

# Consolidated income statement

51

Year ended 31 December 2005

|   | Notes | 2005<br>HK\$'000   | 2004<br>HK\$'000<br>(Restated) |
|---|-------|--------------------|--------------------------------|
| <b>CONTINUING OPERATIONS</b>  |       |                    |                                |
| REVENUE   |       |                    |                                |
| Turnover  | 4     | <b>1,826,885</b>   | 1,688,832                      |
| Investment income, net gains, and other income                      | 4     | <b>373,791</b>     | 472,278                        |
| Total revenue and gains, net  |       | <b>2,200,676</b>   | 2,161,110                      |
| Less: Reinsurance premiums  |       | <b>(154,807)</b>   | (156,767)                      |
| Net revenue   |       | <b>2,045,869</b>   | 2,004,343                      |
| OPERATING EXPENSES  |       |                    |                                |
| Policyholders' benefits   | 6     | <b>(581,354)</b>   | (584,917)                      |
| Agency commission and allowances                                    |       | <b>(389,176)</b>   | (292,264)                      |
| Change in deferred acquisition costs                                | 20    | <b>14,497</b>      | (93,877)                       |
| Management expenses   |       | <b>(303,608)</b>   | (304,215)                      |
| Total operating expenses  |       | <b>(1,259,641)</b> | (1,275,273)                    |
| Increase in future insurance liabilities under investment contracts | 36    | <b>(29,233)</b>    | (15,074)                       |
| Increase in future insurance liabilities under insurance contracts  |       | <b>(652,783)</b>   | (505,751)                      |
| Finance costs   | 7     | <b>(45,346)</b>    | (1,805)                        |
| PROFIT BEFORE TAX   | 8, 9  | <b>58,866</b>      | 206,440                        |
| Tax   | 12    | <b>(16,963)</b>    | (17,579)                       |
| PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS                      |       | <b>41,903</b>      | 188,861                        |
| <b>DISCONTINUED OPERATION</b>                                       |       |                    |                                |
| Profit/(loss) for the year from a discontinued operation            | 13    | <b>599</b>         | (566)                          |
| PROFIT FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS                  | 14    | <b>42,502</b>      | 188,295                        |

## Consolidated income statement

Year ended 31 December 2005

|  | Notes | 2005<br>HK\$'000  | 2004<br>HK\$'000<br>(Restated) |
|--|-------|-------------------|--------------------------------|
| DIVIDENDS  | 15    |                   |                                |
| Dividends paid   |       | <b>8,213</b>      | —                              |
| Dividends proposed   |       | <b>32,724</b>     | 82,094                         |
|  |       | <b>40,937</b>     | 82,094                         |
| EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS | 16    |                   |                                |
| BASIC  |       |                   |                                |
| – For profit for the year                                  |       | <b>5.18 cents</b> | 22.94 cents                    |
| – For profit from continuing operations                    |       | <b>5.11 cents</b> | 23.01 cents                    |
| Diluted  |       |                   |                                |
| – For profit for the year                                  |       | <b>5.11 cents</b> | 22.54 cents                    |
| – For profit from continuing operations                    |       | <b>5.04 cents</b> | 22.61 cents                    |