The Royal Bank of Scotland Group plc

02 November 2018

**Statement on the publication of the 2018 EBA EU-wide stress test results and update on Pillar 2A**

The Royal Bank of Scotland Group plc ("RBS") today updates the market on two developments.

***2018 EBA EU-wide stress test results***

RBS notes the announcement made today by the European Banking Authority ("EBA") regarding the results of the 2018 EBA EU-wide stress test.

On a fully loaded Basel 3 and IFRS 9 basis, RBS's modelled Common Equity Tier 1 ("CET1") ratio under the adverse scenario was 9.5% as at 31 December 2019. The low-point on a transitional IFRS 9 basis was 9.9% (as at 31 December 2019).

RBS's modelled low-point Leverage ratio under the adverse scenario was 4.1% on a fully loaded Basel 3 and IFRS9 basis as at 31 December 2018, and 4.8% under the IFRS 9 transitional definition as at 31 December 2020.

Commenting on the results, Katie Murray, Interim Chief Financial Officer, said:

“This result is a clear demonstration of the bank’s financial resilience and our ability to continue to support our customers, even in the difficult economic scenario modelled as part of this exercise.”

 The detailed results of the stress test are available via the link below:

<http://storage.eba.europa.eu/documents/10180/2419188/EBA_ST_UK_2138005O9XJIJN4JPN90.pdf>

***Update on Pillar 2A***

The Prudential Regulatory Authority has confirmed to RBS that its consolidated Pillar 2A requirement reduced to 3.6%, of which 2.0% must be met by CET1 (this represents a reduction of approximately 15 basis points) , as calculated against Q3 2018 risk weighted assets of £194.5 billion. Together with the Pillar 1 requirement of 8%, RBS’s consolidated Total Capital Requirement is therefore 11.6%.

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Forward-Looking Statements

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**Legal Entity Identifier:**

The Royal Bank of Scotland Group plc - 2138005O9XJIJN4JPN90