Royal Bank of Canada
Second Quarter Results

May 23, 2019

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 Q2 2019 Report to Shareholders and Q2 2019 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 other filings with Canadian regulators or the SEC, in other reports to shareholders, and in other communications. Forward-looking statements in this document include, but are not limited to, statements relating to our financial performance objectives, vision and strategic goals. The forward-looking information contained in this presentation is presented for the purpose of assisting the holders of our securities and financial analysts in understanding our financial position and results of operations as at and for the periods ended on the dates presented, 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 2018 Annual Report and the Risk management section of our Q2 2019 Report to Shareholder; including global uncertainty, Canadian housing and household indebtedness, information technology and cyber risk, regulatory changes, digital disruption and innovation, data and third party related risks, climate change, 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 Economic, market and regulatory review and outlook section and for each business segment under the Strategic priorities and Outlook headings in our 2018 Annual Report, as updated by the Economic, market and regulatory review and outlook section of our Q2 2019 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 2018 Annual Report and the Risk management section of our Q2 2019 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

Continued momentum with strong client-driven revenue growth

Revenue
$11.5 Billion
+14% YoY

+9% YoY[1] net of Insurance fair value change

Strong Revenue Growth

- Revenue growth across most of our segments including Wealth Management, Personal & Commercial Banking, Capital Markets, and Insurance

Net Income
$3.2 Billion
+6% YoY

Solid Earnings Growth

- Diluted EPS of $2.20, up 7% YoY
  - Adjusted diluted EPS of $2.23[2], up 6% YoY

CET1 Ratio
11.8%
+40 bps QoQ

Strong Capital & Premium ROE

- ROE of 17.5%[3], up 80 bps QoQ
- YTD dividend payout ratio of 46%
- Over $1.4 billion distributed to common shareholders in Q2/19

PCL Ratio on Loans[4]
29 bps
(5 bps) QoQ

Stable Underlying Credit Quality

- PCL ratio on impaired loans of 29 bps, up 1 bp QoQ; PCL ratio on performing loans down 6 bps QoQ
- GIL ratio of 49 bps, up 3 bps QoQ

Expenses
$5.9 Billion
+8% YoY

Investing for Long-Term Growth

- Continued investments in talent, digital initiatives and technology, and marketing to support long-term business growth

Mobile Users
4.1 Million[5]
+17% YoY

Increased Mobile Adoption

- 7 million active digital users[5]
- Digital adoption rate of 52%, up 300 bps YoY (see slide 19)

(1) Revenue net of Insurance fair value change of investments (Q2/19: $383MM; Q2/18: -$174MM) is a non-GAAP measure. For more information, see slide 27. (2) Q2/2019 adjusted diluted EPS calculated by adding back after-tax effect of amortization of other intangibles of $56MM and dilutive impact of exchangeable shares of $3MM. This is a non-GAAP measure. For more information, see slide 27. (3) Return on Equity (ROE). This measure 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 27. (4) PCL ratio on loans is calculated using PCL on loans as a percentage of average net loans and acceptances. (5) These figures represent the 90-Day Active customers in Canadian Banking only.

Financial Review

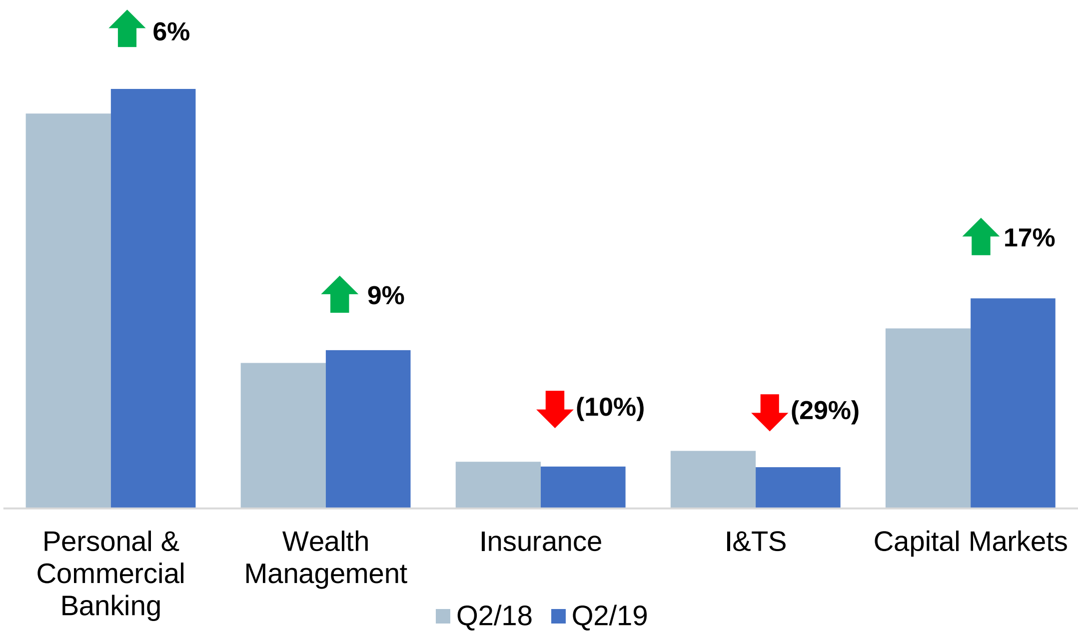
Rod Bolger

Chief Financial Officer

Strong earnings driven by revenue growth

($ millions, except for EPS and ROE)	Q2/2019	Reported	
		YoY	QoQ
Revenue	$11,499	14%	(1%)
Revenue Net of Insurance Fair Value Change[(1)]	11,116	9%	(2%)
Non-Interest Expense	5,916	8%	0%
Pre-Provision, Pre-Tax Earnings[(2)]	**4,423**	**7%**	**(1%)**
Provisions for Credit Losses	426	55%	(17%)
Income Before Income Taxes	**3,997**	**3%**	**1%**
Net Income	**3,230**	**6%**	**2%**
Diluted Earnings per Share (EPS)	**$2.20**	**7%**	**2%**
Return on Common Equity (ROE)[(3)]	**17.5%**	**(60 bps)**	**80 bps**

Net Income ($ millions)



Earnings

- Q2/2019 net income of $3.2 billion, up 6% YoY; diluted earnings per share (EPS) of $2.20, up 7% YoY
  - Adjusted diluted EPS of $2.23[(4)], up 6% YoY
- ROE of 17.5%[(3)], down 60 bps from last year

Revenue

- Net interest income up 9% YoY, driven by solid volume growth and margin expansion in Canadian Banking and U.S. Wealth Management (including City National)
- Non-interest income up 18% YoY with strong growth in Wealth Management
  - Non-interest income net of Insurance fair value change up 9% YoY[(1)]

Expenses

- Up 8% YoY, partly driven by continued investments in talent, digital initiatives and technology, and marketing to support long-term business growth

Provisions for Credit Losses

- PCL ratio on loans[(5)] of 29 bps, up 9 bps YoY (down 5 bps QoQ) from a low level of 20 bps in Q2/2018
  - PCL ratio on impaired loans of 29 bps, up 7 bps YoY (up 1 bp QoQ) largely related to a couple of commercial accounts in Canadian Banking

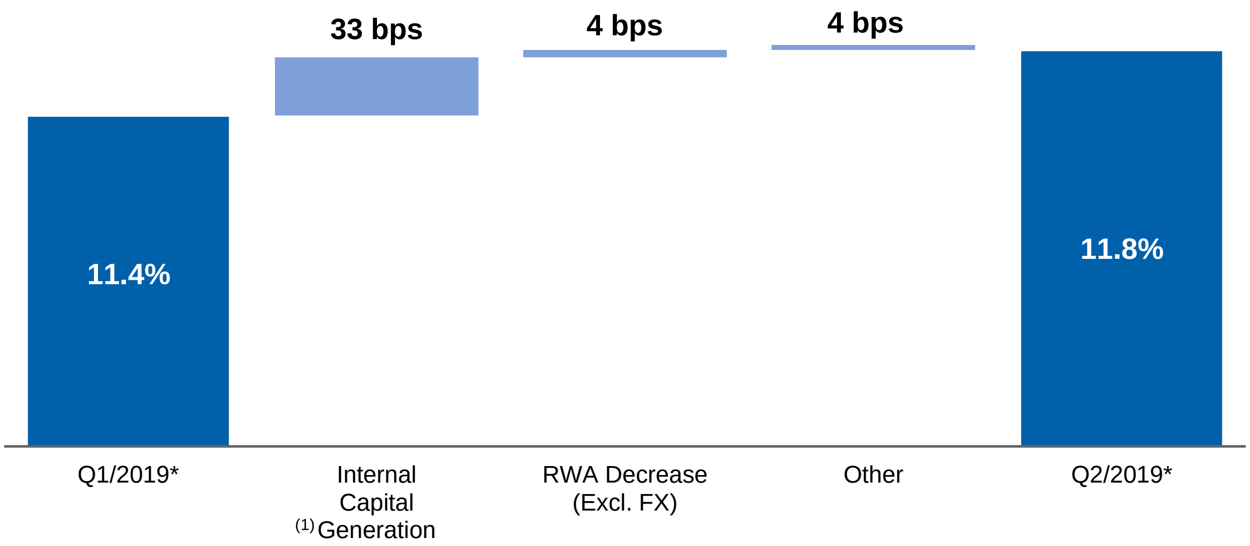
Tax Rate

- Effective tax rate of 19.2%, down from 21.1% last year, mainly due to higher income from lower tax rate jurisdictions and favourable tax adjustments in the current quarter

(1) Revenue and non-interest income net of Insurance fair value change of investments backing policyholder assets of $383MM is a non-GAAP measure. For more information see slide 27. (2) Pre-provision, pre-tax earnings is revenue net of PBCAE and non-interest expenses. This is a non-GAAP measure. For more information, please refer to slide 27. (3) 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 27. (4) Q2/2019 adjusted diluted EPS calculated by adding back after-tax effect of amortization of other intangibles of $56MM and dilutive impact of exchangeable shares of $3MM. This is a non-GAAP measure, for more information see slide 27. (5) PCL ratio on loans is calculated using PCL on loans as a percentage of average net loans and acceptances.

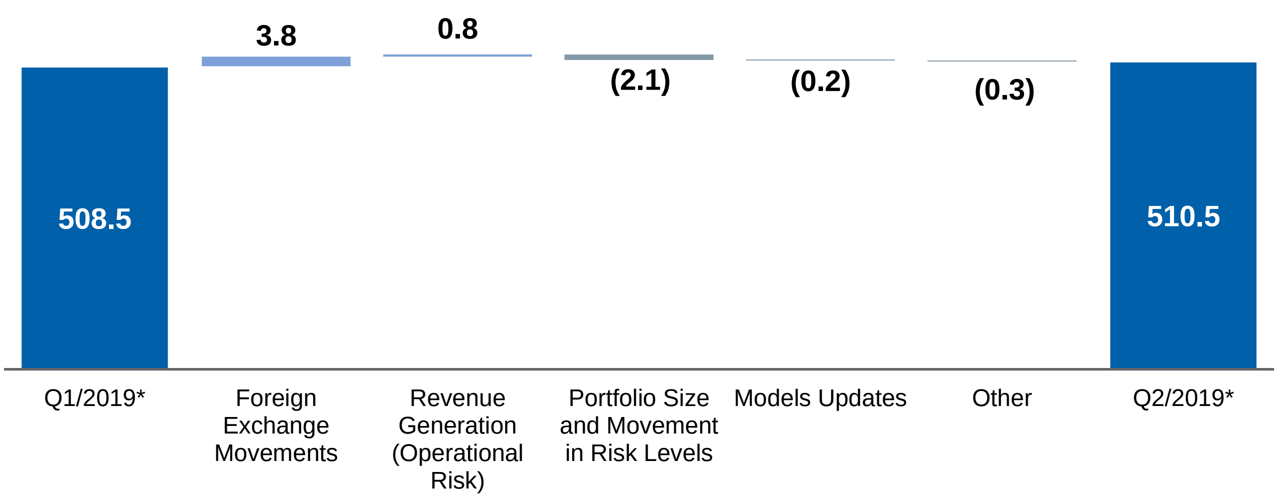
Strong capital ratios continue to be supported by earnings growth

CET1 Movement



- Strong CET1 ratio of 11.8%, up 40 bps QoQ reflecting:
  - Ongoing internal capital generation
  - Lower market risk RWA, partially offset by growth in credit risk RWA to support client business

CET1 Capital RWA Movement ($ billions)



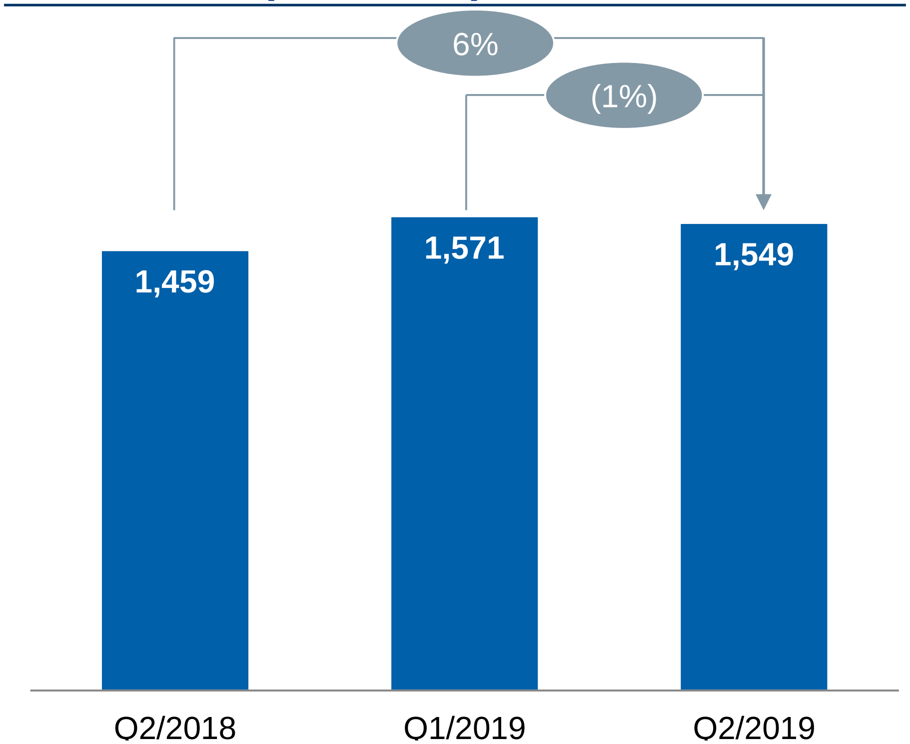
- CET1 RWA increased $2 billion, primarily reflecting foreign exchange impact and loan growth in Personal & Commercial Banking and City National
- Partially offset by:
  - Decrease in market risk RWA in Capital Markets and Investor & Treasury Services

** Represents rounded figures. For more information, refer to the Capital management section of our Q2 2019 Report to Shareholders.*

(1) Internal capital generation of $1.7 billion which represents net income available to shareholders, less common and preferred shares dividends.

Solid results in Personal & Commercial Banking

Net Income ($ millions)



Canadian Banking	Q2/2019
Net Income (YoY)	**2%**
Revenue (YoY)	6%
Assets Under Administration (YoY)[1]	6%
Operating Leverage	1.7%

Q2/2019 Highlights

Canadian Banking

- Net income of $1,460 million, up 2% YoY
  - Pre-provision, pre-tax earnings growth of 7%[2]
- Revenue growth of 6% YoY
  - **Strong deposit growth driving volumes:** Average loan and deposit growth of 5% and 9% YoY, respectively (see slide 18)
  - **Improved spreads:** NIM of 2.80%, up 6 bps YoY (up 1 bp QoQ), largely due to higher deposit spreads
- PCL ratio on impaired loans[3] of 34 bps was up 8 bps YoY (up 7 bps QoQ) related to a couple of commercial accounts
  - PCL on performing loans of 4 bps was up 1 bp YoY (down 1 bp QoQ)
- Non-interest expense up 4% YoY from increased investments in technology, and higher marketing and staff-related costs
  - YTD operating leverage of 0.7%, or 1.2%[4] after excluding last year's gain related to the reorganization of Interac

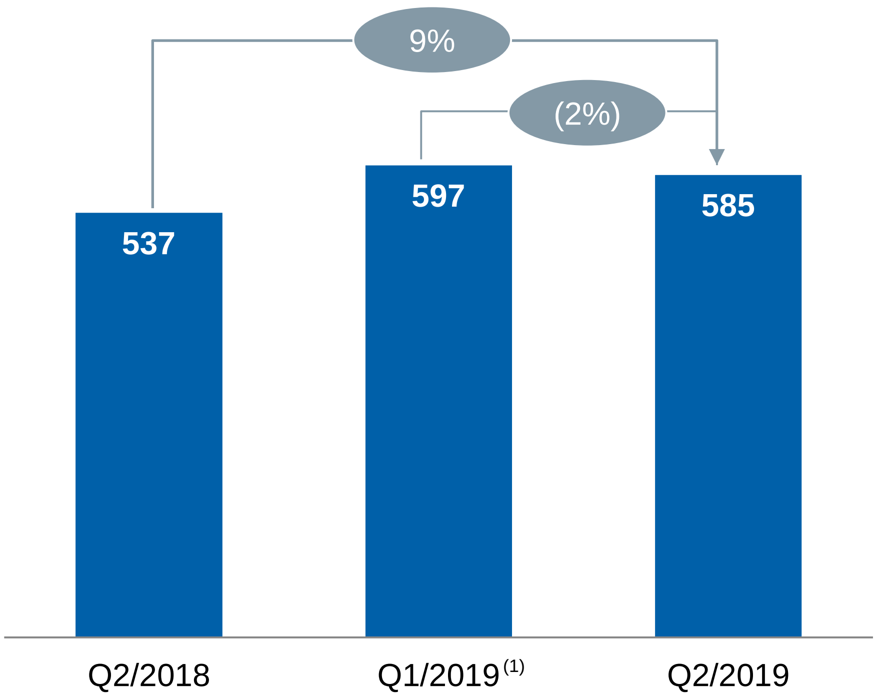
Caribbean & U.S. Banking

- Net income of $89 million, up $56 million YoY largely due to lower PCL and lower non-interest expense

(1) Spot balances. (2) Pre-provision, pre-tax earnings is the difference between revenue and non-interest expenses. *This is a non-GAAP measure. For more information, please refer to slide 27. (3) 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. (4) For the three months ended January 31, 2018, our results included a gain of $27MM after-tax ($31MM pre-tax) related to the reorganization of Interac. Results excluding this gain are non-GAAP measures. For more information, please refer to slide 27.*

Wealth Management results driven by higher loans, rates and markets

Net Income ($ millions)



Efficiency Ratio[2]	Q2/2019	YoY
Wealth Management	74.0%	(0.4 pts)
Wealth Management (Non-U.S.)	67.5%	(0.8 pts)

Client Assets[3]	YoY	QoQ
Assets Under Administration	11%	7%
Assets Under Management	11%	7%

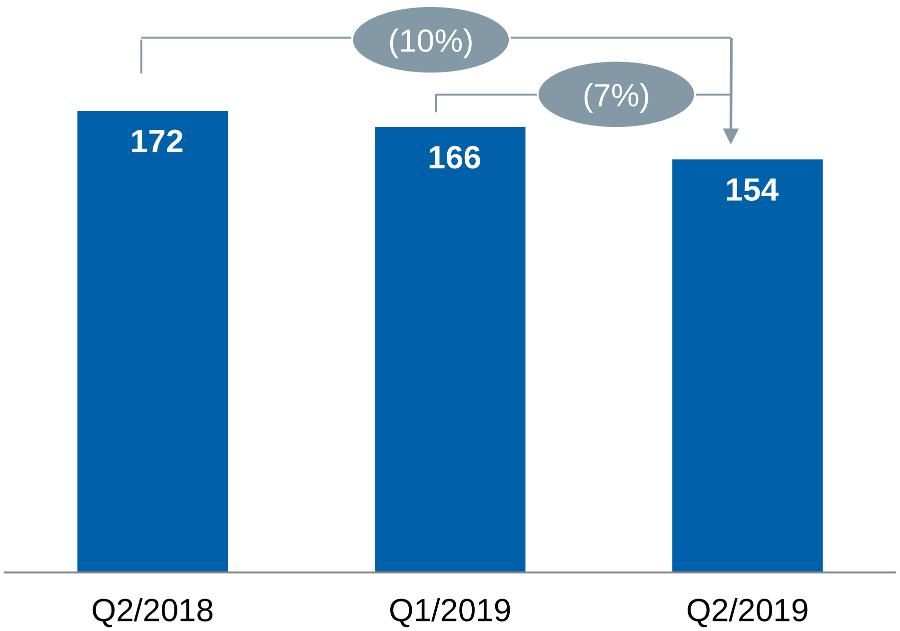
Q2/2019 Highlights

- Net income of $585 million, up 9% YoY
  - Higher net interest income mainly from strong loan growth and higher spreads at City National Bank (CNB)
  - Higher average fee-based client assets reflecting market appreciation and net sales
  - Partially offset by:
    - Increased costs in support of business growth
    - Higher PCL, largely reflecting an increase in provisions on performing loans in CNB
- Net income down 2% QoQ
  - Favourable accounting adjustment related to Canadian Wealth Management in the prior period[1]
  - Lower net interest income reflecting lower spreads and three less days in the quarter
  - Partially offset by higher transaction volumes

(1) Q1/2019 net income for Wealth Management includes an accounting adjustment related to Canadian Wealth Management of C$28MM after-tax (C$39MM before-tax). (2) Percentage change may not reflect actual change due to rounding. (3) Spot balances.

Lower favourable investment related experience impacted Insurance

Net Income ($ millions)

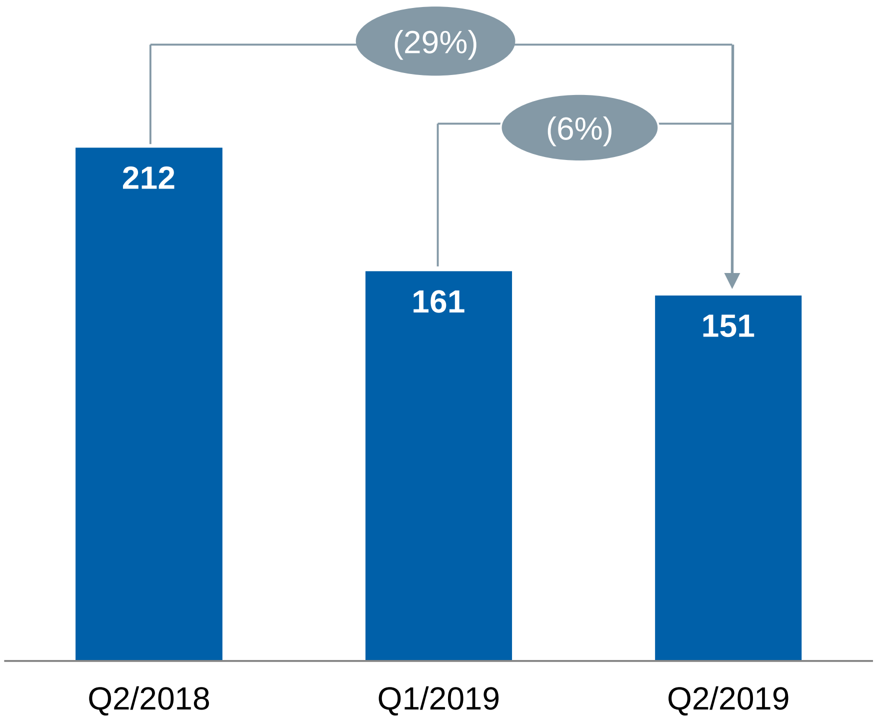


Q2/2019 Highlights

- Net income of $154 million, down 10% YoY
  - Favourable life retrocession contract renegotiations and actuarial adjustments in the universal life portfolio
  - More than offset by:
    - Lower favourable investment related experience
    - Increased disability and life retrocession claims costs
- Net income down 7% QoQ
  - Favourable actuarial adjustments related to the universal life portfolio
  - More than offset by higher claims costs in International Insurance

Investor & Treasury Services results impacted by market conditions

Net Income ($ millions)

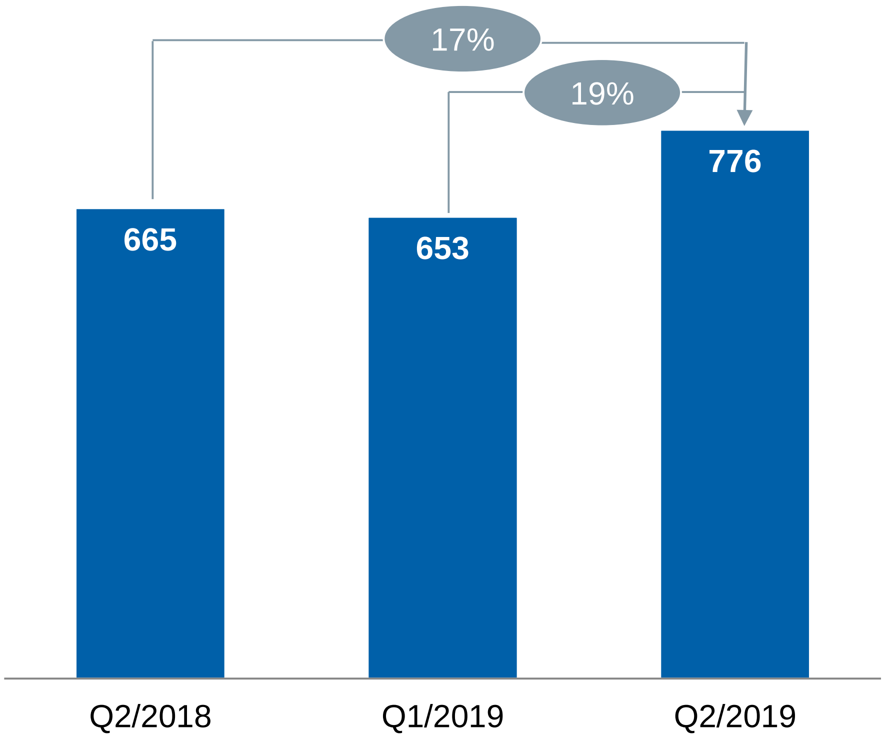


Q2/2019 Highlights

- Net income of $151 million, down 29% YoY
  - Lower Funding & Liquidity revenue driven by:
    - Lower mark-to-market gains from lower short-term interest rates
    - Higher realized gains on securities in the prior year
  - Lower Asset Services revenue reflecting lower client activity
- Net income down 6% QoQ
  - Lower Funding & Liquidity revenue, reflecting the favourable impact of money market opportunities in the prior quarter
  - Partially offset by:
    - The impact of annual regulatory costs incurred in the prior quarter
    - Lower technology costs

Record earnings in Capital Markets driven by strong revenue growth

Net Income ($ millions)



Revenue	YoY	QoQ
Corporate and Investment Banking	0%	5%
Global Markets	13%	1%

Q2/2019 Highlights

- Net income of $776 million, up 17% YoY
  - Higher revenue in Global Markets due to improved market conditions and increased client activity
  - Lower effective tax rate largely reflecting changes in the earnings mix
  - Partially offset by higher compensation on improved results
- Net income up 19% QoQ
  - Higher debt origination in most regions
  - Lower PCL as the prior quarter included higher provisions related to one account in the utilities sector
  - Higher fixed income trading and equity origination, largely in North America
  - Partially offset by:
    - Lower revenue in equity trading, primarily in the U.S.
    - Higher compensation on improved results
    - Lower revenue in foreign exchange trading, largely in Canada

Risk Review

Graeme Hepworth
Chief Risk Officer

Solid underlying credit quality impacted by select commercial PCL

PCL Breakdown by Segment and Stage ($ millions)

($ MM)	Q2/18	Q1/19	Q2/19
PCL on Loans			
Personal & Commercial Banking	**$306**	**$347**	**$385**
Performing	$24	$37	$15
Impaired	$282	$310	$370
Canadian Banking	**$291**	**$341**	**$400**
Performing	$30	$49	$37
Impaired	$261	$292	$363
Wealth Management	**($20)**	**$26**	**$30**
Performing	($21)	$15	$13
Impaired	$1	$11	$17
Capital Markets	**($9)**	**$143**	**$27**
Performing	($23)	$41	($21)
Impaired	$14	$102	$48
Total PCL on Loans(1)	**$278**	**$516**	**$441**
Performing	($20)	$93	$6
Impaired	$298	$423	$435
PCL on Other Financial Assets	**($4)**	**($2)**	**($15)**
Performing	($4)	($5)	($8)
Impaired	$0	$3	($7)
Total PCL	**$274**	**$514**	**$426**

Key Drivers of PCL (QoQ)

PCL on Performing Loans

- Decreased $87 million QoQ driven by favourable changes in macroeconomic variables, largely in Capital Markets and Personal & Commercial Banking

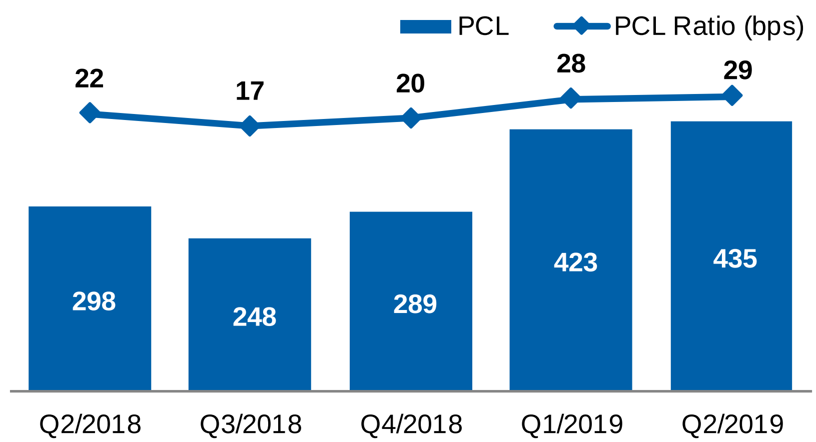
PCL on Impaired Loans

- **Personal & Commercial Banking:** PCL up $60 million QoQ largely reflecting an increase in provisions on impaired loans in Canadian Banking, mainly related to a couple of commercial accounts
- **Wealth Management:** PCL up $6 million largely related to higher provisions in CNB
- **Capital Markets:** PCL down $54 million QoQ as the prior quarter included higher provisions related to one account in the utilities sector

(1) In addition to the segments above, PCL on loans also includes Caribbean and U.S. Banking, Investor & Treasury Services, Insurance and Corporate Support.

Higher GIL formations in the oil and gas sector

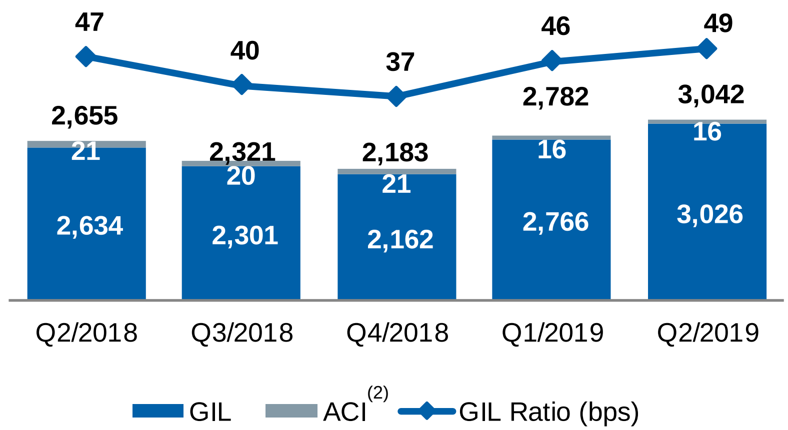
PCL Ratio on Impaired Loans ($ millions)



PCL Ratio on Impaired Loans by Segment

PCL Ratio on Impaired Loans (bps)	Q2/18	Q3/18	Q4/18	Q1/19	Q2/19
Canadian Banking	26	25	26	27	34
Wealth Management	1	(6)	4	7	12
Capital Markets	7	(6)	7	41	19
PCL Ratio on Impaired Loans[1]	**22**	**17**	**20**	**28**	**29**
PCL Ratio on Performing Loans	**(2)**	**6**	**3**	**6**	**0**

Gross Impaired Loans ($ millions)



Impaired Formations ($ millions)

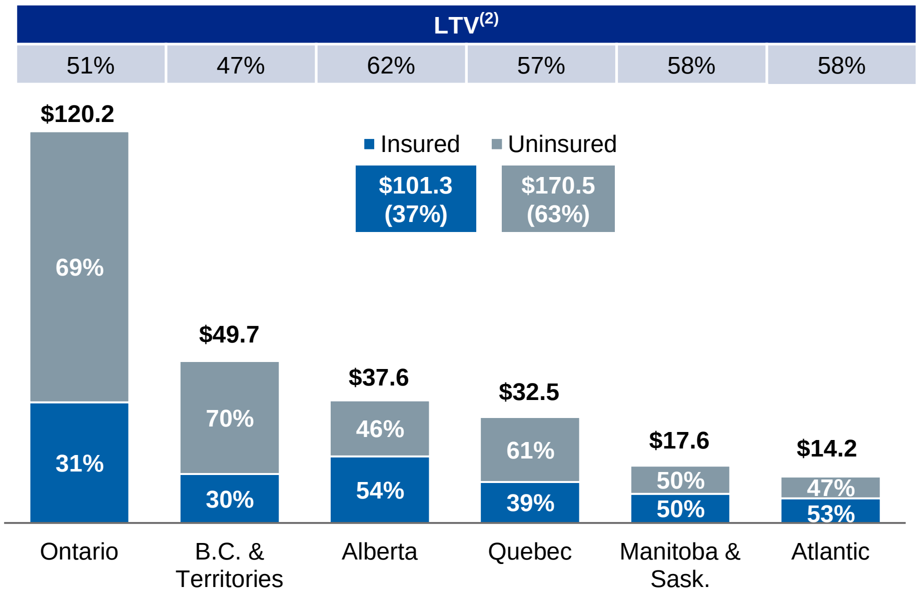
Segments	New Formations		Net Formations (3)
	Q2/2019	QoQ	
Personal & Commercial Banking	557	128	133
Canadian Banking	522	138	152
Caribbean & U.S. Banking	35	(10)	(19)
Wealth Management	54	(9)	20
Capital Markets	551	(90)	107
Total GIL[4]	**1,162**	**29**	**260**

(1) In addition to the items above, PCL on impaired loans also includes Caribbean and U.S. Banking, Investor & Treasury Services, Insurance and Corporate Support. (2) ACI: Acquired Credit Impaired. (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.

Strong underlying credit quality in our Canadian residential portfolio

Canadian Residential Mortgage Portfolio[1]

As at April 30, 2019 ($ billions)



Canadian Mortgage Portfolio

- Average remaining amortization on mortgages of 18 years
- Strong underlying quality of uninsured portfolio
  - ~50% of uninsured portfolio have a FICO score >800
- Greater Toronto Area (GTA) and Greater Vancouver Area (GVA) average FICO scores are above the Canadian average
- Average LTV ratio for newly originated and acquired uninsured residential mortgages is <70% for both the GTA and GVA
- Condo exposure is ~10% of residential lending portfolio

Canadian Banking Residential Lending Portfolio[2]

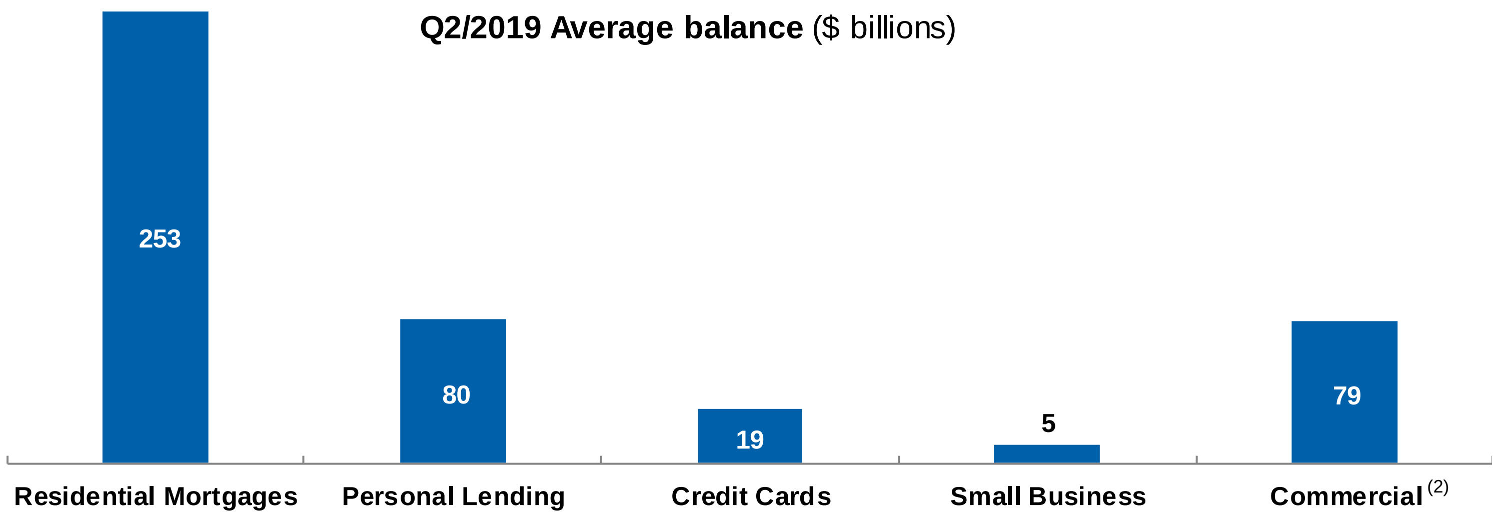
As at April 30, 2019

	Total ($287.6BN)	Uninsured ($210.1BN)
Mortgage	**$248.0BN**	**$170.5BN**
HELOC	**$39.6BN**	**$39.6BN**
LTV [2]	**53%**	**52%**
GVA	44%	44%
GTA	49%	49%
Average FICO Score[2]	**791**	**798**
90+ Days Past Due[2][3]	**19 bps**	**16 bps**
GVA	8 bps	8 bps
GTA	6 bps	5 bps

(1) Canadian residential mortgage portfolio of $272BN comprised of $248BN of residential mortgages, $7BN of mortgages with commercial clients ($4BN insured) and $17BN of residential mortgages in Capital Markets held for securitization purposes. (2) Based on $248BN in residential mortgages and HELOC in Canadian Banking ($39.6BN). 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.

Stable retail PCL in Canadian Banking offset by higher commercial PCL

PCL on Impaired Loans Across our Canadian Banking Business Lines



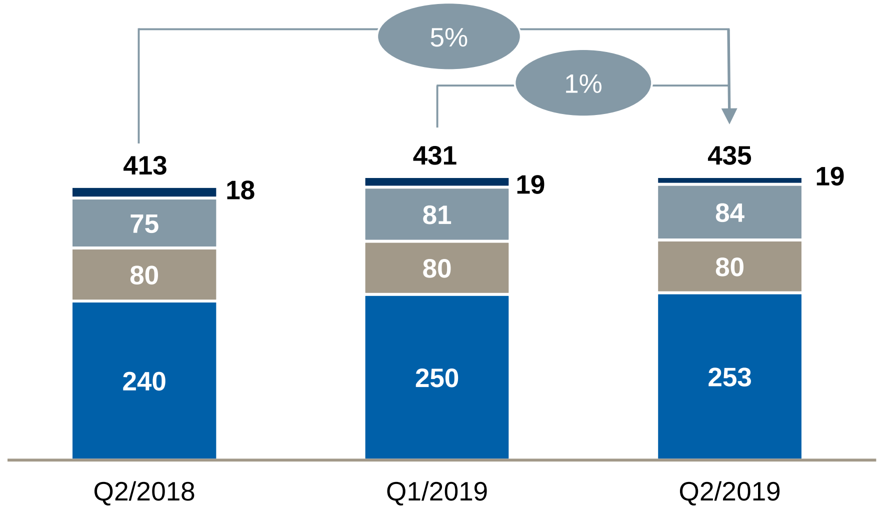
	Residential Mortgages			Personal Lending			Credit Cards			Small Business			Commercial (2)		
	Q2/18	Q1/19	**Q2/19**	Q2/18	Q1/19	**Q2/19**	Q2/18	Q1/19	**Q2/19**	Q2/18	Q1/19	**Q2/19**	Q2/18	Q1/19	**Q2/19**
PCL on Impaired Loans ($MM)	$7	$10	**$6**	$107	$121	**$116**	$119	$116	**$122**	$7	$5	**$9**	$21	$41	**$110**
PCL on Impaired Loans (bps)(1)	1	2	**1**	54	59	**59**	277	242	**269**	67	42	**76**	12	22	**58**
90+ Days Past Due (bps)	19	18	**18**	28	31	**31**	76	67	73	91	94	95	**70**	50	67

(1) Calculated using average net of allowance on impaired loans. (2) Commercial excludes Small Business.

Appendices

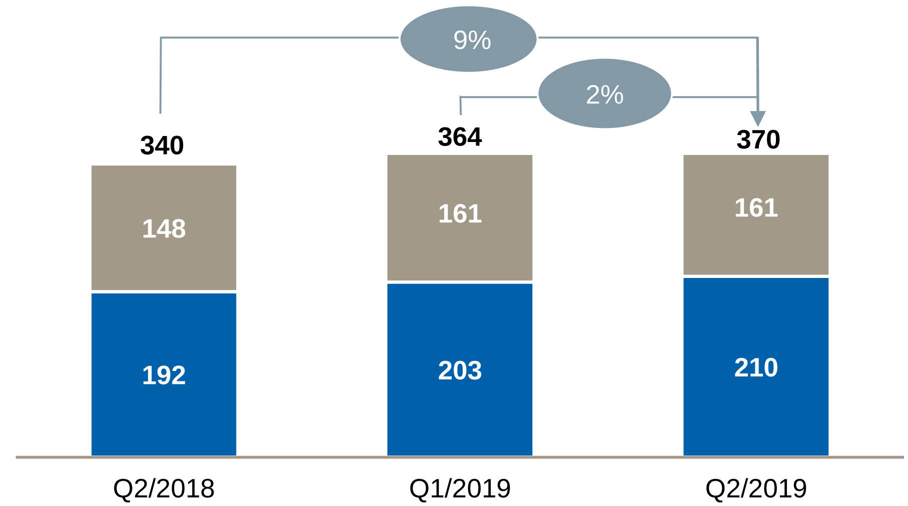
Canadian Banking benefitted from volume growth and higher spreads

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



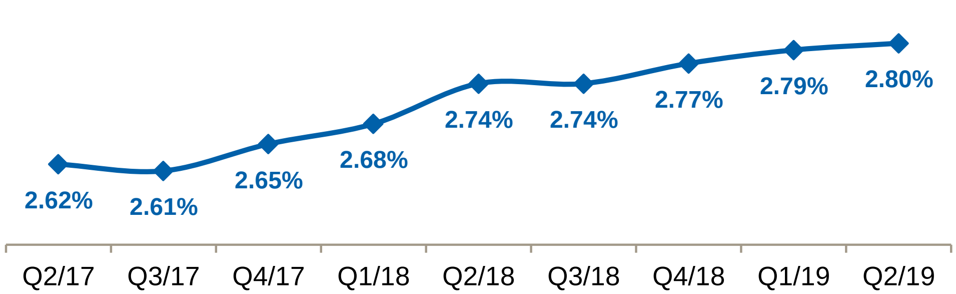
Percentage Change[1]	YoY	QoQ
Residential Mortgages	5.2%	1.0%
HELOC	(2.0%)	(0.8%)
Other Personal	1.0%	(0.5%)
Credit Cards	5.7%	(2.1%)
Business (Including Small Business)	11.9%	3.2%

Average Deposits[1] *($ billions)*

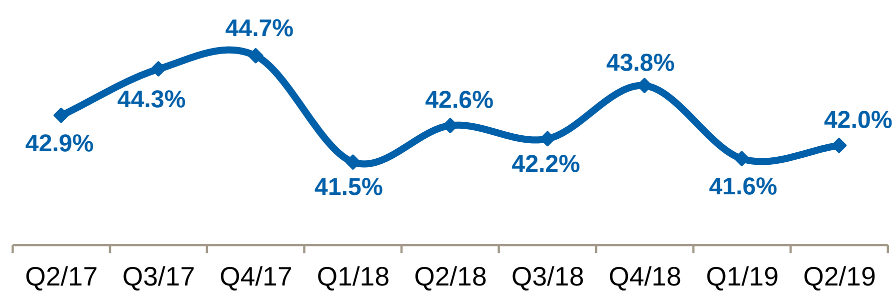


Percentage Change[1]	YoY	QoQ
Personal Deposits	9.3%	3.4%
Business Deposits	8.7%	0.0%

Net Interest Margin



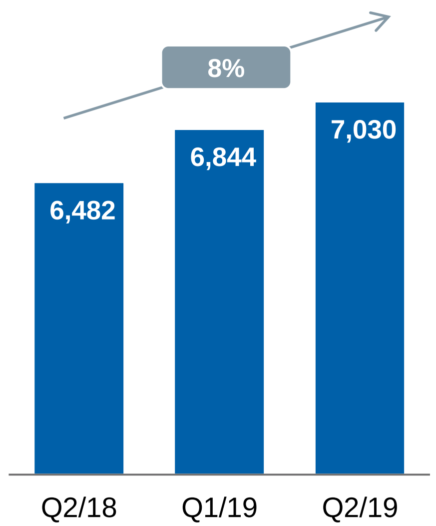
Efficiency Ratio[2]



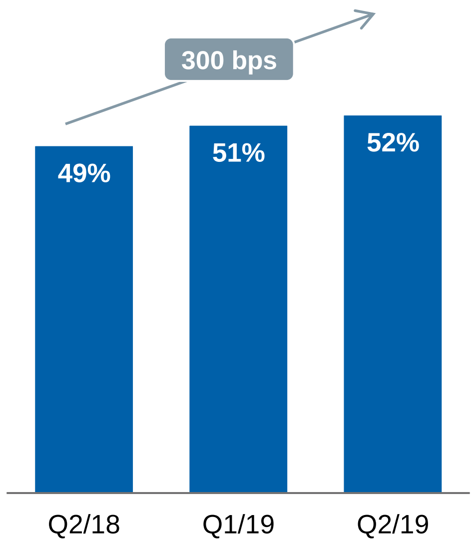
(1) Totals may not add and percentage change may not reflect actual change due to rounding. (2) Effective Q4/2017, service fees and other costs incurred in association with certain commissions and fees earned are presented on a gross basis in non-interest expense. Comparative amounts have been reclassified to conform with this presentation.

Transforming the distribution network in Canadian Banking

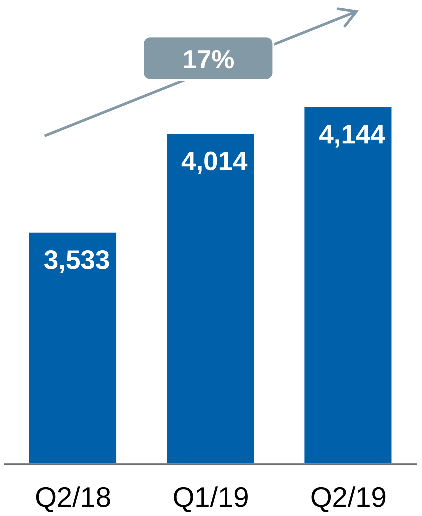
Active Digital Users[1]



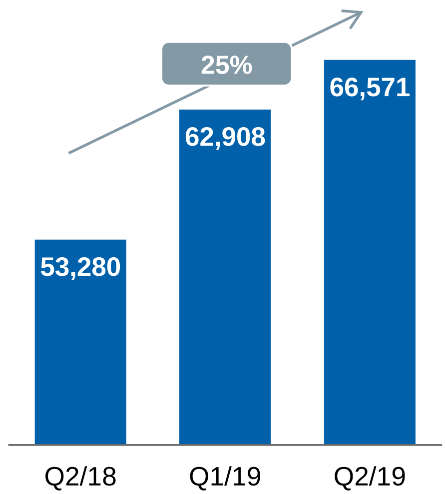
Digital Adoption Rate[2]



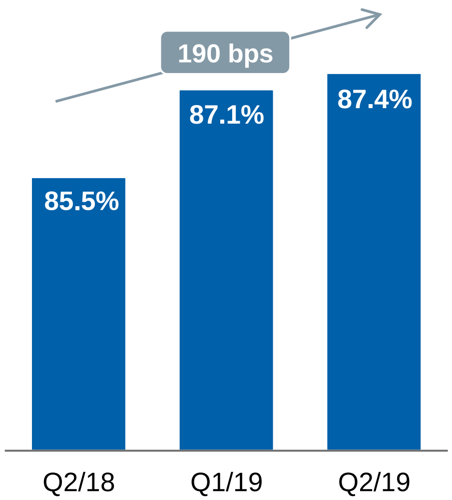
Active Mobile Users[1]



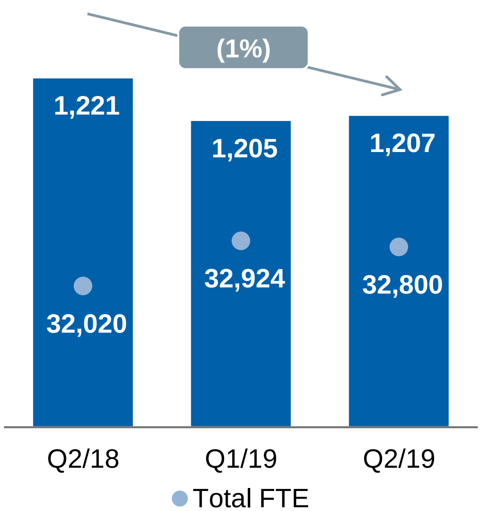
Mobile Sessions[3]



Self-Serve Transactions[4]



Branches

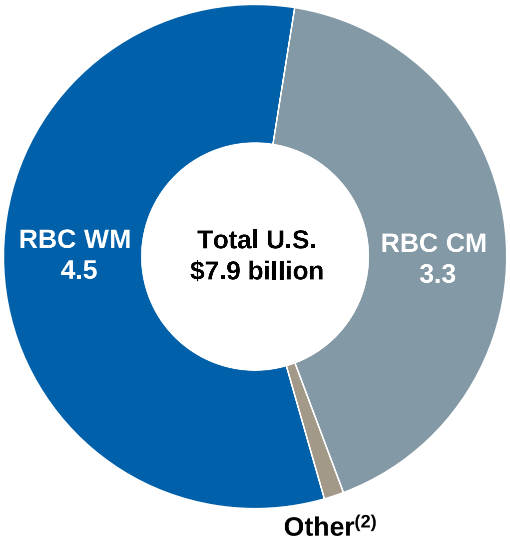


(1) These figures (in 000s) represent the 90-Day Active customers in Canadian Banking only and are spot values. (2) Digital Adoption rate calculated using 90-day active users. (3) These figures (in 000s) represents the total number of application logins using a mobile device. (4) Financial transactions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

Increased earnings from U.S. operations

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

Last 12 months ended April 30, 2019



U.S. Operations Condensed Income Statement

US$ millions (unless otherwise stated)	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019
Revenue	1,734	1,915	1,833	1,972	2,021
Provision For Credit Losses	(27)	23	29	105	39
Net Income	**382**	**400**	**366**	**387**	**426**
Adjusted Net Income(3)	411	412	365	415	454
Net Income (C$MM)	**491**	**521**	**477**	**515**	**568**
Adj. Net Income (C$MM)(3)	528	536	476	552	605

Q2/2019 Highlights

- The U.S. represented 17% or over $2 billion of total bank net income over the last 12 months(1)(4)
  - Q2/2019 U.S. earnings was up 11% YoY and 10% QoQ, largely driven by Capital Markets
- The U.S. represented 23% of total bank revenue in the last 12 months(1)(4)
  - Q2/2019 U.S. revenue was up 17% YoY and 2% QoQ; mainly driven by Wealth Management and Capital Markets on a YoY basis
- Strong U.S. credit quality with PCL ratio on loans of 21 bps, down 40 bps QoQ as the prior quarter included higher provisions related to one account in the utilities sector in Capital Markets

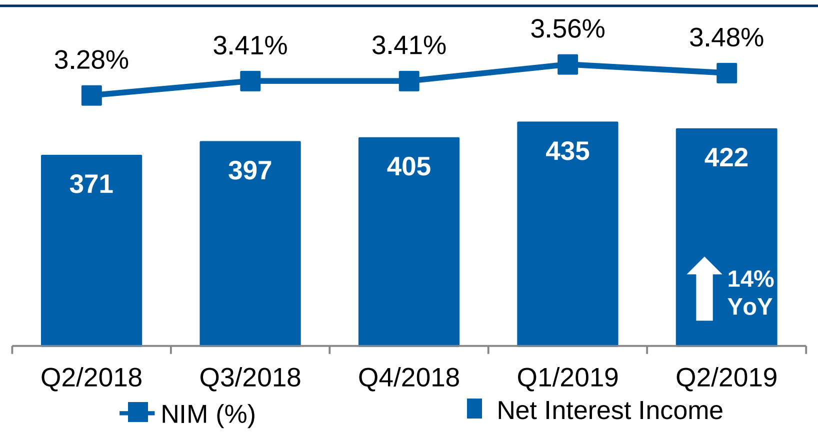
(1) Excludes Corporate Support. Revenue is on a Tax Equivalent Basis (TEB). These are a non-GAAP measures. For more information, see slide 27. (2) Other revenue includes U.S. portions of U.S. Banking, Insurance and I&TS. (3) Adjusted net income for every quarter excludes CNB's amortization of intangibles and integration costs, which were US$28MM/C$37MM after-tax (US$37MM/C$50MM before-tax) in Q2/2019. Q3/2018 also excludes a US$20MM/C$26MM after-tax (US$30MM/C$40MM before-tax) gain related to the sale of a mutual fund product and transfer of its associated team; and Q4/2018 also excludes a US$31MM/C$41MM tax benefit associated with our U.S. tax filings. These are non-GAAP measures. For more information, see slide 27. (4) Based on C$ figures.

Continued double-digit loan growth at City National Bank

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

US$ millions (unless otherwise stated)	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019
Revenue	977	1,101	1,031	1,103	1,155
Provision For Credit Loss	(14)	2	2	20	23
Expenses	793	863	845	868	925
Net Income	**165**	**202**	**180**	**187**	**178**
Adjusted Net Income[2]	**194**	**214**	**187**	**215**	**206**
AUA ($BN)	357.3	375.2	367.1	378.0	400.9
AUM ($BN)	98.2	103.9	102.9	107.3	113.5
CNB Loans ($BN)	32.0	33.1	33.6	35.3	36.4
CNB Deposits ($BN)	42.0	41.7	42.2	42.1	41.1
CNB Net Income	**111**	**134**	**126**	**104**	**90**
CNB Adjusted Net Income[2]	140	146	134	132	118

CNB NIM and Net Interest Income (US$ millions)



Q2/2019 Highlights

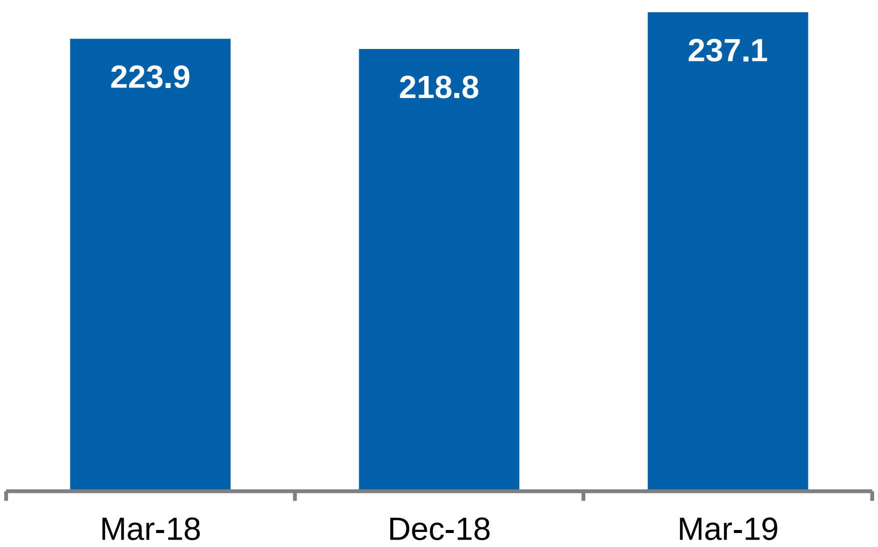
- Net income was up 8% YoY, or up 6% on an adjusted basis[2]
- Higher net interest income (up 14% YoY) reflecting strong loan growth and the impact of higher spreads
  - Strong double-digit loan growth of 14% YoY at CNB
  - NIM down 8 bps QoQ reflecting lower spreads and three less days in the current quarter
  - Higher PCL reflecting:
    - Increased provisions on performing loans due to higher repayments and maturities in the prior year
    - Higher provisions on impaired loans, and higher recoveries in the prior year also contributed to the increase
- Higher costs related to business growth and technology initiatives and higher spend to meet enhanced regulatory and compliance requirements
- Higher average fee-based client assets reflecting net new sales and market appreciation
  - AUM growth of 16% YoY
  - AUA growth of 12% YoY

(1) All balance sheet figures represent average balances. (2) Adjusted net income for every quarter excludes CNB's amortization of intangibles and integration costs, which were US$28MM after-tax (US$37MM before-tax) in Q2/2019. Q3/2018 also 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; and Q4/2018 also excludes a US$23MM tax benefit associated with our U.S. tax filings. These are non-GAAP measures. For more information, see slide 27.

Leading market share in Canadian retail assets under management

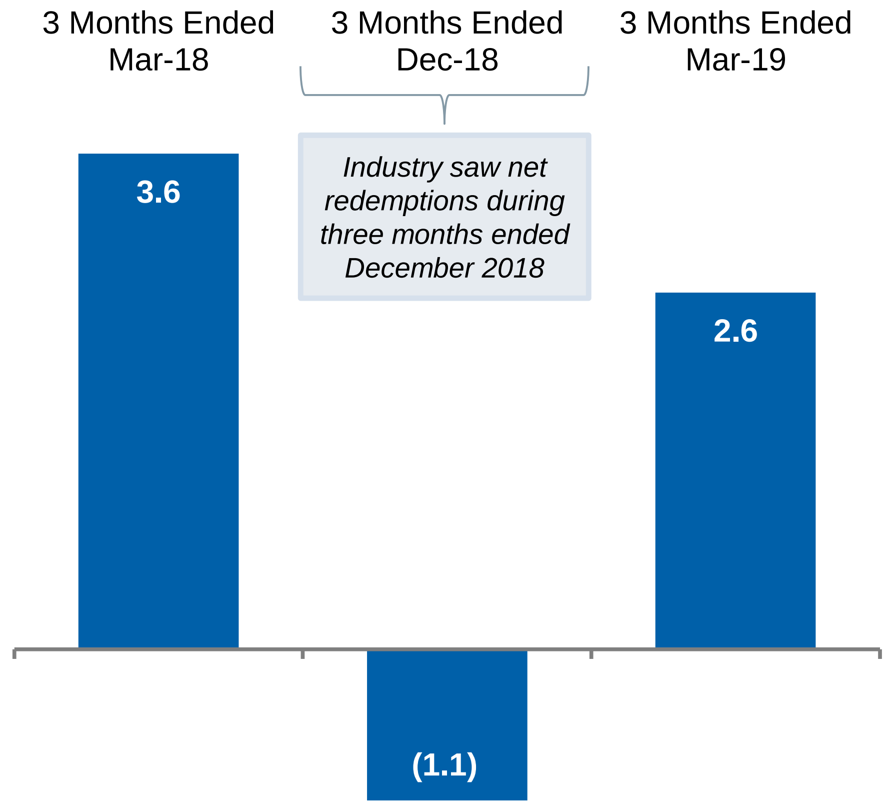
Assets Under Management ($ billions)

All-in Market Share[1]		
15.1%	15.4%	15.5%



Net Sales ($ billions)

All-in Market Share[1]		
24.8%	NMF[2]	44.1%

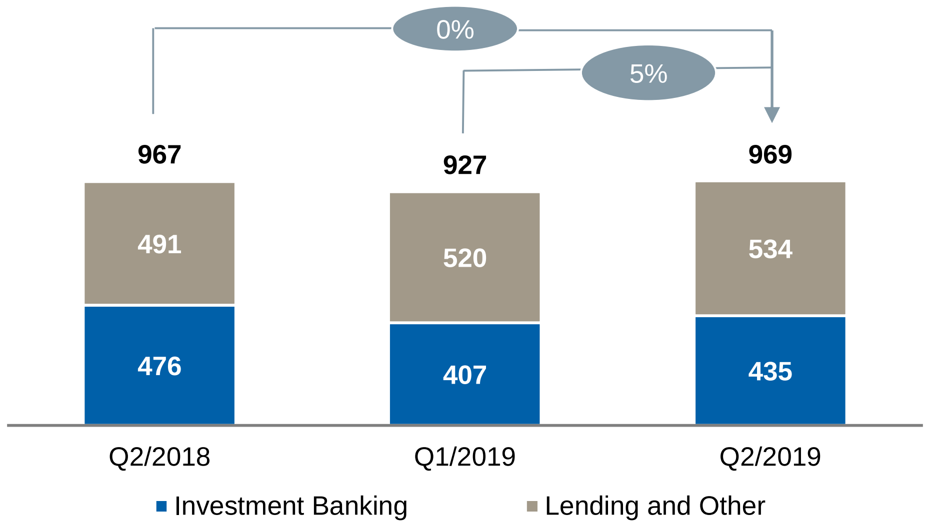


- RBC Global Asset Management (GAM) ranks #1 in market share by AUM with 15.5% of all-in[1] share; amongst the bank fund companies, RBC has market share of 31.8%
- Net sales at RBC GAM exceeded that for total industry during the past 12 months[1]

(1) Investment Funds Institute of Canada (IFIC) as at March 2019 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)



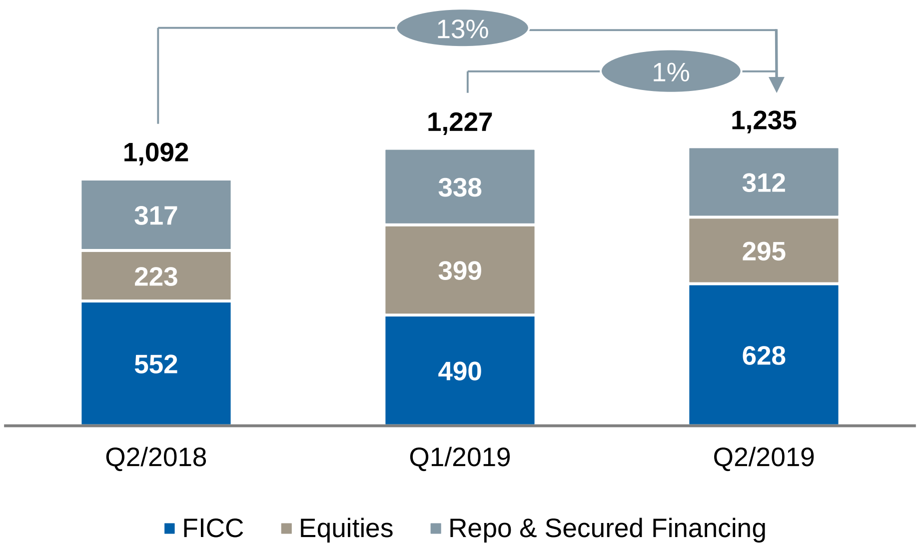
YoY:

- Higher M&A and debt origination in the U.S.
- Impact of FX translation
- Higher lending revenue, primarily in the U.S.
- Largely offset by lower municipal banking revenue, lower M&A in Europe and lower loan syndication, primarily in the U.S.

QoQ:

- Higher debt and equity origination, primarily in North America
- Lower loan syndication in North America
- Lower municipal banking revenue

Global Markets Revenue Breakdown by Business ($ millions)



YoY:

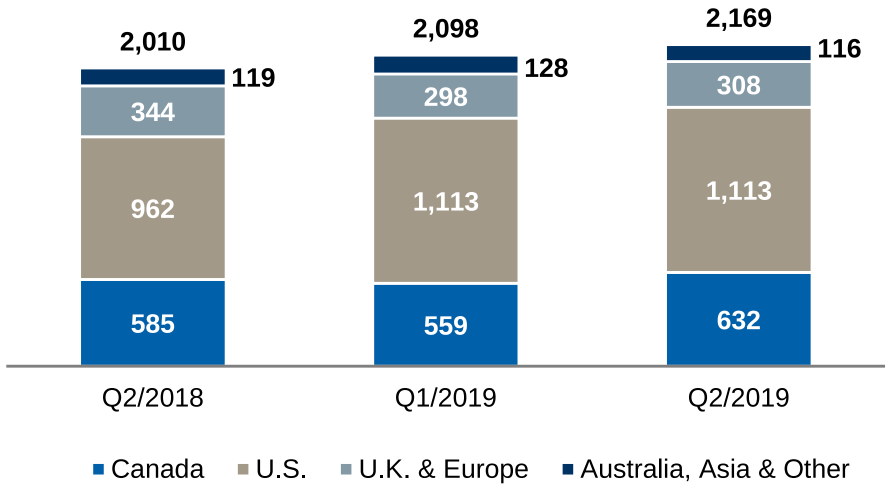
- Higher fixed income trading across all regions
- Higher debt origination, largely in the U.S. and Europe
- Impact of FX translation
- Higher equity trading in North America partially offset by lower equity trading in Europe

QoQ:

- Higher fixed income trading and debt origination in most regions, and higher equity origination in North America
- Partly offset by lower equity trading primarily in the U.S. after a strong Q1/2019 and lower foreign exchange trading, largely in Canada

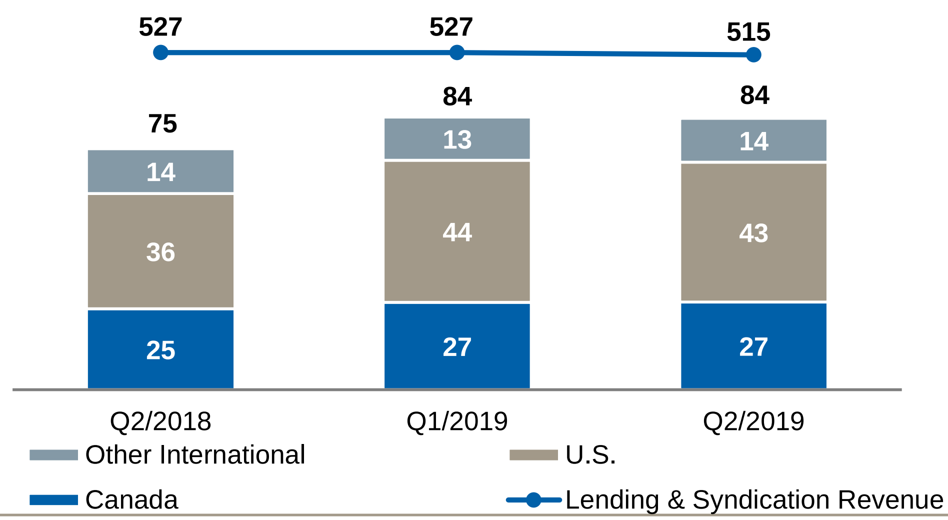
Capital Markets revenue and loan breakdown by geography

Capital Markets Revenue Breakdown by Geography ($ millions)



- **Canada:** Up YoY driven by higher equity and fixed income trading and higher equity origination, partly offset by lower revenues in our lending businesses.
- **U.S.:** Up YoY due to higher fixed income and equity trading, higher debt and equity origination, higher lending revenues and higher M&A, partly offset by lower loan syndication fees
- **U.K. & Europe:** Down YoY reflective of lower equities trading and lower M&A fees after a strong prior year quarter, partly offset by higher debt underwriting
- **Australia, Asia & Other:** Lower YoY including lower equity trading and M&A fees, partly offset by higher fixed income trading

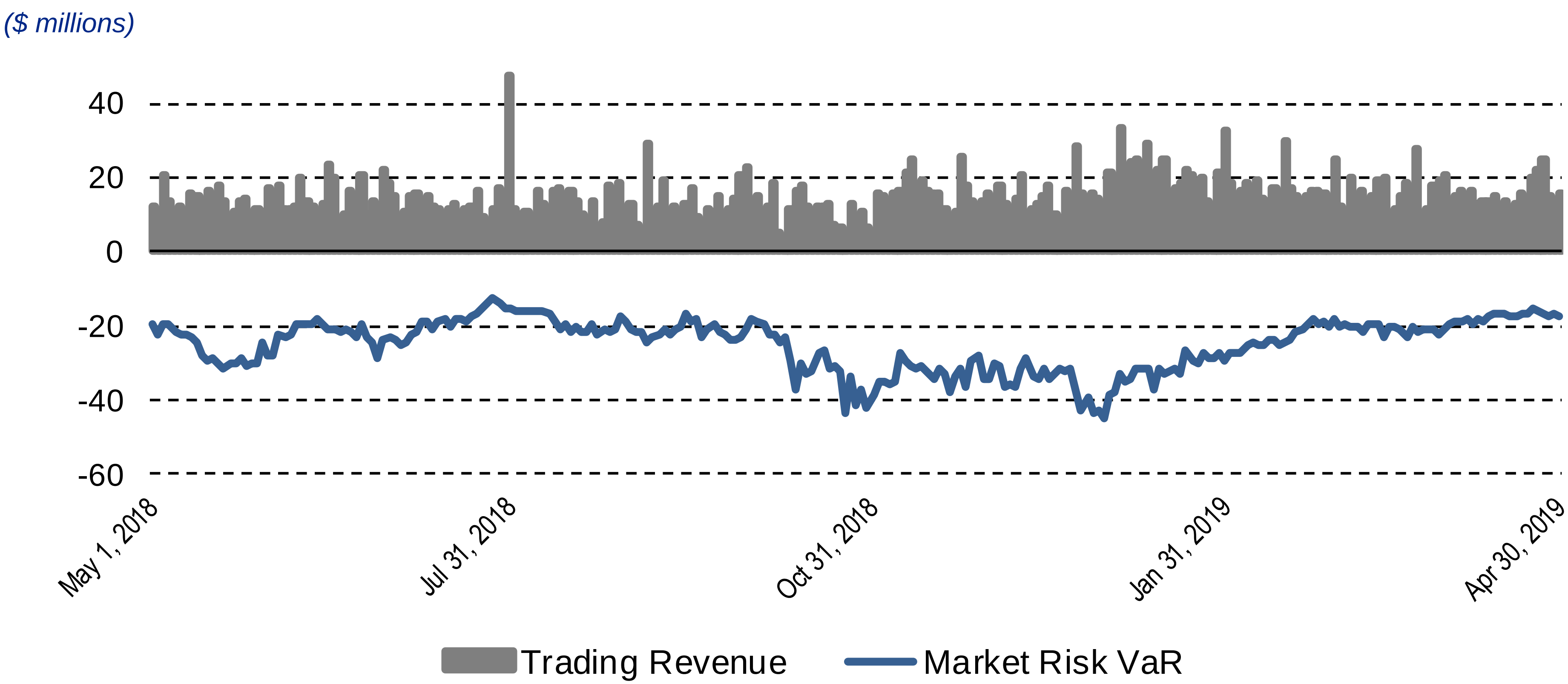
Capital Markets Lending & Syndication Revenue ($ millions) & Average Loans Outstanding by Region (1) ($ billions)



- 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 63% 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 chart has been restated to exclude certain intergroup exposures that are not part of the corporate lending business. This is a non-GAAP measure. For more information, see slide 27. (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



- No days with net trading losses observed during the past 12 months.
- Average market risk Value at Risk (VaR) decreased the prior quarter as equity markets recovered from the volatility experienced in Q1/2019. Furthermore, inventories in overall fixed income portfolios were managed at lower levels in the current quarter.

Other items impacting results

Other Items ($ millions, except for EPS)	Segments	Before-Tax	After-Tax	Diluted EPS
Q2/2019				
No significant items of note				
Q1/2019				
Write-down of Deferred Tax Assets in Barbados	Personal & Commercial Banking	n/a	($21)	($0.01)
Favourable Accounting Adjustment Related to Canadian Wealth Management	Wealth Management	$39	$28	$0.02
		$39	**$7**	**$0.01**

Other Items ($ millions, except for EPS)	Segments	Before-Tax	After-Tax	Diluted EPS
Q2/2018				
No significant items of note				
Q1/2018				
U.S. Tax Reform Write-down	Corporate Support	n/a	($178)	($0.12)
Interac Gain	Personal & Commercial Banking	$31	$27	$0.02
Favourable Accounting Adjustment Related to CNB	Wealth Management	$33	$23	$0.02
		$64	**($128)**	**($0.09)**

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, adjusted earnings per share, pre-provision, pre-tax earnings, 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, and City National adjusted net income 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 Q2/2019 Report to Shareholders and our 2018 Annual Report.

Definitions can be found under the “Glossary” sections in our Q2/2019 Supplementary Financial Information and our 2018 Annual Report.

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