

L&G completes transaction with Meiji Yasuda

- L&G completes sale of the US insurance entity and establishes long-term partnership with Meiji Yasuda, strengthening the Group's US PRT proposition.
- This transaction generates £1.2bn Solvency II capital and an expected IFRS profit of greater than £1.3bn, as guided at the time of signing. L&G intends to return an additional¹ £1bn to shareholders from the proceeds of this sale, bringing the Group's total planned 2026 share buyback to £1.2bn.
- Following completion of the transaction, Meiji Yasuda will acquire a 5% economic interest in L&G, deepening the corporate relationship and further aligning interests.

Legal & General Group Plc ("L&G" or the "Group") today announces the completion of the sale of its US insurance entity, comprising its US protection and US Pension Risk Transfer ("US PRT") businesses, to Meiji Yasuda Life Insurance Company ("Meiji Yasuda"), a Japanese mutual life insurance company, for an equity value of \$2.3bn paid in cash². By combining their financial strength and PRT expertise, Meiji Yasuda and L&G offer a highly compelling US PRT proposition via Banner Life, characterised by excellent customer service, significant execution experience and long-term policyholder security.

In 2025, L&G completed 15 US PRT transactions, writing c.\$1.8 billion in premium through Banner Life and William Penn. With the US PRT market consistently exceeding \$40bn in annual volumes, there remains a significant opportunity for continued growth.

Following completion of the transaction, Meiji Yasuda will acquire a 5% economic interest in L&G, deepening the corporate relationship and further aligning interests. Meiji Yasuda and L&G continue to collaborate closely on future opportunities as they further deepen their long-term partnership.

Financial information:

- The Solvency II capital generation of £1.2bn reflects the net proceeds from the transaction of £1.8bn, less the Own Funds related to the business being sold of £1.0bn and the associated release of SCR of £0.4bn. We expect the proforma Full Year 2025 Solvency II coverage ratio to increase by c. 7 ppts³, after allowing for the anticipated share buyback of £1bn from the proceeds of the sale.
- The expected Group IFRS profit of greater than £1.3bn reflects the difference between sale proceeds and the carrying value of the US business in the Group's balance sheet after consolidation adjustments.
- L&G intends to return an additional £1bn to shareholders from the proceeds of the sale, bringing the total planned 2026 share buyback to £1.2bn.
- At L&G's Full Year results in March, 2025 key financial metrics will also be presented on a proforma basis, allowing for the impact of this transaction.

¹This buyback is incremental to the Group's existing distribution policy.

²The transfer payment on completion was \$2.6bn, following upwards purchase price adjustments of c. \$0.3bn, reflecting net asset transfers and the impact of business performance since 1 January 2025. The combined impact of these adjustments is broadly neutral on the capital generated from the sale. This remains subject to a final true-up post completion.

³The increase in the Solvency II coverage ratio is shown net of a Tier 2 Own Funds eligibility restriction of c. £0.2bn or 4ppts following the release in SCR post sale, with Tier 2 Own Funds eligibility capped at 50% of the Group SCR. The total temporary eligibility restriction within the proforma YE 25 Group Solvency II coverage ratio is expected to be c.£0.5bn/c.7ppts.



António Simões, Group Chief Executive Officer of L&G: “This exciting long-term partnership with Meiji Yasuda delivers significant financial and strategic benefits for L&G today and opportunities for the future. It strengthens our balance sheet, releases capital and enables us to accelerate growth in US Pension Risk Transfer through a partnership with a highly regarded, long term investor. Crucially, it supports enhanced returns for shareholders, with a share buyback in 2026 of £1.2bn, while allowing us to reinvest in priority growth areas to drive sustainable long-term value, and I am delighted that Meiji Yasuda will now acquire a 5% economic interest in L&G, further deepening our partnership.”

-ENDS-



Notes to editors

About L&G

Established in 1836, L&G is one of the UK's leading financial services groups and a major global investor, with £1.1 trillion in total assets under management (as at HY25) of which c. 43% (c. £0.5 trillion) is international. We have a highly synergistic business model, which continues to drive strong returns. We are a leading player in Institutional Retirement, in Retail Savings and Protection, and in Asset Management through both public and private markets. Across the Group, we are committed to responsible investing and dedicated to serving the long-term savings and investment needs of customers and society.

Further information

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