Royal Bank of Canada
Third Quarter Results

August 22, 2014

All amounts are in Canadian dollars and are based on financial statements prepared in compliance with International Accounting Standard 34 *Interim Financial Reporting* unless otherwise noted. Our Q3/2014 Report to Shareholders and Supplementary Financial Information are available on our website at rbc.com/investorrelations.

Caution regarding forward-looking statements

From time to time, we make written or oral forward-looking statements within the meaning of certain securities laws, including the "safe harbour" provisions of the *United States Private Securities Litigation Reform Act of 1995* and any applicable Canadian securities legislation. We may make forward-looking statements in this presentation and in the accompanying management's comments and responses to questions during the August 22, 2014 analyst conference call (Q3/2014 presentation), in filings with Canadian regulators or the United States (U.S.) Securities and Exchange Commission (SEC), in reports to shareholders and in other communications. Forward-looking statements in this presentation include, but are not limited to, statements relating to our financial performance objectives, vision and strategic goals. The forward-looking information contained in this 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, and our financial performance objectives, vision and strategic goals, and may not be appropriate for other purposes. Forward-looking statements are typically identified by words such as "believe", "expect", "foresee", "forecast", "anticipate", "intend", "estimate", "goal", "plan" and "project" and similar expressions of future or conditional verbs such as "will", "may", "should", "could" or "would".

By their very nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties, which give rise to the possibility that our predictions, forecasts, projections, expectations or conclusions will not prove to be accurate, that our assumptions may not be correct and that our financial performance objectives, vision and strategic goals will not be achieved. We caution readers not to place undue reliance on these statements as a number of risk factors could cause our actual results to differ materially from the expectations expressed in such forward-looking statements. These factors – many of which are beyond our control and the effects of which can be difficult to predict – include: credit, market, liquidity and funding, insurance, regulatory compliance, litigation, operational, strategic, reputation and competitive risks and other risks discussed in the Risk management and Overview of other risks sections of our 2013 Annual Report and in the Risk management section of our Q3/2014 Report to Shareholders; the impact of regulatory reforms, including relating to the Basel Committee on Banking Supervision's (BCBS) global standards for capital and liquidity reform, the *Dodd-Frank Wall Street Reform and Consumer Protection Act* and the regulations issued and to be issued thereunder, over-the-counter derivatives reform, the payments system in Canada, the U.S. *Foreign Account Tax Compliance Act* (FATCA), and regulatory reforms in the United Kingdom (U.K.) and Europe; the high levels of Canadian household debt; cybersecurity; the business and economic conditions in Canada, the U.S. and certain other countries in which we operate; the effects of changes in government fiscal, monetary and other policies; our ability to attract and retain employees; the accuracy and completeness of information concerning our clients and counterparties; the development and integration of our distribution networks; model, information technology and social media risk; and the impact of environmental issues.

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 Q3/2014 presentation are set out in the Overview and outlook section and for each business segment under the heading Outlook and priorities in our 2013 Annual Report, as updated by the Overview section in our Q3/2014 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 management and the Overview of other risks sections in our 2013 Annual Report and in the Risk management section of our Q3/2014 Report to Shareholders.

Information contained in or otherwise accessible through the websites mentioned does not form part of this Q3 presentation. All references in this Q3 presentation to websites are inactive textual references and are for your information only.

Overview

Dave McKay

President and Chief Executive Officer

Record quarterly earnings in Q3/2014

Strong revenue growth and positive operating leverage drove record quarterly earnings	▪ Record quarter with net income of \$2.38 billion, up 4% YoY – Adjusted[(1)] net income of \$2.42 billion, up 10% YoY ▪ Record earnings in Canadian Banking, Capital Markets, Wealth Management and Insurance ▪ Solid results in Investor & Treasury Services ▪ Strong growth in fee-based revenue and positive operating leverage[(2)] ▪ Ongoing focus on efficiency management activities
Strong capital position	▪ "All-in" Common Equity Tier 1 ratio of 9.5%
Dividend increase	▪ Announced a quarterly dividend increase of \$0.04 or 6% to \$0.75 per share

Delivered record earnings and ROE of 19.6% while maintaining a strong capital position

(1) Earnings excluding specified items are non-GAAP measures. For more information and a reconciliation, see slides 29 and 30.

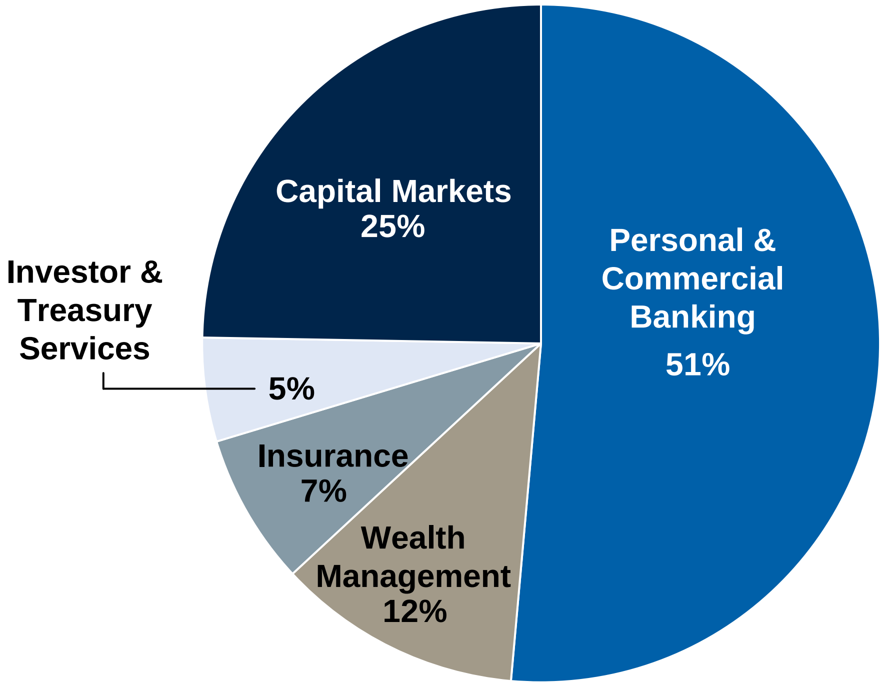
(2) Operating leverage is Revenue growth (net of Policyholder Benefits Claims and Acquisitions Expense) less Expense growth year-over-year. This is a non-GAAP measure. For more information, see slide 30.

A diversified business model – RBC's key strength

- Diversified business mix, with the right balance of retail and wholesale
- Almost two-thirds of revenue from Canada
- Strategic approach in key businesses in the U.S. and select international markets

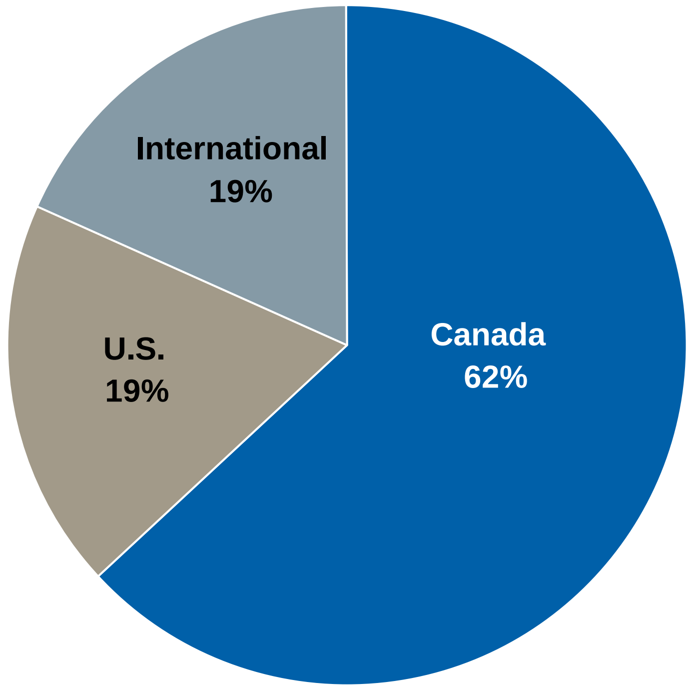
Earnings by business segment[1]

Latest twelve months ended July 31, 2014



Revenue by geography[1]

Latest twelve months ended July 31, 2014



(1) *Amounts exclude Corporate Support. These are non-GAAP measures. For more information, see the Business segment results and Results by geographic segment sections of our Q3/2014 Report to Shareholders and slide 30.*

Key strategic priorities aligned to our long-term goals

Strategic goals

- **In Canada, to be the undisputed leader in financial services**
- **Globally, to be a leading provider of capital markets, investor and wealth management solutions**
- **In targeted markets, to be a leading provider of select financial services complementary to our core strengths**

Strategic priorities

Personal & Commercial Banking	Wealth Management	Insurance	Investor & Treasury Services (I&TS)	Capital Markets
▪ Offering a differentiated experience: value for money, advice, access and service ▪ Making it easier to do business with us and be the lower cost producer ▪ Converging into an integrated multi-channel network ▪ Enhancing client experience and improving efficiency in the Caribbean and U.S.	▪ Building a high-performing global asset management business ▪ Focusing on high net worth and ultra-high net worth clients to build global leadership ▪ Leveraging RBC and RBC Wealth Management strengths and capabilities	▪ Improving distribution efficiency and deepening client relationships ▪ Making it easier for clients to do business with us ▪ Pursuing select international opportunities to grow our reinsurance business	▪ Providing excellence in custody and asset servicing, with an integrated funding and liquidity management business ▪ Focusing on organic growth through client relationships, cross-selling and promoting the RBC brand ▪ Leveraging I&TS as a driver of enterprise growth strategies	▪ Maintaining our leadership position in Canada ▪ Expanding and strengthening client relationships in the U.S. ▪ Building on core strengths and capabilities in Europe and Asia ▪ Optimizing capital use to earn high risk-adjusted returns on assets and equity

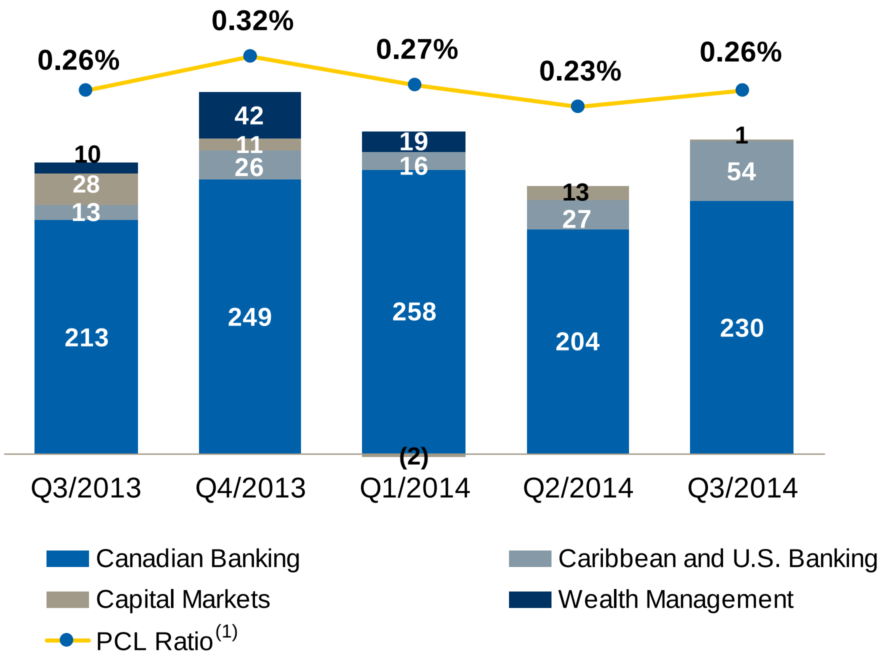
Risk Review

Mark Hughes

Chief Risk Officer

Credit quality remains strong

Total PCL ($ millions, except percentage amounts)				
267	334	292	244	283



Personal & Commercial Banking (P&CB)

- P&CB PCL was up $53 million QoQ
  - Caribbean PCL was up $27 million QoQ driven by higher provisions in the commercial and retail portfolios
  - Canadian Banking PCL was up $26 million QoQ driven by higher provisions in the commercial and personal lending portfolios

Capital Markets

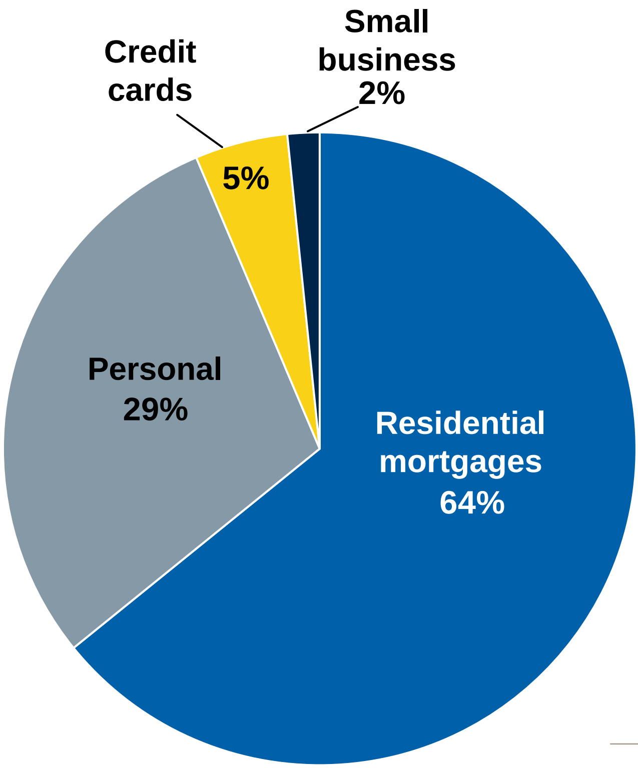
- PCL of $1 million, down $12 million from last quarter

Selected PCL Ratios	Q3/2013	Q4/2013	Q1/2014	Q2/2014	Q3/2014
Personal & Commercial Banking	0.26%	0.32%	0.31%	0.27%	**0.32%**
Canadian Banking	0.25%	0.29%	0.30%	0.25%	**0.26%**
Capital Markets	0.20%	0.08%	(0.01)%	0.08%	**0.01%**

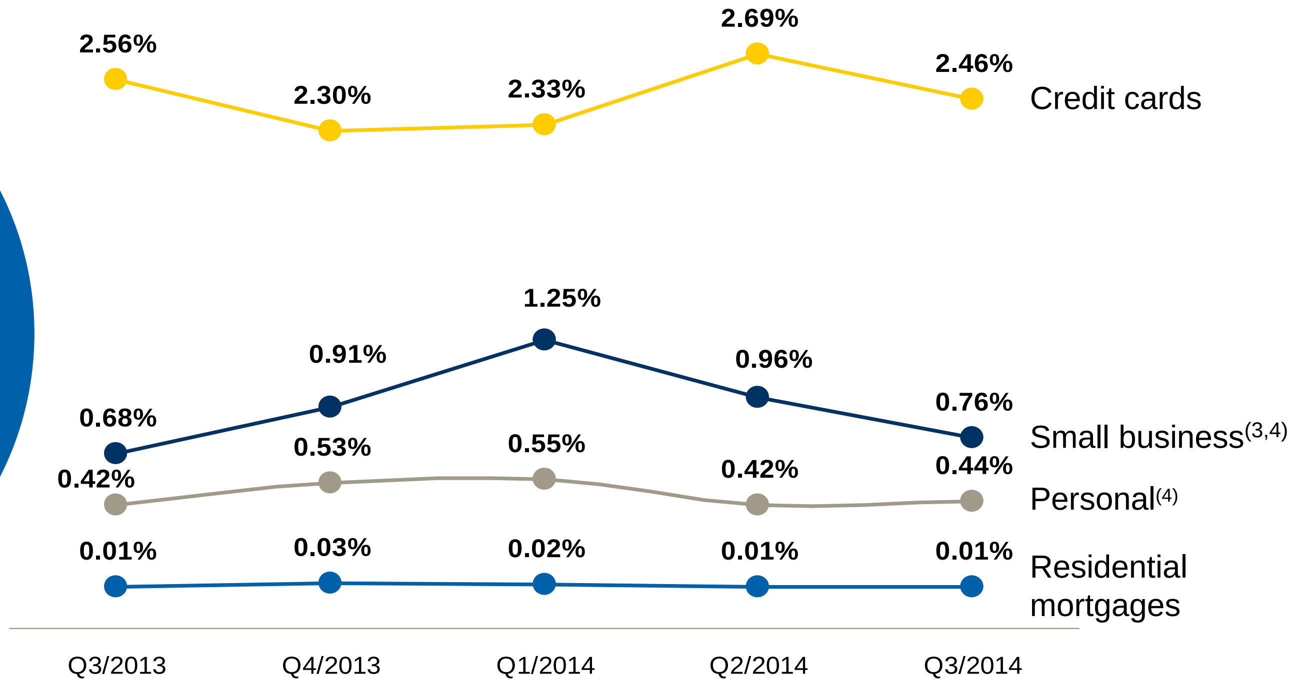
(1) PCL ratio is PCL on impaired loans as a percentage of average net loans & acceptances (annualized).

Strong and stable credit quality in Canadian Banking retail portfolio

Average retail loans ($291 billion)(1,4)



PCL Ratio(2) by product



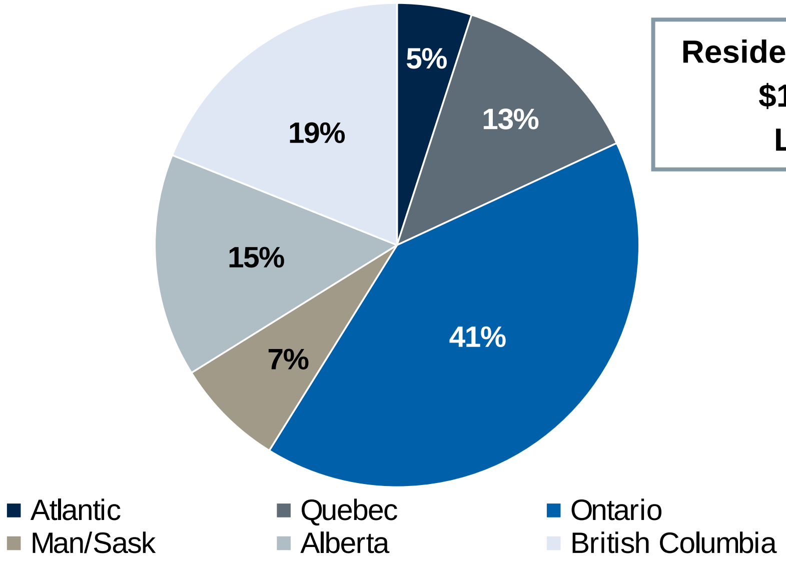
(1) As at July 31, 2014.
(2) PCL ratio is PCL on impaired loans as a percentage of average net loans & acceptances (annualized).
(3) Since Q2/2013, includes Ally Canada non-personal loan portfolio. In Q1/2014, we aligned Ally Canada to RBC's methodology.
(4) In Q2/2014, certain indirect auto loans were reclassified retroactively from personal loans to small business loans.

Credit quality across all products remain relatively stable

Diversified residential mortgage portfolio in Canadian Banking

Geographic Diversification

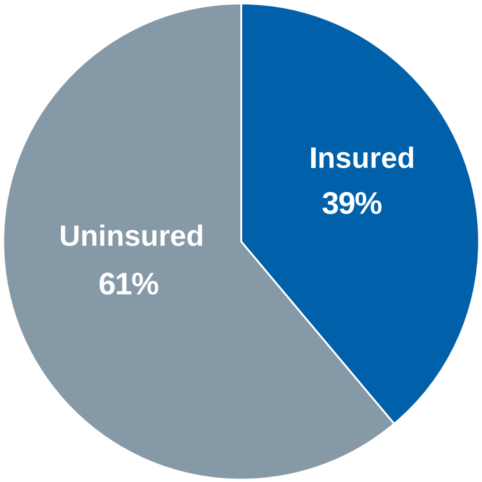
As at July 31, 2014



Residential Mortgages:
$189 billion[(1)]
LTV: 55%[(2)]

Insured vs. Uninsured mortgages

As at July 31, 2014



- Broad geographic diversification across Canada
- Strong underwriting practices resulting in continued low loss rates and stable delinquency rates with good LTV coverage and low exposure to condo market

(1) Excludes mortgages of $5 billion related to commercial clients which are reported as business loans.
(2) Loan to value (LTV) represents our outstanding balances of the entire Canadian Banking uninsured portfolio (including Homeline product) weighted by mortgage balances and adjusted for property values based on the Teranet – National Bank National Composite House Price Index.

Financial Review

Janice Fukakusa

Chief Administrative Officer and Chief Financial Officer

Record quarterly earnings drove a ROE of 19.6% in Q3/2014

($ millions, except for EPS and ROE)	Q3/2014		Q2/2014	Q3/2013	
	As Reported	Excluding specified items(1)	As Reported	As Reported	Excluding specified items(1)
Revenue	**$8,977**	**$8,977**	$8,270	$7,168	$7,168
Net income	**$2,378**	**$2,418**	$2,201	$2,285	$2,195
Diluted earnings per share (EPS)	**$1.59**	**$1.62**	$1.47	$1.51	$1.45
Return on common equity (ROE)(2)	**19.6%**	**20.0%**	19.1%	21.3%	20.4%

Earnings up $223 million or 10% YoY excluding specified items(1)

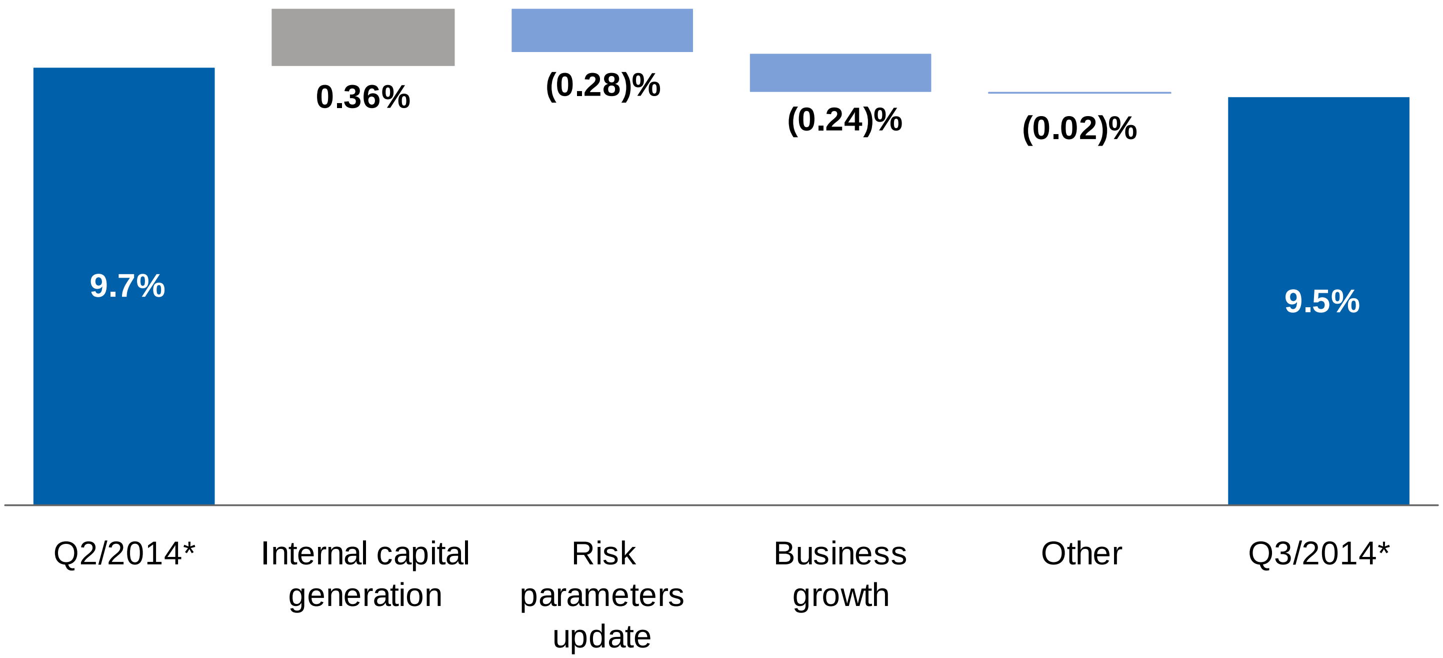
- Strong revenue growth, solid credit quality and positive operating leverage across most businesses
- Record earnings in Canadian Banking reflecting 4% volume growth and strong growth in fee-based revenue of 5%
- Record earnings in Capital Markets reflecting strong trading and origination activity, and strong growth in loan syndication and lending
- Record earnings in Wealth Management reflecting higher average fee-based client assets across all businesses driven by capital appreciation and net sales
- Partially offset by higher PCL in Caribbean and Canadian Banking

Earnings up $217 million or 10% QoQ excluding specified items(1)

- Strong growth in origination activity and trading in Capital Markets
- Improved results in Canadian Banking driven by additional days in the quarter, volume growth and higher fee-based revenue
- Favourable actuarial adjustments and lower net claims costs in Insurance
- Partially offset by higher PCL in Caribbean and Canadian Banking

(1) Earnings excluding specified items are non-GAAP measures. For more information and a reconciliation, see slides 29 and 30. (2) ROE does not have a standardized meaning under GAAP and may not be comparable to similar measures disclosed by other financial institutions.

Strong Basel III Common Equity Tier 1 (CET1) ratio(1)



- CET1 ratio down 20 bps from Q2/2014, primarily reflecting higher risk-weighted assets, partially offset by strong internal capital generation. The RWA increase was mainly due to:
  - Update to the risk parameters of our corporate and business lending portfolios
  - Business growth
- Modest buyback activity in the quarter

Maintained a strong capital position

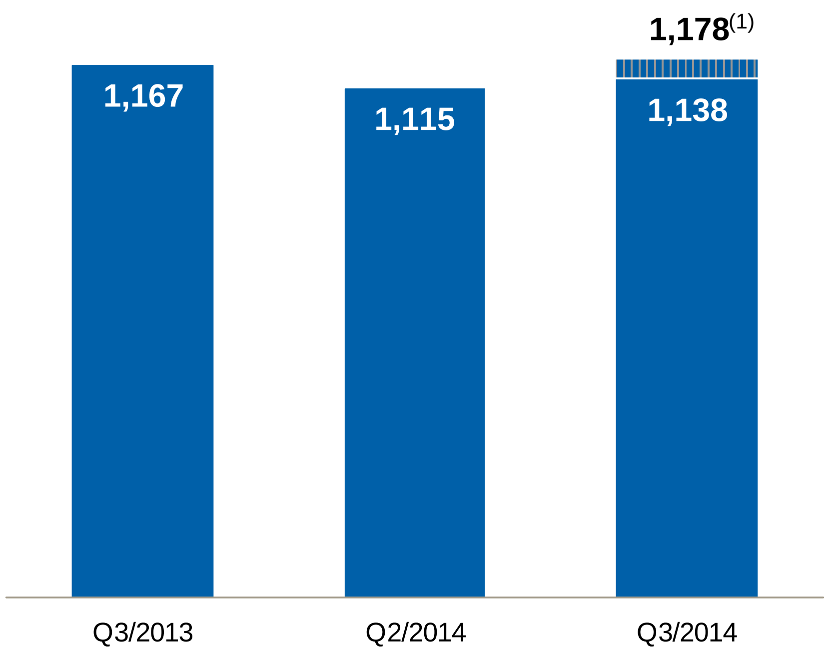
** Represents rounded figures.*

(1) For more information, refer to the Capital management section of our Q3/2014 Report to Shareholders.

Continued strength in Personal & Commercial Banking

Net Income – P&CB

($ millions)



Percentage Change	YoY	QoQ
Reported Net Income	**(2)%**	**2%**
Adjusted Net Income[1]	**1%**	**6%**

Q3/2014 Highlights

Canadian Banking

- Record net income of $1,185 million, up 3% YoY, and up 7% QoQ

	Amount *($ billions)*	YoY	QoQ
Loans	$345	**3%**	**1%**
Deposits	$264	**6%**	**1%**

  - Volume growth of 4% YoY: Deposit growth outpaced loan growth driving lower funding costs
  - Strong growth in fee-based revenue (up 5% YoY) primarily from mutual fund sales
- Stable margins with NIM of 2.73%, down 1 bp QoQ
- Positive operating leverage
- Efficiency ratio of 43.7%, improved 90 bps YoY

Caribbean & U.S. Banking

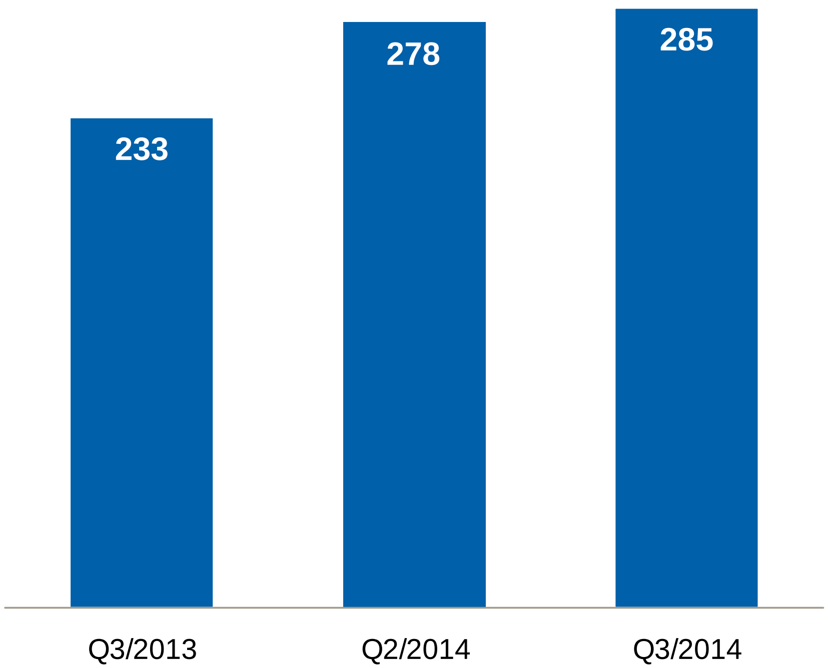
- Results reflect $40 million after-tax loss related to the sale of RBC Jamaica which closed in June 2014

(1) Excludes $40 million (before- and after-tax) loss related to the closing of the sale of RBC Jamaica. These are non-GAAP measures. For more information and a reconciliation, see slides 29 and 30.

Record earnings in Wealth Management

Net Income

($ millions)



Percentage Change	YoY	QoQ
Net Income	**22%**	**3%**

Q3/2014 Highlights

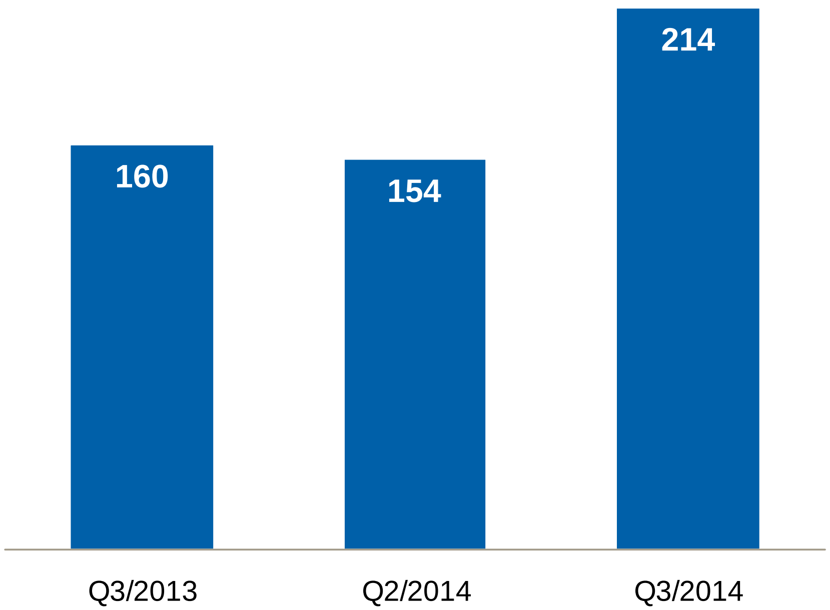
- Record earnings, up 22% YoY and 3% QoQ
  - Higher average fee-based client asset growth across all businesses from capital appreciation and strong net sales
- Positive operating leverage YoY
- Prior year included PCL of $10 million

	Amount *($ billions)*	YoY	QoQ
AUA	$701	**14%**	**1%**
AUM	$442	**18%**	**4%**
Loans(1)	$16	**27%**	**1%**
Deposits(1)	$36	**13%**	**(1)%**

(1) Average balances.

Record earnings in Insurance

Net Income
($ millions)



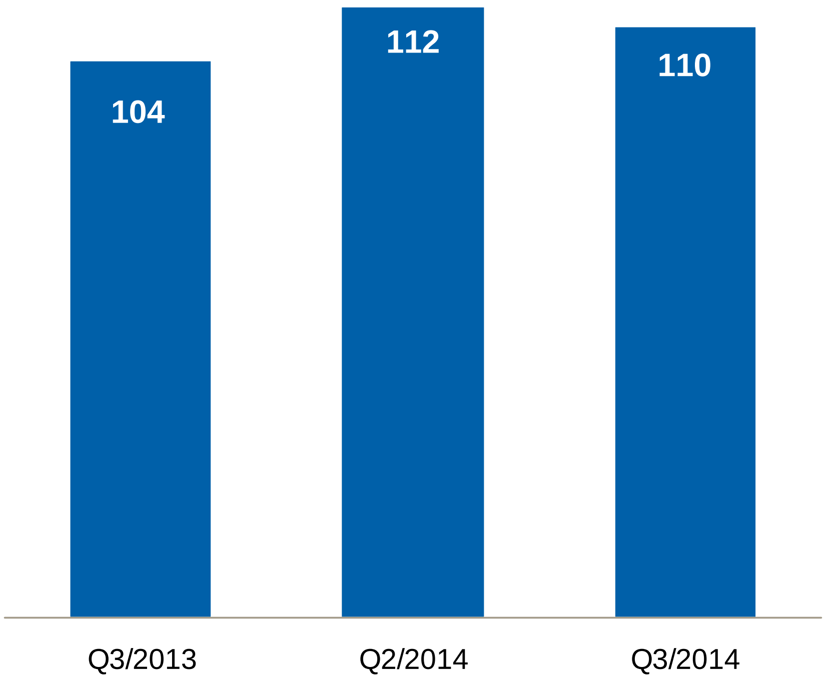
Percentage Change	YoY	QoQ
Net Income	**34%**	**39%**

Q3/2014 Highlights

- Net income up 34% YoY
  - Favourable actuarial adjustments
  - Lower net claims costs in Canadian and International Insurance
    - Q3/2013 was impacted by severe weather-related events
  - Q3/2013 included a new UK annuity contract
- Net income up 39% QoQ
  - Favourable actuarial adjustments
  - Lower net claims costs

Stable performance in Investor & Treasury Services

Net Income
($ millions)



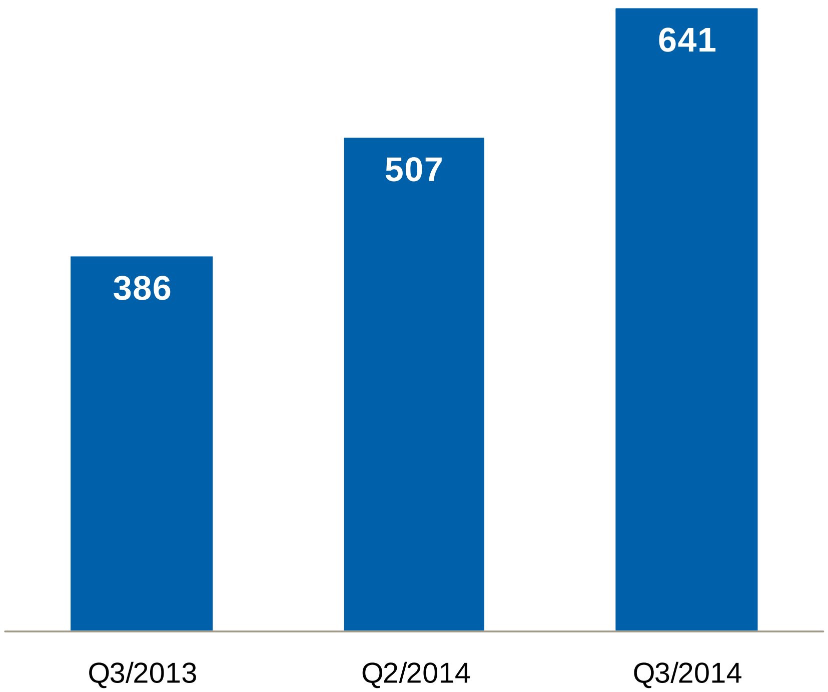
Percentage Change	YoY	QoQ
Net Income	**6%**	**(2)%**

Q3/2014 Highlights

- Net income up 6% YoY
  - Higher funding and liquidity revenue from tightening credit spreads
  - Higher net interest income from growth in client deposits
  - Lower custodial fees and securities lending
- Net income down 2% QoQ
  - Lower custodial fees and the impact of FX translation mostly offset by seasonally higher securities lending revenue

Record earnings in Capital Markets

Net Income
($ millions)



Percentage Change	YoY	QoQ
Net Income	**66%**	**26%**

Q3/2014 Highlights

- Net income up 66% YoY
  - Strong fixed income and equity trading revenue reflecting:
    - Improved market conditions in our fixed income credit, equity and municipal businesses
    - Increased activity from client-focused strategies
  - Robust growth in equity and debt origination
  - Strong growth in lending and loan syndication
  - Higher variable compensation on improved results and higher litigation provisions and related legal costs
- Net income up 26% QoQ
  - Strong growth in equity and debt origination
  - Higher equity and fixed income trading revenue
  - Higher variable compensation on improved results and lower M&A activity

Appendices

Continued leadership in Canadian Banking

Canadian Market Share	Q3/2014		Q3/2013	
	Rank	Market Share[1]	Rank	Market Share[1]
Consumer Lending[2]	1	23.6%	1	23.6%
Personal Core Deposits + GICs	2	20.2%	2	20.0%
Long-Term Mutual Funds[3]	1	14.2%	1	14.2%
Business Loans[4] ($0 - $25 million)	1	25.6%	1	24.6%
Business Deposits[5]	1	25.5%	1	26.0%

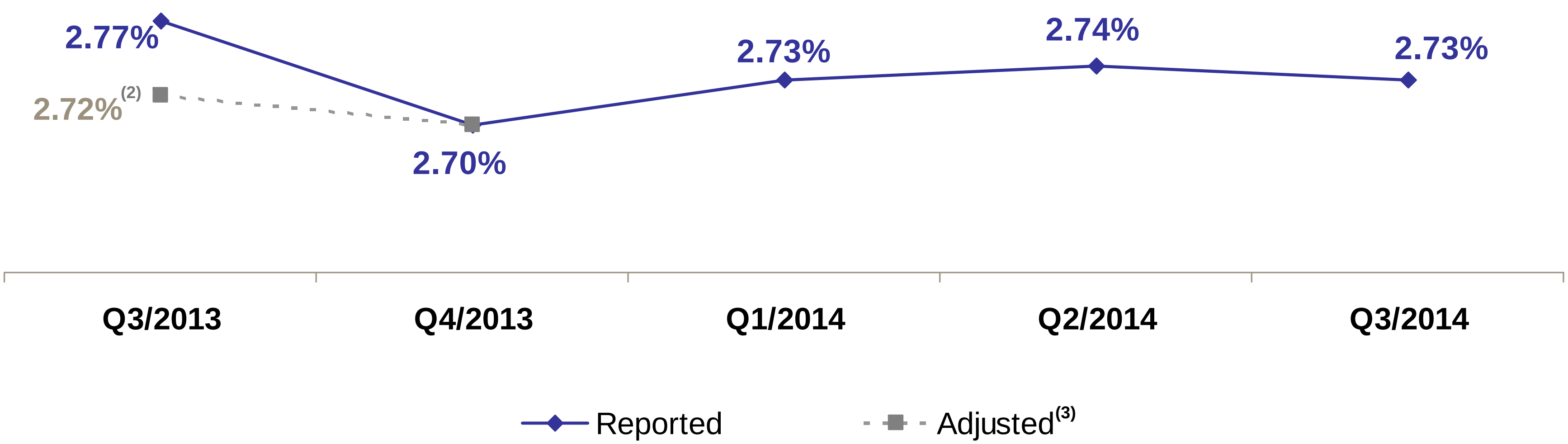
- #1 or #2 position in all key Canadian retail banking products
- Personal core deposits and GICs market share up 20 bps YoY

(1) Market share is calculated using most current data available from OSFI (M4), Investment Funds Institute of Canada (IFIC) and Canadian Bankers Association (CBA). OSFI, IFIC and Consumer Lending CBA data is at May 2014 and May 2013, Business Loans CBA data is at March 2014 and March 2013. Market share is of total Chartered Banks except for Business Loans which is of total 7 Banks (RBC, BMO, BNS, CIBC, TD, NBC, CWB). (2) Consumer Lending market share is of 6 banks (RBC, TD, CIBC, BMO, BNS and National). Consumer Lending comprises residential mortgages (excluding acquired portfolios), personal loans and credit cards. (3) Mutual fund market share is per IFIC and is compared to total industry. (4) Business Loans market share is of the 9 Chartered Banks that submit tiered data to CBA on a quarterly basis. (5) Business Deposits market share excludes Fixed Term, Government and Deposit Taking Institution balances.

Leadership in most personal products and in all business products

Stable net interest margin[1] in Canadian Banking

- Net interest margin decreased 1 bp QoQ and 4 bps YoY, or up 1 bp [2,3] YoY on an adjusted basis
- A more favourable funding mix, driven by deposit growth outpacing loan growth, continues to be offset by competitive pressures and the low interest rate environment
- Margins are expected to continue to reflect the competitive and low interest rate environment

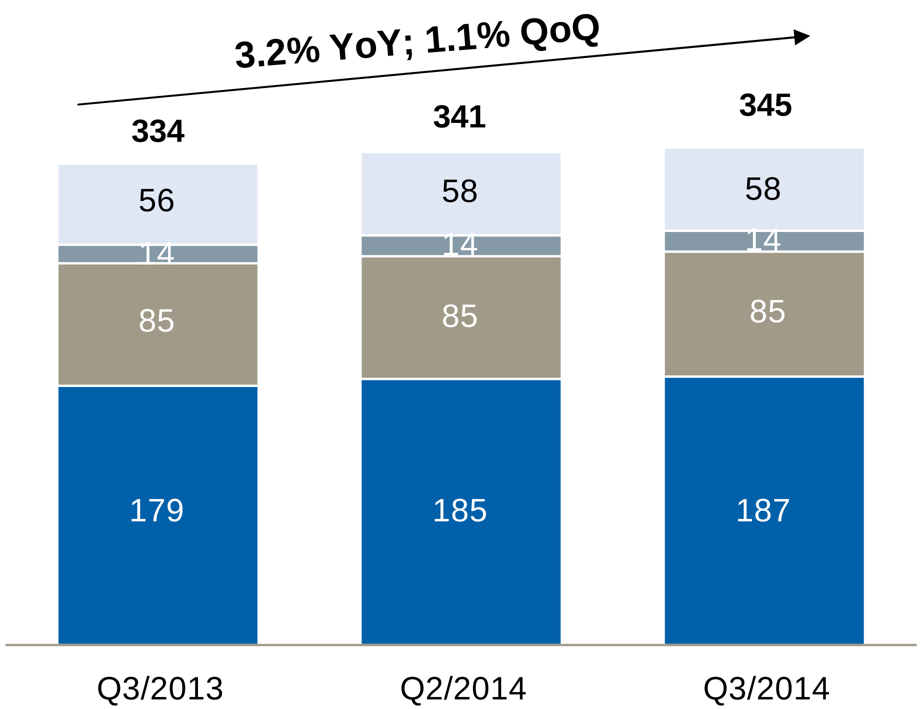


(1) Net interest margin: net interest income as a percentage of average total earning assets.
(2) Q3/2013 NIM was favourably impacted by fair value purchase accounting adjustments related to Ally Canada (3 bps) and accounting volatility (2 bps). Excluding these items, Q3/2013 adjusted NIM was 2.72%. Adjusted NIM is a non-GAAP measure. For more information, see slide 30.
(3) Adjusted NIM is a non-GAAP measure. For more information, see slide 30.

Continued volume growth in Canadian Banking

Average Loans & Acceptances(1)

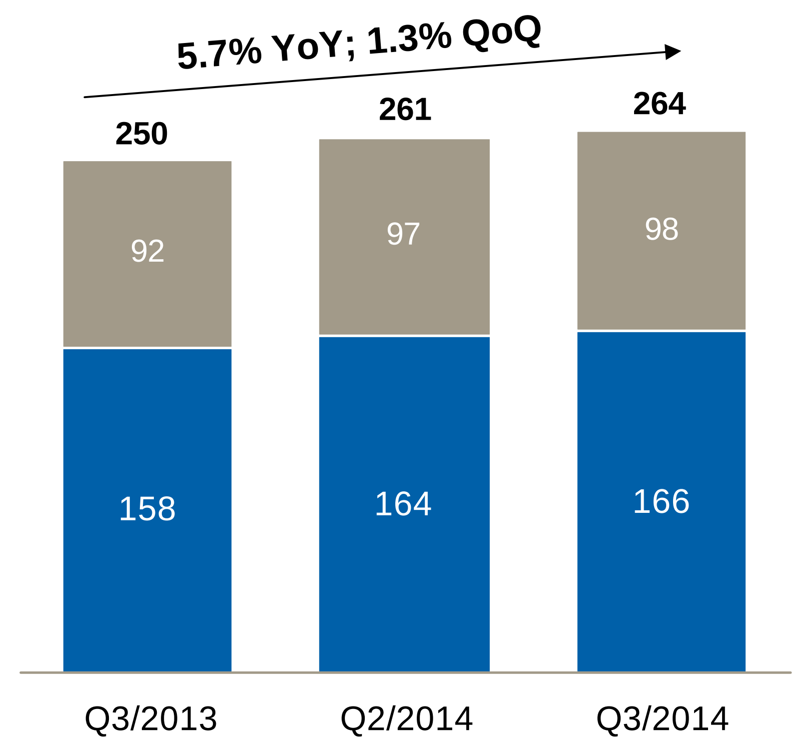
($ billions)



Percentage Change(1)		YoY	QoQ
Business (inc. small business)		4.7%	1.2%
Credit Cards		4.4%	3.6%
Personal Lending		0.0%	0.5%
Residential Mortgages		4.1%	1.2%

Average Deposits(2)

($ billions)



Percentage Change(2)		YoY	QoQ
Business Deposits		7.2%	2.1%
Personal Deposits		4.8%	0.9%

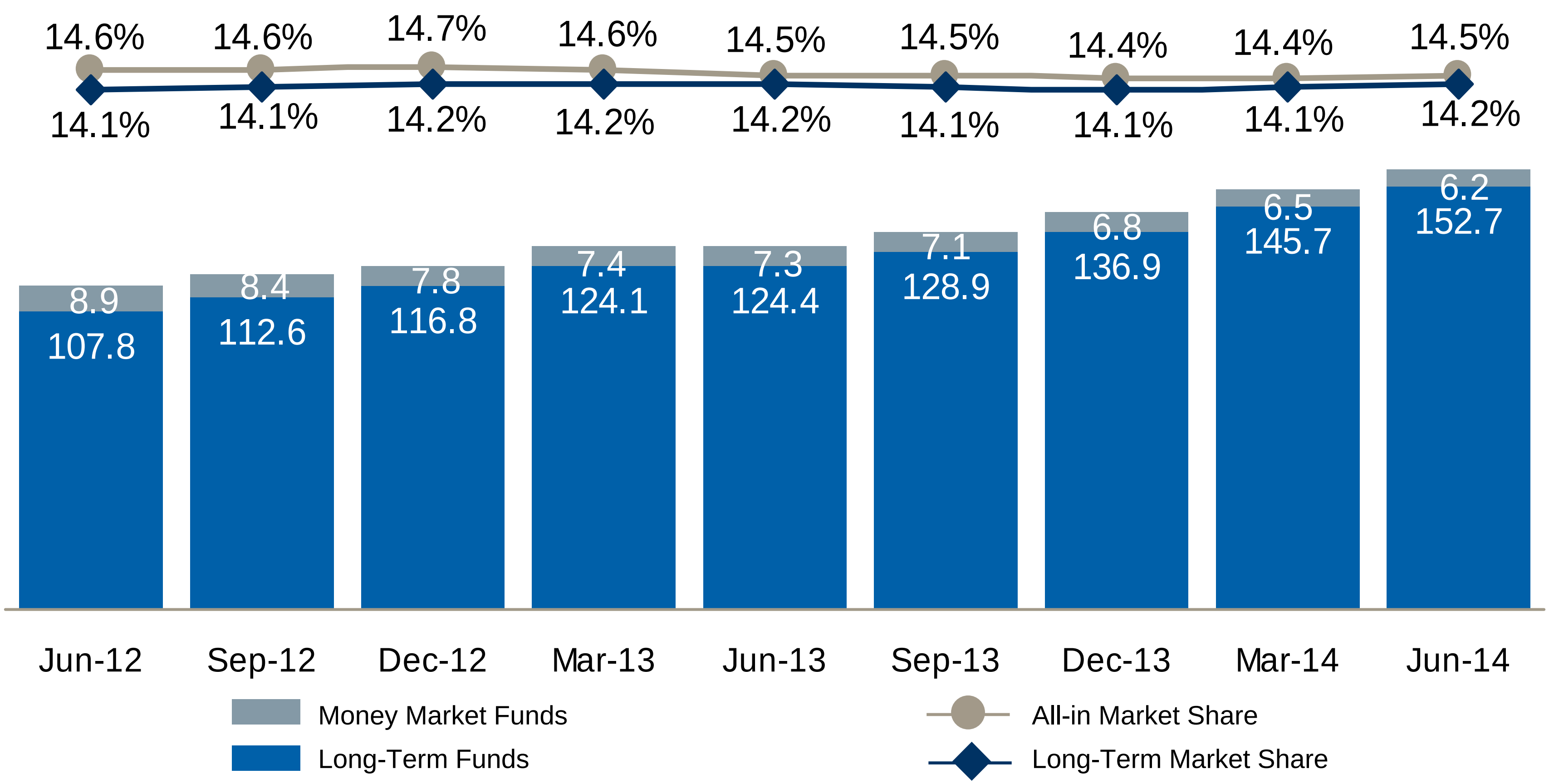
Combined loan and deposit growth of 4% YoY

(1) *Total loans & acceptances and percentage change may not reflect the average loans & acceptances balances for each loan type shown due to rounding.*
(2) *Total deposits and percentage change may not reflect the average deposits for each deposit type shown due to rounding.*

Strong growth in asset under management

Canadian mutual fund balances and market share[1]

($ billions, except percentage amounts)



- For the 12th quarter in a row, RBC Global Asset Management (GAM) ranked #1 in market share, for both all-in and long-term fund assets[1]
- Long-term fund assets increased 23% since June 2013, with GAM capturing 16% of industry sales

(1) Source: IFIC (as of June 2014) and RBC reporting.

Capital Markets revenue – diversified by business

($ millions)	Q3/2014	Q2/2014	Q3/2013	QoQ	YoY
Investment banking	**511**	393	310	30%	65%
Lending and other	**454**	407	359	12%	26%
Corporate & Investment Banking	**$965**	**$800**	**$669**	**21%**	**44%**
Fixed income, currencies and commodities (FICC)	574	524(1)	352	10%	63%
Global equities (GE)	364	356(1)	233	2%	56%
Repo and secured financing	282	191	167	48%	69%
Global Markets (teb)	**$1,220**	**$1,071**	**$752**	**14%**	**62%**
Other	**-**	**$1**	**$7**	**n.m.**	**n.m.**
Capital Markets total revenue (teb)	**$2,185**	**$1,872**	**$1,428**	**17%**	**53%**

Corporate & Investment Banking

- YoY increase reflects robust growth in equity and debt origination, mainly in the U.S and Canada, lending activity in the U.S. and Europe, and higher loan syndication mainly in the U.S
- QoQ increase driven by strong equity and debt origination, mainly in the U.S. and Canada, and higher loan syndication, partially offset by weaker M&A activity

Global Markets

- YoY increase driven by higher trading revenue reflecting improved market conditions in our fixed income credit, equity and municipal businesses, and increased activity from our client-focused strategies
- QoQ increase driven by higher equity and fixed income trading revenue
  - The prior quarter included a $60 million favourable accounting adjustment related to fair value adjustments on certain RBC debt(1)

(1) In Q2/2014 we prospectively adopted the own credit provisions of IFRS 9 Financial Instruments. Changes in fair value in own liabilities attributable to changes in credit spreads are now recorded in other comprehensive income. For more information, refer to the Accounting and control matters section of our Q2/2014 Report to Shareholders and Note 2 of our Q2/2014 Interim Condensed Consolidated Financial Statements.

Capital Markets revenue – diversified by geography

($ millions)	Q3/2014	Q2/2014	Q3/2013	QoQ	YoY
Canada	645	525	486	23%	33%
U.S.	1,164	1,027	703	13%	66%
Europe	323	227	175	42%	85%
Asia and Other	51	53	43	(4)%	19%
Geographic revenue excluding certain items[1]	**$2,183**	**$1,832**	**$1,407**	**19%**	**55%**
Add / (Deduct):					
BOLI[2]	4	(1)	(7)	n.m.	n.m.
CVA[3]	(2)	(19)	36	n.m.	n.m.
Fair value adjustment on RBC debt[3]	-	60[4]	(8)	n.m.	n.m.
Capital Markets total revenue (teb)	**$2,185**	**$1,872**	**$1,428**	**17%**	**53%**

Canada

- YoY increase reflects higher equity trading and origination activity, partly offset by lower fixed income trading

U.S.

- YoY increase reflects higher equity and debt origination activity and higher fixed income trading

Europe

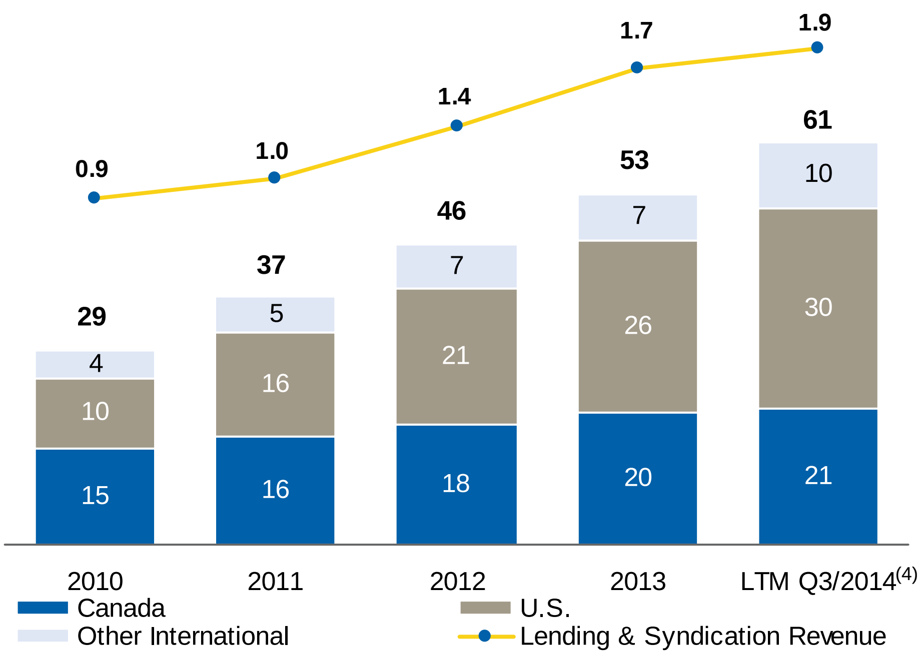
- YoY increase mainly due to higher fixed income trading, growth in the loan book and higher loan syndication fees

(1) These are non-GAAP measures. For more information, see slide 30.
(2) Excluded from U.S.
(3) Excluded from all geographies.
(4) Effective Q2/2014 we prospectively adopted the own credit provisions of IFRS 9 Financial Instruments. Changes in fair value in own liabilities attributable to changes in credit spreads are now recorded in other comprehensive income. For more information, refer to the Accounting and control matters section of our Q2/2014 Report to Shareholders, Note 2 of our Q2/2014 Interim Condensed Consolidated Financial Statements, and slide 26.

Prudently growing Capital Markets' loan book

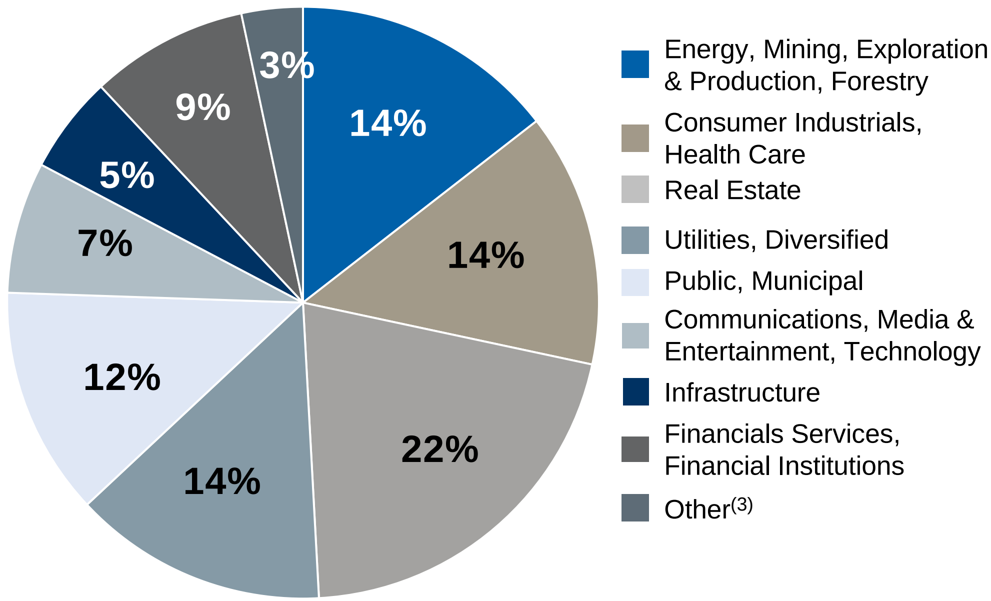
Lending and Syndication Revenue and Loans Outstanding by Region[1] *($ billions)*

- In the last 2 years, our lending and syndication revenue grew by 23%, exceeding our loan book growth of 17%[2]



Loans Outstanding by Industry[1]

Q3/2014



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

(1) Average loans & acceptances, and letters of credit and guaranteed for our Capital Markets portfolio, on single name basis. It excludes mortgage investments, securitized mortgages and other non-core items. (2) Based on a compounded annual growth rate. (3) Mainly includes: Aerospace and Transportation. (4) Latest twelve months.

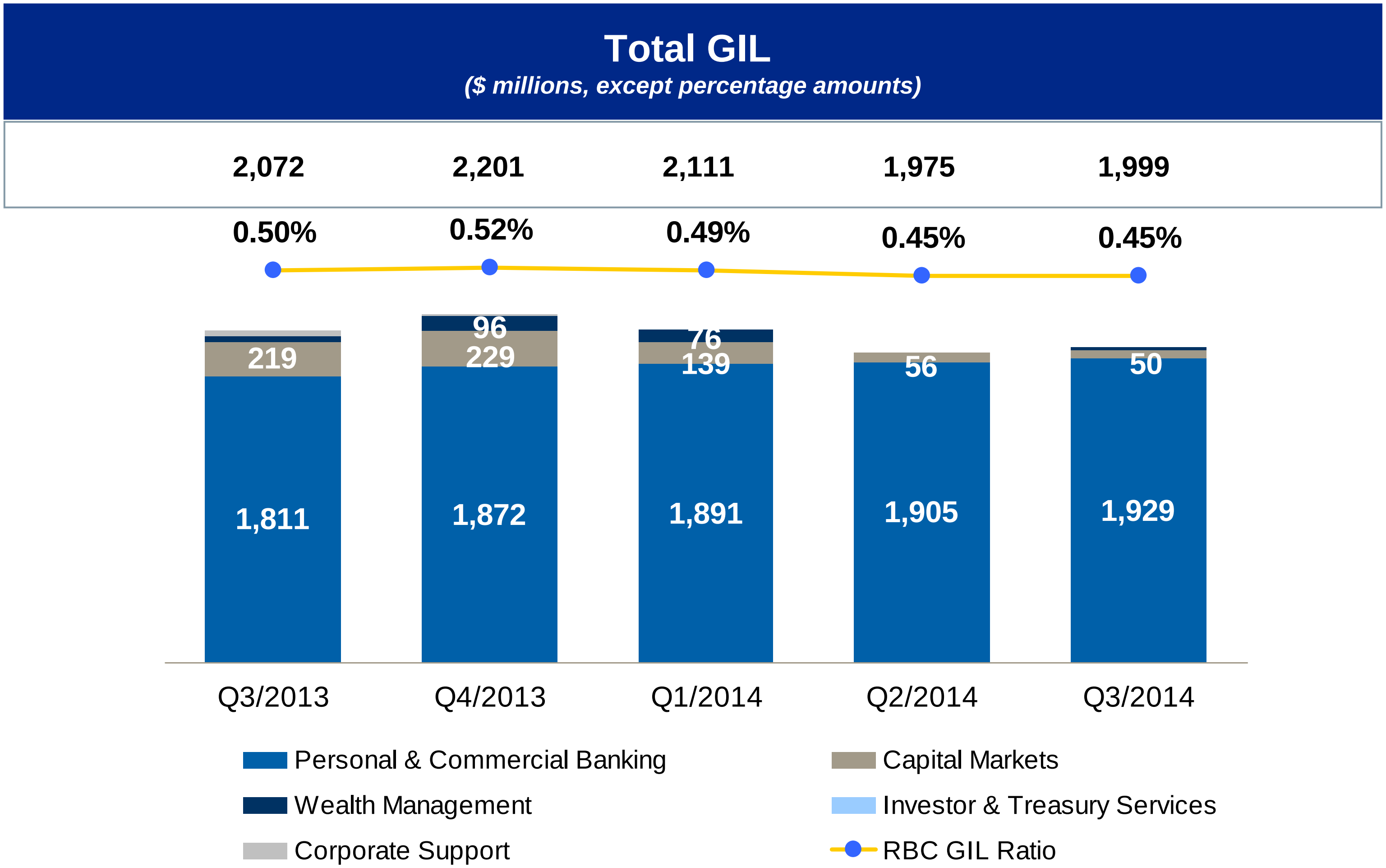
Strong Capital Markets' trading revenue

($ millions)	Q3/2014	Q2/2014	Q3/2013	QoQ	YoY
Capital Markets total revenue (teb)	**$2,185**	**$1,872**	**$1,428**	**17%**	**53%**
Capital Markets non-trading revenue[1]	1,250	1,062	885	18%	41%
Capital Markets trading revenue (teb)	**$935**	**$810**	**$543**	**15%**	**72%**
Add / (Deduct):					
BOLI[2]	(4)	1	7	n.m.	n.m.
CVA[3]	2	19	(36)	n.m.	n.m.
Fair value adjustment on RBC debt[3,4]	-	(60)	8	n.m.	n.m.
Capital Markets trading revenue (teb) excl. certain items	**$933**	**$770**	**$522**	**21%**	**79%**

- Our ongoing focus on origination drove a solid increase in client activity
- Results also reflect improved market conditions in our fixed income credit, equity and municipal businesses
- This quarter we had a couple outsized trades totaling approximately $100 million

(1) Non-trading revenue primarily includes Corporate & Investment Banking and Global Markets origination and cash equities businesses.
(2) Excluded from U.S.
(3) Excluded from all geographies.
(4) In Q2/2014 we prospectively adopted the own credit provisions of IFRS 9 Financial Instruments. Changes in fair value in own liabilities attributable to changes in credit spreads are now recorded in other comprehensive income. As a result, a fair value adjustment on RBC debt of $60MM ($42MM to FICC, $18MM to GE) recorded in Q1/2014 was reversed in Q2/2014. For more information, refer to the Accounting and control matters section of our Q2/2014 Report to Shareholders and Note 2 of our Q2/2014 Interim Condensed Consolidated Financial Statements.

Credit trends near historic lows



Selected GIL Ratio by Segment	Q3/2013	Q4/2013	Q1/2014	Q2/2014	Q3/2014
Personal & Commercial Banking	0.53%	0.54%	0.54%	0.55%	**0.55%**
Canadian Banking	0.33%	0.35%	0.35%	0.36%	**0.33%**
Capital Markets	0.40%	0.40%	0.23%	0.09%	**0.08%**

Other – other income

($ millions)	Q3/2014	Q2/2014	Q3/2013	QoQ	YoY
Other income – segments	89	104	114	(14)%	(22)%
FV adjustments on RBC debt[(1)]	-	2	4	n.m.	n.m.
CDS on corporate loans	2	(7)	(5)	n.m.	n.m.
Funding related and other hedging items	10	(21)	16	n.m.	n.m.
Total Other – other income	**$101**	**$78**	**$129**	**30%**	**(22)%**

(1) Effective Q2/14, we prospectively adopted the own credit provisions of IFRS 9 Financial Instruments with an initial application date of November 1, 2013. Changes in fair value in our financial liabilities designated as at fair value through profit or loss (FVTPL) attributable to changes in RBC credit risk are now recorded in Other comprehensive income (OCI). Prior periods were not restated.

Specified items impacting results

Consolidated Results ($ millions, except for earnings per share (EPS) amounts)	Reported	Loss related to sale of RBC Jamaica (P&CB)	Provisions for post-employment benefits and restructuring charge in the Caribbean (P&CB)	Restructuring charge (I&TS)	Income tax adjustment related to prior years (CS)	Adjusted[1]
2014						
	For the three months ended July 31, 2014					
Consolidated						
Net income	**$2,378**	$40	-	-	-	**$2,418**
Diluted EPS	**$1.59**	$0.03	-	-	-	**$1.62**
	For the nine months ended July 31, 2014					
Consolidated						
Net income	**$6,671**	$100	$32	-	-	**$6,803**
Diluted EPS	**$4.43**	$0.07	$0.02	-	-	**$4.52**
2013						
	For the three months ended July 31, 2013					
Consolidated						
Net income	**$2,285**	-	-	-	$(90)	**$2,195**
Diluted EPS	**$1.51**	-	-	-	$(0.06)	**$1.45**
	For the nine months ended July 31, 2013					
Consolidated						
Net income	**$6,241**	-	-	$31	$(90)	**$6,182**
Diluted EPS	**$4.10**	-	-	$0.02	$(0.06)	**$4.06**

(1) These are non-GAAP measures. For more information, see slide 30.

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 non-GAAP measures we believe provide useful information to investors regarding our financial condition and result of operations. Readers are cautioned that non-GAAP measures, such as ROE, earnings and revenue excluding Corporate Support, earnings excluding specified items related to sale of RBC Jamaica as previously announced on January 29, 2014, provisions related to post-employment benefits and restructuring charges in the Caribbean, earnings excluding the restructuring charge related to the integration of Investor Services, earnings excluding a favourable income tax adjustment, adjusted net interest margin, revenue and revenue growth net of PBCAE, operating leverage, efficiency ratio, and Capital Markets trading and geographic revenue excluding specified items do not have any standardized meanings prescribed by GAAP, and therefore are unlikely to be comparable to similar measures disclosed by other financial institutions.

Additional information about our non-GAAP measures can be found under the “Key performance and non-GAAP measures” section of our Q3/2014 Report to Shareholders and our 2013 Annual report.

Definitions can be found under the “Glossary” sections in our Q3/2014 Supplementary Financial Information and our 2013 Annual Report.

Investor Relations Contacts

Amy Cairncross, VP & Head	(416) 955-7803
Lynda Gauthier, Director	(416) 955-7808
Christopher Taylor, Associate Director	(416) 955-7872

www.rbc.com/investorrelations