

Monthly Report January 2011 : Lloyds TSB Covered Bonds LLP

Reporting Information

Reporting Date:	15 February 2011
Reporting Period:	1 January - 31 January 2011

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	PwC LLP
Servicer	Cheltenham and Gloucester plc
Cash Manager	Cheltenham and Gloucester plc
Covered Bonds Swap Provider	Lloyds TSB Bank plc
Interest Rate Swap Provider	Lloyds TSB Bank plc
Account Bank/GIC provider	Lloyds TSB Bank plc
Arranger	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)	£9,765,055,154
B= (Principal collections not applied)	£3,097,624,977
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)	£681,585,246
Total A+B+C+D+E-(X+Y+Z)	£12,181,094,885
Method used for calculating 'A'	A(b)
Asset percentage**	79.9%
Covered bonds (GBP)	£8,841,336,369
Over collateralisation	£3,339,758,516

*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 long term Moody's A2 or Fitch A-

**This asset percentage is the required level for a AAA rating from each Rating Agency, including a AAA rating on a Probability of Default (PD) only basis from Fitch. A rating of AAA from each Rating Agency would also be achieved using a lower level of over-collateralisation (a higher asset percentage of 85.1).

Mortgage LLP Assets

Number of Mortgage Accounts in Portfolio	121,968
Current Balance - LLP Mortgage Account:	£12,274,516,460

Arrears Analysis of Non-Repossessed Mortgage Accounts

Month(s) In Arrears	Number of Mortgage Accounts	% of Total by Number	Current Balance (£)	% of Current Balance	Arrears Balance (£)
1 to <2	1,013	0.83	99,238,601	0.81	711,488
2 to <3	430	0.35	45,268,108	0.37	560,627
3 to <6	506	0.41	48,867,091	0.40	1,171,414
6 to <9	229	0.19	22,751,044	0.19	900,510
9 to <12	132	0.11	12,814,327	0.10	686,814
12+	259	0.21	26,346,044	0.21	1,925,238
Total	2,569	2.11	255,285,215	2.08	5,956,091

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 account 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 2 to <3 months in arrears, and so on. For the purpose of the Asset Coverage Test, an account is treated as being in default if it is 3 or more months in arrears.

Cash ledgers

Revenue ledger	-
Principal ledger	3,097,624,977
Retained profit	9,000
Reserve ledger	-
Pre-maturity liquidity ledger	-
Capital account ledger - cash capital contributions	-
Total	3,097,633,977

GIC account	3,097,633,977
Transaction account	-
Authorised investments/substitution assets	-
Total	3,097,633,977

Note: The cash ledgers reflect current month cash positions adjusted for the waterfall payments and receipts

Credit ratings*

	Moody's	Fitch
Issuer - short term	P-1	F1+
Issuer - long term	Aa3	AA-

Issuer event of default	No
LLP Event of default	No

*Ratings applicable at waterfall date

Loan Analysis

Weighted Average Seasoning (by value) Months	44.53
Weighted Average Remaining Term (by value) Years	15.60
Average Mortgage Account Balance	£100,637
Weighted Average Original LTV (by value)	58.81%
Weighted Average Current Indexed LTV (by value) *	57.53%

* 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

	Current Balance (£)	% of Current Balance
Fixed Rate Loans (by balance)	3,723,668,137	30.34%
Standard Variable Rate Loans based (by balance)	4,903,881,963	39.95%
Tracker Loans (by balance)	3,646,966,359	29.71%
Total	12,274,516,460	100.00%

Geographic Analysis

	Number of Mortgage Accounts	% of Total of Mortgage Accounts	Current Balance (£)	% of Current Balance
East Anglia	5,612	4.60%	522,789,245	4.26%
East Midlands	8,009	6.57%	659,242,780	5.37%
Greater London	12,297	10.08%	1,915,471,892	15.61%
Northern	6,659	5.46%	493,101,601	4.02%
North West	13,017	10.67%	1,060,963,363	8.64%
Scotland	3,608	2.96%	336,338,755	2.74%
South East	24,832	20.36%	2,996,678,661	24.41%
South West	16,599	13.61%	1,681,151,759	13.70%
Wales	7,066	5.79%	563,372,289	4.59%
West Midlands	14,859	12.18%	1,291,898,245	10.53%
Yorkshire & Humberside	9,410	7.72%	753,507,869	6.14%
Total	121,968	100.00%	12,274,516,460	100.00%

Indexed* Loan to Value Ratios

	Number of Mortgage Accounts	Current Balance (£)	% of Current Balance
0% to 25%	20,397	799,190,955	6.51%
> 25% to 50%	38,520	3,222,421,442	26.25%
> 50% to 55%	9,033	993,314,465	8.09%
> 55% to 60%	9,043	1,071,644,671	8.73%
> 60% to 65%	9,023	1,129,255,480	9.20%
> 65% to 70%	9,814	1,307,713,285	10.65%
> 70% to 75%	10,193	1,413,295,398	11.51%
> 75% to 80%	7,806	1,106,495,661	9.01%
> 80% to 85%	4,943	735,359,257	5.99%
> 85% to 90%	2,273	344,063,483	2.80%
> 90% to 95%	806	133,816,496	1.09%
> 95% to 100%	112	17,069,828	0.14%
>100%	5	876,040	0.01%
Total	121,968	12,274,516,460	100.00%

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

Original Loan to Value Ratios

	Number of Mortgage Accounts	Current Balance (£)	% of Current Balance
0% to 25%	12,851	621,091,062	5.06%
> 25% to 50%	38,749	3,212,993,941	26.18%
> 50% to 55%	8,987	948,234,025	7.73%
> 55% to 60%	12,193	1,412,815,154	11.51%
> 60% to 65%	8,252	978,790,467	7.97%
> 65% to 70%	9,625	1,204,160,093	9.81%
> 70% to 75%	14,100	1,960,787,673	15.97%
> 75% to 80%	6,142	766,481,571	6.24%
> 80% to 85%	2,757	339,962,526	2.77%
> 85% to 90%	4,000	450,626,096	3.67%
> 90% to 95%	4,148	366,470,693	2.99%
> 95% to 100%	127	9,280,766	0.08%
>100%	37	2,822,392	0.02%
Total	121,968	12,274,516,460	100.00%

Outstanding balances

	Number of Mortgage Accounts	% of Total of Mortgage Accounts	Current Balance (£)	% of Current Balance
< £15,000	4,132	3.39%	35,287,927	0.29%
£15,000 to < £20,000	2,342	1.92%	41,368,109	0.34%
£20,000 to < £30,000	5,901	4.84%	149,016,317	1.21%
£30,000 to < £40,000	7,067	5.79%	248,393,092	2.02%
£40,000 to < £50,000	9,591	7.86%	433,801,742	3.53%
£50,000 to < £60,000	10,568	8.66%	579,785,971	4.72%
£60,000 to < £70,000	10,239	8.39%	664,002,496	5.41%
£70,000 to < £80,000	9,408	7.71%	704,765,403	5.74%
£80,000 to < £90,000	8,388	6.88%	711,773,304	5.80%
£90,000 to < £100,000	7,289	5.98%	691,622,321	5.63%
£100,000 to < £110,000	6,564	5.38%	687,771,878	5.60%
£110,000 to < £120,000	5,486	4.50%	630,376,867	5.14%
£120,000 to < £130,000	4,985	4.09%	621,978,012	5.07%
£130,000 to < £140,000	4,140	3.39%	557,978,323	4.55%
£140,000 to < £150,000	3,521	2.89%	510,023,141	4.16%
£150,000 to < £250,000	16,412	13.46%	3,064,150,422	24.96%
>£250,000 to <£350,000	4,018	3.29%	1,164,642,599	9.49%
=>£350,000	1,917	1.57%	777,778,535	6.34%
Total	121,968	100.00%	12,274,516,460	100.00%

Seasoning of Loans

	Number of Mortgage Loans	% of Total of Mortgage Loans	Current Balance (£)	% of Current Balance
0 to <6 months	2,575	0.84%	112,126,364	0.91%
6 to <12 months	15,294	4.97%	647,547,229	5.28%
12 to <18 months	15,159	4.93%	654,679,519	5.33%
18 to <24 months	21,704	7.05%	1,059,842,063	8.63%
24 to <30 months	17,660	5.74%	929,156,623	7.57%
30 to <36 months	49,091	15.95%	2,260,449,078	18.42%
36 to <42 months	52,682	17.12%	2,316,011,357	18.87%
42 to <48 months	19,496	6.33%	862,412,869	7.03%
48 to <54 months	14,922	4.85%	674,531,837	5.50%
54 to <60 months	8,243	2.68%	312,637,095	2.55%
60 to <66 months	7,158	2.33%	281,221,575	2.29%
66 to <72 months	8,533	2.77%	310,260,090	2.53%
72+ months	75,249	24.45%	1,853,640,761	15.10%
Total	307,766	100.00%	12,274,516,460	100.00%

Years to Maturity

	Number of Mortgage Loans	% of Total of Mortgage Loans	Current Balance (£)	% of Current Balance
0 to <5	33,712	10.95%	724,788,361	5.90%
5 to <10	60,561	19.68%	1,784,589,020	14.54%
10 to <15	74,990	24.37%	2,708,839,727	22.07%
15 to <20	80,772	26.24%	3,743,469,493	30.50%
20 to <25	47,553	15.45%	2,746,953,916	22.38%
25 to <30	7,586	2.46%	422,650,977	3.44%
30 to <35	2,581	0.84%	142,528,173	1.16%
35+	11	0.00%	696,792	0.01%
Total	307,766	100.00%	12,274,516,460	100.00%

Repayment Terms

	Number of Loans	Current Balance (£)	% of Current Balance
Interest Only	106,395	5,417,450,911	44.14%
Repayment	201,371	6,857,065,549	55.86%
Total	307,766	12,274,516,460	100.00%

Standard Variable Rate

Current Standard Variable Rate	2.50%
Effective date of last change	1 April 2009

Bonds Outstanding

2008

Series	Current Rating (Moody's/Fitch)	Currency	Current Tranche Size	£ Equivalent	Benchmark	Current Rate Fixing	Margin	Current all-in rate	Interest Payment Frequency	Next Interest Payment Date	Scheduled Repayment Date	Hard/Soft Maturity	ISIN
Series 2008-1	Aaa/AAA	GBP	£1,000,000,000	£1,000,000,000	1m Libor	0.59000%	0.40%	0.99000%	Monthly	08-Jan-11	08-Nov-11	Soft	XS0392503065
Series 2008-2	Aaa/AAA	GBP	£1,000,000,000	£1,000,000,000	1m Libor	0.59000%	0.40%	0.99000%	Monthly	08-Jan-11	08-May-12	Soft	XS0392503495
Series 2008-4	Aaa/AAA	GBP	£1,250,000,000	£1,250,000,000	1m Libor	0.59000%	0.40%	0.99000%	Monthly	08-Jan-11	08-May-13	Soft	XS0392504030

2010

Series	Current Rating (Moody's/Fitch)	Currency	Current Tranche Size	£ Equivalent	Coupon Type	Current Rate Fixing	Interest Payment Frequency	Next Interest Payment Date	Scheduled Repayment Date	Hard/Soft Maturity	ISIN
Series 2010-1	Aaa/AAA	EUR	€1,500,000,000	£1,366,500,000	Annual Fixed	3.37500%	Annual	17-Mar-11	17-Mar-15	Soft	XS0482808465
Series 2010-2	Aaa/AAA	EUR	€750,000,000	£624,000,000	Annual Fixed	4.00000%	Annual	25-Jun-11	25-Jun-18	Soft	XS0519671787
Series 2010-3	Aaa/AAA	EUR	€250,000,000	£206,250,000	Annual Fixed	2.62500%	Annual	01-Jul-11	01-Jul-13	Soft	XS0522716223
Series 2010-4	Aaa/AAA	EUR	€50,000,000	£40,919,553	Annual Fixed	4.00000%	Annual	02-Sep-11	02-Sep-24	Soft	XS0538831685
Series 2010-5	Aaa/AAA	EUR	€2,000,000,000	£1,712,000,000	Annual Fixed	4.00000%	Annual	29-Sep-11	29-Sep-20	Soft	XS0542950810
Series 2010-6	Aaa/AAA	EUR	€250,000,000	£216,250,000	Annual Fixed	2.37500%	Annual	11-Oct-11	11-Oct-13	Soft	XS0548151660
Series 2010-7	Aaa/AAA	EUR	€543,000,000	£468,205,500	Annual Fixed	4.00000%	Annual	12-Oct-11	12-Oct-22	Soft	XS0548498343

2011

Series	Current Rating (Moody's/Fitch)	Currency	Current Tranche Size	£ Equivalent	Coupon Type	Current Rate Fixing	Interest Payment Frequency	Next Interest Payment Date	Scheduled Repayment Date	Hard/Soft Maturity	ISIN
Series 2011-1	Aaa/AAA	EUR	€45,000,000	£38,182,500	Annual Fixed	4.90500%	Annual	13-Jan-12	13-Jan-31	Soft	XS0577346553
Series 2011-2	Aaa/AAA	EUR	€750,000,000	£630,225,000	Annual Fixed	4.87500%	Annual	13-Jan-12	13-Jan-23	Soft	XS0577606725
Series 2011-3	Aaa/AAA	EUR	€250,000,000	£207,950,000	Annual Fixed	2.75000%	Annual	20-Jan-12	20-Jan-14	Soft	XS0580328911
Series 2011-4	Aaa/AAA	NOK	NOK 750,000,000.00	£80,853,816	Annual Fixed	5.82500%	Annual	26-Jan-12	26-Jan-21	Soft	XS0583560346