

The Royal Bank of Scotland Group plc

14 December 2018

RBS welcomes credit ratings action by Fitch Ratings

The Royal Bank of Scotland Group plc (“RBSG” and, together with its subsidiaries, the “Group”) welcomes the decision by the credit rating agency Fitch Ratings to upgrade the long term ratings of RBS and each of the Group entities listed below by two notches. The short term ratings of these entities have also been upgraded to F1 from F2.

Fitch summary credit ratings are now as follows:

	New Long Term rating	New Short Term Rating
The Royal Bank of Scotland Group plc	A	F1
<u>Ring-Fenced Entities</u>		
National Westminster Bank Plc	A+	F1
Ulster Bank Limited	A+	F1
The Royal Bank of Scotland plc	A+	F1
<u>Entities Outside the Ring-Fence</u>		
NatWest Markets Plc	A	F1
NatWest Markets N.V.	A	F1
NatWest Markets Securities Inc.	A	F1
Royal Bank of Scotland International Ltd.	A	F1

The upgrade of the Group ratings reflects Fitch’s view that the Group’s risk profile has improved significantly as it has progressed with its restructuring and resolved large legacy matters.

Fitch noted today that, “while the UK political situation and Brexit status is very fluid, the Outlook is currently Stable because RBSG’s capitalisation, funding and liquidity mean we believe it is able to withstand a moderate weakening of the economic environment associated with Brexit. Unless a disruptive no-deal Brexit occurs or our economic and financial market expectations otherwise deteriorate materially, RBSG’s ratings are likely to remain at current levels. A heightened likelihood of a disruptive no deal Brexit would likely trigger an Outlook revision or Negative Watch.”

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Forward-looking statements

This announcement contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995, including (but not limited to) those related to RBS and its subsidiaries' regulatory capital position and requirements, financial position, future pension funding and contribution requirements, ongoing litigation and regulatory investigations, profitability and financial performance (including financial performance targets), structural reform and the implementation of the UK ring-fencing regime, the implementation of RBS's restructuring and transformation programme,

impairment losses and credit exposures under certain specified scenarios, increasing competition from new incumbents and disruptive technologies and RBS's exposure to political risks, operational risk, conduct risk, cyber and IT risk and credit rating risk. In addition, forward-looking statements may include, without limitation, the words 'expect', 'estimate', 'project', 'anticipate', 'commit', 'believe', 'should', 'intend', 'plan', 'could', 'probability', 'risk', 'Value-at-Risk (VaR)', 'target', 'goal', 'objective', 'may', 'endeavour', 'outlook', 'optimistic', 'prospects' and similar expressions or variations on these expressions. These statements concern or may affect future matters, such as RBS's future economic results, business plans and current strategies. Forward-looking statements are subject to a number of risks and uncertainties that might cause actual results and performance to differ materially from any expected future results or performance expressed or implied by the forward-looking statements. Factors that could cause or contribute to differences in current expectations include, but are not limited to, legislative, political, fiscal and regulatory developments, accounting standards, competitive conditions, technological developments, interest and exchange rate fluctuations and general economic conditions. These and other factors, risks and uncertainties that may impact any forward-looking statement or RBS's actual results are discussed in RBS's UK 2017 Annual Report and Accounts (ARA) and other materials filed with, or furnished to, the US Securities and Exchange Commission. The forward-looking statements contained in this announcement speak only as of the date of this announcement and RBS does not assume or undertake any obligation or responsibility to update any of the forward-looking statements contained in this announcement, whether as a result of new information, future events or otherwise, except to the extent legally required.

	Legal Entity Identifier
The Royal Bank of Scotland Group plc	213800509XJIJN4JPN90
The Royal Bank of Scotland plc	549300WHU4EIHRP28H10
National Westminster Bank Plc	213800IBT39XQ9C4CP71
Ulster Bank Limited	213800BZ9V4RRA2IRN26
NatWest Markets Plc	RR3QWICWWIPCS8A4S074
NatWest Markets N.V.	X3CZP3CK64YBHON1LE12
Royal Bank of Scotland International Ltd.	21380078CCZSEEIKA41
NatWest Markets Securities Inc.	ZE2ZWWJ5BTIQJ8M0C6K34