

## ANNUAL STATEMENT FOR THE YEAR 2008 OF ALL P&amp;C COMPANIES REPORTING IN 2007 &amp; 2008

**STATEMENT OF INCOME**

	2008	2007
UNDERWRITING INCOME		
1 Premiums earned	440,956,675,837	442,170,881,399
DEDUCTIONS		
2 Losses incurred	287,143,014,663	245,867,815,841
3 Loss adjustment expenses incurred	52,224,231,502	52,749,941,404
4 Other underwriting expenses incurred	120,630,658,099	120,684,973,527
5 Write-ins for underwriting deductions	(1,407,931,005)	(773,752,675)
6 Total underwriting deductions	458,589,973,262	418,528,978,077
7 Net income of protected cells	0	0
8 Net underwriting gain or (loss)	(17,633,297,380)	23,641,903,328
INVESTMENT INCOME		
9 Net investment income earned	57,541,598,112	60,843,332,121
10 Net rlzd cap G/L less cap gains tax	(19,976,094,714)	8,821,279,479
11 Net investment gain or (loss)	37,565,503,388	69,664,611,601
OTHER INCOME		
12 Net G/L from agents' or prem bal charged off	(1,419,647,137)	(1,225,755,144)
13 Finance & service charges not incl in prem	2,957,534,384	2,884,882,531
14 Write-ins for miscellaneous income	(1,527,609,533)	(2,547,419,985)
15 Total other income	10,277,709	(888,292,610)
16 Net inc bfr div P/H aft cap gns & bfr FIT	19,942,483,692	92,418,222,314
17 Div's to policyholders	2,007,695,826	2,484,091,465
18 Net inc aft div P/H aft cap gns & bfr FIT	17,934,787,857	89,934,130,852
19 Federal & foreign income taxes incurred	7,844,571,996	19,791,716,933
20 Net income	10,090,215,857	70,142,413,902
CAPITAL AND SURPLUS ACCOUNT		
21 Surplus as regards policyholders	646,709,326,741	602,853,292,076
22 Net income	10,090,215,857	70,142,413,900
23 Net transfers to (from) protected cell acct	0	0
24 Change in net unrealized capital G/L	(59,651,377,561)	8,428,710,662
25 Change in net unrealized foreign exchange	(939,946,896)	728,787,248
26 Change in net deferred income tax	9,762,077,735	1,296,799,526
27 Change in nonadmitted assets	(14,441,501,614)	(4,073,966,365)
28 Change in provision for reinsurance	(1,399,820,607)	775,284,660
29 Change in surplus notes	3,239,210,242	(452,098,011)
30 Surplus (contrbt to) withdrawn protct cells	1,293,292	2,285,335
31 Cumulative effect of chge in acct principles	162,141,209	4,513,653
32 Capital Changes:		
32.1 Paid in	551,613,094	153,882,798
32.2 Transferred from surplus (stock dividend)	26,031,371	68,560,101
32.3 Transferred to surplus	731,329	(24,507,141)
33 Surplus Adjustments		
33.1 Paid in	17,083,868,316	4,505,564,300
33.2 Transferred to capital (stock dividend)	35,409,527	(80,557,736)
33.3 Transferred from capital	(1,279,230,696)	(764,324,456)
34 Net remittances from or (to) home office	(15,581,566)	12,949,524
35 Dividends to stockholders	(30,730,539,678)	(37,754,217,353)
36 Change in treasury stock	(22,339,658)	(16,431,269)
37 Write-ins for gains & losses in surplus	1,395,860,590	842,260,427
38 Change in surp as regards P/H for the year	(66,131,885,724)	43,795,909,785
39 Surplus as regards policyholders	580,577,441,007	646,649,201,880

Data source: The National Association of Insurance Commissioners, Kansas City, Missouri, by permission.  
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