

SUPPLEMENTARY PROSPECTUS DATED 22 FEBRUARY 2018



**LLOYDS BANKING GROUP plc**  
*(incorporated in Scotland with limited liability with registered number 95000)*

**£25,000,000,000**

**Euro Medium Term Note Programme**

This Supplement (the “**Supplement**”) to the prospectus dated 30 March 2017 as supplemented by the supplementary prospectuses dated 27 April 2017, 27 July 2017 and 25 October 2017, which together comprise a base prospectus (the “**Prospectus**”) for the purposes of Article 5.4 of Directive 2003/71/EC, constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 (the “**FSMA**”) and is prepared in connection with the £25,000,000,000 Euro Medium Term Note Programme (the “**Programme**”) established by Lloyds Banking Group plc (the “**Company**”).

This Supplement is supplemental to, and should be read in conjunction with, the Prospectus and the documents incorporated by reference therein. Capitalised terms used in this Supplement but not defined herein shall have the meanings ascribed to them in the Prospectus.

The Company accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Company (having taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

**Purpose of this Supplement**

The purpose of this Supplement is to:

- (a) incorporate by reference into the Prospectus the announcement published by the Company entitled “Lloyds Banking Group - 2017 Results”, which was published via the RNS on 21 February 2018 and certain information contained in the Company’s 2017 Annual Report (as defined in this Supplement), which was published via the RNS on 21 February 2018;
- (b) update the no significant change statement of the Company and its subsidiary and associated undertakings (the “**Group**”) and the no material adverse change statement of the Company; and
- (c) update the no governmental, legal or arbitration proceedings statement of the Group and the Company.

**(a) Documents Incorporated by Reference**

By virtue of this Supplement, the following documents, which have previously been filed with the Financial Conduct Authority, shall be deemed to be incorporated in, and form part of, the Prospectus and supplement the section entitled “*Documents Incorporated by Reference*” on page 10 of the Prospectus:

- (a) the announcement published by the Company entitled “Lloyds Banking Group - 2017 Results” (with the exception of the sections entitled “2018 guidance demonstrates confidence in the Group’s future prospects” and “Financial Returns”, as set out on pages 1 and 6 thereof, respectively); and

- (b) the audited consolidated financial statements of the Company for the financial year ended 31 December 2017, together with the audit report thereon, as set out on pages 166 to 254 and 158 to 165 thereof, respectively of the Company's Annual Report and Accounts 2017 (the "2017 Annual Report").

### **General Information**

#### **(b) No significant change of the Group and no material adverse change of the Company**

*The no significant change of the Group statement and no material adverse change of the Company statement at paragraph 3 on page 160 of the Prospectus is updated as set out below:*

There has been no significant change in the financial position of the Group since 31 December 2017, the date to which the Group's last published audited financial information (as set out in the Company's 2017 Annual Report) was prepared. There has been no material adverse change in the prospects of the Company since 31 December 2017, the date to which the Company's last published audited financial information (as set out in the Company's 2017 Annual Report) was prepared.

#### **(c) No governmental, legal or arbitration proceedings statement of the Group and the Company**

*The no governmental, legal or arbitration proceedings statement of the Group and the Company at paragraph 4 on page 160 of the Prospectus is supplemented as set out below:*

Save as disclosed in (i) the sub-sections entitled "Payment protection insurance (excluding MBNA)", "Other provisions for legal actions and regulatory matters – Packaged bank accounts" and "Other provisions for legal actions and regulatory matters – Arrears handling related activities" on pages 213 to 214 of the Company's 2017 Annual Report; (ii) the sub-sections entitled "Payment protection insurance (excluding MBNA)", "Other provisions for legal actions and regulatory matters – Packaged bank accounts" and "Other provisions for legal actions and regulatory matters – Arrears handling related activities" in note 14 on pages 69 to 70 of the 2017 Half-Year Results; (iii) the sub-section entitled "Statutory Profit" on page 5 of the Company's Q1 2017 Interim Management Statement in relation to the £100 million provision for estimated compensation costs in respect of the HBOS Reading fraud; and (iv) the sub-sections entitled "Interchange fees", "Payment Protection Insurance", "Libor and other trading rates", "Litigation in relation to insurance branch business in Germany", "Packaged bank accounts", "Arrears handling related activities", "Provisions for other legal actions and regulatory matters", "UK shareholder litigation", "Financial Services Compensation Scheme", "Tax authorities", "Residential mortgage repossessions", "Mortgage arrears handling activities", "HBOS Reading – Customer Review" and "Contingent liabilities in respect of other legal actions and regulatory matters" of the section "Lloyds Banking Group – Legal Actions and Regulatory Matters" on pages 126 to 130 of the Prospectus, there are no governmental, legal or arbitration proceedings (including any such proceedings pending or threatened of which the Company is aware) during the 12 months preceding the date of this Supplement, which may have or have had in the recent past, significant effects on the financial position or profitability of the Company or the Group.

Any documents themselves incorporated by reference in the Company's 2017 Annual Report shall not form part of the Prospectus.

The Company will provide, without charge, to each person to whom a copy of this Supplement has been delivered, upon the oral or written request of such person, a copy of any or all of the documents which are incorporated in whole or in part by reference herein or in the Prospectus. Written or oral requests for such documents should be directed to the Company at its principal office at The Mound, Edinburgh, EH1 1YZ. Copies of all documents incorporated by reference in this Supplement can also be viewed on the website of the Regulatory News Service operated by the London Stock Exchange at: <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Prospectus by this Supplement and (b) any other statement in or incorporated by reference into the Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Prospectus has arisen or been noted, as the case may be, since the publication of the Prospectus.