

Legal & General Group Plc - Directorate Change (Group Chief Executive)

Legal & General Group Plc Board announces the appointment of Nigel Wilson as Group Chief Executive.

Legal & General Group Plc ("Legal & General" or "the Company") is pleased to announce that Dr. Nigel Wilson will be appointed as Group Chief Executive as successor to Tim Breedon. Nigel joined Legal & General as Group Chief Financial Officer and a member of the Board in September 2009. His appointment follows a thorough and exhaustive process conducted by the Board under the Chairman's leadership and with the assistance of a leading executive search firm. With immediate effect, Nigel will be Group Chief Executive Designate and will formally succeed Tim with effect from 30 June 2012.

Tim will step down as Group Chief Executive and a member of the Board from 30 June but will remain an employee of the Company until 31 December 2012 undertaking an important advisory role on key activities including working on and lobbying for an appropriate outcome on Solvency II.

The Board has commenced the process to identify a permanent successor Group Chief Financial Officer and announces that Wadham Downing will act as interim Group Chief Financial Officer until a permanent successor is appointed. Wadham is the Company's Group Financial Controller and joined Legal & General in November 2009.

John Stewart, Chairman of Legal & General, commented:

"Tim has made an outstanding contribution to Legal & General, during his long service to the Group. The Board is particularly grateful to him for his excellent stewardship during his tenure as Group Chief Executive.

I am delighted that Nigel will be Tim's successor. Nigel will bring an evolutionary approach to the execution of the next stage of the Group's strategy and provide continued focus on delivering for our customers, business partners and shareholders.

I am also delighted that Tim will be working with us until the end of the year continuing to play an important role for the Company and the industry in ensuring an appropriate outcome in the UK on Solvency II."

Tim Breedon, Group Chief Executive, said:

"It has been a great privilege to lead Legal & General for the last six and a half years. After 25 years service and with the Company in excellent shape, I am pleased to hand over to Nigel a strong platform on which to take Legal & General forward. I am delighted the Board has appointed Nigel as my successor and I know that Legal & General will continue to thrive under his leadership. We have worked together closely as CEO and CFO over the last few years and I look forward to working with him as he transitions into his new role."

Nigel Wilson, Group Chief Financial Officer, commented:

"I am honoured by the Board's confidence in me and excited by the challenges ahead as I take up the reins from Tim. Tim's stewardship has left the Group in a great position to take advantage of the opportunities ahead of us. It has been a privilege to work alongside Tim for the last three years. Together, we will ensure a seamless transition to enable the Group to capitalise on its strong positions."

End

About Legal & General

Legal & General is a leading provider of risk, savings and investment management products in the UK. Established in 1836, the Group is responsible for investing £371 billion worldwide (as at 31 December 2011) on behalf of investors, policyholders and shareholders. We have over seven million customers in the UK for life assurance, pensions, investments and general insurance plans.

Biographies

1) Tim Breedon

Tim was appointed to the Board in January 2002 as Group Director (Investments) and became Group Chief Executive in January 2006. He joined Legal & General in 1987 and former roles include Managing Director (Index Funds) and Director (Index Funds). Tim is a director of the Association of British Insurers and was appointed Chairman in July 2010. His former directorships include the Investment Management Association and Financial Reporting Council.

2) Nigel Wilson

Nigel was appointed to the Board in September 2009. Prior to joining Legal & General, he was Chief Financial Officer of United Business Media Limited (from 2001) and appointed Deputy Chief Executive in 2008. He is currently senior non-executive director of Capita plc. Previous appointments include Chairman and senior independent director of Halfords Group Plc, Head of Corporate Finance and Group Commercial Director of Dixons Group Plc, Chief Executive, Corporate, Guinness Peat Aviation (G.P.A.), Managing Director of Stanhope Properties Plc and a consultant at McKinsey & Co. Nigel has a PhD from the Massachusetts Institute of Technology.

There is no information about Nigel Wilson that requires disclosure under Listing Rule 9.6.13(2) - (6).

3) Wadham Downing

Wadham became Group Financial Controller in September 2010. Prior to that, he was Finance Director for the Risk division. Before joining Legal & General, he held a variety of finance roles including Finance Director at Resolution Management Services Division and Head of Corporate Development at Britannic Group plc. Wadham is a qualified accountant.

Key Compensation Arrangements

Tim Breedon

Tim's conditions of employment from 1 July to 31 December 2012 will continue in accordance with his service contract. Tim will be eligible for a bonus payable in cash in relation to the period 1 January to 30 June 2012 based on his strategic targets for 2012 as Group Chief Executive and for the period 1 July to 31 December 2012 based on award criteria to be agreed with the Chairman and new Group Chief Executive in relation to his advisory role. The Company will treat Tim's bonus on a comparable basis to the other executive directors.

As Tim has confirmed to the Company that he is retiring from executive and full time work, Tim will qualify as a good leaver under the Company's Share Bonus Plan, Performance Share Plan and Company Share Option Plan. Unvested share awards under the Company's Share Bonus Plan and Company Share Option Plan will fully vest on 31 December 2012. Unvested

Performance Share Plan awards will vest subject to meeting performance conditions at the relevant date and time pro rating.

Nigel Wilson

Nigel will work under his existing compensation arrangements until 30 June 2012. With effect from 1 July, his compensation arrangements will reflect his new responsibilities. Nigel's salary will increase to £750,000 reflecting the Company's policy to pay at around the mid-market range relative to the FTSE 100, with particular regard to other relevant financial institutions.

His annual bonus opportunity will remain unchanged, with his maximum bonus potential being 125% of base salary with an on target bonus of 75% of base salary, similar to all other executive directors. A percentage of the bonus will be deferred and awarded in shares. Nigel's bonus for the period up to 30 June 2012 will be assessed based on his performance against his current objectives and base salary. For the remainder of 2012, the bonus calculation will reflect his increased base salary and new objectives reflecting his new responsibilities.

Nigel's 2012 Performance Share Plan award will be topped up as soon as practicable after appointment from 200% of his current salary to 200% of his increased base salary.

Nigel's remuneration is consistent with the Company's remuneration policy for 2012 as set out in the 2011 Directors' Remuneration Report and will be reviewed in light of emerging best practice and any changes that result from the Department for Business, Innovation and Skills' consultation papers.

ENQUIRIES

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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.