
FINAL TERMS

DATED 29 DECEMBER 2011

PRIVATE PLACEMENT



The Royal Bank of Scotland plc

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

EUR 3,000,000 qEUR SEK LEVERAGED STEEPNER NOTE 5Y

Issue Price: 101%

THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR THE SECURITIES LAWS OF ANY STATE OR POLITICAL SUBDIVISION OF THE UNITED STATES, AND MAY NOT BE OFFERED, SOLD, TRANSFERRED OR DELIVERED DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO THE REQUIREMENTS OF THE SECURITIES ACT AND ANY APPLICABLE U.S. STATE SECURITIES LAWS. THE SECURITIES ARE BEING OFFERED AND SOLD ONLY OUTSIDE THE UNITED STATES TO PERSONS OTHER THAN U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT-) IN OFFSHORE TRANSACTIONS THAT MEET THE REQUIREMENTS OF REGULATION S UNDER THE SECURITIES ACT. FURTHERMORE, TRADING IN THE SECURITIES HAS NOT BEEN APPROVED BY THE UNITED STATES COMMODITY FUTURES TRADING COMMISSION UNDER THE UNITED STATES COMMODITY EXCHANGE ACT, AS AMENDED-

THE SECURITIES DO NOT CONSTITUTE UNITS OF COLLECTIVE INVESTMENTS SCHEMES WITHIN THE MEANING OF THE SWISS FEDERAL ACT ON COLLECTIVE INVESTMENTS SCHEMES ("CISA") AND ARE NOT SUBJECT TO THE APPROVAL OF, OR SUPERVISION BY THE SWISS FINANCIAL MARKET SUPERVISORY AUTHORITY ("FINMA"). HOLDERS OF THE SECURITIES ARE EXPOSED TO THE CREDIT RISK OF THE ISSUER.

FINAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the General Conditions and the Product Conditions applicable to each Series of Securities described herein (the “relevant Product Conditions”) as set forth in the Base Prospectus relating to Notes dated 27 May 2011 (the “Base Prospectus”), as supplemented from time to time, which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the “Prospectus Directive”). This document constitutes the Final Terms of each Series of the Securities described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus as so supplemented. Full information on the Issuer and each Series of the Securities described herein is only available on the basis of the combination of these Final Terms and the Base Prospectus as so supplemented. The Base Prospectus as so supplemented is available for viewing at the office of the Issuer at 36 St Andrew Square, Edinburgh EH2 2YB, Scotland and copies may be obtained from the Issuer at that address.

These Final Terms relate to the Securities and must be read in conjunction with, and are subject to, the General Conditions and the relevant Product Conditions contained in the Base Prospectus as so supplemented. These Final Terms, the relevant Product Conditions and the General Conditions together constitute the Conditions of each Series of the Securities described herein and will be attached to any Global Security representing each such Series of the Securities. In the event of any inconsistency between these Final Terms and the General Conditions or the relevant Product Conditions, these Final Terms will govern.

The Netherlands Authority for the Financial Markets has provided the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin), Financial Market Authority (FMA), the Financial Services and Markets Authority (FSMA), Comisión Nacional del Mercado de Valores (CNMV), Comissão do Mercado de Valores Mobiliários (CMVM), Autorité des Marchés Financiers (AMF), Irish Financial Services Regulatory Authority (IFSRA), Commissione Nazionale per le Società e la Borsa (CONSOB), Commission de Surveillance du Secteur Financier (CSSF), Financial Services Authority (FSA), Financial Supervisory Authority (FIN-FSA), the Danish Financial Services Authority (Finanstilsynet), the Swedish Financial Supervisory Authority and the Financial Supervisory Authority of Norway (Finanstilsynet) with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.

In respect of Securities to be listed on the SIX Swiss Exchange Ltd, the Programme, together with any Final Terms, will constitute the listing prospectus pursuant to the Listing Rules of the SIX Swiss Exchange Ltd.

So far as the Issuer is aware, no person (other than the Issuer in its separate capacities as Issuer and Calculation Agent, see “Risk Factors - Actions taken by the Calculation Agent may

affect the Underlying” and “Risk Factors – Actions taken by the Issuer may affect the value of the Securities” in the Base Prospectus) involved in the issue of the Notes has an interest material to the offer.

Issuer:	The Royal Bank of Scotland plc
Clearing Agents:	VP Securities
Subscription Period:	Not Applicable
Pricing Date(s):	Not Applicable
Launch Date:	Not Applicable
As, if and when issued trading:	Not Applicable
Issue Date:	29 December 2011
Listing:	Nasdaq OMX Copenhagen
Listing Date:	The Issue Date
Admission to trading:	Application has been made for the Securities to be admitted to trading on Nasdaq OMX Copenhagen with effect from the Listing Date
Details of the minimum and/or maximum amount of application:	Please refer to the section of the Base Prospectus entitled "General Information - Information on the Offering of the Securities - (d) Minimum/ Maximum Application Amount"
Manner in and date on which results of the offer are to be made public:	Please refer to the section of the Base Prospectus entitled "General Information - Information on the Offering of the Securities - (f) Details of the Manner in Which the Results of the Initial Offer are to be Made Public"
Announcements to Holders:	Delivered to Clearing Agents
Principal Agent:	The Royal Bank of Scotland plc, 250 Bishopsgate, London EC2M 4AA, United Kingdom
Registrar:	In respect of Securities cleared through CREST, Computershare Investor Services PLC, The Pavilions, Bridgewater Road, Bristol, BS13 8AE, England. In respect of Securities not cleared through CREST, None.
Agent(s):	Paying Agent: SEB, Custody Services, Merchant Banking, PO Box 2098, DK-1014 Copenhagen K, Denmark
Calculation Agent:	The Royal Bank of Scotland plc, 250 Bishopsgate, London EC2M 4AA, United Kingdom
Form of the Securities:	Dematerialised form
Ratings:	S & P: Not Applicable Moody's: Not Applicable Fitch: Not Applicable

RATE NOTES

Series:	<i>qEUR SEK Leveraged Steepner Note 5Y</i>
Nominal Amount:	EUR 10,000
Issue Price:	101%
Additional Market Disruption Events:	None
Business Day:	The definition in Product Condition 1 applies
Business Day Convention:	Modified Following
Cash Amount:	(Nominal Amount x 100%) + (Nominal Amount x Accumulated Performance)

Where:

“Accumulated Performance” means an amount determined by the Calculation Agent in accordance with the following formula:

$$\left(\frac{\sum_{i=1}^{12} Performance_i}{4} \right)$$

“Observation Date” means 29 March, 29 June, 29 September and 29 December in each year, from (and including) 29 December 2013 to (and including) 29 September 2016;

“Performance_i” means, in relation to each Observation Date, an amount determined by the Calculation Agent in accordance with the following formula:

$$\{Max [Underlying Rate - 0.60\%, 0] - Max [Underlying Rate - 0.80\%, 0]\} \times 55$$

Emerging Market Disruption Events:	The definition in Product Condition 1 applies
Interest:	Not Applicable
Interest Payment Dates:	Not Applicable
Interest Period:	Not Applicable
Interest Rate:	Not Applicable
Interest Rate Day Count Fraction:	Not Applicable
Issuer Call:	Not Applicable
Issuer Call Cash Amount:	Not Applicable
Issuer Call Commencement Date:	Not Applicable

Issuer Call Date:	Not Applicable
Issuer Call Notice Period:	Not Applicable
Maturity Date:	29 December 2016
Reference Banks:	The principal London office of five leading dealers in the London interbank market which ordinarily provide quotations for the relevant Underlying Rate, if applicable, or any other rate requested by the Calculation Agent pursuant to Product Condition 4, as selected by the Issuer in its absolute discretion
Relevant Currency:	The definition in Product Condition 1 applies
Settlement Currency:	EUR
Standard Currency:	The definition in Product Condition 1 applies
Underlying Rate(s):	Means an amount determined by the Calculation Agent in accordance with the following formula: <i>Reference Rate 1 – Reference Rate 2</i> Where: “ Reference Rate 1 ” means the mean rate updated and displayed for the 10 year SEK Constant Maturity Swap rate by reference to the applicable Screen Page at or around the Valuation Time on each Observation Date; and “ Reference Rate 2 ” means the mean rate updated and displayed for the 2 year SEK Constant Maturity Swap rate by reference to the applicable Screen Page at or around the Valuation Time on each Observation
	Relevant Number of Days: Not Applicable
	Screen Page: Reuters page TGM42287
Valuation Time:	11.00 hours London time
ISIN:	DK0030294418
Common Code:	Not Applicable
Fondscod:	Not Applicable
Other Securities Code:	Valoren: 13004432
Indication of yield:	Not Applicable
Amendments to General Conditions or Product Conditions:	Not Applicable
Amendments to the Offering Procedure for the Securities:	Not Applicable
Sales Restriction:	The Securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “ Securities Act ”) and the Securities may not be exercised, offered, sold, transferred or delivered within the United States or to, or for the account or benefit of, any U.S. person as defined in Regulation S under the Securities Act. Furthermore, trading in the Securities has not been approved

by the United States Commodity Futures Trading Commission under the United States Commodity Exchange Act, as amended and no U.S. person may at any time trade or maintain a position in the Securities.

INFORMATION ON THE UNDERLYING

Performance of Underlying/formula/ other variable, explanation of effect on value of investment and associated risks and other information concerning the Underlying:

General: Fluctuations in the value of the Underlying will have an effect on the value of the Securities throughout the life of the Securities and at maturity/expiration. The value of the Underlying may go down or up throughout the life of the Securities.

Positive Correlation: All other things being equal, positive performance of the Underlying will have a positive effect on the value of the Securities at maturity/expiration.

Capital Protection: The minimum value of the Securities at maturity/expiration will equal 100%, irrespective of the value or performance of the Underlying.

Leverage: All other things being equal, positive or negative changes in the performance of the Underlying will have a proportionately larger effect on the value of the Securities, and therefore leverage has the potential to magnify gains or losses of the Securities.

Page where information about the past and future performance of the Underlying and its volatility can be obtained:

Reuters page: TGM42287

Secondary Market:

The Notes may not be liquid, and no secondary market currently exists, nor can be guaranteed to exist. Prospective investors should be capable of bearing the economic risks of the investment for the full term of the Notes.

If the Notes are redeemed prior to the Maturity Date and to the extent that the Calculation Agent determines that unwind costs are applicable, such costs will reduce the amounts that are available to the Noteholders on such early redemption. Such unwind costs may be high.

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 30 June 2011 (the end of the last financial period for which either audited financial information or interim financial information has been published).

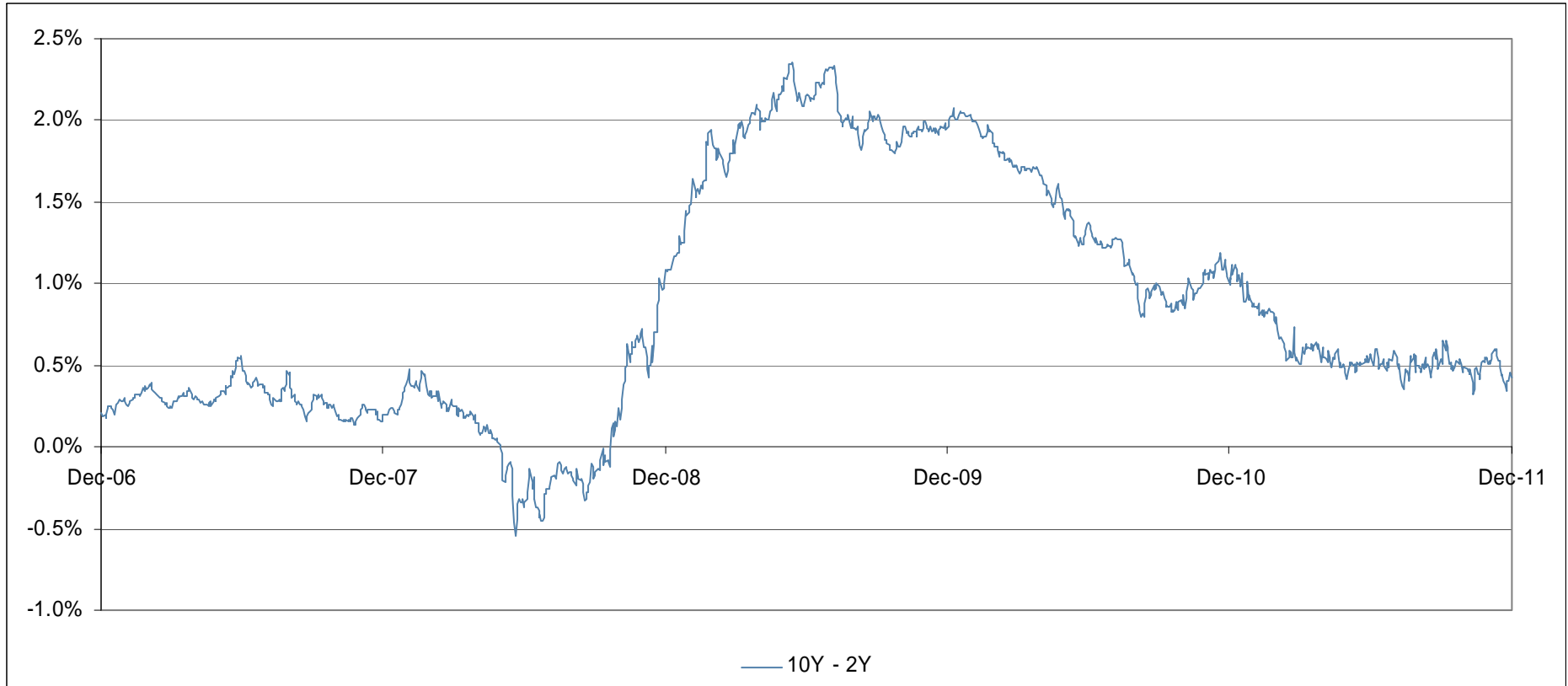
Save in relation to (i) matters referred to on page 22 of the RBS Interim Results 2011 relating to Payment Protection Insurance, in respect of which the Issuer Group has made provisions for therein; and (ii) the effect on revenues of Global Banking and Markets of the current subdued operating environment (see pages 43-45 of the RBSG Interim Management Statement), there has been no material adverse change in the prospects of the Issuer Group taken as a whole since 31 December 2010 (the last date to which the latest audited published financial information of the Issuer Group was prepared).

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in the Base Prospectus, as completed and/or amended by these Final Terms. To the best of the knowledge and belief of the Issuer (which

has taken all reasonable care to ensure that such is the case) the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. Material changes since the date of the Base Prospectus will trigger the need for a supplement under Article 16 of Directive 2003/71/EC which will be filed with both the AFM and the SIX Swiss Exchange.

Annex 1



Annex 2

5Y CAPITAL PROTECTED NOTE LINKED TO SEK RATES

Issue Price	Nominal invested amount	Invested amount	Accumulated Performance	Coupon at maturity	Product yield	Returned amount at maturity	Yearly yield
101.00%	DKK 10,000	DKK 10,100	33.00%	33.00%	31.68%	DKK 13,300	5.66%
101.00%	DKK 10,000	DKK 10,100	0.00%	0.00%	-0.99%	DKK 10,000	-0.20%
101.00%	DKK 10,000	DKK 10,100	-33.00%	0.00%	-0.99%	DKK 10,000	-0.20%