



117/09

1 December 2009

## **REPURCHASE AND CANCELLATION OF PREFERENCE SHARES**

On 3 November 2009, Lloyds Banking Group plc (“Lloyds Banking Group”) announced its Non-US Exchange Offer, pursuant to which it invited Holders of, inter alia, certain classes of Existing Preference Shares to Offer to Exchange their Existing Securities for Enhanced Capital Notes or the relevant Exchange Consideration Amount (the “Exchange Offer”). On 26 November 2009, Lloyds Banking Group's shareholders approved its Non-US Exchange Offer and certain repurchases of other Existing Preference Shares.

Pursuant to the Non-US Exchange Offer and such shareholder authorities, Lloyds Banking Group hereby announces that it has repurchased the following classes of Existing Preference Shares, which will be cancelled:

<b>Existing Preference Shares</b>	<b>No. Existing Preference Shares/ Liquidation Preference Repurchased</b>	<b>No. Existing Preference Shares/ Liquidation Preference Outstanding Following Cancellation*</b>
Lloyds Banking Group plc £745,431,000 6.0884% Non- Cumulative Fixed-to-Floating Rate Preference Shares XS0408828803 / GB00B3KSB675	732,276 preference shares £732,276,000 in liquidation preference	13,155 preference shares £13,155,000 in liquidation preference
Lloyds Banking Group plc £334,951,000 6.3673% Non- Cumulative Fixed-to-Floating Rate Preference Shares XS0408826427	331,072 preference shares £331,072,000 in liquidation preference	3,879 preference shares £3,879,000 in liquidation preference
Lloyds Banking Group plc £186,190,532 6.475% Non- Cumulative Preference Shares GB00B3KSB568	102,050,932 preference shares £102,050,932 in liquidation preference	84,139,600 preference shares £84,139,600 in liquidation preference

\* The numbers of preference shares and liquidation preferences included in this column include the number of preference shares and liquidation preference of those classes of Existing Preference Shares which have been accepted for exchange pursuant to the Exchange Offer in exchange for the relevant Exchange Consideration Amount. Such Existing Preference Shares will remain outstanding until the Late Settlement Date.

Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Exchange Offer Memorandum dated 3 November 2009.

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For further information:

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