

APPENDIX 3.4  
(referred to in paragraph 3.14)

**Lloyds TSB: consolidated balance sheets, 1996 to 2000**

£ million

|  | <i>As at 31 December</i> |                |                |                |                |
|--|--------------------------|----------------|----------------|----------------|----------------|
|  | 1996                     | 1997           | 1998           | 1999           | 2000           |
| <i>Assets</i>  |                          |                |                |                |                |
| Cash and balances at central banks   | 1,272                    | 881            | 1,073          | 1,276          | 1,027          |
| Interest in course of collection   | 1,963                    | 1,845          | 1,728          | 1,743          | 1,533          |
| Treasury and other eligible bills  | 3,204                    | 3,569          | 3,152          | 2,065          | 1,709          |
| Loans and advances to banks  | 14,924                   | 20,657         | 18,463         | 16,963         | 15,290         |
| Loans and advances to customers  | 86,219                   | 87,962         | 95,556         | 102,628        | 114,855        |
| Non-returnable finance   | -                        | -              | -              | -              | -400           |
| Debt securities  | 10,551                   | 12,534         | 12,428         | 14,184         | 13,882         |
| Equity shares  | 274                      | 221            | 204            | 213            | 247            |
| Associated undertakings  | 142                      | 25             | 25             | 28             | -              |
| Intangible fixed assets  | -                        | -              | 216            | 231            | 2,599          |
| Tangible fixed assets  | 1,962                    | 1,699          | 1,634          | 1,668          | 3,037          |
| Own shares   | 47                       | 36             | 21             | 35             | 28             |
| Other assets   | 4,646                    | 4,311          | 5,353          | 3,613          | 3,576          |
| Prepayments and accrued income   | 2,374                    | 2,478          | 2,469          | 2,628          | 2,965          |
| Assets of long-term assurance business attributable to shareholders        | <u>1,650</u>             | <u>1,842</u>   | <u>1,983</u>   | <u>2,274</u>   | <u>6,549</u>   |
|  | 129,228                  | 138,060        | 144,305        | 149,549        | 166,897        |
| Assets of long-term assurance business attributable to policy-holders      | <u>18,139</u>            | <u>20,046</u>  | <u>23,692</u>  | <u>26,542</u>  | <u>51,085</u>  |
| Total assets   | <u>147,367</u>           | <u>158,106</u> | <u>167,997</u> | <u>176,091</u> | <u>217,982</u> |
| <i>Liabilities</i>   |                          |                |                |                |                |
| Deposits by banks  | 14,560                   | 16,571         | 17,091         | 17,694         | 16,735         |
| Customer accounts  | 81,643                   | 85,404         | 89,734         | 92,851         | 100,738        |
| Items in transmission to banks   | 940                      | 845            | 800            | 757            | 420            |
| Debt securities  | 11,226                   | 12,025         | 11,853         | 12,260         | 17,899         |
| Other liabilities  | 7,900                    | 8,375          | 8,390          | 5,526          | 6,980          |
| Accruals and deferred income   | 2,804                    | 3,264          | 3,163          | 3,309          | 4,325          |
| Provisions:  |                          |                |                |                |                |
| Deferred tax   | 307                      | 436            | 1,227          | 1,459          | 1,559          |
| Other  | 821                      | 637            | 509            | 474            | 442            |
| Subordinated liabilities   | 3,919                    | 4,209          | 4,021          | 6,493          | 7,510          |
| Minority interests   | 34                       | 40             | 42             | 33             | 552            |
| Shareholders' funds:   |                          |                |                |                |                |
| Share capital  | 1,358                    | 1,369          | 1,379          | 1,389          | 1,396          |
| Share premium account  | 42                       | 70             | 101            | 404            | 595            |
| Revaluation reserve  | -163                     | -216           | -201           | -206           | -              |
| Merger reserve   | 343                      | 343            | 343            | 343            | 343            |
| Profit and loss account  | <u>3,494</u>             | <u>4,688</u>   | <u>5,853</u>   | <u>6,763</u>   | <u>7,403</u>   |
|  | 129,228                  | 138,060        | 144,305        | 149,549        | 166,897        |
| Liabilities of long-term assurance business attributable to policy-holders | <u>18,139</u>            | <u>20,046</u>  | <u>23,692</u>  | <u>26,542</u>  | <u>51,085</u>  |
| Total liabilities  | <u>147,367</u>           | <u>158,106</u> | <u>167,997</u> | <u>176,091</u> | <u>217,982</u> |
| Shareholders' funds  | 5,074                    | 6,254          | 7,475          | 8,693          | 9,737          |
| <i>Key ratios</i>  |                          |                |                |                |                |
| Post-tax return on mean shareholders' funds (%)*                           | 33.9                     | 41.2           | 30.9           | 31.1           | 29.6           |

Source: Lloyds TSB.

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\*Post-tax profit attributable to shareholders divided by mean shareholders' funds.