Royal Bank of Canada
Third Quarter Results

August 23, 2017

All amounts are in Canadian dollars unless otherwise indicated and are based on financial statements prepared in compliance with International Accounting Standard 34 *Interim Financial Reporting* unless otherwise noted. Our Q3/2017 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, 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 economic and market review and outlook for Canadian, U.S., European and global economies, the regulatory environment in which we operate, the outlook and priorities for each of our business segments, the risk environment including our liquidity and funding risk, and includes our President and Chief Executive Officer's statements. The forward-looking information contained in this document is presented for the purpose of assisting the holders of our securities and financial analysts in understanding our financial position and results of operations as at and for the periods ended on the dates presented, as well as our financial performance objectives, vision and strategic goals, and may not be appropriate for other purposes. Forward-looking statements are typically identified by words such as "believe", "expect", "foresee", "forecast", "anticipate", "intend", "estimate", "goal", "plan" and "project" and similar expressions of future or conditional verbs such as "will", "may", "should", "could" or "would".

By their very nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties, which give rise to the possibility that our predictions, forecasts, projections, expectations or conclusions will not prove to be accurate, that our assumptions may not be correct and that our financial performance objectives, vision and strategic goals will not be achieved. We caution readers not to place undue reliance on these statements as a number of risk factors could cause our actual results to differ materially from the expectations expressed in such forward-looking statements. These factors – many of which are beyond our control and the effects of which can be difficult to predict – include: credit, market, liquidity and funding, insurance, operational, regulatory compliance, strategic, reputation, legal and regulatory environment, competitive and systemic risks and other risks discussed in the Risk management and Overview of other risks sections of our 2016 Annual Report and the Risk management section of our Q3 2017 Report to Shareholders; global uncertainty, the Brexit vote to have the United Kingdom leave the European Union (EU), weak oil and gas prices, cyber risk, anti-money laundering, exposure to more volatile sectors, technological innovation and new Fintech entrants, increasing complexity of regulation, data management, litigation and administrative penalties, 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 risk.

We caution that the foregoing list of risk factors is not exhaustive and other factors could also adversely affect our results. When relying on our forward-looking statements to make decisions with respect to us, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Material economic assumptions underlying the forward-looking statements contained in this presentation are set out in the Overview and outlook section and for each business segment under the heading Outlook and priorities in our 2016 Annual Report, as updated by the Overview and outlook section of our Q3 2017 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 Overview of other risks sections of our 2016 Annual Report and the Risk management section of our Q3 2017 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

Q3/2017 earnings of $2.8 billion

Solid underlying results across our businesses	
Solid underlying earnings	▪ Net income of $2.8 billion, down 3% YoY or up 5% YoY(1) excluding the sale of our home and auto insurance manufacturing business last year ▪ Double-digit earnings growth YoY in Wealth Management, Insurance(1) and Investor & Treasury Services ▪ Solid results in Personal & Commercial Banking ▪ Stable results in Capital Markets; earnings down slightly YoY reflecting reduced market volatility ▪ Stable credit environment with PCL ratio of 23 bps ▪ Solid ROE of 16.3%
Customer Recognition	▪ Highest in Customer Satisfaction Among the Big Five Retail Banks and Highest in Customer Satisfaction Among Canadian Mobile Banking Apps(2) ▪ Best Private Bank in Canada and Best Investment Bank in Canada(3) ▪ #1 Global Fund Administrator of the Year(4)
Strong capital position	▪ Common Equity Tier 1 ratio of 10.9% up 30 bps QoQ ▪ Announced a quarterly dividend increase of $0.04 or 5% to $0.91 per share

(1) Net income excluding the gain on the sale of RBC General Insurance Company is a non-GAAP measure. For more information and a reconciliation, see slides 28 and 29. (2) J.D. Power, July 2017. (3) Euromoney, February and July 2017. (4) Global Investor Awards, July 2017.

Financial Review

Rod Bolger

Chief Financial Officer

Solid underlying EPS growth even with higher severance costs

($ millions, except for EPS and ROE)	Q3/2017	YoY		QoQ
		As reported	Excluding Specified Item[1]	As reported
Revenue	$9,986	(3%)	-	(3%)
Revenue net of Insurance fair value change[2]	$10,211	5%	8%	3%
Non-interest expense	$5,435	7%	7%	4%
PCL	$320	1%	1%	6%
Income before income taxes	$3,588	(1%)	7%	(3%)
Net income	**$2,796**	**(3%)**	**5%**	**-**
Diluted earnings per share (EPS)	**$1.85**	**(2%)**	**8%**	**-**
Return on common equity (ROE)[3]	**16.3%**	**(170 bps)**	**(20 bps)**	**(90 bps)**

Earnings

- Net income of $2.8 billion, down 3% YoY or up 5% YoY[1] excluding the sale of our home and auto insurance manufacturing business last year; diluted EPS up 8%[1] reflecting share buybacks in the first half of the year

Revenue

- Wealth Management saw fee-based client asset growth, higher U.S. interest rates and strong volume growth
- Canadian Banking had solid volume growth and higher fee-based revenue
- Capital Markets had lower revenue from fixed income trading and U.S. Municipal Banking, partially offset by higher equity trading and investment banking revenue reflecting client activity

Expenses

- Higher staff-related costs and continued investments to support business growth
- Severance costs of $120 million ($88 million after tax, or $0.06/share), over half in Corporate Support

PCL

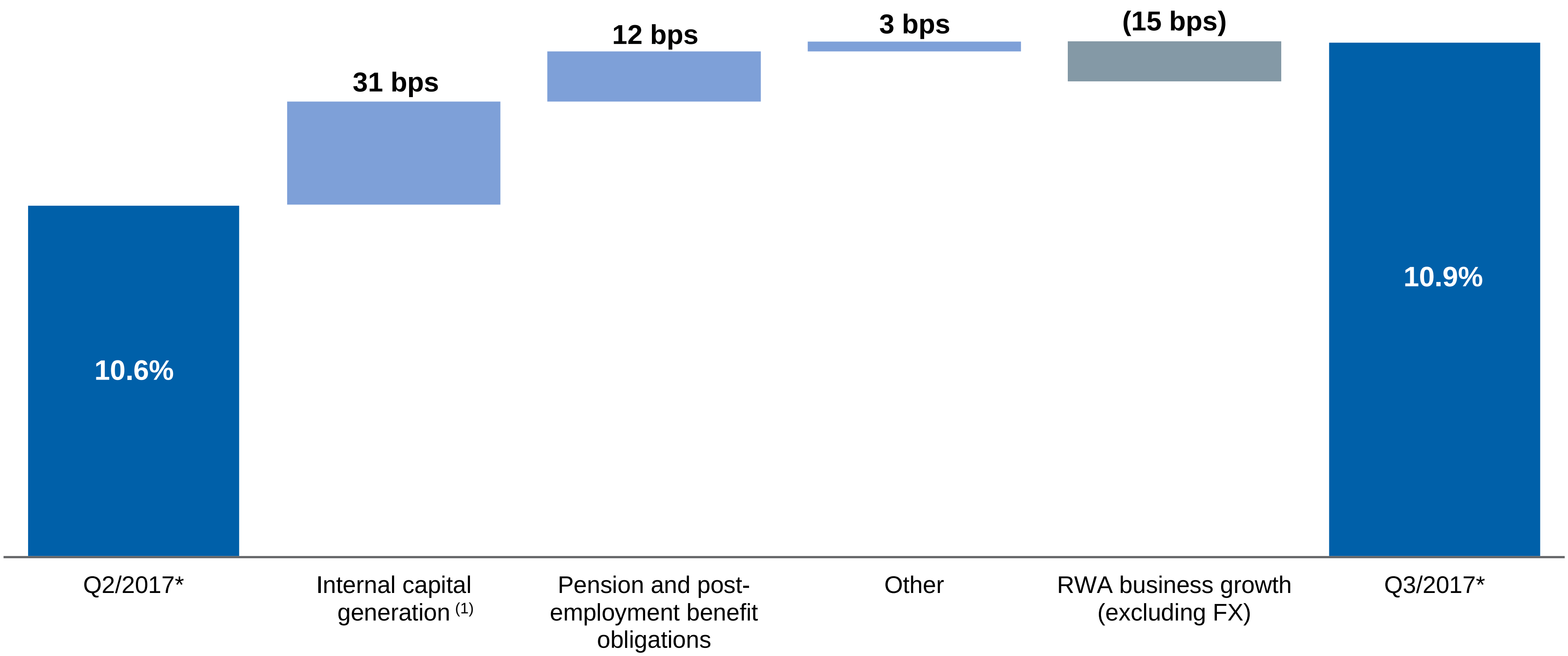
- Solid underlying credit quality

Taxes

- Higher effective tax rate YoY as the prior year included higher favorable tax credits and gain on sale of our home and auto insurance manufacturing business, partially offset by geographic mix this quarter

(1) For the three months ended July 31, 2016, our results include a gain of $235MM after-tax ($287MM before-tax) related to the sale of RBC General Insurance Company, our home and auto insurance manufacturing business, to Aviva Canada Inc. Results excluding this gain are non-GAAP measures. For more information and a reconciliation, see slides 28 and 29. (2) Revenue net of Insurance fair value change of investments backing policyholder liabilities of -$225MM is a non-GAAP measure. For more information see slide 29. (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 29.

Strong capital generation continues to drive shareholder return

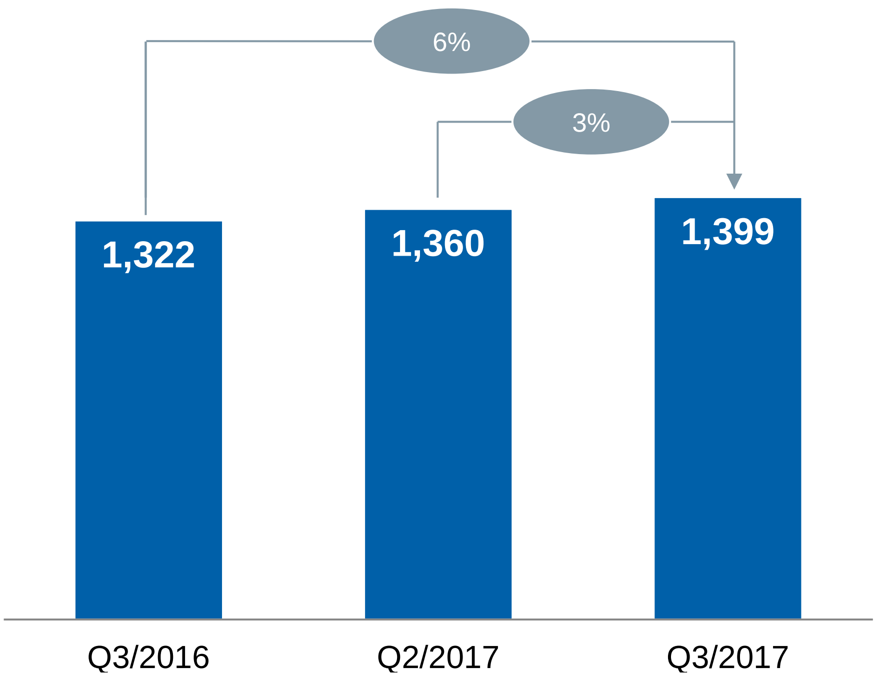


- Strong capital generation, supported by organic business growth and ongoing focus on optimization opportunities
- Improved CET1 ratio to 10.9%, up 30 bps from Q2/17, and achieved ROE of 16.3%
- Announced a quarterly dividend increase of $0.04 or 5% to $0.91 per share

** Represents rounded figures. For more information, refer to the Capital management section of our Q3/2017 Report to Shareholders.*
(1) Internal capital generation represents net income available to shareholders, less common and preferred shares dividends.

Solid volume growth in Personal & Commercial Banking

Net Income ($ millions)



Canadian Banking	Q3/2017
Assets under administration growth YoY	7%
Efficiency ratio	43.5%
Operating leverage	(1.4%)

Q3/2017 Highlights

Canadian Banking

- Net income of $1,349 million, up 5% YoY
- Volume growth of 7% YoY and 2% QoQ (see slide 20)
- NIM of 2.61%, down 2 bps YoY and 1 bp QoQ
- Non-interest income growth of 6% YoY largely due to higher balances driving higher mutual fund distribution fees, and higher card service and foreign exchange revenue
- PCL ratio of 26 bps, down 2 bps YoY and 1 bp QoQ
- NIE up 7% YoY, due to higher staff-related costs including severance, higher costs in support of business growth mainly reflecting our ongoing investments in technology and digital initiatives, as well as marketing costs
- YTD adjusted operating leverage of 0.7%(1)

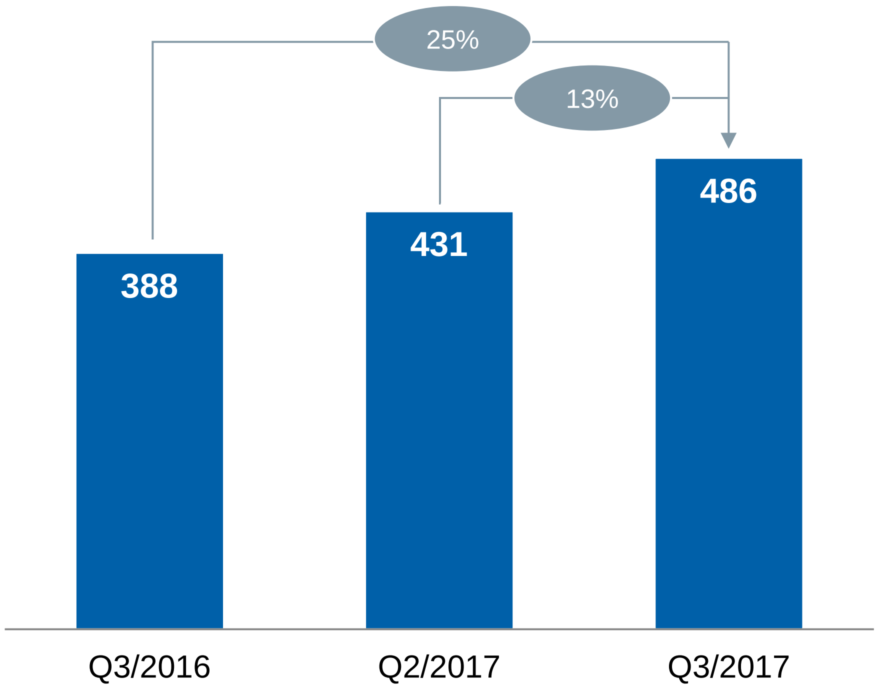
Caribbean & U.S. Banking

- Net income of $50 million, up 32% YoY
  - YoY: up $12 million mainly due to lower NIE and higher net interest income, partially offset by higher PCL
  - QoQ: up $6 million

(1) For the three months ended January 31, 2017, our results include our share of a gain of $212MM (before- and after-tax) related to the sale of the U.S. operations of Moneris Solutions Corporation (Moneris gain on sale). Reported YTD 2017 operating leverage was 2.8% while adjusted operating leverage excludes the Moneris gain on sale. Results excluding this gain are non-GAAP measures. For more information and a reconciliation, see slides 28 and 29.

Strong earnings growth in Wealth Management

Net Income ($ millions)



	YoY	QoQ[(1)]
Assets under administration	3%	(6%)
Assets under management	5%	(2%)

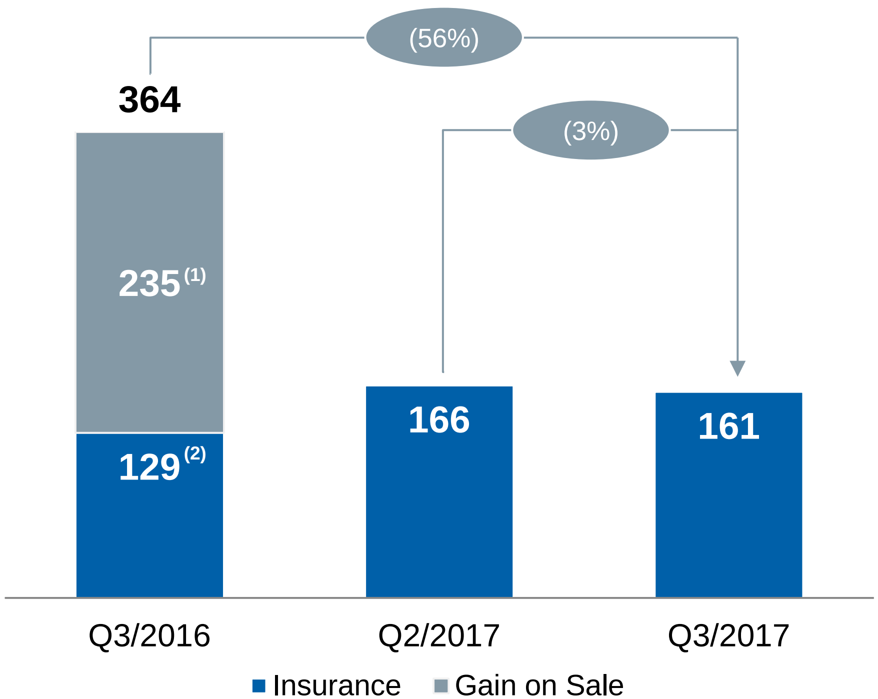
Q3/2017 Highlights

- Net income of $486 million, up 25% YoY
  - Growth in average fee-based client assets reflecting capital appreciation and net sales
  - Higher net interest income reflecting the impact from higher U.S. interest rates and volume growth
  - Higher variable compensation on improved results, and higher costs in support of business growth
- Net income up 13% QoQ
  - Earnings from fee-based revenue reflecting higher net sales and capital appreciation
  - Higher net interest income
  - Higher NIE as noted above
- Solid YoY revenue growth across all businesses
  - **Canadian WM** revenue up 12% primarily due to higher average fee-based client assets
  - **U.S. WM (including CNB)** revenue up 16% (see slide 22)
  - **GAM** revenue up 5% primarily due to higher average fee-based client assets (see slide 23)

(1) QoQ AUA decline was largely driven by FX, as well as the impact related to the previously announced sale of our trust, custody and fund administration business in the Caribbean to SMP Group Limited. The transaction did not have a significant impact on our financial statements. QoQ AUM decline was largely driven by FX.

Insurance results reflect higher investment-related gains

Net Income ($ millions)



	YoY	QoQ
Net income	(56%)	(3%)
Net income excluding gain on sale of RBC General Insurance Company[(2)]	25%	(3%)

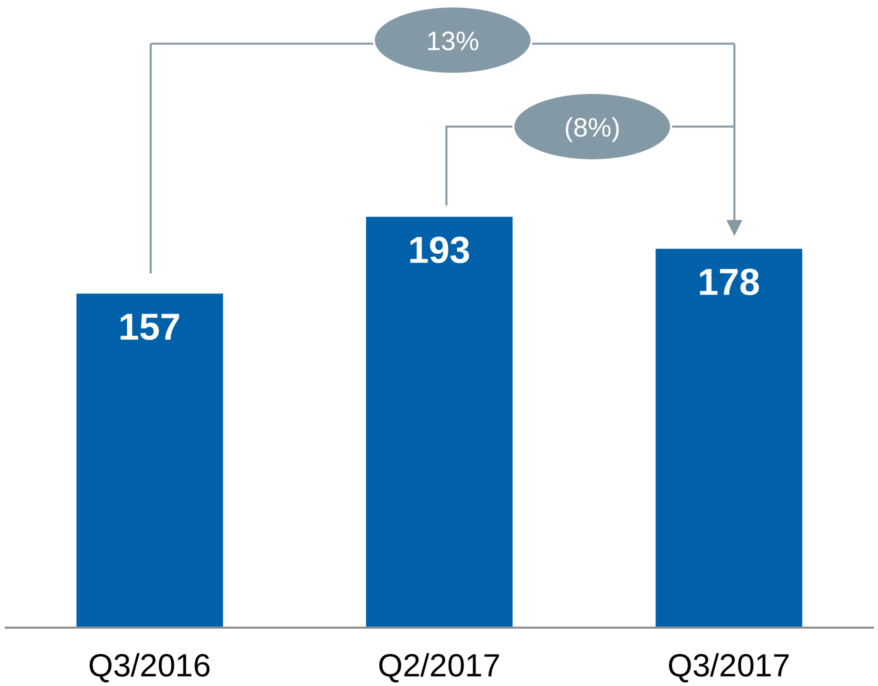
Q3/2017 Highlights

- Net income of $161 million, down 56% YoY; adjusted net income up 25%[(2)] YoY
  - Higher investment-related gains
- Net income down 3% QoQ
  - Higher claims costs, mainly in International Insurance, partially offset by:
  - Business growth primarily in international life and group annuity products
  - Actuarial adjustments reflecting management actions and assumption changes

(1) In Q3/2016, we completed the sale of RBC General Insurance Company to Aviva Canada Inc. The transaction involved the sale of our home and auto insurance manufacturing business. (2) Net income excluding the gain on the sale of RBC General Insurance Company is a non-GAAP measure. For more information and a reconciliation, see slides 28 and 29.

Continued strength in Investor & Treasury Services

Net Income ($ millions)

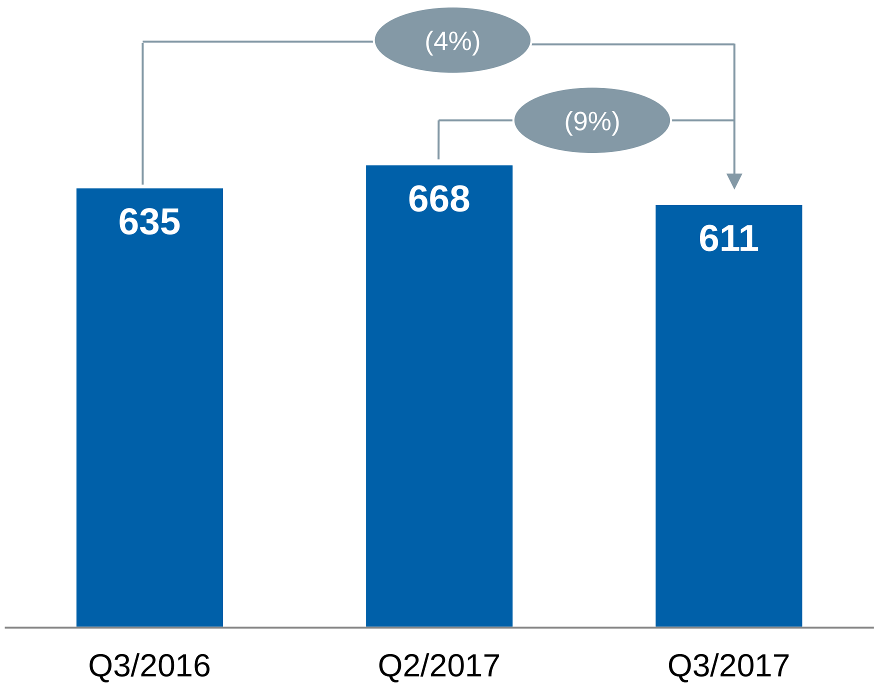


Q3/2017 Highlights

- Net income of $178 million, up 13% YoY
  - Higher foreign exchange market execution driven by higher client activity
  - Higher funding and liquidity results reflecting interest rate movements
- Net income down 8% QoQ
  - Lower funding and liquidity earnings as the results in the prior quarter benefitted from tightening credit spreads and interest rate movements

Relatively stable Capital Markets earnings

Net Income ($ millions)



Revenue	YoY	QoQ
Corporate and Investment Banking	4%	(2%)
Global Markets	(1%)	(2%)

Q3/2017 Highlights

- Net income of $611 million, down 4% YoY
  - **Global Markets:** Lower fixed income trading results reflecting reduced market volatility, partially offset by higher equity trading results
  - **Corporate and Investment Banking:** Higher activity in loan syndication, M&A and lending due to market share gains[1], partially offset by decreased results from Municipal Banking in the U.S.
  - Higher costs related to changes in the timing of deferred compensation
  - Lower effective tax rate due to a lower proportion of pre-tax earnings in the U.S.
- Net income down 9% QoQ
  - **Global Markets:** Decreased foreign exchange trading results, partially offset by higher fixed income trading results in Canada
  - **Corporate and Investment Banking:** Lower equity origination and lower loan syndication activity, mainly in the U.S.
  - Higher costs and lower effective tax rate as noted above
  - Higher PCL

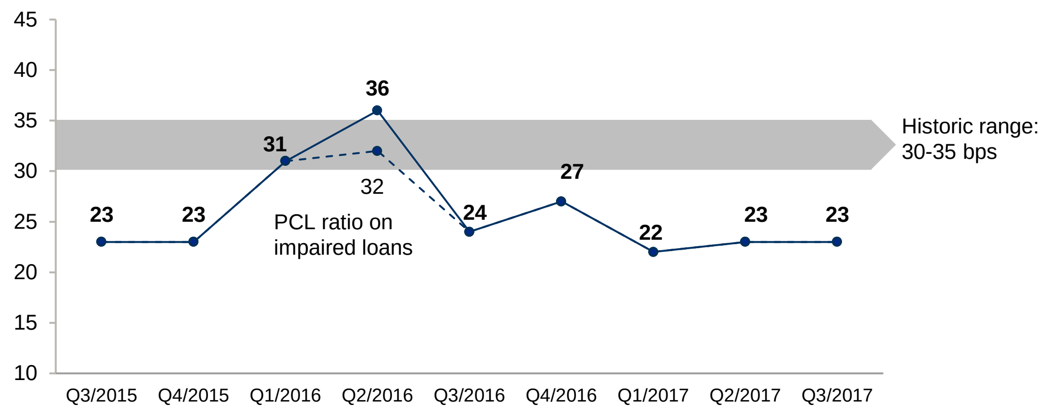
(1) RBC is ranked as the 9th largest in global investment bank as per Thomson Reuters for the time period from January 1 to July 31, 2017.

Risk Review

Mark Hughes
Chief Risk Officer

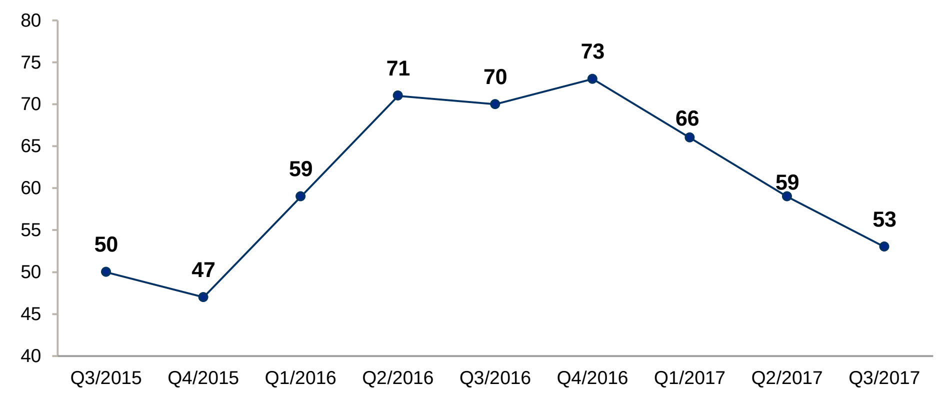
Stable credit performance

PCL Ratio (bps)(1)



- Total Q3/2017 PCL ratio of 23 bps, flat QoQ
  - Higher PCL in Capital Markets and Personal & Commercial Banking offset by lower PCL in Wealth Management
- Q3/2017 PCL ratio was down 1 bp YoY, largely due to lower PCL in the oil & gas sector
- YTD PCL ratio of 23 bps, below our historic range

GIL Ratio (bps)(2)

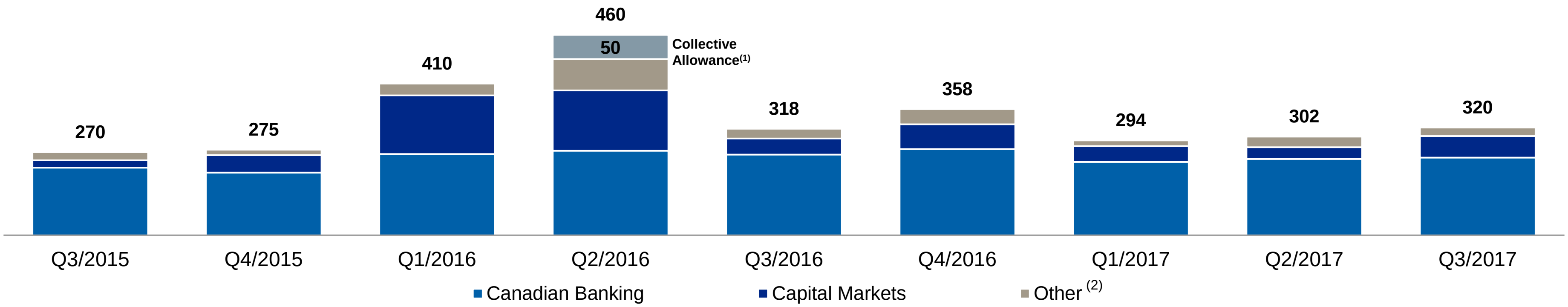


- GIL ratio of 53 bps, down 6 bps QoQ
  - GIL decrease largely driven by impact of repayments and FX translation
  - GIL ratio of 48 bps excluding acquired credit-impaired loans(3)
- GIL ratio down 17 bps YoY
- GIL ratio down 20 bps from its Q4/2016 peak

(1) Provision for Credit Losses (PCL) ratio is PCL as a percentage of average net loans & acceptances (annualized). (2) Gross Impaired Loans (GIL) ratio is GIL as a percentage of loans & acceptances. (3) GIL excluding acquired credit-impaired loans is a non-GAAP measure. For more information see slide 29.

Credit quality remains strong

PCL ($ millions)



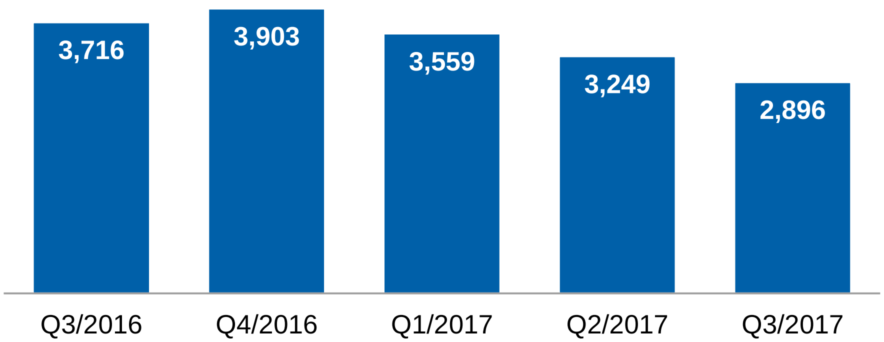
Segments ($ millions)	Q3/2017	QoQ	Key drivers
Canadian Banking	$259	$3	▪ Primarily due to higher commercial lending PCL related to one account, partially offset by lower credit card write-offs
Caribbean & U.S. Banking	$14	$8	▪ Higher PCL in our Caribbean commercial lending portfolio
Wealth Management	$6	($9)	▪ Largely related to a recovery in one International Wealth Management account, partially offset by higher provisions in CNB
Capital Markets	$44	$20	▪ Largely related to PCL on a couple of accounts
Total PCL(3)	**$320**	**$18**	

Select PCL ratio (bps)	Q3/2015	Q4/2015	Q1/2016	Q2/2016	Q3/2016	Q4/2016	Q1/2017	Q2/2017	Q3/2017
Capital Markets	7	17	53	56	15	24	15	12	21
P&CB	28	25	30	30	28	29	25	27	27
Canadian Banking	26	25	29	30	28	29	26	27	26
Wealth Management	1	2	4	6	11	17	10	12	4

(1) PCL increased by $50MM for loans not yet identified as impaired in Q2/2016. (2) Other includes Caribbean and U.S. Banking, Wealth Management, Investor & Treasury Services, Insurance and Corporate Support. (3) Total PCL includes Insurance and Corporate Support.

GIL improved in Capital Markets and Wealth Management

GIL ($ millions)



Q3/2017 Impaired Formations ($ millions)(1)

Segments	New formations		Net formations(2)
	Q3/17	QoQ	
Personal & Commercial Banking	420	63	(32)
Canadian Banking	373	54	33
Caribbean & U.S. Banking	47	9	(65)
Wealth Management	56	(94)	(105)
Capital Markets	18	(76)	(200)
Total GIL(3)	**494**	**(107)**	**(353)**

Personal & Commercial Banking

- Canadian Banking GIL increased $33 million QoQ mainly due to new impaired loans in our commercial lending portfolios
- Caribbean & U.S. Banking GIL decreased $65 million QoQ mainly reflecting the impact of FX translation and repayments, partially offset by new impaired loans in our Caribbean lending portfolios

Wealth Management

- GIL decreased $105 million QoQ largely due to repayments and a decline in acquired credit-impaired loans related to CNB, and the impact of FX translation, partially offset by new impaired loans in CNB

Capital Markets

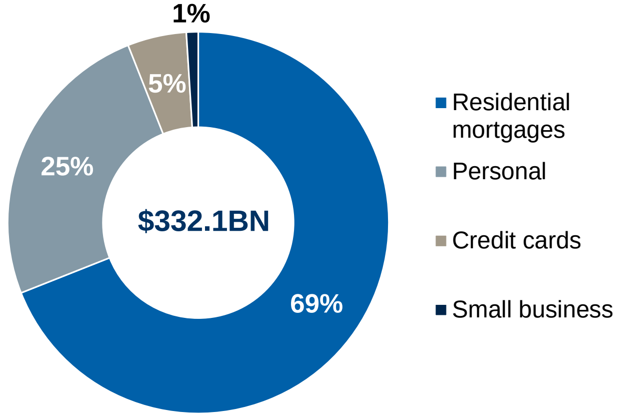
- GIL decreased $200 million QoQ mainly reflecting the impact of FX translation and, repayments and accounts returning to performing status in the energy sector

(1) Certain GIL movements for Canadian Banking retail and wholesale portfolios are generally allocated to New Impaired Loan Formation, as Return to performing status, Net repayments, Sold, and Exchange and other movements amounts are not reasonably determinable. Certain GIL movements for Caribbean Banking retail and wholesale portfolios are generally allocated to Net repayments and New Impaired, as Return to performing status, Sold, and Exchange and other movements amounts are not reasonably determinable. (2) Includes loan write-offs, new impaired loans, loan repayments, loan returning to performing, foreign exchange and other. (3)Total GIL includes Insurance and Corporate Support.

Stable credit quality in Canadian Banking retail portfolio

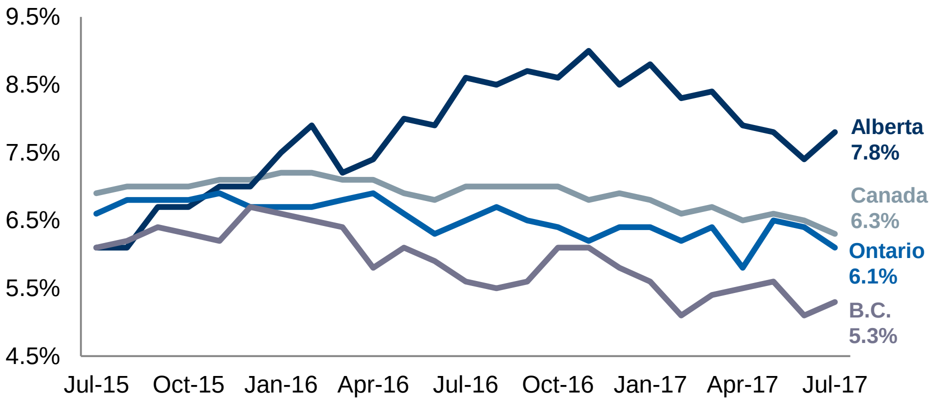
Average Canadian Banking Retail Loans[1]

- 86% of our Canadian retail portfolio is secured
- Alberta represents 15% of our Canadian retail loans of which 87% are secured



Unemployment Rate

- Canada's unemployment rate continued to improve, down 20 bps QoQ and 70 bps YoY
- Ontario and B.C., which represent the largest portion of our retail portfolio, continue to perform well



Loans 90+ Days Past Due[2]

- Delinquencies lower across our retail portfolios, including mortgage delinquencies down 2 bps QoQ
- Delinquency trends in Alberta remained elevated but were offset by favourable performance in Ontario

Loan 90+ days past due by product

	Q3/16	Q4/16	Q1/17	Q2/17	Q3/17
Residential mortgages[4]	0.23%	0.23%	0.23%	0.22%	0.20%
Personal loans	0.30%	0.29%	0.31%	0.28%	0.26%
Credit cards	0.77%	0.75%	0.78%	0.79%	0.67%
Small business loans	1.16%	1.19%	1.08%	1.03%	0.88%

PCL Ratio[3]

- Lower PCL ratio across retail, including our credit card and auto loan portfolios

PCL ratio by product

	Q3/16	Q4/16	Q1/17	Q2/17	Q3/17
Residential mortgages[4]	0.01%	0.03%	0.01%	0.02%	0.01%
Personal loans	0.54%	0.57%	0.53%	0.50%	0.49%
Credit cards	2.81%	2.56%	2.54%	2.73%	2.47%
Small business loans	0.84%	0.89%	0.72%	0.90%	0.63%

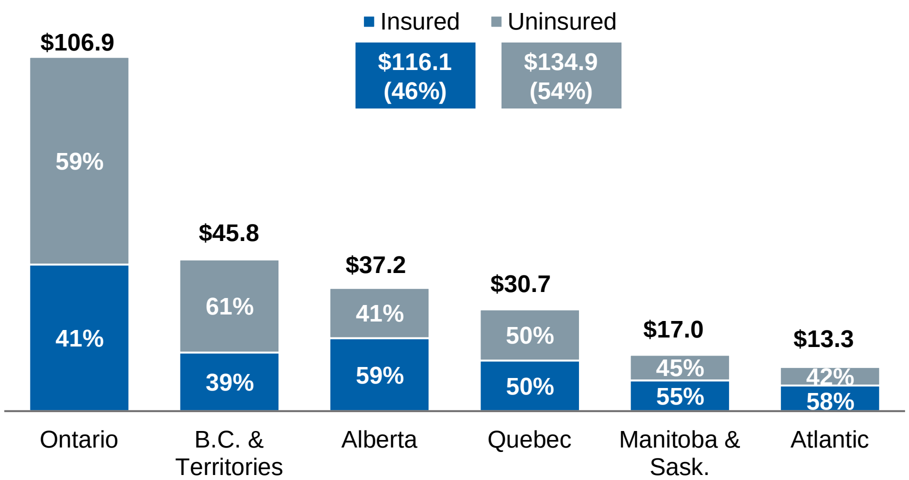
(1) As at Q3/2017. Excludes Canadian Banking wholesale business loans and acceptances. (2) The 90+ day past due rate includes all accounts that are either 90 days or more past due or are in impaired status, and is calculated as a percentage of average loans and acceptances. (3) Provision for Credit Losses (PCL) ratio is PCL as a percentage of average net loans & acceptances (annualized). (4) Based on $227BN in residential mortgages and $6BN of mortgages with commercial clients ($4BN insured).

Canadian residential portfolio has strong underlying credit quality

Canadian Residential Mortgage Portfolio[1]

As at July 31, 2017 ($ billions)

LTV[2]					
47%	45%	60%	62%	56%	56%



- Total mortgages of $251 billion of which 46% are insured
  - Ontario and B.C. represent 43% and 18% of Canadian residential mortgages[1], respectively
  - Ontario and B.C. have lower LTV ratios than the Canadian average of 51%
- Average remaining amortization on mortgages of 18 years
  - 73% of mortgages have an amortization of <25 years
- Condo exposure is 10% of residential lending portfolio

Canadian Banking Residential Lending Portfolio[2]

As at July 31, 2017

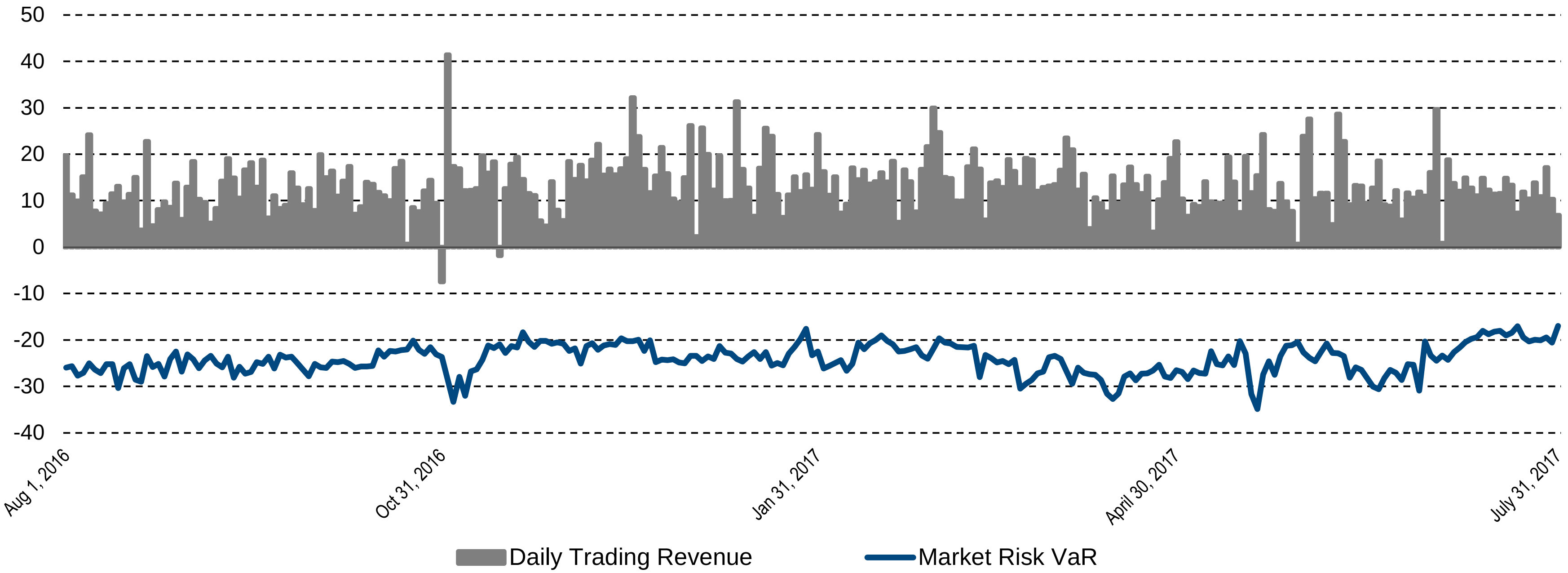
	Total ($268.7BN)	Uninsured ($176.6BN)
Mortgage	**$227.0BN**	**$134.9BN**
HELOC	**$41.7BN**	**$41.7BN**
LTV [2]	**51%**	**49%**
GVA	44%	43%
GTA	43%	43%
Average FICO score[2]	**784**	**792**
90+ days past due[2][3]	**21 bps**	**18 bps**
GVA	6 bps	6 bps
GTA	6 bps	6 bps

- Strong underlying quality of uninsured portfolio[2]:
  - Average LTV of 49%
  - 47% of uninsured portfolio have a FICO score >800
  - <1% of uninsured portfolio have a FICO score of <650 and an LTV ratio of 75%+
- 90+ days past due[3] rates of residential lending portfolio remains stable at low levels
- GTA and GVA average FICO scores are above the Canadian average

(1) Canadian residential mortgage portfolio of $251BN comprised of $227BN of residential mortgages, $6BN of mortgages with commercial clients ($4BN insured) and $18BN of residential mortgages in Capital Markets held for securitization purposes. (2) Based on $227BN in residential mortgages and HELOC in Canadian Banking ($42BN). 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.

Market risk trading revenue and VaR

($ millions)

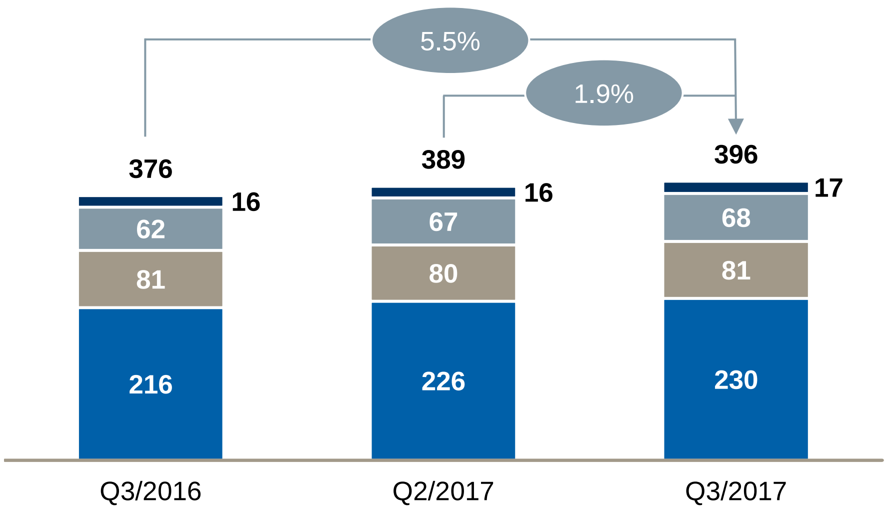


- During the quarter, there were no days with net trading losses
- Average market risk VaR of $24 million in Q3/2017 remained relatively flat compared with $25 million last quarter as we maintained our market risk exposures at a relatively low level

Appendices

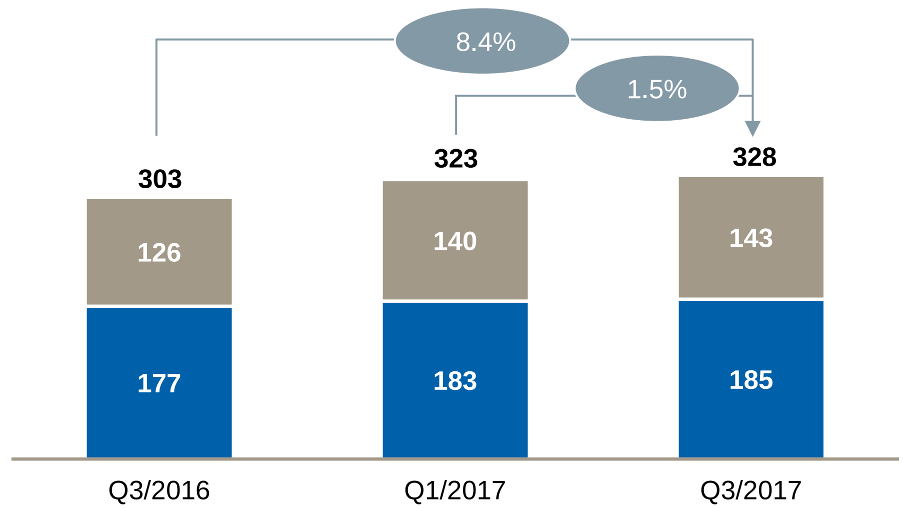
Solid Canadian Banking volume growth partially offset by lower NIM

Average Loans & Acceptances(1)
($ billions)



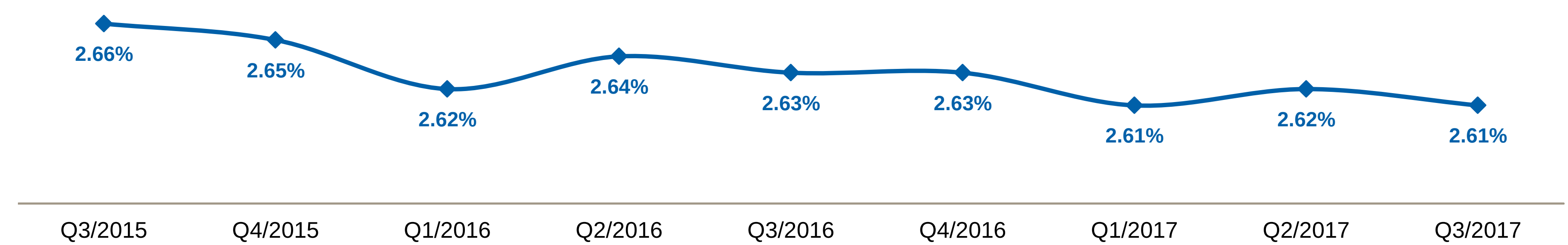
Percentage change(1)		YoY	QoQ
Residential mortgages	■	6.1%	1.8%
Personal lending	■	(0.5%)	1.0%
Credit cards	■	6.2%	4.3%
Business (including small business)	■	10.9%	2.7%

Average Deposits(2)
($ billions)



Percentage change(2)		YoY	QoQ
Personal deposits	■	4.6%	1.3%
Business deposits	■	13.9%	1.9%

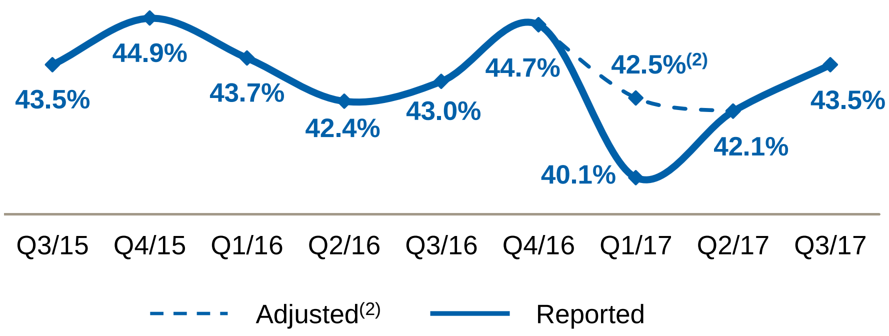
Net Interest Margin(3)



(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. (3) Net interest margin: Net interest income as a percentage of average total earning assets (annualized).

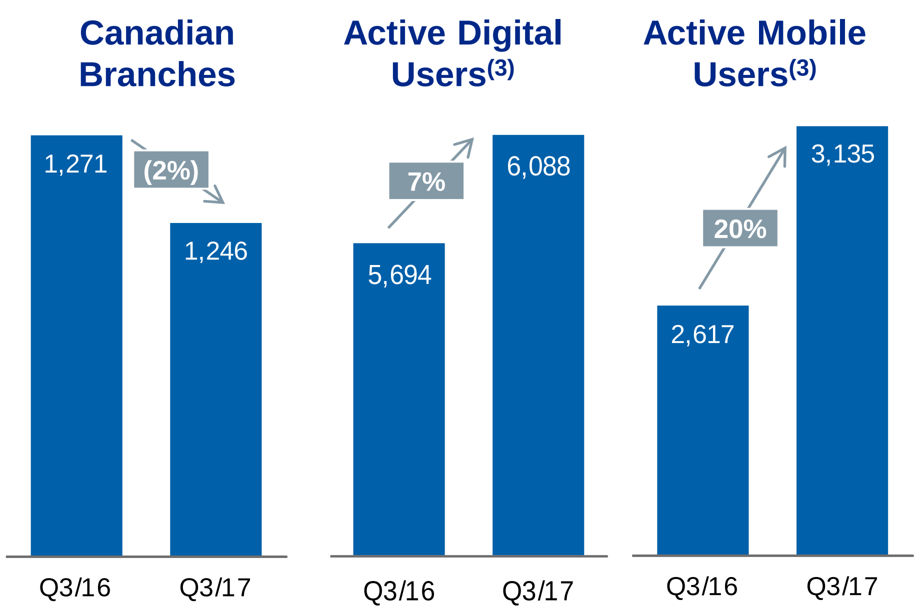
Increasing technology and digital investments in Canadian Banking

Efficiency Ratio[1]



- Efficiency ratio of 43.5% increased 50 bps YoY
  - Higher staff-related costs including severance
  - Higher costs in support of business growth reflecting ongoing investments in technology including digital initiatives
  - Higher marketing costs

Omni Channel Strategy



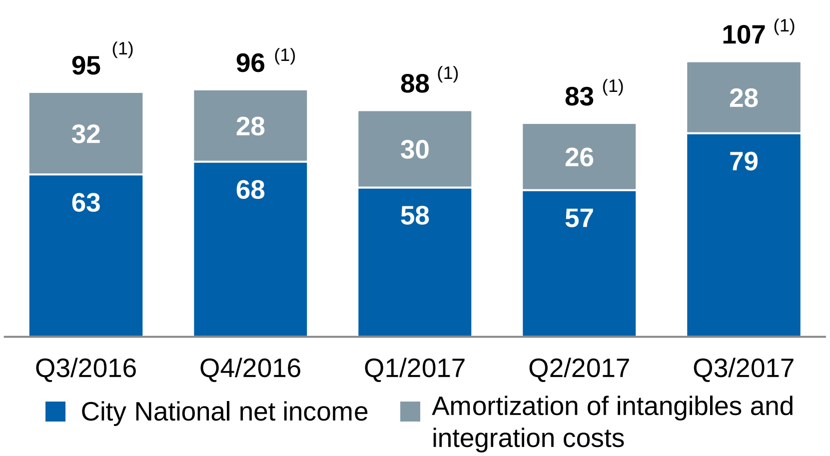
- Sales through our digital channels represent an increasing portion of all Canadian retail sales driven by higher digital adoption by our clients
  - Active mobile users up 20% YoY
  - 84% of our transactions were performed through self-serve channels, including digital and mobile
- Net Canadian branch count down 25 YoY
  - Closures were partially offset by openings of smaller and digitally-enabled branches.

(1) Efficiency ratio: Non-interest expense as a percentage of total revenue. (2) Adjusted efficiency ratio excludes our share of a gain related to the sale of the U.S. operations of Moneris Solutions Corporation (Moneris gain on sale). This is a non-GAAP measure. For more information and a reconciliation, see slides 28 and 29. (3) These figures (in 000s) represent the 90-Day Active customers in Canadian Banking only.

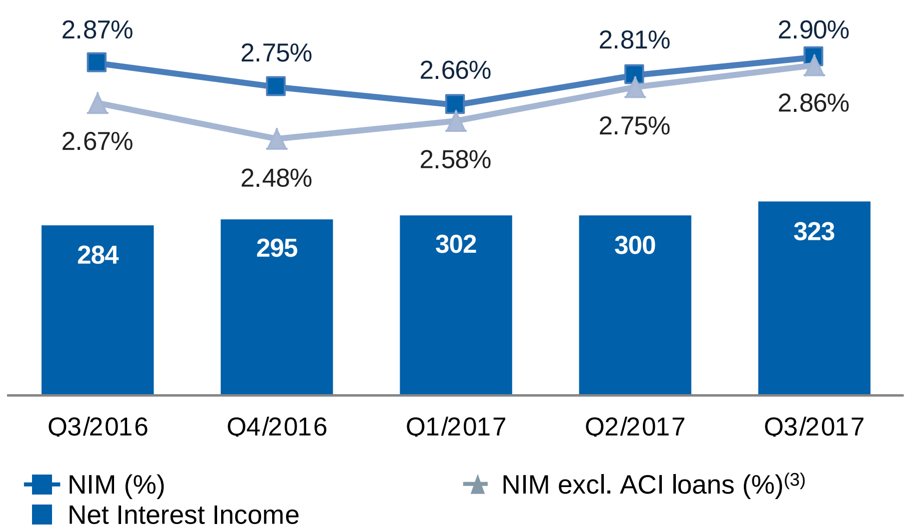
Continued momentum in U.S. Wealth Management (including CNB)

Select financial items	Q3/2017 (US$)	YoY	Q3/2017 Highlights
Revenue – U.S. Wealth Management (incl. CNB)	$954MM	17%	▪ Higher net interest income reflecting the impact from higher U.S. interest rates and volume growth, higher average fee-based client assets reflecting capital appreciation and net sales, and higher transaction revenue
CNB Contribution:			▪ **CNB:** Net income of US$79 million
Revenue	$437MM	12%	– US$107 million[1] excluding amortization of intangibles and integration costs of US$28 million after-tax
Expenses	$343MM	9%	– NIM of 2.90%, up 9 bps QoQ; NIM excl. acquired credit-impaired loans of 2.86%[3], up 11 bps QoQ, reflecting the impact from higher U.S. interest rates and benefits of asset mix
Net Income	$79MM	26%	
Loans	$29BN	13%	– Strong double-digit loan growth
Deposits[2]	$40BN	10%	

CNB Net Income (US$ millions)



CNB Net Interest Margin (NIM) & Net Interest Income (NII) (US$ millions)

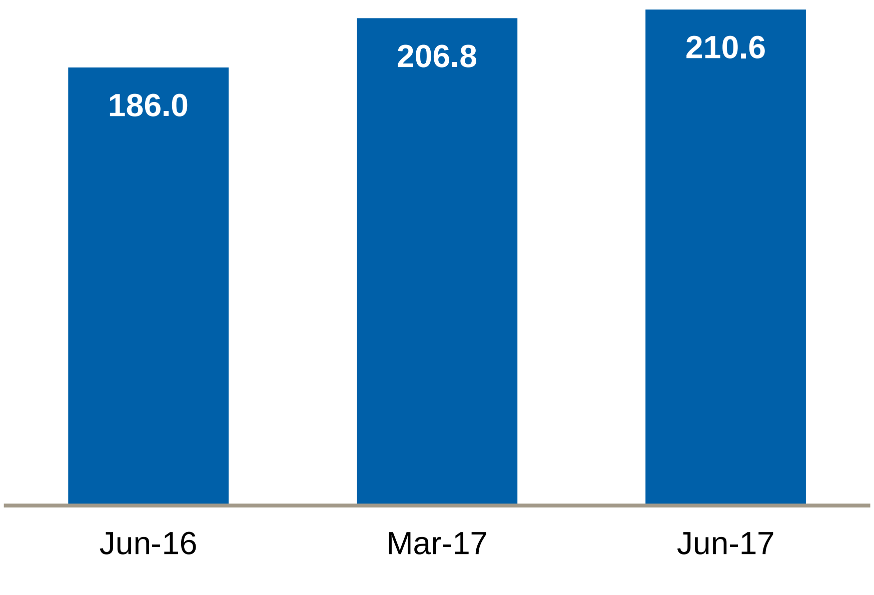


** Balance sheet figures represent average balances.*
(1) CNB's Q3/2017 adjusted net income excludes amortization of intangibles and integration costs of US$28MM after-tax (US$45MM before-tax). These are non-GAAP measures. For more information, see slide 29.
(2) Adjusted deposits of $35BN and adjusted deposit growth of 6% excludes average sweep balances of US$5BN from U.S. Wealth Management. These are non-GAAP measures. For more information, see slide 29. (3) NIM excluding acquired credit-impaired (ACI) loans is a non-GAAP measure. For more information, see slide 29.

Stable growth in Canadian retail assets under management

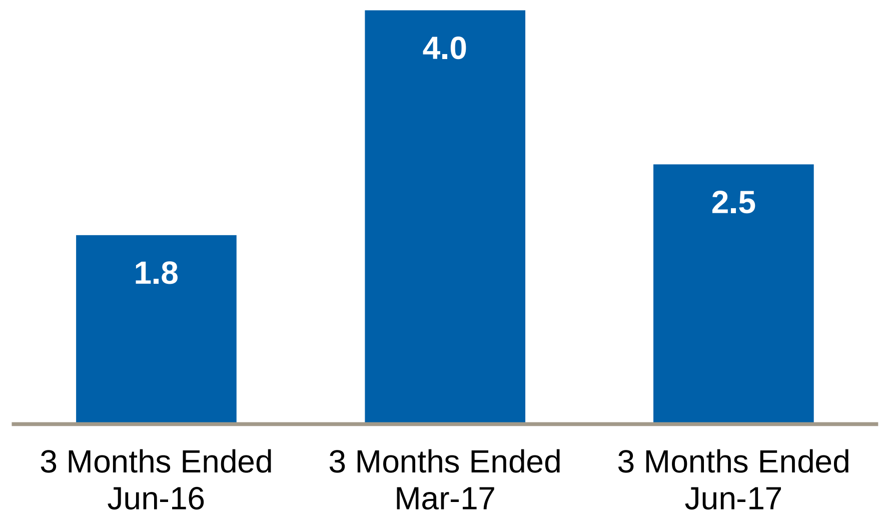
Assets Under Management ($ billions)

All-in Market Share[1]		
14.7%	14.9%	14.9%



Net Sales ($ billions)

All-in Market Share[1]		
33.0%[2]	21.3%	19.3%



- RBC Global Asset Management (GAM), ranked #1 in market share by AUM, has captured 32.2% of share amongst banks and 14.9% all-in[1]
- RBC GAM captured on average 24% of total industry net sales for the past 12 months[1]

(1) Investment Funds Institute of Canada (IFIC) as at June 2017 and RBC reporting. Comprised of long-term funds and money market funds. (2) Market share for the three months ended June 2016 was impacted by outsized one-time flows from client activity.

Capital Markets revenue – diversified by business

($ millions)	Q3/2017	Q2/2017	Q3/2016	YoY	QoQ
Investment banking	527	551	519	2%	(4%)
Lending and other	468	469	437	7%	0%
Corporate and Investment Banking	**$995**	**$1,020**	**$956**	**4%**	**(2%)**
Fixed income, currencies and commodities (FICC)	589	576	618	(5%)	2%
Global equities (GE)	261	311	266	(2%)	(16%)
Repo and secured financing	284	275	264	8%	3%
Global Markets (teb)[1]	**$1,134**	**$1,162**	**$1,148**	**(1%)**	**(2%)**
Other	**($89)**	**($65)**	**($17)**	**n.m.**	**n.m.**
Capital Markets total revenue (teb)	**$2,040**	**$2,117**	**$2,087**	**(2%)**	**(4%)**

Corporate and Investment Banking

- **YoY**: Solid growth largely driven by market share gains in syndicated finance primarily in the U.S., higher M&A fees largely in Europe and increased lending revenue in North America. These factors were partially offset by lower revenue from Municipal Banking in the U.S. and a slowdown in equity underwriting.
- **QoQ**: Down largely in the U.S. due to lower equity origination activity, lower loan syndication revenue compared to a very strong prior quarter and the impact of FX translation, partially offset by higher Municipal Banking revenue.

Global Markets[1]

- **YoY**: Down driven by decreased fixed income trading revenue across most regions due to low market volatility and subdued client activity, as well as weaker equity underwriting in Canada and the impact of FX translation. These factors were partially offset by higher equity trading revenue compared to challenging conditions last year.
- **QoQ**: Down due to lower foreign exchange trading revenue largely in Canada, lower equity underwriting in the U.S. and the impact of FX translation. These factors were partially offset by higher fixed income trading revenue in Canada.

(1) Global Markets segment revenue have been restated to align select portfolios previously disclosed in Repo and Secured financing to FICC and Global Equities.

Capital Markets revenue – diversified by geography

($ millions)	Q3/2017	Q2/2017	Q3/2016	YoY	QoQ
Canada	583	561	574	2%	4%
U.S.	1,007	1,119	1,075	(6%)	(10%)
Europe	322	309	343	(6%)	4%
Asia & Other	130	109	96	35%	19%
Geographic revenue excluding certain items(1)	**$2,042**	**$2,098**	**$2,088**	**(2%)**	**(3%)**
Add / (Deduct): Change in CVA & FVA balance, net of hedges(2)	(2)	19	(1)	(1)	(21)
Capital Markets total revenue (teb)	**$2,040**	**$2,117**	**$2,087**	**(2%)**	**(4%)**
Capital Markets non-trading revenue(3)	1,287	1,351	1,273	1%	(5%)
Capital Markets trading revenue (teb)	**$753**	**$766**	**$814**	**(7%)**	**(2%)**
Capital Markets trading revenue (teb) excl. certain items(1)	**$755**	**$747**	**$815**	**(7%)**	**1%**

Canada

- **YoY**: Higher driven by strong trading revenue in equities, fixed income and commodities, as well as increased loan syndication and lending revenue. These factors were partially offset by lower underwriting fees compared to a strong prior year.
- **QoQ**: Up on improved fixed income trading and higher M&A fees, partially offset by lower foreign exchange and equities trading, as well as lower equity underwriting fees.

U.S.

- **YoY**: Decrease driven by lower fixed income and equities trading reflecting reduced market volatility, as well as lower Municipal Banking and equity underwriting activity. These factors were partially offset by market share gains in loan syndication and debt underwriting.
- **QoQ**: Down compared to a robust prior quarter, primarily driven by lower equity underwriting and M&A fees, and lower lending revenue. The impact of FX translation and lower trading also contributed to the decrease. These factors were partially offset by higher debt underwriting.

Europe

- **YoY**: Down reflecting a decrease in fixed income trading compared to strong prior year, partially offset by higher M&A fees and higher equities trading.
- **QoQ**: Increased due to higher lending and M&A fees, partially offset by lower fixed income trading and syndication fees.

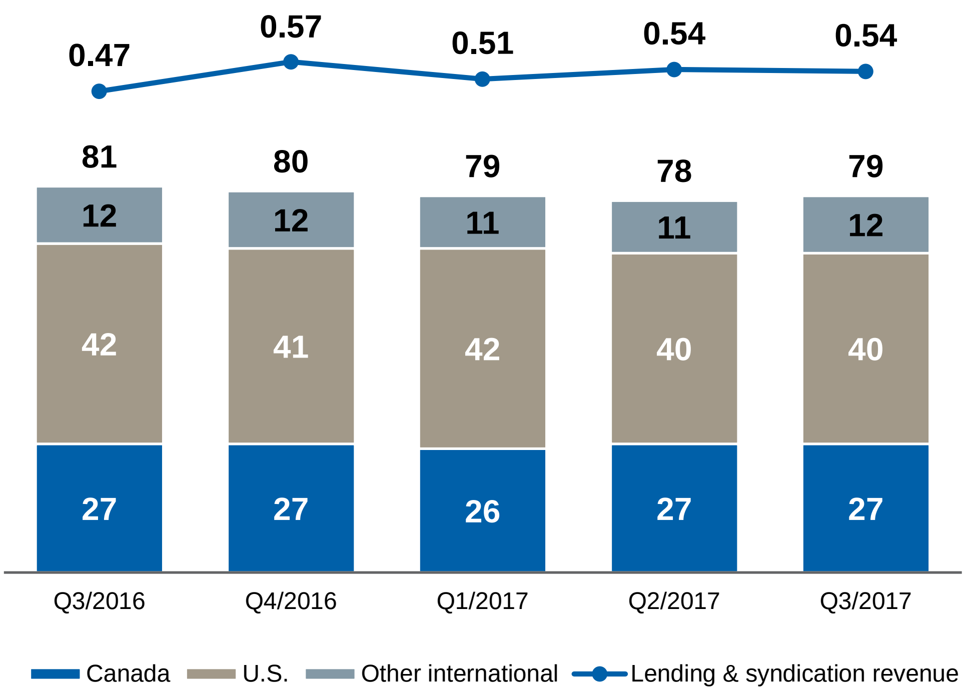
Asia & Other

- **YoY**: Solid growth reflecting improved equities trading and higher M&A fees, partially offset by lower fixed income trading.
- **QoQ**: Up due to higher fixed income and equities trading, partially offset by lower debt underwriting activity.

(1) This is a non-GAAP measure. For more information, see slide 29. (2) Excluded from all geographies. (3) Non-trading revenue primarily includes Corporate & Investment Banking and Global Markets origination and cash equities businesses.

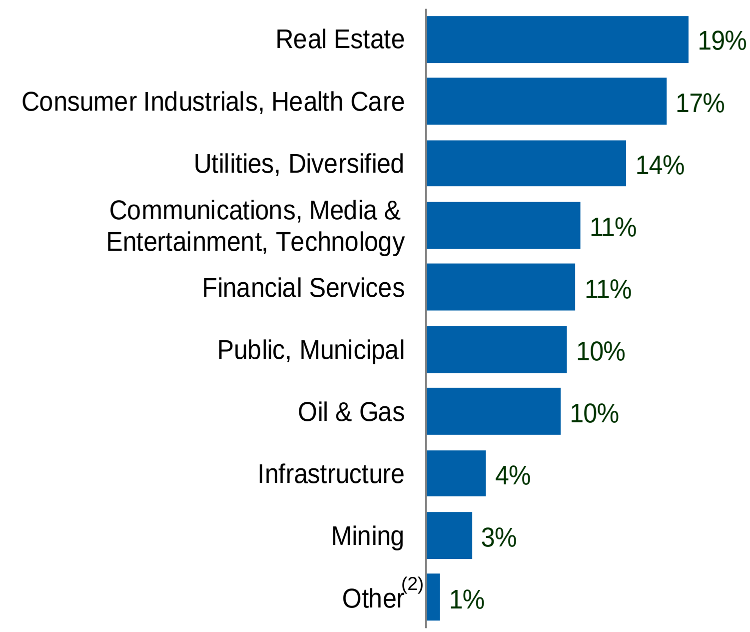
Consistent performance across a diversified loan book portfolio

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



Capital Markets Loans & Acceptances Outstanding by Industry[1]

Q3/2017



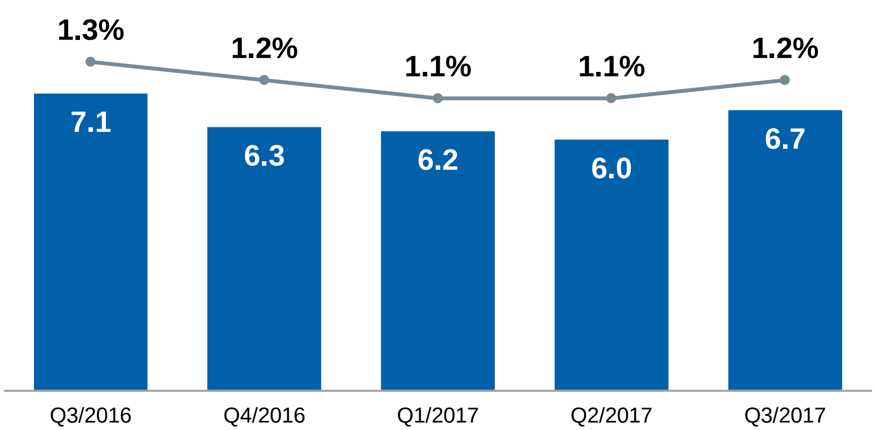
- Continue to deepen and optimize client relationships
- Diversification driven by strict limits on single name, country, industry and product levels across all businesses, portfolios, transactions and products
- Consistent lending standards throughout the cycle
- Approximately ~61% of our total Capital Markets exposure[3] is investment grade

(1) Average loans & acceptances, includes letters of credit and guarantees for our Capital Markets portfolio, on single name basis. Excludes mortgage investments, securitized mortgages and other non-core items. (2) "Other" mainly includes: Aerospace, Transportation and Forestry. (3) Total exposure represents exposure at default (EAD) which is the expected gross exposure upon the default of an obligor.

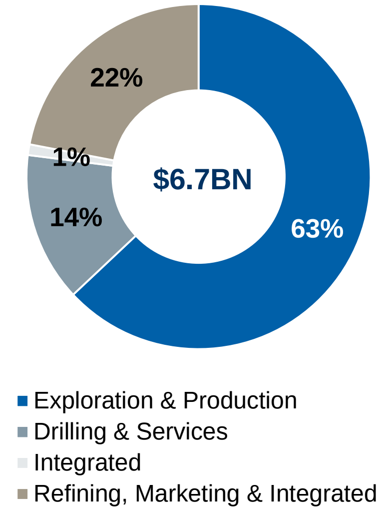
Exposure to the oil & gas sector within our risk appetite

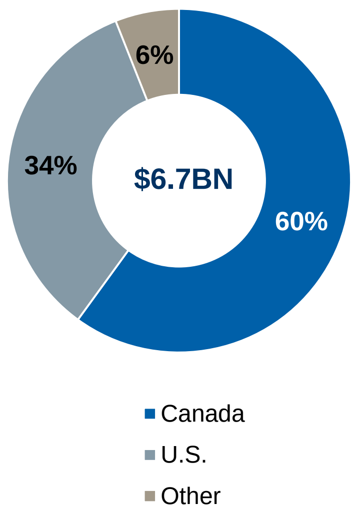
- Our oil & gas portfolio continues to benefit from an improved economic backdrop and increased capital markets activity underpinned by higher average oil prices
- Exposure to oil & gas sector:
  - Drawn of $6.7 billion, increased 12% QoQ; undrawn(1) of $10.4 billion decreased 3% QoQ
    - Drawn exposure represents 1.2% of RBC's total drawn loans and acceptances, up from the prior quarter
- 23% of our drawn and 54% of our undrawn(1) oil & gas portfolio is to investment grade clients

Drawn Oil & Gas Loans and Acceptances
($ billions; % of total drawn loans and acceptances)



Drawn Oil & Gas Exposure by Industry Segment and Geography





(1) Undrawn commitments represent an estimate of the contractual amount that may be drawn upon at the time of default of an obligor.

Specified items impacting Q1/2017 and Q3/2016 results

($ millions, except for EPS amounts and percentages)	Reported	Moneris gain on sale[1]	Adjusted[2]
Q1/2017			
Consolidated			
Net Income	$3,027	($212)	$2,815
Basic EPS	$1.98	($0.14)	$1.84
Diluted EPS	$1.97	($0.14)	$1.83
ROE	18.0%		16.7%

($ millions, except for EPS amounts and percentages)	Reported	Gain related to the sale of RBC General Insurance Company to Aviva Canada Inc.[3]	Adjusted[2]
Q3/2016			
Consolidated			
Net Income	$2,895	($235)	$2,660
Basic EPS	$1.88	($0.16)	$1.72
Diluted EPS	$1.88	($0.16)	$1.72
ROE	18.0%		16.5%

(1) Personal & Commercial Banking and Canadian Banking. (2) These are non-GAAP measures. For more information, see slide 29. (3) Insurance.

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 our share of a gain related to the sale of the U.S. operations of Moneris Solutions Corporation (Moneris gain on sale), our merchant card processing joint venture with the Bank of Montreal, to Vantiv Inc. (Vantiv), revenue net of Insurance fair value change of investments backing our policyholder liabilities, adjusted City National results, Capital Markets trading and geographic revenue excluding certain items, GIL ratio excluding acquired credit-impaired loans and NIM excluding acquired credit-impaired loans do not have any standardized meanings prescribed by GAAP, and therefore are unlikely to be comparable to similar measures disclosed by other financial institutions.

Additional information about our ROE and non-GAAP measures can be found under the “Key performance and non-GAAP measures” sections of our Q3 2017 Report to Shareholders and our 2016 Annual Report.

Definitions can be found under the “Glossary” sections in our Q3 2017 Supplementary Financial Information and our 2016 Annual Report.

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