



Legal & General demonstrates strong value creation through four realisations

Legal & General Capital (“LGC”) recently held a Capital Markets event which provided an overview of LGC’s alternative asset strategy and ambitions¹. We highlight below several “proof-points” which demonstrate that LGC’s strategy is being executed effectively to generate significant shareholder value.

- **MediaCity** is a long-standing joint venture between Peel Land & Property Group and LGC which has developed Europe’s leading creative, tech and digital hub on the banks of the Manchester ship canal. Last week it was announced that Land Securities Group PLC had acquired a 75% stake in MediaCity for a net purchase price of £425.6m. The purchase price received by Legal & General, together with the £40m of net distributions received through our period of ownership since 2015, have resulted in a total return of 1.6x on the initial investment. We are reinvesting in Manchester through our University and Alderley Park developments.
- **Inspired Villages Group (“IVG”)** is an operator and developer of later living accommodation established by LGC in August 2017. We recently announced a new 15 year £500m Joint Venture (“JV”) with Natwest Group Pension Fund (“NWPTL”).² As part of the new JV, LGC has sold a 50% stake in Inspired Villages’ first 11 sites to NWPTL based on an enterprise value of over £300m, for which we received £127m. LGC’s investment in IVG sites at the point of sale was £202.4m, resulting in a return of 1.3x on the initial investment. In addition, the Group intends to sell several surplus Later Living sites over the next few months.
- **Pod Point** is an electric vehicle (“EV”) charge point provider first backed by LGC in 2019, and in which EDF and LGC are currently the principal investors. Pod Point is benefiting from the strong growth in EVs and, by extension, the growing demand for EV charge points. We expect demand, and Pod Point’s profits, to continue to grow as we move towards 2030, the year from which sales of new petrol- and diesel-powered cars and vans will be banned. The IPO has raised c£120m of gross proceeds to support the ambitious growth plans of this innovative UK company, this implies a return of 3.8x on LGC’s initial investment. LGC now owns c14% of the company (c22% previously).
- **Current Health** is a platform which supports healthcare organisations by providing a window into patient health at home and enabling them to manage all aspects of in-home care. The recent sale of Current Health to Best Buy has generated a return for Legal & General, including funds it manages, of 5.3x its original investment.³

Collectively, these four transactions are expected to generate a return of 1.6x the initial investment.

¹ [LGC Capital Markets event materials](#)

² [IVG press release](#)

³ Both LGC (Venture Capital, through a fund managed by ADV) and LGRR (our Retail Retirement division) held stakes in Current Health

“LGC’s recent transactions are valuable “proof-points”, demonstrating LGC’s ability to realise significant value for shareholders from its alternative asset portfolio. We will invest the proceeds from these transactions into further compelling alternative investment opportunities – in the UK and overseas – in line with our 10-12% return ambition range.”

Laura Mason, CEO of LGC

“Legal & General has a strong track record of realising value from investments, demonstrated by our 20% ROE. LGC is increasingly contributing to the Group’s financial metrics. Including the proceeds from the previously announced sale of a retail investment back-book in our Personal Investing business⁴ alongside the LGC transactions, we expect to realise cash income of more than £500m. This puts us in a strong position to continue investing.”

Jeff Davies, Group CFO

⁴ [Personal Investing press release](#)

Notes to editors

Legal & General Capital

Legal & General Capital (LGC) is Legal & General Group's primary alternative asset business. It seeks to generate attractive risk-adjusted returns for shareholders by investing in and developing high quality alternative assets, to create associated long-duration assets for Legal & General Retirement and to provide compelling investment opportunities for third-party investors.

LGC has built market-leading alternative asset capabilities across four strategically selected sectors: housing; SME finance; specialist commercial real estate; and clean energy. It makes socially and environmentally useful investments that support our longstanding commitment to Inclusive Capitalism and ESG: investing society's capital for society's benefit.

As LGC scales its alternatives business we expect increasingly to attract third party assets and co-investment. There is huge appetite in the market for alternative assets to back long-duration liabilities. LGC is well-placed to address this demand.

Legal & General Group

Established in 1836, Legal & General is one of the UK's leading financial services groups and a major global investor, with international businesses in the US, Europe, Middle East and Asia. With over £1.3 trillion in total assets under management, we are the UK's largest investment manager for corporate pension schemes and a UK market leader in pension risk transfer, life insurance, workplace pensions and retirement income.

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 acquisitions 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 does not undertake to update forward-looking statements contained in this announcement or any other forward-looking statement it may make.

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