

**LLOYDS**  
BANKING GROUP



# Q1 2022 CONSENSUS

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7 April 2022

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# Lloyds Banking Group Consensus



LLOYDS BANKING GROUP CONSENSUS £m (unless stated)	Q1 2021 Actual	FY 2021 Actual	Q1 2022 Consensus	FY 2022 Consensus	FY 2023 Consensus	FY 2024 Consensus	FY 2025 Consensus
Net interest income	2,677	11,163	2,882	11,887	12,252	12,489	12,759
Other income	1,135	5,060	1,250	5,069	4,946	5,164	5,420
Operating lease depreciation	(148)	(460)	(138)	(590)	(673)	(719)	(796)
<b>Net income</b>	<b>3,664</b>	<b>15,763</b>	<b>3,994</b>	<b>16,367</b>	<b>16,524</b>	<b>16,933</b>	<b>17,384</b>
Operating costs	(2,045)	(8,312)	(2,171)	(8,798)	(8,819)	(8,842)	(8,793)
Remediation	(65)	(1,300)	(102)	(355)	(287)	(268)	(214)
<b>Total costs</b>	<b>(2,110)</b>	<b>(9,612)</b>	<b>(2,273)</b>	<b>(9,153)</b>	<b>(9,106)</b>	<b>(9,110)</b>	<b>(9,008)</b>
<b>Trading surplus</b>	<b>1,554</b>	<b>6,151</b>	<b>1,721</b>	<b>7,214</b>	<b>7,419</b>	<b>7,823</b>	<b>8,376</b>
Impairment	360	1,385	(192)	(821)	(1,160)	(1,328)	(1,374)
<b>Underlying profit</b>	<b>1,914</b>	<b>7,536</b>	<b>1,529</b>	<b>6,393</b>	<b>6,259</b>	<b>6,495</b>	<b>7,002</b>
Restructuring costs	(16)	(452)	(45)	(49)	(32)	(22)	(68)
Volatility and other items	-	(182)	(56)	(209)	(196)	(187)	(176)
<b>Statutory profit before tax</b>	<b>1,898</b>	<b>6,902</b>	<b>1,428</b>	<b>6,135</b>	<b>6,030</b>	<b>6,286</b>	<b>6,758</b>
Taxation	(501)	(1,017)	(374)	(1,673)	(1,624)	(1,704)	(1,831)
<b>Profit for the period</b>	<b>1,397</b>	<b>5,885</b>	<b>1,054</b>	<b>4,462</b>	<b>4,406</b>	<b>4,583</b>	<b>4,927</b>

## KEY METRICS

Average interest-earning banking assets (£bn)	439	445	449	451	458	466	479
Risk weighted assets (£bn)	199	196	209	211	215	221	227
Banking net interest margin	2.49%	2.54%	2.62%	2.66%	2.72%	2.73%	2.69%
Cost:income ratio	57.6%	61.0%	56.9%	55.9%	55.1%	53.8%	51.8%
Asset quality ratio	(0.33)%	(0.31)%	0.17%	0.17%	0.24%	0.27%	0.24%
Return on tangible equity	13.9%	13.8%	10.4%	9.6%	9.7%	10.4%	11.5%
CET1 ratio post dividends & buyback	16.7%	16.3%	14.6%	14.0%	13.7%	13.8%	13.9%
Ordinary dividend per share (p)	-	2.00	-	2.34	2.58	2.75	3.06
Excess capital distribution (£m)	-	2,000	-	1,674	1,435	1,364	1,363
Earnings/(loss) per share (p)	1.8	7.5	1.5	6.0	5.9	6.4	7.1
Tangible net assets per share (p)	52.4	57.5	57.0	59.3	57.8	61.7	63.8

## Notes

All analyst models received in March and April 2022. Data based on 18 submitted models. The number of submissions varies by period and line.

Accruals for ordinary dividends are deducted from capital quarterly whilst buybacks are deducted in full in Q4 of the year they are announced, pro forma.

Comparatives have been restated for the cost and impairment reallocations set out in the 2021 Results.

Analysts use their own economic assumptions in their modelling; these may differ between institutions and from those used by Lloyds Banking Group.

## Definitions

**Banking net interest margin** – banking net interest income as a percentage of average gross interest-earning banking assets for the period.

**Cost:income ratio** – total costs as a percentage of net income.

**Asset quality ratio** – the impairment (credit)/charge for the period as a percentage of average gross loans and advances to customers for the period.

**Return on tangible equity** – profit attributable to ordinary shareholders, divided by average tangible net assets.

**Tangible net assets per share** – net assets excluding intangible assets such as goodwill and acquisition-related intangibles divided by the number of ordinary shares in issue.

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

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