

SUPPLEMENT

# Jefferies

Jefferies Group LLC

## U.S.\$2,000,000,000 Euro Medium Term Note Programme

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This Third Supplement dated 26 September 2017 (this “**Supplement**”) to the Base Prospectus dated 28 April 2017 (as supplemented by the First Supplement dated 21 June 2017 and the Second Supplement dated 11 July 2017, the “**Base Prospectus**”) is prepared in connection with the U.S.\$2,000,000,000 Euro Medium Term Note Programme (the “**Programme**”) established by Jefferies Group LLC (the “**Issuer**”).

This Supplement has been approved by the Central Bank of Ireland (the “**Central Bank**”), as competent authority under Directive 2003/71/EC, as amended (the “**Prospectus Directive**”). The Central Bank only approves this Supplement as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive.

This document constitutes a Supplement for the purposes of the Prospectus Directive. References herein to this document are to this Supplement including the document annexed hereto. This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus.

Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (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.

A copy of the Issuer’s current report on Form 8-K, as filed with the United States Securities and Exchange Commission (the “**SEC**”) on 19 September 2017, has been filed with the Central Bank and is annexed hereto.

Any statement contained in the Base Prospectus or a document incorporated by reference in the Base Prospectus shall be considered to be modified or superseded to the extent that a statement contained or incorporated by reference in this Supplement or in any other subsequently filed document that is incorporated by reference in the Base Prospectus modifies or supersedes such statement.

Certain statements included or incorporated by reference herein may constitute “forward looking statements”. Forward looking statements include statements about the Issuer’s future and statements that are not historical facts. These forward looking statements are usually preceded by the words “believe,” “intend,” “may,” “will,” or similar expressions. Forward looking statements may contain expectations regarding revenues, earnings, operations and other financial projections, and may include statements of future performance, plans and objectives. Forward looking statements also include statements pertaining to the Issuer’s strategies for future development of its business and products. Forward looking statements represent only the Issuer’s belief regarding future events, many of which by their nature are inherently uncertain. It is possible that the actual results may differ, possibly materially, from the anticipated results indicated in these forward-looking statements. Information regarding important factors that could cause actual results to differ, perhaps materially, from those in the Issuer’s forward looking statements is contained in the Base Prospectus and other documents the Issuer files. Any forward looking statement speaks only as of the date on which that statement is made. The Issuer

will not update any forward looking statement to reflect events or circumstances that occur after the date on which the statement is made, except as required by applicable law.

Where there is any inconsistency among the Base Prospectus and this Supplement, the language used in this Supplement shall prevail.

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

Save as disclosed in this Supplement, there has been no significant change in the financial or trading position of the Issuer and its subsidiaries, taken as a whole, since 31 August 2017. Save as disclosed in the Base Prospectus and this Supplement, there has been no material adverse change in the prospects of the Issuer and its subsidiaries taken as a whole since 30 November 2016.

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549**

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): September 19, 2017

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**Jefferies Group LLC**

(Exact name of registrant as specified in its charter)

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Delaware

(State or other jurisdiction of  
incorporation)

1-14947

(Commission File Number)

95-4719745

(IRS Employer Identification  
No.)

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520 Madison Avenue, New York, New York

(Address of principal executive offices)

10022

(Zip Code)

Registrant's telephone number, including area code: 212-284-2550

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(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company:

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 2.02. Results of Operations and Financial Condition**

On September 19, 2017, we issued a press release announcing financial results for our fiscal quarter ended August 31, 2017. A copy of the press release is attached hereto as Exhibit 99.

**Item 9.01. Financial Statements and Exhibits**

The following exhibit is furnished with this report:

<u>Number</u>	<u>Exhibit</u>
99	September 19, 2017 press release.

***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 hereunto duly authorized.

Jefferies Group LLC

Date: September 19, 2017

/s/ Roland T. Kelly

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Roland T. Kelly

Assistant Secretary

***EXHIBIT INDEX***

<b>Exhibit No.</b>	<b>Description</b>
<u>99</u>	<u>September 19, 2017 press release.</u>

## Jefferies Reports Fiscal Third Quarter 2017 Financial Results

NEW YORK--(BUSINESS WIRE)--September 19, 2017--Jefferies Group LLC today announced financial results for its fiscal third quarter 2017.

Highlights for the three months ended August 31, 2017:

- Total Net Revenues of \$801 million
- Investment Banking Net Record Revenues of \$476 million
- Total Equities and Fixed Income Net Revenues of \$320 million
- Earnings Before Income Taxes of \$122 million
- Net Earnings of \$84 million

Highlights for the nine months ended August 31, 2017:

- Total Net Revenues of \$2,375 million
- Investment Banking Net Revenues of \$1,236 million
- Total Equities and Fixed Income Net Revenues of \$1,128 million
- Earnings Before Income Taxes of \$363 million
- Net Earnings of \$268 million

Rich Handler, Chairman and Chief Executive Officer, and Brian Friedman, Chairman of the Executive Committee, commented: “Our third quarter net revenues of more than \$800 million represent our best third quarter in Jefferies' history (excluding Bache), and are significantly above the revenues of \$654 million for the same quarter last year and \$683 million for the second quarter of this year (excluding last quarter's \$96 million gain on our KCG position, which has now been sold).”

“Our third quarter performance was led by a quarterly record \$476 million in Investment Banking revenues. We have been focused on building our Investment Banking business for many years, with the last two years affording us yet another important opportunity to recruit and expand upon our already broad footprint. The continued successful development of our investment banking platform should lead to greater stability in our results and compounding benefits to our overall platform.”

“Jefferies' Investment Banking net revenues reflect record quarterly debt capital markets net revenues, solid results in our equity capital markets effort and a strong performance in mergers, acquisitions and advisory, as well as broad participation across our industry groups, including healthcare, energy, technology media and telecommunications, financial services, industrials and consumer. This third quarter alone, our 789 global investment banking professionals completed 381 debt financings raising \$91 billion of capital, 34 equity financings raising \$16 billion of capital and 50 merger and acquisitions transactions aggregating \$29 billion in total deal size. Our Investment Banking backlog remains robust.”

“Our Equities and Fixed Income results were solid, while volumes and volatility were subdued for much of the quarter. We are driving growth in market share in our core equities business, while our fixed income efforts are much improved, with increased capital efficiency and lower overall risk.”

“Our non-compensation costs include \$4.4 million of the more than \$5.0 million we, our clients and our employees donated to charities for Hurricane Harvey relief. We are proud Jefferies could deliver our platform to support those in need in the aftermath of this horrible disaster.”

The attached financial tables should be read in conjunction with our Quarterly Report on Form 10-Q for the quarter ended May 31, 2017, our Annual Report on Form 10-K for the year ended November 30, 2016 and our amended Annual Report on

Form 10-K/A for the year ended November 30, 2016. Amounts herein pertaining to August 31, 2017 represent a preliminary estimate as of the date of this earnings release and may be revised in our Quarterly Report on Form 10-Q for the quarter ended August 31, 2017.

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This release contains "forward-looking statements" within the meaning of the safe harbor provisions of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements include statements about our future results and performance, including our future market share and expected financial results. It is possible that the actual results may differ materially from the anticipated results indicated in these forward-looking statements. Please refer to our most recent Annual Report on Form 10-K for a discussion of important factors that could cause actual results to differ materially from those projected in these forward-looking statements.

Jefferies, the world's only independent full-service global investment banking firm focused on serving clients for over 50 years, is a leader in providing insight, expertise and execution to investors, companies and governments. Our firm provides a full range of investment banking, sales, trading, research and strategy across the spectrum of equities, fixed income and foreign exchange, as well as wealth management, in the Americas, Europe and Asia. Jefferies Group LLC is a wholly-owned subsidiary of Leucadia National Corporation (NYSE: LUK), a diversified holding company.

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**JEFFERIES GROUP LLC AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF EARNINGS**  
(Amounts in Thousands)  
(Unaudited)

	Quarter Ended		
	August 31, 2017	May 31, 2017	August 31, 2016
<b>Revenues:</b>			
Commissions and other fees	\$ 139,082	\$ 152,643	\$ 152,044
Principal transactions	185,215	287,070	167,483
Investment banking	475,702	351,863	294,930
Asset management fees and investment income (loss) from managed funds	5,465	(2,697)	15,877
Interest	230,496	227,804	213,716
Other	12,371	22,272	19,791
Total revenues	<u>1,048,331</u>	<u>1,038,955</u>	<u>863,841</u>
Interest expense	<u>247,639</u>	<u>259,661</u>	<u>209,391</u>
Net revenues	<u>800,692</u>	<u>779,294</u>	<u>654,450</u>
<b>Non-interest expenses:</b>			
Compensation and benefits	462,933	450,522	376,438
<b>Non-compensation expenses:</b>			
Floor brokerage and clearing fees	44,869	47,494	40,189
Technology and communications	72,440	67,478	64,512
Occupancy and equipment rental	27,736	23,594	24,987
Business development	23,125	26,466	20,259
Professional services	25,007	26,413	29,761
Other	22,318	21,146	17,582
Total non-compensation expenses	<u>215,495</u>	<u>212,591</u>	<u>197,290</u>
Total non-interest expenses	<u>678,428</u>	<u>663,113</u>	<u>573,728</u>
Earnings before income taxes	<u>122,264</u>	<u>116,181</u>	<u>80,722</u>
Income tax expense	<u>38,439</u>	<u>46,391</u>	<u>39,564</u>
Net earnings	<u>83,825</u>	<u>69,790</u>	<u>41,158</u>
Net earnings (loss) attributable to noncontrolling interests	<u>10</u>	<u>39</u>	<u>(11)</u>
Net earnings attributable to Jefferies Group LLC	<u>\$ 83,815</u>	<u>\$ 69,751</u>	<u>\$ 41,169</u>
Pretax operating margin	15.3%	14.9%	12.3%
Effective tax rate	31.4%	39.9%	49.0%

**JEFFERIES GROUP LLC AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF EARNINGS**  
(Amounts in Thousands)  
(Unaudited)

	Nine Months Ended	
	August 31, 2017	August 31, 2016
Revenues:		
Commissions and other fees	\$ 437,547	\$ 454,025
Principal transactions	693,242	382,290
Investment banking	1,235,586	778,906
Asset management fees and investment income from managed funds	11,694	29,743
Interest income	660,323	655,836
Other	58,691	(6,937)
Total revenues	3,097,083	2,293,863
Interest expense	721,584	621,018
Net revenues	2,375,499	1,672,845
Non-interest expenses:		
Compensation and benefits	1,373,627	1,141,497
Non-compensation expenses:		
Floor brokerage and clearing fees	138,221	124,259
Technology and communications	205,425	196,000
Occupancy and equipment rental	77,145	74,498
Business development	72,223	67,700
Professional services	83,544	82,799
Other	62,670	52,649
Total non-compensation expenses	639,228	597,905
Total non-interest expenses	2,012,855	1,739,402
Earnings (loss) before income taxes	362,644	(66,557)
Income tax expense	95,009	5,112
Net earnings (loss)	267,635	(71,669)
Net earnings attributable to noncontrolling interests	50	77
Net earnings (loss) attributable to Jefferies Group LLC	\$ 267,585	\$ (71,746)
Pretax operating margin	15.3%	(4.0)%
Effective tax rate	26.2%	(7.7)%

**JEFFERIES GROUP LLC AND SUBSIDIARIES**  
**SELECTED STATISTICAL INFORMATION**  
(Amounts in Thousands, Except Other Data)  
(Unaudited)

	Quarter Ended		
	August 31, 2017	May 31, 2017	August 31, 2016
<b>Revenues by Source</b>			
Equities	\$ 176,789	\$ 271,522	\$ 148,308
Fixed income	142,736	158,606	195,335
Total Equities and Fixed income	<u>319,525</u>	<u>430,128</u>	<u>343,643</u>
Equity	86,081	74,902	68,218
Debt	186,261	125,847	72,473
Capital markets	272,342	200,749	140,691
Advisory	203,360	151,114	154,239
Total Investment banking	<u>475,702</u>	<u>351,863</u>	<u>294,930</u>
Asset management fees and investment income (loss) from managed funds:			
Asset management fees	4,272	4,115	7,610
Investment income (loss) from managed funds	1,193	(6,812)	8,267
Total	<u>5,465</u>	<u>(2,697)</u>	<u>15,877</u>
<b>Net revenues</b>	<b><u>\$ 800,692</u></b>	<b><u>\$ 779,294</u></b>	<b><u>\$ 654,450</u></b>
<b>Other Data</b>			
Number of trading days	65	64	65
Number of trading loss days	3	3	8
Average firmwide VaR (in millions) (1)	\$ 6.51	\$ 9.21	\$ 6.62

(1) VaR estimates the potential loss in value of our trading positions due to adverse market movements over a one-day time horizon with a 95% confidence level. For a further discussion of the calculation of VaR, see "Value-at-Risk" in Part II, Item 7 "Management's Discussion and Analysis" in our Annual Report on Form 10-K for the year ended November 30, 2016.

**JEFFERIES GROUP LLC AND SUBSIDIARIES**  
**SELECTED STATISTICAL INFORMATION**  
(Amounts in Thousands, Except Other Data)  
(Unaudited)

	<b>Nine Months Ended</b>	
	<b>August 31, 2017</b>	<b>August 31, 2016</b>
<b>Revenues by Source</b>		
Equities	\$ 605,025	\$ 373,593
Fixed income	523,194	490,603
Total Equities and Fixed income	<u>1,128,219</u>	<u>864,196</u>
Equity	222,549	173,122
Debt	474,736	175,870
Capital markets	697,285	348,992
Advisory	538,301	429,914
Total investment banking	<u>1,235,586</u>	<u>778,906</u>
Asset management fees and investment income (loss) from managed funds:		
Asset management fees	16,368	25,779
Investment income (loss) from managed funds	(4,674)	3,964
Total	<u>11,694</u>	<u>29,743</u>
<b>Net revenues</b>	<b><u>\$ 2,375,499</u></b>	<b><u>\$ 1,672,845</u></b>
<b>Other Data</b>		
Number of trading days	189	190
Number of trading loss days	9	27
Average firmwide VaR (in millions) (1)	\$ 8.63	\$ 7.73

(1) VaR estimates the potential loss in value of our trading positions due to adverse market movements over a one-day time horizon with a 95% confidence level. For a further discussion of the calculation of VaR, see "Value-at-Risk" in Part II, Item 7 "Management's Discussion and Analysis" in our Annual Report on Form 10-K for the year ended November 30, 2016.

**JEFFERIES GROUP LLC AND SUBSIDIARIES**  
**FINANCIAL HIGHLIGHTS**  
(Amounts in Millions, Except Where Noted)  
(Unaudited)

	<b>Quarter Ended</b>		
	<b>August 31, 2017</b>	<b>May 31, 2017</b>	<b>August 31, 2016</b>
<b><u>Financial position:</u></b>			
Total assets (1)	\$ 39,358	\$ 40,079	\$ 38,128
Average total assets for the period (1)	\$ 45,311	\$ 45,650	\$ 42,270
Average total assets less goodwill and intangible assets for the period (1)	\$ 43,467	\$ 43,806	\$ 40,408
Cash and cash equivalents (1)	\$ 4,807	\$ 4,357	\$ 3,159
Cash and cash equivalents and other sources of liquidity (1) (2)	\$ 6,191	\$ 5,817	\$ 4,873
Cash and cash equivalents and other sources of liquidity - % total assets (1) (2)	15.7%	14.5%	12.8%
Cash and cash equivalents and other sources of liquidity - % total assets less goodwill and intangible assets (1) (2)	16.5%	15.2%	13.4%
Financial instruments owned (1)	\$ 14,037	\$ 13,881	\$ 14,328
Goodwill and intangible assets (1)	\$ 1,841	\$ 1,844	\$ 1,856
Total equity (including noncontrolling interests) (1)	\$ 5,655	\$ 5,565	\$ 5,327
Total Jefferies Group LLC member's equity (1)	\$ 5,654	\$ 5,565	\$ 5,321
Tangible Jefferies Group LLC member's equity (1) (3)	\$ 3,813	\$ 3,721	\$ 3,465
<b><u>Level 3 financial instruments:</u></b>			
Level 3 financial instruments owned (1) (4)	\$ 348	\$ 310	\$ 434
Level 3 financial instruments owned - % total assets	0.9%	0.8%	1.1%
Level 3 financial instruments owned - % total financial instruments (1)	2.5%	2.2%	3.0%
Level 3 financial instruments owned - % tangible Jefferies Group LLC member's equity	9.1%	8.3%	12.5%
<b><u>Other data and financial ratios:</u></b>			
Total long-term capital (1) (5)	\$ 11,038	\$ 10,762	\$ 10,803
Leverage ratio (1) (6)	7.0	7.2	7.2
Tangible gross leverage ratio (1) (7)	9.8	10.3	10.5
Number of trading days	65	64	65
Number of trading loss days	3	3	8
Average firmwide VaR (8)	\$ 6.51	\$ 9.21	\$ 6.62
Number of employees, at period end	3,438	3,324	3,323

**JEFFERIES GROUP LLC AND SUBSIDIARIES**  
**FINANCIAL HIGHLIGHTS - FOOTNOTES**

- (1) Amounts pertaining to August 31, 2017 represent a preliminary estimate as of the date of this earnings release and may be revised in our Quarterly Report on Form 10-Q for the quarterly period ended August 31, 2017.
- (2) At August 31, 2017, other sources of liquidity include high quality sovereign government securities and reverse repurchase agreements collateralized by U.S. government securities and other high quality sovereign government securities of \$1,083 million, in aggregate, and \$301 million, being the estimated amount of additional secured financing that could be reasonably expected to be obtained from our financial instruments that are currently not pledged after considering reasonable financing haircuts. The corresponding amounts included in other sources of liquidity at May 31, 2017 were \$1,149 million and \$311 million, respectively, and at August 31, 2016, were \$1,384 million and \$330 million, respectively.
- (3) Tangible Jefferies Group LLC member's equity (a non-GAAP financial measure) represents total Jefferies Group LLC member's equity less goodwill and identifiable intangible assets. We believe that tangible Jefferies Group LLC member's equity is meaningful for valuation purposes, as financial companies are often measured as a multiple of tangible equity, making these ratios meaningful for investors.
- (4) Level 3 financial instruments represent those financial instruments classified as such under Accounting Standards Codification 820, accounted for at fair value and included within Financial instruments owned.
- (5) At August 31, 2017, May 31, 2017 and August 31, 2016, total long-term capital includes our long-term debt of \$5,383 million, \$5,197 million and \$5,476 million, respectively, and total equity. Long-term debt included in total long-term capital is reduced by the amount of debt maturing in less than one year, as applicable.
- (6) Leverage ratio equals total assets divided by total equity.
- (7) Tangible gross leverage ratio (a non-GAAP financial measure) equals total assets less goodwill and identifiable intangible assets divided by tangible Jefferies Group LLC member's equity. The tangible gross leverage ratio is used by rating agencies in assessing our leverage ratio.
- (8) VaR estimates the potential loss in value of our trading positions due to adverse market movements over a one-day time horizon with a 95% confidence level. For a further discussion of the calculation of VaR, see "Value-at-Risk" in Part II, Item 7 "Management's Discussion and Analysis" in our Annual Report on Form 10-K for the year ended November 30, 2016.

**CONTACT:**

Jefferies Group LLC  
Peregrine C. Broadbent, 212-284-2338  
Chief Financial Officer