



Lloyds Banking Group Plc

10 Year A\$ Senior Unsecured Term Sheet



Issuer:	Lloyds Banking Group plc (“ Issuer ”)
Expected Issue Rating¹:	Moody’s: A3 (Stable), S&P: BBB+ (Negative), Fitch: A+ (Stable)
Lead Manager(s):	ANZ, National Australia Bank Ltd, Nomura International plc, The Toronto-Dominion Bank, Westpac Banking Corporation
Documentation:	A\$15 billion Medium Term Note Programme (“ Information Memorandum ”) dated 19 December 2014
Status:	Senior, Unsecured
Specified Currency:	Australian Dollars (“AUD”)
Amount:	A\$ 450,000,000
Launch Date:	14 November 2017
Pricing Date:	15 November 2017
Settlement Date:	22 November 2017 (T+5)
Maturity Date:	22 November 2027
Coupon Type:	Fixed
Instrument:	A\$ Fixed Rate Notes
Coupon:	4.250% p.a. paid semi-annually in arrear
Benchmark²:	Semi-quarterly coupon matched asset swap
Re-Offer Spread to Benchmark²:	+ 167 bps
Reoffer yield^{2,3}:	4.360% s.a.
Reoffer price:	99.116%
Gross Proceeds:	A\$ 446,022,000
Coupon Payment Dates:	Each 22 November and 22 May commencing on 22 May 2018 and ending on the Maturity Date
Day Count Fraction:	RBA Bond Basis
Business Day Convention:	Following Unadjusted
ISIN:	AU3CB0248862
Record Date:	The close of business in the place where the Register is maintained on the 8 th calendar day before the relevant payment date
Definition of Business Day:	Sydney and London
Denomination(s):	Denominations of A\$10,000. The minimum consideration payable when offered or sold in Australia will be A\$500,000



Settlement:	Austraclear, Euroclear and Clearstream Luxembourg
Registrar:	Citigroup Pty Limited
Issuing and Paying Agent:	Citigroup Pty Limited
Listing:	Australian Stock Exchange
Governing Law:	New South Wales, Australia. Refer to the Information Memorandum for further information
Negative Pledge:	None
Cross Default:	None
Senior Notes Waiver of Set-off:	Applicable
Restricted Events of Default:	Applicable
Loss Absorption Disqualification Event – partial Exclusion:	Applicable
Australian Interest Withholding Tax:	So long as the Issuer continues to be a non-resident of Australia and the Notes issued by it are not attributable to a permanent establishment of the Issuer in Australia, payments of principal and interest made under the Notes issued by it should not be subject to Australian interest withholding tax. Refer to the Information Memorandum for further information
Selling Restrictions:	Refer to the Information Memorandum for information with respect to selling restrictions and other important information. The Notes may not be offered or sold within the U.S. or to U.S. persons.
EU Bank Resolution and Recovery Directive:	The final text of the Bank Recovery and Resolution Directive (“BRRD”), establishing a framework for the prevention, management and resolution of failing banks, was published in the Official Journal of the European Union on 12 June 2014, with Member States required to adopt necessary implementing measures under national law by no later than 31 December 2014. In the U.K., the U.K. Banking Reform Act 2013 has given full effect to the majority of the provisions of BRRD from 1 January 2015. Refer to the Information Memorandum for further information.
Agreement with Respect to the Exercise of the U.K. bail-in power:	By purchasing the Notes, each Noteholder (including each beneficial owner) of the Notes acknowledges, agrees to be bound by and consents to the exercise of any U.K. bail-in power by the relevant U.K. resolution authority that may result in (i) the cancellation of all, or a portion, of the principal amount of, or interest on, the Notes and/or (ii) the conversion of all, or a portion, of the principal amount of, or interest on, the Notes into shares or other securities or other obligations of Lloyds Banking Group plc or another person, which U.K. bail-in power may be exercised by means of variation of the terms of the Notes solely to give effect to the above. Each Noteholder (including each beneficial owner) of the Notes further acknowledges and agrees that the rights of the Noteholders under the Notes are subject to, and will be varied, if necessary, solely to give effect to, the exercise of any U.K. bail-in power by the relevant U.K. resolution authority expressed to implement such a cancellation or conversion.



No repayment of the principal amount of the Notes or payment of interest on the Notes shall become due and payable after the exercise of any U.K. bail-in power by the relevant U.K. resolution authority unless, at the time that such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by the Issuer under the laws and regulations of the United Kingdom and the European Union applicable to the Issuer or other members of the Group.

GPS 120:

The applicable accounting or capital treatment relevant to an investment in the Notes is a matter for determination by each investor in their own particular circumstances. It is intended that the Notes will be issued in a manner which in principal should allow them to qualify as “assets in Australia” for the purposes of Prudential Standard GPS 120 published by the Australian Prudential Regulation Authority and in effect as at the date hereof. Investors who are “general insurers” for the purposes of the Insurance Act 1973 of Australia may request further details from the manager with respect to the issue of the Notes for the purposes of their consideration or determination of whether Notes held, or to be acquired, by them qualify as “assets in Australia” for the purposes of the Insurance Act 1973 of Australia. The Issuer neither directly nor indirectly guarantees nor warranties that the notes do qualify as “assets in Australia” for the purposes of GPS 120 and accordingly cannot be held liable if the notes do not so qualify.

Note:

¹ A securities rating is not a recommendation to buy, sell or hold securities. Ratings may be subject to revision or withdrawal at any time, and each rating should be evaluated independently of any other rating

² These items are not terms of the Notes

³ The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield

The **DISCLAIMER** on the following page contains important information which is an integral part of this Indicative Term Sheet.

Neither Issuer is a bank nor an authorised deposit-taking institution which is authorised under the Banking Act 1959 of Australia (“Australian Banking Act”). The Notes are not obligations of the Australian Government or any other government and, in particular, are not guaranteed by the Commonwealth of Australia. Neither Issuer is supervised by the Australian Prudential Regulation Authority. An investment in any Notes issued by an Issuer will not be covered by the depositor protection provisions in section 13A of the Australian Banking Act and will not be covered by the Australian Government’s bank deposit guarantee (also commonly referred to as the Financial Claims Scheme).

NOT FOR DISTRIBUTION TO ANY U.S. PERSON OR TO ANY PERSON OR ADDRESS IN THE U.S.



ANZ Disclaimer

This term sheet ("Term Sheet") is distributed in Australia by Australia and New Zealand Banking Group Limited (ABN 11 005 357 522) ("ANZ") in its capacity as a Lead Manager. ANZ holds Australian Financial Services licence no. 234527. This Term Sheet is for distribution only to wholesale or professional investors whose ordinary business includes the buying or selling of securities such as the notes described in this Term Sheet ("Notes") in circumstances where disclosure is not required under Chapters 6D or 7 of the Corporations Act 2001 (Cwth) and in such other circumstances as may be permitted by applicable law. This Term Sheet should not be distributed to, and is not intended for, any other person. This Term Sheet is not intended for and must not be distributed to private clients in the United Kingdom. This Term Sheet is not for distribution in the United States of America or to US Persons. This Term Sheet does not constitute an offer of securities in any jurisdiction. In particular, the Notes have not been registered under the U.S. Securities Act of 1933 and may not be offered, sold or resold in the United States or to a U.S. person. This Term Sheet was prepared solely by ANZ using the information directly extracted from the information memorandum, offering circular or other disclosure document for the Notes provided by the Notes' issuer (together the "Offering Material") and is not intended to be a complete statement or summary of the Notes, particularly with respect to the risk and special considerations associated with an investment in the Notes. This Term Sheet is subject to and must be read in conjunction with the terms and conditions of the Notes and the Offering Material (including any pricing supplement relating to this issue). ANZ does not undertake to update this Term Sheet. This Term Sheet is provided solely for informational purposes and is not to be construed as a solicitation, recommendation or an offer to buy or sell any medium term notes, transferable deposits or other securities or related financial instruments or derivatives and should not be treated as giving investment advice. This Term Sheet has no regard to the specific investment objectives, financial situation or particular needs of any specific recipient. Prior to acquiring the Notes recipients should consult with their own legal, regulatory, tax, business, investment, financial and accounting advisers to the extent that they deem necessary, and make their own investment, hedging and trading decisions (including decisions regarding the suitability of this investment) based upon their own judgement and upon advice from such advisers as they deem necessary and not upon any view expressed by ANZ. ANZ, its related companies and their respective directors and employees are not acting as advisers to recipients and do not assume any duty of care in this respect. ANZ, its related bodies corporate and/or their directors, officers and employees or clients may, from time to time, as principal or agent, have long or short positions in, or may buy and sell, any Notes or related financial instruments or derivatives. Furthermore, ANZ and its related bodies corporate may perform for or solicit investment or other banking services from, any company mentioned in the Term Sheet. ANZ, its related bodies corporate and/or their directors and employees may also act as placement agent, adviser or lender to the Notes' issuer. Except where contrary to legislation, ANZ and its officers, employees and agents accept no liability (including for negligence) for loss or damage arising in connection with the information in this Term Sheet.

European Economic Area ("EEA"): United Kingdom. ANZ is authorised in the United Kingdom by the Prudential Regulation Authority ("PRA") and is subject to regulation by the Financial Conduct Authority ("FCA") and limited regulation by the PRA. Details of ANZ's regulation by the PRA will be available on request. This Term Sheet is distributed in the United Kingdom by ANZ solely for the information of persons who would come within the FCA definition of "eligible counterparty" or "professional client". It is not intended for and must not be distributed to any person who would come within the FCA definition of "retail client". Nothing here excludes or restricts any duty or liability to a customer which ANZ may have under the UK Financial Services and Markets Act 2000 or under the regulatory system as defined in the Rules of the PRA and the FCA.

Germany. This Term Sheet is distributed in Germany by the Frankfurt Branch of ANZ solely for the information of its clients. Other EEA countries. This Term Sheet is distributed in the EEA by ANZ which is authorised and regulated by the Australian Prudential Regulation Authority, to persons who would come within the MiFID definition of "eligible counterparty" or "professional client" in other countries in the EEA. This Term Sheet is distributed in those countries solely for the information of such persons upon their request. It is not intended for, and must not be distributed to, any person in those countries who would come within the FCA definition of "retail client".

Hong Kong. This Term Sheet is distributed in Hong Kong by the Hong Kong branch of ANZ, which is registered by the Hong Kong Monetary Authority to conduct Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities. In Hong Kong this Term Sheet is only for "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and any rules made under that Ordinance. The contents of this Term Sheet have not been reviewed by any regulatory authority in Hong Kong.

New Zealand. This Term Sheet is distributed by ANZ in New Zealand and is intended only for "wholesale" clients as defined in the Financial Advisers Act 2008.

Singapore. This Term Sheet is distributed in Singapore by the Singapore branch of ANZ solely for the information of "accredited investors", "expert investors" or "institutional investors" (each term as defined in the Securities and Futures Act Cap. 289 of Singapore). ANZ is licensed in Singapore under the Banking Act Cap. 19 of Singapore and is exempted from holding a financial adviser's licence under Section 23(1)(a) of the Financial Advisers Act Cap. 100 of Singapore.



NAB Disclaimer

This summary document was prepared by National Australia Bank. It is a brief summary only. It is not binding. The actual terms and conditions of the issue are as set out in the pricing supplement and other programme documents. This summary document does not necessarily set out all terms and conditions that are material. If this document is inconsistent with the actual terms and conditions of the issue, it is those actual terms and conditions that prevail. You should read the actual terms and conditions.

In providing this document, we are assuming that your organisation is capable of evaluating the merits and risks of the instruments, their suitability for your organisation's purposes and their legal, taxation, accounting and financial implications and that in making this evaluation you are not relying on any recommendation or statement by us. You should ensure that you have independently assessed and fully understand these things. This document is not advice and we are not acting as your adviser or assuming any duty of care in this respect.

To the extent permitted by applicable law, none of the Joint Lead Managers, the Issuer accepts any liability whatsoever for any direct or consequential loss arising from any use of this document, including for negligence. This document is strictly confidential and may only be disclosed to those of your directors, officers, employees or professional advisers to whom such disclosure is reasonably necessary for the purpose for which this document has been provided to you.

This document is not an offer, invitation or solicitation to buy the Notes. This document is only intended for professional investors whose ordinary business includes the buying or selling of securities such as the Notes. In particular:

- (a) this summary document is only intended to be distributed in circumstances where disclosure is not required under Chapter 6D.2 of the Corporations Act of Australia; and
- (b) the Notes may not be offered, sold or delivered (directly or indirectly) in the United States or to, or for, the account or benefit of, United States persons and the summary document may not be distributed in the United States or to United States persons (unless an exception from registration under the US Securities Act of 1933 is available).

Nomura Disclaimer

This document is confidential and for your private information only. You must obtain the consent of Nomura International plc ("Nlplc") before distributing this document to any person uninvolved in the proposed transaction. This document is subject to the copyright of Nlplc. This term sheet is for discussion purposes and contains indicative terms only. Neither of us will be legally bound until we agree to enter into a transaction subject to material terms, which shall be set out in agreed documentation. This termsheet does not constitute a prospectus and you should not subscribe for any securities referred to in this termsheet except on the basis of the information contained in the prospectus (or similar document), which is published in respect of such securities. Any information contained herein is based on sources we consider to be reliable, however we do not represent that it is accurate or complete. Nlplc does not accept any liability whatsoever for any direct, indirect or consequential loss arising from any actions undertaken in reliance on the information or other content of this term sheet. If the transaction described includes leverage, embedded options forwards or futures, the exchange of currencies, or other structural elements, the value of the transaction, and your exposure, could change more quickly, more frequently or by a greater magnitude (or all three) relative to other derivative transactions or cash market instruments. Generally, all over-the-counter ("OTC") derivative transactions involve the risk of adverse or unanticipated market developments, risk of counterparty default, risk of illiquidity and other risks and may involve the risk of loss due to default or potential default by the issuer of obligations or securities. In certain transactions, counterparties may lose their entire stake or incur an unlimited loss. Directors, employees, affiliates of Nomura Holdings, Inc or its subsidiaries (collectively the "Nomura Group"), may from time to time perform investment banking or other services (including acting as advisor, manager or lender), or may have a position or act as market maker, for/in connection with the issuers of securities in companies mentioned herein or in derivatives or related investments thereof. Nlplc is authorised and regulated by the UK Financial Conduct Authority ("FCA") and is a member of the London Stock Exchange. This product is intended only for investors who are "eligible counterparties" or "professional clients" as defined by FCA. This document is not intended for private customers. This term sheet is provided on the basis that you have the capability to make your own independent evaluation of the financial, market, legal, regulatory, credit, tax and accounting risks and consequences involved in the described transaction and its suitability for your purposes. Nlplc is not your designated investment adviser. The securities described herein have not been registered under the U.S. Securities Act 1933, and may not be offered or sold in the United States or to U.S. persons unless they have been registered under such Act, or in compliance with an exemption from the registration requirements of such Act. This publication contains material that has been prepared by Nlplc for publication within the UK and Europe only. Affiliates of Nlplc may act as its agent in distributing this material to clients in other locations. You should refer to your local sales representative, as additional requirements may apply in relation to the distribution of this termsheet. Nlplc does not hold an Australian financial services licence. Nlplc is exempt from the requirement to hold an Australian financial services licence. Nlplc is regulated by the FCA under UK laws which differ from Australian laws.

TD Disclaimer

This document is confidential and has been prepared solely for the recipient's information purposes by The Toronto-Dominion Bank or one of its subsidiaries or affiliates (collectively "TD Bank"). It is not an offer,



recommendation or solicitation to buy or sell, nor is it an official confirmation of terms. Insofar as the document is issued in Ireland it is intended only to be issued to professional clients under The European Communities (Markets in Financial Instruments) Regulations 2007, as amended, implementing The Markets in Financial Instruments Directive (Directive 2004/39/EC). Insofar as the document is issued in or to the United Kingdom, it is intended only to be issued to persons who (i) are persons falling within Article 19(5) ("Investment professional") of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Financial Promotion Order"), (ii) are persons falling within Article 49(2)(a) to (d) ("High net worth companies, unincorporated associations, etc.") of the Financial Promotion Order, or (iii) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any Securities may otherwise lawfully be communicated or caused to be communicated. No representation is made that the information contained in the document is accurate in all material respects or complete. TD Bank shall not be liable for any errors or omissions in the information or for any loss or damage suffered. Changes to assumptions may have a material impact on any returns detailed. Historic information on performance is not indicative of future returns. The information in the document is subject to change without notice. Any transaction detailed in the document will be subject to TD Bank's own internal approvals and the agreement of appropriate documentation. Where the transaction contemplates an issue of investments, a decision to purchase the investments should be based upon the final terms and conditions of the investments. TD Bank and/or connected persons may, from time to time, have positions in, make a market in and/or effect transactions in any investment or related investment mentioned herein and may provide financial services to the issuers of such investments. The material outlined in this document does not have regard to the specific investment objectives, financial situation and the particular needs of persons who may receive this document. You should seek your own financial and tax advice regarding the appropriateness of investing in any securities or investments discussed in this document and carefully consider any risks involved. Any transaction entered into is in reliance only upon your judgment as to financial, suitability and risk criteria. TD Bank does not hold itself out to be an advisor in these circumstances, nor does any of its staff have the authority to do so. TD Securities is a trademark of The Toronto-Dominion Bank and represents TD Global Finance, TD Securities Inc., TD Securities (USA) LLC, TD Securities Ltd and certain investment and corporate banking activities of TD Bank. This document is prepared, issued or approved for issuance in the UK and Europe by TD Securities Ltd in respect of investment business and by TD Bank Europe Limited in respect of banking business on behalf of or as agent and introducer for TD Bank. The Toronto-Dominion Bank and TD Bank Europe Ltd are authorized in the UK by the Prudential Regulation Authority and regulated in the UK by the Financial Conduct Authority and the Prudential Regulation Authority. TD Securities Limited is authorised in the UK by the Prudential Regulation Authority and regulated in the UK by the Financial Conduct Authority. TD Global Finance is authorised by the Central Bank of Ireland as an Investment Firm under Regulation 11(1) or deemed authorised under Regulation 6(2) of the European Communities (Markets in Financial Instruments) Regulations 2007. If you receive this document and you are domiciled in Australia, please note that The Toronto-Dominion Bank (ARBN 082 818 175) is exempt from the requirement to hold an Australian Financial Services Licence under the Act in respect of the financial services provided by the Singapore branch and London Branch of The Toronto-Dominion Bank as part of its operations in Singapore and the United Kingdom. The Toronto-Dominion Bank is regulated by the Monetary Authority of Singapore under Singaporean laws and the Prudential Regulation Authority and Financial Conduct Authority under UK laws, which differ from Australian laws. The Toronto-Dominion Bank is not a "registered bank" in New Zealand under the Reserve Bank Act 1989. The Toronto-Dominion Bank, Singapore Branch is regulated by the Monetary Authority of Singapore. For Japanese residents, please note that The Toronto-Dominion Bank is not licensed in Japan and this is being provided to you under a relevant exemption to the Financial Instruments and Exchange Law. The Toronto-Dominion Bank, Hong Kong Branch is regulated by the Hong Kong Monetary Authority. The Toronto-Dominion Bank has a representative office in Shanghai, Mumbai and Seoul which should be contacted for any general enquiry related to the Toronto-Dominion Bank or its business. However, neither any Toronto-Dominion offshore entity nor the Shanghai representative office of The Toronto-Dominion Bank is permitted to conduct business within the borders of the People's Republic of China (which, for such purposes, does not include Hong Kong, Macau or Taiwan). Copyright 2010 by The Toronto-Dominion Bank. All rights reserved.

Westpac Disclaimer

This term sheet is for distribution only to professional investors whose ordinary business includes the buying or selling of securities such as the securities described above (the "Notes") in circumstances where disclosure is not required under Chapter 6D.2 of the Corporations Act, 2001 and in such other circumstances as may be permitted by applicable law. This term sheet should not be distributed to, and is not intended for, any other person. This term sheet is distributed solely for informational purposes and is not to be construed as a solicitation, recommendation or an offer to buy or sell any Notes and should not be treated as giving investment advice. This term sheet is subject to and must be read in conjunction with the terms and conditions of the Notes, the Information Memorandum for the Notes and the pricing supplement relating to this issue.