Royal Bank of Canada
Third Quarter Results

August 21, 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 Q3 2019 Report to Shareholders and Q3 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 Q3 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 Q3 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 Q3 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
+5% YoY

+2% YoY[1] net of Insurance fair value change

Net Income
$3.3 Billion
+5% YoY

CET1 Ratio
11.9%
+10 bps QoQ

Solid Revenue Growth

- Revenue growth across Personal & Commercial Banking, Wealth Management and Insurance

Solid Earnings Growth

- Diluted EPS of $2.22, up 6% YoY
  - Adjusted diluted EPS of $2.26[2], up 6% YoY

Strong Capital & Premium ROE

- ROE of 16.7%[3], down 60 bps YoY
- Announced dividend increase of $0.03 or 3% to $1.05 per share
- $1.7 billion distributed to common shareholders in Q3/2019

PCL Ratio on Loans[4]
27 bps
(2 bps) QoQ

Expenses
$6.0 Billion
+2% YoY

Mobile Users
4.3 Million[5]
+17% YoY

Stable Underlying Credit Quality

- PCL ratio on impaired loans of 25 bps, down 4 bps QoQ; PCL ratio on performing loans up 2 bps QoQ
- GIL ratio of 47 bps, down 2 bps QoQ

Investing for Long-Term Growth

- Contained expense growth to low-single digits while continuing to invest in talent and technology initiatives to support long-term business growth

Increased Mobile Adoption

- 7.1 million active digital users[5]
- Digital adoption rate of 52%, up 230 bps YoY (see slide 19)

(1) Revenue net of Insurance fair value change of investments (Q3/19: $385MM; Q3/18: $55MM) is a non-GAAP measure. For more information, see slide 27. (2) Q3/2019 adjusted diluted EPS calculated by adding back after-tax effect of amortization of other intangibles (Q3/19; $49MM; Q3/18; $55MM) and dilutive impact of exchangeable shares (Q3/19; $4MM; Q3/18; $4MM) . 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.

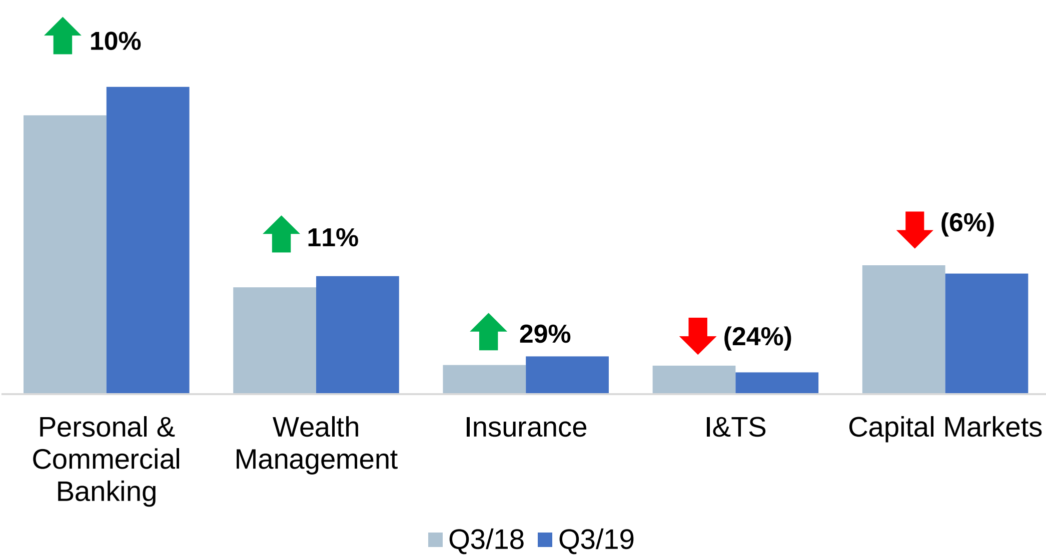
Financial Review

Rod Bolger
Chief Financial Officer

Strong earnings driven by strong results in our retail businesses

($ millions, except for EPS and ROE)	Q3/2019	Reported	
		YoY	QoQ
Revenue	$11,544	5%	0%
Revenue Net of Insurance FV Change[1]	11,159	2%	0%
Non-Interest Expense	5,992	2%	1%
Insurance PBCAE	1,046	13%	(10%)
Pre-Provision, Pre-Tax Earnings[2]	**4,506**	**6%**	**2%**
Provisions for Credit Losses	425	23%	0%
Income Before Income Taxes	**4,081**	**5%**	**2%**
Net Income	**3,263**	**5%**	**1%**
Diluted Earnings per Share (EPS)	**$2.22**	**6%**	**1%**
Return on Common Equity (ROE)[3]	**16.7%**	**(60 bps)**	**(80 bps)**

Net Income ($ millions)



Earnings

- Q3/2019 net income of $3.3 billion, up 5% YoY; diluted earnings per share (EPS) of $2.22, up 6% YoY
  - Adjusted diluted EPS of $2.26[4], up 6% YoY
- ROE of 16.7%[3], down 60 bps from last year

Revenue

- Net interest income up 10% YoY, driven by solid volume growth in Canadian Banking and U.S. Wealth Management (including City National)
- Non-interest income up 1% YoY
  - Non-interest income net of Insurance fair value change down 4% YoY[1] with strong growth in Wealth Management offset by lower net revenue in Capital Markets, Insurance and Investor & Treasury Services

Non-Interest Expense

- Up 2% YoY largely due to higher staff-related costs and investments in technology to support long-term business growth

Provisions for Credit Losses

- PCL ratio on loans[5] of 27 bps, up 4 bps YoY (down 2 bps QoQ) from cyclical lows in 2018
  - PCL ratio on impaired loans of 25 bps, up 8 bps YoY (down 4 bps QoQ) largely due to higher provisions in Capital Markets and Personal & Commercial Banking

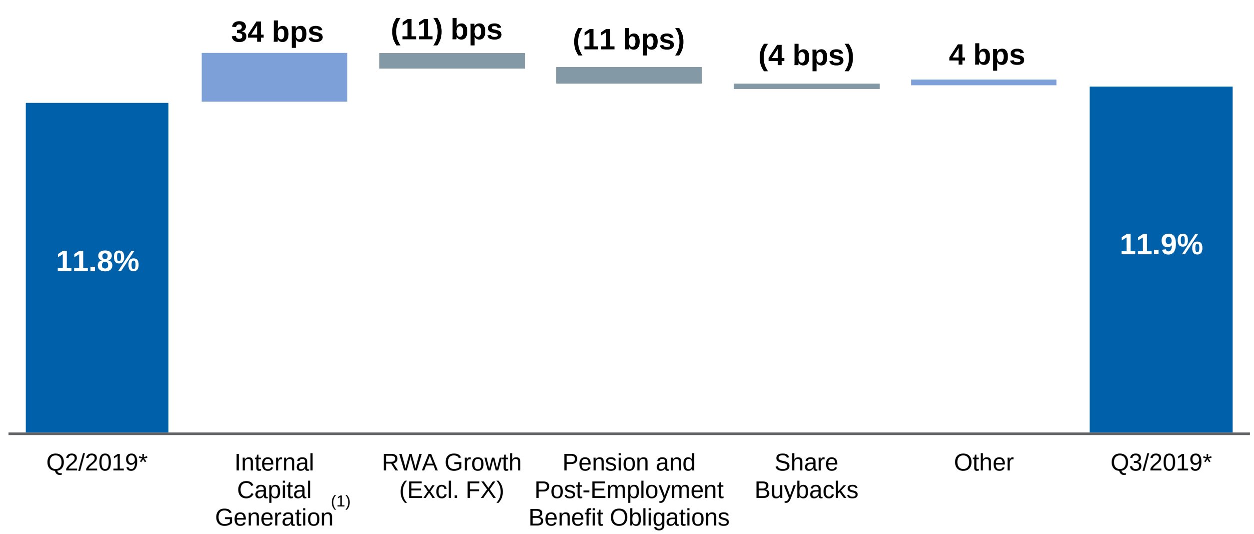
Tax Rate

- Effective tax rate of 20.0%, down 20 bps from last year, mainly due to higher income from lower tax rate jurisdictions, partially offset by lower favourable tax adjustments in the current quarter

(1) Revenue and non-interest income net of Insurance fair value change of investments backing policyholder assets (Q3/19; $385MM; Q3/18; $55MM) 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) Q3/2019 adjusted diluted EPS calculated by adding back after-tax effect of amortization of other intangibles (Q3/19; $49MM; Q3/18; $55MM) and dilutive impact of exchangeable shares (Q3/19; $4MM; Q3/18; $4MM). 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.

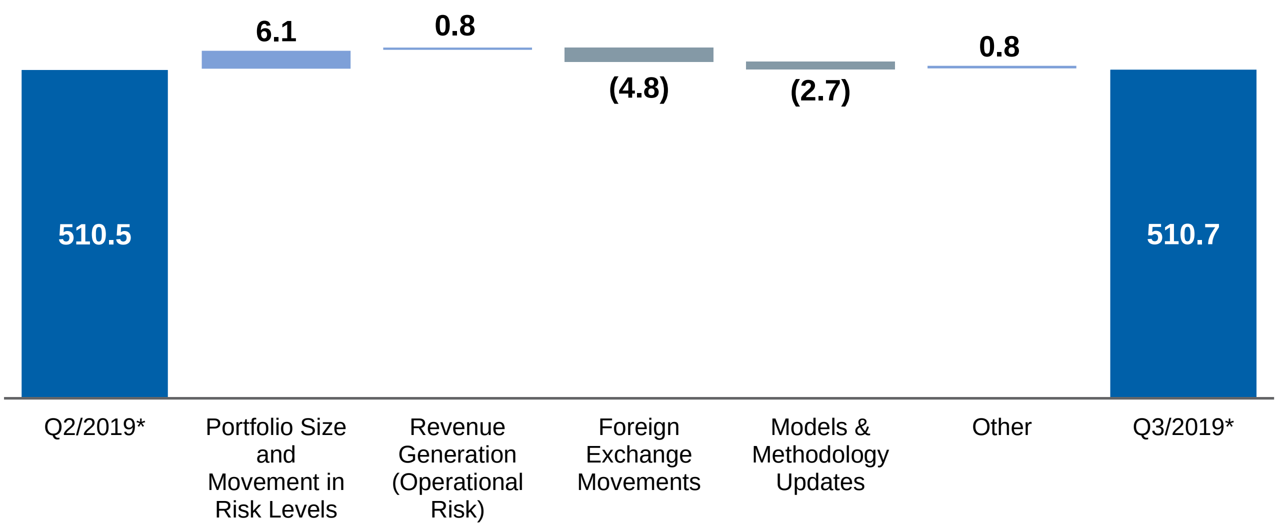
Strong capital ratios continue to be supported by earnings growth

CET1 Movement



- Strong CET1 ratio of 11.9%, up 10 bps QoQ, mainly reflecting continued internal capital generation, partially offset by:
  - Organic RWA business growth
  - Unfavourable impact of lower discount rates in determining pension and other post-employment benefit obligations
  - Share buybacks of $197 million
    - YTD we repurchased 5.7 million shares for $556 million

CET1 Capital RWA Movement ($ billions)



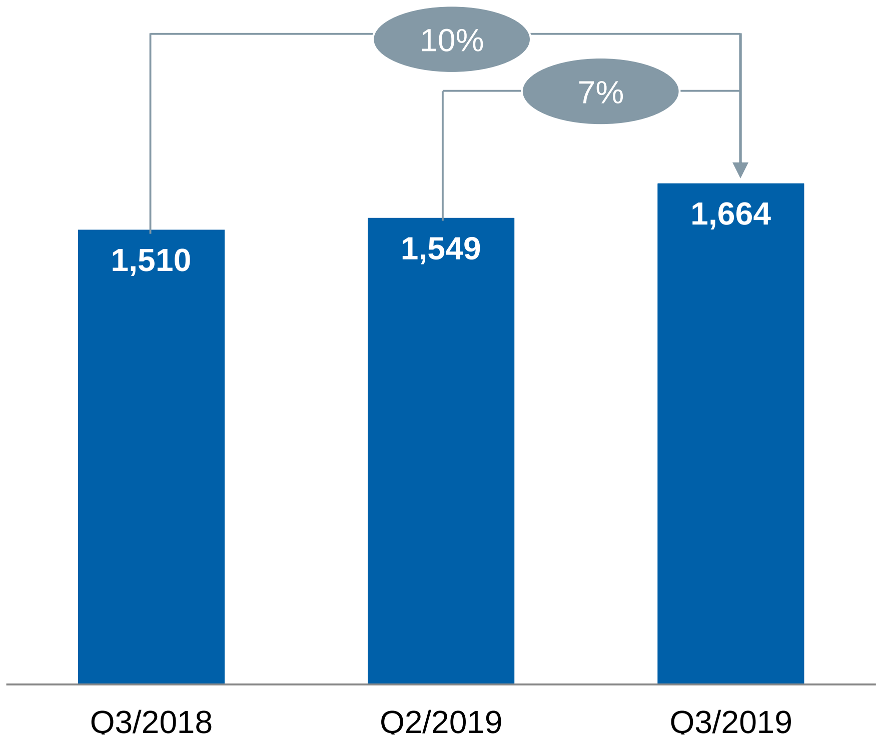
- CET1 RWA increased $200 million QoQ, primarily reflecting:
  - Strong business growth in wholesale and retail lending
  - Partially offset by:
    - Lower market risk due to the favourable impact from a model update and lower inventory
    - Favourable FX translation impact

** Represents rounded figures. For more information, refer to the Capital management section of our Q3/2019 Report to Shareholders*

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

Strong volume growth in Personal & Commercial Banking

Net Income ($ millions)



Canadian Banking	Q3/2019
Net Income (YoY)	**8%**
Revenue (YoY)	7%
Assets Under Administration (YoY)(1)	2%
Operating Leverage	1.7%

Q3/2019 Highlights

Canadian Banking

- Net income of $1,609 million, up 8% YoY
  - Pre-provision, pre-tax earnings growth of 8% YoY(2)
- Revenue growth of 7% YoY
  - **Strong deposit growth driving volumes:** Average YoY loan and deposit growth of 5% and 10%, respectively (see slide 18)
  - **Improved spreads:** NIM of 2.80%, up 6 bps YoY (flat QoQ), largely due to higher deposit spreads
- PCL ratio on impaired loans(3) of 28 bps was up 3 bps YoY (down 6 bps QoQ)
  - PCL on performing loans of 2 bps was down 3 bps YoY (down 2 bps QoQ)
- Non-interest expense up 5% YoY from higher staff-related costs and increased investments in technology and related costs
  - YTD operating leverage of 1.1%, or 1.4% after excluding last year's gain related to the reorganization of Interac(4)

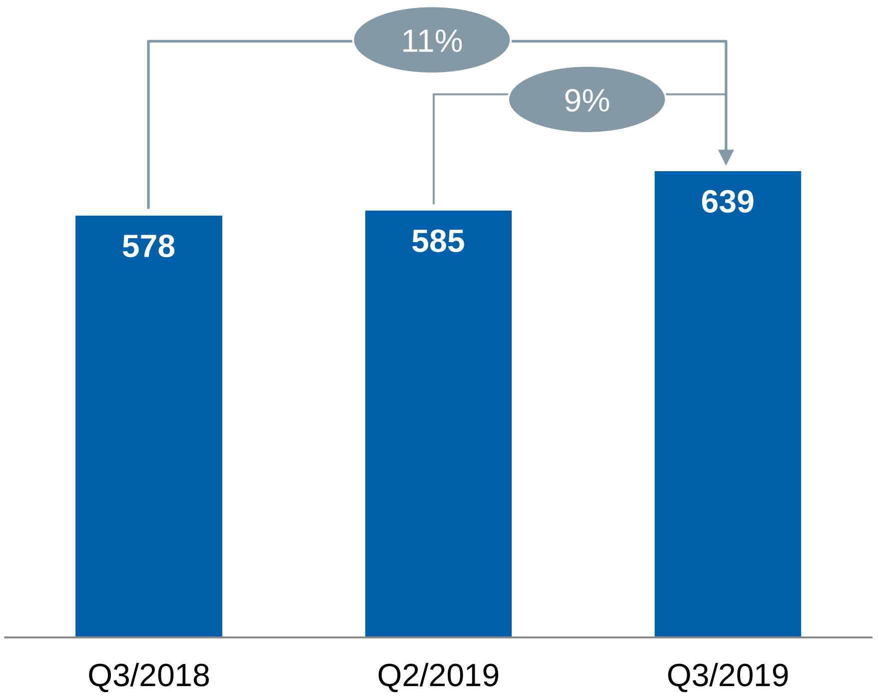
Caribbean & U.S. Banking

- Net income of $55 million, up $36 million YoY, largely due to lower expenses and PCL

(1) Spot balances. (2) Pre-provision, pre-tax earnings is the difference between revenue and non-interest expense. *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 before-tax) related to the reorganization of Interac. Results excluding this gain are non-GAAP measures. For more information, please refer to slide 27.*

Record earnings in Wealth Management

Net Income ($ millions)



Efficiency Ratio[3]	Q3/2019	YoY
Wealth Management	72.1%	(1.5 pts)
Wealth Management (Non-U.S.)	66.3%	(2.2 pts)

Client Assets[4]	YoY	QoQ
Assets Under Administration	7%	-
Assets Under Management	8%	2%

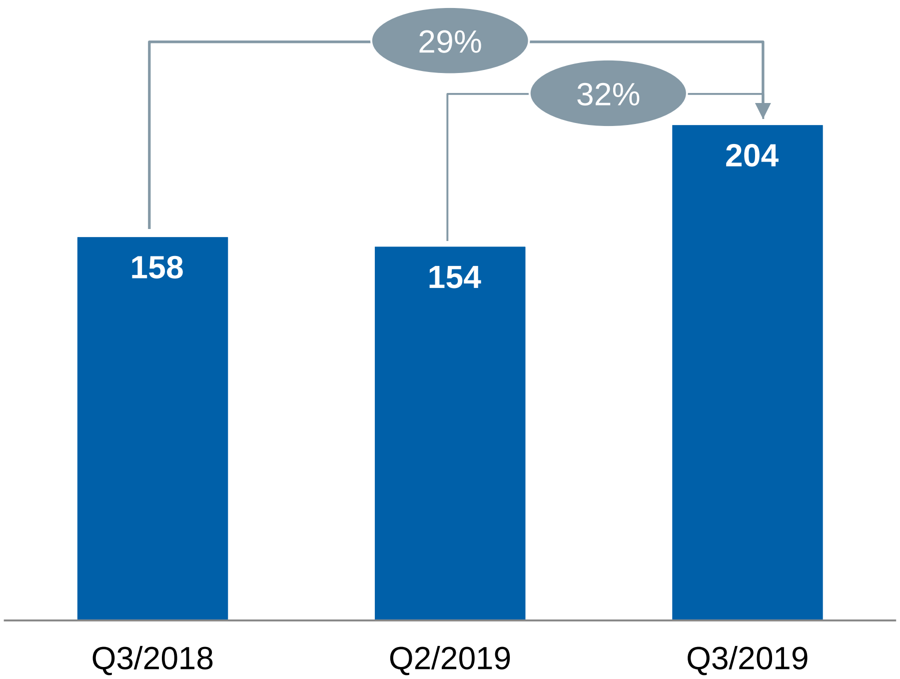
Q3/2019 Highlights

- Net income of $639 million, up 11% YoY
  - Higher average fee-based client assets reflecting market appreciation and net sales
  - Increase in net interest income due to average volume growth
  - Partially offset by:
    - Higher costs in support of business growth
    - Higher variable compensation (commensurate with revenue growth)
  - Q3/2018 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]
  - Wealth Management (Non-U.S.) efficiency ratio improved 220 bps or 90 bps[2] excluding the impact of last year's loss on an investment in an international asset management joint venture
- Net income up 9% QoQ
  - Higher average fee-based client assets driven by net sales and market appreciation
  - Increase in net interest income mainly due to average volume growth and three additional days in the quarter
  - Partially offset by:
    - Higher variable compensation (commensurate with revenue growth)
    - Net change in the fair value of U.S. share-based compensation plans

(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) Excludes the $24MM after-tax ($27MM before-tax) loss on an investment in an international asset management joint venture in Q3/2018. This is a non-GAAP measure. For more information, see slide 27. (3) Percentage change may not reflect actual change due to rounding. (4) Spot balances.

Double-digit earnings growth in Insurance

Net Income ($ millions)

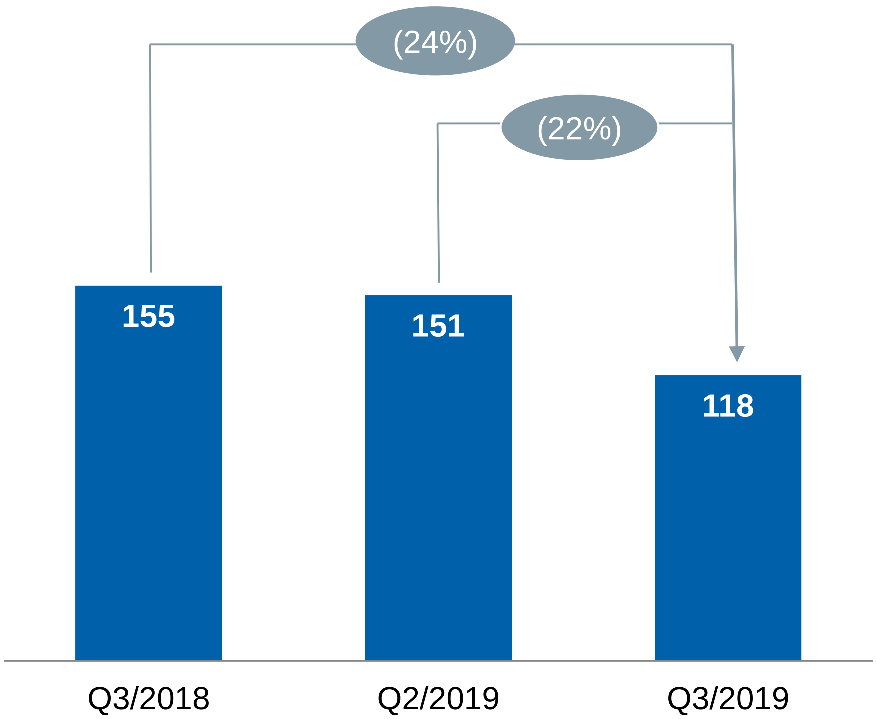


Q3/2019 Highlights

- Net income of $204 million, up 29% YoY
  - Higher favourable investment-related experience and the impact of new longevity reinsurance contracts
  - Partially offset by:
    - Higher disability and life retrocession claims costs
    - Favourable reinsurance contract renegotiations in the prior year
- Net income up 32% QoQ
  - Higher favourable investment-related experience and the impact of new longevity reinsurance contracts
  - Partially offset by favourable reinsurance contract renegotiations in the prior quarter

Investor & Treasury Services results impacted by market conditions

Net Income ($ millions)

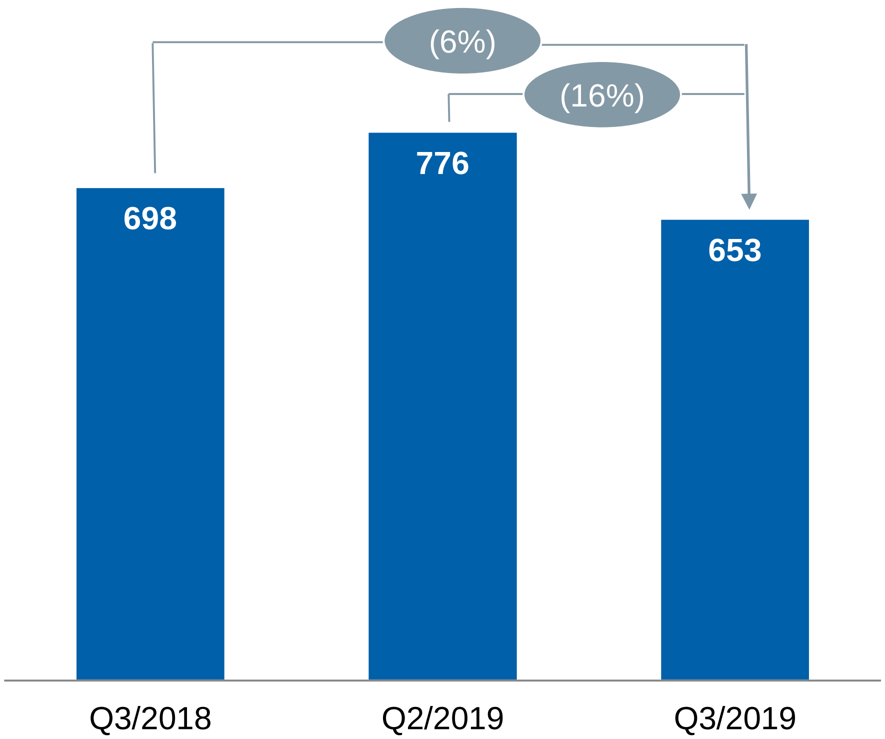


Q3/2019 Highlights

- Net income of $118 million, down 24% YoY
  - Lower client deposit margins driven by margin compression primarily reflecting spread tightening
  - Lower asset services revenue due to reduced client activity
  - Lower funding and liquidity revenue driven by lower gains from the disposition of certain securities
- Net income down 22% QoQ
  - Lower client deposit margins driven by margin compression primarily reflecting spread tightening
  - Higher efficiency initiatives as well as technology and related costs
  - Lower funding and liquidity revenue

Solid earnings in Capital Markets amid challenging market conditions

Net Income ($ millions)



Revenue	YoY	QoQ
Corporate and Investment Banking	(10%)	(1%)
Global Markets	(4%)	(11%)

Q3/2019 Highlights

- Net income of $653 million, down 6% YoY
  - Lower investment banking revenue due to lower loan syndication activity, primarily in the U.S. and Europe, and lower M&A, mainly in Canada, driven by lower industry-wide activity
  - Lower equities trading revenue, largely in the U.S., due to a challenging market environment
  - Higher PCL on impaired loans
  - Partially offset by:
    - Lower effective tax rate, largely reflecting changes in the earnings mix
    - Lower compensation on decreased results
    - Higher lending revenue across all regions
- Net income down 16% QoQ
  - Lower fixed income trading, largely in the U.S., and lower equity trading, mainly in North America
  - Lower debt origination, primarily in Europe and the U.S., due to lower industry-wide activity
  - Higher PCL on performing loans
  - Partially offset by:
    - Lower compensation on decreased results

Risk Review

Graeme Hepworth
Chief Risk Officer

Solid underlying credit quality

PCL Breakdown by Segment and Stage ($ millions)

	Q3/18	Q2/19	Q3/19
PCL on Loans			
Personal & Commercial Banking	**$330**	**$385**	**$345**
Performing	$60	$15	$17
Impaired	$270	$370	$328
Canadian Banking	**$317**	**$400**	**$329**
Performing	$57	$37	$15
Impaired	$260	$363	$314
Wealth Management	**$3**	**$30**	**$27**
Performing	$12	$13	$10
Impaired	($9)	$17	$17
Capital Markets	**$4**	**$27**	**$56**
Performing	$17	($21)	$3
Impaired	($13)	$48	$53
Total PCL on Loans(1)	**$338**	**$441**	**$429**
Performing	$90	$6	$30
Impaired	$248	$435	$399
PCL on Other Financial Assets	**$8**	**($15)**	**($4)**
Performing	($30)	($8)	($2)
Impaired	$38	($7)	($2)
Total PCL	**$346**	**$426**	**$425**

Key Drivers of PCL (QoQ)

- Total PCL on loans of $429 million or 27 bps decreased $12 million or 2 bps QoQ

PCL on Performing Loans

- Increased $24 million QoQ mainly due to portfolio growth and composition
  - Macroeconomic factors positively impacted Canadian Banking and negatively impacted Capital Markets and City National

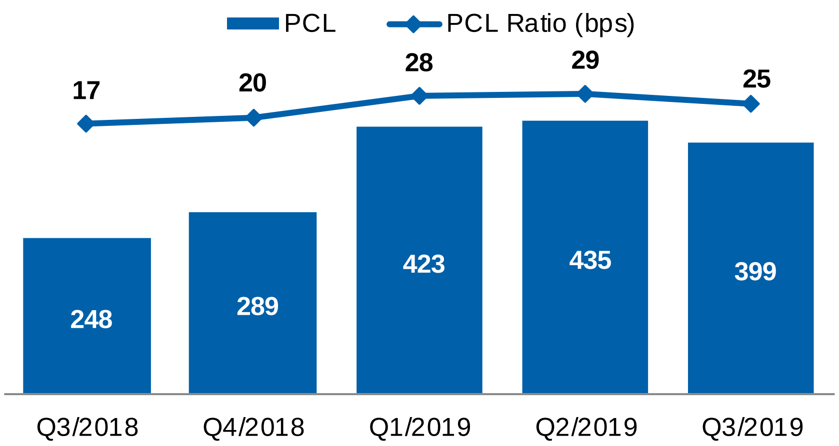
PCL on Impaired Loans

- **Personal & Commercial Banking:** PCL down $42 million QoQ as the prior quarter included provisions in Canadian Banking related to a couple of commercial accounts
- **Capital Markets:** PCL up $5 million QoQ, mainly due to one account in the industrial products sector, partially offset by recoveries in the U.S. portfolio

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

Lower new GIL formations in Capital Markets and Canadian Banking

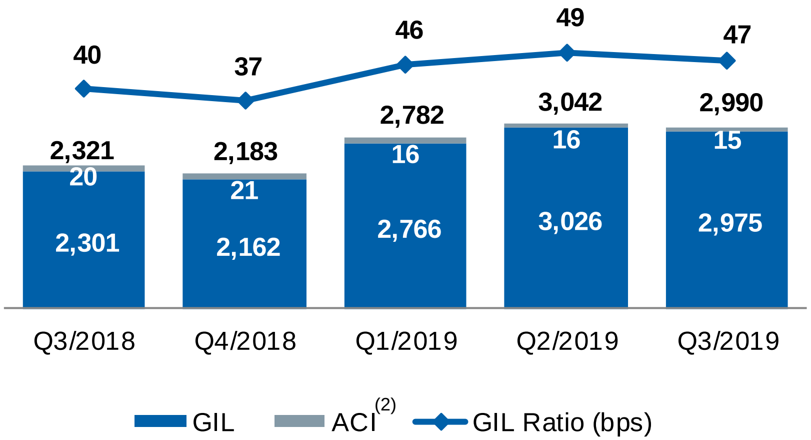
PCL Ratio on Impaired Loans ($ millions)



PCL Ratio on Impaired Loans by Segment

PCL Ratio on Impaired Loans (bps)	Q3/18	Q4/18	Q1/19	Q2/19	Q3/19
Canadian Banking	25	26	27	34	28
Wealth Management	(6)	4	7	12	11
Capital Markets	(6)	7	41	19	21
PCL Ratio on Impaired Loans(1)	**17**	**20**	**28**	**29**	**25**
PCL Ratio on Performing Loans	**6**	**3**	**6**	**0**	**2**

Gross Impaired Loans ($ millions)



Impaired Formations ($ millions)

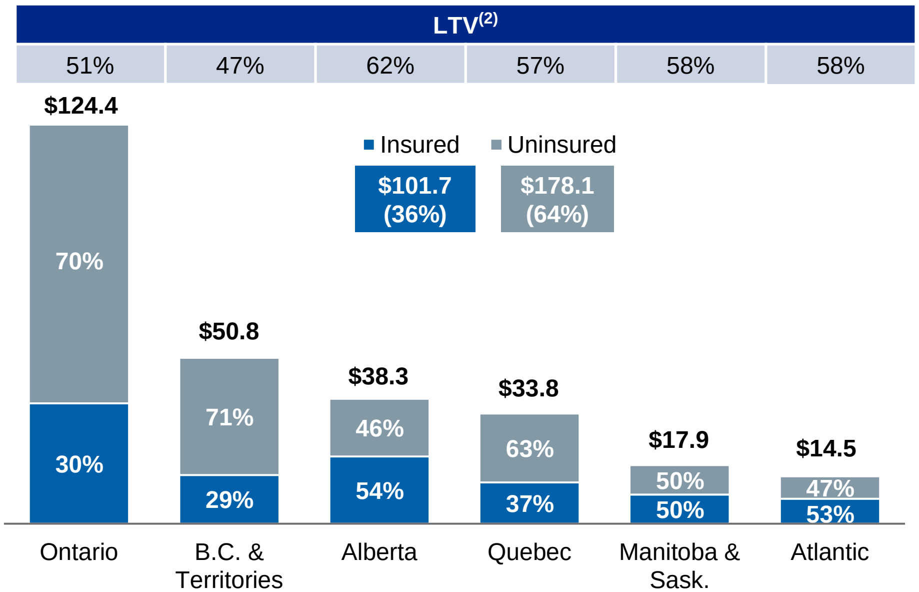
Segments	New Formations		Net Formations (3)
	Q3/2019	QoQ	
Personal & Commercial Banking	445	(112)	(82)
Canadian Banking	407	(115)	(34)
Caribbean & U.S. Banking	38	3	(48)
Wealth Management	63	9	15
Capital Markets	178	(373)	15
Total GIL(4)	**686**	**(476)**	**(52)**

(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 also 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 July 31, 2019 ($ billions)



Canadian Banking Residential Lending Portfolio[2]

As at July 31, 2019

	Total ($295.5BN)	Uninsured ($217.6BN)
Mortgage	**$256.0BN**	**$178.1BN**
HELOC	**$39.4BN**	**$39.4BN**
LTV [2]	**53%**	**52%**
GVA	45%	45%
GTA	49%	49%
Average FICO Score[2]	**791**	**797**
90+ Days Past Due[2][3]	**19 bps**	**16 bps**
GVA	9 bps	8 bps
GTA	5 bps	6 bps

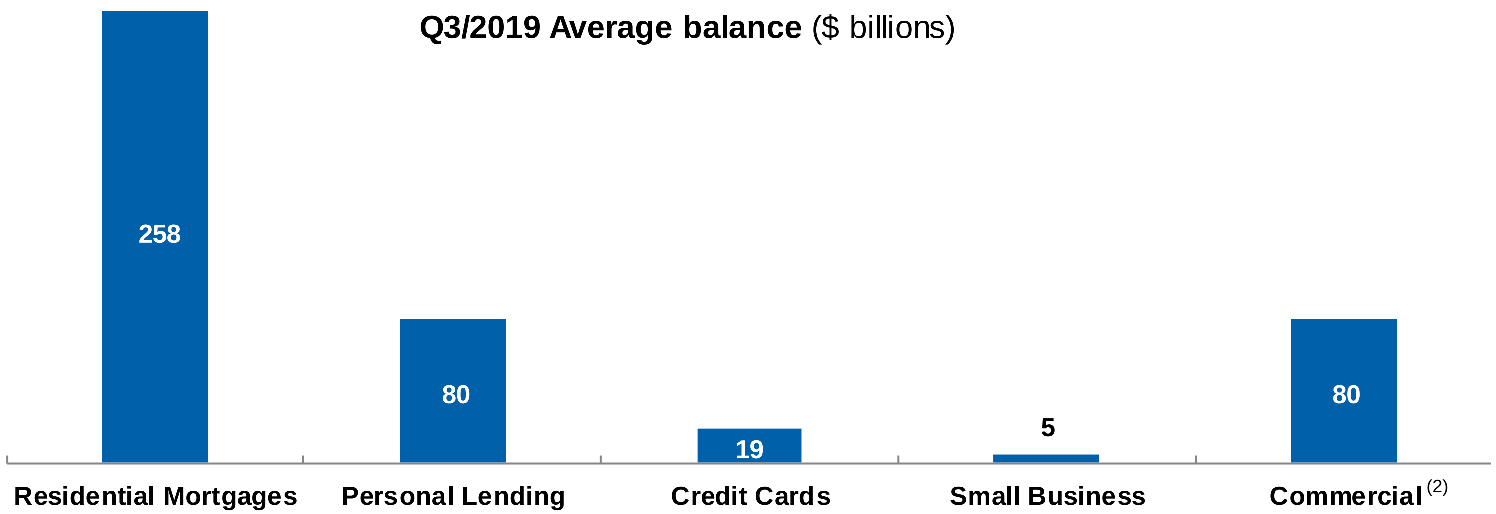
Canadian Mortgage Portfolio

- Average remaining amortization on mortgages of 18 years
- Strong underlying quality of uninsured portfolio
  - Average LTV of 52%
  - ~49% of uninsured portfolio have a FICO score >800
  - ~1% of uninsured portfolio have a FICO score <650 and an LTV ratio of 75%+
- Greater Toronto Area (GTA) and Greater Vancouver Area (GVA) average FICO scores are above the Canadian average
- Condo exposure increased 20 bps QoQ to 10.4% of the residential lending portfolio

(1) Canadian residential mortgage portfolio of $280BN comprised of $256BN 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 $256BN in residential mortgages and HELOC in Canadian Banking ($39.4BN) and HELOC in Wealth Management ($0.1BN). 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.

Canadian Banking: Stable retail PCL and lower commercial PCL

PCL on Impaired Loans Across our Canadian Banking Business Lines



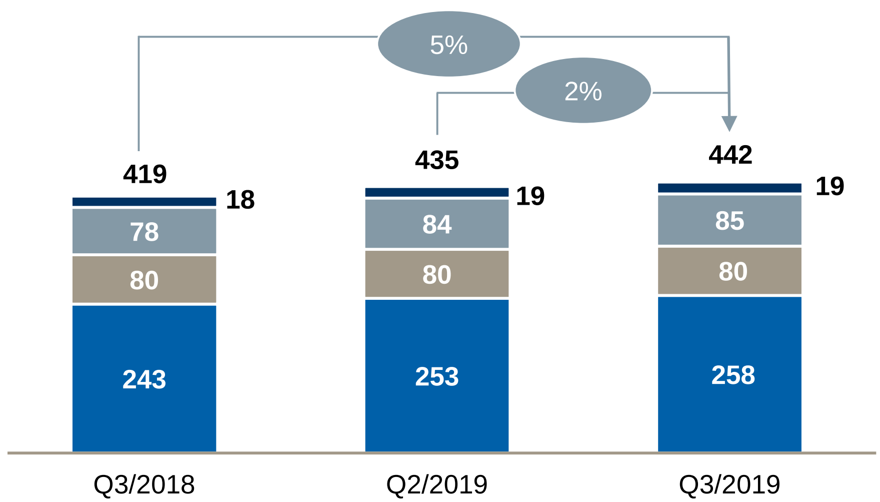
	Residential Mortgages			Personal Lending			Credit Cards			Small Business			Commercial (2)		
	Q3/18	Q2/19	**Q3/19**	Q3/18	Q2/19	**Q3/19**	Q3/18	Q2/19	**Q3/19**	Q3/18	Q2/19	**Q3/19**	Q3/18	Q2/19	**Q3/19**
PCL on Impaired Loans ($MM)	$10	$6	**$7**	$117	$116	**$118**	$116	$122	**$128**	$9	$9	**$11**	$8	$110	**$50**
PCL on Impaired Loans (bps)(1)	2	1	**1**	56	59	**57**	249	269	**262**	75	76	**79**	5	58	**25**
90+ Days Past Due (bps)	17	18	**17**	29	31	**29**	69	73	**70**	92	95	**96**	53	67	**66**

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

Appendices

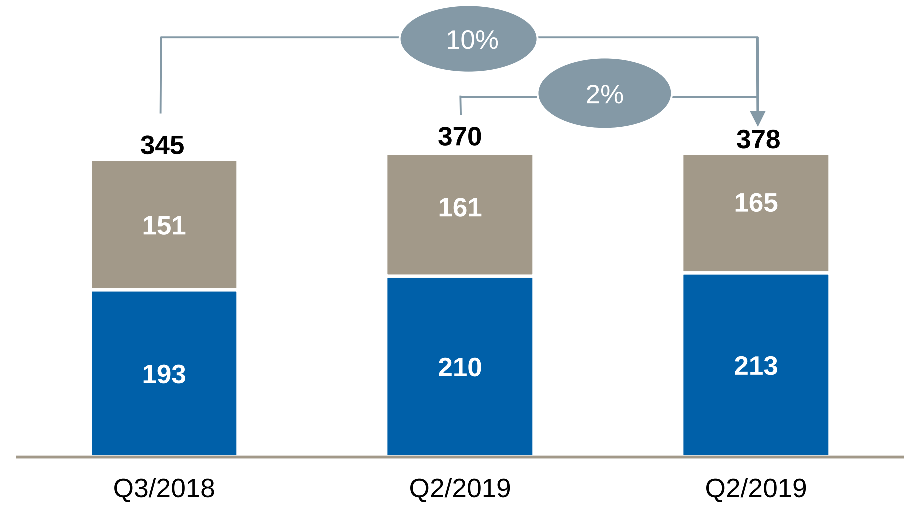
Canadian Banking: Benefitted from volume growth and higher spreads

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



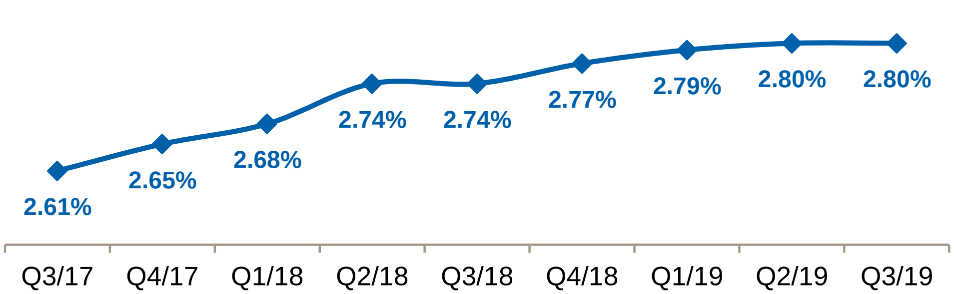
Percentage Change[1]		YoY	QoQ
Residential Mortgages		5.9%	1.9%
HELOC		(2.0%)	0.0%
Other Personal		1.8%	1.2%
Credit Cards		4.9%	3.8%
Business (Including Small Business)		10.1%	1.7%

Average Deposits[1] ($ billions)

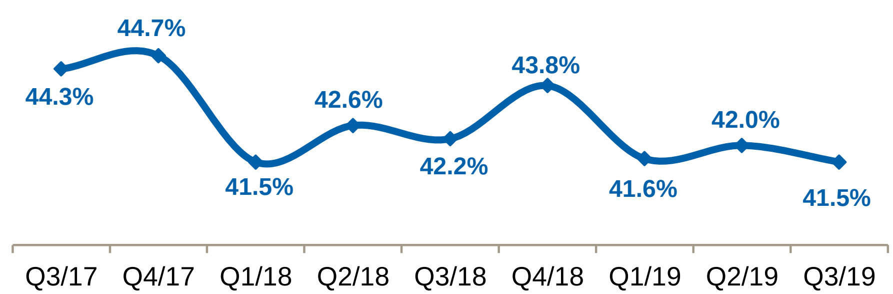


Percentage Change[1]		YoY	QoQ
Personal Deposits		10.2%	1.7%
Business Deposits		8.9%	2.6%

Net Interest Margin



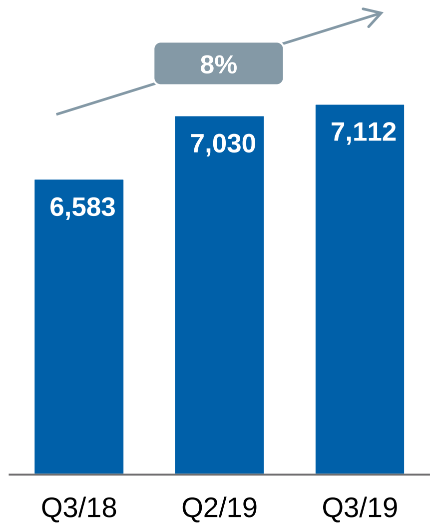
Efficiency Ratio[2]



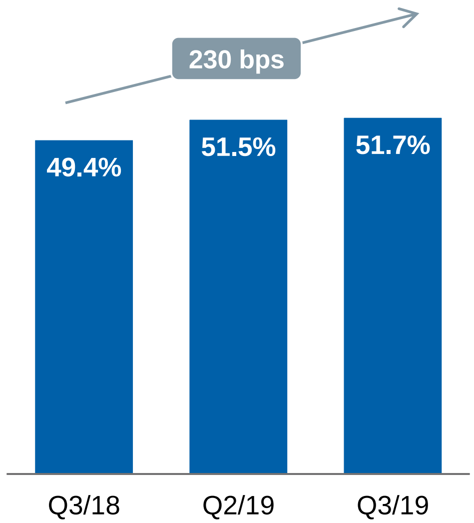
(1) Totals may not add and percentage change may not reflect actual change due to rounding. (2) Effective Q4/2017, service fees and other costs incurred in association with certain commissions and fees earned are presented on a gross basis in non-interest expense. Comparative amounts have been reclassified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

Canadian Banking: Creating a digitally-enabled relationship bank

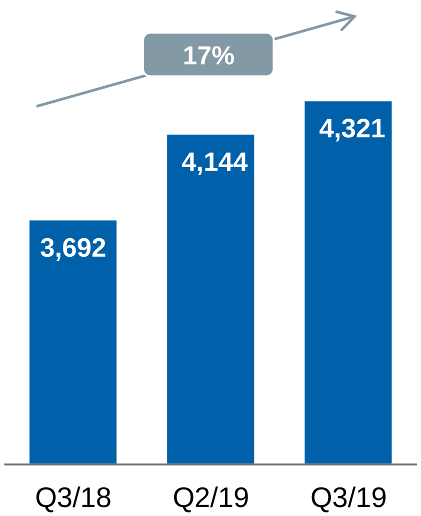
Active Digital Users[1]



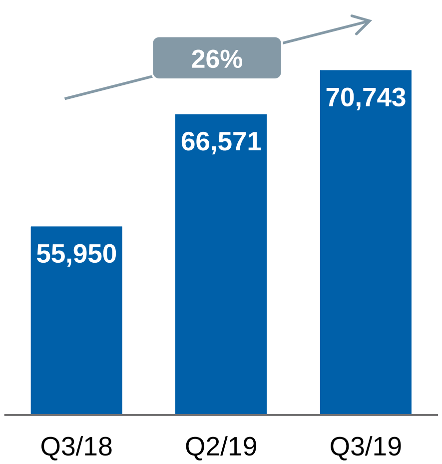
Digital Adoption Rate[2]



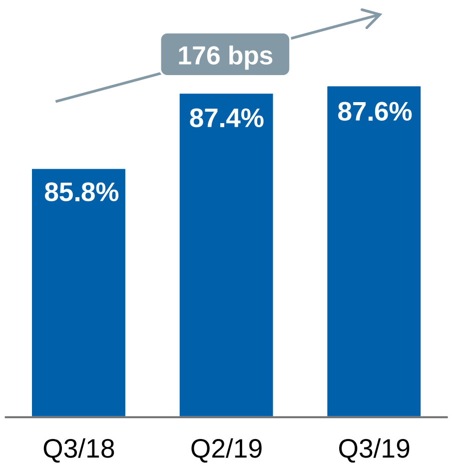
Active Mobile Users[1]



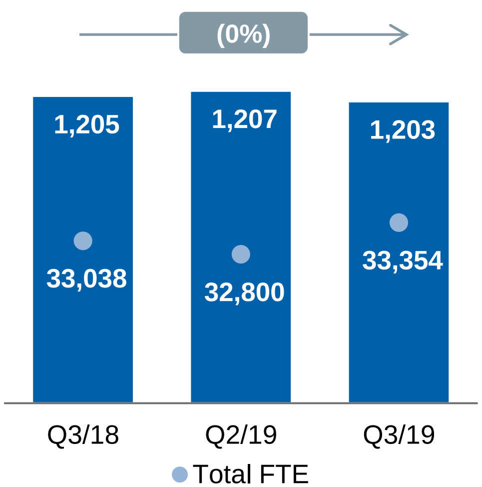
Mobile Sessions[3]



Self-Serve Transactions[4]



Branches

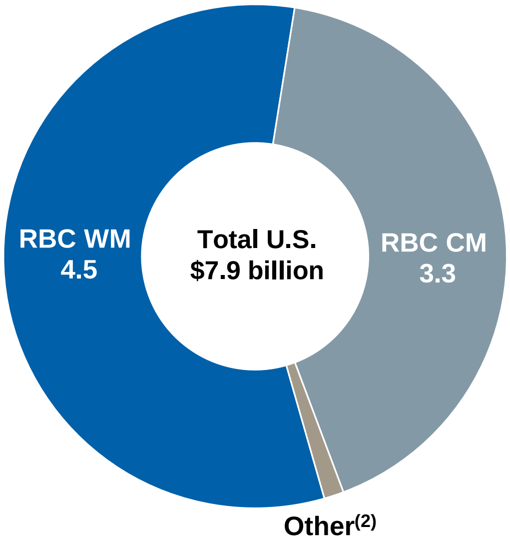


(1) These figures (in 000s) represent the 90-Day active customers in Canadian Banking only and are spot values. (2) Digital Adoption rate calculated using 90-day active users. (3) These figures (in 000s) represent the total number of application logins using a mobile device. (4) Financial transactions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

Increased earnings YoY from U.S. operations

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

Last 12 months ended July 31, 2019



U.S. Operations Condensed Income Statement

US$ millions (unless otherwise stated)	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019
Revenue	1,915	1,833	1,972	2,021	1,952
Provision For Credit Losses	23	29	105	39	18
Net Income	**400**	**366**	**387**	**426**	**416**
Adjusted Net Income[3]	412	365	415	454	444
Net Income (C$MM)	**521**	**477**	**515**	**568**	**551**
Adj. Net Income (C$MM)[3]	536	476	552	605	588

Q3/2019 Highlights

- The U.S. represented 17% or over $2 billion of total bank net income over the last 12 months[1][4]
  - Q3/2019 U.S. earnings was up 4% YoY, but down 2% QoQ
- The U.S. represented 23% of total bank revenue in the last 12 months[1][4]
  - Q3/2019 U.S. revenue was up 2% YoY, but down 3% QoQ; Capital Markets mainly drove the sequential decline
- Strong U.S. credit quality with PCL ratio on loans of 9 bps, down 12 bps QoQ largely due to recoveries in Capital Markets in the U.S.

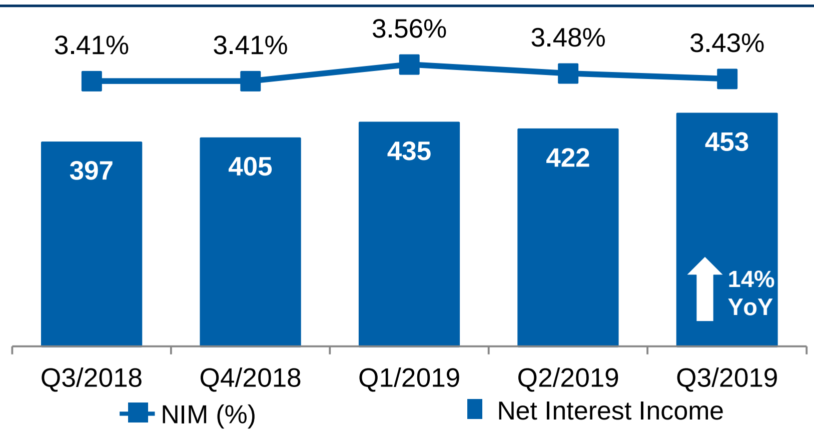
(1) Excludes Corporate Support. Revenue is on a Tax Equivalent Basis (TEB). These are non-GAAP measures. For more information, see slide 27. (2) Other revenue includes U.S. portions of U.S. Banking, Insurance and I&TS. (3) Adjusted net income for every quarter excludes CNB's amortization of intangibles and integration costs, which were US$28MM/C$37MM after-tax (US$37MM/C$49MM before-tax) in Q3/2019. 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)	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019
Revenue	1,101	1,031	1,103	1,155	1,168
Provision For Credit Loss	2	2	20	23	20
Expenses	863	845	868	925	906
Net Income	**202**	**180**	**187**	**178**	**203**
Adjusted Net Income[2]	214	187	215	206	231
AUA ($BN)	375.2	367.1	378.0	400.9	408.1
AUM ($BN)	103.9	102.9	107.3	113.5	117.2
CNB Loans ($BN)	33.1	33.6	35.3	36.4	38.1
CNB Deposits ($BN)	41.7	42.2	42.1	41.1	44.2
CNB Net Income	**134**	**126**	**104**	**90**	**115**
CNB Adjusted Net Income[2]	146	134	132	118	143

CNB NIM and Net Interest Income (US$ millions)



Q3/2019 Highlights

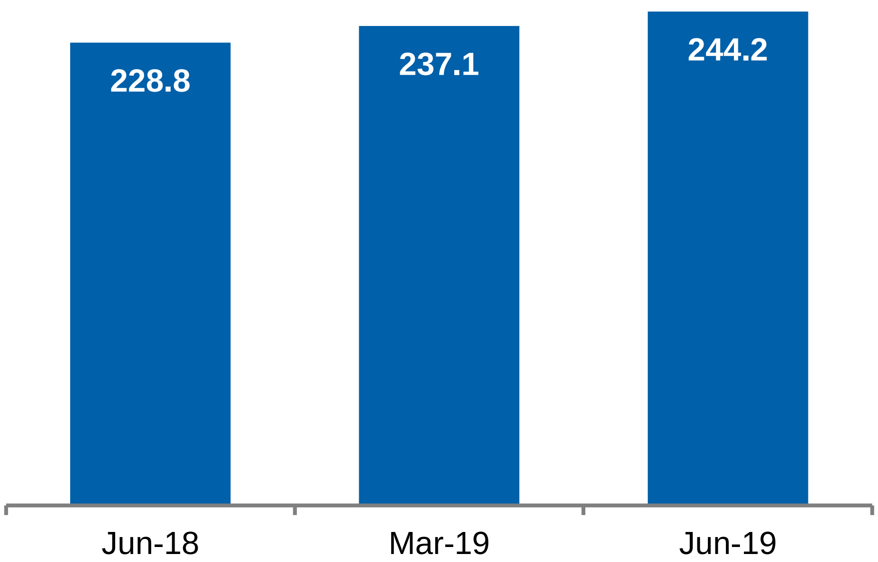
- Net income was flat YoY, or up 8% on an adjusted basis[2]
- Higher net interest income (up 14% YoY) reflecting strong volume growth
  - Strong double-digit loan growth of 15% YoY at CNB and 6% deposit growth
  - NIM down 5 bps QoQ, as higher deposit costs were partially offset by higher gain on acquired credit impaired loans
- PCL increased $18 million YoY (relatively flat QoQ), due to higher provisions on impaired loans, mainly in a few accounts
- Higher costs related to business growth and technology initiatives as we continue to invest for the future
- Higher average fee-based client assets reflecting net new sales and market appreciation
  - AUM growth of 13% YoY
  - AUA growth of 9% 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 Q3/2019. 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

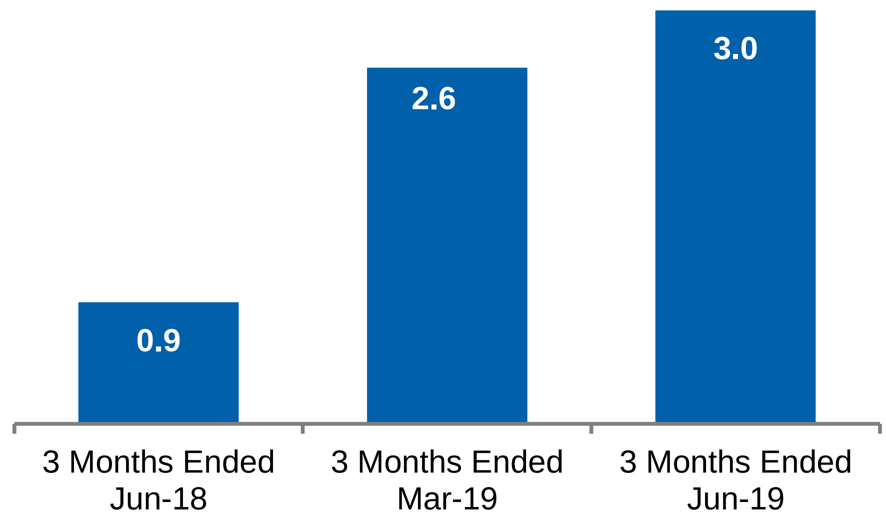
Assets Under Management ($ billions)

All-in Market Share(1)		
15.1%	15.5%	15.6%



Net Sales ($ billions)

All-in Market Share(1)		
NMF(2)	44.1%	NMF(2)

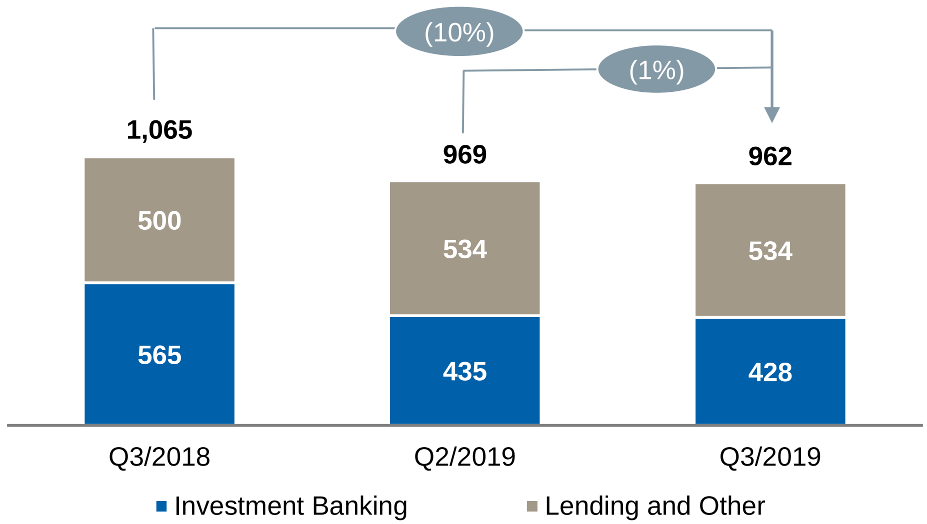


- RBC Global Asset Management (GAM) ranks #1 in market share by AUM with 15.6% of all-in(1) share; amongst the bank fund companies, RBC has market share of 32.0%
- Net sales at RBC GAM exceeded that for total industry during the past 12 months(1)

(1) Investment Funds Institute of Canada (IFIC) as at June 2019 and RBC reporting. Comprised of long-term funds and money market funds. (2) Not meaningful: industry saw net redemptions during three months ended June 2018 and net sales at RBC GAM exceeded that for total industry during three months ended June 2019.

Capital Markets revenue breakdown by business

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



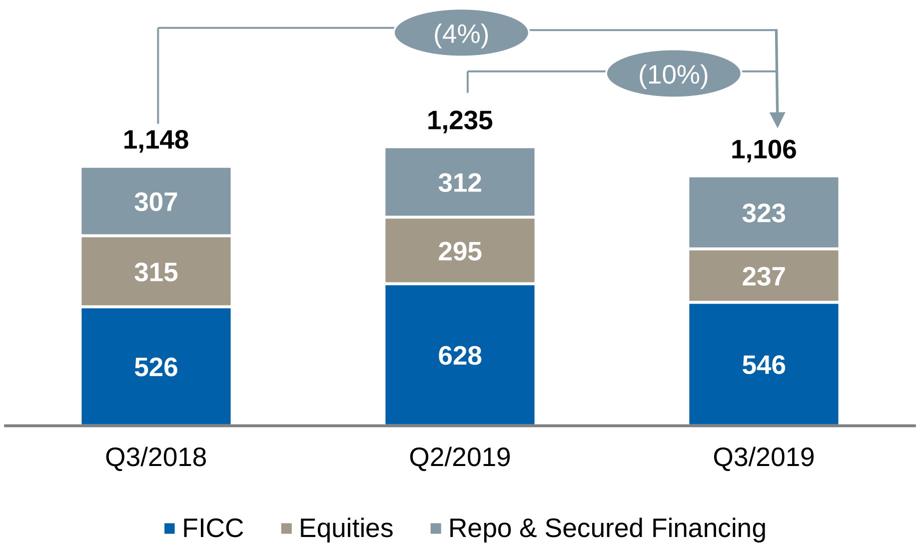
YoY

- Lower loan syndication activity, primarily in the U.S. and Europe
- Lower M&A, mainly in Canada
- Partially offset by higher lending revenue across all regions

QoQ

- Lower M&A in Canada and Europe
- Lower debt origination in the U.S. and Europe
- Partially offset by higher equity origination in Europe and the U.S.

Global Markets Revenue Breakdown by Business ($ millions)



YoY

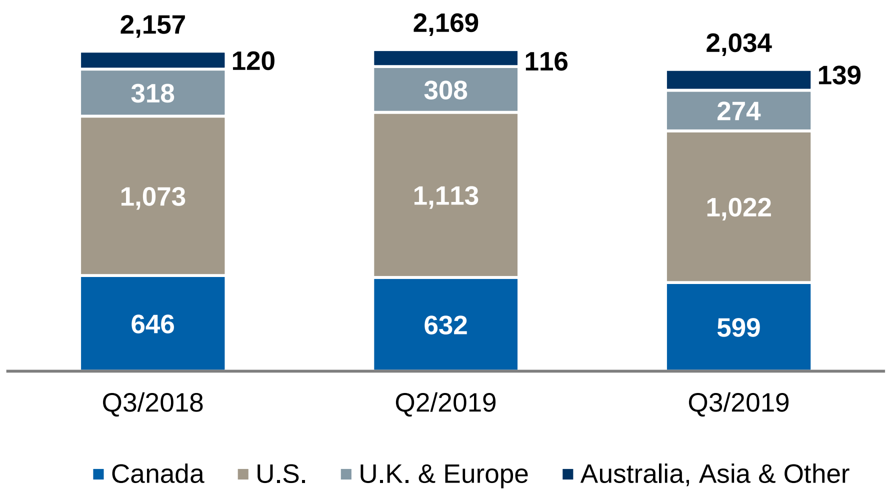
- Lower equity trading revenue, largely in the U.S.
- Lower foreign exchange trading revenue across all regions
- Partially offset by higher fixed income trading revenue across all regions

QoQ

- Lower fixed income trading across all regions after a strong prior quarter
- Lower debt origination across all regions
- Lower equities trading across most regions
- Partially offset by higher commodities trading, mainly in Canada

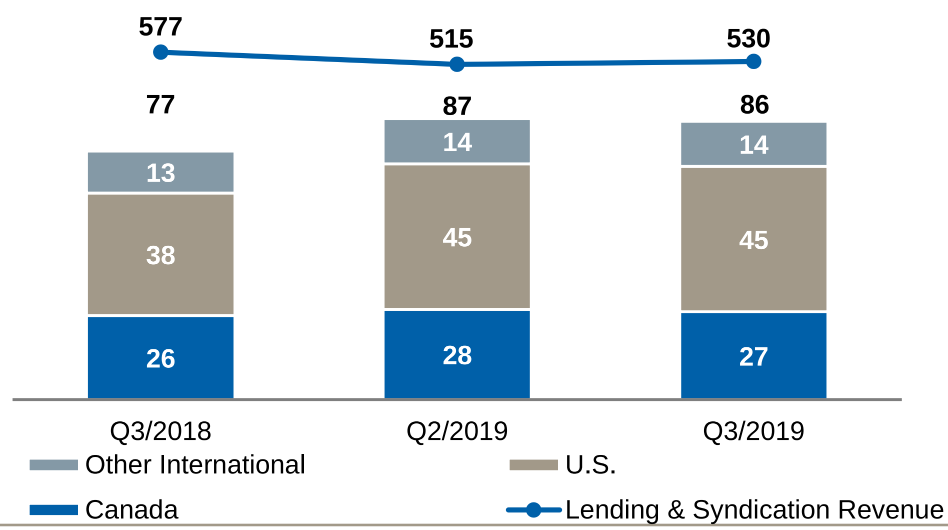
Capital Markets revenue breakdown by geography

Capital Markets Revenue Breakdown by Geography ($ millions)



- **Canada:** Down YoY driven by lower equity origination and M&A, partly offset by higher equity and commodities trading
- **U.S.:** Down YoY due to lower loan syndication and lower equities trading, partly offset by higher lending and debt and equity origination
- **U.K. & Europe:** Down YoY due to lower equity and foreign exchange trading, lower debt origination and lower loan syndication, partly offset by higher equity origination
- **Australia, Asia & Other:** Higher YoY driven by increased fixed income and equity trading and higher lending, offset partially by lower M&A

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

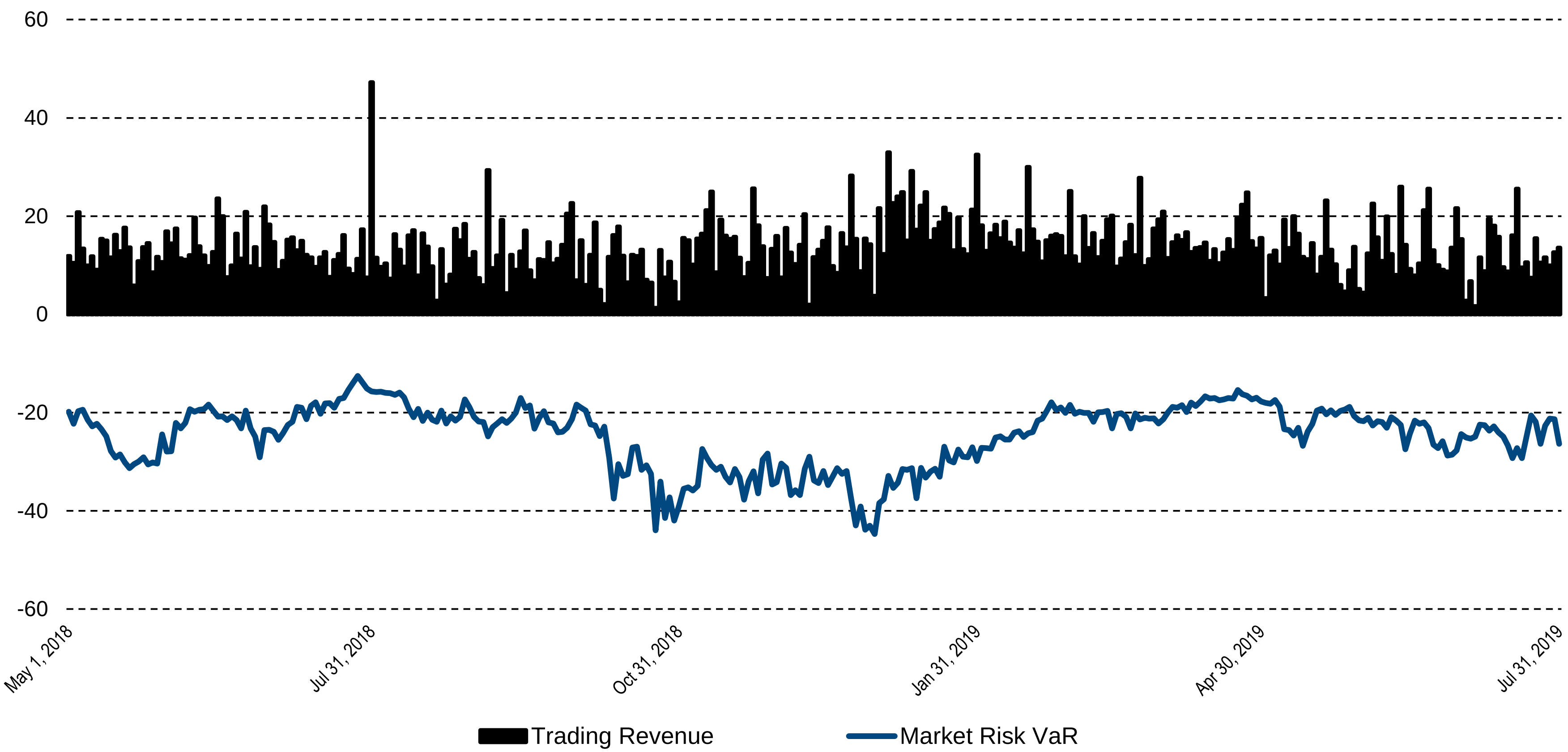


- Continue to deepen and optimize client relationships
- Diversification driven by strict limits on a single name basis, country, industry and product levels across all businesses, portfolios, transactions and products
- Consistent lending standards throughout the cycle
- Approximately 62% of our total 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

($ millions)



- There were no days of net trading losses over the past year
- Average market risk VaR increased QoQ mainly due to increased equity derivatives exposure and growth in certain fixed income portfolios

Other items impacting results

Other Items ($ millions, except for EPS)	Segments	Before-Tax	After-Tax	Diluted EPS
Q3/2019				
No significant items of note				
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

Other Items ($ millions, except for EPS)	Segments	Before-Tax	After-Tax	Diluted EPS
Q4/2018				
Tax benefit associated with our U.S. tax filings	Wealth Management	n/a	$23	$0.02
Q3/2018				
Gain on sale of mutual fund product	Wealth Management	$40	$26	$0.02
Loss on Investment in an international asset management joint venture	Wealth Management	($27)	($24)	($0.02)
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 Re: CNB	Wealth Management	$33	$23	$0.02

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 Q3/2019 Report to Shareholders and our 2018 Annual Report.

Definitions can be found under the “Glossary” sections in our Q3/2019 Supplementary Financial Information and our 2018 Annual Report.

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