

STATEMENT OF INCOME

	1	2
	Current Year	Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4)	25,812,221,762	24,962,818,191
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7)	14,618,172,818	13,892,535,406
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	3,411,219,737	3,177,334,345
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	8,590,413,761	7,808,498,356
5. Aggregate write-ins for underwriting deductions		
6. Total underwriting deductions (Lines 2 through 5)	26,619,806,316	24,878,368,107
7. Net income of protected cells		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	(807,584,554)	84,450,084
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	1,352,660,767	1,642,460,212
10. Net realized capital gains (losses) less capital gains tax of \$ 25,124,861 (Exhibit of Capital Gains (Losses))	46,495,646	206,127,870
11. Net investment gain (loss) (Lines 9 + 10)	1,399,156,413	1,848,588,082
OTHER INCOME		
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 5,494,137 amount charged off \$ 95,652,891)	(90,158,752)	(84,823,491)
13. Finance and service charges not included in premiums	159,720,660	141,548,989
14. Aggregate write-ins for miscellaneous income	(16,182,227)	(45,718,410)
15. Total other income (Lines 12 through 14)	53,379,681	11,007,088
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	644,951,540	1,944,045,254
17. Dividends to policyholders	17,769,756	19,355,376
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	627,181,784	1,924,689,878
19. Federal and foreign income taxes incurred	(196,091,861)	(107,909,914)
20. Net income (Line 18 minus Line 19) (to Line 22)	823,273,645	2,032,599,792
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	18,686,847,485	19,179,960,013
22. Net income (from Line 20)	823,273,645	2,032,599,792
23. Net transfers (to) from Protected Cell accounts		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 68,786,020	(234,874,340)	(1,936,609,273)
25. Change in net unrealized foreign exchange capital gain (loss)	40,221,541	(171,340,531)
26. Change in net deferred income tax	(71,234,635)	(45,726,510)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)	46,518,694	(289,977,207)
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	(9,102,406)	10,630,037
29. Change in surplus notes	66,281	66,281
30. Surplus (contributed to) withdrawn from protected cells		
31. Cumulative effect of changes in accounting principles		
32. Capital changes:		
32.1 Paid in		
32.2 Transferred from surplus (Stock Dividend)		
32.3 Transferred to surplus		
33. Surplus adjustments:		
33.1 Paid in	400,000,000	
33.2 Transferred to capital (Stock Dividend)		
33.3 Transferred from capital		
34. Net remittances from or (to) Home Office		
35. Dividends to stockholders	(82,859,641)	(79,766,000)
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1)		
37. Aggregate write-ins for gains and losses in surplus	(16,842,442)	(12,989,117)
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	895,166,697	(493,112,528)
39. Surplus as regards policyholders, December 31 current year (Lines 21 plus Line 38) (Page 3, Line 37)	19,582,014,182	18,686,847,485

DETAILS OF WRITE-IN LINES		
0501.		
0502.		
0503.		
0598. Summary of remaining write-ins for Line 05 from overflow page		
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 05 above)		
1401. Retroactive reinsurance gain/(loss)	102,451,665	19,993,339
1402. Other income/(expense)	(118,633,892)	(65,711,749)
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page		
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	(16,182,227)	(45,718,410)
3701. Other changes in surplus	(16,842,442)	(12,989,117)
3702.		
3703.		
3798. Summary of remaining write-ins for Line 37 from overflow page		
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)	(16,842,442)	(12,989,117)