

Consolidated Income Statement

Year ended 31st December, 2006

	Notes	2006 HK\$'000	2005 HK\$'000 (Restated)
REVENUE	5	740,338	792,503
PROFIT FROM OPERATING ACTIVITIES			
Gross premiums	33(a)	737,839	744,390
Reinsurers' share of gross premiums	33(b)	(278,547)	(296,956)
Net insurance contracts premiums revenue		459,292	447,434
Gross claims paid	34(a)	(273,833)	(247,351)
Reinsurers' share of gross claims paid	34(b)	78,397	49,349
Gross change in outstanding claims	34(c)	(32,058)	(94,092)
Reinsurers' share of gross change in outstanding claims	34(d)	(25,332)	35,706
Net claims incurred		(252,826)	(256,388)
Commission income		50,495	57,420
Commission expenses		(157,700)	(157,756)
Net commission expenses		(107,205)	(100,336)
Management expenses for underwriting business		(43,581)	(35,126)
Underwriting profit		55,680	55,584
Dividend income		32,960	25,304
Gain on investment activities		282,713	24,611
Interest income		113,701	35,708
Other revenue		12,657	4,270
		497,711	145,477
Operating expenses		(85,053)	(43,260)
		412,658	102,217
Share of profits and losses of jointly-controlled entities		31,556	4,489
Share of profits and losses of associates		4,861	3,969
PROFIT BEFORE TAX	6	449,075	110,675
TAX	9	(32,764)	(8,288)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		416,311	102,387

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Consolidated Income Statement (cont'd)

Year ended 31st December, 2006

	Notes	2006 HK\$'000	2005 HK\$'000 (Restated)
DISCONTINUED OPERATION			
Net gain associated with the discontinued operation	13	2,677,299	83,397
PROFIT FOR THE YEAR		3,093,610	185,784
Attributable to:			
Equity holders of the Company	10	3,092,434	184,583
Minority interests		1,176	1,201
		3,093,610	185,784
DIVIDENDS			
Interim	11	52,901	23,276
Special		1,269,626	–
Proposed final		115,801	82,527
		1,438,328	105,803
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic			
– For profit for the year		HK292.5 cents	HK17.4 cents
Basic			
– For profit from continuing operations		HK39.3 cents	HK9.6 cents
Diluted			
– For profit for the year		N/A	N/A
– For profit from continuing operations		N/A	N/A