

Regulatory News Service

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Legal & General Group Plc
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Legal & General to sell stake in IndiaFirst Life to Warburg Pincus

Legal & General Group Plc ("Legal & General") has reached agreement in principle with an affiliate of Warburg Pincus LLC ("Warburg Pincus") to sell Legal & General's stake in IndiaFirst Life Insurance Company Limited ("IndiaFirst Life") to Warburg Pincus for INR 710.54 crores (c.£79m at GBP:INR 1:90).

On disposal, the consolidated Legal & General Group accounts will show a pre-tax profit of approximately £45m and the disposal will also result in a marginal improvement in the Solvency II coverage ratio.

Simon Burke, Group Commercial Director, Legal & General said: "Legal & General is proud to have been a founding member of IndiaFirst Life and to have helped steer the company to its current position in the market, aided by the strong support of our joint venture partners, Bank of Baroda and Andhra Bank. Legal & General has refocused its insurance business in recent years on the UK and the US and as a consequence we have disposed of a number of operations, including our businesses in the Netherlands, Ireland, France, Egypt and the Gulf. We are now following this strategy in relation to our stake in IndiaFirst Life. We are delighted to have reached an agreement in principle with Warburg Pincus, subject to regulatory approvals".

Narendra Ostawal, Managing Director, Warburg Pincus, said: "IndiaFirst Life has demonstrated remarkable performance over the last few years, and we are excited to be partnering with Bank of Baroda and Andhra Bank to support the continued growth of the company and to help create value for all stakeholders. We look forward to backing R.M. Vishakha and the management team of IndiaFirst Life, and supporting them to create one of India's leading life insurance companies."

R.M. Vishakha, Managing Director and CEO, IndiaFirst Life, said: "Legal & General has been an extremely supportive partner and an integral part of our growth journey. As we enter a new phase of growth, we welcome Warburg Pincus as a shareholder to support our drive towards value creation. We are truly fortunate that both our shareholding banks are confident and supportive of our plans. We look forward to continued strong growth under the combined guidance of our shareholders."

The transaction is subject to the approval of regulatory authorities and is expected to complete by the end of 2018.

IndiaFirst Life is a joint venture between Bank of Baroda (44% stake), Andhra Bank (30% stake) and Legal & General (26% stake). Founded in 2009, IndiaFirst Life is headquartered in Mumbai and R.M. Vishakha has been MD and CEO since April 2015. IndiaFirst Life is present in over 1,000 cities across India and has a range of products addressing customer needs in health, protection, retirement, savings and wealth management. IndiaFirst Life had over INR 12,622 crore (c.£1.4bn) of assets under management as at 31 March 2018.

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NOTES TO EDITORS:

Legal & General Group Plc:

1. Established in 1836, Legal & General is one of the UK's leading financial services groups and a major global investor, with a number of growing businesses in the US and in other countries. At 31st December 2017, we had £983 billion in total assets under management.
2. We work with companies and pension trustees to help people build security in retirement, being the UK's largest investment manager for UK corporate pension schemes, a major provider of auto-enrolled pensions and a market leader in pensions de-risking. As at 31st December 2017, we have committed over £14bn into direct investments in areas such as housing, urban regeneration, clean energy and small business finance, driving economic growth and making a positive difference to the UK's built environment.
3. <http://www.legalandgeneralgroup.com/investors/adr.html>

For more information on Legal & General, please see <http://www.legalandgeneralgroup.com/>

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.