



"RY" on TSX & NYSE

Enhancing our leading position

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Introduction

[Slide 2] Good morning. Before I begin, I'd like to draw your attention to this first slide, a caution regarding forward-looking statements that may be made during my presentation and in response to questions.

Over the next 20 minutes, I would like to outline what we, at RBC Financial Group, view as our key capabilities and competitive strengths, and how we intend to use these to achieve our vision of "always earning the right to be our clients' first choice". I will also review some of the initiatives we are implementing across the organization to drive future growth and superior performance, and where we are relative to our three top priorities for 2005.

RBC's capabilities

[Slide 3] First, I would like to highlight the diversification within RBC Financial Group. The Canadian Personal & Business segment provides a broad range of banking, investments and insurance products and services to both personal and business clients, and it accounted for 63% of earnings in the first quarter of this year. The U.S. & International segment contains banking and wealth management businesses, and it made up 10% of earnings. And our Global Capital Markets segment, which accounted for 24% of first quarter net income, also has diverse operations, as listed on the slide.

[Slide 4] The strength of our diversified platform is highlighted in the next slide, which shows that over the last 5 years, RBC has grown total and non-interest revenues at well over double the rate of our Canadian competitors partially due to acquisitions, but also as a result of strong organic growth which we continue to target. I will review some current revenue initiatives later on in my remarks.

[Slide 5] Since the end of fiscal '99, we've provided our shareholders an annualized total return of over 20%, above both the TSX Composite Index and the Banks Index. We have also regularly increased dividends. In the last 3 years, our quarterly

common share dividend has risen 53%, and we continue to target a payout ratio of 40 – 50%.

[Slide 6] In Canada, we are very proud that one third of households do business with RBC – the highest percentage among the large banks.

[Slide 7] We have the largest distribution capabilities in Canada. Not only can we serve clients through our extensive branch, ABM, online and telephone banking network, but we also serve them through a large number of financial advisors and specialized salesforces. In addition, we use an extensive third-party network of over 17,000 independent brokers to distribute insurance products and are looking to distribute other products through third party channels.

[Slide 8] In addition to distribution, we have extensive manufacturing, underwriting and structuring capabilities across many businesses that are complemented by our trading capabilities.

[Slide 9] Our market shares in key banking and investment products continue to rise and strengthen our leading positions in most product categories. We have, in particular, been aggressively growing products such as credit cards and mutual funds which are not subject to margin compression.

[Slide 10] Our credit card operations continue to grow, with market share improvement reflecting the popularity of several promotions such as the Avion card and the No-Fee Royal Rewards Visa card program.

[Slide 11] We are also pleased to have achieved the highest mutual fund net sales in the industry over the 12 months ended January 31st. We saw an increase in our mutual fund market share, which is quite an accomplishment considering many of our top competitors lost ground or only grew share as a result of acquisitions. As the 2nd largest mutual fund company in Canada, we would like to keep narrowing the significant gap with the largest provider.

[Slide 12] We have the largest insurance business of any Canadian bank. Within the insurance industry, we have the highest market shares in travel insurance, individual living benefits insurance, and creditor insurance. We also recorded significant growth in life and health, as well as in property and casualty, insurance businesses last year, which grew at 15% and 21%, respectively.

In each of our businesses in Canada, we will continue to target market share growth through product innovation, by leveraging our distribution and by enhancing customer service. Maintaining pricing discipline and margins is also a key focus.

[Slide 13] In our U.S. and International Personal and Business segment, we have a long-established Caribbean banking franchise with over 40 branches and consistent earnings. And RBC Centura is a solid platform that is well positioned for organic growth in the high-growth South-Eastern United States market. RBC Dain Rauscher is the 8th largest broker-dealer in the U.S. with over 1700 financial consultants in 142 offices coast to coast, a distribution network that is difficult to replicate. Our Global Private Banking group serves clients in over 100 countries from a broad base of onshore and offshore locations, and our trust services continue to be ranked highly among private banks worldwide.

[Slide 14] Our Global Capital Markets group continues to garner awards and accomplishments, which confirm its leading stature in Canada and its growth internationally. For example, in 2004, RBC Capital Markets ranked #1 in equity and debt underwriting in Canada. We were also the top USD/CAD trader, administrative agent, lead arranger and loan syndicator. Internationally, we ranked #11 in Bloomberg's Global Debt Underwriting and #16 in their Global Equity Underwriting rankings. We also ranked #17 in Euromoney's Global Foreign Exchange Market. Our custody business, which is the 9th largest globally, was among the three top rated custodians in each of the last 3 years. In each of these areas, we rank well ahead of our Canadian competitors. The wholesale group has received numerous other accolades over the years and we would like to continue climbing the ranks, particularly on the global front.

[Slide 15] Each of our business segments is leveraging its strengths and opportunities to further build its platform. The Canadian Personal & Business segment is using its multiple distribution channels, and leading market share positions to fully leverage its vast suite of product and client service offerings for the benefit and growth of its 11.5 million client base. The U.S. and International Personal & Business segment is capitalizing on Centura's southeast U.S. footprint, which is one of the fastest growing in the nation. Due to consolidation, the number of midsized competitors in this market has declined significantly. Our well-established franchise in the Caribbean continues to generate stable earnings. RBC Dain Rauscher and our Global Private Banking group are taking advantage of their broad distribution in key growth markets and positive demographic trends to better meet client needs. Our Global Capital Markets business has prospered in the past from constantly exploiting new growth avenues. We now see opportunities to leverage our strong structuring capabilities globally. We are also building on our strong municipal finance platform in the U.S. to expand our fixed income business, and intend to grow our Canadian operations by moving product to our Commercial Banking clients.

[Slide 16] In addition to all the strengths just outlined, we have award-winning Customer Relationship Management capabilities, a valuable brand, and we continue to be recognized for our risk management and technology capabilities.

[Slide 17] Our CRM capabilities are driving increased client value. We assess each client's enterprise value, both current and potential, and determine our cross-sell activities accordingly. Through sales leads, direct mail and contact centre programs, we are increasing product penetration across our client base. As shown on the slide, we have increased our share of wallet per client, and we measure this on a conservative basis, including only one deposit account even when a client might have several deposit accounts with us.

Our CRM capabilities also enable us to develop targeted value propositions for specific client groups. The results achieved to date in Medical Professionals and Snowbirds markets demonstrate the power of tailored offerings to key client groups.

Finally, we are using our CRM insights to improve the economics of less profitable clients, better aligning pricing, risk and channel mix to client value.

[Slide 18] The strength of our Canadian franchise is unrivalled, and we are pleased that our programs and initiatives continue to earn recognition. For example, our brand was rated as the most valuable in Canada, and for the third year in a row, RBC was named Canada's Most Respected Corporation in a survey by Ipsos-Reid and KPMG. The same survey ranked us first in six out of nine sub-categories and we were ranked second highest among all Canadian companies for customer service. We are one of only two Canadian banks to be included in the Dow Jones Sustainability Index, which is based on a range of financial and non-financial criteria. We also continue to be part of a select group of companies chosen for the Jantzi Social Index and the FTSE4Good Index.

[Slide 19] Our continued focus on solid risk management practices over the years has resulted in lower earnings volatility than for our Canadian peers. In addition, some other Canadian banks were impacted far more by a decline in the provision for credit losses and by securities gains than we were in 2004 and in the first quarter in 2005.

[Slide 20] And our loan portfolio remains strong with continued reductions in non-accrual loans in the first quarter.

[Slide 21] With the strong foundations of our CRM, Risk Management, Technology, manufacturing, underwriting, structuring and distribution capabilities, our businesses are well positioned to realize our corporate vision of "Always earning the right to be our clients' first choice". The most fundamental and overarching strategies of our three segments are shown on this slide. Within Canadian Personal & Business on the personal side, our goal is to provide integrated financial solutions to meet the needs of our clients at every stage of their lives. And on the business side, we want to provide a full suite of products to meet the needs of all our business clients.

Within the U.S. & International P&B segment, our banking group at RBC Centura intends to focus on small business clients to meet their personal and business needs, and the wealth management businesses are targeting a diverse range of products to leverage their extensive distribution capabilities. Our Global Capital Markets group provides integrated solutions to its large clients, and is targeting niche markets globally to leverage its unique product manufacturing, trading and distribution capabilities.

[Slide 22] These capabilities and strategies are intended to help us achieve our medium term objectives, which are outlined on slide 22. We recognize how important strong ROE, EPS growth, revenue growth and capital position are in driving share valuation, and have aggressive targets in these areas.

Revenue and cost initiatives

To achieve our revenue objective, each of our three segments is embarking on a number of “Client First” initiatives.

[Slide 23] Our Canadian Personal & Business segment has a variety of new product, distribution, and client strategy initiatives. For example, we’re introducing new targeted investment offerings (such as Cash Flow portfolios, International funds and Target RESP funds), and aggressively promoting several cards programs (such as the Avion, Starbucks Duetto and our No-Fee Visa Rewards program). We have also come out with new custom mortgage solutions such as Homeline (which is our combined mortgage and credit line product) as well as new term insurance products, and will be enhancing our online insurance offerings.

From a distribution perspective, we plan to redirect some of the cost savings realized from our restructuring to expand the number of sales staff in our branches and the number of investment advisors. We also plan to open a select number of insurance branch outlets adjacent to bank branches to improve cross traffic, and we’re looking at various ways to leverage our extensive 3rd party distribution network.

We intend to focus even more on high-value clients, increase the number of relationship-managed clients, while improving the profitability of our less-profitable clients. We will continue to target innovative offerings to specific client groups.

[Slide 24] Our U.S. & International Personal and Business segment intends to continue growing Centura's loans and deposits, and is focusing on growing Centura's commercial lending business. Centura's distribution model has been changing as we have reduced investments in low-growth markets and increased investments in high-growth MSAs including Atlanta and Florida, primarily through de novo branch expansion. In fact, close to half of Centura's 265 branches are now in high-growth markets compared to 30% five years ago. In addition, consolidation activity in the Southeast USA has reduced the number of mid-sized competitors and created opportunities to gain new households.

We are also focusing on cross-selling new products to our client base in the Caribbean. And we have set aggressive targets to reduce our costs in this platform, which we are achieving through our efforts at streamlining the businesses.

[Slide 25] On the Wealth Management side, RBC Dain Rauscher and the Global Private Banking group have teamed up to start offering credit solutions to Dain's clients. We're also leveraging our distribution capabilities by offering Global Capital Markets' structured products through GPB, and by developing specific structured products for Dain clients. And finally, GPB is refocusing on the High Net Worth segment by launching a new relationship management model across the platform.

[Slide 26] Moving on to Global Capital Markets' initiatives, the fixed income groups at Dain Rauscher and Capital Markets have been integrating and are beginning to leverage distribution opportunities. Our Structured Products group has created an integrated global platform for structured credit derivatives and structured interest rate businesses, and they have already established a Tokyo trading platform to start this expansion. A new London-based team is now trading in precious metals, including

gold, which has enhanced RBC Capital Markets' full product suite and trading capabilities in this area.

[Slide 27] A recently acquired San Francisco-based team has started originating and trading convertible securities, which was the start of our effort to build a complete origination, sales and trading team for U.S. convertibles. A new Sydney-based investment banking unit will work with our sales and trading team, who now have a license to trade and clear on the Australian Stock Exchange. This will allow them to take advantage of the growing mining sector there. And finally, we are now focusing on providing a wide range of services to the 340 high value commercial market clients transferred over from the Banking segment.

[Slide 28] In addition to these and other initiatives to grow our top line, we are also undertaking significant "Client First" initiatives to improve our cost structure and efficiency. Our business segments and corporate support areas have all identified numerous cost initiatives with specific targets for which they are accountable. For example, the business segments are streamlining head office and field support, and should realize benefits from combining businesses (for example, Banking, Investments and Insurance in the Canadian Personal & Business segment). Employee reductions should allow us to reduce real estate requirements. Our Global Technology and Operations group is targeting savings by bringing together all of RBC's technology and operations groups, by consolidating operation centres, creating centres of excellence or expertise (such as contact centres, securities processing centres), and by expanding the use of offshore IT.

The functional areas are streamlining their activities, focusing on centers of expertise and shared services to eliminate duplicate roles and increase effectiveness. On the procurement side, we have established top down targets and assigned accountability on cost savings. We are looking at all spend categories and reviewing contracts we can renegotiate.

While we do not quantify our restructuring initiatives' absolute savings, these are built into our operating plans and reflected in our objectives.

It is our intention to redeploy some of the cost savings over time to client-facing initiatives in order to fuel revenue growth.

Progress on our priorities – First quarter review

Before I take your questions, I would like to remind you about our top priorities for 2005 and how we did on that score in the first quarter. The priorities are improving revenue growth, enhancing efficiency and effectiveness, and generating better returns from our U.S. & International Personal and Business segment.

[Slide 29] On the first priority, you can see that in the first quarter, total revenues increased 11% from a year ago despite a 3% reduction due to the strengthening of the Canadian dollar against the U.S. dollar. About a quarter of the revenue growth occurred in net interest income and three quarters of the growth came from non-interest income. The net interest income increase was largely driven by higher loan volumes in both Canada and the U.S. The Canadian Personal & Business segment's 10% increase in revenues reflected strong growth in personal and business loans and deposits, growth in disability insurance, and strong sales and capital appreciation in our mutual fund business, among other areas. The U.S. and International Personal & Business segment's revenues increased by 2%, despite the impact of the strengthening Canadian dollar versus the U.S. dollar. The increase was mainly due to better pricing in our mortgage origination business as well as volume growth in loans and deposits and wider spreads, while on the Wealth Management side, revenues increased on the strength of improved fees in RBC Dain Rauscher and wider margins in Global Private Banking. Global Capital Markets revenues increased 8% reflecting stable returns in our trading businesses, with higher foreign exchange and equity trading results. You'll also notice on the slide that each of our 3 business segments registered double-digit earnings growth in the first quarter.

[Slide 30] We were pleased with the 15% operating leverage achieved in Q1, which reflected strength on both the revenue and cost fronts. Enhancing efficiency and

effectiveness is our second priority, and on this front, the aggressive activities taken toward the end of 2004 to reduce our expenses started to show results. I should note that the decrease, however, also reflects the Rabobank settlement costs incurred in the first quarter of last year as well as a \$60 million decline in expenses due to the appreciation of the Canadian dollar against the U.S. dollar. These factors more than offset slightly higher variable compensation expenses resulting from higher revenues and the expansion of our sales forces.

[Slide 31] We are also making progress on our third priority of generating better returns from our U.S. & International Personal and Business segment, in particular from U.S. Banking. First quarter net income for the segment was up by \$36 million from a year ago. U.S. Banking, which represents approximately 5% of our total assets, increased its earnings by \$27 million to \$29 million, representing 29% of the U.S. & International Personal and Business segment's profits. RBC Centura now has in excess of US\$10 billion in deposits and is focused on growing the high-potential markets of businesses, business owners and professionals. While we are pleased with the improvement in our first quarter results, we are determined to continue to grow and enhance returns of this segment over time.

[Slide 32] Our first quarter ROE, EPS growth, revenue growth and expense control all exceeded our objectives. Our strong earnings and capital management efforts helped strengthen the Tier 1 ratio to 9.2% from 8.9% in the fourth quarter, and our capital ratios are ahead of our objectives. Despite an increase in our common share dividend to 55 cents from 52 cents in the first quarter, our dividend payout ratio was below our 2005 objective in light of the strong earnings this quarter. We have not changed our dividend payment objective for the full year.

I'd like to end by saying that our extensive capabilities, together with all of the initiatives underway, are intended to keep us at the forefront of the Canadian financial services industry and grow our international operations in a profitable fashion.

Thank you for your attention, and now, I'd be glad to take your questions.



Caution regarding forward-looking statements

From time to time, we make written and oral forward-looking statements within the meaning of certain securities laws, included in this presentation, in other filings with Canadian regulators or the United States Securities and Exchange Commission, in reports to shareholders and in other communications. These forward-looking statements include, among others, statements with respect to our objectives for 2005, our medium- and long-term goals, and our strategies to achieve those objectives and goals, as well as statements with respect to our beliefs, plans, objectives, expectations, anticipations, estimates and intentions. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," and words and expressions of similar import are intended to identify forward-looking statements.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution readers not to place undue reliance on these statements as a number of important factors could cause our actual results to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates and intentions expressed in such forward-looking statements. These factors include, but are not limited to, the strength of the Canadian and United States economies and economies of other countries in which we conduct business; the impact of the movement of the Canadian dollar relative to other currencies, particularly the U.S. dollar; the effects of changes in monetary policy, including changes in interest rate policies of the Bank of Canada and the Board of Governors of the Federal Reserve System in the United States; the effects of competition in the markets in which we operate; the impact of changes in the laws and regulations regulating financial services and the enforcement thereof (including banking, insurance and securities); judicial or regulatory judgments and legal proceedings; our ability to obtain accurate and complete information from or on behalf of our customers and counterparties; our ability to successfully realign our organizational structure, resources and processes; our ability to complete strategic acquisitions and to integrate our acquisitions successfully; the changes in accounting policies and methods we use to report our financial condition, including uncertainties associated with critical accounting assumptions and estimates; operational and infrastructure risks; and other factors that may affect future results including changes in trade policies, timely development and introduction of new products and services, changes in tax laws, technological changes, unexpected changes in consumer spending and saving habits, the possible impact on our businesses of international conflicts and other developments including those relating to the war on terrorism, and our anticipation of and success in managing the foregoing risks.

We caution that the foregoing list of important factors that may affect future results is not exhaustive. When relying on our forward-looking statements to make decisions with respect to the bank, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. We do not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by us or on our behalf.



A well diversified financial services group

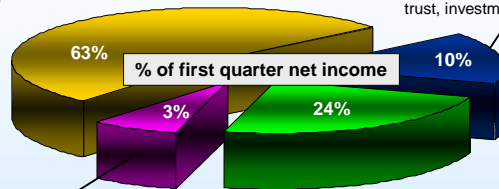
RBC's strengths

Canadian Personal & Business

- **Personal:** lending (mortgages, home equity financing, lines of credit, credit cards), deposits, investments (brokerage, asset management and financial planning), and insurance (home & auto, travel, life and health).
- **Business:** range of lending, deposit, transaction and investment products for small & medium-sized business clients, and reinsurance business.

U.S. & International Personal & Business

- **Banking:** RBC Centura, Caribbean & Bahamas (personal & business banking), RBC Mortgage
- **Wealth Management:** RBC Dain Rauscher (investment advisory, asset management, clearing and execution), **Global Private Banking** (private banking, trust, investment management & advisory).



Corporate Support

- Operations and technology groups, corporate treasury, and other corporate functions

Global Capital Markets

- **Global Markets:** global debt, money markets, foreign exchange, derivatives, alternative assets, private debt and equity, and proprietary trading businesses
- **Global Investment Banking & Equity Markets:** corporate and investment banking, equity sales and trading businesses
- **Other:** custody and investment administration services, correspondent banking services, commercial banking, research, the non-strategic lending portfolio, and centralized management associated with lending portfolios

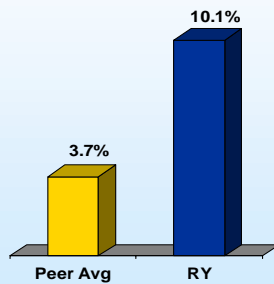


Stronger long-term revenue growth

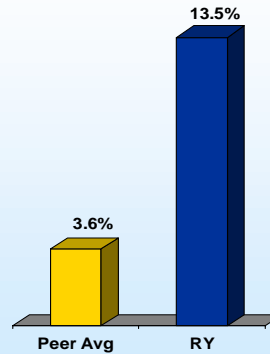
RBC's strengths

Compound annual growth rates vs. peer group*
(1999 to LTM Q1/05)

Total revenues**



Non-interest income



* Peer average consists of Scotiabank, BMO, TD, CIBC and National Bank.

** Net interest income plus non-interest income.

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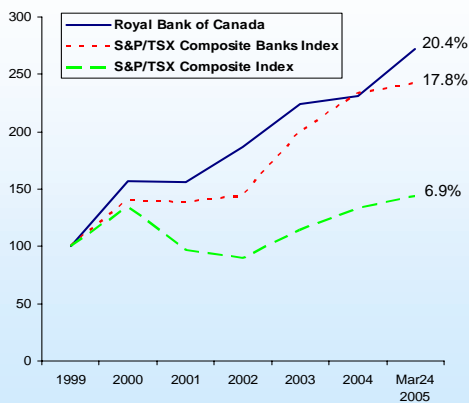
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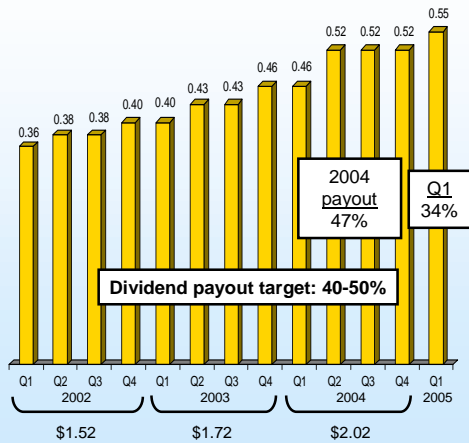
Solid returns to shareholders

RBC's strengths

Annualized Total Return on \$100 Investment*
(October 31, 1999 - March 24, 2005)



Six common share dividend increases since Q1/02



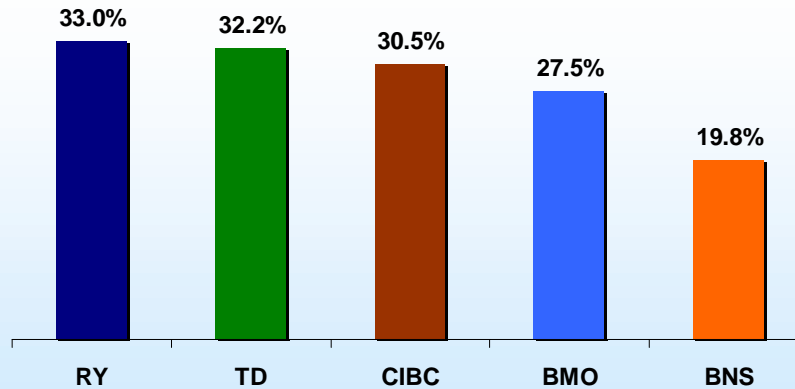
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US GAAP



Canadian leadership in household penetration*

RBC's strengths



* % of Canadian households doing business with any part of the financial group. Based on full year ending December 2004. Source: Canadian Financial Monitor



Largest Canadian distribution capabilities

RBC's strengths



BRANCH NETWORK

- 1,100 branches
- 143 Business Banking Centres
- 3,000 Indirect lending Car Dealers
- 14,000 Customer Service Reps



ABM

- 4,000 ABMs



FINANCIAL ADVISORS

- 1,025 in-branch Financial Planners
- 7,100 Personal Account Managers
- 1,400 Business Account Managers



ON-LINE & TELEPHONE BANKING

- 2.6 million Internet clients
- 2 million inbound calls/ month
- 2,430 telephone representatives



THIRD-PARTY DISTRIBUTION

- Insurance
- ⇒ 17,000+ independent brokers



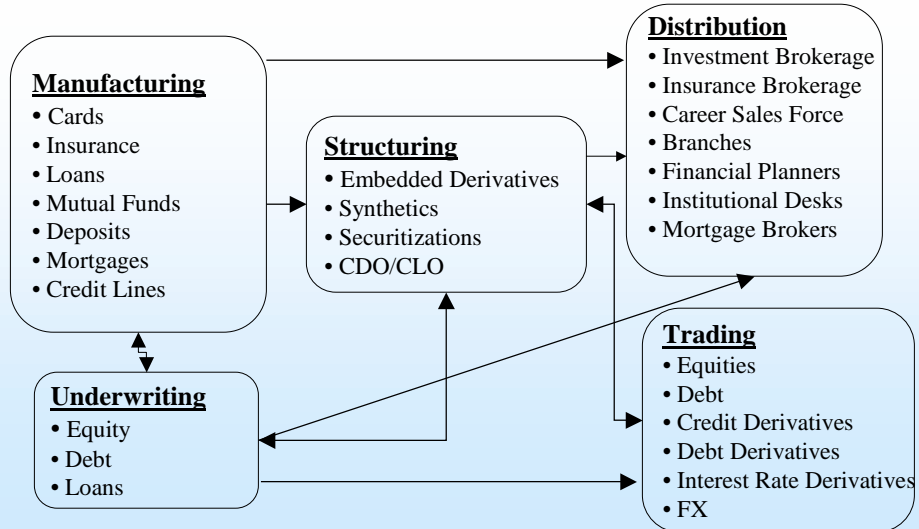
CAREER (SPECIALIST) SALESFORCES

- 450 Investment Retirement Planners
- 930 Mortgage Specialists
- 410 Insurance agents



Leveraging manufacturing, structuring, underwriting, trading and distribution

RBC's strengths



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Leading market shares in most Canadian personal and business banking & investment products

RBC's strengths

	Rank* #	Market share Dec-04	Change vs. Dec-03
Total deposits **	1	12.48%	↓ 7 bps
Personal deposits		14.96%	
Mutual funds		9.50%	
Residential mortgages	1	15.08%	↑ 12 bps
Personal loans & credit cards	2	13.94%	↑ 35 bps
Business deposits ***	1	21.50%	↑ 155 bps
Business loans	1	11.25%	↓ 7 bps
Full service brokerage ****	1	24.05%	↓ 51 bps

* Market share rank among all financial institutions in Canada, as of December 2004

** Consists of personal deposits and mutual funds. Mutual funds includes other mutual fund companies

*** Market share rank among all banks in Canada, as of December 2004. Includes business deposits across RBC. Business include acceptances.

**** Information reported on a calendar quarter lag based on survey data

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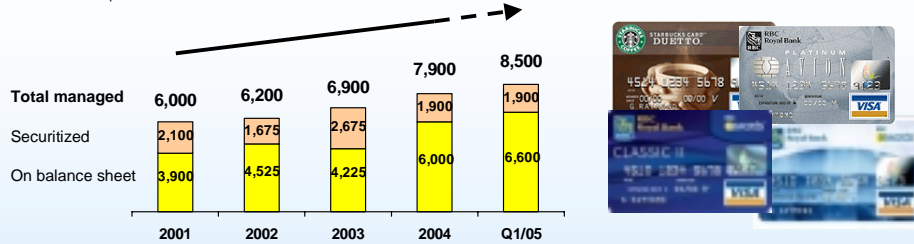


Growing credit card operations

RBC's strengths

Average card balances, Canadian P&B

C\$ millions



- #2 in Canada with 15.2% market share – ↑ 34 bps from year ago
- Successful Avion Visa and RBC Royal Rewards Visa Classic (no-fee) growth → drives purchase volumes and balance growth
- Recent launch: RBC Starbucks Duetto Visa

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US GAAP



Top Canadian mutual fund family with strong sales momentum

RBC's strengths

As at Feb 28/05

C\$ millions	Assets	Market share		Net sales (last 12 months)	
		(%)	Y/Y Chg	C\$ millions	Rank
IGM Financial Inc.	\$ 85,363	16.5	(0.34)	\$ 1,219	8
• Investors Group	45,830	8.9	(0.39)	270	
• Mackenzie/Counsel	39,533	7.6	0.05	949	
RBC Asset Management Inc.	49,608	9.6	+0.18	2,987	1
C.I. Mutual Funds Inc.*	45,287	8.8	+1.57	1,341	6
AIM Trimark Investments	43,445	8.4	(0.26)	685	12
CIBC Asset Management	42,944	8.3	(0.39)	110	27
TD Mutual Funds	37,583	7.3	+0.02	2,182	2
Fidelity Investments	32,287	6.2	(0.60)	(1,755)	50
AGF	22,654	4.4	(1.01)	(3,398)	52
Franklin Templeton	20,959	4.1	(0.14)	228	21
BMO Mutual Funds	20,806	4.0	+0.24	1,982	3

* Effective April 2004, C.I. Mutual Fund Inc.'s results include the assets of Assante Asset Management's Optima Strategy Pools (total assets approx. \$7.0 billion).

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Significant insurance business with #1 positions in several business lines

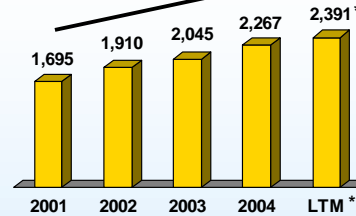
RBC's strengths



- #1 in travel insurance – 34% market share
- #1 in individual living benefits insurance
- #1 in creditor insurance – 27% market share



Insurance premiums, investment & fee income
C\$ millions



- 15% growth in life & health insurance, and 21% growth in property & casualty insurance businesses in 2004**

* Last 12 months (Feb 1/04 – Jan 31/05). Includes Q1/05 amount \$622MM

** Growth in gross premiums & deposits vs. 2003. Results include U.S. insurance & global reinsurance, which are reported under the Canadian P&B segment.

2004 life & health growth includes the acquisition of the Canadian operations of Provident Life & Accident Insurance Company (UnumProvident) in May 2004.



U.S. & International Personal & Business capabilities

RBC's strengths

Banking

- Long-standing, established Caribbean franchise with 43 branches
- Positioned in high growth U.S. retail market
- National mortgage distributor

Wealth Management

- 8th largest broker-dealer in U.S. with 1,743 financial consultants in 142 offices nationwide
- GPB serves clients in 100+ countries from 24 onshore & offshore offices
- Trust services ranked #1 by "In Brief" magazine and #2 by "Euromoney" among all Private Banks worldwide



Global Capital Markets capabilities*

RBC's strengths

NATIONAL POST



Bloomberg



Canada

- 2004 – #1 in Equity and Debt Underwriting (NP), USD/CAD Trading (Risk Magazine), Administrative Agent (LPC), Lead Arranger (LPC), and Loan Syndication (LPC)
- 1999–2004 Top Equity Underwriter (NP)
- 1999–2004 Top Debt Underwriter (NP)
- 1999–2004 Lead Arranger and Administrative Agent (LPC)

International

- 2004 – #11 in Global Debt Underwriting (BB), #16 in Global Equity Underwriting (BB), #17 in Global FX Market (EM), #20 U.S. Loan Underwriting (BB)
- Consistently in Top 20 FX Banks worldwide (EM)
- Numerous "Deal of the Year" accolades annually (Euromoney Project Finance, The Bond Buyer, Jane's Transport Finance)
- 1999–2004 Top 6 in North America for M&A deals under \$100MM
- 9th largest global custodian. 1 of 3 worldwide "Top-Rated" for custody services every year from 1999 to 2004 (Global Custodian)

* NP – National Post; LPC – Loan Pricing Corporation (Deal Scan); BB – Bloomberg; EM - Euromoney



Each segment can build on its capabilities

RBC's strengths

Canadian Personal & Business

- 11.5 million clients
- Nation-wide banking system and complete RY financial service offering
- Multiple distribution channels permit maximum leverage of product & client offerings
- Leading market shares in most banking and wealth management products, and in several insurance lines

U.S. & International Personal & Business

- Centura's southeast footprint is one of the fastest growing regions in the U.S.
- Well-known Caribbean franchise
- RBC Dain Rauscher footprint covers key growth markets in 40 states
- Global Private Banking pursues high growth niche strategy in key international markets

Global Capital Markets

- History of seizing new growth opportunities
- Leveraging strong product structuring capabilities to global effect
- Expanding U.S. fixed income markets through the strong municipal finance platform
- Building greater market share in Canada through focus on Commercial Banking clients



Other competitive advantages

RBC's strengths

Customer Relationship Management

- Customer information management
- Enterprise view of client
- RBC's award winning "client centric risk assessment & credit granting system"

Brand

- Well established brand for over 100 years

Risk Management

- Good track record. Remains an important objective.

Technology

- CIO Magazine's top 100 worldwide companies for *technology excellence* – 4 years in a row
- Canadian Information Productivity Award of Excellence for *innovation* (2003 & 2004)

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Customer Relationship Management driving increased client value

RBC's strengths

CRM capability

Results

Enterprise Client Value Management – Cross-Sell

- 3.4 products and services per personal client
- 5.5 products & services per high value personal client
- Personal clients with 4+ products up 126 bps
- Canadian leadership in Household penetration*

Targeted Value Propositions

- Medical Professionals:
- 2004 share of medical/dental student market increased from 2 to 18%; Avg revenue/client = 3.7x avg Snowbirds
 - 250% increase in NIBT per client
 - 67% increase in 'likelihood to recommend' RBC
 - 45% reduction in defection

Alignment of Customer Economics

- Improving economics of less profitable clients by better aligning pricing, risk assessment & channel mix
- Redeploying relationship management capacity
- Re-pricing for risk, product usage
- Improved client profile – 147 bps improvement in % of profitable client relationships over last 16 months

*Source: Canadian Financial Monitor, full year ending December 2004

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Canada's best brand and most respected company

RBC's strengths

- **Royal Bank of Canada topped the list of most valuable brands in Canada**
 - study* sponsored by *Canadian Business* magazine
- **RBC Financial Group selected Canada's most respected corporation**
 - study** sponsored by KPMG and Ipsos-Reid
- **Included in Sustainability / Social Indices**
 - e.g. Dow Jones Sustainability Index, Jantzi Social Index, FTSE4Good Index – all use social, strategic governance and/or environmental criteria

CANADIAN BUSINESS

CANADA
Canada's Most Respected Corporations **KPMG**



* Source: "Measuring and Valuing Brand Equity" report produced by Brand Finance plc, in collaboration with the Institute of Communications and Advertising in November 2004.

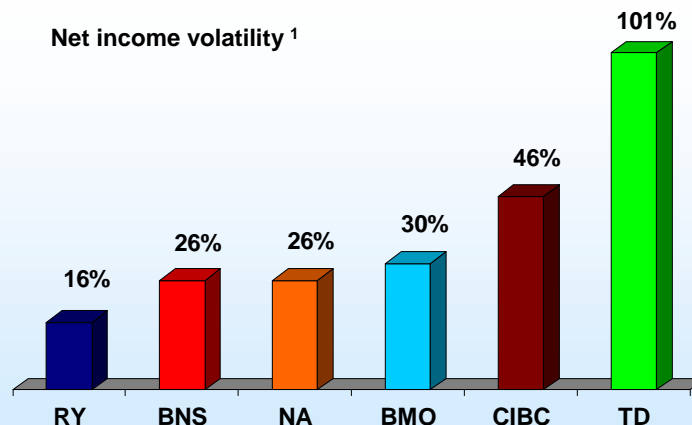
** Source: "Canada's Most Respected Corporations: 2004 Survey Results", KPMG with survey conducted by Ipsos-Reid

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Strong risk management results in lower earnings volatility than Canadian peers

RBC's strengths



(1) Percent standard deviation from mean Net Income over 20 consecutive quarters ended January 31, 2005

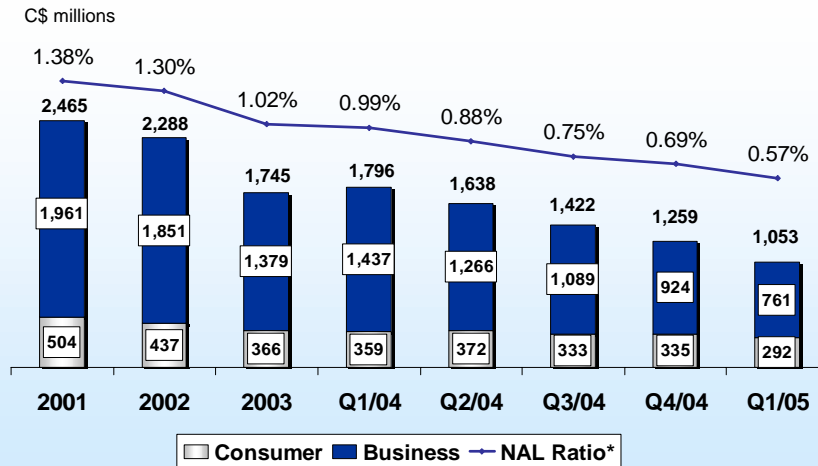
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CDN GAAP



Nonaccrual loans continue to decline

RBC's strengths



* Nonaccrual loans as a percentage of total loans and acceptances

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US GAAP



Using our capabilities to achieve our vision...

Vision

"Always earning the right to be our clients' first choice"

Canadian P&B

Personal - provide integrated financial solutions to meet the needs of our clients at every stage of their lives

Business - provide full suite of products to address the needs of our small/medium sized business clients

US & International P&B

Banking - focus on small business clients to meet their personal and business needs

Wealth Management - offer a full suite of products to leverage distribution

Global Capital Markets

- provide integrated solutions for corporations, governments and institutional clients

- target niche capital markets product manufacturing, trading & distribution

← Manufacturing, underwriting, structuring & distribution synergies →

← CRM, Risk & Technology →

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...and our medium-term objectives

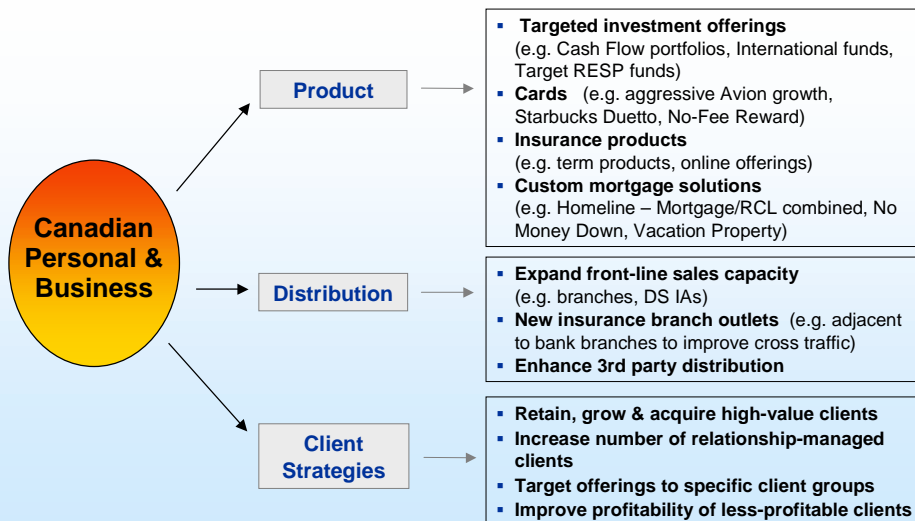
	Medium-term objectives (3-5 year)
Profitability measures:	
EPS growth – diluted	15%+
ROE	20%+
Revenue growth	8–10%
Expense control	No more than half of revenue growth
Specific PCL / average loans and acceptances	0.40–0.50%
Capital management:	
Tier 1 capital ratio **	8–8.5%
Total capital ratio **	11–12%
Dividend payout ratio	40–50%

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Canadian P&B revenue initiatives

Revenue initiatives



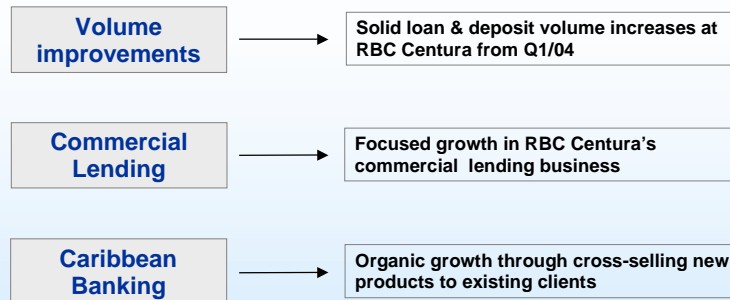
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US GAAP



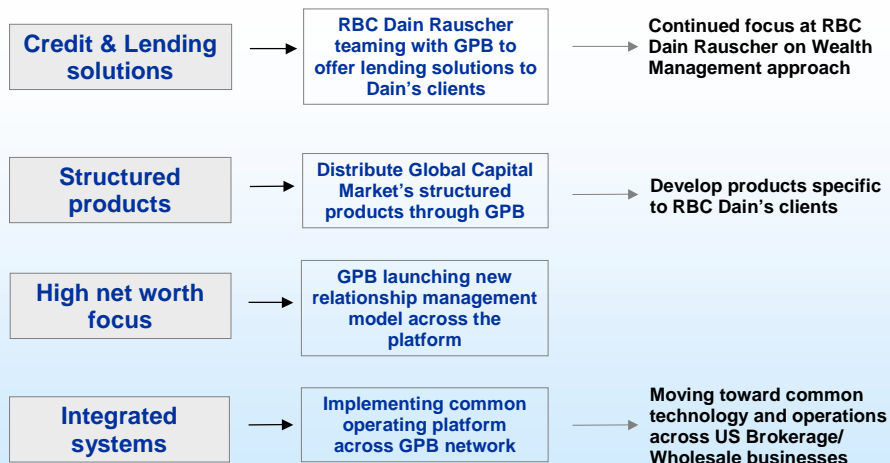
U.S. & International P&B initiatives - Banking

Revenue initiatives



U.S. & International P&B initiatives - Wealth Management

Revenue initiatives

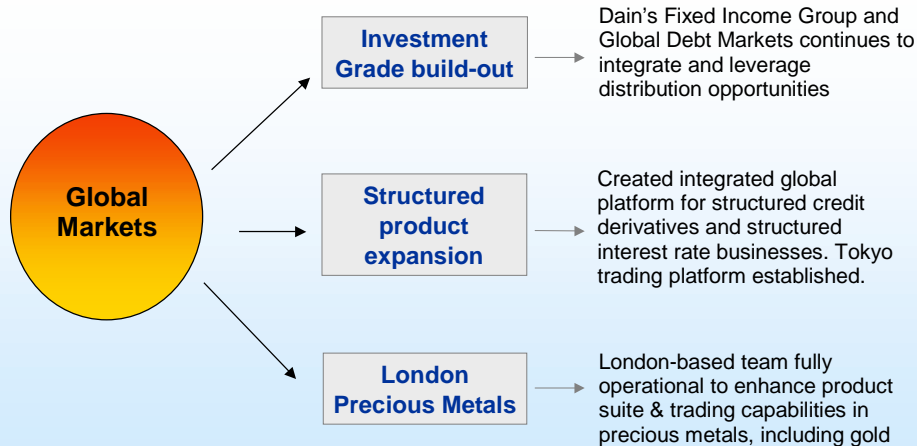


Note: GPB = Global Private Banking



Global Capital Markets initiatives

Revenue initiatives



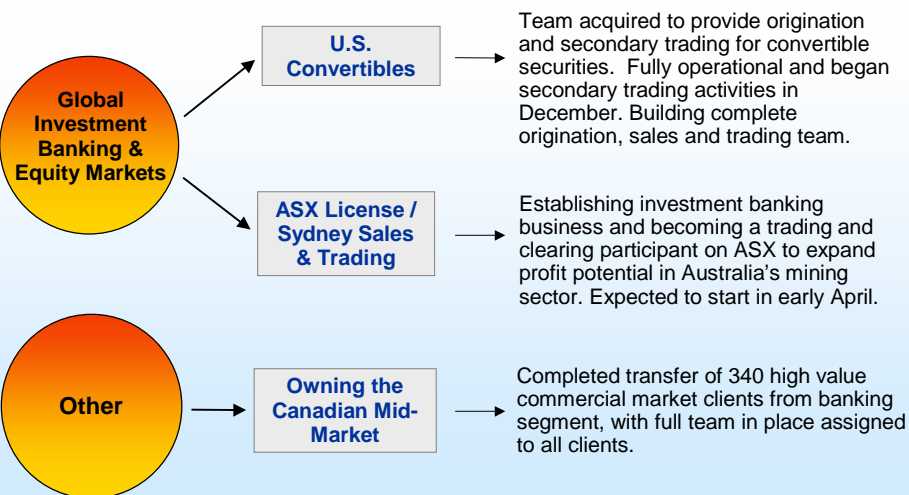
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US GAAP



Global Capital Markets initiatives

Revenue initiatives



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US GAAP



Initiatives to control costs

Cost initiatives

Business segments

- Streamlining of head office support
- Streamlining of field support
- Reorganize platforms (e.g. combined Banking /Investments /Insurance)
- Reduce real estate (optimize space)

Global Technology & Operations

- Combine operations and IT across RBC
- Optimize IT applications
- Create Centres of Excellence: Contact centres, securities processing centres
- IT off-shoring

Functions

- Substantial streamlining
- Reduce layers / increase spans of control

Procurement

- Established top down savings target
- Enterprise strategic sourcing program across all spend categories
- Rigorous supplier management

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Strong results across all segments

Progress on our top priorities

(C\$ millions)	Q1/05			Q1/05		
	revenue	Growth*		net income	Growth*	
	\$	\$	%	\$	\$	%
Canadian P&B	\$ 2,791	\$ 262	10%	\$ 658	\$ 80	14%
U.S. & International P&B	756	15	2	100	36	56
Global Capital Markets	1,052	78	8	253	61	32
Corporate Support	60	116	n.m.	30	71	173
Total	\$ 4,659	\$ 471	11%	\$ 1,041	\$ 248	31%

* Growth over Q1/04

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US GAAP

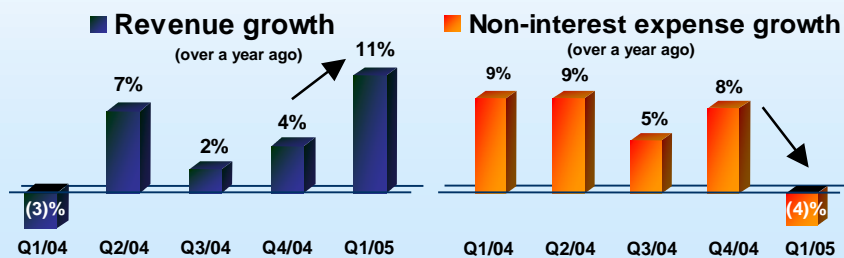


Operating leverage exceeded objective

Progress on our top priorities

	Q1/05 vs. Q1/04	2005 Objective
Revenue growth	11%	6–8%
Non-interest expense growth	(4)%	< 3%
Operating leverage*	15%	3–5%

*Revenue growth rate in excess of Expense growth rate



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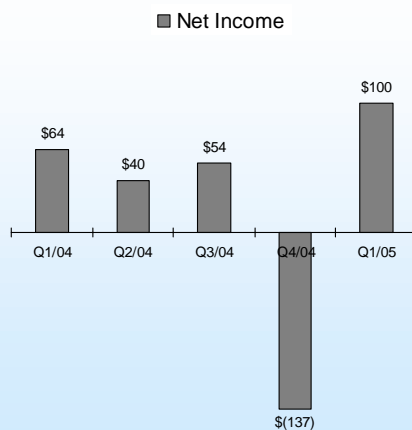
US GAAP



Higher earnings in U.S. & International P&B

Progress on our top priorities

In C\$ millions



- NIAT up \$36MM from Q1/04
- U.S. Banking net income up \$27MM from Q1/04 to \$29MM
- U.S. Banking revenue increased due to better mortgage product pricing, higher loan and deposit volumes and margins
- Cost containment initiatives reduced NIE
- 23% decline in segment's PCL attributable to strong economy and higher secured lending

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US GAAP



Exceeded most 2005 financial objectives

	Objectives for 2005	Performance Q1/05
Profitability measures		
EPS growth – diluted	20%+	34%
ROE	18–20%	22.9%
Revenue growth	6–8%	11%
Expense control	Less than 3%	(4)%
Specific PCL / average loans and acceptances	0.35–0.45%	0.11%*
Capital management:		
Tier 1 capital ratio **	8–8.5%	9.2%
Total capital ratio **	11–12%	12.7%
Dividend payout ratio	40–50%	34%

* A \$52 million transfer of the allocated specific allowance to the allocated general allowance during the quarter decreased this ratio by 0.12%

** Calculated using guidelines issued by the Office of the Superintendent of Financial Institutions Canada (OSFI)

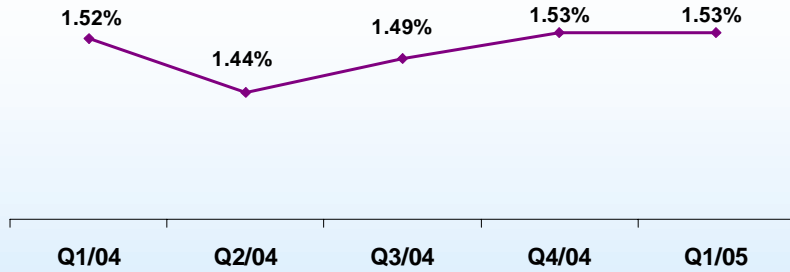


Appendix





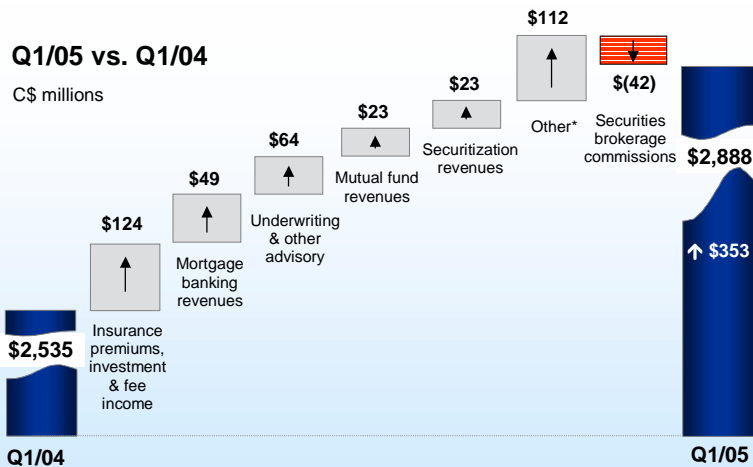
Net interest margin* stabilized



* Net interest income as a percentage of average assets



Solid growth in non-interest income



* Other includes increases in: foreign exchange revenues other than trading, investment management and custodial fees, gain on sale of investment account securities, service charges, card service revenues, credit fees and trading revenues.

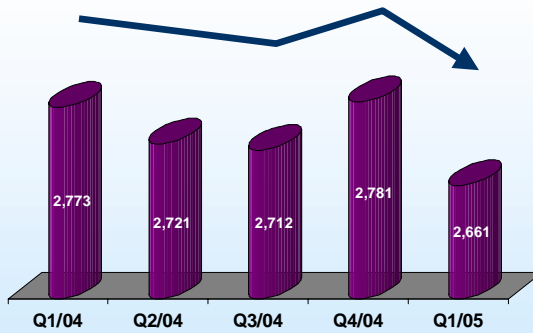


Non-interest expenses down

Progress on our top priorities

C\$ millions

Total Non-interest expense



	Q1/05 vs. Q4/04	Q1/05 vs. Q1/04
Δ total NIE	\$ (120) (4)%	\$ (112) (4)%
Due to impact of CAD vs. USD*	(30)	(60)
Δ total NIE** (excluding CAD/USD impact)	\$ (90) (3)%	\$ (52) (2)%

* Translating USD denominated results using Q1/05 CAD/USD exchange rates compared to Q4/04 and Q1/04. Refer to slide 45 in Appendix for average exchange rates for Q1/05, Q4/04 and Q1/04.

** Non-GAAP financial measure – refer to discussion of the use of Non-GAAP financial information in the Appendix on slide 46.

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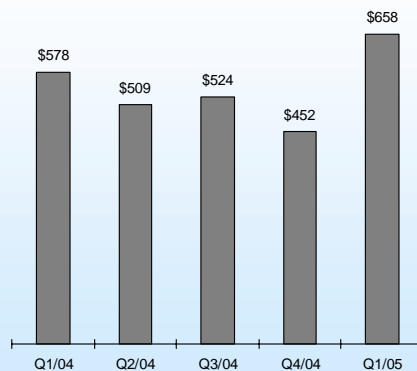
US GAAP



Higher earnings in Canadian P&B

In C\$ millions

■ Net Income



- Net income up 14% vs. Q1/04
- Strong revenue growth
- Good cost containment efforts
- Non-interest expense 4% higher than Q1/04 due to:
 - higher staff & premises related costs (branch & other sales staff added)
 - higher advertising/marketing costs to support business growth
- Specific provision down \$20MM from Q1/04

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US GAAP



Strong revenue growth in Canadian P&B

C\$ millions	Revenue		Growth vs.		
	Q1/05	Q4/04	Q1/04		
Personal	\$ 2,172	\$ 121	6%	\$ 258	13%
Business	619	(28)	(4)%	4	1%
Total	\$ 2,791	\$ 93	3%	\$ 262	10%

- Personal:**
- Volume growth in loans and deposits
 - Growth in disability product lines (vs. Q1/04)
 - Strong sales and capital appreciation in mutual funds
 - Higher retail foreign exchange revenues
 - Higher credit card revenues (vs. Q1/04)
 - Stronger brokerage revenues (vs. Q4/04)

- Business:**
- Volume growth in loans and deposits
 - Narrower margins

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US GAAP



Strong volume growth in Canadian consumer products

C\$ millions	Q1/05 Balances*	Growth over Q1/04
Personal deposits	\$ 89,090	↑ 3%
Residential Mortgages**	86,275	↑ 12%
Personal lending	29,021	↑ 14%
Credit cards**	8,519	↑ 11%
Mutual funds	\$ 44,688	↑ 14%
Brokerage AUA	\$ 135,195	↑ 8%
Insurance premiums & deposits	\$ 836	↑ 15%

* Average balances (except for mutual funds and brokerage assets under administration (AUA), which are balances as at January 31, 2005)

** Includes securitized assets

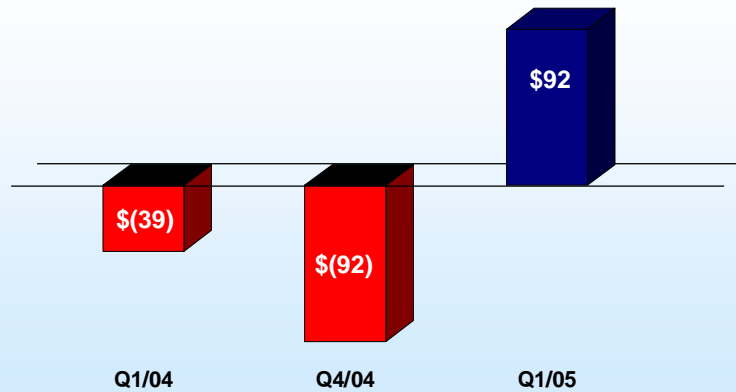
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US GAAP



Substantial increase in U.S. net income

C\$ millions



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US GAAP



Good revenue growth in U.S. & International P&B

C\$ millions	Revenue Q1/05	Revenue Q4/04	Growth vs. Q1/04	
Banking	\$ 337	\$ 57	21%	\$ 20 6%
Wealth Management	419	8	2%	(5) (1)%
Total	\$ 756	\$ 65	9%	\$ 15 2%

US\$ millions	Revenue Q1/05 *	Revenue Q4/04	Growth vs. Q1/04	
Banking	\$ 279	\$ 58	27%	\$ 36 15%
Wealth Management	346	21	6%	23 7%
Total	\$ 625	\$ 79	15%	\$ 59 10%

Banking (vs. Q1/04 and Q4/04)

- > Better product pricing on mortgages
- > Improved spread and volume growth in loans and deposits

Wealth Management

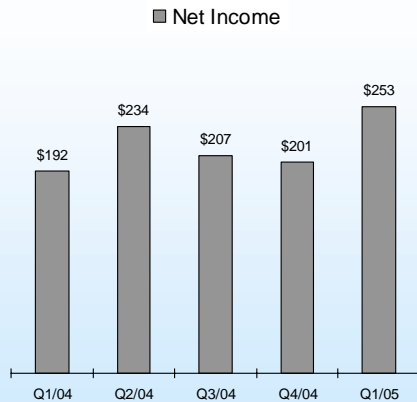
- > Higher brokerage fees and private banking margins (vs. Q1/04)
- > Higher brokerage and investment management fees (vs. Q4/04)

* Reconciliation to Canadian dollar GAAP information is discussed in the Appendix on slide 45. Refer to slide 46 in the Appendix for discussion of the use of non-GAAP information



Strong results in Global Capital Markets

In C\$ millions



- Net income up 32% from Q1/04
- Revenues up 8% from Q1/04
- Solid trading returns across diversified portfolio of products
- Higher investment banking revenues (equity underwriting volume)
- Lower NIE, largely reflecting Rabobank settlement costs in Q1/04
- PCL remains low, reflecting favorable credit environment and low level of problem loans
- New initiatives gaining momentum



Strong revenue growth in Global Capital Markets

C\$ millions	Revenue		Growth vs.	
	Q1/05	Q4/04	Q4/04	Q1/04
Global Markets	\$ 616	\$ 71	13%	\$ 58 10%
Global Investment Banking & Equity Markets (GIBEM)	250	25	11%	14 6%
Other	186	6	3%	7 4%
Total	\$1,052	\$ 102	11%	\$ 79 8%

- Global Markets results reflect stable trading returns year over year and stronger trading results compared to last quarter. Revenues also reflect higher returns in structured transactions and the private debt & equity portfolios, and higher debt origination volumes.
- GIBEM growth reflects increased equity underwriting activity notably in Canada.
- Other results reflect higher returns in custody and administration and commercial banking vs. Q1/04, partially offset by lower returns in non-strategic lending (successful and intentional run-off). Continued strong performance in custody and administration provided positive growth compared to Q4/04.



Solid capital ratios

	Q4/04	Q1/05	2005 Objective
Tier 1 ratio:	8.9%	9.2%	8–8.5%
Total capital ratio:	12.4%	12.7%	11–12%



Impact of CAD vs. USD change

FX impact on:	Q1/05 vs. Q4/04*	Q1/05 vs. Q1/04*
Total revenues	↓ 55	↓ 100
Non-interest expense	↓ 30	↓ 60
Net income	↓ 15	↓ 25
EPS – diluted (\$/share)	↓ \$0.02	↓ \$0.04

Value of C\$1.00 in USD	Q1/05	Q4/04	Q1/04
Average	\$0.8269	\$0.7918	\$0.7653
Closing	\$0.8057	\$0.8210	\$0.7548

* Translating USD denominated results using average CAD/USD exchange rates for respective periods



Note to users

We use a variety of financial measures to evaluate our performance. In addition to GAAP-prescribed measures, we use certain non-GAAP measures we believe provide useful information to investors regarding our financial condition and results of operations. Readers are cautioned that non-GAAP financial measures, such as revenues, excluding the impact of the Canadian dollar appreciation relative to the U.S. dollar, or ROE and average allocated common equity, do not have any standardized meaning prescribed by US or Canadian GAAP, and therefore, are unlikely to be comparable to similar measures presented by other companies.

Reconciliation of non-GAAP measures to GAAP measures can be found throughout this presentation.