

FC17708

NIM

Capital Research Company
Balance Sheet
As of 30 June 2005
U.S. Dollars



A32
COMPANIES HOUSE

74
08/04/2006

	As of 30/6/05	As of 30/6/04
ASSETS		
Current Assets:		
Cash and Investment Securities Available for Sale	292,085,123	292,825,429
Intercompany Receivables	79,177,768	60,436,984
Receivables - Other	3,071,318	3,898,637
Prepaid Expenses	369,668	78,436
Total Current Assets	374,703,876	357,239,486
Property at Cost:		
Furniture and Fixtures	4,426,934	4,363,872
Land and Buildings	47,692,325	44,467,229
Leasehold Improvements	28,683,613	28,055,677
Personal Computers	952,412	1,181,063
Hardware and Software	1,045,416	1,256,875
Sub-Total Property at Cost	82,800,700	79,324,716
Accumulated Depreciation and Amortization	(25,512,681)	(21,163,670)
Total Property - Net	57,288,019	58,161,046
Other Assets:		
Deposits and Sundry Assets	3,389,081	2,672,799
Deferred Income Tax Benefit	9,517,750	7,263,022
Total Other Assets	12,906,831	9,935,821
TOTAL ASSETS	444,898,726	425,336,353
LIABILITIES AND EQUITY		
Current Liabilities:		
Intercompany Payables	41,749,382	26,756,452
Accounts Payable - Other	95,861	63,150
Accrued Compensation and Employee Benefits	19,799,694	20,519,350
Accrued Income Taxes	1,814,773	5,102,672
Short Term Note Payable	-	-
Other Accrued Expense and Deferrals	1,036,876	498,577
Total Current Liabilities	64,496,586	52,940,201
Accrued Postretirement Benefit	3,514,002	2,903,681
Total Liabilities	68,010,588	55,843,882
Equity:		
Capital Stock from Affiliate	1,000	1,000
Paid-in Surplus from Affiliate	1,500	1,500
Retained Earnings	378,081,918	368,965,692
Net Unrealized Appreciation on Investment	(1,196,280)	524,279
Total Equity	376,888,138	369,492,471
TOTAL LIABILITIES AND EQUITY	444,898,726	425,336,353

Capital Research Company
Statement of Income
U.S. Dollars

	FYE 30/6/05	FYE 30/6/04
OPERATING REVENUES:		
Intercompany Revenues	828,313,910	620,898,404
Total Operating Revenues	<u>828,313,910</u>	<u>620,898,404</u>
OPERATING EXPENSES:		
Employee Compensation	331,264,048	259,209,026
Employee Benefits	14,236,473	12,721,373
Facilities and Communications	11,380,251	10,430,705
Computer Costs	5,209,926	4,830,162
Professional and Outside Services	3,660,982	2,100,437
Sales and Dealer Expenses	1,421	2,879
Travel and Business Meetings	6,665,308	5,440,689
Other Operating Expenses	480,641	415,166
Intercompany Expenses	29,080,047	29,667,658
Total Operating Expenses	<u>401,979,097</u>	<u>324,818,095</u>
Income From Operations	<u>426,334,813</u>	<u>296,080,309</u>
OTHER INCOME & EXPENSE		
Interest Income - Net	8,126,161	10,627,829
Gain/(Loss) on Investments and Currency	(173,799)	413,263
Money Market Fund Dividends	2,163,173	943,768
Total Other Income & Expense	<u>10,115,535</u>	<u>11,984,860</u>
Income Before Taxes	436,450,348	308,065,169
Income Taxes	(174,334,123)	(123,939,403)
NET INCOME	<u><u>262,116,225</u></u>	<u><u>184,125,766</u></u>