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9 June 2014

Announcement of Publication of Prospectus

Further to the announcement by Lloyds Banking Group plc ("Lloyds") earlier today relating to the IPO of TSB, the UK Listing Authority has approved the Prospectus dated 9 June 2014.

Further details of the IPO are set out in the Prospectus, which will shortly be available from TSB's registered office at 20 Gresham Street, London EC2V 7JE and online at tsbshareoffer.equiniti.com.

An electronic copy of the Prospectus will be submitted to the National Storage Mechanism and should be available shortly for inspection at www.morningstar.co.uk/uk/NSM.

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This announcement is an advertisement for the purposes of the Prospectus Rules of the FCA and not a prospectus and investors should not purchase or subscribe for any securities referred to in this announcement except on the basis of information in the Prospectus in its final form published by the Company in connection with Admission. Copies of the Prospectus will be available shortly from the Company’s registered office at 20 Gresham Street, London EC2V 7JE and online at tsbshareoffer.equiniti.com.

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Forward-looking statements reflect the Company’s current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company’s business, results of operations, financial position, liquidity, prospects, growth and strategies. Forward-looking statements speak only as of the date they are made and cannot be relied upon as a guide to future performance. Save as required by law or regulation, the Company does not undertake to release publicly the results of any revisions to any forward-looking statements in this announcement that may occur due to any change in its expectations or to reflect events or circumstances after the date of the announcement.

The Company expressly disclaims any obligation or undertaking to update, review or revise any forward-looking statement contained in this announcement whether as a result of new information future developments or otherwise.

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Rothschild is acting exclusively for the Board of TSB and no one else in connection with the Offer and will not regard any other person as a client in relation to the Offer and will not be responsible to anyone other than the Board of TSB for providing the protections afforded to its clients nor for giving advice in relation to the Offer or any transaction or arrangement referred to in this announcement.

In connection with the Offer, each of the Underwriters and Rothschild or any of their respective affiliates, acting as investors for their own accounts, may subscribe for or purchase Ordinary Shares and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such Ordinary Shares and other securities of the Company or related investments in connection with the Offer or otherwise. Accordingly, references in the Prospectus to the Ordinary Shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by, the Underwriters, Rothschild or any of their respective affiliates acting as investors for their own accounts. In addition, certain of the Underwriters, Rothschild or their affiliates may enter into financing arrangements and swaps in connection with which they or their affiliates may from time to time acquire, hold or dispose of Ordinary Shares. The Underwriters and Rothschild or any of their respective affiliates do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

None of the Underwriters, Rothschild or any of their respective subsidiary undertakings, affiliates or any of their respective directors, officers, employees, advisers, agents or any other person accepts any responsibility or liability whatsoever for, or makes any representation, warranty or undertaking, express or implied, as to the truth, accuracy, completeness or fairness of the information or opinions in this announcement (or whether any information has been omitted from the announcement) or any other information relating to the Company, its subsidiaries or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith.

The Offer timetable, including the date of Admission, may be influenced by a range of factors such as market conditions. There is no guarantee that Admission will occur. Acquiring investments to which
this announcement relates may expose an investor to a significant risk of losing all of the amount invested. The value of Ordinary Shares can go down as well as up. Potential investors should consult a professional advisor as to the suitability of the Offer for the person concerned. Past performance cannot be relied upon as a guide to future performance.

In connection with the Offer, a stabilising manager, or any of its agents, may (but will be under no obligation to), to the extent permitted by applicable law, over-allot Ordinary Shares or effect other transactions with a view to supporting the market price of the Ordinary Shares at a higher level than that which might otherwise prevail in the open market. The stabilising manager may, for stabilisation purposes, over-allot Ordinary Shares up to a maximum of 10 per cent. of the total number of Ordinary Shares comprised in the Offer. The stabilising manager will not be required to enter into such transactions and such transactions may be effected on any securities, market, over-the-counter market, stock exchange or otherwise and may be undertaken at any time during the period commencing on the date of the commencement of conditional dealings of the Ordinary Shares on the London Stock Exchange and ending no later than 30 calendar days thereafter. However, there will be no obligation on the stabilising manager or any of its agents to effect stabilising transactions and there is no assurance that stabilising transactions will be undertaken. Such stabilising measures, if commenced, may be discontinued at any time without prior notice. In no event will measures be taken to stabilise the market price of the Ordinary Shares above the offer price. Save as required by law or regulation, neither the stabilising manager nor any of its agents intends to disclose the extent of any over-allotments made and/or stabilisation transactions conducted in relation to the Offer.