

Consolidated revenue and profit and loss account

Year ended 31 December 2004

	Notes	2004 HK\$'000	2003 HK\$'000
REVENUE			
Turnover	4	1,954,351	1,697,283
Investment income, net gains, and other income	4	476,242	514,992
Total revenue and gains, net		2,430,593	2,212,275
Less: Reinsurance premiums		(156,767)	(169,049)
Net revenue		2,273,826	2,043,226
OPERATING EXPENSES			
Policyholders' benefits	5	(642,846)	(667,866)
Agency commission and allowances		(292,266)	(277,196)
Change in deferred acquisition costs	21	(93,877)	(104,245)
Management expenses		(284,713)	(334,291)
Other operating expenses		(12,362)	(8,186)
Total operating expenses		(1,326,064)	(1,391,784)
Increase in future insurance liabilities		(732,071)	(425,586)
PROFIT FROM OPERATING ACTIVITIES	7	215,691	225,856
Finance costs	6	(1,805)	—
PROFIT BEFORE TAX	8	213,886	225,856
Tax	11	(17,579)	(9,817)
NET PROFIT FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS	12, 30	196,307	216,039
DIVIDENDS			
Proposed final			
Ordinary	13	49,256	49,281
Special	13	32,838	—
		82,094	49,281
EARNINGS PER SHARE			
Basic	14	23.92 CENTS	26.30 CENTS
Diluted		23.50 CENTS	26.24 CENTS