

15 February 2019

RBS International is one of the largest banks operating in the Channel Islands, Isle of Man and Gibraltar and in 2017 established new wholesale branches in Luxembourg and London. In line with the wider Group we are focused on serving our customers well and becoming a bank that is easy to deal with. For more information visit [www.rbsinternational.com](http://www.rbsinternational.com)

## Key financials – FY2018

Income	GBP594m
Operating Expenses	GBP260m
Operating Profit	GBP336m
Risk Weighted Assets	GBP6.9bn
Loan to Deposit Ratio	49%
Return on Equity	24%

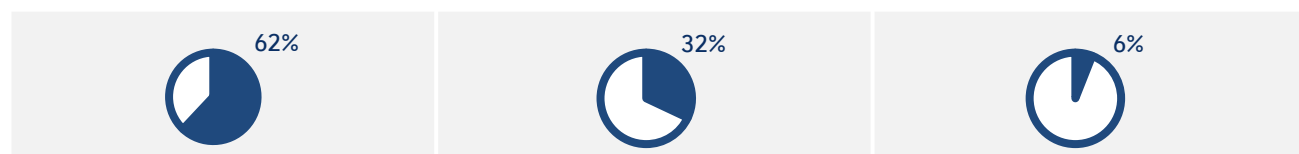
## Strategy

- Sharing the common RBS vision of being the #1 bank for customer service, trust and advocacy
- Focused on becoming a bank that is easy to deal with
- Meeting more of our customers needs by innovating and improving service proposition and capabilities
- Strong positions in each of our chosen markets
- An 'invest to grow' business for RBS and the centre of excellence for funds banking and depositary activities

## Customer segments

Institutional Banking	Local Banking	Depositary Services
European asset managers and fund administrators	Personal, business and commercial customers	European fund managers with UK and Luxembourg domiciled funds

## Illustrative share of RBS International revenues

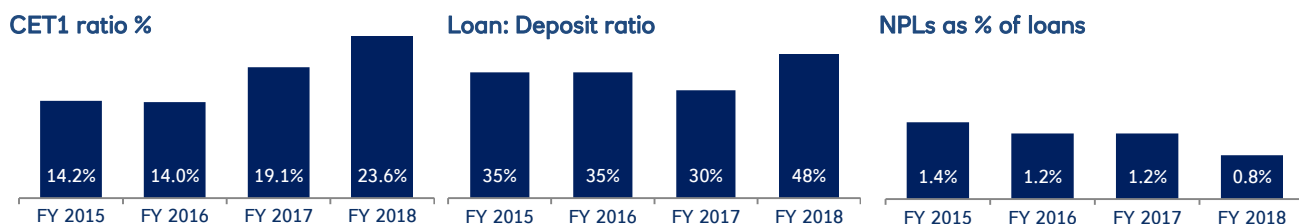


## Credit ratings

	National Westminster Bank plc	NatWest Markets Plc	RBS International Limited
S&P	A-/A-2 (Positive)	BBB+/A-2 (Positive)	BBB+/A-2 (Positive)
Moody's <sup>1</sup>	A1/P-1 (Positive)	Baa2/P-2 (Positive)	N/R
Fitch	A+/F1 (Stable)	A/F1 (Stable)	A/F1 (Stable)

Notes: (1) Long Term Deposit rating

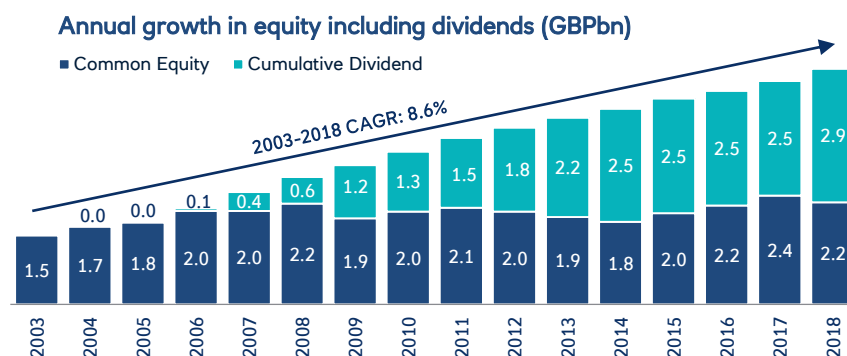
## Balance sheet overview



Note: Financials based on RBS Group Published Managed view, with exception of CET1 ratio, Liquidity Coverage ratio and Equity/Dividends which are RBS International Limited Legal Entity view

## A 22 year track record of profitability and returns

- Profitable every year since inception
- GBP2.9 billion of dividends paid since 2003
- Resilient through-the-cycle earnings
- Business model adjusted to low interest rates
- Double digit Return on Equity 2013-18<sup>2</sup>



## Detailed financial performance

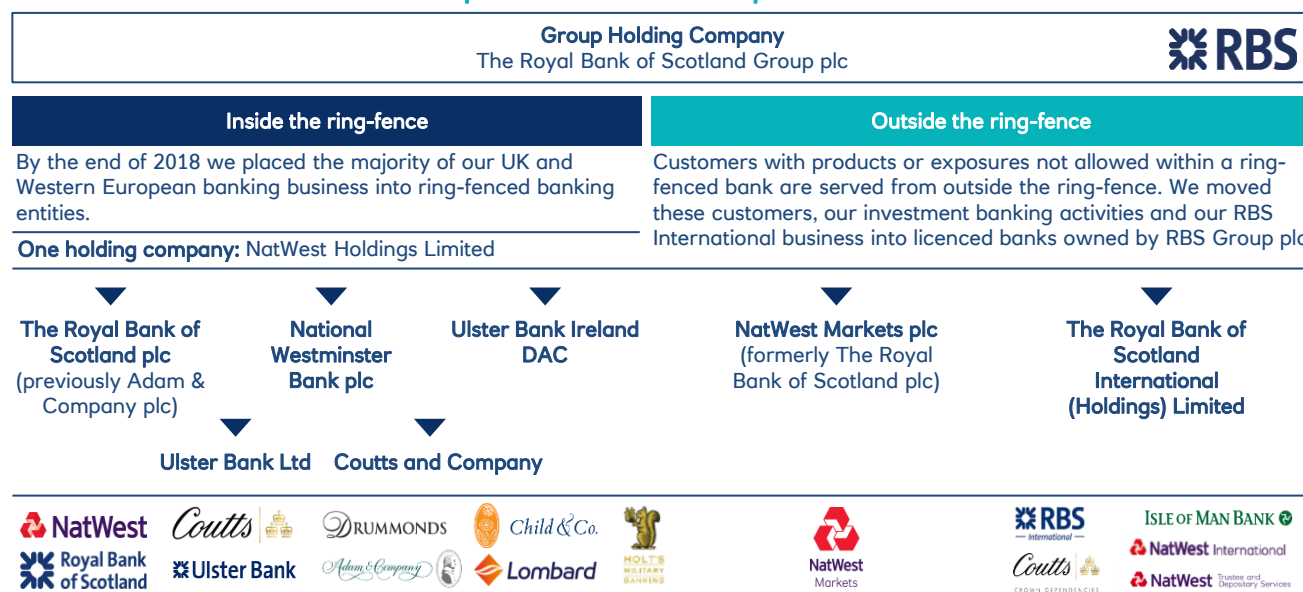
(GBPm)	FY 2015	FY 2016	FY 2017	FY 2018
Income	367	374	389	594
Operating expenses	(160)	(174)	(219)	(260)
Impairment (losses)/releases	-	(10)	(3)	2
<b>Operating profit</b>	<b>207</b>	<b>190</b>	<b>167</b>	<b>336</b>
Funded Assets (GBPbn)	23.1	23.4	25.9	29.0
Net L&A to Customers (GBPbn)	7.3	8.8	8.7	13.3
Deposits (GBPbn)	21.3	25.2	29.0	27.5
RWAs (GBPbn)	8.3	9.5	5.1	6.9
Loan: Deposit Ratio	35%	35%	30%	49%
Return on Equity <sup>2</sup>	18.5%	13.8%	11.2%	24.4%
Liquidity Coverage Ratio <sup>3</sup>	-	-	-	127%
Cost: Income Ratio	44%	47%	56%	44%

Notes: Note: Financials based on RBS Group Published Managed view, with exception of CET1 ratio, Liquidity Coverage ratio and Equity/Dividends which are RBS International Limited Legal Entity view.

(2) Return on Equity based on notional equity allocated at 16% of monthly average risk weighted assets (12% pre November 2017).

(3) The Jersey Financial Services Commission introduced Liquidity Coverage Ratio (LCR) requirements for RBS International Limited from 1 January 2019

## Overview of RBS International position in the Group



For further information regarding ring-fencing, please visit our dedicated microsite: <https://www.rbs.com/rbs/ringfencing.html>

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