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LEGAL & GENERAL SEALS ANOTHER DEAL ON £400M CARDIFF REGENERATION PROJECT, INCLUDING WALES' LARGEST BUILD TO RENT SCHEME

Legal & General reveals that it is creating over 13,000 jobs, thousands of homes and improved infrastructure in the South West and Wales, through major regional regeneration schemes in towns and cities such as Bath, Bristol, Swindon, Weston-Super-Mare and Cardiff.

Legal & General announces today that it has exchanged contracts to complete the largest privately funded development in Wales, Cardiff Central Square, in partnership with the Welsh Government and Rightacres Property. Comprising over 500,000 sq ft, the final major element of the £400m regeneration scheme will include: the much anticipated new Bus Station; 318 Build to Rent (BTR) apartments; and 100,000 sq ft of Grade A office space.

Legal & General is dedicated to helping to drive regional economic growth in order to improve lives and deliver extraordinary social outcomes. It is using long-dated UK pension money to invest in our cities and towns; creating real jobs, high quality and varied housing and better infrastructure. This, in turn, boosts productivity and delivers vibrant communities in which people can live longer, healthier and happier lives. Legal & General has invested over £19bn into UK direct investments such as homes, urban regeneration, clean energy and transport infrastructure.

This latest deal in Wales follows Legal & General's announcement that it has signed the UK's largest bulk annuity transfer – a £4.6bn Pension Risk Transfer (PRT) with Rolls-Royce Pension Fund, covering approximately 33,000 in-payment pensioners. Having transacted on four of the five largest UK PRT deals to date, Legal & General is uniquely placed to invest pension money into the UK economy, supporting its long-term commitments and creating assets to provide new real jobs, housing, productivity and wage growth.

Kerrigan Procter, CEO of Legal & General Capital, said: "Legal & General's activity across the South West and Wales demonstrates how our varied capital streams can be put to work to create real high quality assets which have a significant long term socio-economic impact in the region. Cardiff Central Square is a prime example of how we are creating assets for Legal & General Retirement to back pension risk transfer deals and that can form part of LGIM-managed funds, while delivering jobs, housing, infrastructure and exponential economic growth. This is inclusive capitalism at its best."

Huw Thomas, Leader of Cardiff Council, said: "The building of a new bus interchange has been a number one priority for the council since day one of this administration, reflecting our commitment to delivering more and better jobs for the people of Cardiff and beyond. This will be the final stage of the completion of Central Square, which is



the biggest regeneration project in Wales. The Council's original masterplan for this part of the city is now a reality and we are delighted that through it, thousands of jobs are being created in the Welsh Capital."

Dan Batterton, Head of Build to Rent at LGIM Real Assets, said: "With Cardiff's population expected to grow significantly over the next 20 years, increasing pressure is being put on its housing provision and infrastructure. We are delighted today to announce Wales' largest Build to Rent scheme, which will help to address the growing challenges, offering high quality, affordable homes on long term flexible leases for elective renters. The delivery of high quality developments with vibrant communities is becoming more and more important. This latest project is the perfect example and will have a positive long term impact for Cardiff and the South West more widely, maximising our existing infrastructure and supporting economic growth and job creation."

Tom Roberts, Head of Strategic Investment at LGIM Real Assets, said: "Rising to the challenges faced by modern cities requires a next level approach to urban regeneration. To meet the expectations of modern city-dwellers and to improve their quality of life, developments must be genuinely mixed, offering a range of residential and work space, alongside infrastructure improvements. Legal & General is committed to funding and delivering this kind of sustainable developments and we are activity identifying further opportunities in the South West, alongside today's announcement in Cardiff."

Paul McCarthy, Rightacres Chief Executive, said: "Cardiff Central is the key gateway to Wales and as more businesses and people move into Cardiff city centre, the development and transport hub will provide ever increasing economic, environment and social value."

Within the South West, Legal & General has funded more than seven major schemes over the past five years – helping to establish the region as the UK's next big metropolitan hub. According to analysis by BOP Consulting, these have had a significant positive impact on the local economy, including adding a projected £1.1bn to the Gross Value Added of the Cardiff City region over the coming decade.

In Bath Quays North, it is investing [£400m] into redeveloping a 5.5 acre prime riverside site into a 306,000 sqft office-led, mixed use scheme. It is also delivering 868 Build to Rent Homes in Bristol, Bath and Cardiff and around 300 homes within its first urban retirement living scheme in Bath. Additionally, Legal & General has forward funded 3 Glass Wharf in Bristol for HMRC's new hub and has invested into Sovereign Shopping Centre in the centre of Weston-Super-Mare.

On the back of this success in the South West and Wales, Legal & General is now in active discussions to deliver further mixed-use regeneration schemes across the region, including Bristol Temple Island, to deliver further local employment, housing and economic growth.

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Notes to editors -

Cardiff Central Square

In September 2015, Legal & General entered into a JV with Rightacres and Cardiff Council to bring forward **Cardiff Central Square**, the largest privately funded development in Wales. This comprises around 1.4m sq ft of mixed-use accommodation, including a new headquarters for BBC Wales, and a GDV of over £450m. Alongside the Bus Station, delivering bays for 14 buses and coaches on the north side of Cardiff Central railway, the final part of the development will deliver 318 new homes in Wales' largest Build To Rent scheme, with a selection of services and amenities available for residents.

Initial funding for Cardiff Central Square was provided by Legal & General Capital (LGC), the early-stage investment arm of Legal & General Group. LGC uses capital from the principal balance sheet to secure attractive financial returns for its shareholders, while creating real assets which meet Legal & General Retirement's (LGR) pension commitments and that provide third party opportunities for Legal & General Investment Management (LGIM) clients. As such, the elements of Cardiff Central Square within L&G's ownership are now divided 12% by LGC, 24% by LGIM and 64% by LGR.

Legal & General Capital

Legal & General Capital (LGC) is the early-stage investment arm of Legal & General Group. Investing from Legal & General's principal balance sheet, LGC's purpose is to generate long-term shareholder value by injecting new capital into key sectors where there has been a shortage of investment and innovation.

Focused on Future Cities (including urban regeneration, clean energy and infrastructure), housing and principal investing (including SME finance and venture capital), these key sectors reflect our aim to invest for the long term in economically and socially useful assets, to secure competitive returns and to create new asset classes for Legal & General's varied investment requirements, for our partners and for the wider marketplace.

LGIM Real Assets

LGIM Real Assets is a division of Legal & General Investment Management (LGIM), one of Europe's largest institutional asset managers and a major global investor. LGIM manages £1tn in assets (as at 31 December 2018), providing products and solutions spanning all asset classes. LGIM Real Assets, headed up by Bill Hughes, has AUM of £31.4bn (as 31 December 2018), actively investing and managing assets across commercial property, private residential, infrastructure and property lending and, most recently, corporate credit.

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 trillion in total assets under management, we are the UK's largest investment manager for corporate pension schemes and a UK market leader in pensions de-risking, life insurance, workplace pensions and retirement income. We have also invested over £19 billion in direct investments such as homes, urban regeneration, clean energy and small business finance.