

SUPPLEMENTARY OFFERING MEMORANDUM DATED JANUARY 13, 2012



The Royal Bank of Scotland Group plc

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

The Royal Bank of Scotland plc

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

\$35,000,000,000

Medium-Term Note Program

Due Six Months or More From Date of Issue

This Supplement (this “**Supplement**”) to the Offering Memorandum (the “**Offering Memorandum**”) dated June 7, 2011, which comprises, except as set out therein under the heading “*Documents Incorporated by Reference*” on pages 3 to 5 of the Offering Memorandum, a base prospectus (the “**Base Prospectus**”) for the purposes of Directive 2003/71/EC, 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 \$35,000,000,000 Medium-Term Note Program established by The Royal Bank of Scotland Group plc (“**RBSG**” and in its capacity as guarantor, the “**Guarantor**”) and The Royal Bank of Scotland plc (“**RBS**”) (each, an “**Issuer**” and together, the “**Issuers**”). Terms defined in the Offering Memorandum and the Base Prospectus have the same meaning when used in this Supplement.

This Supplement to the Base Prospectus is supplemental to, and should be read in conjunction with, the Base Prospectus and the documents incorporated by reference therein. This Supplement to the Offering Memorandum 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 memorandums dated June 15, 2011, August 16, 2011, August 31, 2011, September 9, 2011, September 21, 2011, October 10, 2011, October 14, 2011, November 15, 2011 and December 2, 2011 (together, the “**Previous Supplements**”) and the documents incorporated by reference therein.

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) such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

Purpose of this Supplement

On January 12, 2012, RBSG announced details of strategic and organisational changes in its investment banking and wholesale businesses, which announcement was approved by, or filed with, the Financial Services Authority (the “**FSA**”) and published via the Regulatory News Service of the London Stock Exchange plc on January 12, 2012 (the “**Announcement**”).

The purpose of this Supplement is to incorporate the Announcement by reference into the Offering Memorandum and the Base Prospectus.

Incorporation of Information by Reference into the Offering Memorandum and the Base Prospectus

By virtue of this Supplement, the Announcement, which has 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 and the Base Prospectus.

A copy of any or all of the information which is incorporated by reference in the Base Prospectus can be obtained from the website of RBS at <http://www.rbs.com>.

The hyperlinks included in this Supplement are included for information purposes only and the websites and their content are not incorporated into, and do not form part of, this Supplement.

If the document which is incorporated by reference in the Offering Memorandum and the Base Prospectus by virtue of this Supplement itself incorporates any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of the Offering Memorandum and the Base Prospectus 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 and the Base Prospectus 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 or the Base Prospectus by virtue of this Supplement and any other statement in or incorporated by reference in the Offering Memorandum or the Base Prospectus or the Previous Supplements, the statements in or incorporated by reference in the Offering Memorandum or the Base Prospectus by virtue of this Supplement will prevail.

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

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