

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

31 December 2010	Note	2010 £m	2009 £m
Intangible assets attributable to shareholders:			
Goodwill	H1(a)	1,466	1,310
Deferred acquisition costs and other intangible assets	H1(b)	4,609	4,049
Total		6,075	5,359
Intangible assets attributable to with-profits funds:			
In respect of acquired subsidiaries for venture fund and other investment purposes	H2(a)	166	124
Deferred acquisition costs and other intangible assets	H2(b)	110	106
Total		276	230
Total		6,351	5,589
Other non-investment and non-cash assets:			
Property, plant and equipment	H6	612	367
Reinsurers' share of insurance contract liabilities	H3	1,344	1,187
Deferred tax assets	H4	2,188	2,708
Current tax recoverable	H4	555	636
Accrued investment income	G1,H5	2,668	2,473
Other debtors	G1,H5	903	762
Total		8,270	8,133
Investments of long-term business and other operations:			
Investment properties	H7	11,247	10,905
Investments accounted for using the equity method	H8	71	6
Financial investments*:	G1		
Loans		9,261	8,754
Equity securities and portfolio holdings in unit trusts		86,635	69,354
Debt securities		116,352	101,751
Other investments		5,779	5,132
Deposits		9,952	12,820
Total		239,297	208,722
Properties held for sale	H9	257	3
Cash and cash equivalents	G1,H10	6,631	5,307
TOTAL ASSETS	B6	260,806	227,754

* Included within financial investments are £8,708 million (2009: £10,501 million) of lent securities. See note G4.

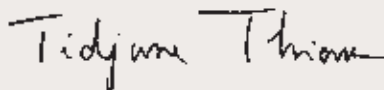
CONSOLIDATED STATEMENT OF FINANCIAL POSITION EQUITY AND LIABILITIES

31 December 2010	Note	2010 £m	2009 £m
EQUITY			
Shareholders' equity	H11	8,031	6,271
Non-controlling interests		44	32
Total equity		8,075	6,303
LIABILITIES			
Policyholder liabilities and unallocated surplus of with-profits funds:			
Insurance contract liabilities	H12	171,291	145,713
Investment contract liabilities with discretionary participation features	G1	25,732	24,880
Investment contract liabilities without discretionary participation features	G1	17,704	15,805
Unallocated surplus of with-profits funds	H12	10,253	10,019
Total		224,980	196,417
Core structural borrowings of shareholder-financed operations:			
Subordinated debt	H13	2,718	2,691
Other	H13	958	703
Total	G1,H13	3,676	3,394
Other borrowings:			
Operational borrowings attributable to shareholder-financed operations	G1,H13	3,004	2,751
Borrowings attributable to with-profits funds	G1,H13	1,522	1,284
Other non-insurance liabilities:			
Obligations under funding, securities lending and sale and repurchase agreements	G1	4,199	3,482
Net asset value attributable to unit holders of consolidated unit trusts and similar funds	G1	3,372	3,809
Deferred tax liabilities	H4	4,224	3,872
Current tax liabilities	H4	831	1,215
Accruals and deferred income		707	594
Other creditors	G1	2,321	1,612
Provisions	H14	729	643
Derivative liabilities	G1,G3	2,037	1,501
Other liabilities	G1,H15	1,129	877
Total		19,549	17,605
Total liabilities	B6	252,731	221,451
TOTAL EQUITY AND LIABILITIES		260,806	227,754

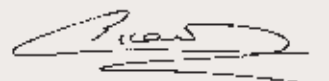
The consolidated financial statements on pages 153 to 352 were approved by the Board of directors on 8 March 2011 and signed on its behalf.



HARVEY MCGRATH
CHAIRMAN



TIDJANE THIAM
GROUP CHIEF EXECUTIVE



NIC NICANDROU
CHIEF FINANCIAL OFFICER