

RBC to Acquire BlueBay Asset Management

– Fact sheet –

Highlights

Description:	Headquartered in London, U.K. BlueBay is one of Europe's largest independent managers of fixed income debt funds and products. BlueBay manages assets on behalf of institutional and high net worth investors in the UK, Europe, the U.S., the Middle East, Asia and Australasia.
Ownership:	Publicly held.
Office Locations:	London, U.K. (head office); Stamford, U.S.; and Tokyo, Japan
# Employees:	220 (Sept 30, 2010)
Assets Under Management:	Approximately US\$ 40 billion (Sept 30, 2010)
Form of consideration:	BlueBay shareholders will be entitled to receive 485 pence in cash for each BlueBay share: <ul style="list-style-type: none"> - 29% premium over the closing price of BlueBay shares as at Friday October 15, 2010. - Total purchase price of approximately £963 million (C\$ 1.56 billion)
Expected closing:	End of December 2010
Closing conditions:	Subject to shareholder and regulatory approval
RBC Tier 1 Capital Ratio Impact:	Approx. 55 bps impact, immediately following closing of the acquisition
RBC EPS impact:	Not material to RBC EPS in the near term

BlueBay Asset Management is an excellent strategic fit with RBC Asset Management

- This acquisition will further RBC's strategy to leverage our position as a top 10 global wealth manager by broadening our product offering, expanding our footprint in target international markets and improving our distribution capabilities which will ensure delivery of the best asset management solutions to our clients.
- Based in London, BlueBay manages a combination of long-only and alternative investment strategies across the sub-asset classes of fixed income credit – primarily focused on European and emerging markets strategies – including: investment grade corporate debt, high yield corporate debt, emerging market debt, convertible bonds, distressed debt, and multi-strategy debt capabilities.
- Experienced management team which is keen to work with RBC to accelerate growth in our global asset management business, particularly in the U.K., Europe and EMEA.
- BlueBay's investment in talent, distribution, product innovation and infrastructure can further support exceptional growth.
- BlueBay brings new institutional and High Net Worth relationships along with a sales team that has impressive sales penetration into select European markets and Japan which will help expand RBC's geographic reach.
- Both RBC and BlueBay share a strong commitment to putting clients' interests first and adhere to the highest standards of business practices.

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Certain statements contained in this fact sheet may be deemed to be forward-looking statements under certain securities laws, including the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995 and in any applicable Canadian securities legislation. These forward-looking statements include, but are not limited to statements with respect to the acquisition of BlueBay by RBC. Forward-looking statements are typically identified by words such as "believe", "expect", "foresee", "forecast", "anticipate", "intend", "estimate", "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 and other forward-looking information, including statements about the acquisition of BlueBay by RBC will not be achieved. We caution readers not to place undue reliance on these statements as a number of important factors could cause our actual results to differ materially from the expectations expressed in such forward-looking statements. These factors include, but are not limited to the possibility that the proposed acquisition does not close when expected or at all because required regulatory or other approvals are not received or other conditions to the closing are not satisfied on a timely basis or at all, that RBC and BlueBay may be required to modify the terms and conditions of the proposed transaction to achieve regulatory approval, or that the anticipated benefits of the transaction are not realized as a result of such things as the strength of the economy and competitive factors in the areas where BlueBay does business; the impact of changes in the laws and regulations regulating financial services and enforcement thereof (including banking, insurance and securities); judicial judgments and legal proceedings; RBC's ability to complete the acquisition of BlueBay and to integrate it with RBC successfully; reputational risks, and other factors that may affect future results of RBC and BlueBay, including timely development and introduction of new products and services, changes in tax laws, and technological and regulatory changes. We caution that the foregoing list of important factors is not exhaustive. Additional information about these and other factors can be found in RBC's 2009 Annual Report.

Except as required by law, Royal Bank of Canada assumes no obligation to update the forward-looking statements contained in this fact sheet.