
Retro-Finance Programme (Finland)

Supplementary Prospectus dated 3 April 2013

TENTH SUPPLEMENT TO THE BASE PROSPECTUS IN RESPECT OF THE RETRO-FINANCE PROGRAMME (FINLAND) FOR THE ISSUANCE OF NOTES



The Royal Bank of Scotland plc

*(incorporated in Scotland with limited liability under the Companies Acts 1948 to 1980,
registered number SC090312)
(the “Issuer” and “RBS”)*

The Royal Bank of Scotland plc

Retro-Finance Programme (Finland)

(the “Programme”)

- 1 This Supplement dated 3 April 2013 (this “**Supplement**”) constitutes the tenth supplement to the base prospectus dated 29 June 2012 in relation to the Issuer’s Retro-Finance Programme (Finland) for the issuance of Notes approved by the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, the “**AFM**”) on 29 June 2012 (the “**Base Prospectus**”).
- 2 The Base Prospectus was approved as a base prospectus pursuant to Directive 2003/71/EC (the “Prospectus Directive”) by the AFM. This Supplement constitutes a supplemental prospectus to the Base Prospectus for the purposes of Article 5:23 of the Financial Supervision Act (*Wet op het financieel toezicht*).
- 3 This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus and any other supplements thereto issued by the Issuer. Terms defined in the Base Prospectus have the same meaning when used in this Supplement.
- 4 In accordance with Article 5:23(6) of the Financial Supervision Act (*Wet op het financieel toezicht*), investors who have agreed to purchase or subscribe for securities issued under the Base Prospectus before this Supplement is published have the right, exercisable before the end of the period of two working days beginning with the working day after the date on which this Supplement was published, to withdraw their acceptances.
- 5 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.

- 6 On 27 March 2013, the Issuer published via the Regulatory News Service of the London Stock Exchange plc (“RNS”) its preliminary unaudited Annual Results for the year ended 31 December 2012 (the “**2012 Annual Report and Accounts of RBS**”).
- 7 On 27 March 2013, The Royal Bank of Scotland Group plc (“RBSG”) published via RNS its annual report and accounts for the year ended 31 December 2012 (the “**2012 Annual Report and Accounts of RBSG**”).
- 8 By virtue of this Supplement, the 2012 preliminary unaudited Annual Results of RBS shall be deemed to be incorporated in, and form part of, the Base Prospectus.
- 9 By virtue of this Supplement, the following sections of the 2012 Annual Report and Accounts of RBSG shall be deemed to be incorporated in, and form part of, the Base Prospectus:
 - (i) Independent auditor’s report on page 352;
 - (ii) Consolidated income statement on page 353;
 - (iii) Consolidated statement of comprehensive income on page 354;
 - (iv) Consolidated balance sheet on page 355;
 - (v) Consolidated statement of changes in equity on pages 356 to 358;
 - (vi) Consolidated cash flow statement on page 359;
 - (vii) Accounting policies on pages 360 to 372;
 - (viii) Notes on the consolidated accounts on pages 373 to 474;
 - (ix) Parent company financial statements and notes on pages 475 to 486;
 - (x) Essential reading – Highlights on pages 2 to 3;
 - (xi) Chairman’s statement on pages 10 to 11;
 - (xii) Group Chief Executive’s review on pages 12 to 13;
 - (xiii) Our key targets on page 15;
 - (xiv) Our business and our strategy on pages 16 to 20;
 - (xv) Divisional review on pages 21 to 32;
 - (xvi) Business review on pages 36 to 293;
 - (xvii) Corporate governance on pages 303 to 308;
 - (xviii) Letter from the Chair of the Group Performance and Remuneration Committee on pages 320 to 321;
 - (xix) Directors’ remuneration report on pages 322 to 342;

- (xx) Compliance report on pages 343 to 344;
- (xxi) Report of the Directors on pages 345 to 349;
- (xxii) Statement of directors' responsibilities on page 350;
- (xxiii) Financial Summary on pages 488 to 497;
- (xxiv) Exchange rates on page 498;
- (xxv) Economic and monetary environment on page 499;
- (xxvi) Supervision on page 500;
- (xxvii) Description of property and equipment on page 501;
- (xxviii) Major shareholders on page 501;
- (xxix) Material contracts on pages 501 to 502; and
- (xxx) Glossary of terms on pages 528 to 535.

10 The following amendments are made to the Base Prospectus as a result of the publication (and incorporation by reference into the Base Prospectus, by virtue of this Supplement) of the 2012 preliminary unaudited Annual Results of RBS and the 2012 Annual Report and Accounts of RBSG:

- 10.1 in the section entitled "Summary", the fourth paragraph of the sub-section entitled "Issuer" shall be deleted in its entirety and replaced with the paragraph set out in Schedule 1;
- 10.2 the following documents (or sections of documents, as the case may be) shall no longer be incorporated by reference:
 - 10.2.1 the unaudited annual results of RBSG for the year ended 31 December 2012, which were published via RNS on 28 February 2013;
 - 10.2.2 the unaudited Interim Results 2012 of the Issuer for the six months ended 30 June 2012, which were published via RNS on 31 August 2012;
 - 10.2.3 all sections previously incorporated by reference, of the 2010 annual report and accounts of RBSG, which were published via RNS on 17 March 2011;
 - 10.2.4 the sub-section entitled "Assets, owners' equity and capital ratios" in the section of the registration document of the Issuer dated 12 March 2013 (the "**Registration Document**") entitled "Description of The Royal Bank of Scotland plc";
 - 10.2.5 the sub-section entitled "No Significant Change and No Material Adverse Change" in the section of the Registration Document entitled "General Information"; and
- 10.3 two new sub-sections entitled "Recent Developments" and "No Significant Change and No Material Adverse Change", as set out in Schedule 2, shall be inserted immediately after the sub-section entitled "Listing" in the section of the Base Prospectus entitled "General Information".

11 A copy of this Supplement, the Base Prospectus and all other supplements thereto and all documents incorporated by reference in the Base Prospectus are accessible on <http://markets.rbs.com/bparchive> or

<http://markets.rbs.com/launchpad> and can be obtained from the registered office of the Issuer at 36 St. Andrew Square, Edinburgh EH2 2YB, United Kingdom, telephone +33 131 523 3636.

- 12 If the documents which are incorporated by reference in the Base 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 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 Base Prospectus by virtue of this Supplement.
- 13 To the extent that there is any inconsistency between (a) any statement in this Supplement and (b) any other statement in the Base Prospectus or any previous supplement to the Base Prospectus, the statements referred to in (a) above will prevail.
- 14 Save as disclosed in any previous supplement to the Base Prospectus or this Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus (as supplemented at the date hereof) has arisen or been noted since the publication of the Base Prospectus.

The Royal Bank of Scotland plc

Schedule 1

The Issuer Group had total assets of £1,284 billion and owners' equity of £59 billion as at 31 December 2012. The Issuer Group's capital ratios as at 31 December 2012 were a total capital ratio of 15.4 per cent., a Core Tier 1 capital ratio of 9.5 per cent. and a Tier 1 capital ratio of 11.0 per cent.

Schedule 2

Recent Developments

Assets, Owners' Equity and Capital Ratios

The Group had total assets of £1,312 billion and owners' equity of £68 billion as at 31 December 2012. The Group's capital ratios as at 31 December 2012 were a total capital ratio of 14.5 per cent., a Core Tier 1 capital ratio of 10.3 per cent. and a Tier 1 capital ratio of 12.4 per cent.

The Issuer Group had total assets of £1,284 billion and owners' equity of £59 billion as at 31 December 2012. The Issuer Group's capital ratios as at 31 December 2012 were a total capital ratio of 15.4 per cent., a Core Tier 1 capital ratio of 9.5 per cent. and a Tier 1 capital ratio of 11.0 per cent. **No Significant Change and No Material Adverse Change**

There has been no significant change in the trading or financial position of the Issuer Group taken as a whole since 31 December 2012 (the end of the last financial period for which audited financial information or interim financial information of the Issuer Group has been published).

There has been no material adverse change in the prospects of the Issuer Group taken as a whole since 31 December 2011 (the date of the last published audited financial information of the Issuer Group).