SUPPLEMENTARY PROSPECTUS DATED 21 NOVEMBER 2008

LLOYDS TSB GROUP plc

(incorporated in Scotland with limited liability under the Companies Act 1985 with registered number 95000)

Private Placement of
U.S.$3,750,000,000 Extendible Notes (the "Notes")
issued as two tranches in the amount of U.S.$3,250,000,000 on 17 July 2008 and U.S.$500,000,000 on 23 July 2008

This Supplement (the "**Supplement**") to the Base Prospectus (the "**Prospectus**") dated 24 July 2008 (as supplemented by supplementary prospectuses dated 5 August 2008 (the "**5 August Supplementary Prospectus**"), 7 October 2008 (the "**7 October Supplementary Prospectus**"), 15 October 2008 (the "**15 October Supplementary Prospectus**") and 7 November 2008 (the "**7 November Supplementary Prospectus**")) which comprises a base prospectus, 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 Notes issued by Lloyds TSB Group plc (the "**Company**"). Terms defined in the Prospectus (including terms defined in the "*Definitions*" section of the Circular (the "**Circular**") incorporated by reference in the Prospectus by virtue of the 7 November Supplementary 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.

Publication of the Lloyds TSB Placing and Open Offer Prospectus

On 18 November 2008, the Company published a prospectus (the "**Lloyds TSB Placing and Open Offer Prospectus**") relating to the Proposed Placing and Open Offer of 2,596,653,203 Open Offer Shares at 173.3 pence per Open Offer Share and the proposed issue of up to 7,873,180,756 Consideration Shares in connection with the proposed acquisition of HBOS plc. By virtue of this Supplementary Prospectus, certain parts of the Lloyds TSB Placing and Open Offer Prospectus are incorporated by reference in, and shall form part of, the Prospectus, as further described below.

Publication of the HBOS Placing and Open Offer Prospectus

On 18 November 2008, HBOS plc published a prospectus (the "**HBOS Placing and Open Offer Prospectus**") relating to the Placing and Open Offer of 7,482,394,366 Open Offer Shares at 113.6 pence per Open Offer Share in connection with the proposed acquisition of HBOS plc by the Company. By virtue of this Supplementary Prospectus, certain parts of the HBOS Placing and Open

Offer Prospectus are incorporated by reference in, and shall form part of, the Prospectus, as further described below.

Incorporation by Reference

The following parts of the Lloyds TSB Placing and Open Offer Prospectus, HBOS Placing and Open Offer Prospectus and HBOS Rights Issue Prospectus (as defined below) shall be incorporated by reference in, and shall form part of, the Prospectus:

- the risk factor entitled "*In the United Kingdom, the Lloyds TSB Group is responsible for contributing to compensation schemes in respect of banks and other authorised financial services firms that are unable to meet their obligations to customers*" on page 19 of the Lloyds TSB Placing and Open Offer Prospectus shall be deemed to be incorporated in the Prospectus as an additional risk factor;
- the section entitled "*Part XI - Regulation and Supervision in the United Kingdom*" on pages 105 to 112 (inclusive) of the Lloyds TSB Placing and Open Offer Prospectus, provided that:
  - the cross-reference under the sub-section entitled "*UK Government*" to section 3.6 of Part II of the Lloyds TSB Placing and Open Offer Prospectus shall be deemed to be a cross-reference to section 3.6 of Part II of the Circular, as incorporated by reference in the Prospectus by virtue of the 7 November Supplementary Prospectus; and
  - the cross-reference under the sub-section entitled "*Continuing review of certain markets*" to section 2.4 of Part II of the Lloyds TSB Placing and Open Offer Prospectus shall be deemed to be a cross-reference to section 2.4 of Part II of the Circular, as incorporated by reference in the Prospectus by virtue of the 7 November Supplementary Prospectus;
- section 1 ("*Overview*"), section 2 ("*Capital Arrangements*") and section 3 ("*Liquidity and Funding Arrangements*") (except the fifth paragraph of Section 3) of Part XIV ("*Capital Resources – Part A: Lloyds TSB Group*") on pages 134 and 135 of the Lloyds TSB Placing and Open Offer Prospectus, provided that:
  - the cross-reference in section 3 ("*Liquidity and Funding Arrangements*") to the risk factor contained in section 1.5 of Part II of the Lloyds TSB Placing and Open Offer Prospectus shall be deemed to be a cross-reference to the risk factor in section 1.5 of Part II of the Circular, as incorporated by reference in the Prospectus by virtue of the 7 November Supplementary Prospectus; and
  - the words "this document" in the eleventh line of the second paragraph of section 2 ("*Capital Arrangements*") shall be deemed to be amended so as to read "the Lloyds TSB Placing and Open Offer Prospectus";
- section 12 ("*Litigation*") (except for sub-section 12.1) of Part XXI ("*Additional Information*") on pages 202 to 205 (inclusive) of the Lloyds TSB Placing and Open Offer Prospectus, provided that sub-section 12.4 shall be deemed to be amended so as to read: "The Issuer intends to comply with its obligations as a company with securities admitted to the Official List in connection with further disclosures in relation to the impact of the reviews and inquiries being conducted by the UK Office of Fair Trading as disclosed in section 12.3 above on the Issuer";
- section 18.1 ("*Litigation - HBOS*") (except for the second paragraph of sub-section 18.1.4) of Part XXII ("*Additional Information*") on pages 221 to 223 (inclusive) of the HBOS Placing and Open Offer Prospectus; and

- section 18 ("*Litigation*") of Part XVIII ("*Additional Information*") on pages 185 and 186 of the prospectus published by HBOS plc on 19 June 2008 relating to the 2 for 5 Rights Issue of 1,499,662,328 new shares at a price of 275 pence per share (the "**HBOS Rights Issue Prospectus**"),

and the section entitled "Documents Incorporated by Reference" on page 5 of the Prospectus (as previously supplemented) shall be deemed to be amended accordingly.

For the purposes of incorporating by reference the foregoing parts of the Lloyds TSB Placing and Open Offer Prospectus, HBOS Placing and Open Offer Prospectus and HBOS Rights Issue Prospectus, terms defined in each such document shall have the same meanings in the respective sections incorporated by reference in the Prospectus, and the definitions of such terms shall be deemed to be incorporated in, and form part of, the Prospectus for such purposes only.

Regulation and Supervision in the United Kingdom

The sub-section entitled "Regulation" on pages 28 – 31 of the Prospectus, as previously supplemented by the 7 October Supplementary Prospectus, shall be deemed to be replaced and superseded by the section entitled "*Part XI - Regulation and Supervision in the United Kingdom*" on pages 105 to 112 (inclusive) of the Lloyds TSB Placing and Open Offer Prospectus, as incorporated by reference in the Prospectus.

Competitive environment and Litigation

The text in the section entitled "Competitive environment" on pages 26 - 28 of the Prospectus, as amended by the 7 October Supplementary Prospectus, shall be deemed to be replaced and superseded by:

- section 6 ("*Competitive Environment"*) in Part VII ("*Information on the Lloyds TSB Group"*) on pages 66 and 67 of the Circular (as incorporated by reference in the Prospectus by virtue of the 7 November Supplementary Prospectus);
- section 12 ("*Litigation"*) (except for sub-section 12.1 and provided that sub-section 12.4 shall be deemed to be incorporated in the form set out under "*Incorporation by Reference*" above) of Part XXI ("*Additional Information"*) on pages 202 to 204 (inclusive) of the Lloyds TSB Placing and Open Offer Prospectus (as incorporated by reference in the Prospectus by virtue of this Supplementary Prospectus); and
- section 11.1.3 ("*Office of Foreign Assets Control"*) of Part XII ("*Additional Information"*) on page 265 of the Circular (as incorporated by reference in the Prospectus by virtue of the 7 November Supplementary Prospectus).

Recent Developments

The following paragraphs shall be inserted at the end of the section entitled "Recent Developments" on pages 31 - 32 of the Prospectus, as superseded and restated by the 7 November Supplementary Prospectus:

- "(i) On 18 November 2008, the Issuer published a prospectus (the "**Lloyds TSB Placing and Open Offer Prospectus**") relating to the Proposed Placing and Open Offer of 2,596,653,203 Open Offer Shares at 173.3 pence per Open Offer Share and the proposed issue of up to 7,873,180,756 Consideration Shares in connection with the proposed acquisition of HBOS plc and (ii) on 19 November 2008, Lloyds TSB Group plc published an announcement regarding the publication of the Lloyds TSB Placing and Open Offer

Prospectus, an update on the timetable and details of the Excess Application Facility for the Issuer's shareholders in the context of the Placing and Open Offer. By virtue of the supplement dated 21 November 2008 to this Prospectus, certain parts of the Lloyds TSB Placing and Open Offer Prospectus are deemed to be incorporated by reference in, and form part of, this Prospectus.

- On 18 November 2008, HBOS plc published a prospectus (the "**HBOS Placing and Open Offer Prospectus**") relating to the Placing and Open Offer of 7,482,394,366 Open Offer Shares at 113.6 pence per Open Offer Share in connection with the proposed acquisition of HBOS plc by the Issuer. By virtue of the supplement dated 21 November 2008 to this Prospectus, certain parts of the HBOS Placing and Open Offer Prospectus are deemed to be incorporated by reference in, and form part of, this Prospectus.
- On 20 November 2008, the Issuer published a prospectus relating to certain classes of preference share proposed to be issued by the Issuer in connection with the Preference Share Scheme."

General Information

The statement made in paragraph four under the heading "General Information" on page 43 of the Prospectus, as previously supplemented by the 7 November Supplementary Prospectus, shall be deemed to be replaced and superseded by the following:

"4. Save as disclosed in sections 12.2 and 12.3 ("*Litigation*") of Part XXI ("*Additional Information*") of the Lloyds TSB Placing and Open Offer Prospectus, section 11.1.3 ("*Office of Foreign Assets Control*") of Part XII ("*Additional Information*") of the Circular, sections 18.1.1 to 18.1.3 ("*Litigation – HBOS*") of Part XXII ("*Additional Information*") of the HBOS Placing and Open Offer Prospectus and section 18 ("*Litigation*") of Part XVIII ("*Additional Information*") of the HBOS Rights Issue Prospectus (each as incorporated by reference herein), there are no governmental, legal or arbitration proceedings (including any such proceedings pending or threatened of which the Issuer is aware) during the 12 months preceding the date of this Prospectus, which may have or have had in the recent past, significant effects on the financial position or profitability of Lloyds TSB Group."

The Company will provide, without charge, to each person to whom a copy of this Supplement has been delivered, upon the oral or written request of such person, a copy of any or all of the documents which are incorporated in whole or in part by reference herein or in the Prospectus. Written or oral requests for such documents should be directed to the Company at its head office at 25 Gresham Street, London, EC2V 7HN, as described on page 5 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.