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**LLOYDS BANKING GROUP PLC ANNOUNCES THE SUCCESSFUL COMPLETION OF THE RIGHTS ISSUE AND PLACEMENT OF 4.686 PER CENT RUMP**

*Unless otherwise defined in this announcement, capitalised definitions shall have the same meaning as in the rights issue prospectus (the "Prospectus") published on 3 November 2009 by Lloyds Banking Group plc (the "Company" or "Lloyds Banking Group") in connection with the Rights Issue.*

Lloyds Banking Group announces that BofA Merrill Lynch, UBS Limited and Citigroup Global Markets U.K. Equity Limited, acting as joint global co-ordinators, have today procured subscribers for all of the 1,710,765,987 New Shares for which valid acceptances were not received under the Rights Issue (the "Rump"), at a price of 55.5 pence per New Share, a premium of 18.5 pence to the Issue Price of 37 pence per New Share.

As disclosed in Part VIII of the Prospectus, the net proceeds from the sale of the Rump of approximately 18.389 pence per New Share, (after deduction of the Issue Price of 37 pence per New Share and relevant costs, including any brokerage and commissions and value added tax) will be paid (without interest and rounded down to the nearest penny) to Qualifying Shareholders who have not taken up their entitlements pro rata to their lapsed provisional allotments, save that amounts of less than £3 will not be paid to such persons but will be aggregated and donated to charity (the British Heart Foundation).

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This announcement is an advertisement and not a prospectus and investors should not subscribe for or purchase any transferable securities referred to in this announcement except on the basis of the information in the Prospectus and the pricing statement issued by the Company on 24 November 2009 (the "Pricing Statement") in connection with the admission of its ordinary shares to the Official List of the Financial Services Authority and to trading on London Stock Exchange plc's main market for listed securities.

This announcement does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States. The Nil Paid Rights, Fully Paid Rights and New Shares have not been and will not be registered under the Securities Act or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, resold, transferred or delivered, directly or indirectly, within the United States except pursuant to an applicable exemption from the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There will be no public offer of the Nil Paid Rights, Fully Paid Rights and New Shares in the United States. Neither the SEC nor any other US federal or state securities commission or regulatory authority has approved or disapproved the Nil Paid Rights, Fully Paid Rights and New Shares or passed an opinion on the adequacy of this announcement, the Prospectus, the Pricing Statement or the Provisional Allotment Letters. Any representation to the contrary is a criminal offence in the United States. Shareholders who are or become affiliates (within the meaning of the Securities Act) of Lloyds Banking Group will be subject to restrictions on the resale of the New Shares in the United States.

The securities mentioned herein and in the Prospectus may not be offered, sold, resold, transferred or delivered, directly or indirectly, in any Restricted Jurisdiction absent registration or an applicable exemption from the registration requirements of the relevant laws of any Restricted Jurisdiction. There will be no public offer of such securities in any Restricted Jurisdiction. This announcement does not constitute an offer to sell, or a solicitation of an offer to subscribe for, the securities being issued in any jurisdiction in which such offer or solicitation is unlawful.

The contents of Lloyds Banking Group's website do not form part of the Prospectus, the Pricing Statement or this announcement.

The contents of this announcement are not to be construed as legal, financial, business or tax advice. Each prospective investor should consult its own legal adviser, financial adviser or tax adviser for legal, financial or tax advice.

Merrill Lynch, which is authorised and regulated in the United Kingdom by the Financial Services Authority, and UBS are acting severally and exclusively for Lloyds Banking Group and for no one else as joint sponsors, joint financial advisers and joint global co-ordinators in relation to the Rights Issue and the listing of the New Shares on the Official List and their admission to trading on the London Stock Exchange's main market for listed securities, and will not be responsible to any other person for providing the protections afforded to clients of Merrill Lynch or UBS, respectively, nor for providing advice in connection with the Rights Issue, proposed listing or admission to trading or contents of this document or any other matters referred to in this document, other than to the extent required by law or appropriate regulation in the UK.

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