2 January 2018

LEGAL & GENERAL COMMITS A FURTHER £350M TO IMPROVING UK TRANSPORT INFRASTRUCTURE

LGIM Real Assets (Legal & General) announces that it has completed two rolling stock deals, providing more than £350 million of investment to further improving UK train services. Having now completed four rolling stock deals, committing a total of more than £550 million of investment to date to the sector, these latest transactions form part of Legal & General's continued commitment to increasing its exposure to transport infrastructure.

East Anglia Trains

Legal & General is helping to finance a fleet of 665 Bombardier Aventra trains that will be leased to Abellio East Anglia franchise from 2019. The £183 million long term debt investment by LGIM Real Assets, on behalf of clients including Legal & General Retirement (LGR) is part of a total £835m commitment made from a group of lenders to finance this fleet for Angel Trains Group, outside of the credit-rated group. Angel Trains Group is one of Britain's leading train leasing companies. This new fleet of Bombardier Aventra vehicles will help to increase train frequency and reduce passenger's journey times. It will also provide a more energy efficient and modern fleet of trains for its customers. Legal & General Retirement was the principal investor on this deal.

West Midlands Trains

Legal & General has also provided finance to supply in excess of 400 vehicles to be manufactured by Bombardier and CAF for use on the United Kingdom's West Midlands franchise. Increasing the fleet size by approximately 25%, this investment will help increase capacity, delivering on a key requirement set out by the Department for Transport as part of the franchise renewal. LGIM Real Assets, on behalf of clients including Legal & General Retirement (LGR), has provided £170 million of long term debt to support the entry of Corelink Rail Infrastructure, a new rolling stock lessor platform jointly owned by Deutsche Asset Management and Infracapital, into the market, as part of a £571m debt package provided by institutional investors and banks. Legal & General Retirement was the principal provider of long term financing on this deal.

Hayley Rees, Head of Direct Investments at LGR, said: "By helping to finance significant improvements to Britain's rail network, we can use UK pension money to help to increase capacity, relieve congestion and provide better passenger facilities, while matching our long term income liabilities. Good transport

infrastructure can enhance labour mobility and increase economic growth. This is great for business and great for our customers."

Tom Sumpster, Head of Infrastructure Finance at LGIM Real Assets, said: "Improving our UK train services will in return act as a stimulus for economic growth. These two deals further expand LGIM's clients' exposure to essential infrastructure projects in the UK, offering them long-term, stable cash flows and in both cases, alongside experienced infrastructure asset owners. Our ability to deploy capital into strategic assets is testament to our holistic real assets strategy and the deep cross sector expertise that we have now embedded into our business."

Legal & General has invested £12 billion in UK infrastructure, direct investments and urban regeneration projects to date, and aims to invest £15 billion. Long-term capital is a good match for investment into new assets, providing income for pension funds and stimulating UK economic growth.

- Ends -

For further information, please contact:

Olivia Bayliss

Head of Communications, Legal & General Capital and LGIM Real Assets

Tel: +44(0) 20 3124 2777

Email: Olivia.Bayliss@lgim.com

Faye Bennett

PR Manager, Legal & General Capital and LGIM Real Assets

Tel: +44(0) 20 3124 2823

Email: Faye.Bennett@lgim.com

Notes to editors

LGIM Real Assets

LGIM Real Assets is a division of Legal & General Investment Management (LGIM), one of Europe's largest institutional asset managers and a major global investor. LGIM manages £951.1bn in assets on behalf of over 3,200 clients (as at 30 June 2017), providing products and solutions spanning all asset classes. LGIM Real

Assets, headed up by Bill Hughes, has AUM of £24.9bn (as at 30 June 2017), actively investing and managing assets across commercial property, private residential, infrastructure and property lending and, most recently, corporate credit.

Legal & General Group

Established in 1836, Legal & General is one of the UK's leading financial services groups and a major global investor, with a number of growing businesses in the US and in other countries. At 30th June 2017, we had over £951 billion in total assets under management. Over fifteen million people worldwide rely on us to help them save for the future and to protect their families and their homes.

We work with companies and pension trustees to help people build security in retirement, being the UK's largest investment manager for UK corporate pension schemes, a major provider of auto-enrolled pensions and a market leader in pensions de-risking. We have also made a commitment to invest around £15 billion in direct investments, with £12 billion already invested in areas such as homes, urban regeneration, clean energy and small business finance, driving economic growth and making a positive difference to the UK's built environment.

Legal & General Retirement

Legal & General has been an active participant in the UK bulk annuity market for over 30 years. Legal & General offers a range of de-risking solutions, which includes buyout, buy-in, longevity insurance and liability-driven investment (LDI), to pension schemes of all sizes. Legal & General has expertise in investment management, all aspects of defined benefit provision as well as an in-depth understanding of mortality trends and longevity risk. Corporates, trustees or advisers looking for further information on the pension scheme insurance de-risking solutions available from Legal & General should contact the Pension Risk Transfer team on 020 3124 2273.