

**LLOYDS**  
BANKING GROUP



# Q1 2021 CONSENSUS

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7 April 2021

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# Lloyds Banking Group Consensus

## Compiled April 2021



LLOYDS BANKING GROUP CONSENSUS £m (unless stated)	Q1 2020 Actual	FY 2020 Actual	Q1 2021 Consensus	FY 2021 Consensus	FY 2022 Consensus	FY 2023 Consensus
Net interest income	2,950	10,773	2,651	10,557	10,572	10,654
Other income	1,226	4,515	1,116	4,623	4,867	5,021
Operating lease depreciation	(224)	(884)	(218)	(882)	(893)	(907)
<b>Net income</b>	<b>3,952</b>	<b>14,404</b>	<b>3,550</b>	<b>14,298</b>	<b>14,546</b>	<b>14,768</b>
Operating costs	(1,877)	(7,585)	(1,856)	(7,489)	(7,397)	(7,339)
Remediation	(87)	(379)	(63)	(275)	(251)	(243)
<b>Total costs</b>	<b>(1,964)</b>	<b>(7,964)</b>	<b>(1,919)</b>	<b>(7,764)</b>	<b>(7,648)</b>	<b>(7,582)</b>
<b>Trading surplus</b>	<b>1,988</b>	<b>6,440</b>	<b>1,631</b>	<b>6,533</b>	<b>6,898</b>	<b>7,186</b>
Impairment	(1,430)	(4,247)	(357)	(1,652)	(1,528)	(1,508)
<b>Underlying profit</b>	<b>558</b>	<b>2,193</b>	<b>1,274</b>	<b>4,882</b>	<b>5,370</b>	<b>5,678</b>
Restructuring costs	(63)	(521)	(167)	(640)	(391)	(297)
Volatility and other items	(421)	(361)	(53)	(256)	(228)	(199)
Payment protection insurance provision	-	(85)	-	-	-	-
<b>Statutory profit before tax</b>	<b>74</b>	<b>1,226</b>	<b>1,054</b>	<b>3,985</b>	<b>4,751</b>	<b>5,183</b>
Taxation	406	161	(275)	(1,061)	(1,225)	(1,340)
<b>Profit for the period</b>	<b>480</b>	<b>1,387</b>	<b>779</b>	<b>2,924</b>	<b>3,526</b>	<b>3,842</b>

### KEY METRICS

Average interest-earning banking assets (£bn)	432	435	439	441	446	452
Risk weighted assets (£bn)	209	203	203	206	215	218
Banking net interest margin	2.79%	2.52%	2.46%	2.44%	2.41%	2.40%
Cost:income ratio	49.7%	55.3%	54.1%	54.3%	52.6%	51.3%
Asset quality ratio	1.30%	0.96%	0.33%	0.35%	0.32%	0.32%
Return on tangible equity - new basis	3.7%	2.3%	8.1%	6.7%	7.8%	8.5%
CET1 ratio post dividends & buyback	14.2%	16.2%	16.0%	15.1%	14.2%	14.0%
Ordinary dividend per share (p)	-	0.57	-	1.62	2.03	2.29
Special dividend per share (p)	-	-	-	0.10	0.19	0.15
<b>Total dividend per share (p)</b>	<b>-</b>	<b>0.57</b>	<b>-</b>	<b>1.72</b>	<b>2.22</b>	<b>2.44</b>
Share buyback (£m)	-	-	-	301	622	728
Earnings per share (p)	0.5	1.2	1.1	3.5	4.2	4.7
Tangible net assets per share (p)	57.4	52.3	52.6	53.6	55.3	57.4

### Notes

Data based on 19 submitted models. The number of submissions varies by period and line.

All analyst models received in March and April 2021.

### 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

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