

ROYAL BANK OF SCOTLAND GROUP PLC
Form 6-K
May 02, 2012

FORM 6-K
SECURITIES AND EXCHANGE COMMISSION
Washington D.C. 20549

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16
of the Securities Exchange Act of 1934

For May 01 , 2012

Commission File Number: 001-10306

The Royal Bank of Scotland Group plc

RBS, Gogarburn, PO Box 1000
Edinburgh EH12 1HQ

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F X

Form 40-F ____

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): _____

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): _____

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ____

No X

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-

The following information was issued as a Company announcement in London, England and is furnished pursuant to General Instruction B to the General Instructions to Form 6-K:

The Royal Bank of Scotland Group plc ("RBS")

Divisional Reorganisation and Group Reporting Changes (effective 1 January 2012)

This announcement provides details of the changes to the Group structure announced in January 2012 and restates the segmental results for 2011 and 2010 on the new divisional basis. To further aid historic comparison ahead of the Group's first quarter 2012 results, restated first and fourth quarter 2011 financial information is also contained within. A spreadsheet containing this financial information will also be available at www.rbs.com/ir.

While these restatements affect the reported results of the divisions that comprise the Group's business, they have no impact on the Group's overall Income Statement, Balance Sheet or other primary statements.

Details of this reorganisation are set out below.

Divisional reorganisation

Organisational change

In January 2012, the Group announced changes to its wholesale banking operations in light of a changed market and regulatory environment. The changes have seen the reorganisation of the Group's wholesale businesses into 'Markets' and 'International Banking' and the proposed exit and/or downsizing of selected activities. The changes will ensure the wholesale businesses continue to deliver against the Group's strategy.

The changes will include an exit from cash equities, corporate broking, equity capital markets and mergers and acquisitions advisory businesses. Significant reductions in balance sheet, funding requirements and cost base in the remaining wholesale businesses will be implemented.

The GBM and GTS divisions have been reorganised as follows:

o

The 'Markets' division will maintain its focus on fixed income, with strong positions in debt capital raising, securitisation, risk management, foreign exchange and rates. It will serve the corporate and institutional clients of all Group businesses.

o

GBM's corporate banking business has combined with the international businesses of our GTS arm into a new 'International Banking' division which provides clients with a 'one-stop shop' access to the Group's debt financing, risk management and payments services. This international corporate business will ultimately be self-funded through its stable corporate deposit base.

o

The domestic small and mid-size corporates currently served within GTS will be managed within RBS's domestic corporate banking businesses in the UK, Ireland

(Ulster Bank) and the US (US Retail & Commercial).

Our wholesale businesses will be retaining their international footprint to ensure that they can serve our customers' needs globally. We believe that, despite current challenges to the sector, wholesale banking services can play a central role in supporting cross border trade and capital flows, financing requirements and risk management and we remain committed to this business.

Group Reporting Changes

Revised allocation of Group Treasury costs

In the first quarter of 2012, the Group revised its allocation of funding and liquidity costs and capital for the new divisional structure as well as for a new methodology. The new methodology is designed to ensure that the allocated funding and liquidity costs more fully reflect each division's funding requirement. Comparatives have been restated.

Revised divisional return on equity ratios

For the purposes of divisional return on equity ratios, notional equity has been calculated as a percentage of the monthly average of divisional risk-weighted assets (RWAs), adjusted for capital deductions. Historically, notional equity was allocated at 9% of RWAs for the Retail & Commercial divisions and 10% of RWAs for Global Banking & Markets. This has been revised and 10% of RWAs is now applied to both the Retail & Commercial and Markets divisions.

Fair Value of own Debt and Derivative Liabilities

The Group had previously excluded changes in the fair value of own debt (FVOD) in presenting the underlying performance of the Group on a managed basis given it is a volatile non-cash item. To better align our managed view of performance, movements in the fair value of own derivative liabilities (FVDL), previously incorporated within Markets operating performance, are now combined with the movement in FVOD in a single measure, 'Own Credit Adjustments' (OCA). Group and Markets operating results have been adjusted to reflect this change which does not affect profit/(loss) before and after tax.

Q1 2012 Results

The Group's results for the first quarter of 2012 will be announced on Friday 4 May. These results will be reported on the new divisional and Group reporting basis as described above. A financial supplement showing restated financial information for the last eight quarters will be available on the day at www.rbs.com/ir.

For further information please contact:

Richard O'Connor
Head of Investor Relations
+ 44 (0)20 7672 1758

Group Media Centre
+44 (0) 131 523 4205

Forward-looking statements

Certain sections in this document contain 'forward-looking statements' as that term is defined in the United States Private Securities Litigation Reform Act of 1995, such as statements that include the words 'expect', 'estimate',

Edgar Filing: ROYAL BANK OF SCOTLAND GROUP PLC - Form 6-K

'project', 'anticipate', 'believes', 'should', 'intend', 'plan', 'could', 'probability', 'risk', 'target', 'goal', 'objective', 'will', 'endeavour', 'outlook', 'optimistic', 'prospects' and similar expressions or variations on such expressions. The forward-looking statements contained in this document 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.

Divisional Restatements

Total income	Year ended 31 December 2010			Year ended 31 December 2011		
	As previously reported £m	Adjustment £m	Restated £m	As previously reported £m	Adjustment £m	Restated £m
UK Retail	5,415	(24)	5,391	5,478	30	5,508
UK Corporate Wealth	3,895	901	4,796	3,860	1,003	4,863
International Banking	1,056	(21)	1,035	1,177	(73)	1,104
Global Transaction Services	-	3,277	3,277	-	2,555	2,555
Ulster Bank	2,561	(2,561)	-	2,251	(2,251)	-
US Retail & Commercial	975	78	1,053	907	40	947
Retail & Commercial Markets	2,946	116	3,062	2,900	137	3,037
Global Banking & Markets	16,848	1,766	18,614	16,573	1,441	18,014
Direct Line Group	-	6,233	6,233	-	4,415	4,415
Central Items	7,912	(7,912)	-	5,941	(5,941)	-
Core	4,239	-	4,239	3,807	-	3,807
Non-Core	699	55	754	250	35	285
Total	29,698	142	29,840	26,571	(50)	26,521
	2,964	(210)	2,754	1,206	(18)	1,188
	32,662	(68)	(1) 32,594	27,777	(68)	(1) 27,709

	Quarter ended 31 March 2011			Quarter ended 31 December 2011		
	As previously reported £m	Adjustment £m	Restated £m	As previously reported £m	Adjustment £m	Restated £m
UK Retail	1,380	10	1,390	1,313	(4)	1,309

Edgar Filing: ROYAL BANK OF SCOTLAND GROUP PLC - Form 6-K

UK Corporate Wealth	1,021	241		1,262	925	252		1,177
International Banking	281	(10)		271	303	(23)		280
Global Transaction Services	-	647		647	-	593		593
Ulster Bank	542	(542)		-	573	(573)		-
US Retail & Commercial	220	12		232	220	6		226
Retail & Commercial Markets	694	33		727	751	39		790
Global Banking & Markets	4,138	391		4,529	4,085	290		4,375
Direct Line Group	-	2,108		2,108	-	692		692
Central Items	2,380	(2,380)		-	912	(912)		-
Core	1,006	-		1,006	863	-		863
Non-Core	23	12		35	63	6		69
Total	7,547	131		7,678	5,923	76		5,999
	486	(51)		435	(304)	26		(278)
	8,033	80	(1)	8,113	5,619	102	(1)	5,721

Note:

(1) Net adjustment to total income reflects the movement of FVDL to OCA, with such movements now shown below operating profit.

Divisional Restatements

Operating profit/(loss)	Year ended 31 December 2010			Year ended 31 December 2011		
	As previously reported £m	Adjustment £m	Restated £m	As previously reported £m	Adjustment £m	Restated £m
UK Retail	1,372	(24)	1,348	1,991	30	2,021
UK Corporate Wealth	1,463	430	1,893	1,414	510	1,924
International Banking	304	(21)	283	321	(73)	248
Global Transaction Services	-	1,311	1,311	-	755	755
Ulster Bank	1,088	(1,088)	-	743	(743)	-
	(761)	78	(683)	(1,024)	40	(984)
	306	43	349	479	58	537

Edgar Filing: ROYAL BANK OF SCOTLAND GROUP PLC - Form 6-K

US Retail &
Commercial

Retail & Commercial	3,772	729	4,501	3,924	577	4,501
Markets	-	2,724	2,724	-	899	899
Global Banking & Markets	3,364	(3,364)	-	1,561	(1,561)	-
Direct Line Group	(295)	-	(295)	454	-	454
						191
Central Items	577	53	630	156	35	
Core	7,418	142	7,560	6,095	(50)	6,045
Non-Core	(5,505)	(210)	(5,715)	(4,203)	(18)	(4,221)
Total	1,913	(68)	(1) 1,845	1,892	(68)	(1) 1,824

	Quarter ended 31 March 2011			Quarter ended 31 December 2011		
	As		Restated	As		Restated
	previously reported	Adjustment		previously reported	Adjustment	
£m	£m	£m	£m	£m	£m	
UK Retail	508	10	518	461	(3)	458
UK Corporate Wealth	493	124	617	275	131	406
	80	(10)	70	96	(23)	73
International Banking	-	226	226	-	152	152
Global Transaction Services	187	(187)	-	197	(197)	-
Ulster Bank	(377)	12	(365)	(239)	6	(233)
US Retail & Commercial	80	14	94	157	20	177
Retail & Commercial	971	189	1,160	947	86	1,033
Markets	-	1,029	1,029	-	(109)	(109)
Global Banking & Markets	1,098	(1,098)	-	(95)	95	-
Direct Line Group	67	-	67	125	-	125
Central Items	(43)	11	(32)	85	4	89
Core	2,093	131	2,224	1,062	76	1,138
Non-Core	(1,040)	(51)	(1,091)	(1,308)	26	(1,282)
Total	1,053	80	(1) 1,133	(246)	102	(1) (144)

Note:

(1) Net adjustment to operating profit reflects the movement of FVDL to OCA, with such movements now shown below operating profit.

Divisional Restatements (continued)

Risk-weighted assets	31 December 2010			31 December 2011		
	As		Restated £bn	As		Restated £bn
	previously reported £bn	Adjustment £bn		previously reported £bn	Adjustment £bn	
UK Retail	48.8	-	48.8	48.4	-	48.4
UK Corporate Wealth	81.4	2.8	84.2	76.1	3.2	79.3
International	12.5	-	12.5	12.9	-	12.9
Banking	-	51.7	51.7	-	43.2	43.2
Global Transaction Services	18.3	(18.3)	-	17.3	(17.3)	-
Ulster Bank	31.6	-	31.6	36.3	-	36.3
US Retail & Commercial	57.0	0.4	57.4	58.8	0.5	59.3
Retail & Commercial	249.6	36.6	286.2	249.8	29.6	279.4
Markets	-	110.3	110.3	-	120.3	120.3
Global Banking & Markets	146.9	(146.9)	-	151.1	(151.1)	-
Other	18.0	-	18.0	10.8	1.2	12.0
Core	414.5	-	414.5	411.7	-	411.7
Non-Core	153.7	-	153.7	93.3	-	93.3
Total	568.2	-	568.2	505.0	-	505.0

	31 March 2011		
	As		Restated £bn
	previously reported £bn	Adjustment £bn	
UK Retail	50.3	-	50.3
UK Corporate Wealth	79.3	3.0	82.3
	12.6	-	12.6
	-	45.7	45.7

International Banking Global Transaction Services	18.2	(18.2)	-
Ulster Bank	31.7	-	31.7
US Retail & Commercial	53.6	0.4	54.0
Retail & Commercial	245.7	30.9	276.6
Markets	-	114.3	114.3
Global Banking & Markets	146.5	(146.5)	-
Other	14.5	1.3	15.8
Core	406.7	-	406.7
Non-Core	128.5	-	128.5
Total	535.2	-	535.2

Divisional Restatements (continued)

UK Retail

	Year ended 31 December 2010				Year ended 31 December 2011			
	Previously reported £m	Original Treasury Allocations £m	Revised Treasury Allocations £m	Revised £m	Previously reported £m	Original Treasury Allocations £m	Revised Treasury Allocations £m	Revised £m
Income statement								
Net interest income	4,078	4	(28)	4,054	4,272	48	(18)	4,302
Non-interest income (net of insurance claims)	1,337	-	-	1,337	1,206	-	-	1,206
Total income	5,415	4	(28)	5,391	5,478	48	(18)	5,508
Direct expenses								
- staff	(889)	-	-	(889)	(839)	-	-	(839)
- other	(480)	-	-	(480)	(437)	-	-	(437)
Indirect expenses	(1,514)	-	-	(1,514)	(1,423)	-	-	(1,423)
	(2,883)	-	-	(2,883)	(2,699)	-	-	(2,699)
Operating profit before impairment losses	2,532	4	(28)	2,508	2,779	48	(18)	2,809

Edgar Filing: ROYAL BANK OF SCOTLAND GROUP PLC - Form 6-K

Impairment losses	(1,160)	-	-	(1,160)	(788)	-	-	(788)
Operating profit	1,372	4	(28)	1,348	1,991	48	(18)	2,021
	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Capital and balance sheet								
Loans and advances to customers (gross)	108.4	-	-	108.4	110.8	-	-	110.8
Customer deposits	96.1	-	-	96.1	101.9	-	-	101.9
Assets under management (excluding deposits)	5.7	-	-	5.7	5.5	-	-	5.5
Risk-weighted assets	48.8	-	-	48.8	48.4	-	-	48.4

Divisional Restatements (continued)

UK Retail (continued)

	Quarter ended 31 March 2011				Quarter ended 31 December 2011				
	Previously reported £m	Original Treasury Allocations £m	Revised Treasury Allocations £m	Revised £m	Previously reported £m	Original Treasury Allocations £m	Revised Treasury Allocations £m	Other adjustments £m	Revised £m
Income statement									
Net interest income	1,076	7	3	1,086	1,036	9	(13)	-	1,032
Non-interest income	304	-	-	304	277	-	-	-	277
Total income	1,380	7	3	1,390	1,313	9	(13)	-	1,309
Direct expenses									
- staff	(215)	-	-	(215)	(200)	-	-	-	(200)
- other	(113)	-	-	(113)	(116)	-	-	-	(116)
Indirect expenses	(350)	-	-	(350)	(345)	-	-	1	(344)
	(678)	-	-	(678)	(661)	-	-	1	(660)
Operating profit before impairment losses	702	7	3	712	652	9	(13)	1	649

Edgar Filing: ROYAL BANK OF SCOTLAND GROUP PLC - Form 6-K

Impairment losses	(194)	-	-	(194)	(191)	-	-	-	(191)
Operating profit	508	7	3	518	461	9	(13)	1	458
		£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Capital and balance sheet									
Loans and advances to customers (gross)		110.0	-	-	110.0	110.8	-	-	110.8
Customer deposits		96.1	-	-	96.1	101.9	-	-	101.9
Assets under management (excluding deposits)		5.8	-	-	5.8	5.5	-	-	5.5
Risk-weighted assets		50.3	-	-	50.3	48.4	-	-	48.4

Divisional Restatements (continued)

UK Corporate

	Year ended 31 December 2010					Year ended 31 December 2011				
	Previously reported £m	Original Treasury Allocations £m	Transfer from Global Services £m	Revised Treasury Allocations £m	Revised £m	Previously reported £m	Original Treasury Allocations £m	Transfer from Global Services £m	Revised Treasury Allocations £m	Revised £m
Income statement										
Net interest income	2,572	15	244	169	3,000	2,585	140	259	108	3,092
Non-interest income	1,323	-	-	473	-	1,796	1,275	-	496	-
Total income	3,895	15	-	717	169	4,796	3,860	140	755	108
Direct expenses										
- staff	(778)	-	-	(134)	-	(912)	(780)	-	(142)	-
- other	(359)	-	-	(52)	-	(411)	(335)	-	(55)	-
Indirect expenses	(534)	-	-	(279)	-	(813)	(546)	-	(288)	-
	(1,671)	-	-	(465)	-	(2,136)	(1,661)	-	(485)	-

Edgar Filing: ROYAL BANK OF SCOTLAND GROUP PLC - Form 6-K

Operating profit before impairment losses	2,224	15	252	169	2,660	2,199	140	270	108	2,779
Impairment losses	(761)	-	(6)	-	(767)	(785)	-	(8)	-	(793)
Operating profit	1,463	15	246	169	1,893	1,414	140	262	108	1,986
		£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Capital and balance sheet										
Total third party assets	114.6	-	2.4	-	117.0	111.8	-	2.4	-	114.2
Loans and advances to customers (gross)	111.7	-	2.1	-	113.8	108.7	-	2.0	-	110.7
Customer deposits	100.0	-	24.5	-	124.5	100.9	-	25.4	-	126.3
Risk-weighted assets	81.4	-	2.8	-	84.2	76.1	-	3.2	-	79.3

Divisional Restatements (continued)

UK Corporate (continued)

	Quarter ended 31 March 2011					Quarter ended 31 December 2011				
	Previously reported	Original Treasury Allocations	Transfer from Global Services	Revised Treasury Allocations	Revised	Previously reported	Original Treasury Allocations	Transfer from Global Services	Revised Treasury Allocations	Revised
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Income statement										
Net interest income	689	27	62	33	811	634	39	63	22	758
Non-interest income	332	-	119	-	451	291	-	128	-	419
Total income	1,021	27	181	33	1,262	925	39	191	22	1,177
Direct expenses										

Edgar Filing: ROYAL BANK OF SCOTLAND GROUP PLC - Form 6-K

- staff	(202)	-	(33)	-	(235)	(195)	-	(36)	-	(23)
- other	(90)	-	(14)	-	(104)	(86)	-	(13)	-	(9)
Indirect expenses	(131)	-	(68)	-	(199)	(135)	-	(70)	-	(20)
	(423)	-	(115)	-	(538)	(416)	-	(119)	-	(53)
Operating profit before										
impairment losses	598	27	66	33	724	509	39	72	22	64
Impairment losses	(105)	-	(2)	-	(107)	(234)	-	(2)	-	(23)
Operating profit	493	27	64	33	617	275	39	70	22	41

£bn £bn £bn £bn £bn £bn £bn £bn £bn £bn

Capital and balance sheet

Total third party assets	115.0	-	2.7	-	117.7	111.8	-	2.4	-	114.2
Loans and advances to customers (gross)	112.5	-	2.3	-	114.8	108.7	-	2.0	-	110.7
Customer deposits	100.6	-	23.8	-	124.4	100.9	-	25.4	-	126.3
Risk-weighted assets	79.3	-	3.0	-	82.3	76.1	-	3.2	-	79.3

Divisional Restatements (continued)

Wealth

	Year ended 31 December 2010				Year ended 31 December 2011			
	Previously reported £m	Original Treasury Allocations £m	Revised Treasury Allocations £m	Revised £m	Previously reported £m	Original Treasury Allocations £m	Revised Treasury Allocations £m	Revised £m
Income statement								
Net interest income	609	(54)	33	588	718	(71)	(2)	645
Non-interest income	447	-	-	447	459	-	-	459
Total income	1,056	(54)	33	1,035	1,177	(71)	(2)	1,104
Direct expenses								
- staff	(382)	-	-	(382)	(413)	-	-	(413)
- other	(142)	-	-	(142)	(195)	-	-	(195)

Edgar Filing: ROYAL BANK OF SCOTLAND GROUP PLC - Form 6-K

Indirect expenses	(210)	-	-	(210)	(223)	-	-	(223)
	(734)	-	-	(734)	(831)	-	-	(831)
Operating profit before impairment losses	322	(54)	33	301	346	(71)	(2)	273
Impairment losses	(18)	-	-	(18)	(25)	-	-	(25)
Operating profit	304	(54)	33	283	321	(71)	(2)	248

£bn £bn £bn £bn £bn £bn £bn £bn £bn

Capital and balance sheet

Loans and advances to customers (gross)	16.1	-	-	16.1	16.9	-	-	16.9
Customer deposits	37.1	-	-	37.1	38.2	-	-	38.2
Assets under management (excluding deposits)	33.9	-	-	33.9	30.9	-	-	30.9
Risk-weighted assets	12.5	-	-	12.5	12.9	-	-	12.9

Divisional Restatements (continued)

Wealth (continued)

	Quarter ended 31 March 2011				Quarter ended 31 December 2011			
	Previously reported £m	Original Treasury Allocations £m	Revised Treasury Allocations £m	Revised £m	Previously reported £m	Original Treasury Allocations £m	Revised Treasury Allocations £m	Revised £m
Income statement								
Net interest income	167	(21)	11	157	191	(16)	(7)	168
Non-interest income	114	-	-	114	112	-	-	112
Total income	281	(21)	11	271	303	(16)	(7)	280
Direct expenses								
- staff	(100)	-	-	(100)	(96)	-	-	(96)
- other	(44)	-	-	(44)	(43)	-	-	(43)
Indirect expenses	(52)	-	-	(52)	(55)	-	-	(55)
	(196)	-	-	(196)	(194)	-	-	(194)
Operating profit before impairment losses	85	(21)	11	75	109	(16)	(7)	86
Impairment losses	(5)	-	-	(5)	(13)	-	-	(13)

Edgar Filing: ROYAL BANK OF SCOTLAND GROUP PLC - Form 6-K

Operating profit	80	(21)	11	70	96	(16)	(7)	73
	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Capital and balance sheet								
Loans and advances to customers (gross)	16.5	-	- 16.5		16.9 -			- 16.9
Customer deposits	37.5	-	-	37.5	38.2	-		- 38.2
Assets under management (excluding deposits)	34.4	-	-	34.4	30.9 -			- 30.9
Risk-weighted assets	12.6	-	-	12.6	12.9 -			- 12.9

Divisional Restatements (continued)

International Banking

Year ended 31 December 2010

	Global Transaction Services as previously reported £m	Original Treasury Allocations £m	Transfer from Markets £m	Transfer to Corporate £m	Transfer to UK US Retail & Commercial £m	Revised Treasury Allocations £m	Other adjustments £m	Revised £m
Income statement								
Net interest income	974	(290)	1,008	(244)	(5)	(88)	(2)	1,353
Non-interest income	1,587	-	940	(473)	(131)	-	1	1,924
Total income	2,561	(290)	1,948	(717)	(136)	(88)	(1)	3,277
Direct expenses								
- staff	(411)	-	(611)	134	17	-	-	(871)
- other	(159)	-	(179)	52	11	-	1	(274)
Indirect expenses	(894)	-	(163)	279	43	-	-	(735)
	(1,464)	-	(953)	465	71	-	1	(1,880)
Operating profit before	1,097	(290)	995	(252)	(65)	(88)	-	1,397

impairment losses								
Impairment losses	(9)	-	(86)	6	2	-	1	(86)
Operating profit	1,088	(290)	909	(246)	(63)	(88)	1	1,311
Capital and balance sheet	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Total third party assets	25.2	-	56.3	(2.4)	(1.2)	-	-	77.9
Loans and advances	14.4	-	51.0	(2.1)	(0.1)	-	2.8 (1)	66.0
Customer deposits	69.9	-	0.8	(24.5)	(0.6)	-	(1.9)(2)	43.7
Risk-weighted assets	18.3	-	36.6	(2.8)	(0.4)	-	-	51.7

Notes:

- (1) International Banking is managed against combined Loan and Advances to Customers and Banks. Global Transaction Services was managed principally against Loans and Advances to Customers only.
- (2) Transfers to US Retail and Commercial Customer Deposits exclude repurchase agreements. Global Transaction Services was managed on Customer Deposits including repurchase agreements in Customer Deposits.

Divisional Restatements(continued)

International Banking (continued)

	Year ended 31 December 2011							
	Global Transaction Services as previously reported £m	Original Treasury Allocations £m	Transfer from Markets £m	Transfer to UK Corporate £m	Transfer to US Retail & Commercial £m	Revised Treasury Allocations £m	Other adjustments £m	Revised £m
Income statement								
Net interest income	1,076	(356)	871	(259)	(7)	(123)	(3)	1,199
Non-interest income	1,175	-	818	(496)	(133)	-	(8)	1,356

Edgar Filing: ROYAL BANK OF SCOTLAND GROUP PLC - Form 6-K

Total income	2,251	(356)	1,689	(755)	(140)	(123)	(11)	2,555
Direct expenses								
- staff	(375)	-	(491)	142	19	-	(1)	(706)
- other	(113)	-	(182)	55	13	-	1	(226)
Indirect expenses	(854)	-	(180)	288	46	-	-	(700)
	(1,342)	-	(853)	485	78	-	-	(1,632)
Operating profit before impairment losses	909	(356)	836	(270)	(62)	(123)	(11)	923
Impairment losses	(166)	-	(11)	8	1	-	-	(168)
Operating profit	743	(356)	825	(262)	(61)	(123)	(11)	755
Capital and balance sheet	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Total third party assets	25.9	-	47.8	(2.4)	(1.3)	-	(0.1)	69.9
Loans and advances	15.8	-	43.4	(2.0)	(0.2)	-	3.3 (1)	60.3
Customer deposits	71.7	-	0.6	(25.4)	(0.5)	-	(1.3)(2)	45.1
Risk-weighted assets	17.3	-	30.8	(3.2)	(0.5)	-	(1.2)	43.2

Notes:

- (1) International Banking is managed against combined Loan and Advances to Customers and Banks. Global Transaction Services was managed principally against Loans and Advances to Customers only.
- (2) Transfers to US Retail and Commercial Customer Deposits exclude repurchase agreements. Global Transaction Services was managed on Customer Deposits including repurchase agreements in Customer Deposits.

Divisional Restatements (continued)

International Banking (continued)

Global Transaction	Original Treasury	Quarter ended 31 March 2011			Revised Treasury	Other adjustments	Revised
		Transfer	Transfer to	Transfer to			

Edgar Filing: ROYAL BANK OF SCOTLAND GROUP PLC - Form 6-K

	Services as previously reported £m	Allocations £m	from Markets £m	UK Corporate £m	US Retail & Commercial £m	Allocations £m	£m	£m
Income statement								
Net interest income	260	(91)	224	(62)	(2)	(25)	(1)	303
Non-interest income	282	-	214	(119)	(32)	-	(1)	344
Total income	542	(91)	438	(181)	(34)	(25)	(2)	647
Direct expenses								
- staff	(96)	-	(136)	33	4	-	-	(195)
- other	(29)	-	(50)	14	2	-	2	(61)
Indirect expenses								
	(210)	-	(41)	68	12	-	-	(171)
	(335)	-	(227)	115	18	-	2	(427)
Operating profit before impairment losses								
	207	(91)	211	(66)	(16)	(25)	-	220
Impairment losses								
	(20)	-	24	2	1	-	(1)	6
Operating profit								
	187	(91)	235	(64)	(15)	(25)	(1)	226
Capital and balance sheet								
	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Total third party assets								
	27.1	-	53.7	(2.7)	(1.2)	-	(0.1)	76.8
Loans and advances								
	17.2	-	48.8	(2.3)	(0.1)	-	2.8 (1)	66.4
Customer deposits								
	69.3	-	0.7	(23.8)	(0.5)	-	(1.6)(2)	44.1
Risk-weighted assets								
	18.2	-	32.2	(3.0)	(0.4)	-	(1.3)	45.7

Notes:

(1) International Banking is managed against combined Loan and Advances to Customers and Banks. Global Transaction Services was managed principally against Loans and Advances to Customers only.

(2)

Edgar Filing: ROYAL BANK OF SCOTLAND GROUP PLC - Form 6-K

Transfers to US Retail and Commercial Customer Deposits exclude repurchase agreements. Global Transaction Services was managed on Customer Deposits including repurchase agreements in Customer Deposits.

Divisional Restatements (continued)

International Banking (continued)

	Quarter ended 31 December 2011							
	Global Transaction Services as previously reported £m	Original Treasury Allocations £m	Transfer from Markets £m	Transfer to UK Corporate £m	Transfer to US Retail & Commercial £m	Revised Treasury Allocations £m	Other adjustments £m	Revised £m
Income statement								
Net interest income	277	(90)	203	(63)	(2)	(32)	-	293
Non-interest income	296	-	171	(128)	(36)	-	(3)	300
Total income	573	(90)	374	(191)	(38)	(32)	(3)	593
Direct expenses								
- staff	(95)	-	(105)	36	5	-	(1)	(160)
- other	(26)	-	(43)	13	4	-	1	(51)
Indirect expenses	(208)	-	(47)	70	10	-	1	(174)
	(329)	-	(195)	119	19	-	1	(385)
Operating profit before impairment losses	244	(90)	179	(72)	(19)	(32)	(2)	208
Impairment losses	(47)	-	(11)	2	-	-	-	(56)
Operating profit	197	(90)	168	(70)	(19)	(32)	(2)	152
Capital and balance sheet	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
	25.9	-	47.8	(2.4)	(1.3)	-	(0.1)	69.9

Total third party assets									
Loans and advances	15.8	-	43.4	(2.0)	(0.2)	-	3.3 (1)	60.3	
Customer deposits	71.7	-	0.6	(25.4)	(0.5)	-	(1.3)(2)	45.1	
Risk-weighted assets	17.3	-	30.8	(3.2)	(0.5)	-	(1.2)	43.2	

Notes:

- (1) International Banking is managed against combined Loan and Advances to Customers and Banks. Global Transaction Services was managed principally against Loans and Advances to Customers only.
- (2) Transfers to US Retail and Commercial Customer Deposits exclude repurchase agreements. Global Transaction Services was managed on Customer Deposits including repurchase agreements in Customer Deposits.

Divisional Restatements (continued)

Ulster Bank

	Year ended 31 December 2010				Year ended 31 December 2011			
	Previously reported £m	Original Treasury Allocations £m	Revised Treasury Allocations £m	Revised £m	Previously reported £m	Original Treasury Allocations £m	Revised Treasury Allocations £m	Revised £m
Income statement								
Net interest income	761.99		(21)	839	696	17		23.736
Non-interest income	214	-	-	214	211	-	-	211
Total income	975	99	(21)	1,053	907	17	23	947
Direct expenses								
- staff	(237)	-	-	(237)	(221)	-	-	(221)
- other	(74)	-	-	(74)	(67)	-	-	(67)
Indirect expenses	(264)	-	-	(264)	(259)	-	-	(259)
	(575)	-	-	(575)	(547)	-	-	(547)
Operating profit before impairment losses	400	99	(21)	478	360	17	23	400
Impairment losses	(1,161)	-	-	(1,161)	(1,384)	-	-	(1,384)
Operating loss	(761)	99	(21)	(683)	(1,024)	17	23	(984)
		£bn	£bn	£bn	£bn	£bn	£bn	£bn

Edgar Filing: ROYAL BANK OF SCOTLAND GROUP PLC - Form 6-K

Capital and balance sheet

Loans and advances to customers (gross)	36.9	-	-	36.9	34.1	-	-	34.1
Customer deposits	23.1	-	-	23.1	21.8	-	-	21.8
Risk-weighted assets	31.6	-	-	31.6	36.3	-	-	36.3

Divisional Restatements (continued)

Ulster Bank (continued)

	Quarter ended 31 March 2011				Quarter ended 31 December 2011			
	Previously reported £m	Original Treasury Allocations £m	Revised Treasury Allocations £m	Revised £m	Previously reported £m	Original Treasury Allocations £m	Revised Treasury Allocations £m	Revised £m
Income statement								
Net interest income	169	11	1	181	171	4	2	177
Non-interest income	51	-	-	51	49	-	-	49
Total income	220	11	1	232	220	4	2	226
Direct expenses								
- staff	(56)	-	-	(56)	(53)	-	-	(53)
- other	(18)	-	-	(18)	(15)	-	-	(15)
Indirect expenses	(62)	-	-	(62)	(64)	-	-	(64)
	(136)	-	-	(136)	(132)	-	-	(132)
Operating profit before impairment losses	84	11	1	96	88	4	2	94
Impairment losses	(461)	-	-	(461)	(327)	-	-	(327)
Operating loss	(377)	11	1	(365)	(239)	4	2	(233)
		£bn	£bn	£bn	£bn	£bn	£bn	£bn

Capital and balance sheet

Loans and advances to customers (gross)	37.2	-	-	37.2	34.1	-	-	34.1
Customer deposits	23.8	-	-	23.8	21.8	-	-	21.8
Risk-weighted assets	31.7	-	-	31.7	36.3	-	-	36.3

Divisional Restatements (continued)

US Retail & Commercial (£ Sterling)

	Year ended 31 December 2010					Year ended 31 December 2011				
	Previously reported	Original Treasury Allocations	Transfer from Global Transaction Services	Revised Treasury Allocations	Revised	Previously reported	Original Treasury Allocations	Transfer from Global Transaction Services	Revised Treasury Allocations	Revised
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Income statement										
Net interest income	1,917	31	5	(51)	1,902	1,896	29	7	(32)	1,900
Non-interest income	1,029	-	-	131	- 1,160	1,004	-	133	-	1,137
Total income	2,946	31	-	136	(51) 3,062	2,900	29	140	(32)	3,037
Direct expenses										
- staff	(784)	-	-	(17)	- (801)	(819)	-	(19)	-	(838)
- other	(569)	-	-	(11)	- (580)	(544)	-	(13)	-	(557)
Indirect expenses	(770)	-	-	(43)	- (813)	(733)	-	(46)	-	(779)
	(2,123)	-	-	(71)	- (2,194)	(2,096)	-	(78)	-	(2,174)
Operating profit before impairment losses	823	31	-	65	(51) 868	804	29	62	(32)	863
Impairment losses	(517)	-	-	(2)	- (519)	(325)	-	(1)	-	(326)
Operating profit	306	31	-	63	(51) 349	479	29	61	(32)	537
		£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Capital and balance sheet										
Total third party assets	71.2	-	-	1.2	- 72.4	74.5	-	1.3	-	75.8
Loans and advances to	48.6	-	-	0.1	- 48.7	51.4	-	0.2	-	51.6

customers (gross)									
Customer deposits									
(excluding									
repos)	58.7 -		0.6	-	59.3	59.5 -		0.5	- 60.0
Risk-weighted assets	57.0 -		0.4	-	57.4	58.8 -		0.5	- 59.3

Divisional Restatements (continued)

US Retail & Commercial (£ Sterling) (continued)

	Quarter ended 31 March 2011					Quarter ended 31 December 2011				
	Previously reported	Original Treasury Allocations	Transfer from Global Transaction Services	Revised Treasury Allocations	Revised	Previously reported	Original Treasury Allocations	Transfer from Global Transaction Services	Revised Treasury Allocations	Revised
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Income statement										
Net interest income	451	12	2	(13)	452	493	5	2	(4)	4
Non-interest income	243	-	32	-	275	258	-	36	-	2
Total income	694	12	34	(13)	727	751	5	38	(4)	7
Direct expenses										
- staff	(197)	-	(4)	-	(201)	(211)	-	(5)	-	(2)
- other	(124)	-	(2)	-	(126)	(133)	-	(4)	-	(1)
Indirect expenses	(183)	-	(12)	-	(195)	(185)	-	(10)	-	(1)
	(504)	-	(18)	-	(522)	(529)	-	(19)	-	(5)
Operating profit before										
impairment losses	190	12	16	(13)	205	222	5	19	(4)	2
Impairment losses	(110)	-	(1)	-	(111)	(65)	-	-	-	0
	80	12	15	(13)	94	157	5	19	(4)	1

Edgar Filing: ROYAL BANK OF SCOTLAND GROUP PLC - Form 6-K

Operating profit

	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Capital and balance sheet										
Total third party assets	70.6	-	1.2	-	71.8	74.5	-	1.3	-	75.8
Loans and advances to customers (gross)	46.9	-	0.1	-	47.0	51.4	-	0.2	-	51.6
Customer deposits (excluding repos)	56.7	-	0.5	-	57.2	59.5	-	0.5	-	60.0
Risk-weighted assets	53.6	-	0.4	-	54.0	58.8	-	0.5	-	59.3

Divisional Restatements (continued)

US Retail & Commercial (US Dollar)

	Year ended 31 December 2010					Year ended 31 December 2011				
	Previously reported	Original Treasury Allocations	Transfer from Global Transaction Services	Revised Treasury Allocations	Revised	Previously reported	Original Treasury Allocations	Transfer from Global Transaction Services	Revised Treasury Allocations	Revised
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Income statement										
Net interest income	2,962	48	9	(79)	2,940	3,042	47	10	(51)	3,048
Non-interest income	1,591	-	-	201	1,792	1,611	-	212	-	1,823
Total income	4,553	48	-	210	4,732	4,653	47	222	(51)	4,873
Direct expenses										
- staff	(1,212)	-	-	(26)	(1,238)	(1,313)	-	(31)	-	(1,344)
- other	(880)	-	-	(17)	(897)	(874)	-	(19)	-	(893)
Indirect expenses	(1,189)	-	-	(66)	(1,255)	(1,176)	-	(74)	-	(1,250)
	(3,281)	-	-	(109)	(3,390)	(3,363)	-	(124)	-	(3,487)
	1,272	48	-	101	1,342	1,290	47	98	(51)	1,377

Operating profit before impairment losses	(799)	-	(3)	-	(802)	(521)	-	(3)	-	(5)
Operating profit	473	48	98	(79)	540	769	47	95	(51)	8
		\$bn	\$bn	\$bn	\$bn	\$bn	\$bn	\$bn	\$bn	\$bn
Capital and balance sheet										
Total third party assets	110.5	-	1.9	-	112.4	115.3	-	2.0	-	117.3
Loans and advances to customers (gross)	75.3	-	0.1	-	75.4	79.6	-	0.2	-	79.8
Customer deposits (excluding repos)	91.2	-	0.9	-	92.1	92.1	-	0.7	-	92.8
Risk-weighted assets	88.4	-	0.7	-	89.1	91.1	-	0.7	-	91.8

Divisional Restatements (continued)

US Retail & Commercial (US Dollar) (continued)

	Quarter ended 31 March 2011					Quarter ended 31 December 2011				
	Previously reported	Original Treasury Allocations	Transfer from Global Services	Revised Treasury Allocations	Revised	Previously reported	Original Treasury Allocations	Transfer from Global Services	Revised Treasury Allocations	Revised
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Income statement										
Net interest income	723	19	3	(21)	724	777	8	2	(6)	7
Non-interest income	389	-	51	-	440	406	-	56	-	4
Total income	1,112	19	54	(21)	1,164	1,183	8	58	(6)	1,171

Edgar Filing: ROYAL BANK OF SCOTLAND GROUP PLC - Form 6-K

Direct expenses										
- staff	(315)	-	(7)	-	(322)	(331)	-	(8)	-	(3)
- other	(198)	-	(5)	-	(203)	(211)	-	(5)	-	(2)
Indirect expenses	(293)	-	(19)	-	(312)	(291)	-	(16)	-	(3)
	(806)	-	(31)	-	(837)	(833)	-	(29)	-	(8)
Operating profit before										
impairment losses	306	19	23	(21)	327	350	8	29	(6)	3
Impairment losses	(177)	-	-	-	(177)	(101)	-	(1)	-	(1)
Operating profit	129	19	23	(21)	150	249	8	28	(6)	2

\$bn \$bn \$bn \$bn \$bn \$bn \$bn \$bn \$bn \$bn

Capital and balance sheet

Total third party assets	113.2	-	2.0	-	115.2	115.3	-	2.0	-	117.3
Loans and advances to customers (gross)	75.2	-	0.2	-	75.4	79.6	-	0.2	-	79.8
Customer deposits (excluding repos)	91.0	-	0.8	-	91.8	92.1	-	0.7	-	92.8
Risk-weighted assets	86.0	-	0.7	-	86.7	91.1	-	0.7	-	91.8

Divisional Restatements (continued)

Markets

Year ended 31 December 2010

	Global Banking & Markets as previously reported £m	Original Treasury Allocations £m	Transfer to International Banking £m	Revised Treasury Allocations £m	Other adjustments £m	Markets £m
Income statement						
Net interest income from banking activities	1,276	54	(1,008)	283	-	605

Edgar Filing: ROYAL BANK OF SCOTLAND GROUP PLC - Form 6-K

Net fees and commissions receivable	1,495	-	(764)	-	-	731
Income from trading activities	4,982	-	(129)	-	(68)	4,785
Other operating income (net of related funding costs)	159	-	(47)	-	-	112
Non-interest income	6,636	-	(940)	-	(68)	5,628
Total income	7,912	54	(1,948)	283	(68)	6,233
Direct expenses						
- staff	(2,693)	-	611	-	-	(2,082)
- other	(842)	-	179	-	-	(663)
Indirect expenses	(862)	-	163	-	-	(699)
	(4,397)	-	953	-	-	(3,444)
Operating profit before impairment losses	3,515	54	(995)	283	(68)	2,789
Impairment losses	(151)	-	86	-	-	(65)
Operating profit	3,364	54	(909)	283	(68)	(1) 2,724
Capital and balance sheet	£bn	£bn	£bn	£bn	£bn	£bn
Loans and advances	119.6	-	(51.0)	-	-	68.6
Reverse repos	94.8	-	-	-	-	94.8
Securities	119.2	-	(3.1)	-	-	116.1
Cash and eligible bills	38.8	-	-	-	-	38.8
Other	24.3	-	(2.2)	-	-	22.1
Total third party assets (excluding derivatives mark-to-market)	396.7	-	(56.3)	-	-	340.4
Net derivative assets (after netting)	37.4	-	-	-	-	37.4
Risk-weighted assets	146.9	-	(36.6)	-	-	110.3

Note:

(1) FVDL is now shown as part of OCA below Operating profit.

Divisional Restatements (continued)

Markets (continued)

Year ended 31 December 2011

Global Banking & Markets as previously reported £m	Original Treasury Allocations £m	Transfers to International Banking £m	Revised Treasury Allocations £m	Other adjustments £m	Revised £m
---	-------------------------------------	--	------------------------------------	-------------------------	---------------

Edgar Filing: ROYAL BANK OF SCOTLAND GROUP PLC - Form 6-K

Income statement						
Net interest income from banking activities	719	41	(871)	190	-	79
Net fees and commissions receivable	1,281	-	(678)	-	-	603
Income from trading activities	3,736	-	(66)	-	(68)	3,602
Other operating income (net of related funding costs)	205	-	(74)	-	-	131
Non-interest income	5,222	-	(818)	-	(68)	4,336
Total income	5,941	41	(1,689)	190	(68)	4,415
Direct expenses						
- staff	(2,454)	-	491	-	-	(1,963)
- other	(928)	-	182	-	-	(746)
Indirect expenses	(949)	-	180	-	-	(769)
	(4,331)	-	853	-	-	(3,478)
Operating profit before impairment losses	1,610	41	(836)	190	(68)	937
Impairment losses	(49)	-	11	-	-	(38)
Operating profit	1,561	41	(825)	190	(68)	(1) 899
Capital and balance sheet	£bn	£bn	£bn	£bn	£bn	£bn
Loans and advances	104.6	-	(43.4)	-	-	61.2
Reverse repos	100.5	-	-	-	-	100.5
Securities	111.0	-	(2.6)	-	-	108.4
Cash and eligible bills	28.1	-	-	-	-	28.1
Other	17.5	-	(1.8)	-	-	15.7
Total third party assets (excluding derivatives mark-to-market)	361.7	-	(47.8)	-	-	313.9
Net derivative assets (after netting)	37.0	-	-	-	-	37.0
Risk-weighted assets	151.1	-	(30.8)	-	-	120.3

Note:

(1)FVDL is now shown as part of OCA below Operating profit.

Divisional Restatements (continued)

Markets (continued)	Quarter ended 31 March 2011						Markets £m
	Global Banking & Markets as previously reported £m	Original Treasury Allocations £m	Transfer to International Banking £m	Revised Treasury Allocations £m	Other adjustments £m		
Income statement							
Net interest income from banking activities	193	28	(224)	59	-		56
Net fees and commissions receivable	390	-	(183)	-	-		207
Income from trading activities	1,752	-	(14)	-	79		1,817
Other operating income (net of related funding costs)	45	-	(17)	-	-		28
Non-interest income	2,187	-	(214)	-	79		2,052
Total income	2,380	28	(438)	59	79		2,108
Direct expenses							
- staff	(863)	-	136	-	-		(727)
- other	(216)	-	50	-	-		(166)
Indirect expenses	(227)	-	41	-	-		(186)
	(1,306)	-	227	-	-		(1,079)
Operating profit before impairment losses	1,074	28	(211)	59	79		1,029
Impairment losses	24	-	(24)	-	-		-
Operating profit	1,098	28	(235)	59	79	(1)	1,029
Capital and balance sheet	£bn	£bn	£bn	£bn	£bn		£bn
Loans and advances	116.3	-	(48.8)	-	-		67.5
Reverse repos	105.1	-	-	-	-		105.1
Securities	132.2	-	(3.0)	-	-		129.2
Cash and eligible bills	33.9	-	-	-	-		33.9
Other	35.8	-	(1.9)	-	-		33.9
Total third party assets (excluding derivatives mark-to-market)	423.3	-	(53.7)	-	-		369.6
Net derivative assets (after netting)	34.5	-	-	-	-		34.5
Risk-weighted assets	146.5	-	(32.2)	-	-		114.3

Note:

(1)FVDL is now shown as part of OCA below Operating profit.

Divisional Restatements (continued)

Markets (continued)	Quarter ended 31 December 2011						Markets £m
	Global Banking & Markets as previously reported £m	Original Treasury Allocations £m	Transfer to International Banking £m	Revised Treasury Allocations £m	Other adjustments £m		
Income statement							
Net interest income from banking activities	174	2	(203)	50	-		23
Net fees and commissions receivable	239	-	(177)	-	-		62
Income from trading activities	460	-	18	-	102		580
Other operating income (net of related funding costs)	39	-	(12)	-	-		27
Non-interest income	738	-	(171)	-	102		669
Total income	912	2	(374)	50	102		692
Direct expenses							
- staff	(459)	-	105	-	-		(354)
- other	(240)	-	43	-	-		(197)
Indirect expenses	(240)	-	47	-	-		(193)
	(939)	-	195	-	-		(744)
Operating loss before impairment losses	(27)	2	(179)	50	102		(52)
Impairment losses	(68)	-	11	-	-		(57)
Operating loss	(95)	2	(168)	50	102	(1)	(109)
Capital and balance sheet	£bn	£bn	£bn	£bn	£bn		£bn
Loans and advances	104.6	-	(43.4)	-	-		61.2
Reverse repos	100.5	-	-	-	-		100.5
Securities	111.0	-	(2.6)	-	-		108.4
Cash and eligible bills	28.1	-	-	-	-		28.1
Other	17.5	-	(1.8)	-	-		15.7

Total third party assets (excluding derivatives mark-to-market)	361.7	-	(47.8)	-	-	313.9
Net derivative assets (after netting)	37.0	-	-	-	-	37.0
Risk-weighted assets	151.1	-	(30.8)	-	-	120.3

Note:

(1) FVDL is now shown as part of OCA below Operating profit.

Divisional Restatements (continued)

Central Items

	Year ended 31 December 2010					Year ended 31 December 2011				
	Previously reported	Original Treasury Allocations	Revised Treasury Allocations	Other adjustments	Revised	Previously reported	Original Treasury Allocations	Revised Treasury Allocations	Other adjustments	Revised
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Central items not allocated	577	(277)	331	(1)	630	156	(573)	597	11	191

	Quarter ended 31 March 2011					Quarter ended 31 December 2011				
	Previously reported	Original Treasury Allocations	Revised Treasury Allocations	Other adjustments	Revised	Previously reported	Original Treasury Allocations	Revised Treasury Allocations	Other adjustments	Revised
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Central items not allocated	(43)	(155)	164	2	(32)	85	(127)	130	1	89

Divisional Restatements (continued)

Non-Core

Year ended 31 December 2010				Year ended 31 December 2011			
Previously	Original	Revised	Revised	Previously	Original	Revised	Revised

Edgar Filing: ROYAL BANK OF SCOTLAND GROUP PLC - Form 6-K

	reported £m	Treasury Allocations £m	Treasury Allocations £m	£m	reported £m	Treasury Allocations £m	Treasury Allocations £m	£m
Income statement								
Net interest income	1,959	418	(628)	1,749	881	725	(743)	863
Non-interest income	1,005	-	-	1,005	325	-	-	325
Total income	2,964	418	(628)	2,754	1,206	725	(743)	1,188
Direct expenses								
- staff	(731)	-	-	(731)	(375)	-	-	(375)
- operating lease depreciation	(452)	-	-	(452)	(347)	-	-	(347)
- other	(573)	-	-	(573)	(256)	-	-	(256)
Indirect expenses	(500)	-	-	(500)	(317)	-	-	(317)
	(2,256)	-	-	(2,256)	(1,295)	-	-	(1,295)
Operating profit/(loss) before insurance net claims and impairment losses								
Insurance net claims	708	418	(628)	498	(89)	725	(743)	(107)
Impairment losses	(737)	-	-	(737)	(195)	-	-	(195)
Impairment losses	(5,476)	-	-	(5,476)	(3,919)	-	-	(3,919)
Operating loss	(5,505)	418	(628)	(5,715)	(4,203)	725	(743)	(4,221)
Capital and balance sheet								
	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Total third party assets (excluding derivatives)	137.9	-	-	137.9	93.7	-	-	93.7
Total third party assets (including derivatives)	153.9	-	-	153.9	104.7	-	-	104.7
Loans and advances to customers (gross)	108.4	-	-	108.4	79.4	-	-	79.4
Customer deposits	6.7	-	-	6.7	3.5	-	-	3.5
Risk-weighted assets	153.7	-	-	153.7	93.3	-	-	93.3

Divisional Restatements (continued)

Non-Core (continued)

Quarter ended 31 March 2011				Quarter ended 31 December 2011			
Previously	Original	Revised	Revised	Previously	Original	Revised	Revised

Edgar Filing: ROYAL BANK OF SCOTLAND GROUP PLC - Form 6-K

	reported £m	Treasury Allocations £m	Treasury Allocations £m	£m	reported £m	Treasury Allocations £m	Treasury Allocations £m	£m
Income statement								
Net interest income	303	182	(233)	252	129	174	(148)	155
Non-interest income	183	-	-	183	(433)	-	-	(433)
Total income	486	182	(233)	435	(304)	174	(148)	(278)
Direct expenses								
- staff	(91)	-	-	(91)	(82)	-	-	(82)
- operating lease depreciation	(87)	-	-	(87)	(91)	-	-	(91)
- other	(69)	-	-	(69)	(57)	-	-	(57)
Indirect expenses	(76)	-	-	(76)	(84)	-	-	(84)
	(323)	-	-	(323)	(314)	-	-	(314)
Operating profit/(loss) before insurance net claims and impairment losses								
Insurance net claims	163	182	(233)	112	(618)	174	(148)	(592)
Impairment losses	(128)	-	-	(128)	61	-	-	61
Operating loss	(1,075)	-	-	(1,075)	(751)	-	-	(751)
Operating loss	(1,040)	182	(233)	(1,091)	(1,308)	174	(148)	(1,282)
Capital and balance sheet								
	£bn	£bn	£bn	£bn	£bn	£bn	£bn	£bn
Total third party assets (excluding derivatives)	124.8	-	-	124.8	93.7	-	-	93.7
Total third party assets (including derivatives)	137.1	-	-	137.1	104.7	-	-	104.7
Loans and advances to customers (gross)	101.0	-	-	101.0	79.4	-	-	79.4
Customer deposits	7.1	-	-	7.1	3.5	-	-	3.5
Risk-weighted assets	128.5	-	-	128.5	93.3	-	-	93.3

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: 01 May 2012

THE ROYAL BANK OF
SCOTLAND GROUP plc
(Registrant)

By: /s/ Jan Cargill

Name: Jan Cargill
Title: Deputy Secretary