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新華人壽保險股份有限公司

**NEW CHINA LIFE INSURANCE COMPANY LTD.**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 1336)**

## **2015 FIRST QUARTER REPORT**

This announcement is made by New China Life Insurance Company Ltd. (the “**Company**”) pursuant to the provisions regarding disclosure of inside information under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The financial data in the 2015 First Quarter Report of the Company have been prepared in accordance with the PRC Accounting Standards for Business Enterprises and are unaudited.

### **§1 IMPORTANT INFORMATION**

- 1.1 The board of directors of the Company (the “**Board**”), the board of supervisors of the Company and the directors, supervisors, and members of senior management warrant the truthfulness, accuracy and completeness of the contents of this report, and that there are no false representations, misleading statements or material omissions in this report, and are legally liable for this report jointly and severally.
- 1.2 The 2015 First Quarter Report of the Company was considered and approved at the 26th meeting of the fifth session of the Board on 29 April 2015, which 14 directors were required to attend and 13 of them attended in person. Director ZHAO Haiying authorized director MENG Xingguo to attend the meeting and vote on behalf of her.
- 1.3 The financial statements of the Company for the first quarter of 2015 have been prepared in accordance with the PRC Accounting Standards for Business Enterprises and are unaudited.
- 1.4 Mr. KANG Dian, the Chairman and Chief Executive Officer of the Company, Mr. CHEN Guogang, the Chief Financial Officer of the Company, Mr. GONG Xingfeng, the Chief Actuary of the Company and Ms. MENG Xia, the officer in charge of the Accounting Department of the Company warrant the truthfulness, accuracy and completeness of the financial statements in the 2015 First Quarter Report.

## §2 BASIC INFORMATION OF THE COMPANY

### 2.1 Key accounting data and financial indicators

Unit: RMB in millions

	<b>As of the end of the reporting period</b>	<b>As of the end of last year</b>	<b>Increase/ (decrease) compared to the end of last year</b>
Total assets	650,674	643,709	1.1%
Shareholders' equity attributable to shareholders of the Company	53,940	48,359	11.5%
Net assets per share attributable to shareholders of the Company (RMB per share)	17.29	15.50	11.5%
	<b>The reporting period</b>	<b>The same period of last year</b>	<b>Increase/ (decrease) compared to the same period of last year</b>
Net cash flows from operating activities	5,773	26,844	-78.5%
Weighted average net cash flows per share from operating activities (RMB per share)	1.85	8.60	-78.5%
Operating Income	66,256	55,231	20.0%
Net profit attributable to shareholders of the Company	3,624	1,560	132.3%
Net profit attributable to shareholders of the Company after deducting non-recurring items	3,635	1,569	131.7%
Basic/diluted earnings per share (RMB per share)	1.16	0.50	132.0%
Basic earnings per share after deducting non-recurring items (RMB per share)	1.17	0.50	134.0%
Weighted average return on equity	7.09%	3.89%	increase by 3.20 percentage point
Weighted average return on equity after deducting non-recurring items	7.11%	3.91%	increase by 3.20 percentage point

Notes: Data and indicators of shareholders' equity refers to shareholders' equity attributable to shareholders of the Company, while that of net profit refers to net profit attributable to shareholders of the Company.

## 2.2 Deducting non-recurring items and amount

Unit: RMB in millions

	<b>From the beginning to the end of the reporting period</b>
<b>Non-recurring items</b>	
Losses on disposal of fixed assets, intangible assets and other long-term investment assets	–
Other non-recurring items	(14)
Effect of income tax expenses of non-recurring items	3
Attribute to minority interest	–
<b>Total</b>	<b>(11)</b>

## 2.3 Other key indicators

Unit: RMB in millions

<b>Indicators</b>	<b>As of 31 March 2015/For the three months ended 31 March 2015</b>	<b>As of 31 December 2014/For the three months ended 31 March 2014</b>	<b>Increase/ (decrease) compared to 31 December 2014/Increase/ (decrease) compared to the same period of 2014</b>
Investment assets <sup>(1)</sup>	631,712	625,718	1.0%
Premium income <sup>(2)</sup>	51,997	48,365	7.5%
Premiums earned	51,624	48,071	7.4%
Growth rate of earned premiums	7.4%	53.5%	decrease by 46.1 percentage point
Net claims expense	7,407	3,931	88.4%
Surrender rate <sup>(3)</sup>	5.8%	2.2%	increase by 3.6 percentage point

Notes:

- Investment assets of unit-linked contracts account are included in investment assets.
- During the first quarter of 2015, premium income amounted to RMB51,997 million, of which individual insurance agent channel amounted to RMB15,267 million, bancassurance channel amounted to RMB32,783 million, service and business development channel amounted to RMB3,356 million, and group insurance amounted to RMB591 million.
- Surrender rate = Surrenders/(Balance of life insurance contract liabilities at the beginning of the period + Opening balance of long-term health insurance contract liabilities + Premium income of long-term insurance policies)

For the three months ended 31 March 2015, the annualized total investment yield was 9.9%, the annualized total investment yield = (Investment income + Fair value gains/(losses) – Impairment losses on investment assets – Interest expense of items sold under agreements to repurchase))/ (Average monthly investment assets balance – Average monthly financial assets sold under agreements to repurchase balance – Average monthly interest receivables balance)\*365/90.

## 2.4 Total number of shareholders and their shareholdings as of the end of the reporting period

Unit: Share

<b>Total number of shareholders</b>	58,036 (including 57,416 A Share shareholders and 620 H Share shareholders)					
<b>Shares held by top ten shareholders</b>						
<b>Names of the shareholders</b>	<b>Classes of the shares</b>	<b>Percentage of the shareholding</b>	<b>Total number of shares held</b>	<b>Number of shares held with selling restrictions</b>	<b>Number of shares pledged or frozen</b>	<b>Types of shares</b>
HKSCC Nominees Limited <sup>(2)</sup>	Overseas legal person shares	32.88%	1,025,619,729	–	–	H
Central Huijin Investment Ltd.	State-owned shares	31.34%	977,530,534	–	–	A
Baosteel Group Corporation <sup>(3)</sup>	State-owned legal person shares	15.11%	471,212,186	–	165,000,000	A
Hong Kong Securities Clearing Company Limited	Overseas legal person shares	1.12%	34,902,049	–	–	A
Beijing Hony 2010 Equity Investment Center (Limited Partnership)	Others	1.11%	34,574,090	–	–	A
Tibet Shannan Xinshang Investment Management Limited	Domestic legal person shares	1.01%	31,431,356	–	–	A
Beijing Taiji Huaqing Information System Co., Ltd.	Domestic legal person shares	0.72%	22,400,000	–	–	A
Shanghai Shangyan Investment Center (Limited Partnership)	Others	0.68%	21,303,447	–	–	A
China Resources SZITICTrust Co., Ltd. – Pureheart Growth Assembled Funds Trust Plan	Others	0.53%	16,545,118	–	–	A
Apollo Company Limited.	Domestic legal person shares	0.30%	9,273,057	–	–	A
Description of connected relations or connected action among the aforesaid shareholders	<p>Tibet Shannan Xinshang Investment Management Limited is a subsidiary of CITIC Private Equity Funds Management Co., Ltd., and Shanghai Shangyan Investment Center (Limited Partnership) is the investment entity of a fund operated by CITIC Private Equity Funds Management Co., Ltd..</p> <p>Save for the above, the Company is not aware of any related-party relationship among the shareholders or whether they are parties acting in concert.</p>					

Notes:

1. As of the end of the reporting period, none of the Company's A Shares and H Shares was subject to selling restrictions.
2. HKSCC Nominees Limited is a company that holds shares on behalf of the clients of the Hong Kong stock brokers and other participants of CCASS system. The relevant regulations of the HKSE do not require such persons to declare whether their shareholdings are pledged or frozen. Therefore, HKSCC Nominees Limited is unable to calculate or provide the number of shares pledged or frozen.
3. Baosteel group corporation has completed the Issuance of exchangeable bonds on 12 December 2014. A total number of 165,000,000 A Shares of the Company held by Baosteel Group that are exchangeable from the Bonds and the entitlements of such shares have been transferred into a special trust account as guaranteed and trusted assets. For details, please refer to the announcement titled *Announcement in Relation to the Completion of the Issuance of Exchangeable Bonds by A Substantial Shareholder of the Company and the Guarantee and Trust Registration for the Company's A Shares Held by The Shareholder* published by the Company on 16 December 2014.
4. Hong Kong Securities Clearing Company Limited is the nominee for investors of Shanghai-Hong Kong Stock Connect programme.

### §3 SIGNIFICANT EVENTS

#### 3.1 Significant changes in key financial statements items and financial indicators and reasons for the changes

✓ Applicable □ Not applicable

Unite: RMB in millions

Items in the Balance sheet	As of 31 March 2015	As of 31 December 2014	Increase/ (decrease)	Main reasons for the changes
Financial assets purchased under agreements to resell	18	1,584	-98.9%	Requirements for daily liquidity management
Premiums receivables	2,761	1,543	78.9%	Uneven distribution of insurance business between quarters and increased accumulation of insurance business
Receivables from reinsurers	142	80	77.5%	Impact of the billing cycles of the reinsurance business
Unearned premium reserves receivable from reinsurers	79	51	54.9%	Uneven distribution of ceded out short-term insurance business between quarters
Reserves for long-term health insurance receivables from reinsurance	119	86	38.4%	Increase in ceded out long-term health insurance business
Financial assets sold under agreements to repurchase	38,769	59,234	-34.5%	Requirements for daily liquidity management
Premiums received in advance	121	2,246	-94.6%	Different time points of business underwriting

<b>Items in the Balance sheet</b>	<b>As of 31 March 2015</b>	<b>As of 31 December 2014</b>	<b>Increase/ (decrease)</b>	<b>Main reasons for the changes</b>
Reinsurance payable	200	67	198.5%	Impact of the billing cycles of the reinsurance business
Taxes payable	1,317	252	422.6%	Increase in corporate income tax payable
Deferred tax liabilities	701	17	4023.5%	Increase in carrying amount of available-for-sale financial assets due to the upturn of the capital market with fluctuation
Other comprehensive income	4,089	2,132	91.8%	Increase in carrying amount of available-for-sale financial assets due to the upturn of the capital market with fluctuation

<b>Items in the statement of income</b>	<b>For the three months ended 31 March 2015</b>	<b>For the three months ended 31 March 2014</b>	<b>Increase/ (decrease)</b>	<b>Main reasons for the changes</b>
Premiums ceded out	(183)	(108)	69.4%	Increase in ceded out insurance business
Investment income	14,517	6,895	110.5%	Increase in realized gains on investment assets due to the upturn of the capital market with fluctuation
Fair value gains/(losses)	(54)	51	N/A	Effect of investment strategy due to fluctuation of the capital market
Foreign exchange gains/(losses)	33	84	-60.7%	Fluctuation of USD exchange rate
Surrenders	(30,677)	(10,576)	190.1%	Effect of life insurance marketing environment and increase in life insurance surrenders
Claims expense	(7,477)	(3,977)	88.0%	Increase in maturity benefit and annuity paid
Claims recoverable from reinsurers	70	46	52.2%	Increase in ceded out insurance business
Increase in insurance contracts reserve	(15,930)	(32,796)	-51.4%	Decrease in surrenders and claims expense

<b>Items in the statement of income</b>	<b>For the three months ended 31 March 2015</b>	<b>For the three months ended 31 March 2014</b>	<b>Increase/ (decrease)</b>	<b>Main reasons for the changes</b>
Insurance reserves recoverable from reinsurers	34	3	1033.3%	Increase in ceded out insurance business, and increase in insurance reserves recoverable from reinsurers due to decrease of maturity benefits from certain reinsurance business
Business tax and surcharges	(405)	(36)	1025.0%	Increase in business tax from realized gains on investment assets due to the upturn of the capital market with fluctuation
Other operating expenses	(1,351)	(717)	88.4%	Increase in Interest expense of items sold under agreements to repurchase and expenses of non-insurance contracts
Impairment losses	(3)	(257)	-98.8%	Decrease in available-for-sale financial assets which meet requirements of impairment in the reporting period due to the upturn of the capital market with fluctuation
Income tax	(1,059)	(270)	292.2%	Increase in taxable income

### **3.2 Explanation and analysis of significant events and their impacts and solutions**

Applicable  Not applicable

### **3.3 Implementation of undertakings by the Company and its shareholders with over 5% shares**

Applicable  Not applicable

#### ***Controlling shareholder's commitment relating to avoidance of horizontal competition***

For details of the commitment made by Central Huijin Investment Ltd. (“**Huijin**”), the controlling shareholder of the Company, to avoid horizontal competition, please refer to the section titled “Substantial Shareholder – Relationship with Huijin” in the Prospectus dated 2 December 2011 issued by the Company.

During the reporting period, the commitment relating to avoidance of horizontal competition is being fulfilled continuously and normally.

### **3.4 Warnings and explanation for any significant changes in net profit or cumulative losses from the beginning of the year to the end of the next reporting period as compared to the same period of last year**

Applicable  Not applicable

By order of the Board  
**New China Life Insurance Company Ltd.**  
**KANG Dian**  
*Chairman*

Beijing, China, 29 April 2015

*As at the date of this announcement, the Executive Directors of the Company are KANG Dian and WAN Feng; the Non-Executive Directors are ZHAO Haiying, MENG Xingguo, LIU Xiangdong, WU Kunzong, LIU Lefei and DACEY John Robert; and the Independent Non-Executive Directors are CAMPBELL Robert David, CHEN Xianping, WANG Yuzhong, ZHANG Hongxin, ZHAO Hua and FONG Chung Mark.*



§4 APPENDIX

NEW CHINA LIFE INSURANCE COMPANY LTD.

Statement of Financial Position (unaudited)

31 March 2015

(All amounts in RMB million unless otherwise stated)

Assets	As of 31 March 2015 Group	As of 31 December 2014 Group	As of 31 March 2015 Company	As of 31 December 2014 Company
<b>Assets</b>				
Cash and bank deposits	15,911	12,672	15,491	12,313
Measured at fair value and the changes are recorded into the profits and losses of the current financial assets	8,473	8,469	8,401	8,414
Financial assets purchased under agreements to resell	18	1,584	18	1,545
Interest receivables	9,867	10,639	9,686	10,290
Premiums receivables	2,761	1,543	2,761	1,543
Receivables from reinsurers	142	80	142	80
Unearned premium reserves receivables from reinsurers	79	51	79	51
Claim reserves receivable from reinsurers	27	35	27	35
Reserves for life insurance receivables from reinsurers	2,777	2,768	2,777	2,768
Reserves for long-term health insurance receivables from reinsurance	119	86	119	86
Policy loans	16,531	14,903	16,531	14,903
Other receivables	3,286	3,618	3,092	3,554
Term deposits	165,208	169,109	164,462	168,350
Available-for-sale financial assets	182,622	175,502	182,080	174,979
Held-to-maturity investments	175,627	175,997	175,627	175,997
Investments classified as loans and receivables	46,241	45,745	26,229	25,733
Long-term equity investments	10,168	10,150	33,438	33,195
Statutory deposits	716	716	715	715
Investment properties	1,799	1,665	1,799	1,665
Fixed assets	4,186	4,204	3,645	3,656
Constructions in process	1,586	1,713	1,000	1,134
Intangible assets	1,597	1,559	1,551	1,513
Deferred tax assets	36	36	–	–
Other assets	576	610	633	835
Separate account assets	321	255	321	255
<b>Total assets</b>	<b>650,674</b>	<b>643,709</b>	<b>650,624</b>	<b>643,609</b>

**Kang Dian**  
*Chairman*

**Chen Guogang**  
*Chief Financial Officer*

**Gong Xingfeng**  
*Chief Actuary*

**Meng Xia**  
*Head of  
Accounting Department*

**NEW CHINA LIFE INSURANCE COMPANY LTD.**

**Statement of Financial Position (unaudited) (continued)**  
**31 March 2015**

(All amounts in RMB million unless otherwise stated)

<b>Liabilities and Equity</b>	<b>As of 31 March 2015 Group</b>	<b>As of 31 December 2014 Group</b>	<b>As of 31 March 2015 Company</b>	<b>As of 31 December 2014 Company</b>
<b>Liabilities</b>				
Financial assets sold under agreements to repurchase	38,769	59,234	38,769	59,234
Premiums received in advance	121	2,246	121	2,246
Brokerage and commission payable	1,319	1,047	1,319	1,047
Reinsurance payable	200	67	200	67
Salary and welfare payable	1,068	1,512	995	1,302
Taxes payable	1,317	252	1,265	194
Dividends payable	–	–	–	–
Claims payable	1,261	1,301	1,261	1,301
Other payable	1,837	1,768	1,823	1,822
Policyholder deposits	29,442	27,965	29,442	27,965
Unearned premiums liabilities	1,350	1,132	1,350	1,132
Outstanding claims liabilities	512	562	512	562
Reserves for life insurance	471,819	452,805	471,819	452,805
Reserves for long-term health insurance	26,950	25,601	26,950	25,601
Borrowings	19,000	19,000	19,000	19,000
Provisions	29	29	29	29
Deferred tax liabilities	701	17	701	17
Other liabilities	725	559	724	546
Separate account liabilities	308	248	308	248
<b>Total liabilities</b>	<b>596,728</b>	<b>595,345</b>	<b>596,588</b>	<b>595,118</b>
<b>Shareholders' equity</b>				
Share capital	3,120	3,120	3,120	3,120
Capital reserve	23,964	23,964	23,962	23,962
Other comprehensive income	4,089	2,132	4,087	2,128
Surplus reserve	2,102	2,102	2,102	2,102
General reserve	2,102	2,102	2,102	2,102
Retained earnings	18,563	14,939	18,663	15,077
<b>Total equity attributable to shareholders of the company</b>	<b>53,940</b>	<b>48,359</b>	<b>54,036</b>	<b>48,491</b>
Non-controlling interests	6	5	–	–
<b>Total shareholders' equity</b>	<b>53,946</b>	<b>48,364</b>	<b>54,036</b>	<b>48,491</b>
<b>Total liabilities and shareholders' equity</b>	<b>650,674</b>	<b>643,709</b>	<b>650,624</b>	<b>643,609</b>

**Kang Dian**  
Chairman

**Chen Guogang**  
Chief Financial Officer

**Gong Xingfeng**  
Chief Actuary

**Meng Xia**  
Head of  
Accounting Department

**NEW CHINA LIFE INSURANCE COMPANY LTD.**

**Statement of Income (unaudited)**

**For the three months ended 31 March 2015**

(All amounts in RMB million unless otherwise stated)

	<b>For the three months ended 31 March 2015 Group</b>	<b>For the three months ended 31 March 2014 Group</b>	<b>For the three months ended 31 March 2015 Company</b>	<b>For the three months ended 31 March 2014 Company</b>
<b>1. Operating Income</b>	66,256	55,231	66,186	55,200
Premiums earned	51,624	48,071	51,624	48,071
Premium income	51,997	48,365	51,997	48,365
Less: Premiums ceded out	(183)	(108)	(183)	(108)
Net change in unearned premiums liabilities	(190)	(186)	(190)	(186)
Investment income	14,517	6,895	14,492	6,884
In: Share of profit of associates	133	141	133	141
Fair value gains/(losses)	(54)	51	(57)	51
Foreign exchange gains/(losses)	33	84	33	84
Other operating income	136	130	94	110
<b>2. Operating expenses</b>	(61,558)	(53,390)	(61,533)	(53,365)
Surrenders	(30,677)	(10,576)	(30,677)	(10,576)
Claims expense	(7,477)	(3,977)	(7,477)	(3,977)
Less: claims recoverable from reinsurers	70	46	70	46
Increase in insurance contracts reserve	(15,930)	(32,796)	(15,930)	(32,796)
Less: insurance reserves recoverable from reinsurers	34	3	34	3
Business tax and surcharges expenses	(405)	(36)	(399)	(30)
Commission and brokerage expenses	(2,956)	(2,476)	(2,956)	(2,476)
Administrative expenses	(2,903)	(2,635)	(2,913)	(2,631)
Less: expenses recoverable from reinsurers 96	40	31	40	31
Other operating expenses	(1,351)	(717)	(1,322)	(702)
Impairment losses	(3)	(257)	(3)	(257)
<b>3. Operating profit</b>	4,698	1,841	4,653	1,835
Add: Non-operating income	2	1	2	1
Less: Non-operating expenses	(16)	(12)	(16)	(12)
<b>4. Net profit before income tax expenses</b>	4,684	1,830	4,639	1,824
Less: Income tax	(1,059)	(270)	(1,053)	(270)
<b>5. Net profit</b>	<u>3,625</u>	<u>1,560</u>	<u>3,586</u>	<u>1,554</u>

**NEW CHINA LIFE INSURANCE COMPANY LTD.**

**Statement of Income (unaudited) (continued)**

**For the three months ended 31 March 2015**

(All amounts in RMB million unless otherwise stated)

	<b>For the three months ended 31 March 2015 Group</b>	<b>For the three months ended 31 March 2014 Group</b>	<b>For the three months ended 31 March 2015 Company</b>	<b>For the three months ended 31 March 2014 Company</b>
<b>6. Attributable to:</b>				
Shareholders of the Company	3,624	1,560		
Non-controlling interests	1	–		
<b>7. Earnings per share</b>				
Basic earnings per share	RMB1.16	RMB0.50		
Diluted earnings per share	RMB1.16	RMB0.50		
<b>8. Other Comprehensive income</b>	<u>1,957</u>	<u>(1)</u>	<u>1,959</u>	<u>(2)</u>
<b>9. Total Comprehensive income</b>	<u><b>5,582</b></u>	<u><b>1,559</b></u>	<u><b>5,545</b></u>	<u><b>1,552</b></u>
Attributable to shareholders of the Company	5,581	1,559		
Attributable to non-controlling interests	1	–		

**Kang Dian**  
*Chairman*

**Chen Guogang**  
*Chief Financial Officer*

**Gong Xingfeng**  
*Chief Actuary*

**Meng Xia**  
*Head of  
Accounting Department*

**NEW CHINA LIFE INSURANCE COMPANY LTD.**

**Statement of Cash Flows (unaudited)**

**For the three months ended 31 March 2015**

(All amounts in RMB million unless otherwise stated)

	<b>For the three months ended 31 March 2015</b>	<b>For the three months ended 31 March 2014</b>	<b>For the three months ended 31 March 2015</b>	<b>For the three months ended 31 March 2014</b>
<b>1. Cash flows from operating activities</b>				
Premium received	48,672	46,597	48,672	46,597
Net increase in policyholder deposits	1,069	557	1,069	557
Cash received for taxes and surcharges	256	42	256	42
Cash received from other operating activities	276	115	262	76
<b>Sub-total of cash inflows from operating activities</b>	<u>50,273</u>	<u>47,311</u>	<u>50,259</u>	<u>47,272</u>
Cash paid for claims	(38,194)	(14,445)	(38,194)	(14,445)
Net cash paid from reinsurance business	(2)	(2)	(2)	(2)
Cash paid for brokerage and commission fees	(2,687)	(2,185)	(2,687)	(2,185)
Cash paid to and for employees	(2,544)	(2,148)	(2,357)	(2,059)
Cash paid for taxes and surcharges	(385)	(994)	(367)	(988)
Cash paid from other operating activities	(688)	(693)	(682)	(698)
<b>Sub-total of cash outflows from operating activities</b>	<u>(44,500)</u>	<u>(20,467)</u>	<u>(44,289)</u>	<u>(20,377)</u>
<b>Net cash flows from operating activities</b>	<u>5,773</u>	<u>26,844</u>	<u>5,970</u>	<u>26,895</u>
<b>2. Cash flows from investing activities</b>				
Cash received from sales and redemption of investments	66,461	42,046	66,074	41,610
Cash received from investment income	8,411	6,963	8,393	6,956
Net cash received from disposals of fixed assets, intangible assets and other long-term assets	–	1	–	1
Cash received from financial assets purchased under agreements to resell	90,958	41,776	90,748	41,722
<b>Sub-total of cash inflows from investing activities</b>	<u>165,830</u>	<u>90,786</u>	<u>165,215</u>	<u>90,289</u>

**NEW CHINA LIFE INSURANCE COMPANY LTD.**

**Statement of Cash Flows (unaudited) (continued)**

**For the three months ended 31 March 2015**

(All amounts in RMB million unless otherwise stated)

	<b>For the three months ended 31 March 2015</b>	<b>For the three months ended 31 March 2014</b>	<b>For the three months ended 31 March 2015</b>	<b>For the three months ended 31 March 2014</b>
Cash paid for investment	(58,177)	(53,334)	(57,980)	(52,565)
Net increase in policy loans	(1,628)	(2,106)	(1,628)	(2,106)
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	(288)	(274)	(123)	(246)
Cash paid for financial assets purchased under agreements to resell	(89,377)	(40,691)	(89,205)	(40,691)
Cash paid from other investing activities	–	–	(163)	(70)
<b>Sub-total of cash outflows from investing activities</b>	<u>(149,470)</u>	<u>(96,405)</u>	<u>(149,099)</u>	<u>(95,678)</u>
<b>Net cash flows from investing activities</b>	<u>16,360</u>	<u>(5,619)</u>	<u>16,116</u>	<u>(5,389)</u>
<b>3. Cash flows from financing activities</b>				
Cash received from financial assets sold under agreements to repurchase	1,298,922	915,353	1,298,922	915,353
<b>Sub-total of cash inflows from financing activities</b>	<u>1,298,922</u>	<u>915,353</u>	<u>1,298,922</u>	<u>915,353</u>
Cash paid from financial assets sold under agreements to repurchase	(1,319,400)	(920,272)	(1,319,400)	(920,272)
<b>Sub-total of cash outflows from financing activities</b>	<u>(1,319,400)</u>	<u>(920,272)</u>	<u>(1,319,400)</u>	<u>(920,272)</u>
<b>Net cash flows from financing activities</b>	<u>(20,478)</u>	<u>(4,919)</u>	<u>(20,478)</u>	<u>(4,919)</u>
<b>4. Effect of foreign exchange rate changes</b>	<u>18</u>	<u>39</u>	<u>18</u>	<u>39</u>
<b>5. Net increase/(decrease) in cash and cash equivalents</b>	1,673	16,345	1,626	16,626
Add: Opening balance of cash and cash equivalents	<u>14,503</u>	<u>18,570</u>	<u>13,885</u>	<u>17,407</u>
<b>6. Closing balance of cash and cash equivalents</b>	<u><u>16,176</u></u>	<u><u>34,915</u></u>	<u><u>15,511</u></u>	<u><u>34,033</u></u>

**Kang Dian**  
*Chairman*

**Chen Guogang**  
*Chief Financial Officer*

**Gong Xingfeng**  
*Chief Actuary*

**Meng Xia**  
*Head of  
Accounting Department*