

2 August 2012

HALF YEAR FINANCIAL REPORT TO 30 JUNE 2012

Solid performance in a challenging environment

- Net written premiums of £4.3bn, up by 4% at constant exchange (2% as reported)
- Combined operating ratio (COR) of 95.2% with strong performances in Scandinavia and Canada partially offset by adverse weather in the UK and earthquakes in Italy
- Investment income of £267m and operating profit of £316m
- IGD surplus of £1.2bn; coverage remains strong at 1.9 times
- Upgraded by S&P to 'A+' (stable outlook) in February
- Interim dividend up by 2% to 3.41p

Good progress on strategic priorities

- Another excellent performance in Swedish Personal supported by improved profitability in Denmark and Norway
- Continued strong performance in Canada with double digit growth in Commercial led by Large and Specialty. Acquisition of L'Union Canadienne will consolidate number 3 market position and bolster footprint in Quebec
- Driving growth in UK Home, Pet and Specialty. UK Personal Motor premiums down by 19% as a result of ongoing management actions which deliver a sub-100% COR for the first time in four years
- Emerging Markets again achieves double digit growth. Bolt-on acquisitions will position RSA as a top 5 general insurer in Argentina; Czech operation closed as unable to achieve scale within a reasonable timeframe
- Global Specialty lines grew by 6% at constant exchange and by 7% on an underlying basis
- Continue to expect overseas operations to be c70% of Group premiums in 2015

Confident of delivering a good full year performance

- Following adverse weather in the first half, now expect to deliver a COR for the Group of better than 96%
- Investment income still expected to be around £500m

	6 Months 2012	6 Months 2011	Movement*
Net written premiums	£4,276m	£4,188m	2%
Underwriting result	£158m	£206m	(23)%
Combined operating ratio	95.2%	93.2%	(2.0)pts
Operating result	£316m	£408m	(23)%
Profit before tax	£233m	£376m	(38)%
Profit after tax	£164m	£277m	(41)%
Interim dividend per ordinary share	3.41p	3.34p	2%
	30 June 2012	31 December 2011	
Financial position			
Shareholders' funds	£3,730m	£3,801m	(2)%
Net asset value per share excluding IAS 19	104p	108p	(4)%
Net asset value per share	102p	104p	(2)%

* Reported exchange rate

Simon Lee, Group Chief Executive of RSA, commented:

"We are making good progress with our strategic priorities. Premium growth in the first half of the year was led by our focus areas of Emerging Markets, Canada and Specialty. In the UK, we've grown our core lines of Home, Pet and Commercial Property and continued to reduce volumes in Motor. In terms of profitability, our major overseas operations have again performed strongly with a COR of around 83% in Scandinavia and a record first half underwriting result in Canada. Set against this, are the adverse weather conditions experienced in the UK and the impact of the two Italian earthquakes in May. However, the overall COR of 95.2% represents a solid performance in challenging conditions.

Economic conditions will undoubtedly remain tough in some of our markets. Despite this, we remain confident of delivering a good performance for the full year and, assuming more normal levels of weather losses for the remainder of 2012, now expect to deliver a COR for the Group of better than 96%. In line with our policy, we have increased the interim dividend by 2% to 3.41p (H1 2011: 3.34p)."

For further information:

Analysts

Claire Cordell
Tel: +44 (0) 20 7111 7212
Mobile: +44 (0) 7834 944 204

Simon Sperryn-Jones
Tel: +44 (0) 20 7111 7140
Mobile: +44 (0) 7771 996 221

Press

Louise Shield
Tel: +44 (0) 20 7111 7047
Mobile: +44 (0) 7786 114 662

Bart Nash
Tel: +44 (0) 20 7111 7336
Mobile: +44 (0) 7920 467 905

CONTENTS	PAGE
Interim management report	3
CEO review	3
Other financial information	7
Other Information	10
Summary consolidated income statement – management basis	12
Summary consolidated statement of financial position – management basis	13
Other information – management basis	14
Regional analysis of insurance operations	16
Estimation techniques, risks, uncertainties and contingencies	19
Condensed consolidated financial statements	23
Responsibility statement	31
Independent review report to RSA Insurance Group plc	32

Important disclaimer

Visit www.rsagroup.com for more information.

This half year report has been prepared in accordance with the requirements of English company law and the liabilities of the directors in connection with this half year report shall be subject to the limitations and restrictions provided by such law. This half year report may contain 'forward-looking statements' with respect to certain of the Group's plans and its current goals and expectations relating to its future financial condition, performance, results, strategic initiatives and objectives. Generally, words such as "may", "could", "will", "expect", "intend", "estimate", "anticipate", "aim", "outlook", "believe", "plan", "seek", "continue" or similar expressions identify forward-looking statements. These forward-looking statements are not guarantees of future performance. By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond the Group's control, including amongst other things, UK domestic and global economic business conditions, market-related risks such as fluctuations in interest rates and exchange rates, the policies and actions of regulatory authorities (including changes related to capital and solvency requirements), the impact of competition, currency changes, inflation, deflation, the timing impact and other uncertainties of future acquisitions or combinations within relevant industries, as well as the impact of tax and other legislation and other regulations in the jurisdictions in which the Group and its affiliates operate. As a result, the Group's actual future financial condition, performance and results may differ materially from the plans, goals and expectations set forth in the Group's forward-looking statements. The Group undertakes no obligation to update any forward-looking statements, save in respect of any requirement under applicable law or regulation. Nothing in this half year report should be construed as a profit forecast.

INTERIM MANAGEMENT REPORT

CEO REVIEW

The Group has delivered a solid performance in challenging conditions. Net written premiums of £4,276m are up by 4% on a constant exchange basis due to rate on renewals or by 2% on a reported basis. Overall volumes are flat when compared to the same period last year, with strong growth in Emerging Markets and Canada offset by targeted reductions in UK Personal Motor and Italy.

Across the Group, we continue to focus on Commercial Specialty with premiums up by 6% on a constant basis driven by the UK, Emerging Markets, Europe and Canada. Excluding one-off reinsurance adjustments in Scandinavia and Canada, Specialty grew by 7% compared with the first half of 2011. In terms of profitability, Specialty lines delivered a good performance with a COR of 95.4% (H1 2011: 94.9%).

The Group's underwriting result is £158m (H1 2011: £206m) with a current year underwriting profit of £45m (H1 2011: £100m) and a prior year profit of £113m (H1 2011: £106m). Although benefiting from continued management action on rate and expenses, the current year result was impacted by increased weather and large losses, which were £48m and £15m worse respectively than in the same period in 2011. As detailed in our press release on 18 July 2012, weather losses include the adverse weather in June in the UK for which the net loss to the Group is estimated to be around £40m. Large losses include the two earthquakes in the Emilia Romagna region of Italy in May, for which the net loss is estimated to be around £35m.

The prior year result is again strong and is up by 7% to £113m reflecting positive run off from all regions including good contributions from Swedish Personal lines, Danish Workers Compensation and UK Commercial Property. The Group continues to adopt a prudent reserving policy for both current and overall reserves. At 30 June 2012, reserves remain significantly to the right side of best estimate and, given our prudent reserving policy, we continue to expect positive prior year development to be a significant feature of the underwriting result.

The Group's combined operating ratio (COR) is 95.2% compared with 93.2% last year. This two point variance is split almost equally between the loss ratio, with the increased weather and large losses partially offset by an improvement in the underlying loss ratio, and the commission ratio, which is up due to mix changes as growth with affinity partners outpaces direct channels in a number of regions. The operating expense ratio remains broadly unchanged compared to the prior year.

As disclosed in the full year 2011 results, we have excluded realised and unrealised gains from the operating result to provide greater transparency and predictability. The investment result is £225m (H1 2011: £268m) and comprises investment income of £267m (H1 2011: £313m) offset by the discount unwind. Investment income is down by 15% as reported, although the 2011 comparative included a £25m one-off property rental settlement. Excluding this, investment income is down by 7% reflecting continued pressure on reinvestment yields.

The insurance result, which comprises the underwriting result plus the investment result, is £383m and includes £178m from Scandinavia, £92m from Canada, £86m from the UK & Western Europe and £31m from Emerging Markets.

The operating result is £316m (H1 2011: £408m) and includes costs relating to other activities of £67m which are in line with last year.

Profit before tax of £233m (H1 2011: £376m) includes net investment gains of £34m and is after Solvency II costs of £16m and £19m of reorganisation costs relating to the closure of our Czech Direct operation, which we announced in June, and the restructuring of our Group Corporate Centre where we are reducing headcount by around one third. Profit after tax is £164m (H1 2011: £277m).

The underlying return on opening shareholders' funds is 9.5% (H1 2011: 15.2%) with the movement on the prior year due to the lower underwriting result and the ongoing pressure on investment income. The underlying return on average shareholders' funds was 9.6% at the half year compared with 15.0% in the first half of 2011.

Business Overview

Set out below are the net written premiums and combined operating ratios for our regions:

	Net written premiums				Combined operating ratio		
	6 Months 2012	6 Months 2011	Movement as reported	Movement at constant exchange	6 Months 2012	6 Months 2011	Movement
	£m	£m	%	%	%	%	Points
Scandinavia	1,056	1,077	(2)	3	83.1	81.7	(1.4)
Canada	743	698	6	7	91.9	92.1	0.2
UK & Western Europe	1,882	1,884	-	1	101.2	98.9	(2.3)
Emerging Markets	585	519	13	16	99.8	98.6	(1.2)
Group Re	10	10	-	-	-	-	-
Total Group	4,276	4,188	2	4	95.2	93.2	(2.0)

- Scandinavia

As set out in the year end 2011 results, our focus remains to protect our leadership positions in Swedish Motor and Personal Accident, improve profitability in Denmark and Norway and capitalise on being the only scale player in the region with a global presence. We are making good progress against all of these priorities.

Scandinavia delivered a good top line performance. Although premiums of £1,056m were down by 2% as reported, growth on a constant basis was 3% and comprised a strong contribution from Personal, up by 5%, and a 1% increase in Commercial lines.

In Personal, premiums of £529m are in line with the prior year as reported (up by 5% at constant exchange) with Motor up by 2% (6% at constant exchange), Other, which includes Personal Accident (PA), up by 2% (8% at constant exchange) and Household down by 4% (in line with H1 2011 at constant exchange). On a constant basis, growth in Motor was due to an affinity deal with the Norwegian Automobile Federation which launched at the beginning of the year. Excellent retention and good new business, following the launch of an improved proposition and two new distribution partnerships, drove strong growth in Swedish PA. In Household, growth resulting from positive rate action in both Denmark and Sweden was offset by volume reductions as we continued to push for increased profitability in Norway.

Commercial premiums are down by 4% to £527m (up by 1% at constant exchange) with Property down by 13% (8% at constant exchange), Liability down 1% (up 4% at constant exchange), Motor down 1% (up 3% at constant exchange) and Other up by 8% (14% at constant exchange). Commercial premiums were impacted by the change in the timing of the reinsurance programme, which will reverse throughout the year, and excluding this premiums were up by 3%. This adjustment is mainly in Property, where on an underlying basis premiums were down 4% and improved retention and rate were offset by reduced volumes as the economic downturn led to a market-wide reduction in the number of new renewable energy and construction projects compared to the first six months of 2011. Improved retention and rate also drove good growth in Liability and Motor, with growth in Other mainly reflecting the benefits of a new distribution deal in Norwegian Care which commenced in the second half of 2011.

Scandinavia delivered another excellent underwriting result of £130m (H1 2011: £144m) with our focus portfolios in Swedish Personal continuing to perform very strongly and improved profitability from both Denmark and Norway. The COR was also excellent at 83.1% (H1 2011: 81.7%) with a very strong result in Personal, where the COR was 78.7% (H1 2011: 76.6%). Commercial reported a COR of 88.2% (H1 2011: 87.7%) and was led by Liability which benefitted from a good contribution from prior year development in Danish Workers Compensation.

- Canada

We are delivering on our ambition to drive strong growth in Canada with premiums of £743m up by 6% (7% at constant exchange) led by rate increases and strong retention.

In Personal, net written premiums of £485m increased by 5% (6% at constant exchange) with Household up by 8% (10% at constant exchange) and Motor up by 3% (4% at constant exchange). Growth comes from both Johnson, our direct business, where, as expected, momentum has accelerated since the first quarter and premiums of £272m were up by 5% (6% at constant exchange), and our Broker business which grew by 4% (5% at constant exchange) to £213m.

In Commercial, net written premiums of £258m increased by 10% on both a reported and constant basis. Excluding the impact of the one-off reinsurance adjustment in the first quarter of 2011, relating to the acquisition of GCAN, Commercial was up by 13%. Growth was driven by Large and Specialty lines where the additional capability GCAN brings was key in

winning a number of new accounts, which, along with continued strong retention, led to growth in Property of 9% (10% at constant exchange) and Liability of 13% (13% at constant exchange).

In terms of profitability, Canada delivered a record first half underwriting result of £61m up by 13% on the same period last year (H1 2011: £54m) with the COR improving to 91.9% (H1 2011: 92.1%). In Personal, the improvement in the result was driven by Household, which benefitted from the benign weather and large loss experience in the first half and delivered a COR of 90.4% (H1 2011: 105.6%). Commercial reported another strong COR of 88.5% (H1 2011: 86.6%) with good performances across all lines.

We have also achieved our strategic goal of bolstering our geographical footprint in the commercially attractive province of Quebec through the acquisition of L'Union Canadienne, the third largest intermediated Motor and Property general insurer in the province, which we announced in June and expect to close in the fourth quarter.

- UK & Western Europe

Across the UK and Western Europe, premiums of £1,882m are in line with the first half of 2011 as the impact of positive rate actions are offset by volume reductions in UK Motor and Italy where we continue to take action to improve profitability. The underwriting loss of £31m (H1 2011: profit of £5m) and COR of 101.2% (H1 2011: 98.9%) were impacted by adverse weather in the UK and Ireland and by the Italian earthquakes in May.

In the UK, we continue to reposition the business to make it more focused and maximise its contribution. We are targeting growth in products where we have a strategic advantage such as Household, Pet and Specialty and focusing on fewer segments in Motor. As a result of this strategy, premiums were up by 1% to £1,497m.

The results of our strategy are evident in UK Personal. Although premiums were down by 3% to £661m, we delivered 7% growth in Household to £324m driven by the acquisition of Oak Underwriting in 2011 and the deal we announced with OIM Underwriting in May, and 13% growth in Pet to £113m due to a strong performance with our affinity partners including Tesco and the Home Retail Group. We continue to build momentum in our affinity channel and recently signed an agreement to provide Pet and Household insurance to John Lewis and Waitrose customers in the UK. Pet insurance commenced in July 2012 and Household is scheduled to start in early 2013. Growth in targeted areas was offset by a 19% reduction in Motor, where we continued to push rate and reduce capacity.

In UK Commercial, premiums of £836m are up by 5%. We continued to focus on Specialty lines and achieved a 37% increase in Risk Managed to £85m, which drove the 13% growth in Property to £272m. In addition, Marine grew by 3% to £155m. Commercial Motor premiums were in line with the first half of 2011, with positive rate action offset by volume reductions. In Commercial Broker distribution, we continue to implement our targeted strategy. We have withdrawn from around 200 of our least profitable relationships and are working to improve the contribution from the next tier of underperforming relationships. With our key brokers we continue to build long-term partnerships which emphasise service and value.

The UK was break-even at an underwriting level (H1 2011: profit of £20m) with the positive impact of rate in excess of claims inflation and a moderate improvement in large losses being offset by adverse weather, which was £62m worse than experienced in the first six months of 2011. The weather losses included around £40m in relation to June, which was the wettest on record and impacted the Household, Property and Motor portfolios. The overall COR was 99.9% (H1 2011: 97.7%). Despite the adverse weather, Personal lines delivered an underwriting profit of £14m (H1 2011: £27m) with Personal Motor returning to underwriting profit for the first time in four years as a result of our ongoing actions. The Commercial result includes good performances from Property and Marine, with CORs of 93.4% and 98.3% respectively. As previously indicated, Commercial Motor, where the COR was 108.3%, continues to be impacted by losses from one significant contract.

In Ireland, our aim is to drive value from the acquisition of 123.ie and maintain our market leading profitability and we are delivering on both objectives. Against a backdrop of market contraction, premiums of £183m are down by 2% as reported although up by 3% at constant exchange. Growth is driven by 123.ie, which increased premiums by 20% and is performing well ahead of the original business case. The Irish underwriting result was £14m (H1 2011: £21m) despite the June floods, for which the net impact was around £6m, and the COR was an excellent 92.6%.

In Italy, premiums of £98m are down by 23% (20% at constant exchange) as we continue to remediate the business. In the first half of the year, we have exited a further 28 unprofitable intermediaries and continued to push significant rate increases through the Motor book. The underwriting loss was £41m (H1 2011: £24m) with a COR of 136.8% (H1 2011: 117.0%) and was impacted by the two earthquakes in the Emilia Romagna region in May. The management team is taking the right action; we are making progress and still expect to be close to break-even in 2013.

Risk Managed Europe premiums are up by 9% to £104m (H1 2011: £95m) driven by Spanish Renewable Energy and France. The underwriting loss was £4m (H1 2011: loss of £12m) and the COR was 98.5%.

- Emerging Markets

In Emerging Markets, premiums of £585m are up by 13% (16% at constant exchange), with total premiums including associates of £737m up by 11% (16% at constant exchange). The underwriting result is £7m (H1 2011: £3m) and the COR is 99.8% (H1 2011: 98.6%).

We continue to build scale by leveraging Group capability in Affinity, where we signed 15 new deals in the first six months, in Motor which grew by 10%, Specialty which grew by 13% and in Marine which was up by 5%.

Latin America delivered another excellent top line performance. Premiums of £343m were up by 15% (20% at constant exchange) with double digit growth in Chile due to Property and Commercial Motor, in Mexico driven by Commercial and in Argentina due to Motor. In Argentina, we recently acquired El Comercio and Aseguradora de Créditos y Garantías, which together double our market share and transform us into the number five general insurer in the country. These deals are expected to deliver around £100m of net written premiums in their first full year.

In Asia and the Middle East, premiums of £129m are up by 12% (9% at constant exchange) with growth of 38% in Oman due to Commercial Motor and 31% in Singapore, where both Motor and Specialty performed strongly, partially offset by the impact on the comparative of large project-related Commercial wins in Hong Kong in the second quarter of 2011. Our associates in India and Thailand grew by 6% to £152m (13% at constant exchange) mainly due to Motor.

In Central and Eastern Europe, premiums of £113m grew by 6% (14% at constant exchange). Across the Baltics, we have maintained our market leading position and premiums are up by 6% (11% at constant exchange) to £69m with Estonia growing strongly as a result of its affinity distribution with SEB Bank, Lithuania up by 5% and Latvian premiums flat compared with the prior year. Our Direct businesses grew by 5% (19% at constant exchange) to £44m with good growth in Poland and Russia. In June, we announced the closure of our Czech business as we no longer felt able to achieve scale and deliver sustainable underwriting returns within a reasonable timeframe.

Outlook

We continue to make progress on our strategic priorities. In Scandinavia, we have achieved another strong performance from our leadership positions in Swedish Personal supported by improved profitability in both Denmark and Norway. We are driving strong growth in Canada. GCAN continues to deliver value and the acquisition of L'Union Canadienne will further cement our position as the third largest insurer in the market. In UK Personal, we've grown our core portfolios of Household and Pet and reduced our exposure to Personal Motor while returning the Motor book to underwriting profitability for the first time in four years. In UK Commercial, we are driving profitable growth in Specialty and refocusing our Broker distribution. Across Western Europe, we are making progress in Italy, despite the impact of the earthquakes, and continue to expect to be close to breakeven in 2013, while Ireland continues to deliver market-leading profitability with 123.ie performing well ahead of expectations. We are building scale in Emerging Markets and still expect to generate premiums of around £2.2bn by the end of 2015, although we continue to work with the businesses to see how we can beat this target.

In the medium term, we remain committed to delivering sustained outperformance and are strongly positioned for when economic growth returns and yields improve. We continue to focus on rebalancing the portfolio so that around 70% of premiums are generated by our overseas businesses by the end of 2015.

Whilst the macro-economic environment remains tough, we remain confident in the outlook for the full year 2012. We continue to expect to deliver good premium growth and, assuming more normal levels of weather losses in the second half of the year, we now expect to deliver a COR of better than 96%. We also continue to expect investment income to be around £500m for the full year.

In February, in response to the subdued growth in some of our markets and historically low investment yields, we revised our dividend policy and announced our intention to grow the dividend at a low single digit rate while current economic conditions persist. In line with this policy, we are increasing the interim dividend by 2% to 3.41p (H1 2011: 3.34p).

Simon Lee, Group Chief Executive

OTHER FINANCIAL INFORMATION

- Rating movements

Rate movements achieved for risks renewing in June 2012 versus comparable risks renewing in June 2011 are set out in the table below. Our action on rating demonstrates our commitment to maintaining pricing discipline and to delivering sustainable profitable performance.

	Personal		Commercial		
	Motor %	Household %	Motor %	Liability %	Property %
Scandinavia	2	7	4	4	1
Canada	3	11	1	1	3
UK	4	5	9	6	3

- Other activities

The analysis of the other activities result is as follows:

	6 Months 2012 £m	6 Months 2011 £m	Movement
Central expenses	(35)	(32)	(9)%
Investment expenses and charges	(16)	(18)	11%
Other operating activities	(16)	(16)	-
Other activities	(67)	(66)	(2)%

Other activities of £67m are broadly in line with the prior year (H1 2011: £66m) and comprise central expenses of £35m, investment expenses of £16m and other operating activities of £16m. Other operating activities include our share of the results of our associate in India and Thailand and the ongoing investment in Central and Eastern Europe. In the first half of 2012, this investment in Central and Eastern Europe was around £12m (H1 2011: £13m).

- Investment result

The analysis of the investment result is as follows:

	6 Months 2012 £m	6 Months 2011 £m	Movement
Bonds	207	225	(8)%
Equities	36	37	(3)%
Cash and cash equivalents	6	5	20%
Land and buildings	12	28	(57)%
Other	6	18	(67)%
Investment income	267	313	(15)%
Unwind of discount including ADC*	(42)	(45)	7%
Investment result	225	268	(16)%

*ADC = adverse development cover

The Group continues to maintain a low risk investment strategy with the portfolio dominated by high quality fixed income and cash assets.

As disclosed in the full year 2011 results, we have excluded realised and unrealised gains from the operating result to provide greater transparency and predictability.

Investment income of £267m is down by 15% as reported, however the 2011 comparative includes a £25m one-off property rental settlement and excluding this, investment income is down by 7% reflecting continued pressure on reinvestment yields. The average underlying yield on the portfolio (excluding the yield on the ADC funds withheld account) was 3.7% (H1 2011: 4.1%) with a 0.9% return on cash assets and 4.0% on the remainder of the portfolio.

For the full year 2012, we continue to expect investment income to be around £500m reflecting the skew of dividend income to the first six months of the year and continued pressure on reinvestment rates.

The table below sets out the key movements in the investment portfolio during 2012:

	Value 31/12/2011 £m	Foreign Exchange £m	Mark to Market £m	Other Movements £m	Value 30/6/2012 £m
Government Bonds	4,707	(67)	(4)	(296)	4,340
Non Government Bonds	6,967	(96)	27	(1)	6,897
Cash	1,258	(17)	-	135	1,376
Equities	771	(6)	12	(94)	683
Property	362	(1)	(11)	-	350
Prefs & CIVs	289	(2)	2	30	319
Other	104	(1)	-	(1)	102
Total	14,458	(190)	26	(227)	14,067

The investment portfolio decreased by 3% over the first half of the year to £14,067m, with mark to market gains of £26m offset by negative foreign exchange movements of £190m and other negative movements of £227m. The foreign exchange movement reflects the appreciation of Sterling against the Canadian Dollar, Euro, Danish Krone and the Swedish Krona. Other movements predominantly reflect net redemptions of government bonds and the sale of equities offset by an increased cash balance.

At 30 June 2012, unrealised gains in the statement of financial position were £611m (31 December 2011: £603m).

Our high quality, low risk strategy is unchanged. Of the total investment portfolio, 90% remains invested in high quality fixed income and cash assets. The fixed interest portfolio is concentrated on high quality short dated assets, with 98% of the bond portfolio investment grade, and 73% rated AA or above. The bond holdings are well diversified, with 75% invested in currencies other than Sterling, and 61% invested in non government bonds (31 December 2011: 60%).

The government bond portfolio of £4.3bn remains high quality, with 83% rated AAA and 92% rated A or above. The non government bond portfolio of £6.9bn comprises £1.7bn of Scandinavian Mortgage Bonds, £3.5bn of other financials and £1.7bn of non financials. The Scandinavian Mortgage Bonds portfolio comprises £0.9bn of Swedish bonds, which are all rated AAA, and £0.8bn of Danish bonds, which are principally rated AAA. The Scandinavian Mortgage Bond portfolio has an average LTV of around 60%. Within the £3.5bn of other financial exposure, £0.4bn is in supranational and sovereign backed entities, £1.0bn in other non bank financials and £2.1bn in banks. Of the £2.1bn in banks, just £223m of this is subordinated debt and only £22m is Tier 1 (including non-perpetual preference shares).

In peripheral Europe, our exposure to government bonds in Greece, Italy, Ireland, Spain and Portugal remains limited at £144m (31 December 2011: £138m) or around 1% of the total portfolio. Of this exposure, the majority is held to back the liabilities of our European insurance operations, with £71m in Ireland and £51m in Italy. Additionally, we hold £0.4m of Greek and £22m of Spanish government debt. We have very limited exposure to bank debt in all of the peripheral European countries, with holdings totalling just £60m at 30 June 2012.

As expected, the average duration across the Group has increased to 3.7 years (31 December 2011: 3.4 years).

Equities (excluding preference shares and Collective Investment Vehicles backed by fixed income and cash) now comprise around 5% of the portfolio with around 68% of the exposure hedged with a rolling programme of put and call options, providing protection down to a FTSE level of 4,400. Around 2% of assets are invested in high quality commercial properties.

Looking forward, we will continue to follow our high quality, low risk strategy. Within this, we see the potential for a further increase in exposure to high quality non government securities towards 65% of the bond portfolio. We will also continue to take advantage of opportunities to modestly increase our holdings in longer dated securities.

OTHER INFORMATION

Capital position

The regulatory capital position of the Group under the Insurance Groups Directive (IGD) is set out below:

	30 June 2012 Requirement £bn	30 June 2012 Surplus £bn	31 December 2011 Surplus £bn
Insurance Groups Directive	1.3	1.2	1.3

The IGD surplus is down marginally on the start of the year but remains strong at £1.2bn (31 December 2011: £1.3bn) with coverage over the IGD requirement also strong at 1.9 times (31 December 2011: 2.0 times). A 30% fall in the FTSE from the 30 June level of around 5,570 would reduce the IGD surplus by an estimated £0.2bn.

We continue to make good progress on Solvency II and remain actively engaged with the FSA on the pre-application phase of the internal model approval process. It now appears likely that the Solvency II implementation date may be further delayed beyond January 2014. This would be both frustrating and potentially costly to the industry as a whole.

The Group's economic capital surplus remains significant and was £0.4bn at 30 June 2012 (31 December 2011: £0.8bn). The continued decline in risk free yields, payment of the 2011 final dividend and the prospective initial impact of the acquisitions in Canada and Argentina have offset capital generated during the first six months. Economic capital is the Group's own internal measure of capital and is calibrated to a risk tolerance consistent with Standard & Poor's long term A rated bond default curve, equivalent to a probability of insolvency over one year of 1 in 1,250. This compares with the 1 in 200 calibration proposed under Solvency II and recalibrating our model at this level per annum would increase the economic capital surplus at the half year end by around £0.4bn.

Our financing and liquidity position also remains strong. As an endorsement of this, and the strength of our balance sheet, we concluded the negotiation of a new £500m five year senior committed debt facility with a syndicate of eleven banks. This replaces the existing £455m undrawn senior facility which was due to expire in March 2013. The next call on any external financing is on the £450m subordinated guaranteed perpetual notes in December 2014.

The Group was upgraded to A+ stable outlook by Standard & Poor's in February and is currently rated A2 stable outlook by Moody's and A stable outlook by AM Best.

Return on equity

Underlying return on equity is 9.6% (2011: 15.0%) and is calculated as the profit after tax attributable to ordinary shareholders from continuing operations, excluding reorganisation costs and acquisitions and disposals expressed in relation to average shareholders' funds attributable to ordinary shareholders.

Combined operating ratio

The combined operating ratio represents the sum of expense and commission costs expressed in relation to net written premiums and claim costs expressed in relation to net earned premiums. The calculation of the COR of 95.2% is based on net written premiums of £4,276m and net earned premiums of £3,982m.

Net asset value per share

The net asset value per share at 30 June 2012 excluding the IAS 19 pension deficit was 104p (31 December 2011: 108p) and including the IAS 19 pension deficit was 102p (31 December 2011: 104p). At 2 August 2012, the net asset value per share excluding the IAS 19 pension deficit was estimated at 105p and including the IAS 19 pension deficit was estimated at 101p.

The net asset value per share at 30 June 2012 was based on total shareholders' funds of £3,730m, adjusted by £125m for preference shares, and shares in issue at the period end of 3,545,088,659 (excluding those held in the ESOP and SIP trusts).

Earnings per share

The earnings per share is calculated by reference to the result attributable to the ordinary shareholders of the Parent Company and the weighted average number of shares in issue during the period. Operating earnings per share is calculated by reference to the result attributable to the equity shareholders excluding investment gains and losses, amortisation, reorganisation costs and acquisitions and disposals and the weighted average number of shares in issue during the period.

On a basic and diluted basis the weighted average number of shares in issue was 3,532,510,212 and 3,561,842,567 respectively (excluding those held in ESOP and SIP trusts). The number of shares in issue at 30 June 2012 was 3,545,088,659 (excluding those held in ESOP and SIP trusts).

Dividend

The directors have declared an interim ordinary dividend of 3.41p per share. The interim dividend will be payable on 23 November 2012 to shareholders on the register at the close of business on 28 September 2012. Shareholders will be offered a scrip dividend alternative. Scrip dividend mandates need to be received by Equiniti by 26 October 2012. The second preference share dividend for 2012 will be payable on 1 October 2012 to holders of such shares on the register at the close of business on 10 August 2012.

Risks and uncertainties

There are a number of potential risks and uncertainties which could have a material impact on the Group's performance over the remaining six months of the financial year and could cause actual results to differ materially from expected and historical results. The Board considers the risks and uncertainties disclosed in the latest Annual Report and Accounts to continue to reflect the principal risks and uncertainties of the Group over the remaining six months of the financial year, except where specifically mentioned in this half year financial report.

The principal risks and uncertainties of the Group, as per page 33 of the latest Annual Report and Accounts, are: prolonged economic downturn in our key markets negatively impacting premium growth and increasing claims frequency; adverse financial markets and lower interest rates impacting the investment portfolio and investment income; rating environment softening significantly in key markets; insurance risks are accepted outside the Group's risk appetite or below technical price and adverse loss experience arising through catastrophic events, increasing frequency and severity of large losses or deterioration in long tail reserves. Further information on the risks and uncertainties of the Group is included in the latest Annual Report and Accounts.

Related party transactions

In 2012, there have been no related party transactions that have materially affected the financial position of the Group.

Changes to management basis reporting

With effect from 1 January 2012, we have restructured the business into four regions, Scandinavia, Canada, UK and Western Europe, which includes Ireland and Italy, and Emerging Markets, which remains unchanged. As a result, we have extended the regional disclosure on page 17 to include a detailed line of business analysis for both Personal and Commercial in Scandinavia and Canada. The prior year comparatives have been restated accordingly.

In addition, two changes disclosed in the full year 2011 results impact the prior half year comparatives. Firstly, in Scandinavia, to better reflect the nature of the product and our management structure, Care was reclassified from Personal to Commercial lines. In the first six months of 2011, Care generated NWP of £62m and an underwriting profit of £11m. Secondly, in the UK, due to growth in the portfolios and to aid transparency we amended the product information to detail Pet in Personal and Marine in Commercial lines resulting in some minor movements between lines, however the overall Personal and Commercial results for the first six months of 2011 are unchanged.

As previously indicated, we have restated the consolidated management income statement and the related notes so that investment result, operating result and operating earnings per share exclude realised and unrealised gains.

FURTHER INFORMATION

The full text of the above is available to the public at 1 Leadenhall Street, London EC3V 1PP. The text is also available online at www.rsagroup.com. A live audiocast of the analyst presentation, including the question and answer session, will be broadcast on the website at **10.30am** today and is available via a listen only conference call by dialling UK Freephone 0800 358 5256 or International dial in: +44 (0) 208 515 2303. An indexed version of the audiocast will be available on the website by the end of the day. Copies of the slides to be presented at the analyst meeting will be available on the site from **10.00am** today.

A Q3 interim management statement will be released on 8 November 2012 and the full year 2012 results will be announced on 21 February 2013.

MANAGEMENT BASIS OF REPORTING

The following analysis on pages 12 to 15 has been prepared on a non statutory basis as management believe that this is the most appropriate method of assessing the financial performance of the Group. The management basis reflects the way management monitor the business. The underwriting result includes insurance premiums, claims and commissions and underwriting expenses. In addition, the management basis also discloses a number of items separately such as investment result, interest costs, Solvency II costs, reorganisation costs and other activities. Estimation techniques, risks, uncertainties and contingencies are included on pages 19 to 22. Financial information on a statutory basis is included on pages 24 to 30.

SUMMARY CONSOLIDATED INCOME STATEMENT

MANAGEMENT BASIS

	6 Months 2012 £m	6 Months 2011 £m	12 Months 2011 £m
Net written premiums	4,276	4,188	8,138
Underwriting result	158	206	375
Investment income	267	313	579
Unwind of discount including ADC	(42)	(45)	(94)
Investment result	225	268	485
Insurance result	383	474	860
Other activities	(67)	(66)	(133)
Operating result	316	408	727
Realised gains	37	66	201
Unrealised gains/(losses), impairments and foreign exchange	(3)	(7)	(44)
Total gains	34	59	157
Interest costs	(58)	(58)	(117)
Amortisation and impairment of intangible assets	(20)	(20)	(114)
Solvency II costs	(16)	(9)	(30)
Reorganisation costs	(19)	-	-
Acquisitions and disposals	(4)	(4)	(10)
Profit before tax	233	376	613
Taxation	(69)	(99)	(186)
Profit after tax	164	277	427

Earnings per share on profit attributable to the ordinary shareholders of the Parent Company:

Basic	4.4p	7.8p	11.9p
Diluted	4.4p	7.7p	11.8p

Operating earnings per share on profit attributable to the ordinary shareholders of the Parent Company:

Basic	4.6p	7.0p	11.3p
Diluted	4.6p	7.0p	11.2p

Solvency II implementation costs are £16m for the first six months and we continue to expect the full year total to be around £30m.

Reorganisation costs are £19m for the first half of the year. Of the total, around £10m relates to the closure of our Czech Direct operation, which we announced in June, and around £9m for the restructuring of our Group Corporate Centre.

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

MANAGEMENT BASIS

	30 June 2012	30 June 2011	31 December 2011
	£m	£m	£m
Assets			
Goodwill and other intangible assets	1,363	1,427	1,359
Property and equipment	267	287	275
Associated undertakings	32	39	29
Investments			
Investment property	350	375	362
Equity securities	1,002	1,494	1,060
Debt and fixed income securities	11,237	11,643	11,674
Other	102	131	104
Total investments - management basis	12,691	13,643	13,200
Reinsurers' share of insurance contract liabilities	2,066	2,466	2,073
Insurance and reinsurance debtors	3,512	3,436	3,328
Other debtors and other assets	1,185	1,118	1,059
Cash and cash equivalents	1,376	1,052	1,258
	22,492	23,468	22,581
Assets held for sale*	-	12	17
Total assets	22,492	23,480	22,598
Equity and liabilities			
Equity			
Shareholders' funds	3,730	3,865	3,801
Non controlling interests	119	118	114
Total equity	3,849	3,983	3,915
Loan capital	1,312	1,314	1,313
Total equity and loan capital	5,161	5,297	5,228
Liabilities (excluding loan capital)			
Insurance contract liabilities	14,830	15,652	14,766
Insurance and reinsurance liabilities	596	632	602
Borrowings	298	299	298
Provisions and other liabilities	1,607	1,600	1,704
Total liabilities (excluding loan capital)	17,331	18,183	17,370
Total equity and liabilities	22,492	23,480	22,598

These summary consolidated financial statements have been approved for issue by the Board of Directors on 1 August 2012.

* Assets held for sale relate to property in Scandinavia, Canada and the UK.

OTHER INFORMATION

MANAGEMENT BASIS

Movement in net assets

	Shareholders' funds	Non controlling interests	Loan capital	Net assets
	£m	£m	£m	£m
Balance at 1 January 2012	3,801	114	1,313	5,228
Profit after tax	162	2	-	164
Exchange (losses)/gains net of tax	(62)	(1)	-	(63)
Fair value gains/(losses) net of tax	15	-	-	15
Pension fund actuarial losses net of tax	1	-	-	1
Amortisation of loan capital	-	-	(1)	(1)
Share issue	12	4	-	16
Changes in shareholders' interests in subsidiaries	(2)	-	-	(2)
Share based payments	14	-	-	14
Prior year final dividend	(206)	-	-	(206)
Preference dividend	(5)	-	-	(5)
Balance at 30 June 2012	3,730	119	1,312	5,161

Net assets have decreased by £67m to £5,161m. This increase primarily reflects the profit after tax for the period of £164m offset by ordinary dividends of £206m and exchange losses of £63m.

Pension fund position

The table below provides a reconciliation of the Group's pension fund position (net of tax) from 1 January 2012 to 30 June 2012.

	UK £m	Other £m	Group £m
Pension fund at 1 January 2012	(65)	(75)	(140)
Actuarial gains/(losses)	8	(7)	1
Deficit funding	45	-	45
Other movements	16	7	23
Pension fund at 30 June 2012	4	(75)	(71)

The deficit on the pension schemes as at 30 June 2012 is £71m compared with £140m at the start of the year with the movement primarily reflecting employer's contributions in the UK.

In line with decreasing corporate bond yields, the discount rate for the UK schemes has decreased from 4.9% to 4.5%. The general inflation assumption has decreased from 2.8% to 2.4% and the inflation assumption for pension increases has also reduced to 2.4% (FY 2011: 2.7%).

OTHER INFORMATION

MANAGEMENT BASIS

Cashflow

	6 Months 2012 £m	6 Months 2011 £m
Operating cashflow	312	281
Tax paid	(139)	(164)
Interest paid	(75)	(75)
Pension deficit funding	(59)	(56)
Cash generation	39	(14)
Group dividends	(202)	(187)
Dividend to non controlling interests	-	(9)
Issue of share capital	7	3
Net movement of debt	(1)	3
Corporate activity	(12)	(283)
Cash movement	(169)	(487)
Represented by:		
Movement in cash and cash equivalents	135	(276)
Sales of other investments	(304)	(211)
	(169)	(487)

Operating cashflows are £312m, an improvement of 11% on the same period last year. Tax and interest paid are £139m and £75m respectively and both represent around two thirds of the expected annual charge. Pension deficit funding of £59m was in line with the first half of 2011 and our expectations under the agreement with the Trustees.

Dividends paid are up by £6m to £202m reflecting the 2% increase in the 2011 final dividend. In the first half of 2012, corporate activity was limited whereas the comparative principally reflects the acquisition of GCAN in Canada which completed in January 2011.

REGIONAL ANALYSIS OF INSURANCE OPERATIONS

SIX MONTHS TO 30 JUNE

	Net written premiums		Increase as reported %	Increase at constant exchange %
	2012 £m	2011 £m		
Scandinavia	1,056	1,077	(2)	3
Canada	743	698	6	7
UK & Western Europe	1,882	1,884	-	1
Emerging Markets	585	519	13	16
Group Re	10	10	-	-
Total Group	4,276	4,188	2	4

	Underwriting result		Investment result		Insurance result	
	2012 £m	2011 £m	2012 £m	2011 £m	2012 £m	2011 £m
Scandinavia	130	144	48	66	178	210
Canada	61	54	31	39	92	93
UK & Western Europe	(31)	5	117	134	86	139
Emerging Markets	7	3	24	28	31	31
Group Re	(9)	-	5	1	(4)	1
Total Group	158	206	225	268	383	474

	Operating ratios					
	2012		Combined	2011		
	Claims %	Expenses %		Claims %	Expenses %	Combined %
Scandinavia	67.3	15.8	83.1	66.6	15.1	81.7
Canada	63.5	28.4	91.9	65.0	27.1	92.1
UK & Western Europe	70.8	30.4	101.2	69.0	29.9	98.9
Emerging Markets	56.8	43.0	99.8	56.0	42.6	98.6
Total Group	67.0	28.2	95.2	66.1	27.1	93.2

INVESTMENT RESULT BY REGION

SIX MONTHS TO 30 JUNE 2012

	Scandinavia £m	Canada £m	UK & Western Europe £m	Emerging Markets £m	Group Re £m	Group £m
Investment income	67	32	132	25	11	267
Unwind of discount including ADC	(19)	(1)	(15)	(1)	(6)	(42)
Investment result	48	31	117	24	5	225

The total investment income is allocated to the regions based on economic capital requirements. The unwind of discount is attributed on an actual basis.

SCANDINAVIA INSURANCE OPERATIONS

SIX MONTHS TO 30 JUNE

	Net written premiums		Underwriting result		Operating ratio	
	2012 £m	2011 £m	2012 £m	2011 £m	2012 %	2011 %
Personal						
Household	162	169	8	(11)	95.0	106.6
Motor	224	220	45	61	75.6	70.0
Other	143	140	47	63	66.0	52.6
Total Personal	529	529	100	113	78.7	76.6
Commercial						
Property	184	211	1	6	96.1	90.6
Liability	87	88	31	15	45.1	70.8
Motor	137	139	(3)	(5)	99.0	101.7
Other	119	110	1	15	92.5	76.6
Total Commercial	527	548	30	31	88.2	87.7
Total Scandinavia	1,056	1,077	130	144	83.1	81.7

CANADA INSURANCE OPERATIONS

SIX MONTHS TO 30 JUNE

	Net written premiums		Underwriting result		Operating ratio	
	2012 £m	2011 £m	2012 £m	2011 £m	2012 %	2011 %
Personal						
Household	154	142	20	(7)	90.4	105.6
Motor	331	321	18	35	94.7	88.8
Total Personal	485	463	38	28	92.9	94.1
Commercial						
Property	111	102	4	2	93.4	97.6
Liability	72	64	10	14	82.6	74.4
Motor	49	45	7	5	83.0	83.4
Other	26	24	2	5	94.2	82.5
Total Commercial	258	235	23	26	88.5	86.6
Total Canada	743	698	61	54	91.9	92.1

UK AND WESTERN EUROPE INSURANCE OPERATIONS

SIX MONTHS TO 30 JUNE

	Net written premiums		Underwriting result		Operating ratio	
	2012	2011	2012	2011	2012	2011
	£m	£m	£m	£m	%	%
UK Personal						
Household	324	303	4	33	99.0	89.3
Motor	224	275	7	(5)	99.5	101.7
Pet	113	100	3	(1)	99.4	96.0
Total UK Personal	661	678	14	27	99.3	95.1
UK Commercial						
Property	272	240	5	(9)	93.4	105.7
Liability	137	134	(4)	10	102.0	92.5
Motor	272	272	(21)	(18)	108.3	107.2
Marine	155	151	6	10	98.3	91.7
Total UK Commercial	836	797	(14)	(7)	100.8	99.7
Total UK	1,497	1,475	-	20	99.9	97.7
Western Europe						
Ireland	183	186	14	21	92.6	85.3
Italy	98	128	(41)	(24)	136.8	117.0
European Risk Managed	104	95	(4)	(12)	98.5	125.3
Total Western Europe	385	409	(31)	(15)	107.4	104.1
Total UK & Western Europe	1,882	1,884	(31)	5	101.2	98.9

ESTIMATION TECHNIQUES, RISKS, UNCERTAINTIES AND CONTINGENCIES

Introduction

One of the purposes of insurance is to enable policyholders to protect themselves against uncertain future events. Insurance companies accept the transfer of uncertainty from policyholders and seek to add value through the aggregation and management of these risks.

The uncertainty inherent in insurance is inevitably reflected in the financial statements of insurance companies. The uncertainty in the financial statements principally arises in respect of the insurance contract liabilities of the company.

The insurance contract liabilities of an insurance company include the provision for unearned premiums and unexpired risks and the provision for losses and loss adjustment expenses. Unearned premiums and unexpired risks represent the amount of income set aside by the company to cover the cost of claims that may arise during the unexpired period of risk of insurance policies in force at the end of the reporting period. Outstanding claims represent the company's estimate of the cost of settlement of claims that have occurred by the end of the reporting period but have not yet been finally settled.

In addition to the inherent uncertainty of having to make provision for future events, there is also considerable uncertainty as regards the eventual outcome of the claims that have occurred by the end of the reporting period but remain unsettled. This includes claims that may have occurred but have not yet been notified to the company and those that are not yet apparent to the insured.

As a consequence of this uncertainty, the insurance company needs to apply sophisticated estimation techniques to determine the appropriate provisions.

Estimation techniques

Claims and unexpired risks provisions are determined based upon previous claims experience, knowledge of events and the terms and conditions of the relevant policies and on interpretation of circumstances. Particularly relevant is experience with similar cases and historical claims payment trends. The approach also includes the consideration of the development of loss payment trends, the potential longer term significance of large events, the levels of unpaid claims, legislative changes, judicial decisions and economic, political and regulatory conditions.

Where possible, the Group adopts multiple techniques to estimate the required level of provisions. This assists in giving greater understanding of the trends inherent in the data being projected. The Group's estimates of losses and loss expenses are reached after a review of several commonly accepted actuarial projection methodologies and a number of different bases to determine these provisions. These include methods based upon the following:

- the development of previously settled claims, where payments to date are extrapolated for each prior year;
- estimates based upon a projection of claims numbers and average cost;
- notified claims development, where notified claims to date for each year are extrapolated based upon observed development of earlier years; and
- expected loss ratios.

In addition, the Group uses other methods such as the Bornhuetter-Ferguson method, which combines features of the above methods. The Group also uses bespoke methods for specialist classes of business. In selecting its best estimate, the Group considers the appropriateness of the methods and bases to the individual circumstances of the provision class and underwriting year. The process is designed to select the most appropriate best estimate.

Large claims impacting each relevant business class are generally assessed separately, being measured either at the face value of the loss adjusters' estimates or projected separately in order to allow for the future development of large claims.

Provisions are calculated gross of any reinsurance recoveries. A separate estimate is made of the amounts that will be recoverable from reinsurers based upon the gross provisions and having due regard to collectability.

The provisions for losses and loss adjustment expenses are subject to close scrutiny both within the Group's business units and at Group Corporate Centre. In addition, for major classes where the risks and uncertainties inherent in the provisions are greatest, regular and ad hoc detailed reviews are undertaken by advisers who are able to draw upon their specialist expertise and a broader knowledge of current industry trends in claims development. As an example, the Group's exposure to asbestos and environmental pollution is examined on this basis. The results of these reviews are considered when establishing the appropriate levels of provisions for losses and loss adjustment expenses and unexpired periods of risk.

It should be emphasised that the estimation techniques for the determination of insurance contract liabilities involve obtaining corroborative evidence from as wide a range of sources as possible and combining these to form the overall estimate. This technique means that the estimate is inevitably deterministic rather than stochastic.

The pension assets and pension and post retirement liabilities are calculated in accordance with International Accounting Standard 19 (IAS 19). The assets, liabilities and income statement charge, calculated in accordance with IAS 19, are sensitive to the assumptions made from time to time, including inflation, interest rate, investment return and mortality. IAS 19 compares, at a given date, the current market value of a pension fund's assets with its long term liabilities, which are calculated using a discount rate in line with yields on 'AA' rated bonds of suitable duration and currency. As such, the financial position of a pension fund on this basis is highly sensitive to changes in bond rates and will also be impacted by changes in equity markets.

Uncertainties and contingencies

The uncertainty arising under insurance contracts may be characterised under a number of specific headings, such as:

- uncertainty as to whether an event has occurred which would give rise to a policyholder suffering an insured loss;
- uncertainty as to the extent of policy coverage and limits applicable;
- uncertainty as to the amount of insured loss suffered by a policyholder as a result of the event occurring; and
- uncertainty over the timing of a settlement to a policyholder for a loss suffered.

The degree of uncertainty will vary by policy class according to the characteristics of the insured risks and the cost of a claim will be determined by the actual loss suffered by the policyholder.

There may be significant reporting lags between the occurrence of the insured event and the time it is actually reported to the Group. Following the identification and notification of an insured loss, there may still be uncertainty as to the magnitude and timing of the settlement of the claim. There are many factors that will determine the level of uncertainty such as inflation, inconsistent judicial interpretations and court judgments that broaden policy coverage beyond the intent of the original insurance, legislative changes and claims handling procedures.

The establishment of insurance contract liabilities is an inherently uncertain process and, as a consequence of this uncertainty, the eventual cost of settlement of outstanding claims and unexpired risks can vary substantially from the initial estimates, particularly for the Group's long tail lines of business. The Group seeks to provide appropriate levels of provisions for losses and loss adjustment expenses and provision for unexpired risks taking the known facts and experience into account.

The Group has exposures to risks in each class of business within each operating segment that may develop and that could have a material impact upon the Group's financial position. The geographic and insurance risk diversity within the Group's portfolio of issued insurance policies mean it is not possible to predict whether material development will occur and, if it does occur, the location and the timing of such an occurrence. The estimation of insurance contract liabilities involves the use of judgments and assumptions that are specific to the insurance risks within each territory and the particular type of insurance risk covered. The diversity of the insurance risks results in it not being possible to identify individual judgments and assumptions that are more likely than others to have a material impact on the future development of the insurance contract liabilities.

The sections below identify a number of specific risks relating to asbestos and environmental claims. There may be other classes of risk which could develop in the future and that could have a material impact on the Group's financial position.

The Group evaluates the concentration of exposures to individual and cumulative insurance risk and establishes its reinsurance policy to reduce such exposure to levels acceptable to the Group.

Asbestos and environmental claims

The estimation of the provisions for the ultimate cost of claims for asbestos and environmental pollution is subject to a range of uncertainties that is generally greater than those encountered for other classes of insurance business. As a result it is not possible to determine the future development of asbestos and environmental claims with the same degree of reliability as with other types of claims, particularly in periods when theories of law are in flux. Consequently, traditional techniques for estimating provisions for losses and loss adjustment expenses cannot wholly be relied upon and the Group employs specialised techniques to determine provisions using the extensive knowledge of both internal asbestos and environmental pollution experts and external legal and professional advisors.

Factors contributing to this higher degree of uncertainty include:

- the long delay in reporting claims from the date of exposure (for example, cases of mesothelioma can have a latent period of up to 40 years). This makes estimating the ultimate number of claims the Group will receive particularly difficult;
- issues of allocation of responsibility among potentially responsible parties and insurers;
- emerging court decisions and the possibility of retrospective legislative changes increasing or decreasing insurer liability;
- the tendency for social trends and factors to influence court awards;
- developments pertaining to the Group's ability to recover reinsurance for claims of this nature; and

- for US liabilities from the Group's London market business, developments in the tactics of US plaintiff lawyers and court decisions and awards.

Potential change in discount rate for lump sum damages awards

Legislative changes may affect the Group's liability in respect of unsettled claims in the use of predetermined factors used by courts to calculate compensation claims. For example, in the UK, standard formulae are used as an actuarial measure by the courts to assess lump sum damages awards for future losses (typically loss of earnings arising from personal injuries and fatal accidents). The calibration of these standard formulae can be updated by the UK Government and the Lord Chancellor may review the methodology to be applied in determining the discount rate to calculate the appropriate settlements, or the discount rate itself, in due course. A reduction in the prescribed discount rate would increase the value of future claims settlements.

Acquisitions and disposals

The Group makes acquisitions and disposals of businesses as part of its normal operations. All acquisitions are made after due diligence, which will include, amongst other matters, assessment of the adequacy of claims reserves, assessment of the recoverability of reinsurance balances, inquiries with regard to outstanding litigation and inquiries of local regulators and taxation authorities. Consideration is also given to potential costs, risks and issues in relation to the integration of any proposed acquisitions with existing RSA operations. The Group will seek to receive the benefit of appropriate contractual representations and warranties in connection with any acquisition and, where necessary, additional indemnifications in relation to specific risks although there can be no guarantee that these processes and any such protection will be adequate in all circumstances. The Group may also provide relevant representations, warranties and indemnities to counterparties on any disposal. While such representations, warranties and indemnities are essential components of many contractual relationships, they do not represent the underlying purpose for the transaction.

These clauses are customary in such contracts and may from time to time lead to the Group receiving claims from counterparties.

Contracts with third parties

The Group enters into joint ventures, outsourcing contracts and distribution arrangements with third parties in the normal course of its business and is reliant upon those third parties being willing and able to perform their obligations in accordance with the terms and conditions of the contracts.

Litigation, disputes and investigations

The Group, in common with the insurance industry in general, is subject to litigation, mediation and arbitration, and regulatory, governmental and other sectoral inquiries and investigations in the normal course of its business. In addition the Group is exposed to the risk of litigation in connection with its former ownership of the US operation. The directors do not believe that any current mediation, arbitration, regulatory, governmental or sectoral inquiries and investigations and pending or threatened litigation or dispute will have a material adverse effect on the Group's financial position, although there can be no assurance that losses or financial penalties resulting from any current mediation, arbitration, regulatory, governmental or sectoral inquiries and investigations and pending or threatened litigation or dispute will not materially affect the Group's financial position or cashflows for any period.

Reinsurance

The Group is exposed to disputes on, and defects in, contracts with its reinsurers and the possibility of default by its reinsurers. The Group is also exposed to the credit risk assumed in fronting arrangements and to potential reinsurance capacity constraints. In selecting the reinsurers with whom the Group conducts business its strategy is to seek reinsurers with the best combination of financial strength, price and capacity. The Group Corporate Centre publishes internally a list of authorised reinsurers who pass the Group's selection process and which its operations may use for new transactions.

The Group monitors the financial strength of its reinsurers, including those to whom risks are no longer ceded. Allowance is made in the financial position for non recoverability due to reinsurer default by requiring operations to provide, in line with Group standards, having regard to companies on the Group's 'Watch List'. The 'Watch List' is the list of companies whom the directors believe will not be able to pay amounts due to the Group in full.

Investment risk

The Group is exposed to market risk and credit risk on its invested assets. Market risk includes the risk of potential losses from adverse movements in market rates and prices including interest rates, equity prices, property prices and foreign exchange rates. The Group's exposure to market risks is controlled by the setting of investment limits in line with the Group's risk appetite. From time to time the Group also makes use of derivative financial instruments to reduce exposure to adverse fluctuations in foreign exchange rates and equity markets. The Group has strict controls over the use of derivative instruments.

Credit risk includes the non performance of contractual payment obligations on invested assets and adverse changes in the credit worthiness of invested assets including exposures to issuers or counterparties for bonds, equities, deposits and derivatives. Limits are set at both a portfolio and counterparty level based on likelihood of default to manage the Group's overall credit profile and specific concentrations within risk appetite. The Group's insurance investment portfolios are concentrated in listed securities with very low levels of exposure to assets without quoted market prices. The Group uses model based analysis to verify asset values when market values are not readily available.

The current economic crisis adds further uncertainty and volatility to underlying levels of market and credit risk in the Eurozone. The Group has, however, very limited direct exposure via its investment portfolio to the Eurozone and to the peripheral Eurozone countries in particular. As with all other invested assets, limits are set in line with the Group's risk appetite. The Group continues to monitor the situation closely and take action to manage its exposure as required.

Rating environment

The ability of the Group to write certain types of insurance business is dependent on the maintenance of the appropriate credit ratings from the rating agencies. The Group has the objective of maintaining single 'A' ratings. At the present time the ratings are 'A+' (stable outlook) from S&P, upgraded from 'A' (positive outlook) in February 2012, 'A' (stable outlook) from AM Best and 'A2' (stable outlook) from Moody's. A worsening in the ratings could have an adverse impact on the ability of the Group to write certain types of general insurance business.

In assessing credit risk in relation to reinsurance and investments, the Group takes into account a variety of factors, including credit rating. If any such rating changes, or is otherwise reassessed, this has potential implications for the related exposures.

Foreign exchange risk

The Group publishes consolidated financial statements in Pounds Sterling. Therefore, fluctuations in exchange rates used to translate other currencies, particularly other European currencies and the Canadian Dollar, into Pounds Sterling will impact the reported consolidated financial position, results of operations and cashflows from period to period. These fluctuations in exchange rates will also impact the Pound Sterling value of, and the return on, the Group's investments.

Income and expenses for each income statement item are translated at average exchange rates. Assets and liabilities, as reported in the statement of financial position, are translated at closing exchange rates at the end of the reporting period.

Regulatory environment

The legal, regulatory and accounting environment is subject to significant change in many of the jurisdictions in which the Group operates, including developments in response to changes in the economic and political environment and the recent financial crisis. The Group continues to monitor the developments and react accordingly.

The new solvency framework for insurers being developed by the EU, referred to as 'Solvency II', is intended in the medium term to achieve greater harmonisation of approach across EU member states to assessing capital resources and requirements. There will be continued uncertainty until all the rules are finalised and the Group is actively participating in shaping the outcome through its involvement with European and UK regulators and industry bodies. The Group is actively progressing its implementation plans and the Directors are confident that the Group will continue to meet all future regulatory capital requirements.

Condensed Consolidated Financial Statements

Condensed consolidated income statement	24
Condensed consolidated statement of comprehensive income	25
Condensed consolidated statement of changes in equity	25
Condensed consolidated statement of financial position	26
Condensed consolidated statement of cashflows	27
Explanatory notes to the condensed consolidated financial statements	28

CONDENSED CONSOLIDATED INCOME STATEMENT

STATUTORY BASIS

	6 Months 2012 £m	6 Months 2011 £m	12 Months 2011 (audited) £m
Income			
Gross written premiums	4,880	4,720	9,131
Less: reinsurance premiums	(604)	(532)	(993)
Net written premiums	4,276	4,188	8,138
Change in the gross provision for unearned premiums	(382)	(367)	(273)
Less: change in provision for unearned premiums, reinsurers' share	88	32	(9)
Change in provision for unearned premiums	(294)	(335)	(282)
Net earned premiums	3,982	3,853	7,856
Net investment return	295	379	745
Other operating income	68	69	134
Total income	4,345	4,301	8,735
Expenses			
Gross claims incurred	(2,910)	(2,738)	(5,595)
Less: claims recoveries from reinsurers	240	191	382
Net claims and benefits	(2,670)	(2,547)	(5,213)
Underwriting and policy acquisition costs	(1,223)	(1,167)	(2,399)
Unwind of discount including ADC	(42)	(45)	(94)
Other operating expenses	(114)	(106)	(291)
Total expenses	(4,049)	(3,865)	(7,997)
Finance costs	(58)	(58)	(117)
Acquisitions and disposals	(3)	1	1
Net share of loss after tax of associates	(2)	(3)	(9)
Profit before tax	233	376	613
Income tax expense	(69)	(99)	(186)
Profit after tax	164	277	427
Attributable to:			
Equity holders of the Parent Company	162	277	426
Non controlling interests	2	-	1
Profit after tax	164	277	427
Earnings per share on profit attributable to the ordinary shareholders of the Parent Company:			
Basic	4.4p	7.8p	11.9p
Diluted	4.4p	7.7p	11.8p

The attached notes are an integral part of these condensed consolidated financial statements. For dividend information refer to note 6.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

STATUTORY BASIS

	6 Months 2012	6 Months 2011	12 Months 2011 (audited)
	£m	£m	£m
Profit after tax	164	277	427
Exchange (losses)/gains net of tax	(63)	77	(70)
Fair value gains/(losses) net of tax	15	(43)	26
Pension fund actuarial gains/(losses) net of tax	1	(35)	(63)
Other comprehensive (expense)/income for the period, net of tax	(47)	(1)	(107)
Total comprehensive income for the period	117	276	320
Attributable to:			
Equity holders of the Parent Company	116	277	318
Non controlling interests	1	(1)	2
	117	276	320

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

STATUTORY BASIS

	Shareholders' funds £m	Non controlling interests £m	Total equity £m
Balance at 1 January 2012	3,801	114	3,915
Total comprehensive income for the period	116	1	117
Share issue	12	4	16
Changes in shareholders' interests in subsidiaries	(2)	-	(2)
Share based payments	14	-	14
Prior year final dividend	(206)	-	(206)
Preference dividend	(5)	-	(5)
Balance at 30 June 2012	3,730	119	3,849
Balance at 1 January 2011	3,766	129	3,895
Total comprehensive income for the period	277	(1)	276
Share issue	19	-	19
Changes in shareholders' interests in subsidiaries	3	(1)	2
Share based payments	3	-	3
Prior year final dividend	(198)	(9)	(207)
Preference dividend	(5)	-	(5)
Balance at 30 June 2011	3,865	118	3,983

The attached notes are an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

STATUTORY BASIS

	30 June 2012	30 June 2011	31 December 2011 (audited)
	£m	£m	£m
Assets			
Goodwill and other intangible assets	1,363	1,427	1,359
Property and equipment	267	287	275
Investment property	350	375	362
Investment in associates	32	39	29
Financial assets	12,341	13,268	12,838
Total investments	12,723	13,682	13,229
Reinsurers' share of insurance contract liabilities	2,066	2,466	2,073
Insurance and reinsurance debtors	3,512	3,436	3,328
Current tax assets	44	55	33
Deferred tax assets	261	211	249
Other debtors and other assets	880	852	777
	1,185	1,118	1,059
Cash and cash equivalents	1,376	1,052	1,258
	22,492	23,468	22,581
Assets held for sale*	-	12	17
Total assets	22,492	23,480	22,598
Equity and liabilities			
Equity			
Shareholders' funds	3,730	3,865	3,801
Non controlling interests	119	118	114
Total equity	3,849	3,983	3,915
Liabilities			
Loan capital	1,312	1,314	1,313
Insurance contract liabilities	14,830	15,652	14,766
Insurance and reinsurance liabilities	596	632	602
Borrowings	298	299	298
Current tax liabilities	63	108	104
Deferred tax liabilities	94	46	102
Provisions	370	367	389
Other liabilities	1,080	1,079	1,109
Provisions and other liabilities	1,607	1,600	1,704
Total liabilities	18,643	19,497	18,683
Total equity and liabilities	22,492	23,480	22,598

These condensed consolidated financial statements have been approved for issue by the Board of Directors on 1 August 2012.

The attached notes are an integral part of these condensed consolidated financial statements.

* Assets held for sale relate to property in Scandinavia, Canada and the UK.

CONDENSED CONSOLIDATED STATEMENT OF CASHFLOWS
STATUTORY BASIS

	6 Months 2012 £m	6 Months 2011 £m
Cashflows from operations	82	20
Tax paid	(139)	(164)
Investment income	284	331
Interest paid	(75)	(75)
Dividends received from associates	-	1
Pension deficit funding	(59)	(56)
Net cashflows from operating activities	93	57
Proceeds from sales or maturities of:		
Financial assets	2,679	2,424
Property and equipment	21	1
Investments in subsidiaries (net of cash disposed of)	-	2
Purchase of:		
Financial assets	(2,375)	(2,210)
Investment property	(1)	(1)
Property and equipment	(16)	(15)
Intangible assets	(58)	(67)
Investments in subsidiaries (net of cash acquired)	(12)	(277)
Net cashflows from investing activities	238	(143)
Proceeds from issue of share capital	7	3
Dividends paid to ordinary shareholders	(197)	(182)
Dividends paid to preference shareholders	(5)	(5)
Dividends paid to non controlling interests	-	(9)
Net movement in other borrowings	(1)	3
Net cashflows from financing activities	(196)	(190)
Net increase/(decrease) in cash and cash equivalents	135	(276)
Cash and cash equivalents at beginning of the year	1,258	1,314
Effect of exchange rate changes on cash and cash equivalents	(17)	14
Cash and cash equivalents at the end of the period	1,376	1,052

The attached notes are an integral part of these condensed consolidated financial statements.

EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Changes in significant accounting policies

The annual financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. The condensed financial information in this half year report has been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting' (IAS 34).

There have been no significant changes in accounting policy and methods of computation in the six months to 30 June 2012. A full list of other accounting policies applied in these condensed financial statements can be found in the 2011 Annual Report and Accounts (see note 10 below).

The Board have reviewed the Group's ongoing financial commitments for the next 12 months and beyond. The Board's review included consideration of the Group's underwriting plans, strong regulatory capital surplus, diverse insurance risk profile, considerable undrawn financing facilities and highly liquid investment portfolio. As a result of this review, the Directors have satisfied themselves that it is appropriate to prepare these financial statements on a going concern basis.

2. Operating segments

Six months ended 30 June 2012

	Scandinavia	Canada	UK & Western Europe	Emerging Markets	Central Functions	Group
	£m	£m	£m	£m	£m	£m
Net written premiums	1,056	743	1,882	585	10	4,276
Underwriting result	130	61	(31)	7	(9)	158
Investment result	48	31	117	24	5	225
Insurance result	178	92	86	31	(4)	383
Other activities	(3)	(4)	-	(22)	(38)	(67)
Operating result (management basis)	175	88	86	9	(42)	316
Realised gains						37
Unrealised gains/(losses), impairments and foreign exchange						(3)
Interest costs						(58)
Amortisation of intangible assets						(20)
Solvency II costs						(16)
Reorganisation costs						(19)
Acquisitions and disposals						(4)
Profit before tax (per condensed consolidated income statement)						233
Combined operating ratio (%)	83.1	91.9	101.2	99.8	-	95.2

Six months ended 30 June 2011

	Scandinavia	Canada	UK & Western Europe	Emerging Markets	Central Functions	Group
	£m	£m	£m	£m	£m	£m
Net written premiums	1,077	698	1,884	519	10	4,188
Underwriting result	144	54	5	3	-	206
Investment result	66	39	134	28	1	268
Insurance result	210	93	139	31	1	474
Other activities	(4)	(3)	-	(22)	(37)	(66)
Operating result (management basis)	206	90	139	9	(36)	408
Realised gains						66
Unrealised gains/(losses), impairments and foreign exchange						(7)
Interest costs						(58)
Amortisation of intangible assets						(20)
Solvency II costs						(9)
Acquisitions and disposals						(4)
Profit before tax (per condensed consolidated income statement)						376
Combined operating ratio (%)	81.7	92.1	98.9	98.6	-	93.2

The Group's results are not subject to any significant impact arising from the seasonality or cyclicity of operations, although there is some seasonality in the regions within which the Group operates.

With effect from 1 January 2012, we have restructured the business into four regions, Scandinavia, Canada, UK and Western Europe, which includes Ireland and Italy, and Emerging Markets, which remains unchanged. Central functions include the Group's internal reinsurance function and Group Corporate Centre.

As previously indicated, we have restated the consolidated management income statement and the related notes so that investment result, operating result and operating earnings per share exclude realised and unrealised gains.

3. Earnings per share

The earnings per share is calculated by reference to the result attributable to the ordinary shareholders of the Parent Company and the weighted average number of shares in issue during the period. On a basic and diluted basis this was 3,532,510,212 and 3,561,842,567 respectively (excluding those held in ESOP and SIP trusts). The number of shares in issue at 30 June 2012 was 3,545,088,659 (excluding those held in ESOP and SIP trusts).

4. Changes in estimates of amounts reported in prior financial years

During 2012, changes to claims reserve estimates made in prior years as a result of reserve development is included in the prior year profit of £113m (H1 2011: £106m).

The Group pension fund deficit net of tax as at 30 June 2012 is £71m (31 December 2011: £140m). Further information on the movement in pension fund is included on page 14.

5. Ordinary share issues during the period to 30 June

During the six months to 30 June 2012, 12,933,102 (H1 2011: 15,898,605) ordinary shares were issued on the exercise of employee share options and investment plans. The Company also issued 7,651,980 (H1 2011: 12,583,598) ordinary shares under the scrip scheme approved by the shareholders at the 2009 Annual General Meeting.

6. Dividends

	30 June 2012		30 June 2011	
	Per share p	Total £m	Per share p	Total £m
Ordinary dividend				
Final paid in respect of prior year	5.82	206	5.70	198
Interim proposed/paid in respect of current year	3.41	121	3.34	118
	9.23	327	9.04	316
Preference dividend		5		5
		332		321

7. Exchange rates

Local currency/£	6 Months 2012		6 Months 2011		12 Months 2011	
	Average	Closing	Average	Closing	Average	Closing
Canadian Dollar	1.59	1.60	1.58	1.55	1.59	1.58
Danish Krone	9.04	9.19	8.59	8.26	8.59	8.90
Swedish Krona	10.80	10.83	10.30	10.13	10.41	10.65
Euro	1.22	1.24	1.15	1.11	1.15	1.20

8. Acquisition of subsidiaries after the reporting period

At the end of July 2012, the Group acquired El Comercio Compañía de Seguros, a general insurer focused on Motor, Marine and Property, and Aseguradora de Créditos y Garantías, the market leader in Surety from the Bristol Group. Both companies are incorporated in Argentina and total gross assets acquired are around £130m.

9. Reconciliation of statutory operating cashflow to management basis

	6 Months 2012 £m	6 Months 2011 £m
Cash generated from operations	82	20
Investment income	284	331
Net purchase of property and equipment	5	(14)
Net purchase of intangibles	(58)	(67)
Dividends received from associates	-	1
Other items	(1)	10
Operating cashflow (management basis)	312	281

10. Results for 2011

The financial information relating to the year ended 31 December 2011 and included in the condensed consolidated financial statements does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006, but has been abridged from the statutory accounts. The statutory accounts of RSA Insurance Group plc for the year ending 31 December 2011 have been delivered to the Registrar of Companies. The independent auditor's report on the Group accounts for the year ended 31 December 2011 is unqualified, does not draw attention to any matters by way of emphasis and does not include a statement under section 498(2) or (3) of the Companies Act 2006.

RESPONSIBILITY STATEMENT

The condensed set of financial statements on pages 24 to 30 has been prepared in accordance with IAS 34 'Interim Financial Reporting' and we confirm that to the best of our knowledge:

- a) The interim management report on pages 3 to 22 includes a fair review of the information required by DTR 4.2.7R (indication of important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year), and
- b) The interim management report on pages 3 to 22 includes a fair review of the information required by DTR 4.2.8R (disclosure of related party transactions and changes therein).

Signed on behalf of the Board

Simon Lee
Group Chief Executive

1 August 2012

Richard Houghton
Chief Financial Officer

1 August 2012

INDEPENDENT REVIEW REPORT TO RSA INSURANCE GROUP PLC

We have been engaged by RSA Insurance Group plc ("the Company") to review the condensed set of financial statements in the half-year financial report for the six months ended 30 June 2012 which comprises the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity, the condensed consolidated statement of financial position, the condensed consolidated statement of cash flows and related notes 1 to 10. We have read the other information contained in the half-year financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Company 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. Our work has been undertaken so that we might state to the Company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our review work, for this report, or for the conclusions we have formed.

Directors' responsibilities

The half-year financial report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half-year financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-year 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 Company a conclusion on the condensed set of financial statements in the half-year 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 inquiries, 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-year financial report for the six months ended 30 June 2012 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
1 August 2012