

UK Financial Investments Ltd

1 Horse Guards Road London SW1A 2HQ

Press Release

UKFI appoints new Chief Executive

London, 28 October 2009. The Board of UK Financial Investments (UKFI), the organisation set up to manage the Government's investments in RBS, Lloyds Banking Group, Northern Rock and Bradford and Bingley, is pleased to announce the appointment of Robin Budenberg as the new chief executive of UKFI.

He will succeed John Kingman shortly following an appropriate handover period.

Mr Budenberg joins from UBS where he is currently responsible for senior UK client relationships. He was closely involved in the Government Bank Recapitalisation Scheme in October 2008.

Sir David Cooksey, Chairman, commented:

"I am delighted that we have attracted such a high-quality chief executive. Robin brings to the role excellent judgement, considerable experience of complex transactions and good knowledge of the interface with Government. He will be an excellent leader of UKFI as it focuses on its core mission of protecting and creating value from the taxpayers' investments in the banks."

Robin Budenberg said:

"I am honoured to have been asked to lead the strong team at UKFI, which has done an excellent job during its first year of existence. I look forward to helping the banks as they recover from the financial crisis, and ensuring taxpayers are suitably rewarded for their considerable support to the sector."

Contacts:

Maitland +44 (0)20 7379 5151

Philip Gawith

Anthony Silverman

Andrea Coleman

Notes to editors:

- UKFI was set up on 3 November 2008 to manage the UK Government's investments in banks subscribing to its recapitalisation funds. Its overarching objective is to protect and create value for the taxpayer as shareholder, with due regard to financial stability and promotion of competition.
- Mr Budenberg will receive a salary of £155,000. He will not be eligible for a bonus or pension.
- It was announced on 28 July 2009 that John Kingman would be standing down as chief executive in due course. Mr Kingman has led UKFI as Chief Executive since its formation on November 3 2008.
- Mr Budenberg qualified as a Chartered Accountant with Price Waterhouse before joining SG Warburg in 1984. He has subsequently worked at the successor firms - SBC Warburg, UBS Warburg and latterly UBS. He carried out various management roles before taking on his current role in 1997. Mr Budenberg has worked on a number of significant transactions involving the Government, including the sale of its stake in British Energy. He has also in recent years advised a number of the UK's largest companies on major projects.