

NEW CHINA LIFE INSURANCE COMPANY LTD.

**Condensed Consolidated Statement of Financial Position
As at 30 June 2016
(All amounts in RMBmillion unless otherwise stated)**

	Notes	As at 30 June 2016	As at 31 December 2015
		Unaudited	
ASSETS			
Property, plant and equipment		6,255	6,827
Investment properties		3,174	2,177
Intangible assets		1,798	1,693
Investments in associates and joint ventures	7	4,549	3,626
Debt financial assets		425,434	348,281
- Held-to-maturity	8(1)	195,974	177,502
- Available-for-sale	8(2)	173,688	116,668
- At fair value through profit or loss	8(3)	3,213	3,389
- Loans and receivables	8(4)	52,559	50,722
Equity financial assets		99,220	110,696
- Available-for-sale	8(2)	85,304	100,229
- At fair value through profit or loss	8(3)	13,916	10,467
Term deposits	8(5)	91,099	127,679
Statutory deposits		716	716
Policy loans		22,330	20,879
Financial assets purchased under agreements to resell		115	91
Accrued investment income		9,463	9,816
Premiums receivable		3,001	1,525
Deferred tax assets	19	169	6
Reinsurance assets		2,656	3,360
Other assets		2,851	9,284
Cash and cash equivalents		13,209	13,904
Total assets		686,039	660,560

The notes on pages 8 to 56 form an integral part of the interim condensed consolidated financial statements.

NEW CHINA LIFE INSURANCE COMPANY LTD.

Condensed Consolidated Statement of Financial Position (Continued)

As at 30 June 2016

(All amounts in RMBmillion unless otherwise stated)

	Notes	As at 30 June 2016	As at 31 December 2015
		Unaudited	
LIABILITIES AND EQUITY			
Liabilities			
Insurance contracts			
Long-term insurance contract liabilities	9	537,244	522,799
Short-term insurance contract liabilities			
- Outstanding claims liabilities	9	521	559
- Unearned premiums liabilities	9	1,409	1,083
Investment contracts	10	29,739	27,166
Borrowings	11	19,000	19,000
Financial liabilities at fair value through profit or loss		17	22
Financial assets sold under agreements to repurchase	12	28,831	19,816
Benefits, claims and surrenders payable		2,290	1,624
Premiums received in advance		141	2,823
Reinsurance liabilities		186	95
Provisions	13	29	29
Other liabilities		7,913	5,843
Current income tax liabilities		947	1,007
Deferred tax liabilities	19	54	853
Total liabilities		<u>628,321</u>	<u>602,719</u>
Shareholders' equity			
Share capital	14	3,120	3,120
Reserves	15	30,932	33,536
Retained earnings		23,659	21,179
Equity attributable to owners of the parent		<u>57,711</u>	<u>57,835</u>
Non-controlling interests		<u>7</u>	<u>6</u>
Total equity		<u>57,718</u>	<u>57,841</u>
Total liabilities and equity		<u><u>686,039</u></u>	<u><u>660,560</u></u>

The notes on pages 8 to 56 form an integral part of the interim condensed consolidated financial statements.

NEW CHINA LIFE INSURANCE COMPANY LTD.

Condensed Consolidated Statement of Financial Position (Continued)

As at 30 June 2016

(All amounts in RMBmillion unless otherwise stated)

	Notes	For the six months ended 30 June	
		2016	2015
		Unaudited	Unaudited
REVENUES			
Gross written premiums and policy fees	16	71,081	72,738
Less: premiums ceded out		(446)	(333)
Net written premiums and policy fees		<u>70,635</u>	<u>72,405</u>
Net change in unearned premiums liabilities		(287)	(151)
Net premiums earned and policy fees		<u>70,348</u>	<u>72,254</u>
Investment income	17	16,255	31,226
Other income		447	244
Total revenues		<u>87,050</u>	<u>103,724</u>
BENEFITS, CLAIMS AND EXPENSES			
Insurance benefits and claims			
Claims and net change in outstanding claims liabilities		(528)	(484)
Life insurance death and other benefits		(46,076)	(51,797)
Increase in long-term insurance contract liabilities		(21,162)	(28,789)
Investment contract benefits		(530)	(706)
Commission and brokerage expenses		(7,421)	(5,170)
Administrative expenses	18	(6,319)	(5,750)
Other expenses		(173)	(1,140)
Total benefits, claims and expenses		<u>(82,209)</u>	<u>(93,836)</u>
Share of profits and losses of associates and joint ventures		39	255
Finance costs		(648)	(1,300)
Profit before income tax		<u>4,232</u>	<u>8,843</u>
Income tax expense	19	(898)	(2,090)
Net profit for the period		<u>3,334</u>	<u>6,753</u>
Net profit for the period attributable to:			
- Owners of the parent		3,333	6,752
- Non-controlling interests		<u>1</u>	<u>1</u>
Earnings per share (RMB)			
Basic	20	1.07	2.16
Diluted	20	1.07	2.16

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NEW CHINA LIFE INSURANCE COMPANY LTD.

Condensed Consolidated Statement of Comprehensive Income(Continued)
For the six months ended 30 June 2016
(All amounts in RMBmillion unless otherwise stated)

	For the six months ended 30 June	
	2016	2015
	Unaudited	Unaudited
Net profit for the period	3,334	6,753
Other comprehensive income to be reclassified to profit or loss in subsequent periods		
Available-for-sale financial assets		
Gains/(Losses) arising from fair value changes	(9,088)	25,419
Gains transferred to profit or loss from other comprehensive income	(374)	(16,123)
Impairment transferred to profit or loss from other comprehensive income	458	21
Changes in liabilities for insurance and investment contracts arising from net unrealized gains	5,662	(6,019)
Currency translation differences	3	-
Share of other comprehensive income of associates under the equity method and the effect on liabilities for insurance and investment contracts	(48)	-
Income tax relating to components of other comprehensive income	847	(825)
Total other comprehensive income for the period, net of tax	<u>(2,540)</u>	<u>2,473</u>
Total comprehensive income for the period	<u>794</u>	<u>9,226</u>
Total comprehensive income for the period attributable to:		
-Owners of the parent	793	9,225
-Non-controlling interests	<u>1</u>	<u>1</u>

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NEW CHINA LIFE INSURANCE COMPANY LTD.

Condensed Consolidated Statement of Changes in Equity
For the six months ended 30 June 2016
(All amounts in RMBmillion unless otherwise stated)

	For the six months ended 30 June 2015 (Unaudited)					
	Attributable to owners of the parent			Total	Non-controlling Interests	Total equity
	Share capital	Reserves	Retained earnings			
As at 1 January 2015	3,120	30,300	14,939	48,359	5	48,364
Net profit for the period	-	-	6,752	6,752	1	6,753
Other comprehensive income	-	2,473	-	2,473	-	2,473
Total comprehensive income	-	2,473	6,752	9,225	1	9,226
Dividends paid	-	-	(655)	(655)	-	(655)
Total transactions with owners	-	-	(655)	(655)	-	(655)
As at 30 June 2015	<u>3,120</u>	<u>32,773</u>	<u>21,036</u>	<u>56,929</u>	<u>6</u>	<u>56,935</u>
	For the six months ended 30 June 2016 (Unaudited)					
	Attributable to owners of the parent			Total	Non-controlling Interests	Total equity
	Share capital	Reserves	Retained earnings			
As at 1 January 2016	3,120	33,536	21,179	57,835	6	57,841
Net profit for the period	-	-	3,333	3,333	1	3,334
Other comprehensive income	-	(2,540)	-	(2,540)	-	(2,540)
Total comprehensive income	-	(2,540)	3,333	793	1	794
Effect of losing control over subsidiaries	-	(20)	20	-	-	-
Others	-	(44)	-	(44)	-	(44)
Dividends paid	-	-	(873)	(873)	-	(873)
Total transactions with owners	-	-	(873)	(873)	-	(873)
As at 30 June 2016	<u>3,120</u>	<u>30,932</u>	<u>23,659</u>	<u>57,711</u>	<u>7</u>	<u>57,718</u>

The notes on pages 8 to 56 form an integral part of the interim condensed consolidated financial statements.

NEW CHINA LIFE INSURANCE COMPANY LTD.

Condensed Consolidated Statement of Cash Flows
For the six months ended 30 June 2016
(All amounts in RMBmillion unless otherwise stated)

	For the six months ended 30 June	
	2016	2015
	Unaudited	Unaudited
Operating activities		
Cash generated from operating activities	9,905	5,626
Tax paid	(1,062)	(2,193)
Net cash inflow from operating activities	<u>8,843</u>	<u>3,433</u>
Investing activities		
Cash received/(paid) for investing activities, net	(40,785)	16,529
Proceeds from disposal of property, plant and equipment, intangible assets and other assets	1	2
Purchases of property, plant and equipment, intangible assets and other assets	(932)	(591)
Interest received	13,382	15,257
Dividends received	2,707	945
Financial assets purchased under agreements to resell, net	(62)	1,022
Net cash inflow/(outflow) from investing activities	<u>(25,689)</u>	<u>33,164</u>
Financing activities		
Financial assets sold under agreements to repurchase, net	16,039	(31,162)
Net cash inflow/(outflow) from financing activities	<u>16,039</u>	<u>(31,162)</u>
Effects of exchange rate changes on cash and cash equivalents	112	(18)
Cash and cash equivalents at beginning of period	13,904	14,503
Cash and cash equivalents at end of period	<u><u>13,209</u></u>	<u><u>19,920</u></u>
Analysis of balances of cash and cash equivalents		
Cash at banks and in hand	13,142	19,681
Short-term bank deposits	67	239
Cash and cash equivalents at end of period	<u><u>13,209</u></u>	<u><u>19,920</u></u>

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