

Consistent strategic delivery, robust financial performance

- Supporting customers to meet a broad range of financial needs
- Delivering on purpose driven strategy, benefitting all stakeholders
- Robust financial performance in line with expectations
- Strong capital generation enabling increased interim dividend
- Reaffirming 2024 guidance; confident in 2026

2024 guidance

- NIM >290bps
- Operating costs c.£9.4bn including c.£0.1bn BoE levy
- AQR now expected to be <20bps
- RoTE c.13%
- RWAs £220-£225bn
- Capital generation c.175bps

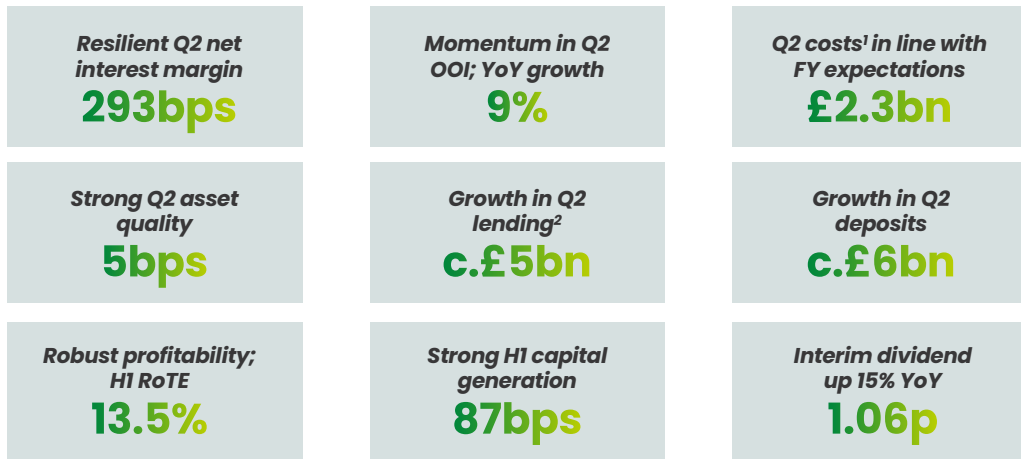
Expect to pay down to a CET1 ratio of c.13.5%

2026 guidance

- Cost:income <50%
- RoTE >15%
- Capital generation >200bps

Expect to pay down to CET1 ratio of c.13% by the end of 2026

Robust financial performance, in line with expectations



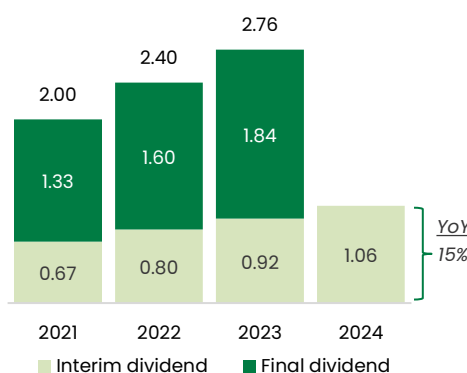
Increased shareholder distributions from strong capital generation

The Group has a progressive and sustainable ordinary dividend policy whilst maintaining the flexibility to return further surplus capital through buybacks or special dividends

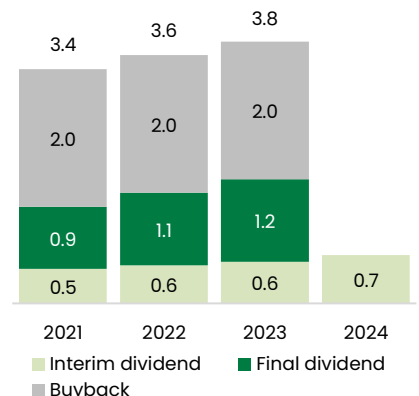
Strong capital generation², bps



Progressive and sustainable ordinary dividend, £p/share



Track record of growing shareholder distributions³, £bn



Investor factbook

2024 Half-Year Results

LLOYDS
BANKING GROUP



Key financials

Profit & loss^A

	Half-year to 30 Jun 2024 £m	Half-year to 30 Jun 2023	Change %	Half-year to 31 Dec 2023	Change %
Underlying net interest income	6,338	7,004	(10)	6,761	(6)
Underlying other income	2,734	2,538	8	2,585	6
Operating lease depreciation	(679)	(356)	(91)	(600)	(13)
Net income	8,393	9,186	(9)	8,746	(4)
Operating costs	(4,700)	(4,413)	(7)	(4,727)	1
Remediation	(95)	(70)	(36)	(605)	84
Total costs	(4,795)	(4,483)	(7)	(5,332)	10
Underlying profit before impairment	3,598	4,703	(23)	3,414	5
Underlying impairment (charge) credit	(101)	(662)	85	354	
Underlying profit	3,497	4,041	(13)	3,768	(7)
Restructuring	(15)	(25)	40	(129)	88
Volatility and other items	(158)	(146)	(8)	(6)	
Statutory profit before tax	3,324	3,870	(14)	3,633	(9)
Tax expense	(880)	(1,006)	13	(979)	10
Statutory profit after tax	2,444	2,864	(15)	2,654	(8)
Earnings per share	3.4p	3.9p	(0.5)p	3.7p	(0.3)p
Dividends per share – ordinary	1.06p	0.92p	15	1.84p	
Banking net interest margin ^A	2.94%	3.18%	(24)bp	3.03%	(9)bp
Average interest-earning banking assets ^A	£449.2bn	£453.8bn	(1)	£452.9bn	(1)
Cost/income ratio ^A	57.1%	48.8%	8.3pp	61.0%	(3.9)pp
Asset quality ratio ^A	0.05%	0.29%	(24)bp	(0.15)%	20bp
Return on tangible equity ^A	13.5%	16.6%	(3.1)pp	15.3%	(1.8)pp

Key balance sheet metrics

	At 30 Jun 2024	At 31 Mar 2024	Change %	At 31 Dec 2023	Change %
Loans and advances to customers	£452.4bn	£448.5bn	1	£449.7bn	1
Customer deposits	£474.7bn	£469.2bn	1	£471.4bn	1
Loan to deposit ratio ^A	95%	96%	(1pp)	95%	
CET1 ratio	14.1%	13.9%	0.2pp	14.6%	(0.5)pp
Pro forma CET1 ratio ^{A1}	14.1%	13.9%	0.2pp	13.7%	0.4pp
UK leverage ratio	5.4%	5.6%	(0.2)pp	5.8%	(0.4)pp
Risk-weighted assets	£222.0bn	£222.8bn		£219.1bn	1
Wholesale funding	£97.6bn	£99.9bn	(2)	£98.7bn	(1)
Liquidity coverage ratio ²	144%	143%	1pp	142%	2pp
Net stable funding ratio ³	130%	130%		130%	
Tangible net assets per share ^A	49.6p	51.2p	(1.6)p	50.8p	(1.2)p

A – The Group uses alternative performance measures in the description of its financial position. Further information on these measures is set out on page 26 of the 2024 Half-Year news release. 1 – 31 December 2023 reflects both the full impact of the share buyback announced in respect of 2023 and the ordinary dividend received from the insurance business in February 2024, but excludes the impact of the phased unwind of IFRS 9 relief on 1 January 2024. 2 – The liquidity coverage ratio is calculated as a monthly rolling simple average over the previous 12 months. 3 – Net stable funding ratio is based on an average of the four previous quarters.

Investor factbook

2024 Half-Year Results



Leading UK digital bank and integrated financial services provider

3 core divisions	Retail		Commercial		Insurance			
Business units	Consumer Relationships	Consumer Lending	Small and Medium Businesses	Corporate & Institutional Banking	Pensions & Investments			
Products	Current accounts Savings accounts Mass affluent proposition	Mortgages Credit cards Personal loans Motor finance	Business loans Transactional banking Working capital	Lending & debt capital markets Risk mgmt Cash liquidity	Home, motor and protection insurance Pensions Investments			
Trusted brands	LLOYDS BANK	HALIFAX	BANK OF SCOTLAND	mbna	Citra	LDC	AMC	IWEB
	blackhorse	LEX AUTOLEASE	SCOTTISH WIDOWS	Schroders personalwealth	cavendish online	BIRMINGHAM MIDSHIRES	Tusker.	

Purpose driven strategy delivers for broader stakeholders

Strategic priorities



Drive revenue growth and diversification



Strengthen cost and capital efficiency



Maximise the potential of people, technology and data

Growth pillars



c.£3bn incremental strategic investment 2022-2024

c.£1.5bn additional revenue target by 2026 (**c.£0.7bn** by 2024)

c.£1.2bn gross cost savings target by 2024

Contacts

Private shareholders:
shareholderquestions@lloydsbanking.com
 Institutional investors and analysts:
investor.relations@lloydsbanking.com

Our reporting

Our reporting is designed to facilitate better communication to a range of stakeholders. See our full reporting suite at www.lloydsbankinggroup.com/investors

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