

## **SCOTTISH WIDOWS 2007 FULL YEAR RESULTS**

### **Key highlights**

- Profit before tax increased by 26 per cent to £884 million. Adjusting for the impact of surplus capital repatriation, profit before tax increased by 33 per cent.
- Income, net of insurance claims and adjusting for the impact of surplus capital repatriation, increased by 7 per cent.
- 7 per cent increase in Scottish Widows' present value of new business premiums.
- Strong progress in increasing bancassurance sales, up 20 per cent, with a good performance in the sale of protection products, corporate pensions and retirement income products.
- On an EEV basis, the post-tax return on embedded value increased to 9.9 per cent. New business margin remained robust at 3.1 per cent.
- Scottish Widows repatriated £1.9 billion of capital to the Group in 2007. This contributes to a total of more than £3.6 billion repatriated by Scottish Widows since the beginning of 2005.
- Excellent performance in Scottish Widows Investment Partnership (SWIP) with a 52 per cent increase in profit before tax to £44 million.

### **Archie Kane, chief executive of Scottish Widows, comments:**

"The results announced today represent a strong performance in what proved to be a challenging year. We continue to deliver good results with Scottish Widows' profit before tax increasing by 26 per cent to £884 million and SWIP delivering excellent performance with a 52 percent increase to £44 million.

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“Our key strategic objectives are being met but it is of course our ambition and intention to build on these good results during 2008 and beyond.”

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## **NOTES TO EDITORS**

Scottish Widows' key strategic objectives are to: maximise bancassurance success; profitably grow IFA sales; improve service and operational efficiency; and optimise capital management.

For details of the complete Lloyds TSB Group Results (including Scottish Widows), please visit:

[www.lloydstsb.com/investorrelations](http://www.lloydstsb.com/investorrelations)

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**Scottish Widows** was founded in 1815 as Scotland's first mutual life office. Becoming part of the Lloyds TSB Group in 2000, Scottish Widows has become one of the most recognised brands in the life, pensions and investment industry in the UK. The product range includes ordinary long term insurance, such as life assurance, pensions, annuities and permanent health insurance, and savings and investment products. Using a multi-sales network of Financial Advisers, Direct Sales, Direct Marketing, the Internet and via the branch network of Lloyds TSB, Scottish Widows currently employs about 4,000 people.

Scottish Widows news releases appear on our website at

[www.scottishwidows.co.uk/mediacentre](http://www.scottishwidows.co.uk/mediacentre)