

**Stock Exchange Release
4 November 2014**

GROWTH IN ALL DIVISIONS. NET CASH UP 12%.

GROUP HIGHLIGHTS:

- OPERATIONAL CASH UP 8% TO £844M (Q3 YTD 2013: £780M)
- NET CASH UP 12% TO £827M (Q3 YTD 2013: £740M)

BUSINESS HIGHLIGHTS:

- ANNUITY ASSETS UP 16% TO £39.9BN (Q3 2013: £34.5BN)
- LGIM TOTAL ASSETS UP 14% TO £676.3BN (Q3 2013: £594.0BN)
- UK PROTECTION PREMIUM UP 6% TO £1,077M (Q3 YTD 2013: £1,016M)
- SAVINGS AUA UP 13% TO £119.7BN (Q3 2013: £106.2BN)
- LGC DIRECT INVESTMENTS INCREASED TO £4.6BN (Q3 2013: £2.1BN)
- LGA PREMIUM UP 10% TO \$824M (Q3 YTD 2013: \$746M)

Nigel Wilson, Group Chief Executive, said:

“We are growing our revenues, operating profit, customers and net cash and are continuing to deliver strong ROE.

LGR completed a record £3.9 billion of annuity sales in the nine months to September, which coupled with an internal transfer in Q3, increased total annuity transactions to £5.8 billion. Of this, only around £0.5 billion was from the individual annuity market. To date in Q4, LGR has secured a further £0.8 billion of bulk premium and our immediate pipeline gives us high confidence in writing around £8 billion in total annuity transactions for the full year, double our total annuity premium for 2013.

Over the last year LGIM's total assets increased by £82 billion from £594 billion to £676 billion. International assets now exceed £86 billion, and have trebled in the last four years. We experienced net outflows in our UK index business, these were more than offset by strong demand for our market leading LDI strategies.

Our UK Insurance businesses delivered another strong performance, with Retail Protection growing its sales by 18%. Workplace Savings passed the £10 billion AUA milestone and Cofunds AUA in the last year increased by £11 billion to £69 billion.

Direct investments total £4.6 billion and we are committed to our £15 billion target over the medium term. CALA, LGC's principal investment in UK house building, achieved record profits and is on track to treble its sales to £800 million by 2016.

We remain confident in our ability to deliver economically and socially useful products for our customers and strong and sustainable growth for our shareholders. Recent market volatility is a reminder of the on-going market uncertainty that still exists and whilst no model can be completely immunised, we believe our strategy creates a high degree of resilience.”

GROUP CASH GENERATION

£m	Q3 2014	Q3 2013	Growth %
9 months to 30 September			
Operational cash generation	844	780	8
New business strain	(17)	(40)	58
Net cash generation	827	740	12

LEGAL & GENERAL RETIREMENT (LGR)

£bn	Q3 2014	Q3 2013	Growth %
9 months to 30 September			
Annuity sales	3.9	3.7	5
Internal transfer from with-profits	1.9	-	n/a
Total annuity transactions	5.8	3.7	58
Annuity net inflows	2.3	2.3	-
Annuity assets	39.9	34.5	16

LEGAL & GENERAL INVESTMENT MANAGEMENT (LGIM)

£bn	Q3 2014	Q3 2013	Growth %
9 months to 30 September			
Total net flows	8.0	20.7	(61)
International net flows	7.2	14.0	(49)
LGIM total assets ¹	676.3	594.0	14

LEGAL & GENERAL ASSURANCE SOCIETY (LGAS)

£m	Q3 2014	Q3 2013	Growth %
9 months to 30 September			
UK Protection new business sales	178	162	10
UK Protection gross premiums	1,077	1,016	6
General Insurance gross premiums	282	280	1
Savings net flows (£bn)	4.0	3.3	21
Savings AUA (£bn)	119.7	106.2	13

LEGAL & GENERAL CAPITAL (LGC)

£bn	Q3 2014	Q3 2013	Growth %
Direct Investments	4.6	2.1	119

LEGAL & GENERAL AMERICA (LGA)

\$m	Q3 2014	Q3 2013	Growth %
9 months to 30 September			
New business sales	117	113	4
Gross premiums	824	746	10

1. LGIM total assets includes £477bn (Q3 2013: £443bn) of AUM and £199bn (Q3 2013: £151bn) of derivative overlay and GIA advisory assets.

FINANCIAL HIGHLIGHTS

Operational cash generation for the Group is up 8% to £844m in the first nine months of the year (Q3 YTD 2013: £780m). New business strain of £17m (Q3 YTD 2013: £40m) primarily reflects improved efficiency and increasing scale in UK Protection and Savings. **As a result net cash generation is up 12% at £827m (Q3 2013 YTD: £740m)**. New business strain excludes any impact of the internal transfer of annuities from with-profits to our shareholder fund.

BUSINESS HIGHLIGHTS

LEGAL & GENERAL RETIREMENT (LGR)

Total annuity assets increased by 16% to £39.9bn (Q3 2013: £34.5bn) with annuity sales increasing 5% to £3.9bn (Q3 YTD 2013: £3.7bn) and reflecting net flows of £2.3bn Q3 YTD.

We have demonstrated the strength and flexibility of our franchise, more than offsetting reduced individual annuity sales with record bulk annuity transactions. **Bulk annuity sales increased 29% to £3,368m (Q3 YTD 2013: £2,613m)**. In addition we completed the internal transfer of £1,953m of annuities from with-profits to our shareholder fund in July, bringing the **total volume of annuity business that delivers value to our shareholders, to £5,829m Q3 YTD**. These sales have been achieved whilst maintaining strong pricing discipline across all of our annuity products.

Following the Budget reforms, individual annuity sales in the quarter reduced to £125m (Q3 2013: £323m), down 61%, with total sales in the nine months to September of £508m (Q3 2013: £1,077m), down 53% compared to the first nine months of 2013.

LEGAL & GENERAL INVESTMENT MANAGEMENT (LGIM)

LGIM total assets increased 14% to £676.3bn (Q3 2013: £594.0bn) reflecting net flows of £8.0bn (Q3 YTD 2013: £20.7bn) and positive market movements.

As a leading and long-standing DB pension fund manager we have positioned our business to capitalise on the de-risking trend of assets backing UK defined benefit (DB) pension schemes. We continue to see strong demand for our liability driven investment (LDI) strategies, **with LDI assets increasing 22% to £273.0bn (Q3 2013: £222.9bn)**. Net flows of £18.4bn YTD (Q3 YTD 2013: £14.1bn) more than offset our Index outflows. Total net outflows in Index funds for Q3 YTD were £(11.8)bn (Q3 YTD 2013: inflows of £2.4bn) reflecting this de-risking trend and lower international institutional index mandate wins.

Total international assets increased by 45% to £86.5bn (Q3 2013: £59.6bn), with new flows of £7.2bn (Q3 YTD 2013: £14.0bn). In the US, we saw further inflows into our liability driven investment (LDI) and active fixed income (AFI) business, with AUM increasing 119% to \$77.4bn (Q3 2013 \$35.3bn), including GIA assets, acquired in May 2014, of \$23bn. We have also recently developed an index manufacturing capability in the US, which forms part of our on-going initiative to globalise our Index business and leverage key capabilities.

LGIM's property business has experienced increased demand from retail clients and UK pension funds, with **net flows for the period of £1.1bn (Q3 YTD 2013: £0.6bn)**. AUM increased 27% to £13.2bn at Q3 2014 (Q3 2013: £10.4bn).

LEGAL & GENERAL ASSURANCE SOCIETY (LGAS)

UK Protection sales grew by 10% to £178m (Q3 YTD 2013: £162m) with new business of £55m (Q3 2013: £57m) in the quarter.

Retail Protection grew sales by 18% to £124m (Q3 YTD 2013: £105m) with new business of £41m in Q3 (Q3 2013: £40m). We are the largest provider of retail protection in the UK and benefit from a highly efficient automated underwriting model and broad distribution reach. We have underwritten in excess of 82% of applications at point of sale and in July further extended our distribution to include the customers of TSB. Direct Retail Protection APE continues to grow and now accounts for 16% of business YTD (Q3 2013 YTD: 13%).

Group Protection sales were lower in Q3 at £14m (Q3 2013: £17m) as we maintained price discipline. In the UK we have achieved sales of £54m YTD (Q3 YTD 2013: £57m). Our French business, including Group Protection, saw sales increase 27%, to €65m (Q3 YTD 2013: €51m) leveraging our powerful UK franchise.

In total the LGAS Savings business increased AUA by a further 13% to £119.7bn (Q3 2013: £106.2bn) reflecting net inflows of £4.0bn YTD.

Our Workplace platform AUA has increased 28% to £10.1bn (Q3 2013: £7.9bn), reflecting net flows of £1.5bn (Q3 YTD 2013: £1.1bn). Opt out rates remain low at less than 10% and our platform now has 1,156k customers and 2,159 schemes (Q3 2013: 779k customers, 1,707 schemes).

Cofunds generated further strong net inflows of £4.0bn Q3 YTD (Q3 2013 YTD: £4.3bn) as RDR continues to drive business to platforms. As a result AUA on the platform increased 18% to £69.0bn (Q3 2013: £58.3bn). LGIM funds on the Cofunds platform increased to £4.8bn (Q3 2013: £4.5bn). We continue to leverage our existing bank and building society relationships and have launched shortened approved fund panels, with a higher representation of LGIM funds, to meet evolving customer needs.

LEGAL & GENERAL CAPITAL (LGC)

Total direct investment across the principal balance sheet at Q3 was £4.6bn (Q3 2013: £2.1bn), consistent with the value reported at 30 June 2014. We acquired £115m of new property loans on behalf of LGR and financed our equity holding in Pemberton, the SME lending business. CALA, which recently reported record annual pre-tax profits of £27m on revenues of £294m, is on track to achieve turnover in excess of £800m by 2016. LGC continues to deliver on urban regeneration projects, specifically in Bracknell, Salford, Plymouth, Canning Town, Wakefield and Liverpool. During the quarter we also successfully completed a number of disposals in the portfolio, totalling £308m.

LEGAL & GENERAL AMERICA (LGA)

LGA delivered lower Q3 sales of \$39m (Q3 2013: \$43m) as a result of the price changes introduced in May. Sales YTD were \$117m (Q3 YTD 2013: \$113m). Our Q3 mortality experience was broadly in line with assumptions across our total portfolio, however we continue to monitor emerging mortality experience at longer durations, together with lapse assumptions, to ensure our reserving basis remains appropriate.

OUTLOOK

Our businesses remain focussed on large markets where we see long term structural growth potential. Our strategic clarity together with our scale, efficiency and track record mean that we are very well placed to take advantage of macro trends and continue to grow the business stock. Recent market volatility is a reminder of the on-going market uncertainty that still exists and whilst no model can be completely immunised, we believe our strategy creates a high degree of resilience.

In **LGR** we expect to write significant bulk annuity business. Integrated asset management; longevity expertise; ALM (LDI) capability; strong capital position; and our three decade track record continue to set us apart in the bulk market. While the exact timing of transactions can depend on external factors, the strength and visibility of our pipeline gives us a high degree of confidence in doubling the total annuity transactions we wrote in 2013 to around £8 billion.

We will have a range of individual retirement products available for April 2015 to address consumer needs in an evolving market.

LGIM, as the largest manager of UK DB pension scheme assets with a circa 20% market share, was an early identifier of the de-risking trend and now has a circa 40% market share of the UK LDI market. We expect demand for our LDI strategies to remain strong and further outflows of Index assets managed on behalf of UK DB clients. We are creating differentiated new products targeted at the emerging growth in UK defined contribution (DC) savings, capitalising on auto-enrolment. Internationally, our US business continues to gather momentum as we expand our distribution capabilities and product offering and are seeing strong demand for our LDI and active fixed income products.

In **LGAS** we are expanding our distribution capabilities and customer base to capitalise on anticipated growing levels of personal retirement savings and changes in welfare provision. We expect our Retail Protection business to remain a strong market leader. Our Workplace Savings business is one of the biggest providers of auto-enrolment solutions in the UK and will capitalise on increased DC savings, with an anticipated 12 million auto-enrolled savers in the market by 2030, three times today's levels.

In **LGC**, we intend to invest £15 billion in direct investment over the medium term, matching the illiquid nature of our liabilities and solvency capital requirements to deliver more attractive risk adjusted returns to our shareholders. We expect to grow our housing related business and see good opportunities in the private rented sector and for further urban regeneration projects.

In **LGA**, following the price changes introduced in May, we expect the lower level new business volumes experienced in Q3 to continue going forward. Delivering further dividends to the Group will remain a key focus for LGA.

We reiterate the operational cash guidance we gave at the 2013 full year results to deliver operational cash generation in 2014 from LGR of around £290m (2013: £260m), from LGAS excluding General Insurance of around £430m (2013: £421m) and from LGA of around £46m (2013: £44m).

ENQUIRIES

INVESTORS:

Laura Doyle	Head of Investor Relations	020 3124 2088
Stephen Thomas	Investor Relations Manager	020 3124 2047

MEDIA:

John Godfrey	Group Communications Director	020 3124 2090
Richard King	Head of Media Relations	020 3124 2095
Michelle Clarke	Tulchan Communications	020 7353 4200
Katharine Wynne	Tulchan Communications	020 7353 4200

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 9.30 GMT. 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: 1072631#).

FINANCIAL CALENDAR:

	Date
Preliminary Results 2014	4 March 2015
Q1 2015 Interim Management Statement	6 May 2015
Half-year Results 2015	5 August 2015
Q3 2015 Interim Management Statement	4 November 2015

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.

The Group's principal balance sheet includes those assets to which shareholders are exposed, excluding assets where our customers have the total market risk and reward.

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

For the nine months ended 30 September 2014	Index funds £bn	Active fixed interest £bn	Solu- tions ¹ £bn	Property £bn	Active equities £bn	Total AUM £bn	Overlay assets ² £bn	GIA advisory assets £bn	Total assets £bn
As at 1 January 2014	269.8	89.4	70.4	11.3	8.6	449.5	162.1	-	611.6
Acquisition of GIA assets	-	-	-	-	-	-	-	13.4	13.4
External inflows	15.9	5.1	6.0	0.9	0.1	28.0			28.0
External outflows	(27.7)	(4.4)	(3.5)	(0.4)	(0.1)	(36.1)			(36.1)
Overlay / GIA advisory net flows	-	-	-	-	-	-	14.8	0.1	14.9
External net flows³	(11.8)	0.7	2.5	0.5	-	(8.1)	14.8	0.1	6.8
Internal net flows	-	(0.2)	1.1	0.6	(0.3)	1.2	-	-	1.2
Total net flows	(11.8)	0.5	3.6	1.1	(0.3)	(6.9)	14.8	0.1	8.0
Market and other movements ³	12.5	7.6	13.7	0.8	(0.4)	34.2	8.4	0.7	43.3
As at 30 September 2014	270.5	97.5	87.7	13.2	7.9	476.8	185.3	14.2	676.3
Assets attributable to:									
External						392.0	185.3	14.2	591.5
Internal						84.8	-	-	84.8

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

2. Overlay assets comprise derivative notionals associated with Solutions business.

3. External net flows exclude movements in overlay assets which have a short maturity period as determined by client agreements (Q3 14: £41.2bn; Q3 13: £24.3bn; FY 13: £32.8bn), and hence are subject to a higher degree of variability. The movement in these assets is therefore included in market and other movements.

For the nine months ended 30 September 2013	Index funds £bn	Active fixed interest £bn	Solu- tions ¹ £bn	Property £bn	Active equities £bn	Total AUM £bn	Overlay assets ² £bn	Total assets £bn
As at 1 January 2013	243.2	82.2	64.0	8.9	7.7	406.0	136.7	542.7
External inflows	25.2	8.3	7.9	0.7	0.1	42.2		42.2
External outflows	(23.3)	(3.4)	(3.5)	(0.2)	(0.4)	(30.8)		(30.8)
Overlay net flows	-	-	-	-	-	-	9.0	9.0
External net flows³	1.9	4.9	4.4	0.5	(0.3)	11.4	9.0	20.4
Internal net flows	0.5	(0.9)	0.7	0.1	(0.1)	0.3	-	0.3
Total net flows	2.4	4.0	5.1	0.6	(0.4)	11.7	9.0	20.7
Market and other movements ³	19.4	1.5	2.4	0.9	0.7	24.9	5.7	30.6
As at 30 September 2013	265.0	87.7	71.5	10.4	8.0	442.6	151.4	594.0
Assets attributable to:								
External						364.4	151.4	515.8
Internal						78.2	-	78.2

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

2. Overlay assets comprise derivative notionals associated with Solutions business.

3. External net flows exclude movements in overlay assets which have a short maturity period as determined by client agreements (Q3 13: £24.3bn), and hence are subject to a higher degree of variability. The movement in these assets is therefore included in market and other movements.

Asset and premium flows

Legal & General investment management assets (continued)

	9 months to 30.09.14 £bn	9 months to 30.09.13 £bn	12 months to 31.12.13 £bn
LGIM total assets net flows	8.0	20.7	20.3
Attributable to:			
International ¹	7.2	14.0	15.8
UK Institutional	0.6	7.4	5.8
UK Retail ²	0.5	0.3	0.4
Annuities ^{3,4}	2.8	1.5	1.4
Mature Businesses	(3.1)	(2.5)	(3.1)

1. Q3 13 and FY 13 International net flows include £2.9bn of Legal & General France assets.

2. Q3 14 UK Retail net flows include £0.7bn of assets previously managed externally.

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

4. Q3 14 Annuities net flows include £0.3bn of Lucida assets previously managed externally.

Asset and premium flows

Legal & General investment management assets quarterly progression

For the nine months ended 30 September 2014	Index funds £bn	Active fixed interest £bn	Solutions ¹ £bn	Property £bn	Active equities £bn	Total AUM £bn	Overlay assets ² £bn	GIA advisory assets £bn	Total assets £bn
At 1 January 2014	269.8	89.4	70.4	11.3	8.6	449.5	162.1	-	611.6
External inflows	4.7	1.9	2.1	0.3	-	9.0			9.0
External outflows	(5.7)	(1.0)	(1.2)	(0.1)	-	(8.0)			(8.0)
Overlay net flows	-	-	-	-	-	-	5.2	-	5.2
External net flows³	(1.0)	0.9	0.9	0.2	-	1.0	5.2	-	6.2
Internal net flows	0.1	2.0	0.3	0.5	(0.1)	2.8	-	-	2.8
Total net flows	(0.9)	2.9	1.2	0.7	(0.1)	3.8	5.2	-	9.0
Market and other movements ³	1.5	2.9	4.9	(0.1)	0.1	9.3	1.0	-	10.3
At 31 March 2014	270.4	95.2	76.5	11.9	8.6	462.6	168.3	-	630.9
Acquisition of GIA assets	-	-	-	-	-	-	-	13.4	13.4
External inflows	5.8	1.8	2.6	0.3	0.1	10.6			10.6
External outflows	(13.4)	(1.5)	(0.9)	(0.1)	(0.1)	(16.0)			(16.0)
Overlay / GIA advisory net flows	-	-	-	-	-	-	7.1	0.1	7.2
External net flows³	(7.6)	0.3	1.7	0.2	-	(5.4)	7.1	0.1	1.8
Internal net flows	0.1	(1.3)	0.7	0.2	(0.1)	(0.4)	-	-	(0.4)
Total net flows	(7.5)	(1.0)	2.4	0.4	(0.1)	(5.8)	7.1	0.1	1.4
Market and other movements ³	5.8	3.0	(0.7)	0.5	(0.3)	8.3	(0.5)	0.2	8.0
At 30 June 2014	268.7	97.2	78.2	12.8	8.2	465.1	174.9	13.7	653.7
External inflows	5.4	1.4	1.3	0.3	-	8.4			8.4
External outflows	(8.6)	(1.9)	(1.4)	(0.2)	-	(12.1)			(12.1)
Overlay / GIA advisory net flows	-	-	-	-	-	-	2.5	-	2.5
External net flows³	(3.2)	(0.5)	(0.1)	0.1	-	(3.7)	2.5	-	(1.2)
Internal net flows	(0.2)	(0.9)	0.1	(0.1)	(0.1)	(1.2)	-	-	(1.2)
Total net flows	(3.4)	(1.4)	-	-	(0.1)	(4.9)	2.5	-	(2.4)
Market and other movements ³	5.2	1.7	9.5	0.4	(0.2)	16.6	7.9	0.5	25.0
At 30 September 2014	270.5	97.5	87.7	13.2	7.9	476.8	185.3	14.2	676.3

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

2. Overlay assets comprise derivative notionals associated with Solutions business.

3. External net flows exclude movements in overlay assets which have a short maturity period as determined by client agreements (Q1 14: £33.8bn; H1 14: £33.3bn; Q3 14: £41.2bn) and hence are subject to a higher degree of variability. The movement in these assets is therefore included in market and other movements.

Asset and premium flows

Legal & General investment management assets quarterly progression (continued)

For the year ended 31 December 2013	Index funds £bn	Active fixed interest £bn	Solu- tions ¹ £bn	Property £bn	Active equities £bn	Total AUM £bn	Overlay assets ² £bn	Total assets £bn
At 1 January 2013	243.2	82.2	64.0	8.9	7.7	406.0	136.7	542.7
External inflows	11.0	2.2	1.1	0.1	-	14.4		14.4
External outflows	(7.1)	(0.9)	(1.1)	-	(0.1)	(9.2)		(9.2)
Overlay net flows	-	-	-	-	-	-	2.5	2.5
External net flows³	3.9	1.3	-	0.1	(0.1)	5.2	2.5	7.7
Internal net flows	0.1	(0.7)	0.1	-	-	(0.5)	-	(0.5)
Total net flows	4.0	0.6	0.1	0.1	(0.1)	4.7	2.5	7.2
Market and other movements ³	20.1	2.0	7.3	0.3	0.8	30.5	3.8	34.3
At 31 March 2013	267.3	84.8	71.4	9.3	8.4	441.2	143.0	584.2
External inflows	6.2	1.3	4.6	0.2	-	12.3		12.3
External outflows	(7.9)	(0.5)	(0.7)	(0.1)	(0.3)	(9.5)		(9.5)
Overlay net flows	-	-	-	-	-	-	3.2	3.2
External net flows³	(1.7)	0.8	3.9	0.1	(0.3)	2.8	3.2	6.0
Internal net flows	0.4	(0.8)	0.6	-	-	0.2	-	0.2
Total net flows	(1.3)	-	4.5	0.1	(0.3)	3.0	3.2	6.2
Market and other movements ³	(3.9)	(1.9)	(5.0)	-	(0.4)	(11.2)	(0.5)	(11.7)
At 30 June 2013	262.1	82.9	70.9	9.4	7.7	433.0	145.7	578.7
External inflows ⁴	8.0	4.8	2.2	0.4	0.1	15.5		15.5
External outflows	(8.3)	(2.0)	(1.7)	(0.1)	-	(12.1)		(12.1)
Overlay net flows	-	-	-	-	-	-	3.3	3.3
External net flows³	(0.3)	2.8	0.5	0.3	0.1	3.4	3.3	6.7
Internal net flows	-	0.6	-	0.1	(0.1)	0.6	-	0.6
Total net flows	(0.3)	3.4	0.5	0.4	-	4.0	3.3	7.3
Market and other movements ³	3.2	1.4	0.1	0.6	0.3	5.6	2.4	8.0
At 30 September 2013	265.0	87.7	71.5	10.4	8.0	442.6	151.4	594.0
External inflows	6.1	2.7	0.7	0.3	-	9.8		9.8
External outflows	(8.5)	(1.6)	(1.7)	(0.1)	-	(11.9)		(11.9)
Overlay net flows	-	-	-	-	-	-	2.2	2.2
External net flows³	(2.4)	1.1	(1.0)	0.2	-	(2.1)	2.2	0.1
Internal net flows	0.2	(0.8)	0.1	0.1	(0.1)	(0.5)	-	(0.5)
Total net flows	(2.2)	0.3	(0.9)	0.3	(0.1)	(2.6)	2.2	(0.4)
Market and other movements ³	7.0	1.4	(0.2)	0.6	0.7	9.5	8.5	18.0
At 31 December 2013	269.8	89.4	70.4	11.3	8.6	449.5	162.1	611.6

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

2. Overlay assets comprise derivative notionals associated with Solutions business.

3. External net flows exclude movements in overlay assets which have a short maturity period as determined by client agreements (Q1 13: £22.4bn; H1 13: £21.9bn; Q3 13: £24.3bn; FY 13: £32.8bn), and hence are subject to a higher degree of variability. The movement in these assets is therefore included in market and other movements.

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

Asset and premium flows

Legal & General investment management assets quarterly progression (continued)

	3 months to 30.09.14 £bn	3 months to 30.06.14 £bn	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 assets net flows	(2.4)	1.4	9.0	(0.4)	7.3	6.2	7.2
Attributable to:							
International ¹	1.3	2.5	3.4	1.8	6.4	0.6	7.0
UK Institutional	(2.4)	-	3.0	(1.6)	0.1	6.1	1.2
UK Retail ²	-	0.2	0.3	0.1	0.3	0.3	(0.3)
Annuities ^{3,4}	(0.1)	(0.3)	3.2	(0.1)	1.4	0.1	-
Mature Businesses	(1.2)	(1.0)	(0.9)	(0.6)	(0.9)	(0.9)	(0.7)

1. Q3 13 International net flows include £2.9bn of Legal & General France assets.
2. Q2 14 UK Retail net flows include £0.7bn of assets previously managed externally.
3. Pension funds already managed by LGIM that switch into LGR annuities are excluded.
4. Q1 14 Annuities net flows includes £0.3bn of Lucida assets previously managed externally.

Assets under administration

For the nine months ended 30 September 2014	Platforms ¹ £bn	Mature Retail Savings ² £bn	Work- place £bn	Suffolk Life £bn	Overseas LGAS Savings £bn	Consol- idation adjust- ment ³ £bn	Total LGAS £bn	Retail Invest- ments ⁴ £bn	Annuities £bn
As at 1 January 2014	64.1	36.3	8.7	6.6	4.5	(6.8)	113.4	20.5	34.4
Gross inflows ⁵	7.6	1.1	2.0	1.0	0.3	(0.4)	11.6	3.1	3.9
Gross outflows	(3.6)	(3.4)	(0.5)	(0.4)	(0.3)	0.6	(7.6)	(3.7)	-
Payments to pensioners	-	-	-	-	-	-	-	-	(1.6)
Net flows	4.0	(2.3)	1.5	0.6	-	0.2	4.0	(0.6)	2.3
Market and other movements	0.9	1.5	(0.1)	0.3	(0.1)	(0.2)	2.3	0.8	3.2
As at 30 September 2014	69.0	35.5	10.1	7.5	4.4	(6.8)	119.7	20.7	39.9

For the nine months ended 30 September 2013	Platforms ¹ £bn	Mature Retail Savings ² £bn	Work- place £bn	Suffolk Life £bn	Overseas LGAS Savings £bn	Consol- idation adjust- ment ³ £bn	Total LGAS £bn	Retail Invest- ments ⁴ £bn	Annuities £bn
As at 1 January 2013	8.6	36.2	6.0	5.1	4.5	(1.4)	59.0	18.6	32.2
Gross inflows ⁵	6.4	1.1	1.5	0.9	0.1	(0.1)	9.9	2.8	3.7
Gross outflows	(2.1)	(4.0)	(0.4)	(0.3)	(0.1)	0.3	(6.6)	(3.0)	-
Payments to pensioners	-	-	-	-	-	-	-	-	(1.4)
Net flows	4.3	(2.9)	1.1	0.6	-	0.2	3.3	(0.2)	2.3
Cofunds acquisition	45.7	-	-	-	-	(5.4)	40.3	-	-
Market and other movements	(0.3)	2.7	0.8	0.4	-	-	3.6	1.4	-
As at 30 September 2013	58.3	36.0	7.9	6.1	4.5	(6.6)	106.2	19.8	34.5

1. Platforms includes Investor Portfolio Services (IPS) and Cofunds since acquisition.
2. Mature Retail Savings includes with-profits products, bonds and retail pensions.
3. Consolidation adjustment represents Suffolk Life and Mature Retail Savings assets included in the Platforms column.
4. Q3 14 Retail Investments includes £1.6bn (Q3 13: £1.4bn; FY 13: £1.5bn) of LGIM unit trust assets held on our Cofunds platform and £3.2bn (Q3 13: £3.1bn; FY 13: £3.2bn) of LGIM unit trust assets held on our IPS platform.
5. Platforms gross inflows include Cofunds institutional net flows.

Asset and premium flows

Assets under administration quarterly progression

For the nine months ended 30 September 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
At 1 January 2014	64.1	36.3	8.7	6.6	4.5	(6.8)	113.4	20.5	34.4
Gross inflows ⁵	2.6	0.4	0.7	0.3	0.1	(0.1)	4.0	1.0	3.3
Gross outflows	(1.1)	(1.1)	(0.2)	(0.1)	(0.1)	0.2	(2.4)	(0.9)	-
Payments to pensioners	-	-	-	-	-	-	-	-	(0.5)
Net flows	1.5	(0.7)	0.5	0.2	-	0.1	1.6	0.1	2.8
Market and other movements	-	0.5	(0.1)	0.1	(0.1)	(0.1)	0.3	0.2	1.1
At 31 March 2014	65.6	36.1	9.1	6.9	4.4	(6.8)	115.3	20.8	38.3
Gross inflows ⁵	2.2	0.3	0.6	0.3	0.1	(0.1)	3.4	0.9	0.2
Gross outflows	(1.2)	(1.1)	(0.1)	(0.1)	(0.1)	0.2	(2.4)	(1.5)	-
Payments to pensioners	-	-	-	-	-	-	-	-	(0.5)
Net flows	1.0	(0.8)	0.5	0.2	-	0.1	1.0	(0.6)	(0.3)
Market and other movements	0.8	0.6	(0.1)	0.1	0.1	-	1.5	0.4	0.5
At 30 June 2014	67.4	35.9	9.5	7.2	4.5	(6.7)	117.8	20.6	38.5
Gross inflows ⁵	2.8	0.4	0.7	0.4	0.1	(0.2)	4.2	1.2	0.4
Gross outflows	(1.3)	(1.2)	(0.2)	(0.2)	(0.1)	0.2	(2.8)	(1.3)	-
Payments to pensioners	-	-	-	-	-	-	-	-	(0.6)
Net flows	1.5	(0.8)	0.5	0.2	-	-	1.4	(0.1)	(0.2)
Market and other movements	0.1	0.4	0.1	0.1	(0.1)	(0.1)	0.5	0.2	1.6
At 30 September 2014	69.0	35.5	10.1	7.5	4.4	(6.8)	119.7	20.7	39.9

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

2. Mature Retail Savings includes with-profits products, bonds and retail pensions.

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

4. Q3 14 Retail Investments includes £1.6bn (Q1 14: £1.6bn; Q2 14: £1.5bn) of LGIM unit trust assets held on our Cofunds platform and £3.2bn (Q1 14: £3.2bn; Q2 14: £3.2bn) of LGIM unit trust assets held on our IPS platform.

5. Platforms gross inflows include Cofunds institutional net flows.

Asset and premium flows

Assets under administration quarterly progression (continued)

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	Consol- idation adjust- ment ³ £bn	Total LGAS £bn	Retail Invest- ments ⁴ £bn	Annuities £bn
At 1 January 2013	8.6	36.2	6.0	5.1	4.5	(1.4)	59.0	18.6	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)	(1.1)	-
Payments to pensioners	-	-	-	-	-	-	-	-	(0.4)
Net flows	-	(0.8)	0.3	0.1	-	0.1	(0.3)	(0.4)	0.4
Market and other movements	0.5	1.7	0.6	0.3	-	(0.1)	3.0	1.2	0.7
At 31 March 2013	9.1	37.1	6.9	5.5	4.5	(1.4)	61.7	19.4	33.3
Gross inflows ⁵	1.7	0.4	0.5	0.3	-	-	2.9	1.1	0.6
Gross outflows	(0.7)	(1.4)	(0.1)	(0.1)	-	-	(2.3)	(1.0)	-
Payments to pensioners	-	-	-	-	-	-	-	-	(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)	(0.4)	(1.2)
At 30 June 2013	53.7	35.7	7.3	5.7	4.5	(6.5)	100.4	19.1	32.2
Gross inflows ⁵	4.5	0.3	0.5	0.4	-	(0.1)	5.6	1.0	2.3
Gross outflows	(1.2)	(1.4)	(0.1)	(0.1)	-	0.2	(2.6)	(0.9)	-
Payments to pensioners	-	-	-	-	-	-	-	-	(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	0.6	0.5
At 30 September 2013	58.3	36.0	7.9	6.1	4.5	(6.6)	106.2	19.8	34.5
Gross inflows ⁵	4.6	0.3	0.6	0.4	-	(0.2)	5.7	0.8	0.3
Gross outflows	(1.0)	(1.1)	(0.2)	(0.1)	-	0.2	(2.2)	(0.7)	-
Payments to pensioners	-	-	-	-	-	-	-	-	(0.5)
Net flows	3.6	(0.8)	0.4	0.3	-	-	3.5	0.1	(0.2)
Market and other movements	2.2	1.1	0.4	0.2	-	(0.2)	3.7	0.6	0.1
At 31 December 2013	64.1	36.3	8.7	6.6	4.5	(6.8)	113.4	20.5	34.4

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

2. Mature Retail Savings includes with-profits products, bonds and retail pensions.

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

4. FY 13 Retail Investments includes £1.5bn (Q1 13: £1.3bn; Q2 13: £1.3bn; Q3 13: £1.4bn) of LGIM unit trust assets held on our Cofunds platform and £3.2bn (Q1 13: £3.1bn; Q2 13: £3.0bn; Q3 13: £3.1bn) of LGIM unit trust assets held on our IPS platform.

5. Platforms gross inflows include Cofunds institutional net flows.

Asset and premium flows

Annuities single premiums

	Single premiums 30.09.14 £m	Single premiums 30.09.13 £m	Single premiums 31.12.13 £m
Individual Annuities	508	1,077	1,277
Bulk Purchase Annuities	3,368	2,613	2,812
Total Annuities	3,876	3,690	4,089

Annuities single premiums quarterly progression

	3 months to 30.09.14 £m	3 months to 30.06.14 £m	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	125	139	244	200	323	348	406
Bulk Purchase Annuities	233	90	3,045	199	1,943	313	357
Total Annuities	358	229	3,289	399	2,266	661	763

Insurance new business

	Annual premiums 30.09.14 £m	Annual premiums 30.09.13 £m	Annual premiums 31.12.13 £m
UK Retail Protection	124	105	148
UK Group Protection	54	57	70
France Protection	33	21	21
Netherlands Protection	3	5	7
US Protection	70	73	99
Longevity Insurance	-	175	270
Total Insurance new business	284	436	615

Insurance new business annual premiums quarterly progression

	3 months to 30.09.14 £m	3 months to 30.06.14 £m	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
UK Retail Protection	41	41	42	43	40	38	27
UK Group Protection	14	20	20	13	17	20	20
France Protection	-	-	33	-	-	-	21
Netherlands Protection	1	-	2	2	1	2	2
US Protection	23	24	23	26	28	23	22
Longevity Insurance	-	-	-	95	-	-	175
Total Insurance new business	79	85	120	179	86	83	267

Asset and premium flows

Gross written premiums on Insurance business

	9 months to 30.09.14 £m	9 months to 30.09.13 £m	12 months to 31.12.13 £m
UK Retail Protection	783	734	990
UK Group Protection	294	282	336
General Insurance	282	280	375
France Protection	132	127	168
Netherlands Protection	42	41	54
US Protection	494	482	654
Longevity Insurance	251	152	212
Total gross written premiums on Insurance business	2,278	2,098	2,789

Gross written premiums on Insurance business quarterly progression

	3 months to 30.09.14 £m	3 months to 30.06.14 £m	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
UK Retail Protection	269	260	254	256	250	244	240
UK Group Protection	65	130	99	54	74	123	85
General Insurance	104	94	84	95	97	97	86
France Protection	41	45	46	41	41	43	43
Netherlands Protection	16	12	14	13	14	13	14
US Protection	162	170	162	172	156	172	154
Longevity Insurance	84	83	84	60	60	60	32
Total gross written premiums on Insurance business	741	794	743	691	692	752	654

Overseas new business in local currency

	Annual premiums 30.09.14	Single premiums 30.09.14	APE 30.09.14	Annual premiums 30.09.13	Single premiums 30.09.13	APE 30.09.13	APE 31.12.13
US Protection (US\$m)	117	-	117	113	-	113	155
Netherlands (€m)	5	68	12	8	98	18	23
France (€m)	40	254	65	30	214	51	57
India (Rs m) - Group's 26% interest	342	2,943	636	427	3,903	817	917
Egypt (Pounds m) - Group's 55% interest	121	-	121	107	-	107	136
Gulf (US\$m) - Group's 50% interest	2	2	2	3	3	3	3

Asset and premium flows

Worldwide new business

	Annual premiums 30.09.14 £m	Single premiums 30.09.14 £m	APE 30.09.14 £m	Annual premiums 30.09.13 £m	Single premiums 30.09.13 £m	APE 30.09.13 £m	APE 31.12.13 £m
Individual Annuities	-	508	51	-	1,077	108	128
Bulk Purchase Annuities	-	3,368	337	-	2,613	261	281
Total LGR¹	-	3,876	388	-	3,690	369	409
UK Retail Protection	124	-	124	105	-	105	148
UK Group Protection	54	-	54	57	-	57	70
France	33	206	54	25	186	44	48
Netherlands	4	54	9	7	84	15	19
Workplace Savings	461	692	530	434	608	495	735
Platforms (Cofunds & IPS) ²	47	2,861	333	25	1,638	189	288
Suffolk Life	-	940	94	-	894	89	133
Mature Retail Savings ³	7	597	67	8	570	65	90
With-profits	42	59	48	38	62	44	61
Total LGAS	772	5,409	1,313	699	4,042	1,103	1,592
Retail Investments⁴	11	2,913	302	9	2,628	272	355
US Protection	70	-	70	73	-	73	99
India (26% share)	3	29	6	5	42	9	10
Egypt (55% share)	10	-	10	10	-	10	13
Gulf (50% share)	1	1	1	2	2	2	2
Total Emerging Markets new business	14	30	17	17	44	21	25
Total Worldwide new business	867	12,228	2,090	798	10,404	1,838	2,480

1. Total LGR new business excludes £nil (Q3 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.

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 30.09.14 £m	3 months to 30.06.14 £m	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	13	14	24	20	33	35	40
Bulk Purchase Annuities	23	9	305	20	194	31	36
Total LGR¹	36	23	329	40	227	66	76
UK Retail Protection	41	41	42	43	40	38	27
UK Group Protection	14	20	20	13	17	20	20
France	7	7	40	4	7	6	31
Netherlands	2	2	5	4	4	4	7
Workplace Savings	169	183	178	240	166	127	202
Platforms (Cofunds & IPS) ²	116	114	103	99	94	69	26
Suffolk Life	29	30	35	44	39	31	19
Mature Retail Savings ³	24	21	22	25	21	22	22
With-profits	13	17	18	17	13	14	17
Total LGAS	415	435	463	489	401	331	371
Retail Investments⁴	111	91	100	83	94	104	74
US Protection	23	24	23	26	28	23	22
India (26% share)	1	2	3	1	2	1	6
Egypt (55% share)	3	3	4	3	3	3	4
Gulf (50% share)	-	-	1	-	1	-	1
Total Emerging Markets new business	4	5	8	4	6	4	11
Total Worldwide new business	589	578	923	642	756	528	554

1. Total LGR new business excludes £nil (Q3 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.

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 nine months ended 30 September 2014				
Employee benefit consultants	584	4,141	998	48
Retail independent and restricted	186	6,700	856	41
Tied including bancassurance	73	960	169	8
Direct	24	427	67	3
Total Worldwide APE by channel	867	12,228	2,090	100

	Annual premiums £m	Single premiums £m	APE £m	% of total
For the nine months ended 30 September 2013				
Employee benefit consultants ¹	548	3,254	873	47
Retail independent and restricted	162	5,740	736	40
Tied including bancassurance	68	1,076	176	10
Direct	20	334	53	3
Total Worldwide APE by channel	798	10,404	1,838	100

1. Includes Lucida business since acquisition in Q3 13.

	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 since acquisition in Q3 13.

Worldwide APE by channel quarterly progression

	3 months to 30.09.14 £m	3 months to 30.06.14 £m	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	219	225	554	283	386	191	296
Retail independent and restricted	295	272	289	279	295	259	182
Tied including bancassurance	51	59	59	61	58	59	59
Direct	24	22	21	19	17	19	17
Total Worldwide APE by channel	589	578	923	642	756	528	554

1. Includes Lucida business since acquisition in Q3 13.