## Independent review report to Irish Life & Permanent plc

### Introduction

We have been engaged by the Company to review the Embedded Value ("EV") basis supplementary financial information for the six months ended 30 June 2006 set out on pages 11 to 26. The supplementary financial information has been prepared in accordance with the EV Principles issued in May 2004 by the CFO Forum using the methodology and assumptions set out on pages 11 to 14. The supplementary financial information should be read in conjunction with the Group's interim IFRS financial information which is set out on pages 30 to 37.

We have read the other information contained in the Interim Report and considered whether it contains any apparent misstatements or material inconsistencies with the supplementary financial information.

This report is made solely to the Company in accordance with the terms of our engagement to assist the Company in meeting the requirements of the Listing Rules of the Irish Stock Exchange. Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this 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 reached.

### Directors' responsibilities

The Interim Report, including the EV basis supplementary financial information contained therein, is the responsibility of and has been approved by the directors. The directors have accepted responsibility for preparing the supplementary financial information in accordance with the EV Principles and for determining the assumptions used in the application of those principles.

### Review work performed

We conducted our review in accordance with guidance contained in Bulletin 1999/4 *Review of interim financial information* issued by the Auditing Practices Board for use in Ireland and the United Kingdom. A review consists principally of making enquiries of management and applying analytical procedures to the supplementary financial information and underlying financial data and, based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review is substantially less in scope than an audit performed in accordance with International Standards of Auditing (UK and Ireland) and therefore provides a lower level of assurance than an audit. Accordingly, we do not express an audit opinion on the EV basis supplementary financial information.

### Review conclusion

On the basis of our review we are not aware of any material modifications that should be made to the EV basis supplementary financial information as presented for the six months ended 30 June 2006.

**KPMG**
*Chartered Accountants*
1 Harbourmaster Place
IFSC
Dublin 1

4 September 2006

# Statutory Basis