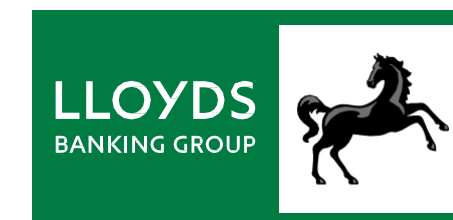


A black horse is running from left to right across the foreground. The background features a scenic landscape with a lake, mountains, and a sunset sky. The horse's mane is flowing, and its body is in motion. The text 'April 2023 Consensus' is overlaid on the left side of the image.

April 2023 Consensus

IMPORTANT: The consensus information set out in this document is subject to the disclaimer contained in the final slide. You should read the disclaimer carefully before proceeding further with the consensus information

Lloyds Banking Group consensus



LLOYDS BANKING GROUP CONSENSUS £m (unless stated)	Q1 2022 Actual	Q4 2022 Actual	FY 2022 Actual	Q1 2023 Consensus	FY 2023 Consensus	FY 2024 Consensus	FY 2025 Consensus	FY 2026 Consensus
Net interest income	2,945	3,643	13,172	3,586	14,086	14,097	14,367	14,933
Other income	1,182	1,129	4,666	1,208	4,848	5,095	5,298	5,537
Operating lease depreciation	(94)	(78)	(373)	(135)	(558)	(646)	(697)	(768)
Net income	4,033	4,694	17,465	4,660	18,376	18,546	18,968	19,702
Operating costs	(2,059)	(2,357)	(8,672)	(2,228)	(9,132)	(9,243)	(9,341)	(9,399)
Remediation	(52)	(166)	(255)	(70)	(278)	(261)	(258)	(259)
Total costs	(2,111)	(2,523)	(8,927)	(2,297)	(9,410)	(9,504)	(9,598)	(9,659)
Trading surplus	1,922	2,171	8,538	2,362	8,966	9,042	9,369	10,043
Impairment	(177)	(465)	(1,510)	(356)	(1,550)	(1,520)	(1,470)	(1,503)
Underlying profit	1,745	1,706	7,028	2,006	7,416	7,522	7,899	8,540
Restructuring costs	(24)	(11)	(80)	(20)	(75)	(65)	(62)	(76)
Volatility and other items	(177)	(638)	(2,166)	(36)	(183)	(172)	(156)	(118)
Statutory profit before tax	1,544	1,057	4,782	1,951	7,158	7,286	7,681	8,346
Taxation	(399)	(75)	(859)	(528)	(1,883)	(1,984)	(2,089)	(2,265)
Profit for the period	1,145	982	3,923	1,423	5,276	5,302	5,592	6,081
KEY METRICS								
Average interest-earning banking assets (£bn)	448	454	452	453	454	460	469	479
Risk weighted assets (£bn)	210	211	211	212	216	223	228	235
Banking net interest margin	2.68%	3.22%	2.94%	3.21%	3.10%	3.08%	3.08%	3.10%
Cost:income ratio	52.3%	53.7%	51.1%	49.3%	51.2%	51.2%	50.6%	49.0%
Asset quality ratio	0.16%	0.38%	0.32%	0.31%	0.33%	0.33%	0.31%	0.31%
Return on tangible equity	10.7%	11.0%	9.8%	15.9%	14.0%	13.8%	13.9%	14.8%
CET1 ratio post dividends & buyback	14.2%	14.1%	14.1%	14.1%	13.9%	13.8%	13.9%	14.0%
Ordinary dividend per share (p)	-	1.60	2.40	-	2.74	3.02	3.36	3.79
Excess capital distribution (£m)	-	2,000	2,000	-	2,179	2,209	1,948	2,214
Earnings/(loss) per share (p)	1.4	1.3	4.9	2.0	7.2	7.7	8.6	10.3
Tangible net assets per share (p)	53.7	46.5	46.5	49.7	53.2	58.6	64.4	71.6

Notes

- 19 models received in March and April; submissions vary by period and line.
- Dividend accruals deducted from capital quarterly; buybacks deducted in Q4 of the year announced.
- Analysts use economic assumptions which may differ between institutions and from those used by LBG.

Definitions

- **Banking net interest margin** – banking net interest income as a percentage of average gross interest-earning banking assets.
- **Cost:income ratio** – total costs as a percentage of net income.
- **Asset quality ratio** – impairment as a percentage of average gross loans and advances to customers.
- **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 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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