

Final Terms dated 26 March 2019
The Royal Bank of Scotland Group plc
Legal entity identifier (LEI): 213800509XJJN4JPN90
Issue of £500,000,000 Fixed to Fixed Rate Notes due 28 March 2027
under the £40,000,000,000
Euro Medium Term Note Programme

MiFID II Product Governance / Professional investors and ECPs only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "MiFID II"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive 2002/92/EC, as amended or superseded, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014, as amended (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Prospectus dated 14 December 2018 and the supplemental Prospectuses dated 15 February 2019 and 26 February 2019 which together constitute a base prospectus for the purposes of Directive 2003/71/EC (as amended or superseded) (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Prospectus as so supplemented. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus. The Prospectus and the supplemental Prospectuses are available for viewing at

http://www.rns-pdf.londonstockexchange.com/rns/5813K_1-2018-12-14.pdf;

https://www.rns-pdf.londonstockexchange.com/rns/2624Q_1-2019-2-15.pdf; and

http://www.rns-pdf.londonstockexchange.com/rns/1985R_1-2019-2-26.pdf

1	Issuer:	The Royal Bank of Scotland Group plc
2	(i) Series Number:	3509
	(ii) Tranche Number:	1

(iii) Date on which the Notes will be consolidated and form a single Series:	Not Applicable
3 Specified Currency or Currencies:	Pounds sterling (£)
4 Aggregate Nominal Amount:	
(i) Series:	£500,000,000
(ii) Tranche:	£500,000,000
5 Issue Price:	99.347 per cent. of the Aggregate Nominal Amount
6 (i) Specified Denominations:	£100,000 and integral multiples of £1,000 in excess thereof up to and including £199,000. No notes in definitive form will be issued with a denomination above £199,000
(ii) Calculation Amount:	£1,000
7 (i) Issue Date:	28 March 2019
(ii) Interest Commencement Date:	28 March 2019
8 Maturity Date:	28 March 2027
9 Interest Basis:	Reset Notes
10 Redemption/Payment Basis:	Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100.00 per cent. of their nominal amount
11 Change of Interest Basis:	Not Applicable
12 Put/Call Options:	Issuer Call
13 (i) Status of the Notes:	Ordinary Notes
(ii) Set-off:	Condition 2(a)(ii): Applicable
(iii) Ordinary Notes – Events of Default:	Condition 8(a)(II) is applicable
(iv) Date Board approval for issuance of Notes obtained:	Not Applicable

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14 Fixed Rate Note Provisions:	Not Applicable
15 Reset Note Provisions:	Applicable
(i) Initial Rate of Interest:	3.125 per cent. per annum payable in arrear on each Interest Payment Date up to (and including) the First Reset Date
(ii) First Margin:	+2.006 per cent. per annum
(iii) Subsequent Margin:	Not Applicable
(iv) Interest Payment Date(s):	28 March in each year from and including 28 March 2020 up to and including the Maturity Date
(v) Fixed Coupon Amount up to (but excluding) the First Reset Date:	£31.25 per Calculation Amount
(vi) Broken Amount(s):	Not Applicable

(vii) First Reset Date:	28 March 2026
(viii) Subsequent Reset Date(s):	Not Applicable
(ix) Relevant Screen Page:	Bloomberg Screen Page BPSW1
(x) Mid-Swap Rate:	Single Mid-Swap Rate
(xi) Mid-Swap Maturity	One year
(xii) Day Count Fraction:	Actual/Actual (ICMA)
(xiii) Determination Dates:	28 March in each year
(xiv) Business Day Convention:	Not Applicable
(xv) Business Centre(s):	Not Applicable
(xvi) Calculation Agent (if not National Westminster Bank plc):	Not Applicable
(xvii) Original Mid-Swap Rate Basis	Semi-Annual
(xviii) Initial Mid-Swap Rate Final Fallback:	Not Applicable
(xix) Reset Period Maturity Initial Mid-Swap Rate Final Fallback:	Not Applicable
(xx) Last Observable Mid-Swap Rate Final Fallback:	Applicable – see Condition 3(b)(ii)
(xxi) Subsequent Reset Rate Mid-Swap Rate Final Fallback:	Not Applicable
(xxii) Subsequent Reset Rate Last Observable Mid-Swap Rate Final Fallback:	Not Applicable
16 Floating Rate Note Provisions:	Not Applicable
17 Zero Coupon Note Provisions:	Not Applicable

PROVISIONS RELATING TO REDEMPTION

18 Notice periods for Condition 5(b):	Minimum period: 5 days Maximum period: 30 days
19 Redemption for Capital Disqualification Event:	Not Applicable
20 Issuer Call:	Applicable
(i) Optional Redemption Date(s):	28 March 2026
(ii) Optional Redemption Amount(s):	£1,000 per Calculation Amount
(iii) Redeemable in part:	No
(iv) If redeemable in part:	Not Applicable
(v) Notice periods:	Minimum period: 5 days Maximum period: 30 days
(vi) Selection Date:	Not Applicable
(vii) Publication of list of serial numbers for Notes in definitive form:	Not Applicable


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| (viii) Notification of period in relation to exchange of global Note: | Not Applicable |
| 21 Redemption for Loss Absorption Disqualification Event: | Condition 5(e): Applicable from the Issue Date |
| (i) Loss Absorption Disqualification Event for partial exclusion: | Applicable |
| (ii) Notice periods for Condition 5(e): | Minimum period: 5 days
Maximum period: 30 days |
| 22 Investor Put: | Not Applicable |
| 23 Final Redemption Amount: | £1,000 per Calculation Amount |
| 24 Early Redemption Amount payable on redemption (a) for taxation reasons or (b) following the occurrence of a Capital Disqualification Event (in the case of Tier 2 Notes) or (c) following the occurrence of a Loss Absorption Disqualification Event (in the case of Ordinary Notes) or (d) on an event of default: | £1,000 per Calculation Amount] |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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| 25 Form of Notes: | |
| (a) Form: | Bearer Notes:
Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon the occurrence of an Exchange Event |
| (a) NGN: | Yes |
| (b) CMU Notes: | No |
| 26 Additional Financial Centre(s): | Not Applicable |
| 27 Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature): | No |
| 28 Whether TEFRA D/TEFRA C rules applicable or TEFRA rules not applicable: | TEFRA D |
| 29 Relevant Benchmark[s]: | Not Applicable |

Signed on behalf of The Royal Bank of Scotland Group plc:

By:


Duly authorised

PART B – OTHER INFORMATION

1 LISTING

- (i) Admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the London Stock Exchange's regulated market with effect from 28 March 2019
- (ii) Estimate of total expenses relating to admission to trading: £4,560

2 RATINGS

- Ratings: The Notes to be issued are expected to be rated:
S&P Global Ratings Europe Limited: BBB-
Moody's Investors Service Limited: Baa2
Fitch Ratings Limited: A

3 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

Save as discussed in "Subscription and Sale", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

4 YIELD

- Indication of yield: Calculated as 3.205 per cent. per annum on the Issue Date. The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

5 OPERATIONAL INFORMATION

- (i) ISIN: XS1970533219
- (i) Common Code: 197053321
- (ii) CMU Instrument Number: Not Applicable
- (iii) FISN: THE ROYAL BANK/1EMTN 2027032
- (iv) CFI Code: DTFXFB
- (v) Clearing System: Euroclear Bank SA/NV and Clearstream Banking S.A.
- (vi) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s): Not Applicable
- (vii) Delivery: Delivery free of payment
- (viii) Names and addresses of additional Paying Agent(s) (if any): Not Applicable
- (ix) Intended to be held in a manner which would allow Eurosystem eligibility: Yes
Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the international central securities depositaries as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during

their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.

(x) Prohibition of Sales to EEA Retail Investors:

Applicable