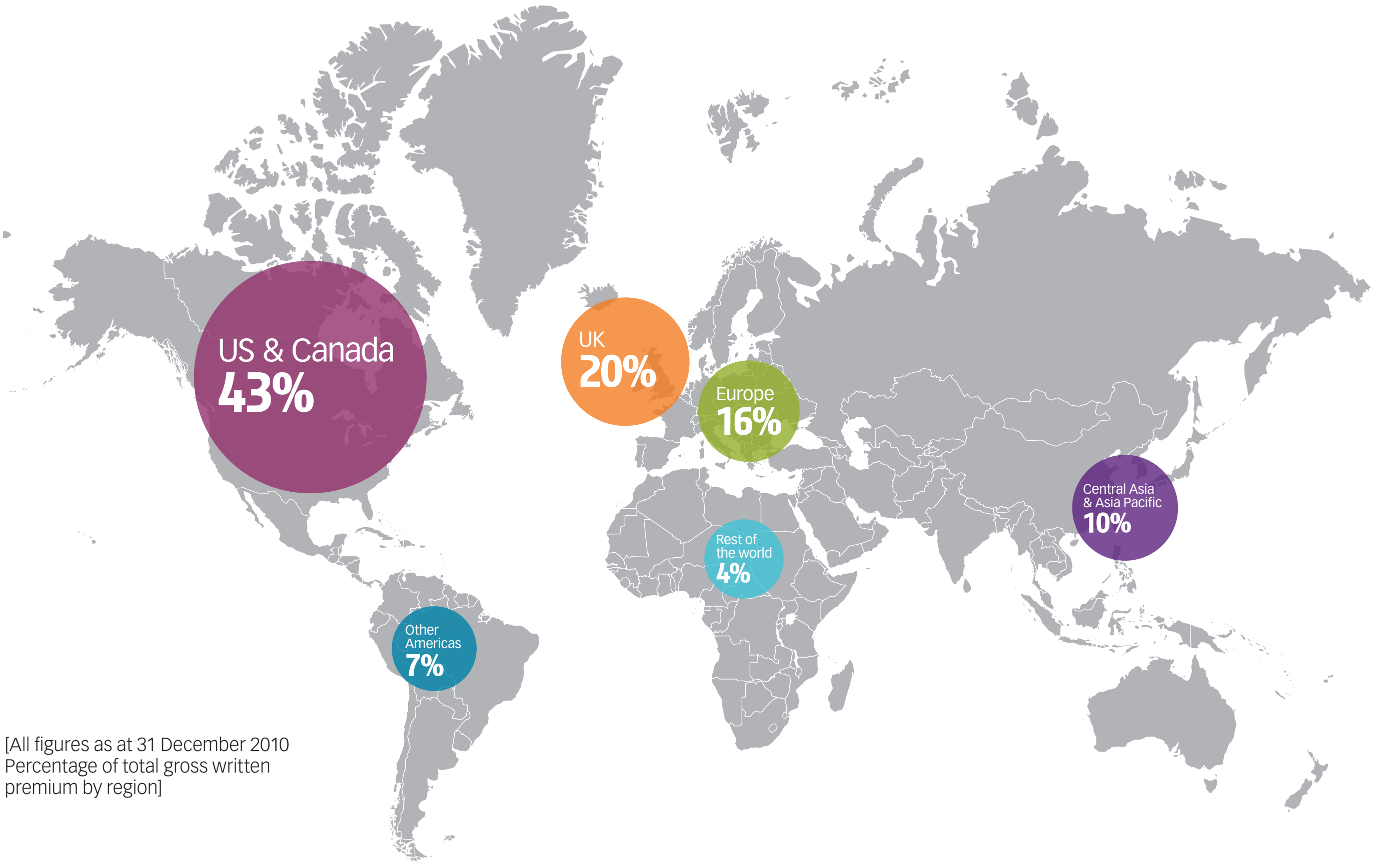
LLOYD'S

LLOYD'S INTERIM REPORT

SIX MONTHS ENDED 30 JUNE 2011

LLOYD'S ACCEPTS BUSINESS FROM OVER 200 COUNTRIES AND TERRITORIES WORLDWIDE

Our licenses in over 75 jurisdictions, supported by a network of local offices, ensure access to insurance markets large and small.



[All figures as at 31 December 2010
Percentage of total gross written
premium by region]

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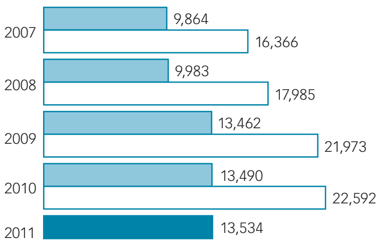
HIGHLIGHTS

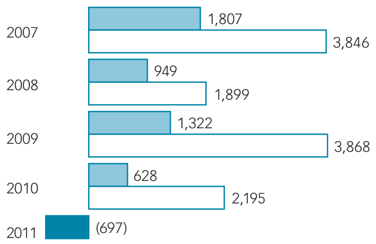
- Lloyd's reported a loss before tax of £697m (June 2010: profit of £628m) and a combined ratio of 113.3% (June 2010: 98.7%)
- Capital, reserves and subordinated loan notes stand at £17,357m (June 2010: £18,539m)
- Lloyd's financial strength ratings were reaffirmed by A.M. Best 'A' (Excellent), Standard & Poor's 'A+' (Strong) and Fitch Ratings 'A+' (Strong)

GROSS WRITTEN PREMIUM
£m



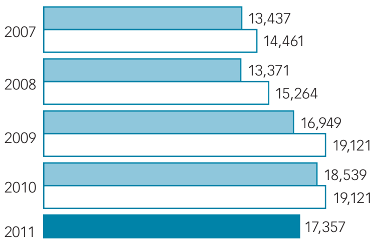
£13,534m (June 2010: £13,490m)

RESULT BEFORE TAX
£m



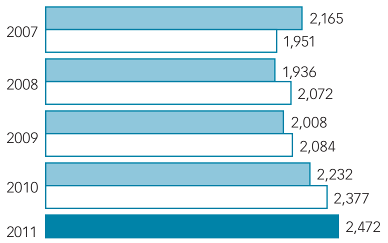
£(697)m (June 2010: profit £628m)

CAPITAL, RESERVES AND SUBORDINATED DEBT AND SECURITIES
£m



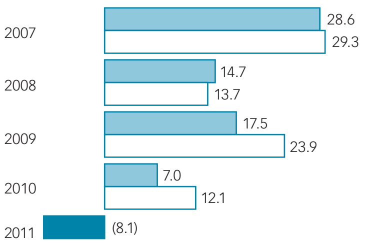
£17,357m (June 2010: £18,539m)

CENTRAL ASSETS
£m



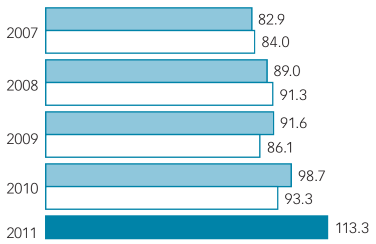
£2,472m (June 2010: £2,232m)

RETURN ON CAPITAL (ANNUALISED)
%



(8.1)% (June 2010: 7.0%)

COMBINED RATIO
%



113.3% (June 2010: 98.7 %)

Half year
Full year
Current Half year

CHAIRMAN'S STATEMENT

The toll of natural disasters means that 2011 has already been one of the most challenging years on record. As a result, the Lloyd's market has recorded a loss before tax of £697m (June 2010: profit £628m) with a combined ratio of 113.3% (June 2010: 98.7%) for the first half of 2011. Its first six months witnessed devastating catastrophes in Japan, New Zealand, Australia and the United States. To add to the difficult outlook, investment yields remain at historically low levels and rates over many classes of business are seriously low.

To put the figures into perspective, the claims seen so far in 2011 arising from major events have already exceeded the total for 2010 and we have not yet reached the end of the Atlantic hurricane season. Two of the ten costliest natural disasters since 1950 – the earthquakes in Japan and New Zealand – have occurred this year.

However, in my final year as Chairman of Lloyd's, I have been impressed by the calm, collected response of the Lloyd's market. Our ability to pay these claims is unquestioned and the strength of our reputation and financial position has again been confirmed by the A+ ratings with a stable outlook from both Standard and Poor's and Fitch and an A rating from A.M. Best. Central assets now stand at a record £2,472m.

This is a very different story from the Lloyd's I joined nine years ago. If we had experienced this level of natural catastrophes back then, commentators would have openly questioned our ability to trade forward. Perhaps my greatest satisfaction as Chairman has been to witness the steady return of Lloyd's reputation as the world's specialist insurance market. For most of its 323 years, Lloyd's has been a by-word for underwriting skill and rock solid financial stability in a turbulent world. And that is what it stands for again today.

To continue the positive theme, during my time at Lloyd's we have made good progress in embracing the changing patterns of global economic trade. We have begun operating as a direct insurer in China. We started a successful operation in Brazil and established a rapidly growing Asian platform in Singapore. The Lloyd's market is well prepared to meet the challenges of the future.

I would like to express my admiration and gratitude to everybody in the market; to Richard Ward and his team in the Corporation; to the Council of Lloyd's and the Franchise Board. In handing over the torch of Chairmanship to John Nelson, I know we have made an excellent choice. I wish him every success and will depart knowing that Lloyd's will be in good hands.

Over the last nine years we have experienced many highs, indeed several years of record profits, and some lows. But even the devastating paths taken by hurricanes Ike, Ivan, Katrina, Rita, Wilma and the rest have not shaken the ability of this unique market to trade on. What stands out for me is the integrity and conviction in this market. Just over a hundred years ago, the founder of the modern Lloyd's, Cuthbert Heath, set out his view of insurance:

"To get a man out of trouble. That's what he's paid you for." His spirit is alive in today's market. It has been a privilege to serve as Chairman.

PETER LEVENE
Chairman

20 September 2011

CHIEF EXECUTIVE OFFICER'S STATEMENT

The natural disasters which have taken place this year have forcibly demonstrated the vital role that Lloyd's and the insurance sector plays in helping society to get back on its feet after catastrophe and disaster.

However, the high cost to insurers of the first half of 2011 reinforces the importance of underwriting discipline. While interest rates are low and equity markets are volatile, we can't rely on investment income to subsidise our underwriting. The Lloyd's market must decline under-priced risks.

The importance of market oversight is one of the key pillars of our three-year plan. In the first half of 2011 we completed reviews of both class of business and syndicate pricing processes. We followed this up with further visits to each managing agent to ensure all risks are priced in line with syndicates' agreed approach.

Ensuring a smooth transition to the Solvency II regime is another strategic priority and in the first half of the year we have made good progress across all areas. Our focus on lobbying at EU level delivered encouraging results. Lloyd's has led industry efforts to achieve recognition of geographical diversification in the Standard Formula. Both EIOPA (European Insurance and Occupational Pensions Authority) and the European Commission have developed proposals based on this concept, potentially substantially reducing the capital charge for market participants against the Standard Formula (QIS5). In the market itself, the implementation of the Lloyd's Internal Model is well advanced with the first tests completed on time. In the absence of certainty about the final date for the introduction of Solvency II, we continue to work with syndicates to ensure they are fully prepared for implementation in January 2013.

Improving access to business remains critical to maintaining the market's attractiveness, and we have recently issued our first direct policy in China. In addition, improvements have been made to coverholder distribution channels that will stand us in good stead in the future.

Market attractiveness also means having, and using, the most appropriate technology. The last six months have seen increasing use of the Exchange with more than 500,000 messages now having passed over it. Increasingly, it will improve the efficiency and speed of the market's backroom processes, reducing administration costs and ensuring consistency.

As well as having the appropriate technology in the right place, market practices must adapt to stay competitive. This year's natural catastrophes have shown the importance of efficient claims payment processes. Our Claims Transformation Programme is going well. The Claims Agreement Framework has been extended to other classes and both the Claims Market Practitioner programme and the Claims Graduate Programme have been successfully launched. New claims standards across all classes will come into effect from January 2012.

While these interim results reflect the difficulties faced by many of our policyholders in the first six months of this year, our financial security and stability remain strong. Securely capitalised and with strong underwriting discipline, we are well placed to continue providing excellent levels of service to our clients in the months ahead.

RICHARD WARD
Chief Executive Officer

20 September 2011

MARKET COMMENTARY

The pre tax result for the first six months of 2011 is a loss of £697m (June 2010: profit of £628m), driven by the unprecedented level of catastrophe claims experienced in the first six months of 2011.

Gross written premiums for the six months to June 2011 were £13,534m (June 2010: £13,490m), an increase of 0.3%. In underlying currency, the increase is closer to 4% as the appreciation in sterling has decreased the reported value in converted sterling of premium written, with income translated using average rates during the period (June 2011: US$1.62, June 2010: US$1.53). Risk adjusted rates in aggregate are slightly up compared to the same period in 2010 and, whilst total premiums for established syndicates has remained relatively stable, those syndicates that commenced trading in recent years have reported an increase as they establish their businesses.

The Lloyd's market recorded an accident year combined ratio for the six months to June 2011 of 118.8% (June 2010: 103.3%). This was reduced by a prior year reserve release of 5.5% (June 2010: 4.6%) to give an overall combined ratio of 113.3% (June 2010: 98.7%).

Total major claims added 32.4% (June 2010: 17.1%) to the accident year ratio, reflecting the scale of catastrophe claims experienced by the insurance industry during the period, which was more than double the amount in the first half of 2010 and more than four times the 10 year average for the half year (Munich Re). Lloyd's is materially exposed to a number of these events, most notably: the flooding in Australia, the earthquake in New Zealand and the earthquake and tsunami in Japan. Lloyd's aggregate estimate of the ultimate claims arising from these events (US$3,800m) remains unchanged from our announcement in May.

While these events gained the most publicity, the first half of 2011 saw other major claims. The Energy book suffered a series of large risk losses, particularly the heavy weather damage in the North Sea to the Maersk Gryphon vessel, and the Property Treaty Reinsurance book was impacted by the highly destructive tornadoes in the US in April and May.

Whilst prior year reserve releases in aggregate have increased, the 2010 ratio was adversely impacted by the claims deterioration for motor business which resulted in material reserve strengthening in that class. Overall prior year performance remains within expectations.

The frequency of catastrophic events and large risk losses earlier this year has led to some rate improvement in those classes and territories most affected. However, with the continued economic uncertainty and low investment returns, underwriting conditions remain challenging with rates remaining flat or falling in most other classes.

We are publishing these interim figures at the height of the North Atlantic windstorm season, which has already seen Hurricane Irene move along the east coast of the US and Canada. Whilst not as severe as initially feared, undoubtedly it will add pressure to underwriting earnings. However, the market is well capitalised and positioned to take advantage of any opportunities that become available.

INVESTMENT REVIEW

Investments at Lloyd's fall in to three areas: insurance premiums invested by the syndicates, members' capital or funds at Lloyd's and Lloyd's central assets (principally the Central Fund, which holds the mutual assets which underpin the operation of the market). Investment responsibility for these falls respectively to managing agents, members and the Society. Investment dispositions vary significantly across these assets, but overall they are invested conservatively, primarily in cash and fixed interest investments of high credit quality with little exposure to equities and other volatile asset classes.

Financial markets have moved over the year to date to price in a lower predicted profile of global economic growth. Bond yields in many economies have continued to fall, reflecting the prevailing view that interest rates will remain low indefinitely. Financial markets are increasingly concerned about the solvency of some sovereign issuers, particularly in Europe, causing yields to rise significantly in some local markets and adding to concerns about the prospects for global growth. More recently, the downgrade by Standard and Poor's (S&P) of the US sovereign credit has caused increased risk aversion amongst investors, leading to significant market volatility, including a substantial fall in equity markets.

Investments at Lloyd's produced a return of £548m or 1.1% in the six months to June 2011 (June 2010: £597m, 1.3%). Although lower than in the same period last year, this return is higher than might have been expected given the low level of prevailing yields globally. In particular bond investments generated capital gains as yields fell.

Since June, uncertainty in financial markets has driven an ongoing flight to quality, benefiting some government bonds. At the same time corporate bonds have experienced losses amid renewed fears of global recession. With yields on some major government bonds now standing at record lows, it is going to be difficult to generate meaningful investment income for the foreseeable future. The very real possibility of global recession reinforces the need for robust capitalisation and a conservative investment approach.

STATEMENT OF COUNCIL'S RESPONSIBILITIES AND LLOYD'S INTERIM REPORT

STATEMENT OF COUNCIL'S RESPONSIBILITIES

The interim pro forma financial statements (PFFS) are prepared so that the financial results of Lloyd's and its members taken together, and their net assets, can be compared with general insurance companies.

The Council of Lloyd's is responsible for the preparation and approval of the PFFS.

INTERIM PRO FORMA FINANCIAL STATEMENTS (PFFS)

The Lloyd's interim report presents the financial results of the Society of Lloyd's and its members. Lloyd's is not an insurance company. It is a Society of members, both corporate and individual, which underwrite insurance in syndicates. These syndicates can comprise one single corporate member or any number of corporate and individual members, underwriting severally for their own account. In view of Lloyd's unique structure, the interim report includes two sets of financial statements.

The PFFS include the interim results of the syndicates as reported in the syndicate interim returns, members' funds at Lloyd's (FAL) and the Society of Lloyd's group interim financial statements (as below).

The syndicate interim returns provide the results for all syndicates which transacted business during the six months to 30 June 2011 and include the syndicate level assets, which represent the first link in the Lloyd's chain of security.

The capital provided by members is mainly held centrally as FAL, not at syndicate level, and is not, therefore, reported in the syndicate interim returns. FAL represent the second link in the chain of security. The non-technical account of the PFFS includes a notional return on FAL.

The Society of Lloyd's group interim financial statements report the central resources of the Society, which form the third link in Lloyd's chain of security.

The profit and loss account in the PFFS aggregates the syndicate results, the notional investment return on members' capital and the results of the Society. The balance sheet in the PFFS aggregates the assets held at syndicate level, members' assets held as FAL, and the central resources of the Society. Overall, the PFFS aggregate the results and resources of the Society and its members and reflect all the links in the Lloyd's chain of security. The PFFS may, therefore, be used as a reasonable presentation of the pre-tax results and state of affairs of the Lloyd's market on a basis that is broadly comparable with general insurance companies.

SOCIETY OF LLOYD'S GROUP INTERIM FINANCIAL STATEMENTS

The group interim financial statements of the Society of Lloyd's (the 'Society') comprise the group interim financial statements of the Society of Lloyd's and all its subsidiary undertakings, the Lloyd's Central Fund and the Society's interest in associates.

PRO FORMA PROFIT AND LOSS ACCOUNT
for the six months ended 30 June 2011

	Six months ended 30 June 2011		Six months ended 30 June 2010		Full year 2010	
	£m	£m	£m	£m	£m	£m
Technical account						
Gross written premiums						
– Continuing operations		**13,531**		13,496		22,569
– Discontinued operations		**3**		(6)		23
		13,534		13,490		22,592
Outward reinsurance premiums		**(3,589)**		(3,691)		(4,936)
Premiums written, net of reinsurance		**9,945**		9,799		17,656
Change in the gross provision for unearned premiums	**(2,670)**		(2,796)		(517)	
Change in the provision for unearned premiums, reinsurers' share	**1,271**		1,282		(28)	
		(1,399)		(1,514)		(545)
Earned premiums, net of reinsurance		**8,546**		8,285		17,111
Allocated investment return transferred from the non-technical account		**383**		517		865
		8,929		8,802		17,976
Claims paid						
Gross amount	**5,123**		5,856		11,565	
Reinsurers' share	**(920)**		(1,458)		(2,751)	
		4,203		4,398		8,814
Change in provision for claims						
Gross amount	**4,122**		1,335		1,298	
Reinsurers' share	**(1,628)**		(330)		(83)	
		2,494		1,005		1,215
Claims incurred, net of reinsurance		**6,697**		5,403		10,029
Acquisition costs	**2,758**		2,751		4,827	
Change in deferred acquisition costs	**(458)**		(511)		(135)	
Administrative expenses	**683**		707		1,475	
Loss/(profit) on exchange	**4**		(172)		(228)	
Net operating expenses		**2,987**		2,775		5,939
Balance on the technical account for general business		**(755)**		624		2,008
Attributable to:						
– Continuing operations		**(744)**		503		1,794
– Discontinued operations		**(11)**		121		214
Total		**(755)**		624		2,008
Non-technical account						
Balance on the technical account for general business		(755)		624		2,008
Investment return on syndicate assets	**395**		533		914	
Notional investment return on funds at Lloyd's	**86**		17		211	
Investment return on Society assets	**67**		47		133	
	548		597		1,258	
Allocated investment return transferred to the technical account	**(383)**		(517)		(865)	
		165		80		393
Other income		**33**		32		66
Other expenses		**(140)**		(108)		(272)
(Loss)/profit on ordinary activities before tax		**(697)**		628		2,195
Statement of the total recognised gains and losses						
Result for the financial period		**(697)**		628		2,195
Other recognised gains and losses		**4**		79		68
Total recognised gains and losses		**(693)**		707		2,263

PRO FORMA BALANCE SHEET

as at 30 June 2011

	Note	Six months ended 30 June 2011 £m	Six months ended 30 June 2011 £m	Six months ended 30 June 2010 £m	Six months ended 30 June 2010 £m	Full year 2010 £m	Full year 2010 £m
Financial investments							
Shares and other variable yield securities		**4,281**		3,778		4,188	
Debt securities and other fixed income securities		**27,958**		27,386		28,886	
Participation in investment pools		**1,496**		1,130		1,652	
Loans and deposits with credit institutions		**5,411**		5,299		5,086	
Other investments		**19**		33		21	
Total investments			**39,165**		37,626		39,833
Deposits with ceding undertakings			**11**		16		11
Reinsurers' share of technical provisions							
Provision for unearned premiums		**2,702**		2,801		1,458	
Claims outstanding		**10,204**		9,203		8,779	
			12,906		12,004		10,237
Debtors							
Debtors arising out of direct insurance operations		**5,962**		5,986		4,825	
Debtors arising out of reinsurance operations		**4,686**		4,797		3,572	
Other debtors		**969**		708		691	
			11,617		11,491		9,088
Other assets							
Tangible assets		**43**		42		44	
Cash at bank and in hand	9	**9,310**		9,967		8,650	
Other		**53**		9		33	
			9,406		10,018		8,727
Prepayments and accrued income							
Accrued interest and rent		**62**		59		83	
Deferred acquisition costs		**2,809**		2,752		2,371	
Other prepayments and accrued income		**291**		256		260	
			3,162		3,067		2,714
Total assets			**76,267**		74,222		70,610
Capital and reserves							
Members' funds at Lloyd's		**14,470**		14,332		13,832	
Members' balances		**415**		1,975		2,912	
Members' assets (held severally)		**14,885**		16,307		16,744	
Central reserves (mutual assets)		**1,540**		1,291		1,447	
			16,425		17,598		18,191
Subordinated debt			**526**		504		514
Subordinated perpetual capital securities			**406**		437		416
Capital, reserves and subordinated debt and securities			**17,357**		18,539		19,121
Technical provisions							
Provision for unearned premiums		**12,677**		12,535		10,125	
Claims outstanding		**39,899**		36,954		36,303	
			52,576		49,489		46,428
Deposits received from reinsurers			**81**		119		89
Creditors							
Creditors arising out of direct insurance operations		**806**		971		722	
Creditors arising out of reinsurance operations		**3,694**		3,641		2,820	
Other creditors including taxation		**1,362**		1,082		1,046	
			5,862		5,694		4,588
Accruals and deferred income			**391**		381		384
Total liabilities			**76,267**		74,222		70,610

PRO FORMA CASH FLOW STATEMENT

for the six months ended 30 June 2011

	Six months ended 30 June 2011 £m	Six months ended 30 June 2010 £m	Full year 2010 £m
Pro forma result for the period/year before tax	**(697)**	628	2,195
Depreciation	**3**	3	6
Realised and unrealised losses/(gains) and foreign exchange	**14**	(1,244)	(2,112)
Net sale/(purchase) of investments	**694**	923	(470)
Notional return on funds at Lloyd's	**(86)**	(17)	(211)
Increase in technical provisions	**3,529**	3,894	2,559
(Increase) in debtors	**(3,077)**	(3,474)	(590)
Increase in creditors	**1,255**	1,501	427
Cash generated from operations	**1,635**	2,214	1,804
Tax paid	**(61)**	(20)	(71)
Net cash from operating activities	**1,574**	2,194	1,733
Cash flow from financing activities			
Net profits paid to members	**(1,858)**	(2,729)	(2,993)
Net movement in funds at Lloyd's	**638**	1,173	673
Capital transferred into syndicate premium trust funds	**349**	281	243
Purchase of debt securities	**(10)**	–	(20)
Interest paid	**(33)**	(34)	(68)
Net increase/(decrease) in cash holdings	**660**	885	(432)
Cash holdings at beginning of period	**8,650**	9,082	9,082
Cash holdings at 30 June/31 December	**9,310**	9,967	8,650

NOTES TO THE INTERIM PRO FORMA FINANCIAL STATEMENTS
as at 30 June 2011

1. INTRODUCTION
Lloyd's is not an insurance company. It is a Society of members which underwrite insurance (each for their own account) as members of syndicates. The interim pro forma financial statements (PFFS) are prepared so that the financial results of Lloyd's and its members taken together, and their net assets, can be compared with general insurance companies.

2. BASIS OF PREPARATION
GENERAL
The PFFS include the aggregate results as reported separately by all syndicates in returns to Lloyd's, members' funds at Lloyd's (FAL) and the Society in accordance with UK GAAP. The syndicate returns include the syndicate level assets, which represent the first link in the chain of security.

The syndicate returns have not been audited but have been subject to review by the syndicate auditors. The reports by syndicate auditors on the syndicate returns are required to state whether they are aware of any material modifications that should be made to the financial information as presented in those returns.

The capital provided by members is generally held centrally as FAL and represents the second link in the chain of security. The non-technical account of the PFFS includes a notional investment return on FAL.

The Society of Lloyd's group interim financial statements report the central resources of the Society, which forms the third link in Lloyd's chain of security (pages 13 to 32).

The profit and loss account in the PFFS aggregates the syndicate interim underwriting results, the notional investment return on members' capital and the results of the Society of Lloyd's. The balance sheet in the PFFS aggregates the assets held at syndicate level, members' assets held as FAL and the central resources of the Society. Overall, therefore, the PFFS aggregate the results and resources of the Society and its members and reflect all the links in Lloyd's chain of security. The PFFS may, therefore, be used as a reasonable presentation of the results and state of affairs of the Lloyd's market on a basis that is broadly comparable with general insurance companies.

TAXATION
The PFFS report the market's result before tax. Members are directly responsible for tax payable on their syndicate results and investment income on FAL. For consistency the results of the Society are also included pre-tax in the profit and loss account. The balance sheet includes the tax provisions in the Society group interim financial statements.

FUNDS AT LLOYD'S
FAL comprise the capital provided by members to support their underwriting, and are the equivalent of capital shown in insurance companies' accounts. The valuation of FAL has been included in the pro forma balance sheet.

FAL are available to meet cash calls made on the member in respect of a syndicate. The assets in FAL must be readily realisable, may include letters of credit and bank and other guarantees, and must be at least equivalent to the aggregate of the member's economic capital assessment (ECA) requirement and certain liabilities in respect of its underwriting business. Each member's ECA to support its underwriting at Lloyd's is determined using Lloyd's Individual Capital Assessment (ICA) capital setting methodology.

A notional investment return on FAL has been calculated, which is the equivalent of insurance companies generating investment return on the capital that they hold to support their underwriting. Where Lloyd's is the investment manager for FAL, the actual return achieved has been included. For other assets the notional investment return, net of management fees, is calculated on the average value of FAL during the period, based on indices yields on each type of asset held. The typical investment return on bank deposits has been applied to FAL provided as letters of credit or bank guarantees. The actual return achieved on FAL investments will differ from the notional return due to individual stocks held, daily cash flows and transactional charges.

SOCIETY OF LLOYD'S GROUP INTERIM FINANCIAL STATEMENTS
The PFFS include the results and assets reported in the group interim financial statements of the Society of Lloyd's, comprising the financial statements of the Society of Lloyd's and all its subsidiary undertakings, the Lloyd's Central Fund and the Society's interest in associates.

TRANSACTIONS BETWEEN SYNDICATES AND THE SOCIETY
Transactions between the syndicates and the Society which have been reported in the syndicate returns and the Society of Lloyd's group interim financial statements have been eliminated (note 8):

(1) Central Fund contributions, members' subscriptions and other market charges levied by the Society are reported as net operating expenses in the syndicate returns and as income in the Society's group interim financial statements.

(2) Central Fund claims and provisions to discharge the liability of members where they have unpaid cash calls and do not have the resources to meet those calls are reported as a profit and loss charge and balance sheet liability in the Society group interim financial statements. The Central Fund's other income includes recoveries from insolvent members. The syndicate returns include those members' results and balances.

(3) Loans funding statutory overseas deposits are reported as assets within the syndicate returns and as liabilities in the Society group interim financial statements.

NOTES TO THE INTERIM PRO FORMA FINANCIAL STATEMENTS
CONTINUED

THE SUBORDINATED DEBT AND SECURITIES
In accordance with the terms of the subordinated debt and securities, the capital raised is available for payment to policyholders in advance of repayment to the note holders and is included in the 'capital, reserves and subordinated debt and securities' in the pro forma balance sheet.

3. ACCOUNTING POLICIES NOTES
A. SYNDICATE RETURNS
The syndicate level information within the PFFS has been prepared in accordance with UK GAAP. These accounting policies are consistent with those adopted for the PFFS in the 2010 Annual Report. These policies, as regards underwriting transactions, are consistent with the recommendations of the Statements of Recommended Practice on Accounting for Insurance Business issued by the Association of British Insurers, modified to reflect the unique structure of Lloyd's.

B. FUNDS AT LLOYD'S
Funds at Lloyd's are valued in accordance with their market value at the period end, and using period end exchange rates.

Investments are stated at current value at the balance sheet date. For this purpose, listed investments are stated at their bid price market value, and deposits with credit institutions and overseas deposits are stated at cost.

Unlisted investments for which a market exists are stated at the average price at which they are traded on the balance sheet date or the last trading day before that date.

Members that only participate on one syndicate may hold the capital supporting their underwriting in their syndicate's premium trust fund. Where a member takes advantage of this facility, the capital held in the premium trust fund is reported within members' balances and the investment return retained within the non-technical account.

These policies are consistent with those adopted in the 2010 Annual Report.

C. SOCIETY OF LLOYD'S
The accounting policies adopted in the Society of Lloyd's financial statements are in accordance with International Financial Reporting Standards (IFRS) and are consistent with those adopted in the 2010 Annual Report. There are no material adjustments required to the Society information to present it on a basis consistent with the syndicate results in the PFFS.

4. VARIABILITY
Movements in reserves are based upon best estimates as at 30 June 2011 taking into account all available information as at the balance sheet date. These estimates are subject to variability until the date at which the underlying claims are settled. Such changes in best estimates are reflected in the technical account of the period in which they occur.

5. DISCONTINUED OPERATIONS
Continuing/discontinued operations represent the analysis reported in the syndicate returns between business that they are continuing to underwrite and business that they have ceased to underwrite. It is quite possible, however, that business discontinued by one syndicate continues to be written at Lloyd's by one or more other syndicates. Where business has been reported as discontinued in 2011, the results for that business have also been reported as discontinued in the 2010 comparative figures.

6. MEMBERS' FUNDS AT LLOYD'S
The valuation of members' FAL in the balance sheet totals £14,470m (June 2010: £14,332m, December 2010: £13,832m). The notional investment return on FAL included in the non-technical profit and loss account totals £86m (June 2010: £17m, December 2010: £211m).

7. SOCIETY OF LLOYD'S
The results of the group interim financial statements of the Society included in the profit and loss account are a net profit of £149m (June 2010: £143m, December 2010: £267m) in the technical account and a net loss of £40m (June 2010: £29m, December 2010: £73m) in the non-technical account.

8. AGGREGATION OF RESULTS AND NET ASSETS

A reconciliation between the results, statement of total recognised gains and losses and net assets reported in the syndicate returns, members' funds at Lloyd's and the Society financial statements is set out below:

	Six months ended 30 June 2011 £m	Six months ended 30 June 2010 £m	Full year 2010 £m
Result per syndicate returns	**(892)**	497	1,790
Result of the Society	**89**	191	322
Central Fund claims and provisions charged/(released) in Society financial statements	**16**	1	(34)
Central Fund recoveries from insolvent members	**(3)**	(113)	(215)
Taxation charge in Society financial statements	**29**	74	122
Notional investment return on members' funds at Lloyd's	**86**	17	211
Society income not accrued in syndicate returns	**(22)**	(39)	(1)
Result on ordinary activities pre-tax	**(697)**	628	2,195

	Six months ended 30 June 2011 £m	Six months ended 30 June 2010 £m	Full year 2010 £m
Result for the period	**(697)**	628	2,195
Other recognised gains and losses per syndicate returns	**(1)**	105	70
Other recognised gains and losses per Society financial statements	**5**	(26)	(2)
Total recognised gains and losses	**(693)**	707	2,263

	Six months ended 30 June 2011 £m	Six months ended 30 June 2010 £m	Full year 2010 £m
Net assets per syndicate returns	**457**	1,994	2,931
'Equity' of the Society	**1,540**	1,291	1,447
Central Fund claims and provisions in Society group financial statements	**8**	46	9
Members' funds at Lloyd's	**14,470**	14,332	13,832
Unpaid cash calls reanalysed from debtors to members' balances	**(15)**	(14)	(15)
Society income receivable not accrued in syndicate annual accounts	**(35)**	(51)	(13)
Capital and reserves per PFFS	**16,425**	17,598	18,191

Transactions between syndicates and the Society which have been reported within both the syndicate returns and the Society group interim financial statements have been eliminated in the PFFS as set out in note 2.

9. CASH AT BANK AND IN HAND

Cash at bank and in hand includes letters of credit and bank guarantees held in trust within members' funds at Lloyd's to meet policyholder claims as required totalling £7,127m (June 2010: £7,694m, December 2010: £6,772m).

REPORT OF ERNST & YOUNG LLP TO THE COUNCIL OF LLOYD'S ON THE INTERIM PRO FORMA FINANCIAL STATEMENTS

INTRODUCTION

In accordance with instructions issued to us by the Council of Lloyd's (the Instructions), we have examined the interim pro forma financial statements (the PFFS) for the six months ended 30 June 2011, which comprise the pro forma profit and loss account, the pro forma statement of total recognised gains and losses, the pro forma balance sheet and the pro forma cash flow statement and the related notes 1 to 9, which have been prepared on the basis set out in note 2.

This report is made solely to the Council of Lloyd's in accordance with the Instructions. Our examination has been undertaken so that we might state to the Council those matters which we are required to state in this report in accordance with the Instructions and for no other purpose. To the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than the addressee of this report, for our work, for this report, or for the conclusions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE COUNCIL OF LLOYD'S AND ERNST & YOUNG LLP

The Council of Lloyd's is responsible for the preparation and approval of the PFFS. Our responsibility is to express a conclusion on this interim pro forma financial information based upon our examination.

SCOPE OF EXAMINATION

Our examination, which has been carried out in accordance with International Standard on Assurance Engagements, ISAE 3000, 'Assurance Engagements other than audits or reviews of Historical Financial Information', consisted principally of making enquiries of the Council of Lloyd's and applying analytical procedures to the financial information and underlying financial data. It excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions as included in the PFFS. An examination is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that may be identified in an audit. Accordingly, we do not express an audit opinion.

The PFFS have been compiled in part from an aggregation of financial information extracted from syndicate returns prepared by the managing agent of each syndicate, as described in note 2. These returns have been submitted to the Council of Lloyd's and the auditors of each syndicate have given a review opinion, in accordance with International Standard on Review Engagements, ISRE 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. Those auditors' review reports are also substantially less in scope than an audit performed in accordance with International Auditing Standards and indicate that they are not aware of any material modifications that should be made to the financial information reported in the syndicate returns. We have relied absolutely on those auditors' review reports. We have not audited those returns or those extractions. Our work is solely intended to enable us to make this report.

CONCLUSION

On the basis of our examination, and in accordance with the Instructions issued to us, we are not aware of any material modifications that should be made to the PFFS as presented for the six months ended 30 June 2011.

ERNST & YOUNG LLP
London

20 September 2011

SOCIETY OF LLOYD'S GROUP INTERIM FINANCIAL STATEMENTS

SOCIETY OF LLOYD'S GROUP INTERIM REVIEW

FINANCIAL REVIEW

OPERATING SURPLUS

The Society of Lloyd's achieved an operating surplus of £94m (June 2010: £232m), a decrease of 60%.

TOTAL INCOME

Total income for the six month period was £201m (June 2010: £326m), a decrease of 39%. The 2010 figure includes £113m due to the recovery of undertakings previously paid out. Central Fund contributions have decreased as, whilst the level of written premium has remained stable when translated into sterling, there has been a decrease in the level of new members paying the enhanced rate of 2%.

OPERATING EXPENSES

Operating expenses for the six month period were £107m (June 2010: £95m), an increase of 13%.

The level of Central Fund claims and provisions has remained relatively low at £16m (June 2010: £2m). Undertakings to meet the liabilities of insolvent members to policyholders are approved at the discretion of the Council and are normally based on anticipated cash flow requirements of insolvent members in the following 12 months.

Net insurance claims is a credit for the period of £5m. Within the reinsurance to close portfolio of Centrewrite a number of large losses have been settled within projections, which combined with the impact of syndicates closing on the Estate Protection Plan and Exeat portfolios, has enabled releases to be achieved whilst maintaining the same confidence level within the technical provision as in previous periods.

Other group operating expenses have increased by £3m to £96m (June 2010: £93m) as a result of foreign exchange losses during the period. Our operating expense remain in line with budget and we remain focussed on delivering our objectives while maintaining cost discipline.

REPURCHASE OF SUBORDINATED SECURITIES

During the period the Society of Lloyd's repurchased a principal amount of £11m of its perpetual subordinated capital securities at a cost of £10m. The Society additionally paid accrued interest on the purchased securities. The profit on the repurchase was £1m.

INVESTMENT INCOME

The Society's investment income for the six month period was a gain of £67m, representing a return on central assets of 2.7% (June 2010: a gain of £47m, 2.0%). This was primarily driven by returns on high quality fixed interest investments, where the low level of available yields was augmented by capital gains during the period, generated by further falls in bond yields. Adjusting for interest costs and foreign exchange movements arising on the Society's issued debt liabilities, the net return in the period was a gain of £23m, or 1.4% of net assets (June 2010: a gain of £32m, 2.1%)

RESULTS SUMMARY

Overall, the surplus after tax for the six months to June was £89m (June 2010: a surplus of £191m). The net assets of the Society of Lloyd's (the 'Society') increased by £93m in the six months to June 2011 to £1,540m.

CONCLUSION

While the outlook for financial markets remains uncertain, our overall capital position is strong, with the Central Fund comfortably in excess of our immediate regulatory and rating requirements. We continue to work with the market to deliver the Lloyd's Strategy.

COUNCIL OF LLOYD'S STATEMENT OF PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties, and the way in which they are managed, are set out on page 30 of the Society of Lloyd's 2010 Annual Report under the heading 'Risk Management' within the strategic overview. The principal risks and uncertainties, which have not changed materially since the date of that report are: the insurance cycle; the unstable economic and financial climate; Lloyd's internal model not being approved under the Solvency II regime; changing UK and EU regulatory environment; maintenance and modernisation of Lloyd's market operations.

COUNCIL OF LLOYD'S STATEMENT OF RESPONSIBILITIES

We confirm that to the best of our knowledge:

- The condensed set of financial statements have been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting', as adopted by the European Union.
- The Chairman and Chief Executive's statements and the Society of Lloyd's group interim review (constituting the interim management report) include a fair review of the important events that have occurred during the first six months of the financial year and their impact on the financial statements.
- The statement of principal risks and uncertainties is a fair review of the principal risks and uncertainties for the remaining six months of the financial year.
- The financial statements include a fair review of the related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or the performance of the Society during that period, as well as any changes in the related party transactions described in the last annual report that could have a material effect on the financial position or performance of the enterprise in the first six months of the current financial year.

On behalf of the Council of Lloyd's:

LORD LEVENE OF PORTSOKEN
Chairman

RICHARD WARD
Chief Executive Officer

20 September 2011

GROUP INCOME STATEMENT

for the six months ended 30 June 2011

	Note	**Six months ended 30 June 2011 £000**	Six months ended 30 June 2010 £000	Full year 2010 (Audited) £000
Operating income		**104,047**	107,355	210,193
Central Fund contributions	3(I)	**91,180**	104,567	100,858
General insurance net premium income		**393**	435	1,463
Other group income		**4,882**	114,134	215,822
Total income		**200,502**	326,491	528,336
Central Fund claims and provisions (incurred)/released	3(II)	**(15,733)**	(1,557)	34,245
Gross insurance claims		**16,675**	(2,665)	11,602
Insurance claims (payable to)/recoverable from reinsurers		**(11,851)**	2,479	4,864
Other group operating expenses		**(95,841)**	(93,022)	(214,483)
Operating surplus		**93,752**	231,726	364,564
Finance costs	4(I)	**(32,638)**	(32,613)	(66,143)
Finance income				
– Surplus on subordinated debt repurchase	4(II)	**707**	–	1,470
– Other	4(II)	**66,495**	46,791	131,436
Unrealised exchange (loss)/gains on borrowings		**(11,641)**	17,529	7,954
Share of profits of associates		**1,681**	1,681	5,084
Surplus before tax		**118,356**	265,114	444,365
Tax charge	5	**(29,700)**	(74,147)	(121,752)
Surplus for the period/year		**88,656**	190,967	322,613

GROUP STATEMENT OF COMPREHENSIVE INCOME

for the six months ended 30 June 2011

	Note	**Six months ended 30 June 2011 £000**	Six months ended 30 June 2010 £000	Full year 2010 (Audited) £000
Surplus for the period/year		**88,656**	190,967	322,613
Other comprehensive income				
Actuarial gain/(loss) on pension asset/liabilities				
– UK	6	**7,553**	(36,124)	(1,271)
– Overseas		**–**	–	(71)
– Associates		**125**	(272)	250
Tax (charge)/credit relating to components of comprehensive income		**(3,268)**	10,191	(981)
Net other comprehensive income for the period/year		**4,410**	(26,205)	(2,073)
Total comprehensive income for the period/year		**93,066**	164,762	320,540

GROUP STATEMENT OF FINANCIAL POSITION
as at 30 June 2011

	Note	30 June 2011 £000	30 June 2010 £000	31 December 2010 (Audited) £000
Assets				
Intangible assets		**419**	105	326
Lloyd's Collection		**12,019**	12,019	12,019
Plant and equipment		**31,185**	30,371	32,143
Deferred tax asset		**–**	12,602	–
Investment in associates		**4,021**	3,602	6,325
Insurance contract assets		**51,843**	53,351	47,948
Pension asset	6	**36,932**	–	25,995
Loans recoverable		**52,612**	54,874	54,371
Financial investments	8	**2,732,724**	2,532,198	2,548,640
Inventories		**198**	178	200
Trade and other receivables due within one year		**86,003**	53,681	68,341
Prepayments and accrued income		**27,774**	19,010	108,677
Forward currency contracts		**27,018**	23,529	9,746
Cash and cash equivalents		**231,744**	229,060	145,570
Total assets		**3,294,492**	3,024,580	3,060,301
Equity and liabilities				
Equity				
Accumulated reserve		**1,527,653**	1,278,809	1,434,587
Revaluation reserve		**12,019**	12,019	12,019
Total equity		**1,539,672**	1,290,828	1,446,606
Liabilities				
Subordinated notes and perpetual subordinated capital securities	4(III)	**931,804**	941,063	930,173
Insurance contract liabilities		**83,784**	101,772	81,745
Pension liabilities	6	**863**	56,716	858
Deferred tax liabilities		**13,091**	–	10,977
Provisions		**20,188**	63,297	21,305
Loans funding statutory insurance deposits		**363,004**	270,107	305,805
Trade and other payables		**190,218**	108,421	116,079
Accruals and deferred income		**98,737**	99,142	66,314
Tax payable		**25,924**	72,287	56,269
Forward currency contracts		**27,207**	20,947	24,170
Total liabilities		**1,754,820**	1,733,752	1,613,695
Total equity and liabilities		**3,294,492**	3,024,580	3,060,301

Approved and authorised for issue by the Council of Lloyd's on 20 September 2011 and signed on their behalf by:

LORD LEVENE OF PORTSOKEN
Chairman

RICHARD WARD
Chief Executive Officer

GROUP STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2011

	Accumulated reserve £000	Revaluation reserve £000	Total equity £000
At 1 January 2010	1,114,045	12,021	1,126,066
Total comprehensive income for the period	164,762	–	164,762
Transfer between reserves	2	(2)	–
At 30 June 2010	1,278,809	12,019	1,290,828
Total comprehensive income for the period	155,778	–	155,778
At 31 December 2010	1,434,587	12,019	1,446,606
Total comprehensive income for the period	**93,066**	**–**	**93,066**
At 30 June 2011	**1,527,653**	**12,019**	**1,539,672**

GROUP STATEMENT OF CASH FLOWS

for the six months ended 30 June 2011

	Six months ended 30 June 2011 £000	Six months ended 30 June 2010 £000	Full year 2010 (Audited) £000
Surplus before tax	**118,356**	265,114	444,365
Finance income – surplus on subordinated note repurchase	**(707)**	–	(1,470)
Net finance income – other	**(33,857)**	(14,178)	(65,293)
Unrealised exchange loss/(gains) on borrowings	**11,641**	(17,529)	(7,954)
Share of profits of associates	**(1,681)**	(1,681)	(5,084)
Operating surplus	**93,752**	231,726	364,564
Central Fund claims and provisions incurred/(released)	**15,733**	1,557	(34,245)
Operating surplus before Central Fund claims and provisions	**109,485**	233,283	330,319
Adjustments for:			
Depreciation of plant and equipment	**2,844**	2,357	5,868
Amortisation of intangible assets	**56**	182	427
Impairment losses	**–**	–	1,006
Loss on sale of fixed assets	**418**	1	591
Operating surplus before working capital changes and claims paid	**112,803**	235,823	338,211
Changes in pension obligations	**(3,379)**	(1,470)	(48,540)
Decrease/(increase) in receivables	**66,079**	34,489	(68,743)
Decrease in inventories	**2**	23	1
Increase in payables	**106,843**	94,973	51,435
Increase/(decrease) in provisions other than for Central Fund claims	**65**	(18,855)	(23,911)
Cash generated from operations before claims paid	**282,413**	344,983	248,453
Claims paid in respect of corporate/insolvent members	**(16,910)**	(1,077)	(1,432)
Tax and interest payments in respect of corporate/insolvent members	**(2)**	–	(20)
Claims paid in respect of individual members	**(2)**	(206)	(905)
Claims paid in respect of Limited Financial Assistance Agreements	**1**	(293)	(352)
Cash generated from operations	**265,500**	343,407	245,744
Tax paid	**(61,164)**	(19,903)	(70,970)
Net cash generated from operating activities	**204,336**	323,504	174,774
Cash flows from investing activities			
Purchase of plant, equipment and intangible assets	**(2,454)**	(8,759)	(16,102)
Proceeds from the sale of equipment	**–**	2	1
Purchase of financial investments	**(1,962,133)**	(2,095,656)	(4,237,092)
Receipts from the sale of financial investments	**1,842,316**	1,727,987	3,897,913
(Increase)/decrease in short term deposits	**(14,940)**	(20)	23,661
Dividends received from associates	**4,077**	4,187	5,245
Interest received	**45,884**	35,971	37,747
Dividends received	**1,719**	1,571	3,088
Realised (loss)/gain on settlement of forward currency contracts	**(26,910)**	2,220	10,329
Net cash used in investing activities	**(112,441)**	(332,497)	(275,210)
Cash flows from financing activities			
Repurchase of subordinated notes	**(9,820)**	–	(19,518)
Interest paid on subordinated notes	**(31,110)**	(32,680)	(66,045)
Other interest paid	**(1,804)**	(1,375)	(1,841)
Increase in borrowings for statutory insurance deposits	**38,343**	94,006	156,037
Net cash generated from financing activities	**(4,391)**	59,951	68,633
Net increase/(decrease) in cash and cash equivalents	**87,504**	50,958	(31,803)
Effect of exchange rates on cash and cash equivalents	**(1,330)**	(114)	(843)
Cash and cash equivalents at 1 January	**145,570**	178,216	178,216
Cash and cash equivalents at 30 June/31 December	**231,744**	229,060	145,570

NOTES TO THE GROUP INTERIM FINANCIAL STATEMENTS

as at 30 June 2011

1. THE GROUP INTERIM FINANCIAL STATEMENTS

The group interim financial statements of the Society were approved by the Council of Lloyd's on 20 September 2011. The group interim financial statements comprise the consolidation of the Society of Lloyd's and all its subsidiary undertakings, the Lloyd's Central Fund, and the group's interest in associates as at each statement of financial position date. The group interim financial statements for the six months ended 30 June 2011 and 30 June 2010 are unaudited. The independent review report to the Society of Lloyd's, for the six months ended 30 June 2011, is set out on page 32.

The auditors gave an unqualified report on the financial statements for the year ended 31 December 2010 prepared under IFRS as adopted by the European Union. Their report was included in the Annual Report 2010 which was published on 29 March 2011 and is available on www.lloyds.com. Copies may also be obtained from the Secretary to the Council.

2. PRINCIPAL ACCOUNTING POLICIES AND CONFORMITY WITH IAS 34 'INTERIM FINANCIAL REPORTING'

The accounting policies are consistent with those adopted for the Society of Lloyd's Annual Report 2010, which was approved on 29 March 2011.

These group interim financial statements have been prepared on the going concern basis and in conformity with IAS 34 'Interim Financial Reporting' which requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

3. SEGMENTAL ANALYSIS

The Society's primary business segments are as follows:

(a) Corporation of Lloyd's and non-insurance related subsidiary undertakings: the main corporate purposes are to facilitate the carrying on of insurance business by members of Lloyd's and the advancement and protection of their interests in this context. The activities of authorised insurance company subsidiary undertakings are excluded from this business segment.

(b) Lloyd's Central Fund: these funds comprising the New Central Fund and 'Old' Central Fund are assets of the Society and are held and administered at the discretion of the Council, primarily as funds available for the protection of policyholders. Unless the approval of members is obtained, the New Central Fund may not be used for the purposes of extinguishing or reducing liabilities which have been reinsured by Equitas.

(c) Insurance activities: the Society has three insurance company subsidiary undertakings, Centrewrite Limited, Lloyd's Insurance Company (China) Limited (previously Lloyd's Reinsurance Company (China) Limited) and Lioncover Insurance Company Limited (see note 7). Centrewrite provides Exeat insurance to resigned members participating only on run-off syndicates allowing an early exit from Lloyd's and Estate Protection Plan insurance to members. Centrewrite has also reinsured the members of syndicates 535 and 1204 for outstanding claims in respect of certain years of account. During 2011, Lloyd's Insurance Company (China) Limited continued to underwrite onshore reinsurance business in China. The company's business scope has been expanded to underwrite direct insurance risks in the Shanghai municipality and it is currently preparing to write such risks. Following the completion of Phase 2 of the Equitas-Berkshire Hathaway transaction, as described in note 7, Lioncover no longer has reinsurance liabilities to any person nor any entitlement to any reinsurance recoveries.

NOTES TO THE GROUP INTERIM FINANCIAL STATEMENTS CONTINUED

3. SEGMENTAL ANALYSIS CONTINUED

A) INFORMATION BY BUSINESS SEGMENT	Note	Six months ended 30 June 2011 Corporation of Lloyd's £000	Lloyd's Central Fund £000	Insurance activities £000	Society total £000
Segment income					
Segment income (unconsolidated)		104,898	94,717	2,503	202,118
Less inter-segment income		(1,616)	–	–	(1,616)
Total income from external sources		103,282	94,717	2,503	200,502
Segment operating expenses (consolidated)					
Central Fund claims and provisions incurred	3(II)	–	(15,733)	–	(15,733)
Gross claims incurred		–	–	16,675	16,675
Claims payable to reinsurers		–	–	(11,851)	(11,851)
Other group operating expenses:					
– Employment (including pension costs)		(39,223)	–	(1,463)	(40,686)
– Premises		(20,570)	–	(342)	(20,912)
– Legal and professional		(7,489)	(642)	(105)	(8,236)
– Systems and communications		(11,385)	–	(156)	(11,541)
– Other		(9,805)	(3,766)	(895)	(14,466)
Total other group operating expenses		(88,472)	(4,408)	(2,961)	(95,841)
Total segment operating expenses		(88,472)	(20,141)	1,863	(106,750)
Total segment operating surplus		14,810	74,576	4,366	93,752
Finance costs	4(I)	(44)	(32,594)	–	(32,638)
Finance income:					
– Surplus on subordinated debt repurchase		–	707	–	707
– Other	4(II)	646	65,320	529	66,495
Unrealised exchange losses on borrowings		–	(11,641)	–	(11,641)
Share of profits of associates		1,681	–	–	1,681
Segment surplus before tax		17,093	96,368	4,895	118,356
Tax charge					(29,700)
Surplus for the period					88,656
Segment assets and liabilities					
Investment in associates		4,021	–	–	4,021
Other assets		685,910	2,379,162	225,399	3,290,471
Segment assets		689,931	2,379,162	225,399	3,294,492
Tax assets					–
Total assets					3,294,492
Segment liabilities		(574,303)	(999,287)	(142,215)	(1,715,805)
Tax liabilities					(39,015)
Total liabilities					(1,754,820)

3. SEGMENTAL ANALYSIS CONTINUED

A) INFORMATION BY BUSINESS SEGMENT CONTINUED	Note	Six months ended 30 June 2010 Corporation of Lloyd's £000	Lloyd's Central Fund £000	Insurance activities £000	Society total £000
Segment income					
Segment income (unconsolidated)		108,067	217,867	2,151	328,085
Less inter-segment income		(1,594)	–	–	(1,594)
Total income from external sources		106,473	217,867	2,151	326,491
Segment operating expenses (consolidated)					
Central Fund claims and provisions incurred	3(II)	–	(1,557)	–	(1,557)
Gross claims incurred		–	–	(2,665)	(2,665)
Claims recoverable from reinsurers		–	–	2,479	2,479
Other group operating expenses:					
– Employment (including pension costs)		(40,394)	–	(1,158)	(41,552)
– Premises		(19,452)	–	(349)	(19,801)
– Legal and professional		(9,969)	(670)	(178)	(10,817)
– Systems and communications		(8,855)	–	(198)	(9,053)
– Other		(9,745)	(2,025)	(29)	(11,799)
Total other group operating expenses		(88,415)	(2,695)	(1,912)	(93,022)
Total segment operating expenses		(88,415)	(4,252)	(2,098)	(94,765)
Total segment operating surplus		18,058	213,615	53	231,726
Finance costs	4(I)	(17)	(32,596)	–	(32,613)
Finance income – other	4(II)	445	44,595	1,751	46,791
Unrealised exchange gains on borrowings		–	17,529	–	17,529
Share of profits of associates		1,681	–	–	1,681
Segment surplus before tax		20,167	243,143	1,804	265,114
Tax charge					(74,147)
Surplus for the period					190,967
Segment assets and liabilities					
Investment in associates		3,602	–	–	3,602
Other assets		542,536	2,274,597	191,243	3,008,376
Segment assets		546,138	2,274,597	191,243	3,011,978
Tax assets					12,602
Total assets					3,024,580
Segment liabilities		(484,841)	(1,048,496)	(128,128)	(1,661,465)
Tax liabilities					(72,287)
Total liabilities					(1,733,752)

Lloyd's Central Fund income includes £113m due to the recovery of undertakings previously paid out.

NOTES TO THE GROUP INTERIM FINANCIAL STATEMENTS
CONTINUED

3. SEGMENTAL ANALYSIS CONTINUED

		Full year 2010 (Audited)			
A) INFORMATION BY BUSINESS SEGMENT CONTINUED	Note	Corporation of Lloyd's £000	Lloyd's Central Fund £000	Insurance activities £000	Society total £000
Segment income					
Segment income (unconsolidated)		210,396	315,605	5,405	531,406
Less inter-segment income		(3,070)	–	–	(3,070)
Total income from external sources		207,326	315,605	5,405	528,336
Segment operating expenses (consolidated)					
Central Fund claims and provisions released	3(II)	–	34,245	–	34,245
Gross claims incurred		–	–	11,602	11,602
Claims recoverable from reinsurers		–	–	4,864	4,864
Other group operating expenses:					
– Employment (including pension costs)		(89,842)	–	(2,622)	(92,464)
– Premises		(42,025)	–	(730)	(42,755)
– Legal and professional		(17,602)	(838)	(395)	(18,835)
– Systems and communications		(27,485)	–	(435)	(27,920)
– Other		(26,841)	(4,947)	(721)	(32,509)
Total other group operating expenses		(203,795)	(5,785)	(4,903)	(214,483)
Total segment operating expenses		(203,795)	28,460	11,563	(163,772)
Total segment operating surplus		3,531	344,065	16,968	364,564
Finance costs	4(I)	(27)	(66,116)	–	(66,143)
Finance income:					
– Surplus on subordinated debt repurchase	4(II)	–	1,470	–	1,470
– Other	4(II)	1,040	127,907	2,489	131,436
Unrealised exchange gains on borrowings		–	7,954	–	7,954
Share of profits of associates		5,084	–	–	5,084
Segment surplus before tax		9,628	415,280	19,457	444,365
Tax charge					(121,752)
Surplus for the year					322,613
Segment assets and liabilities					
Investment in associates		6,325	–	–	6,325
Other assets		494,816	2,354,847	204,313	3,053,976
Segment assets		501,141	2,354,847	204,313	3,060,301
Tax assets					–
Total assets					3,060,301
Segment liabilities		(413,212)	(1,007,487)	(125,750)	(1,546,449)
Tax liabilities					(67,246)
Total liabilities					(1,613,695)

Lloyd's Central Fund income includes £215m due to the recovery of undertakings previously paid out.

3. SEGMENTAL ANALYSIS CONTINUED

A summary of changes in the Society's net central assets is shown in the table below:

B) NET CENTRAL ASSETS	**Six months ended 30 June 2011 £000**	Six months ended 30 June 2010 £000	Full year 2010 (Audited) £000
Central fund			
Net assets 1 January	**1,281,069**	983,269	983,269
Operating surplus	**73,392**	209,853	339,193
Intra-group transactions	**1,183**	1,254	2,364
Net finance income	**21,792**	29,528	71,215
Tax charge	**(25,053)**	(67,853)	(114,972)
Net assets as at 30 June/31 December	**1,352,383**	1,156,051	1,281,069
Corporation of Lloyd's and subsidiary undertakings	**187,289**	134,777	165,537
Net Society assets at 30 June/31 December	**1,539,672**	1,290,828	1,446,606
Subordinated notes	**525,633**	503,826	513,698
Perpetual subordinated capital securities	**406,171**	437,237	416,475
Net central assets excluding subordinated debt liabilities	**2,471,476**	2,231,891	2,376,779

(I) CENTRAL FUND CONTRIBUTIONS FROM MEMBERS AND CORPORATION OF LLOYD'S SUBSCRIPTIONS

During the six months ended 30 June 2011, members paid to the Central Fund (Central Fund contributions) and to the Corporation of Lloyd's (subscriptions) at 0.5% of business plan premium. The ultimate amounts to be retained by the Central Fund and the Corporation of Lloyd's for 2011 will be based on actual 2011 written premiums, of members, the quantification of which will not be known until 2013. The £91m (Central Fund contributions) and £44m (subscriptions) included in the 2011 interim group income statement are based on present best estimates of the ultimate amounts that will be retained by the Central Fund and the Corporation of Lloyd's respectively.

(II) CENTRAL FUND CLAIMS AND PROVISIONS

	Six months ended 30 June 2011 £000	Six months ended 30 June 2010 £000	Full year 2010 (Audited) £000
Net undertakings (granted)/released	**(15,515)**	(1,801)	34,818
Provisions (incurred)/released in respect of Limited Financial Assistance Agreements	**(214)**	450	352
Claims payable in respect of individual members	**(2)**	(206)	(905)
Tax and interest payable in respect of insolvent members	**(2)**	–	(20)
Central Fund claims and provisions (incurred)/released	**(15,733)**	(1,557)	34,245

The Council of Lloyd's has given undertakings with financial limits to certain corporate members to use the New Central Fund to discharge the liability of those members where they have unpaid cash calls and do not have the resources to meet those cash calls. The purpose of these undertakings is primarily to allow valid claims made on policies underwritten by those insolvent members to continue to be paid in full. Undertakings are accounted for when they are approved by the Council and become contractual commitments. These undertakings are granted wholly at the discretion of the Council principally on an annual basis and therefore are not deemed constructive obligations, except for renewals of commitments previously granted.

For those corporate members in provisional liquidation, the Council has also provided supporting commitments to ensure that in no circumstance will an insurance creditor receive less than the amount it would have received in a winding up commencing on the date of the provisional liquidation. As the supporting undertakings are legally enforceable commitments, an estimate of their value, if applicable, has been included within provisions in the group interim financial statements and changes during the period are reflected in the group income statement, shown in the table above.

During the six months to 30 June 2011, undertakings of £17m were paid to corporate members (30 June 2010: £1m; 31 December 2010: £1m).

NOTES TO THE GROUP INTERIM FINANCIAL STATEMENTS CONTINUED

4. FINANCE

	Six months ended 30 June 2011 £000	Six months ended 30 June 2010 £000	Full year 2010 (Audited) £000
(I) Finance costs			
Interest payable on financial liabilities measured at amortised cost	**(32,077)**	(32,079)	(65,076)
Other interest payable and similar charges	**(44)**	(17)	(27)
Amortisation of issue costs and discount	**(517)**	(517)	(1,040)
	(32,638)	(32,613)	(66,143)
(II) Finance income			
Surplus on subordinated debt repurchase	**707**	–	1,470
Interest and dividends receivable	**2,612**	3,067	4,817
Gain on investments including unrealised movement of forward currency contracts	**63,694**	42,648	124,949
Movement in loans recoverable	**189**	1,076	1,670
	67,202	46,791	132,906

(III) SUBORDINATED DEBT REPURCHASE

During 2011, The Society of Lloyd's repurchased £10,527,000 of its outstanding debt securities in the period. The Society purchased a principal amount of £10,527,000 of its perpetual subordinated capital securities at a cost of £9,820,245. The Society additionally paid accrued interest on the purchased securities. The profit on the repurchase was £706,755.

During 2010, The Society of Lloyd's repurchased £20,988,000 of its outstanding debt securities. The Society purchased a principal amount of £20,988,000 of its 2007 perpetual subordinated capital securities at a cost of £19,518,000. The Society additionally paid accrued interest on the purchased securities. The profit on the repurchase was £1,469,800.

5. TAXATION

A. Analysis of total tax charge	Six months ended 30 June 2011 £000	Six months ended 30 June 2010 £000	Full year 2010 (Audited) £000
Current tax:			
Corporation tax based on profits for the period at 26.5% (2010: 28%)	**(30,659)**	(73,594)	(110,456)
Adjustments in respect of previous periods	**–**	–	1,914
Foreign tax suffered	**(110)**	(104)	(210)
Total current tax	**(30,769)**	(73,698)	(108,752)
Deferred tax:			
Origination and reversal of timing differences:			
– Current year	**1,069**	(449)	(12,143)
– Prior year	**–**	–	(857)
Tax charged recognised in the group income statement	**(29,700)**	(74,147)	(121,752)
Analysis of tax charge recognised in the group statement of comprehensive income:			
Deferred tax:			
Tax (charge)/credit on actuarial loss on group pension liabilities			
– Group	**(3,234)**	10,191	(914)
– Associates	**(34)**	–	(67)
Tax (charge)/credit recognised in the group statement of comprehensive income	**(3,268)**	10,191	(981)
Total tax charge	**(32,968)**	(63,956)	(122,733)

5. TAXATION CONTINUED

B. Reconciliation of effective tax rate	Six months ended 30 June 2011 £000	Six months ended 30 June 2010 £000	Full year 2010 (Audited) £000
Surplus on ordinary activities before tax	**118,356**	265,114	444,365
Corporation tax at 26.5% (2010: 28%)	**(31,365)**	(74,232)	(124,422)
Expenses not deductible for tax purposes	**(495)**	(518)	(1,760)
Utilisation of tax credits	**46**	45	61
Overseas tax	**(110)**	(104)	(210)
Other	**523**	662	1,845
Deferred tax adjustments relating to change in tax rate	**1,701**	–	1,677
Deferred tax prior year adjustments	**–**	–	(857)
Adjustments in respect of previous years	**–**	–	1,914
Tax charge	**(29,700)**	(74,147)	(121,752)

The UK corporation tax rate was reduced to 26% from 1 April 2011 and this has been reflected in the amounts recognised at 30 June 2011. The tax rate is due to reduce by a further 1% each year down to 23% in April 2014. These further reductions were not substantively enacted at 30 June 2011 and are therefore not reflected in the amounts recognised at that date. However, it is estimated that these future changes will reduce the net deferred tax liability by £1.5m.

6. PENSION ASSETS/LIABILITIES

The Corporation of Lloyd's operates a defined benefit pension scheme with assets held in a separately administered fund, the Lloyd's Pension Scheme. On an IAS 19 'Employee Benefits' valuation basis, the pension scheme surplus at 30 June 2011 was £37m (30 June 2010: deficit £56m; 31 December 2010: surplus £26m) before the allowance of deferred tax. An actuarial gain of £8m, has been recognised in the six months ended 30 June 2011 (30 June 2010: actuarial loss £36m; 31 December 2010: actuarial loss £1m).

The Corporation of Lloyd's also operates a number of defined benefit plans for qualifying employees based overseas. The total deficit of these pension schemes as at 30 June 2011 is £1m (30 June 2010: £1m; 31 December 2010: £1m).

7. LIONCOVER INSURANCE COMPANY LIMITED

The insurance contract liabilities of Lioncover ('the Company') were wholly reinsured into Equitas in 1997 and the Company does not accept new business.

On 10 November 2006, Equitas Limited, Equitas Holdings Limited and Equitas Management Services Limited entered into an agreement with a Berkshire Hathaway group undertaking, National Indemnity Company ('NICO'). That agreement became effective from 30 March 2007. As part of this transaction, the day to day running of the run-off business, including that of Lioncover, is performed by Resolute Management Services Ltd, a wholly owned subsidiary of NICO.

Following court approval on 25 June 2009, Phase 2 of the transaction was completed on 30 June 2009 when the liabilities of members and former members of Lloyd's in respect of non-life business allocated to the 1992 or prior years of account were transferred to Equitas Insurance Limited, a subsidiary of Equitas Holdings Limited, and Lioncover's reinsurance liabilities were terminated, pursuant to the provisions of an insurance business transfer scheme under Part VII of the Financial Services and Markets Act 2000. The insurance business transfer has resulted in finality for members of the PCW syndicates under the law of each state within the EEA. As a result of this transaction as at 30 June 2009, Lioncover no longer has reinsurance liabilities to any person nor any entitlement to any reinsurance recoveries.

By a letter agreement dated 16 June 2009, Equitas Reinsurance Limited released the Company from all of its residual liabilities under the reinsurance contract dated 18 December 1997 (as regards any misrepresentation or breach of warranty arising from any dishonest misstatement or concealment by certain individuals) on the basis that Lloyd's agree to be substituted as primary obligor.

Equitas Limited paid to the Company a return premium of £1.6m following the conclusion of the first phase of the Equitas/NICO retrocession transaction in 2007. As the Company has no reinsurance liabilities or is entitled to any recoveries it is in the process of distributing this balance to Company members. When this has occurred it is the Corporation of Lloyd's intention to de-register the Company from the FSA register and then dissolve the Company.

NOTES TO THE GROUP INTERIM FINANCIAL STATEMENTS CONTINUED

8. FINANCIAL INVESTMENTS

	30 June 2011 £000	30 June 2010 £000	31 December 2010 (Audited) £000
Statutory insurance deposits	**371,091**	276,906	311,756
Other investments	**2,361,633**	2,255,292	2,236,884
	2,732,724	2,532,198	2,548,640

A) STATUTORY INSURANCE DEPOSITS

	30 June 2011 Securities £000	30 June 2011 Deposits £000	30 June 2011 Total £000	30 June 2010 £000	31 December 2010 (Audited) £000
Market value at 1 January	**146,416**	**165,340**	**311,756**	175,248	175,248
Additions at cost	**246,514**	**121,889**	**368,403**	248,987	547,235
Disposal proceeds	**(242,840)**	**(80,033)**	**(322,873)**	(155,503)	(430,158)
Surplus on the sale and revaluation of investments	**11,956**	**1,849**	**13,805**	8,174	19,431
Market value	**162,046**	**209,045**	**371,091**	276,906	311,756

	30 June 2011 Cost £000	30 June 2011 Valuation £000	30 June 2010 Cost £000	30 June 2010 Valuation £000	31 December 2010 (Audited) Cost £000	31 December 2010 (Audited) Valuation £000
Analysis of securities at period end:						
Government	**150,346**	**162,046**	106,560	106,674	136,468	144,700
Corporate securities	**–**	**–**	1,127	1,567	1,127	1,716
Market value	**150,346**	**162,046**	107,687	108,241	137,595	146,416

B) OTHER INVESTMENTS

	30 June 2011 Corporation of Lloyd's £000	30 June 2011 Central Fund £000	30 June 2011 Insurance activities £000	30 June 2011 Total £000	30 June 2010 Total £000	31 December 2010 (Audited) Total £000
Market value at 1 January	33,590	2,133,729	69,565	2,236,884	1,966,482	1,966,482
Additions at cost	–	1,493,264	100,466	1,593,730	1,846,669	3,689,857
Increase/(decrease) in short-term deposits	9,726	(9,378)	14,592	14,940	20	(23,661)
Disposal proceeds	–	(1,431,759)	(87,684)	(1,519,443)	(1,572,484)	(3,467,755)
Surplus/(deficit) on the sale and revaluation of investments	–	35,966	(444)	35,522	14,605	71,961
Market value	43,316	2,221,822	96,495	2,361,633	2,255,292	2,236,884
Analysis of securities at period end:						
Listed securities						
Fixed interest:						
– Government	–	742,259	69,861	812,120	1,026,622	673,658
– Corporate securities	–	1,027,475	22,169	1,049,644	766,847	1,077,802
– Emerging markets	–	52,357	–	52,357	29,382	30,612
– High yield	–	34,075	–	34,075	39,068	40,878
	–	1,856,166	92,030	1,948,196	1,861,919	1,822,950
Equities						
– Global	–	212,242	–	212,242	173,341	209,060
– Emerging markets	–	40,105	–	40,105	33,303	41,574
	–	252,347	–	252,347	206,644	250,634
Total listed securities	–	2,108,513	92,030	2,200,543	2,068,563	2,073,584
Unlisted securities						
Hedge funds	–	76,146	–	76,146	78,452	78,704
Short-term deposits	43,316	17,163	4,465	64,944	88,277	64,596
Security deposits	–	20,000	–	20,000	20,000	20,000
Total unlisted securities	43,316	113,309	4,465	161,090	186,729	163,300
Market value	43,316	2,221,822	96,495	2,361,633	2,255,292	2,236,884

NOTES TO THE GROUP INTERIM FINANCIAL STATEMENTS CONTINUED

9. RELATED PARTY TRANSACTIONS

The group financial statements include the financial statements of the Society and all of its subsidiary undertakings, the Lloyd's Central Fund and the group's interests in its associates.

Services provided to Ins-sure Holdings Limited group in the period to 30 June 2011 included operating systems support and development, premises and other administrative services. The total value of the services provided was £152,000 (30 June 2010: £173,000; 31 December 2010: £274,000). In addition, Ins-sure Holdings Limited group charged the Society £341,000 for services provided in the same period (30 June 2010: £622,000; 31 December 2010: £1,063,000).

At 30 June 2011, there was a balance of £77,000 (30 June 2010: £56,000; 31 December 2010: £24,000) owing from Ins-sure Holdings Limited group to the Society. The Society owed £20,000 to Ins-sure Holdings Limited at the same date (30 June 2010: £28,000; 31 December 2010: £nil).

Services provided to Xchanging Claims Services Limited group in the period to 30 June 2011 included premises and other administrative services. The total value of the services provided was £32,000 (30 June 2010: £32,000; 31 December 2010: £76,000). Xchanging Claims Services Limited group charged the Society £97,000 for services provided in the same period (30 June 2010: £223,000; 31 December 2010: £223,000).

At 30 June 2011, there was a balance of £1,000 (30 June 2010: £nil; 31 December 2010: £1,000) owing from Xchanging Claims Services Limited group to the Society. The Society owed £166,000 (30 June 2010: £223,000; 31 December 2010: £nil) to Xchanging Claims Services Limited at the same date.

Transactions with associates are priced on an arm's length basis.

A member of Council, Rupert Atkin, is also a Director of Shrewsbury Underwriting Capital (Bermuda) Limited and Shrewsbury Underwriting Capital Limited. During the period the Society did not receive any other income relating to undertakings previously paid out in respect of these companies (30 June 2010: £106m; 31 December 2010: £188m).

In the normal course of business, the Society may enter into transactions with Lloyd's market businesses in which members of Council and the Franchise Board may have an interest. Such transactions are on an arm's length basis.

10. CONTINGENT LIABILITIES

(a) General average guarantees have been given on behalf of, and secured by, Lloyd's underwriters. It is estimated that the aggregate of the liabilities attaching to these guarantees as at 30 June 2011 amounted to £23.3m (30 June 2010: £30m; 31 December 2010: £24.9m).

(b) The Society has taken on the responsibilities of some individual members under hardship and other agreements.

In connection with the statutory transfer to Equitas Insurance Limited on 30 June 2009 of the non-life business underwritten at Lloyd's and allocated to 1992 or prior years of account, the Society has entered into undertakings for the benefit of certain policyholders of Equitas Insurance Limited (former policyholders of PCW syndicates or of members who at the material time still have the benefit of hardship or other agreements with the Society), under which the Society would meet any shortfall in recoveries by such policyholders from Equitas Insurance Limited on the occurrence of an 'Equitas Insolvency Event'.

The Society has also given an unlimited undertaking to its subsidiary undertaking Centrewrite Limited to meet any shortfall in its cash flow or assets (including any shortfall arising from an insufficiency of recoveries from Equitas Reinsurance Limited under its reinsurance of the obligations of Centrewrite to Equitas Insurance Limited).

(c) Uncollateralised bank guarantees and other arrangements have been entered into by the Society and its subsidiary undertaking, Additional Securities Limited, to provide security in connection with the underwriting activities of the members of Lloyd's in the countries shown:

	Six months ended 30 June 2011 £000	Six months ended 30 June 2010 £000	Full year 2010 (Audited) £000
Guarantees provided by the Society: USA: US$1,500,000 (2010: US$1,500,000)	**934**	1,003	958
Guarantees provided by the Society including Additional Securities Limited:			
Cayman Islands: letter of credit US$1,250,000 (2010: US$1,250,000)	–	836	–
Hong Kong: letter of credit HKD 602,934,059 (2010: HKD 81,156,212)	–	6,966	–

(d) In Quebec, proceedings have been issued by Agence Nationale D'Encadrement Du Secteur Financier as the regulator of the Quebec policyholder protection fund, by 91 alleged insureds and by one intermediary who was offering extended warranty programmes to automobile dealers, against the Society and other parties arising out of the issue by a coverholder of purported 'policies of insurance' without the authority of a Lloyd's syndicate. The Society does not accept any liability in respect of this action.

In respect of all contingent liabilities disclosed as at 30 June 2011, no provision has been made in the Society financial statements as the Society does not accept any liability in respect of any of the claims.

INDEPENDENT REVIEW REPORT TO THE SOCIETY OF LLOYD'S

INTRODUCTION

We have been engaged by the Council of Lloyd's to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2011 which comprises the group income statement, the group statement of comprehensive income, the group statement of financial position, the group statement of changes in equity, the group statement of cash flows and the related notes 1 to 10. We have read the other information contained in the Society of Lloyd's group interim financial statements and considered whether they contain any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Society of Lloyd's in accordance with guidance contained in International Standard on Review Engagements 2410 (UK and Ireland) 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society of Lloyd's, for our work, for this report, or for the conclusions we have formed.

COUNCIL OF LLOYD'S RESPONSIBILITY

The half-yearly financial report is the responsibility of, and has been approved by, the Council of Lloyd's. The Council of Lloyd's is responsible for preparing the half-yearly financial report in accordance with International Accounting Standard 34 'Interim Financial Reporting', as adopted by the European Union.

As disclosed in note 1, the annual financial statements of the Society of Lloyd's are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting', as adopted by the European Union.

OUR RESPONSIBILITY

Our responsibility is to express to the Society of Lloyd's a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2011 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union.

ERNST & YOUNG LLP
London

20 September 2011

Since merchants first met to insure their ships at Edward Lloyd's coffee shop over 300 years ago, nearly every aspect of the way we do business has changed. But one constant is the bold confidence proclaimed by our motto, reflected in both our unique appetite for risk and our worldwide reputation for settling valid claims.

The cover and text pages of this report are printed on Revive 50:50 Silk, a recycled paper containing 50% recovered waste, 50% virgin fibre and is certified as an FSC mixed sources grade. Revive 50:50 is manufactured to the certified environmental management system ISO 14001.
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