EVERY DAY MATTERS.

Morgan Stanley Conference
27 March 2012

Forward looking statements.

This document may contain certain forward-looking statements relating to Legal & General Group, 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 Group'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 document or any other forward-looking statement it may make.

FY 2011 Financial Highlights

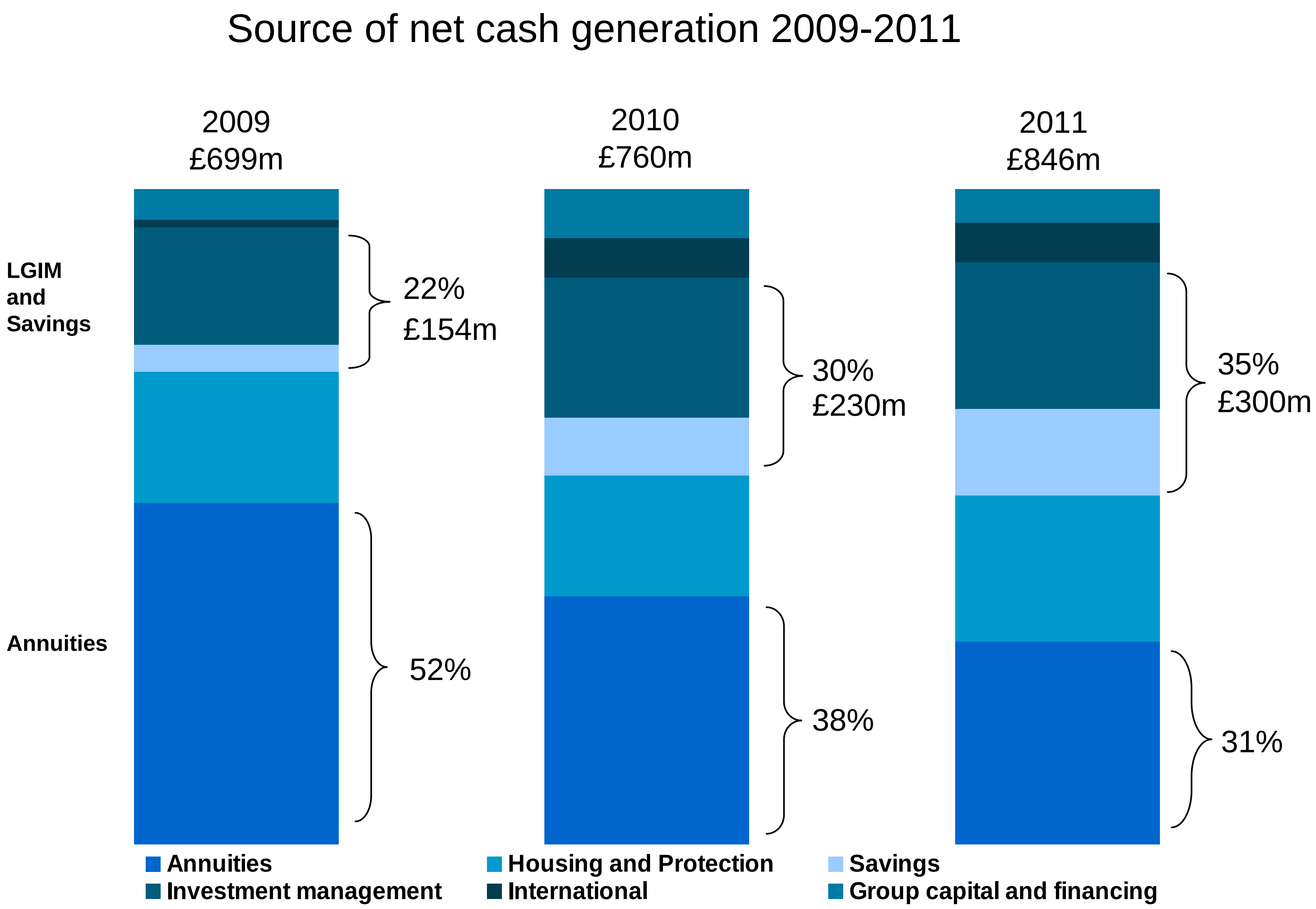
All business divisions increased sales, cash and profit.

1. **Operational cash ahead 12% to £940m**
2. **Net cash ahead 11% to £846m, net cash per share 14.52p**
3. **Sales up 7% to £1.9bn**
4. **Operating profit up 5% to £1,056m**
5. **ROE 14.5%**
6. **EEV operating profit up 20% to £1.47bn, NBVA up 17% to £441m**
7. **EEV per share up 11% to 147p (including LGIM 167p)**
8. **Full year dividend up 35% to 6.40p**
9. **IGD Surplus £3.8bn (220% coverage)**

Dividends from subsidiaries increased 47% to £701m.

Dividends supporting cash generation	**2011**			2010		
	Net cash £m	**Dividend £m**	**Dividend % of cash**	Net cash £m	Dividend £m	Dividend % of cash
Risk	451	500	89	429	300	60
Savings	111			68		
Investment management	189	150	79	162	132	81
International	51	51	100	44	44	100
Sub total	**802**	**701**	**87**	**703**	**476**	**68**
Group capital and Financing	44			57		
Total	**846**	**701**	**83**	**760**	**476**	**63**

Continued progress in diversification of cash generation.



Group results: All operating divisions increased profit.

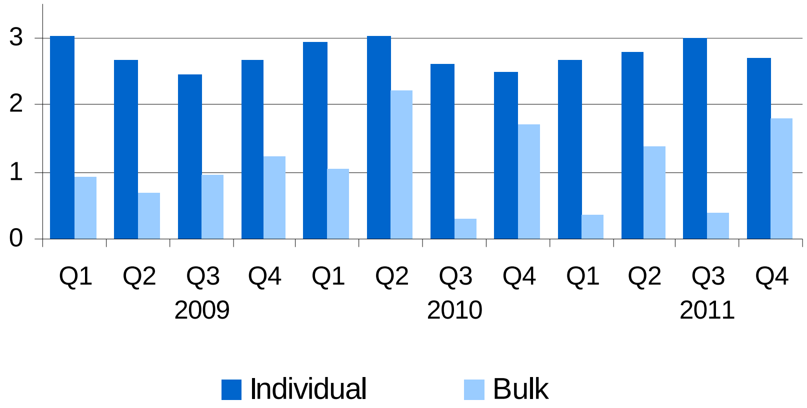
£m	**2011**	2010
Operational cash generation	**940**	840
New Business strain	**(94)**	(80)
Net cash generation	**846**	760
IFRS Profit		
Risk	**561**	560
Savings	**128**	115
Investment management	**234**	206
International	**137**	102
Group capital and financing	**52**	58
Investment projects	**(56)**	(39)
Operating profit	**1,056**	1,002

Risk strategy.

To build strong customer propositions across our markets whilst delivering improving risk adjusted returns.	
STRONG PROTECTION FRANCHISE	Scale: Reduced unit operating costs Distribution: Expanded our footprint Technology: Increased straight through processing and improved customer experience
PROFITABLE GENERAL INSURANCE	Predominantly a focussed household player Used technology to improve pricing, claims management and customer experience
CAPTURE THE ANNUITY OPPORTUNITY	Financial innovation Comprehensive offering – expansion in large bulk, longevity insurance Leveraged existing capability Effective asset liability management

Annuities: High potential.

New Annuity Business (£bn)
UK Market



- £1.1bn bulk annuity deal
- Approximately £390m longevity reinsurance on back book
- £1bn longevity transaction

– **Potential UK market enormous (£1,000bn plus)**

Maturing DC pension pots increasing

DB pension schemes derisking

– **DB de-risking strong reputation and full offering:**

Investment de-risking (e.g. LDI)

Longevity management

Buy-in / Buy-out

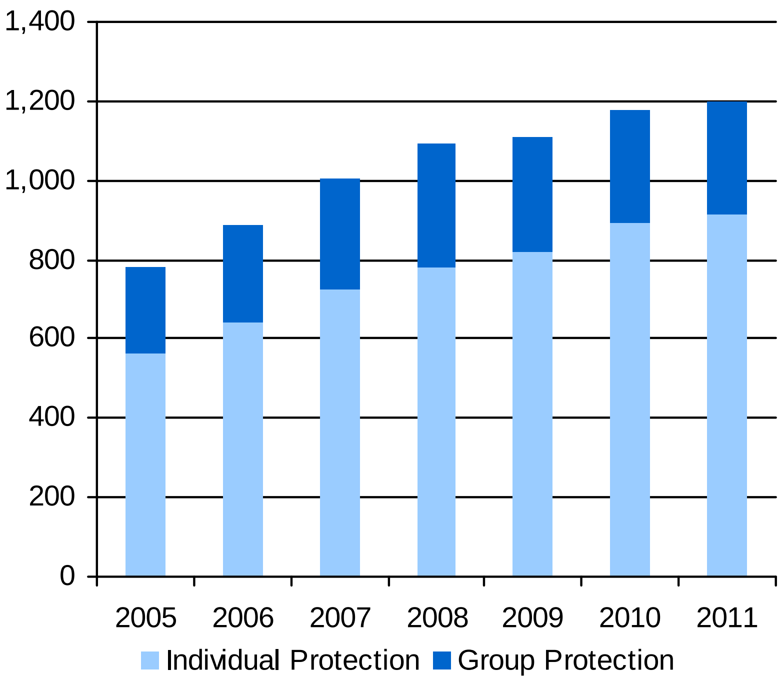
– **Some evidence of deferring retirement in UK**

– **ALM**

No defaults in either 2010 and 2011

Housing and Protection: Attractive market.

Protection Gross Premiums (£m)



Strong franchise - No. 1 in IP, No.2 in GP

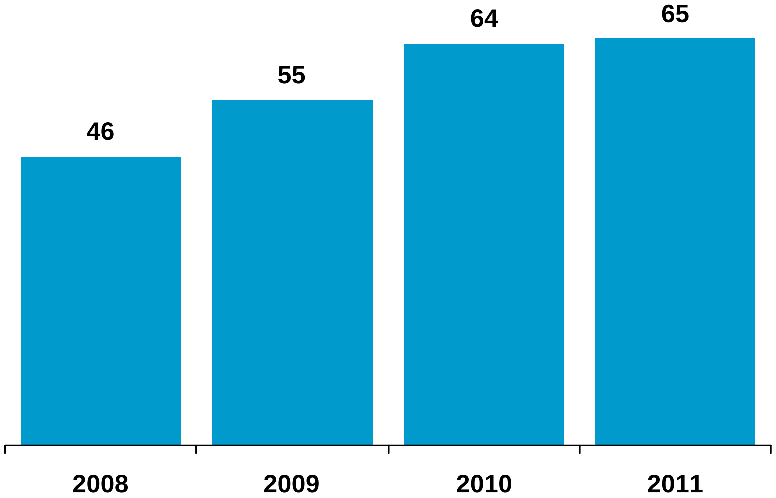
- Scale and quality of in-force book delivers strong cash flows, operating cash up 21% to £255m, net cash up 35% to £189m
- High quality products and efficient IT capability (75% plus straight through processing) delivered margin of 9.3% up from 6.4%
- GP mortality improved in H2.
- GI profits increased by £50m from £(8)m to £42m
- £16bn of intermediated mortgages in 2011, around 20% market share
- Welfare Reform – opportunity
- Distribution – continued to expand in 2011, further opportunities in 2012

Savings strategy.

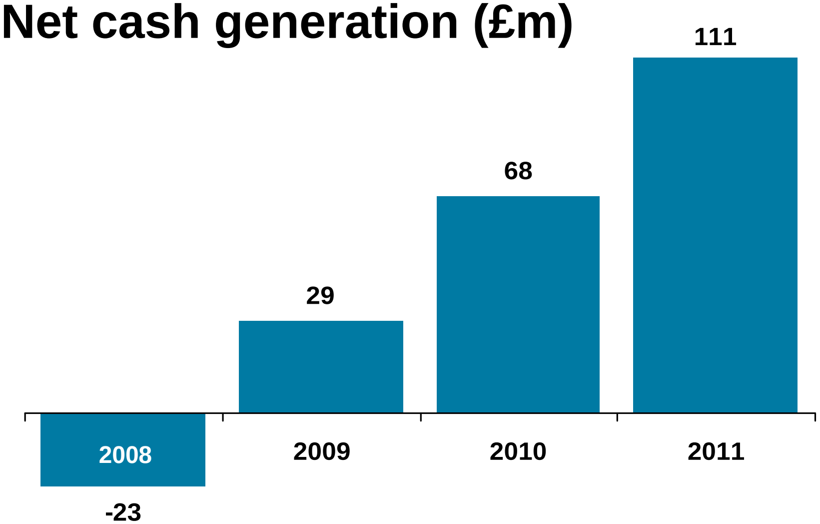
To build a sustainable and growing asset accumulation business, which generates an increasing cash contribution to the Group.	
GROWTH IN ASSETS UNDER ADMINISTRATION	**Scale in assets under administration is critical to success. Sustained a healthy cash generation from the in-force book.**
INCREASED OPERATIONAL EFFICIENCY	**Improved operational efficiency whilst growing scale in the Savings business as this is critical to protect cash and profit generation, workplace unit costs, new business strain.**
INCREASED PROFITABILITY	**Increased net cash, operating profit and return on equity.**
DEVELOPED INNOVATIVE PROPOSITIONS	**Developed innovative propositions that meet our emerging customer needs.**

A transformed business: 2008-2011.

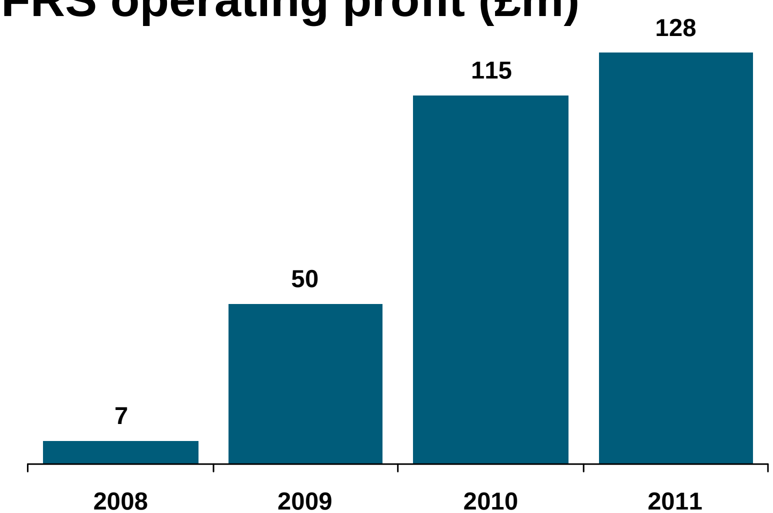
Assets under administration (£bn)



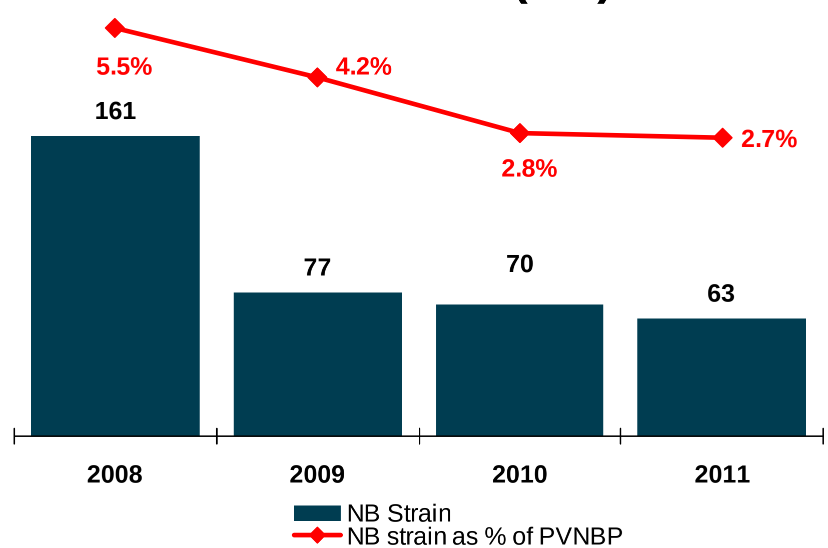
Net cash generation (£m)



IFRS operating profit (£m)



New business strain (£m)[1]



1. UK insured savings business

Auto enrolment, workplace savings and RDR opportunities.

1. **133 new workplace schemes secured in 2011 with over 94,000 people up from 102 schemes and around 24,000 people in 2010 – customers include Marks & Spencer and General Electric– more completed, but not yet announced**

2. **Unit costs in workplace improved as we move towards scale and deliver good quality customer service**

3. **IPS platform increasing scale with £6.8bn AUA and over 420,000 customers up from £3.8bn and 152,000 customers. Cofunds increased to £36bn AUA (2010: £30bn)**

4. **Extended distribution contracts with Nationwide Building Society and Yorkshire Building Society in a post RDR world – others to follow**

LGIM strategy.

To continue to focus on diversifying by growing our core active management capability and our defined benefit pensions de-risking solutions alongside our market leading index tracking business.

UK PRIORITIES	**Lead the market in providing derisking solutions to UK pension plans** **Continue to develop and enhance active fixed capabilities** **Defend market leading position in UK DB market**
INTERNATIONAL PRIORITIES	**Grow LGIMA's US credit and LDI products within the US** **Expand LGIM's footprint in the Gulf and Asia** **Deliver index to US institutional market**

FUM £bn	2011	2010
UK Pension Funds and Institutional clients	**268**	253
International clients	**18**	15
Annuities	**28**	25
Savings	**51**	55
International and other	**6**	6
Total assets under management	**371**	354

Business review – Investment Management: Delivery on all key metrics.

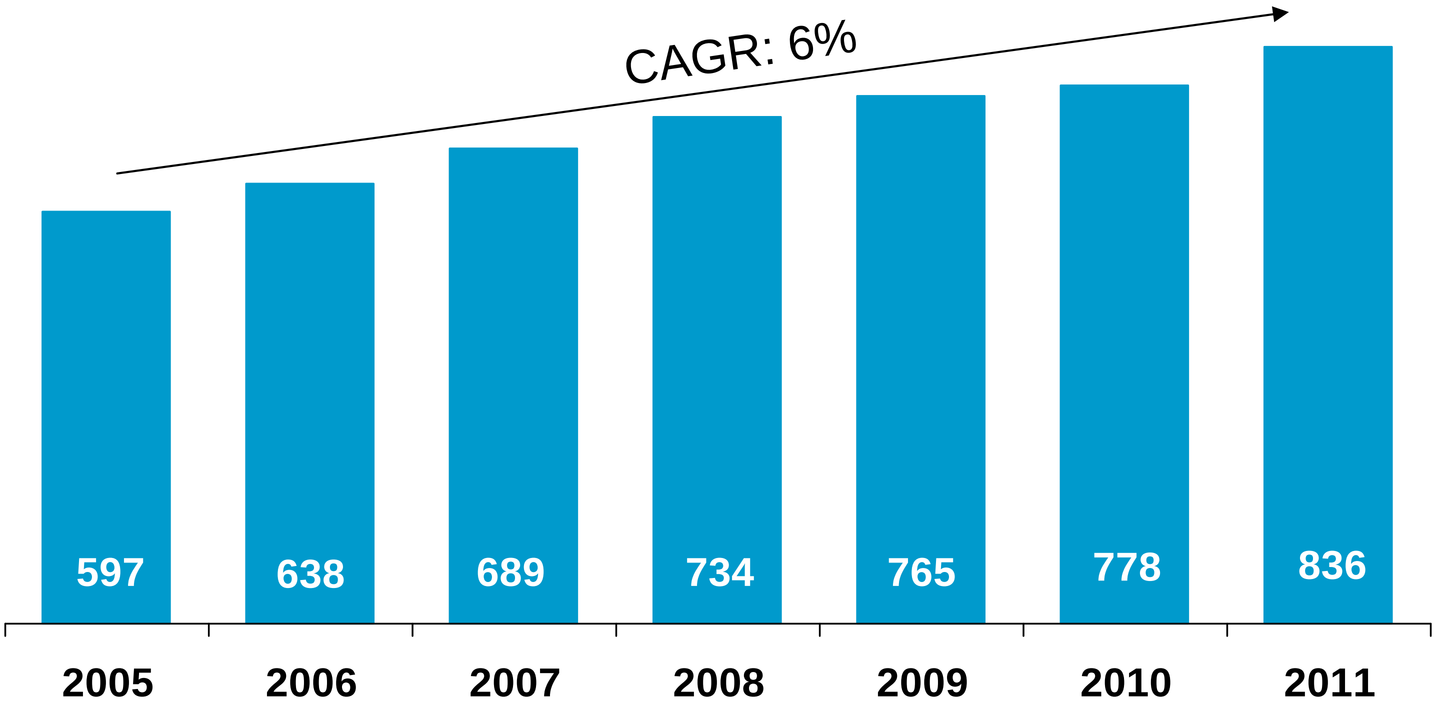
Financial highlights £m	2011	2010
IFRS Operating profit	**234**	206
Total revenue	**417**	378
Total costs	**(183)**	(172)
Net cash generation	**189**	162
Average ad valorem fee margin (bps)	**10.9**	10.7
Average expense margin (bps)	**5.3**	5.5
Gross inflows (£bn)	**32.8**	32.6
Net inflows (£bn)	**3.0**	6.6
Closing assets under management (£bn)	**371**	354

International strategy.

To focus on return on equity and measured growth by leveraging our bancassurance and UK expertise.	
USA PRIORITIES (LGA)	**Maintained growth and momentum on core term products by active distribution management** **Continue to focus on capital management**
EUROPE PRIORITIES	**Increased NBVA in Netherlands and France, particularly in risk products**
DEVELOPING MARKETS	**Grow our existing businesses in India , the Gulf and North Africa into successful, high performance domestic businesses** **Enter new markets leveraging our bancassurance expertise**

LGA has accelerated growth.

L&G America: gross written premiums ($m) 2005 - 2011



- 900,000 active policies
- APE up 39% to $111m
- No. 6 provider of term life business
- Sustainable and growing ordinary dividend (2010 $50m; 2011 $55m; 2012 $60m)
- Successful US Capital programme
- New business margin increased to 10.7% from 8.9%

Growth and Opportunity

- **Growth in Cash Generation over 5 years**
- **High quality & transparency in cash**
- **Leading franchise in core UK business divisions**
- **Well placed for change in the UK**
- **International opportunities**
- **Strong Balance Sheet gives optionality and mitigates regulatory uncertainties**