

---

**FOR IMMEDIATE RELEASE**  
**23 February 2007**

## **SCOTTISH WIDOWS 2006 FULL YEAR RESULTS**

### **Key highlights**

- Profit before tax, excluding strengthening of reserves for mortality, increased by 11 per cent to £973 million. On a like-for-like basis, adjusting for the impact of the £800 million capital repatriation to Lloyds TSB Group in December 2005, profit before tax increased by 15 per cent.
- 24 per cent increase in Scottish Widows' present value of new business premiums.
- Bancassurance sales up 62 per cent, with OEIC sales more than doubled.
- Sales through Independent Financial Advisers increased by 14 per cent, reflecting excellent growth in the sales of corporate pension products.
- Life, pensions and OEICs new business profit increased by 36 per cent.
- Scottish Widows Investment Partnership (SWIP) pre-tax profit £29 million, compared with £16 million in 2005. SWIP's assets under management increased by 7 per cent to £102 billion.
- £746 million of capital was repatriated to Lloyds TSB Group in 2006.

Archie Kane, chief executive of Scottish Widows, comments:

"In the context of an extremely competitive marketplace, these results demonstrate that Scottish Widows is continuing to deliver a strong performance. Of course, there is no room for complacency so we must maintain a robust trading momentum and build upon these positive results.

"Scottish Widows remains very well placed to benefit from the anticipated growth in savings, investments and insurance business over the coming years."

**-ends-**

## NOTES TO EDITORS

For details of the complete Scottish Widows 2006 Full Year Results please visit:  
[www.scottishwidows.co.uk/mediacentre](http://www.scottishwidows.co.uk/mediacentre)

For details of the complete Lloyds TSB Group Results (including Scottish Widows), please visit:  
[www.lloydstsb.com/investorrelations](http://www.lloydstsb.com/investorrelations)

**For further information, please contact:**

Paula Sutherland  
Scottish Widows  
Tel: 0131 655 6818  
[paula.sutherland@scottishwidows.co.uk](mailto:paula.sutherland@scottishwidows.co.uk)

**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)