



Lloyds TSB

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LLOYDS TSB INSURANCE ACQUIRES NEW AND EXISTING GENERAL INSURANCE BUSINESS OF PEARL GROUP

Lloyds TSB Group today announces that its subsidiary, Lloyds TSB Insurance, has acquired the new and existing general insurance business of Pearl Group. The gross assets of the business acquired total less than £60 million.

The acquisition provides Lloyds TSB Insurance the rights to renew Pearl's general insurance portfolio. Lloyds TSB will also have the right to market a range of general insurance products under the Pearl brand across the UK.

Phil Loney, Managing Director, Lloyds TSB Insurance said "The corporate partnership market provides considerable opportunities within the general insurance arena and will support Lloyds TSB Insurance in the delivery of profitable sales growth through access to a wider customer base. With a strong track record in enhancing its manufacturing capabilities, Lloyds TSB Insurance is also well placed to maximise efficiencies from the combined operations."

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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 and its current goals and expectations relating to its future financial condition and performance. Statements that are not historical facts, including statements about Lloyds TSB Group's or management's beliefs and expectations, are forward looking statements. 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. Lloyds TSB 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 businesses and equity risk in its insurance businesses, inherent risks regarding changing demographic developments, catastrophic weather and similar contingencies outside Lloyds TSB Group's control, any adverse experience in inherent operational risks, any unexpected developments in regulation or regulatory actions, changes in customer preferences, competition, industry consolidation, acquisitions and other factors. For more information on these and other factors, please refer to Lloyds TSB Group's Annual Report on Form 20-F filed with the US Securities and Exchange Commission and to any subsequent reports furnished by Lloyds TSB Group to the US Securities and Exchange Commission or to the London Stock Exchange. The forward looking statements contained in this announcement are made as of the date hereof, and Lloyds TSB Group undertakes no obligation to update any of its forward looking statements.