

SUPPLEMENT DATED 19 AUGUST 2015 TO THE PROGRAMME DOCUMENT DATED 30 JUNE 2015 RELATING TO THE STRUCTURED NOTE PROGRAMME



The Royal Bank of Scotland plc

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

This supplement (this "**Supplement**") to the Programme Document dated 30 June 2015 (the "**Programme Document**") comprises supplementary listing particulars for the purposes of the Listing Rules of the Global Exchange Market and has been approved by the Irish Stock Exchange (the "**ISE**"). Terms defined in the Programme Document have the same meanings when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with, the Programme Document and any previous supplements to it, issued by The Royal Bank of Scotland plc (the "**Issuer**" or "**RBS**").

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (which has 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.

Purpose of this Supplement

The purpose of this Supplement is to:

- (i) incorporate by reference into the Programme Document the RBSG Interim Results 2015 (as defined below);
- (ii) update the statement of no significant change and no material adverse change for RBS; and
- (iii) update certain information relating to litigation and investigations.

Incorporation of Information by Reference

By virtue of this Supplement, Part 1 and Part 2 of the unaudited Interim Results 2015 of the Royal Bank of Scotland Group plc ("**RBSG**") (the "**RBSG Interim Results 2015**"), which was published via the Regulatory News Service of the London Stock Exchange plc on 30 July 2015, shall be incorporated in, and form part of, the Programme Document.

Statement of No Significant Change and No Material Adverse Change

Save (i) as set out below and (ii) in relation to matters referred to in the RBSG Interim Results 2015 relating to the partial disposal by RBSG of its investment in Citizens Financial Group (“**CFG**”) thereby reducing its interest in CFG to 20.9% and the resulting deconsolidation of CFG from the Group for accounting purposes, there has been no significant change in the trading or financial position of the Issuer Group taken as a whole since 31 December 2014 (the end of the last financial period for which audited financial information of the Issuer Group has been published).

As disclosed in the RBSG Interim Results 2015, RBSG reported an attributable loss of £153 million for the six months ended 30 June 2015, which included restructuring costs of £1,503 million and £1,315 million of litigation and conduct charges.

As at 30 June 2015, RBSG owners’ equity decreased by £1,182 million from £57,246 million as at 31 December 2014 to £56,064 million as at 30 June 2015. Comparing the six months ended 30 June 2015 to the six months ended 30 June 2014, consolidated total income decreased by £1,293 million from £8,549 million to £7,256 million, and consolidated operating profit before tax decreased by £1,933 million from £2,226 million to £293 million.

Save in relation to matters referred to in the RBSG Interim Results 2015 relating to the partial disposal by RBSG of its investment in CFG thereby reducing its interest in CFG to 20.9% and the resulting deconsolidation of CFG from the Group for accounting purposes, there has been no material adverse change in the prospects of the Issuer Group taken as a whole since 31 December 2014 (the date of the last published audited financial information of the Issuer Group).

Litigation and Investigations

Save as set out in the section entitled “Litigation, investigations and reviews” on pages 100 to 120 of the RBSG Interim Results 2015, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which RBS is aware) during the 12 months prior to the date of this Supplement, which may have or have had in the recent past, significant effects on the financial position or profitability of RBS and/or the Issuer Group taken as a whole.

Other Information

A copy of any or all of the information which is incorporated by reference in the Programme Document can be obtained from the website of the Issuer at http://www.investors.rbs.com/company_announcements.

If the document which is incorporated by reference in the Programme Document 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 Programme Document except where such information or other documents are specifically incorporated by reference in, or attached to, the Programme Document by virtue of this Supplement.

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

Save as disclosed in this Supplement, there has been: (1) no significant change affecting any matter contained in the Programme Document (as supplemented at the date hereof) since the

publication of the Programme Document; or (2) no significant new matter which has arisen, the inclusion of information in respect of which would have been so required had it arisen at the time the Programme Document was prepared.