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## PRICING STATEMENT: 24 November 2009

This document constitutes the pricing statement relating to the Rights Issue of New Shares described in the rights issue prospectus published by Lloyds Banking Group plc ("Lloyds Banking Group" or the "Company") on 3 November 2009 (the "Prospectus"). This pricing statement is prepared in accordance with the Prospectus Rules of the Financial Services Authority made under section 73A of the FSMA.

This pricing statement must be read in conjunction with the Prospectus. Capitalised terms used and not defined in this document have the meanings given to them in the Prospectus. Prospective investors should read both this pricing statement and the Prospectus, including in particular Part II ("Risk Factors"), and Part III ("Other Important Information") of the Prospectus, in considering whether to subscribe for New Shares.

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LLOYDS  
BANKING  
GROUP



## Lloyds Banking Group plc

*(incorporated under the Companies Act 1985 and registered in Scotland with Registered No. 95000)*

## Proposed 1.34 for 1 Rights Issue of 36,505,088,579 New Shares at an Issue Price of 37 pence per New Share

### **BofA Merrill Lynch**

Joint Sponsor, Joint Financial Adviser,  
Joint Global Co-ordinator and Joint Bookrunner

### **UBS Investment Bank**

Joint Sponsor, Joint Financial Adviser,  
Joint Global Co-ordinator and Joint Bookrunner

### **Citi**

Joint Global Co-ordinator and  
Joint Bookrunner

### **Joint Bookrunners**

*Goldman Sachs International*

*HSBC*

*J.P. Morgan Cazenove*

### **Co-Bookrunner**

*Lloyds TSB Corporate Markets*

### **Senior Co-Lead Managers**

Banca IMI    Barclays Capital    CALYON    COMMERZBANK    ING    Nomura International    RBS Hoare Govett

### **Co-Lead Managers**

Banco Santander    Macquarie    Natixis    RBC Capital Markets    UniCredit Group

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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.

Investors should rely only on the information contained in the Prospectus and this document. No person has been authorised to give any information or make any representations other than those contained in the Prospectus and this document and, if given or made, such information or representations must not be relied upon as having been authorised by Lloyds Banking Group, the Directors, the Banks, the Co-Bookrunner, the Senior Co-Lead Managers or the Co-Lead Managers. The contents of Lloyds Banking Group's website do not form part of the Prospectus or this document.

The contents of this document is 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.

Citi, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for Lloyds Banking Group and for no one else as joint bookrunner and joint global co-ordinator 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 Citi 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.

Goldman Sachs International, HSBC, J.P. Morgan Cazenove, which are each authorised and regulated in the United Kingdom by the Financial Services Authority, are acting severally and exclusively for Lloyds Banking Group and for no one else as joint bookrunners 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 J.P. Morgan Securities Ltd., which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for Lloyds Banking Group and for no one else as an underwriter to the Rights Issue, and none of Goldman Sachs International, HSBC, J.P. Morgan Cazenove and J.P. Morgan Securities Ltd. will be responsible to any other person for providing the protections afforded to clients of Goldman Sachs International, HSBC, J.P. Morgan Cazenove and J.P. Morgan Securities Ltd., 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.

The Senior Co-Lead Managers and Co-Lead Managers are acting severally and exclusively for Lloyds Banking Group and for no one else 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 the Senior Co-Lead Managers and Co-Lead Managers 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.

Lloyds TSB Bank, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting severally and exclusively for Lloyds Banking Group and for no one else as co-bookrunner 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 Lloyds TSB Bank 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.

Apart from the responsibilities and liabilities, if any, which may be imposed on any of Merrill Lynch, UBS, Citi, Goldman Sachs International, HSBC, J.P. Morgan Cazenove, J.P. Morgan Securities Ltd., Lloyds TSB Bank, the Senior Co-Lead Managers and the Co-Lead Managers by the FSMA or the regulatory regime established thereunder, each of Merrill Lynch, UBS, Citi, Goldman Sachs International, HSBC, J.P. Morgan Cazenove, J.P. Morgan Securities Ltd., Lloyds TSB Bank, the Senior Co-Lead Managers and Co-Lead Managers accepts no responsibility whatsoever for the contents of this document or the Prospectus and/or the information incorporated therein by reference, including in relation to the accuracy, completeness and/or verification thereof, and/or for any other statement made or purported to be made by any of them, or on behalf of any of them, in connection with the Group, the Nil Paid Rights, the Fully Paid Rights, the New Shares, the Rights Issue or any other matter referred to in this document. Each of Merrill Lynch, UBS, Citi, Goldman Sachs International, HSBC, J.P. Morgan Cazenove, J.P. Morgan Securities Ltd., Lloyds TSB Bank, the Senior Co-Lead Managers and Co-Lead Managers accordingly disclaims all and any liability whatsoever arising in tort, contract or otherwise (save as referred to above) which any of them might otherwise have in respect of this document, the Prospectus or any such statement.

## RIGHTS ISSUE STATISTICS

Issue Price per New Share	37 pence
Discount of Issue Price to Closing Price on 23 November 2009 (being the last practicable date before the publication of this announcement)	59.5 per cent.
Discount of Issue Price to theoretical ex-rights price based on the Closing Price on 23 November 2009	38.6 per cent.
Basis of Rights Issue	1.34 New Shares for every 1 Existing Ordinary Share
Number of Ordinary Shares in issue as at the date of this document	27,161,682,366
Number of Ordinary Shares to be issued by Lloyds Banking Group pursuant to the Rights Issue	36,505,088,579
New Shares as a percentage of Actual Enlarged Share Capital of Lloyds Banking Group immediately following completion of the Rights Issue <sup>(1)</sup> and Share Subdivision	57.3 per cent.
Expected gross proceeds of the Rights Issue receivable by Lloyds Banking Group	£13,506,882,774

### Documents available for inspection

Copies of this pricing statement are available on Lloyds Banking Group's website ([www.lloydsbankinggroup.com](http://www.lloydsbankinggroup.com)). Copies of the Prospectus are available for inspection during usual business hours on any weekday (Saturdays, Sundays, and public holidays excepted) up to Admission at the registered office of the Company at Henry Duncan House, 120 George Street, Edinburgh EH2 4LH and at the offices of Linklaters LLP, One Silk Street, London EC2Y 8HQ.

Note:

(1) On the assumption that no further Ordinary Shares are issued as a result of the exercise of any options under any Lloyds Banking Group Employee Share Plans between the date of this document and the closing of the Rights Issue.