**11 May 2017**

The Royal Bank of Scotland Group plc ("RBSG") completed the pricing of its $1,500,000,000 aggregate principal amount of Floating Rate Notes due 2023 and of its $1,500,000,000 aggregate principal amount of Fixed Rate to Floating Rate Notes due 2023.

The proceeds to RBSG (before expenses and underwriting discounts) of $3,000,000,000 will be used to fund RBSG’s general banking business.

The offering is scheduled to close on 15 May 2017, subject to the satisfaction of customary conditions.

RBSG has filed a registration statement (including a prospectus) with the U.S. Securities and Exchange Commission (the "SEC") for the offering to which this communication relates.  Investors should read the prospectus in such registration statement and other documents RBSG has filed with the SEC for more complete information about RBSG and this offering. You may get these documents for free by visiting the SEC web site at www.sec.gov.  Alternatively, copies may be obtained from RBS Securities Inc., toll free at 1-866-884-2071.

*This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities, nor will there be any sale of securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.*

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