CYBG PLC
(Company)

20 February 2017

CYBG PLC – update on preliminary non-binding proposal to The Royal Bank of Scotland Group plc

Further to CYBG PLC's (“CYBG" or "the Company") announcement on 25 October 2016 and RBS Group plc’s (“RBS”) announcement on 17 February 2017, the Company has notified RBS that it has withdrawn its preliminary non-binding proposal for, and ceased discussions relating to, the Williams & Glyn operations.

CYBG’s medium term performance targets are wholly based on the organic business strategy and incorporate prudent economic planning assumptions. Building on progress made since the demerger and IPO, CYBG continues to focus on and deliver against its strategy of sustainable customer growth, efficiency and capital optimisation, as outlined on Capital Markets Day in September 2016.

As previously stated, the Board of CYBG will continue to evaluate potential inorganic opportunities to enhance its business in line with the Company's strategic objectives.

Enquiries

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CYBG PLC is registered in England and Wales (company number: **09595911**) and as a foreign company in Australia (**ARBN 609 948 281**) and has its registered office at 20 Merrion Way, Leeds, West Yorkshire LS2 8NZ

The information contained within this announcement is deemed by the Company 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 CYBG PLC and its group (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 status of the UK's membership of the European Union, and future capital expenditures and acquisitions.

In light of these risks, uncertainties and assumptions, the events in the forward-looking statements may not occur. Forward-looking statements involve inherent risks and uncertainties. Other events not taken into account may occur and may significantly affect the analysis of the forward-looking statements. There can be no assurance that any such projections or estimates will be realised or that actual returns or other results will not be materially lower than those set out in this document and/ or discussed at any presentation. All forward-looking statements should be viewed as hypothetical. No representation or warranty is made that any forward-looking statement will come to pass.

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