



**RBC
Insurance**

2003 Corporate Overview



A Message from Jim Westlake

CHAIRMAN AND CEO

World events continued to have a significant impact on the insurance industry in 2003. Over the past year, organizations felt the effects of geo-political challenges such as the war in Iraq, continued threats of terrorism and Severe Acute Respiratory Syndrome (SARS). Business related factors including ongoing industry consolidation, increased government regulation and oversight, changing consumer preferences, evolving distribution opportunities and a continued low interest rate environment also impacted the industry.

While these events greatly affected our employees, our organization and our industry as a whole, I am pleased to report that RBC Insurance® enjoyed a strong financial performance in 2003.

As one of North America's leading integrated insurance organizations, our continued success is based on many factors, including the ongoing commitment and hard work of our employees, our increased focus on the integration of our operations, continued growth and expansion across all business lines and enhancements to our existing product and distribution channels.

Our 2004 strategic goals include revenue growth, business integration, focusing on the bank insurance regulatory framework and financial management.

Over the next year, we will continue to grow our operations by expanding into new markets and enhancing key products and services.

Our growth in the Canadian living benefits business, as a result of our recently announced agreement with UnumProvident Corporation (subject to regulatory approvals), will be an important component in this regard.

By focusing on these priorities, we are looking forward to another year of growth and development for RBC Insurance in 2004.



A handwritten signature in dark ink, appearing to read 'Jim Westlake'.

Jim Westlake
Chairman and Chief Executive Officer

RBC Insurance Overview



RBC Insurance*, the insurance operation of RBC Financial Group™, offers a wide range of travel, life, health, creditor, home, auto and reinsurance products through a variety of distribution channels to more than 5 million clients.

We are focused on continuing to build our leading North American insurance organization. Since 1999, total premiums and deposits have grown from \$894 million to more than \$2.2 billion, making RBC Insurance one of Canada's fastest growing insurance operations.

We continue to lead in the Canadian creditor and North American travel insurance markets and rank sixth in new individual life insurance premiums in Canada. We also have a fast growing home and auto insurance operation and are ranked 35th in Standard & Poor's 2003 global top 40 reinsurance groups listing.

* RBC Insurance operates through a number of legal entities. Please refer to page 4 for a listing.

2003 Financial Highlights

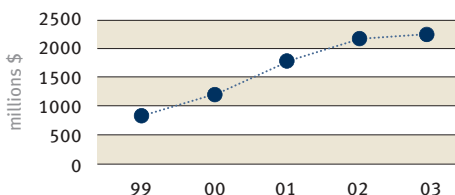


RBC INSURANCE CONSOLIDATED RESULTS

\$ MILLIONS	2003	2002
Premiums and Deposits	2,214	2,023
Insurance Premiums, Investment and Fee Income	2,045	1,910
Average Assets	8,900	7,000
Net Income After Tax (NIAT)	228	190
ROE	26.4%	25.7%

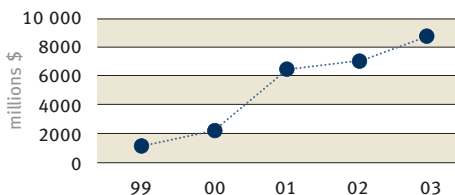
Please note: all numbers presented in this document are prepared using U.S. GAAP and are in Canadian dollars, except where otherwise indicated. 2002 average assets have been restated to include assets held in separate accounts, representing funds for which investment activity is directly attributable to the contract holder.

RBC INSURANCE PREMIUMS AND DEPOSITS

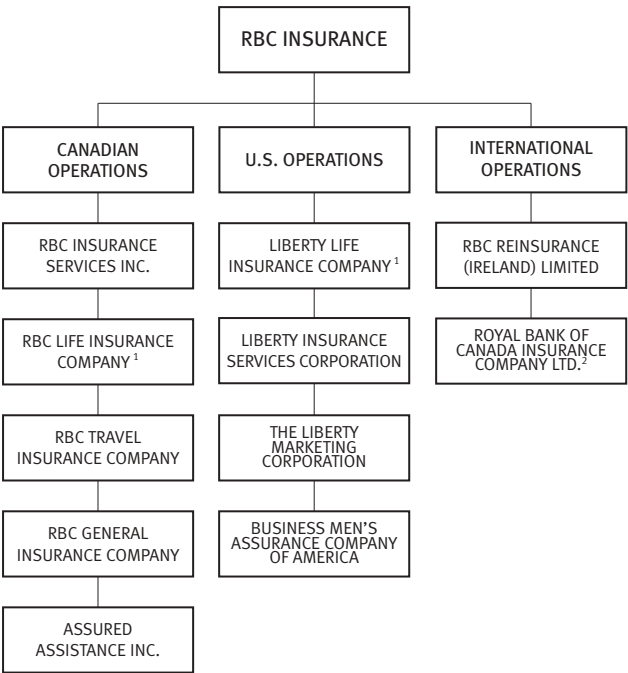


RBC Insurance reported more than \$2.2 billion in premiums and deposits in 2003, an increase of 9 per cent from fiscal 2002.

RBC INSURANCE AVERAGE ASSETS



Corporate Structure



This chart does not represent the organization’s actual legal or divisional structure.

¹ “A” (Excellent) financial strength rating from A.M. Best.

² Royal Bank of Canada Insurance Company Ltd. has an “A” (Excellent) financial strength rating from A.M. Best and an AA- counterparty credit and financial strength rating from Standard & Poor’s.

Insurance Operations

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Life

Our life business provides a wide range of individual and group life and health insurance solutions, as well as life retrocession to individual and business clients in Canada, the U.S. and around the world. In 2003, this business generated almost \$1.7 billion in premiums and deposits, an increase of 10 per cent from 2002.

Non-Life

Our non-life business includes home, auto and travel insurance and property reinsurance for individual and business clients in Canada, the U.S. and select international markets. In 2003, this business generated more than \$500 million in premiums and deposits, a 21 per cent increase over 2002.

Fee and Related Activities

RBC Insurance is involved in a number of key insurance and related activities that generate fee income for the organization, including creditor insurance, travel assistance services, structured reinsurance and administration and software solutions. In 2003, these businesses generated over \$296 million in insurance premiums, investment and fee income.

RBC Overview

Our parent, Royal Bank of Canada (TSX, NYSE: RY), operating under the master brand name of RBC Financial Group, is Canada's largest financial institution as measured by market value and assets, and is one of North America's leading diversified financial services companies.

Royal Bank of Canada and its subsidiaries:

- Hold strong positions in most Canadian financial services markets in which they operate.
- Deliver a full range of insurance plans and financial services to more than 12 million personal, business and public sector clients through offices in North America and some 30 countries around the world.
- Employ more than 60,000 people worldwide.

Financial Highlights:

- Net income as of October 2003: C\$3.04 billion.
- Assets as of October 2003: nearly C\$413 billion.
- Market Capitalization as of October 2003: C\$41.6 billion - among the top 10 North American banks.
- Senior Debt Rating of Aa2 from Moody's Investor Services and AA- from Standard and Poor's.

www.rbcinsurance.com

For further information, please contact:



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