

REVENUE ACCOUNT OF REINSURANCE BUSINESS

For the year ended 31 December 2002

(Expressed in Hong Kong dollars)

	Note	2002 \$	2001 \$
Gross premiums written	2	1,164,518,084	811,677,946
Outward retrocession premiums		<u>(192,667,846)</u>	<u>(149,018,159)</u>
Net premiums written		<u>971,850,238</u>	<u>662,659,787</u>
Insurance funds brought forward		<u>522,539,966</u>	<u>453,463,478</u>
Gross claims		<u>(517,576,259)</u>	<u>(499,402,341)</u>
Less: Reinsurers' share of claims		<u>96,977,936</u>	<u>88,305,859</u>
Net claims		<u>(420,598,323)</u>	<u>(411,096,482)</u>
Commission income		54,163,931	41,869,621
Commission expenses		<u>(275,837,904)</u>	<u>(209,912,526)</u>
Net commission expenses		<u>(221,673,973)</u>	<u>(168,042,905)</u>
Interest income on premium deposits		<u>1,847,251</u>	<u>1,433,405</u>
Management expenses		<u>(15,810,698)</u>	<u>(15,151,460)</u>
Insurance funds carried forward		<u>(753,934,088)</u>	<u>(522,539,966)</u>
Amount transferred to income statement		<u>84,220,373</u>	<u>725,857</u>

The notes on pages 44 to 99 form part of these financial statements.