



Lloyds TSB

116/08

12 December 2008

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RESULTS OF HBOS GENERAL MEETING AND DETAILS OF LLOYDS TSB PLACING AND OPEN OFFER

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

HBOS plc held its General Meeting today at the NEC, Birmingham to vote on the proposed acquisition by Lloyds TSB Group plc. The preliminary voting indications show that the resolutions proposed with respect to the combination, open offer and capital raising were passed by a significant majority.

Commenting on the positive outcome, Sir Victor Blank, Chairman of Lloyds TSB said: "We are delighted that HBOS's shareholders, mirroring Lloyds TSB's shareholders, have demonstrated their support for the compelling business opportunity this acquisition presents. With both sets of shareholders behind us, we look forward to completing the transaction in mid-January 2009 to create the newly named Lloyds Banking Group."

Eric Daniels, Group Chief Executive, Lloyds TSB said: "we are very pleased that HBOS shareholders have given a strong vote of confidence for the proposed acquisition, and that they will be in a position to share in the benefits as we create the UK's leading financial institution. I believe the enlarged Group will help to bring stability to the financial services sector, ensure strong competition and create greater value for both sets of shareholders."

In light of today's vote, Lloyds TSB is now in a position to proceed with the Placing and Open Offer announced on 13 October 2008 and as described in further detail in the Prospectus.

Application Forms will be posted to Qualifying Non-CREST Shareholders shortly. Open Offer Entitlements and Excess CREST Open Offer Entitlements are expected to be credited to stock accounts of Qualifying CREST Shareholders in CREST by 15 December 2008. The latest time for receipt of completed application forms and settlement of relevant CREST instructions is 11.00 am on 9 January 2009. Closing of the Placing and Open Offer and the issue of Open Offer Shares is conditional upon, among other things, the sanction of the Scheme by the Court, which is expected to take place on 12 January 2009.

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

The Prospectus is available at the Lloyds TSB website (www.investorrelations.lloydstsb.com) in electronic form and in hard copy 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 between the hours of 8.30 am and 5.30 pm on any business day until 19 January 2009 (or, if later, the date of Admission of the Consideration Shares). A copy can also be obtained by contacting the helpline.

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FORWARD LOOKING STATEMENTS

This announcement contains forward looking statements with respect to the business, strategy and plans of the Lloyds TSB Group, its current goals and expectations relating to its future financial condition and performance. By their nature, forward looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. The Group's actual future results may differ materially from the results expressed or implied in these forward looking statements as a result of a variety of factors, including UK domestic and global economic and business conditions, risks concerning borrower credit quality, market related risks such as interest rate risk and exchange rate risk in its banking business and equity risk in its insurance businesses, changing demographic trends, unexpected changes to regulation, the policies and actions of governmental and regulatory authorities in the UK or jurisdictions outside the UK, including other European countries and the US, exposure to legal proceedings or complaints, changes in customer preferences, competition and other factors. Please refer to the latest Annual Report on Form 20-F filed with the US Securities and Exchange Commission for a discussion of such factors. The forward looking statements contained in this announcement are made as at the date of this announcement, and the Group undertakes no obligation to update any of its forward looking statements.

Availability of the Prospectus

The Prospectus, which contains prescribed information relating to, amongst other things, Lloyds TSB, is 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 is also available via Lloyds TSB's website (www.investorrelations.lloydstsb.com). The implications of the information contained in the 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.

A copy of the Prospectus is also available for viewing at the Document Viewing Facility of the FSA (25 North Colonnade, London E14 5HS) and is available for inspection at our 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 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.

The securities mentioned herein have not been, and will not be, registered under the Securities Act. Securities may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act. There will be no public offer of the securities mentioned herein in the United States.

The securities mentioned herein may not be offered or sold in any Restricted Jurisdiction absent registration or an applicable exemption from the registration requirements of the relevant laws of any Restricted Jurisdiction. There will be no public offer of such securities in any Restricted Jurisdiction.

This announcement does not constitute a prospectus or prospectus equivalent document. Nothing in this announcement should be interpreted as a term or condition of the Placing and Open Offer. Any decision to acquire Lloyds TSB Shares under the Placing and Open Offer must be made only on the basis of the information contained in and incorporated by reference into the Prospectus.

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.

The distribution of this announcement, the Circular, the Prospectus, the Application Forms and/or related documents into certain jurisdictions (including but not limited to the United States) other than the United Kingdom is or may be restricted by law and therefore persons into whose possession this announcement and any such documents come should inform themselves about and observe any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction.

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.

The directors of Lloyds TSB accept responsibility for the information contained in the enclosed announcement except for information relating to the HBOS Group and the directors of HBOS. To the best of the knowledge and belief of the directors of Lloyds TSB (who have taken all reasonable care to ensure that such is the case), the information contained in the announcement for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.