

ROYAL BANK OF SCOTLAND GROUP PLC
Form 6-K
August 06, 2010

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 August 6, 2010

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

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

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:

Appendix 2

Analysis by quarter

Appendix 2 Analysis by quarter

Summary consolidated income statement - pro forma

	2009			2010		Q2 2010 vs.	
	Q2	Q3	Q4	Q1	Q2	Q2 2009	Q1 2010
	£m	£m	£m	£m	£m		
Net interest income	3,322	3,261	3,446	3,534	3,684	11%	4%
Non-interest income (excluding							
insurance net premium income)	1,498	2,532	2,786	4,131	3,820	155%	(8%)
Insurance net premium income	1,301	1,301	1,308	1,289	1,278	(2%)	(1%)
Non-interest income	2,799	3,833	4,094	5,420	5,098	82%	(6%)
Total income	6,121	7,094	7,540	8,954	8,782	43%	(2%)
Operating expenses	(4,066)	(4,195)	(4,473)	(4,430)	(4,103)	1%	(7%)
Profit before other							
operating charges	2,055	2,899	3,067	4,524	4,679	128%	3%
Insurance net claims	(925)	(1,145)	(1,321)	(1,136)	(1,323)	43%	16%
Operating profit before							
impairment losses	1,130	1,754	1,746	3,388	3,356	197%	(1%)
Impairment losses	(4,663)	(3,279)	(3,099)	(2,675)	(2,487)	(47%)	(7%)
Operating (loss)/profit*	(3,533)	(1,525)	(1,353)	713	869	(125%)	22%
Amortisation of purchased							
intangible assets	(55)	(73)	(59)	(65)	(85)	55%	31%
Integration and restructuring costs	(355)	(324)	(228)	(168)	(254)	(28%)	51%
Gain on redemption of own debt	3,790	-	-	-	553	(85%)	-
Strategic disposals	212	(155)	(166)	53	(411)	-	-
Bonus tax	-	-	(208)	(54)	(15)	-	(72%)

Asset Protection Scheme
credit

default swap - fair value changes	-	-	-	(500)	500	-	(200%)
Gains on pensions curtailment	-	-	2,148	-	-	-	-
Profit/(loss) before tax	59	(2,077)	134	(21)	1,157	-	-
Tax credit/(charge)	640	576	(649)	(106)	(825)	-	-
Profit/(loss) from continuing operations	699	(1,501)	(515)	(127)	332	(53%)	-
Loss from discontinued operations, net of tax	(13)	(7)	(7)	(4)	(26)	100%	-
Profit/(loss) for the period	686	(1,508)	(522)	(131)	306	(55%)	-
Minority interests	(83)	(47)	(47)	(12)	(30)	(64%)	150%
Preference share and other dividends	(432)	(245)	(144)	(105)	(19)	(96%)	(82%)
Profit/(loss) attributable to ordinary and B shareholders							
before write-down of goodwill and other intangible assets	171	(1,800)	(713)	(248)	257	50%	-
Write-down of goodwill and other intangible assets, net of tax	(311)	-	(52)	-	-	-	-
(Loss)/profit attributable to ordinary and B shareholders	(140)	(1,800)	(765)	(248)	257	-	-

*(Loss)/profit before tax, amortisation of purchased intangible assets, integration and restructuring costs, gain on redemption of own debt, strategic disposals, bonus tax, Asset Protection Scheme credit default swap - fair value changes, gains on pensions curtailment and write-down of goodwill and other intangible assets.

Appendix 2 Analysis by quarter**Summary consolidated income statement - pro forma** (continued)

Key metrics	2009			2010		Q2 2010 vs.	
	Q2	Q3	Q4	Q1	Q2	Q2 2009	Q1 2010
Net interest margin	1.70%	1.75%	1.83%	1.92%	2.03%	33bp	11bp
Cost:income ratio	66%	59%	59%	49%	47%	1,900bp	200bp
Adjusted cost:income ratio	78%	71%	72%	57%	55%	2,300bp	200bp
Risk-weighted assets - gross	£547.3bn	£594.7bn	£565.8bn	£585.5bn	£597.3bn	9%	2%