

SUPPLEMENT TO THE OFFERING CIRCULAR DATED 28 AUGUST 2007



HBOS Treasury Services plc

(Incorporated with limited liability in England and Wales with registered number 2692890)

€60 billion Covered Bond Programme unconditionally guaranteed by

HBOS plc

(Incorporated with limited liability in Scotland with registered number SC218813)

and

The Governor and Company of the Bank of Scotland

(Established by an Act of the Parliament of Scotland in 1695)

and

Unconditionally and irrevocably guaranteed as to payments of interest and principal

HBOS Covered Bonds LLP

(a limited liability partnership incorporated in England and Wales)

This Supplement (the **Supplement**) to the Offering Circular dated 9 May 2007 (the **Offering Circular**) constitutes a supplement to the Offering Circular pursuant to Article 13.1 of the Luxembourg Act dated 10 July 2005 relating to prospectuses for securities and is prepared in connection with the €60 billion Covered Bond Programme (the **Programme**) established by HBOS Treasury Services plc (the **Issuer**) and unconditionally guaranteed on a joint and several basis by HBOS plc and The Governor and Company of the Bank of Scotland (the **Group Guarantors**) and unconditionally and irrevocably guaranteed as to payments of interest and principal by HBOS Covered Bonds LLP (the **LLP**). Terms defined in the Offering Circular have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in connection with, the Offering Circular issued by the Issuer.

The Issuer and the Group Guarantors accept responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer and the Group Guarantors (each having taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Interim financial results for the six months ended 30 June 2007

On 1 August 2007, HBOS plc (**HBOS**) published its consolidated unaudited interim results as at, and for the six months ended, 30 June 2007. By virtue of this Supplement, such consolidated unaudited interim results are incorporated in, and form part of, the Offering Circular.

Cross Reference List

Financial Statements

*Commission Regulation (EC) No. 809/2004, Annex IX,
11.1*

Interim Financial Results

2007

HBOS plc

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Any information not listed in the cross reference list above but included in the documents incorporated by reference is given for information purposes only.

Copies of all documents incorporated by reference in the Offering Circular can be obtained, free of charge from the registered office of the Issuer and the principal office of the Paying Agent for the time being in Luxembourg as set out at the end of the Offering Circular. In addition, this Supplement, the documents deemed to be incorporated into this Supplement by reference and the documents deemed to be incorporated into the Offering Circular by reference are available on the Luxembourg Stock Exchange's website (www.bourse.lu).

To the extent that there is any inconsistency between any statement in or incorporated by reference into this Supplement and any other statement in or incorporated by reference in the Offering Circular, the statements in or incorporated by reference in this Supplement will prevail.

Save as otherwise disclosed on page 6 of the interim financial results under the heading “*Taxation and Regulation*”, neither HBOS nor any of its subsidiaries is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the HBOS is aware) during the 12 months preceding the date of this Supplement, which may have or have had in the recent past, a significant effect on the financial position or profitability of the HBOS and its subsidiaries taken as a whole.

Save as disclosed in this Supplement or in any document incorporated by reference in this Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Offering Circular has arisen or been noted, as the case may be, since the publication of the Offering Circular.

Investors who have already agreed to purchase and subscribe for the Covered Bonds before this Supplement is published have the right, exercisable within two working days after the publication of this Supplement, to withdraw their acceptances.