

LLOYDS
BANKING GROUP



Q2 2021 CONSENSUS

30 June 2021

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Lloyds Banking Group Consensus

Compiled June 2021



LLOYDS BANKING GROUP CONSENSUS £m (unless stated)	Q2 2020 Actual	H1 2020 Actual	FY 2020 Actual	Q2 2021 Consensus	H1 2021 Consensus	FY 2021 Consensus	FY 2022 Consensus	FY 2023 Consensus
Net interest income	2,528	5,478	10,773	2,712	5,389	10,827	10,970	11,092
Other income	1,235	2,461	4,515	1,160	2,295	4,667	4,875	5,050
Operating lease depreciation	(302)	(526)	(884)	(186)	(334)	(740)	(783)	(798)
Net income	3,461	7,413	14,404	3,686	7,350	14,754	15,061	15,344
Operating costs	(1,822)	(3,699)	(7,585)	(1,861)	(3,712)	(7,493)	(7,419)	(7,365)
Remediation	(90)	(177)	(379)	(70)	(135)	(290)	(258)	(250)
Total costs	(1,912)	(3,876)	(7,964)	(1,931)	(3,847)	(7,783)	(7,678)	(7,615)
Trading surplus	1,549	3,537	6,440	1,755	3,503	6,971	7,384	7,729
Impairment	(2,388)	(3,818)	(4,247)	(283)	40	(697)	(1,333)	(1,452)
Underlying profit	(839)	(281)	2,193	1,472	3,543	6,274	6,050	6,277
Restructuring costs	(70)	(133)	(521)	(151)	(324)	(641)	(465)	(345)
Volatility and other items	233	(188)	(361)	(89)	(89)	(218)	(218)	(194)
Payment protection insurance provision	-	-	(85)	-	-	-	-	-
Statutory profit before tax	(676)	(602)	1,226	1,232	3,130	5,416	5,367	5,738
Taxation	215	621	161	670	169	(404)	(1,407)	(1,504)
Profit for the period	(461)	19	1,387	1,902	3,299	5,012	3,960	4,234

KEY METRICS								
Average interest-earning banking assets (£bn)	435	433	435	442	442	444	451	458
Risk weighted assets (£bn)	207	207	203	202	202	204	216	219
Banking net interest margin	2.40%	2.59%	2.52%	2.48%	2.48%	2.47%	2.47%	2.46%
Cost:income ratio	55.2%	52.3%	55.3%	52.4%	52.3%	52.8%	51.0%	49.6%
Asset quality ratio	2.16%	1.73%	0.96%	0.26%	0.00%	0.15%	0.28%	0.30%
Return on tangible equity	(6.1)%	(1.3)%	2.3%	14.1%	15.3%	12.0%	9.2%	9.6%
CET1 ratio post dividends & buyback	14.6%	14.6%	16.2%	16.1%	16.1%	15.4%	14.4%	14.3%
Ordinary dividend per share (p)	-	-	0.57	0.56	0.56	1.80	2.14	2.40
Excess capital distribution (£m)	(-)	(-)	-	-	-	571	946	872
Earnings (loss) per share (p)	(0.8)	(0.3)	1.2	1.6	3.0	5.7	4.9	5.3
Tangible net assets per share (p)	51.6	51.6	52.3	53.4	53.4	54.7	56.5	58.7

Notes

All analyst models received in Q2 2021.

Data based on 22 submitted models. The number of submissions varies by period and line.

Definitions

Banking net interest margin – banking net interest income on customer and product balances in the banking businesses (on an annualised basis) as a percentage of average gross banking interest-earning assets for the period.

Cost:income ratio – total costs divided by net income.

Asset quality ratio – the impairment charge for the period (on an annualised basis) in respect of loans and advances to customers after releases and write-backs, expressed as a percentage of average gross loans and advances to customers for the period.

Return on tangible equity – statutory profit after tax adjusted to deduct profit attributable to non-controlling interests and other equity holders, divided by average tangible net assets.

Excess capital distribution – the sum of the average forecast special dividends and share buybacks. The majority of analysts forecast share buybacks.

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