

PRESS RELEASE

LLOYDS
BANKING
GROUP



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FOR IMMEDIATE RELEASE

LLOYDS TO GIVE HBOS AUSTRALIA INCREASED STRENGTH

THE LLOYDS BANKING GROUP

- Lloyds Banking Group is the largest UK retail bank with 30 million customers
- The new Group is the UK's number one mortgage lender and provides mortgages to one in four borrowers in the UK. The Group is the UK's biggest provider of First Time Buyer home finance
- One in five SMEs in the UK bank with the new Group and it is a leading provider of start up finance in the UK
- The new Group is the largest distributor of home insurance
- Lloyds Banking Group has the largest number of private shareholders, more than any other UK company.
- Lloyds Banking Group is one of the UK's largest corporate investors in the community and the leading provider of social banking accounts

Today marks the launch of the new Lloyds Banking Group, following the successful completion of the acquisition of HBOS plc by Lloyds Banking Group plc. The Board of Lloyds Banking Group believes that the new Group is a compelling business combination offering substantial benefit for shareholders and customers alike.

HBOSA Country Head Jack Dykes today said the acquisition of HBOS by Lloyds Banking Group would give the Australian businesses increased strength.

He said there would be no effect on HBOSA customers.

Following the sale of Bankwest to Commonwealth Bank, the Group continues to operate with two lending businesses and a treasury operation in Australia. BOS International operates in corporate, property and project finance, and Capital Finance operates in motor vehicle finance, property and equipment finance sectors.

All three businesses have operated in Australia since 1995 and have built a strong client base.

“Lloyds Banking Group is one of the leading UK banks, and the new ownership of HBOS Australia will give the group increased strength for all of its Australian businesses,” Mr Dykes said.

“Lloyds is well experienced in dealing with international operations, with a global footprint in more than 36 countries. We look forward to having Lloyds’ substance behind us.”

A very significant franchise

The Lloyds Banking Group is the largest retail bank in the UK and a leading financial services provider. Its main UK business activities include retail banking, commercial and corporate banking, general insurance, pensions and investments. The new Group also operates an international banking business with a global footprint in over 36 countries. With over 30 million customers, Lloyds Banking Group offers a range of banking products and services through a significant number of very well known and trusted brands. A factsheet setting out the main points about the new Group is attached.

A major community investor

The Lloyds Banking Group is one of the largest UK corporate investors in the community. The new Group focuses on delivering community benefits through, amongst other activities, its charitable foundations and its focus on financial inclusion. The Retail business of the new Group is the biggest provider of social banking in the UK with over 4 million basic bank or social banking accounts.

The UK's biggest shareholder base

Lloyds Banking Group has the largest number of private shareholders, more than any other UK company. Alongside the new Group's private shareholder base, a number of well known UK and overseas institutional investors hold shares in Lloyds Banking Group. The new Group is committed to delivering substantial shareholder value and a dividend policy consistent with its desired capital ratios and the financing of the growth of the business.

A major employer

Lloyds Banking Group employs approximately 140,000 colleagues across the UK with over 24,000 people based in Scotland.

Sir Victor Blank, Chairman, Lloyds Banking Group said: “We believe the new Group is a compelling business combination with market leading positions across a range of important business areas. Our focus now is on delivering our strategic goal of creating the UK's leading financial services company and generating substantial benefits for both customers and shareholders in the process. In order to achieve this goal, we are dependent on our skilled and dedicated staff and I am hugely impressed by the wealth of talent we have in the new Group.”

Eric Daniels, Group Chief Executive, Lloyds Banking Group said: “The Lloyds Banking Group has a very significant customer franchise and some of the UK's leading financial brands. We look forward to delivering substantial shareholder value over time through building deep, long-lasting relationships with our customers.”

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For further information:

Australia

Matthew Horan

Telephone: +61 (0)403 934958

UK

Leigh Calder / Amy Mankelow

Telephone: 020 7356 1347 / 020 7356 1497

Web: www.lloydsbankinggroup.com