



Supplementary Financial Information (Canadian GAAP)

2nd Quarter 2003

(UNAUDITED)

Investor Relations Department

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Notes to Users

This document is not audited and should be read in conjunction with the Q2/03 Report to Shareholders, Q2/03 Quarterly Results slides, the consolidated financial statements for the year ended October 31, 2002 and the Explanation of Certain Terms on page 1 of this document.

Changes made to this Document in Q2/03:

Pages 11-12: Cash basis measures.

We present a reconciliation from GAAP numbers to cash numbers. In previous supplementary packages, cash information was found on pages 1-8, and on page 12. Our change in presentation is in response to Regulation G under the United States Securities Exchange Act of 1934, which requires certain disclosures when a company provides financial information that is calculated and presented on the basis of methodologies other than in accordance with GAAP.

Page 13: Economic Profit.

We compute Economic Profit based on cash operating earnings available to common shareholders. On page 11, we reconcile net income to cash operating earnings and show the derivation of Economic Profit. This information is also provided in response to Regulation G. Please refer to the discussion below, page 11 of this package, and to page 26 of RBC's 2002 Annual Report, which provides a discussion of Economic Profit

Pages 28-29: Special items.

We provide a list of special items. There were no special items in Q2/03 and Q1/03, nor throughout 2002. Please see the discussion of special items below.

Changes made to this Document in Q1/03:

Pages 2-10, 14: Net Interest Income.

Net interest income is shown without any taxable equivalent adjustment. The amount of our taxable equivalent adjustment is not material.

Page 18: Average Balances.

We added the disclosure of loan categories to the Average Balance Sheet.

Page 21-22: Loan Information.

We enhanced disclosure of our industry sectors for loans, acceptances and reverse repurchase agreements for Canada, the U.S., and Other International regions.

Non-GAAP financial measures

General Caution

We believe the use of non-GAAP financial measures, such as core earnings, cash earnings, economic profit, and average balances, can provide useful information to investors regarding the company's financial condition and results of operations. Readers are cautioned that non-GAAP financial measures do not have any standardized meaning prescribed by GAAP and therefore are unlikely to be comparable to similar measures presented by other companies. Further explanations of non-GAAP financial measures are provided in the **Explanation of Certain Terms on page 1**.

Special Items/Core Earnings

Our management evaluates our performance primarily on the basis of our results as reported in our consolidated financial statements prepared in accordance with United States generally accepted accounting principles (GAAP) as well as on a "core" basis (i.e., excluding "special items", which are transactions or events that affect our reported results but that, in our view, are not part of our normal day-to-day business operations). We believe that the impact of special items may obscure or distort trends in the results of our ongoing operations and that investors evaluating our results may find core earnings information, which excludes such impact, to be a useful supplement to GAAP information. However, it should be noted that determining whether an item is a "special item" involves judgment by management. The impact of special items could be material to our operating results computed in accordance with GAAP in a period.

Cash Basis Measures

Cash basis measures, such as cash earnings, and cash ROE, are computed by adding back to net income the after-tax amount of amortization of goodwill and other intangibles (and other non-cash charges such as depreciation). We believe that some investors can find it useful to review cash basis measures because non-cash charges such as the amortization of goodwill and other intangibles are accounting concepts that do not deplete an issuer's cash reserves. We believe these measures provide additional information on our ability to meet our fixed charges and present them solely as supplemental measures.

Common Equity

GAAP does not prescribe a method for allocating equity to business segments. For management and reporting purposes, we attribute common equity to our business segments (including the Other segment) based on methodologies designed to measure the equity capital necessary to underpin the risks of the businesses in each segment, as discussed on page 54 of our 2002 Annual Report.

The methodology used to allocate capital involves judgment by management, is revised from time to time, and significantly impacts other measures such as business segment ROE and Economic Profit.

Economic Profit

Economic Profit is calculated using cash operating earnings (i.e., net income available to common shareholders excluding the after-tax impact of special items and amortization of goodwill and other intangibles), less a charge for the cost of common equity. We disclose Economic Profit as it is used by our management to evaluate the performance of our business segments and because some investors may also find it useful in evaluating our financial performance and analyzing trends in our businesses. It should be recognized that this measure reflects numerous judgments by management, including those related to the cost of capital and the allocation of common equity among business segments. Page 26 of our 2002 Annual Report provides a discussion of Economic Profit.

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Explanation of Certain Terms

Average assets	Calculated as the average of the daily assets for the period.
Average deposits	Calculated as the average of the daily deposits for the period.
Average common equity	Calculated on the average of the month-end common equity balances for the period. Attributed to the segments as discussed under "Common Equity" in "Notes to Users."
Average earning assets	Calculated as the average of the daily earning assets for the period. Earning assets include deposits with other banks, securities, assets purchased under reverse repurchase agreements and loans.
Average loans, acceptances, and reverse repurchase agreements	Calculated as the average of the daily loans, acceptances and reverse repurchase agreements for the period.
Cash Basis Measures	Computed by adding back to net income the after-tax amount of amortization of goodwill and intangibles
Economic Capital	An estimate of the amount of equity required to underpin risks consistent with the bank's desired solvency standard and debt rating. Specifically, Economic Capital is determined based on an assessment of credit, insurance, goodwill and intangible, trading market, operational, business, fixed asset and non-trading market risks taken to generate profits in a particular business segment.
Economic Profit	Net income available to common shareholders excluding the after-tax impact of special items and amortization of goodwill and other intangibles, less a charge for the cost of common equity. See "Economic Profit" in "Notes to Users".
Efficiency ratio	Non-interest expenses as a percentage of gross revenues.
Market capitalization	End of period shares outstanding multiplied by the closing share price.
Net interest margin	Net interest income divided by average assets, or by average earning assets.
Regulation G	A regulation under the United States Securities Exchange Act of 1934, which requires certain disclosure when a company provides financial information that is calculated and presented on the basis of methodologies other than in accordance with GAAP.
Reported Basis	Based on information found in the financial statements prepared in accordance with Canadian generally accepted accounting principles (GAAP).
Return on assets	Net income divided by average assets.
Return on equity (ROE)	Net income available to common shareholders divided by average common equity for the period.
Special items	Certain transactions or events that affect our reported results that in management's view are not part of our normal day-to-day business operations. See "Special Items/Core Earnings" in "Notes to Users".

INCOME STATEMENT¹

(\$ MM)

	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	Q1/02	Q4/01	Q3/01	Q2/01	2003 6 months	2002 6 months	2002	2001	2000	1999
Interest income	3,501	3,717	3,747	3,653	3,456	3,816	4,173	4,303	4,369	7,218	7,272	14,672	17,307	16,109	14,203
Interest expense	(1,810)	(1,927)	(1,942)	(1,895)	(1,719)	(1,958)	(2,401)	(2,592)	(2,795)	(3,737)	(3,677)	(7,514)	(10,790)	(10,830)	(9,083)
Net interest income	1,691	1,790	1,805	1,758	1,737	1,858	1,772	1,711	1,574	3,481	3,595	7,158	6,517	5,279	5,120
Other income	2,123	2,247	2,043	2,104	2,192	2,223	2,255	2,008	1,924	4,370	4,415	8,562	8,215	6,732	5,480
Gross revenues	3,814	4,037	3,848	3,862	3,929	4,081	4,027	3,719	3,498	7,851	8,010	15,720	14,732	12,011	10,600
Provision for credit losses (PCL)	(211)	(200)	(235)	(216)	(328)	(286)	(425)	(236)	(210)	(411)	(614)	(1,065)	(1,119)	(691)	(760)
Non-interest expense	(2,560)	(2,610)	(2,634)	(2,547)	(2,583)	(2,656)	(2,668)	(2,638)	(2,287)	(5,170)	(5,239)	(10,420)	(9,755)	(7,581)	(7,060)
Income taxes	(315)	(420)	(285)	(375)	(315)	(390)	(250)	(325)	(370)	(735)	(705)	(1,365)	(1,340)	(1,445)	(1,015)
Non-controlling interest	(31)	(28)	(28)	(27)	(26)	(27)	(28)	(28)	(29)	(59)	(53)	(108)	(107)	(20)	(8)
Net income	697	779	666	697	677	722	656	492	602	1,476	1,399	2,762	2,411	2,274	1,757
Preferred dividends	(22)	(23)	(24)	(25)	(24)	(25)	(31)	(37)	(33)	(45)	(49)	(98)	(135)	(134)	(157)
Net income available to common	675	756	642	672	653	697	625	455	569	1,431	1,350	2,664	2,276	2,140	1,600
Net income, excluding special items	697	779	666	697	677	722	417	579	602	1,476	1,399	2,762	2,181	2,274	1,859
Effective tax rate	30.2%	34.2%	29.1%	34.1%	31.0%	34.2%	26.8%	38.5%	36.9%	32.4%	32.7%	32.2%	34.7%	38.6%	36.5%

PROFITABILITY MEASURES

Earnings per share (EPS) - basic	\$1.01	\$1.14	\$0.96	\$1.00	\$0.97	\$1.03	\$0.92	\$0.69	\$0.92	\$2.15	\$2.00	\$3.96	\$3.55	\$3.53	\$2.55
- diluted	\$1.00	\$1.12	\$0.95	\$0.99	\$0.96	\$1.03	\$0.91	\$0.68	\$0.92	\$2.13	\$1.99	\$3.93	\$3.52	\$3.51	\$2.53
- diluted, excl. special items ²	\$1.00	\$1.12	\$0.95	\$0.99	\$0.96	\$1.03	\$0.56	\$0.82	\$0.92	\$2.13	\$1.99	\$3.93	\$3.16	\$3.51	\$2.66
Return on common equity (ROE)	15.7%	17.1%	14.8%	15.6%	16.0%	16.9%	15.2%	12.5%	18.7%	16.4%	16.5%	15.8%	16.4%	19.8%	15.6%
ROE, excl. special items ²	15.7%	17.1%	14.8%	15.6%	16.0%	16.9%	9.4%	14.9%	18.7%	16.4%	16.5%	15.8%	14.8%	19.8%	16.6%
Return on assets	0.72%	0.79%	0.70%	0.76%	0.76%	0.79%	0.76%	0.58%	0.77%	0.75%	0.77%	0.75%	0.74%	0.81%	0.65%
Return on assets after preferred dividends	0.70%	0.76%	0.67%	0.73%	0.73%	0.76%	0.72%	0.53%	0.72%	0.73%	0.75%	0.73%	0.70%	0.76%	0.59%
Return on risk adjusted assets	1.73%	1.84%	1.60%	1.64%	1.64%	1.69%	1.52%	1.14%	1.56%	1.80%	1.67%	1.64%	1.45%	1.49%	1.18%

COMMON SHARE INFORMATION

Shares outstanding (000s) - end of period	662,427	666,439	665,257	671,671	673,860	673,596	674,021	683,312	616,516	662,427	673,860	665,257	674,021	602,398	617,768
- average (basic)	664,634	666,006	668,868	673,787	673,751	674,465	681,758	658,296	616,365	665,331	674,114	672,571	641,516	606,389	626,158
- average (diluted)	671,398	673,400	674,840	679,168	678,751	679,729	687,334	663,996	621,907	672,409	679,240	678,120	647,216	609,865	632,305
Shares repurchased - (000s)	5,074	885	6,963	3,275	2,346	1,709	9,702	1,225	-	5,959	4,055	14,293	10,927	19,737	5,243
- (\$ MM)	293	49	368	169	119	108	448	61	-	342	227	764	509	99	52
Market capitalization (\$ MM)	39,613	36,854	36,197	35,901	37,042	33,680	31,544	34,822	26,479	39,613	37,042	36,197	31,544	29,096	19,599
Common share price - High (intraday)	\$59.91	\$59.86	\$57.55	\$58.89	\$57.07	\$52.45	\$53.25	\$51.50	\$51.25	\$59.91	\$57.07	\$58.89	\$53.25	\$48.88	\$42.13
- Low (intraday)	\$53.26	\$53.91	\$48.80	\$45.05	\$46.36	\$46.81	\$41.60	\$42.80	\$42.42	\$53.26	\$46.36	\$45.05	\$41.60	\$27.25	\$29.65
- Close	\$59.80	\$55.30	\$54.41	\$53.45	\$54.97	\$50.00	\$46.80	\$50.96	\$42.95	\$59.80	\$54.97	\$54.41	\$46.80	\$48.30	\$31.73
Dividends per share	\$0.43	\$0.40	\$0.40	\$0.38	\$0.38	\$0.36	\$0.36	\$0.36	\$0.33	\$0.83	\$0.74	\$1.52	\$1.38	\$1.14	\$0.94
Dividend yield	3.0%	2.8%	3.0%	2.9%	2.9%	2.9%	3.0%	3.1%	2.8%	2.9%	2.9%	2.9%	2.9%	3.0%	2.6%
Dividend payout ratio	42%	35%	41%	38%	39%	35%	39%	54%	36%	39%	37%	38%	39%	32%	37%
Common dividends paid (\$ MM)	285	267	266	256	256	244	244	246	204	552	500	1,022	897	689	588
Preferred dividends paid (\$ MM)	22	23	24	25	24	25	31	37	33	45	49	98	135	134	157
P/E ratio (4-quarters trailing earnings) ³	13.9	14.2	13.5	13.4	14.4	14.0	13.4	13.3	12.5	13.9	14.4	13.2	13.5	10.8	14.2
Book value per share	\$26.53	\$26.62	\$25.91	\$25.56	\$25.04	\$24.53	\$23.95	\$23.68	\$20.61	\$26.53	\$25.04	\$25.91	\$23.95	\$19.10	\$17.17
Market price/book value	225%	208%	210%	209%	220%	204%	195%	215%	208%	225%	220%	210%	195%	253%	185%

¹As a result of adopting CICA standards on Business Combinations and Goodwill and Other Intangible Assets, net income, diluted EPS and ROE exclude goodwill amortization effective Q1/02.

²Special items are shown on pages 28-29.

³Average of high and low common share price divided by diluted earnings per share.

RESULTS BY BUSINESS SEGMENT

(\$ MM)

RBC Banking
Personal and Commercial Banking
Income Statement

	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	Q1/02	Q4/01	Q3/01	Q2/01	2003 6 months	2002 6 months	2002	2001	2000	1999
Net interest income	1,352	1,394	1,426	1,365	1,339	1,427	1,440	1,384	1,251	2,746	2,766	5,557	5,343	4,699	4,401
Other income	535	564	509	505	514	545	513	494	414	1,099	1,059	2,073	1,869	1,570	1,387
Gross revenues	1,887	1,958	1,935	1,870	1,853	1,972	1,953	1,878	1,665	3,845	3,825	7,630	7,212	6,269	5,788
Provision for credit losses	(158)	(130)	(122)	(145)	(158)	(201)	(171)	(175)	(159)	(288)	(359)	(626)	(732)	(649)	(575)
Non-interest expense	(1,156)	(1,179)	(1,161)	(1,117)	(1,108)	(1,142)	(1,181)	(1,242)	(968)	(2,335)	(2,250)	(4,528)	(4,389)	(3,752)	(3,771)
Other ¹	(215)	(239)	(247)	(231)	(227)	(240)	(270)	(198)	(220)	(454)	(467)	(945)	(910)	(790)	(612)
Net income - total	358	410	405	377	360	389	331	263	318	768	749	1,531	1,181	1,078	830
- U.S. (included in total)	50	60	60	37	40	58	11	(46)	5	110	98	195	(36)	n/a	n/a
Contribution to total RBC net income	51%	53%	61%	54%	53%	54%	50%	53%	53%	52%	54%	55%	49%	47%	47%
ROE	19.3%	21.4%	20.0%	19.1%	18.3%	18.8%	14.5%	12.9%	24.3%	20.4%	18.6%	19.1%	16.9%	19.7%	17.9%
Efficiency ratio ⁴	61.3%	60.2%	60.0%	59.7%	59.8%	57.9%	60.5%	66.1%	58.1%	60.7%	58.8%	59.3%	60.9%	59.9%	65.2%

Income Statement (excluding special items)²

Net interest income	1,352	1,394	1,426	1,365	1,339	1,427	1,440	1,384	1,251	2,746	2,766	5,557	5,343	4,699	4,401
Other income	535	564	509	505	514	545	513	494	414	1,099	1,059	2,073	1,862	1,570	1,359
Gross revenues	1,887	1,958	1,935	1,870	1,853	1,972	1,953	1,878	1,665	3,845	3,825	7,630	7,205	6,269	5,760
Provision for credit losses	(158)	(130)	(122)	(145)	(158)	(201)	(171)	(175)	(159)	(288)	(359)	(626)	(732)	(649)	(540)
Non-interest expense	(1,156)	(1,179)	(1,161)	(1,117)	(1,108)	(1,142)	(1,181)	(1,151)	(968)	(2,335)	(2,250)	(4,528)	(4,298)	(3,752)	(3,721)
Other ¹	(215)	(239)	(247)	(231)	(227)	(240)	(261)	(227)	(220)	(454)	(467)	(945)	(910)	(790)	(636)
Net income - total	358	410	405	377	360	389	340	325	318	768	749	1,531	1,265	1,078	863
- U.S. (included in total)	50	60	60	37	40	58	11	11	5	110	98	195	21	n/a	n/a
Contribution to total RBC net income	51%	53%	61%	54%	53%	54%	82%	56%	53%	52%	54%	55%	58%	47%	46%
ROE	19.3%	21.4%	20.0%	19.1%	18.3%	18.8%	14.9%	16.1%	24.3%	20.4%	18.6%	19.1%	18.2%	19.7%	18.6%
Efficiency ratio ⁴	61.3%	60.2%	60.0%	59.7%	59.8%	57.9%	60.5%	61.3%	58.1%	60.7%	58.8%	59.3%	59.7%	59.9%	64.6%

Average Balances

Assets	160,700	160,600	159,300	154,900	155,800	156,000	155,600	147,900	134,700	160,700	155,900	156,500	143,100	129,700	122,400
Earning assets	151,100	150,900	149,400	145,400	145,700	145,700	145,100	138,400	126,800	151,000	145,700	146,600	134,100	121,700	114,900
Loans, accept. and reverse repurch. agreements	146,300	145,600	144,800	141,600	142,400	142,600	142,300	137,900	130,000	145,900	142,500	142,800	134,900	125,600	118,400
Deposits	128,000	127,400	125,200	122,300	121,800	122,400	121,100	115,200	105,300	127,700	122,100	122,900	111,400	98,900	94,600
Common equity	7,400	7,500	7,900	7,600	7,800	8,000	8,700	7,600	5,300	7,500	7,900	7,800	6,700	5,100	4,300

Other Statistics

Net interest margin (average assets)	3.45%	3.44%	3.55%	3.50%	3.52%	3.63%	3.67%	3.71%	3.81%	3.45%	3.58%	3.55%	3.73%	3.62%	3.60%
Net interest margin (average earning assets)	3.67%	3.67%	3.79%	3.72%	3.77%	3.89%	3.94%	3.97%	4.05%	3.67%	3.83%	3.79%	3.98%	3.86%	3.83%
Amortization of other intangibles ³	13	12	13	12	10	14	13	9	2	25	24	49	26	3	-
Number of employees (FTE)	36,012	36,003	35,014	35,069	34,175	34,580	34,845	35,306	31,155	36,012	34,175	35,014	34,845	31,246	34,303

Credit Quality

Net impaired loans ⁴															
Domestic - Residential mortgages	90	87	87	92	111	122	120	110	142	90	111	87	120	157	n/a
- Personal	92	96	111	116	119	120	128	111	106	92	119	111	128	54	n/a
- Commercial	271	252	291	304	312	303	343	329	358	271	312	291	343	305	n/a
U.S. and Other International	176	165	179	185	138	145	159	133	33	176	138	179	159	25	n/a
Total net impaired loans	629	600	668	697	680	690	750	683	639	629	680	668	750	541	n/a
Net write-offs															
Domestic - Residential mortgages	2	1	2	2	3	3	5	4	3	3	6	10	15	11	n/a
- Personal	139	100	99	121	127	133	112	124	124	239	260	480	478	457	n/a
- Commercial	28	16	50	44	50	45	62	46	38	44	95	189	193	180	n/a
U.S. and Other International	15	15	16	17	15	17	29	8	1	30	32	65	38	4	n/a
Total net write-offs	184	132	167	184	195	198	208	182	166	316	393	744	724	652	n/a
Net write-offs as a percentage of average loans, acceptances and reverse repurchase agreements	0.52%	0.36%	0.46%	0.52%	0.56%	0.55%	0.58%	0.52%	0.52%	0.44%	0.56%	0.52%	0.54%	0.52%	n/a

¹Includes income taxes and non-controlling interest.

²Defined on page 1.

³Special items are shown on pages 28-29.

⁴After-tax amount. Excludes goodwill.

⁵Net of specific allowance.

RESULTS BY BUSINESS SEGMENT

(\$ MM)

RBC Insurance
Insurance
Income Statement

	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	Q1/02	Q4/01	Q3/01	Q2/01	2003 6 months	2002 6 months	2002	2001	2000	1999
Net interest income	58	67	65	54	53	51	55	54	53	125	104	223	206	84	47
Other income	102	99	64	63	70	88	54	88	65	201	158	285	274	202	160
Gross revenues	160	166	129	117	123	139	109	142	118	326	262	508	480	286	207
Provision for credit losses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-interest expense	(105)	(123)	(130)	(102)	(103)	(102)	(101)	(105)	(93)	(228)	(205)	(437)	(375)	(173)	(133)
Other ¹	-	4	17	13	12	4	12	4	7	4	16	46	28	19	17
Net income - total	55	47	16	28	32	41	20	41	32	102	73	117	133	132	91
- U.S. (included in total)	13	7	(4)	(4)	4	(2)	(1)	5	(4)	20	2	(6)	4	n/a	n/a
Contribution to total RBC net income	8%	6%	2%	4%	5%	6%	5%	7%	5%	7%	5%	4%	6%	6%	5%
ROE	28.3%	23.1%	8.5%	14.6%	17.7%	22.2%	8.2%	17.1%	13.9%	25.7%	20.0%	15.7%	15.0%	49.0%	47.9%

Income Statement (excluding special items)²

Net interest income	58	67	65	54	53	51	55	54	53	125	104	223	206	84	47
Other income	102	99	64	63	70	88	54	88	65	201	158	285	274	202	160
Gross revenues	160	166	129	117	123	139	109	142	118	326	262	508	480	286	207
Provision for credit losses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-interest expense	(105)	(123)	(130)	(102)	(103)	(102)	(101)	(105)	(93)	(228)	(205)	(437)	(375)	(173)	(133)
Other ¹	-	4	17	13	12	4	12	4	7	4	16	46	26	19	17
Net income - total	55	47	16	28	32	41	20	41	32	102	73	117	131	132	91
- U.S. (included in total)	13	7	(4)	(4)	4	(2)	(1)	5	(4)	20	2	(6)	4	n/a	n/a
Contribution to total RBC net income	8%	6%	2%	4%	5%	6%	5%	7%	5%	7%	5%	4%	6%	6%	5%
ROE	28.3%	23.1%	8.5%	14.6%	17.7%	22.2%	8.2%	17.1%	13.9%	25.7%	20.0%	15.7%	14.8%	49.0%	47.9%

Average Balances

Assets	5,700	5,800	5,700	5,700	5,700	5,400	6,000	5,700	5,500	5,800	5,500	5,600	5,300	2,100	1,400
Loans, accept. and reverse repurch. agreements	300	300	400	400	400	400	400	400	400	300	400	400	300	-	-
Common equity	800	800	700	700	700	700	900	900	900	800	700	700	800	300	200

Other Statistics

Net interest margin	4.17%	4.58%	4.52%	3.76%	3.81%	3.75%	3.64%	3.76%	3.95%	4.35%	3.81%	3.98%	3.89%	4.00%	3.36%
Amortization of other intangibles ³	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Number of employees (FTE)	2,738	2,712	2,641	2,668	2,632	2,649	2,583	2,607	2,497	2,738	2,632	2,641	2,583	1,318	1,154

¹Includes income taxes and non-controlling interest.

²Special items are shown on pages 28-29.

³After-tax amount. Excludes goodwill.

RESULTS BY BUSINESS SEGMENT

(\$ MM)

RBC Investments
Wealth Management
Income Statement

	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	Q1/02	Q4/01	Q3/01	Q2/01
Net interest income	107	116	96	91	86	98	92	105	97
Other income	721	767	783	807	832	852	929	654	697
Gross revenues	828	883	879	898	918	950	1,021	759	794
Provision for credit losses	-	-	(1)	-	1	1	1	(1)	(3)
Non-interest expense	(732)	(725)	(733)	(772)	(813)	(828)	(676)	(659)	(683)
Other ¹	(28)	(55)	(48)	(43)	(29)	(37)	(86)	(41)	(41)
Net income - total	68	103	97	83	77	86	260	58	67
- U.S. (included in total)	9	13	11	11	(16)	(8)	(22)	(31)	(32)
Contribution to total RBC net income	10%	13%	15%	12%	11%	12%	40%	12%	11%
ROE	9.8%	14.7%	12.2%	10.6%	10.1%	10.9%	49.4%	10.4%	12.4%

2003 6 months	2002 6 months	2002	2001	2000	1999
223	184	371	385	359	267
1,488	1,684	3,274	2,861	1,958	1,513
1,711	1,868	3,645	3,246	2,317	1,780
-	2	1	(2)	1	-
(1,457)	(1,641)	(3,146)	(2,507)	(1,658)	(1,369)
(83)	(66)	(157)	(224)	(244)	(131)
171	163	343	513	416	280
22	(24)	(2)	(81)	n/a	n/a
12%	12%	12%	21%	18%	16%
12.2%	10.5%	11.0%	27.2%	48.2%	59.6%

Income Statement (excluding special items)²

Net interest income	107	116	96	91	86	98	92	105	97
Other income	721	767	783	807	832	852	616	654	697
Gross revenues	828	883	879	898	918	950	708	759	794
Provision for credit losses	-	-	(1)	-	1	1	1	(1)	(3)
Non-interest expense	(732)	(725)	(733)	(772)	(813)	(828)	(676)	(659)	(683)
Other ¹	(28)	(55)	(48)	(43)	(29)	(37)	(24)	(36)	(41)
Net income - total	68	103	97	83	77	86	9	63	67
- U.S. (included in total)	9	13	11	11	(16)	(8)	(22)	(31)	(32)
Contribution to total RBC net income	10%	13%	15%	12%	11%	12%	2%	11%	11%
ROE	9.8%	14.7%	12.2%	10.6%	10.1%	10.9%	0.9%	11.4%	12.4%

223	184	371	385	359	267
1,488	1,684	3,274	2,512	1,958	1,513
1,711	1,868	3,645	2,897	2,317	1,780
-	2	1	(2)	1	-
(1,457)	(1,641)	(3,146)	(2,507)	(1,658)	(1,369)
(83)	(66)	(157)	(149)	(244)	(131)
171	163	343	239	416	280
22	(24)	(2)	(81)	n/a	n/a
12%	12%	12%	11%	18%	15%
12.2%	10.5%	11.0%	12.2%	48.2%	59.6%

Average Balances

Assets	18,300	17,800	17,400	16,300	15,100	11,500	11,800	12,400	12,100
Loans, accept. and reverse repurch. agreements	6,900	6,700	6,500	6,500	5,100	4,000	4,000	4,100	4,600
Deposits	17,800	17,700	16,700	15,700	15,900	15,900	15,900	16,000	15,800
Common equity	2,700	2,700	3,000	3,000	3,000	3,000	2,100	2,000	2,000

18,000	13,300	15,100	11,200	8,000	8,900
6,800	4,600	5,500	4,000	2,600	n/a
17,700	15,900	16,100	15,600	14,400	n/a
2,700	3,000	3,000	1,800	800	500

Other Statistics

Net interest margin	2.40%	2.59%	2.19%	2.21%	2.34%	3.38%	3.09%	3.36%	3.29%
Amortization of other intangibles ³	4	4	3	3	3	3	4	3	2
Number of employees (FTE)	10,886	11,151	12,001	12,169	12,261	12,885	10,512	10,897	10,866

2.50%	2.79%	2.46%	3.44%	4.49%	3.00%
8	6	12	10	8	-
10,886	12,261	12,001	10,512	7,553	6,764

Credit Quality

Net impaired loans ⁴									
Domestic - Residential mortgages	-	-	-	-	(1)	(1)	(2)	-	-
- Personal	(1)	(1)	1	1	1	-	1	3	(1)
- Commercial	-	-	-	-	1	1	-	-	-
U.S. and Other International	(1)	(1)	(1)	(1)	(1)	(1)	-	(1)	(1)
Total net impaired loans	(2)	(2)	-	-	-	(1)	(1)	2	(2)
Total net write-offs	2	-	4	1	-	-	-	1	-
Net write-offs as a percentage of average loans, acceptances and reverse repurchase agreements	0.12%	-	0.24%	0.06%	-	-	-	0.10%	-

-	(1)	-	(2)	-	n/a
(1)	1	1	1	(3)	n/a
-	1	-	-	-	n/a
(1)	(1)	(1)	-	(1)	n/a
(2)	-	-	(1)	(4)	n/a
2	-	5	1	-	n/a
0.06%	-	0.09%	0.03%	-	n/a

¹Includes income taxes and non-controlling interest.

²Special items are shown on pages 28-29.

³After-tax amount. Excludes goodwill.

⁴Net of specific allowance.

RESULTS BY BUSINESS SEGMENT

(\$ MM)

RBC Capital Markets
Corporate and Investment Banking
Income Statement

	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	Q1/02	Q4/01	Q3/01	Q2/01
Net Interest Income	103	109	103	110	141	178	151	122	128
Other Income	513	617	516	520	541	535	508	566	568
Gross revenues	616	726	619	630	682	713	659	688	696
Provision for credit losses	(58)	(77)	(117)	(76)	(175)	(97)	(259)	(68)	(53)
Non-interest expense	(394)	(426)	(407)	(414)	(388)	(418)	(455)	(435)	(462)
Other ¹	(69)	(79)	(15)	(47)	(13)	(60)	42	(85)	(67)
Net income - total	95	144	80	93	106	138	(13)	100	114
- U.S. (included in total)	22	26	(10)	29	(36)	(23)	(115)	(34)	13
Contribution to total RBC net income	14%	18%	12%	13%	16%	19%	(2%)	20%	19%
ROE	9.7%	13.9%	7.7%	8.7%	10.6%	12.9%	(2.2%)	10.5%	13.2%

2003 6 months	2002 6 months	2002	2001	2000	1999
212	319	532	409	21	376
1,130	1,076	2,112	2,346	2,287	1,588
1,342	1,395	2,644	2,755	2,308	1,964
(135)	(272)	(465)	(407)	(91)	(223)
(820)	(806)	(1,627)	(1,804)	(1,445)	(1,295)
(148)	(73)	(135)	(208)	(264)	(139)
239	244	417	336	508	307
48	(59)	(40)	(77)	n/a	n/a
16%	17%	15%	14%	22%	17%
11.9%	11.8%	10.0%	9.3%	21.1%	15.6%

Income Statement (excluding special items)²

Net interest income	103	109	103	110	141	178	151	122	128
Other income	513	617	516	520	541	535	508	566	568
Gross revenues	616	726	619	630	682	713	659	688	696
Provision for credit losses	(58)	(77)	(117)	(76)	(175)	(97)	(259)	(68)	(53)
Non-interest expense	(394)	(426)	(407)	(414)	(388)	(418)	(455)	(435)	(462)
Other ¹	(69)	(79)	(15)	(47)	(13)	(60)	45	(70)	(67)
Net income - total	95	144	80	93	106	138	(10)	115	114
- U.S. (included in total)	22	26	(10)	29	(36)	(23)	(115)	(34)	13
Contribution to total RBC net income	14%	18%	12%	13%	16%	19%	(2%)	20%	19%
ROE	9.7%	13.9%	7.7%	8.7%	10.6%	12.9%	(1.9%)	12.2%	13.2%

212	319	532	409	21	376
1,130	1,076	2,112	2,346	2,287	1,588
1,342	1,395	2,644	2,755	2,308	1,964
(135)	(272)	(465)	(407)	(91)	(168)
(820)	(806)	(1,627)	(1,804)	(1,445)	(1,212)
(148)	(73)	(135)	(180)	(264)	(199)
239	244	417	364	508	385
48	(59)	(40)	(77)	n/a	n/a
16%	17%	15%	17%	22%	21%
11.9%	11.8%	10.0%	10.1%	21.1%	20.0%

Average Balances

Assets	198,800	198,100	185,900	175,700	174,100	177,000	159,100	161,200	157,700
Loans, accept. and reverse repurch. agreements	63,400	68,100	65,800	60,100	59,800	60,100	58,000	61,600	61,200
Deposits	76,800	82,400	82,400	76,900	77,900	79,500	71,400	69,400	71,900
Common equity	4,000	3,900	3,800	4,000	3,900	4,100	3,500	3,500	3,300

198,500	175,600	178,200	156,400	131,900	127,300
65,800	60,000	61,400	59,600	53,000	n/a
79,600	78,700	79,200	70,500	61,900	n/a
4,000	4,000	4,000	3,300	2,300	1,800

Other Statistics

Net interest margin	0.21%	0.22%	0.22%	0.25%	0.33%	0.40%	0.38%	0.30%	0.33%
Amortization of other intangibles ³	-	-	1	-	-	-	-	-	-
Number of employees (FTE)	2,903	2,874	2,938	2,966	2,931	2,922	2,954	3,034	2,923

0.22%	0.37%	0.30%	0.26%	0.02%	0.30%
-	-	1	-	-	-
2,903	2,931	2,938	2,954	2,541	2,651

Credit Quality

Net impaired loans ⁴									
Domestic corporate	320	271	276	296	327	416	420	300	276
U.S. and Other International corporate	287	542	439	448	465	532	317	329	284
Total net impaired loans	607	813	715	744	792	948	737	629	560
Net write-offs									
Domestic corporate	-	-	15	44	7	-	8	6	25
U.S. and Other International corporate	44	14	119	127	152	46	141	1	42
Total net write-offs	44	14	134	171	159	46	149	7	67
Net write-offs as a percentage of average loans, acceptances and reverse repurchase agreements	0.28%	0.08%	0.81%	1.13%	1.09%	0.30%	1.02%	0.05%	0.45%

320	327	276	420	283	n/a
287	465	439	317	84	n/a
607	792	715	737	367	n/a
-	7	66	44	(3)	n/a
58	198	444	188	53	n/a
58	205	510	232	50	n/a
0.18%	0.69%	0.83%	0.39%	0.09%	n/a

¹Includes income taxes and non-controlling interest.

²Special items are shown on pages 28-29.

³After-tax amount. Excludes goodwill.

⁴Net of specific allowance.

RESULTS BY BUSINESS SEGMENT

(\$ MM)

RBC Global Services
Transaction Processing
Income Statement

	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	Q1/02	Q4/01	Q3/01	Q2/01
Net interest income	37	45	34	36	33	34	39	34	34
Other income	198	201	207	211	197	205	200	200	182
Gross revenues	235	246	241	247	230	239	239	234	216
Provision for credit losses	(2)	-	(3)	(2)	(3)	(2)	-	-	1
Non-interest expense	(176)	(171)	(166)	(168)	(162)	(172)	(158)	(163)	(138)
Other ¹	(20)	(27)	(27)	(29)	(26)	(26)	(33)	(27)	(32)
Net income - total	37	48	45	48	39	39	48	44	47
- U.S. (included in total)	2	2	1	2	4	3	3	4	6
Contribution to total RBC net income	5%	6%	7%	7%	6%	5%	7%	9%	8%
ROE	23.0%	30.1%	29.7%	31.8%	26.8%	25.4%	35.4%	32.0%	36.1%

	2003 6 months	2002 6 months	2002	2001	2000	1999
Net interest income	82	67	137	147	160	168
Other income	399	402	820	851	691	619
Gross revenues	481	469	957	998	851	787
Provision for credit losses	(2)	(5)	(10)	2	21	(6)
Non-interest expense	(347)	(334)	(668)	(599)	(547)	(535)
Other ¹	(47)	(52)	(108)	(138)	(140)	(104)
Net income - total	85	78	171	263	185	142
- U.S. (included in total)	4	7	10	17	n/a	n/a
Contribution to total RBC net income	6%	6%	6%	11%	8%	8%
ROE	26.6%	26.1%	28.4%	48.9%	39.5%	29.8%

Income Statement (excluding special items)²

Net interest income	37	45	34	36	33	34	39	34	34
Other income	198	201	207	211	197	205	200	200	182
Gross revenues	235	246	241	247	230	239	239	234	216
Provision for credit losses	(2)	-	(3)	(2)	(3)	(2)	-	-	1
Non-interest expense	(176)	(171)	(166)	(168)	(162)	(172)	(158)	(163)	(138)
Other ¹	(20)	(27)	(27)	(29)	(26)	(26)	(33)	(27)	(32)
Net income - total	37	48	45	48	39	39	48	44	47
- U.S. (included in total)	2	2	1	2	4	3	3	4	6
Contribution to total RBC net income	5%	6%	7%	7%	6%	5%	12%	8%	8%
ROE	23.0%	30.1%	29.7%	31.8%	26.8%	25.4%	35.4%	32.1%	36.1%

Net interest income	82	67	137	147	160	168
Other income	399	402	820	762	691	619
Gross revenues	481	469	957	909	851	787
Provision for credit losses	(2)	(5)	(10)	2	21	(6)
Non-interest expense	(347)	(334)	(668)	(599)	(547)	(535)
Other ¹	(47)	(52)	(108)	(126)	(140)	(104)
Net income - total	85	78	171	186	185	142
- U.S. (included in total)	4	7	10	17	n/a	n/a
Contribution to total RBC net income	6%	6%	6%	9%	8%	8%
ROE	26.6%	26.1%	28.4%	34.3%	39.5%	29.8%

Average Balances

Assets	2,100	2,400	2,600	2,500	2,400	2,500	2,500	2,500	2,300
Loans, accept. and reverse repurch. agreements	1,400	1,600	1,900	1,900	1,800	1,900	2,100	2,100	1,900
Deposits	10,700	10,900	8,700	8,100	8,200	8,200	8,200	7,900	7,400
Common equity	600	600	600	600	600	600	500	500	500

Assets	2,200	2,400	2,500	2,400	1,600	1,800
Loans, accept. and reverse repurch. agreements	1,500	1,900	1,900	2,000	1,200	n/a
Deposits	10,800	8,200	8,300	7,700	7,600	n/a
Common equity	600	600	600	500	400	400

Other Statistics

Net interest margin	7.23%	7.44%	5.19%	5.71%	5.64%	5.40%	6.19%	5.40%	6.06%
Amortization of other intangibles ³	-	-	1	-	-	-	-	-	-
Number of employees (FTE)	2,556	2,582	2,571	2,552	2,503	2,541	2,557	2,218	2,144

Net interest margin	7.52%	5.63%	5.48%	6.13%	10.00%	9.33%
Amortization of other intangibles ³	-	-	1	-	-	-
Number of employees (FTE)	2,556	2,503	2,571	2,557	2,425	2,360

Credit Quality

Net impaired loans ⁴									
Domestic	-	-	-	-	-	-	-	-	-
U.S. and Other International	7	9	11	12	17	29	-	1	-
Total net impaired loans	7	9	11	12	17	29	-	1	-
Total net write-offs - International	5	-	(1)	-	-	-	-	-	1
Net write-offs as a percentage of average loans, acceptances and reverse repurchase agreements	1.46%	-	(0.21%)	-	-	-	-	-	0.22%

Net impaired loans ⁴						
Domestic	-	-	-	-	-	n/a
U.S. and Other International	7	17	11	-	(1)	n/a
Total net impaired loans	7	17	11	-	(1)	n/a
Total net write-offs - International	5	-	(1)	7	2	n/a
Net write-offs as a percentage of average loans, acceptances and reverse repurchase agreements	0.67%	-	(0.05%)	0.35%	0.17%	n/a

¹Includes income taxes and non-controlling interest.

²Special items are shown on pages 28-29.

³After-tax amount. Excludes goodwill.

⁴Net of specific allowance.

RESULTS BY BUSINESS SEGMENT

(\$ MM)

Other
Income Statement

	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	Q1/02	Q4/01	Q3/01	Q2/01	2003 6 months	2002 6 months	2002	2001	2000	1999
Net interest income	34	59	81	102	85	70	(5)	12	11	93	155	338	27	(44)	(139)
Other income	54	(1)	(36)	(2)	38	(2)	51	6	(2)	53	36	(2)	14	24	213
Gross revenues	88	58	45	100	123	68	46	18	9	146	191	336	41	(20)	74
Provision for credit losses	7	7	8	7	7	13	4	8	4	14	20	35	20	27	44
Non-interest expense	3	14	(37)	26	(9)	6	(97)	(34)	57	17	(3)	(14)	(81)	(6)	43
Other ¹	(14)	(52)	7	(65)	(58)	(58)	57	(6)	(46)	(66)	(116)	(174)	5	(46)	(54)
Net income - total	84	27	23	68	63	29	10	(14)	24	111	92	183	(15)	(45)	107
- U.S. (included in total)	-	-	(3)	-	-	-	-	-	-	-	-	(3)	-	n/a	n/a
Contribution to total RBC net income	12%	4%	3%	10%	9%	4%	2%	(2%)	4%	7%	6%	8%	(1%)	(1%)	7%
ROE	15.5%	4.9%	7.3%	23.4%	37.6%	n/m	4.7%	n/m	34.0%	10.5%	52.1%	24.4%	(2.8%)	(2.9%)	2.0%

Income Statement (excluding special items)²

	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	Q1/02	Q4/01	Q3/01	Q2/01	2003 6 months	2002 6 months	2002	2001	2000	1999
Net interest income	34	59	81	102	85	70	(5)	12	11	93	155	338	27	(44)	(139)
Other income	54	(1)	(36)	(2)	38	(2)	51	6	(2)	53	36	(2)	14	24	136
Gross revenues	88	58	45	100	123	68	46	18	9	146	191	336	41	(20)	(3)
Provision for credit losses	7	7	8	7	7	13	4	8	4	14	20	35	20	27	44
Non-interest expense	3	14	(37)	26	(9)	6	(97)	(34)	57	17	(3)	(14)	(81)	(6)	104
Other ¹	(14)	(52)	7	(65)	(58)	(58)	57	(1)	(46)	(66)	(116)	(174)	16	(46)	(47)
Net income - total	84	27	23	68	63	29	10	(9)	24	111	92	183	(4)	(45)	98
- U.S. (included in total)	-	-	(3)	-	-	-	-	-	-	-	-	(3)	-	n/a	n/a
Contribution to total RBC net income	12%	4%	3%	10%	9%	4%	1%	(2%)	4%	7%	6%	8%	(1%)	(1%)	5%
ROE	15.5%	4.9%	7.3%	23.4%	37.6%	n/m	4.7%	n/m	34.0%	10.5%	52.1%	24.4%	(1.3%)	(2.9%)	1.7%

Average Balances

	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	Q1/02	Q4/01	Q3/01	Q2/01	2003 6 months	2002 6 months	2002	2001	2000	1999
Assets	10,200	8,900	6,800	7,800	13,200	10,000	7,200	9,300	9,600	9,500	11,600	9,400	8,700	8,600	8,100
Loans, accept. and reverse repurch. agreements	(2,000)	(2,000)	(2,200)	(2,200)	(2,000)	400	(1,500)	(900)	(800)	(2,000)	(900)	(1,400)	(1,000)	(2,600)	n/a
Deposits	15,000	14,700	14,300	13,900	13,700	13,800	13,700	12,700	12,400	14,900	13,800	13,900	13,200	11,000	n/a
Common equity	2,200	2,000	1,200	1,200	700	-	600	-	500	2,000	300	700	700	1,900	3,200

Other Statistics

	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	Q1/02	Q4/01	Q3/01	Q2/01	2003 6 months	2002 6 months	2002	2001	2000	1999
Net interest margin	1.37%	2.63%	4.73%	5.19%	2.64%	2.78%	(0.28%)	0.51%	0.47%	1.97%	2.69%	3.60%	0.31%	(0.51%)	(1.72%)
Amortization of other intangibles ³	(1)	1	(1)	1	1	-	-	-	-	-	1	1	-	-	-
Number of employees (FTE)	4,480	4,448	4,384	4,364	4,261	4,167	4,117	4,074	4,061	4,480	4,261	4,384	4,117	4,149	4,659

Credit Quality

	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	Q1/02	Q4/01	Q3/01	Q2/01	2003 6 months	2002 6 months	2002	2001	2000	1999
Net impaired loans ⁴	-	-	-	-	-	-	(3)	(1)	-	-	-	-	(3)	-	n/a
Domestic	-	-	-	-	-	-	-	-	-	-	-	-	-	-	n/a
U.S. and Other International	-	-	-	-	-	-	(3)	(1)	-	-	-	-	(3)	-	n/a
Total net impaired loans	-	-	-	-	-	-	(3)	(1)	-	-	-	-	(3)	-	n/a
Total net write-offs ⁵	(7)	(6)	26	(7)	(8)	(10)	(8)	(8)	(4)	(13)	(18)	1	(24)	(27)	n/a
Net write-offs as a percentage of average loans, acceptances and reverse repurchase agreements	1.44%	1.19%	(4.69%)	1.26%	1.64%	(9.92%)	2.12%	3.52%	2.05%	1.31%	4.03%	(0.07%)	2.40%	1.04%	n/a

¹Includes income taxes and non-controlling interest.

²Special items are shown on pages 28-29.

³After-tax amount. Excludes goodwill.

⁴Net of specific and country risk allowances.

⁵Write-offs are impacted by securitizations. In Q4/02, also included \$33 million for LDC loans.

RESULTS BY BUSINESS SEGMENT

(\$ MM)

Total
Income Statement

	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	Q1/02	Q4/01	Q3/01	Q2/01	2003 6 months	2002 6 months	2002	2001	2000	1999
Net interest income	1,691	1,790	1,805	1,758	1,737	1,858	1,772	1,711	1,574	3,481	3,595	7,158	6,517	5,279	5,120
Other income	2,123	2,247	2,043	2,104	2,192	2,223	2,255	2,008	1,924	4,370	4,415	8,562	8,215	6,732	5,480
Gross revenues	3,814	4,037	3,848	3,862	3,929	4,081	4,027	3,719	3,498	7,851	8,010	15,720	14,732	12,011	10,600
Provision for credit losses	(211)	(200)	(235)	(216)	(328)	(286)	(425)	(236)	(210)	(411)	(614)	(1,065)	(1,119)	(691)	(760)
Non-interest expense	(2,560)	(2,610)	(2,634)	(2,547)	(2,583)	(2,656)	(2,668)	(2,638)	(2,287)	(5,170)	(5,239)	(10,420)	(9,755)	(7,581)	(7,060)
Other ¹	(346)	(448)	(313)	(402)	(341)	(417)	(278)	(353)	(399)	(794)	(758)	(1,473)	(1,447)	(1,465)	(1,023)
Net income - total	697	779	666	697	677	722	656	492	602	1,476	1,399	2,762	2,411	2,274	1,757
- U.S. (included in total)	96	108	55	75	(4)	28	(124)	(102)	(12)	204	24	154	(173)	71	n/a
ROE	15.7%	17.1%	14.8%	15.6%	16.0%	16.9%	15.2%	12.5%	18.7%	16.4%	16.5%	15.8%	16.4%	19.8%	15.6%

Income Statement (excluding special items)²

	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	Q1/02	Q4/01	Q3/01	Q2/01	2003 6 months	2002 6 months	2002	2001	2000	1999
Net interest income	1,691	1,790	1,805	1,758	1,737	1,858	1,772	1,711	1,574	3,481	3,595	7,158	6,517	5,279	5,120
Other income	2,123	2,247	2,043	2,104	2,192	2,223	1,942	2,008	1,924	4,370	4,415	8,562	7,770	6,732	5,375
Gross revenues	3,814	4,037	3,848	3,862	3,929	4,081	3,714	3,719	3,498	7,851	8,010	15,720	14,287	12,011	10,495
Provision for credit losses	(211)	(200)	(235)	(216)	(328)	(286)	(425)	(236)	(210)	(411)	(614)	(1,065)	(1,119)	(691)	(670)
Non-interest expense	(2,560)	(2,610)	(2,634)	(2,547)	(2,583)	(2,656)	(2,668)	(2,547)	(2,287)	(5,170)	(5,239)	(10,420)	(9,664)	(7,581)	(6,866)
Other ¹	(346)	(448)	(313)	(402)	(341)	(417)	(204)	(357)	(399)	(794)	(758)	(1,473)	(1,323)	(1,465)	(1,100)
Net income - total	697	779	666	697	677	722	417	579	602	1,476	1,399	2,762	2,181	2,274	1,859
- U.S. (included in total)	96	108	55	75	(4)	28	(124)	(45)	(12)	204	24	154	(116)	71	n/a
ROE	15.7%	17.1%	14.8%	15.6%	16.0%	16.9%	9.4%	14.9%	18.7%	16.4%	16.5%	15.8%	14.8%	19.8%	16.6%

Average Balances

	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	Q1/02	Q4/01	Q3/01	Q2/01	2003 6 months	2002 6 months	2002	2001	2000	1999
Assets	395,800	393,600	377,700	362,900	366,300	362,400	342,200	339,000	321,900	394,700	364,300	367,300	327,100	281,900	269,900
Loans, accept. and reverse repurch. agreements	216,300	220,300	217,200	208,300	207,500	209,400	205,300	205,200	197,300	218,300	208,500	210,600	199,800	179,800	175,600
Deposits	248,300	253,100	247,300	236,900	237,500	239,800	230,300	221,200	212,800	250,700	238,700	240,400	218,400	193,800	184,800
Common equity	17,700	17,500	17,200	17,100	16,700	16,400	16,300	14,500	12,500	17,600	16,500	16,800	13,800	10,800	10,300

Other Statistics

	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	Q1/02	Q4/01	Q3/01	Q2/01	2003 6 months	2002 6 months	2002	2001	2000	1999
Net interest margin (average assets)	1.75%	1.80%	1.90%	1.92%	1.94%	2.03%	2.05%	2.00%	2.01%	1.78%	1.99%	1.95%	1.99%	1.87%	1.90%
Amortization of other intangibles ³	16	17	17	16	14	17	17	12	4	33	31	64	36	11	-
Number of employees (FTE) - Canada	44,821	44,880	44,639	44,570	43,989	44,343	44,384	44,843	43,813	44,821	43,989	44,639	44,384	44,256	48,270
- U.S.	11,028	11,124	11,104	11,375	11,213	11,612	9,508	9,917	6,466	11,028	11,213	11,104	9,508	1,650	754
- Other	3,726	3,766	3,806	3,843	3,561	3,789	3,676	3,376	3,367	3,726	3,561	3,806	3,676	3,326	2,867
- Total	59,575	59,770	59,549	59,788	58,763	59,744	57,568	58,136	53,646	59,575	58,763	59,549	57,568	49,232	51,891

Credit Quality

	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	Q1/02	Q4/01	Q3/01	Q2/01	2003 6 months	2002 6 months	2002	2001	2000	1999
Net impaired loans ⁴															
Domestic - Residential mortgages	90	87	87	92	110	121	118	110	142	90	110	87	118	157	131
- Personal	91	95	112	117	120	120	129	114	105	91	120	112	129	51	66
- Commercial ⁵	271	252	291	304	313	304	340	328	358	271	313	291	340	305	n/a
- Corporate ⁵	320	271	276	296	327	416	420	300	276	320	327	276	420	283	n/a
U.S. and Other International	469	715	628	644	619	705	476	462	316	469	619	628	476	107	103
Total	1,241	1,420	1,394	1,453	1,489	1,666	1,483	1,314	1,197	1,241	1,489	1,394	1,483	903	884
Net write-offs															
Domestic - Residential mortgages	2	1	2	3	3	3	5	4	3	3	6	11	15	11	12
- Personal	134	94	92	114	119	123	104	116	120	228	242	448	454	430	260
- Commercial ⁵	28	16	53	44	50	45	62	47	38	44	95	192	194	180	n/a
- Corporate ⁵	-	-	15	44	7	-	8	6	25	-	7	66	44	(3)	n/a
U.S. and Other International	64	29	168	144	167	63	170	9	44	93	230	542	233	59	228
Total net write-offs ⁵	228	140	330	349	346	234	349	182	230	368	580	1,259	940	677	958
Net write-offs as a percentage of average loans, acceptances and reverse repurchase agreements	0.43%	0.25%	0.60%	0.66%	0.68%	0.44%	0.67%	0.35%	0.48%	0.34%	0.56%	0.60%	0.47%	0.38%	0.55%

¹Includes income taxes and non-controlling interest.

²Special items are shown on pages 28-29.

³After-tax amount. Excludes goodwill.

⁴Net of specific and country risk allowances.

⁵In 1999, impaired domestic commercial and corporate loans totalled \$584 million, while domestic commercial and corporate write-offs totalled \$458 million. These were not separated into commercial and corporate components.

RESULTS BY GEOGRAPHIC
SEGMENT

(\$ MM)

	<u>Q2/03</u>	<u>Q1/03</u>	<u>Q4/02</u>	<u>Q3/02</u>	<u>Q2/02</u>	<u>Q1/02</u>	<u>Q4/01</u>	<u>Q3/01</u>	<u>Q2/01</u>
Canada									
Net interest income	1,274	1,392	1,404	1,362	1,346	1,420	1,386	1,439	1,394
Other income	1,105	1,094	936	1,094	1,221	1,160	1,410	1,169	1,091
Gross revenues	2,379	2,486	2,340	2,456	2,567	2,580	2,796	2,608	2,485
Provision for credit losses	(181)	(103)	(84)	(142)	(151)	(152)	(168)	(174)	(161)
Non-interest expense	(1,488)	(1,469)	(1,460)	(1,456)	(1,488)	(1,516)	(1,596)	(1,629)	(1,487)
Other ¹	(259)	(368)	(293)	(358)	(362)	(395)	(389)	(378)	(376)
Net income	451	546	503	500	566	517	643	427	461
Special items ²	-	-	-	-	-	-	(239)	30	-
Net income, excluding special items	451	546	503	500	566	517	404	457	461
U.S.									
Net interest income	334	347	343	313	297	293	248	143	76
Other income	704	787	786	739	715	800	657	615	612
Gross revenues	1,038	1,134	1,129	1,052	1,012	1,093	905	758	688
Provision for credit losses	(13)	(41)	(105)	(52)	(152)	(131)	(248)	(68)	(51)
Non-interest expense	(868)	(921)	(958)	(883)	(893)	(942)	(866)	(849)	(641)
Other ¹	(61)	(64)	(11)	(42)	29	8	85	57	(8)
Net income	96	108	55	75	(4)	28	(124)	(102)	(12)
Special items ²	-	-	-	-	-	-	-	57	-
Net income, excluding special items	96	108	55	75	(4)	28	(124)	(45)	(12)
Other International									
Net interest income	83	51	58	83	94	145	138	129	104
Other income	314	366	321	271	256	263	188	224	221
Gross revenues	397	417	379	354	350	408	326	353	325
Provision for credit losses	(17)	(56)	(46)	(22)	(25)	(3)	(9)	6	2
Non-interest expense	(204)	(220)	(216)	(208)	(202)	(198)	(206)	(160)	(159)
Other ¹	(26)	(16)	(9)	(2)	(8)	(30)	26	(32)	(15)
Net income	150	125	108	122	115	177	137	167	153
Special items ²	-	-	-	-	-	-	-	-	-
Net income, excluding special items	150	125	108	122	115	177	137	167	153
Total									
Net interest income	1,691	1,790	1,805	1,758	1,737	1,858	1,772	1,711	1,574
Other income	2,123	2,247	2,043	2,104	2,192	2,223	2,255	2,008	1,924
Gross revenues	3,814	4,037	3,848	3,862	3,929	4,081	4,027	3,719	3,498
Provision for credit losses	(211)	(200)	(235)	(216)	(328)	(286)	(425)	(236)	(210)
Non-interest expense	(2,560)	(2,610)	(2,634)	(2,547)	(2,583)	(2,656)	(2,668)	(2,638)	(2,287)
Other ¹	(346)	(448)	(313)	(402)	(341)	(417)	(278)	(353)	(399)
Net income	697	779	666	697	677	722	656	492	602
Special items ²	-	-	-	-	-	-	(239)	87	-
Net income, excluding special items	697	779	666	697	677	722	417	579	602

	<u>2003</u>	<u>2002</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
	<u>6 months</u>	<u>6 months</u>			
	2,666	2,766	5,532	5,584	5,001
	2,199	2,381	4,411	4,972	4,997
	4,865	5,147	9,943	10,556	9,998
	(284)	(303)	(529)	(757)	(646)
	(2,957)	(3,004)	(5,920)	(6,326)	(6,198)
	(627)	(757)	(1,408)	(1,507)	(1,482)
	997	1,083	2,086	1,966	1,672
	-	-	-	(287)	-
	997	1,083	2,086	1,679	1,672
	681	590	1,246	483	(17)
	1,491	1,515	3,040	2,355	856
	2,172	2,105	4,286	2,838	839
	(54)	(283)	(440)	(379)	(99)
	(1,789)	(1,835)	(3,676)	(2,715)	(640)
	(125)	37	(16)	83	(29)
	204	24	154	(173)	71
	-	-	-	57	-
	204	24	154	(116)	71
	134	239	380	450	295
	680	519	1,111	888	879
	814	758	1,491	1,338	1,174
	(73)	(28)	(96)	17	54
	(424)	(400)	(824)	(714)	(743)
	(42)	(38)	(49)	(23)	46
	275	292	522	618	531
	-	-	-	-	-
	275	292	522	618	531
	3,481	3,595	7,158	6,517	5,279
	4,370	4,415	8,562	8,215	6,732
	7,851	8,010	15,720	14,732	12,011
	(411)	(614)	(1,065)	(1,119)	(691)
	(5,170)	(5,239)	(10,420)	(9,755)	(7,581)
	(794)	(758)	(1,473)	(1,447)	(1,465)
	1,476	1,399	2,762	2,411	2,274
	-	-	-	(230)	-
	1,476	1,399	2,762	2,181	2,274

¹Includes non-controlling interest and income taxes.

²Special items are shown on pages 28-29.

CASH BASIS MEASURES¹

(\$ MM)

	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	Q1/02	Q4/01	Q3/01	Q2/01	2003	2002	2002	2001	2000	1999	
										6 months	6 months					
RBC Banking																
Net income	358	410	405	377	360	389	331	263	318	768	749	1,531	1,181	1,078	830	
After-tax impact of goodwill and other intangibles ²	13	12	13	12	10	14	40	31	4	25	24	49	80	9	1	
Cash net income	371	422	418	389	370	403	371	294	322	793	773	1,580	1,261	1,087	831	
Special items ³	-	-	-	-	-	-	9	62	-	-	-	-	84	-	33	
Cash net income, excluding special items	371	422	418	389	370	403	380	356	322	793	773	1,580	1,345	1,087	864	
Cash ROE	20.0%	22.0%	20.6%	19.7%	18.8%	19.5%	16.4%	14.5%	24.6%	21.1%	19.2%	19.7%	18.1%	19.9%	n/a	
Cash ROE, excluding special items	20.0%	22.0%	20.6%	19.7%	18.8%	19.5%	16.8%	17.7%	24.6%	21.1%	19.2%	19.7%	19.4%	19.9%	n/a	
RBC Insurance																
Net income	55	47	16	28	32	41	20	41	32	102	73	117	133	132	91	
After-tax impact of goodwill and other intangibles ²	-	-	-	-	-	-	4	3	4	-	-	-	13	-	2	
Cash net income	55	47	16	28	32	41	24	44	36	102	73	117	146	132	93	
Special items ³	-	-	-	-	-	-	-	-	-	-	-	-	(2)	-	-	
Cash net income, excluding special items	55	47	16	28	32	41	24	44	36	102	73	117	144	132	93	
Cash ROE	28.3%	23.1%	8.5%	14.6%	17.7%	22.2%	10.4%	18.7%	15.7%	25.7%	20.0%	15.7%	16.8%	49.7%	n/a	
Cash ROE, excluding special items	28.3%	23.1%	8.5%	14.6%	17.7%	22.2%	10.4%	18.7%	15.7%	25.7%	20.0%	15.7%	16.6%	49.7%	n/a	
RBC Investments																
Net income	68	103	97	83	77	86	260	58	67	171	163	343	513	416	280	
After-tax impact of goodwill and other intangibles ²	4	4	3	3	3	3	57	27	22	8	6	12	115	21	9	
Cash net income	72	107	100	86	80	89	317	85	89	179	169	355	628	437	289	
Special items ³	-	-	-	-	-	-	(251)	5	-	-	-	-	(274)	-	-	
Cash net income, excluding special items	72	107	100	86	80	89	66	90	89	179	169	355	354	437	289	
Cash ROE	10.3%	15.2%	12.7%	11.0%	10.5%	11.2%	60.5%	15.9%	16.7%	12.8%	10.9%	11.4%	33.6%	50.9%	n/a	
Cash ROE, excluding special items	10.3%	15.2%	12.7%	11.0%	10.5%	11.2%	12.0%	16.8%	16.7%	12.8%	10.9%	11.4%	18.6%	50.9%	n/a	
RBC Capital Markets																
Net income	95	144	80	93	106	138	(13)	100	114	239	244	417	336	508	307	
After-tax impact of goodwill and other intangibles ²	-	-	1	-	-	-	12	13	12	-	-	1	43	24	24	
Cash net income	95	144	81	93	106	138	(1)	113	126	239	244	418	379	532	331	
Special items ³	-	-	-	-	-	-	3	15	-	-	-	-	28	-	78	
Cash net income, excluding special items	95	144	81	93	106	138	2	128	126	239	244	418	407	532	409	
Cash ROE	9.7%	13.9%	7.7%	8.7%	10.6%	12.9%	(0.8%)	11.8%	14.7%	11.9%	11.8%	10.0%	10.5%	22.2%	n/a	
Cash ROE, excluding special items	9.7%	13.9%	7.7%	8.7%	10.6%	12.9%	(0.5%)	13.5%	14.7%	11.9%	11.8%	10.0%	11.4%	22.2%	n/a	
RBC Global Services																
Net income	37	48	45	48	39	39	48	44	47	85	78	171	263	185	142	
After-tax impact of goodwill and other intangibles ²	-	-	1	-	-	-	2	2	2	-	-	1	8	8	9	
Cash net income	37	48	46	48	39	39	50	46	49	85	78	172	271	193	151	
Special items ³	-	-	-	-	-	-	-	-	-	-	-	-	(77)	-	-	
Cash net income, excluding special items	37	48	46	48	39	39	50	46	49	85	78	172	194	193	151	
Cash ROE	23.2%	30.3%	29.8%	32.0%	27.0%	25.5%	36.6%	34.0%	37.6%	26.8%	26.3%	28.6%	50.4%	39.5%	n/a	
Cash ROE, excluding special items	23.2%	30.3%	29.8%	32.0%	27.0%	25.5%	36.6%	34.0%	37.6%	26.8%	26.3%	28.6%	35.8%	39.5%	n/a	
Other																
Net income	84	27	23	68	63	29	10	(14)	24	111	92	183	(15)	(45)	107	
After-tax impact of goodwill and other intangibles ²	(1)	1	(1)	1	1	-	7	5	5	-	1	1	23	22	18	
Cash net income	83	28	22	69	64	29	17	(9)	29	111	93	184	8	(23)	125	
Special items ³	-	-	-	-	-	-	-	5	-	-	-	-	11	-	(9)	
Cash net income, excluding special items	83	28	22	69	64	29	17	(4)	29	111	93	184	19	(23)	116	
Cash ROE	15.4%	4.9%	7.3%	23.4%	38.2%	n/m	7.5%	n/m	38.0%	10.4%	53.2%	24.6%	0.1%	(1.7%)	n/a	
Cash ROE, excluding special items	15.4%	4.9%	7.3%	23.4%	38.2%	n/m	7.5%	n/m	38.0%	10.4%	53.2%	24.6%	1.6%	(1.7%)	n/a	

¹Cash basis measures are defined on page 1.

²As a result of adopting CICA standards on Business Combinations and Goodwill, goodwill stopped being amortized effective Q1/02.

³Special items are shown on pages 28-29.

CASH BASIS MEASURES¹

(\$ MM)

Total Bank

	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	Q1/02	Q4/01	Q3/01	Q2/01
Net income	697	779	666	697	677	722	656	492	602
After-tax impact of goodwill and other intangibles ²	16	17	17	16	14	17	122	81	49
Cash net income	713	796	683	713	691	739	778	573	651
Preferred dividends	(22)	(23)	(24)	(25)	(24)	(25)	(31)	(37)	(33)
Cash net income available to common	691	773	659	688	667	714	747	536	618

Profitability measures

EPS - diluted	\$1.00	\$1.12	\$0.95	\$0.99	\$0.96	\$1.03	\$0.91	\$0.68	\$0.92
After-tax impact of goodwill and other intangibles ²	\$0.03	\$0.03	\$0.03	\$0.02	\$0.02	\$0.02	\$0.18	\$0.13	\$0.08
Cash EPS - diluted	\$1.03	\$1.15	\$0.98	\$1.01	\$0.98	\$1.05	\$1.09	\$0.81	\$1.00
Special items ³	-	-	-	-	-	-	(\$0.35)	\$0.14	-
Cash EPS, excluding special items	\$1.03	\$1.15	\$0.98	\$1.01	\$0.98	\$1.05	\$0.74	\$0.95	\$1.00
Cash ROE	16.0%	17.5%	15.2%	16.0%	16.4%	17.3%	18.1%	14.7%	20.3%
Cash ROE, excluding special items	16.0%	17.5%	15.2%	16.0%	16.4%	17.3%	12.3%	17.1%	20.3%

Canada

Net income	451	546	503	500	566	517	643	427	461
After-tax impact of goodwill and other intangibles ²	1	1	-	1	6	4	56	19	21
Cash net income	452	547	503	501	572	521	699	446	482
Special items ³	-	-	-	-	-	-	(239)	30	-
Cash net income, excluding special items	452	547	503	501	572	521	460	476	482

U.S.

Net income	96	108	55	75	(4)	28	(124)	(102)	(12)
After-tax impact of goodwill and other intangibles ²	12	11	13	11	8	11	61	58	26
Cash net income	108	119	68	86	4	39	(63)	(44)	14
Special items ³	-	-	-	-	-	-	-	57	-
Cash net income, excluding special items	108	119	68	86	4	39	(63)	13	14

Other International

Net income	150	125	108	122	115	177	137	167	153
After-tax impact of goodwill and other intangibles ²	3	5	4	4	-	2	5	4	2
Cash net income	153	130	112	126	115	179	142	171	155
Special items ³	-	-	-	-	-	-	-	-	-
Cash net income, excluding special items	153	130	112	126	115	179	142	171	155

	2003 6 months	2002 6 months	2002	2001	2000	1999
Net income	1,476	1,399	2,762	2,411	2,274	1,757
After-tax impact of goodwill and other intangibles ²	33	31	64	282	84	63
Cash net income	1,509	1,430	2,826	2,693	2,358	1,820
Preferred dividends	(45)	(49)	(98)	(135)	(134)	(157)
Cash net income available to common	1,464	1,381	2,728	2,558	2,224	1,663
EPS - diluted	\$2.13	\$1.99	\$3.93	\$3.52	\$3.51	\$2.53
After-tax impact of goodwill and other intangibles ²	\$0.05	\$0.04	\$0.09	\$0.43	\$0.14	\$0.10
Cash EPS - diluted	\$2.18	\$2.03	\$4.02	\$3.95	\$3.65	\$2.63
Special items ³	-	-	-	(\$0.36)	-	\$0.14
Cash EPS, excluding special items	\$2.18	\$2.03	\$4.02	\$3.59	\$3.65	\$2.77
Cash ROE	16.8%	16.9%	16.2%	18.5%	20.6%	16.2%
Cash ROE, excluding special items	16.8%	16.9%	16.2%	16.8%	20.6%	17.2%
Net income	997	1,083	2,086	1,966	1,672	
After-tax impact of goodwill and other intangibles ²	2	10	11	112	66	
Cash net income	999	1,093	2,097	2,078	1,738	
Special items ³	-	-	-	(287)	-	
Cash net income, excluding special items	999	1,093	2,097	1,791	1,738	
Net income	204	24	154	(173)	71	
After-tax impact of goodwill and other intangibles ²	23	19	43	156	7	
Cash net income	227	43	197	(17)	78	
Special items ³	-	-	-	57	-	
Cash net income, excluding special items	227	43	197	40	78	
Net income	275	292	522	618	531	
After-tax impact of goodwill and other intangibles ²	8	2	10	14	11	
Cash net income	283	294	532	632	542	
Special items ³	-	-	-	-	-	
Cash net income, excluding special items	283	294	532	632	542	

¹Cash basis measures are defined on page 1.

²As a result of adopting CICA standards on Business Combinations and Goodwill, goodwill stopped being amortized effective Q1/02.

³Special items are shown on pages 28-29.

ECONOMIC PROFIT¹

(\$ MM)

	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	Q1/02	Q4/01	Q3/01	Q2/01	2003 6 months	2002 6 months	2002	2001	2000	1999
RBC Banking															
Net income	358	410	405	377	360	389	331	263	318	768	749	1,531	1,181	1,078	830
Attributed preferred dividends	(9)	(9)	(10)	(10)	(10)	(10)	(24)	(21)	(14)	(18)	(20)	(40)	(73)	(56)	(65)
Net income available to common shareholders	349	401	395	367	350	379	307	242	304	750	729	1,491	1,108	1,022	765
Special items ²	-	-	-	-	-	-	9	62	-	-	-	-	84	-	33
Amortization of goodwill and other intangibles	13	12	13	12	10	14	40	31	4	25	24	49	80	9	1
Capital charge ³	(182)	(217)	(229)	(221)	(239)	(252)	(272)	(239)	(172)	(399)	(491)	(941)	(860)	(700)	(563)
Economic Profit	180	196	179	158	121	141	84	96	136	376	262	599	412	331	236
RBC Insurance															
Net income	55	47	16	28	32	41	20	41	32	102	73	117	133	132	91
Attributed preferred dividends	(1)	(1)	(1)	(1)	(1)	(1)	(2)	(2)	(2)	(2)	(2)	(4)	(8)	(4)	(3)
Net income available to common shareholders	54	46	15	27	31	40	18	39	30	100	71	113	125	128	88
Special items ²	-	-	-	-	-	-	-	-	-	-	-	-	(2)	-	-
Amortization of goodwill and other intangibles	-	-	-	-	-	-	4	3	4	-	-	-	13	-	2
Capital charge ³	(19)	(23)	(20)	(21)	(22)	(23)	(27)	(28)	(29)	(42)	(45)	(86)	(106)	(32)	(23)
Economic Profit	35	23	(5)	6	9	17	(5)	14	5	58	26	27	30	96	67
RBC Investments															
Net income	68	103	97	83	77	86	260	58	67	171	163	343	513	416	280
Attributed preferred dividends	(3)	(3)	(4)	(4)	(4)	(4)	(6)	(6)	(5)	(6)	(8)	(16)	(20)	(8)	(8)
Net income available to common shareholders	65	100	93	79	73	82	254	52	62	165	155	327	493	408	272
Special items ²	-	-	-	-	-	-	(251)	5	-	-	-	-	(274)	-	-
Amortization of goodwill and other intangibles	4	4	3	3	3	3	57	27	22	8	6	12	115	21	9
Capital charge ³	(67)	(78)	(86)	(86)	(90)	(94)	(64)	(62)	(67)	(145)	(184)	(356)	(233)	(119)	(64)
Economic Profit	2	26	10	(4)	(14)	(9)	(4)	22	17	28	(23)	(17)	101	310	217
RBC Capital Markets															
Net income	95	144	80	93	106	138	(13)	100	114	239	244	417	336	508	307
Attributed preferred dividends	(5)	(5)	(5)	(5)	(5)	(5)	(10)	(10)	(9)	(10)	(10)	(20)	(37)	(26)	(27)
Net income available to common shareholders	90	139	75	88	101	133	(23)	90	105	229	234	397	299	482	280
Special items ²	-	-	-	-	-	-	3	15	-	-	-	-	28	-	78
Amortization of goodwill and other intangibles	-	-	1	-	-	-	12	13	12	-	-	1	43	24	24
Capital charge ³	(96)	(114)	(112)	(116)	(118)	(128)	(109)	(110)	(108)	(210)	(246)	(474)	(426)	(309)	(241)
Economic Profit	(6)	25	(36)	(28)	(17)	5	(117)	8	9	19	(12)	(76)	(56)	197	141
RBC Global Services															
Net income	37	48	45	48	39	39	48	44	47	85	78	171	263	185	142
Attributed preferred dividends	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(2)	(2)	(4)	(4)	(4)	(6)
Net income available to common shareholders	36	47	44	47	38	38	47	43	46	83	76	167	259	181	136
Special items ²	-	-	-	-	-	-	-	-	-	-	-	-	(77)	-	-
Amortization of goodwill and other intangibles	-	-	1	-	-	-	2	2	2	-	-	1	8	8	9
Capital charge ³	(15)	(18)	(18)	(17)	(17)	(18)	(17)	(16)	(18)	(33)	(35)	(70)	(69)	(65)	(69)
Economic Profit	21	29	27	30	21	20	32	29	30	50	41	98	121	124	76
Other															
Net income	84	27	23	68	63	29	10	(14)	24	111	92	183	(15)	(45)	107
Attributed preferred dividends	(3)	(4)	(3)	(4)	(3)	(4)	12	3	(2)	(7)	(7)	(14)	7	(36)	(48)
Net income available to common shareholders	81	23	20	64	60	25	22	(11)	22	104	85	169	(8)	(81)	59
Special items ²	-	-	-	-	-	-	-	5	-	-	-	-	11	-	(9)
Amortization of goodwill and other intangibles	(1)	1	(1)	1	1	-	7	5	5	-	1	1	23	22	18
Capital charge ³	(52)	(57)	(31)	(34)	(23)	(1)	(26)	(1)	(17)	(109)	(24)	(89)	(95)	(235)	(426)
Economic Profit	28	(33)	(12)	31	38	24	3	(2)	10	(5)	62	81	(69)	(294)	(358)
Total Bank															
Net income	697	779	666	697	677	722	656	492	602	1,476	1,399	2,762	2,411	2,274	1,757
Attributed preferred dividends	(22)	(23)	(24)	(25)	(24)	(25)	(31)	(37)	(33)	(45)	(49)	(98)	(135)	(134)	(157)
Net income available to common shareholders	675	756	642	672	653	697	625	455	569	1,431	1,350	2,664	2,276	2,140	1,600
Special items ²	-	-	-	-	-	-	(239)	87	-	-	-	-	(230)	-	102
Amortization of goodwill and other intangibles	16	17	17	16	14	17	122	81	49	33	31	64	282	84	63
Capital charge ³	(431)	(507)	(496)	(495)	(509)	(516)	(515)	(456)	(411)	(938)	(1,025)	(2,016)	(1,789)	(1,460)	(1,386)
Economic Profit	260	266	163	193	158	198	(7)	167	207	526	356	712	539	764	379
Cost of Equity	10.0%	11.5%	11.5%	11.5%	12.5%	12.5%	12.5%	12.5%	13.5%	10.8%	12.5%	12.0%	12.9%	13.5%	13.5%

¹Economic Profit is defined on page 1.

²Special items are shown on pages 28-29.

³The capital charge is derived by multiplying the cost of equity by the amount of average common equity. Average common equity is attributed to the business segments based on methodologies designed to measure the capital necessary to underpin the risks of the businesses in each segment. The cost of equity is a proxy for the after-tax return required by shareholders for the use of their capital.

NET INTEREST INCOME

(\$ MM)

Net interest income

	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	Q1/02	Q4/01	Q3/01	Q2/01
Net interest income	1,691	1,790	1,805	1,758	1,737	1,858	1,772	1,711	1,574
Net interest income as a % of average assets	1.75%	1.80%	1.90%	1.92%	1.94%	2.03%	2.05%	2.00%	2.01%
Net interest income as a % of average earning assets	2.10%	2.14%	2.25%	2.25%	2.31%	2.41%	2.40%	2.34%	2.34%

2003	2002	2002	2001	2000	1999
6 months	6 months				

3,481	3,595	7,158	6,517	5,279	5,120
1.78%	1.99%	1.95%	1.99%	1.87%	1.90%
2.12%	2.36%	2.30%	2.32%	2.16%	2.20%

REVENUE FROM TRADING ACTIVITIES
Total trading revenue

Net interest income	10	27	2	15	38	72	13	10	14
Other income	481	544	486	440	384	456	388	407	457
Total	491	571	488	455	422	528	401	417	471

37	110	127	(68)	(365)	5
1,025	840	1,766	1,820	1,540	1,106
1,062	950	1,893	1,752	1,175	1,111

Trading revenue by product

Equity	128	186	184	192	172	205	146	132	189
Fixed income and money markets	276	305	245	184	190	257	175	200	197
Foreign exchange contracts	85	80	59	79	60	65	79	83	85
Commodities and precious metals	2	-	-	-	-	1	1	2	-
Total	491	571	488	455	422	528	401	417	471

314	377	753	684	495	325
581	447	876	726	378	492
165	125	263	340	301	290
2	1	1	2	1	4
1,062	950	1,893	1,752	1,175	1,111

LDC AND SECURITIES MARKET VALUE SURPLUSES

LDC and Mexican exposure	-	-	-	-	5	5	10	10	10
Debt securities	444	405	483	316	186	275	394	135	14
Equity securities	(28)	(17)	(32)	(63)	(28)	56	36	62	69
Total LDC and securities portfolio	416	388	451	253	163	336	440	207	93

-	5	-	10	10	10
444	186	483	394	(169)	(151)
(28)	(28)	(32)	36	79	11
416	163	451	440	(80)	(130)

OTHER INCOME

(\$ MM)

	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	Q1/02	Q4/01	Q3/01	Q2/01	2003 6 months	2002 6 months	2002	2001	2000	1999
Deposit & payment service charges:															
Deposit accounts	196	214	206	203	192	199	196	181	154	410	391	800	689	569	505
Other payment services	65	65	69	59	58	55	54	51	47	130	113	241	198	187	183
	261	279	275	262	250	254	250	232	201	540	504	1,041	887	756	688
Capital market fees	397	400	426	464	471	505	376	384	426	797	976	1,866	1,523	1,538	1,028
Trading revenues	481	544	486	440	384	456	388	407	457	1,025	840	1,766	1,820	1,540	1,106
Investment management and custodial fees	278	282	278	315	299	287	275	279	294	560	586	1,179	1,096	860	651
Mutual fund revenues	161	169	170	188	183	182	171	179	172	330	365	723	692	624	556
Card service revenues	113	124	129	137	109	121	116	125	101	237	230	496	458	420	362
Foreign exchange revenues other than trading	59	67	70	71	69	69	84	80	79	126	138	279	312	299	243
Credit fees	63	63	52	57	53	61	59	60	56	126	114	223	237	212	189
Insurance revenues	95	76	32	51	54	67	39	69	40	171	121	204	201	191	161
Securitization revenues	41	34	45	38	58	33	49	38	19	75	91	174	123	115	222
Gain (loss) on sale of securities	42	(10)	(112)	(15)	14	(3)	(36)	4	(56)	32	11	(116)	(128)	(11)	28
Gain from divestitures ¹	-	-	-	-	-	-	313	-	-	-	-	-	445	-	-
Gain (loss) on disposal of premises and equip. ²	(2)	-	(7)	7	7	8	37	(1)	4	(2)	15	15	22	(16)	90
Mortgage banking revenues ³	78	69	60	36	53	73	57	61	59	147	126	222	206	-	-
Other ⁴	56	150	139	53	188	110	77	91	72	206	298	490	321	204	156
Total	2,123	2,247	2,043	2,104	2,192	2,223	2,255	2,008	1,924	4,370	4,415	8,562	8,215	6,732	5,480
Special items ⁵	-	-	-	-	-	-	313	-	-	-	-	-	445	-	105
Total, excluding special items	2,123	2,247	2,043	2,104	2,192	2,223	1,942	2,008	1,924	4,370	4,415	8,562	7,770	6,732	5,375
Other income as a % of gross revenues	55.7%	55.7%	53.1%	54.5%	55.8%	54.5%	56.0%	54.0%	55.0%	55.7%	55.1%	54.5%	55.8%	56.0%	51.7%

CAPITAL MARKET FEES

Full-service brokerage	244	254	264	273	293	331	198	207	241	498	624	1,161	823	707	558
Discount brokerage	16	21	17	16	21	22	20	23	27	37	43	76	99	145	76
Institutional	137	125	145	175	157	152	158	154	158	262	309	629	601	686	394
Total	397	400	426	464	471	505	376	384	426	797	976	1,866	1,523	1,538	1,028

ASSETS UNDER ADMINISTRATION AND UNDER MANAGEMENT

Institutional	1,029,300	1,083,200	1,005,000	1,034,400	1,051,200	1,034,500	970,200	953,300	885,300	1,029,300	1,051,200	1,005,000	970,200	932,800	779,900
Personal	305,000	316,900	326,700	343,300	353,700	355,100	337,500	283,100	279,300	305,000	353,700	326,700	337,500	207,200	157,300
Retail mutual funds	33,900	34,100	34,200	35,400	37,900	37,000	34,800	35,400	34,100	33,900	37,900	34,200	34,800	35,200	30,600
Total assets under administration	1,368,200	1,434,200	1,365,900	1,413,100	1,442,800	1,426,600	1,342,500	1,271,800	1,198,700	1,368,200	1,442,800	1,365,900	1,342,500	1,175,200	967,800
Institutional	18,600	19,800	19,100	19,100	19,100	15,100	17,700	45,500	45,400	18,600	19,100	19,100	17,700	36,700	32,700
Personal	36,200	37,700	37,500	39,700	39,200	51,200	47,800	30,700	30,800	36,200	39,200	37,500	47,800	21,500	18,300
Retail mutual funds	33,900	34,100	34,200	35,400	37,900	37,000	34,500	34,300	34,200	33,900	37,900	34,200	34,500	34,100	30,600
Total assets under management	88,700	91,600	90,800	94,200	96,200	103,300	100,000	110,500	110,400	88,700	96,200	90,800	100,000	92,300	81,600

¹In Q4/01, we sold RT Capital Management for a gain of \$313 million (\$251 million after tax).

²In Q4/01, we sold land leases for \$39 million.

³Associated with mortgages originated with the intent to sell. This relates to U.S. mortgage operations.

⁴Includes net gains (losses) on credit derivatives of \$29 million in Q1/03, \$(51) million in Q3/02 and \$84 million in Q2/02.

⁵Special items are shown on pages 28-29.

NON-INTEREST EXPENSE

(\$ MM)

	<u>Q2/03</u>	<u>Q1/03</u>	<u>Q4/02</u>	<u>Q3/02</u>	<u>Q2/02</u>	<u>Q1/02</u>	<u>Q4/01</u>	<u>Q3/01</u>	<u>Q2/01</u>	<u>2003</u> 6 months	<u>2002</u> 6 months	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
Human resources															
Salaries	800	858	820	812	778	814	782	769	592	1,658	1,592	3,224	2,770	2,319	2,507
Variable compensation	479	511	449	550	517	579	467	510	548	990	1,096	2,095	2,056	1,839	1,078
Acquisition retention compensation	18	30	36	34	32	56	51	52	57	48	88	158	176	-	-
Benefits ¹	252	232	212	203	189	179	235	157	156	484	368	783	698	441	428
Stock compensation ²	25	10	(3)	(18)	50	26	(20)	50	(16)	35	76	55	23	52	-
Total Human resources	1,574	1,641	1,514	1,581	1,566	1,654	1,515	1,538	1,337	3,215	3,220	6,315	5,723	4,651	4,013
Occupancy															
Premises rent	148	149	153	151	162	149	161	141	127	297	311	615	583	397	321
Rental income from properties	(6)	(5)	(5)	(6)	(4)	(5)	(7)	(6)	(4)	(11)	(9)	(20)	(22)	(13)	(11)
Premises repairs and maintenance	19	19	20	21	13	16	20	12	13	38	29	70	55	68	88
Depreciation	24	25	27	27	25	24	27	23	22	49	49	103	91	81	92
Property taxes	3	3	3	3	2	3	2	1	2	6	5	11	6	15	41
Energy	4	5	5	4	5	3	4	3	2	9	8	17	11	22	33
Total Occupancy	192	196	203	200	203	190	207	174	162	388	393	796	724	570	564
Equipment															
Depreciation	76	76	75	84	71	74	87	72	71	152	145	304	298	289	297
Computer rental and maintenance	128	112	132	108	113	116	116	138	96	240	229	469	433	340	348
Office equipment rental and maintenance	14	13	11	11	11	14	9	7	13	27	25	47	40	36	32
Total Equipment	218	201	218	203	195	204	212	217	180	419	399	820	771	665	677
Communications															
Telecommunications	82	82	92	90	93	86	83	73	71	164	179	361	290	225	225
Postage and courier	29	30	33	28	30	30	30	29	25	59	60	121	108	170	157
Marketing and public relations	57	45	61	51	51	48	45	46	48	102	99	211	180	173	188
Stationery and printing	28	23	27	26	29	26	23	30	28	51	55	108	108	127	129
Total Communications	196	180	213	195	203	190	181	178	172	376	393	801	686	695	699
Professional fees															
	106	113	133	100	83	103	117	137	85	219	186	419	412	267	298
Amortization															
Amortization of goodwill ³	-	-	-	-	-	-	106	69	46	-	-	-	248	76	66
Amortization of other intangibles	20	19	20	18	17	17	17	12	4	39	34	72	36	11	-
Total Amortization	20	19	20	18	17	17	123	81	50	39	34	72	284	87	66
Other															
Business and capital taxes	31	32	25	31	36	37	44	53	39	63	73	129	171	134	114
Travel and relocation	33	34	45	37	32	30	31	34	31	67	62	144	121	85	90
Employee training	12	8	16	10	11	9	14	11	9	20	20	46	43	38	48
Donations	9	11	13	9	9	10	15	6	6	20	19	41	35	26	29
Other ⁴	169	175	234	163	228	212	209	209	216	344	440	837	785	363	462
Total Other	254	260	333	250	316	298	313	313	301	514	614	1,197	1,155	646	743
Total non-interest expense	2,560	2,610	2,634	2,547	2,583	2,656	2,668	2,638	2,287	5,170	5,239	10,420	9,755	7,581	7,060
Special items ⁵	-	-	-	-	-	-	-	91	-	-	-	-	91	-	194
Total NIE, excluding special items	2,560	2,610	2,634	2,547	2,583	2,656	2,668	2,547	2,287	5,170	5,239	10,420	9,664	7,581	6,866

¹Includes pension expense of \$53 million in Q2/03 (\$55 million in Q1/03 and \$38 million in Q2/02).

²Stock compensation includes the cost of stock options, stock appreciation rights, and performance deferred shares.

³As a result of adopting CICA standards on Business Combinations and Goodwill and Other Intangible Assets, goodwill stopped being amortized effective Q1/02.

In Q4/01, as part of the reorganization of the Global Private Banking business, a \$38 million write-down of goodwill relating to Connor Clark was recorded.

⁴Included in this category are expenses for outsourced services relating to item processing.

⁵Special items are shown on pages 28-29.

BALANCE SHEET

(\$ MM)

	<u>Q2/03</u>	<u>Q1/03</u>	<u>Q4/02</u>	<u>Q3/02</u>	<u>Q2/02</u>	<u>Q1/02</u>	<u>Q4/01</u>	<u>Q3/01</u>	<u>Q2/01</u>	<u>2003</u> 6 months	<u>2002</u> 6 months	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
Period-end balances															
ASSETS															
Cash resources	21,960	20,388	21,323	19,526	19,814	15,635	17,535	17,767	18,044	21,960	19,814	21,323	17,535	16,408	23,042
Securities ¹	104,476	100,356	93,800	92,287	87,971	86,160	80,507	75,802	68,031	104,476	87,971	93,800	80,507	60,208	50,559
Assets purchased under reverse repurchase agreements	37,087	37,874	35,831	34,938	33,373	30,503	35,870	25,101	26,453	37,087	33,373	35,831	35,870	18,303	20,272
Loans ¹															
Residential mortgage ²	74,429	73,415	72,840	70,639	70,116	69,436	67,442	66,497	64,557	74,429	70,116	72,840	67,442	62,984	59,242
Personal	32,451	31,956	31,956	32,222	32,292	31,600	32,511	32,264	29,713	32,451	32,292	31,956	32,511	28,019	25,255
Credit card ³	5,327	5,214	4,914	4,774	4,445	4,338	4,283	4,128	4,862	5,327	4,445	4,914	4,283	4,666	2,666
Business and government	57,854	59,957	61,751	64,138	63,554	64,234	67,152	65,309	60,053	57,854	63,554	61,751	67,152	60,546	57,676
Total loans	170,061	170,542	171,461	171,773	170,407	169,608	171,388	168,198	159,185	170,061	170,407	171,461	171,388	156,215	144,839
Allowance for loan losses	(2,226)	(2,267)	(2,203)	(2,218)	(2,338)	(2,345)	(2,278)	(2,173)	(1,951)	(2,226)	(2,338)	(2,203)	(2,278)	(1,871)	(1,884)
Total loans, net of allowance for loan losses	167,835	168,275	169,258	169,555	168,069	167,263	169,110	166,025	157,234	167,835	168,069	169,258	169,110	154,344	142,955
Customers' liability under acceptances	7,088	7,292	8,051	7,550	8,484	9,057	9,923	9,621	9,734	7,088	8,484	8,051	9,923	11,628	9,257
Derivative-related amounts	36,084	36,716	30,258	30,168	20,965	25,506	27,240	18,713	19,711	36,084	20,965	30,258	27,240	19,155	15,151
Premises and equipment	1,583	1,627	1,653	1,631	1,581	1,596	1,602	1,477	1,315	1,583	1,581	1,653	1,602	1,249	1,320
Goodwill	4,808	5,059	5,004	5,082	4,900	4,942	4,919	4,174	2,350	4,808	4,900	5,004	4,919	648	611
Other intangibles	654	681	665	689	595	606	619	600	202	654	595	665	619	208	-
Other assets	10,513	11,536	11,113	12,015	10,565	12,445	11,935	10,694	10,650	10,513	10,565	11,113	11,935	7,589	7,483
Total assets	392,088	389,804	376,956	373,441	356,317	353,713	359,260	329,974	313,724	392,088	356,317	376,956	359,260	289,740	270,650
LIABILITIES AND SHAREHOLDERS' EQUITY															
Deposits ¹															
Personal	105,845	105,293	101,892	101,072	99,990	100,505	101,381	98,970	93,010	105,845	99,990	101,892	101,381	89,632	87,359
Business and government	122,638	114,894	119,591	116,965	115,290	109,156	107,141	100,728	99,743	122,638	115,290	119,591	107,141	93,618	86,223
Bank	22,672	27,986	22,003	26,418	20,598	24,503	24,925	22,593	18,583	22,672	20,598	22,003	24,925	19,646	14,315
Total deposits	251,155	248,173	243,486	244,455	235,878	234,164	233,447	222,291	211,336	251,155	235,878	243,486	233,447	202,896	187,897
Acceptances	7,088	7,292	8,051	7,550	8,484	9,057	9,923	9,621	9,734	7,088	8,484	8,051	9,923	11,628	9,257
Obligations related to securities sold short	22,254	19,489	19,110	16,688	16,360	16,957	16,443	15,073	14,628	22,254	16,360	19,110	16,443	13,419	17,885
Obligations related to assets sold under repurchase agreements	22,104	23,387	21,109	19,630	22,240	17,412	20,864	14,010	15,877	22,104	22,240	21,109	20,864	9,005	9,396
Derivative-related amounts	36,795	38,099	32,137	32,794	22,806	26,396	28,646	19,286	19,770	36,795	22,806	32,137	28,646	18,574	15,219
Other liabilities ¹	25,666	26,073	26,197	24,966	23,487	22,951	23,780	23,278	19,312	25,666	23,487	26,197	23,780	14,149	13,682
Subordinated debentures	6,474	6,571	6,614	7,043	7,025	7,105	6,513	6,488	6,836	6,474	7,025	6,614	6,513	5,825	4,596
Non-controlling interest in subsidiaries	1,475	1,445	1,469	1,444	1,466	1,440	1,479	1,453	1,481	1,475	1,466	1,469	1,479	703	103
Shareholders' equity															
Capital stock															
Preferred	1,502	1,532	1,545	1,704	1,699	1,706	2,024	2,293	2,045	1,502	1,699	1,545	2,024	2,037	2,009
Common	7,030	7,046	6,979	7,033	7,027	6,964	6,940	7,026	3,703	7,030	7,027	6,979	6,940	3,076	3,065
Contributed surplus ⁴	80	81	78	45	41	37	33	29	26	80	41	78	33	-	-
Retained earnings	10,465	10,616	10,181	10,089	9,804	9,524	9,168	9,126	8,976	10,465	9,804	10,181	9,168	8,428	7,541
Total shareholders' equity	19,077	19,275	18,783	18,871	18,571	18,231	18,165	18,474	14,750	19,077	18,571	18,783	18,165	13,541	12,615
Total liabilities and shareholders' equity	392,088	389,804	376,956	373,441	356,317	353,713	359,260	329,974	313,724	392,088	356,317	376,956	359,260	289,740	270,650
Cash resources and securities as a % of total assets	32%	31%	31%	30%	30%	29%	27%	28%	27%	32%	30%	31%	27%	26%	27%
Personal deposits as a % of total deposits	42%	42%	42%	41%	42%	43%	43%	45%	44%	42%	42%	42%	43%	44%	46%

¹Centura Banks was acquired in June 2001. Q3/01 includes Centura assets of \$5.1 billion of securities, \$1.0 billion of residential mortgage loans, \$3.0 billion of personal loans, \$.1 billion of credit card loans and \$8.2 billion of business and government loans. Q3/01 includes Centura liabilities of \$7.9 billion of personal deposits, \$3.3 billion of business and government deposits, and \$5.6 billion of other liabilities.

²Reflects securitizations of \$1.3 billion in Q2/03, of which \$1.0 billion was transferred to securities.

³Reflects the reversal of prior securitizations of \$.1 billion in Q3/02, \$.2 billion in Q2/02 and \$.1 billion in Q1/02.

⁴Reflects amounts pertaining to renounced Stock Appreciation Rights and options granted on acquisitions.

BALANCE SHEET

(\$ MM)

Selected average balances ¹

	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	Q1/02	Q4/01	Q3/01	Q2/01	2003 6 months	2002 6 months	2002	2001	2000	1999
Securities	100,926	98,208	89,502	92,691	92,773	89,090	79,780	76,402	70,534	99,544	90,901	91,000	73,046	59,087	50,555
Assets purchased under reverse repurchase agreements	40,984	44,130	41,444	35,305	32,465	32,540	29,253	33,205	30,664	42,583	32,503	35,463	29,591	21,729	21,769
Total loans ²	167,964	168,897	167,895	165,035	166,269	167,454	166,424	162,576	156,503	168,440	166,875	166,668	160,306	147,790	144,377
Residential mortgage ²	73,437	73,210	71,586	69,309	69,179	68,529	67,442	65,941	63,977	73,322	68,848	69,654	65,158	60,877	58,807
Personal ²	32,198	31,800	31,994	30,836	30,532	30,908	31,626	31,281	30,721	31,995	30,632	31,031	30,671	27,532	24,943
Credit card ²	5,245	5,143	4,863	4,604	4,284	4,188	4,290	4,699	4,868	5,193	4,327	4,527	4,695	3,559	2,297
Business and government ²	59,342	60,983	61,675	62,566	64,595	66,137	65,290	62,699	58,878	60,176	65,379	63,736	61,811	57,748	60,286
Customers' liability under acceptances	7,326	7,244	7,829	7,998	8,797	9,445	9,598	9,460	10,161	7,270	9,127	8,515	9,890	10,281	9,508
Earning assets ³	329,872	332,070	318,590	310,335	308,146	305,374	293,084	290,221	276,028	330,991	306,740	310,633	280,734	244,036	232,927
Total assets	395,800	393,600	377,700	362,900	366,300	362,400	342,200	339,000	321,900	394,700	364,300	367,300	327,100	281,900	269,900
Deposits	248,274	253,105	247,258	236,918	237,479	239,838	230,292	221,167	212,813	250,729	238,678	240,397	218,425	193,762	184,796
Common equity	17,667	17,500	17,170	17,055	16,681	16,365	16,349	14,466	12,496	17,561	16,523	16,809	13,843	10,814	10,264
Total equity	19,184	19,044	18,833	18,747	18,387	18,149	18,433	16,633	14,541	19,091	18,274	18,522	15,916	12,789	12,475

RETAINED EARNINGS

	2003	2002	2002	2001	2000	1999
Balance at beginning of period	10,161	10,181	10,089	9,804	9,524	9,168
Net income	697	779	666	697	677	722
Preferred dividends	(22)	(23)	(24)	(25)	(24)	(25)
Common dividends	(285)	(267)	(266)	(256)	(256)	(244)
Cumulative effect of initial adoption of Employee Future Benefits accounting standard, net of related income taxes	-	-	-	-	-	-
Premium paid on common shares purchased for cancellation	(239)	(40)	(294)	(134)	(94)	(90)
Issuance costs, net of related income taxes	-	-	-	-	(1)	-
Change in unrealized foreign currency translation gains and losses	(785)	(155)	(159)	238	(71)	(67)
Impact of hedging unrealized foreign currency translation gains and losses, net of related income taxes	483	141	169	(235)	49	60
Balance at end of period	10,465	10,616	10,181	10,089	9,804	9,168

LOAN SECURITIZATION

	2003	2002	2002	2001	2000	1999
Credit card loans						
Opening balance	1,675	1,675	1,675	1,817	2,029	2,100
Securitized	-	-	-	-	-	1,000
Reversal of prior securitizations	-	-	-	(142)	(212)	(71)
Closing balance	1,675	1,675	1,675	1,675	1,817	2,100
Mortgage-backed securities - sold						
Opening balance	2,365	2,416	2,340	1,764	1,174	1,265
Sold	310	-	200	758	750	223
Proceeds reinvested in revolving securitizations	294	156	98	68	85	10
Amortization	(383)	(207)	(222)	(250)	(245)	(137)
Closing balance	2,586	2,365	2,416	2,340	1,764	1,265
Mortgage-backed securities - unsold ⁴						
Opening balance	3,104	3,065	2,781	2,418	2,638	3,079
Created	1,339	591	1,105	1,665	924	40
Sold	(310)	-	(200)	(758)	(750)	(223)
Proceeds reinvested in revolving securitizations	(294)	(156)	(98)	(68)	(85)	(10)
Amortization	(608)	(396)	(523)	(476)	(309)	(187)
Closing balance	3,231	3,104	3,065	2,781	2,638	3,079
Impact on income statement						
Net interest income	(31)	(29)	(30)	(29)	(32)	(33)
Other income ⁵	19	18	31	27	52	34
Provision for credit losses	7	6	7	8	9	9
Total impact	(5)	(5)	8	6	29	(2)

¹ Based on the average of the daily balances for the period, except for common equity. Average common equity is based on the average of the month-end balances for the period.

² Average total loans are reported net of allowance for loan losses. Average residential mortgage, personal, credit card and business and government balances are reported on a gross basis (before deducting allowance for loan losses).

³ Average earning assets are defined on page 1.

⁴ Mortgage-backed securities - unsold are reported as securities on the Balance Sheet.

⁵ Excludes the impact of liquidity, credit and administration fees earned on the securitization of client or third-party assets that are recorded in securitization revenues.

CAPITAL (\$MM)															
	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	Q1/02	Q4/01	Q3/01	Q2/01	2003 6 months	2002 6 months	2002	2001	2000	1999
Tier 1 capital¹															
Common shareholders' equity	17,575	17,743	17,238	17,167	16,872	16,525	16,141	16,180	12,705	17,575	16,872	17,238	16,141	11,504	10,606
Non-cumulative preferred shares	1,502	1,532	1,545	1,704	1,699	1,706	2,024	2,293	2,045	1,502	1,699	1,545	2,024	2,037	2,009
Non-controlling interest in subsidiaries	1,428	1,429	1,429	1,429	1,429	1,429	1,428	1,427	1,427	1,428	1,429	1,429	1,428	673	22
Goodwill	(4,649)	(4,890)	(4,832)	(4,906)	(4,727)	(4,766)	(4,742)	(4,011)	(2,186)	(4,649)	(4,727)	(4,832)	(4,742)	(647)	(611)
Total Tier 1 capital	15,856	15,814	15,380	15,394	15,273	14,894	14,851	15,889	13,991	15,856	15,273	15,380	14,851	13,567	12,026
Tier 2 capital¹															
Permanent subordinated debentures	430	456	467	475	471	476	477	460	461	430	471	467	477	457	441
Non-permanent subordinated debentures	6,044	6,115	6,147	6,568	6,554	6,570	5,935	5,720	6,151	6,044	6,554	6,147	5,935	5,138	4,040
General allowances	1,413	1,422	1,420	1,414	1,412	1,412	1,410	1,283	1,188	1,413	1,412	1,420	1,410	1,188	1,080
Non-controlling interest in subsidiaries	-	-	-	-	-	-	-	2	2	-	-	-	-	1	2
Total Tier 2 capital	7,887	7,993	8,034	8,457	8,437	8,458	7,822	7,465	7,802	7,887	8,437	8,034	7,822	6,784	5,563
Total regulatory capital¹															
Total Tier 1 and Tier 2 capital	23,743	23,807	23,414	23,851	23,710	23,352	22,673	23,354	21,793	23,743	23,710	23,414	22,673	20,351	17,589
Excess non-cumulative preferred shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment in associated corporations	(2,606)	(2,456)	(2,402)	(2,549)	(2,495)	(2,564)	(2,502)	(2,378)	(2,307)	(2,606)	(2,495)	(2,402)	(2,502)	(1,307)	(891)
Total regulatory capital	21,137	21,351	21,012	21,302	21,215	20,788	20,171	20,976	19,486	21,137	21,215	21,012	20,171	19,044	16,698
Risk adjusted assets¹															
On-balance sheet assets	127,543	128,079	128,630	131,417	131,431	131,818	133,227	134,702	120,959	127,543	131,431	128,630	133,227	119,663	109,449
Off-balance sheet financial instruments	31,807	32,734	33,084	34,190	35,333	35,416	35,563	34,067	34,364	31,807	35,333	33,084	35,563	35,226	37,124
General market risk	6,322	6,794	3,845	2,649	2,211	2,122	2,257	2,334	3,027	6,322	2,211	3,845	2,257	3,475	2,505
Total ²	165,672	167,607	165,559	168,256	168,975	169,356	171,047	171,103	158,350	165,672	168,975	165,559	171,047	158,364	149,078
Capital ratios¹															
Tier 1	9.6%	9.4%	9.3%	9.1%	9.0%	8.8%	8.7%	9.3%	8.8%	9.6%	9.0%	9.3%	8.7%	8.6%	8.1%
Total	12.8%	12.7%	12.7%	12.7%	12.6%	12.3%	11.8%	12.3%	12.3%	12.8%	12.6%	12.7%	11.8%	12.0%	11.2%
Common equity as a % of total assets	4.5%	4.6%	4.6%	4.6%	4.7%	4.7%	4.5%	4.9%	4.0%	4.5%	4.7%	4.6%	4.5%	4.0%	3.9%
Common equity as a % of risk adjusted assets ²	10.6%	10.6%	10.4%	10.2%	10.0%	9.8%	9.4%	9.5%	8.0%	10.6%	10.0%	10.4%	9.4%	7.3%	7.1%
Capital generation															
Internal capital generation ³	390	490	376	417	397	453	381	209	365	880	850	1,643	1,379	1,451	1,012
External capital generation:															
- common shares	(255)	27	(378)	(127)	(31)	(66)	(435)	3,274	8	(228)	(97)	(602)	3,465	(551)	140
- contributed capital	(1)	3	33	4	4	4	4	3	5	2	8	45	33	-	-
- preferred shares ⁴	-	-	(150)	-	-	(318)	(300)	250	-	-	(318)	(468)	(50)	-	(104)
- subordinated debentures ⁵	-	-	(400)	-	(60)	593	(15)	(538)	525	-	533	133	445	1,180	577
Total external capital generation before TruCS	(256)	30	(895)	(123)	(87)	213	(746)	2,989	538	(226)	126	(892)	3,893	629	613
RBC TruCS issued	-	-	-	-	-	-	-	-	-	-	-	-	750	650	-
Total external capital generation	(256)	30	(895)	(123)	(87)	213	(746)	2,989	538	(226)	126	(892)	4,643	1,279	613
Total capital generation	134	520	(519)	294	310	666	(365)	3,198	903	654	976	751	6,022	2,730	1,625

¹ Using guidelines issued by the Superintendent of Financial Institutions Canada (OSFI) and Canadian GAAP financial information.

² At time of acquisition (Q3/01), Centura's contribution to risk adjusted assets was \$16.7 billion (on-balance sheet assets \$15.8 billion and off-balance sheet financial instruments \$0.9 billion).

³ Internal capital generation is net income available to common shareholders less common dividends.

⁴ In Q4/02 and Q1/02, we redeemed First Preferred Shares Series E and Series I, totalling \$150 million and U.S. \$200 million respectively.

⁵ In Q4/02, we redeemed \$400 million of subordinated debentures and in Q1/02 issued US \$400 million of subordinated debentures under the European Medium Term Note program.

RISK ADJUSTED ASSETS¹
(\$ MM)

	Balance Sheet Amount	Risk Adjusted Balance			Variance Q2/03 vs Q1/03		
		Q2/03	Q1/03	Q2/02			
On-balance sheet assets							
Cash resources	21,960	3,153	2,834	2,534	319		
Securities	104,476	6,699	7,250	6,653	(551)		
Residential mortgages ²							
Insured	34,449	374	376	379	(2)		
Conventional	39,943	20,703	20,421	19,164	282		
Other loans and acceptances ²							
Issued or guaranteed by Canadian or other OECD governments	19,857	3,621	3,847	2,325	(226)		
Other	117,761	87,198	87,351	95,084	(153)		
Other assets	53,642	5,795	6,000	5,292	(205)		
Total	392,088	127,543	128,079	131,431	(536)		
Off-balance sheet credit instruments							
	Contract Amount	Credit Conversion Factor	Credit Equivalent Amount	Risk Adjusted Balance			Variance Q2/03 vs Q1/03
				Q2/03	Q1/03	Q2/02	
Guarantees and standby letters of credit							
- Financial (excluding securities lending)	9,478	100%	9,478	7,631	8,508	8,728	(877)
- Non-financial	2,989	50%	1,495	1,495	1,574	1,483	(79)
Documentary and commercial letters of credit	680	20%	136	132	157	171	(25)
Securities lending	30,075	100%	30,075	541	767	733	(226)
Commitments to extend credit:							
Less than/equal to 1 year	41,733	0%	-	-	-	-	-
Greater than 1 year	33,105	50%	16,553	15,537	15,360	18,690	177
Uncommitted amounts	45,813	0%	-	-	-	-	-
Note issuance/Revolving underwriting facilities	-	50%	-	-	4	11	(4)
Total	163,873		57,737	25,336	26,370	29,816	(1,034)
Derivatives							
	Contract Amount	Current Balance	Credit Equivalent Balance	Risk Adjusted Balance			Variance Q2/03 vs Q1/03
				Q2/03	Q1/03	Q2/02	
Interest rate agreements	1,230,553	4,837	7,565	1,237	1,221	1,126	16
Foreign exchange rate contracts	703,717	7,691	15,509	3,817	3,838	3,351	(21)
Precious metals, commodities, equity linked contracts and credit derivatives	91,348	1,555	4,518	1,417	1,305	1,040	112
Total³	2,025,618	14,083	27,592	6,471	6,364	5,517	107
Market risk							
	Minimum Capital Required	Multiplier	Risk Adjusted Balance			Variance Q2/03 vs Q1/03	
			Q2/03	Q1/03	Q2/02		
Total specific and general market risk	638.1	12.5	7,976	8,486	4,841	(510)	
Less: market risk shown above in cash resources	(20.8)	12.5	(260)	(273)	(142)	13	
Less: market risk shown above in securities	(111.5)	12.5	(1,394)	(1,419)	(2,488)	25	
General market risk	505.8		6,322	6,794	2,211	(472)	
Total risk adjusted assets			165,672	167,607	168,975	(1,935)	

¹Using guidelines issued by the Superintendent of Financial Institutions Canada (OSFI) and Canadian GAAP financial information.

²Amounts are shown net of the allowance for loan losses.

³Amounts reflect impact of master netting agreements. Exclusion of master netting agreements results in the following total derivative amounts: current balance of \$36,605 million; credit equivalent balance of \$55,704 million; and risk adjusted balance of \$13,856 million at April 30, 2003.

**LOANS, ACCEPTANCES, AND REVERSE
REPURCHASE AGREEMENTS¹ (\$ MM)**

	<u>Q2/03</u>	<u>Q1/03</u>	<u>Q4/02</u>	<u>Q3/02</u>	<u>Q2/02</u>	<u>Q1/02</u>	<u>Q4/01</u>	<u>2003</u>	<u>2002</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
								<u>6 months</u>	<u>6 months</u>				
Canada													
Consumer													
Residential mortgage	69,596	68,543	67,700	66,763	66,474	65,864	64,066	69,596	66,474	67,700	64,066	61,444	58,524
Personal	26,769	26,046	25,918	25,963	26,150	26,099	27,202	26,769	26,150	25,918	27,202	27,207	24,353
Credit card	5,166	5,041	4,740	4,600	4,274	4,160	4,110	5,166	4,274	4,740	4,110	4,666	2,666
	101,531	99,630	98,358	97,326	96,898	96,123	95,378	101,531	96,898	98,358	95,378	93,317	85,543
Business and government loans and acceptances													
Small business	9,448	9,231	9,470	9,560	9,729	9,751	9,788	9,448	9,729	9,470	9,788	11,701	10,334
Agriculture	4,498	4,526	4,427	4,704	4,691	4,722	4,758	4,498	4,691	4,427	4,758	4,931	4,217
Financial services	2,036	2,001	3,015	3,809	3,356	2,282	3,010	2,036	3,356	3,015	3,010	2,218	1,567
Energy	2,081	2,759	2,911	2,930	3,484	3,983	4,293	2,081	3,484	2,911	4,293	3,754	3,350
Commercial mortgages	2,543	2,520	2,468	2,446	2,483	2,523	2,635	2,543	2,483	2,468	2,635	2,961	2,635
Commercial real estate	2,249	2,334	2,393	2,460	2,394	2,464	2,325	2,249	2,394	2,393	2,325	2,594	2,400
Consumer goods	2,006	1,839	2,238	2,221	2,290	2,058	2,447	2,006	2,290	2,238	2,447	2,874	2,086
Industrial products	1,644	1,565	1,569	1,622	1,761	1,759	2,174	1,644	1,761	1,569	2,174	2,470	2,301
Transportation and environment ²	1,311	1,344	1,450	1,354	2,009	1,991	2,138	1,311	2,009	1,450	2,138	1,519	1,562
Automotive ²	1,528	1,278	1,370	1,383	625	567	864	1,528	625	1,370	864	673	611
Government	870	994	1,039	975	835	1,349	1,597	870	835	1,039	1,597	1,385	2,105
Media and cable ³	888	888	994	1,106	1,162	1,321	1,510	888	1,162	994	1,510	1,120	1,135
Forest products	1,222	1,138	954	1,075	1,253	1,153	1,275	1,222	1,253	954	1,275	1,362	1,151
Telecommunication	327	461	487	546	458	562	677	327	458	487	677	1,008	525
Mining and metals	498	581	361	487	453	507	636	498	453	361	636	897	845
Information technology	126	187	191	186	187	188	203	126	187	191	203	210	191
Other	4,540	4,765	5,194	4,774	4,824	4,565	5,803	4,540	4,824	5,194	5,803	6,437	4,650
	37,815	38,411	40,531	41,638	41,994	41,745	46,133	37,815	41,994	40,531	46,133	48,114	41,665
Reverse repurchase agreements	17,830	19,820	19,116	20,187	21,004	21,272	22,860	17,830	21,004	19,116	22,860	12,094	12,350
Total Canada	157,176	157,861	158,005	159,151	159,896	159,140	164,371	157,176	159,896	158,005	164,371	153,525	139,558
International (includes U.S.)													
Consumer													
Residential mortgage	4,833	4,872	5,140	3,876	3,642	3,572	3,376	4,833	3,642	5,140	3,376	1,540	718
Personal	5,682	5,910	6,038	6,259	6,142	5,501	5,309	5,682	6,142	6,038	5,309	812	902
Credit card	161	173	174	174	171	178	173	161	171	174	173	-	-
	10,676	10,955	11,352	10,309	9,955	9,251	8,858	10,676	9,955	11,352	8,858	2,352	1,620
Business and government loans and acceptances													
Financial services	6,395	7,170	6,542	7,432	8,094	9,219	9,347	6,395	8,094	6,542	9,347	7,912	6,937
Energy	2,872	3,169	3,731	4,422	4,640	4,941	2,994	2,872	4,640	3,731	2,994	3,051	3,887
Commercial real estate	5,777	5,707	5,124	4,988	3,997	3,992	4,082	5,777	3,997	5,124	4,082	271	464
Consumer goods	1,335	1,328	1,383	1,502	1,438	1,518	1,699	1,335	1,438	1,383	1,699	1,111	1,411
Industrial products	1,041	1,190	1,199	1,416	1,595	1,830	2,116	1,041	1,595	1,199	2,116	1,749	1,325
Transportation and environment	2,422	2,648	2,442	1,207	1,427	1,643	1,571	2,422	1,427	2,442	1,571	1,487	1,975
Automotive	390	342	411	499	397	467	527	390	397	411	527	513	878
Government	432	126	130	176	137	119	128	432	137	130	128	167	773
Media and cable ³	1,060	1,198	1,321	1,321	1,351	1,334	1,380	1,060	1,351	1,321	1,380	2,033	1,909
Forest products	315	266	417	503	555	353	385	315	555	417	385	468	549
Telecommunication	628	862	1,246	1,289	1,471	1,292	1,558	628	1,471	1,246	1,558	2,244	1,206
Mining and metals	858	990	1,192	1,296	1,222	1,013	1,071	858	1,222	1,192	1,071	901	881
Information technology	164	167	180	209	257	336	396	164	257	180	396	433	709
Other	3,438	3,675	3,953	3,790	3,463	3,489	3,688	3,438	3,463	3,953	3,688	1,720	2,364
	27,127	28,838	29,271	30,050	30,044	31,546	30,942	27,127	30,044	29,271	30,942	24,060	25,268
Reverse repurchase agreements	19,257	18,054	16,715	14,751	12,369	9,231	13,010	19,257	12,369	16,715	13,010	6,209	7,922
Total International	57,060	57,847	57,338	55,110	52,368	50,028	52,810	57,060	52,368	57,338	52,810	32,621	34,810
Total loans, acceptances, and reverse repurchase agreements	214,236	215,708	215,343	214,261	212,264	209,168	217,181	149,294	212,264	215,343	217,181	186,146	174,368
Allowance for loan losses	(2,226)	(2,267)	(2,203)	(2,218)	(2,338)	(2,345)	(2,278)	(2,226)	(2,338)	(2,203)	(2,278)	(1,871)	(1,884)
Total	212,010	213,441	213,140	212,043	209,926	206,823	214,903	147,068	209,926	213,140	214,903	184,275	172,484

¹ Based on residence of borrower.

² Commencing 2002, certain amounts were reclassified from transportation and environment sector grouping to the automotive sector.

³ Includes cable loans of \$262 in Canada in Q2/03 (Q1/03 - \$229 million; Q4/02 - \$267 million; Q3/02 - \$285 million; Q2/02 - \$331 million; Q1/02 - \$266 million; Q4/01 - \$330 million; 2002 - \$267 million; 2001 - \$330 million; 2000 - \$262 million; 1999 - \$169 million). International cable loans were \$470 million in Q2/03, (Q1/03 - \$548 million; Q4/02 - \$634 million; Q3/02 - \$597 million; Q2/02 - \$577 million; Q1/02 - \$494 million; Q4/01 - \$625 million; 2002 - \$634 million; 2001 - \$625 million; 2000 - \$1,321 million; 1999 - \$850 million).

**U.S. LOANS, ACCEPTANCES, AND REVERSE
REPURCHASE AGREEMENTS¹ (\$ MM)**

U.S.

	<u>Q2/03</u>	<u>Q1/03</u>	<u>Q4/02</u>	<u>Q3/02</u>	<u>Q2/02</u>	<u>Q1/02</u>	<u>Q4/01</u>	<u>2003</u> <u>6 months</u>	<u>2002</u> <u>6 months</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Consumer												
Residential mortgage	4,076	4,084	4,351	3,099	2,888	2,825	2,664	4,076	2,888	4,351	2,664	845
Personal	4,974	5,145	5,269	5,495	5,373	4,695	4,621	4,974	5,373	5,269	4,621	78
Credit card	115	124	125	128	127	134	128	115	127	125	128	-
	<u>9,165</u>	<u>9,353</u>	<u>9,745</u>	<u>8,722</u>	<u>8,388</u>	<u>7,654</u>	<u>7,413</u>	<u>9,165</u>	<u>8,388</u>	<u>9,745</u>	<u>7,413</u>	<u>923</u>
Business and government loans and acceptances ²												
Financial services	3,088	3,068	3,770	5,348	5,263	4,708	4,104	3,088	5,263	3,770	4,104	4,521
Energy	2,012	2,413	2,680	3,288	3,409	3,490	1,613	2,012	3,409	2,680	1,613	1,582
Commercial real estate	5,146	5,206	4,531	4,426	3,724	3,750	3,773	5,146	3,724	4,531	3,773	44
Consumer goods	973	937	958	1,003	968	1,055	1,172	973	968	958	1,172	435
Industrial products	844	947	974	978	1,209	1,477	1,513	844	1,209	974	1,513	1,107
Transportation and environment	430	474	484	350	634	806	788	430	634	484	788	469
Automotive	382	340	409	475	367	402	408	382	367	409	408	221
Government	91	19	19	17	16	119	23	91	16	19	23	-
Media and cable ³	951	1,024	1,107	1,115	1,105	1,054	1,038	951	1,105	1,107	1,038	1,782
Forest products	148	108	223	282	261	97	98	148	261	223	98	181
Telecommunication	463	594	689	714	928	815	835	463	928	689	835	1,131
Mining and metal	113	109	70	82	68	44	45	113	68	70	45	104
Information technology	164	167	177	206	252	285	299	164	252	177	299	374
Other	2,802	3,060	3,348	3,200	2,919	3,032	3,089	2,802	2,919	3,348	3,089	541
	<u>17,607</u>	<u>18,466</u>	<u>19,439</u>	<u>21,484</u>	<u>21,123</u>	<u>21,134</u>	<u>18,798</u>	<u>17,607</u>	<u>21,123</u>	<u>19,439</u>	<u>18,798</u>	<u>12,492</u>
Reverse repurchase agreements	1,531	2,396	3,258	1,178	1,178	1,120	3,668	1,531	1,178	3,258	3,668	2,524
Total U.S.	28,303	30,215	32,442	31,384	30,689	29,908	29,879	28,303	30,689	32,442	29,879	15,939

¹ Based on residence of borrower.

² Q1/03 restated to reflect more accurate sector allocations.

³ Includes cable loans of \$393 million in Q2/03, (Q1/03 - \$435 million; Q4/02 - \$522 million; Q3/02 - \$484 million; Q2/02 - \$445 million; Q1/02 - \$353 million; Q4/01 - \$455 million; 2002 - \$522 million; 2001 - \$455 million; 2000 - \$1,162 million).

PROVISION FOR CREDIT LOSSES

(\$ MM)

	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	Q1/02	Q4/01	Q3/01	Q2/01
Specific	211	200	235	216	328	286	425	236	210
General									
Allocated	2	2	(15)	4	-	(11)	108	-	-
Unallocated	(2)	(2)	15	(4)	-	11	(108)	-	-
Total general	-	-	-	-	-	-	-	-	-
Total provision for credit losses	211	200	235	216	328	286	425	236	210
Provision for credit losses as a % of average loans, acceptances and reverse repurchase agreements	0.40%	0.36%	0.43%	0.41%	0.65%	0.54%	0.82%	0.46%	0.44%
Specific provision for credit losses as a % of average loans, acceptances and reverse repurchase agreements	0.40%	0.36%	0.43%	0.41%	0.65%	0.54%	0.82%	0.46%	0.44%

	2003 6 months	2002 6 months	2002	2001	2000	1999
Specific	411	614	1,065	1,049	571	530
General						
Allocated	4	(11)	(22)	205	73	n/a
Unallocated	(4)	11	22	(135)	47	n/a
Total general	-	-	-	70	120	230
Total provision for credit losses	411	614	1,065	1,119	691	760
Provision for credit losses as a % of average loans, acceptances and reverse repurchase agreements	0.38%	0.59%	0.51%	0.56%	0.38%	0.43%
Specific provision for credit losses as a % of average loans, acceptances and reverse repurchase agreements	0.38%	0.59%	0.51%	0.53%	0.32%	0.30%

GROSS IMPAIRED LOANS (GILs)
GILs by geographic area and type of business

Domestic									
Business loans									
Commercial real estate	8	18	23	56	62	80	95	87	99
Small business	221	209	222	249	260	274	283	275	278
Agriculture	105	103	141	155	160	119	111	120	118
Other	624	519	509	495	555	657	682	538	518
Total business loans	958	849	895	955	1,037	1,130	1,171	1,020	1,013
Residential mortgages	102	103	102	106	128	141	142	132	166
Personal loans	241	260	275	286	296	300	310	311	294
Total domestic GILs	1,301	1,212	1,272	1,347	1,461	1,571	1,623	1,463	1,473
International									
Non-LDC - United States ¹									
- Europe, Middle East and Africa	467	703	584	698	758	776	626	589	354
- Latin America	146	160	115	72	69	82	79	35	37
- Caribbean	148	193	217	133	121	170	14	11	19
- Asia Pacific	72	76	71	60	62	58	55	52	52
LDC	29	30	29	28	28	27	37	14	24
Total international GILs	862	1,162	1,016	1,024	1,068	1,142	842	730	515
Total GILs	2,163	2,374	2,288	2,371	2,529	2,713	2,465	2,193	1,988
Total non-LDC GILs	2,163	2,374	2,288	2,338	2,499	2,684	2,434	2,164	1,959
Change in GILs									
GILs at beginning of period	2,374	2,288	2,371	2,529	2,713	2,465	2,193	1,988	1,736
Impaired loans formation ²	58	272	313	235	204	528	675	429	516
Write-offs	(269)	(186)	(396)	(393)	(388)	(280)	(403)	(224)	(264)
Other & FX adjustment	-	-	-	-	-	-	-	-	-
GILs at end of period	2,163	2,374	2,288	2,371	2,529	2,713	2,465	2,193	1,988
Gross loans and reverse repurchase agreements	207,148	208,416	207,292	206,711	203,780	200,111	207,258	193,299	185,638
Gross acceptances	7,088	7,292	8,051	7,550	8,484	9,057	9,923	9,621	9,734
Gross loans, acceptances and reverse repurchase agreements	214,236	215,708	215,343	214,261	212,264	209,168	217,181	202,920	195,372
GILs as a % of gross loans, acceptances and reverse repurchase agreements	1.0%	1.1%	1.1%	1.1%	1.2%	1.3%	1.1%	1.1%	1.0%

Business loans	8	62	23	95	90	186
Commercial real estate	8	62	23	95	90	186
Small business	221	260	222	283	264	257
Agriculture	105	160	141	111	53	62
Other	624	555	509	682	530	473
Total business loans	958	1,037	895	1,171	937	978
Residential mortgages	102	128	102	142	185	173
Personal loans	241	296	275	310	247	236
Total domestic GILs	1,301	1,461	1,272	1,623	1,369	1,387
Non-LDC - United States ¹	467	758	584	626	145	41
- Europe, Middle East and Africa	146	69	115	79	46	58
- Latin America	148	121	217	14	9	10
- Caribbean	72	62	71	55	48	47
- Asia Pacific	29	28	29	37	33	127
LDC	-	30	-	31	28	34
Total international GILs	862	1,068	1,016	842	309	317
Total GILs	2,163	2,529	2,288	2,465	1,678	1,704
Total non-LDC GILs	2,163	2,499	2,288	2,434	1,650	1,670
GILs at beginning of period	2,288	2,465	2,465	1,678	1,704	2,001
Impaired loans formation ²	330	732	1,280	1,912	813	743
Write-offs	(455)	(668)	(1,457)	(1,125)	(839)	(1,072)
Other & FX adjustment	-	-	-	-	-	32
GILs at end of period	2,163	2,529	2,288	2,465	1,678	1,704
Gross loans and reverse repurchase agreements	207,148	203,780	207,292	207,258	174,518	165,111
Gross acceptances	7,088	8,484	8,051	9,923	11,628	9,257
Gross loans, acceptances and reverse repurchase agreements	214,236	212,264	215,343	217,181	186,146	174,368
GILs as a % of gross loans, acceptances and reverse repurchase agreements	1.0%	1.2%	1.1%	1.1%	0.9%	1.0%

¹ RBC Centura amounts: Q2/03 \$174 million, Q1/03 \$157 million, Q2/02 \$125 million.

² New additions to impaired loans, net of reductions. At time of acquisition Eagle Bancshares added \$28 million in Q3/02 and Centura added \$119 million in Q3/01.

**IMPAIRED LOANS FORMATION
AND WRITE-OFFS**
(\$ MM)

Q2/03 vs Q1/03

	Domestic Business	U.S. and Other International	Total Business	Consumer	Total
Q1/03 gross impaired loans	849	1,100	1,949	425	2,374
Impaired loans formation ¹	150	(240)	(90)	148	58
Write-offs	(41)	(60)	(101)	(168)	(269)
Other & FX adjustment	-	-	-	-	-
Q2/03 gross impaired loans	958	800	1,758	405	2,163
Q2/03 specific allowance for loan losses and loan substitute securities	(367)	(377)	(744)	(178)	(922)
Q2/03 net impaired loans ²	591	423	1,014	227	1,241

Q2/03 vs Q4/02

Q4/02 gross impaired loans	895	956	1,851	437	2,288
Impaired loans formation ¹	139	(69)	70	260	330
Write-offs	(76)	(87)	(163)	(292)	(455)
Other & FX adjustment	-	-	-	-	-
Q2/03 gross impaired loans	958	800	1,758	405	2,163
Q2/03 specific allowance for loan losses and loan substitute securities	(367)	(377)	(744)	(178)	(922)
Q2/03 net impaired loans ²	591	423	1,014	227	1,241

¹New additions to impaired loans, net of reductions.

²Net of specific allowance.

ALLOWANCE FOR CREDIT LOSSES¹

(\$ MM)

Allowance for credit losses

	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	Q1/02	Q4/01	Q3/01	Q2/01
Specific	922	954	894	885	1,010	1,018	951	850	762
Country risk	-	-	-	33	30	29	31	29	29
General									
Allocated	1,170	1,174	1,169	1,179	1,175	1,176	1,185	1,072	960
Unallocated	243	248	251	235	237	236	225	332	310
Total general	1,413	1,422	1,420	1,414	1,412	1,412	1,410	1,404	1,270
Total allowance for credit losses¹	2,335	2,376	2,314	2,332	2,452	2,459	2,392	2,283	2,061
Consisting of :									
Allowance for loan losses	2,226	2,267	2,203	2,218	2,338	2,345	2,278	2,173	1,951
Allowance for off-balance sheet items	109	109	109	109	109	109	109	104	104
Allowance for loan substitute securities	-	-	2	5	5	5	5	6	6
Total	2,335	2,376	2,314	2,332	2,452	2,459	2,392	2,283	2,061
Allowance for loan losses as a % of total loans, acceptances and reverse repurchase agreements	1.0%	1.1%	1.0%	1.0%	1.1%	1.1%	1.1%	1.1%	1.0%

Changes in the allowance for credit losses

Balance at beginning of period	2,376	2,314	2,332	2,452	2,459	2,392	2,283	2,061	2,056
Provision for credit losses	211	200	235	216	328	286	425	236	210
Write-offs									
Non-LDC	(269)	(186)	(363)	(393)	(388)	(280)	(403)	(224)	(264)
LDC loans and securities	-	-	(33)	-	-	-	-	-	-
Recoveries	41	46	66	44	42	46	54	42	34
At date of acquisition ²	-	8	-	18	-	-	-	157	-
Other, primarily translation adjustments on provisions denominated in foreign currencies	(24)	(6)	77	(5)	11	15	33	11	25
Balance at end of period	2,335	2,376	2,314	2,332	2,452	2,459	2,392	2,283	2,061

Coverage ratios³

Coverage ratio (total)	103%	95%	96%	94%	93%	87%	93%	99%	98%
Coverage ratio (non-LDC)	103%	95%	96%	94%	93%	86%	93%	99%	98%

NET WRITE-OFFS

Domestic									
Residential mortgages	2	1	2	3	3	3	5	4	3
Personal loans	134	94	92	114	119	123	104	116	120
Business loans and acceptances	28	16	68	88	57	45	70	53	63
Total Domestic	164	111	162	205	179	171	179	173	186
U.S. and Other International									
Non-LDC ⁴	64	29	135	144	167	63	170	9	44
LDC exposures	-	-	33	-	-	-	-	-	-
Total U.S. and Other International	64	29	168	144	167	63	170	9	44
Total net write-offs	228	140	330	349	346	234	349	182	230
Net write-off ratio									
Total net write-offs as a % of average loans, acceptances and reverse repurchase agreements	0.43%	0.25%	0.60%	0.66%	0.68%	0.44%	0.67%	0.35%	0.48%

2003 6 months	2002 6 months	2002	2001	2000	1999
922	1,010	894	951	747	786
-	30	-	31	28	34
1,170	1,175	1,169	1,185	863	790
243	237	251	225	337	290
1,413	1,412	1,420	1,410	1,200	1,080
2,335	2,452	2,314	2,392	1,975	1,900
2,226	2,338	2,203	2,278	1,871	1,884
109	109	109	109	98	-
-	5	2	5	6	16
2,335	2,452	2,314	2,392	1,975	1,900
1.0%	1.1%	1.0%	1.1%	1.0%	1.1%
2,314	2,392	2,392	1,975	1,900	2,066
411	614	1,065	1,119	691	760
(455)	(668)	(1,424)	(1,125)	(839)	(1,068)
-	-	(33)	-	-	(4)
87	88	198	185	162	114
8	-	18	157	-	-
(30)	26	98	81	61	32
2,335	2,452	2,314	2,392	1,975	1,900
103%	93%	96%	93%	112%	112%
103%	93%	96%	93%	112%	112%

3	6	11	15	11	12
228	242	448	454	430	260
44	102	258	238	177	458
275	350	717	707	618	730
93	230	509	233	59	224
-	-	33	-	-	4
93	230	542	233	59	228
368	580	1,259	940	677	958
0.34%	0.56%	0.60%	0.47%	0.38%	0.55%

¹RBC Centura amounts in Q2/03 were: \$51 million of the specific allowance (Q1/03 \$48 million and Q2/02 \$32 million); \$112 million of the general allocated allowance (Q1/03 \$117 million and Q2/02 \$117 million) and \$31 million of the general unallocated allowance (Q1/03 \$35 million and Q2/02 \$27 million).

²Acquisitions were Q1/03 Admiralty Bancorp \$8 million; Q3/02 Eagle Bancshares \$18 million, and Q3/01 Centura \$157 million.

³The allowance for loan losses plus the allowance for loan substitute securities as a percentage of gross impaired loans.

⁴For Q2/03 includes \$13 million for RBC Centura (\$14 million in Q1/03; \$13 million in Q2/02) largely consisting of Centura business and government loans.

NET IMPAIRED LOANS (NILs)¹

(\$ MM)

**NILs by geographic area
and type of business**

	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	Q1/02	Q4/01	Q3/01	Q2/01
Domestic									
Business and government loans									
Commercial real estate	-	11	11	28	29	41	44	53	57
Small business	106	94	112	112	122	121	137	128	135
Agriculture	66	64	98	109	129	96	86	94	91
Other	419	354	346	351	360	462	493	353	351
Total business and government loans	591	523	567	600	640	720	760	628	634
Residential mortgages	90	87	87	92	110	121	118	110	142
Personal loans	91	95	112	117	120	120	129	114	105
Total Domestic NILs	772	705	766	809	870	961	1,007	852	881
International									
United States ²	278	457	355	482	456	456	375	414	260
Europe, Middle East and Africa	38	57	50	11	17	35	35	5	5
Latin America	85	127	154	91	80	153	5	3	10
Caribbean	53	57	52	44	45	41	39	36	36
Asia Pacific	15	17	17	16	21	20	22	4	5
Total International NILs	469	715	628	644	619	705	476	462	316
Total	1,241	1,420	1,394	1,453	1,489	1,666	1,483	1,314	1,197

**Total net loans, acceptances and
reverse repurchase agreements**

Domestic									
Residential mortgages	69,584	68,527	67,685	66,749	66,457	65,844	64,042	63,107	62,441
Personal loans	26,619	25,881	25,755	25,794	25,974	25,919	27,021	26,794	26,909
Credit card loans	5,166	5,041	4,740	4,600	4,274	4,160	4,110	3,943	4,862
Business and government loans, acceptances and reverse repurchase agreements	52,530	54,876	56,605	57,812	59,174	61,192	64,972	57,735	59,771
Total Domestic	153,899	154,325	154,785	154,955	155,879	157,115	160,145	151,579	153,983
International ³	59,415	60,429	59,666	58,393	55,350	51,011	56,059	50,468	40,604
Total ^{1,3}	213,314	214,754	214,451	213,348	211,229	208,126	216,204	202,047	194,587
General allowance for loan losses	(1,304)	(1,313)	(1,311)	(1,305)	(1,303)	(1,303)	(1,301)	(1,300)	(1,166)
Total after general allowance	212,010	213,441	213,140	212,043	209,926	206,823	214,903	200,747	193,421

**NILs as a % of related loans,
acceptances and reverse repurchase agreements**

Domestic									
Residential mortgages	0.13%	0.13%	0.13%	0.14%	0.17%	0.18%	0.18%	0.17%	0.23%
Personal loans	0.34%	0.37%	0.43%	0.45%	0.46%	0.46%	0.48%	0.43%	0.39%
Business and government loans, acceptances and reverse repurchase agreements	1.13%	0.95%	1.00%	1.04%	1.08%	1.18%	1.17%	1.09%	1.06%
Total Domestic	0.50%	0.46%	0.49%	0.52%	0.56%	0.61%	0.63%	0.56%	0.57%
U.S. and Other International	0.79%	1.18%	1.05%	1.10%	1.12%	1.38%	0.85%	0.92%	0.78%
Total	0.59%	0.67%	0.65%	0.69%	0.71%	0.81%	0.69%	0.65%	0.62%

2003 6 months	2002 6 months	2002	2001	2000	1999
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-	29	11	44	41	109
106	122	112	137	141	141
66	129	98	86	39	49
419	360	346	493	367	285
591	640	567	760	588	584
90	110	87	118	157	131
91	120	112	129	51	66
772	870	766	1,007	796	781
278	456	355	375	69	25
38	17	50	35	7	12
85	80	154	5	3	3
53	45	52	39	26	28
15	21	17	22	2	35
469	619	628	476	107	103
1,241	1,489	1,394	1,483	903	884
69,584	66,457	67,685	64,042	61,416	58,482
26,619	25,974	25,755	27,021	27,011	24,183
5,166	4,274	4,740	4,110	4,666	2,666
52,530	59,174	56,605	64,972	59,397	55,692
153,899	155,879	154,785	160,145	152,490	141,023
59,415	55,350	59,666	56,059	32,887	32,541
213,314	211,229	214,451	216,204	185,377	173,564
(1,304)	(1,303)	(1,311)	(1,301)	(1,102)	(1,080)
212,010	209,926	213,140	214,903	184,275	172,484

¹Net of specific allowance and country risk allowance.

²RBC Centura amounts were: Q2/03 \$123 million, Q1/03 \$109 million and Q2/02 \$93 million.

³RBC Centura amounts were: Q2/03 \$16,104 million, Q1/03 \$16,764 million, and Q2/02 \$14,735 million.

**INTEREST RATE
SENSITIVITY POSITION¹**

(\$ MM)

	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	Q1/02	Q4/01	Q3/01	Q2/01	Q2/03		Q1/03	
										CAD	FGN	CAD	FGN
Total assets													
0-3 months	172,892	179,356	180,458	164,270	162,632	147,591	151,948	137,452	135,054	86,406	86,486	90,692	88,664
4-6 months	16,809	20,476	18,606	20,697	20,507	20,889	19,474	15,754	15,515	7,960	8,849	9,429	11,047
7-12 months	23,106	22,581	23,233	23,658	22,466	26,099	28,546	24,536	19,197	16,031	7,075	16,319	6,262
1-5 years	84,720	82,491	79,382	76,721	76,451	71,705	74,255	75,261	71,247	67,013	17,707	64,266	18,225
over 5 years	20,737	19,611	20,474	16,100	15,499	16,548	15,440	16,496	15,860	8,913	11,824	8,833	10,778
non-interest rate sensitive	73,824	65,289	54,803	71,995	58,762	70,881	69,597	60,475	56,851	18,252	55,572	5,828	59,461
Total	392,088	389,804	376,956	373,441	356,317	353,713	359,260	329,974	313,724	204,575	187,513	195,367	194,437
Total liabilities and shareholders' equity													
0-3 months	188,680	189,317	192,047	181,481	184,742	177,525	174,320	153,580	151,045	90,815	97,865	86,001	103,316
4-6 months	18,854	13,990	15,490	18,157	16,073	18,083	20,512	15,793	15,485	10,994	7,860	6,850	7,140
7-12 months	31,674	33,396	25,756	22,070	20,819	20,386	26,449	29,917	26,760	21,614	10,060	24,065	9,331
1-5 years	61,382	57,813	55,699	56,369	51,393	50,010	46,165	48,895	47,615	45,904	15,478	44,819	12,994
over 5 years	11,400	13,492	11,505	11,018	9,977	9,958	12,500	11,228	9,858	6,252	5,148	6,765	6,727
non-interest rate sensitive	80,098	81,796	76,459	84,346	73,313	77,751	79,314	70,561	62,961	29,510	50,588	27,385	54,411
Total	392,088	389,804	376,956	373,441	356,317	353,713	359,260	329,974	313,724	205,089	186,999	195,885	193,919
Off-balance sheet													
0-3 months	7,463	(674)	324	4,583	8,644	(602)	25,155	18,320	20,470	(8,698)	16,161	(6,894)	6,220
4-6 months	4,289	(630)	1,164	3,473	(2,915)	7,145	(12,649)	(6,249)	(3,955)	3,910	379	(179)	(451)
7-12 months	4,560	9,710	5,825	1,554	1,794	4,020	(10,322)	(5,923)	(3,287)	5,117	(557)	7,621	2,089
1-5 years	(1,986)	(3,582)	(4,719)	(4,682)	(4,465)	(3,755)	(1,480)	779	(8,762)	(1,190)	(796)	(1,926)	(1,656)
over 5 years	5,770	6,132	3,951	4,566	4,191	4,323	4,991	796	(637)	2,798	2,972	1,984	4,148
non-interest rate sensitive	(20,096)	(10,956)	(6,545)	(9,494)	(7,249)	(11,131)	(5,695)	(7,723)	(3,829)	(1,937)	(18,159)	(606)	(10,350)
Net off-balance sheet	-	-	-	-	-	-	-	-	-	-	-	-	-
Total interest rate sensitivity gap (on and off-balance sheet)													
0-3 months	(8,325)	(10,635)	(11,265)	(12,628)	(13,466)	(30,536)	2,783	2,192	4,479	(13,107)	4,782	(2,203)	(8,432)
4-6 months	2,244	5,856	4,280	6,013	1,519	9,951	(13,687)	(6,288)	(3,925)	876	1,368	2,400	3,456
7-12 months	(4,008)	(1,105)	3,302	3,142	3,441	9,733	(8,225)	(11,304)	(10,850)	(466)	(3,542)	(125)	(980)
1-5 years	21,352	21,096	18,964	15,670	20,593	17,940	26,610	27,145	14,870	19,919	1,433	17,521	3,575
over 5 years	15,107	12,251	12,920	9,648	9,713	10,913	7,931	6,064	5,365	5,459	9,648	4,052	8,199
non-interest rate sensitive	(26,370)	(27,463)	(28,201)	(21,845)	(21,800)	(18,001)	(15,412)	(17,809)	(9,939)	(13,195)	(13,175)	(22,163)	(5,300)
Net gaps	-	-	-	-	-	-	-	-	-	(514)	514	(518)	518
After tax impact of 1% increase in rates on: Net interest income using simulation Common shareholders' equity	79 (219)	57 (243)	61 (181)	60 (193)	27 (228)	29 (274)	56 (228)	50 (259)	58 (157)				
After tax impact of 1% decrease in rates on: Net interest income using simulation Common shareholders' equity	(87) 92	(92) 121	(89) 85	(91) 122	(68) 130	(52) 185	(63) 150	(64) 159	(64) 113				

¹Incorporates management assumptions based on empirical research on consumer behaviour relating to the exercise of embedded options and on the rate paid on liabilities not linked to market rates. All interest rate measures are based upon our current exposures at a specific time. The exposures change continually as a result of day-to-day business activities and our risk management initiatives.

SPECIAL ITEMS¹ (after-tax amounts)
(\$MM)

	<u>Q2/03</u>	<u>Q1/03</u>	<u>Q4/02</u>	<u>Q3/02</u>	<u>Q2/02</u>	<u>Q1/02</u>	<u>Q4/01</u>	<u>Q3/01</u>	<u>Q2/01</u>	<u>2003</u>	<u>2002</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
										6 months	6 months				
Net income															
Reported															
RBC Banking	697	779	666	697	677	722	656	492	602	1,476	1,399	2,762	2,411	2,274	1,757
- Gain on sale of Group Retirement Services	-	-	-	-	-	-	-	-	-	-	-	-	13	-	-
- Gain on sale of securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(16)
- Provision for credit losses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20
- U.S. retail bank restructuring costs	-	-	-	-	-	-	-	57	-	-	-	-	57	-	-
- Restructuring costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	29
- Deferred tax adjustment	-	-	-	-	-	-	9	5	-	-	-	-	14	-	-
RBC Investments															
- Gain on sale of RT Capital Management	-	-	-	-	-	-	(251)	-	-	-	-	-	(251)	-	-
- Gain on sale of Group Retirement Services	-	-	-	-	-	-	-	-	-	-	-	-	(28)	-	-
- Deferred tax adjustment	-	-	-	-	-	-	-	5	-	-	-	-	5	-	-
RBC Capital Markets															
- Provision for credit losses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	31
- Restructuring costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	47
- Deferred tax adjustment	-	-	-	-	-	-	3	15	-	-	-	-	28	-	-
RBC Global Services															
- Gain on formation of Moneris Joint Venture	-	-	-	-	-	-	-	-	-	-	-	-	(77)	-	-
Other															
- Gain on sale of real estate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(54)
- Expenses re: sale of real estate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3
- Writedown of MECA & Integriion	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10
- Restructuring costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11
- Merger costs (RBC/BMO)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	21
- Deferred tax adjustment	-	-	-	-	-	-	-	5	-	-	-	-	9	-	-
Net Income, excluding special items	697	779	666	697	677	722	417	579	602	1,476	1,399	2,762	2,181	2,274	1,859
Earnings per share - diluted															
Reported	\$1.00	\$1.12	\$0.95	\$0.99	\$0.96	\$1.03	\$0.91	\$0.68	\$0.92	\$2.13	\$1.99	\$3.93	\$3.52	\$3.51	\$2.53
RBC Banking															
- Gain on sale of Group Retirement Services	-	-	-	-	-	-	-	-	-	-	-	-	\$0.02	-	-
- Gain on sale of securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(\$0.02)
- Provision for credit losses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$0.03
- U.S. retail bank restructuring costs	-	-	-	-	-	-	-	\$0.09	-	-	-	-	\$0.09	-	-
- Restructuring costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$0.04
- Deferred tax adjustment	-	-	-	-	-	-	\$0.01	\$0.01	-	-	-	-	\$0.02	-	-
RBC Investments															
- Gain on sale of RT Capital Management	-	-	-	-	-	-	(\$0.37)	-	-	-	-	-	(\$0.39)	-	-
- Gain on sale of Group Retirement Services	-	-	-	-	-	-	-	-	-	-	-	-	(\$0.04)	-	-
- Deferred tax adjustment	-	-	-	-	-	-	-	\$0.01	-	-	-	-	\$0.01	-	-
RBC Capital Markets															
- Provision for credit losses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$0.04
- Restructuring costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$0.06
- Deferred tax adjustment	-	-	-	-	-	-	\$0.01	\$0.02	-	-	-	-	\$0.04	-	-
RBC Global Services															
- Gain on formation of Moneris Joint Venture	-	-	-	-	-	-	-	-	-	-	-	-	(\$0.12)	-	-
Other															
- Gain on sale of real estate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(\$0.07)
- Expenses re: sale of real estate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Writedown of MECA & Integriion	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$0.01
- Restructuring costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$0.01
- Merger costs (RBC/BMO)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$0.03
- Deferred tax adjustment	-	-	-	-	-	-	-	\$0.01	-	-	-	-	\$0.01	-	-
EPS, excluding special items	\$1.00	\$1.12	\$0.95	\$0.99	\$0.96	\$1.03	\$0.56	\$0.82	\$0.92	\$2.13	\$1.99	\$3.93	\$3.16	\$3.51	\$2.66

¹There were no special items in Q2/03, Q1/03, FY 2002 and FY 2000.

**SPECIAL ITEMS¹ (after-tax amounts)
(\$MM)**

	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	Q1/02	Q4/01	Q3/01	Q2/01	2003 6 months	2002 6 months	2002	2001	2000	1999	
Geographic Net income																
Reported	697	779	666	697	677	722	656	492	602	1,476	1,399	2,762	2,411	2,274	1,757	
Canada																
- Gain on sale of securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(16)
- Provision for credit losses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20
- Restructuring costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	118
- Deferred tax adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Gain on sale of RT Capital Management	-	-	-	-	-	-	-	-	-	-	-	-	(251)	-	-	-
- Gain on sale of Group Retirement Services	-	-	-	-	-	-	-	-	-	-	-	-	(34)	-	-	-
- Deferred tax adjustment	-	-	-	-	-	-	12	30	-	-	-	-	75	-	-	-
- Provision for credit losses	-	-	-	-	-	-	(251)	-	-	-	-	-	-	-	-	-
- Deferred tax adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Gain on formation of Moneris	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Gain on sale of real estate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(54)
- Expenses re: sale of real estate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3
- Writedown of MECA & Integriion	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10
- Merger costs (RBC/BMO)	-	-	-	-	-	-	-	-	-	-	-	-	(77)	-	-	21
- Deferred tax adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
U.S.																
- U.S. retail bank restructuring	-	-	-	-	-	-	-	57	-	-	-	-	57	-	-	-
Other International	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Income, excluding special items	697	779	666	697	677	722	417	579	602	1,476	1,399	2,762	2,181	2,274	1,859	
Other income																
Reported	2,123	2,247	2,043	2,104	2,192	2,223	2,255	2,008	1,924	4,370	4,415	8,562	8,215	6,732	5,480	
RBC Banking																
- Gain on sale of securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(28)
- Gain on sale of Group Retirement Services	-	-	-	-	-	-	-	-	-	-	-	-	(7)	-	-	-
RBC Investments																
- Gain on sale of RT Capital Management	-	-	-	-	-	-	(313)	-	-	-	-	-	(313)	-	-	-
- Gain on sale of Group Retirement Services	-	-	-	-	-	-	-	-	-	-	-	-	(36)	-	-	-
RBC Global Services																
- Gain on formation of Moneris	-	-	-	-	-	-	-	-	-	-	-	-	(89)	-	-	-
Other																
- Gain on sale of real estate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(95)
- Writedown of MECA & Integriion	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18
Other Income, excluding special items	2,123	2,247	2,043	2,104	2,192	2,223	1,942	2,008	1,924	4,370	4,415	8,562	7,770	6,732	5,375	
Provision for credit losses																
Reported	211	200	235	216	328	286	425	236	210	411	614	1,065	1,119	691	760	
RBC Banking	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(35)
RBC Capital Markets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(55)
Provision for Credit Losses, excl. special items	211	200	235	216	328	286	425	236	210	411	614	1,065	1,119	691	670	
Non-interest expense																
Reported	2,560	2,610	2,634	2,547	2,583	2,656	2,668	2,638	2,287	5,170	5,239	10,420	9,755	7,581	7,060	
RBC Banking																
- U.S. retail bank restructuring	-	-	-	-	-	-	-	(91)	-	-	-	-	(91)	-	-	-
- Restructuring costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(50)
RBC Capital Markets																
- Restructuring costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(83)
Other																
- Restructuring costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(20)
- Merger costs (RBC/BMO)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(36)
- Expenses re: sale of real estate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(5)
Non Interest Expense, excluding special items	2,560	2,610	2,634	2,547	2,583	2,656	2,668	2,547	2,287	5,170	5,239	10,420	9,664	7,581	6,866	
Income taxes																
Reported	315	420	285	375	315	390	250	325	370	735	705	1,365	1,340	1,445	1,015	
Tax Impact																
RBC Banking	-	-	-	-	-	-	-	34	-	-	-	-	33	-	-	24
RBC Investments	-	-	-	-	-	-	(62)	-	-	-	-	-	(70)	-	-	-
RBC Capital Markets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	60
RBC GS	-	-	-	-	-	-	-	-	-	-	-	-	(12)	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7)
Deferred tax adjustments																
RBC Banking	-	-	-	-	-	-	(9)	(5)	-	-	-	-	(33)	-	-	-
RBC Insurance	-	-	-	-	-	-	-	-	-	-	-	-	2	-	-	-
RBC Investments	-	-	-	-	-	-	-	(5)	-	-	-	-	(5)	-	-	-
RBC Capital Markets	-	-	-	-	-	-	(3)	(15)	-	-	-	-	(28)	-	-	-
RBC GS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	(5)	-	-	-	-	(11)	-	-	-
Income taxes, excluding special items	315	420	285	375	315	390	176	329	370	735	705	1,365	1,216	1,445	1,092	

¹There were no special items in Q2/03, Q1/03, FY 2002 and FY 2000.