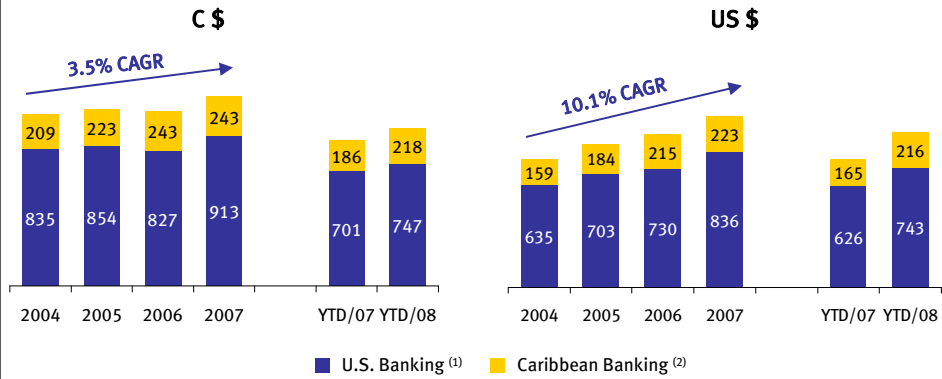
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Historical financial performance



\$ millions

Banking Revenue



- (1) U.S. Banking revenue includes the acquisition of Alabama National Bancorporation (completed February 22, 2008) and RBC Real Estate Finance Inc. (REFI).
 (2) Caribbean Banking revenue includes the acquisition of RBTT Financial Group (completed on June 16, 2008). RBTT results are reported on a one-month lag basis.

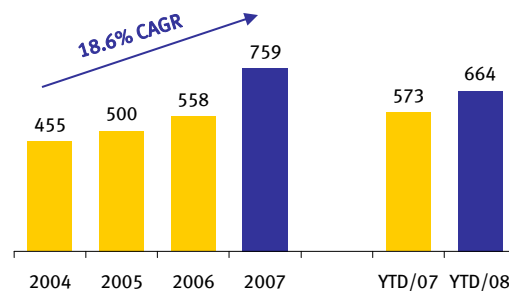
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Historical financial performance



\$ millions

RBC Dexia IS Revenue (1)



- (1) On Jan. 2, 2006, we combined our Institutional and Investor Services business with that of Dexia Banque Internationale à Luxembourg, forming a joint venture, RBC Dexia IS. We have disclosed the revenue from our prior Institutional & Investor Services business and our 50% proportionate ownership of RBC Dexia IS for comparative purposes. RBC Dexia IS results are reported on a one-month lag basis.

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Investing in our businesses for the future



- **Building a portfolio of quality assets outside of Canada**
- **Global reach in custodial services through RBC Dexia IS joint venture; focused on growing in select markets**
 - In 2007, generated over \$750 million in revenue from 16 countries on 4 continents
 - Differentiating through superior customer service
- **Continuing to build an efficient and competitive U.S. banking operation**
 - Infrastructure in place to succeed in the attractive U.S. Southeast market
 - Over 440 branches focused on under-served business and business owner market
- **A leader in Caribbean banking with 100+ years of experience**
 - 2nd largest bank in the English Caribbean by assets, and growing
 - Platform in place for further expansion in the Caribbean and Latin America

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RBC Dexia Investor Services (Global Custody and Investor Services)

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Assets under administration (AUA) of \$2.8 trillion ⁽¹⁾



- **Client base provides diversification and cross selling opportunity**
 - Serves asset managers, pension funds, insurance companies, financial institutions and private banking clients
 - 7.6 million unitholder/shareholder accounts, over 5,000 funds administered and over 1.3 million net asset valuations annually
- **Well rated counterparty (Moody's: Aa3 and S&P: AA-)**
- **Full suite of products to meet clients' global needs**

Securities Services	Investment Administration	End-Client Services
<ul style="list-style-type: none"> • Custody, settlement and clearance • Securities lending • Foreign exchange • Cash management 	<ul style="list-style-type: none"> • Fund accounting and valuations • Investment analytics • Compliance monitoring • OTC derivatives processing • Middle office outsourcing 	<ul style="list-style-type: none"> • Transfer Agency (Unitholder / Shareholder services) • Tax reporting • Benefit payments

(1) Total AUA of the joint venture as at June 30, 2008.

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Superior customer service plus global reach



- **Differentiating through superior customer service**
 - #1 Overall Global Custodian in 2008 and for 5th consecutive year (Global Investor)
 - Global Transfer Agent of the Year and European Fund Administrator of the Year for 2008 (ICFA)
- **Among top 10 globally based on AUA, with significant reach and breadth**
 - Offices in 16 countries on 4 continents
 - Full suite of products: custody, fund administration and transfer agency services
 - Capability to meet the needs of large multi-jurisdictional mandates and local mandates in key markets

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RBC Dexia IS – looking forward



- **Strengthening the global franchise and building in high potential growth markets**
 - Build on leadership position in Canada and Luxembourg to maximize growth opportunities across geographic footprint
 - Focus on organic growth in existing and new markets and on targeted acquisition opportunities
- **Broadening suite of client solutions to meet current and future client needs**
 - Deliver new products to clients in existing geographies
 - Extend current products and capabilities to new geographies and clients
- **Focusing on operational quality and excellence**
 - Deliver operational efficiencies and enhance global operating models to provide a consistent, integrated client experience across multiple geographies
 - Increase functionality, capacity and efficiency to leverage scale

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U.S. Banking

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U.S. Southeast – attractive fundamentals



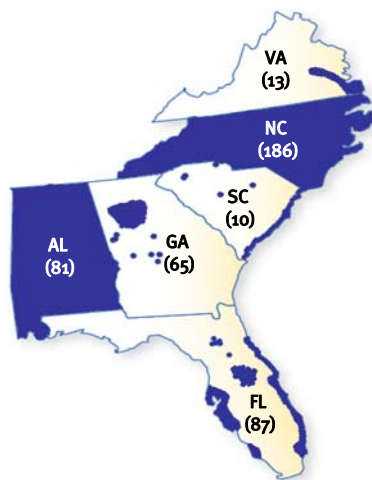
RBC Bank 6 state market	
Population (MM)	53.6
2007 – 2015 projected population growth	10.5%
2015 projected population (MM)	59.2
GDP (US\$B)	2,232
GDP per capita (US\$000)	41.64
Total banks	1,014
Total branches	14,556

- Approx. 1/5th of US GDP and twice as big as Canada
- Higher population growth than the U.S. average
- Relatively stable house values in Alabama and North Carolina as house appreciation not as drastic. Florida house values have experienced greater deterioration.
- Stable employment rate

Source: US Census Bureau (2007 estimate); US Bureau of Economic Analysis; FDIC, 2007.

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RBC Bank – a solid base in the U.S. Southeast



Doubled branch network and the number of states of operation since 2001

State	Branches	Rank (by deposits)	Deposits (\$MM)
North Carolina	186	5	8,165
Alabama	81	5	4,478
Georgia	65	8	3,050
Florida	87	20	3,282
Virginia	13	38	415
South Carolina	10	48	173

Source: SNL Datasource, RBC. Branch data as at July 31, 2008

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Achievements to date



- **Enhanced scale and presence in key desirable markets**
 - Growing distribution network with 440+ branches in North Carolina, Alabama, Georgia, Florida, Virginia, South Carolina
 - Fifth biggest deposit taker in North Carolina and Alabama
- **Completed branch system implementation**
 - Launched common front end system freeing up more time to spend with customers on value added conversations
- **Further improved efficiencies**
 - Realizing cost synergies from integration of ANB
 - Reduced FTE base by 15% by focusing on non-client facing infrastructure

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Looking forward – working hard to get stronger



- **Refining the operating model**
 - Develop the value proposition including products and services, distribution strategy and positioning against our client base and competitors
 - Strengthen the brand by focusing on key market strategic spend including sponsorships
- **Developing a complementary retail strategy**
 - Focus on a robust retail strategy to become a leading retail financial services provider with an integrated product and service offering for our clients
- **Closing the product and service gaps**
 - Offer a full range of competitive products through a first-class service delivery model
- **Managing NIE growth rate by driving continued operational efficiencies**

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Caribbean Banking

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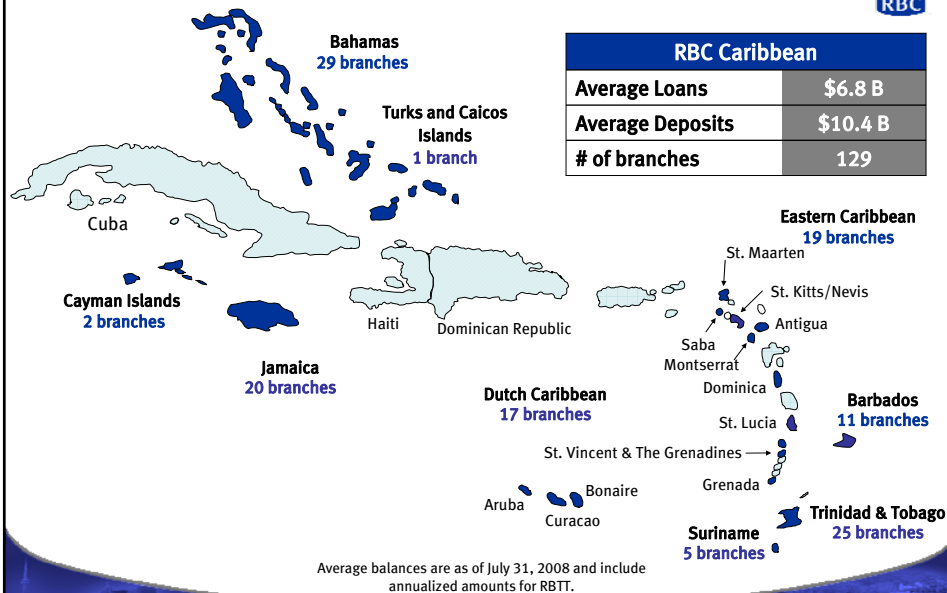


A Caribbean leader with 100+ years of experience

- **Combination with RBTT created a regional leader**
 - RBC + RBTT created the 2nd biggest bank in English Caribbean by assets
 - 17 countries with significant market presence in Barbados, The Bahamas, Trinidad & Tobago, Jamaica and the Dutch Caribbean
- **Large management talent pool from combined teams**
 - Retained RBTT local management expertise
- **Strong local infrastructure**
 - Two regional data centres provide capacity and efficiency
- **Complementary product offering will help drive business growth**
 - Broad-based product leadership in all core retail and commercial businesses
 - RBC strength in consumer, retail and commercial banking and mortgage lending
 - RBTT adds merchant banking, asset management, pension and trust

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Expansive geographic presence



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Caribbean Banking – looking forward



- **Maximize impact of RBC strengths to solidify the combined business**
 - Communicate and support shared visions and values
 - Build on enterprise resources, expertise and support in areas such as risk management, financial reporting and audit
- **Integrate, optimize and standardize operations**
 - Implement RBTT's state of the art banking technology across the region in order to gain operational efficiencies
 - Integrating Risk Management and Financial Reporting
- **Pursue growth opportunities**
 - Provide a base for further expansion in high growth markets including Spanish Caribbean, Central and South America

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Q & A

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Doug McGregor
Co-President

Mark Standish
Co-President

Capital Markets

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Capital Markets – outpacing our competition



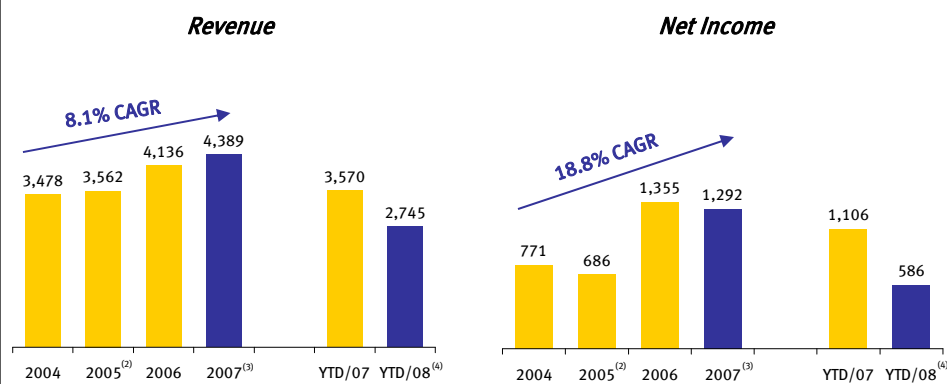
- **Diversified segment generating 20 – 30% of RBC's revenue and earnings**
 - Broad diversification across businesses, geographies and client segments
 - Strong risk management capabilities and focus on acceptable risk/return profile
 - Track record of solid revenue growth, with lower volatility than most industry peers
- **Market leadership in Canada with momentum**
 - Largest investment bank with top tier market share in virtually all of our businesses
 - Well-positioned to extend our lead over the competition
- **Leveraging Canadian leadership to grow globally**
 - Approximately 50% of revenue from outside Canada, and where we see our major growth opportunities
 - Cross-border and global capabilities also strengthen our domestic franchise
- **Disciplined and focused approach to growth**
 - Adding capabilities and extending our strengths into new markets, typically through small acquisitions and team hires
 - Focus on rigorous cost management and balance sheet efficiency

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Strong track record of performance



Teb ⁽¹⁾ \$ millions



(1) Taxable equivalent basis

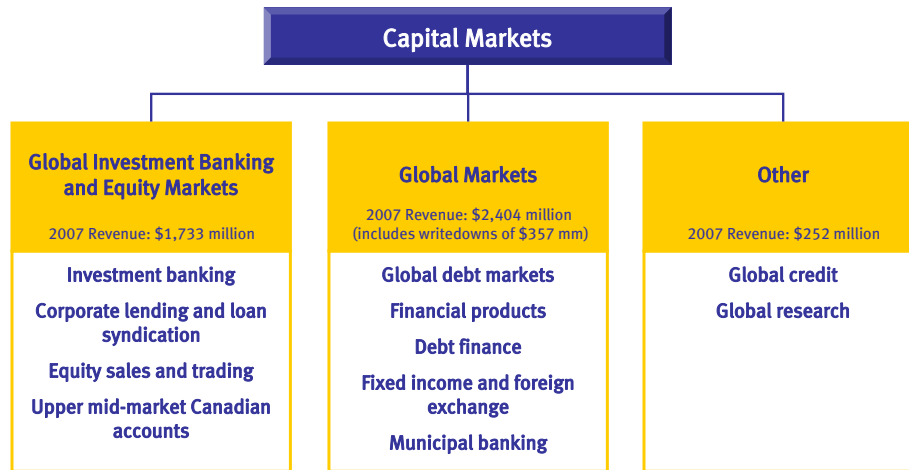
(2) Includes Enron-related litigation reserve of \$326 million (\$591 million pre-tax)

(3) Includes writedowns after-tax and compensation adjustments of \$160 mm in Q4/07 (\$357 mm pre-tax)

(4) Includes writedowns after-tax and compensation adjustments of \$663mm (\$1,486 mm pre-tax)

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Portfolio of diversified businesses



Generating 20 – 30% of RBC's revenue and earnings

Note: Revenue is TEB

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Leveraging Canadian leadership to grow globally



Canada

We are a "bulge bracket" firm that is all things to all people

United States

We are a wide collection of capital markets businesses

International

We are a growing firm focused on a select number of client segments, products and markets

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Well-positioned for continued success

→ Focus on execution to achieve strategic priorities



To be the undisputed leader in Canada

To be a top tier provider to the U.S mid-market

To provide financial and financing solutions through our structuring and trading capabilities

To be a top-tier, global debt driven investment bank

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Undisputed leader in Canada – how we are winning



- **Largest investment bank in Canada**
 - #1, 2 or 3 positions across most businesses
 - Established relationships with clients and investors
- **Canada's only global investment bank**
 - Cross-border and global capabilities enhances product and service offering for clients and provides a competitive advantage over our Canadian peers
- **Strong track record of market leadership**
 - Dealmaker of the year for 10th consecutive year – *National Post* (2007)
 - #1 market share in Canadian M&A, equity underwriting and corporate debt financing – *Bloomberg* (2007)
 - Awarded Best Investment Bank in Canada – *Euromoney* (2008)

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Looking forward in Canada



- **Domestic leadership is critical to our global growth**
 - Maintain or extend our market share in Canada
 - Continue to differentiate with our extensive North American and global capabilities
 - Align origination, trading, lending and research to win profitable business
- **Expand our coverage of mid-market companies, particularly in the junior energy sector**
- **Grow our commodities trading business by leveraging our industry expertise and relationships in energy and mining**
- **Continue to enhance our electronic trading capabilities**
- **Extend our retail structured products offering**

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Leveraging Canadian leadership to grow globally



Canada

- Represents 50% of 2007 revenue, or \$2,178 million
- ~ 1,100 full time employees

United States

- Represents 42% of 2007 revenue, or \$1,838 million
- ~ 1,670 full time employees

International

- Represents 8% of 2007 revenue, or \$373 million (includes writedowns of \$357 million)
- ~ 570 full time employees

50% of revenues generated outside Canada

Note: Revenue is TEB

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Top tier provider to the U.S. mid-market



- **Focused strategy to serve mid-market clients across the U.S.**
 - Extensive investment banking product and industry expertise
 - Equity sales & trading
 - Global Prime Services (prime brokerage, electronic trading and securities lending)
- **Broad capabilities and financial strength differentiate us from competitors**
 - Enabling us to add clients and increase product penetration
- **Seeing results from our growth initiatives**
 - Transformed mid-tier broker into a North American equity sales & trading business
 - Established prime brokerage business integrated offering for hedge funds and institutional clients

Bloomberg (rank by # of transactions)	2007	2006
U.S. Equity Offerings	# 13	# 14
U.S. M&A Transactions	# 16	# 17
NYSE Trading Market Share	2007	2006
By volume	2.9%	2.6%

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Looking forward in the U.S.



- **Continue to deepen investment banking industry expertise**
- **Increase penetration of the U.S. municipal market**
 - Continue to enhance client coverage
 - Leverage our product capabilities in infrastructure finance and structured products
- **Build on the momentum in our equity sales and trading and global prime services businesses to capture a greater share in these growth markets**
- **Increase client penetration by enhanced coverage and improved cross-selling**
- **Continue to pursue opportunistic acquisitions to add capabilities, clients and strengthen talent**

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Leading player in select global businesses



- **Focused strategy in target markets and businesses**
 - Operations in Europe, Asia and Australia specializing in fixed income, foreign exchange, infrastructure finance, energy and mining and structured products
- **Global operations provide a distinct competitive advantage relative to Canadian peers and an important source of future growth**
 - Strengthens our domestic leadership
 - Contributes a diversified earnings stream
- **Strong and growing positions in a number of global businesses**

Bloomberg (rank by total fees)	2007	2006
Top 20 Global Investment Bank	# 12	# 17
Top Global Underwriter for Bonds	# 13	# 14
Top Global Underwriter for Equities	# 13	# 14
Top Global Advisor M&A	# 15	# 24
Euromoney Ranking	2008	2007
Global Canadian Dollar Dealer	# 1	# 1

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Extending our global capabilities



- **Expand our global investment banking capabilities in energy and mining**
 - Leverage our North American businesses and European capabilities in research, sales and trading and client origination to extend our global energy franchise
- **Leverage expertise in UK infrastructure finance into other geographic markets**
 - Export strength into continental Europe, Australia and the U.S. municipal market
- **Grow our European investment banking business**
 - Build on recent addition of Leverage Finance team in London to expand our share of the mid-market segment
- **Strategically build out Asian and Latin American distribution platforms**
 - Capitalize on investor demand for USD assets and structured products

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Capital Markets in 2012



A top 15 global investment bank

Canada
We are a “bulge bracket” firm that is all things to all people

United States
We are a wide collection of capital markets businesses

- Mid-Market Investment Bank
- Municipal Finance
- Debt Sales and Trading
- Alternative Assets and Financial Products

Latin America
Distribution Focus

Europe and Asia
We are a growing firm focused on a select number of client segments, products and markets

UK & Europe
We are a center for product manufacturing & client origination

- Financial Products
- Investment Banking
- Infrastructure Finance
- Debt Sales and Trading
- Sovereign Wealth Funds
- Leveraged Finance

Asia
Distribution Focus

Australia
Debt Sales and Trading
Infrastructure Finance
Global Mining

Global capabilities – in client origination, structuring and trading, distribution and foreign exchange
Global client focus – energy, mining, government/infrastructure and financial institutions

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Capital Markets



Q & A

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Executive Profiles

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Gord Nixon, President & Chief Executive Officer



Gord Nixon is president and chief executive officer of RBC. He is also a director of RBC and chairman of RBC's Group Executive.

Mr. Nixon began his career in 1979 at Dominion Securities in Toronto where he worked in Global Markets and subsequently the Investment Banking division. In 1986, he transferred to Tokyo to assume responsibility for the firm's operations in Japan. Dominion Securities was acquired by Royal Bank of Canada in 1987 and Mr. Nixon returned to Toronto in 1989 as a Managing Director of Investment Banking. In 1995, Mr. Nixon was appointed head of Global Investment Banking and in 1999 became Chief Executive officer of Capital Markets and a member of Royal Bank's Executive Committee. He was appointed President of Royal Bank of Canada on April 1, 2001 and Chief Executive Officer on August 1, 2001.

Mr. Nixon is Chairman of the Canadian Council of Chief Executives, and is on the Board of Directors of the Hospital for Sick Children, International Monetary Conference and MaRS Discovery District for which he will become Chairman in 2009. He is also on the Canadian Advisory Boards of DaimlerChrysler, Catalyst and Queen's University School of Business.

In 2007 Mr. Nixon was invested into the Order of Ontario and was the recipient of Canada's Outstanding CEO of the Year Award. He has an Honorary Doctor of Laws from Queen's University, and is a recipient of the CIJA/UJA Words and Deeds Leadership Award, the Rotary Foundation's Paul Harris Fellowship, a Queen's Golden Jubilee Medal, and an American Banker Innovator of the Year Award. Born in Montreal in 1957, Mr. Nixon attended Queen's University where he received an Honours Bachelor of Commerce degree. He and his wife live in Toronto and have three children.

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Jim Westlake, Group Head, International Banking & Insurance



As Group Head, International Banking and Insurance, Mr. Westlake is responsible for RBC's banking businesses outside Canada as well as the organization's global insurance and credit card businesses. As a member of Group Executive, he is one of seven executives responsible for setting the overall strategic direction of RBC.

Prior to his current position, Mr. Westlake was Group Head, Canadian Banking, leading RBC's domestic retail banking and global insurance businesses. From 1995 to 2004, Mr. Westlake was chairman, president and chief executive officer of RBC Insurance.

Before joining RBC in January 1995, Mr. Westlake spent 19 years with the Metropolitan Life Insurance Company, most recently as vice-president and chief operating officer of Canadian operations.

Mr. Westlake has a long history of service to community and charitable organizations including hospitals, universities and children's associations. Recent activities of note include serving as Chair of the Canadian Chamber of Commerce and General Campaign Chair of the United Way of Peel Region. Mr. Westlake was the recipient of the Queen's Golden Jubilee medal for community service.

Currently, he sits on the boards of the Canadian Paralympic Committee and National Gallery of Canada Foundation.

Born in Kingston, Ontario, Mr. Westlake graduated with a diploma in business administration from Loyalist College in Belleville and a Master of Business Administration degree from Queen's University.

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Doug McGregor, Co-President, Capital Markets



Doug McGregor is Co-President of Capital Markets and Executive Vice President of RBC. He is responsible for Capital Markets' global activities in corporate finance, mergers and acquisitions, and equity sales and trading. He also heads the North American real estate brokerage, financing, capital markets and advisory business.

Mr. McGregor began his investment banking career in 1979 with Pitfield MacKay Ross Limited. In 1982, he joined Marcil Trust, which was acquired by RBC in 1990.

Mr. McGregor holds an Honours BA (Business) and an MBA from the University of Western Ontario. He presently sits on the Board of Directors of the Mount Sinai Foundation.

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Mark Standish, Co-President, Capital Markets



Mark Standish is Co-President of Capital Markets and head of the Global Markets business. He is president and CEO of RBC Capital Markets Corporation (USA), and is an executive vice president of RBC.

Mr. Standish's tenure with RBC began in 1995 as head of proprietary and structured trading within the Global Equity Derivatives group of RBC Dominion Securities. From 1993 until 1995, Mr. Standish was a managing director at Kidder Peabody & Company.

Preceding Kidder Peabody, Mr. Standish was with Lehman Brothers in New York responsible for equity derivatives, commodity derivatives and commodity financing. During the 1980's, he was with Bankers Trust in London involved with fixed income derivatives and proprietary arbitrage trading. He started his career in retail banking with National Westminster Bank in 1977. He studied banking and finance at Croydon College in England.

Mr. Standish is an executive committee member of the Institute of International Bankers. He is also actively involved with numerous charities in both New York and New Jersey, including being on the board of The Bachmann-Strauss Dystonia and Parkinson Foundation, Inc.

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