Royal Bank of Canada
2015 & Fourth Quarter Results

December 2, 2015

Financial information is presented on a consolidated basis in Canadian dollars and is based on International Financial Reporting Standards (IFRS), unless otherwise noted. Our 2015 Annual Report and Q4/2015 Supplementary Financial Information are available on our website at rbc.com/investorrelations.

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 December 2, 2015 analyst conference call (Q4 presentation), in filings with Canadian regulators or the United States (U.S.) Securities and Exchange Commission (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 Q4 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, insurance, operational, regulatory compliance, strategic, reputation, legal and regulatory environment, competitive and systemic risks and other risks discussed in the Risk management and Overview of other risks sections of our 2015 Annual Report; weak oil and gas prices; the high levels of Canadian household debt; exposure to more volatile sectors; cybersecurity; anti-money laundering; the business and economic conditions in Canada, the U.S. and certain other countries in which we operate; the effects of changes in government fiscal, monetary and other policies; tax risk and transparency; and environmental risk.

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 the Overview and outlook section and for each business segment under the heading Outlook and priorities in our 2015 Annual Report. 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 in our 2015 Annual Report.

Information contained in or otherwise accessible through the websites mentioned does not form part of this Q4 presentation. All references in this Q4 presentation to websites are inactive textual references and are for your information only.

Overview

Dave McKay

President and Chief Executive Officer

Record earnings of $10 billion in 2015

Consolidated Results	Reported			Adjusted[1]		
($ millions, except per share and % amounts)	**2015**	**2014**	**YoY**	**2015**	**2014**	**YoY**
Revenue	**35,321**	34,108	4%	**35,213**	34,108	3%
Net income	**10,026**	9,004	11%	**9,918**	9,136	9%
Diluted earnings per share (EPS)	**$6.73**	$6.00	12%	**$6.66**	$6.09	9%
Return on Equity (ROE)[2]	**18.6%**	19.0%	(40) bps	**18.4%**	19.3%	(90) bps
Common Equity Tier 1 (CET1) Ratio	**10.6%**	9.9%	70 bps			

- Results reflect strength of our diversified business model
  - Record earnings in Personal & Commercial Banking (P&CB), Capital Markets and Investor & Treasury Services (I&TS); lower results in Insurance and Wealth Management
- Strong ROE while holding higher capital
- Completed the acquisition of City National on November 2, 2015
  - Powerful expansion platform for long-term growth in the U.S.

Delivered strong earnings in a challenging environment

(1) Adjusted measures exclude specified items and are non-GAAP. For additional information and reconciliation, see slides 32 and 33.

(2) ROE may not have a standardized meaning under generally accepted accounting principles (GAAP) and may not be comparable to similar measures disclosed by other financial institutions. For additional information, see slide 33.

Achieved all financial performance objectives

Financial performance objectives	2015 Reported Results	Achieved
Diluted EPS growth of 7%+	12.2%	✓
ROE of 18%+	18.6%	✓
Strong capital ratios (CET1 ratio)	10.6%	✓
Dividend payout ratio 40% - 50%	46%	✓

- Increased quarterly dividend twice during the year, for a total annual increase of 8%

Total Shareholder Returns(1)	3-Year	5-Year	10-Year
RBC	**14%**	**11%**	**10%**
Peer Group Average(1)	*15%*	*12%*	*8%*

(1) Annualized TSR is calculated based on the TSX common share price appreciation plus reinvested dividend income. Source: Bloomberg, as at October 31, 2015. RBC is compared to our global peer group. The peer group average excludes RBC; for the list of peers, please refer to our 2015 Annual Report.

Record earnings across a number of business segments in 2015

Segment	Earnings %[1]	Reported Earnings (*$million*)			Key Highlights
		2015	**2014**	**% YoY**	
Personal & Commercial Banking	52%	**$5,006**	$4,475	+ 12%[2]	▪ Solid volume growth and strong fee-based revenue growth in Canadian Banking; maintained #1 or #2 share in all key products ▪ Returned to profitability in Caribbean Banking, driven by lower PCL, exiting non-core markets, and efficiency management initiatives
Wealth Management	11%	**$1,041**	$1,083	(4%)	▪ Solid underlying results driven by earnings from growth in fee-based client assets ▪ Lower transaction volumes and restructuring charges impacted earnings
Insurance	7%	**$706**	$781	(10%)	▪ Solid underlying results despite unfavourable tax legislation effective November 1, 2014
Investor & Treasury Services	6%	**$556**	$441	+ 26%	▪ Higher revenue in foreign exchange businesses driven by increased client activity and volumes ▪ Additional month of earnings in Investor Services[3] ▪ Higher custodial fees and increased clients deposits
Capital Markets	24%	**$2,319**	$2,055	+ 13%	▪ Growth in our global markets businesses ▪ Continued solid performance in Corporate & Investment Banking ▪ Positive impact of foreign exchange translation

(1) Earnings contribution excludes Corporate Support. (2) 2014 includes adjusted measures that exclude specified items and are non-GAAP. Adjusted YoY growth in Personal & Commercial Banking is 9%. For additional information and reconciliation, see slides 32 and 33. (3) Effective Q3/2015, we aligned the reporting period of Investor Services, which resulted in an additional month of results being included in Q3/2015 results.

Financial Review

Janice Fukakusa
Chief Administrative Officer and Chief Financial Officer

Record earnings in Q4/2015

($ millions, except for EPS and ROE)	Q4/2015	Q3/2015	Q4/2014	QoQ	YoY
Revenue	**$8,019**	$8,828	$8,382	(9%)	(4%)
Net of Insurance FV change(1)	**$8,481**	$8,865	$8,339	(4%)	2%
Net income	**$2,593**	$2,475	$2,333	5%	11%
Diluted earnings per share (EPS)	**$1.74**	$1.66	$1.57	5%	11%
Return on common equity (ROE)(2)	**17.9%**	18.1%	19.0%	(20 bps)	(110 bps)

Earnings up $260 million or 11% YoY

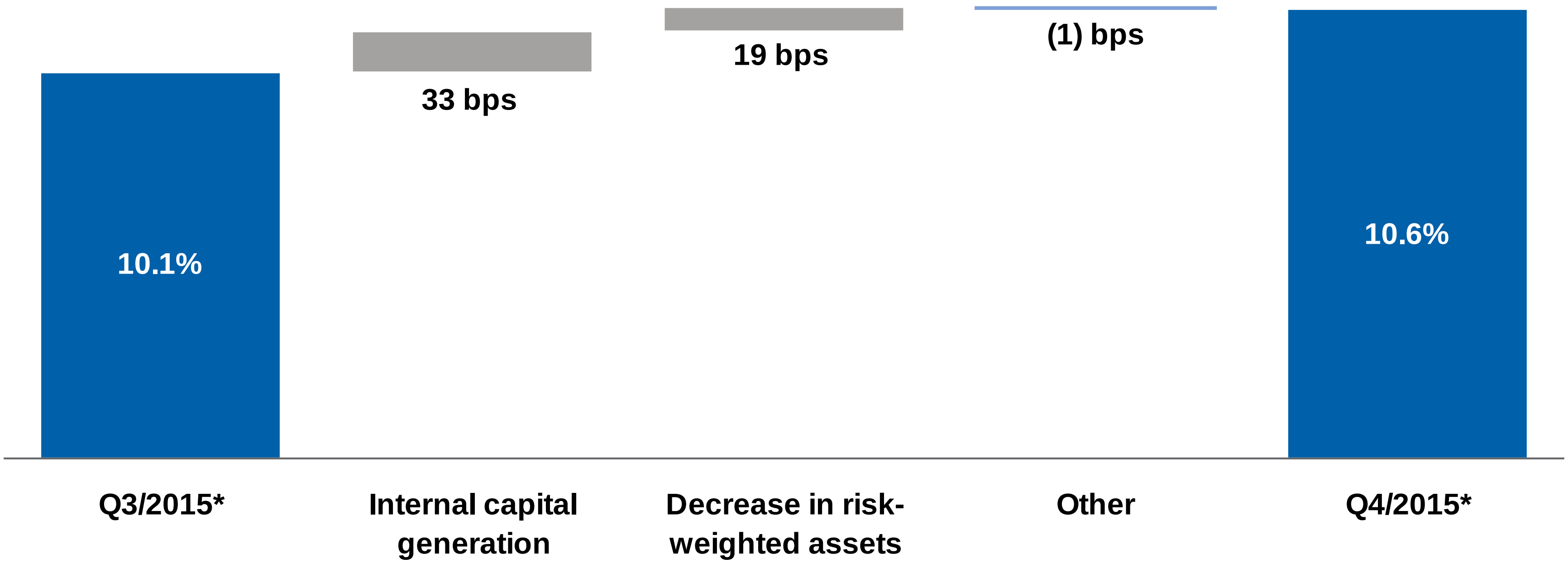
- Solid earnings growth in Capital Markets and P&CB
- Lower income taxes due to net favourable tax adjustments largely in Corporate Support
  - Effective tax rate at the low end of our 22 to 24% range for fiscal 2015
- Strong credit quality
- Lower I&TS results due to widening credit spreads and unfavourable market conditions
- Lower Insurance results mainly due to a change in Canadian tax legislation
- Higher restructuring costs and lower transaction volumes in Wealth Management

Earnings up $118 million or 5% QoQ

- Lower effective tax rate, as noted above
- Higher earnings in Insurance
- Lower funding and liquidity results in I&TS, as noted above
- Higher restructuring costs in Wealth Management
- Transaction costs of $29 million ($23 million after-tax) related to our acquisition of City National

(1) Revenue Net of Insurance FV change is a non-GAAP measure. For more information, see slide 33.
(2) ROE does not have a standardized meaning under GAAP and may not be comparable to similar measures disclosed by other financial institutions. For more information, see slide 33.

Strong Basel III Common Equity Tier 1 (CET1) ratio[1] of 10.6%



- CET1 ratio up 50 bps QoQ, mainly reflecting internal capital generation and lower risk-weighted assets
- CET1 ratio up 70 bps YoY as we strengthened our capital position for the acquisition of City National, which we completed on November 2, 2015
  - We estimate City National will impact our CET1 ratio by approximately 75 to 80 bps in Q1/2016

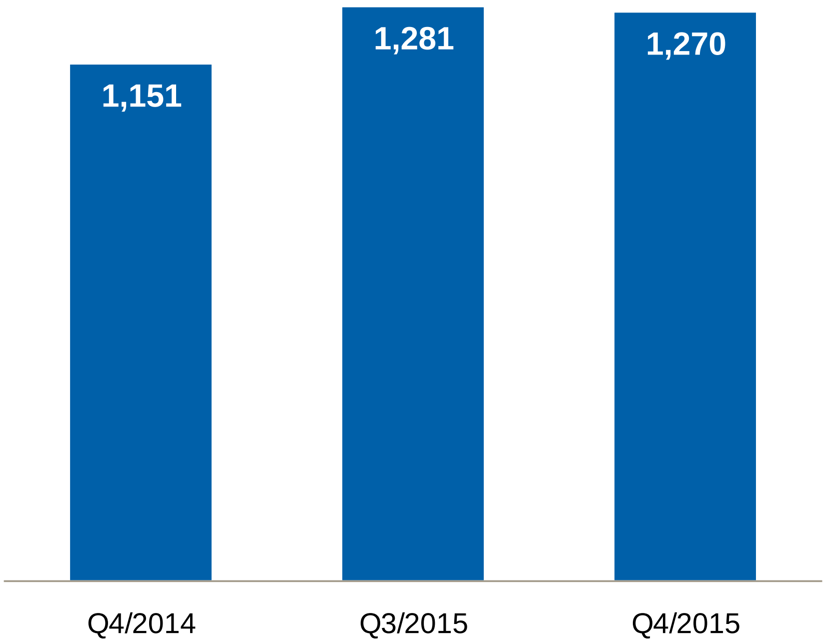
Strengthened our capital position

* *Represents rounded figures.*

(1) *For more information, refer to the Capital management section of our 2015 Annual Report.*

Solid earnings in Personal & Commercial Banking

Net Income – P&CB
($ millions)



Percentage Change	YoY	QoQ
Reported P&CB	**10%**	**(1%)**
Canadian Banking	1%	(1%)

Q4/2015 Highlights

Canadian Banking

- Net income of $1,227 million, relatively flat YoY and QoQ
  - Results last year included favourable net cumulative accounting adjustments of $55 million ($40 million after-tax)
- Solid volume growth, up 6% YoY and up 2% QoQ

Volume[1]	Amount *($ billions)*	YoY	QoQ
Loans	$366	**4.8%**	**1.6%**
Deposits	$289	**7.1%**	**2.4%**

- NIM of 2.65%, down 1 bp QoQ (see slide 23)
- Growth in fee-based revenue, largely reflecting:
  - Strong mutual fund asset growth which drove higher mutual fund distribution fees
  - Higher volumes which drove higher card service revenue
- Higher technology and staff costs YoY and higher marketing and technology costs QoQ to support business growth

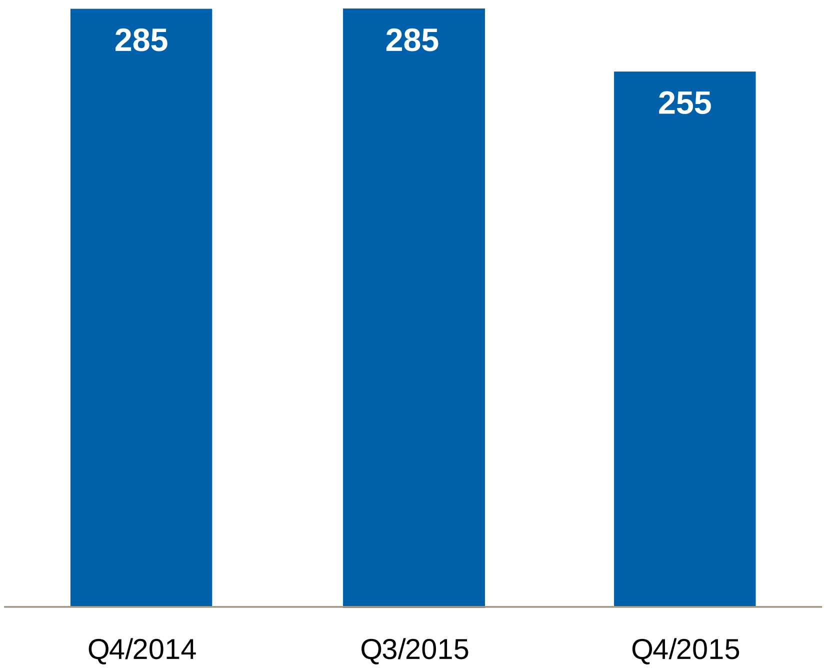
Caribbean & U.S. Banking

- Net income of $43 million
- Earnings growth YoY reflects lower PCL, continuing benefits from our efficiency management activities and the favourable impact of foreign exchange translation

(1) *Average balances.*

Underlying business strength in Wealth Management

Net Income
($ millions)



Percentage Change	YoY	QoQ
Net Income	**(11%)**	**(11%)**

Q4/2015 Highlights

- Net income of $255 million, down 11% YoY and QoQ
  - Lower transaction volumes driven by unfavourable market conditions
  - Restructuring costs of $38 million after-tax largely related to U.S. & International Wealth Management, including the sale of RBC Suisse
- Strong AUM growth of 9% YoY
  - 10% growth in Canadian Wealth Management; 100% net sales
  - 9% growth in Global Asset Management; 50% capital appreciation, 50% net sales

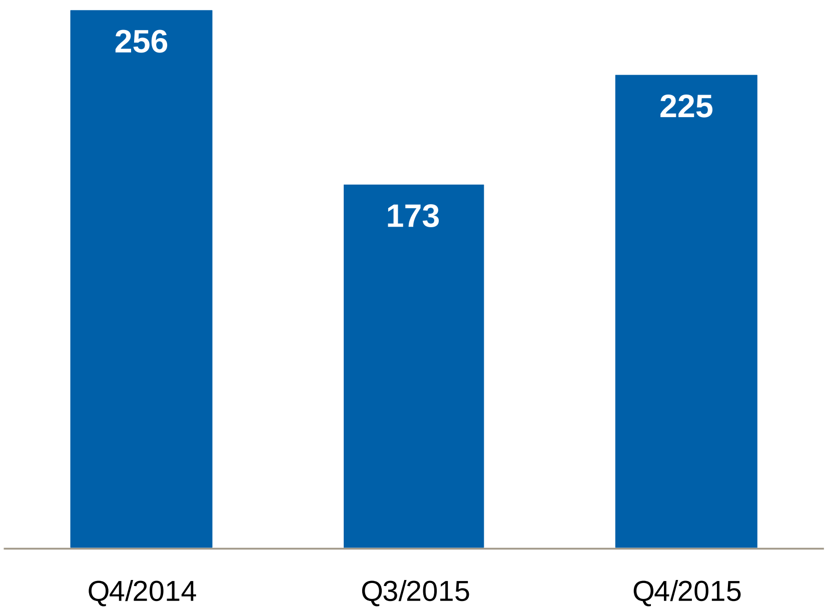
Select Items	Amount *($ billions)*	YoY	QoQ
AUA	$749.7	**4%**	**(4%)**
AUM	$492.8	**9%**	**(2%)**
Loans(1)	$17.3	**3%**	**(2%)**
Deposits(1)	$37.3	**(2%)**	**(8%)**

** AUM: Assets under management; AUA: Assets under administration.*

(1) Average balances.

Underlying strength in Insurance

Net Income
($ millions)



Percentage Change	YoY	QoQ
Net Income	**(12%)**	**30%**

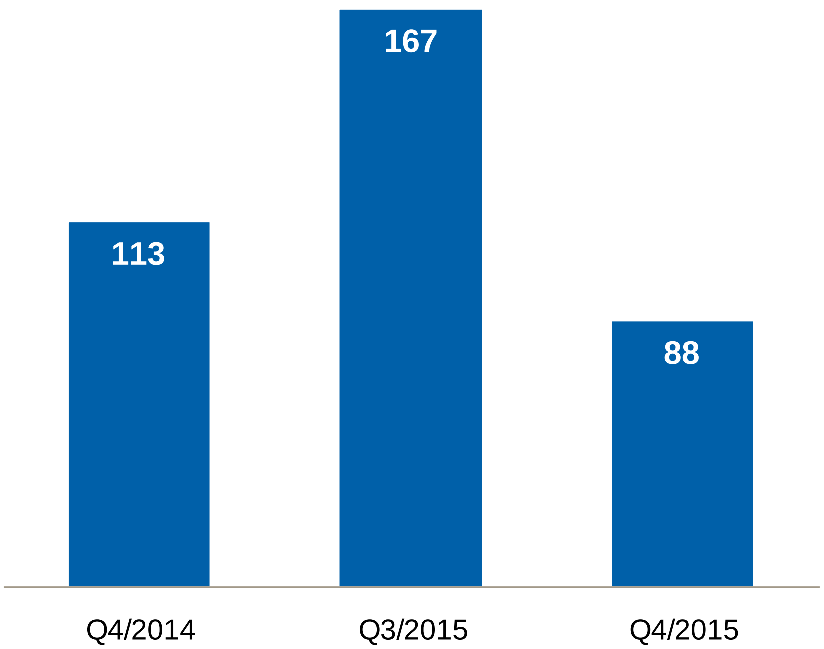
Q4/2015 Highlights

- Net income of $225 million, down 12% YoY
  - Higher taxes resulting from a change in Canadian tax legislation effective Q1/2015
- Net income up 30% QoQ
  - Favourable actuarial adjustments
  - Lower net claims costs in Canadian insurance

Investor & Treasury Services impacted by widening credit spreads

Net Income

($ millions)



Percentage Change	YoY	QoQ
Net Income	**(22%)**	**(47%)**

Q4/2015 Highlights

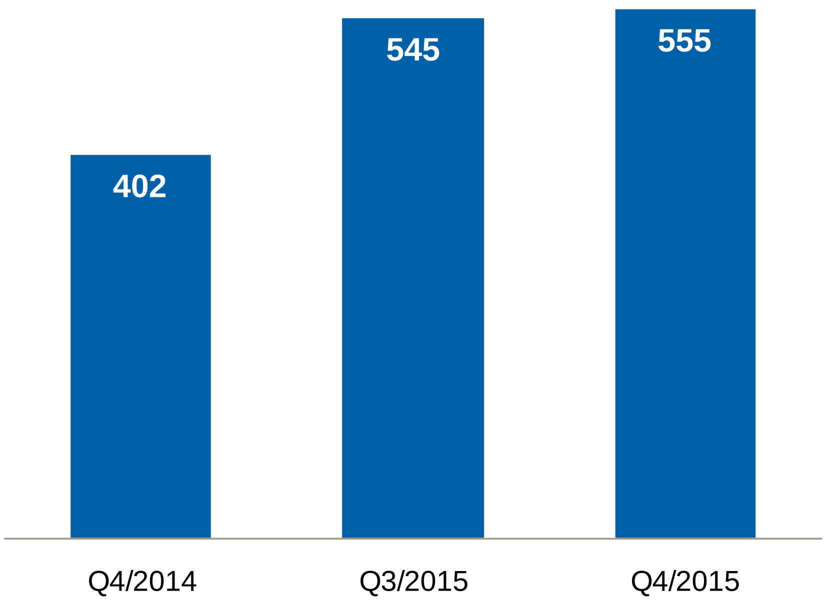
- Net income of $88 million, down 22% YoY
  - Lower funding and liquidity results due to widening credit spreads and unfavourable market conditions
  - Lower effective tax rate mainly reflecting income tax adjustments
  - Higher net interest income from growth in client deposits
- Net income down 47% QoQ
  - Lower funding and liquidity results as noted above
  - Lower results in foreign exchange businesses reflecting lower volumes and client activity
  - Q3/2015 results include an additional month of earnings in Investor Services of $42 million ($28 million after-tax)(1)
- Client deposit growth of 26% YoY and 9% QoQ

(1) Effective Q3/2015, we aligned the reporting period of Investor Services, which resulted in an additional month of results being included in Q3/2015 results.

Strong earnings in Capital Markets despite challenging environment

Net Income

($ millions)



Percentage Change	YoY	QoQ
Net Income	**38%**	**2%**

Q4/2015 Highlights

- Net income of $555 million, up 38% YoY
  - Tax adjustments related to business mix in 2015
    - Fiscal 2015 tax rate of ~30%
  - Higher trading revenue
  - Impact of foreign exchange translation
  - Higher lending revenue offset by lower new issuance activity
  - Q4/2014 was unfavourably impacted by the implementation of FVA and exit from certain proprietary trading strategies totalling $97 million after-tax and variable compensation[(1)]
- Net income up 2% QoQ
  - Lower variable compensation
  - Income tax adjustments as noted above
  - Lower new issuance activity, lending revenue and fixed income trading revenue, reflecting challenging markets conditions, partially offset by higher equity trading revenue

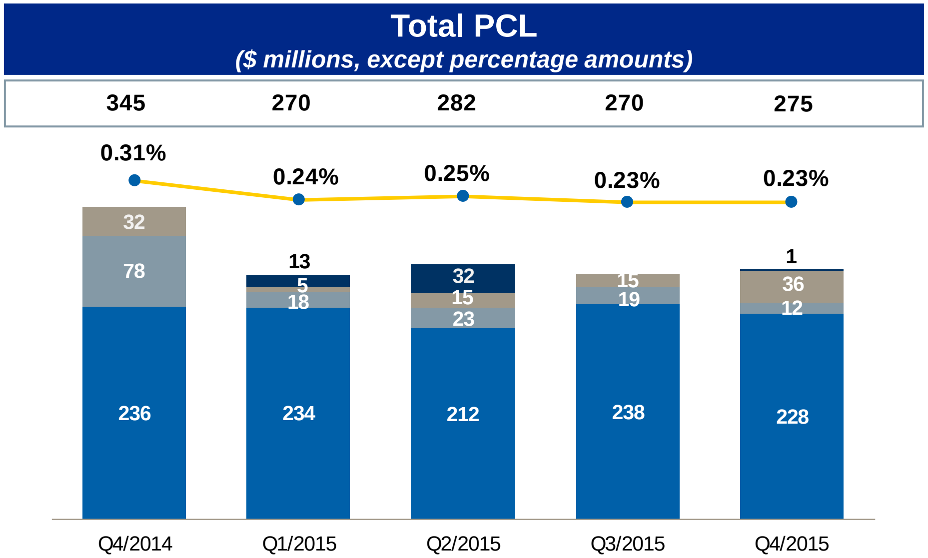
(1) Q4/2014 results include a charge of $105MM ($51MM after-tax and variable compensation) reflecting the implementation of valuation adjustment related to funding costs on uncollateralized over-the-counter derivatives (FVA) and $75MM ($46MM after tax and variable compensation) with the exit from certain proprietary trading strategies in compliance with the Volcker Rule.

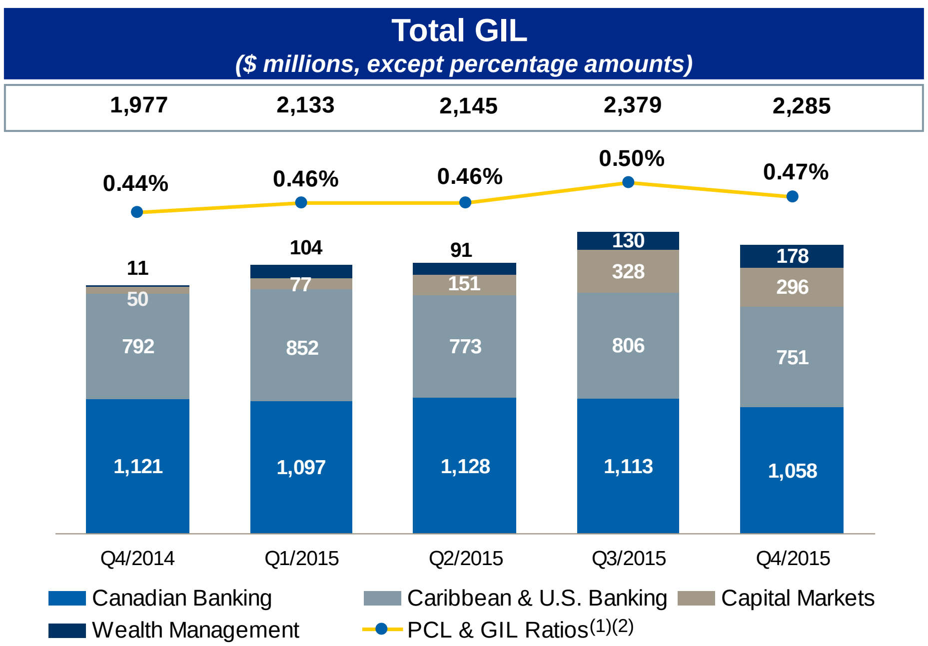
Risk Review

Mark Hughes

Chief Risk Officer

Credit quality remains strong





Personal & Commercial Banking

- Canadian Banking – Stable credit trends
  - PCL decreased $10 million QoQ due to lower provisions in commercial lending
  - GIL decreased $55 million QoQ due to lower impaired loans in commercial lending and residential mortgages
- Caribbean & U.S. Banking – Improving credit trends
  - PCL decreased $7 million and GIL decreased $55 million reflecting higher collections

Wealth Management

- PCL was relatively flat QoQ
- GIL increased $48 million QoQ due to a single account in International Wealth Management

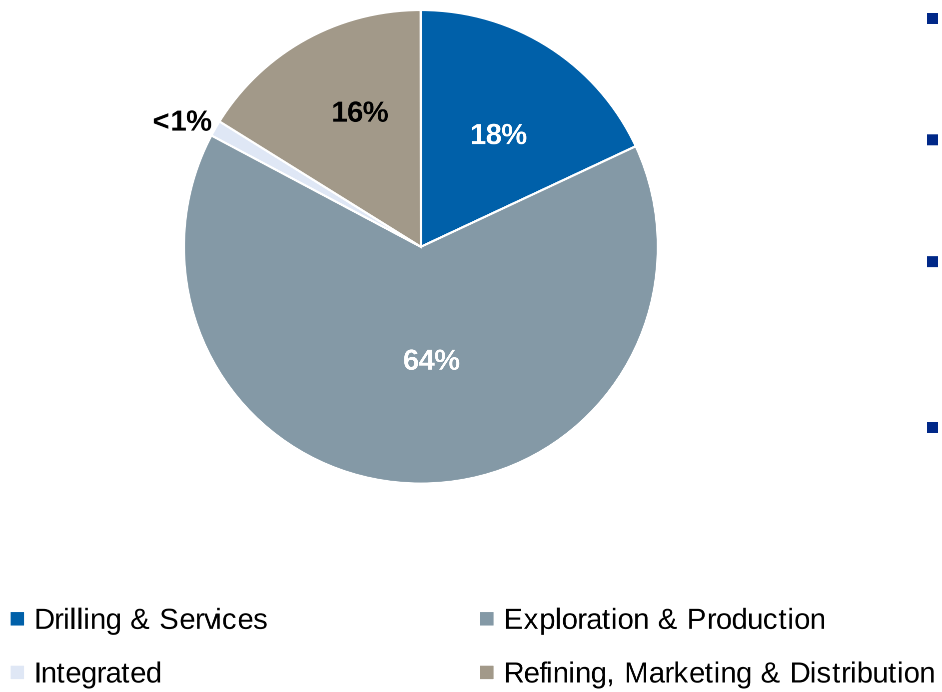
Capital Markets

- PCL increased $21 million QoQ mainly due to a couple of oil & gas accounts
- GIL decreased $32 million QoQ due to write-offs, mainly related to an oil & gas account

(1) Provision for Credit Losses (PCL) ratio is PCL on impaired loans as a percentage of average net loans & acceptances (annualized).
(2) Gross Impaired Loans (GIL) ratio is GIL as a percentage of average net loans & acceptances .

Oil & Gas exposure

Wholesale Oil & Gas outstanding loans

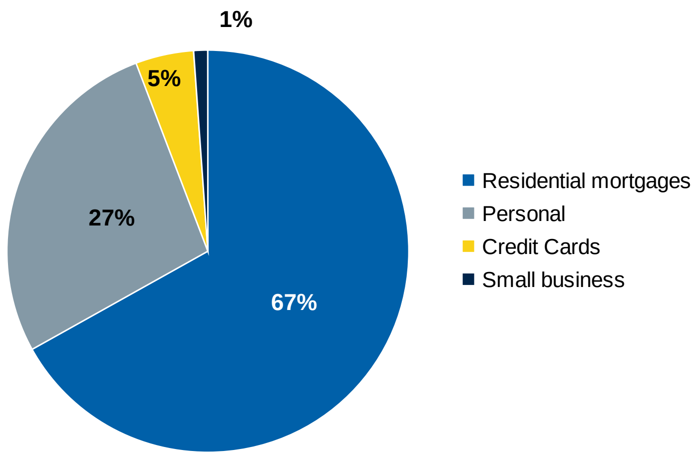


- We have a strong Energy franchise and a long history in the sector
- We have been working closely with our clients to help them manage through this cycle
- Wholesale oil & gas loans totalled $7.7 billion, representing 1.6% of RBC's total loans and acceptances
- PCL related to oil & gas represents 8.4% of total PCL

Actively managing our portfolio, working with clients, and performing stress testing

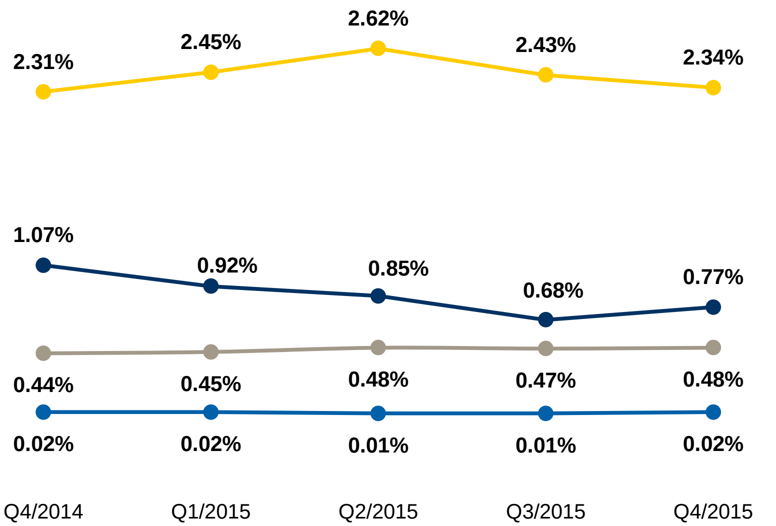
Stable credit quality in Canadian Banking retail portfolio

Average retail loans ($311.5 billion)[1]

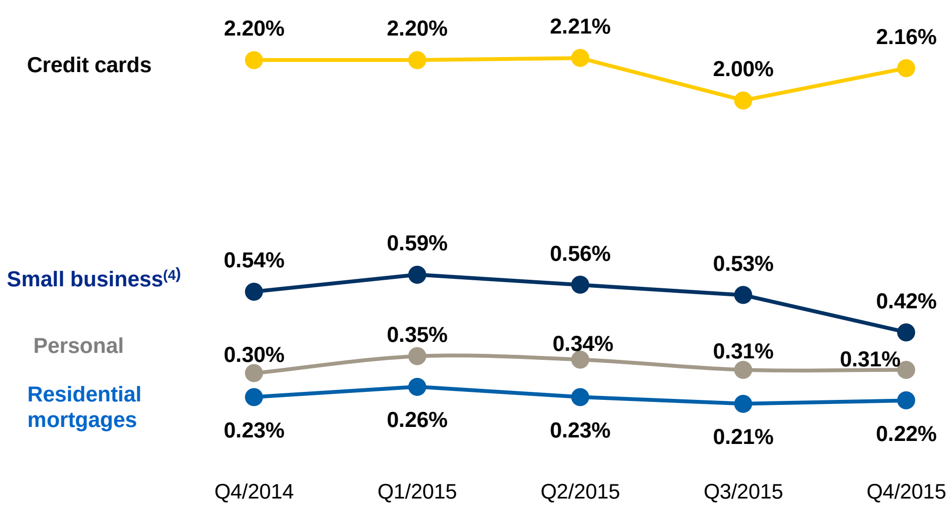


- Strong underwriting practices supporting continued low loss rates and stable delinquency rates
- Overall delinquency rates continue to improve
  - Some early signs of stress in oil-exposed regions
- Alberta's unemployment rate of 6.6%[3] remains below the national average, up 2.2% from last year

PCL Ratio[2] by product



30+ Day Delinquencies by product



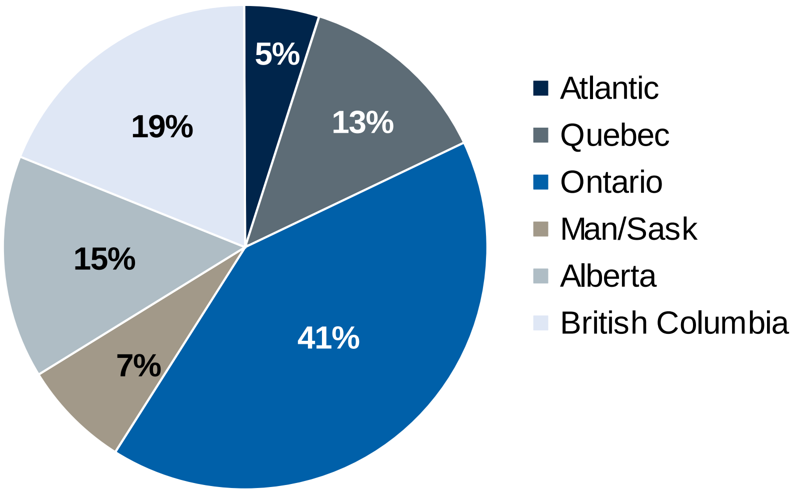
(1) As at October 31, 2015. Excludes Canadian Banking wholesale business loans and acceptances. (2) PCL ratio is PCL on impaired loans as a percentage of average net loans & acceptances (annualized). (3) As of October 2015. (4) In Q1/2015 we retroactively reclassified certain small business loans as personal loans.

Diversified real estate portfolio

Canadian Residential Mortgage Portfolio: $205 billion(1)

Geographic Diversification(2)

As at October 31, 2015



- Broad geographic diversification across Canada

Consumer Quality

- Uninsured mortgages represent 62% of the portfolio
- Average LTV on uninsured mortgages is 55%(2)
- Strong underwriting practices resulting in continued low loss rates and stable delinquency rates with good LTV coverage and low exposure to condo market
- Average FICO scores of 778(2) on uninsured mortgages remain high indicating strong customer credit quality

RBC's Total Condo Exposure

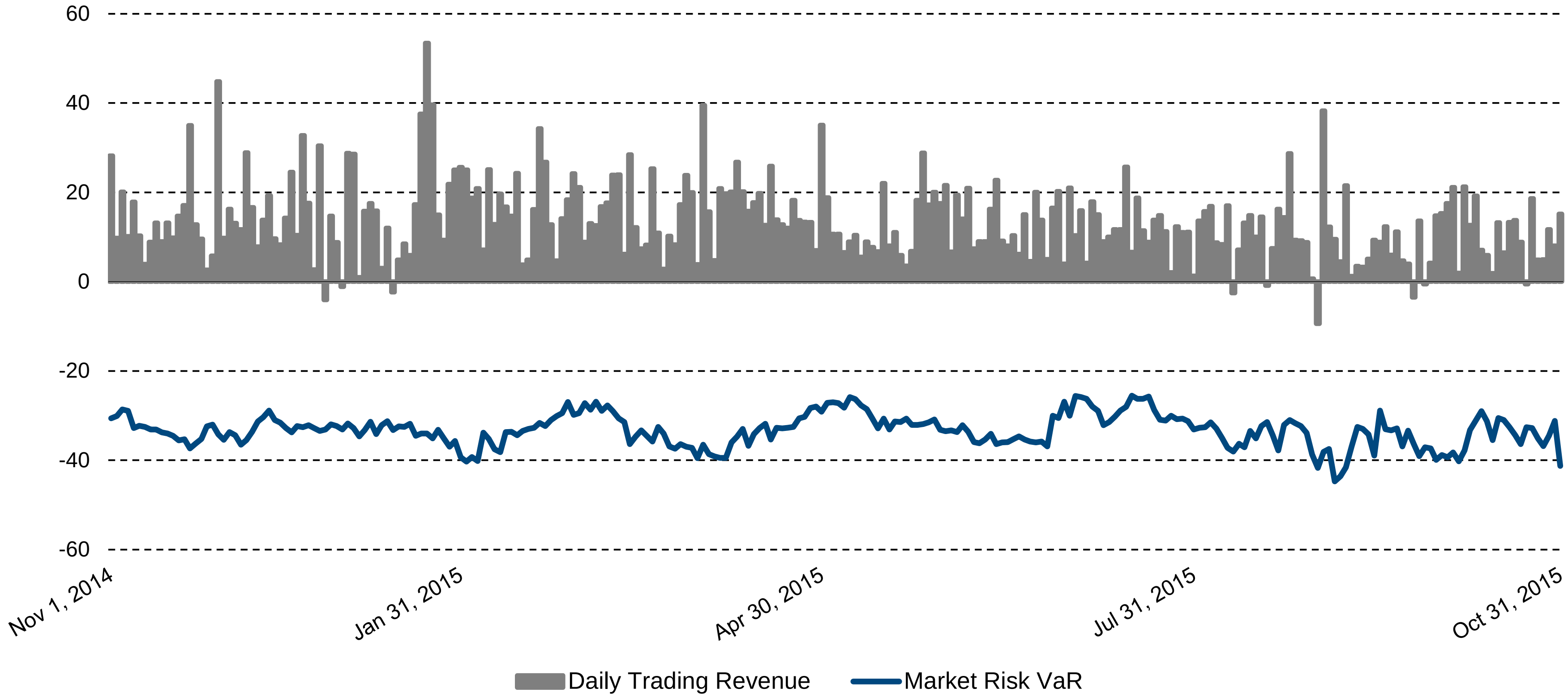
As at October 31, 2015

- Condo exposure is 9.8%(3) of Canadian residential mortgage portfolio
- Total exposure to condo developers is $3.7 billion (~80% to high rise)
  - Drawn exposure of $1.9 billion, representing 2.6% of our commercial loan book, and undrawn exposure of $1.8 billion

(1) Based on spot balances. Excludes mortgages of $5 billion related to commercial clients and does not include Canadian Banking HELOC.
(2) Based on spot balances and excludes Canadian Banking HELOC.
(3) Based on $205 billion in residential mortgages and $42 billion in Canadian Banking HELOC.

Market Risk Trading revenue and VaR

(in millions)



- Trading revenue is down from Q3/2015 mainly reflecting unfavourable market conditions
- There were six days with net trading losses in Q4/2015
- Average market risk VaR up $4 million QoQ driven by the impact of foreign exchange translation and higher equity market volatility

Appendices

Continued leadership in Canadian Banking

Canadian Market Share	Current period[1]		One year prior[1]	
	Rank	Market Share[1]	Rank	Market Share[1]
Consumer Lending[2]	1	23.6%	1	23.7%
Personal Core Deposits + GICs	2	19.9%	2	20.2%
Total Mutual Funds[3]	1	32.5%	1	32.6%
Long-Term Mutual Funds[4]	1	14.4%	1	14.3%
Business Loans[5] ($0 - $25 million)	1	25.0%	1	25.3%
Business Deposits[6]	1	26.6%	1	26.0%

- #1 or #2 position in all key Canadian Retail Banking products and in all business products
  - Long-term mutual fund market share up ~10 bps YoY
  - Business deposits market share up ~60 bps YoY

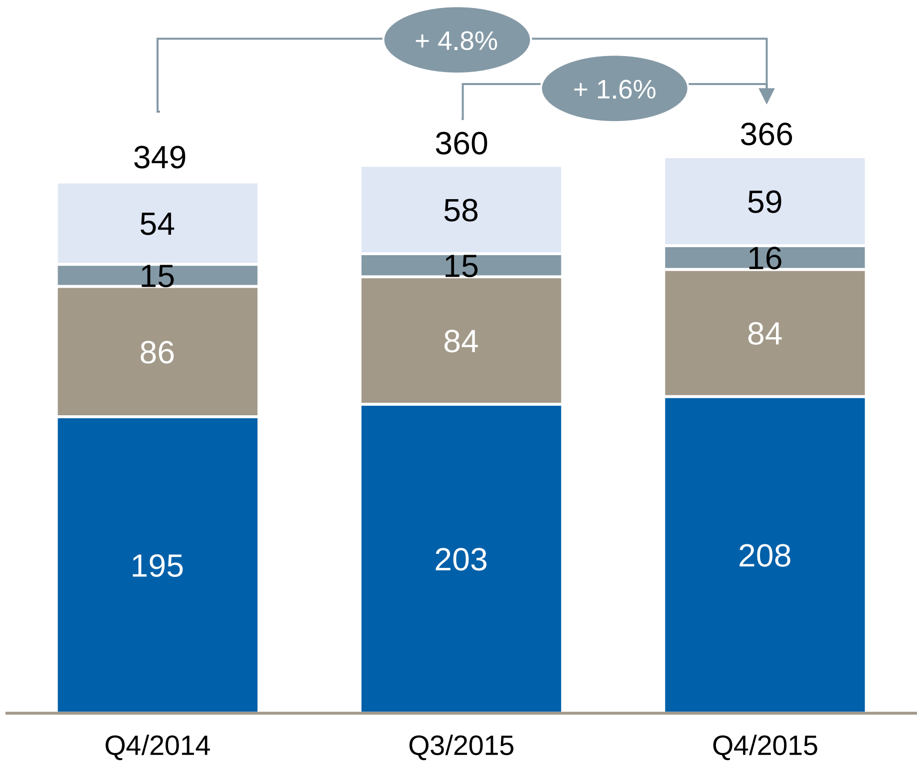
1) Market share is calculated using most current data available from OSFI (M4), Investment Funds Institute of Canada (IFIC) and Canadian Bankers Association (CBA). OSFI and Consumer Lending CBA data is at July 2015 (current period) and July 2014 (prior period); Mutual Funds IFIC data is at September 2015 (current period) and September 2014 (prior period); Business Loans CBA data is at June 2015 (current period) and June 2014 (prior period). Market share is of total Chartered Banks except for Business Loans which is of total 7 banks (RBC, BMO, BNS, CIBC, TD, NBC, CWB). (2) Consumer Lending market share is of 6 banks (RBC, TD, CIBC, BMO, BNS and National). Consumer Lending comprises residential mortgages (excluding acquired portfolios), personal loans and credit cards. (3) Total mutual fund market share is for 7 banks (RBC, BMO, BNS, CIBC, TD, NA and HSBC). (4) Long-term mutual fund market share is compared to total industry. (5) Business Loans market share is of the 7 Chartered Banks that submit to CBA on a quarterly basis. (6) Business Deposits market share excludes Fixed Term, Government and Deposit Taking Institution balances.

Leadership in most personal products and in all business products

Continued volume growth in Canadian Banking

Average loans & acceptances[1][2]

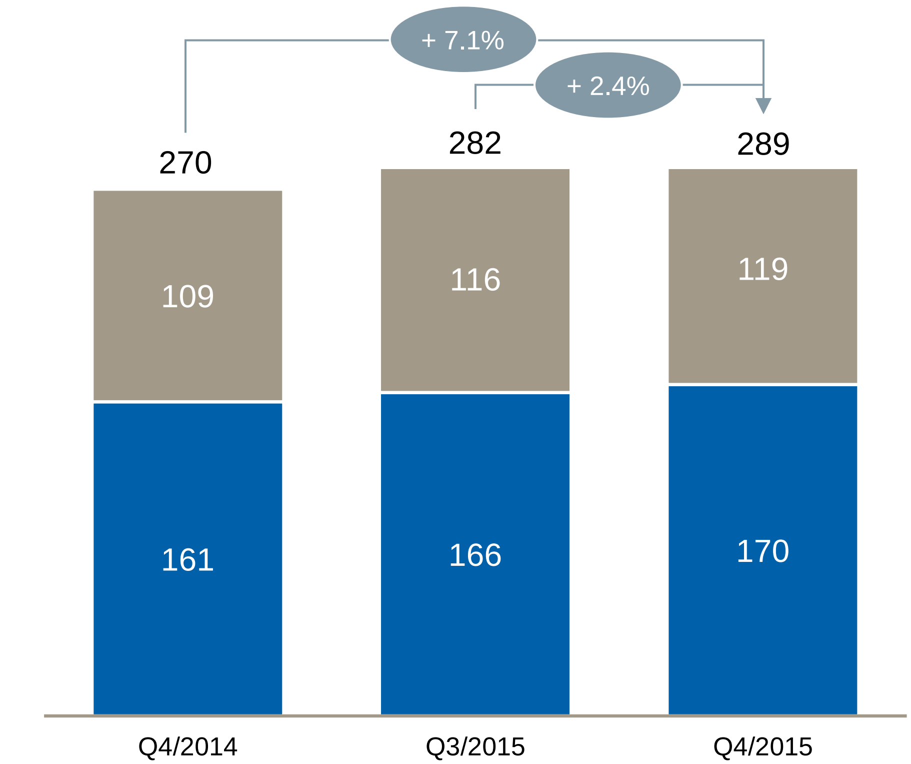
($ billions)



Percentage Change[1]		YoY	QoQ
Business (inc. small business)		8.3%	0.9%
Credit Cards		6.2%	2.0%
Personal Lending		(2.5%)	(0.1%)
Residential Mortgages		6.9%	2.5%

Average deposits[2]

($ billions)



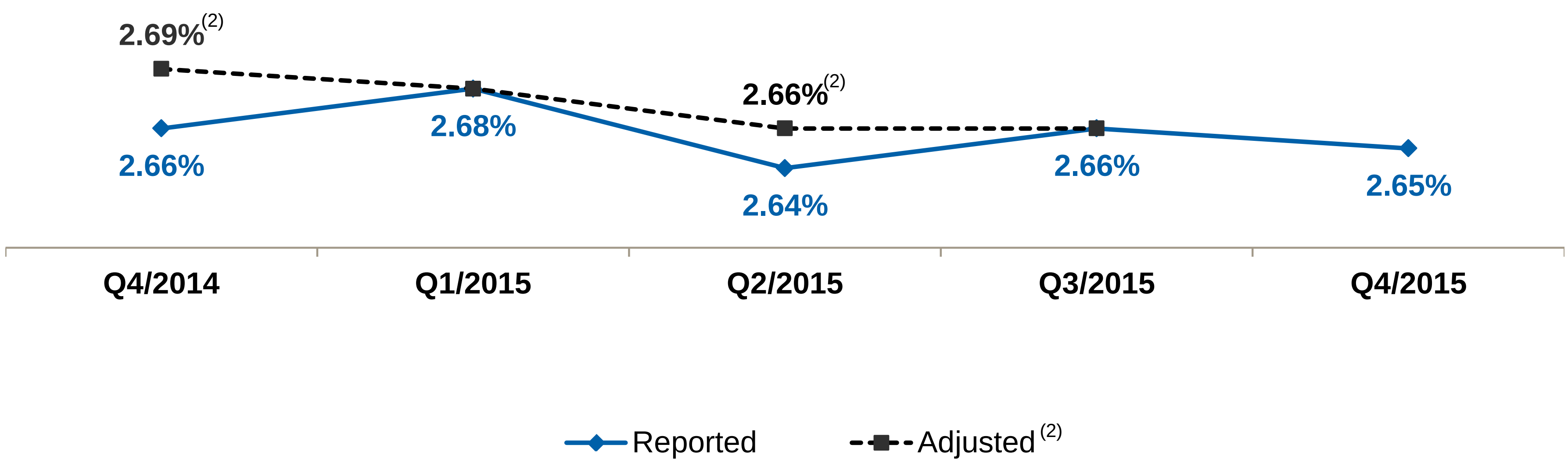
Percentage Change[3]		YoY	QoQ
Business Deposits		9.4%	2.4%
Personal Deposits		5.5%	2.4%

Combined loan and deposit growth of 6% YoY and 2% QoQ

(1) Total loans & acceptances and percentage change may not reflect the average loans & acceptances balances for each loan type shown due to rounding.
(2) Amounts have been revised from those previously presented.
(3) Total deposits and percentage change may not reflect the average deposits for each deposit type shown due to rounding.

Canadian Banking net interest margin (NIM)[1]

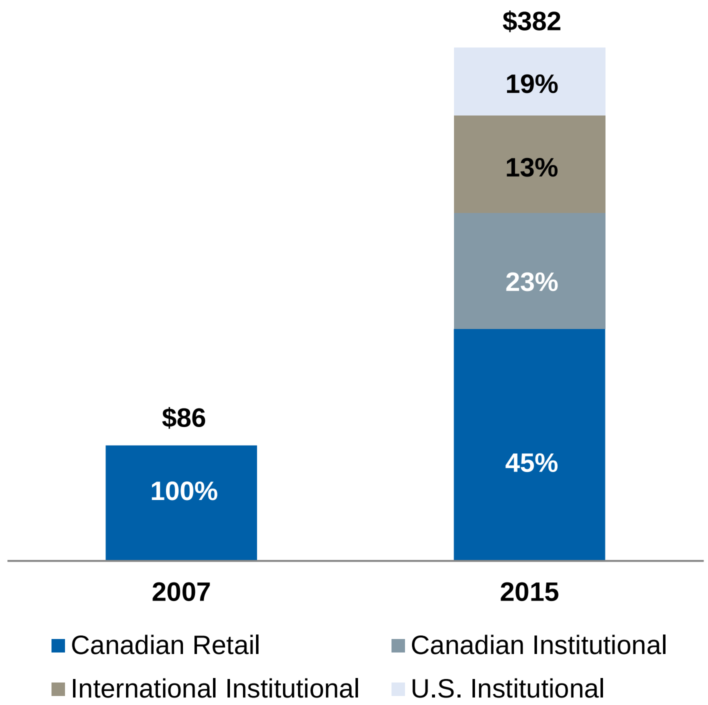
- NIM remained relatively stable notwithstanding the low interest rate environment and competitive pressures
  - QoQ: NIM down 1 bp
  - YoY: NIM down 1 bp, or 4 bps excluding accounting adjustments in Q4/2014[2]



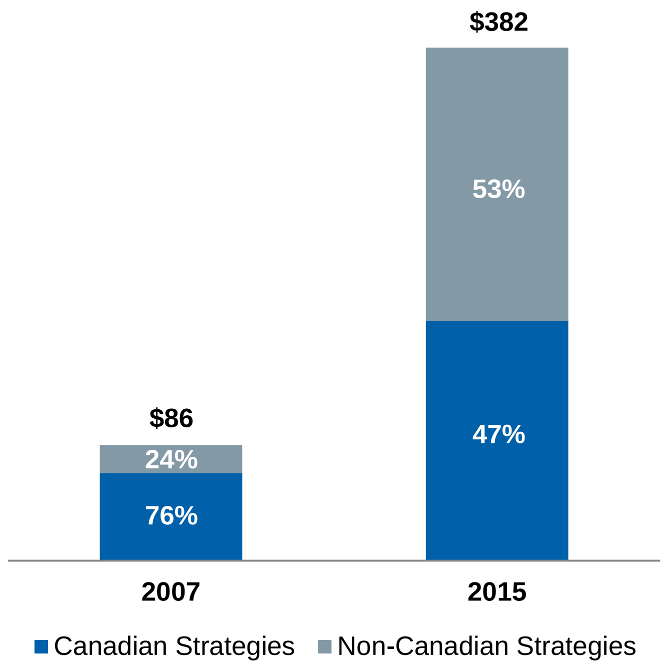
(1) Net interest margin: Net interest income as a percentage of average total earning assets (annualized). This is a non-GAAP measure. For more information see slide 33.
(2) Excludes the impact of accounting adjustments. This is a non-GAAP measure. For more information see slide 33.

Growing and diversifying our Global Asset Management business

AUM by Client segment
($ billions)



AUM by Investment Strategy(1)
($ billions)



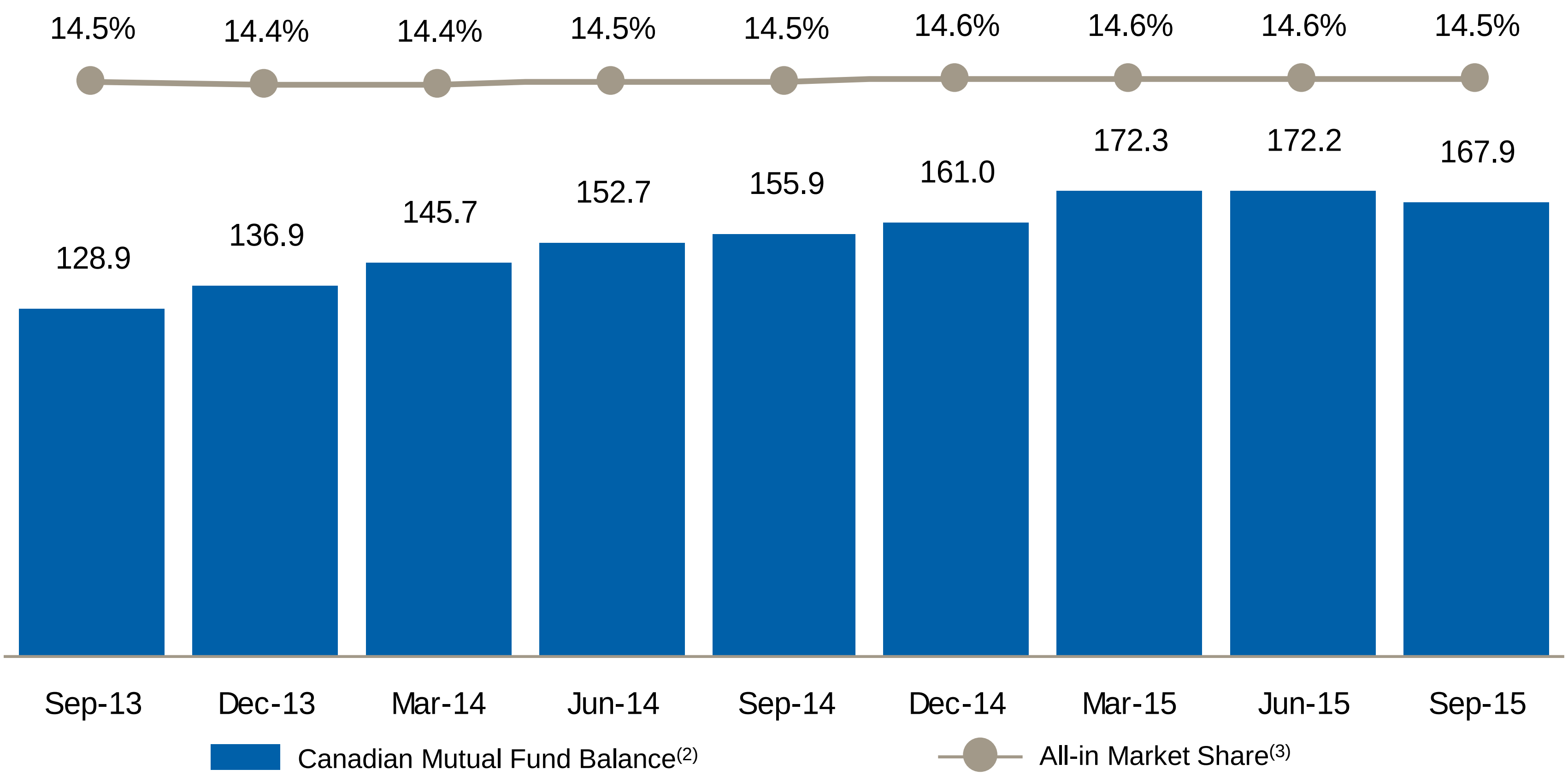
- Extending our leadership position in Canada in both retail and institutional asset management
- Continuing to build synergies between our Canadian retail asset management business and our Canadian, U.S., and International institutional business

(1) As at September 30, 2015.

Strong growth trend in Canadian retail assets under management

Canadian mutual fund balances and market share[1]

($ billions, except percentage amounts)



- RBC Global Asset Management, ranked #1 in market share, has captured 32.5% of share among banks and 14.5% all-in[1]

(1) Source: IFIC (as of September 2015) and RBC reporting.
(2) Comprised of long-term funds.
(3) Comprised of long-term funds and money market funds.

Capital Markets revenue – diversified by business

($ millions)	Q4/2015	Q3/2015	Q4/2014	YoY	QoQ
Investment banking	378	509	414	(9%)	(26%)
Lending and other	469	497	432	9%	(6%)
Corporate & Investment Banking	**$847**	**$1,006**	**$846**	**0%**	**(16%)**
Fixed income, currencies and commodities (FICC)[(1)(2)]	299	466	229	31%	(36%)
Global equities (GE)	290	289	236	23%	0%
Repo and secured financing	346	315	256	35%	10%
Global Markets (teb)[(1)]	**$935**	**$1,070**	**$721**	**30%**	**(13%)**
Other[(1)]	**$(45)**	**$(30)**	**$(68)**	**n.m.**	**n.m.**
Capital Markets total revenue (teb)	**$1,737**	**$2,046**	**$1,499**	**16%**	**(15%)**

Corporate & Investment Banking

- Flat YoY as the positive impact of foreign exchange translation, higher M&A activity, and higher loan syndication fees were offset by lower equity origination reflecting decreased issuance activity, primarily in the U.S. and Canada
- QoQ decrease driven by lower debt and equity origination reflecting decreased issuance activity, and lower loan syndication fees

Global Markets

- YoY increase driven by higher equity trading revenue reflecting increased client activity and more favourable market conditions, and the positive impact of foreign exchange translation, partially offset by lower equity origination
  - Q4/2014 was also unfavourably impacted by the implementation of FVA[(2)] and exit from certain proprietary trading strategies in the compliance with the Volcker Rule[(1)]
- QoQ decrease driven by lower fixed income trading revenue due to unfavourable market conditions, as well as lower debt and equity issuance, partly offset by higher equity trading revenue

(1) Effective Q1/2015, we reclassified amounts from Global Markets to Other related to certain proprietary trading strategies which we exited in Q4/2014 to comply with the Volcker Rule. Prior period amounts have been revised from those previously presented. Q4/2014 results also include $69MM of lower trading revenue associated with the exit from certain proprietary trading strategies in compliance with the Volcker Rule. (2) Q4/2014 results include a charge of $105MM reflecting the implementation of valuation adjustment related to funding costs on uncollateralized over-the-counter derivatives (FVA).

Capital Markets revenue – diversified by geography

($ millions)	Q4/2015	Q3/2015	Q4/2014	YoY	QoQ
Canada	546	548	540	1%	0%
U.S.[1]	862	1,103	862	0%	(22%)
Europe	239	284	198	21%	(16%)
Asia and Other[1]	72	96	93	(23%)	(25%)
Geographic revenue excluding certain items[1] [6]	**$1,719**	**$2,031**	**$1,693**	**2%**	**(15%)**
Add / (Deduct):					
CVA / FVA, net of hedges[2][3]	18	15	(125)		
Exit from certain proprietary trading strategies[4][7]	-	-	(69)		
Capital Markets total revenue (teb)	**$1,737**	**$2,046**	**$1,499**	**16%**	**(15%)**
Capital Markets non-trading revenue[5]	1,089	1,310	1,107	(2%)	(17%)
Capital Markets trading revenue (teb)	**$648**	**$736**	**$392**	**65%**	**(12%)**
Capital Markets trading revenue (teb) excl. certain items[6]	**$630**	**$721**	**$586**	**8%**	**(13%)**

Canada

- YoY increase largely due to higher trading revenue reflecting increased client activity and more favourable market conditions, partially offset by lower equity issuance activity
- Flat QoQ as growth in equity trading, and higher M&A and loan syndication activity were offset by lower debt origination and FICC trading revenue

U.S.

- Flat YoY as the favourable impact of foreign exchange translation, higher equity trading revenue, as well as higher loan syndication fees and M&A activity, were offset by lower equity and debt origination compared to robust levels last year
- QoQ decrease driven by lower fixed income trading revenue due to unfavourable market conditions, lower debt and equity issuance, as well as lower loan syndication fees

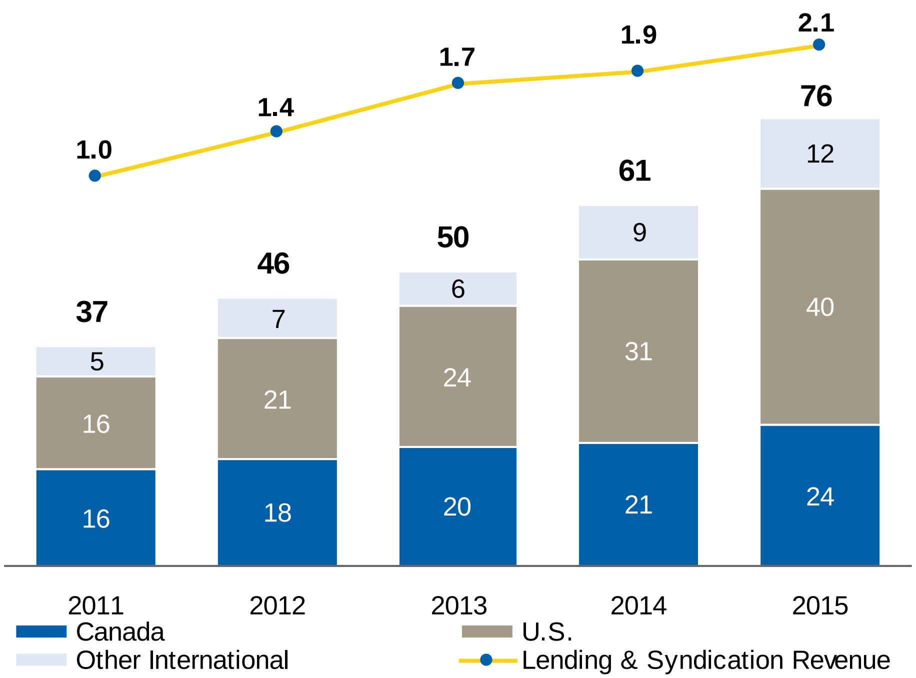
Europe

- YoY increase driven by higher fixed income trading revenue and higher M&A activity, partially offset by lower equity trading revenue
- QoQ decrease reflects lower trading revenue, and lower investment banking fees, particularly lower equity origination activity

(1) Effective Q3/2015, Caribbean operations previously reported in the U.S. are now reported in Asia & Other. (2) Excluded from all geographies. (3) Q4/2014 includes FVA implementation charge of $105MM. (4) Excluded from the U.S. (5) Non-trading revenue primarily includes Corporate & Investment Banking and Global Markets origination and cash equities businesses. (6) This is a non-GAAP measure. For more information, see slide 33. (7) Q4/2014 results include $69MM of lower trading revenue associated with the exit from certain proprietary trading strategies in compliance with the Volcker Rule.

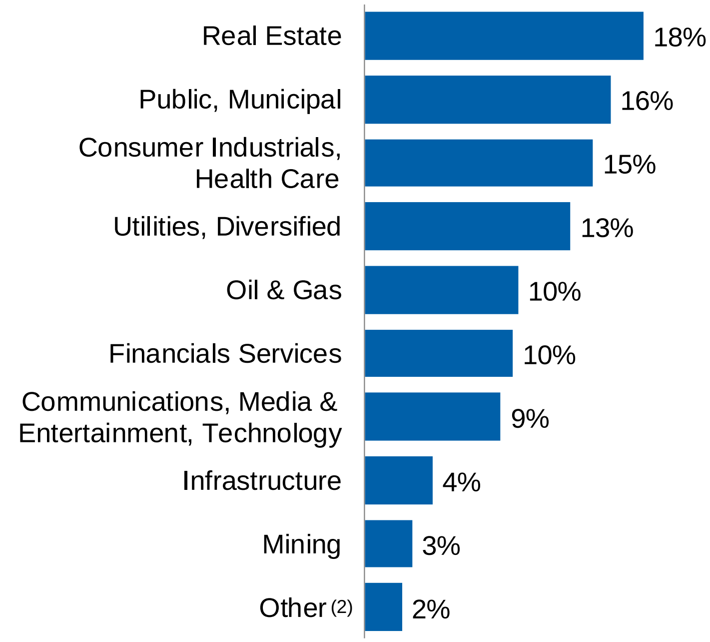
Prudently growing Capital Markets' loan book

Lending and Syndication Revenue and Loans Outstanding by Region(1) *($ billions)*



Loans Outstanding by Industry(1)

Q4/2015



- Diversification driven by strict limits on single name, country, industry and product levels across all businesses, portfolios, transactions and products
- Consistent lending standards throughout the cycle
- Approximately 66% of our authorized Capital Markets loan portfolio is investment grade

(1) Average loans & acceptances, and includes letters of credit and guarantees for our Capital Markets portfolio, on single name basis. It excludes mortgage investments, securitized mortgages and other non-core items.

(2) "Other" mainly includes: Aerospace, Transportation and Forestry.

Credit quality metrics

Key Credit Ratios (bps)[3]	Q4/2015		Q3/2015		Q2/2015		Q1/2015		Q4/2014	
	PCL[1]	GIL[2]	PCL[1]	GIL[2]	PCL[1]	GIL[2]	PCL[1]	GIL[2]	PCL[1]	GIL[2]
Personal & Commercial Banking	**25**	**48**	28	52	26	52	28	54	35	54
Canadian Banking	**25**	**29**	26	31	25	32	26	31	27	32
Wealth Management	**2**	**103**	1	73	73	51	29	58	-	7
Capital Markets	**17**	**34**	7	40	8	19	3	10	19	7
Credit Ratios Total	**23**	**47**	23	50	25	46	24	46	31	44

New Impaired Loan Formation ($ millions)[3]	Q4/2015	Q3/2015	Q2/2015	Q1/2015	Q4/2014
Personal & Commercial Banking	**$278**	$295	$331	$292	$292
Canadian Banking[4]	**256**	281	312	259	259
Wealth Management	**57**	31	3	91	-
Capital Markets	**31**	172	104	24	34
New Impaired Loan Formation Total	**$366**	$498	$438	$407	$326

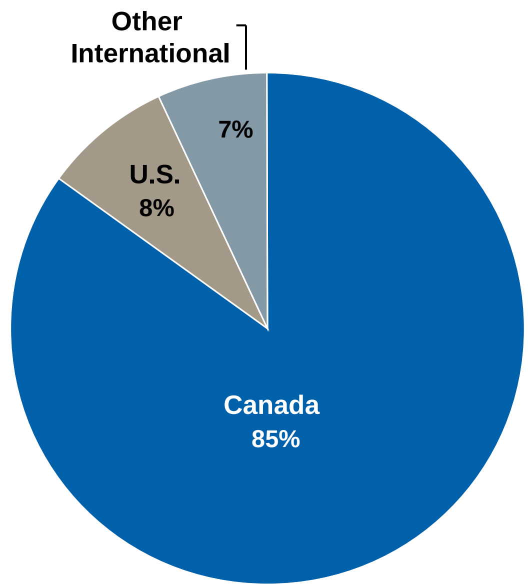
(1) Provision for Credit Losses (PCL) ratio is PCL on impaired loans as a percentage of average net loans & acceptances (annualized). (2) Gross Impaired Loans (GIL) ratio is GIL as a percentage of average net loans & acceptances. (3) GIL and PCL Ratios for Corporate Support and Investor & Treasury Services were not material. (4) Certain GIL movements for Canadian Banking retail and wholesale portfolios are generally allocated to New Impaired Loan Formation, as Return to performing status, Net repayments, Sold, and Exchange and other movements amounts are not reasonably determinable.

RBC's loans are well diversified by portfolio and industry

Loans and Acceptances[1] ($ millions)	Q4/2015	% of Total
Residential mortgages	233,975	48.0
Personal	94,346	19.3
Credit cards	15,859	3.3
Small business	4,003	0.8
Total Retail	**348,183**	**71.4**
Real estate and related	33,802	6.9
Energy		
Oil & Gas	7,691	1.6
Utilities	5,162	1.1
Sovereign	9,887	2.0
Consumer goods	7,146	1.5
Automotive	6,614	1.4
Technology and media	6,599	1.3
Non-bank financial services	6,428	1.3
Agriculture	6,057	1.2
Transportation and environment	5,907	1.2
Industrial products	4,725	1.0
Bank	1,800	0.4
Mining and metals	1,402	0.3
Forest products	1,169	0.2
Other[2]	35,133	7.2
Total Wholesale	**139,522**	**28.6**
Total Loans and Acceptances	**487,705**	**100.0**

Total loans and acceptances by region

(Q4/2015)



(1) Does not include letters of credit or guarantees.
(2) Other in Q4/2015 related to financing products, $10.1 billion; health, $6.0 billion; holding and investments, $6.9 billion; other services, $8.8 billion; and other, $3.3 billion.

Other – other income

($ millions)	Q4/2015	Q3/2015	Q4/2014	YoY	QoQ
Other income – segments	**137**	169	214	(77)	(32)
Other items[(1)]	**(8)**	64	134	(142)	(72)
Total Other – other income	**$129**	**$233**	**$348**	**(219)**	**(104)**

(1) Mainly consists of funding-related and other hedging related items.

Specified items impacting (FY 2014 & 2015)

($ millions, except for earnings per share (EPS) amounts)	Reported	Personal & Commercial Banking (P&CB): Loss related to sale of RBC Jamaica (Q1/2014)	Personal & Commercial Banking (P&CB): Provisions for post-employment benefits and restructuring charge in the Caribbean (Q1/2014)	Corporate Support: Release of CTA (Q2/2015)	Adjusted(1)
FY 2015					
Consolidated					
Net Income	$10,026	-	-	$(108)	$9,918
Diluted EPS	$6.73	-	-	$(0.07)	$6.66
ROE	18.6%				18.4%
FY 2014					
Consolidated					
Net Income	$9,004	$100	$32	-	$9,136
Diluted EPS	$6.00	$0.07	$0.02	-	$6.09
ROE	19.0%				19.3%
P&CB					
Net Income	$4,475	$100	$32	-	$4,607

(1) These are non-GAAP measures. For more information, see slide 33.

Note to users

We use a variety of financial measures to evaluate our performance. In addition to generally accepted accounting principles (GAAP) prescribed measures, we use certain key performance and non-GAAP measures we believe provide useful information to investors regarding our financial condition and result of operations. Readers are cautioned that key performance measures, such as ROE and non-GAAP measures such as earnings and revenue excluding Corporate Support, earnings excluding specified items related to sale of RBC Jamaica as previously announced on January 29, 2014, and provisions related to post-employment benefits and restructuring charges in the Caribbean, release of foreign currency translation adjustment (CTA) that was previously booked in other components of equity, revenue excluding Insurance FV change, adjusted net interest margin and Capital Markets trading and geographic revenue excluding specified items do not have any standardized meanings prescribed by GAAP, and therefore are unlikely to be comparable to similar measures disclosed by other financial institutions.

Additional information about our ROE and non-GAAP measures can be found under the “Key performance and non-GAAP measures” section of our 2015 Annual Report.

Definitions can be found under the “Glossary” sections in our Q4/2015 Supplementary Financial Information and our 2015 Annual Report.

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