

## REVENUE ACCOUNT OF LIFE INSURANCE BUSINESS

For the year ended 31 December 2003

(Expressed in Hong Kong dollars)

	Note	2003 \$'000	2002 \$'000
<b>Gross premiums written</b>	2	3,079,503	1,556,489
Outward reinsurance premiums		<u>(8,964)</u>	<u>(24,020)</u>
<b>Net premiums written</b>		3,070,539	1,532,469
Increase in life insurance funds		<u>(2,710,679)</u>	<u>(1,405,102)</u>
<b>Net premiums earned</b>		<u>359,860</u>	<u>127,367</u>
Gross claims paid		(23,971)	(3,487)
Less: Reinsurers' share of claims		<u>5,780</u>	<u>1,043</u>
<b>Net claims paid</b>		(18,191)	(2,444)
Increase in provision for outstanding claims		<u>(3,494)</u>	<u>(764)</u>
<b>Net claims incurred</b>		<u>(21,685)</u>	<u>(3,208)</u>
<b>Surrender</b>		<u>(68,461)</u>	<u>(3,551)</u>
Commission income		1,733	8,389
Commission expenses		<u>(221,501)</u>	<u>(73,872)</u>
<b>Net commission expenses</b>		<u>(219,768)</u>	<u>(65,483)</u>
<b>Management expenses</b>		<u>(170,896)</u>	<u>(88,167)</u>
<b>Transfer to insurance protection fund</b>		<u>(761)</u>	<u>(242)</u>
<b>Amount transferred from income statement</b>		<u>(121,711)</u>	<u>(33,284)</u>

The notes on pages 48 to 111 form part of these financial statements.