



Lloyds TSB

**MARKET LINKED DEPOSIT:
Ref. 459**

Standard & Poors 500

(5 Year Structured Deposit in USD)

**100% capital protection plus
10% minimum return at maturity**

**Subscriptions possible
at market price**

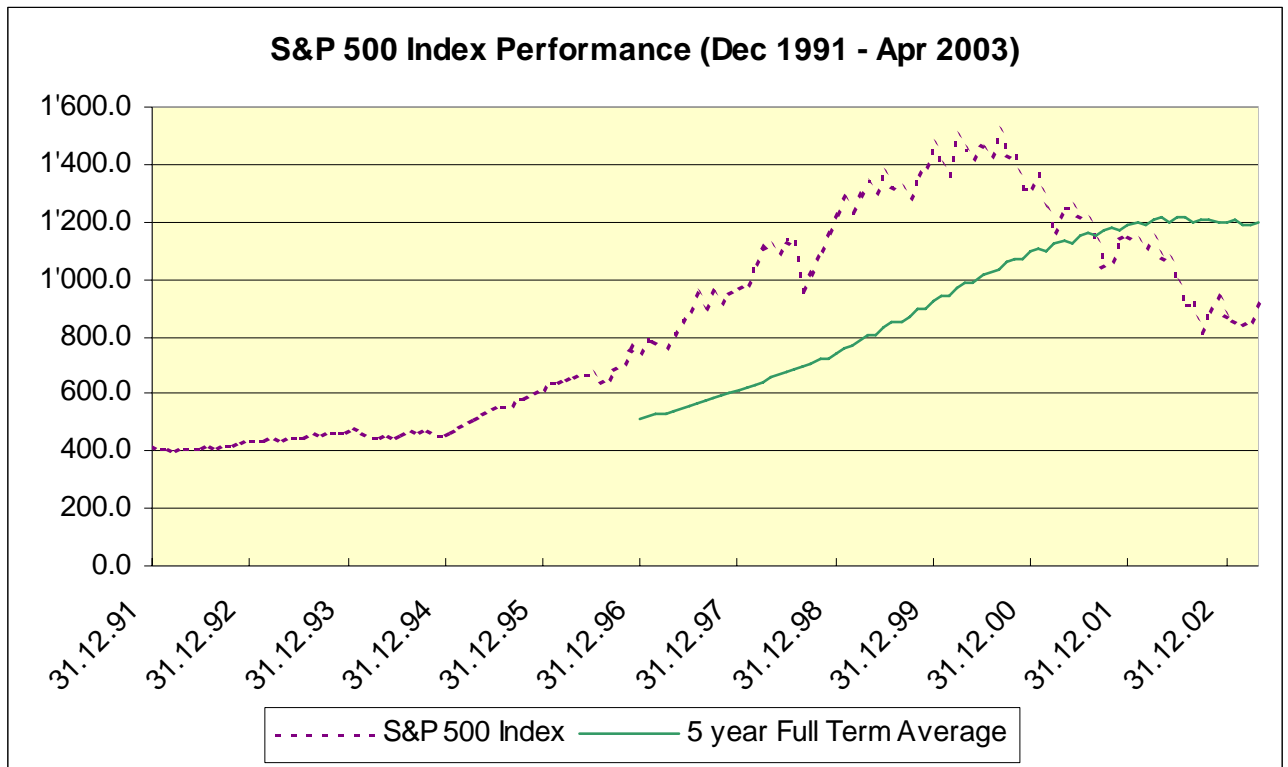
This offer is made by Lloyds TSB Bank plc outside the United Kingdom. For investors in the UK the Financial Ombudsman Service and the Financial Services Compensation Scheme established under the Financial Services and Markets Act 2000 do not apply.

This document is for information only and should not be relied upon as authoritative. No representation is made as to its accuracy or completeness and Lloyds TSB Group accepts no liability for any loss arising from any use of this document or its contents



Lloyds TSB

MARKET LINKED DEPOSIT: S&P 500 (5 Year Structured Deposit in USD) with 100% capital protection plus 10% minimum return



Source: Reuters

This structure is designed for conservative investors who are looking for long term access to the US Equity market, in a 100% principal and currency protected manner. The return is linked to the full term average performance of the S&P 500 Index. The minimum return paid at maturity is 10%.

At maturity investors receive **the higher of**

a) 100% of invested capital + 10% minimum return

or

b) 100% of invested capital + 70% of the average S&P 500 Index performance over 5 years

The performance of this MLD is linked to the **average** of the S&P 500 Index over the full 5 year term based on the value of the S&P 500 Index at the end of every three month period (20 quarterly observation points). **The potential return is unlimited.**



Lloyds TSB

MARKET LINKED DEPOSIT: S&P 500

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

Term	5 years (02.05.2008)
Effective date	02.05.2003 (closing level)
Payment date	Trade date + 2 business days
Final Settlement date	07.05.2008
Index start level	930.08
Capital protection level	100%
Minimum return	10% flat (paid at maturity)
Participation ratio	70% of the average performance of the S&P 500 Index
Asian End	5 years full term, simple average of 20 quarterly observation points
Minimum investment	USD 100'000.-
Commission rate	0.75% p.a. charged annually

Deposit Redemption

The higher of:

- a) **Nominal Amount x 110%**
or
b) **100% of Nominal Amount + {Nominal Amount x (70% x Average S&P 500 Index Performance)}**

Definitions

- Average S&P 500 Index Performance =
$$\frac{(\text{Average S\&P 500 Index level} - \text{S\&P 500 Index Start level})}{\text{S\&P 500 Index Start level}}$$
- Average S&P 500 Index level = simple arithmetic average of closing levels of the S&P 500 Index as at the close of business on the 2nd of each August, November, February and May, adjusted for good business days, from 04.08.03 to 02.05.08, inclusive. There are 20 observation points
- S&P 500 Index Start level = closing level of the S&P 500 Index on the effective date



Lloyds TSB

MARKET LINKED DEPOSIT: S&P 500

Past S&P 500 Index Performance (monthly statistics starting 31.12.91, 77 observations)

5 year performance		* S&P 500 Index
Best performance	Point to point	219.9%
	Full term average	100.8%
Worst performance	Point to point	-23.0%
	Full term average	7.5%
Average performance	Point to point	107.9%
	Full term average	57.3%
Positive performances	Point to point	68
	Full term average	77
Negative performances	Point to point	9
	Full term average	0

Source: Reuters

- * Point to point: Absolute 5 year performance from start to end level
 Full term average: 5 year average performance, based on the value of the S&P 500 Index at the end of every 3 month period (simple arithmetic average of 20 quarterly observation points)

Payout table

5 year S&P 500 Index performance (full term average)	5 year MLD payout at maturity (excl. commission)
-10%	110.00
0%	110.00
10%	110.00
*) 14.30%	110.01
20%	114.00
30%	121.00
40%	128.00
50%	135.00
60%	142.00
70%	149.00

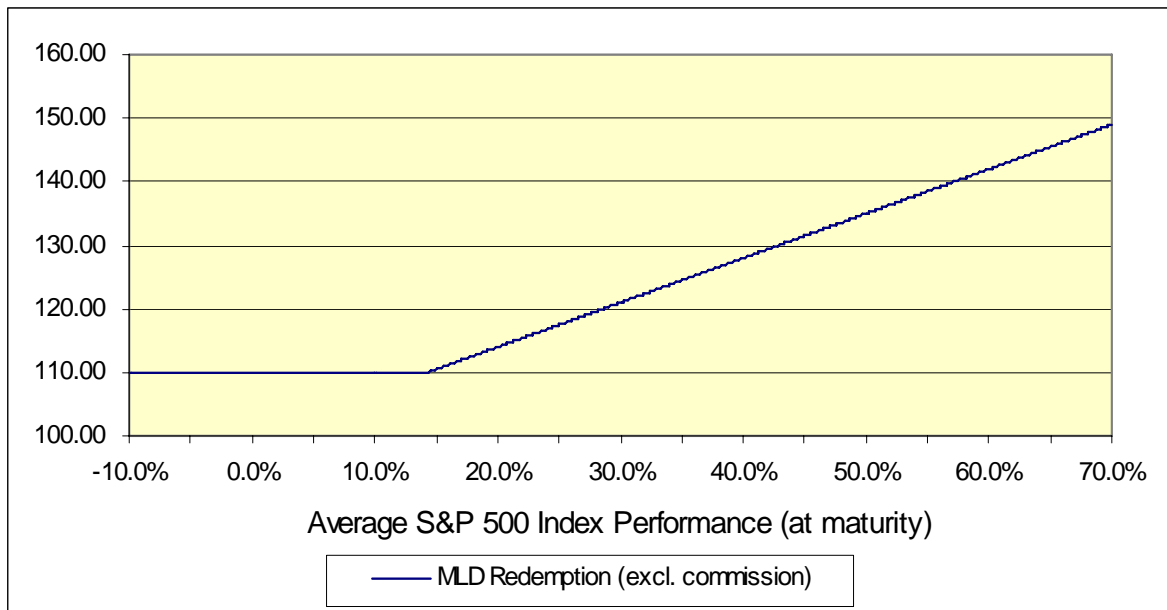
*) Breakeven point, i.e. a 5 year S&P 500 Index performance of 14.30% (full term average) is necessary in order to achieve an MLD payout above 110% (minimum payback excl. commission)



Lloyds TSB

MARKET LINKED DEPOSIT: S&P 500

Payout Diagram



Example: Based on the average performance of 57.3% over the past 11 years, the MLD payout would have been 140.11% (70% participation on 57.3% average performance)

Please bear in mind that past performance is no guarantee for future performance.