

## Income statement for the year ended 31 December 2005

		Group	
		2005	2004
		Rm	Rm
	Note		
<b>Income from banking operations</b>		29 705	26 536
Net interest income		12 987	11 492
Interest income	23.1	38 697	35 247
Interest expense	23.2	25 710	23 755
Non-interest revenue	23.3	16 718	15 044
<b>Income from life insurance operations</b>		51 127	32 311
Net insurance premiums	23.4	18 979	12 406
Investment income and gains	23.5	30 982	18 830
Management and service fee income		1 166	1 075
<b>Total income</b>		80 832	58 847
Credit impairment charges	23.6	1 207	1 050
Benefits due to policyholders		41 004	24 809
Net insurance benefits and claims		32 816	19 115
Fair value adjustment to policyholders' liabilities under investment contracts		6 834	4 666
Fair value adjustment on third party fund interests		1 354	1 028
<b>Income after credit impairment charges and policyholders' benefits</b>		38 621	32 988
<b>Operating expenses in banking operations</b>		16 817	15 384
Staff costs	23.7	9 613	8 610
Other operating expenses	23.8	7 204	6 774
<b>Operating expenses in life insurance operations</b>		7 222	4 684
Acquisition costs – insurance and investment contracts		3 594	1 920
Other operating expenses	23.8	3 628	2 764
<b>Net income before goodwill</b>		14 582	12 920
Goodwill impairment	23.9	421	48
<b>Net income from banking and insurance</b>		14 161	12 872
Income from associates and joint ventures	11	226	127
<b>Net income before indirect taxation</b>		14 387	12 999
Indirect taxation	25.1	778	651
<b>Profit before direct taxation</b>		13 609	12 348
Direct taxation	25.2	4 312	3 276
<b>Profit for the year</b>		9 297	9 072
Attributable to minorities		639	1 388
Attributable to preference shareholders		226	–
<b>Attributable to ordinary shareholders</b>		8 432	7 684
Earnings per share (cents)	28	699,7	581,4
Fully diluted earnings per share (cents)	28	668,4	571,3
Dividends per share (cents)	26	267,0	231,5