



25 October 2016

CYBG PLC - Response to Press Speculation

The Board of CYBG PLC (“CYBG” or “the Company”) notes the recent press speculation regarding a possible acquisition of Williams and Glyn from The Royal Bank of Scotland Group plc (“RBS”).

The successful demerger and IPO of CYBG in early 2016 created an independent competitor in the UK banking market, and the Company recently set out its strategy for growth over the medium term.

Whilst the Board of CYBG recognises it has a duty to continually evaluate all potential opportunities to enhance its business, it will only evaluate combinations that are in line with the Company’s strategic objectives.

The Board of CYBG can confirm that the Company has engaged in discussions with RBS and has made a preliminary non-binding proposal to RBS in relation to its Williams and Glyn operations. This engagement is ongoing and there can be no certainty that any transaction will occur, nor as to the terms on which any transaction might be concluded.

A transaction will only be pursued if it is determined by the Board to be in the best interests of CYBG shareholders.

Further announcements will be made as required.

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The information contained within this announcement is deemed by the Company and its subsidiaries (the “CYBG Group”) to constitute inside information as stipulated under the Market Abuse Regulation No 596/2014. Upon the publication of this announcement via Regulatory Information Service, this inside information is now considered to be in the public domain.

Forward looking statements

The information in this document may include forward looking statements, which are based on assumptions, expectations, valuations, targets, estimates, forecasts and projections about future events. These can be identified by the use of words such as ‘expects’, ‘aims’, ‘targets’, ‘seeks’, ‘anticipates’, ‘plans’, ‘intends’, ‘believes’, ‘estimates’, ‘potential’, ‘possible’, and similar words or phrases. These forward-looking statements, as well as those included in any other material discussed at any presentation, are subject to risks, uncertainties and assumptions about the CYBG Group and its securities, investments and the environment in which it operates, including, among other things, the development of its business and strategy, trends in its operating industry, changes to customer behaviours and covenant, macroeconomic and/ or geopolitical factors, changes to law and/ or the policies and practices of the Bank of England, the Financial Conduct Authority and/ or other regulatory bodies, inflation, deflation, interest rates, exchange rates, changes in the liquidity, asset position and/ or credit ratings of the CYBG Group, the repercussions of the UK's referendum vote to leave the European Union, and future capital expenditures and acquisitions.

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