**RBS announces further sale of a North American loan portfolio to Mizuho**

The Royal Bank of Scotland Group plc (“RBS”) has entered into a definitive agreement with Mizuho Bank, Ltd. (“Mizuho”), a wholly-owned subsidiary of the Mizuho Financial Group, for the sale of a further portfolio of corporate loan commitments. This transaction follows the announcement on 26 February 2015 of a sale to Mizuho of a portfolio of US and Canadian loan commitments.

This additional portfolio sold to Mizuho comprises $5.6bn of loan commitments, including $0.5bn of drawn assets as of 28 February 2015, and generated a profit after tax in the region of approximately $20m in the year to 31 December 2014. The cash consideration will be approximately $0.5bn, generating a loss on disposal, net of unamortised fees, of around $30m (£20m). Final cash consideration and loss will depend upon settlement date portfolio balances. Sale proceeds will be used for general corporate purposes.

The transaction is expected to be substantially complete by the end of Q3 2015.

The original transaction announced on 26 February 2015 remains on track and is subject to progressive closing as customer and agent banks’ consents are obtained. Together with the announced sale to Mizuho in late February, approximately two thirds of our North American corporate loan portfolio and associated commitments identified for exit have now been disposed of.

For further information:

Investor Relations

Richard O'Connor

Head of Investor Relations

+44 (0) 20 7672 1758

Media Relations

+44 (0) 131 523 4205

This release contains 'forward-looking statements' as that term is defined in the United States Private Securities Litigation Reform Act of 1995. Forward looking statements are statements that are not historical facts and can be identified by the use of forward-looking terminology such as statements that include the words 'expect', 'estimate', 'project', 'anticipate', 'believes', 'should', 'intend', 'plan', 'could', 'probability', 'risk', 'Value-at-Risk (VaR)', 'target', 'goal', 'objective', 'will', 'endeavour', 'outlook', 'optimistic', 'prospects' and similar expressions or variations on such expressions or by the forward looking nature of discussions of strategy, plans, targets and intentions. These statements are based on current plans, estimates and projections, and are subject to inherent risks, uncertainties and other factors which could cause actual results to differ materially from the future results expressed or implied by such forward-looking statements. The forward-looking statements contained in this release speak only as of the date of this announcement, and the Group does not undertake to update any forward-looking statement to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events. The information, statements and opinions contained in this document do not constitute a public offer under any applicable legislation or an offer to sell or solicitation of any offer to buy any securities or financial instruments or any advice or recommendation with respect to such securities or other financial instruments.