

press release

17 March 2011

L&G benefits from a demand for pensions and saving plans

- L&G benefit from Government cuts
- L&G remains a 'hold' for The Share Centre
- Investors seeking exposure to the Insurance sector should consider Aviva

Nick Raynor, investment adviser at The Share Centre, explains what this means for investors.

"This morning, L&G announced a 28% increase in sales across the board as the company prospered from government benefit cuts. This meant people had been forced to take matters in to their own hands regarding pensions and saving plans.

"It is L&G's exposure to emerging markets that is its strength. The company's Indian joint venture is doing well, as in the first full year of trading it has sold over 130,000 policies. It is also promising to hear of plans to replicate this success in other emerging markets; however this is in its infancy.

"The final dividend increased 25% to 3.42p, making the total for 2010 4.75p. This is an attractive offer; however we feel there is little potential for growth in the share price in the short to medium term.

"Our preferred pick in the insurance sector is Aviva due to its more established international presence and stronger dividend policy. We suggest investors who already hold L&G continue to do so but new investors should look elsewhere."

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About The Share Centre:

The Share Centre was established in 1990 to provide value-for-money share services for private investors. Its range of services includes buying and selling shares (by Internet, telephone and post) and a comprehensive share administration and safe custody service. Tax-efficient investment 'wrappers' including ISAs, CTFs and SIPP's are also available.

The Share Centre's Advice team provides comment on market sectors, individual shares and funds on www.share.com. Access is available to customers and registered users of the site. Registration is free. To understand how our Advice team arrive at their views please read our [Investment Research Policy](#)

In addition, account customers can receive individual telephone advice on UK-listed shares and on funds traded via the CoFunds trading platform.

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