



RBC Japanese Equity Fund

Investment Objective

To provide long-term capital growth. The fund invests primarily in equity securities of Japanese companies.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF476
Adv	Front End	CAD	RBF6736
Adv	Low Load	CAD	RBF4076

Inception Date	March 2014
Total Fund Assets \$Mil	1,245.8
Series A NAV \$	13.23
Series A MER %	2.22
Benchmark	MSCI Japan Total Return Net Index (C\$)

Income Distribution	Annually
Capital Gains Distribution	Annually

Sales Status	Open
Min. Investment \$	500
Subsequent Investment \$	25

Fund Category	Geographic Equity
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Management Company	RBC Global Asset Management Inc.
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Web Site	www.rbcgam.com
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Portfolio Analysis as of May 31, 2018

Asset Mix

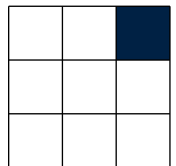


	% Assets
Cash	0.3
Fixed Income	0.0
Canadian Equity	0.0
US Equity	0.0
International Equity	99.7
Other	0.0

Top 10 Holdings

	% Assets
SoftBank Group Corp	5.9
Sumitomo Mitsui Financial Group Inc	3.8
Mitsubishi UFJ Financial Group Inc	3.5
Mizuho Financial Group Inc	3.5
Suzuki Motor Corp	3.4
ITOCHU Corp	2.9
PeptiDream Inc	2.8
Asahi Group Holdings Ltd	2.8
Mitsubishi Corp	2.7
Bridgestone Corp	2.6
Total % of Top 10 Holdings	33.8
Total Number of Stock Holdings	66
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
Total Number of Holdings	67

Equity Style



Value Blend Growth

Equity Statistics

P/B Ratio	1.6
P/E Ratio	15.6
Avg. Mkt Cap. \$B	21.3

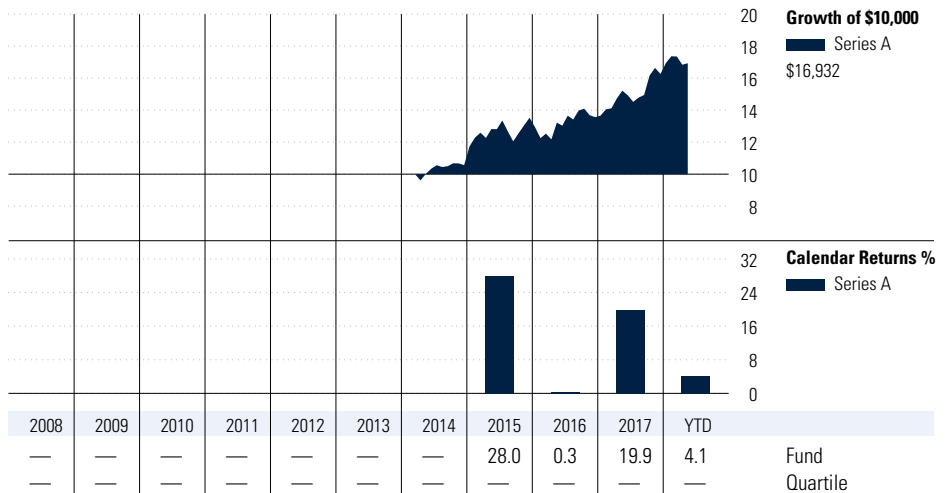
Top 5 Sectors

	% Equity
Consumer Discretionary	22.8
Industrials	15.7
Information Technology	15.4
Financials	12.9
Health Care	11.2

Geographic Allocations

	% Assets
Japan	100.0

Performance Analysis as of May 31, 2018



	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
	0.6	-2.5	1.8	11.3	9.7	—	—	12.3	Fund
	—	—	—	—	—	—	—	—	Quartile
	43	42	42	39	23	19	13	—	No. of Funds in Category



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Management Overview

Manager Bios

Tomonori Kaneko

RBC Investment Management (Asia) Limited

Tomonori Kaneko is Portfolio Manager, Japanese Equities. He has worked in the RBC investment industry since 2003. Prior to joining RBC, he was a junior portfolio manager for Marshall Wace GaveKal Japan equity focused strategies and senior analyst at Perry Capital.

Mr. Kaneko spent his early career in distressed debt investment at Lone Star Group. Tomonori holds a Bachelor of Science in Bioengineering from the University of California, Berkeley, and a Master's degree in Bioscience from the University of Tokyo.

Performance Analysis Cont'd as of May 31, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	—	0.36	1.04	0.90	0.20	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	0.36	1.04	0.90	0.20	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	12-2015	28.0	11-2017	16.0	—	—	—	—
Worst	4-2016	-0.7	5-2018	9.7	—	—	—	—
Average		14.1		13.0				
No. of Periods		39		15				
Pct. Positive		92.3		100.0				

* Distributions are characterized into income type at year-end.

Quarterly Commentary as at March 31, 2018

Japanese markets recorded substantial losses in local currency terms as the yen rallied 5.6% based on concerns that the Bank of Japan (BoJ) may pull back on its massive stimulus program sooner than expected as well as the increasingly strident trade war rhetoric from President Trump in the U.S.

The Health Care and Information Technology sectors were the leading contributors to Fund performance during the past quarter. The top absolute contributor was Peptidream Inc., a biopharmaceutical company that boasts technological collaborations with some of the world's largest drug firms. During the quarter, Peptidream engaged in clinical trials for one of its key drugs, a development that positively surprised the market. Elsewhere, e-commerce platform, I-Style Inc., also performed strongly as Japan's largest online retailer of cosmetics delivered better-than-expected revenues and profits in the past quarter. However, stock selection in Telecommunication Services as well as an

overweight allocation to Financials detracted from Fund performance.

Recently, the yen strengthened on the back of BoJ governor Haruhiko Kuroda's comment that the central bank was contemplating a timetable for pulling back on its massive stimulus programme. The BoJ had loosened monetary conditions to spur spending and investments – a backdrop to the five-year bull run that has gripped Japanese shares since 2013.

We expect U.S. fiscal unease and protectionism to lead to continued yen appreciation, which is negative for Japanese corporates. A strong yen and weak U.S. dollar has the potential to hurt profitability of Japanese exporters, especially when more than half of the country's exports are contracted in U.S. dollars. The strength in yen, if sustained, could also dampen prices and derail Japan's efforts to meet its 2% inflation target.



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Disclosure

RBC Funds, BlueBay Funds, PH&N Funds and RBC Corporate Class Funds are offered by RBC Global Asset Management Inc. and distributed through authorized dealers.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus or Fund Facts document before investing. Except as otherwise noted, the indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that would have reduced returns. Mutual funds are not guaranteed or covered by the Canadian Deposit Insurance Corporation or by any other government deposit insurer. For money market funds, there can be no assurances that the fund will be able to maintain its net asset value per unit at a constant amount or that the full amount of your investment in the fund will be returned to you. The value of mutual funds change frequently and past performance may not be repeated.

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MER (%) for RBC Funds, PH&N Funds and BlueBay Funds is based on actual expenses for the full year period, January 1 to December 31, 2017, expressed on an annualized basis.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the half-year period, April 1, to September 30, 2017, expressed on an annualized basis.

Series H and Series I are not available for purchase by new investors. Existing investors who hold Series H or Series I units can continue to make additional investments into the same series of the funds they hold.

Graphs are only used to illustrate the effects of the compound growth rate and do not reflect future values of any fund or returns on

investment of any fund.

The fund profile is provided for informational purposes only. Particular investments and/or trading strategies should be evaluated relative to each individual's investment objectives. The information contained in the fund profile is not, and should not be construed as, investment or tax advice. You should not act or rely on the information contained in the fund profile without seeking the advice of an appropriate professional advisor.

Quartile rankings are determined by Morningstar Research Inc., an independent research firm, based on categories maintained by the Canadian Investment Funds Standards Committee (CIFSC). Quartile rankings are comparisons of the performance of a fund to other funds in a particular category and are subject to change monthly. The quartiles divide the data into four equal segments expressed in terms of rank (1, 2, 3 or 4). This is the Morningstar quartile ranking of Series A and F units of the Fund as of May 31, 2018.

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