



Acquisition of National Westminster Bank Plc ("NatWest") - Update

19 April 2000

Sir George Mathewson, Executive Deputy Chairman, and Fred Goodwin, Group Chief Executive, of RBS will today report to a meeting of banking analysts progress in the first 30 days of the integration of NatWest. The report will in particular focus upon:

Objective	Progress
Application of new group architecture	Completed
Confirmation of all key appointments and responsibilities	Completed
Alignment of internal control structure	Completed
Finalisation of detailed three year operating plan for all units	Completed

RBS has validated cost savings and revenue synergies and these and their phasing will be presented at the meeting. Commenting on progress Fred Goodwin will say "We have been encouraged by our review of NatWest since the acquisition was completed on 6 March and are pleased to report that we have successfully achieved the objectives we set ourselves for the first 30 days."

Change of Year End

Sir George Mathewson will report that the Board had decided to move the financial year end for the Enlarged RBS Group to 31 December, from 30 September. The year end will thus be the same as the NatWest year end used to be.

RBS' six month figures to 31 March 2000, excluding any NatWest contribution, will be announced in summary form on 4 May 2000; the Enlarged RBS Group's interim figures for the period ending 30 June 2000 will be announced in August.

No decision has yet been taken by the Board as to the level and timing of the interim and final dividends; the Board will take into consideration the implication of the change of year end for all shareholders.

All shareholders will also receive their Additional Value Shares in July, following an EGM in June.