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ROYAL BANK OF SCOTLAND GROUP PLC Form 6-K February 26, 2010

General Instruction B to the General Instructions to Form 6-K:

#### 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 <u>X</u> 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 19g	34.
Yes No <u>X</u>	
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

#### Appendix 1

#### Annual results 2009

Reconciliations of pro forma to statutory income statements and balance sheets

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

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

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

# Appendix 1 Reconciliations of pro forma to statutory income statements and balance sheets Income statement for the year ended 31 December 2008

Adjustments				
	RFS Minority	y Reallocation		
Pro forma	interest	of one-off items	Statutory	
£m	£m	£m	£m	
15,764	2,911	-	18,675	
(874)	1,299	442	867	
5,709	617	-	6,326	
4,835	1,916	442	7,193	
20,599	4,827	442	25,868	
(16,188)	(19,303)	(18,711)	(54,202)	
4,411 (3,917)	,	` '	(28,334) (4,430)	
	, ,	` ' '	(32,764) (8,072)	
(443)	-	(18,269) 443 16,911	(40,836) - -	
	£m  15,764  (874) 5,709  4,835  20,599 (16,188)  4,411 (3,917)  494 (7,432) (6,938) (443)	Pro forma £m £m £m  15,764 2,911  (874) 1,299 5,709 617  4,835 1,916  20,599 4,827 (16,188) (19,303)  4,411 (14,476) (3,917) (513)  494 (7,432) (640)	Pro forma         RFS Minority interest £m         Reallocation of one-off items           15,764         2,911         -           (874)         1,299         442           5,709         617         -           4,835         1,916         442           20,599         4,827         442           (16,188)         (19,303)         (18,711)           4,411         (14,476)         (18,269)           (3,917)         (513)         -           494         (14,989)         (18,269)           (7,432)         (640)         -           (6,938)         (15,629)         (18,269)           (443)         -         443	

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

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

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

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

# Appendix 1 Reconciliations of pro forma to statutory income statements and balance sheets Income statement for the quarter ended 30 September 2009

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

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

### Appendix 1 Reconciliations of pro forma to statutory income statements and balance sheets Income statement for the quarter ended 31 December 2008

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

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

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

#### **Balance sheet at 31 December 2009**

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

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

# Appendix 1 Reconciliations of pro forma to statutory income statements and balance sheets Balance sheet at 30 September 2009

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

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

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
Assets Cash and balances at central banks Net loans and advances to banks Reverse repurchase agreements and stock borrowing Loans and advances to banks Net loans and advances to customers Reverse repurchase agreements and stock borrowings Loans and advances to customers Debt securities Equity shares Settlement balances Derivatives Intangible assets Property, plant and equipment Deferred taxation Prepayments, accrued income and other assets Assets of disposal groups	11,830 70,728 58,771 129,499 691,976 39,289 731,265 253,159 22,198 17,812 991,495 16,415 17,181 5,786 21,573 480	•	12,400 79,426 58,771 138,197 835,409 39,313 874,722 267,549 26,330 17,832 992,559 20,049 18,949 7,082 24,402 1,581
Total assets	2,218,693	182,959	2,401,652
Liabilities Bank deposits Repurchase agreements and stock lending Deposits by banks Customer deposits Repurchase agreements and stock lending Customer accounts Debt securities in issue Settlement balances and short positions Derivatives Accruals, deferred income and other liabilities Retirement benefit liabilities Deferred taxation Insurance liabilities Subordinated liabilities Liabilities of disposal groups	178,943 83,666 262,609 460,318 58,143 518,461 269,458 54,264 969,409 24,140 1,564 3,177 7,480 43,678 138	13 1,955 7,342 468 988 2,496	83,666
Total liabilities	2,154,378	166,776	2,321,154
Equity Minority interests Owners' equity	5,436 58,879	16,183 -	21,619 58,879
Total equity	64,315	16,183	80,498
Total liabilities and equity	2,218,693	182,959	2,401,652

#### **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