Results of the 2011 EBA EU-wide stress test: Summary [1-3]

Name of the bank: Royal Bank of Scotland Group

Actual results at 31 December 2010	million EUR, %
Operating profit before impairments	11,438
Impairment losses on financial and non-financial assets in the banking book	-11,173
Risk weighted assets [4]	607,351
Core Tier 1 capital [4]	58,982
Core Tier 1 capital ratio, % [4]	9.7%
Additional capital needed to reach a 5 % Core Tier 1 capital benchmark	

Outcomes of the adverse scenario at 31 December 2012, excluding all mitigating actions taken in 2011	%
Core Tier 1 Capital ratio	6.3%

Outcomes of the adverse scenario at 31 December 2012, including recognised mitigating measures as of 30 April 2011	million EUR, %
2 yr cumulative operating profit before impairments	9,454
2 yr cumulative impairment losses on financial and non-financial assets in the banking book	-25,894
2 yr cumulative losses from the stress in the trading book	-4,426
of which valuation losses due to sovereign shock	*-579*
Risk weighted assets	684,744
Core Tier 1 Capital	43,152
Core Tier 1 Capital ratio (%)	**6.3%**
Additional capital needed to reach a 5 % Core Tier 1 capital benchmark	
Effects from the recognised mitigating measures put in place until 30 April 2011 [5]	
Equity raisings announced and fully committed between 31 December 2010 and 30 April 2011 (CT1 million EUR)	
Effect of government support publicly announced and fully committed in period from 31 December 2010 to 30 April 2011 on Core Tier 1 capital ratio (percentage points of CT1 ratio)	
Effect of mandatory restructuring plans, publicly announced and fully committed in period from 31 December 2010 to 30 April 2011 on Core Tier 1 capital ratio (percentage points of CT1 ratio)	

Additional taken or planned mitigating measures	percentage points contributing to capital ratio
Use of provisions and/or other reserves (including release of countercyclical provisions)	
Divestments and other management actions taken by 30 April 2011	
Other disinvestments and restructuring measures, including also future mandatory restructuring not yet approved with the EU Commission under the EU State Aid rules	
Future planned issuances of common equity instruments (private issuances)	
Future planned government subscriptions of capital instruments (including hybrids)	
Other (existing and future) instruments recognised as appropriate back-stop measures by national supervisory authorities	
Supervisory recognised capital ratio after all current and future mitigating actions as of 31 December 2012, % [6]	6.3%

Notes

(1) The stress test was carried using the EBA common methodology, which includes a static balance sheet assumption and incorporates regulatory transitional floors, where binding (see http://www.eba.europa.eu/EU-wide-stress-testing/2011.aspx for the details on the EBA methodology).

(2) All capital elements and ratios are presented in accordance with the EBA definition of Core Tier 1 capital set up for the purposes of the EU-wide stress test, and therefore may differ from the definitions used by national supervisory authorities and/or reported by institutions in public disclosures.

(3) Neither baseline scenario nor the adverse scenario and results of the stress test should in any way be construed as a bank's forecast or directly compared to bank's other published information.

(4) Full static balance sheet assumption excluding any mitigating management actions, mandatory restructuring or capital raisings post 31 December 2010 (all government support measures and capital raisings fully paid in before 31 December 2010 are included).

(5) Effects of capital raisings, government support and mandatory restructuring plans publicly announced and fully committed in period from 31 December 2010 to 30 April 2011, which are incorporated in the Core Tier 1 capital ratio reported as the outcome of the stress test.

(6) The supervisory recognised capital ratio computed on the basis of additional mitigating measures presented in this section. The ratio is based primarily on the EBA definition, but may include other mitigating measures not recognised by the EBA methodology as having impacts in the Core Tier 1 capital, but which are considered by the national supervisory authorities as appropriate mitigating measures for the stressed conditions. Where applicable, such measures are explained in the additional announcements issued by banks/national supervisory authorities. Details of all mitigating measures are presented in the worksheet "3 - Mitigating measures).

Results of the 2011 EBA EU-wide stress test: Aggregate information and evolution of capital [1-4]

Name of the bank: Royal Bank of Scotland Group

All in million EUR, or %

A. Results of the stress test based on the **full static balance sheet assumption** without any mitigating actions, mandatory restructuring or capital raisings post 31 December 2010 (all government support measures fully paid in before 31 December 2010 are included)

Capital adequacy	2010	Baseline scenario 2011	Baseline scenario 2012	Adverse scenario 2011	Adverse scenario 2012
Risk weighted assets (full static balance sheet assumption)	607,351	622,772	608,905	667,709	684,744
Common equity according to EBA definition	58,982	57,204	55,354	48,231	43,152
of which ordinary shares subscribed by government	*52,609*	*52,609*	*52,609*	*52,609*	*52,609*
Other existing subscribed government capital (before 31 December 2010)					
Core Tier 1 capital (full static balance sheet assumption)	58,982	57,204	55,354	48,231	43,152
Core Tier 1 capital ratio (%)	**9.7%**	**9.2%**	**9.1%**	**7.2%**	**6.3%**

B. Results of the stress test recognising capital issuance and mandatory restructuring plans publicly announced and fully committed before 31 December 2010

Capital adequacy	2010	Baseline scenario 2011	Baseline scenario 2012	Adverse scenario 2011	Adverse scenario 2012
Risk weighted assets (full static balance sheet assumption)	607,351	622,772	608,905	667,709	684,744
Effect of mandatory restructuring plans, publicly announced and fully committed before 31 December 2010 on RWA (+/-)					
Risk weighted assets after the effects of mandatory restructuring plans publicly announced and fully committed before 31 December 2010	607,351	622,772	608,905	667,709	684,744
Core Tier 1 Capital (full static balance sheet assumption)	58,982	57,204	55,354	48,231	43,152
Effect of mandatory restructuring plans, publicly announced and fully committed before 31 December 2010 on Core Tier 1 capital (+/-)					
Core Tier 1 capital after the effects of mandatory restructuring plans publicly announced and fully committed before 31 December 2010	58,982	57,204	55,354	48,231	43,152
Core Tier 1 capital ratio (%)	**9.7%**	**9.2%**	**9.1%**	**7.2%**	**6.3%**

C. Results of the stress test recognising capital issuance and mandatory restructuring plans publicly announced and fully committed before 30 April 2011

Capital adequacy	2010	Baseline scenario 2011	Baseline scenario 2012	Adverse scenario 2011	Adverse scenario 2012
Risk weighted assets after the effects of mandatory restructuring plans publicly announced and fully committed before 31 December 2010	607,351	622,772	608,905	667,709	684,744
Effect of mandatory restructuring plans, publicly announced and fully committed in period from 31 December 2010 to 30 April 2011 on RWA (+/-)					
Risk weighted assets after the effects of mandatory restructuring plans publicly announced and fully committed before 30 April 2011		622,772	608,905	667,709	684,744
of which RWA in banking book		427,149	410,610	466,071	476,188
of which RWA in trading book		124,124	126,796	130,140	137,058
RWA on securitisation positions (banking and trading book)		141,446	155,765	184,711	232,638
Total assets after the effects of mandatory restructuring plans publicly announced and fully committed and equity raised and fully committed by 30 April 2011	*607,351*	622,772	608,905	667,709	684,744
Core Tier 1 capital after the effects of mandatory restructuring plans publicly announced and fully committed before 31 December 2010	58,982	57,204	55,354	48,231	43,152
Equity raised between 31 December 2010 and 30 April 2011					
Equity raisings fully committed (but not paid in) between 31 December 2010 and 30 April 2011					
Effect of government support publicly announced and fully committed in period from 31 December 2010 to 30 April 2011 on Core Tier 1 capital (+/-)					
Effect of mandatory restructuring plans, publicly announced and fully committed in period from 31 December 2010 to 30 April 2011 on Core Tier 1 capital (+/-)					
Core Tier 1 capital after government support, capital raisings and effects of restructuring plans fully committed by 30 April 2011		57,204	55,354	48,231	43,152
Tier 1 capital after government support, capital raisings and effects of restructuring plans fully committed by 30 April 2011		*68,769*	*66,618*	*59,609*	*54,242*
Total regulatory capital after government support, capital raisings and effects of restructuring plans fully committed by 30 April 2011		*79,154*	*74,818*	*63,726*	*60,050*
Core Tier 1 capital ratio (%)	**9.7%**	**9.2%**	**9.1%**	**7.2%**	**6.3%**
Additional capital needed to reach a 5% Core Tier 1 capital benchmark					

Profit and losses	2010	Baseline scenario 2011	Baseline scenario 2012	Adverse scenario 2011	Adverse scenario 2012
Net interest income	15,728	15,567	14,477	15,329	13,773
Trading income	5,352	1,787	1,787	1,787	1,787
of which trading losses from stress scenarios		*-854*	*-854*	*-2,213*	*-2,213*
of which valuation losses due to sovereign shock				*-289*	*-289*
Other operating income [5]	2,451	3,098	2,331	3,098	2,331
Operating profit before impairments	11,438	6,514	5,901	5,617	3,838
Impairments on financial and non-financial assets in the banking book [6]	*-11,173*	*-7,424*	*-5,602*	*-17,667*	*-8,227*
Operating profit after impairments and other losses from the stress	265	-910	300	-12,050	-4,390
Other income [5,6]		-	-	-	-
Net profit after tax [7]	-546	-2,338	-895	-10,525	-4,401
of which carried over to capital (retained earnings)	*-546*	*-2,338*	*-895*	*-10,525*	*-4,401*
of which distributed as dividends	-	-	-	-	-

Additional information	2010	Baseline scenario 2011	Baseline scenario 2012	Adverse scenario 2011	Adverse scenario 2012
Deferred Tax Assets [8]	4,986	4,986	4,986	8,430	10,175
Stock of provisions [9]	21,209	28,554	34,276	37,968	45,424
of which stock of provisions for non-defaulted assets	3,091	10,436	16,158	12,105	19,560
of which Sovereigns [10]	0	136	243	220	441
of which Institutions [10]	80	120	154	159	237
of which Corporate (excluding Commercial real estate)	1,649	5,333	8,352	6,182	9,725
of which Retail (excluding Commercial real estate)	799	2,584	3,929	2,850	4,777
of which Commercial real estate [11]	562	1,819	2,710	2,118	3,400
of which stock of provisions for defaulted assets	18,118	18,118	18,118	25,864	25,864
of which Corporate (excluding Commercial real estate)	5,019	5,019	5,019	7,921	7,921
of which Retail (excluding commercial real estate)	4,399	4,399	4,399	4,881	4,881
of which Commercial real estate	7,858	7,858	7,858	13,029	13,029
Coverage ratio (%) [12]					
Corporate (excluding Commercial real estate)	33.6%	20.6%	15.7%	29.8%	22.3%
Retail (excluding Commercial real estate)	59.0%	34.6%	26.1%	35.3%	24.3%
Commercial real estate	27.9%	24.8%	23.0%	40.1%	36.0%
Loss rates (%) [13]					
Corporate (excluding Commercial real estate)	0.7%	0.9%	0.8%	1.2%	1.0%
Retail (excluding Commercial real estate)	1.4%	0.8%	0.6%	0.9%	0.9%
Commercial real estate	3.6%	1.4%	1.1%	1.7%	1.5%
Funding cost (bps)	139			248	373

D. Other mitigating measures (see Mitigating measures worksheet for details), million EUR [14]

All effects as compared to regulatory aggregates as reported in Section C		Baseline scenario 2011	Baseline scenario 2012	Adverse scenario 2011	Adverse scenario 2012
A) Use of provisions and/or other reserves (including release of countercyclical provisions), capital ratio effect [6]					
B) Divestments and other management actions taken by 30 April 2011, RWA effect (+/-)					
B1) Divestments and other business decisions taken by 30 April 2011, capital ratio effect (+/-)					
C) Other disinvestments and restructuring measures, including also future mandatory restructuring not yet approved with the EU Commission under the EU State Aid rules, RWA effect (+/-)					
C1) Other disinvestments and restructuring measures, including also future mandatory restructuring not yet approved with the EU Commission under the EU State Aid rules, capital ratio effect (+/-)					
D) Future planned issuances of common equity instruments (private issuances), capital ratio effect					
E) Future planned government subscriptions of capital instruments (including hybrids), capital ratio effect					
F) Other (existing and future) instruments recognised as appropriate back-stop measures by national supervisory authorities, RWA effect (+/-)					
F1) Other (existing and future) instruments recognised as appropriate back-stop measures by national supervisory authorities, capital ratio effect (+/-)					
Risk weighted assets after other mitigating measures (B+C+F)		622,772	608,905	667,709	684,744
Capital after other mitigating measures (A+B1+C1+D+E+F1)		57,204	55,354	48,231	43,152
Supervisory recognised capital ratio (%) [15]		***9.2%***	***9.1%***	***7.2%***	***6.3%***

Notes and definitions

(1) The stress test was carried using the EBA common methodology, which includes a static balance sheet assumption (see http://www.eba.europa.eu/EU-wide-stress-testing/2011.aspx for the details on the EBA methodology).

(2) All capital elements and ratios are presented in accordance with the EBA definition of Core Tier 1 capital set up for the purposes of the EU-wide stress test, and therefore may differ from the definitions used by national supervisory authorities and/or reported by institutions in public disclosures.

(3) Neither baseline scenario nor the adverse scenario and results of the stress test should in any way be construed as a bank's forecast or directly compared to bank's other published information.

(4) Regulatory transitional floors are applied where binding. RWA for credit risk have been calculated in accordance with the EBA methodology assuming an additional floor imposed at a level of RWA, before regulatory transitional floors, for December 2010 for both IRB and STA portfolios.

(5) Banks are required to provide explanations of what "Other operating income" and "Other income" constitutes for.
Composition of "Other operating income" and "Other income": Other operating income comprises operating lease and other rental income, dividend income, gains on redemption of own debt and changes in the fair value of securities and other financial assets and liabilities.

(6) If under the national legislation, the release of countercyclical provisions and/or other similar reserves is allowed, this figure for 2010 could be included either in rows "Impairments on financial assets in the banking book" or "Other income" for 2010, whereas under the EU-wide stress test methodology such release for 2011-2012 should be reported in Section D as other mitigating measures.

(7) Net profit includes profit attributable to minority interests.

(8) Deferred tax assets as referred to in paragraph 69 of BCBS publication dated December 2010 : “Basel 3 – a global regulatory framework for more resilient banks and banking systems”.

(9) Stock of provisions includes collective and specific provisions as well as countercyclical provisions, in the jurisdictions, where required by the national legislation.

(10) Provisions for non-defaulted exposures to sovereigns and financial institutions have been computed taking into account benchmark risk parameters (PDs and LGDs) provided by the EBA and referring to external credit ratings and assuming hypothetical scenario of rating agency downgrades of sovereigns.

(11) For definition of commercial real estate please refer to footnote (5) in the worksheet "4 - EADs".
(12) Coverage ratio = stock of provisions on defaulted assets / stock of defaulted assets expressed in EAD for the specific portfolio.
(13) Loss rate = total impairment flow (specific and collective impairment flow) for a year / total EAD for the specific portfolio (including defaulted and non-defaulted assets but excluding securitisation and counterparty credit risk exposures).

(14) All elements are be reported net of tax effects.
(15) The supervisory recognised capital ratio computed on the basis of additional mitigating measures presented in this section. The ratio is based primarily on the EBA definition, but may include other mitigating measures not recognised by the EBA methodology as having impacts in the Core Tier 1 capital, but which are considered by the national supervisory authorities as appropriate mitigating measures for the stressed conditions. Where applicable, such measures are explained in the additional announcements issued by banks/national supervisory authorities. Details of all mitigating measures are presented in the worksheet "3 - Mitigating measures).

Results of the 2011 EBA EU-wide stress test: Composition of capital as of 31 December 2010

Name of the bank: Royal Bank of Scotland Group

Situation at December 2010	December 2010		References to COREP reporting
	Million EUR	% RWA	
A) Common equity before deductions (Original own funds without hybrid instruments and government support measures other than ordinary shares) (+)	**67,372**	11.1%	COREP CA 1.1 - hybrid instruments and government support measures other than ordinary shares
Of which: (+) eligible capital and reserves	81,851	13.5%	COREP CA 1.1.1 + COREP line 1.1.2.1
Of which: (-) intangibles assets (including goodwill)	-16,854	-2.8%	Net amount included in T1 own funds (COREP line 1.1.5.1)
Of which: (-/+) adjustment to valuation differences in other AFS assets [1]	2,376	0.4%	Prudential filters for regulatory capital (COREP line 1.1.2.6.06)
B) Deductions from common equity (Elements deducted from original own funds) (-)	**-8,391**	-1.4%	COREP CA 1.3.T1* (negative amount)
Of which: (-) deductions of participations and subordinated claims	-362	-0.1%	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*)
Of which: (-) securitisation exposures not included in RWA	-4,928	-0.8%	COREP line 1.3.7 included in line 1.3.T1*
Of which: (-) IRB provision shortfall and IRB equity expected loss amounts (before tax)	-3,101	-0.5%	As defined by Article 57 (q) of Directive 2006/48/EC (COREP line 1.3.8 included in 1.3.T1*)
C) Common equity (A+B)	**58,982**	9.7%	
Of which: ordinary shares subscribed by government	52,609	8.7%	Paid up ordinary shares subscribed by government
D) Other Existing government support measures (+)			
E) Core Tier 1 including existing government support measures (C+D)	**58,982**	9.7%	Common equity + Existing government support measures included in T1 other than ordinary shares
Difference from benchmark capital threshold (CT1 5%)	**28,614**	4.7%	Core tier 1 including government support measures - (RWA*5%)
F) Hybrid instruments not subscribed by government	**11,750**	1.9%	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
Tier 1 Capital (E+F) (Total original own funds for general solvency purposes)	**70,732**	11.6%	COREP CA 1.4 = COREP CA 1.1 + COREP CA 1.3.T1* (negative amount)
Tier 2 Capital (Total additional own funds for general solvency purposes)	**14,161**	2.3%	COREP CA 1.5
Tier 3 Capital (Total additional own funds specific to cover market risks)	**0**	0.0%	COREP CA 1.6
Total Capital (Total own funds for solvency purposes)	**79,373**	13.1%	COREP CA 1
Memorandum items			
Amount of holdings, participations and subordinated claims in credit, financial and insurance institutions not deducted for the computation of core tier 1 but deducted for the computation of total own funds	1,094	0.2%	Total of items as defined by Article 57 (l), (m), (n) (o) and (p) of Directive 2006/48/EC not deducted for the computation of original own funds
Amount of securitisation exposures not included in RWA and not deducted for the computation of core tier 1 but deducted for the computation of total own funds	0	0.0%	Total of items as defined by Article 57 (r) of Directive 2006/48/EC not deducted for the computation of original own funds
Deferred tax assets [2]	4,986	0.8%	As referred to in paragraph 69 of BCBS publication dated December 2010 : "Basel 3 – a global regulatory framework for more resilient banks and banking systems"
Minority interests (excluding hybrid instruments) [2]	1,674	0.3%	Gross amount of minority interests as defined by Article 65 1. (a) of Directive 2006/48/EC
Valuation differences eligible as original own funds (-/+) [3]	-	0.0%	COREP line 1.1.2.6

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 to the Basel 3 framework specific rules apply for the treatment of these items under the Basel 3 framework, no full deduction is required for the computation of common equity.
(3) This item represents the impact in original own funds of valuation differences arising from the application of fair value measurement to certain financial instruments (AFS/FVO) and property assets after the application of prudential filters.

Results of the 2011 EBA EU-wide stress test: Overview of mitigating measures (1-2)

Name of the bank: Royal Bank of Scotland Group

Use of countercyclical provisions, divestments and other management actions

Please fill in the table using a separate row for each measure	**Narrative description**	**Date of completion** (actual or planned for future issuances)	**Capital / P&L impact** (in million EUR)	**RWA impact** (in million EUR)	**Capital ratio impact** (as of 31 December 2012) %
A) Use of provisions and/or other reserves (including release of countercyclical provisions), (3)					
B) Divestments and other management actions taken by 30 April 2011					
1)					
2)					
C) Other disinvestments and restructuring measures, including also future mandatory restructuring not yet approved with the EU Commission under the EU State Aid rules					
1)					
2)					

Future capital raisings and other back stop measures

Please fill in the table using a separate row for each measure	**Date of issuance** (actual or planned for future issuances, dd/mm/yy)	**Amount**	**Maturity**	**Loss absorbency in going concern**	**Flexibility of payments (capacity to**	**Permanence (Undated and without incentive to redeem)**	**Conversion clause (where appropriate)**			
							Nature of conversion	**Date of conversion**	**Triggers**	**Conversion in common equity**
		(in million EUR)	(dated/ undated) (4)	(Yes/No)	(Yes/No)	(Yes/No)	(mandatory/ discretionary)	(at any time/from a specific date: dd/mm/yy)	(description of the triggers)	(Yes/No)
D) Future planned issuances of common equity instruments (private issuances)										
E) Future planned government subscriptions of capital instruments (including hybrids)										
1) Denomination of the instrument										
2)										
F) Other (existing and future) instruments recognised as back stop measures by national supervisory authorities (including hybrids)										
1) Denomination of the instrument										
2)										

Notes and definitions

(1) The order of the measures follows the order of mitigating measures reported in the Section D of the worksheet "1 - Aggregate information".
(2) All elements are be reported net of tax effects.

(3) If under the national legislation, the release of countercyclical provisions and/or other similar reserves is allowed, this figure for 2010 could be included either in rows "Impairments on financial assets in the banking book" or "Other income" for 2010, whereas under the EU-wide stress test methodology such release for 2011-2012 should be reported in Section D of the worksheet "1- Aggregate information" as other mitigating measures and explained in this worksheet.
(4) If dated please insert the maturity date (dd/mm/yy) otherwise specify undated.

Results of the 2011 EBA EU-wide stress test: Credit risk exposures (EAD - exposure at default), as of 31 December 2010, mln EUR, (1-5)

Name of the bank: Royal Bank of Scotland Group

All values in million EUR, or %

	Non-defaulted exposures											
	Institutions	Corporate (excluding commercial real estate)	Retail (excluding commercial real estate)	of which Residential mortgages	*Loan to Value (LTV) ratio (%)* [(6)]	of which Revolving	of which SME	of which other	Commercial Real Estate	*Loan to Value (LTV) ratio (%)* [(6)]	Defaulted exposures (excluding sovereign)	Total exposures [(7)]
Austria	685	848	7	1		2	1	2	2		38	**2,781**
Belgium	1,390	1,968	386	13		6	366	1	276		50	**5,530**
Bulgaria	5	29	7	2		1	3	0	1		0	**41**
Cyprus	20	678	23	10		8	3	1	136		223	**1,081**
Czech Republic	94	632	3	1		1	1	0	48		19	**1,126**
Denmark	702	1,233	8	6		2	0	0	17		6	**3,136**
Estonia	0	0	0	0		0	0	0	0		0	**1**
Finland	521	1,494	2	1		1	0	0	117		0	**3,083**
France	12,353	11,012	135	55		54	14	13	1,816		337	**34,623**
Germany	11,299	10,795	194	135		17	16	24	3,347		789	**61,336**
Greece	185	1,390	22	8		9	3	1	3		16	**3,531**
Hungary	44	868	6	1		1	2	1	0		20	**941**
Iceland	0	207	1	1		0	0	0	0		169	**378**
Ireland	2,371	14,858	22,848	19,397	*62*	1,092	2,025	335	5,978	*153*	12,785	**64,234**
Italy	1,968	5,324	35	17		9	7	1	595		419	**10,570**
Latvia	1	0	0	0		0	0	0	0		0	**1**
Liechtenstein	62	20	5	1		0	3	0	1		1	**89**
Lithuania	2	28	0	0		0	0	0	0		0	**31**
Luxembourg	1,988	5,810	3	2		1	0	0	2,246		258	**10,659**
Malta	1	443	6	3		2	0	0	0		6	**456**
Netherlands	5,738	17,012	100	17		8	72	2	1,532		1,206	**50,952**
Norway	223	1,649	1	0		0	1	0	106		441	**3,393**
Poland	65	1,139	9	2		3	2	1	65		56	**1,648**
Portugal	317	987	12	5		6	1	0	21		51	**1,698**
Romania	28	619	471	191		0	280	0	6		83	**1,786**
Slovakia	9	73	1	0		1	0	0	0		31	**145**
Slovenia	26	1	1	0		1	0	0	0		0	**27**
Spain	4,834	12,473	491	387		41	56	7	2,296		2,017	**23,295**
Sweden	688	3,099	12	5		5	2	0	307		651	**5,920**
United Kingdom	15,661	125,368	184,310	124,063	*59*	29,274	22,611	8,361	50,771	*74*	23,742	**464,869**
United States	17,143	88,431	41,125	28,932	*76*	6,076	6,111	6	9,168	*70*	2,996	**229,926**
Japan	2,111	2,164	26	12		6	7	1	568		423	**12,181**
Other non EEA non Emerging countries	13,627	31,422	2,489	2,066		117	296	10	3,725		1,437	**75,576**
Asia	7,218	8,679	134	76		28	29	1	104		92	**19,831**
Middle and South America	1,685	2,480	9	5		3	1	0	3		16	**4,583**
Eastern Europe non EEA	1,074	4,595	64	47		5	12	1	24		211	**7,095**
Others	1,364	9,752	205	131		29	40	6	1,056		1,428	**15,133**
Total	105,506	367,583	253,155	175,594		36,812	31,970	8,778	84,336		50,017	**1,121,687**

Notes and definitions

(1) EAD - Exposure at Default or exposure value in the meaning of the CRD.

(2) The EAD reported here are based on the methodologies and portfolio breakdowns used in the 2011 EU-wide stress test, and hence may differ from the EAD reported by banks in their Pillar 3 disclosures, which can vary based on national regulation. For example, this would affect breakdown of EAD for real estate exposures and SME exposures.

(3) Breakdown by country and macro area (e.g. Asia) when EAD >=5%. In any case coverage 100% of total EAD should be ensured (if exact mapping of some exposures to geographies is not possible, they should be allocated to the group "others").

(4) The allocation of countries and exposures to macro areas and emerging/non-emerging is according to the IMF WEO country groupings. See: http://www.imf.org/external/pubs/ft/weo/2010/01/weodata/groups.htm

(5) Residential real estate property which is or will be occupied or let by the owner, or the beneficial owner in the case of personal investment companies, and commercial real estate property, that is, offices and other commercial premises, which are recognised as eligible collateral in the meaning of the CRD, with the following criteria, which need to be met:
(a) the value of the property does not materially depend upon the credit quality of the obligor. This requirement does not preclude situations where purely macro economic factors affect both the value of the property and the performance of the borrower; and
(b) the risk of the borrower does not materially depend upon the performance of the underlying property or project, but rather on the underlying capacity of the borrower to repay the debt from other sources. As such, repayment of the facility does not materially depend on any cash flow generated by the underlying property serving as collateral.

(6) Loan to value ratio - ratio of EAD to the market value of real estate used as collateral for such exposures. Given the different methodologies applied to assessing the value, the bank is required to explain the computation of the ratio. In particular (a) whether collateral values is marked-to-market or any other valuation method is used, (b) whether the amount has been adjusted for principal repayments, and (c) how guarantees other than the underlying property are treated.

Definition of Loan to Value ratio used:

(7) Total exposures is the total EAD according to the CRD definition based on which the bank computes RWA for credit risk. Total exposures, in addition to the exposures broken down by regulatory portfolios in this table, include EAD for securitisation transactions, counterparty credit risk, sovereigns, guaranteed by sovereigns, public sector entities and central banks.

Results of the 2011 EBA EU-wide stress test: Exposures to sovereigns (central and local governments), as of 31 December 2010, mln EUR [1,2]

Name of the bank: **Royal Bank of Scotland Group**

All values in million EUR

Residual Maturity	Country/Region	GROSS DIRECT LONG EXPOSURES (accounting value gross of specific provisions)		NET DIRECT POSITIONS (gross exposures (long) net of cash short position of sovereign debt to other counterparties only where there is maturity matching)				DIRECT SOVEREIGN EXPOSURES IN DERIVATIVES	INDIRECT SOVEREIGN EXPOSURES IN THE TRADING BOOK
			of which: loans and advances		of which: AFS banking book	of which: FVO (designated at fair value through profit&loss) banking book	of which: Trading book [3]	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)
3M	Austria	1	0	1	0	0	1	0	0
1Y		11	0	10	0	0	10	4	0
2Y		12	0	9	0	0	9	162	0
3Y		49	0	0	0	0	-	6	0
5Y		48	0	19	0	0	19	24	-2
10Y		39	0	0	0	0	-	207	2
15Y		221	0	171	162	0	9	165	0
		381	0	209	162	0	48	567	0
3M	Belgium	36	0	19	0	0	19	27	0
1Y		184	0	73	0	0	73	132	0
2Y		44	0	0	0	0	-	130	0
3Y		45	0	0	0	0	-	-33	1
5Y		342	0	170	170	0	-	-488	-8
10Y		363	0	305	305	0	-	71	5
15Y		403	0	325	325	0	-	90	0
		1,417	0	893	800	0	92	-72	-2
3M	Bulgaria	0	0	0	0	0	-		0
1Y		0	0	0	0	0	-		0
2Y		0	0	0	0	0	-		0
3Y		0	0	0	0	0	-		0
5Y		0	0	0	0	0	-		0
10Y		0	0	0	0	0	-		0
15Y		0	0	0	0	0	-		-
		0	0	0	0	0	0	0	0
3M	Cyprus	0	0	0	0	0	-		
1Y		0	0	0	0	0	-		
2Y		0	0	0	0	0	-		
3Y		0	0	0	0	0	-		
5Y		0	0	0	0	0	-		
10Y		0	0	0	0	0	-		
15Y		0	0	0	0	0	-		
		0	0	0	0	0	0	0	0
3M	Czech Republic	4	0	4	4	0	-	-	-
1Y		6	0	6	6	0	-	-2	-
2Y		12	0	12	12	0	-	17	0
3Y		0	0	0	-	0	-	6	0
5Y		18	0	18	18	0	-	43	0
10Y		282	0	279	61	0	219	21	0
15Y		0	0	0	-	0	-	-	-
		322	0	319	101	0	219	84	0
3M	Denmark	546	0	546	546	0	-	2	0
1Y		90	0	90	87	0	3	-11	0
2Y		0	0	0	0	0	0	-64	0
3Y		2	0	2	0	0	2	-27	0
5Y		0	0	0	0	0	0	-53	0
10Y		2	0	2	0	0	2	19	0
15Y		1	0	1	0	0	1	-104	-
		641	0	641	632	0	8	-237	0
3M	Estonia	0	0	0	0	0	-		
1Y		0	0	0	0	0	-		
2Y		0	0	0	0	0	-		
3Y		0	0	0	0	0	-		
5Y		0	0	0	0	0	-		
10Y		0	0	0	0	0	-		
15Y		0	0	0	0	0	-		
		0	0	0	0	0	0	0	0
3M	Finland	9	0	6	0	0	6	-1	-
1Y		0	0	0	0	0	-	11	0
2Y		21	0	20	0	0	20	0	0
3Y		2	0	0	0	0	-	7	0

Residual Maturity	Country/Region	GROSS DIRECT LONG EXPOSURES (accounting value gross of specific provisions)		NET DIRECT POSITIONS (gross exposures (long) net of cash short position of sovereign debt to other counterparties only where there is maturity matching)				DIRECT SOVEREIGN EXPOSURES IN DERIVATIVES	INDIRECT SOVEREIGN EXPOSURES IN THE TRADING BOOK
			of which: loans and advances		of which: AFS banking book	of which: FVO (designated at fair value through profit&loss) banking book	of which: Trading book (3)	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)
5Y	Finland	3	3	3	0	0	-	44	-1
10Y		97	15	83	30	0	38	149	1
15Y		134	126	134	-	0	7	26	0
		266	144	246	30	0	72	235	0
3M	France	407	0	372	260	0	112	27	0
1Y		362	0	295	193	0	103	-25	0
2Y		8,964	0	8,093	856	0	7,237	-31	1
3Y		1,867	0	1,665	1,665	0	-	12	2
5Y		1,944	0	439	298	0	141	88	-6
10Y		3,778	124	3,023	2,573	0	326	152	1
15Y		1,848	473	1,226	752	0	-	63	0
		19,169	597	15,112	6,596	0	7,919	285	-2
3M	Germany	2,174	0	2,002	325	0	1,677	7	
1Y		1,657	0	1,239	616	0	623	30	
2Y		2,466	0	1,716	946	0	770	-6	
3Y		1,776	0	1,180	1,180	0	-	-389	
5Y		1,946	0	1,136	1,136	0	-	-103	
10Y		2,368	0	1,897	1,732	0	165	582	
15Y		1,150	0	790	647	0	143	-533	
		13,537	0	9,960	6,581	0	3,379	-411	0
3M	Greece	44	0	44	34	0	9	-	0
1Y		42	0	42	-	0	42	-	-1
2Y		49	0	22	-	0	22	-	0
3Y		32	17	29	0	0	12	-	2
5Y		615	0	611	611	0	-	1	-4
10Y		57	0	49	43	0	6	-76	-1
15Y		361	0	357	356	0	2	0	0
		1,199	17	1,155	1,044	0	94	-75	-3
3M	Hungary	2	0	2	0	0	2	-	0
1Y		10	0	9	0	0	9	-	0
2Y		0	0	0	0	0	0	-	0
3Y		1	0	0	0	0	-	4	1
5Y		5	0	1	0	0	1	-	0
10Y		1	0	1	0	0	1	-	-2
15Y		0	0	0	0	0	-	-	-
		18	0	13	0	0	13	4	0
3M	Iceland	0	0	0	0	0	-	-	
1Y		0	0	0	0	0	-	-	
2Y		0	0	0	0	0	-	-	
3Y		0	0	0	0	0	-	-1	
5Y		0	0	0	0	0	-	-	
10Y		0	0	0	0	0	-	-	
15Y		0	0	0	0	0	-	-	
		0	0	0	0	0	0	-1	0
3M	Ireland	221	204	221	0	0	16	-17	0
1Y		6	6	6	0	0	-	8	-1
2Y		1	1	1	0	0	-	9	-1
3Y		38	7	34	0	0	27	8	0
5Y		16	6	15	0	0	10	-1	-5
10Y		170	2	123	121	0	-	16	6
15Y		3	0	3	-	0	3	-	0
		454	225	402	121	0	56	25	-1
3M	Italy	517	8	461	-	0	453	0	0
1Y		735	1	444	-	0	443	-12	-2
2Y		2,630	0	2,359	-	0	2,359	-1	-1
3Y		664	0	0	0	0	-	-	1
5Y		603	0	293	293	0	-	-159	-22
10Y		1,578	0	999	665	0	333	10	25
15Y		302	0	98	98	0	-	76	0
		7,029	9	4,654	1,057	0	3,588	-86	0
3M	Latvia	0	0	0	-	0	-		
1Y		0	0	0	-	0	-		
2Y		0	0	0	-	0	-		
3Y		0	0	0	-	0	-		
5Y		0	0	0	-	0	-		
10Y		0	0	0	-	0	-		

Residual Maturity	Country/Region	GROSS DIRECT LONG EXPOSURES (accounting value gross of specific provisions)		NET DIRECT POSITIONS (gross exposures (long) net of cash short position of sovereign debt to other counterparties only where there is maturity matching)				DIRECT SOVEREIGN EXPOSURES IN DERIVATIVES	INDIRECT SOVEREIGN EXPOSURES IN THE TRADING BOOK
			of which: loans and advances		of which: AFS banking book	of which: FVO (designated at fair value through profit&loss) banking book	of which: Trading book [(3)]	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)
15Y		0	0	0	-	0	-		
		0	0	0	0	0	0	0	0
3M	Liechtenstein	0	0	0	0	0	-		
1Y	Liechtenstein	0	0	0	0	0	-		
2Y	Liechtenstein	0	0	0	0	0	-		
3Y	Liechtenstein	0	0	0	0	0	-		
5Y	Liechtenstein	0	0	0	0	0	-		
10Y	Liechtenstein	0	0	0	0	0	-		
15Y	Liechtenstein	0	0	0	0	0	-		
	Liechtenstein	0	0	0	0	0	0	0	0
3M	Lithuania	0	0	0	0	0	-		
1Y	Lithuania	0	0	0	0	0	-		
2Y	Lithuania	1	0	1	0	0	1		
3Y	Lithuania	0	0	0	0	0	-		
5Y	Lithuania	3	0	3	0	0	3		
10Y	Lithuania	0	0	0	0	0	-		
15Y	Lithuania	0	0	0	0	0	-		
	Lithuania	4	0	4	0	0	4	0	0
3M	Luxembourg	125	0	125	0	1	125		
1Y	Luxembourg	213	0	213	0	0	213		
2Y	Luxembourg	5	0	5	0	0	5		
3Y	Luxembourg	45	0	45	0	0	45		
5Y	Luxembourg	31	0	31	0	0	31		
10Y	Luxembourg	38	0	38	0	0	38		
15Y	Luxembourg	5	0	5	0	0	5		
	Luxembourg	463	0	463	0	0	463	0	0
3M	Malta	0	0	0	0	0	-		
1Y	Malta	0	0	0	0	0	-		
2Y	Malta	0	0	0	0	0	-		
3Y	Malta	0	0	0	0	0	-		
5Y	Malta	0	0	0	0	0	-		
10Y	Malta	0	0	0	0	0	-		
15Y	Malta	0	0	0	0	0	-		
	Malta	0	0	0	0	0	0	0	0
3M	Netherlands	605	2	605	153	0	450	35	0
1Y	Netherlands	2,355	0	2,336	1,590	0	745	78	0
2Y	Netherlands	907	0	888	888	0	-	457	0
3Y	Netherlands	320	1	251	157	0	92	779	0
5Y	Netherlands	331	0	265	219	0	46	-859	-1
10Y	Netherlands	735	0	656	599	0	57	-515	0
15Y	Netherlands	314	0	295	295	0	-	-1,099	0
	Netherlands	5,567	3	5,295	3,901	0	1,390	-1,124	0
3M	Norway	2	0	2	0	0	2	-	-
1Y	Norway	0	0	0	0	0	0	-	0
2Y	Norway	0	0	0	0	0	-	-33	0
3Y	Norway	0	0	0	0	0	-	-2	0
5Y	Norway	53	0	53	0	0	53	-12	0
10Y	Norway	0	0	0	0	0	-	5	0
15Y	Norway	0	0	0	0	0	-	62	-
	Norway	55	0	55	0	0	55	21	0
3M	Poland	56	0	56	31	0	25		0
1Y	Poland	78	0	78	29	0	48		0
2Y	Poland	151	0	145	47	0	98		0
3Y	Poland	2	0	0	-	0	-		0
5Y	Poland	66	0	50	0	0	50		0
10Y	Poland	22	0	10	-	0	10		0
15Y	Poland	3	0	1	-	0	1		-
	Poland	376	0	339	107	0	232	0	0
3M	Portugal	117	101	101	0	0	-	12	0
1Y	Portugal	38	0	0	0	0	-	14	0
2Y	Portugal	0	0	0	0	0	-	-5	3
3Y	Portugal	9	0	0	0	0	-	-13	6
5Y	Portugal	36	0	31	31	0	-	-	-30
10Y	Portugal	88	0	76	76	0	-	26	18
15Y	Portugal	0	0	0	-	0	-	-	0
	Portugal	287	101	208	108	0	0	34	-4

Residual Maturity	Country/Region	GROSS DIRECT LONG EXPOSURES (accounting value gross of specific provisions)		NET DIRECT POSITIONS (gross exposures (long) net of cash short position of sovereign debt to other counterparties only where there is maturity matching)				DIRECT SOVEREIGN EXPOSURES IN DERIVATIVES	INDIRECT SOVEREIGN EXPOSURES IN THE TRADING BOOK
			of which: loans and advances		of which: AFS banking book	of which: FVO (designated at fair value through profit&loss) banking book	of which: Trading book (3)	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)
3M	Romania	178	36	178	142	0	-		0
1Y		174	0	174	162	0	13		0
2Y		1	1	1	0	0	-		0
3Y		1	1	1	0	0	-		0
5Y		32	0	32	0	0	32		0
10Y		18	5	18	0	0	13		0
15Y		0	0	0	0	0	-		-
		405	43	405	304	0	58	0	-1
3M	Slovakia	2	1	2	1	0	-	0	
1Y		0	0	0	-	0	-	-	
2Y		0	0	0	-	0	-	1	
3Y		0	0	0	-	0	-	-1	
5Y		22	0	22	20	0	2	-1	
10Y		0	0	0	-	0	-	-	
15Y		0	0	0	-	0	-	-	
		24	1	24	21	0	2	-2	0
3M	Slovenia	0	0	0	0	0	-		
1Y		0	0	0	0	0	-		
2Y		0	0	0	0	0	-		
3Y		0	0	0	0	0	-		
5Y		0	0	0	0	0	-		
10Y		0	0	0	0	0	-		
15Y		0	0	0	0	0	-		
		0	0	0	0	0	0	0	0
3M	Spain	90	14	14	-	0	-	1	0
1Y		756	0	247	29	0	218	-	0
2Y		76	23	34	-	0	12	8	0
3Y		189	0	0	0	0	-	19	5
5Y		142	0	27	27	0	-	14	-36
10Y		164	0	57	-	0	57	-	30
15Y		43	0	0	-	0	-	5	0
		1,460	37	379	56	0	287	47	-1
3M	Sweden	244	157	241	0	0	85	-33	0
1Y		2	0	0	0	0	-	9	0
2Y		111	0	70	0	0	70	-18	0
3Y		178	0	151	0	0	151	-1	0
5Y		93	27	27	0	0	-	-29	0
10Y		309	112	309	0	0	197	-34	0
15Y		193	179	179	0	0	-	17	-
		1,130	476	978	0	0	502	-88	0
3M	United Kingdom	3,612	2,939	3,494	554	0	-	-19	
1Y		1,796	2	1,458	1,143	0	313	21	
2Y		868	1	789	788	0	-	-41	
3Y		2,479	710	1,824	1,025	0	89	-96	
5Y		2,716	1	1,852	1,574	0	277	-5	
10Y		3,604	9	3,291	3,281	0	-	-	
15Y		4,501	194	2,890	1,406	0	1,291	-	
		19,575	3,856	15,597	9,772	1	1,969	-139	0
	TOTAL EEA 30	**73,780**	**5,509**	**57,351**	**31,393**	**1**	**20,450**	**-933**	**-15**
3M	United States	1,031	0	288	288	0	-		
1Y		7,975	3	7,825	3,161	0	4,661		
2Y		2,309	5	195	190	0	-		
3Y		3,318	44	1,323	1,279	0	-		
5Y		11,465	13	7,539	7,318	0	208		
10Y		8,414	15	6,395	4,664	0	1,716		
15Y		5,081	58	4,001	3,943	0	-		
		39,593	137	27,565	20,843	0	6,585	0	0
3M	Japan	12,244	427	12,212	3,356	0	8,430	-	
1Y		2,139	1,182	2,131	891	0	58	-	
2Y		1,387	0	1,352	717	0	635	-	
3Y		904	0	848	0	0	848	4	
5Y		830	0	691	0	0	691	47	
10Y		818	0	705	0	0	705	-	
15Y		707	0	627	0	0	627	15	

Residual Maturity	Country/Region	GROSS DIRECT LONG EXPOSURES (accounting value gross of specific provisions)		NET DIRECT POSITIONS (gross exposures (long) net of cash short position of sovereign debt to other counterparties only where there is maturity matching)				DIRECT SOVEREIGN EXPOSURES IN DERIVATIVES	INDIRECT SOVEREIGN EXPOSURES IN THE TRADING BOOK
			of which: loans and advances		of which: AFS banking book	of which: FVO (designated at fair value through profit&loss) banking book	of which: Trading book [3]	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)
		19,029	1,609	18,565	4,964	0	11,992	67	0
3M	Other non EEA non Emerging countries	2,493	0	2,491	2,448	0	43	-45	
1Y		919	0	755	221	0	534	-37	
2Y		1,023	0	894	158	0	736	17	
3Y		1,239	0	1,212	130	0	1,082	-44	
5Y		933	0	678	0	0	678	-39	
10Y		277	0	110	0	0	110	-31	
15Y		277	0	68	0	0	68	10	
		7,160	0	6,208	2,957	0	3,251	-169	0
3M	Asia	1,496	300	1,496	1,094	199	101	-14	
1Y		606	57	606	501	91	48	-	
2Y		187	15	187	87	16	86	-	
3Y		199	24	199	0	0	175	-	
5Y		335	130	138	0	0	8	-	
10Y		476	36	36	0	0	0	-	
15Y		211	41	41	0	0	0	-	
		3,510	603	2,703	1,682	305	418	-14	0
3M	Middle and South America	53	5	53	44	0	4		
1Y		73	0	73	0	0	73		
2Y		12	0	12	0	0	12		
3Y		47	0	47	0	0	47		
5Y		153	0	149	0	0	149		
10Y		243	0	217	0	0	217		
15Y		326	0	305	0	0	305		
		906	5	856	44	0	806	0	0
3M	Eastern Europe non EEA	230	149	230	78	0	3	-1	
1Y		96	4	96	90	0	2	-	
2Y		40	23	40	16	0	0	-	
3Y		35	20	35	13	0	2	-	
5Y		69	67	67	0	0	0	-	
10Y		69	68	68	0	0	0	-	
15Y		29	4	4	0	0	0	-	
		568	336	539	196	0	7	-1	0
3M	Others	168	123	168	16	0	29	32	
1Y		65	40	65	2	0	23	-	
2Y		32	2	32	1	0	30	-	
3Y		35	6	35	0	0	28	63	
5Y		13	9	9	0	0	0	1	
10Y		230	5	184	0	0	180	-	
15Y		372	0	231	0	0	231	-	
		915	185	724	19	0	520	96	0
	TOTAL	**145,461**	**8,384**	**114,511**	**62,098**	**306**	**44,029**	**-954**	**-15**

Notes and definitions

(1) The allocation of countries and exposures to macro areas and emerging/non-emerging is according to the IMF WEO country groupings. See: http://www.imf.org/external/pubs/ft/weo/2010/01/weodata/groups.htm

(2) The exposures reported in this worksheet cover only exposures to central and local governments on immediate borrower basis, and do not include exposures to other counterparts with full or partial government guarantees (such exposures are however inclu

(3) According to the EBA methodologies, for the trading book assets banks have been allowed to offset only cash short positions having the same maturities (paragraph 202 of the Methodological note).