



Lloyds TSB

04/09

12 January 2009

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Results of Placing and Open Offer

*Unless otherwise defined in this announcement, capitalised terms shall have the same meaning as in the prospectus published by Lloyds TSB Group plc ("**Lloyds TSB**") on 18 November 2008, as supplemented (together, the "**Prospectus**").*

Lloyds TSB today announces that, as at 11.00 a.m. on 9 January 2009, being the latest date for receipt of valid acceptances and settlement in full under the Open Offer, it had received valid acceptances in respect of 13,085,995 Open Offer Shares in aggregate, representing approximately 0.50 per cent of the total number of Open Offer Shares offered to Qualifying Shareholders pursuant to the Placing and Open Offer announced by Lloyds TSB on 13 October 2008.

Each of the Lloyds TSB Directors has taken up his or her Open Offer Entitlement in full.

In accordance with the arrangements set out in Part VIII of the Prospectus, upon closing of the Placing and Open Offer, HM Treasury will acquire the remaining 2,583,567,208 Open Offer Shares for which valid acceptances have not been received.

HBOS has also announced today the results of the HBOS Placing and Open Offer and that it has received valid acceptances in respect of 17,692,895 HBOS Open Offer Shares in aggregate, representing approximately 0.24 per cent of the total number of HBOS Open Offer Shares offered to HBOS Shareholders pursuant to the HBOS Placing and Open Offer. As with the Lloyds TSB Placing and Open Offer, HM Treasury will acquire the remaining HBOS Open Offer Shares for which valid acceptances have not been received from HBOS Shareholders. As a result, based on the number of Lloyds TSB Shares and HBOS Shares in issue as of today's date, it is expected that on completion of the proposed acquisition of HBOS (following the Scheme becoming effective in accordance with its terms) HM Treasury will own approximately 43.4 per cent of the enlarged issued ordinary share capital of the newly named Lloyds Banking Group plc as at 19 January 2008.

Closing of the Placing and Open Offer and the issue of the Open Offer Shares is conditional upon, among other things, the sanction of the Scheme by the Court, which is expected to take place later today. Admission of the Open Offer Shares to the Official List and to trading on the London Stock Exchange is expected to occur at 8.00 a.m. on 13 January 2009.

Any questions in relation to the Placing and Open Offer should be directed to the helpline on 0845 600 3579 (from within the UK) or +44 208 495 4632 (from overseas).

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The Prospectus and the supplementary prospectus published by Lloyds TSB on 17 December 2008 (the “**Supplementary Prospectus**”), which contain prescribed information relating to, amongst other things, Lloyds TSB, are available on request up until Admission of the Consideration Shares free of charge by writing to the head office of Lloyds TSB (25 Gresham Street, London EC2V 7HN (Attention: Investor Relations)) or by calling Equiniti Limited (0845 600 3579). A copy of the Prospectus and the Supplementary Prospectus are also available via Lloyds TSB’s website (www.investorrelations.lloydstsb.com). The implications of the information contained in the Prospectus and the Supplementary Prospectus for Overseas Shareholders may be affected by the laws of the relevant jurisdiction. Such Overseas Shareholders should inform themselves about and observe any applicable legal requirements.

Copies of the Prospectus and the Supplementary Prospectus are also available for viewing at the Document Viewing Facility of the FSA (25 North Colonnade, London E14 5HS) and is available for inspection at Lloyds TSB’s registered office (Henry Duncan House, 120 George Street, Edinburgh EH2 4LH) as well as at the offices of Linklaters LLP (One Silk Street, London EC2Y 8HQ) during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) until Admission of the Consideration Shares.

This announcement does not constitute a prospectus or prospectus equivalent document. This announcement does not constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell, otherwise dispose of or issue, or any solicitation of any offer to sell, otherwise dispose of, issue, purchase, otherwise acquire or subscribe for, any security.

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Neither the content of Lloyds TSB's website (or any other website) nor the content of any website accessible from hyperlinks on Lloyds TSB's website (or any other website) is incorporated in, or forms part of, this announcement.

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This announcement has been prepared for the purposes of complying with applicable law and regulation in the United Kingdom and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws and regulations of any jurisdiction outside of the United Kingdom.

Under the provisions of Rule 8.3 of the City Code, if any person is, or becomes, "interested" (directly or indirectly) in one per cent. or more of any class of "relevant securities" of Lloyds TSB or HBOS, all "dealings" in any "relevant securities" of that company (including by means of an option in respect of, or a derivative referenced to, any such "relevant securities") must be publicly disclosed by no later than 3.30 p.m. on the London business day following the date of the relevant transaction. This requirement will continue until the Effective Date, or on which the "offer period" for the purposes of the City Code otherwise ends. If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire an "interest" in "relevant securities" of Lloyds TSB or HBOS, they will be deemed to be a single person for the purpose of Rule 8.3.

Under the provisions of Rule 8.1 of the City Code, all "dealings" in "relevant securities" of Lloyds TSB or HBOS by Lloyds TSB or HBOS, or by any of their respective "associates", must be disclosed by no later than 12.00 noon on the London business day following the date of the relevant transaction.

A disclosure table, giving details of the companies in whose "relevant securities" "dealings" should be disclosed, and the number of such securities in issue, can be found on the Panel's website at www.thetakeoverpanel.org.uk.

"Interests in securities" arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an "interest" by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities.

Terms in quotation marks are defined in the Code, which can also be found on the Panel's website. If you are in any doubt as to whether or not you are required to disclose a "dealing" under Rule 8, you should consult the Panel.