



EURO MEDIUM TERM NOTE (EMTN)

Nikkei Outperformance Note

3 Year Structured Note in USD

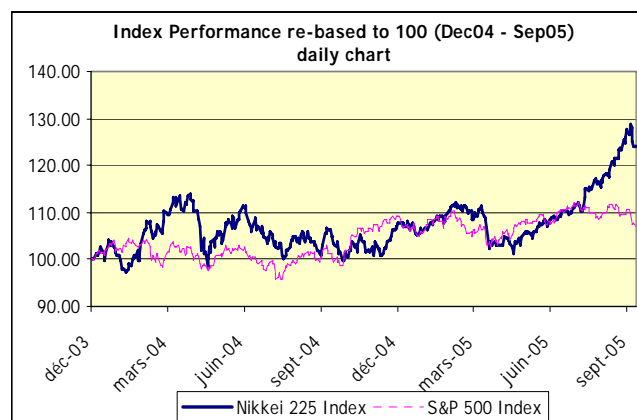
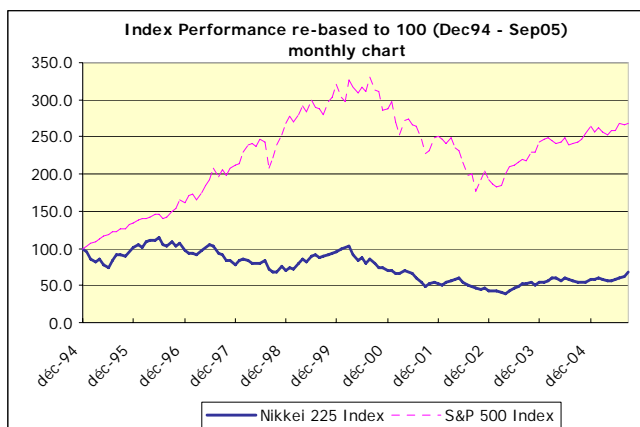
100% capital protection at maturity

**Return linked to the outperformance
of the Nikkei 225 Index vs. the S&P 500 Index**

**Subscriptions until
28.10.2005, 14:00 CET**

Nikkei Outperformance Note with 100% capital protection (USD)

This structure is designed for balanced/conservative investors who believe that the Japanese Equity Market will perform considerably better than the US Equity Market. The Note is 100% capital and currency protected. The return is linked to the positive outperformance of the Nikkei 225 Index vs. the S&P 500 Index.



At maturity investors receive

100% of invested capital + 140% of the positive outperformance of the Nikkei 225 Index vs. the S&P 500 Index over 3 years

If the S&P 500 Index has outperformed the Nikkei 225 Index, there is no return and 100% of the invested capital is paid back.

The Nikkei 225 Index and S&P 500 Index performances are calculated 'point to point' from Start date until Maturity date, i.e. no averaging is used. **The potential return is unlimited.**

Investment outlook

Japan: Japanese stocks are showing signs of resuming an upward trend. One of the driving forces is the improvement in fundamentals, including growing confidence in economic growth led by domestic demand. With better household income, consumers have begun to spend on goods as well as services. In May 2005, manufacturing firms issued very conservative earnings guidance for the fiscal year ending in March 2006, due to increased capital expenditure. As the domestic demand-led economic recovery becomes evident, corporate earnings should be revised upward. The banking sector, a key indicator of domestic strength, is posting good performance. We continue to expect the stock market to offer further upside potential.

USA: The US economy keeps being driven by two powerful forces, China and the US consumer. While the Chinese economy continues to grow, an extremely low savings rate, high interest rates and surging oil prices, notwithstanding a high debt level, could finally end the resilience of US private consumption. This fact could prove challenging for US equities as earnings growth should decelerate and investors start questioning the longevity of the current economic cycle. These risks lead us to recommend a defensive and cautious allocation in US equities despite the relatively attractive valuation of the market.

Nikkei Outperformance Note with 100% capital protection (USD)

Please find below the **final terms** of this product:

Issuer	Lloyds TSB Bank plc
Rating	Aaa (Moody's)
Currency	USD
Minimum investment	USD 50'000 (minimum increments of USD 10'000)
Issue Price	100%
Capital protection level	100%
Participation ratio	140% of the Positive Outperformance of the Nikkei 225 Index vs. the S&P 500 Index
Asian End	none
Subscription date	28.10.2005, 14:00 CET
Effective date	07.11.2005 (closing level)
Payment date	07.11.2005
Final Index Observation date	07.11.2008
Maturity and Final Settlement date	17.11.2008
Index Start levels	Nikkei 225 Index: 14'061.60 S&P 500 Index 1'220.14
Clearing	Euroclear / Clearstream
Security no.	2'326'190 (Isin XS0234565165)

Redemption at maturity

The higher of:

- a) **Nominal Amount x 100%**
or
b) **Nominal Amount x 100% + {Nominal Amount x (140% x Positive Outperformance of the Nikkei 225 Index vs. the S&P 500 Index)}**

Definitions

- Positive Outperformance of the Nikkei 225 Index vs. the S&P 500 Index = Nikkei 225 Index Performance – S&P 500 Index Performance

where: Nikkei 225 Index Performance =
$$\frac{(\text{Nikkei 225 Index Final level} - \text{Nikkei 225 Index Start level})}{\text{Nikkei 225 Index Start level}}$$

S&P 500 Index Performance =
$$\frac{(\text{S\&P 500 Index Final level} - \text{S\&P 500 Index Start level})}{\text{S\&P 500 Index Start level}}$$

- Index Final level = closing level of the Relevant Index on the Final Index Observation date
- Index Start level = closing level of the Relevant Index on the Effective date
- Relevant Index = Nikkei 225 Index, S&P 500 Index

If the S&P 500 Index has outperformed the Nikkei 225 Index at maturity, there is no return. In this case 100% of the invested capital is paid back.

Nikkei Outperformance Note with 100% capital protection (USD)

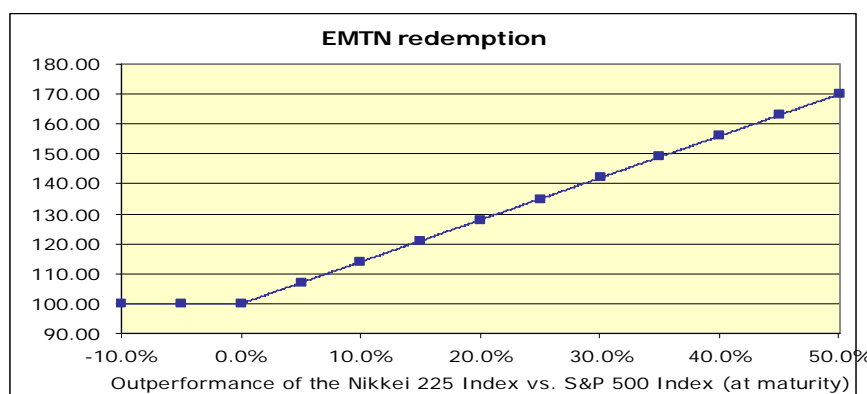
Payout examples

	Example I	Example II
Nikkei 225 Index performance at maturity	40%	-10%
S&P 500 Index performance at maturity	10%	-25%
Positive Nikkei 225 Index outperformance at maturity	30% (40% - 10%)	15% (-10% - -25%)
MLD payout at maturity 100% [capital protection] + (140% [participation ratio] x [positive Nikkei 225 outperformance])	142%	121%

Payout table

<i>3 year outperformance of Nikkei 225 Index vs. S&P 500 Index</i>	<i>3 year EMTN payout at maturity</i>
-10%	100.00
0%	100.00
10%	114.00
20%	128.00
30%	142.00
40%	156.00
50%	170.00

Payout Diagram



Important information

- This offer is made by Lloyds TSB Bank plc outside the United Kingdom. For investors in the UK the Financial Ombudsman Service and the Financial Services Compensation Scheme established under the Financial Services and Markets Act 2000 do not apply.
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- The terms and conditions in this document are purely indicative and are subject to the final expression of the terms as detailed in the definitive Pricing Supplement, the relevant EMTN Offering Circular and all related Agreements and documents issued by Lloyds TSB Bank plc London
- Lloyds TSB Bank plc will endeavour to provide a secondary market for early termination daily at market value which may be less than the Notional Amount invested. A 1% early redemption fee will be applied
- In case of substantial change in market conditions, we reserve the right to cancel the offering. In case of oversubscription, orders will be handled on a 'first come first serve' basis. We also reserve the right to scale back subscription amounts if necessary