

ROYAL BANK OF SCOTLAND GROUP PLC  
Form 6-K  
February 26, 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 February 25, 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 1

## Annual results 2009

## Reconciliations of pro forma to statutory income statements and balance sheets

1

**Appendix 1 Reconciliations of pro forma to statutory income statements and balance sheets****Income statement for the year ended 31 December 2009**

	<b>Pro forma</b>	<b>Adjustments</b>		<b>Statutory</b>
	<b>£m</b>	RFS Minority interest £m	Reallocation of one-off items £m	<b>£m</b>
<b>Net interest income</b>	<b>13,567</b>	2,937	-	<b>16,504</b>
Non-interest income (excluding insurance net premium income)	<b>10,592</b>	2,128	3,922	<b>16,642</b>
Insurance net premium income	<b>5,266</b>	278	-	<b>5,544</b>
<b>Non-interest income</b>	<b>15,858</b>	2,406	3,922	<b>22,186</b>
<b>Total income</b>	<b>29,425</b>	5,343	3,922	<b>38,690</b>
<b>Operating expenses</b>	<b>(17,401)</b>	(4,096)	19	<b>(21,478)</b>
<b>Profit before other operating charges</b>	<b>12,024</b>	1,247	3,941	<b>17,212</b>
Insurance net claims	<b>(4,357)</b>	(500)	-	<b>(4,857)</b>
<b>Operating profit/(loss) before impairment losses</b>	<b>7,667</b>	747	3,941	<b>12,355</b>
Impairment losses	<b>(13,899)</b>	(1,051)	-	<b>(14,950)</b>
<b>Operating (loss)/profit</b>	<b>(6,232)</b>	(304)	3,941	<b>(2,595)</b>
Amortisation of purchased intangible assets	<b>(272)</b>	-	272	-
Write-down of goodwill and other intangible assets	<b>(363)</b>	-	363	-
Integration and restructuring costs	<b>(1,286)</b>	-	1,286	-
Gain on redemption of own debt	<b>3,790</b>	-	(3,790)	-
Strategic disposals	<b>132</b>	-	(132)	-
Gains on pensions curtailment	<b>2,148</b>	-	(2,148)	-

Bonus tax	(208)	-	208	-
<b>Operating loss before tax</b>	<b>(2,291)</b>	(304)	-	<b>(2,595)</b>
Tax	339	32	-	371
<b>Loss from continuing operations</b>	<b>(1,952)</b>	(272)	-	<b>(2,224)</b>
Loss from discontinued operations, net of tax	(72)	(27)	-	(99)
<b>Loss for the period</b>	<b>(2,024)</b>	(299)	-	<b>(2,323)</b>
Minority interests	(648)	299	-	(349)
Preference share and other dividends	(935)	-	-	(935)
<b>Loss attributable to ordinary shareholders</b>	<b>(3,607)</b>	-	-	<b>(3,607)</b>

2

## Appendix 1 Reconciliations of pro forma to statutory income statements and balance sheets

### Income statement for the year ended 31 December 2008

	Pro forma £m	Adjustments		Statutory £m
		RFS Minority interest £m	Reallocation of one-off items £m	
<b>Net interest income</b>	<b>15,764</b>	2,911	-	<b>18,675</b>
Non-interest income (excluding insurance net premium income)	(874)	1,299	442	867
Insurance net premium income	5,709	617	-	6,326
<b>Non-interest income</b>	<b>4,835</b>	1,916	442	<b>7,193</b>
<b>Total income</b>	<b>20,599</b>	4,827	442	<b>25,868</b>
<b>Operating expenses</b>	<b>(16,188)</b>	(19,303)	(18,711)	<b>(54,202)</b>
<b>Profit/(loss) before other operating charges</b>	<b>4,411</b>	(14,476)	(18,269)	<b>(28,334)</b>
Insurance net claims	(3,917)	(513)	-	(4,430)
<b>Operating profit/(loss) before impairment losses</b>	<b>494</b>	(14,989)	(18,269)	<b>(32,764)</b>
Impairment losses	(7,432)	(640)	-	(8,072)
<b>Operating loss</b>	<b>(6,938)</b>	(15,629)	(18,269)	<b>(40,836)</b>
Amortisation of purchased intangible assets	(443)	-	443	-
Write-down of goodwill and other intangible assets	(16,911)	-	16,911	-

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

Integration and restructuring costs	(1,357)	-	1,357	-
Strategic disposals	442	-	(442)	-
<b>Operating loss before tax</b>	<b>(25,207)</b>	(15,629)	-	<b>(40,836)</b>
Tax	1,995	328	-	2,323
<b>Loss from continuing operations</b>	<b>(23,212)</b>	(15,301)	-	<b>(38,513)</b>
(Loss)/profit from discontinued operations, net of tax	(86)	4,057	-	3,971
<b>Loss for the period</b>	<b>(23,298)</b>	(11,244)	-	<b>(34,542)</b>
Minority interests	(412)	11,244	-	10,832
Preference share and other dividends	(596)	-	-	(596)
<b>Loss attributable to ordinary shareholders</b>	<b>(24,306)</b>	-	-	<b>(24,306)</b>

3

**Appendix 1 Reconciliations of pro forma to statutory income statements and balance sheets**

**Income statement for the quarter ended 31 December 2009**

	<b>Pro forma</b>	<b>Adjustments</b>	<b>Statutory</b>
	<b>£m</b>	RFS Minority interest £m	Reallocation of one-off items £m <b>£m</b>
<b>Net interest income</b>	<b>3,446</b>	821	- <b>4,267</b>
Non-interest income (excluding insurance net premium income)	2,786	431	(166) <b>3,051</b>
Insurance net premium income	1,308	143	- <b>1,451</b>
<b>Non-interest income</b>	<b>4,094</b>	574	(166) <b>4,502</b>
<b>Total income</b>	<b>7,540</b>	1,395	(166) <b>8,769</b>
<b>Operating expenses</b>	<b>(4,473)</b>	(1,163)	1,601 <b>(4,035)</b>
<b>Profit before other operating charges</b>	<b>3,067</b>	232	1,435 <b>4,734</b>
Insurance net claims	(1,321)	(193)	- <b>(1,514)</b>
<b>Operating profit before impairment losses</b>	<b>1,746</b>	39	1,435 <b>3,220</b>
Impairment losses	(3,099)	(303)	- <b>(3,402)</b>
<b>Operating (loss)/profit</b>	<b>(1,353)</b>	(264)	1,435 <b>(182)</b>

4

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

Amortisation of purchased intangible assets	(59)	-	59	-
Write-down of goodwill and other intangible assets	(52)	-	52	-
Integration and restructuring costs	(228)	-	228	-
Strategic disposals	(166)	-	166	-
Gains on pensions curtailment	2,148	-	(2,148)	-
Bonus tax	(208)	-	208	-
<b>Operating loss before tax</b>	<b>82</b>	<b>(264)</b>	<b>-</b>	<b>(182)</b>
Tax	(649)	(18)	-	(667)
<b>Loss from continuing operations</b>	<b>(567)</b>	<b>(282)</b>	<b>-</b>	<b>(849)</b>
Loss from discontinued operations, net of tax	(7)	(11)	-	(18)
<b>Loss for the period</b>	<b>(574)</b>	<b>(293)</b>	<b>-</b>	<b>(867)</b>
Minority interests	(47)	293	-	246
Preference share and other dividends	(144)	-	-	(144)
<b>Loss attributable to ordinary shareholders</b>	<b>(765)</b>	<b>-</b>	<b>-</b>	<b>(765)</b>

4

**Appendix 1 Reconciliations of pro forma to statutory income statements and balance sheets**

**Income statement for the quarter ended 30 September 2009**

	<b>Pro forma</b>	<b>Adjustments</b>		<b>Statutory</b>
	<b>£m</b>	RFS Minority interest £m	Reallocation of one-off items £m	<b>£m</b>
<b>Net interest income</b>	<b>3,261</b>	602	-	<b>3,863</b>
Non-interest income (excluding insurance net premium income)	2,532	568	(155)	2,945
Insurance net premium income	1,301	(29)	-	1,272
<b>Non-interest income</b>	<b>3,833</b>	539	(155)	<b>4,217</b>
<b>Total income</b>	<b>7,094</b>	1,141	(155)	<b>8,080</b>
<b>Operating expenses</b>	<b>(4,195)</b>	(960)	(397)	<b>(5,552)</b>
<b>Profit/(loss) before other operating charges</b>	<b>2,899</b>	181	(552)	<b>2,528</b>
Insurance net claims	(1,145)	(64)	-	(1,209)
<b>Operating profit/(loss) before impairment losses</b>	<b>1,754</b>	117	(552)	<b>1,319</b>

5

Impairment losses	(3,279)	(209)	-	(3,488)
<b>Operating loss</b>	<b>(1,525)</b>	(92)	(552)	<b>(2,169)</b>
Amortisation of purchased intangible assets	(73)	-	73	-
Integration and restructuring costs	(324)	-	324	-
Strategic disposals	(155)	-	155	-
<b>Operating loss before tax</b>	<b>(2,077)</b>	(92)	-	<b>(2,169)</b>
Tax	576	21	-	597
<b>Loss from continuing operations</b>	<b>(1,501)</b>	(71)	-	<b>(1,572)</b>
Loss from discontinued operations, net of tax	(7)	(12)	-	(19)
<b>Loss for the period</b>	<b>(1,508)</b>	(83)	-	<b>(1,591)</b>
Minority interests	(47)	83	-	36
Preference share and other dividends	(245)	-	-	(245)
<b>Loss attributable to ordinary shareholders</b>	<b>(1,800)</b>	-	-	<b>(1,800)</b>

5

## Appendix 1 Reconciliations of pro forma to statutory income statements and balance sheets

### Income statement for the quarter ended 31 December 2008

	Pro forma £m	Adjustments		Statutory £m
		RFS Minority interest £m	Reallocation of one-off items £m	
<b>Net interest income</b>	<b>4,427</b>	763	-	<b>5,190</b>
Non-interest income (excluding insurance net premium income)	(5,503)	312	442	(4,749)
Insurance net premium income	1,439	184	-	1,623
<b>Non-interest income</b>	<b>(4,064)</b>	496	442	<b>(3,126)</b>
<b>Total income</b>	<b>363</b>	1,259	442	<b>2,064</b>
<b>Operating expenses</b>	<b>(3,735)</b>	(16,702)	(17,725)	<b>(38,162)</b>
<b>Loss before other operating charges</b>	<b>(3,372)</b>	(15,443)	(17,283)	<b>(36,098)</b>
Insurance net claims	(1,056)	(139)	-	(1,195)

<b>Operating loss before impairment losses</b>	<b>(4,428)</b>	(15,582)	(17,283)	<b>(37,293)</b>
Impairment losses	<b>(4,673)</b>	(341)	-	<b>(5,014)</b>
<b>Operating loss</b>	<b>(9,101)</b>	(15,923)	(17,283)	<b>(42,307)</b>
Amortisation of purchased intangible assets	<b>(62)</b>	-	62	-
Write-down of goodwill and other intangible assets	<b>(16,911)</b>	-	16,911	-
Integration and restructuring costs	<b>(752)</b>	-	752	-
Strategic disposals	<b>442</b>	-	(442)	-
<b>Operating Loss before tax</b>	<b>(26,384)</b>	(15,923)	-	<b>(42,307)</b>
Tax	<b>2,416</b>	359	-	<b>2,775</b>
<b>Loss from continuing operations</b>	<b>(23,968)</b>	(15,564)	-	<b>(39,532)</b>
Profit from discontinued operations, net of tax	<b>1</b>	210	-	<b>211</b>
<b>Loss for the period</b>	<b>(23,967)</b>	(15,354)	-	<b>(39,321)</b>
Minority interests	<b>(221)</b>	15,354	-	<b>15,133</b>
Preference share and other dividends	<b>(162)</b>	-	-	<b>(162)</b>
<b>Loss attributable to ordinary shareholders</b>	<b>(24,350)</b>	-	-	<b>(24,350)</b>

6

## Appendix 1 Reconciliations of pro forma to statutory income statements and balance sheets

### Balance sheet at 31 December 2009

	<b>Pro forma</b>	Transfers	<b>Statutory</b>
	<b>£m</b>	£m	<b>£m</b>
<b>Assets</b>			
Cash and balances at central banks	<b>51,548</b>	713	<b>52,261</b>
Net loans and advances to banks	<b>48,777</b>	7,879	<b>56,656</b>
Reverse repurchase agreements and stock borrowing	<b>35,097</b>	-	<b>35,097</b>
Loans and advances to banks	<b>83,874</b>	7,879	<b>91,753</b>
Net loans and advances to customers	<b>554,654</b>	132,699	<b>687,353</b>
Reverse repurchase agreements and stock borrowing	<b>41,040</b>	-	<b>41,040</b>
Loans and advances to customers	<b>595,694</b>	132,699	<b>728,393</b>
Debt securities	<b>249,095</b>	18,159	<b>267,254</b>
Equity shares	<b>15,960</b>	3,568	<b>19,528</b>
Settlement balances	<b>12,024</b>	9	<b>12,033</b>
Derivatives	<b>438,199</b>	3,255	<b>441,454</b>
Intangible assets	<b>14,786</b>	3,061	<b>17,847</b>
Property, plant and equipment	<b>17,773</b>	1,624	<b>19,397</b>
Deferred taxation	<b>6,492</b>	547	<b>7,039</b>
Prepayments, accrued income and other assets	<b>18,604</b>	2,381	<b>20,985</b>

Assets of disposal groups	<b>18,432</b>	110	<b>18,542</b>
<b>Total assets</b>	<b>1,522,481</b>	174,005	<b>1,696,486</b>
<b>Liabilities</b>			
Bank deposits	<b>115,642</b>	(11,504)	<b>104,138</b>
Repurchase agreements and stock lending	<b>38,006</b>	-	<b>38,006</b>
Deposits by banks	<b>153,648</b>	(11,504)	<b>142,144</b>
Customer deposits	<b>414,251</b>	131,598	<b>545,849</b>
Repurchase agreements and stock lending	<b>68,353</b>	-	<b>68,353</b>
Customer accounts	<b>482,604</b>	131,598	<b>614,202</b>
Debt securities in issue	<b>246,329</b>	21,239	<b>267,568</b>
Settlement balances and short positions	<b>50,875</b>	1	<b>50,876</b>
Derivatives	<b>421,534</b>	2,607	<b>424,141</b>
Accruals, deferred income and other liabilities	<b>24,624</b>	5,703	<b>30,327</b>
Retirement benefit liabilities	<b>2,715</b>	248	<b>2,963</b>
Deferred taxation	<b>2,161</b>	650	<b>2,811</b>
Insurance liabilities	<b>7,633</b>	2,648	<b>10,281</b>
Subordinated liabilities	<b>31,538</b>	6,114	<b>37,652</b>
Liabilities of disposal groups	<b>18,857</b>	33	<b>18,890</b>
<b>Total liabilities</b>	<b>1,442,518</b>	159,337	<b>1,601,855</b>
<b>Equity</b>			
Minority interests	<b>2,227</b>	14,668	<b>16,895</b>
Owners' equity	<b>77,736</b>	-	<b>77,736</b>
Total equity	<b>79,963</b>	14,668	<b>94,631</b>
<b>Total liabilities and equity</b>	<b>1,522,481</b>	174,005	<b>1,696,486</b>

7

## Appendix 1 Reconciliations of pro forma to statutory income statements and balance sheets

### Balance sheet at 30 September 2009

	<b>Pro forma</b>	Transfers	<b>Statutory</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>Assets</b>			
Cash and balances at central banks	<b>36,567</b>	580	<b>37,147</b>
Net loans and advances to banks	<b>60,274</b>	8,584	<b>68,858</b>
Reverse repurchase agreements and stock borrowing	<b>37,190</b>	-	<b>37,190</b>
Loans and advances to banks	<b>97,464</b>	8,584	<b>106,048</b>
Net loans and advances to customers	<b>587,996</b>	137,770	<b>725,766</b>



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

Reverse repurchase agreements and stock borrowing	<b>43,463</b>	-	<b>43,463</b>
Loans and advances to customers	<b>631,459</b>	137,770	<b>769,229</b>
Debt securities	<b>251,281</b>	19,085	<b>270,366</b>
Equity shares	<b>16,830</b>	3,764	<b>20,594</b>
Settlement balances	<b>28,634</b>	5	<b>28,639</b>
Derivatives	<b>552,466</b>	2,606	<b>555,072</b>
Intangible assets	<b>15,339</b>	3,192	<b>18,531</b>
Property, plant and equipment	<b>18,208</b>	1,692	<b>19,900</b>
Deferred taxation	<b>7,667</b>	700	<b>8,367</b>
Prepayments, accrued income and other assets	<b>19,664</b>	2,721	<b>22,385</b>
Assets of disposal groups	<b>4,737</b>	140	<b>4,877</b>
<b>Total assets</b>	<b>1,680,316</b>	180,839	<b>1,861,155</b>
<b>Liabilities</b>			
Bank deposits	<b>138,584</b>	(12,033)	<b>126,551</b>
Repurchase agreements and stock lending	<b>39,816</b>	-	<b>39,816</b>
Deposits by banks	<b>178,400</b>	(12,033)	<b>166,367</b>
Customer deposits	<b>423,769</b>	132,319	<b>556,088</b>
Repurchase agreements and stock lending	<b>69,465</b>	-	<b>69,465</b>
Customer accounts	<b>493,234</b>	132,319	<b>625,553</b>
Debt securities in issue	<b>266,213</b>	26,206	<b>292,419</b>
Settlement balances and short positions	<b>71,891</b>	61	<b>71,952</b>
Derivatives	<b>537,522</b>	2,483	<b>540,005</b>
Accruals, deferred income and other liabilities	<b>20,754</b>	8,048	<b>28,802</b>
Retirement benefit liabilities	<b>1,410</b>	398	<b>1,808</b>
Deferred taxation	<b>3,275</b>	815	<b>4,090</b>
Insurance liabilities	<b>7,480</b>	2,633	<b>10,113</b>
Subordinated liabilities	<b>33,085</b>	4,578	<b>37,663</b>
Liabilities of disposal groups	<b>8,201</b>	31	<b>8,232</b>
<b>Total liabilities</b>	<b>1,621,465</b>	165,539	<b>1,787,004</b>
<b>Equity</b>			
Minority interests	<b>2,185</b>	15,300	<b>17,485</b>
Owners' equity	<b>56,666</b>	-	<b>56,666</b>
Total equity	<b>58,851</b>	15,300	<b>74,151</b>
<b>Total liabilities and equity</b>	<b>1,680,316</b>	180,839	<b>1,861,155</b>

**Appendix 1 Reconciliations of pro forma to statutory income statements and balance sheets**

**Balance sheet at 31 December 2008**

	Pro forma £m	Transfers £m	Statutory £m
<b>Assets</b>			
Cash and balances at central banks	11,830	570	12,400
Net loans and advances to banks	70,728	8,698	79,426
Reverse repurchase agreements and stock borrowing	58,771	-	58,771
Loans and advances to banks	129,499	8,698	138,197
Net loans and advances to customers	691,976	143,433	835,409
Reverse repurchase agreements and stock borrowings	39,289	24	39,313
Loans and advances to customers	731,265	143,457	874,722
Debt securities	253,159	14,390	267,549
Equity shares	22,198	4,132	26,330
Settlement balances	17,812	20	17,832
Derivatives	991,495	1,064	992,559
Intangible assets	16,415	3,634	20,049
Property, plant and equipment	17,181	1,768	18,949
Deferred taxation	5,786	1,296	7,082
Prepayments, accrued income and other assets	21,573	2,829	24,402
Assets of disposal groups	480	1,101	1,581
<b>Total assets</b>	<b>2,218,693</b>	<b>182,959</b>	<b>2,401,652</b>
<b>Liabilities</b>			
Bank deposits	178,943	(4,565)	174,378
Repurchase agreements and stock lending	83,666	-	83,666
Deposits by banks	262,609	(4,565)	258,044
Customer deposits	460,318	121,051	581,369
Repurchase agreements and stock lending	58,143	-	58,143
Customer accounts	518,461	121,051	639,512
Debt securities in issue	269,458	30,831	300,289
Settlement balances and short positions	54,264	13	54,277
Derivatives	969,409	1,955	971,364
Accruals, deferred income and other liabilities	24,140	7,342	31,482
Retirement benefit liabilities	1,564	468	2,032
Deferred taxation	3,177	988	4,165
Insurance liabilities	7,480	2,496	9,976
Subordinated liabilities	43,678	5,476	49,154
Liabilities of disposal groups	138	721	859
<b>Total liabilities</b>	<b>2,154,378</b>	<b>166,776</b>	<b>2,321,154</b>
<b>Equity</b>			
Minority interests	5,436	16,183	21,619
Owners' equity	58,879	-	58,879
<b>Total equity</b>	<b>64,315</b>	<b>16,183</b>	<b>80,498</b>
<b>Total liabilities and equity</b>	<b>2,218,693</b>	<b>182,959</b>	<b>2,401,652</b>

**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: 25 February 2010

THE ROYAL BANK OF SCOTLAND  
GROUP plc (Registrant)

By: /s/ A N Taylor

Name: A N Taylor

Title: Head of Group Secretariat