

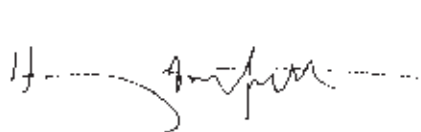
Balance sheet of the parent company

31 December 2008

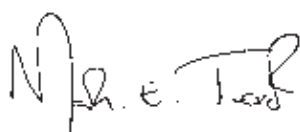
| | Note | 2008 £m | 2007* £m |
|---|------|---------|----------|
| Fixed assets | | | |
| Investments: | | | |
| Shares in subsidiary undertakings | 4 | 7,193 | 7,170 |
| Loans to subsidiary undertakings | 4 | 3,212 | 2,809 |
| | | 10,405 | 9,979 |
| Current assets | | | |
| Debtors: | | | |
| Derivative assets | 7 | 267 | 10 |
| Amounts owed by subsidiary undertakings | | 1,986 | 3,291 |
| Deferred tax | | 111 | – |
| Other debtors | | 11 | 25 |
| Cash at bank and in hand | | 102 | 178 |
| | | 2,477 | 3,504 |
| Less liabilities: amounts falling due within one year | | | |
| Debture loans | 6 | (249) | – |
| Commercial paper | 6 | (1,269) | (2,422) |
| Other borrowings | 6 | (200) | (48) |
| Derivative liabilities | 7 | (235) | (144) |
| Amounts owed to subsidiary undertakings | | (3,341) | (2,455) |
| Tax payable | | (311) | (332) |
| Sundry creditors | | (19) | (6) |
| Accruals and deferred income | | (44) | (44) |
| | | (5,668) | (5,451) |
| Net current liabilities | | (3,191) | (1,947) |
| Total assets less current liabilities | | 7,214 | 8,032 |
| Less liabilities: amounts falling due after more than one year | | | |
| Subordinated liabilities | 6 | (1,983) | (1,566) |
| Debture loans | 6 | (549) | (797) |
| Other borrowings | 6 | (9) | (7) |
| Amounts owed to subsidiary undertakings | | (1,464) | (2,643) |
| | | (4,005) | (5,013) |
| Total net assets (excluding pension) | | 3,209 | 3,019 |
| Pension asset (net of related deferred tax) | 8 | 36 | 117 |
| Total net assets (including pension) | | 3,245 | 3,136 |
| Capital and reserves | | | |
| Share capital | 9 | 125 | 123 |
| Share premium | 9 | 1,840 | 1,828 |
| Profit and loss account | 10 | 1,280 | 1,185 |
| Shareholders' funds | 10 | 3,245 | 3,136 |

* The Company has adopted the principles of UITF 44 in accounting for share-based payments, with consequential changes to the 2007 comparative figures. Note 2 explains the effect of the change.

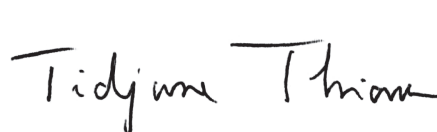
The financial statements of the parent company on pages 306 to 315 were approved by the Board of directors on 18 March 2009.



Harvey McGrath
Chairman



Mark Tucker
Group Chief Executive



Tidjane Thiam
Chief Financial Officer