

Investors Monthly Report January 2009 : Lloyds TSB Covered Bonds LLP

Reporting Information

Reporting Date:	15 February 2009
Reporting Period:	1 January - 31 January 2009
Next Interest Payment Date: Monthly pay notes	9 February 2009
Last Interest Payment Date: Monthly pay notes	8 January 2009

Correspondence Details

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Parties

Key Parties to the Transaction	Name
Issuer	Lloyds TSB Bank plc
Guarantor	Lloyds TSB Covered Bonds LLP
Seller	Lloyds TSB Bank plc
Principal Paying Agent and Agent Bank	The Bank of New York Mellon
Bonds Trustee/Security Trustee	BNY Corporate Trustee Services Limited
Asset Monitor	PricewaterhouseCoopers LLP
Servicer	Cheltenham and Gloucester plc
Cash Manager	Cheltenham and Gloucester plc
Covered Bonds Swap Provider	N/A
Interest Rate Swap Provider	Lloyds TSB Bank plc
Account Bank/GIC provider	Lloyds TSB Bank plc
Arranger	Lloyds TSB Bank plc
Dealer	Lloyds TSB Bank plc

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This report and its notes are a summary of certain features of the notes and their structure.

No liability is accepted as to the accuracy or completeness of the data. Please refer to the issue documentation for notes and structure for further information.

This report is for information purposes only and is not intended as an offer or invitation with respect to the purchase or sale of security. Reliance should not be placed on the information herein when making any decision whether to buy, hold or sell notes (or other securities) or for any other purpose.

Asset coverage test

A= (Adjusted loan balance)	£10,735,614,486
B= (Principal collections not applied)	£624,843,149
C=(Cash Capital Contributions held on Capital Ledger)	£0
D=(Substitution Assets)	£0
E=(Sales proceeds or Capital Contributions credited to the Pre-Maturity Liquidity Ledger)	£0
X=(For set-off risk*)	£0
Y=(For redraw capacity)	£0
Z=(potential negative carry held on funds held in GIC from sale of assets)	£168,821,918
Total A+B+C+D+E-(X+Y+Z)	£11,191,635,717
Method used for calculating "A"	A(b)
Asset percentage	92.5%
Covered bonds (GBP)	£8,000,000,000
Over collateralisation	£3,191,635,717

Cash ledgers

Revenue ledger	38,256,407
Principal ledger	624,843,149
Reserve ledger	-
Pre-maturity liquidity ledger	0
Capital account ledger - cash capital contributions	0
Total	663,099,556

GIC account	663,099,556
Transaction account	-
Authorised investments/substitution assets	0
Total	663,099,556

Note: The cash ledgers reflect January cash positions adjusted for the February waterfall payments and receipts

*This rises to 5% of the aggregated current balance of loans in the portfolio on the relevant calculation date if the Seller's ratings fall below S&P short term rating A-1 or long term Moody's A2 or Fitch A-

Mortgage LLP Assets

Number of Accounts in Pool	111,577
Current Balance - LLP Mortgage Assets	£11,616,652,265

Credit ratings

	Moody's	S&P	Fitch
Issuer - short term	P-1	A-1+	F1+
Issuer - long term	Aaa	AA-	AA-

Issuer event of default	NO
LLP Event of default	NO

Arrears Analysis of Mortgage Accounts

Month(s) In Arrears	Number of Accounts	By Number (%)	Principal (£)	By Principal (%)	Arrears (£)
>1 <=2	814	0.73	85,151,393	0.73	632,573
>2 <=3	245	0.22	26,381,141	0.23	369,952
>3 <=6	161	0.14	18,050,441	0.16	355,499
>6 <=9	11	0.01	1,894,076	0.02	33,128
>9 <=12	0	0.00	0	0.00	0
12+	0	0.00	0	0.00	0
Total	1,231	1.10	131,477,051	1.13	1,391,152

This includes details of the current portfolio and excludes any arrears cases repurchased by the Seller prior to the end of the reporting period. There is no obligation on the Seller to repurchase other than is required by the transaction documents.

Arrears are calculated in accordance with standard market practice in the UK. A mortgage is identified as being in arrears when, on any due date, the overdue amounts which were due on previous due dates equal, in the aggregate, one or more full monthly payments.

In making an arrears determination, the administrator calculates as of the date of determination the difference between the sum of all monthly payments that were due and payable by a borrower on any due date up to that date of determination

(less the aggregate amount of all authorised underpayments made by such borrower up to such date of determination) and the sum of all payments actually made by that borrower up to that date of determination. If the result arrived at by dividing that difference

(if any) by the amount of the required monthly payment equals or exceeds 1 the loan is deemed to be in arrears. Arrears classification is determined based on the number of full monthly payments that have been missed. A borrower that has missed payments that in the aggregate equal or exceeding 2 monthly payments (but for which the aggregate of missed payments is less than 3 monthly payments) would be classified as being between 2 - 3 months in arrears, and so on.

Loan Analysis

Weighted Average Seasoning (by value) Months	30.57
Weighted Average Remaining Term (by value) Years	16.22
Average Loan Size	£104,114
Weighted Average Original LTV (by value)	57.98%
Weighted Average Current Indexed LTV (by value) *	61.07%

* Indexation is applied on a regional basis to property valuations on a quarterly basis in January, April, July and October of each year.

Product Breakdown

	Value	% of Total of value
Fixed Rate (by balance)	5,510,338,007	47.43%
Standard Variable Rate based (by balance)	1,769,768,612	15.23%
Tracker (by balance)	4,336,545,647	37.33%
Total	11,616,652,265	100.00%

Geographic Analysis

	Number of Accounts	% of Total of Accounts	Value (£)	% of Total of value
East Anglia	5,333	4.78%	521,477,072	4.49%
East Midlands	7,291	6.53%	621,957,290	5.35%
Greater London	11,372	10.19%	1,820,511,423	15.67%
Northern	5,819	5.22%	450,649,587	3.88%
North West	11,792	10.57%	1,009,263,907	8.69%
Scotland	2,960	2.65%	283,499,338	2.44%
South East	22,993	20.61%	2,839,065,673	24.44%
South West	15,509	13.90%	1,601,093,079	13.78%
Wales	6,401	5.74%	525,747,215	4.53%
West Midlands	13,715	12.29%	1,242,225,484	10.69%
Yorkshire & Humberside	8,392	7.52%	701,162,198	6.04%
Total	111,577	100%	11,616,652,265	100%

Indexed* Loan to Value Ratios

	Number of Accounts	Value (£)	% of Total (by Value)
0% < 25%	14,966	614,849,466	5.29%
> 25% to 50%	33,488	2,759,385,981	23.75%
> 50% to 55%	7,814	809,269,828	6.97%
> 55% to 60%	7,912	907,894,837	7.82%
> 60% to 65%	7,906	954,796,734	8.22%
> 65% to 70%	8,108	1,038,185,450	8.94%
> 70% to 75%	7,832	1,063,480,002	9.15%
> 75% to 80%	7,583	1,054,722,502	9.08%
> 80% to 85%	7,601	1,122,092,585	9.66%
> 85% to 90%	6,864	1,057,585,057	9.10%
> 90% to 95%	1,466	228,822,570	1.97%
> 95%	37	5,567,253	0.05%
Total	111,577	11,616,652,265	100%

* Indexation is applied on a regional basis to property valuations on a quarterly basis in January, April, July and October of each year.

Repayment Terms

	Number of Loans (sub accounts)	Value (£)	% of Total (by Value)
Interest Only	88,743	4,498,768,797	38.73%
Repayment	203,162	7,117,883,468	61.27%
Total	291,905	11,616,652,265	100%

Standard Variable Rate

C&G existing borrowers SVR	4.00%
Effective Date of Last Change	1 January 2009

Bonds Outstanding

2008

Series	Rating	Currency	Initial Tranche Size	£ Equivalent	Pool		Current		Margin	Current all-in rate	Scheduled	Hard/Soft	ISIN : Reg S	ISIN: 144a
	(Moody's/S&P/Fitch)				Factor	Benchmark	Rate Fixing	Payment Dates			Maturity			
Series 2008-1	Aaa/AAA/AAA	GBP	£2,000,000,000	£2,000,000,000	1.00	1m Libor	1.92750%	0.40%	2.32750%	Nov-11	Soft	XS0392503065	-	
Series 2008-2	Aaa/AAA/AAA	GBP	£2,000,000,000	£2,000,000,000	1.00	1m Libor	1.92750%	0.40%	2.32750%	May-12	Soft	XS0392503495	-	
Series 2008-3	Aaa/AAA/AAA	GBP	£2,000,000,000	£2,000,000,000	1.00	1m Libor	1.92750%	0.40%	2.32750%	Nov-12	Soft	XS0392503735	-	
Series 2008-4	Aaa/AAA/AAA	GBP	£2,000,000,000	£2,000,000,000	1.00	1m Libor	1.92750%	0.40%	2.32750%	May-13	Soft	XS0392504030	-	