

Royal Bank of Scotland

17:51 25 Apr 2019

RBS chief executive Ross McEwan resigns

Royal Bank of Scotland Group PLC (LON:RBS) chief executive Ross McEwan has resigned after five-and-a-half years in charge of the taxpayer-owned lender.

McEwan, who will stay in the role until a successor is found and gets their feet under the desk, said it was time to leave as he felt he had completed the turnaround for which he was hired.

RBS, which received a £45.5bn bailout from the government during the financial crisis in 2008 and is still 62%-owned by the state, returned to the dividend list in February after last year saw it make a first profit for nine years.

Chief financial officer Ewen Stevenson quit last year to take up a similar role at HSBC Holdings PLC (LON:HSBA), with Katie Murray promoted from deputy CFO to replace him in December.

Right time...

McEwan said: "It is never easy to leave somewhere like RBS. However with much of the restructuring done and the bank on a strong and profitable footing, I have delivered the strategy that I set out in 2013 and now feels like the right time for me to step aside and for a new CEO to lead the bank."

Shares in RBS, which is due to report first-quarter results on Friday, fell 1% to 254p after almost an hour of trading on Thursday.

Chairman Howard Davies said the search for a successor to the New Zealander "will start immediately", with both internal and external candidates considered.

He added: "The board and I are grateful for the huge contribution Ross has made in one of the toughest jobs in banking. His successful execution of the strategy to refocus the bank back on its core markets here in the UK and Ireland has helped to deliver one of the biggest UK corporate turnarounds in history. RBS is now well positioned to succeed in the future in what is a rapidly evolving landscape for the banking sector."

Shore Capital analyst Gary Greenwood said McEwan had been in place as RBS "resolved all of its major legacy issues", though he said "significant further work remains to improve profitability and returns".

He added that McEwan's 12-month notice period should provide ample time to find a suitable successor without any major disruption to the management of the business.

-- Adds analyst comment, share price --

Price: 125.15

Market Cap: £15.17 billion

1 Year Share Price Graph



Share Information

Code: RBS

Listing: LSE

52 week High Low
265 100.336

Sector: Banks

Website: www.rbs.com

Company Synopsis:

RBS is one of the world's top 10 financial services groups and a leading provider of personal, business and institutional banking services. RBS is traded in the ISDX Exchange [HERE](#).

action@proactiveinvestors.com.au

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts, journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +61 (0)2 9280 0700 action@proactiveinvestors.com.au

No investment advice

The Company is a publisher. You understand and agree that no content published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You understand that the Content on the Site is provided for information purposes only, and none of the information contained on the Site constitutes an offer, solicitation or recommendation to buy or sell a security. You understand that the Company receives either monetary or securities compensation for our services. We stand to benefit from any volume which any Content on the Site may generate.

You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value, suitability or profitability of any particular security, portfolio of securities, transaction, investment, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including Company-related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

The Site does not, and is not intended to, provide investment, tax, accounting, legal or insurance advice, and is not and should not be construed as providing any of the foregoing. You should consult an attorney or other relevant professional regarding your specific legal, tax, investment or other needs as tailored to your specific situation.