ROYAL BANK OF CANADA
SCOTIA CAPITAL FINANCIALS SUMMIT SPEECH 2012
WEDNESDAY, SEPTEMBER 5, 2012

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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, 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 and Overview of other risk sections of our 2011 Annual Report and the Risk management section of our Q3 2012 Report to Shareholders; 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; 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, economic 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 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 and Overview of other risks sections of our 2011 Annual Report and the Risk management section of our Q3 2012 Report to Shareholders.

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JANICE FUKAKUSA, CAO & CFO

Last week, RBC reported record third quarter earnings of over $2 billion and $5.7 billion of earnings year to date, driven by record earnings in Canadian Banking and strong performance in Capital Markets. We delivered a return on equity of 20% year to date, even with significantly higher capital as we transition to Basel 3.We also announced a 3 cent or 5% increase to our dividend, our third increase in 15 months, bringing the quarterly dividend to 60 cents a share.

As you can see, we have delivered strong returns to our shareholders while maintaining a consistently strong capital position. Our results demonstrate the earnings power of RBC and the strength of our diversified business model, our strict risk and cost management discipline and our focus on long-term growth.

As highlighted on Slide 6 we remain committed to our strategy which is to be: a leading universal bank in Canada, a premier corporate and investment bank and wealth manager internationally, and a leading provider of select financial services in targeted markets. Let me expand on our strategy and highlight some key priorities.

Our core market is Canada where we generate over two thirds of our revenue from Canadian banking, insurance, wealth management and capital markets.

Starting on Slide 8, our Canadian Banking segment, which generates over half of our total earnings, has great momentum and we remain focused on our three key priorities: building on our leading market positions, leveraging our unparalleled distribution channel, and reducing costs, driving efficiencies and reinvesting for the future.

We operate the largest and most profitable retail bank in Canada. Our strength was recognized by Retail Banker International which named RBC 2012 Retail Bank of the Year in North America.

We have a number one or two market share in each of our core businesses - And we continue to extend this lead by taking a disproportionate share of both market and earnings growth. For example, as shown on Slide 9, our total volume growth of just over $42 billion or 8.4% from Q3 last year reflects more than a 45% premium to our peer average growth rate of 5.8%. And, our year-over-year earnings growth of 17%[1] this quarter was almost twice the peer average of 8%[2].

We are seeing this growth across many of our businesses, with particular momentum in a few key areas that we are focused on. For example, in deposits, our strategies to grow our relationship deposit base have been quite successful and our share of Canadian personal deposits has grown 70 basis points since the last year to 19.7%.

Our second key priority in Canadian Banking is leveraging our unparalleled distribution network to extend our sales power. We reach over 11 million clients through the largest branch and ATM network in Canada, as well as online channels, contact centres, and our specialized proprietary mobile sales forces among all of our sales forces. Our size and scale means we can reach more clients when and where they want. Our strong customer focus coupled with our broad product and service offering enables us to cross-sell more effectively than any of our Canadian peers.

Based on the most recent Ipsos-Reid survey, 12% of Canadian households have three key services with their bank: a transaction account, investments and a borrowing product. For RBC, that number is 16% - a key competitive advantage especially in a slower growth environment.

Turning to Slide 10, a key element of our success is our strength in innovation and technology. For example, while many peers continue to build standard bank branches, RBC's retail branch is transforming banking to a multi-channel advice centre with state of the art interactive technology. Also our industry leading mobile app and other digital solutions provide unmatched capabilities and we will soon be launching our "virtual wallet" for mobile phone users.

Our third key priority for Canadian Banking, as it is for all of RBC, is reducing the trajectory of expense growth against revenue growth, while making selective investments to build for the future. In Canadian Banking, our objective is to drive our efficiency ratio to an industry-leading low 40s in the medium-term. We are doing this by simplifying processes and building end-to-end efficiencies which helped drive our efficiency ratio below 45% this quarter as you can see on Slide 11. Overall, we are extremely pleased about our momentum in Canadian Banking. We have a clear strategy and an excellent track record of execution against each of our key priorities. In our other Canadian businesses, we are similarly focused on extending our domestic leadership positions, deepening client relationships and driving efficiencies.

Turning to Slide 12. Our Insurance business is one of the largest Canadian bank-owned insurance companies and continues to grow benefiting from the RBC brand, a broad product

[1] Q3 2012 reported earnigs growth was 22%. Q3 2012 earnings growth of 17% excludes a favourable adjustment to a change in estimate of mortgage prepayment interest of $92 million ($125 million before tax). This is a non-GAAP measure. For more information see slide 29 of the accompanying presentation.

[2] Peers include: BMO, BNS, CIBC and TD. Based on company reports for Q3 2012. BNS excludes $32 million (after-tax) gain on sale of non-strategic leasing business.

suite, and a focus on direct distribution channels that deliver superior profitability to industry norms. We are focused on making it easier for clients to do business with us – and we are making great strides, having just achieved our highest ever scores of our customer satisfaction surveys. As well, we are driving efficiencies by increasing sales through our lower cost channels, including insurance branches adjacent to our bank branches and the internet.

In Wealth Management, we've built the number one franchise in wealth and asset management in Canada with a leading 22% of the high net worth market. Dominion Securities, our full service wealth manager, has the highest fee-based assets per advisor in Canada, over 2.3 times higher than Canadian peers as you can see on Slide 13.

Our asset management business is the largest Canadian retail fund company and a significant institutional asset manager with industry leading pre-tax margins. We continue to lead in long-term fund sales, capturing over 23% of the market.

Our leadership in wealth and asset management is being driven by our ability to offer superior advice and best-in-class products across multiple channels and client segments. This is demonstrated by our number one market positions as well as our strong advisor and client satisfaction scores.

Going forward, we are focused on extending our lead in asset management and in the High and Ultra High Net Worth markets by leveraging the largest and most integrated distribution network and our strong cross sell ability.

Turning to Capital Markets on Slide 14, we are the premier Canadian investment bank with select global reach. We are the number one franchise in Canada with leading investment banking, debt and equity origination, research and sales and trading businesses. We were again recognized as the Best Investment Bank in Canada across equity and debt capital markets and M&A by Euromoney magazine, for the fifth consecutive year.

That being said, we are not complacent about our home market leadership. We remain committed to extending our lead and capturing greater market share by deepening client relationships through the strategic use of our loan book and expanding our cross sell opportunities.

We continue to work hard to do more business with existing clients, and also attract new clients. For example, we see market share opportunity in the mid-cap range of the resource sectors by focusing on earlier stage companies. And finally, we are leveraging the significant investments we have made globally in our governance, controls and infrastructure to drive operating efficiencies and manage costs.

Outside Canada, we operate in areas where we have competitive strengths and can leverage our leading Canadian franchises, deep product offering, industry expertise and RBC's strong brand and reputation. Let me take you through some of our U.S. and international businesses.

With Capital Markets, our focused build out over the last ten years has significantly expanded our capabilities in the U.S. and we now consider it to be our second home market. Our strength in the U.S. is evident - we are ranked the tenth largest global investment bank by fee revenue for the first half of 2012 according to Dealogic, driven by an increase in our Americas market share to a record 3.9%. In the U.S. we are focused on origination in 14 industry sectors, which is supported by strong research and equity and fixed income sales and trading.

As you can see from Slide 16, our U.S. business has become a significant contributor to our strong performance generating approximately 45% of Capital Markets total revenue year-to-date. We are deepening client relationships by strategically using the loan book to drive cross-sell opportunities and expand our origination, advisory and distribution capabilities. We started with a disproportionately small loan book in the U.S. compared to U.S. peers and have been prudently growing over the last several years. According to Dealogic, we've jumped from 20th spot to 12th in the U.S. Loans Bookrunner rankings for the first half of 2012, more than doubling our market share in two years.

Our Capital Markets strength in North America has provided the foundation for our U.K. expansion and we continue to selectively build our investment bank in areas where we have competitive advantages and industry expertise. Turning to Asia, in Hong Kong, we are focused primarily on fixed income distribution and foreign exchange sales and trading. We also have a small investment bank in Sydney, supported by our loan book in mining, energy and infrastructure. And we're seeing solid momentum – in fact, we were top of the Australia Announced M&A League Tables for the first half of 2012 – a first for RBC. Notwithstanding challenging global market conditions, increased capital and liquidity requirements and heightened regulation, we believe Capital Markets is well positioned to continue taking market share and drive profitability in its core markets.

Turning to our Wealth Management business outside of Canada. As you may know, we have a strategic focus on growing global wealth management, focusing our U.S., U.K, and emerging markets businesses on the High and Ultra High Net Worth client segments and growing our high margin asset management business. Over the last decade, we've built the 7th largest U.S. full-service brokerage firm by advisors with over $185 billion of assets under administration and close to 2000 advisors.

With the necessary scale to compete in this key market, our priorities are to grow our share of wallet and improve revenue per advisor. We intend to do this by moving to a more fee-based revenue model, improving operating efficiencies and by making it easier for advisors to do business with clients.

As you can see on Slide 19, internationally, we are focused on building our presence in U.K. wealth management by leveraging our leading global trust capabilities along with RBC's brand. In emerging markets, we are laying the groundwork to build both organically and through small, strategic acquisitions like our purchase of Coutts' Latin American, Caribbean and African Private Banking business. We are leveraging our 2010 acquisition of BlueBay Asset Management, a leading global fixed income firm, to build our global asset management footprint and we are looking for similar strategic acquisitions to further enhance our asset management capabilities.

We have an ambitious growth objective for Wealth Management and while we are behind schedule as a result of low interest rates and uncertain markets, we believe we are well positioned for long-term growth.

Adding to our international capabilities is RBC Investor Services which fits well with RBC's diversified model and is highly complementary to our wealth and capital markets businesses. With 100% ownership, we now have the opportunity to win more institutional clients business, improve earnings and drive long-term growth given our strong credit ratings, reputation, and financial strength.

To conclude, the strength of our long-term diversified business model and our strategy continues to generate strong earnings. Our financial strength remains a clear competitive advantage in today's environment and gives us the flexibility to continue to invest in our businesses and return capital to our shareholders like we did this quarter with our 3rd dividend increase in 15 months.

We have momentum and we believe we are well positioned to extend our lead in Canada and build strong client relationships in the U.S. and international markets while delivering long-term value to our clients and shareholders.