

Lloyds Banking Group plc
Form 6-K
December 08, 2015

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C.20549

FORM 6-K

Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16
of the Securities Exchange Act of 1934

08 December 2015

LLOYDS BANKING GROUP plc
(Translation of registrant's name into English)

5th Floor
25 Gresham Street
London
EC2V 7HN
United Kingdom

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports
under cover Form 20-F or Form 40-F.

Form 20-F..X.. Form 40-F.....

Indicate by check mark whether the registrant by furnishing the information
contained in this Form is also thereby furnishing the information to the
Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No ..X..

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule
12g3-2(b): 82- _____

Index to Exhibits

News Release

8 December 2015

NOT FOR DISTRIBUTION IN ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION. THE EXCHANGE OFFER IS AVAILABLE ONLY TO (1) QUALIFIED INSTITUTIONAL BUYERS IN A PRIVATE TRANSACTION IN RELIANCE UPON THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT PROVIDED BY SECTION 4(A)(2) THEREOF AND (2) OUTSIDE THE UNITED STATES, TO PERSONS OTHER THAN "U.S. PERSONS" AS DEFINED IN RULE 902 UNDER THE SECURITIES ACT IN OFFSHORE TRANSACTIONS IN COMPLIANCE WITH REGULATIONS UNDER THE SECURITIES ACT. THE EXCHANGE OFFER IS MADE SUBJECT TO OFFER RESTRICTIONS IN CERTAIN JURISDICTIONS (SEE "OFFER RESTRICTIONS" BELOW).

LLOYDS BANKING GROUP PLC - PRICING OF EXCHANGE OFFER

Further to the announcement earlier today, Lloyds Banking Group plc ("LBG") announces the pricing of its previously announced exchange offer for specified series of outstanding subordinated debt securities issued by HBOS plc and Lloyds Bank plc (the "Exchange Offer").

The Exchange Offer is being made on the terms and subject to the conditions set out in the Exchange Offer Memorandum dated 23 November 2015 (the "Exchange Offer Memorandum"). Capitalized terms not otherwise defined in this announcement have the same meaning as in the Exchange Offer Memorandum.

The table below sets forth the pricing information relating to the 2025 Exchange Offer:

		Principal Amount Outstanding	2025 New Notes to be issued on the Early Settlement Date	Reference Treasury Security	Reference Yield	Early Participation Payment(1)	Total Exchange Consideration	Exchange Consideration
Old Notes	CUSIP						(1)	(1)
Lloyds Bank plc	53947NAA2	\$2,000,000,000	\$1,324,457,000	1.375%	1.692%	\$50	\$1,169.05	\$1,119.05
6.50% Fixed Rate	53947QAA5			due 31 October 2020				
Lower Tier 2 Notes due 2020								

(1) Per \$1,000 principal amount of 2020 Old Notes accepted for exchange.

(2) The Exchange Consideration for each \$1,000 principal amount of 2020 Old Notes tendered after the Early Participation Date but at or prior to the Expiration Deadline (as defined below) will be 2025 New Notes in a principal amount equal to the Total Exchange Consideration less the Early Participation Payment.

Edgar Filing: Lloyds Banking Group plc - Form 6-K

The table below sets forth the pricing information relating to the 2045 Exchange Offer:

Old Notes	CUSIP	Principal Amount Outstanding	2045 New Notes to be issued on the Early Settlement Date	Reference Treasury Security	Reference Yield	Early Participation Payment(1)	Total Exchange Consideration (1)(2)	Exchange Consideration (1)(2)	2045 New Notes Value(3)
HBOS plc 6.00% Subordinated Notes due 2033	4041A2AF1 4041A3AG7	\$750,000,000	\$323,535,000	2.875% due 15 August 2045	2.974%	\$50	\$1,146.34	\$1,096.34	\$1,003.

- (1) Per \$1,000 principal amount of 2033 Old Notes accepted for exchange.
- (2) The Exchange Consideration for each \$1,000 principal amount of 2033 Old Notes tendered after the Early Participation Date but at or prior to the Expiration Deadline will be the Total Exchange Consideration less the Early Participation Payment.
- (3) Per \$1,000 principal amount of 2045 New Notes.
- (4) The 2045 New Notes Exchange Ratio is equal to (a) the Total Exchange Consideration, divided by (b) the 2045 New Notes Value multiplied by (c) \$1,000. Such amount represents the aggregate principal amount of 2045 New Notes a holder will receive for each \$1,000 of 2033 Old Notes tendered at or prior to the Early Participation Date.

LBG has accepted for exchange on the Early Settlement Date all Old Notes that were validly tendered and not validly withdrawn at or prior to the Early Participation Date.

The Exchange Offer will expire at 11:59 p.m., New York City time, on 21 December 2015, unless extended, re-opened or earlier terminated as provided in the Exchange Offer Memorandum. The deadline to validly withdraw tenders of Old Notes was 5:00 p.m., New York City time, on 7 December 2015 (the "Withdrawal Deadline"); therefore Old Notes that have been tendered and not validly withdrawn prior to the Withdrawal Deadline, and Old Notes tendered after the Withdrawal Deadline, may not be withdrawn unless otherwise required by applicable law.

Total Exchange Consideration; Exchange Consideration

Holders who validly tendered and did not validly withdraw Old Notes at or prior to the Early Participation Date, and whose tenders were accepted for exchange by LBG, will receive the applicable Total Exchange Consideration for each \$1,000 principal amount of Old Notes. The Exchange Consideration for each \$1,000 principal amount of Old Notes tendered after the Early Participation Date but at or prior to the Expiration Deadline will be the Total Exchange Consideration less the applicable Early Participation Payment.

Settlement of the Old Notes that were validly tendered on or prior to the Early Participation Date and that are accepted for exchange will be made promptly following the Early Participation Date, which is expected to be on 10 December 2015. Payment for any Old Notes that are validly tendered after the Early Participation Date but on or prior to the Expiration Deadline and that are accepted for exchange will be made promptly following the Expiration Date, which is expected to be on 23 December 2015.

Edgar Filing: Lloyds Banking Group plc - Form 6-K

The 2025 New Notes Coupon, the 2045 Notes Value and the applicable Total Exchange Consideration and applicable Exchange Consideration were determined in the manner described in the Exchange Offer Memorandum at 11:00 a.m., New York City time, today by reference to the applicable fixed spread over the yield to maturity of the applicable U.S. Treasury Security specified in the table on the cover page of the Exchange Offer Memorandum. The 2025 New Notes Coupon is 4.582%.

LBG has not registered the New Notes under the Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws. The New Notes may not be offered or sold in the United States or to any U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Neither the U.S. Securities and Exchange Commission (the "SEC") nor any state securities commission has approved or disapproved of the Exchange Offer or the securities to be issued in the Exchange Offer or passed upon the adequacy or accuracy of the Exchange Offer Memorandum. Any representation to the contrary is a criminal offense. LBG has entered into a Registration Rights Agreement with the Dealer Managers with respect to the New Notes whereby LBG will be obligated to use commercially reasonable efforts to file a registration statement with respect to an offer to exchange the New Notes for substantially similar notes of LBG that are registered under the Securities Act or, in certain circumstances, register the resale of the New Notes.

FURTHER INFORMATION

Requests for copies of the Exchange Offer Memorandum and information in relation to the procedures for tendering should be directed to:

Exchange Agent

Lucid Issuer Services Limited
Sunjeev Patel / David Shilson
Investor Relations
Douglas Radcliffe

Email: lbg@lucid-is.com
Telephone: +44 (0) 20 7704 0880

Email:
douglas.radcliffe@finance.lloydsbanking.com
Telephone: +44 (0) 20 7356 1571

Group Investor Relations Director

DISCLAIMER

This announcement and the Exchange Offer Memorandum (including the documents incorporated by reference therein) contain important information which should be read carefully before any decision is made with respect to the Exchange Offer. If you are in any doubt as to the contents of this announcement or the Exchange Offer Memorandum or the action you should take, you are recommended to seek your own financial and legal advice, including as to any tax consequences, immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial or legal adviser. Any individual or company whose Old Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee or intermediary must contact such entity if it wishes to participate in the Exchange Offer. None of LBG, the Dealer Managers or the Exchange Agent makes any recommendation as to whether holders should offer Old Notes for exchange pursuant to the Exchange Offer.

OFFER RESTRICTIONS

United Kingdom

This announcement and the Exchange Offer Memorandum and any other documents or materials relating to the Exchange Offer are not being made, and such documents and/or materials have not been approved, by an authorized person for the purposes of section 21 of the FSMA. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials is exempt from the restriction on financial promotions under section 21 of the FSMA on

the basis that it is only directed at and may be communicated to (1) those persons who are existing members or creditors of LBG or other persons within Article 43 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, and (2) any other persons to whom these documents and/or materials may lawfully be communicated.

Belgium

Neither this announcement, the Exchange Offer Memorandum nor any other documents or materials relating to the Exchange Offer have been submitted to or will be submitted for approval or recognition to the Financial Services and Markets Authority (Autorité des services et marchés financiers / Autoriteit voor financiële diensten en markten) and, accordingly, the Exchange Offer may not be made in Belgium by way of a public offering, as defined in Articles 3 and 6 of the Belgian Law of 1 April 2007 on public takeover bids, as amended or replaced from time to time. Accordingly, the Exchange Offer may not be advertised and the Exchange Offer will not be extended, and neither the Exchange Offer Memorandum nor any other documents or materials relating to the Exchange Offer (including any memorandum, information circular, brochure or any similar documents) has been or shall be distributed or made available, directly or indirectly, to any person in Belgium other than "qualified investors" in the sense of Article 10 of the Belgian Law of 16 June 2006, on the public offer of placement instruments and the admission to trading of placement instruments on regulated markets, acting on their own account. This announcement and the Exchange Offer Memorandum have been issued only for the personal use of the above qualified investors and exclusively for the purpose of the Exchange Offer. Accordingly, the information contained in the Exchange Offer Memorandum may not be used for any other purpose or disclosed to any other person in Belgium.

Canada

The Exchange Offer is not being made, directly or indirectly, to any person located or resident in any province or territory of Canada, and such persons may not participate in the Exchange Offer.

France

The Exchange Offer is not being made, directly or indirectly, to the public in France. Neither this announcement, the Exchange Offer Memorandum nor any other documents or offering materials relating to the Exchange Offer, has been or shall be distributed to the public in France and only (i) providers of investment services relating to portfolio management for the account of third parties (personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers) and/or (ii) qualified investors (investisseurs qualifiés), other than individuals, acting for their own account, all as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French Code monétaire et financier, are eligible to participate in the Exchange Offer. The Exchange Offer Memorandum has not been and will not be submitted for clearance procedures (visa) of the Autorité des marchés financiers.

Hong Kong

The Exchange Offer is not being made and will not be made, and the New Notes are not being offered and will not be offered, in the Special Administrative Region of Hong Kong, other than: (a) to "professional investors" as defined in section 1 of part 1 of Schedule 1 of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made thereunder or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of the Special Administrative Region of Hong Kong or which do not constitute an offer to the public within the meaning of that ordinance. Neither LBG nor the Dealer Managers or the Exchange Agent has issued or had in its possession for the purposes of issue, or will issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the New Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong)

other than with respect to New Notes which are or are intended to be disposed of only to persons outside of Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made thereunder.

Italy

None of the Exchange Offer, the Exchange Offer Memorandum or any other documents or materials relating to the Exchange Offer has been or will be submitted to the clearance procedure of the Commissione Nazionale per le Società e la Borsa ("CONSOB"), pursuant to Italian laws and regulations. The Exchange Offer is being carried out in the Republic of Italy as an exempted offer pursuant to article 101-bis, paragraph 3-bis of the Legislative Decree No. 58 of 24 February 1998, as amended (the "Financial Services Act") and article 35-bis, paragraph 4 of CONSOB Regulation No. 11971 of 14 May 1999, as amended (the "Issuers' Regulation").

Accordingly, the Exchange Offer is only addressed to holders of Old Notes located in the Republic of Italy who are "qualified investors" (investitori qualificati) as defined pursuant to, and within the meaning of, Article 100 of the Financial Services Act and article 34-ter, paragraph 1, letter b of the Issuers' Regulation.

Holders or beneficial owners of the Old Notes located in the Republic of Italy that qualify as "qualified investors" can tender the Old Notes through authorized persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007, as amended from time to time, and Legislative Decree No. 385 of 1 September 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority.

Each intermediary must comply with the applicable laws and regulations concerning information duties vis-à-vis its clients in connection with the Old Notes or the Exchange Offer.

Singapore

This announcement and the Exchange Offer Memorandum have not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the Exchange Offer Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the New Notes may not be circulated or distributed, nor may the New Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the New Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is: (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)), the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor), whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the New Notes pursuant to an offer made under Section 275 of the SFA, except (1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA; (2) where no consideration is or will be given for the transfer; (3) where the transfer is by operation of law; (4) as specified in Section 276(7) of the SFA; or (5) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Switzerland

The New Notes may not be publicly offered, sold or advertised, directly or indirectly, in or from Switzerland. Neither this announcement, the Exchange Offer Memorandum nor any other offering or marketing material relating to the New Notes constitutes a prospectus as such term is understood pursuant to article 652a or article 1156 of the Swiss Federal Code of Obligations or a listing prospectus within the meaning of the listing rules of the SIX Swiss Exchange Ltd, and neither this announcement, the Exchange Offer Memorandum nor any other offering or marketing material relating to the New Notes may be publicly distributed or otherwise made publicly available in Switzerland.

Taiwan

The Exchange Offer is not being made to the public in Taiwan unless prior approval from, or effective registration with, the Republic of China government authorities has been obtained pursuant to the applicable laws or a private placement exemption is available under the applicable securities laws.

General

The distribution of this announcement and the Exchange Offer Memorandum in certain jurisdictions may be restricted by law. The Exchange Offer and the Exchange Offer Memorandum are, respectively, subject to offer and distribution restrictions in, among other countries, the United States, the United Kingdom, Belgium, Canada, France, Hong Kong, Italy, Singapore, Switzerland and Taiwan. This announcement and the Exchange Offer Memorandum do not constitute an invitation to participate in the Exchange Offer in any jurisdiction in which, or to any person to whom, the making of such invitation would not be in compliance with the laws or regulations of such jurisdiction. Persons into whose possession this announcement comes are required to inform themselves about and to observe any such restrictions.

FORWARD-LOOKING STATEMENTS

This announcement contains certain forward-looking statements with respect to the business, strategy and plans of LBG and its current goals and expectations relating to its future financial condition and performance. Statements that are not historical facts, including statements about LBG's or its directors' and/or management's beliefs and expectations, are forward-looking statements. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend upon circumstances that will or may occur in the future. Factors that could cause actual business, strategy, plans and/or results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements made by LBG or on its behalf include, but are not limited to: general economic and business conditions in the United Kingdom and internationally; market related trends and developments; fluctuations in exchange rates, stock markets and currencies; the ability to access sufficient sources of capital, liquidity and funding when required; changes to LBG's credit ratings; the ability to derive cost savings; changing customer behaviour including consumer spending, saving and borrowing habits; changes to borrower or counterparty credit quality; instability in the global financial markets, including Eurozone instability, the potential for one or more countries to exit the Eurozone or European Union (EU) (including the United Kingdom as a result of a referendum on its EU membership) and the impact of any sovereign credit rating downgrade or other sovereign financial issues; technological changes and risks to cyber security; pandemic, natural and other disasters, adverse weather and similar contingencies outside LBG's control; inadequate or failed internal or external processes or systems; acts of war, other acts of hostility, terrorist acts and responses to those acts, geopolitical, pandemic or other such events; changes in laws, regulations, accounting standards or taxation, including as a result of further Scottish devolution; changes to regulatory capital or liquidity requirements and similar contingencies outside LBG's control; the policies, decisions and actions of governmental or regulatory authorities in the United Kingdom, the EU, the United States or elsewhere including the implementation of key legislation and regulation; the ability to attract and retain senior management and other employees; requirements or limitations imposed on LBG as a result of HM

Edgar Filing: Lloyds Banking Group plc - Form 6-K

Treasury's investment in LBG; actions or omissions by LBG's directors, management or employees including industrial action; changes to LBG's post-retirement defined benefit scheme obligations; the provision of banking operations services to TSB Banking Group plc; the extent of any future impairment charges or write-downs caused by, but not limited to, depressed asset valuations, market disruptions and illiquid markets; the value and effectiveness of any credit protection purchased by LBG; the inability to hedge certain risks economically; the adequacy of loss reserves; the actions of competitors, including non-bank financial services and lending companies; and exposure to regulatory or competition scrutiny, legal, regulatory or competition proceedings, investigations or complaints. Please refer to the latest Annual Report on Form 20-F filed with the SEC for a discussion of certain factors together with examples of forward-looking statements. Except as required by any applicable law or regulation, the forward-looking statements contained in this announcement are made as of the date of this announcement, and LBG expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GROUP plc

LLOYDS BANKING

(Registrant)

By: Douglas Radcliffe

Name: Douglas Radcliffe
Title: Interim Investor Relations Director

Date: 08 December 2015