

## Composition of capital as of 30 September 2011 (CRD3 rules)

Name of the bank:

GB088

ROYAL BANK OF SCOTLAND GROUP plc

Capital position CRD3 rules	September 2011		References to COREP reporting
	Million EUR	% RWA	
<b>A) Common equity before deductions (Original own funds without hybrid instruments and government support measures other than ordinary shares) (+)</b>	<b>64,231</b>		COREP CA 1.1 - hybrid instruments and government support measures other than ordinary shares
Of which: (+) eligible capital and reserves	83,501		COREP CA 1.1.1 + COREP line 1.1.2.1
Of which: (-) intangibles assets (including goodwill)	-17,013		Net amount included in T1 own funds (COREP line 1.1.5.1)
Of which: (-/+) adjustment to valuation differences in other AFS assets <sup>(1)</sup>	437		Prudential filters for regulatory capital (COREP line 1.1.2.6.06)
<b>B) Deductions from common equity (Elements deducted from original own funds) (-)</b>	<b>-10,716</b>		COREP CA 1.3.T1* (negative amount)
Of which: (-) deductions of participations and subordinated claims	-350		Total of items as defined by Article 57 (l), (m), (n) (o) and (p) of Directive 2006/48/EC and deducted from original own funds (COREP lines from 1.3.1 to 1.3.5 included in line 1.3.T1*)
<b>Of which: (-) securitisation exposures not included in RWA according with CRD3 (2)</b>	<b>7,027</b>		COREP line 1.3.7 included in line 1.3.T1* (50% securitisation exposures in the banking and trading book subject to 1250% risk weight; Art. 57 (r) of Directive 2006/48/EC)
Of which: (-) IRB provision shortfall and IRB equity expected loss amounts (before tax)	-3,339		As defined by Article 57 (q) of Directive 2006/48/EC (COREP line 1.3.8 included in 1.3.T1*)
<b>C) Common equity (A+B)</b>	<b>53,515</b>	<b>10.54%</b>	
Of which: ordinary shares subscribed by government	52,039		Paid up ordinary shares subscribed by government
<b>D) Other Existing government support measures (+)</b>	<b>0</b>		
<b>E) Core Tier 1 including existing government support measures (C+D)</b>	<b>53,515</b>	<b>10.54%</b>	Common equity + Existing government support measures included in T1 other than ordinary shares
<b>Shortfall to 9% before application sovereign capital buffer</b>	<b>0</b>	<b>0.00%</b>	9%RWA-Core Tier 1 including existing government support measures; if >0.
<b>F) Hybrid instruments not subscribed by government</b>	<b>11,587</b>		Net amount included in T1 own funds (COREP line 1.1.4.1a + COREP lines from 1.1.2.2***01 to 1.1.2.2***05 + COREP line 1.1.5.2a (negative amount)) not subscribed by government
<b>Tier 1 Capital (E+F) (Total original own funds for general solvency purposes)</b>	<b>65,102</b>	<b>12.82%</b>	COREP CA 1.4 = COREP CA 1.1 + COREP CA 1.3.T1* (negative amount)
<b>RWA as of end September 2011 including add-on for CRD3 <sup>(2)</sup></b>	<b>507,746</b>		
Of which: RWA add-on for CRD III as of end September 2011 <sup>(2)</sup>	19,304		
<b>Sovereign Capital buffer</b>			
<b>G) Prudential filter (AFS sovereign assets in EEA as of 30th September 2011) (-/+)</b>	<b>-1,212</b>		Please report the prudential filter as a positive number if the AFS revaluation reserve for sovereign assets is negative. Please report the prudential filter as a negative number if the AFS revaluation reserve is positive. If the bank does not apply a prudential filter on AFS sovereign assets, please fill in zero.
<b>H) Difference between the book value and the fair value of sovereign assets (Bonds and Loans and advances) in the HTM and Loans &amp; Receivables portfolios (3).</b>	<b>77</b>		Difference between the book value and the fair value at the reference date. Please provide a positive number if the book value is larger than the fair value of sovereign assets. Please provide a negative number if the book value is smaller than the fair value of the sovereign assets.
<b>Sovereign capital buffer for exposures in EEA (G+H)</b>	<b>0</b>	<b>0.00%</b>	Sum of Prudential filter and valuation. If negative it is set to 0
<b>Overall Shortfall after including sovereign capital buffer</b>	<b>0</b>	<b>0.00%</b>	9%RWA-(Core Tier 1 including existing government support measures-Sovereign capital buffer for exposures in EEA); if >0.

### Notes and definitions

(1) The amount is already included in the computation of the eligible capital and reserves and it is provided separately for information purposes.

(2) According with CRD3 it can include also 50% securitisation exposures in the trading book subject to 1250% risk weight and not included in RWA.

(3) It includes also possible differences between the book value and the fair value of: i) direct sovereign exposures in derivatives; ii) indirect sovereign exposures in the banking and trading book

Exposures to sovereigns (central, regional and local governments) in EEA, as of 30 September 2011, mln EUR

Name of the bank: **GB088 ROYAL BANK OF SCOTLAND GROUP plc**

Residual Maturity	Country	GROSS DIRECT LONG EXPOSURES (accounting value gross of provisions) <sup>(1)</sup>		NET DIRECT POSITIONS (gross of provisions and write-off exposures (long) net of cash short position of sovereign debt to other counterparties only where there is maturity matching) <sup>(1)</sup>			DIRECT SOVEREIGN EXPOSURES IN DERIVATIVES <sup>(1)</sup>	INDIRECT SOVEREIGN EXPOSURES <sup>(3)</sup> (on and off balance sheet)	Memo Item	Provisions and write-off on Sovereign assets (loans, advances and debt securities) (+)	Prudential filter AFS sovereign assets (including the fair value of Cash flow and fair value hedging contracts) (+/-) <sup>(4)</sup>	Reserve AFS sovereign assets (gross the fair value of Cash flow and fair value hedging contracts) (+/-) <sup>(4)</sup>	Fair value of Cash flow and fair value hedging contracts on AFS sovereign assets (+/-) <sup>(4)</sup>
			of which: loans and advances in the HTM and Loans and receivables portfolios		of which: Available for sale financial assets (AFS)	of which: Financial assets designated at fair value through profit or loss (FVO)	of which: Financial assets held for trading <sup>(2)</sup>	Net position at fair values (Derivatives with positive fair value + Derivatives with negative fair value)	Net position at fair values (Derivatives with positive fair value + Derivatives with negative fair value)	Nominal Value Debt securities in HTM and Loans and Receivables portfolios			
3M	Austria	0	0	0	0	0	26	0	0		0	0	0
1Y		27	0	23	7	0	16	0	0		1	0	0
2Y		15	0	12	2	0	11	35	0		0	0	0
3Y		82	0	25	0	0	25	0	0		0	0	0
5Y		72	0	67	0	0	67	825	0		0	0	0
10Y		250	0	137	0	0	137	0	0		0	7	-3
15Y		421	0	381	0	0	48	0	0		0	61	-89
Tot	866	0	646	342	0	304	886	13	0	0	37	65	-102
3M	Belgium	10	0	9	0	0	10	0	0		0	0	0
1Y		394	261	293	0	0	32	17	0		0	0	0
2Y		117	0	-30	9	0	-39	3	-1		1	0	0
3Y		340	0	297	0	0	297	0	4		0	0	0
5Y		15	0	-137	0	0	-137	291	-13		0	0	0
10Y		729	0	606	524	0	82	0	15		62	25	-54
15Y		460	0	223	357	0	-134	0	0		42	38	-115
Tot	2,065	261	1,260	890	0	110	321	5	0	0	106	63	-170
3M	Bulgaria	0	0	0	0	0	0	0	0		0	0	0
1Y		0	0	0	0	0	0	0	0		0	0	0
2Y		0	0	0	0	0	0	0	0		0	0	0
3Y		0	0	0	0	0	0	0	0		0	0	0
5Y		0	0	0	0	0	0	0	1		0	0	0
10Y		0	0	0	0	0	0	0	-1		0	0	0
15Y		0	0	0	0	0	0	0	0		0	0	0
Tot	0	0	0	0	0	0	0	0	0	0	0	0	0
3M	Cyprus	0	0	0	0	0	0	0	0		0	0	0
1Y		0	0	0	0	0	0	0	0		0	0	0
2Y		0	0	0	0	0	0	0	0		0	0	0
3Y		0	0	0	0	0	0	0	0		0	0	0
5Y		0	0	0	0	0	0	0	0		0	0	0
10Y		0	0	0	0	0	0	0	0		0	0	0
15Y		0	0	0	0	0	0	0	0		0	0	0
Tot	0	0	0	0	0	0	0	0	0	0	0	0	0
3M	Czech Republic	167	0	167	9	0	159	0	0		0	0	0
1Y		0	0	0	0	0	0	5	0		0	0	0
2Y		18	0	18	18	0	0	0	0		0	0	0
3Y		2	0	2	0	0	2	0	0		0	0	0
5Y		23	0	21	23	0	-3	105	0		1	5	-6
10Y		158	0	158	92	0	66	0	0		0	0	0
15Y		3	0	3	3	0	0	0	0		0	0	0
Tot	372	0	369	145	0	224	110	0	0	0	1	5	-6
3M	Denmark	405	0	405	0	0	405	0	0		0	0	0
1Y		1,668	76	1,668	499	0	1,092	91	0		-2	0	0
2Y		10	0	6	0	0	6	0	0		0	0	0
3Y		0	0	0	0	0	0	0	8		0	0	0
5Y		0	0	0	0	0	0	11	0		0	0	0
10Y		4	0	4	0	0	4	0	-2		0	2	0
15Y		4	0	4	0	0	4	0	0		0	0	0
Tot	2,091	76	2,087	499	0	1,512	102	8	0	-2	2	0	0
3M	Estonia	0	0	0	0	0	0	0	0		0	0	0
1Y		0	0	0	0	0	0	0	0		0	0	0
2Y		0	0	0	0	0	0	0	0		0	0	0
3Y		0	0	0	0	0	0	0	0		0	0	0
5Y		0	0	0	0	0	0	0	0		0	0	0
10Y		0	0	0	0	0	0	0	0		0	0	0
15Y		0	0	0	0	0	0	0	0		0	0	0
Tot	0	0	0	0	0	0	0	0	0	0	0	0	0
3M	Finland	0	0	0	0	0	497	0	0		0	0	0
1Y		118	0	113	0	0	113	0	0		0	0	0
2Y		71	0	66	0	0	66	0	0		0	0	0
3Y		5	0	5	0	0	5	0	0		0	0	0
5Y		2	0	-14	0	0	-14	464	-3		0	0	0
10Y		235	10	168	43	0	114	0	4		0	5	-5
15Y		128	128	112	0	0	-17	0	0		0	0	0
Tot	560	139	450	43	0	268	961	1	0	0	5	-5	
3M	France	425	0	392	397	0	-5	11	0		-9	0	0
1Y		8,910	0	8,829	454	0	8,375	1	0		-10	0	0
2Y		744	0	-2,881	441	0	-3,321	18	0		-10	7	-3
3Y		1,849	0	1,433	1,531	0	-97	1	0		-34	38	-16
5Y		1,363	0	611	718	0	-107	473	0		-16	31	-21
10Y		2,435	35	1,943	1,400	0	508	0	0		-31	133	-7
15Y		1,419	496	512	373	0	-357	0	0		-8	56	-99
Tot	17,145	531	10,840	5,314	0	4,995	504	36	0	0	-118	265	-147

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			of which: <u>loans and advances</u> in the HTM and Loans and receivables portfolios		of which: Available for sale financial assets (AFS)	of which: Financial assets designated at fair value through profit or loss (FVO)	of which: Financial assets held for trading <sup>(2)</sup>	Net position at fair values (Derivatives with positive fair value + Derivatives with negative fair value)	Net position at fair values (Derivatives with positive fair value + Derivatives with negative fair value)	Nominal Value <u>Debt securities</u> in HTM and Loans and Receivables portfolios				
3M	Germany	500	0	496	457	0	39	6,388	0	0		-18	0	0
1Y		2,852	0	2,666	1,050	0	1,616	11	0	0		-42	1	0
2Y		4,160	0	3,854	1,468	0	2,386	16	0	0		-58	13	-8
3Y		2,687	0	2,507	1,954	0	553	46	0	0		-77	100	-80
5Y		3,910	0	3,204	2,973	0	231	773	-20	0		-118	214	-76
10Y		4,387	0	3,478	3,400	0	78	0	27	0		-135	328	-123
15Y		2,112	0	1,857	1,488	0	369	0	0	0		-59	232	-95
Tot		20,607	0	18,062	12,790	0	5,272	7,234	7	0	0	-507	888	-382
3M	Greece <sup>(5)</sup>	0	0	0	0	0	0	0	-2	0		0	0	0
1Y		41	8	41	0	0	33	0	16	0		0	0	0
2Y		24	0	19	0	0	19	0	65	0		0	0	0
3Y		98	0	98	0	0	98	0	-6	0		0	0	0
5Y		35	0	35	20	0	14	12	18	0		0	0	0
10Y		392	0	392	377	0	14	0	25	0		0	0	0
15Y		239	0	237	216	0	21	0	0	0		0	0	0
Tot		830	8	822	614	0	200	12	117	0	1,205	0	0	0
3M	Hungary	20	0	20	0	0	20	0	-1	0		0	0	0
1Y		2	0	2	0	0	2	0	-1	0		0	0	0
2Y		4	0	5	0	0	4	0	0	0		0	0	0
3Y		4	0	1	0	0	2	0	0	0		0	0	0
5Y		6	0	6	0	0	6	0	5	0		0	0	0
10Y		4	0	-6	0	0	-5	0	5	0		0	0	0
15Y		0	0	0	0	0	0	0	0	0		0	0	0
Tot		40	0	28	0	0	29	0	8	0	0	0	0	0
3M	Iceland	0	0	0	0	0	0	0	0	0		0	0	0
1Y		0	0	0	0	0	0	0	0	0		0	0	0
2Y		0	0	0	0	0	0	0	0	0		0	0	0
3Y		0	0	0	0	0	0	0	0	0		0	0	0
5Y		0	0	0	0	0	0	0	0	0		0	0	0
10Y		0	0	0	0	0	0	0	0	0		0	0	0
15Y		0	0	0	0	0	0	0	0	0		0	0	0
Tot		0	0	0	0	0	0	0	0	0	0	0	0	0
3M	Ireland	0	0	0	0	0	0	0	0	0		0	0	0
1Y		1	0	1	0	0	1	36	1	0		0	0	0
2Y		1	0	-4	0	0	-4	0	0	0		0	0	0
3Y		7	5	7	0	0	2	0	5	0		0	0	0
5Y		25	18	23	0	0	4	0	-44	0		0	0	0
10Y		185	28	157	132	0	-4	0	24	0		46	-24	-22
15Y		11	11	11	0	0	1	0	0	0		0	0	0
Tot		229	62	195	132	0	0	36	-13	0	0	46	-24	-22
3M	Italy	115	0	115	0	0	115	0	0	0		0	0	0
1Y		2,844	0	1,288	0	0	1,288	0	2	0		0	0	0
2Y		215	0	-604	0	0	-604	0	-1	0		0	0	0
3Y		471	0	-1,574	0	0	-1,574	0	-42	0		0	0	0
5Y		1,026	0	366	48	0	318	118	-64	0		11	0	0
10Y		1,728	0	608	840	0	-232	0	149	0		188	-32	-129
15Y		440	0	140	95	0	44	0	2	0		21	-17	-42
Tot		6,840	0	339	983	0	-644	124	46	0	0	220	-50	-171
3M	Latvia	0	0	0	0	0	0	0	0	0		0	0	0
1Y		0	0	0	0	0	0	0	2	0		0	0	0
2Y		0	0	0	0	0	0	0	0	0		0	0	0
3Y		0	0	0	0	0	0	0	1	0		0	0	0
5Y		0	0	0	0	0	0	0	2	0		0	0	0
10Y		0	0	0	0	0	0	0	-3	0		0	0	0
15Y		0	0	0	0	0	0	0	0	0		0	0	0
Tot		0	0	0	0	0	0	0	1	0	0	0	0	0
3M	Liechtenstein	0	0	0	0	0	0	0	0	0		0	0	0
1Y		0	0	0	0	0	0	0	0	0		0	0	0
2Y		0	0	0	0	0	0	0	0	0		0	0	0
3Y		0	0	0	0	0	0	0	0	0		0	0	0
5Y		0	0	0	0	0	0	0	0	0		0	0	0
10Y		0	0	0	0	0	0	0	0	0		0	0	0
15Y		0	0	0	0	0	0	0	0	0		0	0	0
Tot		0	0	0	0	0	0	0	0	0	0	0	0	0
3M	Lithuania	0	0	0	0	0	0	0	0	0		0	0	0
1Y		0	0	0	0	0	0	0	0	0		0	0	0
2Y		0	0	0	0	0	0	0	0	0		0	0	0
3Y		0	0	0	0	0	0	0	0	0		0	0	0
5Y		0	0	0	0	0	0	0	0	0		0	0	0
10Y		0	0	0	0	0	0	0	0	0		0	0	0
15Y		0	0	0	0	0	0	0	0	0		0	0	0
Tot		0	0	0	0	0	0	0	-1	0	0	0	0	0
3M	Luxembourg	0	0	0	0	0	0	0	0	0		0	0	0
1Y		0	0	0	0	0	0	0	0	0		0	0	0
2Y		0	0	0	0	0	0	0	0	0		0	0	0
3Y		0	0	0	0	0	0	0	0	0		0	0	0
5Y		0	0	0	0	0	0	0	0	0		0	0	0
10Y		0	0	0	0	0	0	0	0	0		0	0	0
15Y		3	0	3	0	0	3	0	0	0		0	0	0
Tot		3	0	3	0	0	3	0	0	0	0	0	0	0

Residual Maturity	Country	GROSS DIRECT LONG EXPOSURES (accounting value gross of provisions) <sup>(1)</sup>		NET DIRECT POSITIONS (gross of provisions and write-off exposures (long) net of cash short position of sovereign debt to other counterparties only where there is maturity matching) <sup>(1)</sup>				DIRECT SOVEREIGN EXPOSURES IN DERIVATIVES <sup>(1)</sup>	INDIRECT SOVEREIGN EXPOSURES <sup>(3)</sup> (on and off balance sheet)	Memo Item	Provisions and write-off on Sovereign assets (loans, advances and debt securities) (+)	Prudential filter AFS sovereign assets (including the fair value of Cash flow and fair value hedging contracts) (+/-) <sup>(4)</sup>	Reserve AFS sovereign assets (gross the fair value of Cash flow and fair value hedging contracts) (+/-) <sup>(4)</sup>	Fair value of Cash flow and fair value hedging contracts on AFS sovereign assets (+/-) <sup>(4)</sup>
		of which: <u>loans and advances</u> in the HTM and Loans and receivables portfolios		of which: Available for sale financial assets (AFS)	of which: Financial assets designated at fair value through profit or loss (FVO)	of which: Financial assets held for trading <sup>(2)</sup>	Net position at fair values (Derivatives with positive fair value + Derivatives with negative fair value)	Net position at fair values (Derivatives with positive fair value + Derivatives with negative fair value)	Nominal Value Debt securities in HTM and Loans and Receivables portfolios					
3M	Malta	0	0	0	0	0	0	0	0	0	0	0	0	
1Y		0	0	0	0	0	0	0	0	0	0	0	0	
2Y		0	0	0	0	0	0	0	0	0	0	0	0	
3Y		0	0	0	0	0	0	0	0	0	0	0	0	
5Y		0	0	0	0	0	0	0	0	0	0	0	0	
10Y		0	0	0	0	0	0	0	0	0	0	0	0	
15Y		0	0	0	0	0	0	0	0	0	0	0	0	
Tot		0	0	0	0	0	0	0	0	0	0	0	0	
3M	Netherlands	28	3	28	7	0	19	0	0	0	0	0	0	
1Y		4,649	2,603	4,599	1,331	0	665	0	0	0	-39	0	0	
2Y		468	0	455	45	0	411	56	0	0	-1	24	-15	
3Y		295	0	147	150	0	-2	0	9	0	-4	0	0	
5Y		426	0	292	218	0	75	123	-3	0	-6	17	-18	
10Y		1,511	0	1,113	1,134	0	-21	0	-3	0	-33	128	-47	
15Y		389	0	26	289	0	-262	0	0	0	-8	75	-69	
Tot		7,766	2,606	6,662	3,173	0	884	179	3	0	-93	244	-150	
3M	Norway	0	0	0	0	0	0	2,028	0	0	0	0	0	
1Y		54	49	52	0	0	3	0	0	0	0	0	0	
2Y		1	0	0	0	0	0	5	0	0	0	0	0	
3Y		0	0	0	0	0	0	1	0	0	0	0	0	
5Y		3	0	2	0	0	2	124	-1	0	0	0	0	
10Y		19	0	11	0	0	11	0	0	0	0	0	0	
15Y		0	0	0	0	0	0	0	0	0	0	0	0	
Tot		78	49	66	0	0	17	2,158	0	0	0	0	0	
3M	Poland	0	0	0	0	0	0	0	0	0	0	0	0	
1Y		157	42	156	113	0	1	0	0	0	0	0	0	
2Y		0	0	-13	0	0	-13	0	2	0	0	0	0	
3Y		16	0	6	0	0	6	0	-2	0	0	0	0	
5Y		1	0	-12	0	0	-12	2	5	0	0	0	0	
10Y		7	0	7	0	0	7	0	-5	0	0	0	0	
15Y		6	0	0	0	0	0	0	0	0	0	0	0	
Tot		187	42	144	113	0	-11	2	-1	0	0	0	0	
3M	Portugal	64	50	63	0	0	13	0	0	0	0	0	0	
1Y		8	0	6	0	0	6	0	-8	0	0	0	0	
2Y		0	0	-67	0	0	-67	1	32	0	0	0	0	
3Y		0	0	-2	0	0	-2	0	33	0	0	0	0	
5Y		10	0	-14	0	0	-14	22	-145	0	0	0	0	
10Y		99	0	22	57	0	-35	0	102	0	46	-30	-12	
15Y		26	0	24	19	0	5	0	0	0	15	-13	-7	
Tot		207	50	31	76	0	-95	24	15	0	62	-43	-18	
3M	Romania	125	0	125	121	0	5	0	0	0	0	0	0	
1Y		123	3	123	104	0	17	0	1	0	0	0	0	
2Y		10	0	10	9	0	1	0	-2	0	0	0	0	
3Y		58	5	58	25	0	28	0	-1	0	0	0	0	
5Y		16	0	15	11	0	4	0	1	0	0	0	0	
10Y		30	27	30	2	0	2	0	-3	0	0	0	0	
15Y		0	0	0	0	0	0	0	0	0	0	0	0	
Tot		363	34	362	272	0	55	0	-3	0	0	0	0	
3M	Slovakia	0	0	0	0	0	0	0	0	0	0	0	0	
1Y		0	0	0	0	0	0	2	0	0	0	0	0	
2Y		0	0	0	0	0	0	18	0	0	0	0	0	
3Y		0	0	-3	0	0	-3	30	0	0	0	0	0	
5Y		0	0	-3	0	0	-3	0	1	0	0	0	0	
10Y		21	0	19	21	0	-2	0	1	0	2	1	-2	
15Y		0	0	0	0	0	0	0	0	0	0	0	0	
Tot		21	0	13	21	0	-8	50	1	0	2	1	-2	
3M	Slovenia	0	0	0	0	0	0	0	0	0	0	0	0	
1Y		0	0	0	0	0	0	0	0	0	0	0	0	
2Y		0	0	0	0	0	0	0	0	0	0	0	0	
3Y		0	0	0	0	0	0	0	-1	0	0	0	0	
5Y		0	0	0	0	0	0	0	0	0	0	0	0	
10Y		0	0	0	0	0	0	0	0	0	0	0	0	
15Y		0	0	0	0	0	0	0	0	0	0	0	0	
Tot		0	0	0	0	0	0	0	-1	0	0	0	0	
3M	Spain	146	0	146	44	0	102	0	0	0	5	0	0	
1Y		328	11	244	0	0	233	0	2	0	0	0	0	
2Y		37	0	-126	0	0	-126	0	-6	0	0	0	0	
3Y		26	0	-278	0	0	-278	0	-21	0	0	0	0	
5Y		102	0	-435	0	0	-435	53	-39	0	0	-5	-6	
10Y		340	0	116	49	0	67	0	85	0	6	0	0	
15Y		122	0	-32	0	0	-32	0	0	0	0	0	0	
Tot		1,101	11	-365	94	0	-470	53	21	0	11	-5	-6	
3M	Sweden	88	88	88	0	0	0	94	0	0	0	0	0	
1Y		1	0	-36	0	0	-36	0	0	0	0	0	0	
2Y		104	0	95	0	0	95	33	0	0	0	0	0	
3Y		163	0	150	0	0	150	3	7	0	0	0	0	
5Y		128	0	-20	46	0	-66	83	0	0	0	0	0	
10Y		149	68	71	0	0	3	0	-4	0	0	0	0	
15Y		293	185	257	0	0	72	0	0	0	0	0	0	
Tot		926	341	605	46	0	219	212	4	0	0	0	0	

Residual Maturity	Country	GROSS DIRECT LONG EXPOSURES (accounting value gross of provisions) <sup>(1)</sup>		NET DIRECT POSITIONS (gross of provisions and write-off exposures (long) net of cash short position of sovereign debt to other counterparties only where there is maturity matching) <sup>(1)</sup>			DIRECT SOVEREIGN EXPOSURES IN DERIVATIVES <sup>(1)</sup>	INDIRECT SOVEREIGN EXPOSURES <sup>(3)</sup> (on and off balance sheet)	Memo Item	Provisions and write-off on Sovereign assets (loans, advances and debt securities) (+)	Prudential filter AFS sovereign assets (including the fair value of Cash flow and fair value hedging contracts) (+/-) <sup>(4)</sup>	Reserve AFS sovereign assets (gross the fair value of Cash flow and fair value hedging contracts) (+/-) <sup>(4)</sup>	Fair value of Cash flow and fair value hedging contracts on AFS sovereign assets (+/-) <sup>(4)</sup>	
		of which: <u>loans and advances</u> in the HTM and Loans and receivables portfolios		of which: Available for sale financial assets (AFS)	of which: Financial assets designated at fair value through profit or loss (FVO)	of which: Financial assets held for trading <sup>(2)</sup>	Net position at fair values (Derivatives with positive fair value + Derivatives with negative fair value)	Net position at fair values (Derivatives with positive fair value + Derivatives with negative fair value)	Nominal Value <u>Debt securities</u> in HTM and Loans and Receivables portfolios					
3M	United Kingdom	3,664	2,595	3,423	976	0	-147	20,000	0	0	-62	0	0	
1Y		559	7	461	0	0	454	76	0	0	0	0	0	
2Y		954	3	648	217	0	428	0	0	0	-14	0	0	
3Y		767	5	656	542	0	109	7	0	0	-34	0	0	
5Y		3,640	6	3,135	2,701	0	428	34	0	0	-171	49	0	
10Y		7,780	13	7,362	6,387	0	962	0	0	0	-405	585	-35	
15Y		12,134	1,760	10,472	4,555	0	4,158	0	0	0	-289	620	-244	
Tot		29,498	4,387	26,157	15,379	0	6,390	20,117	0	0	-976	1,254	-279	
<b>TOTAL EEA 30</b>		<b>91,795</b>	<b>8,597</b>	<b>68,774</b>	<b>40,925</b>	<b>0</b>	<b>19,253</b>	<b>33,087</b>	<b>269</b>	<b>0</b>	<b>1,205</b>	<b>-1,212</b>	<b>2,671</b>	<b>-1,458</b>

**Notes and definitions**

(1) The exposures reported cover only exposures to central, regional and local governments on immediate borrower basis, and do not include exposures to other counterparties with full or partial government guarantees

(2) The banks disclose the exposures in the "Financial assets held for trading" portfolio after offsetting the cash short positions having the same maturities.

(3) The exposures reported include the positions towards counterparties (other than sovereign) on sovereign credit risk (i.e. CDS, financial guarantees) booked in all the accounting portfolio (on-off balance sheet). Irrespective of the denomination and or accounting classification of the positions the economic substance over the form must be used as a criteria for the identification of the exposures to be included in this column. This item does not include exposures to counterparties (other than sovereign) with full or partial government guarantees by central, regional and local governments

(4) According with CEBS Guidelines on prudential filters it is required a consistent treatment of gains and losses resulting from a transaction whereby a cash flow hedge is created for an available for sale instrument: i.e. if the gains on the hedged item are recognised in additional own funds, so should the results of the corresponding cash flow hedging derivative. Moreover if fair-value hedging contracts on sovereign assets are taken in consideration for the computation of the prudential filters (before their removal), the FV of such contracts must be reported in the column AB.

(5) Please report gross and net direct positions before eventual write-off (PSI); in the column provisions must be included eventual write-off (PSI).

## Composition of RWA as of 30 September 2011

Name of the bank:

GB088

ROYAL BANK OF SCOTLAND GROUP plc

(in million Euro)

	Rules at the end of September	CRD 3 rules
<b>Total RWA <sup>(1)</sup></b>	<b>488,442</b>	<b>507,746</b>
RWA for credit risk	<b>381,221</b>	<b>387,248</b>
RWA Securitisation and re-securitisations	11,229	14,823
RWA Other credit risk	369,992	<b>372,425</b>
RWA for market risk	<b>63,464</b>	<b>76,741</b>
RWA operational risk	43,757	43,757
Transitional floors <sup>(2)</sup>	-	-
RWA Other	-	-

### Notes and definitions

(1) The RWA calculated according to CRD III can be based on models that have not yet been approved by the National Supervisory Authority.

(2) All IRB/AMA banks in the exercise have applied transitional floor which assess the impact 80% of the Basel 1 requirements. However, wide divergences in national approaches to the floors means that two main approaches have been identified as set out in the methodological note. The transitional floor has been applied according to the following approach:

option 1

**CDS and other contract Sovereign exposures (central, regional and local governments) in EEA towards other counterparties, as of 30 September 2011, mln EUR**

Name of the bank: GB088 **ROYAL BANK OF SCOTLAND GROUP plc**

Country (2)	Credit default swaps (CDS) and other contracts (1)	
	Bank is protection seller	Bank is protection buyer
	Notional amount outstanding (3)	Notional amounts outstanding (3)
Austria	1,485	1,473
Belgium	1,397	1,479
Bulgaria	355	361
Cyprus	-	-
Czech Republic	139	185
Denmark	578	601
Estonia	4	4
Finland	428	351
France	3,352	4,120
Germany	2,803	2,827
Greece	3,152	3,375
Hungary	1,737	1,769
Iceland	132	147
Ireland	2,303	2,242
Italy	14,005	13,735
Latvia	175	179
Liechtenstein	-	-
Lithuania	98	99
Luxembourg	-	-
Malta	-	-
Netherlands	1,100	1,088
Norway	343	346
Poland	967	1,028
Portugal	3,581	3,494
Romania	662	635
Slovakia	239	233
Slovenia	84	89
Spain	5,905	5,917
Sweden	603	644
United Kingdom	63	63

(1) It includes credit derivatives and other credit risk transfer contracts/instruments that irrespective of the denomination represent indirect exposures (as protection seller/buyer) on sovereign risk (reference entity)

(2) The country identifies the reference entity single name of the CDS and other contracts.

(3) Notional amounts outstanding: Nominal or notional amounts outstanding are defined as the gross nominal or notional value of all contracts concluded and not yet settled on the reporting date. For contracts with variable nominal or notional principal amounts, the basis for reporting is the nominal or notional principal amounts at the time of reporting.