



9 May 2013

**Martin Davis to step down as CEO of Cofunds
Chris Last, Legal & General, named as successor**

Cofunds Holdings Ltd (“Cofunds”) and Legal & General Group Plc (“Legal & General”) have today announced that Martin Davis, Chief Executive of Cofunds has advised them of his intention to step down and leave the company upon the completion of the acquisition of Cofunds by Legal & General.

Legal & General has appointed Chris Last, as Chief Executive Designate of its Cofunds Business Unit - subject to FCA approval of the appointment. Prior to this role, Chris was Head of Strategic Opportunities, Legal & General Savings Business.

Chris will now work with Martin and the Cofunds management team towards a smooth transition of ownership, with a view to the acquisition being completed in H1 2013.

Charlie Eppinger, Cofunds Chairman, commented: “Martin joined us at a critical time and with a very specific challenge: to guide the development of the platform’s transition to RDR. This was an 18 month multi-million pound change programme, which had to be delivered alongside the normal strategic objectives of the business. After two years under his leadership, the business is successfully and profitably trading in a post-RDR environment, has grown from £35bn AUA to over £50bn AUA and is well-positioned for the future. The outgoing shareholders and management of Legal & General respect his decision, thank him for his significant contribution to the business and wish him well for the future.”

Martin Davis, Cofunds CEO, said: “Cofunds has successfully transitioned to RDR and is in great shape to continue to service the needs of clients which makes now the optimum time to move on as it allows for a smooth transition ahead of the deal being completed. I leave the platform in the extremely capable hands of Chris Last, who’ll be supported by a great team here which has the expertise and dedication to continue to evolve the proposition to meet the changing needs of clients now and in the future.”



Mark Gregory, CEO Savings, Legal & General said: “Martin Davis and the Cofunds team have done a fantastic job in growing the business to be the largest platform in the UK market. Legal & General aims to take Cofunds forward by building on its unique strengths - asset gathering capability, customer service proposition, retail and institutional client base, and combining them with the size, scale, expertise and financial strength of Legal & General. Chris Last is the right person to do this, and I look forward to working with him.”

Chris Last, Head of Strategic Opportunities, Legal & General, said: “I am looking forward to working with the Cofunds team to build on the success they have already achieved. I believe we can help the platform move to its next stage of growth and development, while retaining its focus as a whole of market platform, serving both retail and institutional clients.”

Legal & General Group Plc agreed to acquire the 75% share capital of Cofunds Holdings Ltd, which it does not already own, for a cash consideration of £131m. The transaction was announced on the 26 March 2013, and will be financed out of Legal & General’s existing cash resources. The acquisition values Cofunds at £175m. The transaction is anticipated to complete in H1 2013.

Cofunds will retain its focus as a whole of market platform, serving both retail and institutional clients with its competitive charging structure. It will remain a separate brand in the UK investment platform market. The clarity of a single ownership structure will enable Cofunds to grow assets and revenues while achieving operational leverage with a more efficient cost base.

The purchase of Cofunds will build on Legal & General’s presence in the intermediary market complementing its position as a leading savings provider for UK banks and building societies, where Legal & General’s IPS platform uses Cofunds’ proven technology.

- Ends -



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Notes to editors:

1. Cofunds

Cofunds is the leading investment platform for advisers and other financial institutions, with assets under administration over £50bn (as at 14.03.13). It provides flexible administration and management services for advisers and their clients as well as dealing and custody services for financial institutions. It does not offer investment management or advice, nor does it compete with advisers by offering its services direct to the end client. Cofunds exists to serve the needs of institutions, advisers, their clients, and fund managers. Cofunds is authorised and regulated by the Financial Conduct Authority.

2. Chris Last biography - Chris's former roles include directorships of a number of Legal & General's customer-facing businesses. Most recently he was Managing Director of Legal & General's Banks and Building Society Distribution, a division that he set up in 2001 and which is now a leading provider of life, pensions and investments to customers through Bank and Building Society partnerships.

3. Investment platforms support advisers and clients by providing services to help administer investments and provide tools to help them deliver portfolio advice services. These services usually include a consolidated view of clients' investments, a portal through which to invest in funds and facilities to arrange custody of some or all of their investments.

4. Prior to the acquisition Legal & General is the largest shareholder in Cofunds with a holding of 25%. Other shareholders include International Financial Data Services Limited with 24%, Threadneedle Asset Management Holdings Limited with 20%, Newhouse Capital Partners with 18%, Jupiter Investment Management Group Limited with 10%, and Prudential UK Services Limited with a holding of 3%.

5. Following the acquisition of Cofunds the Legal & General Savings division will have proforma AUA of £103bn (based on AUA at 31 December 2012).

6. At 31 December 2012 Cofunds had an audited net asset value of £48.2m.

7. Legal & General Group Plc

Established in 1836, Legal & General is a leading provider of protection, annuities, savings and investment management products in the UK, with a market capitalisation of £10bn (as at 22 March 2013). In its recent 2012 preliminary results earnings per share were up 12% to 13.90p and dividends per share up 20% to 7.65p for the period. Legal & General's return on equity for 2012 was 15.5%.

The Group has 7 million retail customers in the UK for life assurance, pensions, investments and general insurance plans.

- Our investment management business, Legal & General Investment Management (LGIM), is responsible for investing £441bn* worldwide on behalf of investors, policyholders and shareholders. LGIM is one of the largest investors in the UK stock market, managing around 4% of all London listed equities. LGIM has leading capability in index, active fixed income and liability driven investments and manages £52bn* of assets for international clients.
- Our UK Protection and Annuities businesses insure customers' potential financial exposure from death, illness, injury or household damage, and provide retirement annuities for individuals and pension schemes. In 2012 UK protection and general insurance gross premiums reached £1.6bn, and the annuity portfolio was £33bn*.



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- Our UK Savings business has £74bn* of assets under administration and provides a range of retail savings funds and savings structures to individuals and workplace clients.
- Legal & General America (LGA) writes protection products in the US market, focusing on higher sum assured policies and in 2012 gross premiums increased to US\$922m.

All numbers are as at 31 December 2012 unless otherwise with an * - then at 31 March 2013.