



Supplementary Financial Information (U.S. GAAP)

2nd Quarter 2004

(UNAUDITED)

Investor Relations Department

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This document is not audited and should be read in conjunction with the Q2/04 Report to Shareholders, Q2/04 Quarterly Results slides, the consolidated financial statements for the year ended October 31, 2003 and the Explanation of Certain Terms on page 1 of this document.

Changes made to this document in Q2/04

Page 5, 8-10: Geographic reclassifications

During the quarter, we revisited our geographic reporting and reclassified certain amounts to more appropriately reflect the way management reviews these results and our basis of allocation. Within RBC Insurance, certain reinsurance results were reclassified from United States and Canada to Other International. Within the Other segment, an \$18 million consolidated pre-tax adjustment (\$11 million after-tax) related to the sale of RBC Centura's merchant acquiring card portfolio to Moneris Solutions, Inc in the first quarter of 2004, was reclassified from Canada to the United States.

Page 15: Assets Under Management

This quarter, \$17 billion of Assets Under Management relating to Minneapolis-based Voyageur Asset Management was reclassified from "Personal" to "Retail mutual funds". Amounts for the prior quarters have similarly been reclassified. This reclassification does not impact the total AUM balance which has been reported.

Page 17, 21: Certificates of Deposit-Trading

This quarter, we reviewed the presentation of certain items on our consolidated balance sheet and decided to reclassify certificates of deposit held for trading purposes totalling \$5.1 billion at January 31, 2004, \$5.7 billion at October 31, 2003 and \$6.5 billion at April 30, 2003 from Interest-bearing deposits with banks to Trading account securities in order to more appropriately reflect the nature and substance of these instruments.

Page 17, 21: Cash Resources

Effective this quarter, Cash Resources is no longer reported and is being replaced by the following two lines:

- *Cash and due from banks*
- *Interest-bearing deposits with banks*

Changes made to this document in Q1/04

Pages 2-10, 14-15: Net Interest Income

Pursuant to a December 2003 SEC clarification, the income, expenses and fair value changes related to derivatives that are economic hedges but do not qualify for hedge accounting must be recorded in one statement line in the financial statements. As a result, we have reclassified realized gains and losses on these derivatives from net interest income to non-interest income-other, \$92 million for 2003 and \$59 million for 2002. As the information is not reasonably determinable, amounts for 2001 have not been restated to reflect the revised income statement presentation. There was no effect on net income.

Pages 2, 6, 9, 17-18, 22-24: Loans Information

In Q1/04, we improved our categorization of certain loan products. Accordingly, we reclassified \$2.9 billion of personal loans and associated interest revenue to business and government loans. Amounts for prior periods have been reclassified. Also, in Q4/03 \$3.2 billion of business and government loans and associated interest revenue was reclassified to reverse repurchase agreements. Amounts for prior periods was reclassified. The reclassifications had no effect on total assets or net interest income in any period.

Pages 2, 17, 20: Treasury stock

Effective Q1/04, we updated our financial statement presentation for treasury stock. Refer to Note 1 of the Q1/04 financial statements for additional details.

Page 17: Balance Sheet

As a result of Financial Accounting Standards Board Interpretation No. 46 - Consolidation of Variable Interest Entities (FIN 46R), on January 31, 2004 we included in our consolidated balance sheet assets owned by certain multi-seller asset-backed commercial paper conduit programs that we administer.

These assets comprised a total of \$8.6 billion (business and government loans \$4.6 billion, personal loans \$3.2 billion, credit card loans \$0.8 billion).

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 2003 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.

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Explanation of Certain Terms

Average assets

Calculated using methods intended to approximate the average of the daily balances for the period.

Average deposits

Calculated using methods intended to approximate the average of the daily balances for the period.

Average common equity

For RBC, calculated as the average of the month-end common equity balances for the period. For the segments, calculated using methods intended to approximate the average of the daily common equity balances for the period. Attributed to the segments as discussed under "Common Equity" in Notes to Users.

Average earning assets

Calculated using methods intended to approximate the average of the daily earning asset balances for the period. Earning assets include deposits with other banks, securities, assets purchased under reverse repurchase agreements and loans.

Average loans and acceptances

Calculated using methods intended to approximate the average of the daily loans and acceptances 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 total 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 United States 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.

INCOME STATEMENT¹

(C\$ MM)

	Q2/04	Q1/04	Q4/03	Q3/03	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	2004 6 months	2003 6 months	2003	2002	2001	2000
Interest income	3,285	3,404	3,386	3,524	3,425	3,624	3,662	3,578	3,394	6,689	7,049	13,959	14,389	17,101	16,025
Interest expense	(1,728)	(1,759)	(1,800)	(1,885)	(1,805)	(1,913)	(1,938)	(1,893)	(1,733)	(3,487)	(3,718)	(7,403)	(7,520)	(10,810)	(10,830)
Net interest income	1,557	1,645	1,586	1,639	1,620	1,711	1,724	1,685	1,661	3,202	3,331	6,556	6,869	6,291	5,195
Non-interest income	2,795	2,550	2,663	2,663	2,441	2,624	2,542	2,512	2,632	5,345	5,065	10,391	10,191	9,514	7,536
Total revenues	4,352	4,195	4,249	4,302	4,061	4,335	4,266	4,197	4,293	8,547	8,396	16,947	17,060	15,805	12,731
Provision for credit losses (PCL)															
Allocated specific provision for credit losses	(153)	(122)	(137)	(167)	(211)	(200)	(235)	(216)	(328)	(275)	(411)	(715)	(1,065)	(1,049)	(571)
General provision for credit losses	-	150	-	-	-	-	-	-	-	150	-	-	-	(70)	(120)
Insurance policyholder benefits, claims and acquisition expense	(343)	(330)	(386)	(335)	(312)	(371)	(355)	(336)	(381)	(673)	(683)	(1,404)	(1,330)	(1,153)	(772)
Non-interest expense ²	(2,729)	(2,781)	(2,582)	(2,581)	(2,514)	(2,559)	(2,601)	(2,515)	(2,519)	(5,510)	(5,073)	(10,236)	(10,244)	(9,641)	(7,628)
Income taxes	(328)	(289)	(316)	(413)	(304)	(410)	(315)	(381)	(329)	(617)	(714)	(1,443)	(1,415)	(1,350)	(1,412)
Non-controlling interest	(25)	(30)	(24)	(30)	(31)	(28)	(28)	(27)	(26)	(55)	(59)	(113)	(108)	(107)	(20)
Net income	774	793	804	776	689	767	732	722	710	1,567	1,456	3,036	2,898	2,435	2,208
Preferred dividends	(11)	(11)	(11)	(12)	(22)	(23)	(24)	(25)	(24)	(22)	(45)	(68)	(98)	(135)	(134)
Net income available to common shareholders	763	782	793	764	667	744	708	697	686	1,545	1,411	2,968	2,800	2,300	2,074
Effective tax rate	29.1%	26.0%	27.6%	33.9%	29.7%	34.0%	29.3%	33.7%	30.9%	27.6%	32.0%	31.4%	32.0%	34.7%	38.8%

PROFITABILITY MEASURES

Earnings per share (EPS) - basic	\$1.18	\$1.20	\$1.21	\$1.16	\$1.00	\$1.12	\$1.06	\$1.04	\$1.02	\$2.38	\$2.12	\$4.48	\$4.16	\$3.58	\$3.42
-diluted	\$1.16	\$1.19	\$1.19	\$1.14	\$0.99	\$1.10	\$1.05	\$1.02	\$1.01	\$2.34	\$2.10	\$4.43	\$4.12	\$3.55	\$3.40
Return on common equity (ROE)	17.3%	18.1%	18.0%	17.4%	15.4%	16.9%	16.3%	16.1%	16.8%	17.7%	16.2%	17.0%	16.6%	16.6%	19.3%
Return on assets	0.69%	0.73%	0.78%	0.77%	0.71%	0.77%	0.76%	0.78%	0.78%	0.71%	0.74%	0.76%	0.78%	0.73%	0.78%
Return on assets after preferred dividends	0.68%	0.72%	0.77%	0.75%	0.68%	0.74%	0.73%	0.75%	0.76%	0.70%	0.71%	0.74%	0.75%	0.69%	0.73%
Return on risk adjusted assets	1.75%	1.81%	1.91%	1.82%	1.71%	1.82%	1.76%	1.70%	1.72%	1.75%	1.78%	1.82%	1.73%	1.47%	1.44%

COMMON SHARE INFORMATION

Shares outstanding (000s) - end of period ³	653,280	655,963	656,021	658,612	662,427	666,439	665,257	671,671	673,860	653,280	662,427	656,021	665,257	674,021	602,398
- average (basic)	647,737	650,044	656,952	660,810	664,634	666,006	668,868	673,787	673,751	648,621	665,331	662,080	672,571	641,516	606,389
- average (diluted)	658,144	659,356	664,450	668,133	671,991	674,035	676,010	680,712	680,336	658,409	673,023	669,625	679,153	647,216	609,865
Shares repurchased - (000s)	3,780	1,512	3,569	5,011	5,074	885	6,963	3,275	2,346	5,292	5,959	14,539	14,293	10,927	19,737
- (C\$ MM)	237	94	214	296	293	49	368	169	119	331	342	852	764	509	99
Market capitalization (C\$ MM)	39,817	41,450	41,644	38,792	39,613	36,854	36,197	35,901	37,042	39,817	39,613	41,644	36,197	31,544	29,096
Common share price - High (intraday)	\$65.64	\$65.90	\$65.00	\$61.64	\$59.91	\$59.86	\$57.55	\$58.89	\$57.07	\$65.90	\$59.91	\$65.00	\$58.89	\$53.25	\$48.88
- Low (intraday)	\$60.56	\$60.26	\$57.50	\$56.75	\$53.26	\$53.91	\$48.80	\$45.05	\$46.36	\$60.26	\$53.26	\$53.26	\$45.05	\$41.60	\$27.25
- Close	\$60.95	\$63.19	\$63.48	\$58.90	\$59.80	\$55.30	\$54.41	\$53.45	\$54.97	\$60.95	\$59.80	\$63.48	\$54.41	\$46.80	\$48.30
Dividends per share	\$0.52	\$0.46	\$0.46	\$0.43	\$0.43	\$0.40	\$0.40	\$0.38	\$0.38	\$0.98	\$0.83	\$1.72	\$1.52	\$1.38	\$1.14
Dividend yield	3.3%	2.9%	3.0%	2.9%	3.0%	2.8%	3.0%	2.9%	2.9%	3.1%	2.9%	2.9%	2.9%	2.9%	3.0%
Dividend payout ratio	44%	38%	38%	37%	43%	36%	38%	37%	37%	41%	39%	38%	37%	39%	33%
Common dividends paid (C\$ MM)	336	298	301	284	285	267	266	256	256	634	552	1,137	1,022	897	689
Preferred dividends paid (C\$ MM)	11	11	11	12	22	23	24	25	24	22	45	68	98	135	134
P/E ratio (4-quarters trailing earnings) ⁴	13.5	14.0	13.8	13.8	13.6	13.6	12.9	13.0	14.4	13.5	13.6	13.3	12.6	13.4	11.2
Book value per share	\$28.03	\$27.20	\$26.38	\$26.73	\$26.59	\$26.66	\$25.91	\$25.71	\$25.13	\$28.03	\$26.59	\$26.38	\$25.91	\$24.06	\$18.75
Market price/book value	217%	232%	241%	220%	225%	207%	210%	208%	219%	217%	225%	241%	210%	195%	258%

¹As a result of adopting FASB standards on Business Combinations (FAS 141) and Goodwill and Other Intangible Assets (FAS 142) net income, diluted EPS and ROE exclude goodwill amortization effective 2002.

²Q1/04 non-interest expense includes Rabobank settlement costs.

³Included is Treasury stock (shares acquired and held by subsidiaries for reasons other than cancellation): 5,182,558 in Q2/04 and 7,731,453 in Q1/04.

⁴Average of high and low common share price divided by diluted earnings per share.

RESULTS BY BUSINESS SEGMENT

(C\$ MM)

	Q2/04	Q1/04	Q4/03	Q3/03	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	2004 6 months	2003 6 months	2003	2002	2001	2000
RBC Banking															
Personal and Commercial Banking															
Income Statement															
Net interest income	1,356	1,357	1,378	1,422	1,352	1,394	1,426	1,365	1,339	2,713	2,746	5,546	5,557	5,343	4,699
Non-interest income	528	512	487	538	516	565	505	524	517	1,040	1,081	2,106	2,090	1,873	1,569
Total revenues	1,884	1,869	1,865	1,960	1,868	1,959	1,931	1,889	1,856	3,753	3,827	7,652	7,647	7,216	6,268
Allocated specific provision for credit losses	(152)	(141)	(131)	(135)	(158)	(130)	(122)	(145)	(158)	(293)	(288)	(554)	(626)	(662)	(539)
General provision for credit losses	-	76	-	-	-	-	-	-	-	76	-	-	-	(70)	(110)
Non-interest expense	(1,204)	(1,153)	(1,148)	(1,163)	(1,153)	(1,178)	(1,161)	(1,109)	(1,108)	(2,357)	(2,331)	(4,642)	(4,520)	(4,388)	(3,776)
Other ¹	(184)	(222)	(207)	(248)	(208)	(239)	(246)	(242)	(228)	(406)	(447)	(902)	(955)	(922)	(779)
Net income - total	344	429	379	414	349	412	402	393	362	773	761	1,554	1,546	1,174	1,064
- U.S. (included in total)	(17)	6	1	41	39	60	57	49	42	(11)	99	141	206	(36)	n/a
Contribution to total RBC net income	44%	54%	47%	53%	51%	54%	55%	54%	51%	49%	52%	51%	53%	48%	48%
ROE	20.1%	24.5%	20.5%	22.6%	18.8%	21.5%	19.8%	19.9%	18.4%	22.3%	20.2%	20.8%	19.2%	16.8%	19.5%
Efficiency ratio ²	63.9%	61.7%	61.6%	59.3%	61.7%	60.1%	60.1%	58.7%	59.7%	62.8%	60.9%	60.7%	59.1%	60.8%	60.2%
Average Balances															
Assets	169,800	167,300	165,800	162,300	160,700	160,600	159,300	154,900	155,800	168,600	160,700	162,400	156,500	143,000	129,700
Earning assets	161,600	159,200	157,800	154,200	152,200	151,900	150,400	146,400	146,800	160,400	152,000	154,000	147,600	135,200	122,900
Loans and acceptances	157,100	155,400	153,600	149,800	147,800	147,000	146,300	143,200	144,000	156,300	147,400	149,600	144,400	135,400	125,700
Deposits	135,400	133,400	131,100	129,600	128,000	127,400	125,200	122,300	121,800	134,400	127,700	129,000	122,900	111,400	98,900
Common equity	6,900	6,950	7,300	7,250	7,400	7,500	7,850	7,650	7,850	6,950	7,450	7,350	7,850	6,700	5,100
Other Statistics															
Net interest margin (average assets)	3.25%	3.23%	3.30%	3.48%	3.45%	3.44%	3.55%	3.50%	3.52%	3.24%	3.45%	3.42%	3.55%	3.74%	3.62%
Net interest margin (average earning assets)	3.41%	3.39%	3.46%	3.66%	3.64%	3.64%	3.76%	3.70%	3.74%	3.40%	3.64%	3.60%	3.76%	3.95%	3.82%
Amortization of other intangibles ³	10	9	8	8	13	12	12	12	10	19	25	41	48	26	3
Number of employees (FTE)	37,061	37,221	37,475	37,089	36,012	36,003	35,014	35,069	34,175	37,061	36,012	37,475	35,014	34,845	31,246
Credit Quality															
Nonaccrual loans															
Domestic - Residential mortgages	105	108	110	101	102	103	102	106	128	105	102	110	102	142	185
- Personal	205	207	213	229	240	257	270	282	292	205	240	213	270	305	243
- Commercial	452	477	471	454	508	499	534	584	614	452	508	471	534	657	593
U.S. and Other International	235	216	213	242	246	233	251	245	187	235	246	213	251	197	48
Total nonaccrual loans	997	1,008	1,007	1,026	1,096	1,092	1,157	1,217	1,221	997	1,096	1,007	1,157	1,301	1,069
Net charge-offs															
Domestic - Residential mortgages	1	1	1	2	2	1	2	2	3	2	3	6	10	15	11
- Personal	128	103	106	113	139	100	99	121	127	231	239	458	480	478	457
- Commercial	24	16	36	35	28	16	50	44	50	40	44	115	189	193	180
U.S. and Other International	17	15	25	14	15	15	16	17	15	32	30	69	65	38	4
Total net charge-offs	170	135	168	164	184	132	167	184	195	305	316	648	744	724	652
Net charge-offs as a percentage of average loans and acceptances	0.44%	0.35%	0.43%	0.43%	0.51%	0.36%	0.45%	0.51%	0.56%	0.39%	0.43%	0.43%	0.52%	0.53%	0.52%

¹Includes income taxes and non-controlling interest.

²Defined on page 1.

³After-tax amount. Excludes goodwill.

RESULTS BY BUSINESS SEGMENT

(C\$ MM)

RBC Investments
Wealth Management
Income Statement

	Q2/04	Q1/04	Q4/03	Q3/03	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	2004 6 months	2003 6 months	2003	2002	2001	2000
Net interest income	104	104	93	103	107	116	96	91	86	208	223	419	371	384	359
Non-interest income	877	825	821	801	721	768	784	806	833	1,702	1,489	3,111	3,276	2,859	1,958
Total revenues	981	929	914	904	828	884	880	897	919	1,910	1,712	3,530	3,647	3,243	2,317
Allocated specific provision for credit losses	(1)	(1)	2	-	-	-	(1)	-	1	(2)	-	2	1	(2)	1
General provision for credit losses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-interest expense	(772)	(728)	(722)	(733)	(731)	(725)	(733)	(770)	(813)	(1,500)	(1,456)	(2,911)	(3,144)	(2,510)	(1,666)
Other ¹	(68)	(60)	(68)	(58)	(28)	(55)	(50)	(43)	(29)	(128)	(83)	(209)	(158)	(223)	(239)
Net income - total	140	140	126	113	69	104	96	84	78	280	173	412	346	508	413
- U.S. (included in total)	30	32	35	31	9	13	11	11	(15)	62	22	88	(1)	(81)	n/a
Contribution to total RBC net income	18%	18%	16%	15%	10%	14%	13%	12%	11%	18%	12%	14%	12%	21%	19%
ROE	22.3%	21.4%	19.0%	16.7%	9.8%	14.7%	12.2%	10.7%	10.2%	21.8%	12.3%	15.1%	11.1%	27.0%	47.8%

Average Balances

Assets	16,900	17,100	16,600	17,600	18,300	17,800	17,500	16,300	15,100	17,000	18,100	17,600	15,100	11,300	8,000
Loans and acceptances	4,900	3,200	3,500	3,500	4,300	4,600	4,500	4,500	4,100	4,000	4,400	4,000	4,200	4,000	2,600
Deposits	19,600	18,800	18,400	18,100	17,800	17,700	16,700	15,700	15,900	19,200	17,700	18,000	16,100	15,600	14,400
Common equity	2,500	2,550	2,600	2,650	2,700	2,700	3,000	2,950	2,950	2,550	2,700	2,650	3,000	1,800	800

Other Statistics

Net interest margin	2.50%	2.42%	2.22%	2.32%	2.40%	2.59%	2.18%	2.21%	2.34%	2.46%	2.48%	2.38%	2.46%	3.40%	4.49%
Amortization of other intangibles ²	9	4	4	3	4	4	4	3	3	13	8	15	12	10	8
Number of employees (FTE)	10,678	10,463	10,464	10,563	10,886	11,151	12,001	12,169	12,261	10,678	10,886	10,464	12,001	10,512	7,553

Credit Quality

Nonaccrual loans															
Domestic - Personal	-	-	-	-	1	3	5	4	4	-	1	-	5	5	4
- Commercial	-	-	-	-	-	-	-	4	4	-	-	-	-	4	-
U.S. and Other International	1	1	1	2	2	2	2	2	2	1	2	1	2	2	2
Total nonaccrual loans	1	1	1	2	3	5	7	10	10	1	3	1	7	11	6
Total net charge-offs	1	1	2	-	2	-	4	1	-	2	2	4	5	1	-
Net charge-offs as a percentage of average loans and acceptances	0.08%	0.12%	0.23%	-	0.19%	-	0.35%	0.09%	-	0.10%	0.09%	0.10%	0.12%	0.03%	-

¹Includes income taxes and non-controlling interest.

²After-tax amount. Excludes goodwill.

RESULTS BY BUSINESS SEGMENT

(C\$ MM)

	<u>Q2/04</u>	<u>Q1/04</u>	<u>Q4/03</u>	<u>Q3/03</u>	<u>Q2/03</u>	<u>Q1/03</u>	<u>Q4/02</u>	<u>Q3/02</u>	<u>Q2/02</u>	<u>2004</u> 6 months	<u>2003</u> 6 months	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	
RBC Insurance																
Insurance																
Income Statement																
Net interest income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-interest income	516	498	548	505	466	526	527	475	518	1,014	992	2,045	1,910	1,695	1,019	
Total revenues	516	498	548	505	466	526	527	475	518	1,014	992	2,045	1,910	1,695	1,019	
Insurance policyholder benefits, claims and acquisition expense	(343)	(330)	(386)	(335)	(312)	(371)	(355)	(336)	(381)	(673)	(683)	(1,404)	(1,330)	(1,153)	(772)	
Non-interest expense	(105)	(107)	(108)	(117)	(98)	(101)	(121)	(91)	(93)	(212)	(199)	(424)	(399)	(375)	(173)	
Other ¹	(3)	-	7	4	-	-	-	1	4	(3)	-	11	9	6	29	
Net income - total	65	61	61	57	56	54	51	49	48	126	110	228	190	173	103	
- U.S. (included in total)	(2)	6	(5)	-	7	6	7	6	7	4	13	8	22	29	n/a	
Contribution to total RBC net income	8%	8%	8%	7%	8%	7%	7%	7%	7%	8%	8%	8%	7%	7%	5%	
ROE	27.0%	23.9%	26.4%	24.4%	28.6%	26.8%	26.7%	26.6%	26.6%	25.4%	27.7%	26.4%	25.7%	20.0%	38.6%	
Average Balances																
Assets	10,600	11,700	11,600	8,900	7,500	7,700	7,100	7,000	7,000	11,200	7,600	8,900	7,000	6,400	2,300	
Loans and acceptances	800	800	900	700	300	300	400	400	400	800	300	600	400	300	-	
Common equity	950	1,000	900	900	800	800	750	700	700	1,000	800	850	700	800	300	
Other Statistics																
Net interest margin	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Non-interest income																
Net earned premiums	377	339	418	372	380	406	424	423	438	716	786	1,576	1,564	1,419		
Investment income	88	109	79	104	57	77	46	13	53	197	134	317	188	159		
Fee income	51	50	51	29	29	43	57	39	27	101	72	152	158	117		
Insurance policyholder benefits, claims and acquisition expense																
Policyholder benefits and claims	(284)	(284)	(320)	(280)	(246)	(320)	(283)	(260)	(304)	(568)	(566)	(1,166)	(1,025)	(925)		
Policy acquisition expense	(59)	(46)	(66)	(55)	(66)	(51)	(72)	(76)	(77)	(105)	(117)	(238)	(305)	(228)		
Premiums & deposits	633	565	646	556	478	534	549	536	459	1,198	1,012	2,214	2,023	1,812	1,208	
Number of employees (FTE)	2,932	2,919	2,883	2,856	2,738	2,712	2,641	2,668	2,632	2,932	2,738	2,883	2,641	2,583	1,318	

¹Includes income taxes and non-controlling interest.

RESULTS BY BUSINESS SEGMENT

(C\$ MM)

RBC Capital Markets
Corporate and Investment Banking
Income Statement

	Q2/04	Q1/04	Q4/03	Q3/03	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	2004 6 months	2003 6 months	2003	2002	2001	2000
Net interest income ¹	109	170	119	83	99	105	104	109	141	279	204	406	532	408	21
Non-interest income	624	568	513	605	519	582	540	536	523	1,192	1,101	2,219	2,142	2,352	2,287
Total revenues	733	738	632	688	618	687	644	645	664	1,471	1,305	2,625	2,674	2,760	2,308
Allocated specific provision for credit losses	(13)	10	(15)	(39)	(58)	(77)	(117)	(76)	(175)	(3)	(135)	(189)	(465)	(407)	(81)
General provision for credit losses	-	60	-	-	-	-	-	-	-	60	-	-	-	-	(10)
Non-interest expense ²	(486)	(635)	(431)	(420)	(394)	(426)	(407)	(414)	(388)	(1,121)	(820)	(1,671)	(1,627)	(1,804)	(1,456)
Other ³	(55)	(23)	(55)	(82)	(69)	(68)	(24)	(53)	(6)	(78)	(137)	(274)	(143)	(200)	(259)
Net income - total ⁴	179	150	131	147	97	116	96	102	95	329	213	491	439	349	502
- U.S. (included in total)	59	(71)	54	19	25	24	(9)	33	(36)	(12)	49	122	(36)	(77)	n/a
Contribution to total RBC net income	23%	19%	16%	19%	14%	15%	13%	14%	13%	21%	15%	16%	15%	14%	23%
ROE	21.0%	17.2%	13.5%	15.9%	9.8%	11.1%	9.3%	9.6%	9.4%	19.0%	10.5%	12.6%	10.5%	9.6%	20.8%

Average Balances

Assets	245,900	220,400	192,800	205,400	199,400	199,600	187,400	177,500	176,000	233,000	199,500	199,300	180,700	159,500	131,900
Loans and acceptances	30,400	21,200	21,700	20,800	24,200	25,300	25,100	24,900	26,900	25,700	24,800	23,000	26,700	30,000	31,400
Deposits	83,000	85,200	79,600	79,700	77,300	83,900	84,000	78,800	79,900	84,100	80,700	80,100	81,100	73,600	61,900
Common equity	3,450	3,450	3,700	3,650	3,950	3,950	3,850	4,000	3,900	3,450	3,950	3,800	3,950	3,300	2,300

Other Statistics

Net interest margin	0.18%	0.31%	0.24%	0.16%	0.20%	0.21%	0.22%	0.24%	0.33%	0.24%	0.21%	0.20%	0.29%	0.26%	0.02%
Amortization of other intangibles ⁵	1	-	-	-	-	-	1	-	-	1	-	-	1	-	-
Number of employees (FTE)	2,918	2,893	2,912	2,943	2,903	2,874	2,938	2,966	2,931	2,918	2,903	2,912	2,938	2,954	2,541

Credit Quality

Nonaccrual loans															
Domestic corporate	212	228	270	312	450	350	361	367	419	212	450	270	361	510	344
U.S. and Other International corporate	427	539	448	538	592	898	733	716	818	427	592	448	733	604	216
Total nonaccrual loans	639	767	718	850	1,042	1,248	1,094	1,083	1,237	639	1,042	718	1,094	1,114	560
Net charge-offs															
Domestic corporate	19	(32)	18	32	-	-	15	44	7	(13)	-	50	66	44	(3)
U.S. and Other International corporate	88	24	32	38	44	14	119	127	152	112	58	128	444	188	53
Total net charge-offs	107	(8)	50	70	44	14	134	171	159	99	58	178	510	232	50
Net charge-offs as a percentage of average loans and acceptances	1.43%	(0.15%)	0.91%	1.34%	0.75%	0.22%	2.12%	2.72%	2.42%	0.77%	0.47%	0.77%	1.91%	0.77%	0.16%

¹Includes losses recorded on equity linked notes of \$23 million in Q2/04 and a cumulative gain on equity linked notes of \$30 million in Q1/04.

²Includes costs of Rabobank settlement in Q1/04.

³Includes income taxes and non-controlling interest.

⁴Includes \$74 million after-tax cost of Rabobank settlement in Q1/04.

⁵After-tax amount. Excludes goodwill.

RESULTS BY BUSINESS SEGMENT

(C\$ MM)

RBC Global Services
Transaction Processing
Income Statement

	Q2/04	Q1/04	Q4/03	Q3/03	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	2004 6 months	2003 6 months	2003	2002	2001	2000
Net interest income	40	45	41	42	36	45	33	36	33	85	81	164	136	148	160
Non-interest income	189	175	175	176	162	167	170	176	166	364	329	680	672	710	691
Total revenues	229	220	216	218	198	212	203	212	199	449	410	844	808	858	851
Allocated specific provision for credit losses	3	-	-	-	(2)	-	(3)	(2)	(3)	3	(2)	(2)	(10)	2	21
General provision for credit losses	-	14	-	-	-	-	-	-	-	14	-	-	-	-	-
Non-interest expense	(154)	(155)	(159)	(149)	(143)	(144)	(137)	(140)	(137)	(309)	(287)	(595)	(548)	(485)	(547)
Other ¹	(22)	(22)	(13)	(20)	(16)	(20)	(19)	(21)	(19)	(44)	(36)	(69)	(77)	(109)	(140)
Net income - total	56	57	44	49	37	48	44	49	40	113	85	178	173	266	185
- U.S. (included in total)	2	4	2	2	1	2	1	2	4	6	3	7	9	17	n/a
Contribution to total RBC net income	7%	7%	5%	6%	5%	6%	6%	7%	6%	7%	6%	6%	6%	11%	8%
ROE	35.6%	36.6%	27.0%	30.4%	23.2%	30.2%	29.6%	32.4%	27.1%	36.1%	26.7%	27.7%	28.7%	49.3%	39.5%

Average Balances

Assets	2,000	1,900	1,800	1,900	2,000	2,300	2,500	2,400	2,400	2,000	2,100	2,000	2,400	2,400	1,600
Loans and acceptances	1,400	1,300	1,200	1,300	1,400	1,700	1,900	1,900	1,800	1,300	1,500	1,400	1,900	2,000	1,200
Deposits	12,100	11,900	11,600	11,300	10,700	10,900	8,700	8,100	8,200	12,000	10,800	11,100	8,300	7,700	7,600
Common equity	650	600	650	650	650	600	600	600	600	600	650	650	600	500	400

Other Statistics

Net interest margin	8.13%	9.42%	9.04%	8.77%	7.38%	7.76%	5.24%	5.95%	5.64%	8.55%	7.78%	8.20%	5.67%	6.17%	10.00%
Amortization of other intangibles ²	-	-	1	-	-	-	1	-	-	-	-	1	1	-	-
Number of employees (FTE)	2,489	2,488	2,550	2,601	2,556	2,582	2,571	2,552	2,503	2,489	2,556	2,550	2,571	2,557	2,425

Credit Quality

Nonaccrual loans															
Domestic	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
U.S. and Other International	1	20	19	21	22	29	30	28	31	1	22	19	30	8	15
Total nonaccrual loans	1	20	19	21	22	29	30	28	31	1	22	19	30	8	15
Total net charge-offs - International	7	-	-	-	5	-	(1)	-	-	7	5	5	(1)	7	2
Net charge-offs as a percentage of average loans and acceptances	2.03%	-	-	-	1.46%	-	(0.21%)	-	-	1.08%	0.67%	0.36%	(0.05%)	0.35%	0.17%

¹Includes income taxes and non-controlling interest.

²After-tax amount. Excludes goodwill.

RESULTS BY BUSINESS SEGMENT

(C\$ MM)

Other
Income Statement

	Q2/04	Q1/04	Q4/03	Q3/03	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	2004 6 months	2003 6 months	2003	2002	2001	2000
Net interest income	(52)	(31)	(45)	(11)	26	51	65	84	62	(83)	77	21	273	8	(44)
Non-interest income	61	(28)	119	38	57	16	16	(5)	75	33	73	230	101	25	12
Total revenues	9	(59)	74	27	83	67	81	79	137	(50)	150	251	374	33	(32)
Allocated specific provision for credit losses	10	10	7	7	7	7	8	7	7	20	14	28	35	20	27
General provision for credit losses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-interest expense	(8)	(3)	(14)	1	5	15	(42)	9	20	(11)	20	7	(6)	(79)	(10)
Other ¹	(21)	8	(4)	(39)	(14)	(56)	(4)	(50)	(77)	(13)	(70)	(113)	(199)	(9)	(44)
Net income - total	(10)	(44)	63	(4)	81	33	43	45	87	(54)	114	173	204	(35)	(59)
- U.S. (included in total)	(3)	(10)	(1)	(2)	-	-	(3)	-	-	(13)	-	(3)	(3)	-	n/a
Contribution to total RBC net income	-	(6%)	8%	-	12%	4%	6%	6%	12%	(3%)	7%	5%	7%	(1%)	(3%)
ROE	(1.4%)	(7.1%)	10.4%	(0.8%)	14.9%	6.3%	14.0%	14.0%	47.2%	(3.8%)	10.9%	7.7%	25.0%	(5.3%)	(3.7%)

Average Balances

Assets	11,900	13,600	17,900	6,300	11,800	9,400	8,500	9,400	14,900	12,600	11,000	11,800	10,100	9,100	10,700
Loans and acceptances	(1,900)	(3,000)	(2,700)	(1,700)	(2,000)	(1,900)	(2,200)	(2,200)	(2,100)	(2,400)	(1,900)	(2,100)	(2,200)	(300)	(900)
Deposits	17,200	12,700	11,600	12,800	14,900	14,200	14,200	13,700	13,700	14,900	14,600	13,500	13,900	13,100	13,300
Common equity	3,450	2,600	2,300	2,350	2,200	1,950	1,150	1,250	750	3,000	2,050	2,200	800	800	1,800

Other Statistics

Net interest margin	(1.78%)	(0.91%)	(1.00%)	(0.69%)	0.90%	2.15%	3.03%	3.55%	1.71%	(1.31%)	1.41%	0.18%	2.70%	0.09%	(0.41%)
Amortization of other intangibles ²	(2)	-	-	2	(1)	1	(1)	1	1	(2)	-	2	2	-	-
Number of employees (FTE)	4,697	4,689	4,528	4,569	4,480	4,448	4,384	4,364	4,261	4,697	4,480	4,528	4,384	4,117	4,149

Credit Quality

Nonaccrual loans															
Domestic	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
U.S. and Other International	-	-	-	-	-	-	-	33	30	-	-	-	-	31	28
Total nonaccrual loans	-	-	-	-	-	-	-	33	30	-	-	-	-	31	28
Total net charge-offs ³	(10)	(10)	(9)	(7)	(7)	(6)	26	(7)	(8)	(20)	(13)	(29)	1	(24)	(27)
Net charge-offs as a percentage of average loans and acceptances	2.14%	1.33%	1.32%	1.63%	1.44%	1.25%	(4.69%)	1.26%	1.56%	1.68%	1.38%	1.38%	(0.05%)	8.00%	3.00%

¹Includes income taxes and non-controlling interest.

²After-tax amount. Excludes goodwill.

³Charge-offs are impacted by securitizations. In Q4/02, included \$33 million for LDC loans.

RESULTS BY BUSINESS SEGMENT

(C\$ MM)

Total
Income Statement

	Q2/04	Q1/04	Q4/03	Q3/03	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	2004 6 months	2003 6 months	2003	2002	2001	2000
Net interest income	1,557	1,645	1,586	1,639	1,620	1,711	1,724	1,685	1,661	3,202	3,331	6,556	6,869	6,291	5,195
Non-interest income	2,795	2,550	2,663	2,663	2,441	2,624	2,542	2,512	2,632	5,345	5,065	10,391	10,191	9,514	7,536
Total revenues	4,352	4,195	4,249	4,302	4,061	4,335	4,266	4,197	4,293	8,547	8,396	16,947	17,060	15,805	12,731
Provision for credit losses (PCL)															
Allocated specific provision for credit losses	(153)	(122)	(137)	(167)	(211)	(200)	(235)	(216)	(328)	(275)	(411)	(715)	(1,065)	(1,049)	(571)
General provision for credit losses	-	150	-	-	-	-	-	-	-	150	-	-	-	(70)	(120)
Insurance policyholder benefits, claims and acquisition expense	(343)	(330)	(386)	(335)	(312)	(371)	(355)	(336)	(381)	(673)	(683)	(1,404)	(1,330)	(1,153)	(772)
Non-interest expense ¹	(2,729)	(2,781)	(2,582)	(2,581)	(2,514)	(2,559)	(2,601)	(2,515)	(2,519)	(5,510)	(5,073)	(10,236)	(10,244)	(9,641)	(7,628)
Other ²	(353)	(319)	(340)	(443)	(335)	(438)	(343)	(408)	(355)	(672)	(773)	(1,556)	(1,523)	(1,457)	(1,432)
Net income - total	774	793	804	776	689	767	732	722	710	1,567	1,456	3,036	2,898	2,435	2,208
- U.S. (included in total)	69	(33)	86	91	81	105	64	101	2	36	186	363	197	(148)	71
ROE	17.3%	18.1%	18.0%	17.4%	15.4%	16.9%	16.3%	16.1%	16.8%	17.7%	16.2%	17.0%	16.6%	16.6%	19.3%

Average Balances

	Q2/04	Q1/04	Q4/03	Q3/03	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	2004 6 months	2003 6 months	2003	2002	2001	2000
Assets	457,100	432,000	406,500	402,400	399,700	397,400	382,300	367,500	371,200	444,400	399,000	402,000	371,800	331,700	284,200
Loans and acceptances	192,700	178,900	178,200	174,400	176,000	177,000	176,000	172,700	175,100	185,700	176,500	176,500	175,400	171,400	160,000
Deposits	267,300	262,000	252,300	251,500	248,700	254,100	248,800	238,600	239,500	264,600	251,500	251,700	242,300	221,400	196,100
Common equity	17,900	17,150	17,450	17,450	17,700	17,500	17,200	17,150	16,750	17,550	17,600	17,500	16,900	13,900	10,700

Other Statistics

	Q2/04	Q1/04	Q4/03	Q3/03	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	2004 6 months	2003 6 months	2003	2002	2001	2000
Net interest margin (average assets)	1.39%	1.51%	1.55%	1.62%	1.66%	1.71%	1.79%	1.82%	1.84%	1.45%	1.68%	1.63%	1.85%	1.90%	1.83%
Amortization of other intangibles ³	18	13	13	13	16	17	17	16	14	31	33	59	64	36	11
Number of employees (FTE)															
- Canada	44,829	45,022	44,950	45,361	44,821	44,880	44,639	44,570	43,989	44,829	44,821	44,950	44,639	44,384	44,256
- U.S.	12,248	11,964	12,159	11,512	11,028	11,124	11,104	11,375	11,213	12,248	11,028	12,159	11,104	9,508	1,650
- Other	3,698	3,687	3,703	3,748	3,726	3,766	3,806	3,843	3,561	3,698	3,726	3,703	3,806	3,676	3,326
- Total	60,775	60,673	60,812	60,621	59,575	59,770	59,549	59,788	58,763	60,775	59,575	60,812	59,549	57,568	49,232

Credit Quality

	Q2/04	Q1/04	Q4/03	Q3/03	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	2004 6 months	2003 6 months	2003	2002	2001	2000
Nonaccrual loans															
Domestic - Residential mortgages	105	108	110	101	102	103	102	106	128	105	102	110	102	142	185
- Personal	205	207	213	229	241	260	275	286	296	205	241	213	275	310	247
- Commercial	452	477	471	454	508	499	534	588	618	452	508	471	534	661	593
- Corporate	212	228	270	312	450	350	361	367	419	212	450	270	361	510	344
U.S. and Other International	664	776	681	803	862	1,162	1,016	1,024	1,068	664	862	681	1,016	842	309
Total nonaccrual loans	1,638	1,796	1,745	1,899	2,163	2,374	2,288	2,371	2,529	1,638	2,163	1,745	2,288	2,465	1,678
Net charge-offs															
Domestic - Residential mortgages	1	1	1	2	2	1	2	3	3	2	3	6	11	15	11
- Personal	118	93	97	106	134	94	92	114	119	211	228	431	448	454	430
- Commercial	24	16	36	35	28	16	53	44	50	40	44	115	192	194	180
- Corporate	19	(32)	18	32	-	-	15	44	7	(13)	-	50	66	44	(3)
U.S. and Other International	113	40	59	52	64	29	168	144	167	153	93	204	542	233	59
Total net charge-offs	275	118	211	227	228	140	330	349	346	393	368	806	1,259	940	677
Net charge-offs as a percentage of average loans and acceptances	0.58%	0.26%	0.47%	0.52%	0.53%	0.31%	0.74%	0.80%	0.81%	0.43%	0.42%	0.46%	0.72%	0.55%	0.42%

¹Q1/04 non-interest expense includes Rabobank settlement costs.

²Includes income taxes and non-controlling interest.

³After-tax amount. Excludes goodwill.

RESULTS BY GEOGRAPHIC
SEGMENT

(C\$ MM)

	Q2/04	Q1/04	Q4/03	Q3/03	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	2004 6 months	2003 6 months	2003	2002	2001
Canada														
Net interest income	1,202	1,290	1,216	1,287	1,245	1,357	1,372	1,328	1,308	2,492	2,602	5,105	5,407	5,493
Non-interest income	1,480	1,307	1,379	1,349	1,206	1,245	1,058	1,132	1,337	2,787	2,451	5,179	4,791	5,267
Total revenues	2,682	2,597	2,595	2,636	2,451	2,602	2,430	2,460	2,645	5,279	5,053	10,284	10,198	10,760
Allocated specific provision for credit losses	(127)	(79)	(107)	(130)	(181)	(103)	(84)	(142)	(151)	(206)	(284)	(521)	(529)	(689)
General provision for credit losses	-	71	-	-	-	-	-	-	-	71	-	-	-	(68)
Insurance policyholder benefits, claims and acquisition expense	(141)	(152)	(141)	(116)	(115)	(171)	(64)	(56)	(111)	(293)	(286)	(543)	(356)	(337)
Non-interest expense	(1,606)	(1,464)	(1,457)	(1,495)	(1,442)	(1,428)	(1,429)	(1,425)	(1,425)	(3,070)	(2,870)	(5,822)	(5,748)	(6,214)
Other ¹	(289)	(331)	(305)	(378)	(264)	(363)	(312)	(344)	(371)	(620)	(627)	(1,310)	(1,418)	(1,499)
Net income	519	642	585	517	449	537	541	493	587	1,161	986	2,088	2,147	1,953
U.S.														
Net interest income	230	249	277	294	302	314	299	281	265	479	616	1,187	1,106	371
Non-interest income	908	852	827	848	791	904	963	900	845	1,760	1,695	3,370	3,643	2,737
Total revenues	1,138	1,101	1,104	1,142	1,093	1,218	1,262	1,181	1,110	2,239	2,311	4,557	4,749	3,108
Allocated specific provision for credit losses	(22)	(54)	(25)	(27)	(13)	(43)	(105)	(52)	(152)	(76)	(56)	(108)	(440)	(377)
General provision for credit losses	-	54	-	-	-	2	-	-	-	54	2	2	-	(2)
Insurance policyholder benefits, claims and acquisition expense	(103)	(111)	(97)	(105)	(79)	(95)	(119)	(88)	(88)	(214)	(174)	(376)	(394)	(230)
Non-interest expense	(909)	(1,073)	(858)	(868)	(867)	(911)	(958)	(881)	(891)	(1,982)	(1,778)	(3,504)	(3,668)	(2,712)
Other ¹	(35)	50	(38)	(51)	(53)	(66)	(16)	(59)	23	15	(119)	(208)	(50)	65
Net income	69	(33)	86	91	81	105	64	101	2	36	186	363	197	(148)
Other International														
Net interest income	125	106	93	58	73	40	53	76	88	231	113	264	356	427
Non-interest income	407	391	457	466	444	475	521	480	450	798	919	1,842	1,757	1,510
Total revenues	532	497	550	524	517	515	574	556	538	1,029	1,032	2,106	2,113	1,937
Allocated specific provision for credit losses	(4)	11	(5)	(10)	(17)	(54)	(46)	(22)	(25)	7	(71)	(86)	(96)	17
General provision for credit losses	-	25	-	-	-	(2)	-	-	-	25	(2)	(2)	-	-
Insurance policyholder benefits, claims and acquisition expense	(99)	(67)	(148)	(114)	(118)	(105)	(172)	(192)	(182)	(166)	(223)	(485)	(580)	(586)
Non-interest expense	(214)	(244)	(267)	(218)	(205)	(220)	(214)	(209)	(203)	(458)	(425)	(910)	(828)	(715)
Other ¹	(29)	(38)	3	(14)	(18)	(9)	(15)	(5)	(7)	(67)	(27)	(38)	(55)	(23)
Net income	186	184	133	168	159	125	127	128	121	370	284	585	554	630
Total														
Net interest income	1,557	1,645	1,586	1,639	1,620	1,711	1,724	1,685	1,661	3,202	3,331	6,556	6,869	6,291
Non-interest income	2,795	2,550	2,663	2,663	2,441	2,624	2,542	2,512	2,632	5,345	5,065	10,391	10,191	9,514
Total revenues	4,352	4,195	4,249	4,302	4,061	4,335	4,266	4,197	4,293	8,547	8,396	16,947	17,060	15,805
Allocated specific provision for credit losses	(153)	(122)	(137)	(167)	(211)	(200)	(235)	(216)	(328)	(275)	(411)	(715)	(1,065)	(1,049)
General provision for credit losses	-	150	-	-	-	-	-	-	-	150	-	-	-	(70)
Insurance policyholder benefits, claims and acquisition expense	(343)	(330)	(386)	(335)	(312)	(371)	(355)	(336)	(381)	(673)	(683)	(1,404)	(1,330)	(1,153)
Non-interest expense	(2,729)	(2,781)	(2,582)	(2,581)	(2,514)	(2,559)	(2,601)	(2,515)	(2,519)	(5,510)	(5,073)	(10,236)	(10,244)	(9,641)
Other ¹	(353)	(319)	(340)	(443)	(335)	(438)	(343)	(408)	(355)	(672)	(773)	(1,556)	(1,523)	(1,457)
Net income	774	793	804	776	689	767	732	722	710	1,567	1,456	3,036	2,898	2,435

¹Includes non-controlling interest and income taxes.

CASH BASIS MEASURES ¹

(C\$ MM)

	<u>Q2/04</u>	<u>Q1/04</u>	<u>Q4/03</u>	<u>Q3/03</u>	<u>Q2/03</u>	<u>Q1/03</u>	<u>Q4/02</u>	<u>Q3/02</u>	<u>Q2/02</u>	<u>2004</u> <u>6 months</u>	<u>2003</u> <u>6 months</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
RBC Banking															
Net income	344	429	379	414	349	412	402	393	362	773	761	1,554	1,546	1,174	1,064
After-tax impact of goodwill and other intangibles ²	10	9	8	8	13	12	12	12	10	19	25	41	48	80	9
Cash net income	354	438	387	422	362	424	414	405	372	792	786	1,595	1,594	1,254	1,073
Cash ROE	20.6%	25.0%	20.9%	23.1%	19.5%	22.1%	20.4%	20.6%	18.9%	22.8%	20.8%	21.4%	19.9%	18.0%	19.6%
RBC Investments															
Net income	140	140	126	113	69	104	96	84	78	280	173	412	346	508	413
After-tax impact of goodwill and other intangibles ²	9	4	4	3	4	4	4	3	3	13	8	15	12	118	24
Cash net income	149	144	130	116	73	108	100	87	81	293	181	427	358	626	437
Cash ROE	23.7%	21.9%	19.6%	17.3%	10.4%	15.3%	12.7%	11.1%	10.5%	22.8%	12.9%	15.6%	11.5%	33.5%	50.8%
RBC Insurance															
Net income	65	61	61	57	56	54	51	49	48	126	110	228	190	173	103
After-tax impact of goodwill and other intangibles ²	-	-	-	-	-	-	-	-	-	-	-	-	-	15	-
Cash net income	65	61	61	57	56	54	51	49	48	126	110	228	190	188	103
Cash ROE	27.0%	23.9%	26.4%	24.4%	28.6%	26.8%	26.7%	26.6%	26.6%	25.4%	27.7%	26.4%	25.7%	21.9%	39.4%
RBC Capital Markets															
Net income	179	150	131	147	97	116	96	102	95	329	213	491	439	349	502
After-tax impact of goodwill and other intangibles ²	1	-	-	-	-	-	1	-	-	1	-	-	1	41	25
Cash net income	180	150	131	147	97	116	97	102	95	330	213	491	440	390	527
Cash ROE	21.1%	17.2%	13.5%	15.9%	9.8%	11.1%	9.3%	9.6%	9.4%	19.1%	10.5%	12.6%	10.5%	11.0%	22.0%
RBC Global Services															
Net income	56	57	44	49	37	48	44	49	40	113	85	178	173	266	185
After-tax impact of goodwill and other intangibles ²	-	-	1	-	-	-	1	-	-	-	-	1	1	8	8
Cash net income	56	57	45	49	37	48	45	49	40	113	85	179	174	274	193
Cash ROE	35.9%	36.8%	27.2%	30.6%	23.4%	30.3%	29.7%	32.5%	27.3%	36.3%	26.9%	27.9%	28.8%	50.8%	39.5%
Other															
Net income	(10)	(44)	63	(4)	81	33	43	45	87	(54)	114	173	204	(35)	(59)
After-tax impact of goodwill and other intangibles ²	(2)	-	-	2	(1)	1	(1)	1	1	(2)	-	2	2	24	22
Cash net income	(12)	(44)	63	(2)	80	34	42	46	88	(56)	114	175	206	(11)	(37)
Cash ROE	(1.5%)	(7.1%)	10.4%	(0.8%)	14.8%	6.3%	14.0%	14.0%	47.7%	(3.9%)	10.8%	7.7%	25.2%	(2.5%)	(2.4%)

¹Cash basis measures are defined on page 1.

²As a result of adopting FASB standards on Business Combinations (FAS 141) and Goodwill and Other Intangible Assets (FAS 142), effective 2002, goodwill is no longer amortized as impairment testing takes place on an annual basis.

CASH BASIS MEASURES ¹

(C\$ MM)

	<u>Q2/04</u>	<u>Q1/04</u>	<u>Q4/03</u>	<u>Q3/03</u>	<u>Q2/03</u>	<u>Q1/03</u>	<u>Q4/02</u>	<u>Q3/02</u>	<u>Q2/02</u>	<u>2004</u> <u>6 months</u>	<u>2003</u> <u>6 months</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Total Bank															
Net income	774	793	804	776	689	767	732	722	710	1,567	1,456	3,036	2,898	2,435	2,208
After-tax impact of goodwill and other intangibles ²	18	13	13	13	16	17	17	16	14	31	33	59	64	286	88
Cash net income	792	806	817	789	705	784	749	738	724	1,598	1,489	3,095	2,962	2,721	2,296
Preferred dividends	(11)	(11)	(11)	(12)	(22)	(23)	(24)	(25)	(24)	(22)	(45)	(68)	(98)	(135)	(134)
Cash net income available to common shareholders	781	795	806	777	683	761	725	713	700	1,576	1,444	3,027	2,864	2,586	2,162
Profitability measures															
EPS - diluted	\$1.16	\$1.19	\$1.19	\$1.14	\$0.99	\$1.10	\$1.05	\$1.02	\$1.01	\$2.34	\$2.10	\$4.43	\$4.12	\$3.55	\$3.40
After-tax impact of goodwill and other intangibles ²	\$0.03	\$0.02	\$0.02	\$0.02	\$0.03	\$0.03	\$0.02	\$0.03	\$0.02	\$0.05	\$0.05	\$0.09	\$0.10	\$0.45	\$0.15
Cash EPS - diluted	\$1.19	\$1.21	\$1.21	\$1.16	\$1.02	\$1.13	\$1.07	\$1.05	\$1.03	\$2.39	\$2.15	\$4.52	\$4.22	\$4.00	\$3.55
Cash ROE	17.8%	18.5%	18.3%	17.6%	15.8%	17.2%	16.7%	16.5%	17.1%	18.1%	16.6%	17.3%	17.0%	18.6%	20.2%
Canada															
Net income	519	642	585	517	449	537	541	493	587	1,161	986	2,088	2,147	1,953	1,623
After-tax impact of goodwill and other intangibles ²	1	2	3	4	2	-	-	1	6	3	2	9	11	119	70
Cash net income	520	644	588	521	451	537	541	494	593	1,164	988	2,097	2,158	2,072	1,693
U.S.															
Net income	69	(33)	86	91	81	105	64	101	2	36	186	363	197	(148)	71
After-tax impact of goodwill and other intangibles ²	13	8	7	7	12	14	13	11	8	21	26	40	44	154	7
Cash net income	82	(25)	93	98	93	119	77	112	10	57	212	403	241	6	78
Other International															
Net income	186	184	133	168	159	125	127	128	121	370	284	585	554	630	514
After-tax impact of goodwill and other intangibles ²	4	3	3	2	2	3	4	4	-	7	5	10	9	13	11
Cash net income	190	187	136	170	161	128	131	132	121	377	289	595	563	643	525

¹Cash basis measures are defined on page 1.

²As a result of adopting FASB standards on Business Combinations (FAS 141) and Goodwill and Other Intangible Assets (FAS 142), effective 2002, goodwill is no longer amortized as impairment testing takes place on an annual basis.

ECONOMIC PROFIT¹

(C\$ MM)

	<u>Q2/04</u>	<u>Q1/04</u>	<u>Q4/03</u>	<u>Q3/03</u>	<u>Q2/03</u>	<u>Q1/03</u>	<u>Q4/02</u>	<u>Q3/02</u>	<u>Q2/02</u>	<u>2004</u> <u>6 months</u>	<u>2003</u> <u>6 months</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
RBC Banking															
Net income	344	429	379	414	349	412	402	393	362	773	761	1,554	1,546	1,174	1,064
Attributed preferred dividends	(9)	(9)	(9)	(9)	(9)	(9)	(10)	(10)	(10)	(18)	(18)	(36)	(40)	(73)	(56)
Net income available to common shareholders	335	420	370	405	340	403	392	383	352	755	743	1,518	1,506	1,101	1,008
Special items ²	-	-	-	-	-	-	-	-	-	-	-	-	-	96	-
Amortization of goodwill and other intangibles	10	9	8	8	13	12	12	12	10	19	25	41	48	80	9
Capital charge ³	(170)	(174)	(183)	(182)	(181)	(218)	(227)	(221)	(239)	(344)	(399)	(764)	(940)	(858)	(699)
Economic Profit	175	255	195	231	172	197	177	174	123	430	369	795	614	419	318
RBC Investments															
Net income	140	140	126	113	69	104	96	84	78	280	173	412	346	508	413
Attributed preferred dividends	(3)	(3)	(3)	(3)	(3)	(3)	(4)	(4)	(4)	(6)	(6)	(12)	(16)	(20)	(8)
Net income available to common shareholders	137	137	123	110	66	101	92	80	74	274	167	400	330	488	405
Special items ²	-	-	-	-	-	-	-	-	-	-	-	-	-	(274)	-
Amortization of goodwill and other intangibles	9	4	4	3	4	4	4	3	3	13	8	15	12	118	24
Capital charge ³	(63)	(65)	(66)	(66)	(67)	(79)	(87)	(86)	(90)	(128)	(146)	(278)	(356)	(235)	(120)
Economic Profit	83	76	61	47	3	26	9	(3)	(13)	159	29	137	(14)	97	309
RBC Insurance															
Net income	65	61	61	57	56	54	51	49	48	126	110	228	190	173	103
Attributed preferred dividends	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(2)	(2)	(4)	(4)	(8)	(4)
Net income available to common shareholders	64	60	60	56	55	53	50	48	47	124	108	224	186	165	99
Special items ²	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization of goodwill and other intangibles	-	-	-	-	-	-	-	-	-	-	-	-	-	15	-
Capital charge ³	(24)	(26)	(25)	(23)	(19)	(22)	(22)	(20)	(22)	(50)	(41)	(89)	(86)	(108)	(32)
Economic Profit	40	34	35	33	36	31	28	28	25	74	67	135	100	72	67
RBC Capital Markets															
Net income	179	150	131	147	97	116	96	102	95	329	213	491	439	349	502
Attributed preferred dividends	(4)	(4)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(8)	(10)	(20)	(20)	(37)	(26)
Net income available to common shareholders	175	146	126	142	92	111	91	97	90	321	203	471	419	312	476
Special items ²	-	-	-	-	-	-	-	-	-	-	-	-	-	27	-
Amortization of goodwill and other intangibles	1	-	-	-	-	-	1	-	-	1	-	-	1	41	25
Capital charge ³	(85)	(86)	(92)	(92)	(97)	(115)	(113)	(116)	(118)	(171)	(212)	(396)	(475)	(424)	(307)
Economic Profit	91	60	34	50	(5)	(4)	(21)	(19)	(28)	151	(9)	75	(55)	(44)	194
RBC Global Services															
Net income	56	57	44	49	37	48	44	49	40	113	85	178	173	266	185
Attributed preferred dividends	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(2)	(2)	(4)	(4)	(4)	(4)
Net income available to common shareholders	55	56	43	48	36	47	43	48	39	111	83	174	169	262	181
Special items ²	-	-	-	-	-	-	-	-	-	-	-	-	-	(77)	-
Amortization of goodwill and other intangibles	-	-	1	-	-	-	1	-	-	-	-	1	1	8	8
Capital charge ³	(15)	(15)	(17)	(15)	(15)	(18)	(16)	(17)	(18)	(30)	(33)	(65)	(70)	(71)	(66)
Economic Profit	40	41	27	33	21	29	28	31	21	81	50	110	100	122	123
Other															
Net income	(10)	(44)	63	(4)	81	33	43	45	87	(54)	114	173	204	(35)	(59)
Attributed preferred dividends	7	7	8	7	(3)	(4)	(3)	(4)	(3)	14	(7)	8	(14)	7	(36)
Net income available to common shareholders	(3)	(37)	71	3	78	29	40	41	84	(40)	107	181	190	(28)	(95)
Special items ²	-	-	-	-	-	-	-	-	-	-	-	-	-	24	-
Amortization of goodwill and other intangibles	(2)	-	-	2	(1)	1	(1)	1	1	(2)	-	2	2	24	22
Capital charge ³	(83)	(65)	(57)	(62)	(53)	(56)	(34)	(37)	(25)	(148)	(109)	(228)	(99)	(103)	(224)
Economic Profit	(88)	(102)	14	(57)	24	(26)	5	5	60	(190)	(2)	(45)	93	(83)	(297)
Total Bank															
Net income	774	793	804	776	689	767	732	722	710	1,567	1,456	3,036	2,898	2,435	2,208
Attributed preferred dividends	(11)	(11)	(11)	(12)	(22)	(23)	(24)	(25)	(24)	(22)	(45)	(68)	(98)	(135)	(134)
Net income available to common shareholders	763	782	793	764	667	744	708	697	686	1,545	1,411	2,968	2,800	2,300	2,074
Special items ²	-	-	-	-	-	-	-	-	-	-	-	-	-	(204)	-
Amortization of goodwill and other intangibles	18	13	13	13	16	17	17	16	14	31	33	59	64	286	88
Capital charge ³	(440)	(431)	(440)	(440)	(432)	(508)	(499)	(497)	(512)	(871)	(940)	(1,820)	(2,026)	(1,799)	(1,448)
Economic Profit	341	364	366	337	251	253	226	216	188	705	504	1,207	838	583	714
Cost of Equity	10.0%	10.0%	10.0%	10.0%	10.0%	11.5%	11.5%	11.5%	12.5%	10.0%	10.8%	10.4%	12.0%	12.9%	13.5%

¹Economic Profit is defined on page 1.

²Special items in 2001 are detailed on page 27.

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
(C\$ MM)**

Net interest income

	<u>Q2/04</u>	<u>Q1/04</u>	<u>Q4/03</u>	<u>Q3/03</u>	<u>Q2/03</u>	<u>Q1/03</u>	<u>Q4/02</u>	<u>Q3/02</u>	<u>Q2/02</u>
Net interest income	1,557	1,645	1,586	1,639	1,620	1,711	1,724	1,685	1,661
Net interest income as a % of average assets	1.39%	1.51%	1.55%	1.62%	1.66%	1.71%	1.79%	1.82%	1.84%
Net interest income as a % of average earning assets	1.71%	1.85%	1.86%	1.95%	2.01%	2.04%	2.14%	2.14%	2.19%

<u>2004</u> 6 months	<u>2003</u> 6 months	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
3,202	3,331	6,556	6,869	6,291	5,195
1.45%	1.68%	1.63%	1.85%	1.90%	1.83%
1.78%	2.02%	1.97%	2.20%	2.22%	2.10%

REVENUE FROM TRADING ACTIVITIES

Total trading revenues

Net interest income	21	84	36	-	10	27	2	15	38
Non-interest income	430	441	441	543	481	544	486	440	384
Total	451	525	477	543	491	571	488	455	422

105	37	73	127	(68)	(365)
871	1,025	2,009	1,766	1,820	1,540
976	1,062	2,082	1,893	1,752	1,175

Trading revenues by product

Equity	147	152	159	141	128	186	184	192	172
Fixed income and money markets	232	299	253	333	276	305	245	184	190
Foreign exchange contracts ¹	72	74	65	69	87	80	59	79	60
Total	451	525	477	543	491	571	488	455	422

299	314	614	753	684	495
531	581	1,167	876	726	378
146	167	301	264	342	302
976	1,062	2,082	1,893	1,752	1,175

INTEREST RATE SENSITIVITY POSITION²

After tax impact of 1% increase in rates on:

Net interest income using simulation	74	84	73	92	79	57	61	60	27
Common shareholders' equity	(282)	(282)	(269)	(285)	(219)	(243)	(181)	(193)	(228)

After tax impact of 1% decrease in rates on:

Net interest income using simulation	(66)	(89)	(80)	(97)	(87)	(92)	(89)	(91)	(68)
Common shareholders' equity	169	173	166	154	92	121	85	122	130

¹Includes commodity and precious metals.

²Incorporates 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.

NON-INTEREST INCOME

(C\$ MM)

	<u>Q2/04</u>	<u>Q1/04</u>	<u>Q4/03</u>	<u>Q3/03</u>	<u>Q2/03</u>	<u>Q1/03</u>	<u>Q4/02</u>	<u>Q3/02</u>	<u>Q2/02</u>	<u>2004</u> <u>6 months</u>	<u>2003</u> <u>6 months</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Deposit & payment service charges:															
Deposit accounts	199	193	199	202	196	214	206	203	192	392	410	811	800	689	569
Other payment services	70	64	69	68	65	65	69	59	58	134	130	267	241	198	187
	269	257	268	270	261	279	275	262	250	526	540	1,078	1,041	887	756
Insurance premiums, investment and fee income	516	498	548	505	466	526	527	475	518	1,014	992	2,045	1,910	1,695	1,019
Underwriting and other advisory fees	233	181	201	197	143	130	157	174	145	414	273	671	643	478	600
Securities brokerage commissions	365	347	285	299	254	270	269	290	326	712	524	1,108	1,223	1,045	938
Trading revenues	430	441	441	543	481	544	486	440	384	871	1,025	2,009	1,766	1,820	1,540
Investment management and custodial fees	323	303	306	278	278	281	278	314	298	626	559	1,143	1,177	1,094	857
Mutual fund revenues	214	202	175	168	161	169	170	188	183	416	330	673	723	692	624
Card service revenues	72	72	85	82	63	73	74	78	61	144	136	303	285	290	420
Foreign exchange revenues, other than trading	112	73	75	75	63	66	68	75	66	185	129	279	274	291	299
Credit fees	55	50	43	58	63	63	52	57	53	105	126	227	223	237	212
Securitization revenues	56	63	61	29	41	34	45	38	57	119	75	165	172	125	104
Gain (loss) on sale of available for sale securities	18	7	13	(11)	47	(30)	(113)	(11)	16	25	17	19	(112)	(130)	(16)
Gain from divestitures ¹	-	-	-	-	-	-	-	-	-	-	-	-	-	445	-
Gain (loss) on disposal of premises and equip. ²	26	-	(3)	-	(2)	-	(7)	7	7	26	(2)	(5)	15	22	(16)
Mortgage banking revenues ³	46	2	(12)	63	59	70	57	55	55	48	129	180	240	206	-
Other ⁴	60	54	177	107	63	149	204	70	213	114	212	496	611	317	199
Total	2,795	2,550	2,663	2,663	2,441	2,624	2,542	2,512	2,632	5,345	5,065	10,391	10,191	9,514	7,536
Non-interest income as a % of total revenues	64.2%	60.8%	62.7%	61.9%	60.1%	60.5%	59.6%	59.9%	61.3%	62.5%	60.3%	61.3%	59.7%	60.2%	59.2%

SECURITIES BROKERAGE COMMISSIONS

Retail full-service brokerage	271	263	211	222	184	197	187	215	249	511	381	814	917	946	793
Institutional brokerage ⁵	65	55	50	57	54	52	65	59	56	143	106	213	230		
Self-directed brokerage	29	29	24	20	16	21	17	16	21	58	37	81	76	99	145
Total	365	347	285	299	254	270	269	290	326	712	524	1,108	1,223	1,045	938

**ASSETS UNDER ADMINISTRATION
AND UNDER MANAGEMENT**

Institutional	1,227,600	1,202,700	1,133,400	1,091,100	1,029,300	1,083,200	1,005,000	1,034,400	1,051,200	1,227,600	1,029,300	1,133,400	1,005,000	970,200	932,800
Personal	355,100	336,400	314,700	317,400	305,000	316,900	326,700	343,300	353,700	355,100	305,000	314,700	326,700	337,500	207,200
Retail mutual funds	37,500	36,600	35,800	35,500	33,900	34,100	34,200	35,400	37,900	37,500	33,900	35,800	34,200	34,800	35,200
Total assets under administration	1,620,200	1,575,700	1,483,900	1,444,000	1,368,200	1,434,200	1,365,900	1,413,100	1,442,800	1,620,200	1,368,200	1,483,900	1,365,900	1,342,500	1,175,200
Institutional	20,600	19,600	20,200	19,800	18,600	19,800	19,100	19,100	19,100	20,600	18,600	20,200	19,100	17,700	36,700
Personal	16,900	17,100	17,700	18,700	20,100	21,000	20,300	22,000	22,100	16,900	20,100	17,700	20,300	36,000	21,500
Retail mutual funds	57,700	55,600	51,000	50,700	50,000	50,800	51,400	53,100	55,000	57,700	50,000	51,000	51,400	46,300	34,100
Total assets under management	95,200	92,300	88,900	89,200	88,700	91,600	90,800	94,200	96,200	95,200	88,700	88,900	90,800	100,000	92,300

¹In 2001, we sold RT Capital Management for a gain of \$313 million (\$251 million after tax). For other special items in 2001 refer to page 27.

²Includes gain of \$27 million in Q2/04 on the sale of our ownership interest in an office complex.

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

⁴Includes net gains (losses) on credit derivatives of \$14 million in Q1/03, \$13 million in Q4/02, \$(51) million in Q3/02 and \$75 million in Q2/02.

⁵Amounts for 2000 & 2001 included in retail full-service brokerage.

NON-INTEREST EXPENSE

(C\$ MM)

	<u>Q2/04</u>	<u>Q1/04</u>	<u>Q4/03</u>	<u>Q3/03</u>	<u>Q2/03</u>	<u>Q1/03</u>	<u>Q4/02</u>	<u>Q3/02</u>	<u>Q2/02</u>	<u>2004</u> 6 months	<u>2003</u> 6 months	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Human resources															
Salaries	814	818	792	805	801	849	812	804	770	1,632	1,650	3,247	3,189	2,747	2,319
Variable compensation	606	546	529	565	479	511	449	550	517	1,152	990	2,084	2,095	2,056	1,839
Acquisition retention compensation	9	13	21	15	18	30	36	34	32	22	48	84	158	176	-
Benefits ¹	273	274	227	224	242	232	212	203	189	547	474	925	783	694	485
Stock compensation ²	21	17	18	12	18	9	3	(12)	21	38	27	57	38	23	52
Total Human resources	1,723	1,668	1,587	1,621	1,558	1,631	1,512	1,579	1,529	3,391	3,189	6,397	6,263	5,696	4,695
Occupancy															
Premises rent	95	89	83	94	90	95	93	93	107	184	185	362	387	348	265
Premises repairs and maintenance	50	50	51	48	45	48	49	43	41	100	93	192	177	184	137
Depreciation	23	23	23	23	24	25	27	27	25	46	49	95	103	91	81
Property taxes	19	17	20	26	20	16	23	23	19	36	36	82	84	73	73
Total Occupancy	187	179	177	191	179	184	192	186	192	366	363	731	751	696	556
Equipment															
Depreciation	66	72	73	71	70	71	70	71	70	138	141	285	285	296	288
Computer rental and maintenance	127	122	114	94	115	100	120	103	99	249	215	423	420	375	340
Office equipment rental and maintenance	19	15	25	21	25	23	20	23	20	34	48	94	84	62	50
Total Equipment	212	209	212	186	210	194	210	197	189	421	404	802	789	733	678
Communications															
Telecommunications	60	65	79	77	79	80	89	88	90	125	159	315	350	283	225
Postage and courier	31	21	24	30	29	30	33	28	30	52	59	113	121	108	170
Marketing and public relations	58	40	62	48	57	45	61	51	51	98	102	212	211	180	173
Stationery and printing	28	24	28	25	28	23	27	26	29	52	51	104	108	108	127
Total Communications	177	150	193	180	193	178	210	193	200	327	371	744	790	679	695
Professional fees	124	97	134	113	106	113	133	100	83	221	219	466	419	411	267
Outsourced item processing	79	69	73	69	76	74	74	74	77	148	150	292	306	303	-
Amortization															
Amortization of goodwill ³	-	-	-	-	-	-	-	-	-	-	-	-	-	252	80
Amortization of other intangibles	21	16	16	16	20	19	20	18	17	37	39	71	72	36	11
Total Amortization	21	16	16	16	20	19	20	18	17	37	39	71	72	288	91
Other															
Business and capital taxes	39	34	36	45	31	32	25	31	36	73	63	144	129	171	134
Travel and relocation	36	30	38	35	33	34	45	37	32	66	67	140	144	121	85
Employee training	10	7	10	9	12	8	16	10	11	17	20	39	46	43	38
Donations	8	12	9	9	9	11	13	9	9	20	20	38	41	35	26
Other ⁴	113	310	97	107	87	81	151	81	144	423	168	372	494	465	363
Total Other	206	393	190	205	172	166	250	168	232	599	338	733	854	835	646
Total non-interest expense	2,729	2,781	2,582	2,581	2,514	2,559	2,601	2,515	2,519	5,510	5,073	10,236	10,244	9,641	7,628

¹Includes pension expense of \$83 million in Q2/04 (\$85 million in Q1/04, and \$60 million in Q2/03).

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

³As a result of adopting FASB standards on Business Combinations (FAS 141) and Goodwill and Other Intangible Assets (FAS 142), effective 2002 goodwill is no longer amortized as impairment testing takes place on an annual basis. In 2001, as part of the reorganization of the Global Private Banking business, a \$38 million write-down of goodwill relating to Connor Clark was recorded.

⁴In Q2/04, includes a \$33 million valuation allowance against certain mortgage loans, and a \$29 million goods and services tax recovery. In Q1/04, includes costs of Rabobank settlement, before a reduction of compensation expenses which were recorded in variable compensation.

BALANCE SHEET

(C\$ MM)

Period-end balances

ASSETS

	Q2/04	Q1/04	Q4/03	Q3/03	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	2004 6 months	2003 6 months	2003	2002	2001	2000
Cash and due from banks	3,763	3,342	2,887	2,474	2,669	3,001	2,534	2,227	1,823	3,763	2,669	2,887	2,534	1,792	947
Interest-bearing deposits with banks	10,026	10,962	8,928	13,066	12,788	11,149	11,486	10,746	12,031	10,026	12,788	8,928	11,486	8,424	10,086
Securities ¹															
Trading account	95,613	94,092	86,719	78,000	81,946	76,711	76,730	74,292	72,353	95,613	81,946	86,719	76,730	65,713	54,202
Available for sale	37,368	37,636	35,783	36,127	29,058	29,031	25,896	23,938	23,898	37,368	29,058	35,783	25,896	22,687	14,634
Total Securities	132,981	131,728	122,502	114,127	111,004	105,742	102,626	98,230	96,251	132,981	111,004	122,502	102,626	88,400	68,836
Assets purchased under reverse repurchase agreements	37,187	32,612	36,289	43,371	38,879	39,396	37,085	37,708	35,883	37,187	38,879	36,289	37,085	37,401	18,303
Loans ¹															
Residential mortgage ²	80,201	78,577	78,819	77,201	74,431	73,417	72,842	70,641	70,118	80,201	74,431	78,819	72,842	67,444	62,984
Personal	36,784	35,129	31,167	30,394	29,758	29,367	29,371	29,635	29,710	36,784	29,758	31,167	29,371	29,901	25,201
Credit card ³	6,739	6,225	4,816	5,625	5,327	5,214	4,914	4,774	4,445	6,739	5,327	4,816	4,914	4,283	4,666
Business and government	66,794	64,262	57,745	58,516	58,809	61,087	63,142	64,004	63,674	66,794	58,809	57,745	63,142	68,018	63,333
Total loans	190,518	184,193	172,547	171,736	168,325	169,085	170,269	169,054	167,947	190,518	168,325	172,547	170,269	169,646	156,184
Allowance for loan losses	(1,739)	(1,846)	(2,055)	(2,156)	(2,226)	(2,267)	(2,203)	(2,218)	(2,338)	(1,739)	(2,226)	(2,055)	(2,203)	(2,278)	(1,871)
Total loans, net of allowance for loan losses	188,779	182,347	170,492	169,580	166,099	166,818	168,066	166,836	165,609	188,779	166,099	170,492	168,066	167,368	154,313
Customers' liability under acceptances	6,191	5,693	5,943	6,391	7,088	7,292	8,051	7,550	8,484	6,191	7,088	5,943	8,051	9,923	11,628
Derivative-related amounts	35,398	39,607	36,640	35,782	37,127	37,300	31,250	31,168	21,963	35,398	37,127	36,640	31,250	28,642	19,334
Premises and equipment	1,755	1,734	1,655	1,563	1,570	1,612	1,639	1,618	1,570	1,755	1,570	1,655	1,639	1,598	1,216
Goodwill	5,030	4,800	4,633	4,778	4,844	5,095	5,040	5,115	4,933	5,030	4,844	4,633	5,040	4,952	693
Other intangibles	594	580	580	624	654	681	665	689	595	594	654	580	665	619	208
Reinsurance recoverables	1,989	1,909	3,321	3,390	1,629	1,662	1,946	1,288	1,273	1,989	1,629	3,321	1,946	1,074	422
Separate account assets	154	183	224	317	66	70	68	75	82	154	66	224	68	79	119
Other assets	29,369	25,010	18,497	13,941	13,834	12,478	11,544	14,361	10,832	29,369	13,834	18,497	11,544	12,290	8,068
Total assets	453,216	440,507	412,591	409,404	398,251	392,296	382,000	377,611	361,329	453,216	398,251	412,591	382,000	362,562	294,173
LIABILITIES AND SHAREHOLDERS' EQUITY															
Deposits															
Canada															
Non-interest-bearing	26,649	25,166	24,388	23,507	22,652	21,904	23,222	22,954	23,205	26,649	22,652	24,388	23,222	22,397	22,011
Interest-bearing	137,258	131,373	130,135	130,421	125,504	119,863	119,737	115,847	115,920	137,258	125,504	130,135	119,737	118,161	116,113
International ¹															
Non-interest-bearing	2,640	3,920	3,183	3,148	2,744	2,833	2,969	2,937	2,640	2,640	2,744	3,183	2,969	2,461	863
Interest-bearing	105,380	105,214	102,812	100,657	100,666	104,031	99,112	104,302	95,986	105,380	100,666	102,812	99,112	92,668	67,250
Total deposits	271,927	265,673	260,518	257,733	251,566	248,631	245,040	246,040	237,751	271,927	251,566	260,518	245,040	235,687	206,237
Acceptances	6,191	5,693	5,943	6,391	7,088	7,292	8,051	7,550	8,484	6,191	7,088	5,943	8,051	9,923	11,628
Obligations related to securities sold short	25,576	24,632	22,743	20,238	23,389	18,923	17,990	15,826	17,145	25,576	23,389	22,743	17,990	16,037	12,873
Obligations related to assets sold under repurchase agreements	25,726	20,361	23,735	24,589	22,104	23,387	21,109	19,630	22,240	25,726	22,104	23,735	21,109	20,864	9,005
Derivative-related amounts	38,244	41,591	38,427	36,367	37,365	38,433	32,737	33,360	23,392	38,244	37,365	38,427	32,737	29,448	18,574
Insurance claims and policy benefit liabilities	7,612	7,235	8,630	8,840	4,699	4,841	4,747	4,041	4,009	7,612	4,699	8,630	4,747	3,881	588
Separate account liabilities	154	183	224	317	66	70	68	75	82	154	66	224	68	79	119
Other liabilities ¹	48,583	47,432	26,199	28,271	24,587	23,122	25,074	23,384	20,911	48,583	24,587	26,199	25,074	20,098	15,324
Subordinated debentures	8,803	8,031	6,581	6,780	6,828	6,885	6,960	7,318	7,245	8,803	6,828	6,581	6,960	6,861	5,825
Non-controlling interest in subsidiaries	1,585	1,493	1,474	1,454	1,475	1,445	1,469	1,444	1,466	1,585	1,475	1,474	1,469	1,479	703
Shareholders' equity															
Preferred stock	813	813	813	822	1,472	1,502	1,515	1,673	1,668	813	1,472	813	1,515	1,990	2,001
Common stock	7,037	7,035	6,999	7,001	7,012	7,029	6,963	7,017	7,012	7,037	7,012	6,999	6,963	6,926	3,074
Additional paid-in capital ⁴	198	177	88	86	78	80	76	45	41	198	78	88	76	33	-
Retained earnings	12,227	11,997	11,591	11,278	11,053	10,910	10,473	10,326	10,019	12,227	11,053	11,591	10,473	9,311	8,314
Treasury stock	(310)	(473)	-	-	-	-	-	-	-	(310)	-	-	-	-	-
Accumulated other comprehensive income (loss)	(1,150)	(1,366)	(1,374)	(763)	(531)	(254)	(272)	(118)	(136)	(1,150)	(531)	(1,374)	(272)	(55)	(92)
Total shareholders' equity	18,815	18,183	18,117	18,424	19,084	19,267	18,755	18,943	18,604	18,815	19,084	18,117	18,755	18,205	13,297
Total liabilities and shareholders' equity	453,216	440,507	412,591	409,404	398,251	392,296	382,000	377,611	361,329	453,216	398,251	412,591	382,000	362,562	294,173
Cash, deposits with banks and securities as a % of total assets	32%	33%	33%	32%	32%	31%	31%	29%	30%	32%	32%	33%	31%	27%	27%

¹Centura Banks was acquired in 2001. Centura assets acquired were \$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. Centura liabilities acquired were \$7.9 billion of personal deposits, \$3.3 billion of business and government deposits, and \$5.6 billion of other liabilities.

²Reflects securitizations of \$1.8 billion in Q2/04 of which \$.8 billion were transferred to securities.

³Reflects the reversal of prior securitizations of \$.4 billion in Q2/04, \$.1 billion in Q1/04, \$.1 billion in Q3/02, and \$.2 billion in Q2/02.

⁴Previously referred to as contributed surplus. Reflects amounts pertaining to renounced Stock Appreciation Rights, options granted on acquisitions, certain stock-based compensation awards and other treasury stock transactions.

BALANCE SHEET

(C\$ MM)

Selected average balances¹

	<u>Q2/04</u>	<u>Q1/04</u>	<u>Q4/03</u>	<u>Q3/03</u>	<u>Q2/03</u>	<u>Q1/03</u>	<u>Q4/02</u>	<u>Q3/02</u>	<u>Q2/02</u>	<u>2004</u> 6 months	<u>2003</u> 6 months	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Securities	137,782	130,301	113,847	110,922	106,883	105,317	96,893	99,807	101,166	134,000	106,459	109,043	99,501	81,438	64,836
Assets purchased under reverse repurchase agreements	36,575	39,215	41,273	42,256	42,641	45,518	43,456	37,945	34,765	37,910	44,106	42,779	37,494	30,357	21,729
Total loans ²	186,848	173,072	171,838	167,877	168,626	169,812	168,163	164,726	166,341	179,884	169,224	169,702	166,918	161,480	149,676
Residential mortgages	78,464	78,675	77,922	75,131	73,439	73,212	71,588	69,311	69,181	78,571	73,324	74,944	69,656	65,159	60,877
Personal	36,466	30,422	30,596	30,013	29,557	29,213	29,408	28,269	27,940	33,411	29,373	29,842	28,438	27,957	25,131
Credit card	6,386	5,158	5,552	5,492	5,245	5,143	4,863	4,586	4,284	5,765	5,193	5,360	4,527	4,695	3,559
Business and government	65,532	58,817	57,768	57,241	60,385	62,244	62,304	62,560	64,936	62,138	61,334	59,556	64,297	63,669	60,109
Customers' liability under acceptances	5,897	5,788	6,334	6,545	7,326	7,244	7,829	7,998	8,797	5,842	7,270	6,838	8,515	9,890	10,281
Earning assets ³	371,039	354,426	338,272	333,417	329,981	332,995	319,437	311,971	310,735	362,207	331,776	333,010	312,352	283,532	247,102
Total assets	457,100	432,000	406,500	402,400	399,700	397,400	382,300	367,500	371,200	444,400	399,000	402,000	371,800	331,700	284,200
Deposits	267,254	262,025	252,314	251,506	248,709	254,112	248,828	238,647	239,470	264,611	251,537	251,659	242,269	221,419	196,066
Common equity	17,891	17,132	17,454	17,475	17,697	17,512	17,223	17,139	16,770	17,535	17,581	17,481	16,880	13,899	10,725
Total equity	18,703	17,944	18,271	18,453	19,184	19,026	18,855	18,800	18,445	18,347	19,081	18,666	18,562	15,935	12,703

RETAINED EARNINGS

	<u>Q2/04</u>	<u>Q1/04</u>	<u>Q4/03</u>	<u>Q3/03</u>	<u>Q2/03</u>	<u>Q1/03</u>	<u>Q4/02</u>	<u>Q3/02</u>	<u>Q2/02</u>	<u>2004</u>	<u>2003</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Balance at beginning of period	11,997	11,591	11,278	11,053	10,910	10,473	10,326	10,019	9,683	11,591	10,473	10,473	9,311	8,314	7,495
Net income	774	793	804	776	689	767	732	722	710	1,567	1,456	3,036	2,898	2,435	2,208
Preferred dividends	(11)	(11)	(11)	(12)	(22)	(23)	(24)	(25)	(24)	(22)	(45)	(68)	(98)	(135)	(134)
Common dividends	(336)	(298)	(301)	(284)	(285)	(267)	(266)	(256)	(256)	(634)	(552)	(1,137)	(1,022)	(897)	(689)
Premium paid on common stock purchased for cancellation	(197)	(78)	(176)	(243)	(239)	(40)	(294)	(134)	(94)	(275)	(279)	(698)	(612)	(397)	(562)
Issuance costs, net of related income taxes	-	-	(3)	(12)	-	-	(1)	-	-	-	-	(15)	(4)	(9)	(4)
Balance at end of period	12,227	11,997	11,591	11,278	11,053	10,910	10,473	10,326	10,019	12,227	11,053	11,591	10,473	9,311	8,314

¹Calculated using methods intended to approximate the average of the daily balances for the period. For RBC average common equity, calculated as the average of the month-end balances for the period.

²Average loans are reported on a gross basis (before deducting the allowance for loan losses).

³Average earning assets are defined on page 1.

BALANCE SHEET
(C\$ MM)

LOAN SECURITIZATION

Credit card loans

	Q2/04	Q1/04	Q4/03	Q3/03	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	2004 6 months	2003 6 months	2003	2002	2001	2000
Opening balance	2,546	2,675	1,675	1,675	1,675	1,675	1,675	1,817	2,029	2,675	1,675	1,675	2,100	1,100	2,300
Securitized	-	-	1,000	-	-	-	-	-	-	-	-	1,000	-	1,000	-
Reversal of prior securitizations	(388)	(129)	-	-	-	-	-	(142)	(212)	(517)	-	-	(425)	-	(1,200)
Closing balance	2,158	2,546	2,675	1,675	1,675	1,675	1,675	1,675	1,817	2,158	1,675	2,675	1,675	2,100	1,100

Commercial mortgages

Opening balance	131	131	131	-	-	-	-	-	-	131	-	-	-	-	-
Securitized	-	-	-	131	-	-	-	-	-	-	-	131	-	-	-
Closing balance	131	131	131	131	-	-	-	-	-	131	-	131	-	-	-

Mortgage-backed securities - sold

Opening balance	3,756	2,936	2,834	2,586	2,365	2,416	2,340	1,764	1,174	2,936	2,416	2,416	1,361	1,014	1,209
Sold	1,000	775	-	300	310	-	200	758	750	1,775	310	610	1,708	723	-
Proceeds reinvested in revolving securitizations	209	228	385	481	294	156	98	68	85	437	450	1,316	301	13	-
Amortization	(268)	(183)	(283)	(533)	(383)	(207)	(222)	(250)	(245)	(451)	(590)	(1,406)	(954)	(389)	(195)
Closing balance	4,697	3,756	2,936	2,834	2,586	2,365	2,416	2,340	1,764	4,697	2,586	2,936	2,416	1,361	1,014

Mortgage-backed securities - retained¹

Opening balance	3,180	3,276	3,135	3,231	3,104	3,065	2,781	2,418	2,638	3,276	3,065	3,065	3,079	3,681	3,625
Created	1,795	1,077	836	1,318	1,339	591	1,105	1,665	924	2,872	1,930	4,084	3,734	800	500
Sold	(1,000)	(775)	-	(300)	(310)	-	(200)	(758)	(750)	(1,775)	(310)	(610)	(1,708)	(723)	-
Proceeds reinvested in revolving securitizations	(209)	(228)	(385)	(481)	(294)	(156)	(98)	(68)	(85)	(437)	(450)	(1,316)	(301)	(13)	-
Amortization	(216)	(170)	(310)	(633)	(608)	(396)	(523)	(476)	(309)	(386)	(1,004)	(1,947)	(1,739)	(666)	(444)
Closing balance	3,550	3,180	3,276	3,135	3,231	3,104	3,065	2,781	2,418	3,550	3,231	3,276	3,065	3,079	3,681

Impact on income statement

Net interest income	(50)	(47)	(42)	(31)	(31)	(29)	(30)	(29)	(32)	(97)	(60)	(133)	(124)	(102)	(123)
Non-interest income ²	55	39	33	36	19	18	31	27	51	94	37	106	130	102	81
Provision for credit losses	10	10	8	8	7	6	7	8	9	20	13	29	33	25	27
Total impact	15	2	(1)	13	(5)	(5)	8	6	28	17	(10)	2	39	25	(15)

¹Mortgage-backed securities - retained are reported as securities on the Balance Sheet.

²Excludes 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 (C\$ MM)															
	Q2/04	Q1/04	Q4/03	Q3/03	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	2004 6 months	2003 6 months	2003	2002	2001	2000
Tier 1 capital¹															
Common shareholders' equity	18,079	17,384	17,098	17,602	17,612	17,765	17,240	17,270	16,936	18,079	17,612	17,098	17,240	16,214	11,352
Non-cumulative preferred shares	813	813	813	822	1,472	1,502	1,515	1,673	1,668	813	1,472	813	1,515	1,990	2,001
Non-controlling interest in subsidiaries	2,530	2,485	2,523	2,537	1,641	1,655	1,661	1,664	1,617	2,530	1,641	2,523	1,661	1,619	673
Deferred tax asset long-term	(995)	(991)	(796)	(685)	(688)	(694)	(892)	(750)	(750)	(995)	(688)	(796)	(892)	(732)	(775)
Goodwill and other intangibles	(5,437)	(5,195)	(5,026)	(5,189)	(5,303)	(5,569)	(5,495)	(5,591)	(5,315)	(5,437)	(5,303)	(5,026)	(5,495)	(5,274)	(842)
Non-financial investments	(44)	(43)	(40)	(39)	(37)	(37)	(37)	(34)	(31)	(44)	(37)	(40)	(37)	n/a	n/a
Total Tier 1 capital	14,946	14,453	14,572	15,048	14,697	14,622	13,992	14,232	14,125	14,946	14,697	14,572	13,992	13,817	12,409
Tier 2 capital¹															
Permanent subordinated debentures	412	397	396	421	430	456	467	475	471	412	430	396	467	477	457
Non-permanent subordinated debentures	7,978	7,242	5,847	6,019	6,044	6,115	6,147	6,568	6,554	7,978	6,044	5,847	6,147	5,935	5,138
Eligible allowance for credit losses	1,269	1,264	1,407	1,416	1,413	1,422	1,420	1,414	1,412	1,269	1,413	1,407	1,420	1,410	1,200
Non-controlling interest in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1
Net unrealized gains on AFS equity securities	20	19	-	-	-	-	-	-	-	20	-	-	-	-	-
Total Tier 2 capital	9,679	8,922	7,650	7,856	7,887	7,993	8,034	8,457	8,437	9,679	7,887	7,650	8,034	7,822	6,796
Total regulatory capital¹															
Total Tier 1 and Tier 2 capital	24,625	23,375	22,222	22,904	22,584	22,615	22,026	22,689	22,562	24,625	22,584	22,222	22,026	21,639	19,205
Investment in associated corporations	(2,902)	(2,513)	(2,262)	(2,360)	(2,382)	(2,456)	(2,402)	(2,549)	(2,495)	(2,902)	(2,382)	(2,262)	(2,402)	(2,502)	(1,307)
Total regulatory capital	21,723	20,862	19,960	20,544	20,202	20,159	19,624	20,140	20,067	21,723	20,202	19,960	19,624	19,137	17,898
Risk adjusted assets¹															
On-balance sheet assets	131,951	124,815	121,708	127,308	125,400	125,792	125,563	128,895	128,651	131,951	125,400	121,708	125,563	130,941	117,901
Off-balance sheet financial instruments	37,833	40,300	35,895	33,379	31,807	32,734	33,084	34,190	35,333	37,833	31,807	35,895	33,084	35,563	35,226
Market risk	10,566	9,134	9,134	8,775	7,976	8,486	6,283	4,955	4,841	10,566	7,976	9,134	6,283	4,684	5,467
Total ²	180,350	174,249	166,737	169,462	165,183	167,012	164,930	168,040	168,825	180,350	165,183	166,737	164,930	171,188	158,594
Capital ratios¹															
Tier 1	8.3%	8.3%	8.7%	8.9%	8.9%	8.8%	8.5%	8.5%	8.4%	8.3%	8.9%	8.7%	8.5%	8.1%	7.8%
Total	12.0%	12.0%	12.0%	12.1%	12.2%	12.1%	11.9%	12.0%	11.9%	12.0%	12.2%	12.0%	11.9%	11.2%	11.3%
Common equity as a % of total assets	4.0%	3.9%	4.1%	4.3%	4.4%	4.5%	4.5%	4.6%	4.7%	4.0%	4.4%	4.1%	4.5%	4.5%	3.9%
Common equity as a % of risk adjusted assets ²	10.0%	10.0%	10.3%	10.4%	10.7%	10.6%	10.5%	10.3%	10.0%	10.0%	10.7%	10.3%	10.5%	9.5%	7.2%
Capital generation															
Internal capital generation ³	427	484	492	480	382	477	442	442	430	911	859	1,831	1,779	1,403	1,385
External capital generation:															
- common stock	(195)	(42)	(178)	(254)	(256)	26	(376)	(128)	(31)	(237)	(230)	(662)	(601)	3,465	(551)
- additional paid in capital	21	89	2	8	(2)	4	31	4	4	110	2	12	43	33	-
- preferred stock ⁴	-	-	-	(634)	-	-	(149)	-	-	-	-	(634)	(467)	(50)	-
- treasury stock	163	(473)	-	-	-	-	-	-	-	(310)	-	-	-	-	-
- subordinated debentures ⁵	730	1,388	(100)	-	-	-	(400)	-	(60)	2,118	-	(100)	133	445	1,180
Total external capital generation before TruCS	719	962	(276)	(880)	(258)	30	(894)	(124)	(87)	1,681	(228)	(1,384)	(892)	3,893	629
RBC TruCS issued	-	-	-	900	-	-	-	-	-	-	-	900	-	750	650
Total external capital generation	719	962	(276)	20	(258)	30	(894)	(124)	(87)	1,681	(228)	(484)	(892)	4,643	1,279
Total capital generation	1,146	1,446	216	500	124	507	(452)	318	343	2,592	631	1,347	887	6,046	2,664

¹ Using guidelines issued by the Board of Governors of the Federal Reserve System in the United States and U.S. GAAP financial information.

² Increase over 2000 due to Centura acquisition.

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

⁴ In Q3/03, we redeemed First Preferred Shares Series J and K for \$300 million and US \$250 million respectively. In Q4/02, we redeemed First Preferred Shares Series E for \$150 million.

⁵ In Q2/04, we issued \$1.0 billion and redeemed \$350 million of subordinated debentures. In Q1/04, we issued two series of subordinated debentures, totalling \$1.5 billion.

In Q4/03 and Q4/02, we redeemed \$100 million and \$400 million respectively of subordinated debentures.

RISK ADJUSTED ASSETS¹
(C\$ MM)

	Balance Sheet Amount	Risk Adjusted Balance			Variance Q2/04 vs Q1/04		
		Q2/04	Q1/04	Q2/03			
On-balance sheet assets							
Cash and due from banks	3,763	510	400	361	110		
Interest-bearing deposits with banks	10,026	1,831	1,988	2,057	(157)		
Securities	132,981	5,970	6,187	6,180	(217)		
Residential mortgages ²							
Insured	35,696	384	381	374	3		
Conventional	44,478	22,929	22,261	20,419	668		
Other loans and acceptances ²							
Issued or guaranteed by Canadian or other OECD governments	19,245	3,657	3,349	3,621	308		
Other	132,738	88,309	84,919	87,198	3,390		
Other assets	74,289	8,361	5,330	5,190	3,031		
Total	453,216	131,951	124,815	125,400	7,136		
Off-balance sheet credit instruments							
	Contract Amount	Credit Conversion Factor	Credit Equivalent Amount	Risk Adjusted Balance			Variance Q2/04 vs Q1/04
				Q2/04	Q1/04	Q2/03	
Guarantees and standby letters of credit							
- Financial (excluding securities lending)	17,602	100%	17,602	14,601	15,512	7,631	(911)
- Non-financial	3,187	50%	1,594	1,595	1,558	1,495	37
Documentary and commercial letters of credit	733	20%	147	141	178	132	(37)
Securities lending	26,668	100%	26,668	1,287	1,550	541	(263)
Commitments to extend credit:							
Less than/equal to 1 year	43,611	0%	-	-	-	-	-
Greater than 1 year	27,631	50%	13,815	13,158	14,199	15,537	(1,041)
Uncommitted amounts	57,059	0%	-	-	-	-	-
Note issuance/Revolving underwriting facilities	29	50%	15	15	13	-	2
Total	176,520		59,841	30,797	33,010	25,336	(2,213)
Derivatives							
	Contract Amount	Current Balance	Credit Equivalent Balance	Risk Adjusted Balance			Variance Q2/04 vs Q1/04
				Q2/04	Q1/04	Q2/03	
Interest rate agreements	1,737,637	4,124	7,258	1,262	1,192	1,237	70
Foreign exchange rate contracts	988,760	6,995	16,529	4,105	4,106	3,817	(1)
Precious metals, commodities, equity linked contracts and credit derivatives	141,127	1,488	4,737	1,669	1,992	1,417	(323)
Total³	2,867,524	12,607	28,524	7,036	7,290	6,471	(254)
Market risk							
	Minimum Capital Required	Multiplier	Risk Adjusted Balance			Variance Q2/04 vs Q1/04	
Total specific and general market risk	845.3	12.5	10,566	9,134	7,976	1,432	
Total risk adjusted assets			180,350	174,249	165,183	6,101	

¹Using guidelines issued by the Board of Governors of the Federal Reserve System in the United States and U.S. 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 \$34,691 million; credit equivalent balance of \$59,065 million; and risk adjusted balance of \$14,872 million at April 30, 2004.

LOANS AND ACCEPTANCES¹
(C\$ MM)

	Q2/04	Q1/04	Q4/03	Q3/03	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	2004 6 months	2003 6 months	2003	2002	2001	2000
Canada															
Consumer															
Residential mortgage	74,948	74,686	73,978	71,654	69,596	68,543	67,700	66,763	66,474	74,948	69,596	73,978	67,700	64,066	61,444
Personal	30,396	29,050	25,426	24,765	24,076	23,457	23,333	23,376	23,568	30,396	24,076	25,426	23,333	24,592	24,389
Credit card	6,575	6,067	4,663	5,466	5,166	5,041	4,740	4,600	4,274	6,575	5,166	4,663	4,740	4,110	4,666
	111,919	109,803	104,067	101,885	98,838	97,041	95,773	94,739	94,316	111,919	98,838	104,067	95,773	92,768	90,499
Business and government loans and acceptances															
Small business	9,900	9,636	9,705	9,518	9,448	9,231	9,470	9,560	9,729	9,900	9,448	9,705	9,470	9,788	11,701
Agriculture	4,363	4,493	4,526	4,525	4,498	4,526	4,427	4,704	4,691	4,363	4,498	4,526	4,427	4,758	4,931
Commercial mortgages	2,750	2,653	2,616	2,527	2,550	2,529	2,485	2,446	2,483	2,750	2,550	2,616	2,485	2,635	2,961
Consumer goods	2,134	1,936	2,394	2,464	2,047	1,881	2,280	2,152	2,199	2,134	2,047	2,394	2,280	2,447	2,874
Commercial real estate	2,149	2,061	2,086	2,073	2,230	2,310	2,327	2,384	2,298	2,149	2,230	2,086	2,327	2,325	2,594
Energy	1,894	1,699	1,702	1,921	2,092	2,766	2,919	2,838	3,346	1,894	2,092	1,702	2,919	4,293	3,754
Government	1,967	1,949	1,805	854	841	961	1,006	944	802	1,967	841	1,805	1,006	1,597	1,385
Automotive ²	1,766	1,649	1,630	1,660	1,560	1,334	1,376	1,340	600	1,766	1,560	1,630	1,376	864	673
Industrial products	1,534	1,467	1,503	1,707	1,709	1,631	1,642	1,571	1,691	1,534	1,709	1,503	1,642	2,174	2,470
Transportation and environment ²	1,002	1,129	1,111	1,170	1,387	1,419	1,524	1,311	1,929	1,002	1,387	1,111	1,524	2,138	1,519
Forest products	1,002	1,031	1,052	1,223	1,243	1,160	975	1,042	1,203	1,002	1,243	1,052	975	1,275	1,362
Financial services	640	652	947	2,034	2,030	1,994	2,245	2,546	2,266	640	2,030	947	2,245	3,010	2,218
Media and cable ³	641	748	839	820	889	890	996	1,072	1,162	641	889	839	996	1,510	1,120
Mining and metals	259	335	369	468	505	588	369	472	435	259	505	369	369	636	897
Telecommunication	158	158	169	291	328	462	488	546	458	158	328	169	488	677	1,008
Information technology	110	100	126	120	127	193	197	180	179	110	127	126	197	203	210
Other	10,952	9,532	5,102	5,228	5,890	6,364	8,130	8,824	8,466	10,952	5,890	5,102	8,130	9,649	9,224
	43,221	41,228	37,682	38,603	39,374	40,239	42,856	43,932	43,937	43,221	39,374	37,682	42,856	49,979	50,901
Total Canada	155,140	151,031	141,749	140,488	138,212	137,280	138,629	138,671	138,253	155,140	138,212	141,749	138,629	142,747	141,400
International (includes U.S.)															
Consumer															
Residential mortgage	5,253	3,891	4,841	5,547	4,835	4,874	5,142	3,878	3,644	5,253	4,835	4,841	5,142	3,378	1,540
Personal	6,388	6,079	5,741	5,629	5,682	5,910	6,038	6,259	6,142	6,388	5,682	5,741	6,038	5,309	812
Credit card	164	158	153	159	161	173	174	174	171	164	161	153	174	173	-
	11,805	10,128	10,735	11,335	10,678	10,957	11,354	10,311	9,957	11,805	10,678	10,735	11,354	8,860	2,352
Business and government loans and acceptances															
Consumer goods	1,032	1,138	1,009	1,168	1,335	1,328	1,383	1,480	1,482	1,032	1,335	1,009	1,383	1,699	1,111
Commercial real estate	6,181	6,435	5,984	6,748	5,777	5,707	5,124	4,970	4,256	6,181	5,777	5,984	5,124	4,082	271
Energy	1,518	1,842	1,872	2,452	2,872	3,169	3,731	4,288	4,470	1,518	2,872	1,872	3,731	2,994	3,051
Government	195	170	130	189	432	126	130	172	135	195	432	130	130	128	167
Automotive	296	323	335	359	390	342	411	492	414	296	390	335	411	527	513
Industrial products	448	587	557	772	1,041	1,190	1,199	1,380	1,565	448	1,041	557	1,199	2,116	1,749
Transportation and environment	974	1,874	1,676	1,841	2,422	2,648	2,442	1,176	1,395	974	2,422	1,676	2,442	1,571	1,487
Forest products	199	210	204	226	315	266	417	491	546	199	315	204	417	385	468
Financial services	13,050	9,715	8,244	6,312	5,792	6,475	5,614	5,380	5,761	13,050	5,792	8,244	5,614	6,647	7,912
Media and cable ³	679	836	949	1,039	1,059	1,198	1,320	1,282	1,357	679	1,059	949	1,320	1,380	2,033
Mining and metals	599	686	622	992	858	990	1,192	1,256	1,175	599	858	622	1,192	1,071	901
Telecommunication	208	195	371	448	628	862	1,246	1,288	1,475	208	628	371	1,246	1,558	2,244
Information technology	116	112	86	116	164	167	179	203	253	116	164	86	179	396	433
Other	4,269	4,604	3,967	3,642	3,438	3,672	3,949	3,764	3,937	4,269	3,438	3,967	3,949	3,408	1,720
	29,764	28,727	26,006	26,304	26,523	28,140	28,337	27,622	28,221	29,764	26,523	26,006	28,337	27,962	24,060
Total International	41,569	38,855	36,741	37,639	37,201	39,097	39,691	37,933	38,178	41,569	37,201	36,741	39,691	36,822	26,412
Total loans and acceptances	196,709	189,886	178,490	178,127	175,413	176,377	178,320	176,604	176,431	196,709	175,413	178,490	178,320	179,569	167,812
Allowance for loan losses	(1,739)	(1,846)	(2,055)	(2,156)	(2,226)	(2,267)	(2,203)	(2,218)	(2,338)	(1,739)	(2,226)	(2,055)	(2,203)	(2,278)	(1,871)
Total	194,970	188,040	176,435	175,971	173,187	174,110	176,117	174,386	174,093	194,970	173,187	176,435	176,117	177,291	165,941

¹ Based on residence of borrower.

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

³ Includes cable loans of \$167 million in Canada in Q2/04 (Q1/04 - \$184 million, Q4/03 - \$236 million; Q3/03 - \$230 million; Q2/03 - \$262 million; Q1/03 - \$229 million; Q4/02 - \$267 million; Q3/02 - \$285 million; Q2/02 - \$331 million; 2003 - \$236 million; 2002 - \$267 million; 2001 - \$330 million; 2000 - \$262 million). International cable loans were \$225 million in Q2/04 (Q1/04 - \$410 million, Q4/03 - \$432 million; Q3/03 - \$458 million; Q2/03 - \$470 million; Q1/03 - \$548 million; Q4/02 - \$634 million; Q3/02 - \$597 million; Q2/02 - \$577 million; 2003 - \$432 million; 2002 - \$634 million; 2001 - \$625 million; 2000 - \$1,321 million).

U.S. LOANS AND ACCEPTANCES¹

(C\$ MM)

	<u>Q2/04</u>	<u>Q1/04</u>	<u>Q4/03</u>	<u>Q3/03</u>	<u>Q2/03</u>	<u>Q1/03</u>	<u>Q4/02</u>	<u>Q3/02</u>	<u>Q2/02</u>	<u>2004</u> <u>6 months</u>	<u>2003</u> <u>6 months</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
U.S.															
Consumer															
Residential mortgage	4,442	3,128	4,096	4,780	4,078	4,086	4,353	3,101	2,890	4,442	4,078	4,096	4,353	2,666	845
Personal	5,524	5,000	5,015	4,899	4,974	5,145	5,269	5,495	5,373	5,524	4,974	5,015	5,269	4,621	78
Credit card	116	112	107	113	115	124	125	128	127	116	115	107	125	128	-
	<u>10,082</u>	<u>8,240</u>	<u>9,218</u>	<u>9,792</u>	<u>9,167</u>	<u>9,355</u>	<u>9,747</u>	<u>8,724</u>	<u>8,390</u>	<u>10,082</u>	<u>9,167</u>	<u>9,218</u>	<u>9,747</u>	<u>7,415</u>	<u>923</u>
Business and government loans and acceptances ²															
Consumer goods	830	939	824	865	973	937	958	996	1,031	830	973	824	958	1,172	435
Commercial real estate	5,771	6,023	5,480	5,798	5,146	5,207	4,531	4,425	3,994	5,771	5,146	5,480	4,531	3,773	44
Energy	882	1,074	1,200	1,574	2,012	2,413	2,680	3,189	3,287	882	2,012	1,200	2,680	1,613	1,582
Government	173	144	100	101	91	19	19	17	18	173	91	100	19	23	-
Automotive	285	316	329	340	382	340	409	469	385	285	382	329	409	408	221
Industrial products	407	488	466	551	844	947	974	956	1,194	407	844	466	974	1,513	1,107
Transportation and environment	293	341	350	436	430	474	484	345	633	293	430	350	484	788	469
Forest products	101	98	127	102	148	108	223	277	264	101	148	127	223	98	181
Financial services	6,641	4,342	3,330	2,766	2,787	2,723	3,200	3,360	3,546	6,641	2,787	3,330	3,200	2,754	4,521
Media and cable ³	599	756	854	947	951	1,024	1,107	1,082	1,111	599	951	854	1,107	1,038	1,782
Mining and metal	28	44	97	105	113	109	70	79	67	28	113	97	70	45	104
Telecommunication	166	156	315	402	463	594	689	714	932	166	463	315	689	835	1,131
Information technology	116	112	86	115	164	167	177	200	249	116	164	86	177	299	374
Other	2,803	3,503	2,782	2,888	2,801	3,067	3,354	3,196	3,416	2,803	2,801	2,782	3,354	2,819	541
	<u>19,095</u>	<u>18,336</u>	<u>16,340</u>	<u>16,990</u>	<u>17,305</u>	<u>18,129</u>	<u>18,875</u>	<u>19,305</u>	<u>20,127</u>	<u>19,095</u>	<u>17,305</u>	<u>16,340</u>	<u>18,875</u>	<u>17,178</u>	<u>12,492</u>
Total U.S.	<u>29,177</u>	<u>26,576</u>	<u>25,558</u>	<u>26,782</u>	<u>26,472</u>	<u>27,484</u>	<u>28,622</u>	<u>28,029</u>	<u>28,517</u>	<u>29,177</u>	<u>26,472</u>	<u>25,558</u>	<u>28,622</u>	<u>24,593</u>	<u>13,415</u>

¹ Based on residence of borrower.

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

³ Includes cable loans of \$145 million in Q2/04, (Q1/04 - \$330 million, Q4/03 - \$357 million; Q3/03 - \$380 million; Q2/03 - \$393 million; Q1/03 - \$435 million; Q4/02 - \$522 million; Q3/02 - \$484 million; Q2/02 - \$445 million; 2003 - \$357 million; 2002 - \$522 million; 2001 - \$455 million; 2000 - \$1,162 million).

PROVISION FOR CREDIT LOSSES

(C\$ MM)

	Q2/04	Q1/04	Q4/03	Q3/03	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	2004 6 months	2003 6 months	2003	2002	2001	2000
Allocated specific	153	122	137	167	211	200	235	216	328	275	411	715	1,065	1,049	571
Allocated general	(24)	(130)	7	(5)	2	2	(15)	4	-	(154)	4	6	(22)	205	73
Total allocated	129	(8)	144	162	213	202	220	220	328	121	415	721	1,043	1,254	644
Unallocated	24	(20)	(7)	5	(2)	(2)	15	(4)	-	4	(4)	(6)	22	(135)	47
Total provision for credit losses	153	(28)	137	167	211	200	235	216	328	125	411	715	1,065	1,119	691
Provision for credit losses as a % of average loans and acceptances	0.32%	(0.06%)	0.31%	0.38%	0.49%	0.45%	0.53%	0.50%	0.77%	0.14%	0.47%	0.41%	0.61%	0.65%	0.43%
Provision for credit losses as a % of average loans, acceptances and reverse repurchase agreements	0.27%	(0.05%)	0.25%	0.31%	0.40%	0.36%	0.42%	0.41%	0.64%	0.11%	0.38%	0.33%	0.50%	0.55%	0.38%
Allocated specific provision for credit losses as a % of average loans, acceptances and reverse repurchase agreements	0.27%	0.22%	0.25%	0.31%	0.40%	0.36%	0.42%	0.41%	0.64%	0.25%	0.38%	0.33%	0.50%	0.52%	0.31%

NONACCRUAL LOANS¹
Domestic

Business Loans															
Commercial real estate	10	8	8	9	8	18	23	56	62	10	8	8	23	95	90
Small business	180	170	193	205	221	209	222	249	260	180	221	193	222	283	264
Agriculture	109	133	127	100	105	103	141	155	160	109	105	127	141	111	53
Other	365	394	413	452	624	519	509	495	555	365	624	413	509	682	530
Total business loans	664	705	741	766	958	849	895	955	1,037	664	958	741	895	1,171	937
Residential mortgages	105	108	110	101	102	103	102	106	128	105	102	110	102	142	185
Personal loans	205	207	213	229	241	260	275	286	296	205	241	213	275	310	247
Total domestic nonaccrual loans	974	1,020	1,064	1,096	1,301	1,212	1,272	1,347	1,461	974	1,301	1,064	1,272	1,623	1,369

International

Non-LDC - United States ²	486	466	361	409	467	703	584	698	758	486	467	361	584	626	145
- Europe, Middle East and Africa	57	123	116	167	146	160	115	72	69	57	146	116	115	79	46
- Latin America	51	88	109	125	148	193	217	133	121	51	148	109	217	14	9
- Caribbean	68	67	66	72	72	76	71	60	62	68	72	66	71	55	48
- Asia Pacific	2	32	29	30	29	30	29	28	28	2	29	29	29	37	33
LDC	-	-	-	-	-	-	-	33	30	-	-	-	-	31	28
Total international nonaccrual loans	664	776	681	803	862	1,162	1,016	1,024	1,068	664	862	681	1,016	842	309
Total nonaccrual loans	1,638	1,796	1,745	1,899	2,163	2,374	2,288	2,371	2,529	1,638	2,163	1,745	2,288	2,465	1,678

Total loans and acceptances¹
Domestic

Residential mortgages	74,948	74,686	73,978	71,654	69,596	68,543	67,700	66,763	66,474	74,948	69,596	73,978	67,700	64,066	61,444
Personal loans	30,396	29,050	25,426	24,765	24,076	23,457	23,333	23,376	23,568	30,396	24,076	25,426	23,333	24,592	24,389
Credit card loans	6,575	6,067	4,663	5,466	5,166	5,041	4,740	4,600	4,274	6,575	5,166	4,663	4,740	4,110	4,666
Business loans	41,247	39,035	35,626	36,361	37,804	38,026	40,454	40,610	41,190	41,247	37,804	35,626	40,454	45,185	50,434
Total Domestic	153,166	148,838	139,693	138,246	136,642	135,067	136,227	135,349	135,506	153,166	136,642	139,693	136,227	137,953	140,933
U.S. and Other International³	43,543	41,048	38,797	39,881	38,771	41,310	42,093	41,255	40,925	43,543	38,771	38,797	42,093	41,616	26,879
Total loans	196,709	189,886	178,490	178,127	175,413	176,377	178,320	176,604	176,431	196,709	175,413	178,490	178,320	179,569	167,812

**Nonaccrual loans as a %
of related loans and acceptances**

Domestic															
Residential mortgages	0.14%	0.14%	0.15%	0.14%	0.15%	0.15%	0.15%	0.16%	0.19%	0.14%	0.15%	0.15%	0.15%	0.22%	0.30%
Personal loans	0.67%	0.71%	0.84%	0.92%	1.00%	1.11%	1.18%	1.22%	1.26%	0.67%	1.00%	0.84%	1.18%	1.26%	1.01%
Business loans	1.61%	1.81%	2.08%	2.11%	2.53%	2.23%	2.21%	2.35%	2.52%	1.61%	2.53%	2.08%	2.21%	2.59%	1.86%
Total Domestic	0.64%	0.69%	0.76%	0.79%	0.95%	0.90%	0.93%	1.00%	1.08%	0.64%	0.95%	0.76%	0.93%	1.18%	0.97%
U.S. and Other International	1.52%	1.89%	1.76%	2.01%	2.22%	2.81%	2.41%	2.48%	2.61%	1.52%	2.22%	1.76%	2.41%	2.02%	1.15%
Total loans and acceptances	0.83%	0.95%	0.98%	1.07%	1.23%	1.35%	1.28%	1.34%	1.43%	0.83%	1.23%	0.98%	1.28%	1.37%	1.00%

¹ Nonaccrual loans are shown on a gross basis (before deducting the allowance for specific and country risk). Total loans are also shown on a gross basis.

² RBC Centura amounts were: in Q2/04 \$167 million, in Q1/04 \$149 million, and in Q2/03 \$174 million.

³ RBC Centura amounts were: in Q2/04 \$17,322 million, in Q1/04 \$16,129 million, and in Q2/03 \$16,176 million.

NONACCRUAL LOANS

(C\$ MM)

Changes in nonaccrual loans

	<u>Q2/04</u>	<u>Q1/04</u>	<u>Q4/03</u>	<u>Q3/03</u>	<u>Q2/03</u>	<u>Q1/03</u>	<u>Q4/02</u>	<u>Q3/02</u>	<u>Q2/02</u>	<u>2004</u> 6 months	<u>2003</u> 6 months	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Nonaccrual loans at beginning of period	1,796	1,745	1,899	2,163	2,374	2,288	2,371	2,529	2,713	1,745	2,288	2,288	2,465	1,678	1,704
Nonaccrual loans formation ¹	158	242	100	3	58	272	313	235	204	400	330	433	1,280	1,912	813
Charge-offs	(316)	(191)	(254)	(267)	(269)	(186)	(396)	(393)	(388)	(507)	(455)	(976)	(1,457)	(1,125)	(839)
Other & FX adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonaccrual loans at end of period	1,638	1,796	1,745	1,899	2,163	2,374	2,288	2,371	2,529	1,638	2,163	1,745	2,288	2,465	1,678

**NONACCRUAL LOANS FORMATION
AND CHARGE-OFFS**
Q2/04 vs Q1/04

	<u>Domestic Business</u>	<u>U.S. and Other International</u>	<u>Total Business</u>	<u>Consumer</u>	<u>Total</u>
Q1/04 nonaccrual loans	705	732	1,437	359	1,796
Nonaccrual loans formation ¹	10	(16)	(6)	164	158
Charge-offs	(51)	(114)	(165)	(151)	(316)
Other & FX adjustment	-	-	-	-	-
Q2/04 nonaccrual loans before allowance	664	602	1,266	372	1,638
Q2/04 specific allowance for loan losses	(275)	(242)	(517)	(143)	(660)
Q2/04 nonaccrual loans ²	389	360	749	229	978

Q2/04 vs Q4/03

	<u>Domestic Business</u>	<u>U.S. and Other International</u>	<u>Total Business</u>	<u>Consumer</u>	<u>Total</u>
Q4/03 nonaccrual loans	741	638	1,379	366	1,745
Nonaccrual loans formation ¹	2	119	121	279	400
Charge-offs	(79)	(155)	(234)	(273)	(507)
Other & FX adjustment	-	-	-	-	-
Q2/04 nonaccrual loans before allowance	664	602	1,266	372	1,638
Q2/04 specific allowance for loan losses	(275)	(242)	(517)	(143)	(660)
Q2/04 nonaccrual loans ²	389	360	749	229	978

¹New additions to nonaccrual loans, net of reductions.

²Net of specific allowance.

ALLOWANCE FOR CREDIT LOSSES¹

(C\$ MM)

Allowance for credit losses

	Q2/04	Q1/04	Q4/03	Q3/03	Q2/03	Q1/03	Q4/02	Q3/02	Q2/02	2004 6 months	2003 6 months	2003	2002	2001	2000
Allocated specific	660	772	757	849	922	954	894	885	1,010	660	922	757	894	951	747
Allocated country risk	-	-	-	-	-	-	-	33	30	-	-	-	-	31	28
Allocated general	1,026	1,046	1,169	1,169	1,170	1,174	1,169	1,179	1,175	1,026	1,170	1,169	1,169	1,185	863
Total allocated	1,686	1,818	1,926	2,018	2,092	2,128	2,063	2,097	2,215	1,686	2,092	1,926	2,063	2,167	1,638
Unallocated	243	218	238	247	243	248	251	235	237	243	243	238	251	225	337
Total allowance for credit losses¹	1,929	2,036	2,164	2,265	2,335	2,376	2,314	2,332	2,452	1,929	2,335	2,164	2,314	2,392	1,975
Consisting of:															
Allowance for loan losses	1,739	1,846	2,055	2,156	2,226	2,267	2,203	2,218	2,338	1,739	2,226	2,055	2,203	2,278	1,871
Allowance for off-balance sheet items	190	190	109	109	109	109	109	109	109	190	109	109	109	109	98
Allowance for tax-exempt securities	-	-	-	-	-	-	2	5	5	-	-	-	2	5	6
Total	1,929	2,036	2,164	2,265	2,335	2,376	2,314	2,332	2,452	1,929	2,335	2,164	2,314	2,392	1,975
Allowance for loan losses as a % of total loans and acceptances	0.9%	1.0%	1.2%	1.2%	1.3%	1.3%	1.2%	1.3%	1.3%	0.9%	1.3%	1.2%	1.2%	1.3%	1.1%
Allowance for loan losses as a % of total loans, acceptances and reverse repurchase agreements	0.7%	0.8%	1.0%	1.0%	1.0%	1.1%	1.0%	1.0%	1.1%	0.7%	1.0%	1.0%	1.0%	1.0%	1.0%
Changes in the allowance for credit losses															
Balance at beginning of period	2,036	2,164	2,265	2,335	2,376	2,314	2,332	2,452	2,459	2,164	2,314	2,314	2,392	1,975	1,900
Provision for credit losses	153	(28)	137	167	211	200	235	216	328	125	411	715	1,065	1,119	691
Charge-offs															
Non-LDC	(316)	(191)	(254)	(267)	(269)	(186)	(363)	(393)	(388)	(507)	(455)	(976)	(1,424)	(1,125)	(839)
LDC loans and securities	-	-	-	-	-	-	(33)	-	-	-	-	-	(33)	-	-
Recoveries	41	73	43	40	41	46	66	44	42	114	87	170	198	185	162
At date of acquisition ²	-	6	-	-	-	8	-	18	-	6	8	8	18	157	-
Other, primarily translation adjustments on provisions denominated in foreign currencies	15	12	(27)	(10)	(24)	(6)	77	(5)	11	27	(30)	(67)	98	81	61
Balance at end of period	1,929	2,036	2,164	2,265	2,335	2,376	2,314	2,332	2,452	1,929	2,335	2,164	2,314	2,392	1,975
Coverage ratios³															
Coverage ratio (total)	106%	103%	118%	114%	103%	95%	96%	94%	93%	106%	103%	118%	96%	93%	112%
Coverage ratio (non-LDC)	106%	103%	118%	114%	103%	95%	96%	94%	93%	106%	103%	118%	96%	93%	112%

NET CHARGE-OFFS
Domestic

Residential mortgages	1	1	1	2	2	1	2	3	3	2	3	6	11	15	11
Personal loans	118	93	97	106	134	94	92	114	119	211	228	431	448	454	430
Business loans and acceptances	43	(16)	54	67	28	16	68	88	57	27	44	165	258	238	177
Total Domestic	162	78	152	175	164	111	162	205	179	240	275	602	717	707	618
U.S. and Other International															
Non-LDC ⁴	113	40	59	52	64	29	135	144	167	153	93	204	509	233	59
LDC exposures	-	-	-	-	-	-	33	-	-	-	-	-	33	-	-
Total U.S. and Other International	113	40	59	52	64	29	168	144	167	153	93	204	542	233	59
Total net charge-offs	275	118	211	227	228	140	330	349	346	393	368	806	1,259	940	677
Charge-off ratio															
Total net charge-offs as a % of average loans and acceptances	0.58%	0.26%	0.47%	0.52%	0.53%	0.31%	0.74%	0.80%	0.81%	0.43%	0.42%	0.46%	0.72%	0.55%	0.42%

¹ RBC Centura amounts in Q2/04 were: \$54 million of the specific allowance (Q1/04 \$47 million and Q2/03 \$51 million); \$122 million of the general allocated allowance (Q1/04 \$117 million and Q2/03 \$112 million) and \$28 million of the unallocated general allowance (Q1/04 \$28 million and Q2/03 \$31 million).

² Acquisition amounts were: Provident Financial Group Inc. \$6 million in Q1/04; Admiralty Bancorp, Inc. \$8 million in Q1/03, Eagle Bancshares, Inc. \$18 million in Q3/02, and Centura \$157 million in 2001.

³ The allowance for loan losses plus the allowance for tax-exempt securities as a percentage of nonaccrual loans.

⁴ Includes \$14 million for RBC Centura in Q2/04 (\$14 million in Q1/04; \$13 million in Q2/03) largely consisting of Centura business and government loans.

Special Items

In 2001, we had some special items which, together with their impact on net income, EPS and Income taxes, are shown below.

(after-tax amounts)

(C\$ MM)

Net income		Earnings per share - diluted		Income taxes	
Reported	2,435	Reported	\$3.55	Reported	1,350
RBC Banking		RBC Banking		Tax Impact	
- Gain on sale of Group Retirement Services	(6)	- Gain on sale of Group Retirement Services	(\$0.01)	RBC Banking	33
- U.S. retail bank restructuring costs	57	- U.S. retail bank restructuring costs	\$0.09	RBC Investments	(70)
- Deferred tax adjustment	45	- Deferred tax adjustment	\$0.07	RBC Capital Markets	-
RBC Investments		RBC Investments		RBC GS	(12)
- Gain on sale of RT Capital Management	(251)	- Gain on sale of RT Capital Management	(\$0.38)	Other	-
- Gain on sale of Group Retirement Services	(28)	- Gain on sale of Group Retirement Services	(\$0.04)	Deferred tax adjustments	
- Deferred tax adjustment	5	- Deferred tax adjustment	\$0.01	RBC Banking	(45)
RBC Capital Markets		RBC Capital Markets		RBC Insurance	-
- Deferred tax adjustment	27	- Deferred tax adjustment	\$0.04	RBC Investments	(5)
RBC Global Services		RBC Global Services		RBC Capital Markets	(27)
- Gain on formation of Moneris Joint Venture	(77)	- Gain on formation of Moneris Joint Venture	(\$0.12)	RBC GS	-
Other		Other		Other	(24)
- Deferred tax adjustment	24	- Deferred tax adjustment	\$0.03		
Net Income, excluding special items	2,231	EPS, excluding special items	\$3.24	Income taxes, excluding special items	1,200