

Lloyds Banking Group Pre-Q2 Consensus

Lloyds Banking Group
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Lloyds Banking Group consensus



LLOYDS BANKING GROUP CONSENSUS £m (unless stated)	Q1 2024 Actuals	Q2 2024 Consensus	H1 2024 Consensus	FY 2024 Consensus	FY 2025 Consensus	FY 2026 Consensus
Net interest income*	3,184	3,176	6,360	12,867	13,391	14,101
Other income	1,340	1,375	2,715	5,490	5,788	6,065
Operating lease depreciation	(283)	(283)	(566)	(1,122)	(1,155)	(1,192)
Net income	4,241	4,267	8,508	17,234	18,025	18,974
Operating costs	(2,402)	(2,243)	(4,645)	(9,418)	(9,515)	(9,635)
Remediation	(25)	(85)	(110)	(734)	(428)	(271)
Total costs	(2,427)	(2,328)	(4,755)	(10,152)	(9,943)	(9,906)
Trading surplus	1,814	1,939	3,753	7,083	8,082	9,067
Impairment	(57)	(305)	(362)	(1,008)	(1,294)	(1,361)
Underlying profit	1,757	1,634	3,391	6,074	6,788	7,706
Restructuring costs	(12)	(19)	(31)	(74)	(77)	(77)
Volatility and other items	(117)	(32)	(149)	(215)	(162)	(156)
Statutory profit before tax	1,628	1,582	3,210	5,785	6,550	7,474
Taxation	(413)	(427)	(840)	(1,605)	(1,802)	(2,023)
Profit for the period	1,215	1,155	2,370	4,180	4,747	5,451
 * Of which non-banking NII	 (105)	 (120)	 (225)	 (467)	 (485)	 (468)
KEY METRICS						
Average interest-earning banking assets (£bn)	449	450	450	452	459	468
Risk weighted assets (£bn)	223	222	222	223	228	234
 Banking net interest margin	 2.95%	 2.93%	 2.94%	 2.95%	 3.02%	 3.11%
Cost:income ratio	57.2%	54.6%	55.9%	58.9%	55.2%	52.2%
Asset quality ratio	0.06%	0.26%	0.16%	0.22%	0.28%	0.29%
Return on tangible equity	13.3%	13.0%	13.2%	11.5%	12.9%	14.5%
CET1 ratio post dividends & buyback	13.9%	14.2%	14.2%	13.6%	13.4%	13.3%
 Ordinary dividend per share (p)	 -	 1.07	 1.07	 2.99	 3.30	 3.75
Share buyback (£m)	-	-	-	1,920	2,084	2,401
Earnings/(loss) per share (p)	1.7	1.6	3.3	5.9	7.1	8.8
Tangible net assets per share (p)	51.2	51.3	51.3	53.2	58.1	64.4

Notes

- 17 models incorporated into consensus; number of 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
- FY 24-25 remediation charge:
 - A number of analysts have included additional Motor Finance charges; these vary in quantum and timing

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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