

▶ **HALF-YEAR RESULTS.**

**A PRESENTATION FROM LEGAL & GENERAL
6 August 2014**

FIVE MACRO TRENDS, FIVE WINNING STRATEGIES.

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**Leighton Morris, one of our customers
from South Wales.**


**Legal &
General**

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.

NIGEL WILSON.

GROUP CHIEF EXECUTIVE



Best online report FTSE 100: Legal & General Group Plc - Corporate & Financial Awards 2014.
New web app for investors launches today:
Investorapp.legalandgeneral.com

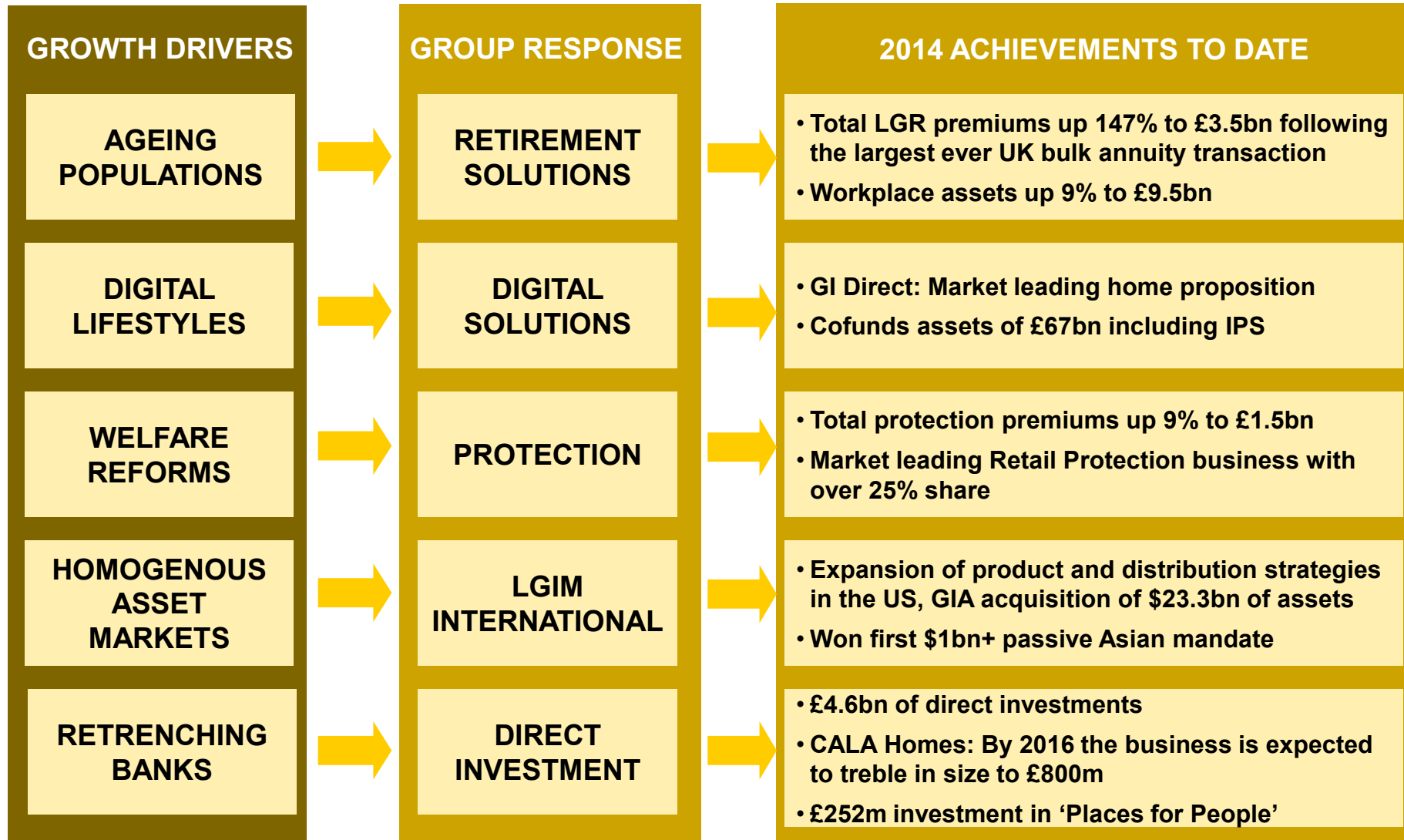
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RESULTS SUMMARY: FINANCIAL HIGHLIGHTS.

1. Annuity assets up 20% to £38.5bn (H1 2013: £32.2bn), LGIM assets up 13% to £654bn (H1 2013: £579bn) and Savings assets up 17% to £118bn (H1 2013: £100bn)
2. Net cash up 13% to £567m (H1 2013: £500m);
Operational cash up 8% to £578m (H1 2013: £537m)
3. Operating profit up 11% to £636m (H1 2013: £571m)
4. IFRS profit before tax up 7% to £636m (H1 2013: £594m)
5. Earnings per share up 9% to 8.51p (H1 2013: 7.82p)
6. Interim dividend up 21% to 2.90p per share (H1 2013: 2.40p)
7. IFRS return on equity 17.6% (H1 2013: 16.8%)

CLEAR AND FOCUSED STRATEGY.

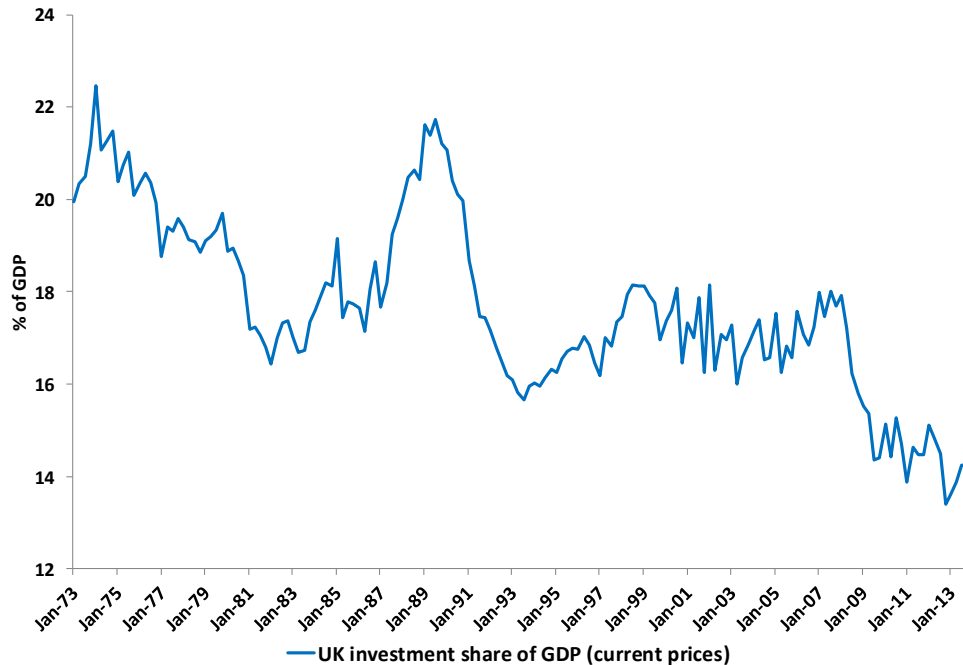


FIVE SUCCESSFUL PROFIT CENTRES.

	LEGAL & GENERAL RETIREMENT (LGR)	INVESTMENT MANAGEMENT (LGIM)	PROTECTION AND SAVINGS (LGAS)	LEGAL & GENERAL CAPITAL (LGC)	LEGAL & GENERAL AMERICA (LGA)
	KERRIGAN PROCTER, MD	MARK ZINKULA, CEO	JOHN POLLOCK, CEO	PAUL STANWORTH, MD	JIMMY ATKINS, CEO
IMPLEMENTED SO FAR	<p>The leading UK de-risking provider to pension schemes</p> <p>Over one million customers</p> <p>Largest ever UK BPA deal</p>	<p>Largest manager of UK pension fund assets</p> <p>Largest LDI manager in the UK</p> <p>Over 3,000 institutional clients globally</p>	<p>UK number one provider of protection products</p> <p>Over six million customers and over 8,000 corporate schemes</p> <p>£118bn of Savings assets, including Cofunds the largest UK investment platform</p>	<p>Implements Group's investment strategy - improved risk adjusted yield</p> <p>Direct investments £4.6bn</p> <p>£5.2bn shareholder assets</p>	<p>Number 4 ordinary life provider in the US</p> <p>Gross written premiums of \$553m</p> <p>In excess of one million policies</p>
WHERE WE ARE GOING	<p>Evaluating opportunities in Canada, Netherlands and the US</p> <p>Developing innovative range of Individual Retirement Solutions</p> <p>Capitalise on strong bulk annuity pipeline</p>	<p>Build on international opportunities, notably in the US</p> <p>Maintain strong market share in growing DB de-risking and DC markets</p>	<p>Leverage Protection's market leading position</p> <p>Increase contribution of GI</p> <p>Launch D2C Savings proposition around the end of the year</p>	<p>Broaden the Group's asset base driving more attractive risk adjusted returns</p> <p>Continued investment in UK infrastructure</p>	<p>Increasing contribution to Group's net cash</p> <p>Focus on profitable growth</p>

SLOW MONEY POWERHOUSE.

Institutional investment can help reverse the consistent decline in UK investment



Source: LGIM



Student Accommodation over
£1bn, maturities to 50 years



Affordable Housing
£500m, maturities to 50 years



Hospitals, Care Homes
Over £210m, maturities to 32
years



Transport and Logistics
c£320m, maturities to 30
years

“It’s no good trying to run a modern competitive economy unless you build modern competitive infrastructure... And this infrastructure, it’s absolutely vital that it’s private sector and public sector. We’ve got to modernise our energy infrastructure, modernise our ports, modernise our roads, hospitals, schools, all of that is a vital part of our economic plan.”

David Cameron, 22nd April 2014

2014 - PROGRESS ACROSS ALL DIVISIONS.

DIVISIONS	2014 OPERATIONAL CASH GUIDANCE £m	2014 KEY ACTIONS	PROGRESS TO DATE
LGR	290	<ul style="list-style-type: none"> • Increase net flows: 2012: £0.6bn, 2013: £2.1bn • Improve risk adjusted yield • Reduce unit costs • Continue to diversify sources of profit • Increase longevity transactions 	<ul style="list-style-type: none"> • Net flows already at £2.5bn • Risk adjusted yield improved through £3.7bn of direct investment
LGIM		<ul style="list-style-type: none"> • Improve performance in UK retail and DC • Accelerate international growth: organic and acquisitions • Accelerate external net flows 2012: £5.3bn, 2013: £9.3bn 	<ul style="list-style-type: none"> • Completed hiring team in multi asset funds and expanding sales force • GIA acquisition completed • Enhanced product set in Property, Equity and Solutions
LGAS	430*	<ul style="list-style-type: none"> • Reduce operating costs in all areas • Maintain GI momentum • Halve Workplace losses from £(29)m • Improve digital profit performance and increase capability - Cofunds, IPS, Workplace 	<ul style="list-style-type: none"> • Cofunds integration has delivered £6m of annualised cost savings to date. Further cost reductions identified • 22% year on year improvement in GI claims closure rates • On track with Workplace H1 2014 £(9)m (H1 2013: £(14)m)
LGC		<ul style="list-style-type: none"> • Improve risk adjusted yield • Retain £1.5bn equity position • Active portfolio management via purchase and disposal of investments 	<ul style="list-style-type: none"> • £1.6bn of new direct investments • Acquisition of Banner Homes and increase in landbank
LGA	46	<ul style="list-style-type: none"> • Improve risk adjusted yield and unit costs • Continue to grow dividends at 10% per annum 	<ul style="list-style-type: none"> • \$333m high yield investment completed • 2014 ordinary dividend of \$73m paid (up 11%)

* LGAS actual operating cash and cash guidance excludes General Insurance.

MARK GREGORY.

GROUP CHIEF FINANCIAL OFFICER

FINANCIAL RESULTS: CONTINUED MOMENTUM.

CALA Homes, Albert Dock, Edinburgh.

As at 30 June 2014, CALA's owned and contracted land bank sits at over 12,500 plots, which is the equivalent of 9 years' worth of new homes supply for the Group.

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CONSISTENT DELIVERY: STRONG RESULTS.

GROWTH

	H1 2014	H1 2013	Growth
Annuity Assets (£bn)	38.5	32.2	↑ 20%
LGIM Assets (£bn)	654	579	↑ 13%
LGAS Savings Assets (£bn)	118	100	↑ 17%
UK Protection and GI gross premiums (£m)	921	875	↑ 5%
LGA gross premiums (\$m)	553	503	↑ 10%

EARNINGS

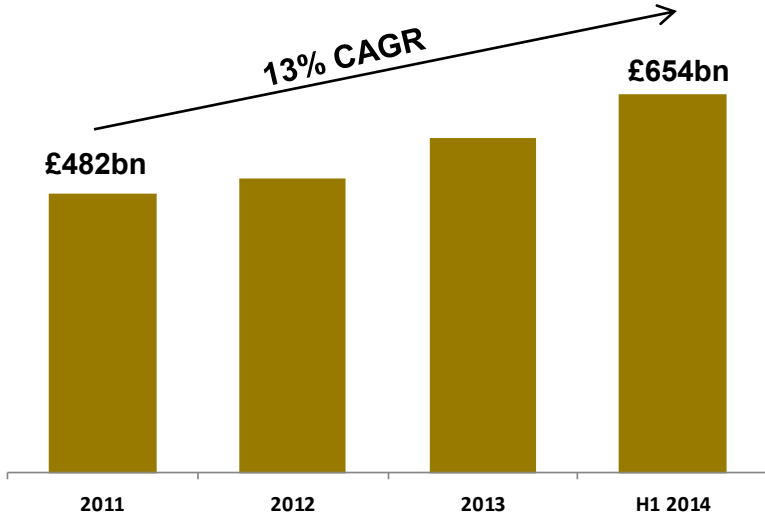
Operational cash generation (£m)	578	537	↑ 8%
Net cash generation (£m)	567	500	↑ 13%
Operating profit (£m)	636	571	↑ 11%
IFRS profit after tax (£m)	507	466	↑ 9%
Earnings per share (pence)	8.51	7.82	↑ 9%

CAPITAL

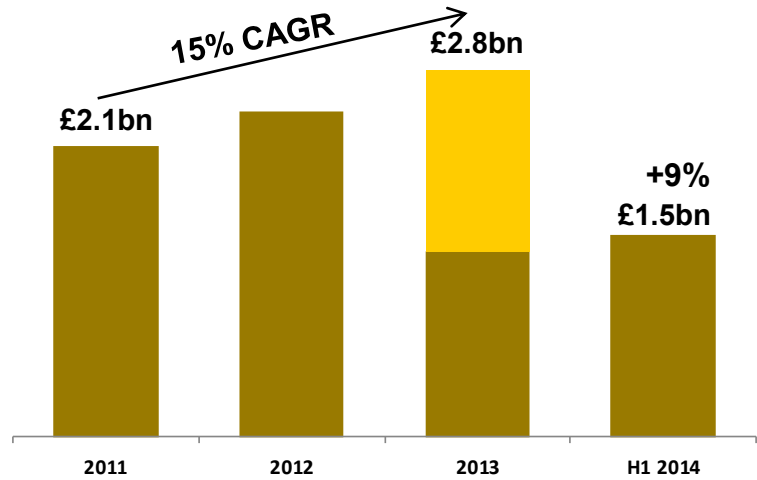
IGD surplus (£bn)	4.7	4.1
IGD coverage ratio (%)	236	226
Economic Capital Surplus (£bn)	7.6	n/a
Economic Capital 1-in-200 coverage ratio (%)	261	n/a
IFRS Return on equity (%)	17.6	16.8

DRIVING GROWTH: INCREASING STOCK.

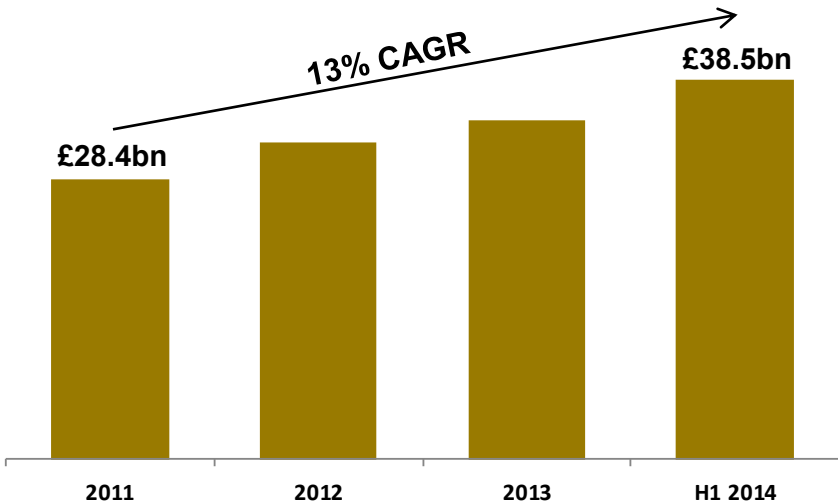
LGIM ASSETS GROWTH



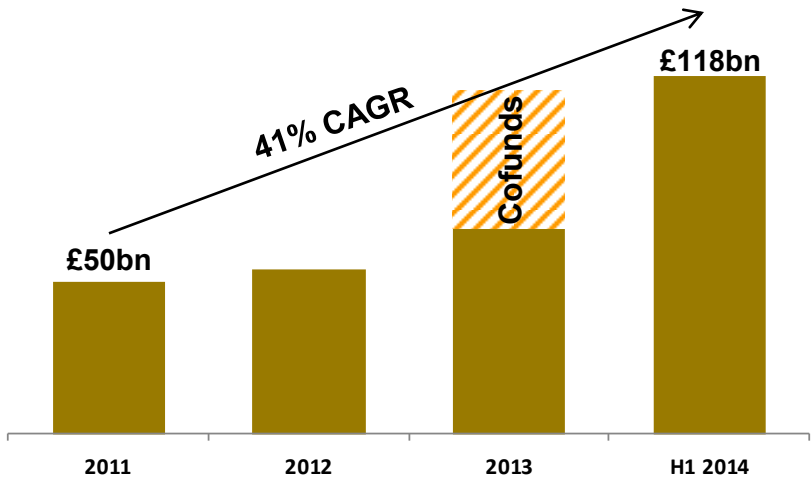
INSURANCE PREMIUMS GROWTH



L&G RETIREMENT ASSETS GROWTH

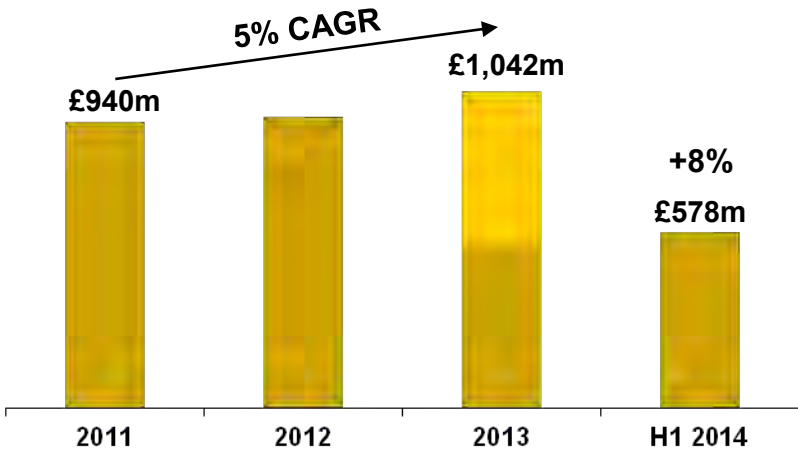


SAVINGS ASSETS GROWTH

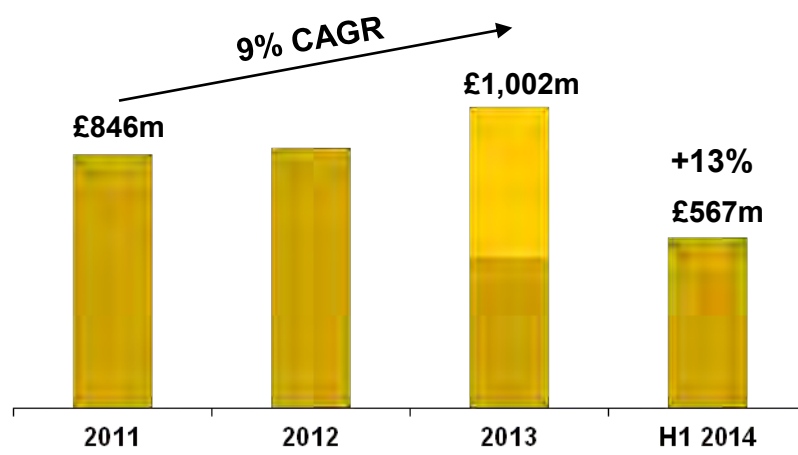


INCREASING STOCK: RISING RETURNS.

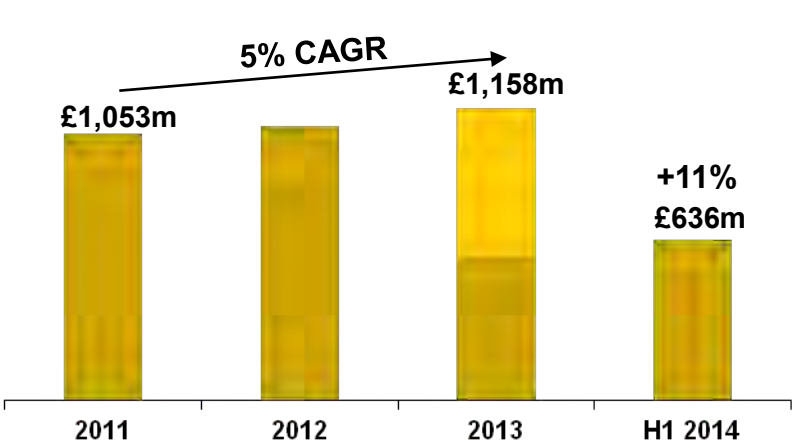
OPERATIONAL CASH GROWTH



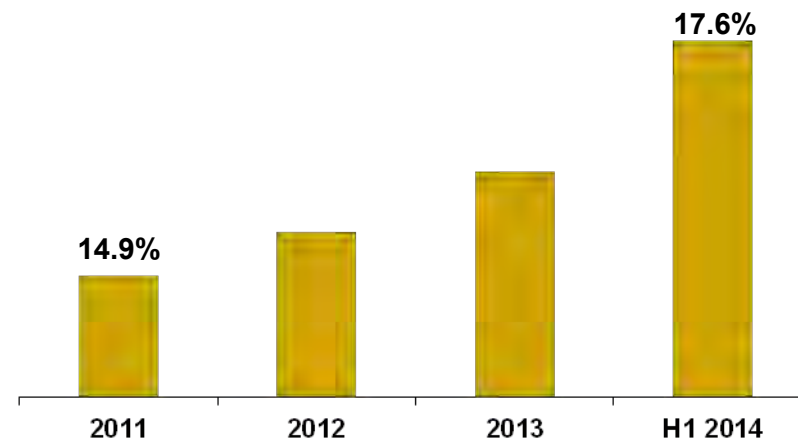
NET CASH GROWTH



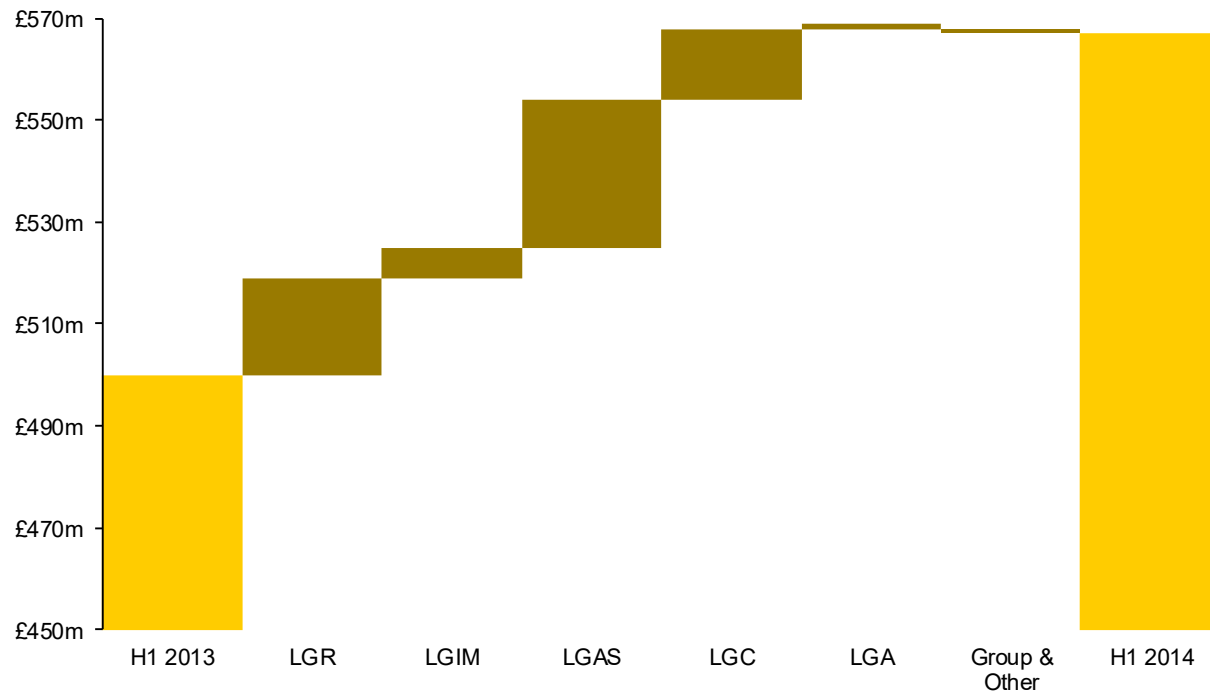
OPERATING PROFIT GROWTH



RETURN ON EQUITY GROWTH



NET CASH: GROWTH IN ALL DIVISIONS.

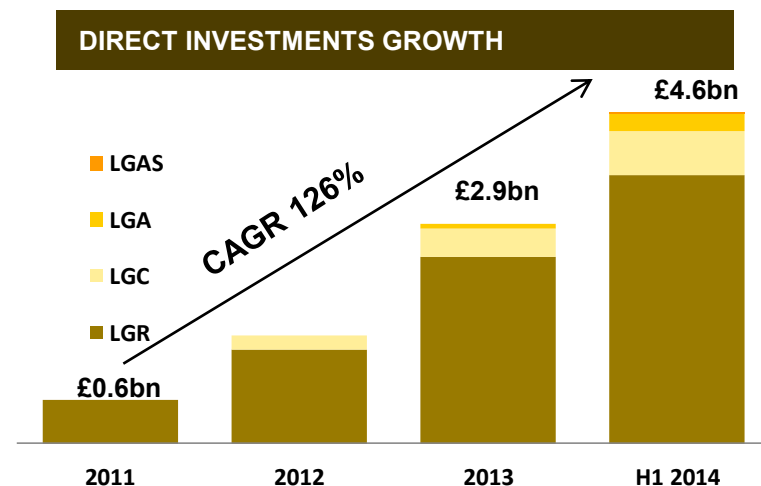


Increase in stock driving cash growth:

- LGR: 20% asset growth, 13% net cash growth
- LGIM: 13% asset growth, 5% net cash growth
- LGAS: Saving assets up 17%, UK Protection premiums up 7%, overall increase in net cash of 16%
- LGC: Continuance of direct investment strategy, delivering superior returns
- LGA: \$ premiums up 10%, \$ net cash up 11%

L&G CAPITAL: IMPROVING RETURNS.

FINANCIAL HIGHLIGHTS £m	H1 2014	H1 2013
Operating profit	102	86
Net cash generation	82	68
Group investment variance	26	42

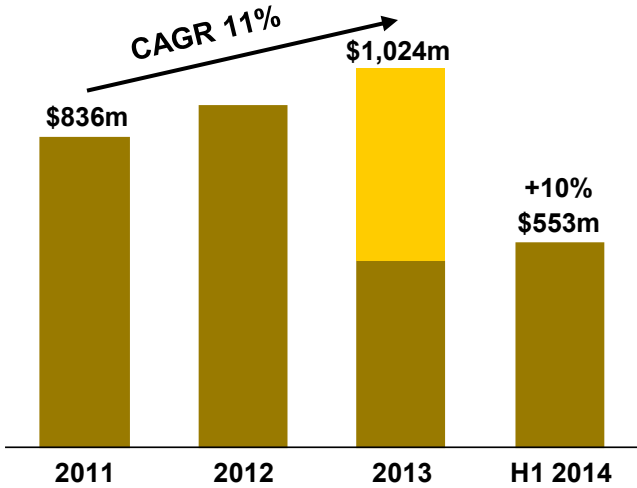


PRINCIPAL BALANCE SHEET £bn	H1 2014			
	LGR	LGC	BALANCE	TOTAL
Bonds:	34.0	1.6	3.7	39.3
Sovereigns, Supras and Sub-sovereigns	6.6	0.3	1.4	8.3
Banks	2.0	0.4	0.2	2.6
Other bonds	25.4	0.9	2.1	28.4
Property	1.7	0.3	-	2.0
Equities	0.1	1.6	-	1.7
Derivatives	2.2	0.1	-	2.3
Cash and cash equivalents	0.6	1.6	0.6	2.8
Total financial investments	38.6	5.2	4.3	48.1
Other assets	0.1	-	-	0.1
Total investments	38.7	5.2	4.3	48.2
Of which:				
Total direct investments	3.7	0.6	0.3	4.6

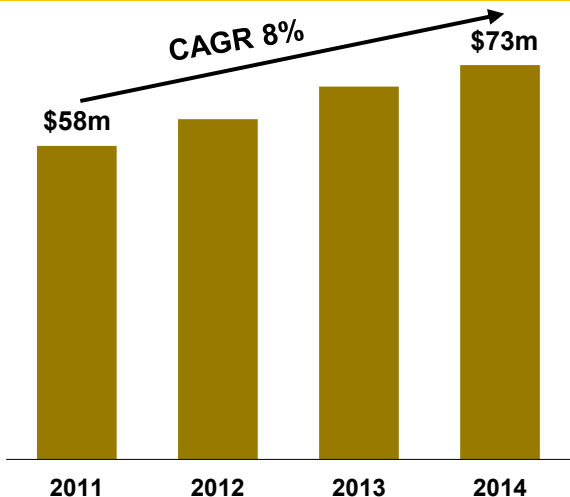
L&G AMERICA: GROWING CASH.

FINANCIAL HIGHLIGHTS \$m	H1 2014	H1 2013
Net cash generation	73	66
Operating profit	72	81
EEV operating profit	120	84
New business margin	10.8%	10.0%
APE	78	70
Gross written premiums	553	503
Policies in force (k)	1,114	1,014

L&G AMERICA GROSS PREMIUMS



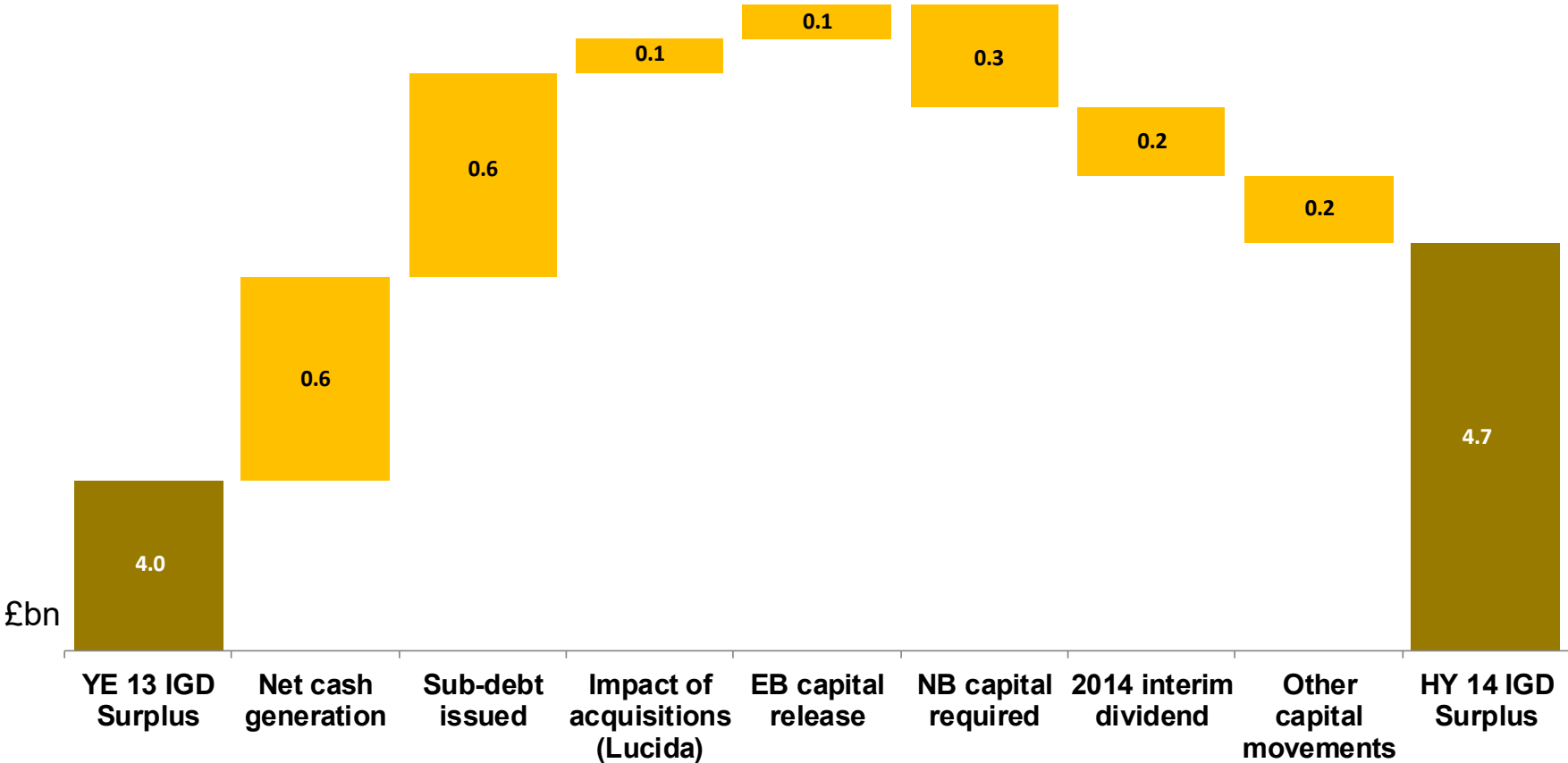
L&G AMERICA DIVIDEND



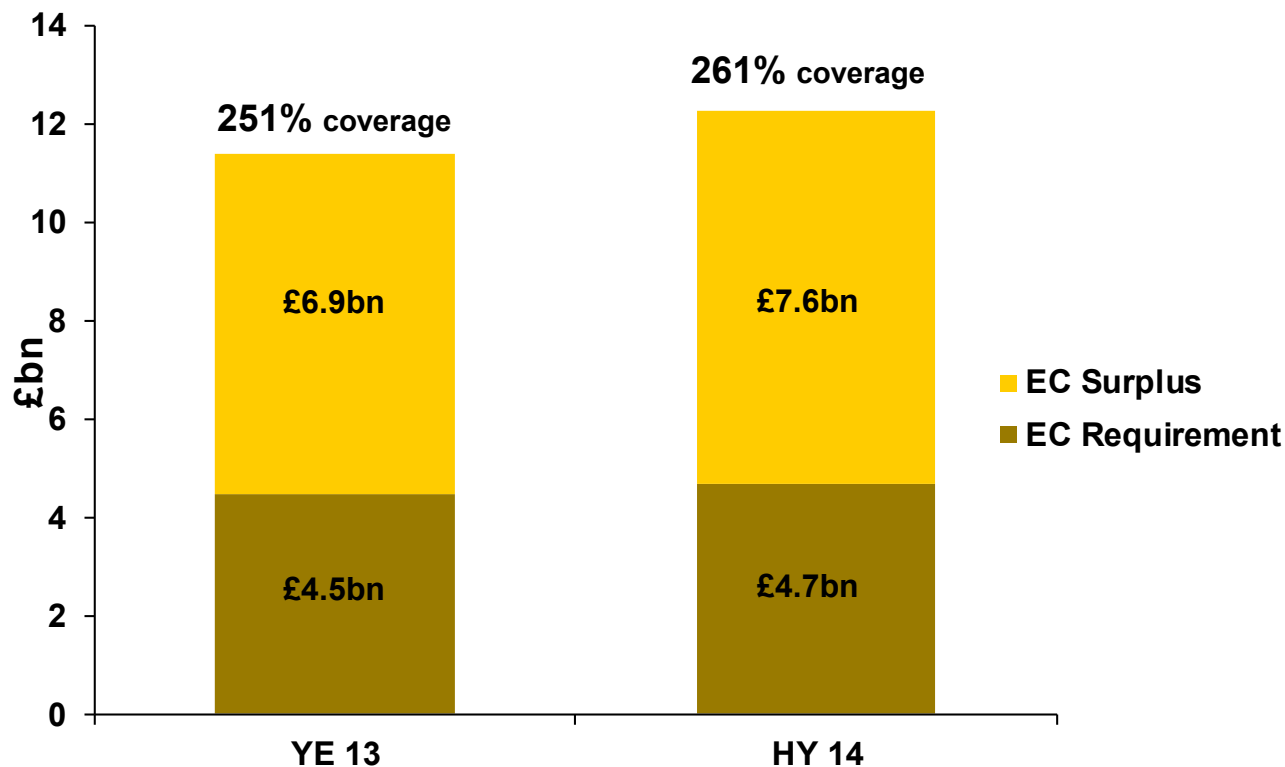
Note: 2011-2013 include preference dividends paid in Q4 of \$2m p.a.

CAPITAL POSITION: STRONG IGD.

- IGD coverage of 236% above our preferred 175% - 225% longer term range but includes £0.6bn impact of new subordinated debt raised.
- Capital continues to be deployed, returns are being generated and balance sheet strength maintained.



CAPITAL POSITION: ECONOMIC CAPITAL.



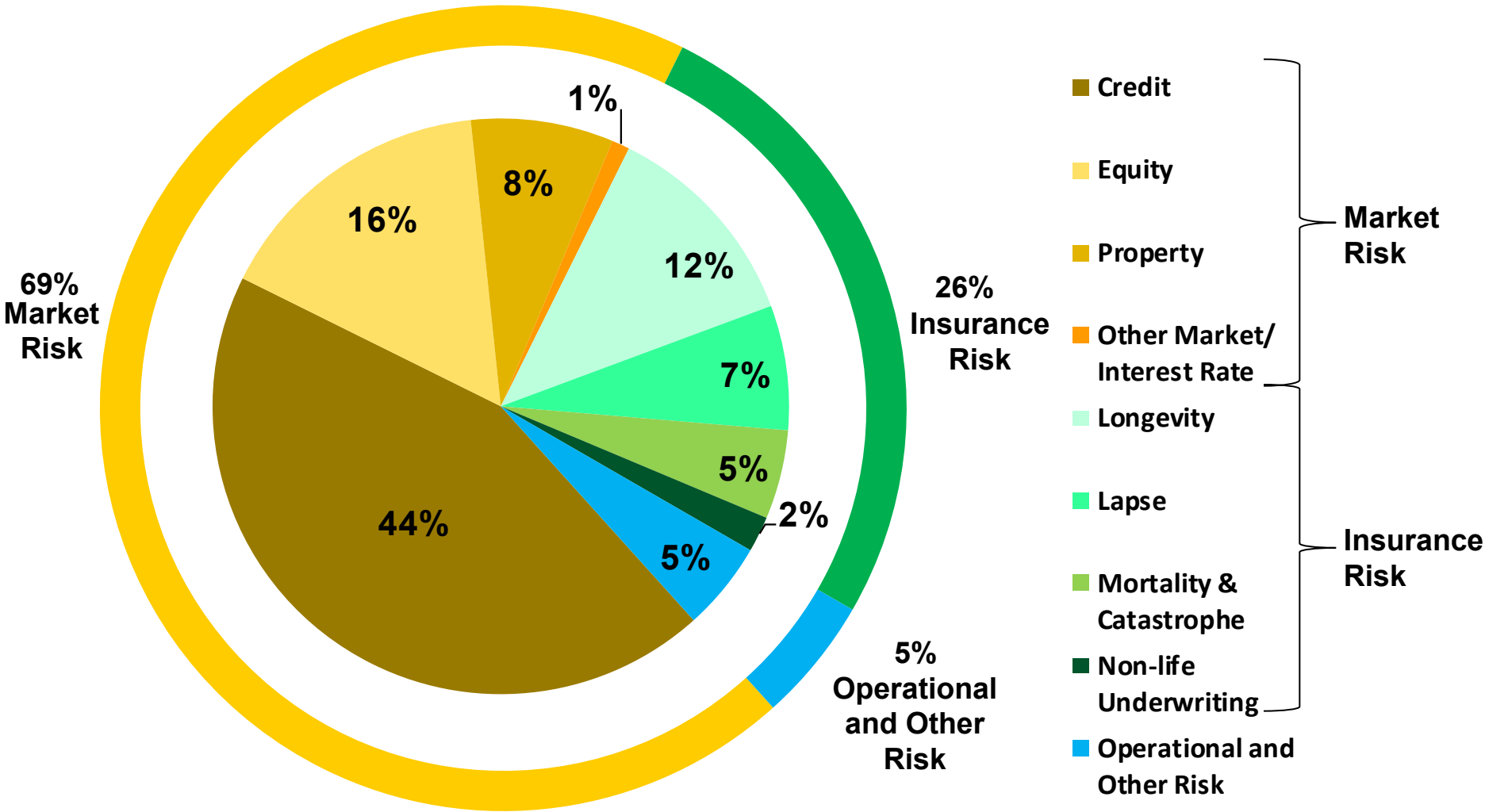
Economic capital (EC) is the amount of capital (in addition to liabilities) we believe we need to hold to meet our objectives, ignoring any regulatory requirements. Our objectives are:

- To meet all our liabilities as they fall due; and
- To maintain investor, rating agency, customer and intermediary confidence that we will meet the first objective.

Note: Our EC model uses the same modelling framework we intend to use for our Solvency II internal model. EC is not Solvency II capital.

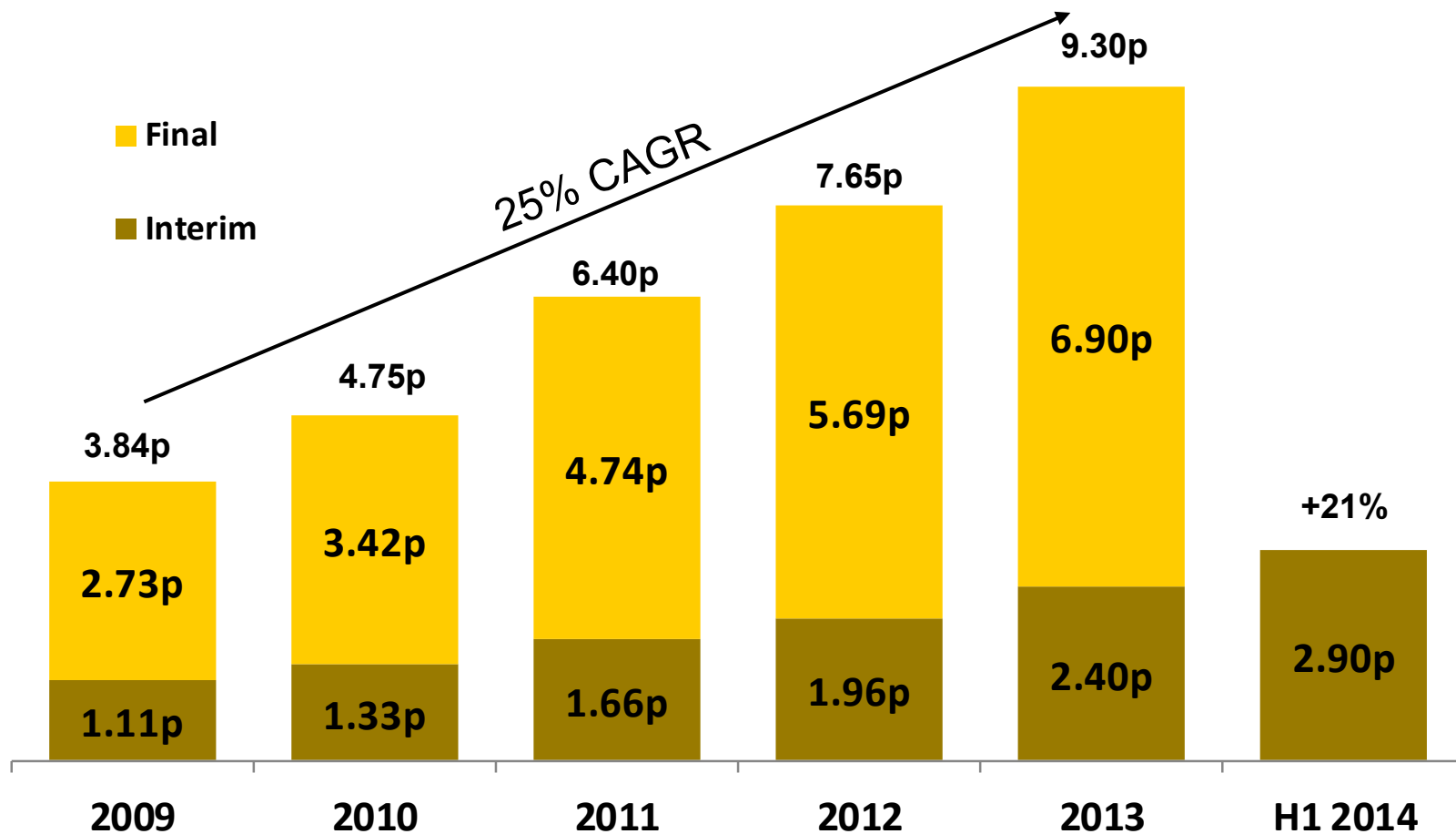
EC figures are pre-accrual for any dividend.

CAPITAL POSITION: ECONOMIC CAPITAL RISK PROFILE.



Note: Based on EC analysis as at 31st December 2013.

INTERIM DIVIDEND UP 21% TO 2.90p.



KERRIGAN PROCTER.

LEGAL & GENERAL RETIREMENT MANAGING DIRECTOR

DELIVERING INNOVATIVE RETIREMENT SOLUTIONS.

In 2014, our £3 billion deal with the ICI pension scheme was the UK's largest ever bulk annuity deal.

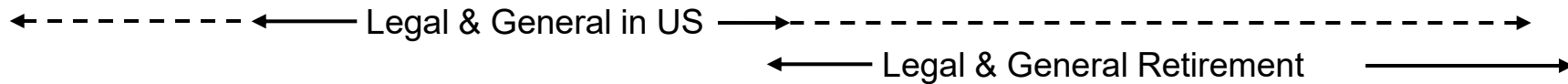
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L&G RETIREMENT: INNOVATING & DIVERSIFYING TO DELIVER GROWTH.

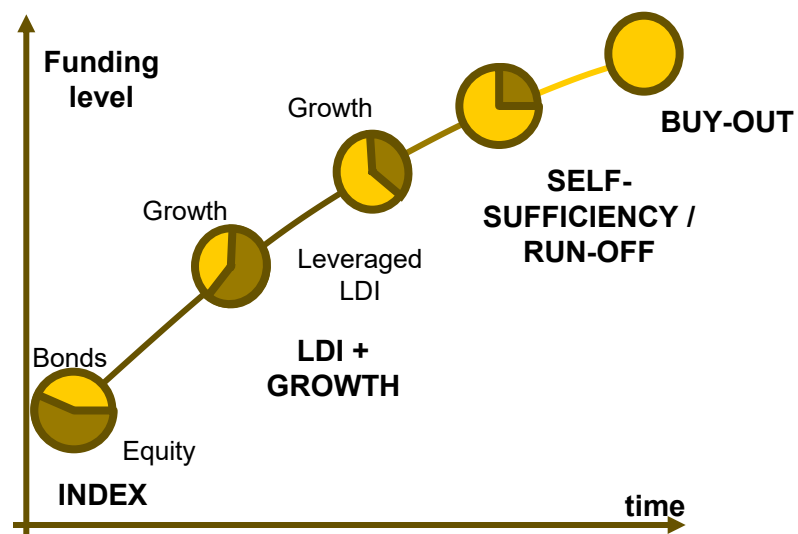
		WHERE WE ARE	WHERE WE WANT TO BE	FINANCIAL HIGHLIGHTS £m	H1 2014	H1 2013
OUR CHOSEN MARKETS	Retirement Income		Retirement Choices Leverage our established pricing, product capability and distribution options to provide flexible income choices throughout retirement	Operational cash generation	146	130
				New business surplus	20	17
				Net cash generation	166	147
				Operating Profit	188	151
				Individual single premiums	383	754
				Bulk single premiums	3,135	670
				Total single premiums	3,518	1,424
				Longevity gross premiums	167	92
				Individual assets (£bn)	13.9	12.6
				Bulk assets (£bn)	24.6	19.6
			Total assets (£bn)	38.5	32.2	
			Assets net inflows (£bn)	2.5	0.5	
			Annuities EEV margin (%)	8.4	8.4	
	Pension Risk Transfer		Global Pension Transfer Retirement Solutions Be THE 'go to' provider of de-risking solutions to large and mega UK Pension Schemes Provide risk transfer globally, leveraging on the synergies with LDI			
	Building International Capabilities		Innovate to bring large scheme solutions to small and medium size pension schemes			

LGR AND LGIM DE-RISKING CAPABILITY.



	Index funds	Solutions ¹	Active fixed interest	Longevity insurance	Buy-in	Buy-out
Assets (£bn)	268.7	253.1	97.2		38.5	

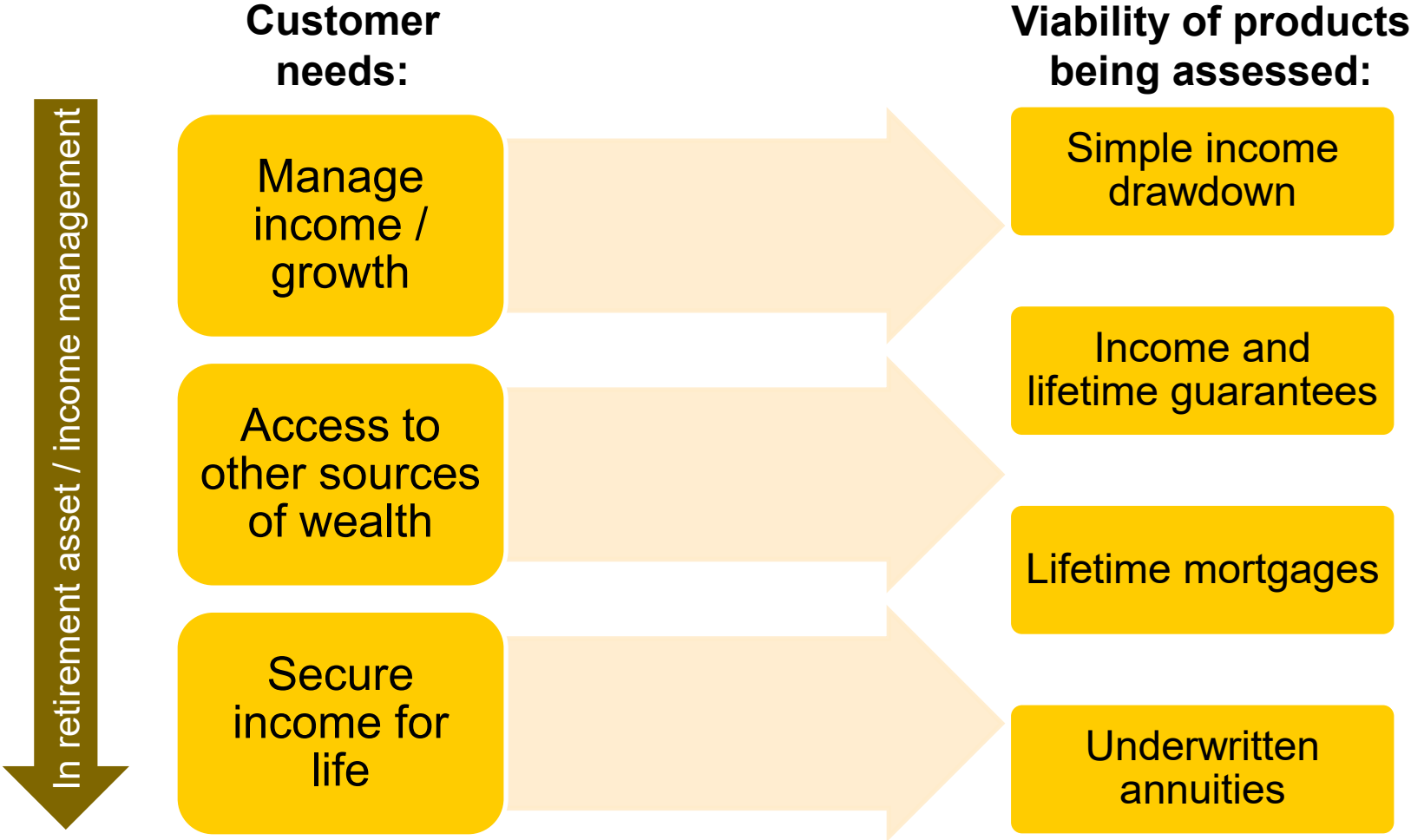
- Legal & General is the only company who participates in all the aspects of the de-risking journey
- Significant Active Fixed Interest and Multi Asset capabilities necessary for DC solutions
- Access to 40% of the client universe in the UK
- Market leading position in Liability Driven Investment (LDI)
- Established capabilities in active fixed, LDI and multi-asset in the US; ideally placed to expand to the offer to all parts of the de-risking journey
- Private sector UK DB liabilities of around £1.8 trillion²



ROUTE TO BUY-OUT

1. Includes Overlay assets, which comprise derivative notionals associated with Solutions business.
 2. The Purple Book: PPF / The Pensions Regulator - November 2013 on a full buy-out basis.

L&G RETIREMENT: IDEALLY PLACED TO PROVIDE RETIREMENT CHOICES.



MARK ZINKULA.

LGIM CHIEF EXECUTIVE OFFICER

ACCELERATING INTERNATIONAL EXPANSION.

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At 30 June 2014, we had £654 billion in assets.

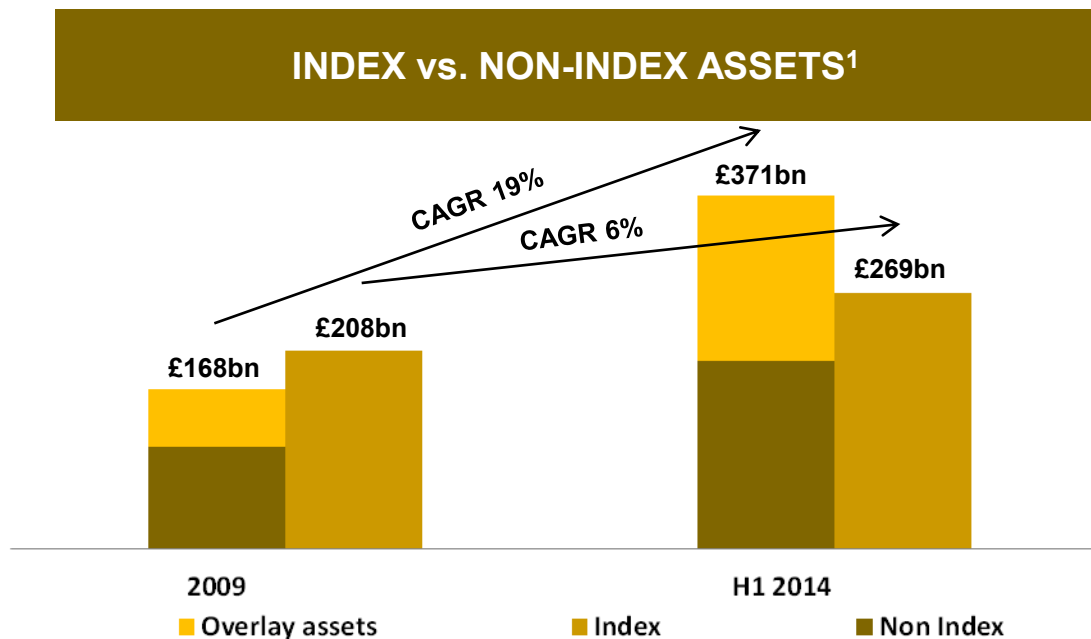

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LGIM: CONTINUED STRONG BUSINESS PERFORMANCE.

FINANCIAL HIGHLIGHTS £m	H1 2014	H1 2013
Total revenue	309	292
Total costs	150	140
Operating profit	159	152
Net cash generation	125	119
Cost:income ratio (%)	49	48
Total net flows (£bn)	10.4	13.4
of which international	5.9	7.6
of which active and LDI	18.7	10.7
of which retail	0.5	0.0
Persistency (%)	90	91
ASSET SCALE £bn	H1 2014	FY 2013
Total assets	654	612
of which international	83	61

- Operating profit growth of 5%
- Cost:income ratio continues to be maintained below 50%
- Persistency in line with long-term expectations of 90%
- Largest LDI manager in the UK, increasing our market share to 44%
- Investing in our DC proposition to enhance our product offering
- Property AUM increased by 16% in H1 to £12.8bn
- International assets have increased 35% to £83bn, including £14bn from the GIA acquisition
- Delivering strong flows and client growth in the US

LGIM: NEW BUSINESS FLOWS SHOW INCREASING DIVERSIFICATION.

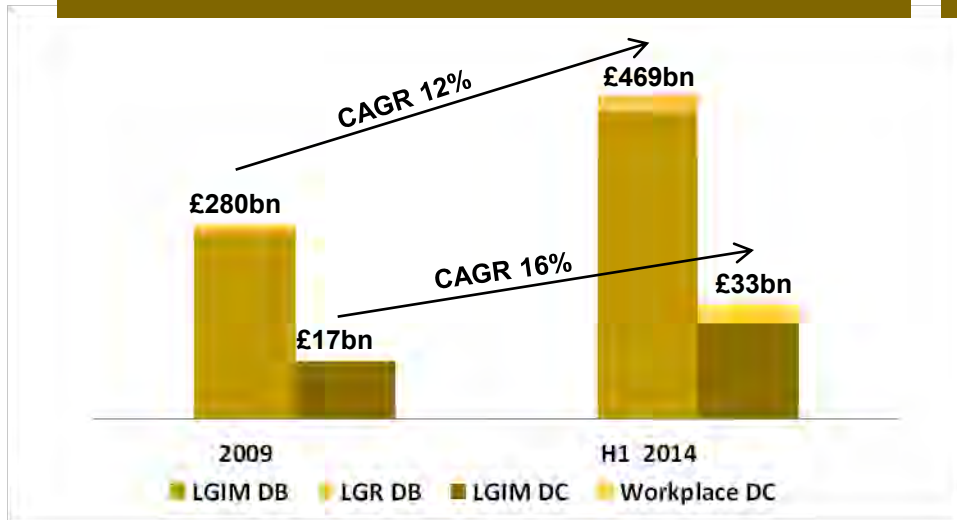


- Non-Index funds account for 57% of total assets today compared to 45% in 2009
- Pension fund de-risking is driving growth across our Solutions and Active Fixed Income capabilities with external net flows of £16.1bn in H1 2014, including overlay assets
- Our Property business is experiencing significant flows (H1 2014: £1.1bn) into our core range of funds as well as increasing levels of direct investment
- Repositioning and strengthening our Active Equities and Multi-Asset capabilities to further diversify our product range

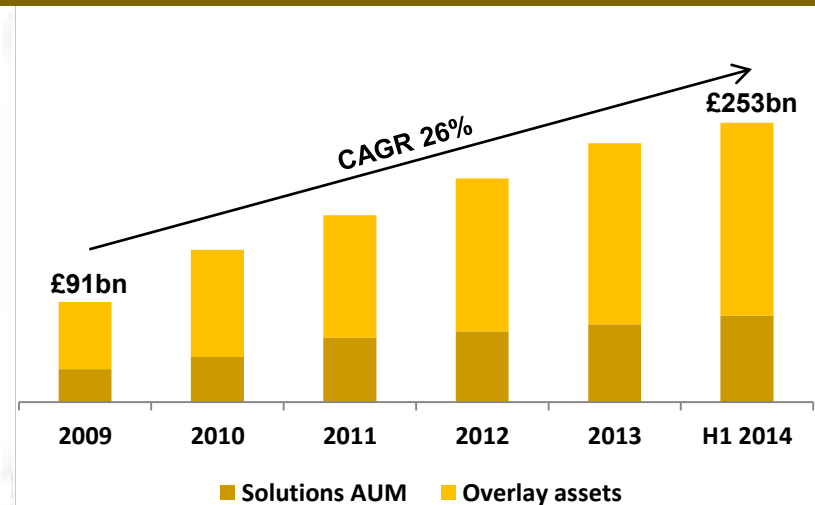
¹Excluding GIA assets.

LGIM: EVOLUTION OF THE UK MARKET.

UK DB vs. DC ASSETS¹



SOLUTIONS ASSETS¹

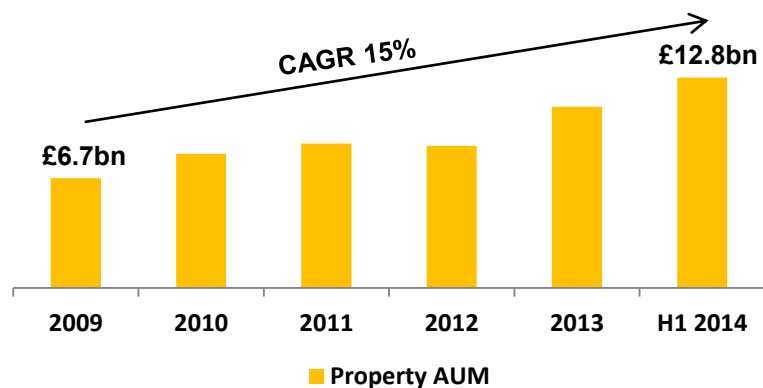


- Providing thought leadership on 'end to end' investment strategies to the UK DB and DC markets
- Offering a broader range of DB solutions designed to make the transition to buy-out simpler and more efficient
- Delivering product innovation across active and pooled LDI, a broader set of fixed income funds, multi-asset funds, and a range of equity income and real income funds
- Developing DC product range by building an Institutional investment-only platform and adding 'to and through' retirement funds

¹Including Solutions overlay assets.

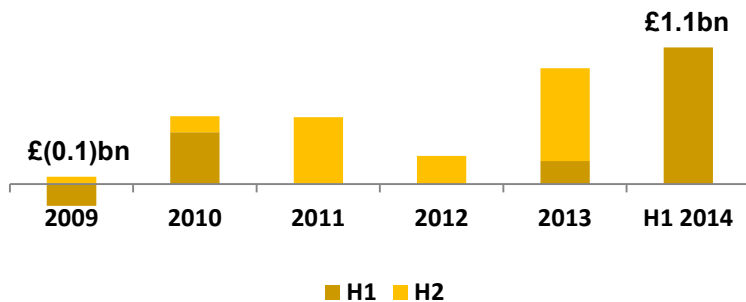
LGIM: EXCELLENT PERFORMANCE FROM OUR PROPERTY TEAM.

PROPERTY AUM



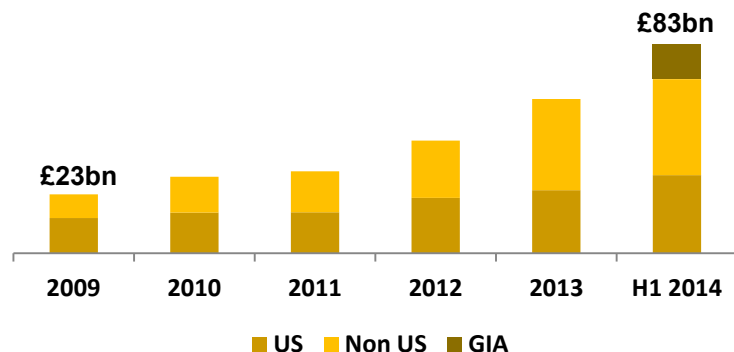
- Significant transactional activity in the first half of 2014 with £1.8bn invested
- Strong flows from UK pension and retail clients and growing interest from the Gulf and Europe
- Currently manage £2.5bn on behalf of LGR in our Sale and Leaseback portfolio
- Increasing Commercial Lending activity as clients experience bank retrenchment
- Strong investment performance over 1, 3 and 5 years

PROPERTY TOTAL NET FLOWS

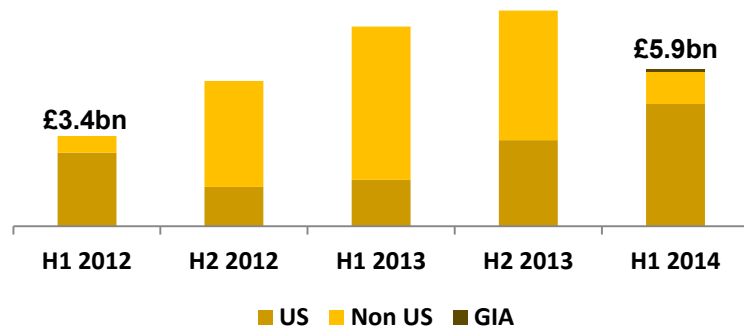


LGIM: CONTINUED INTERNATIONAL DEVELOPMENT.

INTERNATIONAL ASSETS



INTERNATIONAL NET FLOWS



- Strong growth in the US continues with net flows of £4.7bn in H1 2014
- Integration of GIA following the acquisition in May
- Developing plans to enter the US Index market
- Won our first passive mandate from Asia in Q2
- In Europe, our SICAV fund range received its first major inflows
- Expanding our product offering in the Gulf
- Subdued non-US flows reflect the lumpy nature of large passive mandates in Europe and the Gulf

▶ JOHN POLLOCK.

LGAS CHIEF EXECUTIVE OFFICER

PERFORMING FOR OUR CUSTOMERS.

Our 2014 report shows the need for protection, with the average household having a 'Deadline to the Breadline' of just 26 days.

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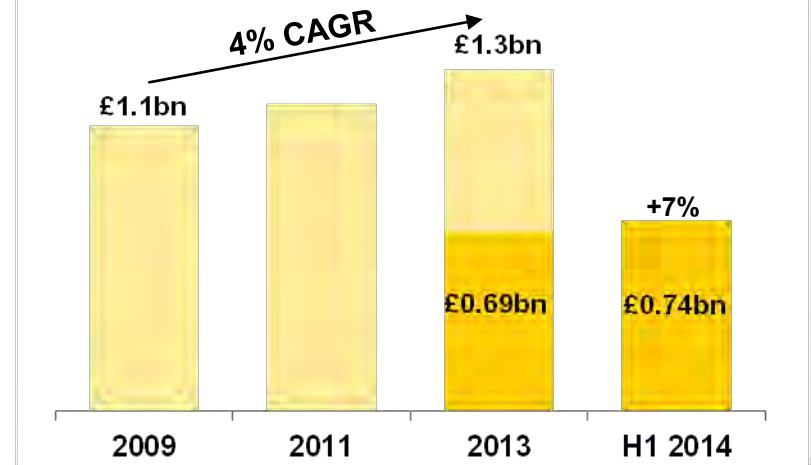

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LGAS: SCALE AND EFFICIENCY DRIVING PROFITS.

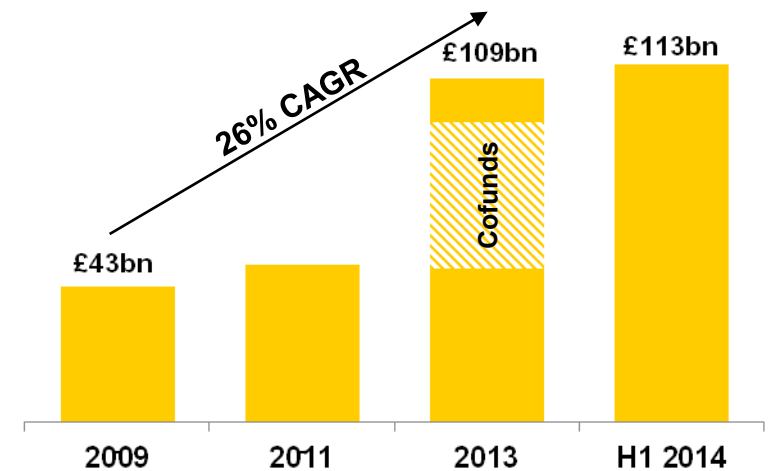
UK market leader in protection and savings platforms with over 6 million individual customers and over 8,000 corporate schemes.

FINANCIAL HIGHLIGHTS £m	H1 2014	H1 2013
Operational cash generation	237	231
New business strain	(31)	(54)
Net cash generation	206	177
Operating profit	223	213
Profit before tax	219	162
Insurance gross premiums	1,038	988
UK Protection EEV margin (%)	9.3	6.7
UK Savings assets (£bn)	113	96
UK Savings net flows (£bn)	2.6	0.3
General Insurance GWP	178	183
General Insurance combined ratio (%)	88	81

UK PROTECTION GWP

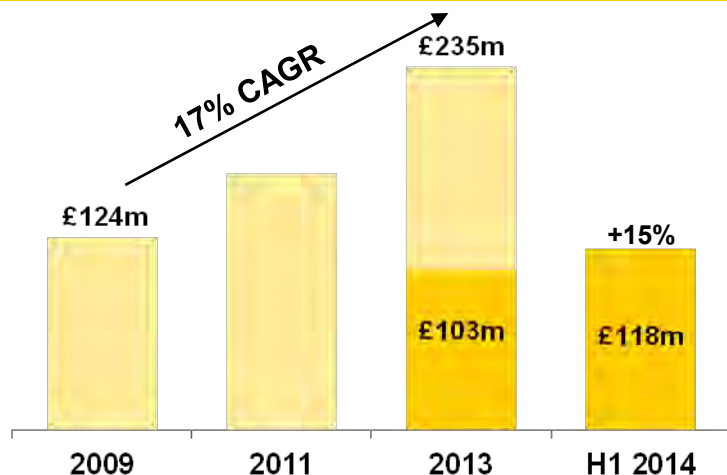


UK SAVINGS ASSETS

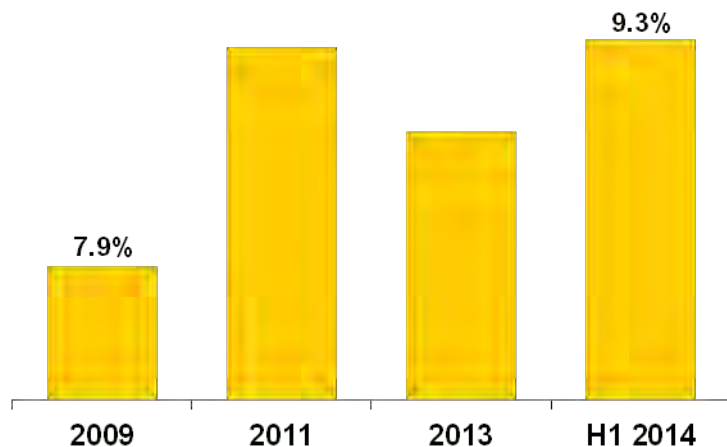


PROTECTION: CONSISTENTLY MARKET LEADING.

NET CASH (UK PROTECTION)



NEW BUSINESS MARGIN (UK PROTECTION)



UK PROTECTION

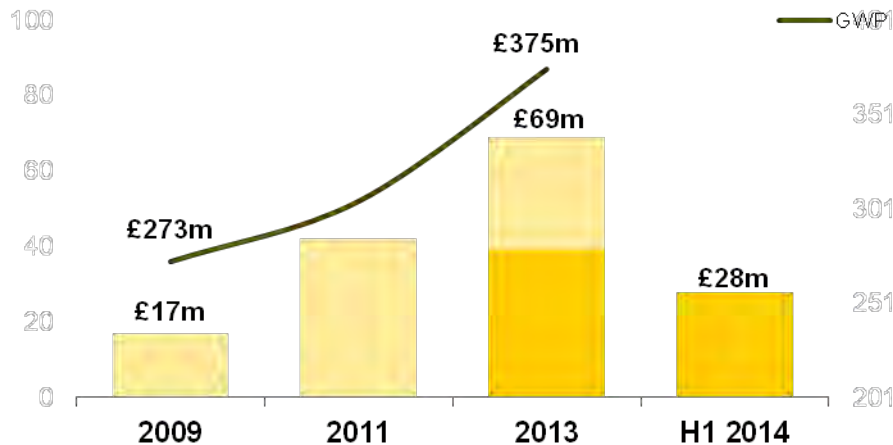
- Strong relationships with intermediaries
- Retail Protection increasing Direct Channel sales (H1 2014 :16% of new business)
- Retail Protection widening distribution channels through NAG and TSB
- Group Protection delivering new large scheme wins and increments
- H1 2014 LG Network facilitated around 1 in 6 of UK mortgages, £18bn of mortgages
- Market leading proposition: Intermediated Insurance won the “Best Service Provider” (Lifesearch: March 2014) and “Organisation of the decade” (Protection Review: July 2013)

FRANCE

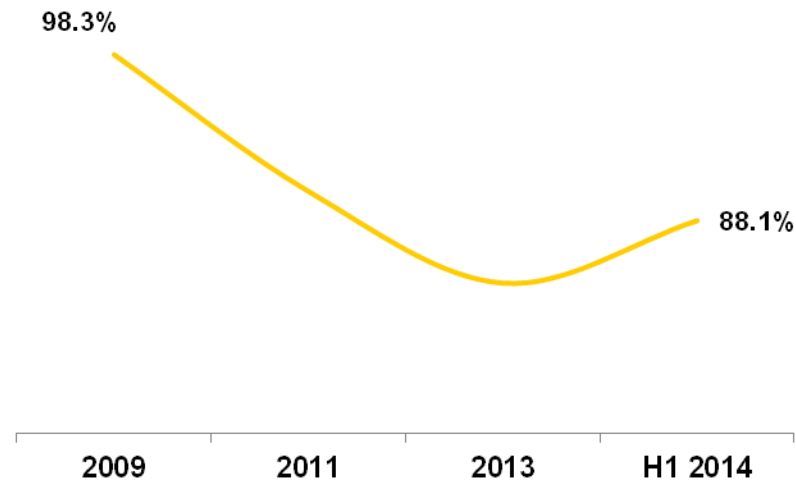
- Leverage strength of UK Group Protection business into France

GENERAL INSURANCE: TURNAROUND DELIVERING.

GI OPERATING PROFIT / GWP



GI COMBINED OPERATING RATIO



Note: 2009 restated to reflect current combined ratio methodology based on net earned premium.

TURNAROUND MANAGEMENT

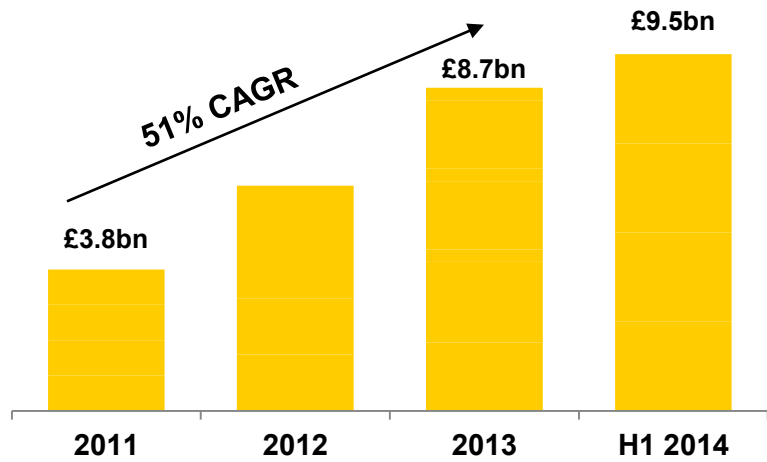
- Focus on risk selection
- Step change in processing efficiency
- Improvements for customers in claims model and indemnity spend
- Leverage synergy in mortgage network
- Highly experienced management team

GI RESULTS

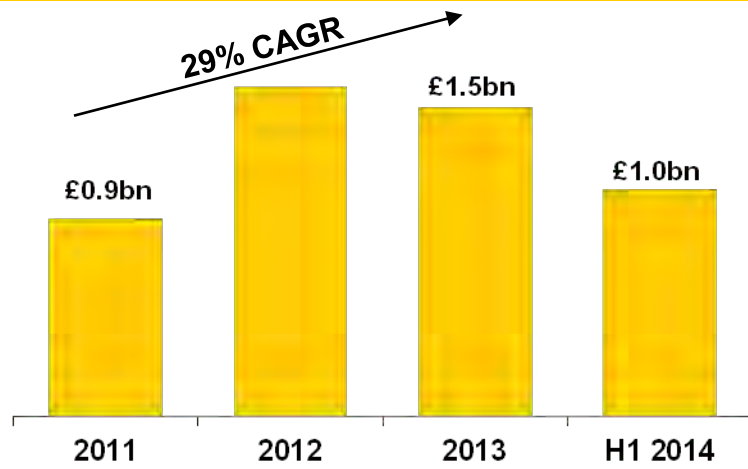
- Strong H1 2014 Operating Profit despite adverse weather in Q1
- Direct channel Household GWP growth up 35% from H1 2013
- Q1 2014 £12m additional weather related claims

CORPORATE: FOCUS ON REVENUE GROWTH.

WORKPLACE ASSETS GROWTH



WORKPLACE NET FLOWS

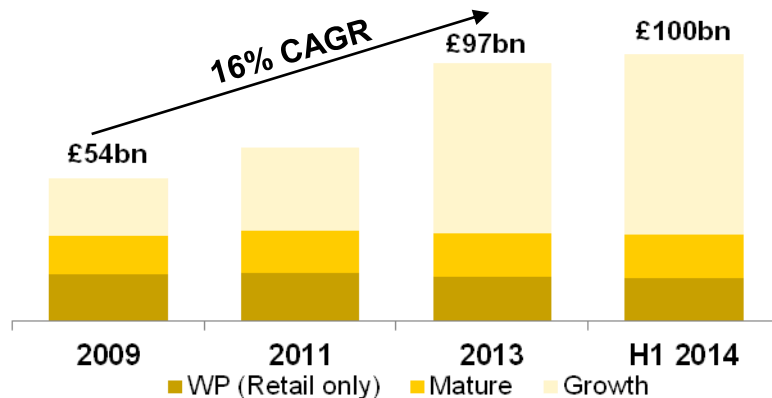


DELIVERING SCALE

- Workplace Savings: 1.1m members (2013: 903,000)
- Group Protection: 3,100 companies with 1.9 million members
- Workplace Savings: 50% reduction in unit costs over two years.
- On target to halve 2013 Workplace Savings losses by FY 2014
- Shared clients: Assets £3.3bn; GWP £79m
- Leverage D2E opportunities

RETAIL SAVINGS: LEVERAGING MARKET LEADING PLATFORM.

RETAIL SAVINGS AUA



Note: Includes Cofunds AUA pre acquisition.

BUDGET UPDATE

NISA

- 8,500 investors in first 2 weeks post launch

Deregulation of annuity market

- Cofunds well positioned to benefit
- Development opportunities for flexible income solutions

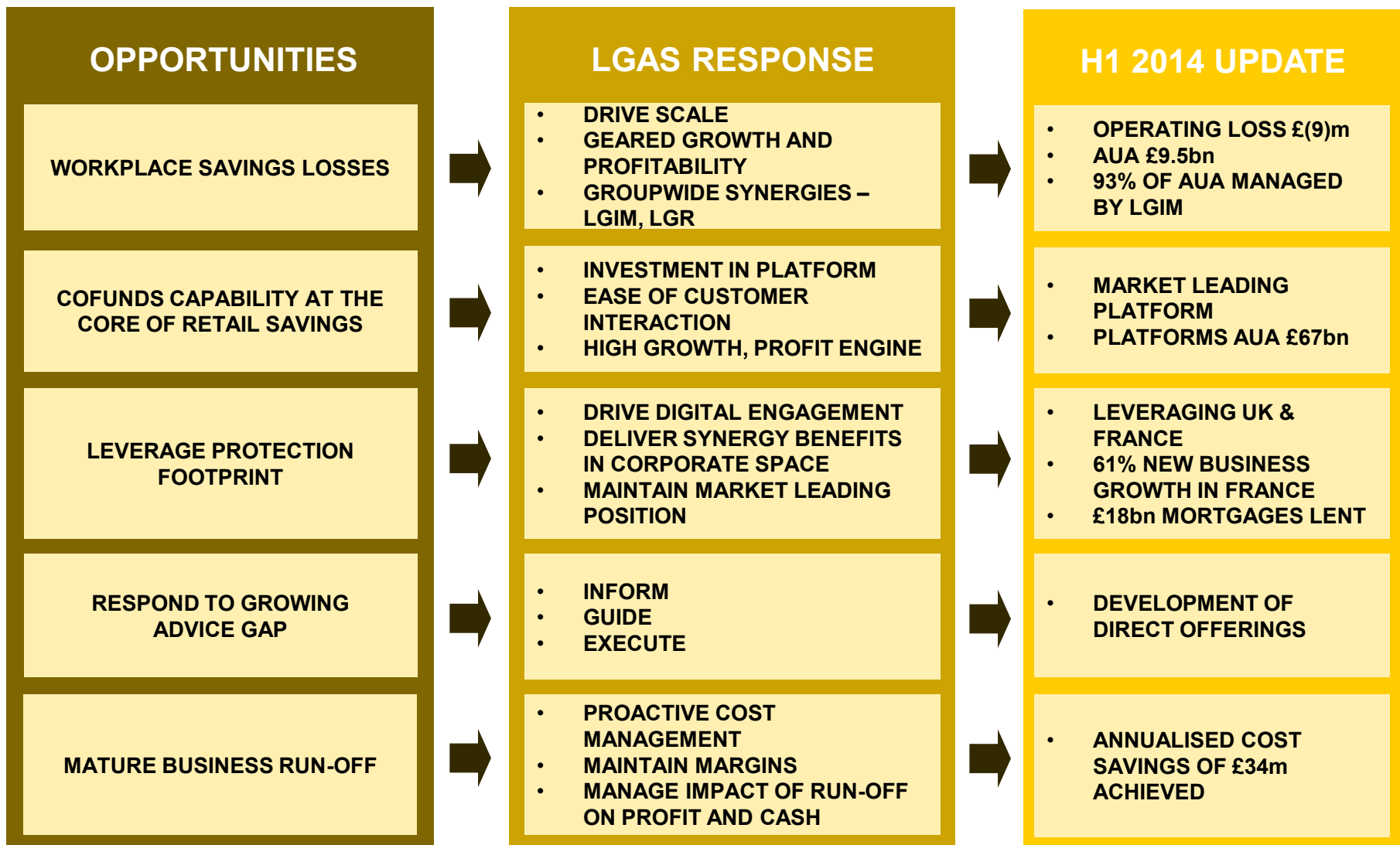
COFUNDS

- Streamlined administration and efficient service
- Delivered annualised cost saving of £6m to date and continue to target £11m per annum by the end of 2015
- Continue investing to strengthen lead
- Empowering distribution partners (e.g. Nationwide)
- Digital drive: increase Direct to Consumer proposition through Cofunds capability

SUFFOLK LIFE

- AUA £7.2bn – generated from schemes already won and back book acquisitions.

LGAS STRATEGIC VISION.



NIGEL WILSON.

GROUP CHIEF EXECUTIVE

Vimto Gardens, Chapel Street, Salford.

Part of Salford Central Regeneration Scheme which when complete will have created 11,000 new jobs, 220,000 square metres of commercial space, 849 new homes and 390 new hotel rooms.

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L&G: FINANCIALLY SUCCESSFUL, SOCIALLY AND ECONOMICALLY USEFUL, WITH A STRONG FUTURE.

- LGR: Opportunities for growth have increased
- LGAS: Substantial digital progress coupled with improving internal cost efficiency
- LGIM: Transformation to international fund manager accelerating
- LGC: Success in housing, infrastructure and urban regeneration to be followed by other asset classes
- LGA: Dividend momentum continues

ALTHOUGH PROGRESS HAS BEEN SIGNIFICANT, THERE REMAINS MUCH TO DO.

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We help people build better and more secure lives. In this way we demonstrate that we are economically and socially useful.

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▶ **HALF-YEAR RESULTS.**

**A PRESENTATION FROM LEGAL & GENERAL
6 August 2014**

FIVE MACRO TRENDS, FIVE WINNING STRATEGIES.

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MATTERS.®**

**Leighton Morris, one of our customers
from South Wales.**


**Legal &
General**