

# RBC at a Glance – Q2/2018



## Company Overview

- Canada's largest bank by market capitalization<sup>(1)</sup> with broad leadership in financial services
- One of North America's leading diversified financial services companies
- Top 15 bank globally based on market capitalization<sup>(1)</sup>, with operations in 36 countries
- 81,000+ employees with more than 16 million clients worldwide

<sup>(1)</sup> As at April 30, 2018.

## Strategic Goals

Canada	To be the undisputed leader in financial services
U.S.	To be the preferred partner to corporate, institutional and high net worth clients and their businesses
Global	To be a leading financial services partner valued for our expertise

## Financial Highlights

### Key Balance Sheet Items

\$ billions	Q2/2018	Q1/2018
Assets	1,274.8	1,276.3
Loans (net of allowance)	551.4	538.0
Deposits	822.0	800.0

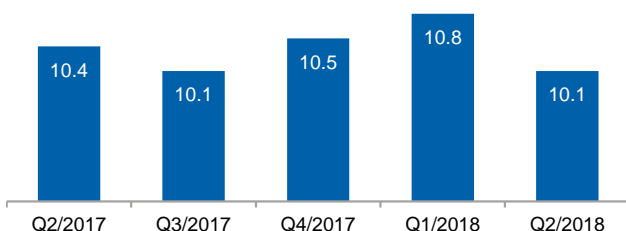
### Key Ratios<sup>(2)</sup>

	Q2/2018
Common Equity Tier 1 Ratio	10.9%
Liquidity Coverage Ratio	122%
Leverage Ratio	4.3%

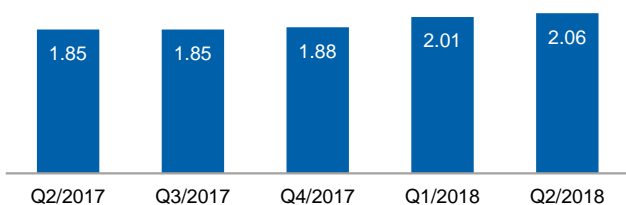
### Credit Ratings<sup>(3)</sup>

Moody's	S&P	DBRS	Fitch
A1	AA-	AA	AA
Negative	Negative	Stable	Stable

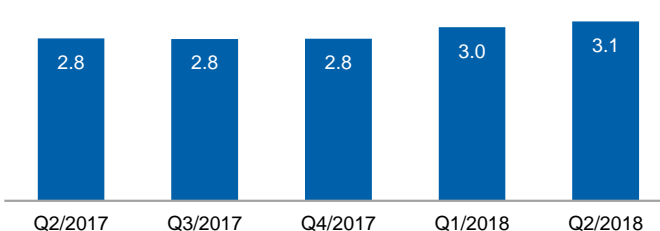
### Revenue (\$ billions)



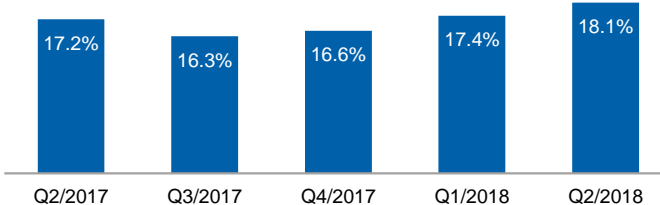
### Diluted Earnings per Share (\$)



### Net Income (\$ billions)



### Return on Equity (ROE)<sup>(4)</sup>

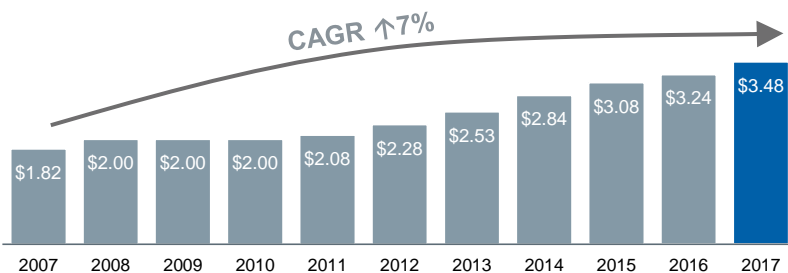


<sup>(2)</sup> CET1 ratio and Leverage ratio calculated on an "All-In" Basel III basis. CET1 ratio calculated to include all regulatory adjustments required by 2019 retaining the phase-out rules of non-qualifying capital.

<sup>(3)</sup> Based on senior long-term debt ratings as at May 23, 2018. <sup>(4)</sup> ROE does not have a standardized meaning under GAAP and may not be comparable to similar measures disclosed by other financial institutions. For further information, refer to the Key performance and non-GAAP measures section of our Q2 2018 Report to Shareholders.

## Shareholder Performance

- RBC announced a quarterly dividend of \$0.94 per share
- Q2/2018 payout ratio of 46% was in line with our target of 40-50%



Based on dividends declared per common share

Market Capitalization (US\$ billions) <sup>(5)</sup>	110
Annualized TSR (3 and 5-years) <sup>(5)(6)</sup>	
RBC	11% / 14%
Peer Average	9% / 12%
Current Quarterly Dividend (\$) <sup>(5)</sup>	0.94
Dividend Yield <sup>(5)</sup>	3.7%
Ticker Symbol	RY
Stock Exchanges	TSX / NYSE

<sup>(5)</sup> As at April 30, 2018.

<sup>(6)</sup> Based on the global peer group approved by our Board of Directors. For the list of peers, please refer to our 2017 Annual Report. Annualized TSR is calculated based on the TSX common share price appreciation plus reinvested dividend income.

All information is presented in Canadian dollars and is based on International Financial Reporting Standards (IFRS), and as at April 30, 2018 unless otherwise indicated.

# RBC at a Glance – Q2/2018



## Business Segments Overview

<b>Personal &amp; Commercial Banking</b>	<p><b>The financial services leader in Canada with a presence in the Caribbean and the U.S.</b></p> <ul style="list-style-type: none"> <li>RBC is the market leading retail bank in Canada; 'Highest in Customer Satisfaction Among the Big Five Retail Banks' for the third consecutive year<sup>(1)</sup> and 'Highest in Customer Satisfaction Among Canadian Mobile Banking Apps'<sup>(2)</sup>, and ranked 'North American Retail Bank of the year &amp; Best Customer Facing Technology for MyAdvisor'<sup>(3)</sup></li> <li>2<sup>nd</sup> largest bank by assets in English Caribbean, serving ~1 million clients in 16 countries and territories</li> <li>U.S. cross-border banking for Canadian clients through online channels</li> <li>Broad suite of products and financial services to individual and business clients</li> <li>Ongoing investment in digitizing our banking channels</li> </ul>
<b>Wealth Management</b>	<p><b>A leading global wealth and asset manager</b></p> <ul style="list-style-type: none"> <li>Top 5 global wealth manager by assets<sup>(4)</sup></li> <li>#1 in Canada – Largest fund company<sup>(5)</sup> and leader in high net worth market share<sup>(6)</sup></li> <li>Enhancing global solutions and capabilities; City National accelerates growth in the U.S.</li> <li>Investment, trust, banking, credit and other wealth management and asset management solutions</li> </ul>
<b>Insurance</b>	<p><b>Among the largest Canadian bank-owned insurance organizations, serving more than four million clients globally</b></p> <ul style="list-style-type: none"> <li>Offer a wide range of life, health, home, auto, travel, creditor and wealth accumulation solutions to individual and group clients</li> <li>Bring innovative value-added services and solutions, second opinion medical and healthcare navigation services, and workplace wellness programs to clients through partnerships with industry leaders</li> <li>Internationally, operate in reinsurance and retrocession markets through Royal Bank of Canada Insurance Company Ltd.</li> </ul>
<b>Investor &amp; Treasury Services</b>	<p><b>A leading global asset servicer with an integrated client offering</b></p> <ul style="list-style-type: none"> <li>Specialist provider of asset services, payments and treasury services for financial and other institutional investors worldwide</li> <li>Canadian leader in cash management, correspondent banking and trade finance for financial institutions<sup>(7)</sup></li> <li>Short-term funding and liquidity management for RBC</li> </ul>
<b>Capital Markets</b>	<p><b>A leading North American investment bank with core markets across Canada, the U.S. and U.K./Europe</b></p> <ul style="list-style-type: none"> <li>11<sup>th</sup> largest global investment bank by fees<sup>(8)</sup></li> <li>2017 Bank of the Year<sup>(9)</sup></li> <li>Corporate lending, merger &amp; acquisition advisory, equity &amp; debt origination, sales &amp; trading, and research</li> </ul>

(1) J.D. Power, 2018.

(2) J.D. Power, 2017.

(3) Retail Banker International, 2018.

(4) Scorpio Partnership Global Private Banking Benchmark, 2017.

(5) Investment Funds Institute of Canada (IFIC), March 2018.

(6) Strategic Insight (formerly Investor Economics), January 2018.

(7) SWIFT Watch, August 2017 & Global Finance, 2018.

(8) Dealogic – Trailing 12 Months (May 2017 to April 2018).

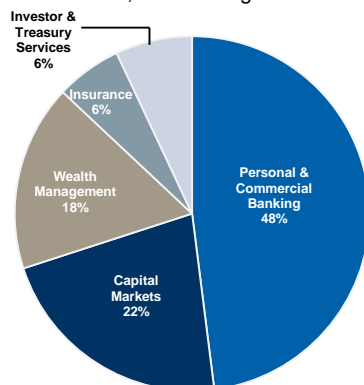
(9) Project Finance International, 2017.

## Financial Performance by Business Segment and Geography

(Latest 12 months ended April 30, 2018)

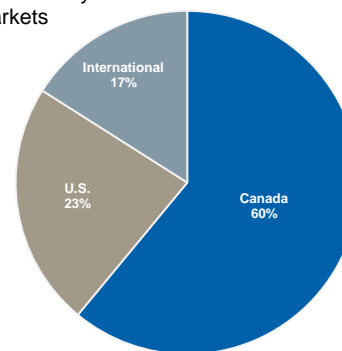
### Earnings by Business Segments<sup>(10)</sup>

- Diversified business mix, with leading client franchises



### Revenue by Geography<sup>(10)</sup>

- Almost two-thirds of revenue from Canada
- Strategic approach in key businesses in the U.S. and select international markets



<sup>(10)</sup> Excludes Corporate Support. These are non-GAAP measures, for more information, refer to the Key performance and non-GAAP measures section of our Q2 2018 Report to Shareholders

## Q2/2018 Financial Performance by Business Segments<sup>(11)</sup>

(\$ millions, unless otherwise noted)

	Personal & Commercial Banking	Wealth Management	Insurance	Investor & Treasury Services	Capital Markets
Revenue	\$4,103	Revenue \$2,605	Revenue \$806	Revenue \$671	Revenue \$2,010
Net Income	\$1,459	Net Income \$537	Net Income \$172	Net Income \$212	Net Income \$665
ROE <sup>(12)</sup>	27.8%	ROE <sup>(12)</sup> 15.8%	ROE <sup>(12)</sup> 36.3%	ROE <sup>(12)</sup> 28.1%	ROE <sup>(12)</sup> 13.4%
		AUM (\$ billions) <sup>(13)</sup> \$655	Premiums & Deposits \$981	AUA (\$ billions) <sup>(13)</sup> \$4,440	

<sup>(11)</sup> As reported. <sup>(12)</sup> ROE does not have a standardized meaning under GAAP and may not be comparable to similar measures disclosed by other financial institutions. For further information, refer to the Key performance and non-GAAP measures section of our Q2 2018 Report to Shareholders. <sup>(13)</sup> Represents period-end spot balances.

### RBC Investor Relations

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