

NET INCOME AND INSURANCE INVESTMENTS UNITED KINGDOM

in GBP million	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
INCOME BY PRODUCT SEGMENT											
Traditional life	-	-	-	-	-	-	26	23	9	12	1
Life for account policyholders	-	-	-	-	-	-	125	180	215	140	128
Fee business	-	-	-	-	-	-	-2	8	2	-6	1
LIFE INSURANCE	-	-	32	53	70	89	149	211	226	146	130
Accident and health insurance	-	-	-	-	-	-	-	-	-	-	-
General insurance	-	-	-	-	-	-	-	-	-	-	-
Indirect investment income	-	-	-	9	12	8	7	8	5	0	0
TOTAL INSURANCE¹	-	-	32	62	82	97	156	219	231	146	130
Income before tax general account	-	-	-	-	-	-	33	31	14	12	1
Income before tax policyholders account ³	-	-	-	-	-	-	123	188	217	134	129
TOTAL INSURANCE	-	-	32	62	82	97	156	219	231	146	130
Corporation tax	-	-	-13	-19	-24	-27	-40	-59	-66	-34	-37
NET INCOME	-	-	19	43	58	70	116	160	165	112	93

in GBP billion	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Investments general account	-	-	0.7	0.7	0.5	0.6	0.8	0.9	0.9	1.1	1.4
Investments policyholders account	-	-	9.8	11.7	14.5	18.0	31.3	32.2	30.9	28.3	31.7
TOTAL INSURANCE INVESTMENTS	-	-	10.5	12.4	15.0	18.6	32.1	33.1	31.8	29.4	33.1
PRE-TAX PROFIT MARGIN (%)											
INSURANCE ACTIVITIES²	-	-	-	0.5	0.6	0.6	0.6	0.7	0.7	0.5	0.4
Off-balance sheet investments	-	-	-	-	-	1.1	1.0	1.0	0.8	0.8	1.0

in GBP billion	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
CAPITAL BASE								1.5	1.8	2.0	2.2

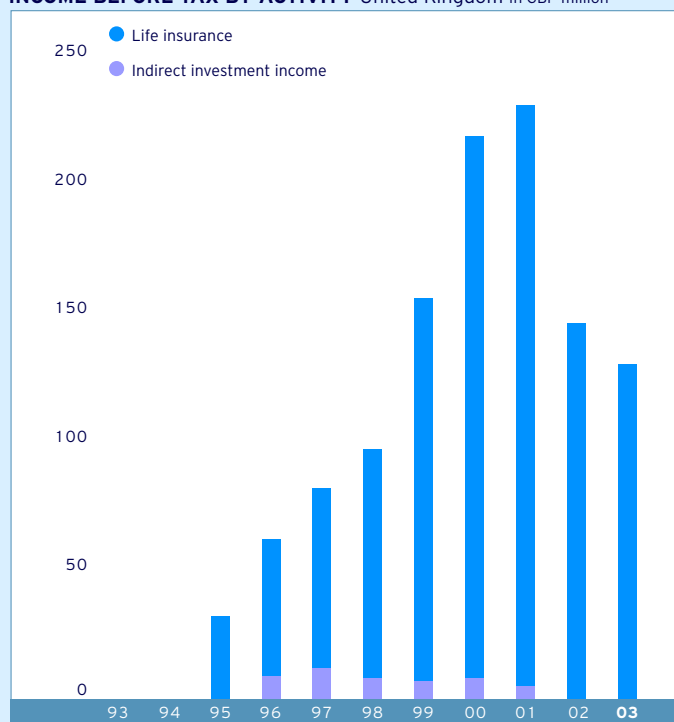
in GBP million	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Gross margin	-	-	-	-	-	214	343	419	452	460	572
Commissions and expenses	-	-	-	-	-	117	187	200	221	314	442
Expenses/gross margin ratio	-	-	-	-	-	54.7	54.5	47.7	48.9	68.3	77.3

¹ As of 1996 the interest charges and as of 1997 the overhead expenses are no longer allocated to the business units but reported separately

² Calculated as % of average investments (whereby pre-tax profit margin excludes fee business)

³ Includes fees

INCOME BEFORE TAX BY ACTIVITY United Kingdom in GBP million



INSURANCE INVESTMENTS United Kingdom in GBP billion

