

press release

25 February 2010

Investors cash-in on RBS' £3.6bn loss

- 75% of RBS deals at The Share Centre were sells this morning
- The Share Centre lists RBS as a sell citing no short-term fix for the bank
- RBS posts loss of £3.6bn for 12 months ending 31 December

This morning, Royal Bank of Scotland's (RBS) share price rose 7% despite the bank announcing a loss of £3.6bn. Graham Spooner, investment adviser at The Share Centre, comments on today's results and explains how investors are responding in the market.

"The decision for RBS to hand out £1.3bn of bonuses to its investment bankers, despite posting a £3.6bn loss, is likely to have left taxpayers confused. However, customers of The Share Centre appear to be cashing in on the 7% rise in RBS' share price this morning; almost 75% of all RBS deals this morning were sells.

"The underlying core business posted operating profits of £8.3bn, an increase of 89% on 2008, but £5.7bn of these came from the investment banking arm. While the public is understandably concerned about bonus payouts, RBS continues to defend and reward the profitable core of the business.

"The bank's chief executive and deputy chief executive have waived any bonus award for 2009. RBS chief executive Stephen Hester has won plaudits for the way he is handling the bank's difficult situation, but there isn't going to be a short-term fix for RBS. As such, we are listing RBS as a 'sell' at present, suggesting novice investors leave trading in the bank to experienced shorter-term traders."

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thesharecentre:

Note to editors:

Figures correct as of 10.00 25 February 2010.

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Risk Warnings:

Investing in general, and the products and services mentioned above may not be suitable for all: if in doubt, individuals should seek independent financial advice. The value of investments and the income from them can go down as well as up and investors may not get back their original investment. Past performance is not a reliable indicator of future performance.

The bases and levels of taxation relating to ISAs, CTFs and SIPP are subject to change and the value of these tax allowances may depend upon the circumstances of the individual.

About The Share Centre:

The Share Centre was established in 1990 to provide value-for-money share services for private investors. Its range of services includes buying and selling shares (by Internet, telephone and post) and a comprehensive share administration and safe custody service. Tax-efficient investment 'wrappers' including ISAs, CTFs and SIPP are also available.

The Share Centre's Advice team provides comment on market sectors, individual shares and funds on www.share.com. Access is available to customers and registered users of the site. Registration is free. To understand how our Advice team arrive at their views please read our [Investment Research Policy](#)

In addition, account customers can receive individual telephone advice on UK-listed shares and on funds traded via the CoFunds trading platform.

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