



LLOYDS TSB GROUP plc

(incorporated under the Companies Act 1985 and registered in Scotland with Registered No. 95000)

Supplementary Prospectus for the admission to the Official List of up to

£300,000,000 9.25% Non-Cumulative Irredeemable Preference Shares
£100,000,000 9.75% Non-Cumulative Irredeemable Preference Shares
£198,065,600 6.475% Non-Cumulative Preference Shares
£750,000,000 6.0884% Non-Cumulative Fixed to Floating Rate Preference Shares
£350,002,000 6.3673% Non-Cumulative Fixed to Floating Rate Preference Shares
U.S.\$750,000,000 6.413% Non-Cumulative Fixed to Floating Rate Preference Shares
U.S.\$750,000,000 5.92% Non-Cumulative Fixed to Floating Rate Preference Shares
U.S.\$750,000,000 6.657% Non-Cumulative Fixed to Floating Rate Preference Shares
£3,000,000,000 12% Non-Cumulative Fixed to Floating Rate Preference Shares
£1,000,000,000 12% Non-Cumulative Fixed to Floating Rate Preference Shares
(together, the "Preference Shares")

This Supplement (the "**Supplement**") to the Prospectus (the "**Prospectus**") dated 20 November 2008 (as supplemented by a supplementary prospectus dated 17 December 2008), constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 (the "**FSMA**") and is prepared in connection with the proposed issue of the Preference Shares by Lloyds TSB Group plc (the "**Company**"). Terms defined in the Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with, the Prospectus and any other supplements to the Prospectus issued by the Company.

The Company accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Company (having taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Aggregate Liquidation Preference of the Preference Shares

By virtue of their holdings in certain classes of HBOS Preference Shares, a number of Restricted Entities will not be entitled to receive New Lloyds TSB Preference Shares pursuant to the Preference Scheme. Therefore, the aggregate liquidation preference of each class of New Lloyds TSB Preference Shares set out in the Prospectus shall be deemed to refer to the maximum aggregate liquidation preference of such New Lloyds TSB Preference Shares to be issued by the Company in that class pursuant to the Preference Scheme. The liquidation preference of New Lloyds TSB Preference Shares to be issued by the Company on or around the Issue Date may be less than the maximum aggregate liquidation preference specified in the Prospectus.

ISIN Codes of the Preference Shares

In accordance with the Company's undertaking to obtain an International Securities Identification Number (ISIN) for each class of Preference Shares, as set out in Paragraph 22 ("Miscellaneous") of Part XVIII ("Additional Information") of the Prospectus, the New Lloyds TSB Preference Shares shall have the following ISINs:

Preference Share	ISIN
Lloyds TSB 9.25% Preference Shares	GB00B3KS9W93
Lloyds TSB 9.75% Preference Shares	GB00B3KSB238
Lloyds TSB 6.475% Preference Shares	GB00B3KSB568
Lloyds TSB 6.0884% Preference Shares	GB00B3KSB675 / XS0408828803
Lloyds TSB 6.3673% Preference Shares	XS0408826427
Lloyds TSB 6.413% Preference Shares	GB00B3KSBH82
Lloyds TSB 5.92% Preference Shares	GB00B3KSBJ07
Lloyds TSB 6.657% Preference Shares	GB00B3KSBK12
Lloyds TSB 12% Preference Shares and New HMT Preference Shares	GB00B3KSBM36

ISINs - ADRs representing New Lloyds TSB Preference ADSs

The second sentence of Paragraph 22 ("Miscellaneous") of Part XVIII ("Additional Information") of the Prospectus shall be deleted. The New Lloyds TSB Preference ADSs shall be assigned new ISINs and CUSIPs as follows:

Preference Share	ISIN	CUSIP
Lloyds TSB 6.413% Preference ADRs (Reg S)	USG5533WAA56	G5533WAA5
Lloyds TSB 6.413% Preference ADRs (Rule 144A)	US539439AC38	539439AC3
Lloyds TSB 5.92% Preference ADRs (Reg S)	USG5533WAB30	G5533WAB3
Lloyds TSB 5.92% Preference ADRs (Rule 144A)	US539439AD11	539439AD1
Lloyds TSB 6.657% Preference ADRs (Reg S)	US539439AE93	539439AE9
Lloyds TSB 6.657% Preference ADRs (Rule 144A)	US539439AF68	539439AF6

Description of the Preference Shares – Change of Registrar and Paying Agents

Lloyds TSB 6.0884% Preference Shares

- The first paragraph of Paragraph 17 (“Registrar and Paying Agent”) of “Description of the Lloyds TSB 6.0884% Preference Shares” as set out in Part IV (“Description of the Preference Shares”), shall be deleted and replaced with the following:

“Equiniti Limited located at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA will maintain the register and will act as Registrar. Equiniti Limited will act as Paying Agent in respect of CREST Preference Shares and Certificated Preference Shares and the Company will act as Paying Agent in respect of Clearing System Preference Shares.”

- Paragraph 19 (“Definitions”) of “Description of the Lloyds TSB 6.0884% Preference Shares” as set out in Part IV (“Description of the Preference Shares”), shall be amended as follows:

- The following shall be added as new definitions:

“**Certificated Preference Shares**” means Preference Shares which are held in certificated form;

“**Clearing System Preference Shares**” means Preference Shares which are represented by a share certificate in registered form, deposited with, and registered in the name of a nominee for, a common depositary on behalf of Euroclear and Clearstream, Luxembourg; and

“**CREST Preference Shares**” means Preference Shares which are held through accounts in CREST.

- The definition of “Paying Agent” shall be deleted and replaced with the following:

“**Paying Agent**” means (i) in respect of the CREST Preference Shares and the Certificated Preference Shares, the Registrar or (ii) in respect of the Clearing System Preference Shares, the Company, or in either case, any entity or entities appointed by the Company and notified by the Company to the holders of the Preference Shares to perform the function as paying agent in respect of the CREST Preference Shares, Certificated Preference Shares and/or the Clearing System Preference Shares.

Lloyds TSB 6.3673% Preference Shares

- The first paragraph of Paragraph 17 (“Registrar and Paying Agent”) of “Description of the Lloyds TSB 6.3673% Preference Shares” as set out in Part IV (“Description of the Preference Shares”), shall be deleted and replaced with the following:

“Equiniti Limited located at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA will maintain the register and will act as Registrar and the Company will act as Paying Agent.”

- In the definition of “Paying Agent” in Paragraph 19 (“Definitions”) of “Description of the Lloyds TSB 6.3673% Preference Shares” as set out in Part IV (“Description of the Preference Shares”), the word “Registrar” shall be deleted and replaced with “Company”.

Lloyds TSB 12% Preference Shares and the New HM Treasury Preference Shares

- References to the “Company’s company secretarial department” in Paragraph 16 (“Registrar and Paying Agent”) of “Description of the Lloyds TSB 12% Preference Shares and the New HM Treasury Preference Shares” as set out in Part IV (“Description of the Preference Shares”), shall be replaced with “Equiniti Limited located at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA”.

Address of Equiniti Limited

In the address of Equiniti Limited in Paragraph 17 of the description of each class of the Preference Shares in Part IV (“Description of the Preference Shares”) of the Prospectus, the words “Spencer Wood” shall be deleted and replaced with “Spencer Road”.

Description of the Preference Shares – Issue Date

The Issue Date (as defined in the Part IV (“Description of the Preference Shares”) of the Prospectus) of each class of Preference Shares (except for the Lloyds TSB 12% Preference Shares and the New HM Treasury Preference Shares) shall be 16 January 2009.

The Issue Date in respect of the Lloyds TSB 12% Preference Shares and the New HM Treasury Preference Shares shall be 15 January 2009. References in the Prospectus to the Issue Date of 16 January 2009 in respect of such preference shares shall be construed accordingly.

Description of the Preference Shares – Accrued Dividends

The respective amounts of accrued dividends for the purposes of each of the paragraphs set out in Part IV (“Description of the Preference Shares - 2. Dividends”) of the Prospectus relating to each class of Preference Shares, shall be as follows:

Preference Share	Accrued Dividend per Preference Share
Lloyds TSB 9.25% Preference Shares	£0.04
Lloyds TSB 9.75% Preference Shares	£0.04
Lloyds TSB 6.475% Preference Shares	£0.02
Lloyds TSB 6.0884% Preference Shares	£10.84
Lloyds TSB 6.3673% Preference Shares	£37.16
Lloyds TSB 6.413% Preference Shares	U.S.\$18.70
Lloyds TSB 5.92% Preference Shares	U.S.\$17.27
Lloyds TSB 6.657% Preference Shares	U.S.\$10.17

Lloyds TSB 6.0884% Preference Shares

The paragraph entitled “Provisions relating to the Preference Shares while held through Clearing Systems” in the section entitled “Description of the Lloyds TSB 6.0884% Preference Shares” in Part IV (“Description of the Preference Shares”) of the Prospectus shall be deleted and replaced with the following:

“Provisions relating to the Preference Shares while held through CREST

Accountholders in CREST may hold Preference Shares through CREST in accordance with the relevant Regulations. The relevant ISIN for the Preference Share held through CREST is GB00B3KSB675. Preference Shares held through CREST will be traded on the basis of units, with each such unit representing £1,000 liquidation preference amount (comprising £0.25 nominal value per Preference Share and £999.75 premium).

Provisions relating to the Preference Shares while held through Clearing Systems

Accountholders in the Clearing Systems may hold Preference Shares through the Clearing Systems in accordance with the relevant Clearing Systems’ procedures and regulations. The relevant ISIN for the

Preference Shares held through the Clearing Systems is XS0408828803. Preference Shares held through the Clearing Systems in the name of a nominee for a common depository for Euroclear and Clearstream, Luxembourg will be represented in tradable nominal form, tradable in denominations of £1,000.

Transfers of Preference Shares held through the Clearing Systems may only be made in accordance with the regulations and procedures of the relevant Clearing System.

Transfers of Preference Shares may be made between accounts maintained in CREST or in certificated form via the GB ISIN (GB00B3KSB675) and Euroclear and Clearstream, Luxembourg accounts through the nominee on behalf of the Clearing Systems via the XS ISIN (XS0408828803).

Transfers of Preference Shares from the GB ISIN in CREST to the XS ISIN in the Clearing Systems will be effected by delivery, in certificated form, of the relevant holding to the certificated holding of a conversion agent. The conversion agent will then instruct the common depository of the Clearing Systems to credit the elected account of the ordering transfer bank at the relevant Clearing Systems with the nominal holding represented by the Preference Shares under the XS ISIN.

Transfers of Preference Shares from the XS ISIN in the Clearing Systems to the GB ISIN in CREST or in certificated form will be effected by instructions to the relevant Clearing System to debit the relevant account with the XS ISIN nominal holding for transfer to a counterparty account in CREST or certificated holding. Such instructions will be communicated to the conversion agent via the common depository, for crediting of the elected account of the transfer bank in CREST or in certificated form.

TRANSFERS FROM PARTICIPANTS IN EUROCLEAR TO PARTICIPANTS IN CLEARSTREAM, LUXEMBOURG AND VICE VERSA, WILL BE EFFECTED THROUGH THE CLEARING SYSTEMS' ACCOUNTS HELD IN CREST OR CERTIFICATED FORM. PARTICIPANTS TRANSFERRING PREFERENCE SHARES BETWEEN EUROCLEAR AND CLEARSTREAM, LUXEMBOURG AND VICE VERSA, SHOULD (PROVIDED THAT, AT THE TIME OF THE TRANSFER, NO RELEVANT ELECTION UNDER SECTION 97A OF THE FINANCE ACT 1986 IS IN FORCE IN RELATION TO THE TRANSFEROR CLEARING SYSTEM) INSTRUCT THE TRANSFEROR CLEARING SYSTEM TO "FLAG" THE TRANSFER AS EXEMPT FROM SDRT OR STAMP DUTY IN ACCORDANCE WITH THE RULES OF THAT CLEARING SYSTEM, AS SET OUT IN THE RELEVANT PARTICIPANT USER GUIDE.

All payments on Preference Shares held through Euroclear and Clearstream, Luxembourg accounts will be credited to Euroclear and Clearstream, Luxembourg holders in accordance with the relevant Clearing System's rules and procedures. The Company will act as paying agent in relation to the Preference Shares held through Euroclear and Clearstream, Luxembourg.

Holders of Preference Shares through Euroclear and Clearstream, Luxembourg accounts will receive notices in accordance with the relevant Clearing System's rules and procedures.

So long as the Preference Shares are registered in the name of a nominee for Euroclear and Clearstream, Luxembourg, the nominee for Euroclear and Clearstream, Luxembourg will be the sole registered owner or holder of the Preference Shares represented by the relevant share certificate(s) for all purposes. Except as set forth below, the persons shown in the records of Euroclear and Clearstream, Luxembourg or any other clearing system (an "Alternative Clearing System") as the holders of the Preference Shares (each an "Accountholder") will not be entitled to have Preference Shares registered in their names, will not receive or be entitled to receive physical delivery of definitive certificates evidencing interests in the Preference Shares, and will not be considered registered owners or holders of Preference Shares thereof.

Accordingly, each Accountholder must rely on the rules and procedures of Euroclear and Clearstream, Luxembourg, as the case may be, to exercise any rights and obligations of a holder of Preference Shares.

The share certificates deposited with, and registered in the name of a nominee for, the common depositary evidencing the interests of Accountholders will be exchangeable in whole but not in part (free of charge to the holder of the Preference Shares) for individual definitive certificates if either Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so and no alternative clearing system satisfactory to the Registrar is available. Thereupon the Company may give notice to the holders of Preference Shares of its intention to exchange the share certificates deposited with, and registered in the name of a nominee for, the common depositary evidencing the interests of Accountholders for individual definitive certificates on or after the Exchange Date (as defined below). On or after the Exchange Date, the holder of the share certificates evidencing the interests of Accountholders may surrender such certificate(s) to or to the order of the Registrar. In exchange, the Registrar will deliver, or procure the delivery of, individual definitive certificates printed in accordance with any applicable legal and stock exchange requirements.

For these purposes, "Exchange Date" means a day specified in the notice requiring exchange falling not less than 10 days after that on which such notice is given and being a day on which banks are open for general business in the place in which the specified office of the Registrar is located.

Each Accountholder must look solely to Euroclear and Clearstream, Luxembourg or any Alternative Clearing System, as the case may be, for its share of each payment made by the Company to the registered holder of the Preference Shares and in relation to all other rights arising under the share certificates deposited with, and registered in the name of a nominee for, the common depositary evidencing the interests of Accountholders, subject to and in accordance with the respective rules and procedures of Euroclear and Clearstream, Luxembourg or such Alternative Clearing System, as the case may be.

Such persons shall have no claim directly against the Company in respect of payments due on the Preference Shares for so long as the Preference Shares are deposited with, and registered in the name of a nominee for, the common depositary for Euroclear and Clearstream, Luxembourg and such obligations of the Company will be discharged by payment to the registered holder of the Preference Shares in respect of each amount so paid.

Accountholders will only be able to transfer their beneficial interests in the Preference Shares in accordance with the rules and procedures of Euroclear and Clearstream, Luxembourg or the Alternative Clearing System, as the case may be."

Lloyds TSB 12% Preference Shares and the New HM Treasury Preference Shares

The section entitled "Description of the Lloyds TSB 12% Preference Shares and the New HM Treasury Preference Shares" in Part IV ("Description of the Preference Shares") of the Prospectus shall be completed by, and read in conjunction with, the following information:

First Call Date	means 16 January 2013.
Dividend Payment Date	means (i) 15 January and 15 July in each year, up to and including the First Call Date; and (ii) 15 January, 15 April, 15 July and 15 October in each year thereafter.
First Dividend Payment Date	15 July 2009.

In addition, the word “definitive” in the third line of Paragraph 1 (“General”) of “Description of the Lloyds TSB 12% Preference Shares and the New HM Treasury Preference Shares” in Part IV (“Description of the Preference Shares”), shall be deleted.

Copies of any or all of the documents which are incorporated in whole or in part by reference in the Prospectus are available for inspection at the Company’s registered office at Henry Duncan House, 120 George Street, Edinburgh EH2 4LH and at the offices of Linklaters LLP, One Silk Street, London EC2Y 8HQ, as described on page 212 of the Prospectus.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Prospectus by this Supplement and (b) any other statement in or incorporated by reference in the Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Prospectus has arisen or been noted, as the case may be, since the publication of the Prospectus.

An investor should be aware of its rights arising pursuant to Section 87Q(4) of the FSMA.