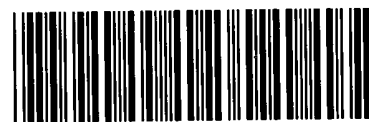


Registered Number: 01448139



LEGAL & GENERAL
OVERSEAS HOLDINGS LIMITED
FINANCIAL STATEMENTS
Year ended 31 December 2016

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LEGAL & GENERAL OVERSEAS HOLDINGS LIMITED

CONTENTS

Page

- 1 Strategic Report
- 2 Directors' Report
- 4 Independent Auditors' Report
- 6 Income Statement
- 7 Balance Sheet
- 8 Statement of Changes in Equity
- 9 Notes to Financial Statements

Registered Office
One Coleman Street
London EC2R 5AA
Registered in England & Wales No. 01448139

LEGAL & GENERAL OVERSEAS HOLDINGS LIMITED

STRATEGIC REPORT

The directors present their strategic report on the Company for the year ended 31 December 2016.

Principal activities

Legal & General Overseas Holdings Limited is an investment holding company incorporated in England and Wales whose ultimate controlling party is Legal & General Group Plc. The Company's registered office is at One Coleman Street, London, EC2R 5AA. It is registered in England and Wales under company registration number 01448139 and domiciled in the United Kingdom.

Review of the Business and future developments

Considering the nature of the Company's activities and strong results we expect that the Company will continue carrying out these activities in the future. The Company held net assets of £357.0m at 31 December 2016 (2015: £1,043.1m).

Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Principal risks and uncertainties

The directors of Legal & General Group Plc ("the Group") manage the Group's risk at a group level, rather than at an individual business unit level. For this reason, the Company's directors believe that a discussion of the Group's risks would not be appropriate for an understanding of the development, performance or position of the Company's business. The principal risks and uncertainties of the Legal & General Group, which include those of the Company, are discussed in the Directors' Report of the Group's annual report which does not form part of this report. The principal risks and uncertainties affecting the company are:

Currency risk

Legal & General Overseas Holdings Limited is exposed to foreign exchange risk due to holdings in overseas subsidiaries. Where appropriate the Company protects its exposure to exchange rate fluctuations through currency hedging transactions. The Company's exposure to currency risk through its financial assets and liabilities is provided in detail in notes 10 and 13 of the financial statements.

Interest rate risk

Interest rate risk is the risk that Legal & General Overseas Holdings Limited is exposed to loss as a direct or indirect result of fluctuations in the value of, or income from, specific assets arising from changes in underlying interest rates. The Company has interest bearing loans from a fellow subsidiary. The Company is exposed to interest rate risk as the underlying interest rate fluctuates.

By order of the Board



Andrew Fairhurst

For and on behalf of Legal & General Co Sec Limited

Company secretary

29 June 2017

LEGAL & GENERAL OVERSEAS HOLDINGS LIMITED

DIRECTORS' REPORT

The directors present their annual report together with the audited financial statements of Legal & General Overseas Holdings Limited for the year ended 31 December 2016. Legal & General Overseas Holdings Limited is a Company limited by shares which was incorporated in the UK.

Future developments

Considering the nature of the Company's activities, the Company intends to continue carrying out these activities for the foreseeable future.

Result for the year and dividend

The results of the Company are set out on page 6. The directors do not recommend the payment of a final dividend (2015: nil). Interim dividends of £524.7m were paid in 2016 (2015: £28.0m).

Going concern

No material uncertainties that cast significant doubt about the ability of the Company to continue as a going concern have been identified by the directors.

Financial Risk Management

Legal & General companies use financial instruments to manage certain financial risks. The Company's exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for an assessment of the Company's assets, liabilities, financial position, and profit or loss. No further information has therefore been provided.

Directorate

The directors of the Company who were in office during the year and up to the date of signing the financial statements were:

A.C. Price (resigned 04 November 2016)
G. O'Neill (appointed 04 November 2016)
D. A. Finch (resigned 15 June 2016)
S. Burke (appointed 15 June 2016)

Directors' Indemnities and insurance

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The ultimate parent company, Legal & General Group Plc, maintains an appropriate level of Directors' and Officers' liability insurance which is reviewed annually.

Independent auditors

The Company has appointed PricewaterhouseCoopers LLP as auditors.

There is no requirement under the Companies Act or the Company's articles of association to hold an Annual General Meeting or lay the Company's Report and Financial Statements before the shareholders.

LEGAL & GENERAL OVERSEAS HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED)

Statement of Directors' Responsibilities

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent ;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify the Company's shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

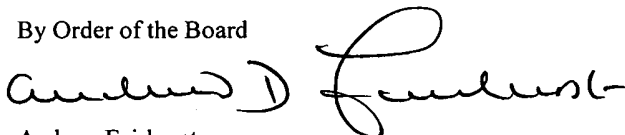
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure of information to auditors

Each of the directors, who hold office at the date the Directors's report is approved, confirms that:

- (a) so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- (b) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that

By Order of the Board



Andrew Fairhurst

For and on behalf of Legal & General Co Sec Limited

Company secretary

29 June 2017

LEGAL & GENERAL OVERSEAS HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LEGAL & GENERAL OVERSEAS HOLDINGS LIMITED

Report on the financial statements

Our Opinion

In our opinion, Legal & General Overseas Holdings Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting

What we have audited

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the Balance Sheet as at 31 December 2016;
- the Income Statement for the year then ended;
- the Statement of Changes In Equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Directors' Report. We have nothing to report in this respect.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

LEGAL & GENERAL OVERSEAS HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LEGAL & GENERAL OVERSEAS HOLDINGS LIMITED (CONTINUED)

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

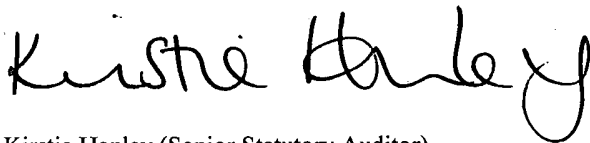
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Strategic Report and Directors' Report, we consider whether those reports include the disclosures required by applicable legal requirements.



Kirstie Hanley (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
29 June 2017

LEGAL & GENERAL OVERSEAS HOLDINGS LIMITED
INCOME STATEMENT

For the year ended 31 December 2016

	Note	2016 £m	2015 £m
Administrative expenses		(2.7)	-
Income from shares in group undertakings		54.9	30.1
Impairment of subsidiary		(47.8)	
Loss on sale of subsidiary		-	(46.2)
Operating profit / (loss)		4.4	(16.1)
Investment income	4	-	1.5
Finance costs	5	(165.2)	(0.2)
Exchange gains on foreign currency loans		(0.8)	0.9
Finance (costs) / income - net		(166.0)	2.2
Loss before income tax	2	(161.6)	(13.9)
Income tax credit	8	0.2	0.7
Loss for the year		(161.4)	(13.2)

There were no gains or losses in the year other than those included in the income statement above.

LEGAL & GENERAL OVERSEAS HOLDINGS LIMITED
BALANCE SHEET

As at 31 December 2016

	Note	2016 £m	2015 £m
Assets			
Non-current assets			
Investment in subsidiaries	10	4.3	160.4
Loans to group undertakings	10	298.6	759.2
		<u>302.9</u>	<u>919.6</u>
Current assets			
Trade and other receivables	11	0.2	141.2
		<u>0.2</u>	<u>141.2</u>
Assets of operations classified as held for sale	10	133.9	-
Total assets		<u>437.0</u>	<u>1,060.8</u>
Liabilities			
Current Liabilities			
Borrowings	13	11.9	8.1
Trade and other payables	12	68.1	9.6
		<u>80.0</u>	<u>17.7</u>
Total Liabilities		<u>80.0</u>	<u>17.7</u>
Net Assets		<u>357.0</u>	<u>1,043.1</u>
Equity			
Share capital	14	5.0	80.0
Share premium		-	223.7
Revaluation reserve		93.2	141.0
Retained Earnings		258.8	598.4
Total Equity		<u>357.0</u>	<u>1,043.1</u>

The notes on pages 9 to 15 form an integral part of these financial statements.

The financial statements on pages 6 to 15 were authorised for issues by the board of directors on 29 June 2017 and were signed on its behalf by:



G. O'Neill, Director

Registered Office

One Coleman Street

London EC2R 5AA

Registered in England and Wales Number 01448139

29 June 2017

LEGAL & GENERAL OVERSEAS HOLDINGS LIMITED
STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2016

	Share Capital £m	Share Premium £m	Revaluation Reserve £m	Retained Earnings £m	Total Equity £m
For the year ended 31 December 2016					
As at 1 January 2016	80.0	223.7	141.0	598.4	1,043.1
Loss for the year	-	-	-	(161.4)	(161.4)
Dividends	-	-	-	(524.7)	(524.7)
Capital contribution	-	-	-	-	-
Capital reduction	(75.0)	(223.7)	-	298.7	-
Impairment	-	-	(47.8)	47.8	-
As at 31 December 2016	5.0	0.0	93.2	258.8	357.0

	Share Capital £m	Share Premium £m	Revaluation Reserve £m	Retained Earnings £m	Total Equity £m
For the year ended 31 December 2015					
As at 1 January 2015	80.0	223.7	276.9	502.7	1,083.3
Loss for the year	-	-	-	(13.2)	(13.2)
Dividends	-	-	-	(28.0)	(28.0)
Capital contribution	0.0	0.0	0.0	1.0	1.0
Transfer on disposal of subsidiary	-	-	(135.9)	135.9	-
As at 31 December 2015	80.0	223.7	141.0	598.4	1,043.1

LEGAL & GENERAL OVERSEAS HOLDINGS LIMITED

NOTES TO FINANCIAL STATEMENTS

1 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The financial statements of Legal & General Overseas Holdings Limited have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 as applicable to companies using FRS 101.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- The following paragraphs of IAS 1, 'Presentation of financial statements':

- (i) 10(d), (statement of cash flows)
- (ii) 16 (a statement of compliance with all IFRS),
- (iii) 38A (requirement for minimum of two primary statements, including cash flow statements),
- (iv) 38B-D (additional comparative information),
- (v) 111 (cash flow statement information), and
- (vi) 134-136 (capital management disclosures)

- IAS 7 'Statement of cash flows'

- IFRS 7 'Financial Instruments: Disclosures';

- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective)

- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation)

- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.

(b) Going Concern

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

LEGAL & GENERAL OVERSEAS HOLDINGS LIMITED

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

1 Summary of significant accounting policies (continued)

(c) Consolidation

The Company is a wholly owned subsidiary of Legal & General International Ltd and of its ultimate parent, Legal & General Group Plc. It is included in the consolidated financial statements of Legal and General Group plc, which are publically available. Therefore the Company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

(d) Use of Estimates

The preparation of financial statements includes the use of estimates and assumptions which affect items reported in the Consolidated Balance Sheet and Income Statement and the disclosure of contingent assets and liabilities at the date of the financial statements. Although these estimates are based on management's best knowledge of current circumstances and future events and actions, actual results may differ from those estimates, possibly significantly. This is particularly relevant for the carrying value of loans and investments in subsidiaries. The basis of accounting for these areas, and significant judgements used in determining them, are outlined in notes 1(f), 1(g) and 10.

(e) Foreign currency translation

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which it operates (the functional currency). The financial statements are presented in Sterling (£) which is also the Company's functional currency.

Transactions denominated in foreign currencies are translated into the functional currency at the rates of exchange prevailing at the time of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at the rates of exchange prevailing at the balance sheet date. Non-monetary items are maintained at historic rates. All exchange gains or losses are recognised in the profit and loss account.

(f) Investments in subsidiaries

Investments in subsidiaries are held at cost less accumulated impairment losses.

(g) Loans and receivables

Loans and receivables are initially recognised at fair value and subsequently held at amortised cost, using the effective interest rate method.

(h) Investment income

Investment income includes dividends. Dividends receivable from group companies are recognised in the year in which the dividends are declared and approved at the general meeting or paid.

(i) Distributions

A dividend distribution to the Company's shareholders is recognised as a liability in the period in which the dividends are authorised and are no longer at the discretion of the Company.

(j) Current Tax

Current tax comprises tax recoverable on current period losses, adjusted for non-tax deductible or non-taxable items, and any adjustments to tax recoverable or payable in respect of previous periods. Current tax is recognised in the income statement unless it relates to items which are recognised directly to equity or other comprehensive income.

(k) Impairment

The Company reviews the carrying value of its assets at each balance sheet date. Where there has been an indication that impairment has occurred, the carrying value is reduced through a charge to the income statement.

(l) Hedging

Where the investment in subsidiary, or a proportion thereof, is designated as a hedged item in a fair value hedge of the exposure to changes in foreign currency rates, it is translated using closing rates and exchange gains or losses recognised in the profit and loss account together with the related gain or loss on the hedging instrument.

LEGAL & GENERAL OVERSEAS HOLDINGS LIMITED**NOTES TO FINANCIAL STATEMENTS (CONTINUED)****2 Operating profit**

Loss on ordinary activities before tax includes auditors' remuneration of £6,250 (2015: £8,800) wholly in relation to audit work.

3 Segmental disclosure

The pre-tax loss is all attributable to the Company's activities as an investment holding company. A geographic analysis of the interest received is presented below.

	2016 £m	2015 £m
France	-	1.5
	<u>-</u>	<u>1.5</u>

4 Finance income

	2016 £m	2015 £m
Interest receivable from group undertakings	<u>-</u>	<u>1.5</u>

5 Finance costs

	2016 £m	2015 £m
Loan write-off	(165.1)	-
Interest payable to group undertakings	<u>(0.1)</u>	<u>(0.2)</u>
	(165.2)	(0.2)

6 Directors' emoluments

The Company has two directors as at 31 December 2016 (2015: two directors). No incremental emoluments were paid to any director nor were any direct pension contributions paid in respect of services to the Company (2015: £nil).

The directors and key management of the Company had no material transactions with the Company or any other group undertakings (2015: none).

7 Employee costs and pensions

The Company has no direct employees (2015: nil) and hence incurs no employee costs. The Company also makes no contributions towards retirement benefits (2015: £nil).

LEGAL & GENERAL OVERSEAS HOLDINGS LIMITED

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

8 Income tax

	2016 £m	2015 £m
Current tax		
UK corporation tax at 20% (2015: 20.25%)		
- Current tax on losses for the year	<u>(0.2)</u>	<u>(0.7)</u>
Total current tax	<u>(0.2)</u>	<u>(0.7)</u>

Factors affecting current tax credit for the year:

Tax credit for the period is lower (2015: lower) than the standard rate of corporation tax in the UK for the year ended 31 December 2016 of 20% (2015: 20.25%). The differences are explained below:

	2016 £m	2015 £m
(Loss) on ordinary activities before tax	<u>(161.6)</u>	<u>(13.9)</u>
Tax calculated at the standard UK corporation tax rate of 20% (2015: 20.25%)	<u>(32.3)</u>	<u>(2.8)</u>
<i>Effects of:</i>		
- Non-taxable income including dividends	<u>(11.0)</u>	<u>(7.2)</u>
- Expenses not deductible for tax purposes	<u>33.6</u>	<u>9.3</u>
- Adjustments in respect of prior years	<u>-</u>	<u>-</u>
Total tax credit	<u>(9.7)</u>	<u>(0.7)</u>

9 Dividends

	Per share 2016 £	Per share 2015 £	Total 2016 £m	Total 2015 £m
Dividends approved:				
Current year interim dividends	6.56	0.35	524.7	28

LEGAL & GENERAL OVERSEAS HOLDINGS LIMITED

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

10 Investments in subsidiaries

	Shares in group undertakings (non-current) £m	Shares in group undertakings (held for sale) £m	Loans to group undertakings £m	Total £m
At 1 January 2016	160.4	-	759.2	919.6
Capital contribution	22.5	-	-	22.5
Exchange gain	3.1	-	-	3.1
Transfer to held for sale	(181.7)	181.7	-	-
Disposal of subsidiaries	-	-	-	-
Loan settlements ¹	-	-	(460.6)	(460.6)
Impairments	-	(47.8)	-	(47.8)
At 31 December 2016	<u>4.3</u>	<u>133.9</u>	<u>298.6</u>	<u>436.8</u>
At 1 January 2015	296.7	-	827.7	1124.4
Exchange gain	1.0	-	-	1.0
Disposal of subsidiaries	(137.3)	-	(68.5)	(205.8)
Loan settlements	-	-	-	-
Impairments	-	-	-	-
At 31 December 2015	<u>160.4</u>	<u>-</u>	<u>759.2</u>	<u>919.6</u>

1. Legal & General International Ltd settled its outstanding loan of £295.5m to Legal & General Overseas Holdings Limited. In addition, a loan to Legal & General International Holding Limited totalling £165.1m was written off.

On 24 November 2016 the company agreed to sell Legal & General Nederland Levensverzekering Maatschappij N.V. to Chesnara plc for €160m (£136.5m) subject to regulatory approval. The sale was finalised on 6 April 2017 for €161m, so the investment was classified as held for sale at year end.

The remaining £298.5m (2015: £759.2m) of loans to group undertakings are non interest bearing and repayable on demand.

The directors believe that the carrying value of the investments is supported by their underlying net assets.

11 Trade and other receivables

	2016 £m	2015 £m
Amounts owed by group undertakings*	-	140.5
Corporation tax recoverable	0.2	0.7
	<u>0.2</u>	<u>141.2</u>

*Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

LEGAL & GENERAL OVERSEAS HOLDINGS LIMITED

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

12 Trade and other payables

	2016	2015
	£m	£m
Amounts owed to group undertakings*	12.3	7.3
Amounts owed to group undertakings with interest **	55.8	-
Accruals	-	2.3
	<u>68.1</u>	<u>9.6</u>

*Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

**Amounts owed to group undertakings with interest are repayable on demand

13 Borrowings

	2016	2015
	£m	£m
Amounts owed to group undertakings***	<u>11.9</u>	<u>8.1</u>

***This amount is interest free and repayable in 2017.

The creditors balance comprises of £106m held in euros (2015: £164.5m), offset by a debtor sterling balance, which nets to £11.9m (2015: £8.1m).

14 Share capital

	2016 Number of shares	2016 £m	2015 Number of shares	2015 £m
Authorised share capital				
At 31 December: ordinary shares of 6.25p each (2015:100p each)	<u>80,000,000</u>	<u>5</u>	<u>80,000,000</u>	<u>80</u>

On 26 April 2016, the sole members of the Company approved a capital reduction. Reducing the Company's share premium by £223.7m to £nil and share capital account by £75.0m to £5.0m. The amount by which the share premium and share capital accounts were reduced was credited to retained earnings.

15 Ultimate parent undertaking

The immediate parent undertaking is Legal & General International Limited.

The ultimate parent company and the smallest and largest group to consolidate these financial statements is Legal & General Group Plc, a company incorporated in England & Wales. These accounts therefore provide information about the Company as an individual undertaking. Copies of the financial statements of the ultimate holding company, Legal & General Group plc, are available on the Group website, www.legalandgeneralgroup.com or from the Company Secretary at the Registered Office, One Coleman Street, London, EC2R 5AA. Legal & General Group plc is the only company to consolidate the company's financial statements.

16 Exchange rates

Principal rates of exchange used for translation into sterling at the end of the year:

	2016	2015
Euro	<u>1.17</u>	<u>1.36</u>

LEGAL & GENERAL OVERSEAS HOLDINGS LIMITED

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

17 Subsidiary undertakings

The subsidiary undertakings of Legal & General Overseas Holdings Limited are listed below. Each undertaking operates mainly in its country of incorporation and has only one class of issued ordinary shares, unless stated otherwise. The registered office of each undertaking is One Coleman Street, London EC2R 5AA unless otherwise stated.

	Incorporated in
Held directly by the Company	
Legal & General Deutschland Service-GmbH ¹	Germany
Legal & General Nederland Levensverzekering Maatschappij N.V. ²	Netherlands
Legal & General Overseas Holdings B.V. ²	Netherlands

Unless stated, all subsidiaries are 100% owned and all have a 31 December financial period end.

1. Registered office: Richmodstr. 6, 50667 Cologne, Germany.

2. Registered office: Laapersveld 68, 1213 VB Hilversum, Holland.

18 Post balance sheet events

On 6 April 2017 the sale of Legal & General Netherlands to Chesnara plc was completed. Final proceeds of the sale were €161m (£138.4m) resulting in a gain of £4.4m.