

**SUPPLEMENTARY OFFERING MEMORANDUM DATED MAY 14, 2009**



**The Royal Bank of Scotland Group plc**

*(Incorporated in Scotland with limited liability under the Companies Acts 1948 to 1980, registered number SC045551)*

**as Issuer and Guarantor**

**The Royal Bank of Scotland plc**

*(Incorporated in Scotland with limited liability under the Companies Acts 1948 to 1980, registered number SC090312)*

**as Issuer**

**U.S.\$35,000,000,000 Medium-Term Note Program  
Due Six Months or More From Date of Issue**

This Supplement (the "**Supplement**") to the Offering Memorandum (the "**Offering Memorandum**") dated June 27, 2008, which comprises, except as set out therein, a base prospectus, constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 (the "**FSMA**") and is prepared in connection with the U.S.\$35,000,000,000 Medium-Term Note Program (the "**Program**") established by The Royal Bank of Scotland Group plc ("**RBSG**" or the "**Guarantor**") and The Royal Bank of Scotland plc ("**RBS**") (each, an "**Issuer**" and together, the "**Issuers**"). Terms defined in the Offering Memorandum have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with, the Offering Memorandum and the documents incorporated by reference therein. This Supplement should also be read and construed in conjunction with the Supplementary Offering Memoranda dated September 29, 2008, December 1, 2008, December 24, 2008, January 22, 2009, March 18, 2009 and March 25, 2009 which have been previously published and have been approved by the Financial Services Authority (the "**FSA**") and filed with it and which form part of the Offering Memorandum.

Each of the Issuers and the Guarantor accepts responsibility for the information contained in this Supplement. To the best of the knowledge of each of the Issuers and the Guarantor (each having taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

*Interim Management Statement Q1 2009*

On May 8, 2009, RBSG published its Interim Management Statement Q1 2009 (the "**Interim Management Statement**"). A copy of the Interim Management Statement has been filed with the FSA and by virtue of this Supplement, the Interim Management Statement is incorporated in, and forms part of, the Offering Memorandum.

*RBS Annual Report and Accounts 2008*

On April 27, 2009, RBS published its Annual Report and Accounts 2008 (the "**RBS Annual Report and Accounts**"). A copy of the RBS Annual Report and Accounts has been filed with the FSA and

by virtue of this Supplement, the RBS Annual Report and Accounts are incorporated in, and form part of, the Offering Memorandum.

*Incorporation of Information by Reference in the Offering Memorandum*

The following documents, which have been (1) previously published and (2) approved by the FSA or filed with it shall be deemed to be incorporated in, and form part of, the Offering Memorandum:

- (a) the press release headed “The Royal Bank of Scotland Group plc - Results of Placing and Open Offer” dated April 7, 2009 issued by RBSG;
- (b) the press release headed “Impending Board Changes” dated May 5, 2009 issued by RBSG; and
- (c) the press release headed “RBS Group Announces Further Senior Executive Changes” dated May 6, 2009 issued by RBSG.

*Ratings Information*

The last two sentences of the first paragraph of “Ratings Information” in the Offering Memorandum (as supplemented to the date hereof):

“Moody’s Investors Service Limited (“**Moody’s**”) is expected to rate: senior notes issued by RBSG with a maturity of one year or more “A1”; both dated subordinated notes issued by RBSG and undated tier 2 notes issued by RBSG “A2”; tier 1 notes issued by RBSG “A3” and senior notes issued by RBSG with a maturity of less than one year “P-1”. Tier 3 notes issued by RBSG will be rated on a case-by-case basis.”

shall be deleted and replaced with the following:

“Moody’s Investors Service Limited (“**Moody’s**”) is expected to rate: senior notes issued by RBSG with a maturity of one year or more “A1”; both dated subordinated notes issued by RBSG and undated tier 2 notes issued by RBSG “Ba1”; tier 1 notes issued by RBSG “Ba2” and senior notes issued by RBSG with a maturity of less than one year “P-1”. Tier 3 notes issued by RBSG will be rated on a case-by-case basis.”

The last two sentences of the second paragraph of “Ratings Information” in the Offering Memorandum (as supplemented to the date hereof):

“Moody’s is expected to rate: senior notes issued by RBS with a maturity of one year or more “Aa3”; both dated subordinated notes issued by RBS and undated tier 2 notes issued by RBS “A1”; and senior notes issued by RBS with a maturity of less than one year “P-1”. Tier 3 notes issued by RBS will be rated on a case-by-case basis.”

shall be deleted and replaced with the following:

“Moody’s is expected to rate: senior notes issued by RBS with a maturity of one year or more “Aa3”; both dated subordinated notes issued by RBS and undated tier 2 notes issued by RBS “Baa3”; and senior notes issued by RBS with a maturity of less than one year “P-1”. Tier 3 notes issued by RBS will be rated on a case-by-case basis.”

*No Significant Change and Material Adverse Change*

By virtue of this Supplement, the following paragraphs in the Offering Memorandum shall be deleted:

“As outlined in the first paragraph under “Part I – Letter from the Chairman – Background to the Placing and Open Offer” on page 36 of the March 2009 Placing and Open Offer Prospectus which

is incorporated by reference herein, the statement regarding current trading and outlook for 2009 under “Part I – Letter from the Chairman – Trading and Outlook” on pages 38 to 39 of the March 2009 Placing and Open Offer Prospectus which is incorporated by reference herein, and the second paragraph of “Part V – Overview of Business Performance and Operating and Financial Review of RBS – Capital resources and liquidity management” on page 92 of the March 2009 Placing and Open Offer Prospectus which is incorporated by reference herein, the Group continues to be, and expects to continue to be, affected by market uncertainty and credit market write-downs, including further write-downs in respect of monoline exposures.

However, there has been (i) no significant change in the trading or financial position of the Group and RBS and its subsidiaries taken as a whole and (ii) no material adverse change in the prospects of the Group and RBS and its subsidiaries taken as a whole, in each case since December 31, 2008 (the date to which the latest audited published financial information of each of the Group and RBS and its subsidiaries taken as a whole was prepared).”

and replaced with the following:

“As outlined in the first paragraph under “Part I – Letter from the Chairman – Background to the Placing and Open Offer” on page 36 of the March 2009 Placing and Open Offer Prospectus which is incorporated by reference herein, the statement regarding current trading and outlook for 2009 under “Part I – Letter from the Chairman – Trading and Outlook” on pages 38 to 39 of the March 2009 Placing and Open Offer Prospectus which is incorporated by reference herein, the second paragraph of “Part V – Overview of Business Performance and Operating and Financial Review of RBS – Capital resources and liquidity management” on page 92 of the March 2009 Placing and Open Offer Prospectus which is incorporated by reference herein, and the comments of the Group Chief Executive in the Interim Management Statement, which reflects the performance of the Group and its subsidiaries and is incorporated by reference herein. Further, as set out in the paragraphs under “Interim Management Statement – Profit” of the Interim Management Statement, during the first quarter ended March 31, 2009, the Group experienced strong income performance in Global Banking and Markets, further impairment losses due to deteriorating economic conditions in its major markets and credit market write-downs, particularly in respect of monoline exposures. The Group continues to be, and expects to continue to be, affected by changes in economic and market conditions that could lead to higher impairments and further credit market write downs, including write downs in respect of monoline and credit derivative product company exposures.

There has been (i) no significant change in the trading or financial position of the Group and RBS and its subsidiaries taken as a whole and (ii) no material adverse change in the prospects of the Group and RBS and its subsidiaries taken as a whole, in each case since December 31, 2008 (the date to which the latest audited published financial information of each of the Group and RBS and its subsidiaries taken as a whole was prepared).”

A copy of any or all of the information which is incorporated by reference in the Offering Memorandum can be obtained from the website of RBSG at [www.rbs.com](http://www.rbs.com) and from the London Stock Exchange plc’s website at [www.londonstockexchange.com/en-gb/pricesnews/marketnews/](http://www.londonstockexchange.com/en-gb/pricesnews/marketnews/).

If the documents which are incorporated by reference in the Offering Memorandum by virtue of this Supplement themselves incorporate any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of the Offering Memorandum for the purposes of the Prospectus Directive except where such information or other documents are specifically incorporated by reference in, or attached to, the Offering Memorandum by virtue of this Supplement.

To the extent that there is any inconsistency between any statement in or incorporated by reference in the Offering Memorandum by virtue of this Supplement and any other statement in or incorporated by reference in the Offering Memorandum, the statements in or incorporated by reference in the Offering Memorandum by virtue of this Supplement will prevail.

Save as disclosed in this Supplement or in any document incorporated by reference in the Offering Memorandum by virtue of this Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Offering Memorandum has arisen or been noted, as the case may be, since the publication of the Offering Memorandum.

Investors should be aware of their rights under Section 87Q(4) of the FSMA.