

ROYAL BANK OF SCOTLAND GROUP PLC
Form 6-K
August 15, 2007

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer

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

15 August 2007

The Royal Bank of Scotland Group plc

Gogarburn
PO Box 1000
Edinburgh EH12 1HQ
Scotland
United Kingdom

(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- _____

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This report on Form 6-K shall be deemed incorporated by reference in each of The Royal Bank of Scotland Group plc's Registration Statement on Form F-3 (File No. 333-123972) and Registration Statement on Form F-4 (File No. 333-144752) and to be a part thereof from the date on which this report is furnished, to the extent not superseded by documents or reports subsequently filed or furnished.

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**CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE HALF YEAR ENDED 30 JUNE 2007**

	First half 2007 £m	First half 2006 £m
Interest receivable	13,458	11,905
Interest payable	8,075	6,711
Net interest income	5,383	5,194
Fees and commissions receivable	3,588	3,543
Fees and commissions payable	(916)	(985)
Income from trading activities	1,875	1,453
Other operating income (excluding insurance premium income)	1,712	1,457
Insurance premium income	3,193	3,112
Reinsurers' share	(145)	(132)
Non-interest income	9,307	8,448
Total income	14,690	13,642
Staff costs	3,494	3,233
Premises and equipment	748	668
Other administrative expenses	1,319	1,286
Depreciation and amortisation	835	853
Operating expenses*	6,396	6,040
Profit before other operating charges and impairment losses	8,294	7,602
Insurance claims	2,468	2,244
Reinsurers' share	(53)	(40)
Impairment losses	871	887
Operating profit before tax	5,008	4,511
Tax	1,272	1,387
Profit for the period	3,736	3,124
Minority interests	75	55
Preference dividends	106	91
Profit attributable to ordinary shareholders	3,555	2,978
Basic earnings per ordinary share	37.6p	31.0p
Diluted earnings per ordinary share	37.3p	30.8p
*Operating expenses include:	£m	£m
Integration costs:		
- Administrative expenses	26	41
- Depreciation and amortisation	29	2
	55	43
Amortisation of purchased intangible assets	43	49
	98	92

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FINANCIAL REVIEW

Operating profit before tax

Operating profit before tax was up 11%, from £4,511 million to £5,008 million, reflecting strong organic income growth in Corporate Markets, Wealth Management and Ulster Bank.

Total income

The Group achieved strong growth in income during the first half of 2007. Total income was up 8% or £1,048 million to £14,690 million.

Net interest income increased by 4% to £5,383 million and represents 37% of total income (2006 - 38%). Average loans and advances to customers and average customer deposits grew by 9% and 10% respectively.

Non-interest income increased by 10% to £9,307 million and represents 63% of total income (2006 - 62%).

Net interest margin

The Group's net interest margin at 2.51% was down from 2.52% in the first half of 2006.

Operating expenses

Operating expenses rose by 6% to £6,396 million.

Cost:income ratio

The Group's cost:income ratio was 43.5% compared with 44.3% in 2006.

Net insurance claims

Bancassurance and general insurance claims, after reinsurance, increased by 10% to £2,415 million reflecting volume growth and adverse weather conditions in the first half of 2007. Excluding the impact of severe weather in June, net insurance claims increased by 3%.

Impairment losses

Impairment losses fell 2% to £871 million, compared with £887 million in 2006.

Risk elements in lending and potential problem loans represented 1.51% of gross loans and advances to customers excluding reverse repos at 30 June 2007 (31 December 2006 - 1.57%).

Provision coverage of risk elements in lending and potential problem loans was 63% (31 December 2006 - 62%).

Integration

Integration costs were £55 million compared with £43 million in 2006.

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FINANCIAL REVIEW (continued)

Taxation

The effective tax rate for the first half of 2007 was 25.4% (first half 2006 - 30.7%). The tax rate benefited from a reduction of £157 million in deferred tax liability following the change in the rate of UK Corporation Tax from 30% to 28% from 1 April 2008. The change in the rate of taxation also reduced net interest income by £19 million to reflect lower rentals on leases with tax variation clauses.

Earnings and dividends

Basic earnings per ordinary share increased by 21%, from 31.0p to 37.6p.

An interim dividend of 10.1p per ordinary share, representing one third of last year's total dividend will be paid on 5 October 2007 to shareholders registered on 17 August 2007.

Bonus issue

In May 2007, the Group capitalised £1,576 million of its share premium account by way of a bonus issue of two new ordinary shares of 25p each for every one held.

The number of ordinary shares in issue and per share data for prior periods have been restated to reflect the bonus issue in May 2007.

Business transfers

Divisional results for the first half of 2006 have been restated to reflect transfers of businesses between divisions in the second half of 2006 and the first half of 2007. These changes are not material to the segmental disclosures and do not affect the Group's results.

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**CONDENSED CONSOLIDATED BALANCE SHEET
AT 30 JUNE 2007**

	30 June 2007 £m	31 December 2006 £m
Assets		
Cash and balances at central banks	4,080	6,121
Treasury and other eligible bills	8,014	5,491
Loans and advances to banks	92,037	82,606
Loans and advances to customers	503,197	466,893
Debt securities	142,324	127,251
Equity shares	13,193	13,504
Settlement balances	21,372	7,425
Derivatives	183,313	116,681
Intangible assets	18,868	18,904
Property, plant and equipment	18,185	18,420
Prepayments, accrued income and other assets	6,683	8,136
Total assets	1,011,266	871,432
Liabilities		
Deposits by banks	139,415	132,143
Customer accounts	419,317	384,222
Debt securities in issue	95,519	85,963
Settlement balances and short positions	71,969	49,476
Derivatives	183,461	118,112
Accruals, deferred income and other liabilities	15,711	15,660
Retirement benefit liabilities	1,987	1,992
Deferred taxation	2,721	3,264
Insurance liabilities	7,629	7,456
Subordinated liabilities	27,079	27,654
Total liabilities	964,808	825,942
Equity:		
Minority interests	4,914	5,263
Shareholders' equity*		
Called up share capital	2,391	815
Reserves	39,153	39,412
Total equity	46,458	45,490
Total liabilities and equity	1,011,266	871,432
 *Shareholders' equity attributable to:		
Ordinary shareholders	37,403	36,546
Preference shareholders	4,141	3,681
	41,544	40,227

THE ROYAL BANK OF SCOTLAND GROUP plc

OVERVIEW OF CONDENSED CONSOLIDATED BALANCE SHEET

Total assets of £1,011.3 billion at 30 June 2007 were up £139.8 billion, 16%, compared with 31 December 2006.

Treasury and other eligible bills increased by £2.5 billion, 46% to £8.0 billion, due to higher trading activity.

Loans and advances to banks increased by £9.4 billion, 11%, to £92.0 billion. Reverse repurchase agreements and stock borrowing ("reverse repos") increased by £10.5 billion, 19% to £64.7 billion, but were offset by a reduction in bank placings of £1.1 billion, 4%, to £27.3 billion.

Loans and advances to customers were up £36.3 billion, 8%, to £503.2 billion. Within this, reverse repos increased by 26%, £16.6 billion to £79.5 billion. Excluding reverse repos, lending rose by £19.7 billion, 5% to £423.7 billion reflecting organic growth across all divisions.

Debt securities increased by £15.1 billion, 12%, to £142.3 billion, principally due to increased holdings in Global Banking & Markets.

Equity shares decreased by £0.3 billion, 2%, to £13.2 billion, primarily reflecting a decrease in the market value of the investment in Bank of China.

Settlement balances rose by £13.9 billion to £21.4 billion as a result of increased customer activity in Global Banking & Markets.

Movements in the value of derivatives, assets and liabilities, primarily reflect significant changes in interest rates since the year end and growth in trading volumes.

Prepayments, accrued income and other assets were down £1.5 billion, 18% to £6.7 billion.

Deposits by banks rose by £7.3 billion, 6% to £139.4 billion to fund business growth. This reflected increased repurchase agreements and stock lending ("repos"), up £5.0 billion, 6% to £81.3 billion combined with higher inter-bank deposits, up £2.3 billion, 4% at £58.1 billion.

Customer accounts were up £35.1 billion, 9% to £419.3 billion. Within this, repos increased £17.7 billion, 28% to £81.7 billion. Excluding repos, deposits rose by £17.4 billion, 5%, to £337.6 billion reflecting organic growth in all divisions.

Debt securities in issue increased by £9.6 billion, 11%, to £95.5 billion.

The increase in settlement balances and short positions, up £22.5 billion, 45%, to £72.0 billion, reflected growth in customer activity.

Deferred taxation liabilities decreased by £0.5 billion, 17% to £2.7 billion, due in part to the change in the rate of UK corporation tax from 30% to 28% from 1 April 2008.

Subordinated liabilities were down £0.6 billion, 2% to £27.1 billion. The issue of £1.0 billion dated loan capital was more than offset by the redemption of £0.3 billion dated and undated loan capital and £0.6 billion non-cumulative preference shares and the effect of exchange rate and other adjustments, £0.7 billion.

Equity minority interests decreased by £0.3 billion, 7% to £4.9 billion, primarily reflecting a reduction in the market value of the investment in Bank of China attributable to minority shareholders.

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OVERVIEW OF CONDENSED CONSOLIDATED BALANCE SHEET (continued)

Shareholders' equity increased by £1.3 billion, 3% to £41.5 billion. The profit for the six months of £3.7 billion and the issue of £0.4 billion non-cumulative fixed rate equity preference shares were partially offset by a £0.3 billion decrease in available-for-sale reserves, mainly reflecting the Group's share in the investment in Bank of China, the payment of the 2006 final ordinary dividend of £2.1 billion and preference dividends of £0.1 billion, together with movements in currency translation and cash flow hedging reserves of £0.2 billion and £0.1 billion respectively.

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DESCRIPTION OF BUSINESS

Corporate Markets is focused on the provision of debt and risk management services to medium and large businesses and financial institutions in the UK and around the world. Its activities are organised into two businesses, Global Banking & Markets and UK Corporate Banking, in order to enhance our focus on the distinct needs of these two customer segments.

Global Banking & Markets is a leading banking partner to major corporations and financial institutions around the world, providing an extensive range of debt financing, risk management and investment services to its customers.

UK Corporate Banking is the largest provider of banking, finance and risk management services to UK corporate customers. Through its network of relationship managers across the country it distributes the full range of Corporate Markets' products and services to companies.

Retail Markets leads the co-ordination and delivery of our multi-brand retail strategy across our product range and comprises Retail and Wealth Management.

Retail comprises both The Royal Bank of Scotland and NatWest retail brands. It offers a full range of banking products and related financial services to the personal, premium and small business markets (SMEs) through the largest network of branches and ATMs in the UK, as well as through telephone and internet banking. Retail is the UK market leader in small business banking. Retail issues a comprehensive range of credit and charge cards and other financial products through The Royal Bank of Scotland, NatWest and other brands, including MINT, First Active UK and Tesco Personal Finance. It is the leading merchant acquirer in Europe and ranks 4th globally.

Wealth Management provides private banking and investment services to its global clients through Coutts Group, Adam & Company, The Royal Bank of Scotland International and NatWest Offshore.

Ulster Bank, including First Active, provides a comprehensive range of retail and wholesale financial services in the Republic of Ireland and Northern Ireland. Retail Banking has a network of branches throughout Ireland and operates in the personal, commercial and wealth management sectors. Corporate Markets provides a wide range of services in the corporate and institutional markets. RBS's European Consumer Finance ('ECF') activities, previously part of RBS Retail Markets, are now managed within Ulster Bank. ECF provides consumer finance products, particularly card-based revolving credits and fixed-term loans, in Germany and the Benelux countries.

Citizens is engaged in retail and corporate banking activities through its branch network in 13 states in the United States and through non-branch offices in other states. Citizens was ranked the 9th largest commercial banking organisation in the US based on deposits as at 31 March 2007. Citizens Financial Group includes the seven Citizens Banks, Charter One, RBS National Bank, our US credit card business, RBS Lync, our US merchant acquiring business, and Kroger Personal Finance, our credit card joint venture with the second largest US supermarket group.

RBS Insurance sells and underwrites retail and SME insurance over the telephone and internet, as well as through brokers and partnerships. Direct Line, Churchill and Privilege sell general insurance products direct to the customer. Through its International Division, RBS Insurance sells general insurance, mainly motor, in Spain, Germany and Italy. The Intermediary and Broker Division sells general insurance products through 2,500 independent brokers.

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DESCRIPTION OF BUSINESS (continued)

Manufacturing supports the customer-facing businesses and provides operational technology, customer support in telephony, account management, lending and money transmission, global purchasing, property and other services. Manufacturing drives efficiencies and supports income growth across multiple brands and channels by using a single, scalable platform and common processes wherever possible. It also leverages the Group's purchasing power and has become the centre of excellence for managing large-scale and complex change.

The expenditure incurred by Manufacturing relates to costs principally in respect of the Group's banking and insurance operations in the UK and Ireland. These costs reflect activities that are shared between the various customer-facing divisions and consequently cannot be directly attributed to individual divisions. Instead, the Group monitors and controls each of its customer-facing divisions on revenue generation and direct costs whilst in Manufacturing such control is exercised through appropriate efficiency measures and targets. For financial reporting purposes the Manufacturing costs have been allocated to the relevant customer-facing divisions on a basis management considers to be reasonable.

The Centre comprises group and corporate functions, such as capital raising, finance, risk management, legal, communications and human resources. The Centre manages the Group's capital requirements and Group-wide regulatory projects and provides services to the operating divisions.

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DIVISIONAL PERFORMANCE

The results of each division before amortisation of purchased intangible assets and integration costs and, where appropriate, before allocation of Manufacturing costs ("Contribution") and after allocation of Manufacturing costs ("Operating profit before tax") are detailed below. The Group continues to manage costs where they arise, with customer-facing divisions controlling their direct expenses whilst Manufacturing is responsible for shared costs. The Group does not allocate these shared costs between divisions in the day-to-day management of its businesses, and the way in which divisional results are presented reflects this. The results in section (i) below include an allocation of Manufacturing costs to the relevant customer-facing divisions on a basis the management considers reasonable.

(i) Operating profit before tax

	First half 2007 £m	First half 2006 £m	Increase %
Corporate Markets			
- Global Banking & Markets	2,170	1,829	19
- UK Corporate Banking	981	878	12
Total Corporate Markets	3,151	2,707	16
Retail Markets			
- Retail	1,160	1,085	7
- Wealth Management	202	158	28
Total Retail Markets	1,362	1,243	10
Ulster Bank	238	198	20
Citizens	752	812	(7)
RBS Insurance	255	351	(27)
Manufacturing	-	-	-
Central items	(652)	(708)	8
Profit before amortisation of purchased intangibles and integration costs	5,106	4,603	11
Amortisation of purchased intangible assets	(43)	(49)	12
Integration costs	(55)	(43)	(28)
Operating profit before tax	5,008	4,511	11

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DIVISIONAL PERFORMANCE (continued)

(ii) Contribution

	First half 2007	First half 2006	Increase
	£m	£m	%
Corporate Markets			
- Global Banking & Markets	2,241	1,899	18
- UK Corporate Banking	1,195	1,088	10
Total Corporate Markets	3,436	2,987	15
Retail Markets			
- Retail	1,946	1,854	5
- Wealth Management	273	228	20
Total Retail Markets	2,219	2,082	7
Ulster Bank	345	303	14
Citizens	752	812	(7)
RBS Insurance	362	456	(21)
Manufacturing	(1,428)	(1,399)	(2)
Central items	(580)	(638)	9
Profit before amortisation of purchased intangibles and integration costs	5,106	4,603	11
Amortisation of purchased intangible assets	(43)	(49)	12
Integration costs	(55)	(43)	(28)
Operating profit before tax	5,008	4,511	11

(iii) Risk-weighted assets of each division were as follows:

	30 June 2007	31 December 2006
	£bn	£bn
Corporate Markets		
- Global Banking & Markets	144.0	138.1
- UK Corporate Banking	99.9	93.1
Total Corporate Markets	243.9	231.2
Retail Markets		
- Retail	69.9	70.6
- Wealth Management	7.0	6.4
Total Retail Markets	76.9	77.0
Ulster Bank	32.3	29.7
Citizens	57.0	57.6
Other	9.6	4.8
	419.7	400.3

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CORPORATE MARKETS

	First half 2007 £m	First half 2006 £m
Net interest income	1,569	1,493
Non-interest income	4,162	3,463
Total income	5,731	4,956
Direct expenses		
- staff costs	1,476	1,220
- other	345	278
- operating lease depreciation	354	374
	2,175	1,872
Impairment losses	120	97
Contribution	3,436	2,987
Allocation of Manufacturing costs	285	280
Operating profit before tax	3,151	2,707
	30 June 2007 £bn	31 December 2006 £bn
Total assets*	579.9	472.4
Loans and advances to customers – gross*		
- banking book	195.7	181.1
- trading book	16.0	15.4
Rental assets	13.6	13.9
Customer deposits*	143.1	132.5
Risk-weighted assets	243.9	231.2

* excluding reverse repos and repos

Corporate Markets achieved a strong performance in the first half of 2007, with excellent results across our businesses. Total income rose by 16% to £5,731 million. Contribution grew by 15% to £3,436 million and operating profit before tax by 16% to £3,151 million.

Average loans and advances to customers, excluding reverse repos, grew by 14% and average customer deposits (excluding repos) by 17%. The portfolio remains well diversified by counterparty, sector and geography, while our average credit grade continues to improve. Assets grew strongly outside the UK, particularly in Western Europe and Asia. Overall credit conditions remained benign, and annualised impairment losses represented 0.11% of loans and advances to customers.

Average risk-weighted assets rose by 12%, with disciplined capital management. The annualised ratio of operating profit to average risk-weighted assets improved from 2.5% to 2.6%.

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CORPORATE MARKETS - GLOBAL BANKING & MARKETS

	First half 2007 £m	First half 2006 £m
Net interest income from banking activities	716	721
Funding costs of rental assets	(256)	(246)
Net interest income	460	475
Net fees and commissions receivable	545	431
Trading activities	1,498	1,282
Income from rental assets	604	596
Other operating income	766	487
Non-interest income	3,413	2,796
Total income	3,873	3,271
Direct expenses		
- staff costs	1,173	951
- other	245	195
- operating lease depreciation	193	207
	1,611	1,353
Impairment losses	21	19
Contribution	2,241	1,899
Allocation of Manufacturing costs	71	70
Operating profit before tax	2,170	1,829
	30 June 2007 £bn	31 December 2006 £bn
Total assets*	484.9	383.7
Loans and advances to customers – gross*		
- banking book	102.4	94.3
- trading book	16.0	15.4
Rental assets	11.9	12.2
Customer deposits*	59.4	54.1
Risk-weighted assets	144.0	138.1

* excluding reverse repos and repos

Global Banking & Markets ('GBM') delivered another strong performance in the first half of 2007, achieving excellent growth in income while continuing to expand our strong international franchise. Total income rose by 18% to £3,873 million, with contribution up by 18% to £2,241 million and operating profit before tax by 19% to £2,170 million.

In the first half of 2007 GBM invested in further extending its capabilities as a leading provider of debt financing and risk management solutions covering the origination, structuring and distribution of a wide range of assets. Our recently announced joint venture with Sempra Energy will enable us to extend the range of energy and commodities products we offer to our corporate and financial institution clients.

GBM has also broadened its worldwide reach. In Europe, income increased by 33% in local currency as a result of good performances in Germany, Spain, France, Italy and the Nordic region. We have grown the activities of our primary dealerships in government debt in France and Italy and added new dealerships in Austria and the Netherlands.

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CORPORATE MARKETS - GLOBAL BANKING & MARKETS (continued)

In Asia-Pacific we made marked progress, with income more than doubling in US dollar terms. We have established a good platform, developing both our product capability and client relationships across the region. In North America GBM continues to diversify its income streams, building its customer base and business across a broad range of activities. It achieved good results in corporate bond origination and in treasury and investor products, but its traditional asset-backed and related businesses experienced reduced origination volumes and unfavourable market conditions. Total income in North America declined by 6%, in local currency.

Net interest income represents 12% of GBM's total income. At £460 million it fell by 3%, primarily reflecting the effect of the change in the rate of UK Corporation Tax on leases with tax variation clauses. Average loans and advances to customers, excluding reverse repos, increased as we further expanded our customer base outside the UK.

Net fee income rose by 26% to £545 million, reflecting our top tier position in arranging, structuring and distributing large scale financings, with excellent progress in international bond underwritings.

Income from trading activities grew by 17% to £1,498 million, with a particularly strong performance in our European businesses helping to offset lower revenues in US asset-backed and related markets. Good performances in foreign exchange and interest rate derivatives were supplemented by growth in our broadening product range, including equity derivatives and retail investor products. Average trading book value at risk remained modest at £16.1 million.

Our rental and other asset-based activities have achieved continuing success in originating, structuring, financing and managing physical assets such as aircraft, trains, ships and real estate for our customers. Income from rental assets, net of related funding costs and operating lease depreciation, increased by 8%. These businesses also generated value through the ownership and active management of our portfolio of assets. Good results from these activities, as well as from principal investments arising from our financing activities with corporate customers and financial sponsors, were reflected in other operating income, which increased to £766 million.

We have maintained good cost discipline while continuing to invest in extending our geographical footprint, our infrastructure and our product range. Total expenses grew by 18% to £1,682 million. Variable performance-related compensation increased and now accounts for 45% of total costs.

Portfolio risk remained stable and the corporate credit environment remained benign. Impairment losses of £21 million were in line with the first half of 2006, a period which included significant recoveries.

Average risk-weighted assets grew by 12% and the annualised ratio of operating profit to average risk-weighted assets improved from 2.8% to 3.0%.

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CORPORATE MARKETS – UK CORPORATE BANKING

	First half 2007 £m	First half 2006 £m
Net interest income	1,109	1,018
Non-interest income	749	667
Total income	1,858	1,685
Direct expenses		
- staff costs	303	269
- other	100	83
- operating lease depreciation	161	167
	564	519
Impairment losses	99	78
Contribution	1,195	1,088
Allocation of Manufacturing costs	214	210
Operating profit before tax	981	878
		31
	30 June 2007 £bn	December 2006 £bn
Total assets*	95.0	88.7
Loans and advances to customers – gross*	93.3	86.8
Customer deposits*	83.7	78.4
Risk-weighted assets	99.9	93.1

* excluding reverse repos and repos

UK Corporate Banking has had a strong start to the year across its businesses, building further on our market-leading positions. Total income rose by 10% to £1,858 million and contribution by 10% to £1,195 million. Operating profit before tax rose by 12% to £981 million.

There has been good growth in customer volumes, with average loans and advances up 12% and average deposits up 18%. This led to an increase in net interest income of 9% to £1,109 million. Although the corporate marketplace remains an area of intense competition, the rate of margin decline has eased in the first half of 2007.

Non-interest income rose by 12% to £749 million, as a result of growth in fees and good progress in the distribution of trade and invoice finance as well as of interest rate and foreign exchange products.

Total expenses rose by 7% to £778 million. We have continued to extend “Another Way of Banking”, improving our service quality and product capabilities through the addition of 600 front-line staff. We have made good progress in the rollout of Bankline, our enhanced web-based electronic banking platform, adding advanced payments functionality.

Impairment losses totalled £99 million, which as a percentage of average loans and advances to customers is in line with the full year 2006, reflecting the stable credit quality of the portfolio as well as a benign economic environment.

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RETAIL MARKETS

	First half 2007 £m	First half 2006 £m
Net interest income	2,339	2,243
Non-interest income	1,965	1,900
Total income	4,304	4,143
Direct expenses		
- staff costs	828	774
- other	360	386
	1,188	1,160
Insurance net claims	285	242
Impairment losses	612	659
Contribution	2,219	2,082
Allocation of Manufacturing costs	857	839
Operating profit before tax	1,362	1,243
	30 June 2007 £bn	31 December 2006 £bn
Total banking assets	120.4	118.4
Loans and advances to customers - gross		
- mortgages	70.4	69.7
- personal	20.5	20.5
- cards	7.8	8.2
- business	19.5	18.1
Customer deposits*	122.0	115.5
Investment management assets - excluding deposits	38.2	34.9
Risk-weighted assets	76.9	77.0

* customer deposits exclude bancassurance.

Retail Markets achieved a good performance in the first half of 2007, with income ahead 4% to £4,304 million, contribution up by 7% to £2,219 million and operating profit before tax up by 10% to £1,362 million.

Retail Markets has continued to focus on savings and investment products and has seen strong growth in these areas, with average customer deposits up 10%. Our Wealth Management businesses have performed strongly, benefiting from the significant investment made in the UK and Asia in recent years. Lending growth in the personal sector remains subdued as a result of the slowdown in demand for consumer credit. We have maintained our cautious approach to this sector, reducing lending in a number of segments where we have not viewed returns as commensurate with the risks and acquisition costs involved.

Expenses have been kept under tight control, with continued efficiency gains allowing us to continue to invest and grow the business. The first half of 2007 marked the turning point in UK unsecured credit, and impairment losses fell by 7%, with the resultant increase in profitability.

Average risk-weighted assets fell by 2%, reflecting a change in business mix towards mortgage lending as well as careful balance sheet management, including increased use of securitisations.

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RETAIL MARKETS - RETAIL

	First half 2007 £m	First half 2006 £m
Net interest income	2,067	2,006
Non-interest income	1,740	1,701
Total income	3,807	3,707
Direct expenses		
- staff costs	670	631
- other	295	323
	965	954
Insurance net claims	285	242
Impairment losses	611	657
Contribution	1,946	1,854
Allocation of Manufacturing costs	786	769
Operating profit before tax	1,160	1,085
	30 June 2007 £bn	31 December 2006 £bn
Total banking assets	107.8	107.4
Loans and advances to customers – gross		
- mortgages	66.2	65.6
- personal	16.5	17.1
- cards	7.7	8.1
- business	18.2	16.9
Customer deposits*	91.3	87.1
Risk-weighted assets	69.9	70.6

* customer deposits exclude bancassurance.

Retail has delivered a good performance in the first half of 2007, growing contribution by 5% to £1,946 million, and operating profit before tax by 7% to £1,160 million. This good result reflects 3% growth in income to £3,807 million, strong cost control and reduced impairment losses, while maintaining a cautious approach to unsecured lending.

In consumer banking we have achieved strong growth in savings balances and a significant uplift in sales of cards, bancassurance and loans through our branches. We have again expanded our customer franchise, growing our personal current account base by 2%. We continue to perform well in the switcher market, reinforcing our leading position in current accounts. RBS and NatWest are now ranked first and joint second respectively among major high street banks in Great Britain for the percentage of main current account customers that are "extremely satisfied" and "extremely or very satisfied" overall.

In business banking the implementation of a new operating model has produced good results, enabling us to increase our market share. NatWest leads the SME banking market in England and Wales while RBS remains leader in the Scottish market. We have gained ground in the start-up market and have recently launched a new market-leading

account to target this segment.

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RETAIL MARKETS - RETAIL (continued)

Results for our cards and direct finance business reflected our strategy of focusing unsecured personal lending on lower risk segments, as well as the market-wide decline in credit card borrowing. Income was 5% lower as a result of declining card and direct loan balances and the impact of the Office of Fair Trading's ruling on credit card fees. Effective cost control and reducing credit losses contributed to a 4% increase in operating profit.

Net interest income increased by 3% to £2,067 million, with faster growth in deposits helping to mitigate lower unsecured lending volumes and declining card balances. Average customer deposit balances were 8% higher, driven by very strong growth in personal savings balances, up 12%, and accelerating growth in business deposits, up 10%. Net interest margin was stable.

Average loans and advances to customers increased by 4%, with average mortgage lending up 7% and average business loans up 8%. Mortgage activity focused on the more profitable branch channels, where gross lending was 13% higher, whilst we have continued to take a selective approach to the intermediary channel, where our gross lending was 10% lower than in the first half of 2006. We have further reduced our presence in the direct loans market, whilst focusing on quality business with existing customers, resulting in continued growth in lending through the branch channel. Average credit card balances fell by 10% as customers repaid debt, but we have achieved excellent growth in the recruitment of new card accounts through our branches.

Non-interest income was £1,740 million, 2% ahead of the first half of 2006, with strong income growth in investment and private banking businesses offset by lower credit card late payment fees and lower fee income as a result of reduced direct lending volumes.

Bancassurance continued its excellent progress with sales increasing by 24% to £171 million annual premium equivalent. The continuing increase in our sales force has resulted in an increase in market share to more than 10%.

Despite investments for future growth, total expenses rose by just 2% to £1,751 million, whilst direct expenses were up just 1% to £965 million. Excluding redundancy costs associated with the division's reorganisation, direct costs were 2% lower. These redundancy costs resulted in a 5% reduction in headcount and made up most of a 6% increase in staff costs to £670 million. We sustained investment in customer-facing staff in branches and in our bancassurance and investment businesses. Other costs were reduced by 9% to £295 million.

Impairment losses decreased by 7% to £611 million, reflecting the improvement in arrears trends on both credit cards and unsecured personal loans. Mortgage arrears remain very low – the average loan-to-value ratio of Retail's mortgages was 47% overall and 64% on new mortgages written in the first half of 2007. Small business credit quality remains good.

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RETAIL MARKETS - WEALTH MANAGEMENT

	First half 2007 £m	First half 2006 £m
Net interest income	272	237
Non-interest income	225	199
Total income	497	436
Direct expenses		
- staff costs	158	143
- other	65	63
	223	206
Impairment losses	1	2
Contribution	273	228
Allocation of Manufacturing costs	71	70
Operating profit before tax	202	158
	30 June 2007 £bn	31 December 2006 £bn
Loans and advances to customers – gross	9.6	8.8
Investment management assets – excluding deposits	31.2	28.2
Customer deposits	30.7	28.4
Risk-weighted assets	7.0	6.4

Wealth Management delivered strong growth, with total income rising by 14% to £497 million. Contribution grew by 20% to £273 million and operating profit before tax by 28% to £202 million.

Wealth Management's offering of private banking and investment services continued to deliver robust organic income growth in the first half of 2007. We have continued Coutts UK's regional expansion programme, and this has helped us to grow customer numbers in the UK by 7%. Outside the UK, Coutts International has maintained its momentum in the Asia-Pacific region, where we have succeeded in growing customer numbers by 20% and income by 46% in US dollar terms.

Growth in banking volumes contributed to a 15% rise in net interest income to £272 million. Average loans and advances to customers rose by 12% and average deposits by 15%.

Non-interest income grew by 13% to £225 million, reflecting higher investment management fees and new product sales, as well as continued growth in underlying new business volumes, particularly in the UK and Asia. Assets under management rose to £31.2 billion at 30 June 2007, up 20% from a year earlier.

Total expenses rose by 7% to £294 million, reflecting our continued investment in the UK along with further recruitment of private bankers, particularly in Asia. Total headcount increased by 10%.

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ULSTER BANK

	First half 2007 £m	First half 2006 £m
Net interest income	442	397
Non-interest income	171	146
Total income	613	543
Direct expenses		
- staff costs	137	121
- other	78	62
	215	183
Impairment losses	53	57
Contribution	345	303
Allocation of Manufacturing costs	107	105
Operating profit before tax	238	198
Average exchange rate - €/£	1.482	1.456
	30 June 2007 £bn	31 December 2006 £bn
Total assets	49.4	44.5
Loans and advances to customers - gross		
- mortgages	16.2	15.0
- corporate	21.7	19.6
- other	3.2	3.6
Customer deposits	20.1	18.1
Risk-weighted assets	32.3	29.7
Spot exchange rate - €/£	1.485	1.490

Ulster Bank continued to perform strongly in both personal and corporate banking across the island of Ireland, with total income rising by 13% to £613 million. Contribution increased by 14% to £345 million and operating profit before tax by 20% to £238 million. We achieved a particularly strong performance in commercial banking and have made good progress in Capital Markets, working closely with Global Banking & Markets. We launched a new Wealth business in May to serve Ireland's growing population of high net worth individuals, and this is already proving successful, with strong take-up of new product offerings.

Net interest income increased by 11% to £442 million, reflecting growth in both lending and deposit gathering. Average loans and advances to customers increased by 27%, with particularly strong balance growth in business lending, up 37% across a wide range of sectors. We have seen healthy growth in the mortgage book, although the pace of market growth has moderated. Average customer deposits rose by 16%, while our switcher campaign has been successful in winning 47,000 new current account customers in the first half of 2007. Net interest margin tightened in line with previous trends in lending margins.

Non-interest income rose by 17% to £171 million, driven by the success of our Capital Markets and Wealth activities.

Total expenses increased by 12% to £322 million, as we continued our investment programme to support the future growth of the business. We continued to expand our branch and business centre footprint and recruited additional customer-facing staff, particularly in our Corporate Markets division.

The credit environment remains benign, despite recent rises in interest rates, and impairment losses fell by £4 million to £53 million.

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CITIZENS

	First half 2007 £m	First half 2006 £m	First half 2007 \$m	First half 2006 \$m
Net interest income	980	1,075	1,931	1,924
Non-interest income	585	611	1,153	1,094
Total income	1,565	1,686	3,084	3,018
Direct expenses				
- staff costs	378	424	746	759
- Other	352	379	693	677
	730	803	1,439	1,436
Impairment losses	83	71	163	128
Operating profit before tax	752	812	1,482	1,454
Average exchange rate - US\$/£			1.970	1.790
		31		31
	30 June 2007 £bn	December 2006 £bn	30 June 2007 \$bn	December 2006 \$bn
Total assets	79.9	82.6	160.3	162.2
Loans and advances to customers – gross				
- mortgages	9.2	9.5	18.5	18.6
- home equity	18.0	17.6	36.2	34.5
- other consumer	11.3	11.7	22.7	23.2
- corporate and commercial	17.2	16.7	34.6	32.7
Customer deposits	52.9	54.3	106.1	106.8
Customer deposits (excluding wholesale funding)	51.9	52.7	104.0	103.6
Risk-weighted assets	57.0	57.6	114.4	113.1
Spot exchange rate - US\$/£			2.006	1.965

The franchise, particularly corporate and commercial banking, made good progress in the first half of 2007 as the headwinds showed signs of abating. In sterling terms, total income decreased by 7% to £1,565 million and operating profit also fell by 7% to £752 million mainly as a result of adverse movements in exchange rates. In dollar terms, stable margins and growth in fees lifted income by 2% to \$3,084 million which, coupled with tight cost control and strong credit quality, resulted in operating profit before tax growth of 2% to \$1,482 million.

Net interest income was £980 million (\$1,931 million). Average loans and advances to customers increased by 4%, with strong growth in corporate and commercial lending offsetting weaker demand for mortgage and auto loans. Average corporate and commercial loans excluding finance leases increased by 12%, reflecting Citizens' success in adding new mid-corporate customers and increasing its total number of business customers by 3% to 473,000, with particularly good growth in the Midwest.

Average customer deposits increased by 1%. There has been further migration from low-cost checking accounts and liquid savings to higher-cost term and time deposits. Notwithstanding this migration, Citizens stabilised its net interest margin at 2.75% in the first half of 2007, the same level recorded in the first half of 2006 but six basis points higher than in the second half of 2006.

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CITIZENS (continued)

Non-interest income fell by 4% to £585 million. In dollar terms, non-interest income rose by 5% to \$1,153 million. Business and corporate fees rose strongly, with good results especially in leasing, interest rate derivatives and cash management where enhanced cooperation with Corporate Markets has resulted in increased activity. Good progress was also made in credit card issuing, where we increased our customer base by 21%, and in merchant acquiring, where RBS Lynk achieved significant growth, processing 30% more transactions than in 2006 and expanding its merchant base by 8%.

Tight cost control and a 4% reduction in headcount kept total expenses flat, despite continued investment in growth opportunities including mid-corporate banking, contactless debit cards and merchant acquiring. Citizens has also continued to develop its branch network. Our partnership with Stop & Shop Supermarkets has helped us to expand our supermarket banking franchise into downstate New York, while in February we completed the acquisition of GreatBanc, Inc., strengthening our position in the Chicago market and making us the 5th largest bank in the Chicago area, based on deposits.

The increasing proportion of commercial lending in our portfolio has contributed to an increase in impairment losses to £83 million (\$163 million). This reflects the growth in the portfolio over the recent past and still represents just 0.29% of loans and advances to customers, on an annualised basis, illustrating the quality of our portfolio. Risk elements in lending and problem loans represent 0.35% of loans and advances, up slightly from 0.32% in 2006. Citizens is not active in sub-prime lending, and consumer lending is to prime customers, with average FICO scores on our portfolios, including home equity lines of credit, in excess of 700 with 96% of lending secured.

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RBS INSURANCE

	First half 2007 £m	First half 2006 £m
Earned premiums	2,815	2,834
Reinsurers' share	(110)	(105)
Insurance premium income	2,705	2,729
Net fees and commissions	(201)	(248)
Other income	339	280
Total income	2,843	2,761
Direct expenses		
- staff costs	147	155
- other	204	188
	351	343
Gross claims	2,164	1,995
Reinsurers' share	(34)	(33)
Net claims	2,130	1,962
Contribution	362	456
Allocation of Manufacturing costs	107	105
Operating profit before tax	255*	351

* The impact of the June 2007 floods was to reduce operating profit by £125 million.

In-force policies (thousands)		
- Own-brand motor	6,829	6,724
- Own-brand non-motor (home, rescue, pet, HR24)	3,493	3,500
- Partnerships & broker (motor, home, rescue, SMEs, pet, HR24)	9,852	11,501
General insurance reserves – total (£m)	8,223	7,942

RBS Insurance has made good progress in the first half of 2007. Total income increased by 3% to £2,843 million, driven by good growth in our own-brand businesses partially offset by a decline in partnerships. Results in the first half were held back by the £125 million impact of June's floods, and operating profit before tax by fell 27% to £255 million. Excluding the June impact, operating profit before tax grew by 8%.

Our own-brand businesses have performed well, with income rising by 7%. Operating profit declined by 13%, but excluding the June impact grew by 10%. In the UK motor market we have pursued a strategy of increasing premium rates to offset claims inflation, and have improved profitability by implementing heavier increases in higher risk categories. Total in-force motor policies were up slightly at 6.8 million. In own-brand non-motor insurance we have achieved good sales through the RBS and NatWest branch channel which has allowed in-force policies to be maintained at 2006 levels of around 3.5 million. Our international businesses also showed strong growth in the first half, with particularly good performances in Spain and Italy. The number of in-force motor policies in Europe rose by 11%.

In our partnership and broker business, providing underwriting and processing services to third parties, we have not renewed a number of large rescue contracts, and in-force policies have reduced by 14% to just under 10 million.

Partnerships and broker income, however, has fallen by only 1%. Excluding the June impact, operating profit from partnerships and brokers increased by 4%.

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RBS INSURANCE (continued)

For RBS Insurance as a whole, insurance premium income, net of fees and commissions, was 1% higher at £2,504 million, reflecting 3% growth in our own brands offset by a 1% decline in partnerships. Other income rose by 21% to £339 million, reflecting increased investment income.

Total expenses rose by 2% to £458 million. Within this, staff costs reduced by 5%, reflecting our continued focus on improving efficiency whilst maintaining service standards. A 9% rise in non-staff costs reflects increased marketing investment in our own motor brands.

Net claims rose by 9% to £2,130 million. Gross claims relating to the severe weather in June are estimated to have cost more than £150 million, with a net impact after allowing for profit sharing and reinsurance of £125 million. Excluding the June impact, net claims costs rose by just 1%. In the motor book, while average claims costs have continued to rise, this has been mitigated by continuing efficiencies and improvements in risk selection and management.

The UK combined operating ratio for the first half of 2007, including Manufacturing costs, increased to 101.3%, reflecting a higher loss ratio and the discontinuation of some partnerships. Excluding the effect of June's severe weather, the UK combined operating ratio was 95.8%.

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MANUFACTURING

	First half 2007 £m	First half 2006 £m
Staff costs	370	370
Other costs	1,058	1,029
Total Manufacturing costs	1,428	1,399
Allocated to divisions	(1,428)	(1,399)
	-	-
Analysis of Manufacturing costs:		
Group Technology	472	470
Group Property	464	448
Customer Support and other operations	492	481
Total Manufacturing costs	1,428	1,399

Manufacturing costs increased by 2% to £1,428 million, as improvements in productivity enabled us to support growth in business volumes and to maintain high levels of customer satisfaction while continuing to invest in the further development of our business. Staff costs were flat, as salary inflation was offset by reduced headcount in Operations, resulting from process efficiencies. Other costs increased by 3%, reflecting property investment and continued growth in the volumes of transactions handled.

Group Technology costs were broadly flat at £472 million, as we achieved significant improvements in productivity balanced by investment in software development.

Group Property costs increased by 4% to £464 million, reflecting the continuation of our branch improvement programme and ongoing investment in our property portfolio, including our city centre portfolio in the UK and new offices to support the strong growth of our business in Singapore and Paris.

Customer Support and other operations costs increased by only 2% to £492 million and, like Group Technology, achieved significant improvements in productivity. This enabled us to absorb significant increases in service volumes, such as a 6% increase in transactions at our ATMs. At the same time we maintained our focus on service quality, and our UK-based telephony centres continued to record market-leading customer satisfaction scores. Our investment in 'lean manufacturing' approaches across our operational centres is expected to deliver further improvements in efficiency.

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CENTRAL ITEMS

	First half 2007 £m	First half 2006 £m
Funding and corporate costs	370	424
Departmental and other costs	210	214
	580	638
Allocation of Manufacturing costs	72	70
Total central items	652	708

Funding and corporate costs were down £54 million reflecting lower pension costs, volatility attributable to derivatives that do not meet the hedge accounting criteria, the effect of exchange rate movements on interest on dollar denominated funding instruments and the benefit from new issues of equity preference shares replacing preference shares classified as debt. These were offset by goodwill payments amounting to £81 million in respect of current account administration fees.

Departmental and other costs were flat.

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AVERAGE BALANCE SHEET

	First half 2007			First half 2006		
	Average balance £m	Interest £m	Rate %	Average balance £m	Interest £m	Rate %
Assets						
Treasury and other eligible bills	687	16	4.66	2,644	56	4.24
Loans and advances to banks	23,720	612	5.16	24,917	461	3.70
Loans and advances to customers	382,155	12,148	6.36	350,852	10,603	6.04
Debt securities	22,273	682	6.12	34,250	785	4.58
Interest-earning assets - banking business	428,835	13,458	6.28	412,663	11,905	5.77
Trading business	261,200			190,356		
Non-interest-earning assets	251,997			205,046		
Total assets	942,032			808,065		
Liabilities						
Deposits by banks	59,010	1,329	4.50	66,234	1,242	3.75
Customer accounts	275,941	5,461	3.96	249,928	4,184	3.35
Debt securities in issue	72,248	1,798	4.98	69,860	1,551	4.44
Subordinated liabilities	25,881	725	5.60	26,104	651	4.99
Internal funding of trading business	(52,857)	(1,238)	4.68	(47,355)	(917)	3.87
Interest-bearing liabilities - banking business	380,223	8,075	4.25	364,771	6,711	3.68
Trading business	263,086			191,913		
Non-interest-bearing liabilities						
- demand deposits	30,145			29,370		
- other liabilities	227,901			186,056		
Shareholders' equity	40,677			35,955		
Total liabilities	942,032			808,065		

Notes:

1. Interest receivable and interest payable on trading assets and liabilities are included in income from trading activities.
2. Interest-earning assets and interest-bearing liabilities include the Retail bancassurance assets and liabilities attributable to shareholders.
3. Interest income and interest expense do not include interest on financial assets and liabilities designated as at fair value through profit or loss. Interest-earning assets and interest-bearing liabilities do not include the related balances.

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AVERAGE INTEREST RATES, YIELDS, SPREADS AND MARGINS

Average rate	First half 2007	First half 2006
	%	%
The Group's base rate	5.31	4.50
London inter-bank three month offered rates:		
- Sterling	5.65	4.64
- Eurodollar	5.36	4.99
- Euro	3.94	2.75
	First half 2007	First half 2006
	%	%
Yields, spreads and margins of the banking business:		
Gross yield on interest-earning assets of banking business	6.28	5.77
Cost of interest-bearing liabilities of banking business	(4.25)	(3.68)
Interest spread of banking business	2.03	2.09
Benefit from interest-free funds	0.48	0.43
Net interest margin of banking business	2.51	2.52

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**CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE HALF YEAR ENDED 30 JUNE 2007 (unaudited)**

	First half 2007 £m	First half 2006 £m
Interest receivable	13,458	11,905
Interest payable	8,075	6,711
Net interest income	5,383	5,194
Fees and commissions receivable	3,588	3,543
Fees and commissions payable	(916)	(985)
Income from trading activities	1,875	1,453
Other operating income (excluding insurance premium income)	1,712	1,457
Insurance premium income	3,193	3,112
Reinsurers' share	(145)	(132)
Non-interest income	9,307	8,448
Total income	14,690	13,642
Staff costs	3,494	3,233
Premises and equipment	748	668
Other administrative expenses	1,319	1,286
Depreciation and amortisation	835	853
Operating expenses	6,396	6,040
Profit before other operating charges and impairment losses	8,294	7,602
Insurance claims	2,468	2,244
Reinsurers' share	(53)	(40)
Impairment losses	871	887
Operating profit before tax	5,008	4,511
Tax	1,272	1,387
Profit for the period	3,736	3,124
Minority interests	75	55
Preference dividends	106	91
Profit attributable to ordinary shareholders	3,555	2,978
Basic earnings per ordinary share (Note 5)	37.6p	31.0p
Diluted earnings per ordinary share (Note 5)	37.3p	30.8p

THE ROYAL BANK OF SCOTLAND GROUP plc

**CONDENSED CONSOLIDATED BALANCE SHEET
AT 30 JUNE 2007 (unaudited)**

	30 June 2007 £m	31 December 2006 £m
Assets		
Cash and balances at central banks	4,080	6,121
Treasury and other eligible bills	8,014	5,491
Loans and advances to banks	92,037	82,606
Loans and advances to customers	503,197	466,893
Debt securities	142,324	127,251
Equity shares	13,193	13,504
Settlement balances	21,372	7,425
Derivatives	183,313	116,681
Intangible assets	18,868	18,904
Property, plant and equipment	18,185	18,420
Prepayments, accrued income and other assets	6,683	8,136
Total assets	1,011,266	871,432
Liabilities		
Deposits by banks	139,415	132,143
Customer accounts	419,317	384,222
Debt securities in issue	95,519	85,963
Settlement balances and short positions	71,969	49,476
Derivatives	183,461	118,112
Accruals, deferred income and other liabilities	15,711	15,660
Retirement benefit liabilities	1,987	1,992
Deferred taxation	2,721	3,264
Insurance liabilities	7,629	7,456
Subordinated liabilities	27,079	27,654
Total liabilities	964,808	825,942
Equity:		
Minority interests	4,914	5,263
Shareholders' equity		
Called up share capital	2,391	815
Reserves	39,153	39,412
Total equity	46,458	45,490
Total liabilities and equity	1,011,266	871,432

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**CONDENSED CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE
FOR THE HALF YEAR ENDED 30 JUNE 2007 (unaudited)**

	First half 2007 £m	First half 2006 £m
Net movements in reserves:		
Available-for-sale	(825)	3,106
Cash flow hedges	(125)	145
Currency translation	(199)	(869)
Tax on items recognised direct in equity	180	(454)
Net (expense)/income recognised direct in equity	(969)	1,928
Profit for the period	3,736	3,124
Total recognised income and expense for the period	2,767	5,052
Attributable to:		
Equity shareholders	3,020	3,462
Minority interests	(253)	1,590
	2,767	5,052

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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED 30 JUNE 2007 (unaudited)**

	First half 2007 £m	First half 2006 £m
Operating activities		
Operating profit before tax	5,008	4,511
<i>Adjustments for:</i>		
Depreciation and amortisation	835	853
Interest on subordinated liabilities	725	651
Charge for defined benefit pension schemes	234	267
Cash contribution to defined benefit pension schemes	(239)	(257)
Elimination of foreign exchange differences and other non-cash items	(2,474)	1,188
Net cash inflow from trading activities	4,089	7,213
Changes in operating assets and liabilities	3,627	(1,893)
Net cash flows from operating activities before tax	7,716	5,320
Income taxes paid	(1,022)	(943)
Net cash flows from operating activities	6,694	4,377
Investing activities		
Sale and maturity of securities	9,410	14,729
Purchase of securities	(8,210)	(11,911)
Sale of property, plant and equipment	2,009	808
Purchase of property, plant and equipment	(2,086)	(1,936)
Net investment in business interests and intangible assets	(278)	(108)
Net cash flows from investing activities	845	