

IPRU INS 9.42 A Information

31 December 2010

**INSURANCE GROUP CAPITAL ADEQUACY**

Name of reporting insurance firm	Friends Provident Life and Pensions Limited
Name of ultimate EEA insurance parent undertaking	Friends Provident Holdings (UK) plc
Head office	Pixham End, Dorking, Surrey, England, RH4 1QA
Principal activity	Long-term insurance business

	£m
<b>Total Group capital resources</b>	<b>6,998</b>
<b>Total Group capital resources requirement</b>	<b>4,673</b>
<b>Group surplus/(deficit)</b>	<b>2,325</b>

IPRU (INS) 9.40 (1A)(a) reconciliation

**Per ultimate EEA insurance parent undertaking consolidated accounts:**

	£m
Equity attributable to equity holders of the parent	6,226
Equity attributable to holders of Step-up Tier one Insurance Capital Securities (STICS)	318
Subordinated liabilities	864
Unallocated surplus	1,098
	<b>8,506</b>

Valuation difference between accounts and regulatory value of STICS	170
Acquired intangibles	(3,949)
Valuation differences between regulatory and realistic actuarial liabilities	3,971
Other inadmissible assets and valuation differences	(794)
Restricted assets that cannot be readily transferred (on a regulatory basis)	(906)
<b>Group capital resources</b>	<b>6,998</b>

IPRU (INS) 9.40 (1A)(b) reconciliation

	£m
<b>Capital resources per Capital Statement</b>	<b>3,575</b>
With-Profits Fund resources calculated on a regulatory basis for Group Capital purposes	3,971
Restricted assets that cannot be readily transferred (on a regulatory basis)	(906)
Deduct Internal STICS and Preference shares	(811)
External STICS	488
External Lower Tier 2 debt	862
Entities excluded from the Capital Statement	(385)
Other inadmissible assets and valuation differences	204
<b>Group capital resources</b>	<b>6,998</b>