

# Four Year Financial Summary

(Expressed in Hong Kong dollars)

	2006 Consolidated \$	2005 Combined \$	2004 Combined \$	2003 Combined \$
Gross written premiums	1,076,161,271	1,099,506,970	1,132,661,602	1,173,057,469
Premiums ceded to reinsurers	(437,115,254)	(412,340,069)	(475,307,444)	(519,634,566)
<b>Net written premiums</b>	<b>639,046,017</b>	687,166,901	657,354,158	653,422,903
Change in net provision for unearned premiums	(11,300,490)	18,890,372	18,389,157	85,650,309
<b>Net earned premiums</b>	<b>627,745,527</b>	706,057,273	675,743,315	739,073,212
<b>Net commission expenses</b>	<b>(142,944,961)</b>	(122,779,910)	(122,388,791)	(132,352,707)
Gross claims paid	(773,639,791)	(806,161,769)	(938,502,893)	(1,197,259,666)
Reinsurers' share of claims paid	328,049,565	332,910,666	395,958,434	507,349,550
Net claims paid	(445,590,226)	(473,251,103)	(542,544,459)	(689,910,116)
Change in net provision for outstanding claims	278,973,299	320,390,198	174,294,147	246,463,409
<b>Net claims incurred</b>	<b>(166,616,927)</b>	(152,860,905)	(368,250,312)	(443,446,707)
<b>Change in net provision for unexpired risks</b>	<b>5,857,000</b>	(12,000,000)	15,000,000	-
<b>Management and other operating expenses</b>	<b>(216,846,587)</b>	(169,668,892)	(155,718,853)	(144,656,894)
<b>Underwriting Profit</b>	<b>107,194,052</b>	248,747,566	44,385,359	18,616,904
Investment income	142,416,578	93,550,020	49,571,014	55,188,333
Net realized and unrealized gains on investments	85,360,551	178,456,211	56,279,080	6,015,510
Other net income	757,556	27,534,937	21,443,790	5,736,771
Administrative and other expenses	(24,279,537)	(17,282,320)	(5,390,646)	(9,936,026)
<b>Profit from operations</b>	<b>311,449,200</b>	531,006,414	166,288,597	75,621,492
Share of profits of associates	699,789	3,025,190	709,496	1,514,659
<b>Profit before taxation</b>	<b>312,148,989</b>	534,031,604	166,998,093	77,136,151
Income tax (charge)/credit	(5,739,132)	35,982,452	17,941,213	(3,887,973)
<b>Profit for the year</b>	<b>306,409,857</b>	570,014,056	184,939,306	73,248,178
<b>Attributable to:</b>				
Equity shareholders of the company	306,409,866	570,011,187	184,939,384	73,363,227
Minority interest	(9)	2,869	(78)	(115,049)
	<b>306,409,857</b>	570,014,056	184,939,306	73,248,178
Dividend	-	-	-	-
<b>Earnings per share</b>				
Basic	0.138	0.259	0.084	0.033
Diluted	0.138	0.259	0.084	0.033

# Four Year Financial Summary

(Expressed in Hong Kong dollars)

	2006 Consolidated \$	2005 Combined \$	2004 Combined \$	2003 Combined \$
<b>Assets</b>				
Statutory deposits	110,403,647	58,540,501	58,656,888	35,580,000
Fixed assets	1,291,971,164	1,274,481,567	1,070,883,245	1,015,965,393
Interests in associates	4,679,521	19,979,347	17,954,695	18,393,085
Deferred tax assets	69,396,103	69,396,103	24,798,418	400,732
Investments in securities	613,717,189	452,908,457	535,147,627	431,833,682
Insurance receivables	250,148,274	1,154,952,724	1,355,427,421	1,494,118,281
Unsecured loans	–	–	–	20,782,510
Other receivables	30,881,041	30,103,955	24,108,117	24,464,955
Reinsurers' share of insurance funds	1,686,497,492	1,256,833,274	1,401,617,261	1,843,425,679
Amount due from the immediate holding company	–	–	44,270	–
Amounts due from fellow subsidiaries	86,388,966	116,550,794	137,111,514	9,600,839
Amounts due from affiliated companies	13,283,827	–	–	–
Amounts due from shareholders	1,698,010	–	–	–
Deposits with banks with original maturity more than three months	11,432,904	16,851,692	34,869,021	106,691,435
Cash and cash equivalents	2,811,782,317	814,543,198	625,456,176	789,191,808
	<b>6,982,280,455</b>	5,265,141,612	5,286,074,653	5,790,448,399
<b>Liabilities</b>				
	<b>3,856,176,788</b>	3,654,806,626	4,197,658,458	4,870,609,425
<b>Net assets</b>				
	<b>3,126,103,667</b>	1,610,334,986	1,088,416,195	919,838,974
<b>Capital and reserves</b>				
Share capital	280,133,400	1,336,000,000	1,336,000,000	1,336,000,000
Share premium	2,111,906,010	–	–	–
Reserves	734,064,257	274,304,539	(247,611,383)	(416,188,682)
<b>Total equity attributable to equity shareholders of the Company</b>				
	<b>3,126,103,667</b>	1,610,304,539	1,088,388,617	919,811,318
<b>Minority interest</b>				
	–	30,447	27,578	27,656
<b>Total equity</b>				
	<b>3,126,103,667</b>	1,610,334,986	1,088,416,195	919,838,974