

SUPPLEMENTARY PROSPECTUS DATED 27 AUGUST 2010



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)

£90,000,000,000

Euro Medium Term Note Programme

This Supplement (the “**Supplement**”) to the Prospectus (the “**Prospectus**”) dated 10 June 2010, which comprises, except as set out therein in relation to Guaranteed Notes, a base prospectus for the purposes of the Prospectus Directive in relation to Notes issued by The Royal Bank of Scotland plc (“**RBS**”), 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 £90,000,000,000 Euro Medium Term Note Programme (the “**Programme**”) established by The Royal Bank of Scotland Group plc (“**RBSG**”) and RBS (each, an “**Issuer**” and together, the “**Issuers**”). Terms defined in the Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with, the Prospectus and the documents incorporated by reference therein. This Supplement should also be read and construed in conjunction with the supplementary prospectus dated 9 August 2010 (the “**Previous Supplement**”) and the documents incorporated by reference therein which has been previously published and has been approved by the Financial Services Authority (the “**FSA**”) and filed with it and which forms part of the Prospectus.

RBS accepts responsibility for the information contained in this Supplement other. To the best of the knowledge of RBS (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.

This Supplement has been prepared primarily in order to update the Prospectus following the publication of “The Royal Bank of Scotland plc — Results for the half year ended 30 June 2010”, which were published via the Regulatory News Service of the London Stock Exchange plc (the “**LSE**”) on 27 August 2010 (the “**RBS Interim Results**”).

Incorporation of Information by Reference into the Prospectus

The RBS Interim Results 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 Prospectus (other than for the purposes of the Guaranteed Notes).

Registration Document of The Royal Bank of Scotland plc: Description of The Royal Bank of Scotland plc — Overview

The paragraph under the heading “Overview” on page 38 of the registration document dated 9 August 2010 of RBS, which is incorporated by reference into the Prospectus by virtue of the Previous Supplement, shall be amended by deleting the number “SC045551” and replacing it with the number “SC090312”.

Defined Terms Used in the Prospectus

Page 2 of the Prospectus contains a definition of “RBS Information”. By virtue of this Supplement, the RBS Interim Results shall be deemed to be included within the definition of “RBS Information”.

Page 32 of the Prospectus contains a definition of “Disclosure relating to the Issuers”. As set out therein, the Disclosure relating to the Issuers is not incorporated by reference into the Prospectus for the purposes of issues of Guaranteed Notes. By virtue of this Supplement, all the information contained in this Supplement and incorporated by reference into the Prospectus by virtue of this Supplement shall be deemed to be included within the definition of “Disclosure relating to the Issuers”.

A copy of any or all of the information which is incorporated by reference in the Prospectus can be obtained from the LSE’s website at <http://www.londonstockexchange.com/exchange/prices-and-news/news/market-news/market-news-home.html>.

If the documents which are incorporated by reference in the Prospectus 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 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 Prospectus by virtue of this Supplement.

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

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

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