

Stock Exchange Release
7 May 2014

LEGAL & GENERAL: NET CASH UP 21% WITH RECORD SALES

GROUP HIGHLIGHTS:

- NET CASH GENERATION UP 21% TO £301M (Q1 2013: £249M)
- OPERATIONAL CASH GENERATION UP 6% TO £297M (Q1 2013: £281M)

BUSINESS HIGHLIGHTS:

- RECORD BULK PURCHASE ANNUITY PREMIUMS OF £3,045M (Q1 2013: £357M)
- ANNUITY ASSETS UP 15% TO £38.3BN (Q1 2013: £33.3BN)
- LGIM TOTAL AUM UP 5% TO £462.6BN (Q1 2013: £441.2BN)
- LGIM INTERNATIONAL AUM UP 21% TO £63.2BN (Q1 2013: £52.4BN)
- LGIM NET FLOWS OF £3.8BN (Q1 2013: £4.7BN)
- UK RETAIL PROTECTION SALES UP 56% TO £42M (Q1 2013: £27M)
- WORKPLACE AUA UP 32% TO £9.1BN (Q1 2013 £6.9BN)
- COFUNDS AUA UP 25% TO £65.6BN (Q1 2013 £52.3BN)
- US PROTECTION SALES UP 12% TO \$38M (Q1 2013: \$34M)
- £1.0BN OF DIRECT INVESTMENTS COMPLETED IN Q1

Nigel Wilson, Group Chief Executive, said:

“Legal & General delivered record results in Q1. Net cash and Operational cash, up 21% and 6% respectively, are at their highest-ever levels. LGIM AUM of £463bn is at an all-time high, Retail Protection sales hit a new Q1 record and Cofunds grew AUA to £66bn. Our record annuity sales were driven by the UK’s largest ever Bulk Purchase Annuity transaction, the £3bn deal for the ICI Pension Fund.”

“We already benefit from favourable demographic trends; we have economically and socially useful products for customers; and with our LGIM economists forecasting 3% plus economic growth in the UK and US, we are excited about the prospects for our business.”

“There is strong demand for our pension de-risking and protection products in both markets – the £1.8 trillion of UK DB liabilities will provide substantial future business. We believe the UK DC market will grow from around £250bn today to £3 trillion by 2030. LGIM’s recent agreement to acquire Global Index Advisors (GIA), a US based DC provider will accelerate our US growth. In Q1 we invested in UK infrastructure and housing at a rate of around £100m per week, completing £1bn of transactions including Cala’s acquisition of Banner Homes and a £252m investment in affordable housing provider Places for People which will finance 7,000 new homes”

GROUP CASH GENERATION

£m 3 months to 31 March	Q1 2014	Q1 2013	Growth %
Operational cash generation	297	281	6
New business surplus / (strain)	4	(32)	n/a
Net cash generation	301	249	21

LEGAL & GENERAL RETIREMENT (LGR)

£bn 3 months to 31 March	Q1 2014	Q1 2013	Growth %
Annuity sales	3.3	0.8	331
Annuity net flows	2.8	0.4	600
Annuity assets	38.3	33.3	15

LEGAL & GENERAL INVESTMENT MANAGEMENT (LGIM)

£bn 3 months to 31 March	Q1 2014	Q1 2013	Growth %
LGIM net flows	3.8	4.7	(19)
LGIM AUM	462.6	441.2	5

LEGAL & GENERAL ASSURANCE SOCIETY (LGAS)

£m As at 31 March	Q1 2014	Q1 2013	Growth %
UK Protection new business annual premiums	62	47	32
UK Protection gross premiums	353	325	9
Savings net flows (£bn)	1.6	(0.3)	n/a
Savings AUA (£bn)	115.3	61.7	87

LEGAL & GENERAL CAPITAL (LGC)

£bn As at 31 March	Q1 2014	Q1 2013	Growth %
LGC assets	4.8	n/a	n/a

LEGAL & GENERAL AMERICA (LGA)

\$m 3 months to 31 March	Q1 2014	Q1 2013	Growth %
LGA new business annual premiums	38	34	12
LGA gross premiums	269	238	13

FINANCIAL PERFORMANCE – OPERATIONAL CASH UP 6% AND NET CASH UP 21%

Operational cash generation for the Group is up 6% to £297m in the first three months of the year (Q1 2013: £281m) reflecting growth in our business especially in LGR and Workplace savings. New business surplus of £4m (Q1 2013: strain of £32m) resulted in **net cash up 21% to £301m** (Q1 2013: £249m). The new business strain benefited from a positive new business surplus arising from the significant volumes of annuities and UK Retail Protection written in the quarter. The net cash also includes the LGA 2014 ordinary dividend of \$73m, 11% up on 2013, equating to £44m (Q1 2013: \$66m equating to £43m).

BUSINESS PERFORMANCE – A STRONG START TO THE YEAR

LEGAL & GENERAL RETIREMENT (LGR)

LGR new business premiums quadrupled to £3.3bn (Q1 2013: £0.8bn). This growth was primarily due to securing **the largest ever UK Bulk Annuity contract** with ICI Pension Fund covering £3bn of the Fund's liabilities, demonstrating the strength of our diversified proposition in the DB scheme de-risking market.

Individual Annuity sales were down 40% to £244m (Q1 2013: £406m). This sales result includes a c£15m impact from cancellations during the extended cooling off period which we offered to our customers post the budget.

Total annuity assets increased to £38.3bn (Q1 2013: £33.3bn), reflecting **record net inflows** of £2.8bn for Q1 2014.

LEGAL & GENERAL INVESTMENT MANAGEMENT (LGIM)

LGIM received net flows of £3.8bn in the quarter (Q1 2013: £4.7bn) and now has assets under management (AUM) of £463bn, up 5% on Q1 2013 (£441bn).

LGIM achieved net inflows from International clients of £2.6bn (Q1 2013: £6.7bn) with continued strong growth in LGIM America's LDI and Active Fixed Income products. Due to the potentially large flows from our institutional client base, quarterly flows are inherently uneven. International AUM now total £63.2bn up 21% on Q1 2013 (£52.4bn).

Our Solutions business performed strongly with AUM increasing 7% to £76.5bn (Q1 2013: £71.4bn). In addition derivative notional overlays associated with this business, which also drive revenue, increased in the UK by £5.4bn in the quarter and 17% in the year, increasing to £165.5bn (Q1 2013: £140.9bn).

Our DC business continues to gather momentum, with AUM increasing 11% to £31.8bn (Q1 2013: £28.7bn). We continue to build our UK DC proposition and invest in our capabilities in order to benefit from the expected growth in the market.

UK retail AUM continued to grow with net flows of £0.3bn (Q1 2013: £(0.3)bn) as passive funds become more popular in the retail market post the Retail Distribution Review (RDR). LGIM's bolt-on acquisition of US based Global Index Advisors for up to \$50.4m, announced in February, is on track for completion in May 2014. The assets of \$15.6bn (as at FY 2013) will provide the Group scale and distribution in the \$6 trillion US DC market.

LEGAL & GENERAL ASSURANCE SOCIETY (LGAS)

Retail Protection had a record Q1 with sales up 56% to £42m (Q1 2013: £27m) as a result of our well positioned, competitively priced range of products provided through leading technology. Growth is broad based across all key distribution channels, including our direct sales.

UK Group Protection achieved sales of £20m (Q1 2013: £20m) benefiting from the robustness of our market proposition. In France our Group Protection business has increased by 38% (Q1 2014: €40m, Q1 2013: €29m) following continued collaboration with the UK and early progress on building our distribution network.

In Q1 our LGAS Savings net inflows were £1.6bn (Q1 2013: outflows of £0.3bn) with assets under administration (AUA) now at £115.3bn (Q1 2013: £61.7bn).

Our digital platforms continue to grow. **Cofunds generated net inflows of £1.5bn leading to an increased AUA of £65.6bn.**

Our **Workplace savings net flows were £0.5bn** (Q1 2013: £0.3bn). Gross inflows of £0.7bn (Q1 2013: £0.5bn) continued on a steady upward trend benefiting from incremental enrolment into pre-existing schemes and new schemes in the quarter. Participation rates remain high at more than 90% as opt outs continue to be low and the platform now has AUA of £9.1bn (Q1 2013: £6.9bn). Workplace savings now has 1 million customers on the platform (FY 2013: 903k). We continue to target halving the losses of £29m per annum experienced in 2013 as the business benefits from increased scale and continued automation.

General Insurance gross premiums were slightly lower, down 2%, to £84m (Q1 2013: £86m) reflecting disciplined pricing although direct sales continued to grow.

LEGAL & GENERAL AMERICA (LGA)

LGA continued to deliver growth in sales with Q1 up 12% to \$38m (Q1 2013: \$34m). LGA has focussed term assurance and universal life offerings with high quality service and value for money pricing. Gross premiums are up 13% to \$269m (Q1 2013: \$238m) and LGA now has over 1 million customers.

LEGAL & GENERAL CAPITAL (LGC)

During the period **LGC made over £1.0bn of new direct investments** including a £252m investment into Places for People which will finance the building of 7,000 new homes in the UK. These strategic investments provide a risk adjusted yield enhancement to our traded fixed income portfolio and were part of the asset portfolio backing the £3bn bulk annuity deal completed by LGR. LGC also invested £52m to support the acquisition of Banner Homes by CALA. This will make CALA a UK national housebuilder with a target for 2017 turnover exceeding £800m. Direct Investments have reached £4.1bn across LGC, LGR and LGA with a strong pipeline of attractive investment opportunities.

OUTLOOK

We reiterate the operational cash guidance we gave at the full year results to deliver operational cash generation from LGR of around £290m in 2014 (2013: £260m), from LGAS excluding General Insurance of around £430m in 2014 (2013: £421m) and from LGA of around £45m (2013: £44m).

We are on track in 2014 to exceed the £4.1bn annuity premiums we wrote in 2013 with a strong quote pipeline in bulk annuities. We expect the Individual Annuity market to contract by c50% in 2014 and by a further half in 2015. Our market leading Retail Protection business has good momentum. LGIM continues to see strong demand for its Liability Driven Investment and Active Fixed capabilities and we continue to build our international presence, particularly in the Gulf, Europe and the US. LGC has good opportunities to make further direct investments, some of these we expect to be in new areas diversifying our portfolio and enhancing our capabilities.

DIVERSIFIED BUSINESSES FOR A MODERN PENSIONS MARKET

The Chancellor of the Exchequer and the Pensions Minister have supported a clear pro-choice, pro-consumer agenda to modernise pensions: a direction of travel that has been clear for some time. We agree with these objectives and welcome the Budget reforms, which we expect will accelerate the evolution of a modern pensions market in the UK. We believe these changes will be good for customers and also for Legal & General since we have aligned our diversified businesses to benefit from these trends. We look forward to working closely with government to help ensure smooth implementation of these reforms.

We expect to write growing volumes of BPA business to more than offset individual annuity reductions

- Private sector UK DB liabilities of around £1.8 trillion¹, of which £600bn² already in payment, mean demand for BPA is likely to grow regardless of the DB to DC transfer consultation outcome.
- DB to DC transfers are unlikely to materially affect the BPA market. Transfers will need to be subject to appropriate consumer protection and fairness safeguards, but in the event of significant transfers, DB schemes are likely to find de-risking solutions more affordable.
- The BPA market is very different to Individual annuities. It requires a strong and sustained track record, a robust capital base and specialist expertise across longevity, investment management and asset transitioning. Legal & General has all these competitive advantages, built up over 27 years and is a market leader in this field. As a result, we expect to continue achieving our target return on capital.

Ideally placed to provide alternative solutions to annuities

- Our established mass market distribution combined with our expertise in both investment and longevity management mean we can offer a wide range of new and existing products to customers deciding how to convert savings into retirement income.
- We are developing low cost income drawdown products with a range of options for customers to choose how much risk they wish to take and how much they want to be guaranteed.

Savings level will increase

- The greater flexibility will make pension savings more attractive which, together with the higher ISA limits, will mean higher rates of saving.
- We have market leading Workplace savings products, a comprehensive suite of low cost retail solutions including our unit trust and ISA business and the largest retail savings platform in Cofunds.
- The recently announced 75bps cap for auto-enrolment default funds will focus attention on charges. We expect to benefit as we already operate with a maximum 50bps charge for our auto-enrolment default fund which is based on LGIM's passive fund and asset allocation capabilities.

We have a diversified portfolio of low cost savings, protection and retirement solution products. This together with our proven track record in specialist investment capabilities and our increasing international footprint means we are well placed to deliver high quality solutions to our customers while growing returns for our shareholders.

1. The Purple Book: PPF / The Pensions Regulator - November 2013 on a full buy-out basis.

2. Legal & General estimate based on The Purple Book: PPF / The Pensions Regulator - November 2013

Enquiries

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NOTES

ANALYST CALL DETAILS:

A copy of this announcement can be found in "Results", under the "Financial information" section of our shareholder website at <http://www.legalandgeneralgroup.com/investors/results.cfm>.

There will be a teleconference at 09.30 BST. Investors should dial +44 (0)20 3059 8125. A replay of the teleconference can be accessed by dialling +44 (0)121 260 4861 (PIN code: 4243267#).

FINANCIAL CALENDAR 2014:

	Date
Annual general meeting	21 May 2014
Payment date of 2013 final dividend	4 June 2014
Half-year Results 2014	6 August 2014
Q3 Interim Management Statement 2014	4 November 2014

DEFINITIONS:

Operational cash generation is the expected release from in-force business for the UK non-profit LGAS and LGR businesses, the shareholder's share of bonuses on with-profits business, the post-tax operating profit on other UK businesses, including the expected investment return on LGC invested assets, and dividends remitted from our international businesses.

Net cash generation is defined as operational cash generation less new business strain.

FORWARD LOOKING STATEMENTS:

This announcement may contain certain forward-looking statements relating to Legal & General, its plans and its current goals and expectations relating to future financial condition, performance and results. By their nature, forward-looking statements involve uncertainty because they relate to future events and circumstances which are beyond Legal & General's control, including, among others, UK domestic and global economic and business conditions, market related risks such as fluctuations in interest rates and exchange rates, the policies and actions of regulatory and Governmental authorities, the impact of competition, the timing impact of these events and other uncertainties of future acquisition or combinations within relevant industries. As a result, Legal & General's actual future condition, performance and results may differ materially from the plans, goals and expectations set out in these forward-looking statements and persons reading this announcement should not place reliance on forward-looking statements. These forward-looking statements are made only as at the date on which such statements are made and Legal & General Group Plc does not undertake to update forward-looking statements contained in this announcement or any other forward-looking statement it may make.

Asset and premium flows

Legal & General investment management assets under management

	Index funds £bn	Active fixed interest £bn	Solu- tions ¹ £bn	Property & other £bn	Active equities £bn	Total £bn
For the three months ended 31 March 2014						
As at 1 January 2014	269.8	89.4	70.4	11.3	8.6	449.5
External inflows	4.7	1.9	2.1	0.3	-	9.0
External outflows	(5.7)	(1.0)	(1.2)	(0.1)	-	(8.0)
External net flows	(1.0)	0.9	0.9	0.2	-	1.0
Internal net flows	0.1	2.0	0.3	0.5	(0.1)	2.8
Total net flows	(0.9)	2.9	1.2	0.7	(0.1)	3.8
Market and other movements	1.5	2.9	4.9	(0.1)	0.1	9.3
As at 31 March 2014	270.4	95.2	76.5	11.9	8.6	462.6

	Index funds £bn	Active fixed interest £bn	Solu- tions ¹ £bn	Property & other £bn	Active equities £bn	Total £bn
For the three months ended 31 March 2013						
As at 1 January 2013	243.2	82.2	64.0	8.9	7.7	406.0
External inflows	11.0	2.2	1.1	0.1	-	14.4
External outflows	(7.1)	(0.9)	(1.1)	-	(0.1)	(9.2)
External net flows	3.9	1.3	-	0.1	(0.1)	5.2
Internal net flows	0.1	(0.7)	0.1	-	-	(0.5)
Total net flows	4.0	0.6	0.1	0.1	(0.1)	4.7
Market and other movements	20.1	2.0	7.3	0.3	0.8	30.5
As at 31 March 2013	267.3	84.8	71.4	9.3	8.4	441.2

	Index funds £bn	Active fixed interest £bn	Solu- tions ¹ £bn	Property & other £bn	Active equities £bn	Total £bn
For the year ended 31 December 2013						
As at 1 January 2013	243.2	82.2	64.0	8.9	7.7	406.0
External inflows ^{2,3}	31.3	11.0	8.6	1.0	0.1	52.0
External outflows ²	(31.8)	(5.0)	(5.2)	(0.3)	(0.4)	(42.7)
External net flows	(0.5)	6.0	3.4	0.7	(0.3)	9.3
Internal net flows	0.7	(1.7)	0.8	0.2	(0.2)	(0.2)
Total net flows	0.2	4.3	4.2	0.9	(0.5)	9.1
Market and other movements	26.4	2.9	2.2	1.5	1.4	34.4
As at 31 December 2013	269.8	89.4	70.4	11.3	8.6	449.5

1. Solutions includes liability driven investments and multi-asset funds.

2. Includes unit trust business, both retail and institutional, now part of LGIM, following the organisational changes effective from 1 July 2013.

3. Includes £2.9bn of Legal & General France assets.

Asset and premium flows

Legal & General investment management assets under management (continued)

	3 months to 31.03.14 £bn	3 months to 31.03.13 £bn	12 months to 31.12.13 £bn
LGIM total net flows	3.8	4.7	9.1
Attributable to:			
International ¹	2.6	6.7	15.7
UK Institutional	(1.4)	(1.0)	(5.3)
UK Retail	0.3	(0.3)	0.4
Annuities ^{2, 3}	3.2	-	1.4
Mature Savings	(0.9)	(0.7)	(3.1)

1. FY 2013 International net flows includes £2.9bn of Legal & General France assets.

2. Pension funds already managed by LGIM that switch into LGR annuities are excluded.

3. Q1 2014 Annuities net flows includes £0.34bn of Lucida assets previously managed externally.

Asset and premium flows

Legal & General investment management assets under management quarterly progression

	Index funds £bn	Active fixed interest £bn	Solutions ¹ £bn	Property & other £bn	Active equities £bn	Total £bn
Year ended 31 December 2013						
At 1 January 2013	243.2	82.2	64.0	8.9	7.7	406.0
External inflows ²	11.0	2.2	1.1	0.1	-	14.4
External outflows ²	(7.1)	(0.9)	(1.1)	-	(0.1)	(9.2)
External net flows	3.9	1.3	-	0.1	(0.1)	5.2
Internal net flows	0.1	(0.7)	0.1	-	-	(0.5)
Total net flows	4.0	0.6	0.1	0.1	(0.1)	4.7
Market and other movements	20.1	2.0	7.3	0.3	0.8	30.5
At 31 March 2013	267.3	84.8	71.4	9.3	8.4	441.2
External inflows ²	6.2	1.3	4.6	0.2	-	12.3
External outflows ²	(7.9)	(0.5)	(0.7)	(0.1)	(0.3)	(9.5)
External net flows	(1.7)	0.8	3.9	0.1	(0.3)	2.8
Internal net flows	0.4	(0.8)	0.6	-	-	0.2
Total net flows	(1.3)	-	4.5	0.1	(0.3)	3.0
Market and other movements	(3.9)	(1.9)	(5.0)	-	(0.4)	(11.2)
At 30 June 2013	262.1	82.9	70.9	9.4	7.7	433.0
External inflows ^{2,3}	8.0	4.8	2.2	0.4	0.1	15.5
External outflows ²	(8.3)	(2.0)	(1.7)	(0.1)	-	(12.1)
External net flows	(0.3)	2.8	0.5	0.3	0.1	3.4
Internal net flows	-	0.6	-	0.1	(0.1)	0.6
Total net flows	(0.3)	3.4	0.5	0.4	-	4.0
Market and other movements	3.2	1.4	0.1	0.6	0.3	5.6
At 30 September 2013	265.0	87.7	71.5	10.4	8.0	442.6
External inflows ²	6.1	2.7	0.7	0.3	-	9.8
External outflows ²	(8.5)	(1.6)	(1.7)	(0.1)	-	(11.9)
External net flows	(2.4)	1.1	(1.0)	0.2	-	(2.1)
Internal net flows	0.2	(0.8)	0.1	0.1	(0.1)	(0.5)
Total net flows	(2.2)	0.3	(0.9)	0.3	(0.1)	(2.6)
Market and other movements	7.0	1.4	(0.2)	0.6	0.7	9.5
At 31 December 2013	269.8	89.4	70.4	11.3	8.6	449.5

1. Solutions includes liability driven investments and multi-asset funds.

2. Includes unit trust business, both retail and institutional, now part of LGIM, following the organisational changes effective from 1 July 2013.

3. Includes £2.9bn of Legal & General France assets.

Asset and premium flows

Legal & General investment management assets under management quarterly progression (continued)

	3 months to 31.03.14 £bn	3 months to 31.12.13 £bn	3 months to 30.09.13 £bn	3 months to 30.06.13 £bn	3 months to 31.03.13 £bn
LGIM total net flows	3.8	(2.6)	4.0	3.0	4.7
Attributable to:					
International ¹	2.6	1.8	6.4	0.8	6.7
UK Institutional	(1.4)	(3.8)	(3.2)	2.7	(1.0)
UK Retail	0.3	0.1	0.3	0.3	(0.3)
Annuities ^{2, 3}	3.2	(0.1)	1.4	0.1	-
Mature Savings	(0.9)	(0.6)	(0.9)	(0.9)	(0.7)

1. Q3 2013 International net flows include £2.9bn of Legal & General France assets.

2. Pension funds already managed by LGIM that switch into LGR annuities are excluded.

3. Q1 2014 Annuities net flows includes £0.34bn of Lucida assets previously managed externally.

Asset and premium flows

Assets under administration

For the three months ended 31 March 2014	Platforms ¹ £bn	Mature Retail Savings ² £bn	Work-place £bn	Suffolk Life £bn	Overseas LGAS Savings £bn	Consolidation adjustment ³ £bn	Total LGAS £bn	Retail Investments ⁴ £bn	Annuities £bn
As at 1 January 2014	64.1	36.3	8.7	6.6	4.5	(6.8)	113.4	17.0	34.4
Gross inflows ⁵	2.6	0.4	0.7	0.3	0.1	(0.1)	4.0	1.1	3.3
Gross outflows	(1.1)	(1.1)	(0.2)	(0.1)	(0.1)	0.2	(2.4)	(0.8)	-
Payments to annuitants	-	-	-	-	-	-	-	-	(0.5)
Net flows	1.5	(0.7)	0.5	0.2	-	0.1	1.6	0.3	2.8
Market and other movements	-	0.5	(0.1)	0.1	(0.1)	(0.1)	0.3	0.2	1.1
As at 31 March 2014	65.6	36.1	9.1	6.9	4.4	(6.8)	115.3	17.5	38.3

For the three months ended 31 March 2013	Platforms ¹ £bn	Mature Retail Savings ² £bn	Work-place £bn	Suffolk Life £bn	Overseas LGAS Savings £bn	Consolidation adjustment ³ £bn	Total LGAS £bn	Retail Investments ⁴ £bn	Annuities £bn
As at 1 January 2013	8.6	36.2	6.0	5.1	4.5	(1.4)	59.0	15.6	32.2
Gross inflows	0.2	0.4	0.5	0.2	0.1	-	1.4	0.7	0.8
Gross outflows	(0.2)	(1.2)	(0.2)	(0.1)	(0.1)	0.1	(1.7)	(1.0)	-
Payments to annuitants	-	-	-	-	-	-	-	-	(0.4)
Net flows	-	(0.8)	0.3	0.1	-	0.1	(0.3)	(0.3)	0.4
Market and other movements	0.5	1.7	0.6	0.3	-	(0.1)	3.0	1.0	0.7
As at 31 March 2013	9.1	37.1	6.9	5.5	4.5	(1.4)	61.7	16.3	33.3

For the year ended 31 December 2013	Platforms ¹ £bn	Mature Retail Savings ² £bn	Work-place £bn	Suffolk Life £bn	Overseas LGAS Savings £bn	Consolidation adjustment ³ £bn	Total LGAS £bn	Retail Investments ⁴ £bn	Annuities £bn
As at 1 January 2013	8.6	36.2	6.0	5.1	4.5	(1.4)	59.0	15.6	32.2
Gross inflows ⁵	11.0	1.4	2.1	1.3	0.1	(0.3)	15.6	3.2	4.0
Gross outflows	(3.1)	(5.1)	(0.6)	(0.4)	(0.1)	0.5	(8.8)	(3.3)	-
Payments to annuitants	-	-	-	-	-	-	-	-	(1.9)
Net flows	7.9	(3.7)	1.5	0.9	-	0.2	6.8	(0.1)	2.1
Cofunds acquisition	45.7	-	-	-	-	(5.4)	40.3	-	-
Market and other movements	1.9	3.8	1.2	0.6	-	(0.2)	7.3	1.5	0.1
As at 31 December 2013	64.1	36.3	8.7	6.6	4.5	(6.8)	113.4	17.0	34.4

1. Platforms includes Investor Portfolio Services (IPS) and Cofunds since acquisition.

2. Mature retail savings products includes with-profit products, bonds and retail pensions.

3. Consolidation adjustment represents Suffolk Life and Mature Retail Savings assets included in the Platforms column.

4. Retail Investments includes unit trust products (both LGIM and externally managed) and structured products (deposits and investments). It also includes £1.2bn of Cofunds assets since acquisition.

5. Platforms gross inflows include Cofunds institutional net flows.

Asset and premium flows

Assets under administration quarterly progression

For the year ended 31 December 2013	Platforms¹ £bn	Mature Retail Savings² £bn	Work- place £bn	Suffolk Life £bn	Overseas LGAS Savings £bn	Consol- idation adjust- ment³ £bn	Total LGAS £bn	Retail Invest- ments⁴ £bn	Annuities £bn
At 1 January 2013	8.6	36.2	6.0	5.1	4.5	(1.4)	59.0	15.6	32.2
Gross inflows	0.2	0.4	0.5	0.2	0.1	-	1.4	0.7	0.8
Gross outflows	(0.2)	(1.2)	(0.2)	(0.1)	(0.1)	0.1	(1.7)	(1.0)	-
Payments to annuitants	-	-	-	-	-	-	-	-	(0.4)
Net flows	-	(0.8)	0.3	0.1	-	0.1	(0.3)	(0.3)	0.4
Market and other movements	0.5	1.7	0.6	0.3	-	(0.1)	3.0	1.0	0.7
At 31 March 2013	9.1	37.1	6.9	5.5	4.5	(1.4)	61.7	16.3	33.3
Gross inflows ⁵	1.7	0.4	0.5	0.3	-	-	2.9	1.0	0.6
Gross outflows	(0.7)	(1.4)	(0.1)	(0.1)	-	-	(2.3)	(0.9)	-
Payments to annuitants	-	-	-	-	-	-	-	-	(0.5)
Net flows	1.0	(1.0)	0.4	0.2	-	-	0.6	0.1	0.1
Cofunds acquisition	45.7	-	-	-	-	(5.4)	40.3	-	-
Market and other movements	(2.1)	(0.4)	-	-	-	0.3	(2.2)	(0.3)	(1.2)
At 30 June 2013	53.7	35.7	7.3	5.7	4.5	(6.5)	100.4	16.1	32.2
Gross inflows ⁵	4.5	0.3	0.5	0.4	-	(0.1)	5.6	0.9	2.3
Gross outflows	(1.2)	(1.4)	(0.1)	(0.1)	-	0.2	(2.6)	(0.8)	-
Payments to annuitants	-	-	-	-	-	-	-	-	(0.5)
Net flows	3.3	(1.1)	0.4	0.3	-	0.1	3.0	0.1	1.8
Market and other movements	1.3	1.4	0.2	0.1	-	(0.2)	2.8	0.5	0.5
At 30 September 2013	58.3	36.0	7.9	6.1	4.5	(6.6)	106.2	16.7	34.5
Gross inflows ⁵	4.6	0.3	0.6	0.4	-	(0.2)	5.7	0.6	0.3
Gross outflows	(1.0)	(1.1)	(0.2)	(0.1)	-	0.2	(2.2)	(0.6)	-
Payments to annuitants	-	-	-	-	-	-	-	-	(0.5)
Net flows	3.6	(0.8)	0.4	0.3	-	-	3.5	-	(0.2)
Market and other movements	2.2	1.1	0.4	0.2	-	(0.2)	3.7	0.3	0.1
At 31 December 2013	64.1	36.3	8.7	6.6	4.5	(6.8)	113.4	17.0	34.4

1. Platforms includes Investor Portfolio Services (IPS) and Cofunds since acquisition.

2. Mature retail savings products includes with-profit products, bonds and retail pensions.

3. Consolidation adjustment represents Suffolk Life and Mature Retail Savings assets included in the Platforms column.

4. Retail Investments includes unit trust products (both LGIM and externally managed) and structured products (deposits and investments).

5. Platforms gross inflows include Cofunds institutional net flows.

Asset and premium flows

Annuities single premiums

	Single premiums 31.03.14 £m	Single premiums 31.03.13 £m	Single premiums 31.12.13 £m
Individual Annuities	244	406	1,277
Bulk Purchase Annuities	3,045	357	2,812
Total Annuities	3,289	763	4,089

Annuities single premiums quarterly progression

	3 months to 31.03.14 £m	3 months to 31.12.13 £m	3 months to 30.09.13 £m	3 months to 30.06.13 £m	3 months to 31.03.13 £m
Individual Annuities	244	200	323	348	406
Bulk Purchase Annuities	3,045	199	1,943	313	357
Total Annuities	3,289	399	2,266	661	763

Insurance new business

	Annual premiums 31.03.14 £m	Annual premiums 31.03.13 £m	Annual premiums 31.12.13 £m
Group Protection	20	20	70
Retail Protection	42	27	148
France (LGF) Protection	33	21	21
Netherlands (LGN) Protection	2	2	7
US Protection	23	22	99
Longevity Insurance	-	175	270
Total Insurance new business	120	267	615

Insurance new business annual premiums quarterly progression

	3 months to 31.03.14 £m	3 months to 31.12.13 £m	3 months to 30.09.13 £m	3 months to 30.06.13 £m	3 months to 31.03.13 £m
Group Protection	20	13	17	20	20
Retail Protection	42	43	40	38	27
France (LGF) Protection	33	-	-	-	21
Netherlands (LGN) Protection	2	2	1	2	2
US Protection	23	26	28	23	22
Longevity Insurance	-	95	-	-	175
Total Insurance new business	120	179	86	83	267

Asset and premium flows

Gross written premiums on Insurance business

	3 months to 31.03.14 £m	3 months to 31.03.13 £m	12 months to 31.12.13 £m
Group Protection	99	85	336
Retail Protection	254	240	990
General Insurance	84	86	375
France (LGF) Protection	46	43	168
Netherlands (LGN) Protection	14	14	54
US Protection	162	154	654
Longevity Insurance	84	32	212
Total gross written premiums on Insurance business	743	654	2,789

Gross written premiums on Insurance business quarterly progression

	3 months to 31.03.14 £m	3 months to 31.12.13 £m	3 months to 30.09.13 £m	3 months to 30.06.13 £m	3 months to 31.03.13 £m
Group Protection	99	54	74	123	85
Retail Protection	254	256	250	244	240
General Insurance	84	95	97	97	86
France (LGF) Protection	46	41	41	43	43
Netherlands (LGN) Protection	14	13	14	13	14
US Protection	162	172	156	172	154
Longevity Insurance	84	60	60	60	32
Total gross written premiums on Insurance business	743	691	692	752	654

Overseas new business in local currency

	Annual premiums 31.03.14	Single premiums 31.03.14	APE 31.03.14	Annual premiums 31.03.13	Single premiums 31.03.13	APE 31.03.13	APE 31.12.13
US Protection (\$m)	38	-	38	34	-	34	155
Netherlands (LGN) (€m)	2	35	6	4	41	8	23
France (LGF) (€m)	40	83	48	29	72	36	57
India (Rs m) - Group's 26% interest	202	1,474	349	309	1,751	484	917
Egypt (Pounds m) - Group's 55% interest	46	-	46	40	-	40	136
Gulf (US\$m) - Group's 50% interest	1	1	1	1	1	1	3

Asset and premium flows

Worldwide new business

	Annual premiums 31.03.14 £m	Single premiums 31.03.14 £m	APE 31.03.14 £m	Annual premiums 31.03.13 £m	Single premiums 31.03.13 £m	APE 31.03.13 £m	APE 31.12.13 £m
Individual Annuities	-	244	24	-	406	40	128
Bulk Purchase Annuities	-	3,045	305	-	357	36	281
Total LGR¹	-	3,289	329	-	763	76	409
Group Protection	20	-	20	20	-	20	70
Retail Protection	42	-	42	27	-	27	148
France (LGF)	33	69	40	25	61	31	48
Netherlands (LGN)	2	28	5	3	35	7	19
Workplace Savings	153	250	178	176	258	202	735
Platforms (Cofunds & IPS) ²	16	869	103	6	208	26	288
Suffolk Life	-	352	35	-	198	19	133
Mature Retail Savings ³	2	200	22	3	189	22	90
With-profits	16	22	18	14	27	17	61
Total LGAS	284	1,790	463	274	976	371	1,592
Retail Investments⁴	3	965	100	2	711	74	355
US Protection	23	-	23	22	-	22	99
India (26% share)	2	14	3	4	21	6	10
Egypt (55% share)	4	-	4	4	-	4	13
Gulf (50% share)	1	1	1	1	1	1	2
Total Emerging Markets new business	7	15	8	9	22	11	25
Total Worldwide new business	317	6,059	923	307	2,472	554	2,480

1. Total LGR new business excludes £nil (Q1 13: £175m; FY 13: £270m) of APE in relation to longevity insurance transactions. It is not included in the table due to the unpredictable deal flow from this type of business.

2. Platforms APE includes retail business only and includes Cofunds from acquisition in Q2 2013.

3. Includes bonds and retail pensions.

4. Includes retail unit trusts and structured products only.

Asset and premium flows

Worldwide new business APE quarterly progression

	3 months to 31.03.14 £m	3 months to 31.12.13 £m	3 months to 30.09.13 £m	3 months to 30.06.13 £m	3 months to 31.03.13 £m
Individual Annuities	24	20	33	35	40
Bulk Purchase Annuities	305	20	194	31	36
Total LGR¹	329	40	227	66	76
Group Protection	20	13	17	20	20
Retail Protection	42	43	40	38	27
France (LGF)	40	4	7	6	31
Netherlands (LGN)	5	4	4	4	7
Workplace Savings	178	240	166	127	202
Platforms (Cofunds & IPS) ²	103	99	94	69	26
Suffolk Life	35	44	39	31	19
Mature Retail Savings ³	22	25	21	22	22
With-profits	18	17	13	14	17
Total LGAS	463	489	401	331	371
Retail Investments⁴	100	83	94	104	74
US Protection	23	26	28	23	22
India (26% share)	3	1	2	1	6
Egypt (55% share)	4	3	3	3	4
Gulf (50% share)	1	-	1	-	1
Total Emerging Markets new business	8	4	6	4	11
Total Worldwide new business	923	642	756	528	554

1. Total LGR new business excludes £nil (Q1 13: £175m; FY 13: £270m) of APE in relation to longevity insurance transactions. It is not included in the table due to the unpredictable deal flow from this type of business.

2. Platforms APE includes retail business only and includes Cofunds from acquisition in Q2 2013.

3. Includes bonds and retail pensions.

4. Includes retail unit trusts and structured products only.

Asset and premium flows

Worldwide APE by channel

	Annual premiums £m	Single premiums £m	APE £m	% of total
For the three months ended 31 March 2014				
Employee benefit consultants ¹	221	3,329	554	60
Retail independent and restricted	61	2,276	289	32
Tied including bancassurance	27	321	59	6
Direct	8	133	21	2
Total Worldwide APE by channel	317	6,059	923	100

1. Includes Lucida business.

	Annual premiums £m	Single premiums £m	APE £m	% of total
For the three months ended 31 March 2013				
Employee benefit consultants	233	636	296	54
Retail independent and restricted	43	1,389	182	33
Tied including bancassurance	26	331	59	10
Direct	5	116	17	3
Total Worldwide APE by channel	307	2,472	554	100

	Annual premiums £m	Single premiums £m	APE £m	% of total
For the year ended 31 December 2013				
Employee benefit consultants ¹	796	3,597	1,156	47
Retail independent and restricted	228	7,871	1,015	41
Tied including bancassurance	95	1,418	237	10
Direct	27	449	72	2
Total Worldwide APE by channel	1,146	13,335	2,480	100

1. Includes Lucida business.

Worldwide APE by channel quarterly progression

	3 months to 31.03.14 £m	3 months to 31.12.13 £m	3 months to 30.09.13 £m	3 months to 30.06.13 £m	3 months to 31.03.13 £m
Employee benefit consultants ¹	554	283	386	191	296
Retail independent and restricted	289	279	295	259	182
Tied including bancassurance	59	61	58	59	59
Direct	21	19	17	19	17
Total Worldwide APE by channel	923	642	756	528	554

1. Includes Lucida business.