Royal Bank of Canada
Third Quarter Results

August 22, 2018

All amounts are in Canadian dollars unless otherwise indicated and are based on financial statements prepared in compliance with International Accounting Standards 34 *Interim Financial Reporting*, unless otherwise noted. Our Q3 2018 Report to Shareholders and Q3 2018 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, in filings with Canadian regulators or the Securities and Exchange Commission, 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 document 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, as well as 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 sections of our 2017 Annual Report and the Risk management section of our Q3 2018 Report to Shareholders; including global uncertainty and volatility, elevated Canadian housing prices and household indebtedness, information technology and cyber risk including the risk of cyber-attacks or other information security events at or impacting our service providers or other third parties with whom we interact, regulatory change, technological innovation and non-traditional competitors, global environmental policy and climate change, changes in consumer behaviour, the end of quantitative easing, the business and economic conditions in the geographic regions in which we operate, the effects of changes in government fiscal, monetary and other policies, tax risk and transparency and environmental and social 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 presentation are set out in the Overview and Outlook section and for each business segment under the Strategic priorities and Outlook headings in our 2017 Annual Report, as updated by the Overview and Outlook section of our Q3 2018 Report to Shareholders. 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 sections of our 2017 Annual Report and in the Risk management section of our Q3 2018 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.

Overview

Dave McKay

President and Chief Executive Officer

Record earnings in Q3/2018

Revenue
$11.0 Billion
+9% YoY

+6% YoY[1]
net of Insurance fair value change

Net Income
$3.1 Billion
+11% YoY

CET1 Ratio
11.1%
+20 bps QoQ

Solid Revenue Growth

- Strong revenue growth in Personal & Commercial Banking and Wealth Management

Strong Earnings

- Diluted EPS of $2.10, up 14% YoY

Robust Capital & Premium ROE

- ROE of 17.3%[2]
- Increased dividend to $0.98/sh

PCL Ratio on Loans[3]
23 bps
+3 bps QoQ

Expenses
$5.9 Billion
+6% YoY

Mobile Users
3.7 Million[4]
+18% YoY

Strong Credit Quality

- PCL ratio on impaired loans of 17 bps, down 5 bps QoQ
- GIL ratio of 40 bps, down 7 bps QoQ

Investing for Long-Term Growth

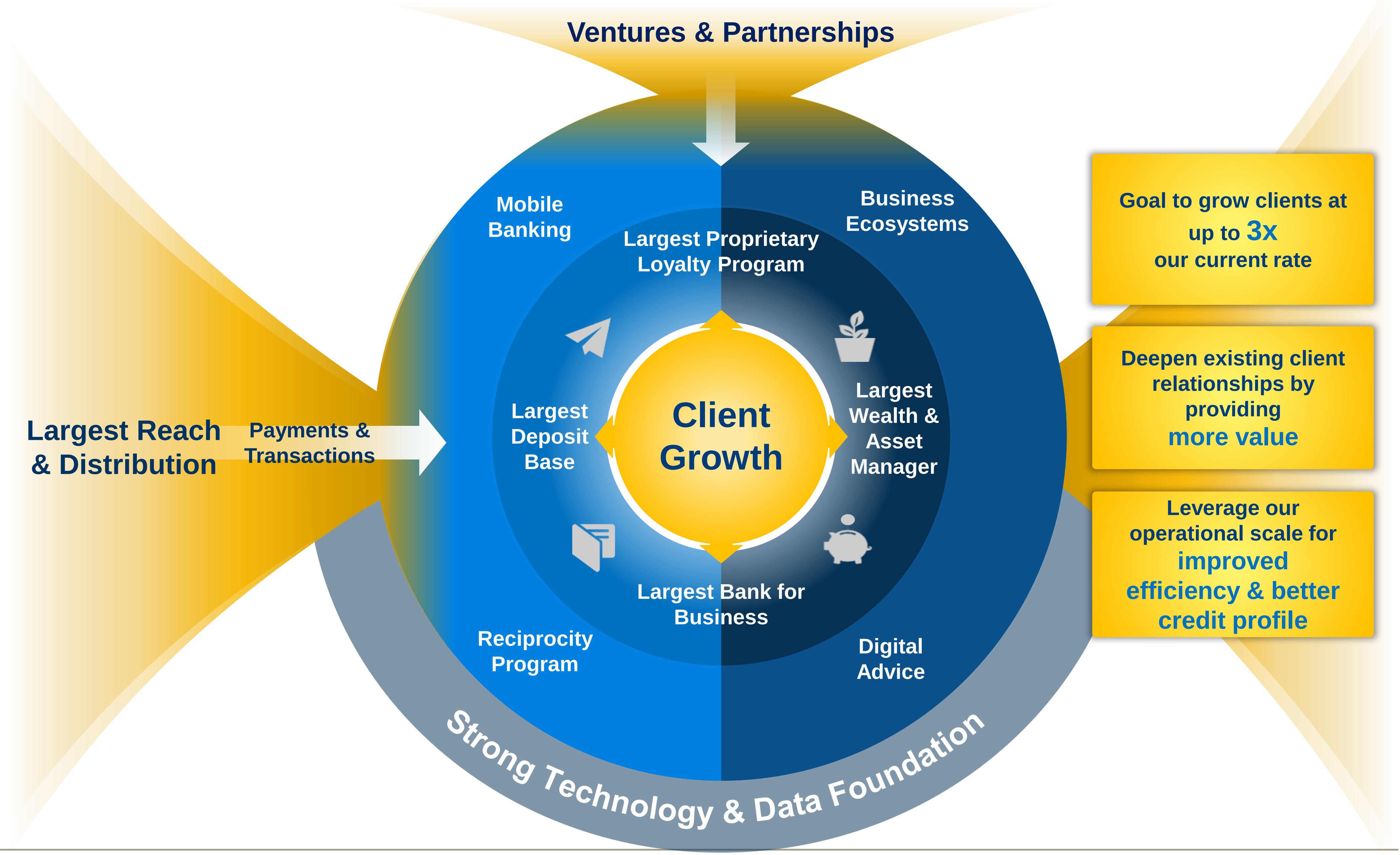
- Continued investments to support business growth, including technology and digital initiatives

Increased Mobile Adoption

- 6.6 million active digital users[4]
- Digital adoption rate of 49.4%, up 4 pts YoY (see slide 22)

(1) Revenue net of Insurance Fair Value Change of investments of $55MM is a non-GAAP measure. (2) This is a non-GAAP measure. For more information, see slide 29. (3) PCL ratio on loans is calculated using PCL on loans as a percentage of average net loans and acceptances. (4) These figures represent the 90-Day Active customers in Canadian Banking only.

Investor Day 2018: Creating more value for clients



For more information on our June 2018 Investor Day, please visit http://www.rbc.com/investorrelations/events-presentations.html

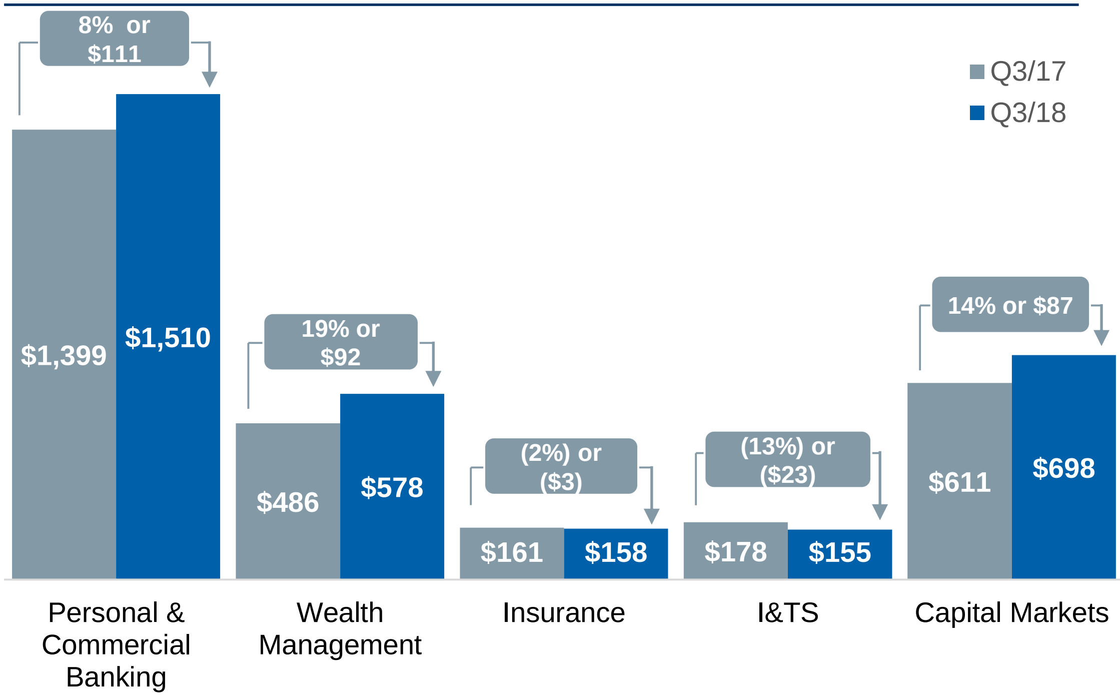
Financial Review

Rod Bolger
Chief Financial Officer

Strong earnings and EPS growth

($ millions, except for EPS and ROE)	Q3/2018	Reported	
		YoY	QoQ
Revenue	$11,025	9%	10%
Revenue Net of Insurance Fair Value Change[1]	$10,970	6%	7%
Non-Interest Expense	$5,858	6%	7%
Provision for Credit Loss	$346	8%	26%
Income Before Income Taxes	$3,896	9%	0%
Net Income	**$3,109**	**11%**	**2%**
Diluted Earnings per Share (EPS)	**$2.10**	**14%**	**2%**
Return on Common Equity (ROE)[2]	**17.3%**	**100 bps**	**(80 bps)**

Net Income ($ millions)[3]



Earnings

- Net income of $3.1 billion up 11% YoY; diluted earnings per share (EPS) of $2.10, up 14% YoY
  - Adjusted diluted EPS of $2.14[4]
- Strong ROE of 17.3%, up 100 bps from last year

Revenue

- Net interest income up 8% YoY, largely driven by higher interest rates and solid volume growth in Canadian Banking and U.S. Wealth Management
- Solid Corporate and Investment Banking revenue growth

Expenses

- Higher variable compensation on improved performance
- Continued investments to support long-term business growth, including technology and digital initiatives

PCL

- Stable credit performance with PCL ratio on loans of 23 bps, flat YoY and up 3 bps QoQ[5]
  - PCL ratio on impaired loans at 17 bps down 6 bps YoY and 5 bps QoQ

Tax Rate

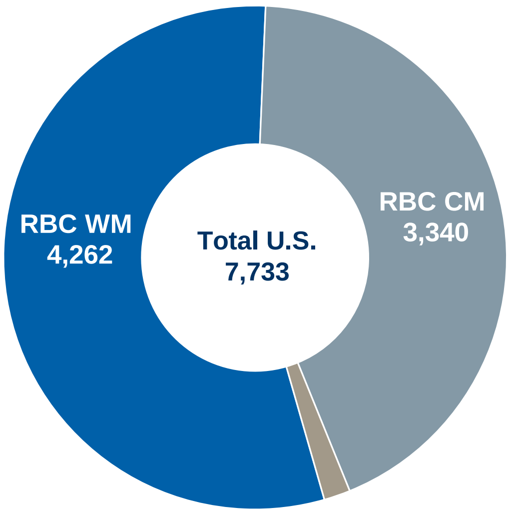
- Effective tax rate of 20.2%, down from 22.1% YoY
- Based on anticipated earnings mix, ongoing effective tax rate estimated at the low end of our 21-23% range

(1) Revenue net of Insurance Fair Value Change of investments backing policyholder assets of $55MM is a non-GAAP measure. For more information see slide 29. (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 29. (3) Net Income excluding Corporate Support. This is a non-GAAP measure, for more information see slide 29. (4) This is a non-GAAP measure, for more information see slide 29. (5) PCL ratio on loans is calculated using PCL on loans as a percentage of average net loans and acceptances.

Solid results from our growing U.S. operations

U.S. Operations Revenue (US$ millions)(1)

Last 12 months ended July 31, 2018



U.S. Operations Condensed Income Statement(2)

US$ millions (unless otherwise stated)	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
Revenue	1,759	1,752	2,055	1,734	1,915
Provision For Credit Loss	38	(27)	5	(27)	23
Net Income	**307**	**389**	**353**	**382**	**400**
Adjusted Net Income(4)	335	418	365	411	412
Net Income (C$ millions)	398	492	441	491	522

Q3/2018 Highlights

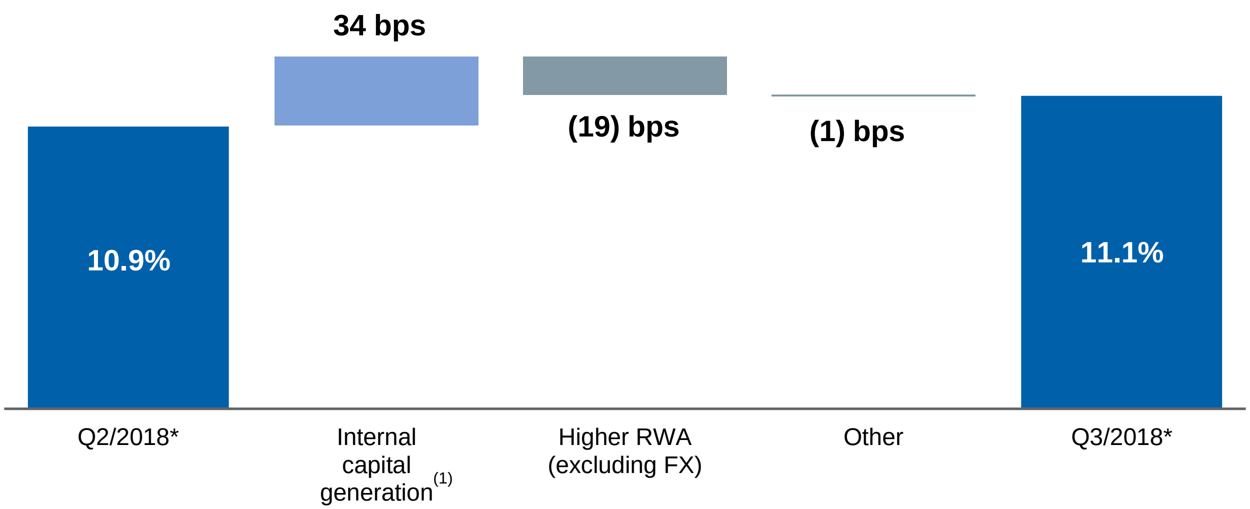
U.S. geographic earnings up 30% YoY

- The U.S. represents 23% of total bank revenue in the last 12 months(1)
  - Strong revenue growth of 9% YoY and 10% QoQ
- The U.S. represents 18% of total bank earnings in the last 12 months, up from 15% a year ago(1)
  - Results this quarter include a US$20MM after-tax gain related to the sale of a mutual fund product and transfer of its associated team
- Strong U.S. credit quality with PCL ratio on loans of 15 bps

(1) Excludes Corporate Support. Revenue is on a Tax Equivalent Basis (TEB). These are non-GAAP measures, for more information, see slide 29. (2) Results include US$142MM charge for U.S. Tax Reform in Q1/2018. (3) Other Revenue includes U.S. portions of U.S. Banking, Insurance and I&TS. (4) Adjusted net income for every quarter excludes CNB's amortization of intangibles and integration costs, which were US$32MM after-tax (US$44MM before-tax) in Q3/2018. Q1/2018 excludes a US$19MM after-tax (US$27MM before-tax) favourable accounting adjustment related to City National.Q3/2018 excludes a US$20MM after-tax (US$30MM before-tax) gain related to the sale of a mutual fund product and transfer of its associated team. These are a non-GAAP measures. For more information, see slide 29.

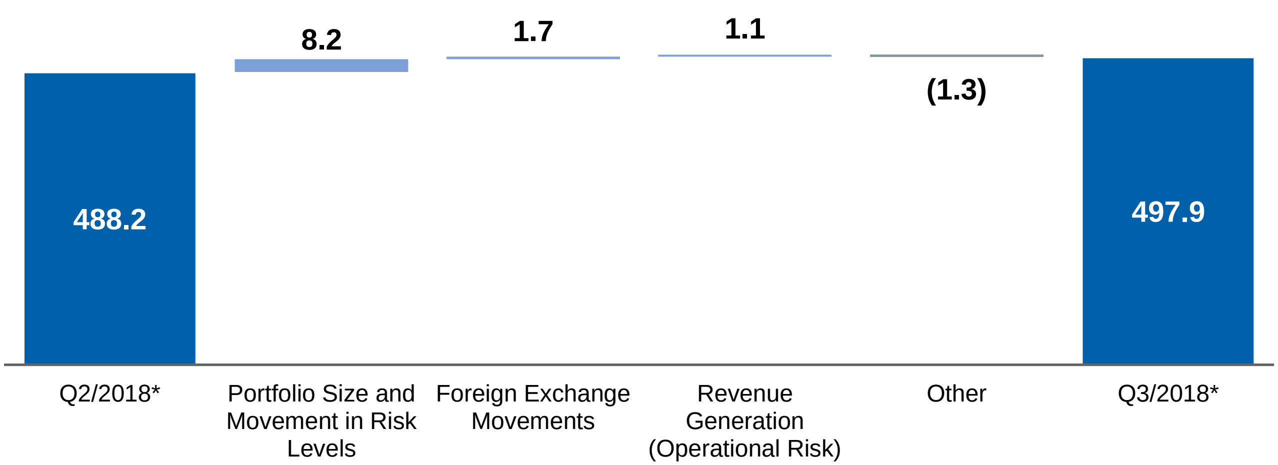
Strong capital and earnings growth continue to drive shareholder return

CET1 Movement



- CET1 ratio of 11.1%, up 20 bps QoQ, mainly reflecting internal capital generation, partially offset by higher RWA due to continued business growth, largely in Capital Markets and Canadian Banking
- Repurchased 1.3 million shares for $128 million in Q3/2018
  - YTD we repurchased 12.8 million shares for $1.3 billion
  - Common shares outstanding decreased by 1% YoY

CET1 Capital RWA Movement ($ billions)

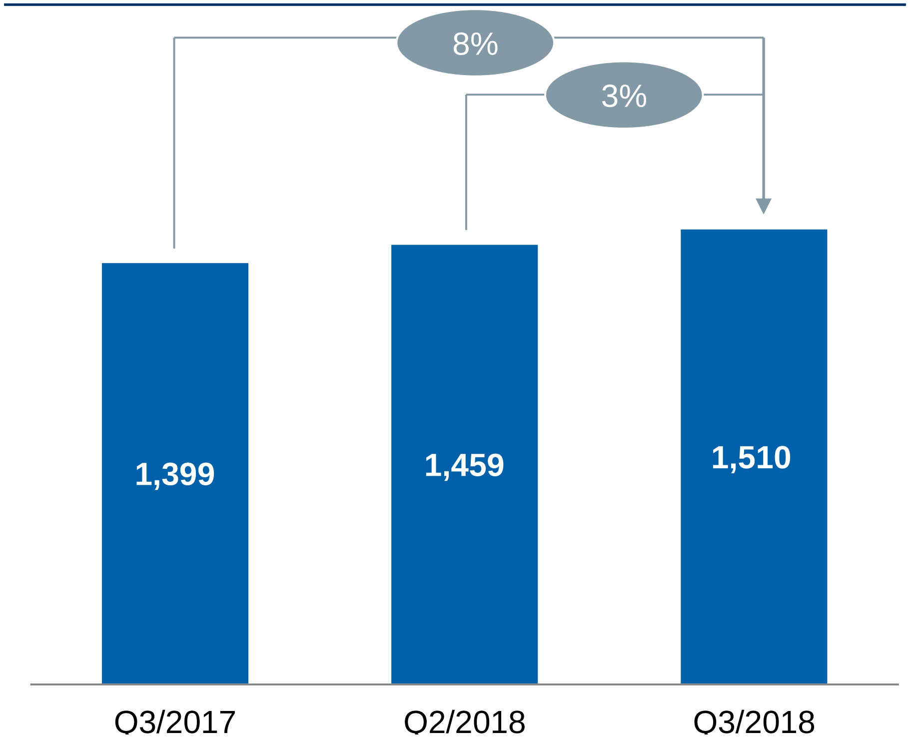


- CET1 Capital RWA increased $9.7 billion during the quarter, primarily reflecting business growth in wholesale loans, commitments and retail lending

** Represents rounded figures. For more information, refer to the Capital management section of our Q3/2018 Report to Shareholders.*
(1) Internal capital generation represents net income available to shareholders, less common and preferred shares dividends.

Strong earnings growth in Personal & Commercial Banking

Net Income ($ millions)



Canadian Banking	Q3/2018
Net Income (YoY)	**11%**
Revenue (YoY)	8%
Assets Under Administration (YoY)	10%
Operating Leverage	5.0%

Q3/2018 Highlights

Canadian Banking

- Net income of $1,491 million, up 11% YoY
- Strong revenue growth of 8% YoY on improved spreads and solid volume growth
  - NIM of 2.74%, up 13 bps on higher deposit spreads YoY and flat QoQ
  - Loan and deposit growth of 6% and 5% YoY, respectively (see slide 21)
  - Higher AUA balances driving higher mutual fund distribution fees and higher card service revenue from strong purchase volume growth
- PCL ratio on impaired loans(1) of 25 bps, down 1 bp QoQ and YoY. PCL ratio on loans of 30 bps, up 1 bp QoQ and 4 bps YoY
- Non-interest expense up 3% YoY from higher staff-related costs and increased investments in technology
  - Q3/2017 included higher severance charges
- YTD operating leverage of 3.1% after excluding gains related to the reorganization of Interac this year and the sale of Moneris last year(2) (reported YTD operating leverage is 1.3%)

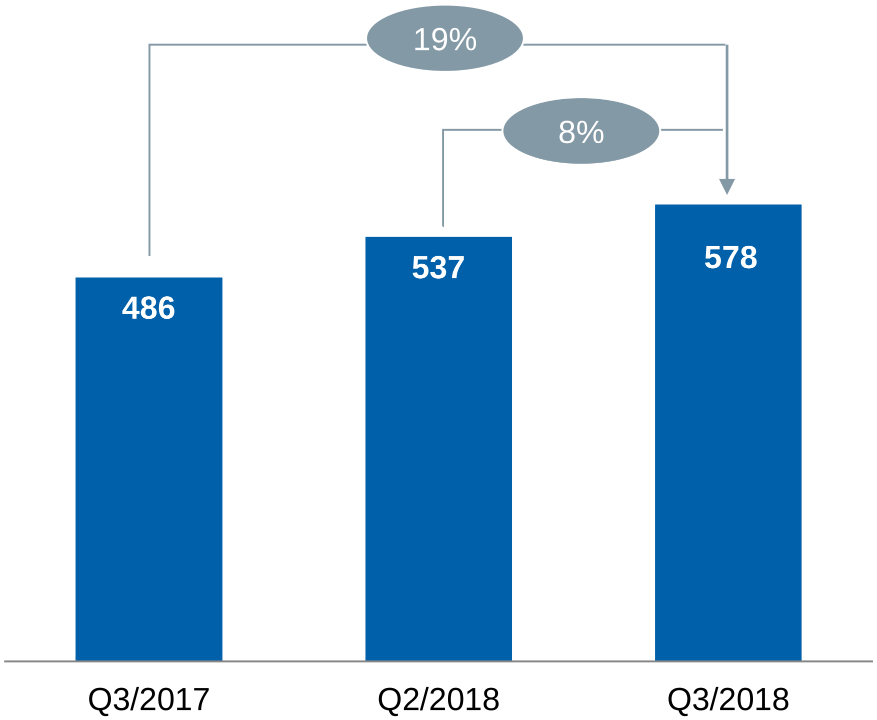
Caribbean & U.S. Banking

- Net income of $19 million, down $31 million YoY, largely due to higher non-interest expense and PCL

(1) PCL on impaired loans ratio under IFRS 9 is calculated using PCL on Stage 3 loans and acceptances as a percentage of average net loans and acceptances. Stage 3 allowances are held against impaired loans and effectively replace the allowance for impaired loans under IAS 39. (2) Our Q1/2017 results included our share of a gain of $212MM (before-and after-tax) related to the sale of the U.S. operations of Moneris Solutions Corporation (Moneris gain on sale). Our Q1/2018 results included a gain of $27MM after tax ($31MM pre-tax) related to the reorganization of Interac. Results excluding these gains are non-GAAP measures. For more information and a reconciliation, see slides 28 and 29.

Double-digit earnings growth in Wealth Management

Net Income ($ millions)



Efficiency Ratio[2]	Q3/18	YoY
Wealth Management	73.6%	(1.4 pts)
Wealth Management (Non-US)	68.5%	(1.8 pts)

	YoY	QoQ
Assets Under Administration	13%	4%
Assets Under Management	14%	4%

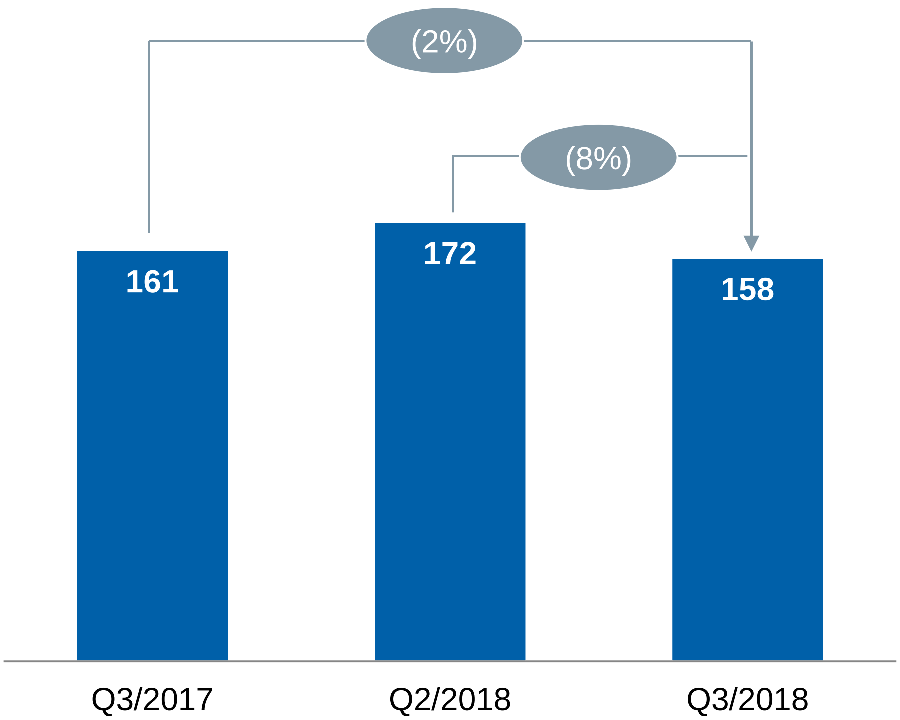
Q3/2018 Highlights

- Net income of $578 million, up 19% YoY
  - Higher average fee-based assets reflecting capital appreciation and net sales
  - Strong net interest income reflecting volume growth and higher interest rates
  - A lower effective tax rate reflecting benefits from the U.S. Tax Reform
  - Partially offset by:
    - Higher variable compensation on improved results
    - Increased costs related to business growth and technology initiatives
    - Higher regulatory costs
  - Results included a gain related to the sale of a mutual fund product and transfer of its associated team, largely offset by a loss on an investment in an international asset management joint venture[1]
  - Continued strong operating leverage in Wealth Management (Q3/2018 operating leverage of 2.0% and YTD of 3.8%)
- Net income up 8% QoQ
  - Higher average fee-based assets
  - Higher net interest income
  - Partially offset by:
    - Higher PCL due to a release of provisions in the prior quarter
    - Higher variable compensation on improved results

(1) $26MM after-tax ($40MM before-tax) gain related to the sale of a mutual fund product and transfer of its associated team, and a $24MM after-tax ($27MM before-tax) loss on an investment in an international asset management joint venture in Q3/2018. (2) Percentage change may not reflect actual change due to rounding.

Insurance results reflected improved International claims and higher costs

Net Income ($ millions)

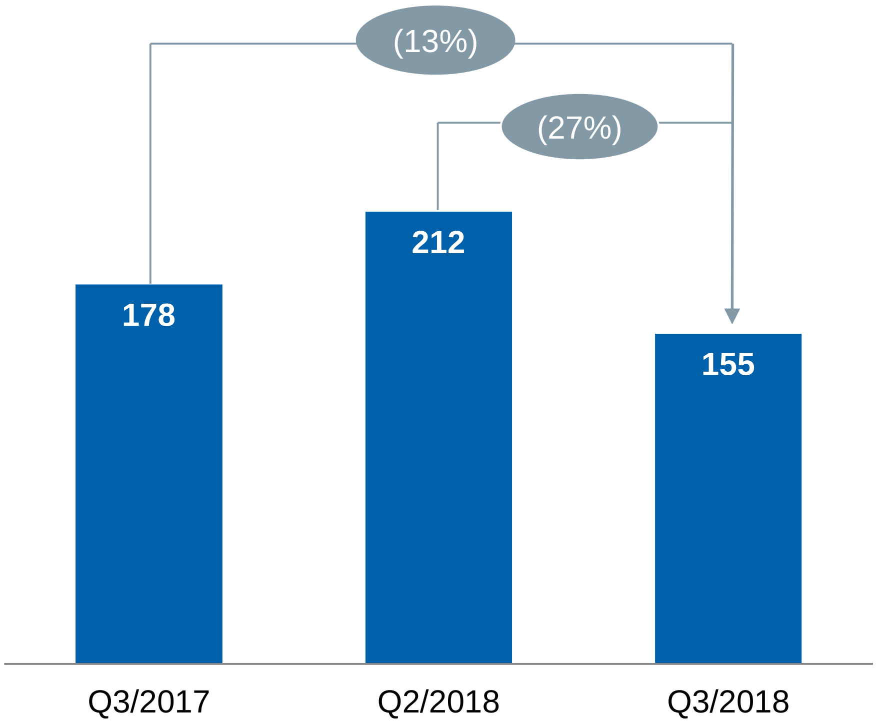


Q3/2018 Highlights

- Net income of $158 million, down 2% YoY
  - Improved International claims experience
  - Increased costs supporting sales growth and client service activities
- Net income down 8% QoQ
  - Business growth in Canadian Insurance
  - Positive impact of a life retrocession contract recapture
  - Improved International claims experience
  - Offset by lower favourable investment-related experience

Investor & Treasury Services continues to invest in technology

Net Income ($ millions)

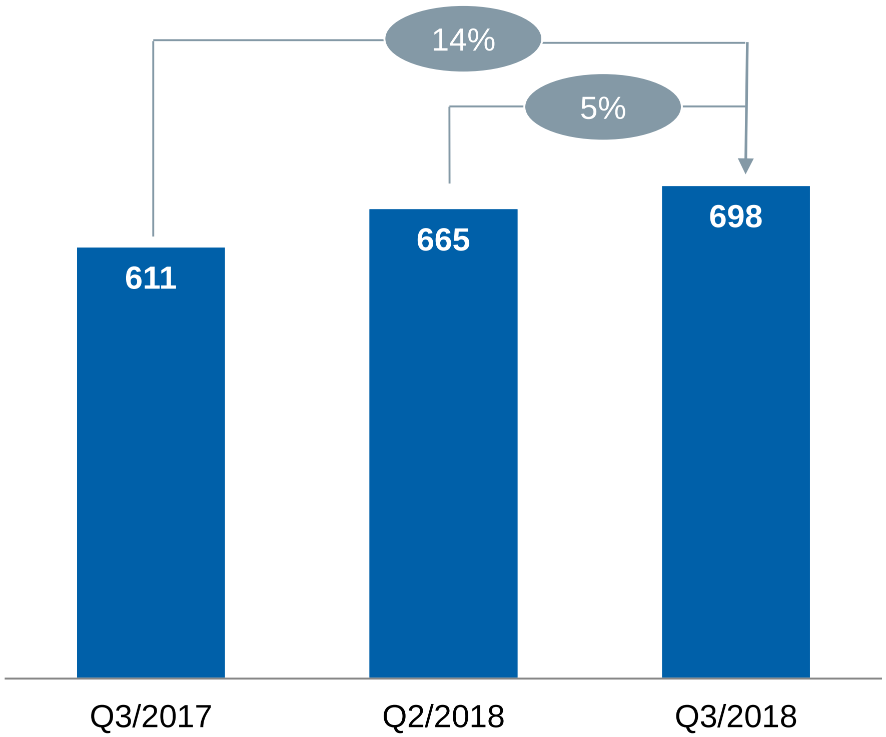


Q3/2018 Highlights

- Net income of $155 million, down 13% YoY
  - Improved client deposit margins
  - Positive impact from strong sales in our asset services business
  - More than offset by:
    - Lower funding and liquidity revenue
    - Higher costs in support of business growth and increased technology investments
- Net income down 27% QoQ
  - Lower funding and liquidity revenue
  - Decreased revenue from our asset services business driven by lower client activity and market volatility

Strong earnings growth in Capital Markets

Net Income ($ millions)



Revenue	YoY	QoQ
Corporate and Investment Banking	7%	10%
Global Markets	1%	5%

Q3/2018 Highlights

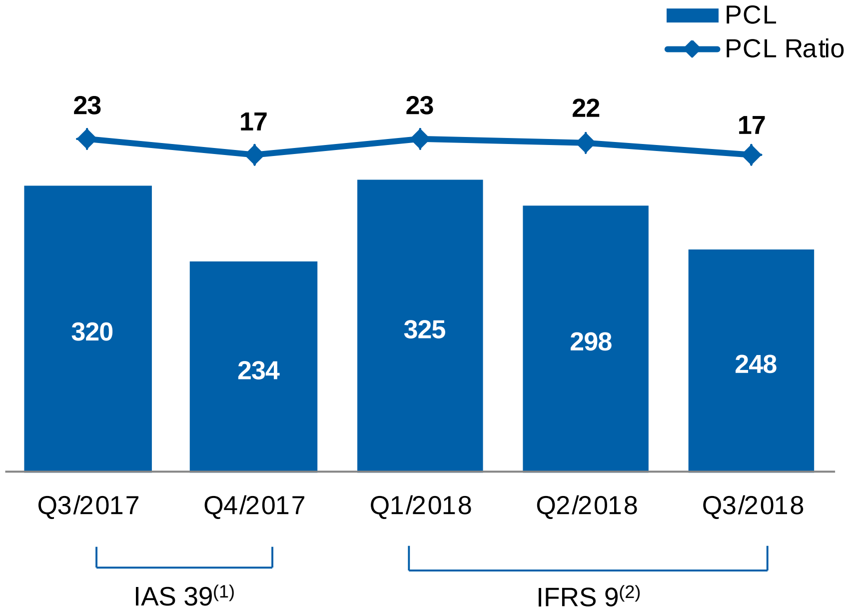
- Net income of $698 million, up 14% YoY – our second highest quarter
  - Higher revenue in Corporate and Investment Banking and Global Markets
  - A lower effective tax rate reflecting changes in earnings mix and benefits from the U.S. Tax Reform
  - Lower PCL
  - Partially offset by litigation recoveries in Q3/2017
- Net income up 5% QoQ
  - Higher equity and debt origination and increased loan syndication across all regions
  - Higher equity trading revenue mainly in the U.S.
  - Partially offset by:
    - Higher compensation on improved results and business growth
    - Lower gains from the disposition of certain securities and gains in our legacy U.S. portfolios in Q2/2018

Risk Review

Graeme Hepworth
Chief Risk Officer

Credit quality remains strong

PCL on Impaired Loans ($ millions)



PCL Ratio on Impaired Loans (bps)

	IAS 39[1]		IFRS 9[2]		
	Q3/17	Q4/17	Q1/18	Q2/18	Q3/18
Canadian Banking	26	25	26	26	25
Wealth Management	4	0	4	1	(6)
Capital Markets	21	(18)	22	7	(6)
PCL Ratio[1][2][3]	**23**	**17**	**23**	**22**	**17**

PCL ratio on impaired loans improved 5 bps QoQ reflecting the strong macro environment and a strong diversified portfolio

(1) PCL on impaired loans under IAS 39 prior to Q1/2018. (2) Stage 3 PCL under IFRS 9. Stage 3 allowances are held against impaired loans and effectively replace the allowance for impaired loans under IAS 39. (3) In addition to the segments above, PCL on impaired loans also includes Caribbean and U.S. Banking, Investor & Treasury Services, Insurance and Corporate Support.

Lower PCL on impaired loans

PCL Breakdown by Segment and Stage ($ millions)

($ MM)	IAS 39[1] Q3/17	IFRS 9[2] Q2/18	IFRS 9[2] Q3/18
Personal & Commercial Banking	**$273**	**$306**	**$330**
Performing	n/a	$24	$60
Impaired	$273	$282	$270
Canadian Banking	**$259**	**$291**	**$317**
Performing	n/a	$30	$57
Impaired	$259	$261	$260
Wealth Management	**$6**	**($20)**	**$3**
Performing	n/a	($21)	$12
Impaired	$6	$1	($9)
Capital Markets	**$44**	**($9)**	**$4**
Performing	n/a	($23)	$17
Impaired	$44	$14	($13)
PCL on Loans[3]	**$320**	**$278**	**$338**
Performing	n/a	($20)	$90
Impaired	$320	$298	$248
PCL on Other Financial Assets	**$0**	**($4)**	***$8***
Performing	n/a	($4)	*($30)*
Impaired	$0	$0	*$38*
Total PCL	**$320**	**$274**	**$346**

Key Drivers of PCL

PCL on Performing Loans

- **QoQ:**
  - Increased largely due to higher uncertainty in the macroeconomic outlook, impacting Personal & Commercial Banking, Capital Markets, and Wealth Management
  - Volume growth also contributed to the increase
- **YTD:** PCL on performing loans was $79 million or 2 bps

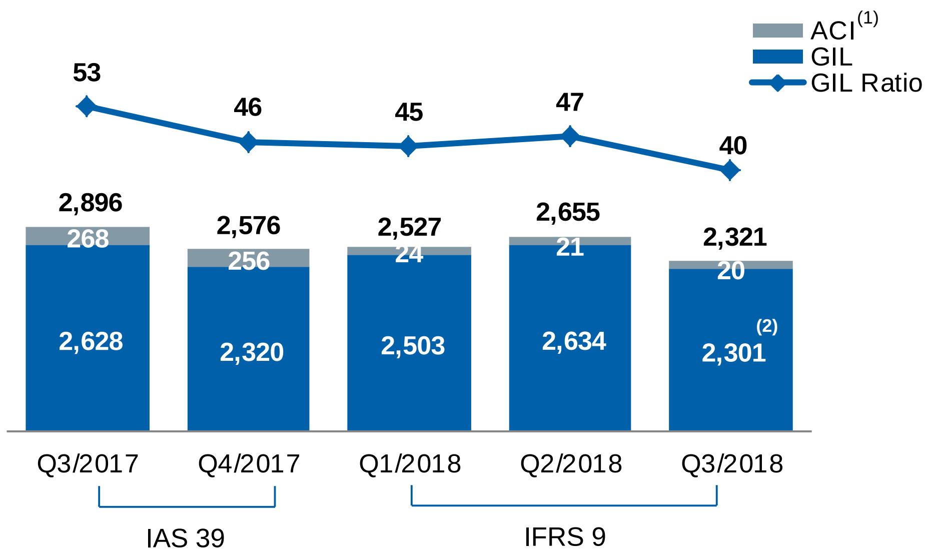
PCL on Impaired Loans

- **QoQ:**
  - Higher recoveries and lower provisions in Capital Markets
  - Lower provisions in Caribbean Banking
  - Lower provisions in Canadian Business Banking portfolio was offset by higher provisions in the Canadian retail portfolio mainly in personal lending
- **YTD:** PCL on impaired loans was 21 bps, down 2 bps compared to the same period last year

(1) PCL on impaired loans under IAS 39 prior to Q1/2018. (2) Stage 3 PCL under IFRS 9. Stage 3 allowances are held against impaired loans and effectively replace the allowance for impaired loans under IAS 39. (3) In addition to the segments above, PCL on loans also includes Caribbean and U.S. Banking, Investor & Treasury Services, Insurance and Corporate Support.

Lower formations of Gross Impaired Loans

Gross Impaired Loans ($ millions)



Impaired Formations ($ millions)

Segments	New Formations Q3/2018	New Formations QoQ	Net Formations[3]
Personal & Commercial Banking	312	(90)	(123)
Canadian Banking	268	(77)	(123)
Caribbean & U.S. Banking	44	(13)	0
Wealth Management	28	(19)	(34)
Capital Markets	47	(98)	(177)
Total GIL[4]	**387**	**(207)**	**(334)**

Key QoQ Drivers of Gross Impaired Loans (GIL)

Personal & Commercial Banking

- Lower impaired loans in Canadian Business Banking portfolio

Wealth Management

- Lower impaired loans as loans have returned to performing status at CNB

Capital Markets

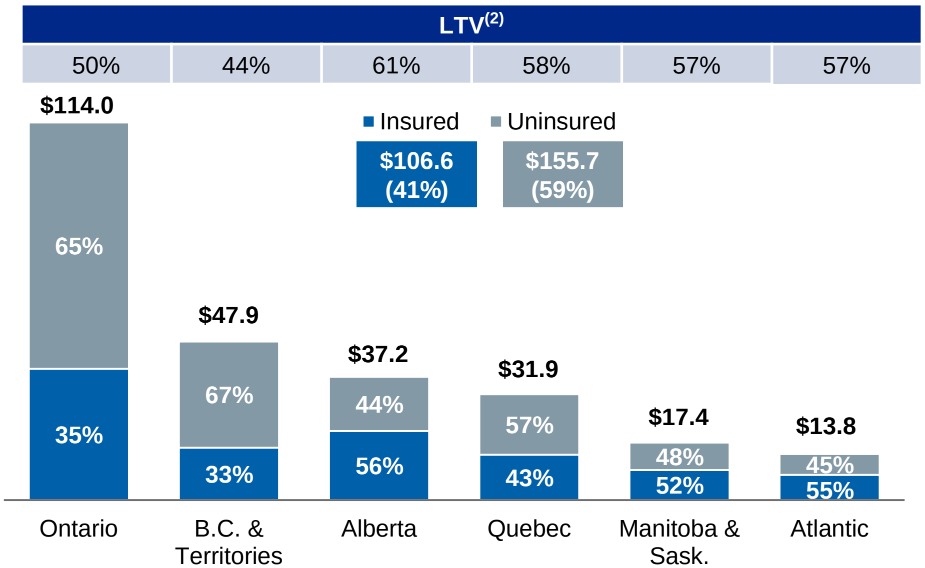
- Lower impaired loans due to repayments in the oil & gas sector

(1) ACI: Acquired Credit Impaired. (2) We are excluding acquired impaired loans from GIL that have returned to performing status on a prospective basis, commencing in Q1/2018. As at July 31, 2018, $20 million of ACI loans that remain impaired are included in GIL. (3) Includes loan write-offs, new impaired loans, loan repayments, loans returning to performing, foreign exchange and other. (4) Total GIL includes Insurance, Investor and Treasury Services and Corporate Support.

Canadian residential portfolio has strong underlying credit quality

Canadian Residential Mortgage Portfolio[1]

As at July 31, 2018 ($ billions)



Canadian Banking Residential Lending Portfolio[2]

As at July 31, 2018

	Total ($279BN)	Uninsured ($196BN)
Mortgage	**$239.0BN**	**$155.7BN**
HELOC	**$40.2BN**	**$40.2BN**
LTV [2]	**52%**	**50%**
GVA	42%	41%
GTA	48%	48%
Average FICO Score[2]	**788**	**795**
90+ Days Past Due[2][3]	**19 bps**	**17 bps**
GVA	7 bps	6 bps
GTA	6 bps	7 bps

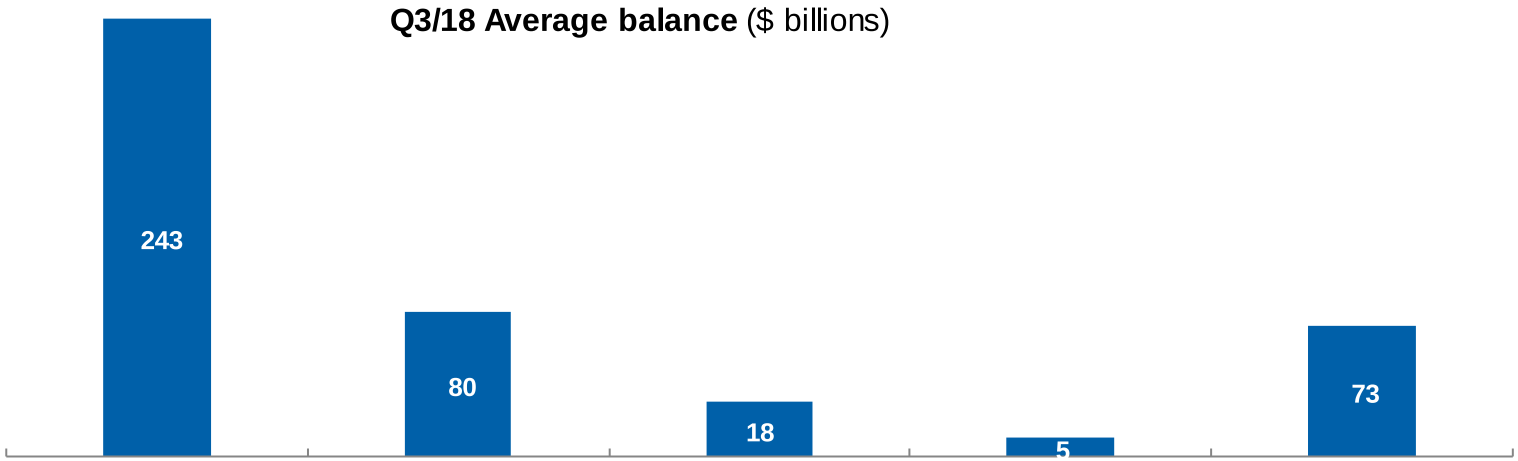
Canadian Mortgage Portfolio

- Average remaining amortization on mortgages of 18 years
- Strong underlying quality of uninsured portfolio[2]
  - 48% of uninsured portfolio have a FICO score >800
- Greater Toronto Area and Greater Vancouver Area average FICO scores are above the Canadian average
- Condo exposure is ~10% of residential lending portfolio

(1) Canadian residential mortgage portfolio of $262BN comprised of $239BN of residential mortgages, $7BN of mortgages with commercial clients ($4BN insured) and $16BN of residential mortgages in Capital Markets held for securitization purposes. (2) Based on $239BN in residential mortgages and HELOC in Canadian Banking ($40BN). Based on spot balances. Totals may not add due to rounding. (3) The 90+ day past due rate includes all accounts that are either 90 days or more past due or are in impaired status.

Strong credit quality of Canadian Banking portfolio

Stable PCL across our Canadian Banking business lines



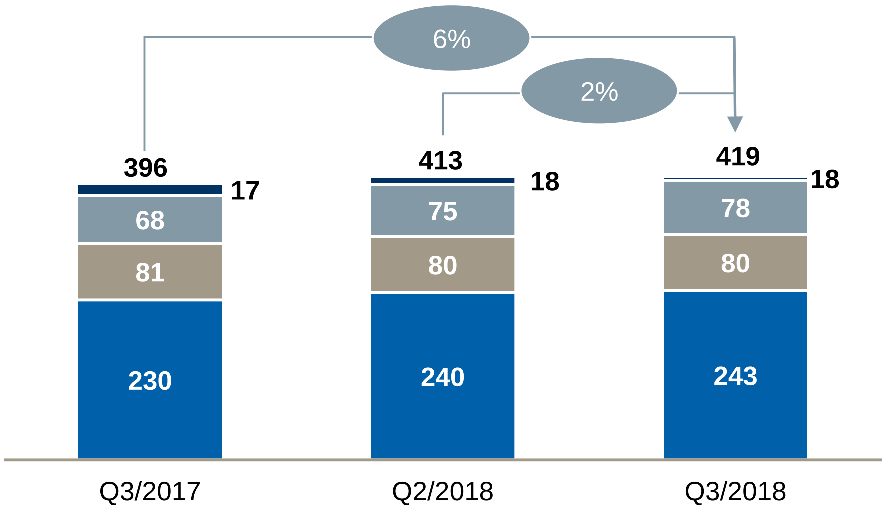
	Residential Mortgages			Personal Lending			Credit Cards			Small Business			Commercial[3]		
	Q3/17	Q2/18	**Q3/18**	Q3/17	Q2/18	**Q3/18**	Q3/17	Q2/18	**Q3/18**	Q3/17	Q2/18	**Q3/18**	Q3/17	Q2/18	**Q3/18**
PCL on Impaired Loans ($MM) [1][2]	$8	$7	**$10**	$101	$107	**$117**	$107	$119	**$116**	$7	$7	**$9**	$36	$21	**$8**
PCL on Impaired Loans (bps) [1][2]	1	1	**2**	49	54	**56**	247	277	**249**	63	67	**75**	23	12	**5**
90+ Days Past Due (bps)	20	19	**17**	26	28	**29**	66	76	69	87	91	**92**	69	70	53

(1) Effective November 1, 2017, we adopted IFRS 9, which introduced a three-stage expected credit loss impairment model that differs significantly from the incurred loss model under IAS 39. (2) Calculated using average net of allowance on impaired loans. (3) Commercial excluding Small Business.

Appendices

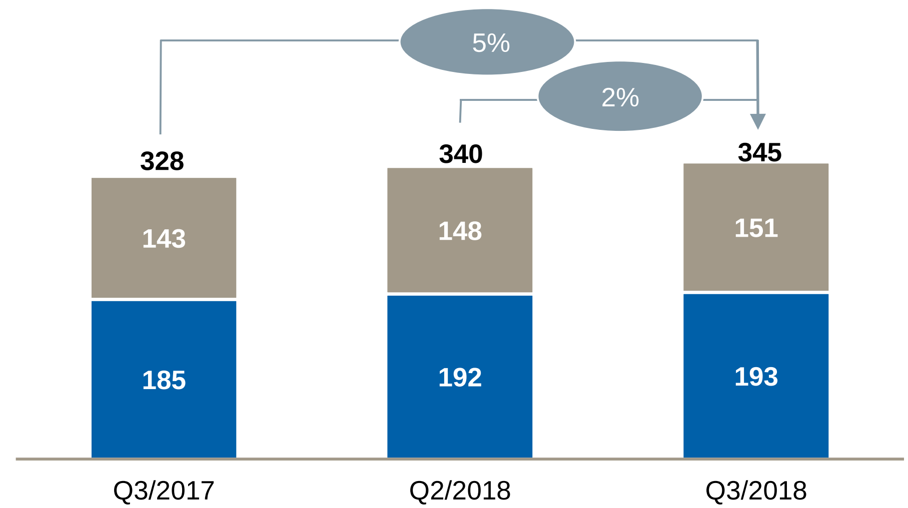
Canadian Banking benefitted from higher spreads and volume growth

Average Gross Loans & Acceptances[(1)] *($ billions)*



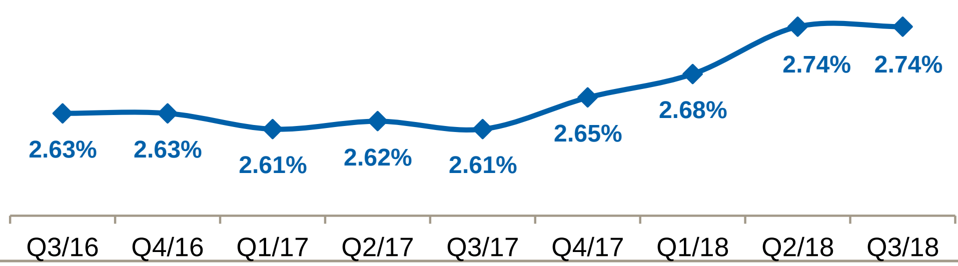
Percentage Change[(1)]		YoY	QoQ
Residential Mortgages	■	5.9%	1.2%
HELOC	■	(2.9%)	0.0%
Other Personal	■	1.3%	0.5%
Credit Cards	■	7.6%	4.5%
Business (Including Small Business)	■	13.5%	3.3%

Average Deposits[(1)] *($ billions)*

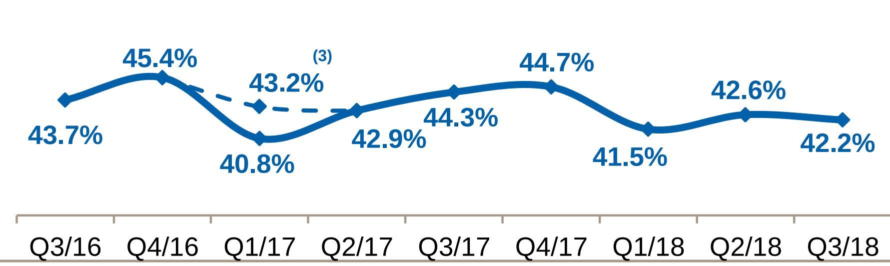


Percentage Change[(1)]		YoY	QoQ
Personal Deposits	■	4.4%	0.9%
Business Deposits	■	5.8%	2.4%

Net Interest Margin



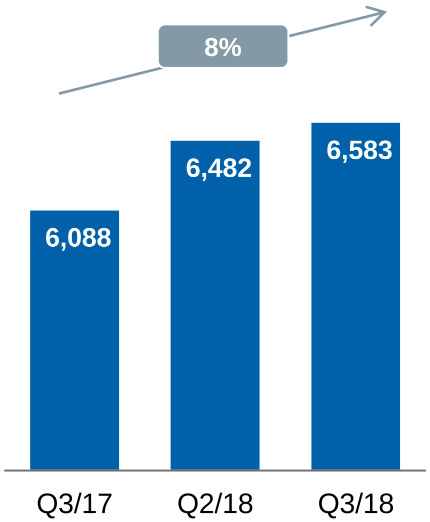
Efficiency Ratio[(2)]



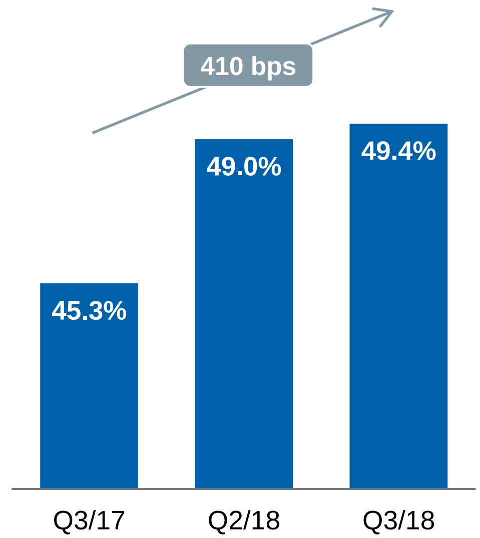
(1) Totals may not add and percentage change may not reflect actual change due to rounding. (2) Effective Q4/2017, service fees and other costs incurred in association with certain commissions and fees earned are presented on a gross basis in non-interest expense. Comparative amounts have been reclassified to conform with this presentation. (3) Efficiency ratio: Non-interest expense as a percentage of total revenue. Adjusted efficiency ratio excludes our share of a gain of $212 million before-and-after tax related to the sale of the U.S. operations of Moneris Solutions Corporation (Moneris gain on sale). This is a non-GAAP measure. For more information and a reconciliation, see slides 28 and 29.

Transforming the distribution network in Canadian Banking

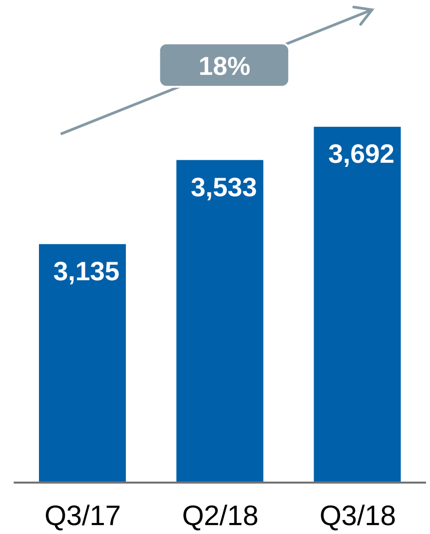
Active Digital Users[1]



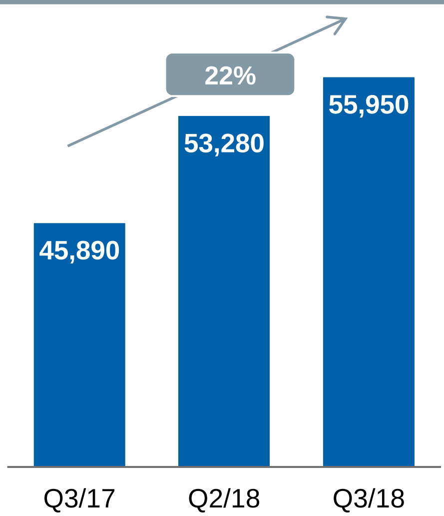
Digital Adoption Rate[2]



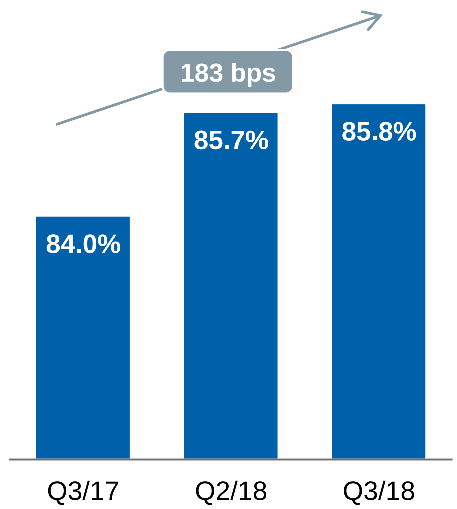
Active Mobile Users[1]



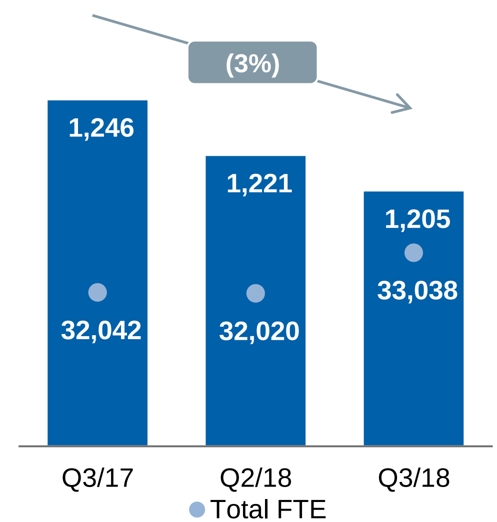
Mobile Sessions[3]



Self-Serve Transactions[4]



Branches



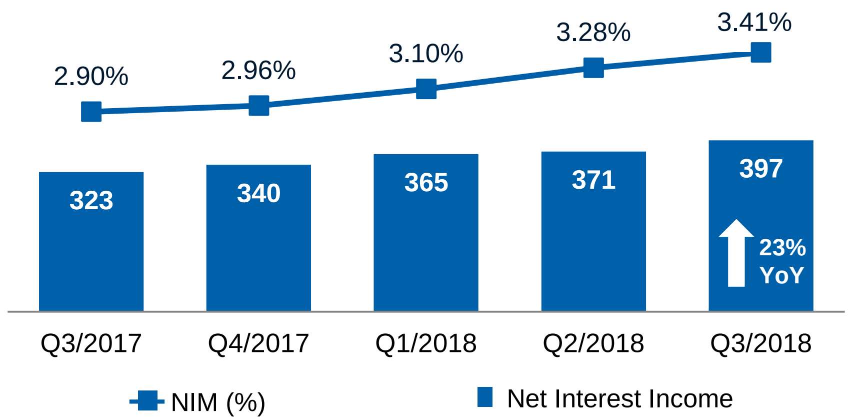
(1) These figures (in 000s) represent the 90-Day Active customers in Canadian Banking only and are spot values. (2) Digital Adoption rate calculated using 90-day active users. (3) These figures (in 000s) represents the total number of application logins using a mobile device. (4) Financial transactions only.

Continued momentum in U.S. Wealth Management (including CNB)

U.S. Wealth Management (including CNB)(1)

US$ millions (unless otherwise stated)	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
Revenue	963	992	1,100	977	1,101
Provision For Credit Loss	18	1	-	(14)	2
Expenses	769	806	855	793	863
Net Income	**140**	**135**	**196**	**165**	**202**
Adjusted Net Income(2)	**168**	**164**	**208**	**194**	**214**
AUA ($BN)	330.5	343.2	368.1	357.3	375.2
AUM ($BN)	86.7	92.3	99.5	98.2	103.9
CNB Loans ($BN)	28.8	29.8	30.7	32.0	33.1
CNB Deposits ($BN)	40.3	41.9	42.5	42.0	41.7
CNB Net Income	**79**	**73**	**114**	**111**	**134**

CNB NIM and Net Interest Income (US$ millions)



Q3/2018 Highlights

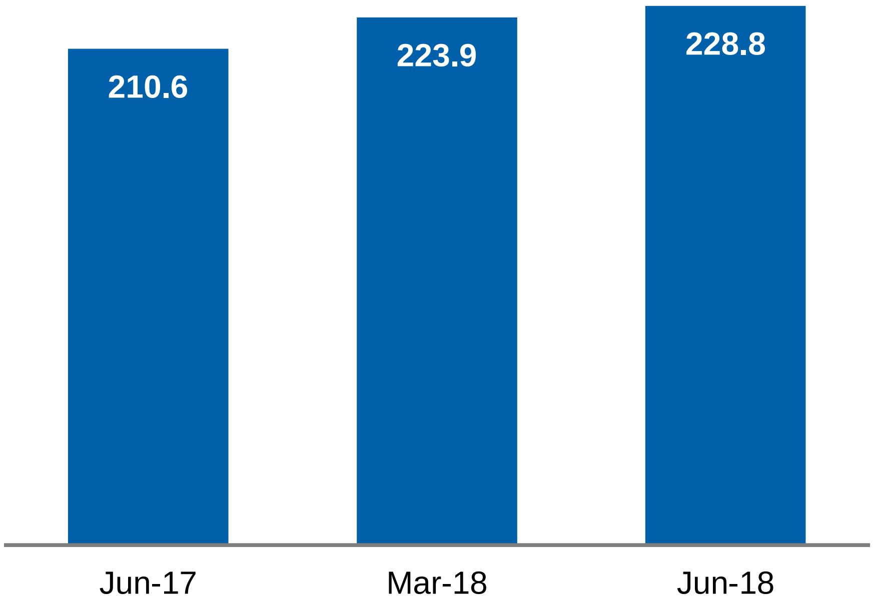
- Net income up 44% YoY (up 30% YoY excluding this quarter's gain related to the sale of a mutual fund product and transfer of its associated team)(3)
- Higher average fee-based client assets reflecting capital appreciation and net sales
  - AUM growth of 20% YoY
  - AUA growth of 14% YoY
- Credit quality remains strong
- Higher costs related to business growth and technology initiatives as we continue to invest in our U.S. growth strategy
- Higher net interest income reflecting strong volume growth and the impact of higher U.S. interest rates
  - Strong double-digit loan growth of 15% YoY at CNB, with deposit growth of 3%
  - CNB represents the substantial portion of U.S. Wealth Management's net interest income and PCL
- Margin improvement largely driven by U.S. rate increases, and a shift in portfolio mix toward higher yielding loans versus securities

(1) Excludes corporate support. All balance sheet figures represent average balances. (2) Adjusted net income for every quarter exclude CNB's amortization of intangibles and integration costs, which were US$32MM after-tax (US$44MM before-tax) in Q3/2018. Q1/2018 excludes a US$19MM after-tax (US$27MM before-tax) favourable accounting adjustment related to City National. Q3/2018 excludes a US$20MM after-tax (US$30MM before-tax) gain related to the sale of a mutual fund product and transfer of its associated team. These are a non-GAAP measures. For more information, see slide 29. (3) This is a non-GAAP measure. For more information, see slide 29.

Stable growth in Canadian retail assets under management

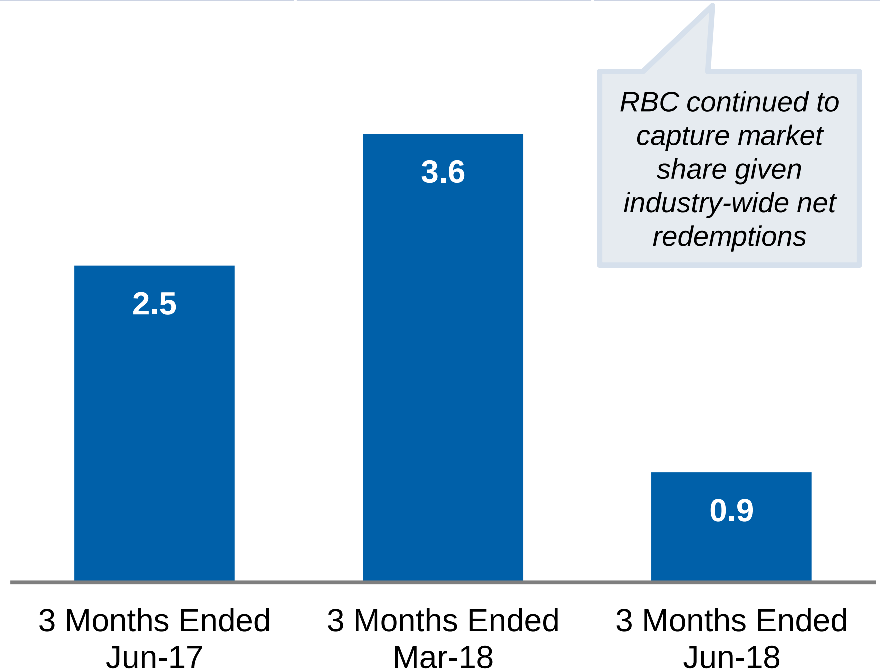
Assets Under Management ($ billions)

All-in Market Share[1]		
14.9%	15.1%	15.1%



Net Sales ($ billions)

All-in Market Share[1]		
19.3%	24.8%	NMF[2]

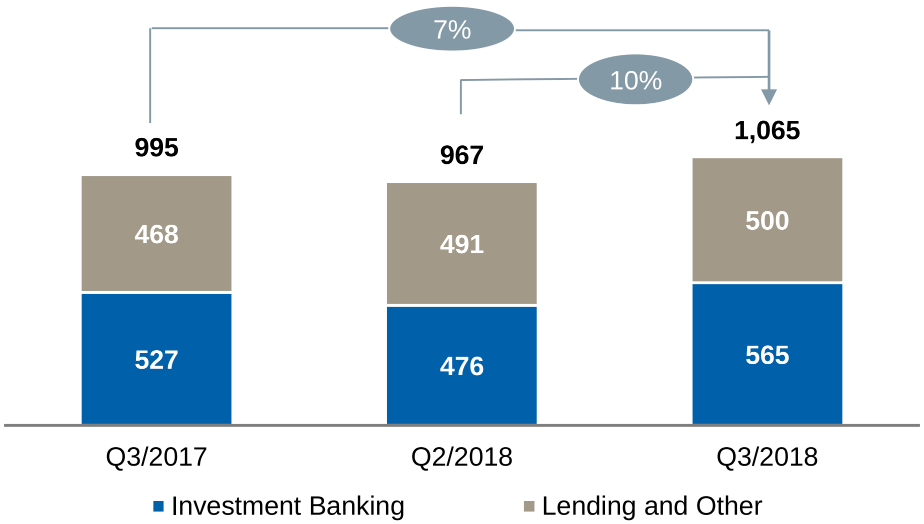


- RBC Global Asset Management (GAM) ranks #1 in market share by AUM with 15.1% of all-in[1] share amongst the bank fund companies; RBC had market share of 32.9%
- RBC GAM captured on average 31.2% of total industry net sales for the past 12 months[1]

(1) Investment Funds Institute of Canada (IFIC) as at June 2018 and RBC reporting. Comprised of long-term funds and money market funds. (2) Not meaningful.

Capital Markets revenue breakdown by business

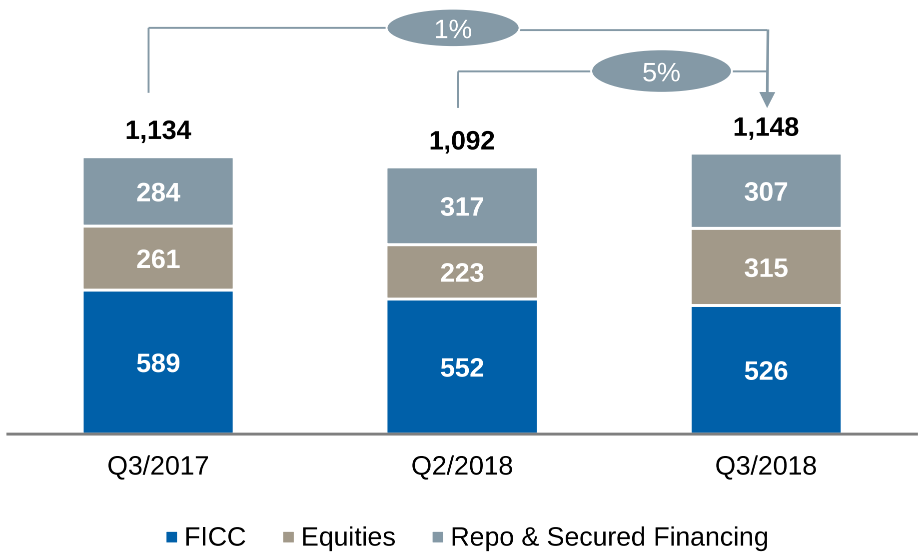
Corporate and Investment Banking Revenue Breakdown by Business ($ millions)



YoY:
- Higher loan syndication, largely in the U.S. and Europe
- Higher equity origination in North America
- Higher lending revenues, largely in North America
- Higher municipal banking activity in the U.S.
- Partially offset by higher investment gains in the prior year

QoQ:
- Higher loan syndication across all regions
- Higher equity origination in Canada
- Higher advisory fees mainly in North America
- Partially offset by decreased Municipal Banking revenue and lower investment gains

Global Markets Revenue Breakdown by Business ($ millions)

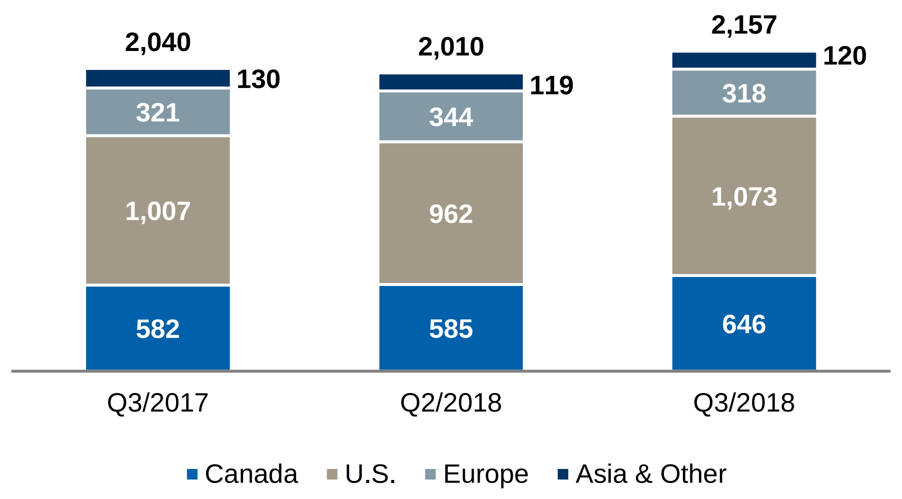


YoY:
- Strong equities trading in the U.S.
- Higher equity origination primarily in Canada
- Partially offset by softer fixed income trading in the U.S. and Europe

QoQ:
- Strong equities trading in North America
- Higher equity origination across all regions
- Higher fixed income trading, mainly in Canada
- Partially offset by lower gains from the disposition of certain securities

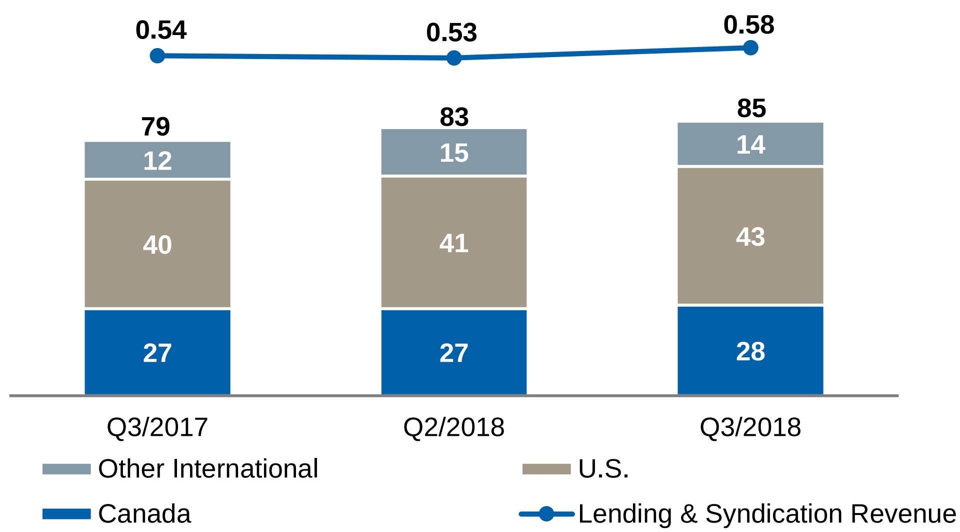
Capital Markets revenue and loan breakdown by geography

Capital Markets Revenue Breakdown by Geography ($ millions)



- **Canada:** Up YoY driven by higher trading across all products and increased equity and debt underwriting, partially offset by lower loan syndication and advisory fees
- **U.S.:** Up YoY due to strong equity trading, higher advisory fees, and increased loan syndication activity, partially offset by lower debt underwriting and lighter fixed income trading
- **Europe:** Down YoY due to lower advisory fees and softer equity and fixed income trading, partly offset by higher loan syndication, higher debt underwriting, and increased foreign exchange trading
- **Asia & Other:** Down YoY reflecting softer equities and fixed income trading, partially offset by higher lending revenues

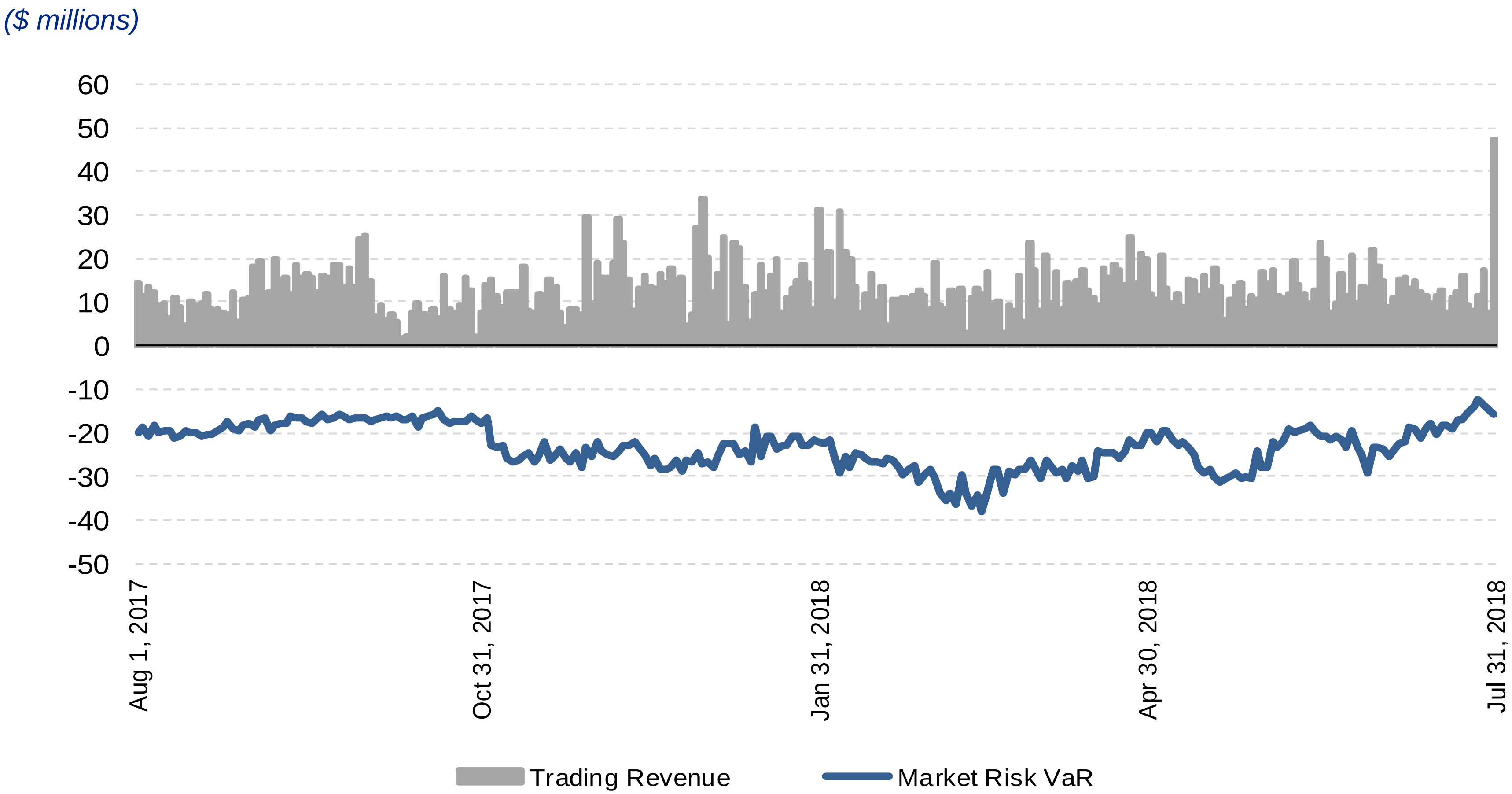
Capital Markets Lending & Syndication Revenue and Average Loans Outstanding by Geography (1) ($ billions)



- Continue to deepen and optimize client relationships
- Diversification driven by strict limits on a single name basis, country, industry and product levels across all businesses, portfolios, transactions and products
- Consistent lending standards throughout the cycle
- Approximately 59% of our total Capital Markets exposure(2) is investment grade

(1) Average loans outstanding includes wholesale loans, acceptances, and off balance sheet letters of credit and guarantees for our Capital Markets portfolio, on single name basis. Excludes mortgage investments, securitized mortgages and other non-core items. This is a non-GAAP measure. For more information, see slide 29. (2) Total exposure represents exposure at default (EAD) which is the expected gross exposure upon the default of an obligor.

Market risk trading revenue and VaR



During the quarter, there were no days with net trading losses

Items impacting 2017 and 2018 results

Specified Item: Moneris Gain on Sale ($ millions, except for EPS and percentages)	**Reported**	**Moneris Gain on Sale**[(1)]	**Adjusted**[(2)]
Q1/2017			
Consolidated			
Net Income	$3,027	($212)	$2,815
Basic EPS	$1.98	($0.14)	$1.84
Diluted EPS	$1.97	($0.14)	$1.83

(1) Personal & Commercial Banking and Canadian Banking. (2) These are non-GAAP measures. For more information, see slide 29.

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, including results excluding Corporate Support, results excluding our share of a gain related to the sale of the U.S. operations of Moneris Solutions Corporation (Moneris gain on sale), results excluding the gain related to the reorganization of Interac, Capital Markets average loans and acceptances excluding certain items, revenue net of Insurance fair value change of investments backing our policyholder liabilities, adjusted net income, and NIM excluding acquired credit-impaired loans 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” sections of our Q3 2018 Report to Shareholders and our 2017 Annual Report.

Definitions can be found under the “Glossary” sections in our Q3 2018 Supplementary Financial Information and our 2017 Annual Report.

Investor Relations Contacts

Dave Mun, Senior Vice President & Head	(416) 974-4924
Asim Imran, Senior Director	(416) 955-7804
Jennifer Nugent, Senior Director	(416) 955-7805

www.rbc.com/investorrelations