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FRIDAY



Capital Research Company
Balance Sheet
As of 30 June 2007
U S Dollars

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 A11 07/03/2008 109
 COMPANIES HOUSE

	As of 30/6/07	As of 30/6/06
ASSETS		
Current Assets		
Cash and Investment Securities Available for Sale	300,294,765	318,693,336
Intercompany Receivables	135,663,357	101,247,443
Receivables - Other	2,477,785	2,914,607
Prepaid Expenses	15,253,884	443,186
Total Current Assets	<u>453,689,791</u>	<u>423,298,572</u>
Property at Cost		
Furniture and Fixtures	5,309,217	4,545,870
Land and Buildings	200,756,015	83,421,348
Leasehold Improvements	47,956,368	36,392,792
Personal Computers	647,953	938,521
Hardware and Software	1,473,691	1,370,219
Sub-Total Property at Cost	<u>256,143,244</u>	<u>126,668,750</u>
Accumulated Depreciation and Amortization	<u>(31,111,309)</u>	<u>(29,414,959)</u>
Total Property - Net	<u>225,031,936</u>	<u>97,253,792</u>
Other Assets		
Income Taxes Prepaid	3,491,474	5,713,716
Deposits and Sundry Assets	5,233,215	4,447,990
Deferred Income Tax Benefit	7,134,985	7,104,668
Total Other Assets	<u>15,859,674</u>	<u>17,266,374</u>
TOTAL ASSETS	<u><u>694,581,401</u></u>	<u><u>537,818,737</u></u>
LIABILITIES AND EQUITY		
Current Liabilities		
Intercompany Payables	65,364,603	51,748,184
Accounts Payable - Other	160,376	144,913
Accrued Compensation and Employee Benefits	26,921,678	21,283,301
Accrued Income Taxes	-	-
Other Accrued Expense and Deferrals	11,573,102	8,599,654
Total Current Liabilities	<u>104,019,759</u>	<u>81,776,053</u>
Accrued Postretirement Benefit	4,210,132	4,096,861
Total Liabilities	<u>108,229,890</u>	<u>85,872,914</u>
Equity		
Capital Stock from Affiliate	1,000	1,000
Paid-in Surplus from Affiliate	1,500	1,500
Retained Earnings	589,389,887	456,742,629
Net Unrealized Appreciation on Investment	<u>(3,040,876)</u>	<u>(4,799,306)</u>
Total Equity	<u>586,351,511</u>	<u>451,945,823</u>
TOTAL LIABILITIES AND EQUITY	<u><u>694,581,401</u></u>	<u><u>537,818,737</u></u>

Capital Research Company
Statement of Income
U.S. Dollars

	FYE 30/6/07	FYE 30/6/06
OPERATING REVENUES		
Intercompany Revenues	1,408,338,468	1,101,986,986
Total Operating Revenues	<u>1,408,338,468</u>	<u>1,101,986,986</u>
OPERATING EXPENSES		
Employee Compensation	550,334,653	425,298,510
Employee Benefits	17,710,198	16,581,293
Facilities and Communications	16,246,774	13,497,898
Computer Costs	7,812,725	5,979,699
Professional and Outside Services	6,561,287	4,845,228
Sales and Dealer Expenses	3,821	4,416
Travel and Business Meetings	10,588,234	9,009,152
Other Operating Expenses	702,838	564,615
Intercompany Expenses	44,199,386	33,207,546
Total Operating Expenses	<u>654,159,916</u>	<u>508,988,357</u>
Income From Operations	<u>754,178,551</u>	<u>592,998,629</u>
OTHER INCOME & EXPENSE		
Interest Income - Net	7,932,544	7,525,004
Gain/(Loss) on Investments and Currency	316,608	(484,552)
Money Market Fund Dividends	7,928,486	5,350,647
Total Other Income & Expense	<u>16,177,638</u>	<u>12,391,099</u>
Income Before Taxes	770,356,189	605,389,728
Income Taxes	(285,502,492)	(231,729,017)
NET INCOME	<u><u>484,853,697</u></u>	<u><u>373,660,712</u></u>