

International Financial Reporting Standards (IFRS) basis results

Summary consolidated income statement

	Half year 2006 £m	Half year 2005 £m	Full year 2005 £m
Earned premiums, net of reinsurance	8,164	8,214	15,028
Investment income	5,303	9,563	24,013
Other income	1,006	991	2,084
Total revenue, net of reinsurance (note C)	14,473	18,768	41,125
Benefits and claims and movement in unallocated surplus of with-profits funds	(11,370)	(14,967)	(33,100)
Acquisition costs and other operating expenditure	(2,142)	(2,964)	(5,552)
Finance costs: Interest on structural borrowings of shareholder financed operations	(107)	(100)	(208)
Goodwill impairment charge	–	(95)	(120)
Total charges (note C)	(13,619)	(18,126)	(38,980)
Profit before tax* (note C)	854	642	2,145
Tax attributable to policyholders' returns	(162)	(182)	(1,147)
Profit before tax attributable to shareholders (note D)	692	460	998
Tax expense (note E)	(404)	(338)	(1,388)
Less: Income tax attributable to policyholders returns	162	182	1,147
Tax attributable to shareholders profits (note E)	(242)	(156)	(241)
Profit from continuing operations after tax	450	304	757
Discontinued operations (net of tax)	0	1	3
Profit for the period	450	305	760
Attributable to:			
Equity holders of the Company	449	300	748
Minority interests	1	5	12
Profit for the period	450	305	760

Earnings per share (in pence)

	Half year 2006	Half year 2005	Full year 2005
Basic (based on 2,403m, 2,361m and 2,365m shares respectively):			
Based on profit from continuing operations attributable to the equity holders of the Company (note F)	18.7p	12.7p	31.5p
Based on profit from discontinued operations attributable to the equity holders of the Company	0.0p	0.0p	0.1p
	18.7p	12.7p	31.6p
Diluted (based on 2,406m, 2,364m and 2,369m shares respectively):			
Based on profit from continuing operations attributable to the equity holders of the Company	18.7p	12.7p	31.5p
Based on profit from discontinued operations attributable to the equity holders of the Company	0.0p	0.0p	0.1p
	18.7p	12.7p	31.6p

Dividends per share (in pence)

	Half year 2006	Half year 2005	Full year 2005
Dividends relating to reporting period:			
Interim dividend (2006 and 2005) (note G)	5.42p	5.30p	5.30p
Final dividend (2005)	–	–	11.02p
Total	5.42p	5.30p	16.32p
Dividends declared and paid in reporting period:			
Current year interim dividend	–	–	5.30p
Final dividend for prior year	11.02p	10.65p	10.65p
Total	11.02p	10.65p	15.95p

* Profit before tax represents income net of post-tax transfers to unallocated surplus of with-profits funds, before tax attributable to policyholders and unallocated surplus of with-profits funds, unit-linked policies and shareholders' profits.