

Stock Exchange Release
06 May 2015

LEGAL & GENERAL: RECORD CASH GENERATION

GROUP HIGHLIGHTS:

- **OPERATIONAL CASH GENERATION UP 11% TO £330M (Q1 2014: £297M)**
- **NET CASH GENERATION UP 8% TO £326M (Q1 2014: £301M)**

BUSINESS HIGHLIGHTS:

- **LGIM TOTAL ASSETS UP 17% TO £736.8BN (Q1 2014: £630.9BN)**
- **ANNUITY ASSETS UP 19% TO £45.6BN (Q1 2014: £38.3BN)**
- **BULK PURCHASE ANNUITY PREMIUMS OF £655M (Q1 2014: £3,045M)**
- **UK PROTECTION PREMIUM UP 5% TO £372M (Q1 2014: £353M)**
- **DIGITAL SAVINGS ASSETS UP 16% TO £84.2BN (Q1 2014: £72.5BN)**
- **GROUP WIDE DIRECT INVESTMENT UP 62% TO £6.3BN (Q1 2014: £3.9BN)**

Nigel Wilson, Group Chief Executive, said:

“Legal & General’s cash generation in Q1 of 2015 was a record, operational cash of £330m was up 11% year on year. Cash is driven by our stock of assets and premiums, which we have grown strongly and consistently across our businesses. LGIM assets increased 17% to £737bn, annuity assets increased 19% to £46bn and direct investment increased 62% to £6.3bn.

We are constantly developing, evolving and streamlining our business to deliver better value products for customers and better returns for investors. We have set a high bar for management actions and performance including our cost reduction target of £80m this year.

Our business is aligned to long term macro growth trends. We are adapting well to regulatory and political challenges, for example, managing the switch to 'pension freedom' with a new range of cash and retirement products, which now includes lifetime mortgages. The Group is benefiting as we leverage our leading position in pension de-risking, selectively expand our international footprint in the US and Asia, and invest in the future success of the UK through our partnership in Media City in Salford and entry into the private rental sector in 2015.”

GROUP CASH GENERATION

£m 3 months to 31 March	Q1 2015	Q1 2014	Growth %
Operational cash generation	330	297	11
New business (strain) / surplus	(4)	4	n/a
Net cash generation	326	301	8

LEGAL & GENERAL RETIREMENT (LGR)

£bn 3 months to 31 March	Q1 2015	Q1 2014	Growth %
Annuity assets	45.6	38.3	19
Annuity sales	0.8	3.3	(77)

LEGAL & GENERAL INVESTMENT MANAGEMENT (LGIM)

£bn 3 months to 31 March	Q1 2015	Q1 2014	Growth %
LGIM total assets	736.8	630.9	17
LGIM total international assets ¹	126.4	66.0	92
External AUM net flows	4.3	6.6	(35)
Workplace AUA	13.0	9.1	43
Revenue (£m) ²	170	151	13

INSURANCE

£m 3 months to 31 March	Q1 2015	Q1 2014	Growth %
UK Protection gross premiums	372	353	5
UK Protection new business annual premiums	56	62	(10)

SAVINGS

£bn 3 months to 31 March	Q1 2015	Q1 2014	Growth %
Savings AUA	113.2	101.8	11
Savings net flows	0.5	1.1	(55)

LEGAL & GENERAL CAPITAL (LGC)

£bn 3 months to 31 March	Q1 2015	Q1 2014	Growth %
Group-wide direct investments	6.3	3.9	62

LEGAL & GENERAL AMERICA (LGA)

\$m 3 months to 31 March	Q1 2015	Q1 2014	Growth %
LGA gross premiums	283	269	5
LGA new business annual premiums	31	38	(18)

1. LGIM international assets include c£40.bn of US business transferred to LGIM's Chicago office from the UK business and \$23.3bn of advisory assets resulting from the acquisition of Global Index Advisors (GIA), both in 2014.

2. Includes revenues earned on funds managed by LGIM, therefore excluding administrative revenues earned on Workplace Savings assets.

FINANCIAL PERFORMANCE – OPERATIONAL CASH UP 11% AND NET CASH UP 8%

Operational cash generation for the Group is up 11% to £330m in the first three months of the year (Q1 2014: £297m). We have grown our stock of assets: increasing annuity assets in LGR; assets under management in LGIM and shareholder assets in LGC. This growth, together with an increased contribution from General Insurance and increased dividends received from LGA, with the ordinary dividend of \$80m, equating to £52m, up 10% on 2014 (Q1 2014: \$73m equating to £44m) has driven record operational cash generation for the Group

New business strain of £4m (Q1 2014: surplus of £4m) primarily resulted from lower levels of bulk annuity transactions in the quarter. As a result net cash generation increased by 8% to £326m (Q1 2014: £301m).

TRADING UPDATE – FURTHER GROWTH IN BUSINESS STOCK

LEGAL & GENERAL RETIREMENT (LGR)

Total annuity assets increased by 19% to £45.6bn (Q1 2014: £38.3bn). Net flows were £0.2bn (Q1 2014: £2.8bn).

Bulk annuity sales were £655m (Q1 2014: £3,045bn) resulting from 15 policies (Q1 2014: 7 policies). Q1 2014 included the £3.0bn bulk annuity transaction with the ICI Pension Fund. Whilst actual transaction flows are dependent on their affordability, which remain determined on underlying scheme funding levels and prevailing market conditions, we continue to see strong demand for de-risking solutions and retain a healthy transaction pipeline. Individual Annuity sales were £99m (Q1 2014: £244m) following the 2014 budget changes. We remain focussed on achieving our target return on economic capital across all of our annuity products.

Alongside new products developed for the post Budget retirement landscape, in March 2015 we acquired Newlife Home Finance Limited, a provider of lifetime mortgages. We believe that increasing numbers of customers will seek to supplement their retirement income by releasing some of the equity in their homes. We expect to write over £100m of lifetime mortgages this year and increasing amounts thereafter.

LEGAL & GENERAL INVESTMENT MANAGEMENT (LGIM)

Total assets increased 17% to £736.8bn (Q1 2014: £630.9bn). Total net inflows were £2.6bn (Q1 2014: £9.0bn) of which external AUM net flows were £4.3bn (Q1 2014: £6.6bn) driven by on-going client appetite for LGIM's de-risking capabilities, our workplace proposition and retail funds. Net outflows from GIA's advisory assets were £1.2bn as expected. LGIM is focusing its defined contribution proposition as we continue to develop our fund range for the US DC market. **Revenues, excluding workplace savings, increased 13% to £170m (Q1 2014: £151m).**

Total Solutions assets increased 24% to £304.0bn (Q1 2014: £244.8bn). Net inflows of £4.9bn (Q1 2014: £6.4bn), more than offset net outflows from Index funds of £1.5bn (Q1 2014: £0.9bn) as defined benefit pension schemes continue to de-risk. We are well placed to continue to benefit from this trend, recently launching an expanded range of LDI solutions to meet clients' requirements.

Property assets were up 29% to £15.3bn (Q1 2014: £11.9bn). Net property inflows of £0.4bn (Q1 2014: £0.7bn) were driven by external flows and continued demand for real assets from our LGR and LGC divisions.

International assets were £126.4bn (Q1 2014: £66.0bn), which includes c£40bn of assets transferred from the UK to be managed by the Chicago office in Q4 2014. We are having continued success in the US, recently launching an Index proposition to complement our Active Fixed Income and LDI funds, which have driven **total international net inflows of £0.8bn (Q1 2014: £3.4bn) in the quarter.**

Total workplace assets under administration increased 43% to £13.0bn (Q1 2014: £9.1bn). Net inflows were £0.5bn (Q1 2014: £0.5bn). Auto-enrolment participation rates remain high at more than 90% and we have retained our market share of 20% of new members being enrolled. Demand is being driven by smaller schemes reaching their staging dates and increasingly by large schemes being re-brokered, where we have had notable success with some leading UK retailers including the John Lewis Partnership. Minimum contribution rates will more than double to 5% in less than two years time, which will contribute to an expected tripling of DC savings in the UK over the next 10 years.

INSURANCE

Total UK Protection gross written premiums increased 5% to £372m (Q1 2014: £353m).

UK Retail Protection sales were lower at £38m (Q1 2014: £42m) compared to a strong first quarter of 2014. Our direct to customer new business more than doubled compared to Q1 2014. UK Group Protection sales were £18m (Q1 2014: £20m) with Q1 2014 benefitting from one large contract.

General Insurance gross premiums were down 4% to £81m (Q1 2014: £84m) reflecting disciplined pricing although direct sales continued to grow. Our direct general insurance channel increased premiums by 16% to £22m (Q1 2014: £19m), benefitting from enhanced digital capabilities.

SAVINGS

Total Savings assets under administration increased 11% to £113.2bn (Q1 2014: £101.8bn) with net flows of £0.5bn (Q1 2014: £1.1bn).

Our Savings division now comprises 'Digital Savings', including Cofunds and Suffolk Life and 'Mature Savings' including retail pensions, bonds and our With-profits fund.

Digital Savings net inflows were £0.9bn (Q1 2014: £1.7bn). Cofunds assets of £76.0bn, up 16% (Q1 2014: £65.6bn) included net inflows of £0.7bn (Q1 2014: £1.5bn).

Following the closure to new business of our With-profits fund in January 2015 net outflows from mature products were £0.6bn (Q1 2014: £0.7bn). Since the pensions freedom legislation came into force on 6 April 2015 call volumes have been higher than average, with most customers so far electing to withdraw cash from their policies. Overall we do not anticipate a material impact on our back book of savings assets across the Group.

LEGAL & GENERAL CAPITAL (LGC)

Total direct investments across the principal balance sheet increased 62% to £6.3bn (Q1 2014: £3.9bn) including £0.4bn of new direct investments in the period. Utilising our expanding network of strategic partnerships, we have continued to make strong progress in the origination and development of alternative finance, housing and urban regeneration asset classes.

Further to our build-to-sell activities through CALA, we obtained planning permission for 1,000 homes in Crowthorne, entered the UK Private Rented Sector (PRS) by acquiring a regeneration site at Walthamstow in Q1 2015. We have also committed £100m, matched by Schroder UK Real Estate Fund, to the regeneration of Bracknell town centre and completed the purchase of a 50% interest in the Peel Group's landmark MediaCityUK scheme at Salford Quays in Manchester.

We are working with the Government's Regeneration Investment Organisation and announced that the Group will allocate up to £1.5bn to invest in urban infrastructure projects alongside capital from international investment partners.

We have completed £60m of loans through our pan-European SME lending business, Pemberton Asset Management, as we continue to take advantage of the significant investment opportunities presented by bank deleveraging.

LEGAL & GENERAL AMERICA (LGA)

In LGA the price changes we introduced in 2014 have resulted in sales of \$31m (Q1 2014: \$38m) with gross premiums increasing 5% to \$283m (Q1 2014: \$269m). LGA remains focused on net cash generation.

OUTLOOK

The Group continues to execute on its clear and focused growth strategy based on five key macro trends: ageing populations; globalisation of asset markets; welfare reform; digital lifestyles and retrenching banks. We are delivering this both organically and by selective bolt-on acquisitions. Our responses to these trends and the diversification within our business model have enabled us to deliver sustained growth in our cash. External political and regulatory uncertainties remain but by aligning our strategy to these five macro trends we believe we have created a high degree of resilience in our business model.

We are working closely with the Prudential Regulatory Authority (PRA) in respect of Solvency II and will submit applications in Q2 2015 for our internal model to calculate our Solvency Capital Requirement, the use of transitionals and a matching adjustment. We are engaged in on-going dialogue with the PRA and expect this process to conclude in Q4 2015. This regulatory framework will be applicable from 1 January 2016 and we will provide a further update on this process as clarity emerges.

Internationally our business continues to gather momentum with the encouraging start to the year continuing into the second quarter. LGIM has had notable successes in the US, winning our first Index mandate, and in Asia, winning further mandates across the region. In LGR, we continue to explore opportunities to use our specialist experience in the global de-risking market, including in the US and the Netherlands.

We see further opportunities in the UK Insurance market with our retail protection business securing further intermediary distribution arrangements in Q2 2015 and a strong group protection sales pipeline. We expect new business volumes and margins across our UK Protection businesses for 2015 to be broadly in line with 2014.

We are on track to deliver c£80m of operating cost savings across the Group, reducing costs from £1,250m in 2014 to c£1,170m, whilst incurring £40m of restructuring costs in 2015. We are decluttering our business model to focus on core strategies and have contracted to sell Legal & General International (Ireland) Limited, representing £2.7bn of AUA, which is expected to complete in Q2 2015.

We remain confident in delivering the 2015 operational cash guidance we gave at the time of the 2014 full year results.

ENQUIRIES.

INVESTORS:

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

MEDIA:

John Godfrey	Corporate Affairs Director	020 3124 2090
Richard King	Head of Group Corporate Communications	020 3124 2095
Michelle Clarke	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 10.00 BST. Investors should dial +44 (0)20 3059 8125. A replay of the teleconference will be available on our website.

FINANCIAL CALENDAR 2015:

	Date
Annual general meeting	21 May 2015
Payment date of 2014 final dividend	4 June 2015
Half-year Results 2015	5 August 2015
Q3 Interim Management Statement 2015	4 November 2015

DEFINITIONS:

Operational cash generation is the expected release from in-force business for the UK non-profit Insurance and Savings 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 three months ended 31 March 2015	Index funds £bn	Active fixed income £bn	Solutions ¹ £bn	Property £bn	Active equities £bn	Total AUM £bn	Advisory assets £bn	Total assets £bn
At 1 January 2015	274.8	103.8	293.3	13.6	8.2	693.7	14.8	708.5
External inflows	6.8	2.3	1.4	0.3	-	10.8		10.8
External outflows	(8.3)	(1.6)	(1.6)	(0.1)	-	(11.6)		(11.6)
Overlay/ advisory net flows	-	-	5.1	-	-	5.1	(1.2)	3.9
External net flows²	(1.5)	0.7	4.9	0.2	-	4.3	(1.2)	3.1
Internal net flows	-	(0.6)	-	0.2	(0.1)	(0.5)	-	(0.5)
Total net flows	(1.5)	0.1	4.9	0.4	(0.1)	3.8	(1.2)	2.6
Cash management movements ³	-	1.7	-	-	-	1.7	-	1.7
Market and other movements ²	11.3	4.8	5.8	1.3	0.1	23.3	0.7	24.0
At 31 March 2015	284.6	110.4	304.0	15.3	8.2	722.5	14.3	736.8
Assets attributable to:								
External						630.2	14.3	644.5
Internal						92.3	-	92.3
Assets attributable to:								
UK						610.4	-	610.4
International						112.1	14.3	126.4

1. Solutions include liability driven investments, multi-asset funds, and include £197.1bn (Q1 2014: £168.3bn) of derivative notional associated with the Solutions business.

2. External net flows exclude movements in short term overlay assets, with maturity as determined by client agreements and are subject to a higher degree of variability. The total value of these assets at 31 March 2015 is £44.0bn (Q1 2014: £33.8bn) and the movement in these assets is included in market and other movements for overlay assets.

3. Cash management movements include external holdings in money market funds and other cash mandates held for clients' liquidity management purposes.

	3 months to 31.03.15 £bn
LGIM total external AUM net flows¹	4.3
Attributable to:	
International	0.8
UK Institutional	
- Defined contribution	0.4
- Defined benefit	3.1
UK Retail	-

1. External net flows exclude movements in short term overlay assets, with maturity as determined by client agreements and cash management movements.

Asset and premium flows

Legal & General investment management total assets quarterly progression

For the year ended 31 December 2014	Index funds £bn	Active fixed income £bn	Solu- tions ¹ £bn	Property £bn	Active equities £bn	Total AUM £bn	Advisory assets £bn	Total assets £bn
At 1 January 2014	269.8	89.4	232.5	11.3	8.6	611.6	-	611.6
External inflows	4.9	1.4	2.4	0.3	-	9.0		9.0
External outflows	(5.8)	(0.5)	(1.2)	(0.1)	-	(7.6)		(7.6)
Overlay/ advisory net flows	-	-	5.2	-	-	5.2	-	5.2
External net flows²	(0.9)	0.9	6.4	0.2	-	6.6	-	6.6
Internal net flows	-	2.0	-	0.5	(0.1)	2.4	-	2.4
Total net flows	(0.9)	2.9	6.4	0.7	(0.1)	9.0	-	9.0
Cash management movements ³	-	-	-	-	-	-	-	-
Market and other movements ²	1.5	2.9	5.9	(0.1)	0.1	10.3	-	10.3
At 31 March 2014	270.4	95.2	244.8	11.9	8.6	630.9	-	630.9
External inflows	6.1	1.5	2.8	0.3	0.1	10.8		10.8
External outflows	(13.5)	(1.4)	(0.9)	(0.1)	(0.1)	(16.0)		(16.0)
Overlay/ advisory net flows	-	-	7.1	-	-	7.1	0.1	7.2
External net flows²	(7.4)	0.1	9.0	0.2	-	1.9	0.1	2.0
Internal net flows	(0.1)	(1.3)	0.5	0.2	(0.1)	(0.8)	-	(0.8)
Total net flows	(7.5)	(1.2)	9.5	0.4	(0.1)	1.1	0.1	1.2
Acquisition of GIA assets	-	-	-	-	-	-	13.4	13.4
Cash management movements ³	-	0.2	-	-	-	0.2	-	0.2
Market and other movements ²	5.8	3.0	(1.2)	0.5	(0.3)	7.8	0.2	8.0
At 30 June 2014	268.7	97.2	253.1	12.8	8.2	640.0	13.7	653.7
External inflows	5.6	1.0	1.5	0.3	-	8.4		8.4
External outflows	(8.7)	(0.8)	(1.4)	(0.2)	-	(11.1)		(11.1)
Overlay/ advisory net flows	-	-	2.5	-	-	2.5	-	2.5
External net flows²	(3.1)	0.2	2.6	0.1	-	(0.2)	-	(0.2)
Internal net flows	(0.3)	(0.9)	(0.1)	(0.1)	(0.1)	(1.5)	-	(1.5)
Total net flows	(3.4)	(0.7)	2.5	-	(0.1)	(1.7)	-	(1.7)
Cash management movements ³	-	(0.7)	-	-	-	(0.7)	-	(0.7)
Market and other movements ²	5.2	1.7	17.4	0.4	(0.2)	24.5	0.5	25.0
At 30 September 2014	270.5	97.5	273.0	13.2	7.9	662.1	14.2	676.3
External inflows	7.1	1.6	1.8	0.5	-	11.0		11.0
External outflows	(11.5)	(1.1)	(3.1)	(0.1)	-	(15.8)		(15.8)
Overlay/ advisory net flows	-	-	4.0	-	-	4.0	(0.3)	3.7
External net flows²	(4.4)	0.5	2.7	0.4	-	(0.8)	(0.3)	(1.1)
Internal net flows	0.2	(0.3)	-	0.1	0.2	0.2	-	0.2
Total net flows	(4.2)	0.2	2.7	0.5	0.2	(0.6)	(0.3)	(0.9)
Cash management movements ³	-	(1.1)	-	-	-	(1.1)	-	(1.1)
Market and other movements ²	8.5	7.2	17.6	(0.1)	0.1	33.3	0.9	34.2
At 31 December 2014	274.8	103.8	293.3	13.6	8.2	693.7	14.8	708.5

1. Solutions include liability driven investments, multi-asset funds, and include £194.6bn at 31 December 2014 (Q1 2014: £168.3bn; Q2 2014: £174.9bn; Q3 2014: £185.3bn) of derivative notionals associated with the Solutions business.

2. External net flows exclude movements in short term overlay assets, with maturity as determined by client agreements and are subject to a higher degree of variability. The total value of these assets at 31 December 2014 is £46.5bn (Q1 2014: £33.8bn; Q2 2014: £33.3bn; Q3 2014: £41.2bn), and the movement in these assets is included in market and other movements for overlay assets.

3. Cash management movements include external holdings in money market funds and other cash mandates held for clients' liquidity management purposes.

Asset and premium flows

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

	3 months to 31.12.14 £bn	3 months to 30.09.14 £bn	3 months to 30.06.14 £bn	3 months to 31.03.14 £bn
Total assets attributable to:				
External ¹	618.5	591.5	570.3	547.8
Internal	90.0	84.8	83.4	83.1
Total assets attributable to:				
UK	579.7	589.8	570.8	564.9
International ¹	128.8	86.5	82.9	66.0

1. Total assets at 31 December 2014 include £14.8bn of advisory assets (Q1 2014: £nil; Q2 2014: £13.7bn; Q3 2014: £14.2bn).

Legal & General investment management total external Assets Under Management net flows quarterly progression

	3 months to 31.12.14 £bn	3 months to 30.09.14 £bn	3 months to 30.06.14 £bn	3 months to 31.03.14 £bn
LGIM total external AUM net flows¹	(0.8)	(0.2)	1.9	6.6
Attributable to:				
International	1.6	1.3	2.4	3.4
UK Institutional				
-Defined contribution	0.9	0.7	0.5	0.6
-Defined benefit	(3.6)	(2.2)	(1.2)	2.3
UK Retail	0.3	-	0.2	0.3

1. External net flows exclude movements in short term overlay assets, with maturity as determined by client agreements and cash management movements.

Asset and premium flows

Assets under administration

For the three months ended 31 March 2015	Digital			Consolidation adjustment ⁵ £bn	Total Savings £bn	LGIM			Annuities £bn
	Platforms ¹ £bn	Suffolk Life £bn	Mature Retail Savings ^{3,4} £bn			France and Netherlands £bn	Workplace £bn	Retail Investments ⁶ £bn	
At 1 January 2015	71.9	7.7	36.0	(6.9)	108.7	4.4	11.1	21.3	44.2
Gross inflows ²	1.9	0.3	0.3	-	2.5	0.1	0.6	1.5	0.7
Gross outflows	(1.2)	(0.1)	(0.9)	0.2	(2.0)	(0.1)	(0.1)	(1.6)	-
Payments to pensioners	-	-	-	-	-	-	-	-	(0.5)
Net flows	0.7	0.2	(0.6)	0.2	0.5	-	0.5	(0.1)	0.2
Market and other movements	3.4	0.3	0.7	(0.4)	4.0	(0.1)	1.4	1.2	1.2
At 31 March 2015	76.0	8.2	36.1	(7.1)	113.2	4.3	13.0	22.4	45.6

1. Platforms include Investor Portfolio Services (IPS) and Cofunds.

2. Platforms gross inflows include Cofunds institutional net flows. Total Q1 2015 Platforms comprise £38.8bn (Q1 2014: £36.6bn) of retail assets and £37.2bn (Q1 2014: £29.0bn) of assets held on behalf of institutional clients.

3. Mature Retail Savings products include with-profits products, bonds and retail pensions.

4. Total AUA at 31 March 2015 include £2.7bn of assets relating to Legal & General International (Ireland) Limited, which is contracted for sale to Canada Life Group during the second quarter of 2015, subject to regulatory approval.

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

6. Q1 2015 Retail Investments include £1.8bn (Q1 2014: £1.6bn) of LGIM unit trust assets held on our Cofunds platform and £3.4bn (Q1 2014: £3.2bn) of LGIM unit trust assets held on our IPS platform.

Asset and premium flows

Assets under administration quarterly progression

For the year ended 31 December 2014	Digital				Total Savings £bn	LGIM			
	Platforms ¹ £bn	Suffolk Life £bn	Mature Retail Savings ³ £bn	Consol- idation adjust- ment ⁴ £bn		France and Nether- lands £bn	Work- place £bn	Retail Invest- ments ⁵ £bn	Annuities £bn
At 1 January 2014	64.1	6.6	36.3	(6.8)	100.2	4.5	8.7	20.5	34.4
Gross inflows	2.6	0.3	0.4	(0.1)	3.2	0.1	0.7	1.0	3.3
Gross outflows	(1.1)	(0.1)	(1.1)	0.2	(2.1)	(0.1)	(0.2)	(0.9)	-
Payments to pensioners	-	-	-	-	-	-	-	-	(0.5)
Net flows	1.5	0.2	(0.7)	0.1	1.1	-	0.5	0.1	2.8
Market and other movements	-	0.1	0.5	(0.1)	0.5	(0.1)	(0.1)	0.2	1.1
At 31 March 2014	65.6	6.9	36.1	(6.8)	101.8	4.4	9.1	20.8	38.3
Gross inflows ²	2.2	0.3	0.3	(0.1)	2.7	0.1	0.6	0.9	0.2
Gross outflows	(1.2)	(0.1)	(1.1)	0.2	(2.2)	(0.1)	(0.1)	(1.5)	-
Payments to pensioners	-	-	-	-	-	-	-	-	(0.5)
Net flows	1.0	0.2	(0.8)	0.1	0.5	-	0.5	(0.6)	(0.3)
Market and other movements	0.8	0.1	0.6	-	1.5	0.1	(0.1)	0.4	0.5
At 30 June 2014	67.4	7.2	35.9	(6.7)	103.8	4.5	9.5	20.6	38.5
Gross inflows ²	2.8	0.4	0.4	(0.2)	3.4	0.1	0.7	1.2	0.4
Gross outflows	(1.3)	(0.2)	(1.2)	0.2	(2.5)	(0.1)	(0.2)	(1.3)	-
Payments to pensioners	-	-	-	-	-	-	-	-	(0.6)
Net flows	1.5	0.2	(0.8)	-	0.9	-	0.5	(0.1)	(0.2)
Market and other movements	0.1	0.1	0.4	(0.1)	0.5	(0.1)	0.1	0.2	1.6
At 30 September 2014	69.0	7.5	35.5	(6.8)	105.2	4.4	10.1	20.7	39.9
Gross inflows ²	2.5	0.3	0.3	(0.1)	3.0	0.1	0.8	1.3	2.6
Gross outflows	(1.1)	(0.1)	(1.0)	0.1	(2.1)	(0.1)	(0.1)	(1.1)	-
Payments to pensioners	-	-	-	-	-	-	-	-	(0.5)
Net flows	1.4	0.2	(0.7)	-	0.9	-	0.7	0.2	2.1
Market and other movements	1.5	-	1.2	(0.1)	2.6	-	0.3	0.4	2.2
At 31 December 2014	71.9	7.7	36.0	(6.9)	108.7	4.4	11.1	21.3	44.2

1. Platforms include Investor Portfolio Services (IPS) and Cofunds.

2. Platforms gross inflows include Cofunds institutional net flows. Total 2014 Platforms comprise £38.3bn (Q1 2014: £36.6bn; Q2 2014: £37.3bn; Q3 2014: £37.4bn) of retail assets and £33.6bn (Q1 2014: £29.0bn; Q2 2014: £30.1bn; Q3 2014: £31.6bn) of assets held on behalf of institutional clients.

3. Mature Retail Savings products include with-profits products, bonds and retail pensions.

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

5. 2014 Retail Investments include £1.7bn (Q1 2014: £1.6bn; Q2 2014: £1.5bn; Q3 2014: £1.6bn) of LGIM unit trust assets held on our Cofunds platform and £3.2bn (Q1 2014: £3.2bn; Q2 2014: £3.2bn; Q3 2014: £3.2bn) of LGIM unit trust assets held on our IPS platform.

Asset and premium flows

LGR new business

	3 months to 31.03.15 £m	3 months to 31.12.14 £m	3 months to 30.09.14 £m	3 months to 30.06.14 £m	3 months to 31.03.14 £m
Individual Annuities	99	83	125	139	244
Bulk Purchase Annuities	655	2,619	233	90	3,045
Total LGR new business	754	2,702	358	229	3,289

Insurance new business annual premiums

	3 months to 31.03.15 £m	3 months to 31.12.14 £m	3 months to 30.09.14 £m	3 months to 30.06.14 £m	3 months to 31.03.14 £m
UK Retail Protection	38	41	41	41	42
UK Group Protection	18	11	14	20	20
France Protection	31	-	-	-	33
Netherlands Protection	1	-	1	-	2
US Protection	20	21	23	24	23
Total Insurance new business	108	73	79	85	120

Gross written premiums on Insurance business

	3 months to 31.03.15 £m	3 months to 31.12.14 £m	3 months to 30.09.14 £m	3 months to 30.06.14 £m	3 months to 31.03.14 £m
UK Retail Protection	270	273	269	260	254
UK Group Protection	102	57	65	130	99
General Insurance	81	95	104	94	84
France Protection	43	41	41	45	46
Netherlands Protection	13	9	16	12	14
US Protection	184	184	162	170	162
Longevity Insurance	79	82	84	83	84
Total gross written premiums on insurance business	772	741	741	794	743

Asset and premium flows

Overseas new business in local currency

	Annual premiums 31.03.15	Single premiums 31.03.15	Annual premiums 31.03.14	Single premiums 31.03.14	Annual premiums 31.12.14	Single premiums 31.12.14
US (US\$m)	31	-	38	-	150	-
Netherlands (€m)	4	37	2	35	10	138
France (€m)	42	111	40	83	41	351
India (Rs m) - Group's 26% interest	198	1,067	202	1,474	408	4,003
Egypt (Pounds m) - Group's 55% interest	55	-	46	-	149	-
Gulf (US\$m) - Group's 50% interest	1	1	1	1	3	5