

P&L (£m)	2021	H1 22E	2022E	2023E	2024E
Net interest income	1,412	757	1,526	1,560	1,590
Non-interest income	160	78	161	171	180
Total operating income	1,572	836	1,687	1,731	1,770
Underlying operating and administrative expenses	(902)	(455)	(904)	(873)	(843)
Operating profit before impairment losses	670	381	783	858	926
Impairment losses on credit exposures	131	(46)	(121)	(198)	(230)
Underlying profit on ordinary activities before tax	801	334	662	660	697
Restructuring costs	(146)	(72)	(138)	(84)	(53)
Acquisition accounting	(88)	(21)	(40)	(9)	(5)
Legacy conduct	(76)	(5)	(9)	(7)	(7)
Other	(74)	(1)	(2)	(2)	(1)
Exceptional items	(384)	(99)	(189)	(103)	(67)
Statutory profit on ordinary activities before tax	417	236	473	557	630
Tax charge	57	(43)	(93)	(116)	(146)
Statutory profit for the period	474	192	381	441	484
Underlying profit after tax, before deductions of distributions	771	266	533	518	531
AT1 distributions	(79)	(33)	(68)	(65)	(63)
Underlying profit after tax attributable to ordinary equity holders	691	233	465	453	468
Underlying basic earnings per share (p)	47.9	16.2	32.4	31.8	33.4
Statutory basic earnings per share (p)	27.3	11.1	21.8	26.5	30.1
Dividend per share (p)	1.0	1.8	7.8	9.9	12.2
Share Buyback announced	-	22	39	54	54
Period end number of shares (#m)	1,440	1,438	1,436	1,416	1,394
Effective tax rate	14%	18%	20%	21%	23%

Period end balance sheet (£bn)	2021E	H1 22E	2022E	2023E	2024E
Average interest earnings assets (AIEA)	86.9	86.1	86.4	87.2	89.0
Total customer loans	72.0	72.0	72.4	73.8	75.4
Customer deposits	66.9	66.7	66.8	68.1	69.6
Risk weighted assets (RWA)	24.2	24.4	24.7	25.6	26.5
Tangible net asset value (TNAV) per share (p)	289.8	302.6	307.1	325.6	345.5

Key performance indicators	2021E	H1 22E	2022E	2023E	2024E
Net interest margin (NIM)	1.62%	1.76%	1.77%	1.79%	1.79%
Underlying cost income ratio (CIR)	57%	54%	54%	50%	48%
Cost of risk (COR)	(0.18%)	0.13%	0.17%	0.27%	0.31%
Underlying return on tangible equity (RoTE)	17.8%	11.0%	10.9%	10.1%	10.0%
Statutory return on tangible equity (RoTE)	10.2%	7.5%	7.3%	8.4%	9.0%
Loan to deposit ratio (LDR)	108%	108%	108%	109%	109%
CET1 ratio	14.9%	14.9%	14.6%	14.7%	14.9%

Disclaimer

Note: AT1 distributions are now presented on the restated basis provided in the 2020 interim results for the period ending 31 March 2020, where the taxation impacts of distributions relating to AT1 securities are now recognised within tax expense in the income statement as opposed to being recognised directly in retained earnings within equity. The consensus summary was last updated in January 2022. Consensus figures in the tables above are based on forecasts to the extent they were provided by 13 analysts who have updated models since the Q1 22 trading update dated 1 February 2022. Figures provided by analysts that do not relate to a specific line item have been excluded.

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H1 2022E consensus			
Low	Mean	High	# Analysts
737	757	767	9
64	78	89	9
813	836	848	9
(465)	(455)	(449)	9
360	381	394	9
(75)	(46)	(27)	9
296	334	362	9
(80)	(72)	(69)	9
(35)	(21)	(12)	9
(10)	(5)	-	9
(5)	(1)	-	9
(120)	(99)	(83)	9
204	236	263	9
(57)	(43)	(26)	9
157	192	237	9
225	266	325	9
(40)	(33)	(25)	9
196	233	297	9
13.5	16.2	20.6	9
8.3	11.1	14.4	9
-	1.8	4.9	9
-	22	100	9
1,395	1,438	1,449	9
10%	18%	24%	9

H1 2022E consensus			
Low	Mean	High	# Analysts
85.1	86.1	87.2	9
71.2	72.0	72.6	9
65.0	66.7	68.6	8
24.2	24.4	25.4	9
295.0	302.6	326.7	8

H1 2022E consensus			
Low	Mean	High	# Analysts
1.70%	1.76%	1.80%	9
54%	54%	56%	9
0.08%	0.13%	0.21%	9
9.3%	11.0%	14.0%	9
5.7%	7.5%	9.8%	9
106%	108%	111%	8
14.6%	14.9%	15.7%	9

FY 2022E consensus			
Low	Mean	High	# Analysts
1,483	1,526	1,576	13
132	161	179	13
1,633	1,687	1,743	13
(913)	(904)	(892)	13
741	783	833	13
(152)	(121)	(55)	13
601	662	755	13
(145)	(138)	(133)	13
(55)	(40)	(25)	13
(20)	(9)	-	13
(15)	(2)	-	13
(210)	(189)	(163)	13
406	473	564	13
(138)	(93)	(45)	13
287	381	484	13
455	533	662	13
(80)	(68)	(50)	13
377	465	609	13
26.1	32.4	42.3	13
15.7	21.8	29.9	13
4.5	7.8	14.8	13
-	39	200	13
1,396	1,436	1,449	13
10%	20%	32%	13

FY 2022E consensus			
Low	Mean	High	# Analysts
85.3	86.4	87.4	13
71.0	72.4	73.3	13
63.9	66.8	70.0	12
24.0	24.7	25.8	13
290.9	307.1	322.8	13

FY 2022E consensus			
Low	Mean	High	# Analysts
1.70%	1.77%	1.83%	13
52%	54%	55%	13
0.08%	0.17%	0.21%	13
8.8%	10.9%	14.5%	13
5.4%	7.3%	10.3%	13
104%	108%	113%	12
14.1%	14.6%	15.2%	13

FY 2023E consensus			
Low	Mean	High	# Analysts
1,455	1,560	1,673	13
150	171	194	13
1,619	1,731	1,853	13
(902)	(873)	(857)	13
760	858	985	13
(243)	(198)	(142)	13
545	660	843	13
(111)	(84)	(69)	13
(15)	(9)	-	13
(20)	(7)	-	13
(15)	(2)	-	13
(125)	(103)	(83)	13
445	557	749	13
(154)	(116)	(88)	13
336	441	608	13
409	518	674	13
(80)	(65)	(44)	13
333	453	617	13
23.1	31.8	45.9	13
17.9	26.5	41.0	13
5.0	9.9	14.1	13
-	54	250	13
1,296	1,416	1,462	13
15%	21%	27%	13

FY 2023E consensus			
Low	Mean	High	# Analysts
84.2	87.2	89.0	13
71.0	73.8	75.2	13
63.6	68.1	72.8	12
24.2	25.6	26.7	13
300.6	325.6	365.6	13

FY 2023E consensus			
Low	Mean	High	# Analysts
1.67%	1.79%	1.92%	13
47%	50%	54%	13
0.20%	0.27%	0.33%	13
7.4%	10.1%	13.4%	13
5.7%	8.4%	11.9%	13
103%	109%	117%	12
14.1%	14.7%	15.9%	13

FY 2024E consensus			
Low	Mean	High	# Analysts
1,456	1,590	1,678	13
163	180	213	13
1,619	1,770	1,874	13
(902)	(843)	(814)	13
782	926	1,032	13
(253)	(230)	(187)	13
555	697	819	13
(70)	(53)	(26)	13
(15)	(5)	-	13
(20)	(7)	-	13
(5)	(1)	-	13
(94)	(67)	(29)	13
471	630	791	13
(198)	(146)	(118)	13
353	484	625	13
417	531	647	13
(80)	(63)	(41)	13
341	468	597	13
23.6	33.4	46.5	13
20.4	30.1	42.0	13
7.0	12.2	17.0	13
-	54	250	13
1,212	1,394	1,476	13
20%	23%	31%	13

FY 2024E consensus			
Low	Mean	High	# Analysts
85.6	89.0	91.2	13
71.8	75.4	77.3	13
63.0	69.6	75.8	12
24.7	26.5	28.0	13
310.0	345.5	404.8	13

FY 2024E consensus			
Low	Mean	High	# Analysts
1.62%	1.79%	1.92%	13
45%	48%	54%	13
0.25%	0.31%	0.34%	13
7.3%	10.0%	12.4%	13
6.3%	9.0%	12.0%	13
101%	109%	121%	12
13.8%	14.9%	16.6%	13