

2. New life and pensions business for 6 months to 30 June 2010

Equivalent figures for 2009 in brackets. All figures are in £ million.

(a) Present Value of New Business Premiums (PVNBP)

| | £ million | Change |
|-----------------------|--------------------------|------------|
| Scottish Life | 1,127.0 (693.7) | 62% |
| Bright Grey | 75.4 (95.7) | -21% |
| Scottish Provident | 94.8 (114.1) | -17% |
| Royal London (retail) | 49.7 (53.0) | -6% |
| Royal London 360° | 152.9 (126.9) | 20% |
| RLAS | 115.2 (111.0) | 4% |
| | | |
| Group total | 1,615.0 (1,194.4) | 35% |

(b) Annual Premium Equivalent (APE)

| | £ million | Change |
|-----------------------|----------------------|------------|
| Scottish Life | 146.0 (96.9) | 51% |
| Bright Grey | 14.2 (16.2) | -12% |
| Scottish Provident | 15.9 (18.9) | -16% |
| Royal London (retail) | 8.5 (9.5) | -11% |
| Royal London 360° | 17.0 (13.9) | 22% |
| RLAS | 12.0 (11.6) | 3% |
| | | |
| Group total | 213.6 (167.0) | 28% |

3. Present Value of New Business Premiums

PVNBP figures are the present value of new business premiums. The PVNBP figures are calculated as new single premiums plus the expected present value of new regular premiums.

Annual Premium Equivalent

APE figures were the previous industry standard measure, calculated as new regular premiums plus one tenth of new single premiums.

4. Asset Management / Administration

Net new business for 6 months to 30 June 2010. Equivalent figures for the same period in 2009 are in brackets. All figures are in £ million.

| | £ million | Change |
|-------|---------------|--------|
| RLAM* | 700.2 (252.3) | 178% |

* Net new business, excluding external cash mandates.

| | £ million | Change |
|--|-----------|--------|
|--|-----------|--------|

| | | |
|-------------|---------------|------|
| Ascentric** | 552.1 (120.0) | 360% |
|-------------|---------------|------|

** Net new assets under administration

5. Royal London Administration Services (RLAS)

The new business shown above for “RLAS” consists primarily of DWP rebates. These relate to policies sold by Royal London’s direct-to-customer salesforce (which was closed in 2004) and to policies transferred to Royal London following the acquisition of the United Assurance Group (Refuge Assurance and United Friendly) in 2001.

Royal London continues to offer a range of products, including several from selected third parties, direct to customers through its contact centre in Wilmslow.

6. Financial Calendar

| | |
|---|------------------|
| Interim financial results | 31 August 2010 |
| Interim management statement and third quarter new business | 3 November 2010 |
| Subordinated debt interest payment | 15 December 2010 |

7. Forward-looking statements

This document may contain forward-looking statements with respect to certain of Royal London's plans, its current goals and expectations relating to its future financial position. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond Royal London's control. These include, among others, UK economic and business conditions, market-related risks such as fluctuations in interest rates, the policies and actions of governmental and regulatory authorities, the impact of competition, the timing, impact and other uncertainties of future mergers or combinations within relevant industries.

As a result, Royal London's actual future financial condition, performance and results may differ materially from the plans, goals and expectations set forth in Royal London's forward-looking statements. Royal London undertakes no obligation to update the forward-looking statements contained in this document or any other forward-looking statement it may make.

Appendix: Analysis of New Business Results – Life and Pensions

(a) PVNBP figures – 6 months to 30 June

| PVNBP £M | 2010 PVNBP (£m) | | | 2009 PVNBP (£m) | | | % change | | |
|--------------------------------|-----------------|----------------|----------------|-----------------|--------------|----------------|---------------|--------------|-------------|
| | Regular Prens | Single Prens | Total PVNBP | Regular Prens | Single Prens | Total PVNBP | Regular Prens | Single Prens | Total PVNBP |
| Scottish Life: | | | | | | | | | |
| Individual pensions | 137.2 | 677.3 | 814.5 | 87.8 | 335.6 | 423.4 | 56 | 102 | 92 |
| Group pensions | 133.6 | 72.9 | 206.5 | 118.9 | 44.9 | 163.8 | 12 | 62 | 26 |
| DWP rebates | - | 43.0 | 43.0 | - | 42.8 | 42.8 | - | 0 | 0 |
| Annuities | - | 62.5 | 62.5 | - | 63.1 | 63.1 | - | -1 | -1 |
| Miscellaneous | 0.2 | 0.3 | 0.5 | 0.2 | 0.4 | 0.6 | n/a | n/a | n/a |
| Scottish Life sub-total | 271.0 | 856.0 | 1,127.0 | 206.9 | 486.8 | 693.7 | 31 | 76 | 62 |
| Bright Grey | 75.4 | - | 75.4 | 95.7 | - | 95.7 | -21 | - | -21 |
| Scottish Provident | 94.8 | - | 94.8 | 114.1 | - | 114.1 | -17 | - | -17 |
| Royal London (retail) | 34.9 | 14.8 | 49.7 | 40.2 | 12.8 | 53.0 | -13 | 16 | -6 |
| Royal London 360° | 24.0 | 128.9 | 152.9 | 16.1 | 110.8 | 126.9 | 49 | 16 | 20 |
| RLAS | 0.5 | 114.7 | 115.2 | 0.5 | 110.5 | 111.0 | 0 | 4 | 4 |
| Group total | 500.6 | 1,114.4 | 1,615.0 | 473.5 | 720.9 | 1,194.4 | 6 | 55 | 35 |

(b) APE Figures – 6 months to 30 June

| | 2010 APE (£m) | 2009 APE (£m) | % change |
|--------------------------------|--------------------------|--------------------------|-----------------|
| Scottish Life: | | | |
| Individual pensions | 95.9 | 50.3 | 91 |
| Group pensions | 39.5 | 36.0 | 10 |
| DWP rebates | 4.3 | 4.3 | 0 |
| Annuities | 6.3 | 6.3 | 0 |
| Miscellaneous | 0 | 0 | n/a |
| Scottish Life sub-total | 146.0 | 96.9 | 51 |
| Bright Grey | 14.2 | 16.2 | -12 |
| Scottish Provident | 15.9 | 18.9 | -16 |
| Royal London (retail) | 8.5 | 9.5 | -11 |
| Royal London 360° | 17.0 | 13.9 | 22 |
| RLAS | 12.0 | 11.6 | 3 |
| Group total | 213.6 | 167.0 | 28 |