

# Financial Highlights

Millions of Korean Won and Thousands of U.S. Dollars				
For the years ended March 31	FY 2000	(US\$)	FY 1999	FY 1998
<b>Operating results</b>				
Net premiums earned	1,938,459	1,453,663	1,716,918	1,695,875
Direct premiums written	2,195,669	1,646,546	1,921,760	1,814,722
Net premiums written	2,008,670	1,506,314	1,745,355	1,637,717
Underwriting income	(123,382)	(92,525)	(168,094)	(65,500)
Net operating expenses	486,485	364,818	448,805	374,586
Net investment income	126,722	95,030	287,508	135,654
Net income	4,139	3,104	82,016	43,741
Adjusted net income (1)	11,229	8,421	93,686	109,696
<b>Financial position</b>				
Total assets	2,738,619	2,053,708	2,541,179	2,178,829
Invested assets	2,333,750	1,750,094	2,159,448	1,858,375
Catastrophe reserves	164,064	123,033	156,974	145,303
Shareholders' equity	170,388	127,775	162,580	60,022
Adjusted shareholders' equity (2)	334,452	250,808	319,554	205,325
<b>Financial ratios</b>				
Loss ratio (3)	80.9		83.0	77.9
Expense ratio	25.1		26.1	22.1
Combined ratio (4)	106		109.1	100
Adjusted net income ratio (5)	0.6		4.9	6.5
Solvency ratio	157.0		191.0	170.5
Investment income ratio	5.8		15.4	8.0

Note: Korean won is converted into U.S. dollars at the rate of 1333.5 won per U.S.\$1, the exchange rate effective as of March 31, 2001.

(1) Adjusted net income: net income including increase in catastrophe reserve

(2) Shareholders' equity plus catastrophe reserve

(3) Includes maturity and cancellation refunds of long-term insurance premiums

(4) Loss ratio plus expense ratio

(5) Adjusted net income ratio: adjusted net income divided by net premiums earned

## In fiscal year 2000, Dongbu;

- \* Recorded its seventh consecutive year of profit, while the majority of other domestic non-life insurers recorded large-scale losses.
- \* Was second among domestic insurers in terms of solvency margin and shareholders' equity.
- \* Achieved an expansion in its market share by successfully improving internal operations.