

Pricing Supplement dated 30 June 2004

The Royal Bank of Scotland plc
(Incorporated in Scotland with limited liability
under the Companies Acts 1948 to 1980
with registered number 90312)

EUR 500,000,000 Fixed/Floating Rate Undated Subordinated Notes

Issue Price: 99.846 per cent.

**£25,000,000,000
Euro Medium Term Note Programme**

This document constitutes the Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Prospectus dated 22 April 2004 and the supplementary Prospectus dated 18 May 2004. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Prospectus as so supplemented.

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| 1 | Issuer | The Royal Bank of Scotland plc |
| 2 | (i) Series Number | 1587 |
| | (ii) Tranche Number | 1 |
| 3 | Specified Currency or Currencies | Euro ("EUR") |
| 4 | Aggregate Nominal Amount. | |
| | (i) Series: | EUR 500,000,000 |
| 5 | (i) Issue Price | 99.846 per cent of the Aggregate Nominal Amount |
| | (ii) Net proceeds | EUR 496,105,000 |
| 6 | Specified Denominations | EUR 1,000 EUR 10,000 EUR 100,000 |
| 7 | (i) Issue Date: | 2 July 2004 |
| | (ii) Interest Commencement Date (if different from the Issue Date). | Not Applicable |
| 8 | Maturity Date | Perpetual |
| 9 | Interest Basis | 5.125 per cent Fixed Rate from, and including, the Interest Commencement Date to, but |

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| | | excluding, the first Optional Redemption Date (further particulars specified at item 16 below), Floating Rate thereafter (further particulars specified at item 17 below) provided that the Issuer has not exercised its Call Option on the first Optional Redemption Date as described in Item 21 |
| 10 | Redemption/Payment Basis: | Redemption (if applicable) at par, subject to Condition 2(c)(ii)(x). Perpetual maturity with Issuer Call Option as set out at Items 12 and 21, subject to the prior consent of the Financial Services Authority and Condition 2(c)(ii)(x) |
| 11 | Change of Interest or Redemption/Payment Basis: | (1) In respect of the period from, and including, the Interest Commencement Date to, but excluding, the first Optional Redemption Date the Notes will bear interest in accordance with Item 16 below. (2) Thereafter (provided that the Issuer has not exercised the Call Option on the first Optional Redemption Date), the Notes will bear interest in accordance with Item 17 below |
| 12 | Put/Call Options | Issuer Call (further particulars specified in Item 21 below) |
| 13. | Status of the Notes. | Undated Subordinated Notes |
| 14. | Listing | London. |
| 15. | Method of distribution: | Syndicated. |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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| 16 | Fixed Rate Note Provisions | Applicable in respect of the period from, and including, the Interest Commencement Date to, but excluding, 3 July 2014, subject to Condition 3(f) |
| | (i) Rate of Interest | 5 125 per cent per annum payable annually in arrear |
| | (ii) Interest Payment Date(s) | 3 July in each year commencing on 3 July 2005 |
| | (iii) Fixed Coupon Amount(s) | EUR 51 25 per Note of EUR 1,000 Specified Denomination, EUR 512.50 per Note of EUR 10,000 Specified Denomination, and EUR 5,125.00 per Note of EUR 100,000 |

| | Specified Denomination |
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| (iv) Broken Amount(s) | In respect of the period from, and including, the Interest Commencement Date to, but excluding 3 July 2005. EUR 51.39 per Note of EUR 1,000 Specified Denomination, EUR 513.90 per Note of EUR 10,000 Specified Denomination, and EUR 5,139.00 per Note of EUR 100,000 Specified Denomination. |
| (v) Day Count Fraction | Actual/Actual (ISMA) |
| (vi) Determination Date(s) | 3 July in each year |
| (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes | Not Applicable. |
| 17 Floating Rate Note Provisions | Applicable (provided that the Issuer has not exercised its Call Option as described in Item 21) in respect of the Interest Period commencing on, and including, the first Optional Redemption Date and each Interest Period thereafter, subject to Condition 3(f) |
| (i) Interest Period(s). | As per the Conditions |
| (ii) Specified Interest Payment Dates | 3 January, 3 April, 3 July and 3 October in each year commencing on 3 October 2014, subject in each case to adjustment in accordance with the Business Day Convention |
| (iii) Business Day Convention | Modified Following Business Day Convention |
| (iv) Business Centre(s) | Not Applicable |
| (v) Manner in which the Rate(s) of Interest is/are to be determined | Screen Rate Determination |
| (vi) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Agent) | Not Applicable. |
| (vii) Screen Rate Determination | Applicable |
| - Reference Rate | 3 Month EURIBOR |

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| | - Interest Determination Date(s) | The second day on which TARGET is open prior to the commencement of each Interest Period |
| | - Relevant Screen Page. | Moneyline Telerate Page 248 |
| (viii) | ISDA Determination: | Not Applicable |
| | - Floating Rate Option | Not Applicable. |
| | - Designated Maturity | Not Applicable |
| | - Reset Date | Not Applicable |
| (ix) | Margin(s) | Plus 1 65 per cent per annum |
| (x) | Minimum Rate of Interest | Not Applicable |
| (xi) | Maximum Rate of Interest | Not Applicable. |
| (xii) | Day Count Fraction | Actual/360 |
| (xiii) | Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions | Not Applicable |
| 18 | Zero Coupon Note Provisions | Not Applicable |
| 19 | Index Linked Note Interest Provisions | Not Applicable |
| 20 | Dual Currency Note Provisions | Not Applicable |

PROVISIONS RELATING TO REDEMPTION

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| 21 | Call Option | Applicable. |
| | (i) Optional Redemption Date(s) | 3 July 2014 and each Specified Interest Payment Date thereafter, subject to the prior consent of the Financial Services Authority and Condition 2(c)(ii)(x) |
| | (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s) | EUR 1,000 per Note of Specified Denomination of EUR 1,000. EUR 10,000 per Note of Specified Denomination of EUR 10,000 EUR 100,000 per Note of Specified Denomination of EUR 100,000 |

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| (iii) | If redeemable in part | |
| | (a) Minimum Redemption Amount | Not Applicable |
| | (b) Maximum Redemption Amount | Not Applicable |
| | (iv) Notice period (if other than as set out in the Conditions) | Not Applicable |
| 22 | Put Option | Not Applicable |
| 23 | Final Redemption Amount of each Note | <p>For the purposes of Condition 5(e)(i) only, the Final Redemption Amount shall be deemed to be the following</p> <p>EUR 1,000 per Note of Specified Denomination of EUR 1,000</p> <p>EUR 10,000 per Note of Specified Denomination of EUR 10,000</p> <p>EUR 100,000 per Note of Specified of Denomination EUR 100,000</p> |
| 24 | <p>Early Redemption Amount</p> <p>Early Redemption Amount(s) payable on redemption for tax reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in the Conditions)</p> | As set out in the Conditions |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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| 25 | Form of Notes | Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in bearer form only in the limited circumstances specified in the Permanent Global Note |
| 26 | Financial Centre(s) or other special provisions relating to Payment Dates | As per Conditions |
| 27 | Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): | Yes On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Agent in exchange for a further Coupon sheet (and another Talon for a further Coupon sheet) |

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| 28 | Details relating to Partly Paid Notes amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment | Not Applicable |
| 29 | Details relating to Instalment Notes Instalment Amounts, Instalment Dates: | Not Applicable |
| 30 | Redenomination, renominatisation and reconventioning provisions amount of each instalment, date on which payment is to be made | Not Applicable. |
| 31 | Consolidation provisions | Not Applicable |
| 32 | Other terms or special conditions' | |

DISTRIBUTION

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| 33 | (i) If syndicated, names of Managers | <p>The Royal Bank of Scotland plc</p> <p>UBS Limited</p> <p>Banca IMI S p A</p> <p>Banco Santander Central Hispano S A</p> <p>Bayerische Hypo-und Vereinsbank AG</p> |
| | (ii) Stabilising Manager (if any) | <p>The Royal Bank of Scotland plc</p> <p>The Stabilising Manager or any person acting for him may over-allot or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail for a limited period. However, there may be no obligation on the Stabilising Manager or any agent of his to do this. Such stabilising, if commenced, may be discontinued at any time and must be brought to an end after a limited period. Such stabilising shall be in compliance with all relevant laws and regulations.</p> |
| 34 | If non-syndicated, name of Dealer | Not Applicable |
| 35 | Additional selling restrictions | Not Applicable |

OPERATIONAL INFORMATION

SECRETARY'S DEPT

Fax:01315576140

30 Jun 2004 11:25

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- 36. ISIN Code: X80195230635
- 37. Common Code: 019523063
- 38. Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): Not Applicable
- 39. Delivery: Delivery against payment.
- 40. Additional Paying Agent(s) (if any): None.

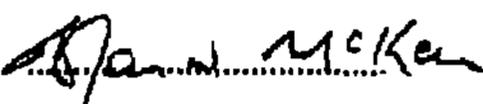
LISTING APPLICATION

This Pricing Supplement comprises the details required to list the issue of Notes described herein pursuant to the £25,000,000,000 Euro Medium Term Note Programme of The Royal Bank of Scotland Group plc and The Royal Bank of Scotland plc.

RESPONSIBILITY

The issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of the issuer:

By: 
Duly authorised